



CHINASOLAR
ENERGY

CHINA SOLAR ENERGY HOLDINGS LIMITED
華基光電能源控股有限公司*

(Incorporated in Bermuda with limited liability) (於百慕達註冊成立之有限公司)
(Stock Code 股份代號 : 155)

2008
Annual Report 年報

*For Identification Purpose Only 僅供識別

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Corporate Information

公司資料

CHAIRMAN AND NON-EXECUTIVE DIRECTOR

Henry J. Behnke III

EXECUTIVE DIRECTORS

Pierre Seligman

Chu Chik Ming Jack

Chan Wai Kwong Peter

On Kien Quoc

INDEPENDENT NON-EXECUTIVE DIRECTORS

Chow Siu Ngor

Yin Tat Man

Tam Kam Biu William

COMPANY SECRETARY

Tsang Wai Wa

QUALIFIED ACCOUNTANT

Tsang Wai Wa

AUDITORS

Deloitte Touche Tohmatsu

Certified Public Accountants

LEGAL ADVISERS

Hong Kong

Baker & McKenzie

Bermuda

Conyers Dill & Pearman

PRINCIPAL BANKERS

Industrial and Commercial Bank of China (Asia) Limited

Hong Kong and Shanghai Banking Corporation Limited

REGISTERED OFFICE

Clarendon House

Church Street

Hamilton HM 11

Bermuda

主席兼非執行董事

Henry J. Behnke III

執行董事

Pierre Seligman

朱植明

陳為光

On Kien Quoc

獨立非執行董事

鄒小岳

袁達文

譚錦標

公司秘書

曾偉華

合資格會計師

曾偉華

核數師

德勤•關黃陳方會計師行

執業會計師

法律顧問

香港

麥堅時律師行

百慕達

Conyers Dill & Pearman

主要往來銀行

中國工商銀行(亞洲)有限公司

香港上海滙豐銀行有限公司

註冊辦事處

Clarendon House

Church Street

Hamilton HM 11

Bermuda

Corporate Information

公司資料

PRINCIPAL PLACE OF BUSINESS

21/F.,
3 Lockhart Road,
Wan Chai,
Hong Kong

PRINCIPAL SHARE REGISTRARS AND TRANSFER OFFICE

The Bank of Bermuda Limited
6 Front Street
Hamilton HM 11
Bermuda

HONG KONG BRANCH REGISTRARS AND TRANSFER OFFICE

Computershare Hong Kong Investor Services Limited
Shops 1712-1716, Hopewell Centre
183 Queen's Road East
Hong Kong

COMPANY WEBSITE

www.chinasolar-energy.com

STOCK CODE

155

主要營業地點

香港
灣仔
駱克道3號
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The Bank of Bermuda Limited
6 Front Street
Hamilton HM 11
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股份代號

155

Chairman's Statement

主席報告書

To Our Fellow Shareholders

On behalf of the board of Directors (the "Board"), I hereby present the annual results of China Solar Energy Holdings Limited (the "Company") and its subsidiaries (together, the "Group") for the financial year ended 31 March 2008.

OPERATING RESULTS

During the year ended 31 March 2008, the Group recorded a turnover of HK\$97,668,000 (2007: HK\$41,123,000). The loss attributable to equity holders was HK\$215,125,000 (2007 as restated: HK\$14,581,000).

The Board does not recommend the payment of a final dividend for the year ended 31 March 2008.

OUTLOOK

Since our 51% acquisition of Terra Solar Global Inc, a U.S. thin film photovoltaic (PV) technology provider, we have increased our stake in Terra Solar to 60% as well as taking a minority in stake Chinese United Semiconductor Equipment Manufacturing Inc, known as "CUSEM" as an associate. China Solar will focus on becoming a leading supplier of thin film PV manufacturing equipment, allowing it to capture a leading share of the thin film PV module business.

The Group can successfully achieve this by Terra Solar's intellectual property rights and strong technical know-how to provide industry leading support to the Group. In addition, CUSEM is a highly skilled manufacturer of semiconductor thin film PV manufacturing equipment; China Solar has secured CUSEM as our exclusive thin film PV equipment manufacturer. With the strong networks of our OEM partnerships and distributors, we are confident that the progress of our unique asset light business model can create a low cost sustainable business environment for China Solar, our OEM partners and distributors.

致各股東

本人謹代表董事會（「董事會」）呈報華基光電能源控股有限公司（「本公司」）及其附屬公司（統稱「本集團」）截至二零零八年三月三十一日止財政年度之全年業績。

經營業績

截至二零零八年三月三十一日止年度，本集團錄得營業額97,668,000港元（二零零七年：41,123,000港元）。權益持有人應佔虧損為215,125,000港元（二零零七年：（經重列）14,581,000港元）。

董事會不建議派發截至二零零八年三月三十一日止年度之末期股息。

前景

收購美國光伏薄膜技術供應商Terra Solar Global Inc 51%權益後，本集團於Terra Solar之股權已增至60%，並因而獲得中華聯合半導體設備製造股份有限公司（「中華聯合」）之少數股權，令該公司成為本集團之聯營公司。華基光電將致力發展成為光伏薄膜製造設備之主要供應商，務求於光伏薄膜模組業進佔一重要席位。

Terra Solar擁有知識產權，專業技術知識豐富，讓本集團於相關行業範疇獲得龐大支援，有助本集團達成上述目標。此外，華基光電已覓得中華聯合作為獨家光伏薄膜設備製造商，該公司於生產半導體光伏薄膜製造設備方面具備純熟技術。憑藉強大之原設備製造商夥伴關係及分銷商網絡，本集團有信心其獨有之「資產減重」業務模式能為華基光電、本集團之原設備製造商夥伴及分銷商創造低成本及可持續發展之營商環境。

Chairman's Statement

主席報告書

The United States market alone consumes 25% of the world's energy with only 5% of the world's population. As the world looks to raise its standard of living it will increase energy consumption, the only way this can happen is by renewable energy with a significant portion coming from PV.

Today China's energy usage is second only to that of the US and with a population that is four times that of the United States; it will surpass that level to become the world's largest consumer of energy. China together with the rest of the world must find ways to meet their increasing need for energy while dealing with serious issues of pollution and global warming.

Long term growth for thin film technology is tremendous, consensus various sources including UBS, GS, Photon, LBBW reports that 2005-2011 CAGR of thin film PV production to reach 77%, which is approximately 3.5GW of total thin film PV output capacity by year 2011.

China Solar is ready to make some rewarding accomplishments in one of the most explosive growth sectors. We will continue to expand our production capacity base in China to further lower our costs and increase our competitive advantage.

APPRECIATION

On behalf of the Board, I would like to take this opportunity to express my heartfelt appreciation to our shareholders and business partners for their continued support and confidence in the Group. I would also like to thank the management team and all staff members for their devoted service and loyalty.

Henry J. Behnke III
Chairman

Hong Kong, 28 July 2008

美國市場之人口雖僅佔全球人口5%，惟能源消耗量達全球25%。鑑於世界各地致力提升生活水平，能源消耗量將會隨之增加，開發再生能源乃解決問題之唯一方法，而光伏正是再生能源之主要來源。

現今中國能源耗用量僅次於美國，惟中國人口達美國四倍，故中國勢將超越美國成為全球最大之能源消耗國。中國以至全球各地面對日益增加之能源需求，必須尋求解決方法，以及處理污染及全球暖化等重要議題。

LBBW發表之報告指出，光伏薄膜之產量於二零零五年至二零一一年之複合年增長率達77%，即光伏薄膜之總產能至二零一一年將約為3.5GW。上述預測顯示薄膜技術長遠而言將迅速發展，與UBS、GS、Photon等多個資料來源之觀點一致。

華基光電已準備就緒，於其中一個增長最迅速之界別中取得回報可觀之成果。本集團將會繼續擴充於中國之生產能力基礎，冀能進一步降低成本及增強競爭優勢。

致謝

本人謹藉此機會代表董事會，對各股東及業務夥伴在過去一年給予本集團不斷的支持及信任，深表謝意。同時，本人亦衷心感謝管理層及各員工對公司業務之熱誠投入及忠誠。

主席
Henry J. Behnke III

香港，二零零八年七月二十八日

Management Discussion and Analysis

管理層討論及分析

BUSINESS REVIEW AND PROSPECTS

During the year under review, the Group continues to be principally engaged in three major businesses – photovoltaic business, strategic investments as well as capital market activities and financing business.

Photovoltaic Business

For the year under review, the company has successfully delivered, installed and fine-tuned the first 5MW thin film a-Si PV manufacturing line. As a result, revenue contributed by this segment was HK\$93,000,000 (2007: HK\$38,324,000). During the year, some share options were granted to the consultants as incentive to expedient the deliveries of future thin film a-Si PV manufacturing lines and some share options were granted to consultants to encourage them to seek and secure more potential customers. The amount of these share options was valued to HK\$50,678,000. Consequently, the segment suffered a loss of HK\$57,776,000 (2007: as restated: HK\$40,629,000).

Strategic Investments and Capital Market Activities

Due to the sub-prime crisis in the U.S., it has greatly affected the purchasing power of investors, creating high volatility in the stock market. As a result, the Hong Kong stock market has plummeted from record high and is now facing a bearish market condition. Because of this, the result of this segment was a loss of HK\$1,978,000 (2007: a profit of HK\$34,049,000).

Financing Business

For the year under review, turnover contributed by this segment was HK\$2,561,000 (2007: HK\$564,000) while result of this segment was a profit of HK\$5,043,000 (2007: a loss of HK\$4,350,000). The increase in both the turnover and the segment result was due to the continuing adoption of prudent approach to all the borrowers.

業務回顧及前景

於回顧年內，本集團繼續從事三項主要業務－光伏業務、策略投資及資本市場活動以及融資業務。

光伏業務

於回顧年度內，本公司已成功交付、安裝及調整首條5MW a-Si光伏薄膜生產線，因而令此分類錄得收入93,000,000港元（二零零七年：38,324,000港元）。於年內，顧問因其加快交付a-Si光伏薄膜生產線而獲授部分購股權作為獎勵，而本集團亦為鼓勵彼等物色及取得更多潛在客戶而向其授出部分購股權。該等購股權所涉及之金額共值50,678,000港元。因此，該分類錄得虧損57,776,000港元（二零零七年：（經重列）40,629,000港元）。

策略投資及資本市場活動

由於美國次按危機嚴重影響投資者之購買力，令到股票市場出現重大波動。因此，香港股票市場已由歷史高位回落至現時熊市市況。有鑑於此，此分類之業績錄得虧損1,978,000港元（二零零七年：溢利34,049,000港元）。

融資業務

於回顧年度，此分類錄得之營業額為2,561,000港元（二零零七年：564,000港元），而業績則為溢利5,043,000港元（二零零七年：虧損4,350,000港元）。營業額及分類業績增加有賴本集團對所有借貸人繼續採取審慎政策所致。

Management Discussion and Analysis

管理層討論及分析

Overall

We have successfully delivered, installed and fine-tuned the first 5MW thin film a-Si PV manufacturing line to our partner China Stream Fund Solar Energy Co. Ltd, in Changzhou China, this first 5MW line is in production. We expect to deliver the remaining 30 units of 5MW thin film a-Si PV manufacturing equipment to China Stream Fund Solar Energy Co., by first quarter 2009.

As for the sales contract with Jiangxi Ganneng Co Ltd (listed on the Shenzhen stock exchange (000889.CH) where China Solar Energy and Jiangxi Ganneng Co Ltd entered into a JV agreement to form a JV company where China Solar will supply 10 units of 5MW thin film a-Si PV production equipment to the JV company. The first line will be delivered after the completion of the 31 units order with China Stream Fund Solar Energy Co.

On September 7, 2007, China Solar Energy Group Ltd and a NASDAQ listed China Technology Development Group Corp entered into a cooperation contract relating to the solar energy SnO₂ (solar base plates) production line. China Solar would provide and sell SnO₂ (solar base plates) production lines to China Technology Development Group based in China Merchants Zhangzhou Development Zone, Fujian China. At the initial stage, China Solar would provide and sell 4 units of SnO₂ (solar base plates) production lines. The first line has been delivered and completed testing. Commercial production is expected to ramp up to full production within 6 months. The remaining 3 units are expected to deliver thereafter accordingly.

總結

本集團已將首條5MW a-Si光伏薄膜生產線交付予位於中國常州市之夥伴China Stream Fund Solar Energy Co. Ltd，並完成安裝及調整工作。此條5MW生產線現已投入生產。本集團預期將於二零零九年首季前向China Stream Fund Solar Energy Co.交付其餘30台5MW a-Si光伏薄膜製造設備。

根據與於深圳證券交易所上市之江西贛能股份有限公司（證券代碼000889.CH）訂立之銷售合同，華基光電與江西贛能股份有限公司訂立合營協議成立合營公司，據此華基光電將會向合營公司供應10台5MW a-Si光伏薄膜生產設備。首條生產線將會於China Stream Fund Solar Energy Co.之31台訂單完成後交付。

於二零零七年九月七日，China Solar Energy Group Ltd與於納斯達克上市之中國科技發展集團有限公司就太陽能SnO₂（導電玻璃基片）生產線訂立合作合同。華基光電將向基地設於中國福建省招商局漳州開發區之中國科技發展集團有限公司供應及銷售太陽能SnO₂（導電玻璃基片）生產線。於初步階段，華基光電將供應及銷售四條太陽能SnO₂（導電玻璃基片）生產線。首條生產線已完成交付及測試，並預期於六個月內逐步作全面商業生產。其餘三條生產線預期將於其後交付。

Management Discussion and Analysis

管理層討論及分析

On March 28, 2008 our Group announced two thin film amorphous silicon modules distribution contracts with: 1) Royal Legend DMCC for 18 months at 3MW at USD2.30/watt, Royal Legend DMCC will be the exclusive distributor in United Arab Emirates, Saudi Arabia, Kuwait and Qatar and 2) P & M (Int'l) Industrial Co for 1 year at 2MW at USD2.30/watt, P & M (Int'l) Industrial Co will be the exclusive distributor in Republic of Korea and Republic of Turkey.

China Solar has begun the implementation of its asset light business model with two revenue streams, one from the sale of production equipment and the other from the sale of thin film amorphous silicon modules.

We are focusing most of our efforts in increasing manufacturing capacity with our existing OEM manufacturing partners, as well as securing distribution agreements to match current manufacturing capacity, additional agreements will be announced as PV manufacturing capacity becomes available.

FINANCIAL REVIEW

Results

For the year ended 31 March 2008, the Group recorded a total turnover of HK\$97,668,000 (2007: HK\$41,123,000). The increase was due to the completion of one 5MW thin film a-Si PV manufacturing line.

Loss attributable to equity holders of the Company was HK\$215,125,000 (2007: as restated: HK\$14,581,000). The reason to restate the loss attributable to equity holders of the Company for last year was that there was a prior year adjustment to reclassify the goodwill arising from the acquisition of 51% interests in Terra Solar group to intangible assets. According to the accounting standards, intangible assets should be amortised over its useful life which is 10 years. Accordingly, amortisation expense of HK\$14,058,000 was incurred resulting that the loss attributable to equity holders of the Company for last year was increased from HK\$523,000 to HK\$14,581,000.

於二零零八年三月二十八日，本集團公佈分別與Royal Legend DMCC及P & M (Int'l) Industrial Co訂立兩份非晶形矽薄膜模組分銷合同。與Royal Legend DMCC訂立之合同為期十八個月，涉及以每瓦特2.30美元分銷3MW非晶形矽薄膜模組，而Royal Legend DMCC將為於阿拉伯聯合酋長國、沙地阿拉伯、科威特及卡塔爾之獨家分銷商。與P & M (Int'l) Industrial Co訂立之合同為期一年，涉及以每瓦特2.30美元分銷2MW非晶形矽薄膜模組，而P & M (Int'l) Industrial Co將為於大韓民國及土耳其共和國之獨家分銷商。

華基光電已開始推行「資產減重」業務模式，以銷售生產設備及非晶形矽薄膜模組兩方面作為收入來源。

本集團現正專注於提高現有原設備製造商夥伴之製造能力，同時訂立分銷協議以配合現時之製造能力。本集團將於薄膜製造能力有所提升後進一步訂立協議。

財務回顧

業績

截至二零零八年三月三十一日止年度，本集團錄得總營業額97,668,000港元（二零零七年：41,123,000港元）。增加乃由於完成一條5MW a-Si光伏薄膜生產線所致。

本公司權益持有人應佔虧損為215,125,000港元（二零零七年：（經重列）14,581,000港元）。重列去年本公司權益持有人應佔虧損之原因為去年就收購Terra Solar集團之51%權益所產生之商譽重新分類為無形資產而作出調整。根據會計準則，無形資產應按其可使用年期（即十年）攤銷，並因而產生攤銷開支14,058,000港元，導致去年本公司權益持有人應佔虧損由523,000港元增加至14,581,000港元。

Management Discussion and Analysis

管理層討論及分析

Loss attributable for the year mainly because a) the Company completed one 5MW thin film a-Si manufacturing line. Because of this, the functional currency of the Company was claimed to be US dollars since all the sales and purchases were quoted in US dollars. Last November, the Company issued warrants in HK dollars which was different from the functional currency, i.e. US dollars. Under the current accounting standards, the warrants issued in HK dollars last November was treated as financial assets at fair value through profit or loss notwithstanding HK dollars was pegged with US dollars. The effect of this was that a non-cash expense of HK\$87,230,000 was incurred; b) to expedient the deliveries of future thin film a-Si PV manufacturing lines and to seek for the relevant potential customers and investors, share options were granted to employees and consultants as incentives. As a result, a non-cash expense of HK\$117,472,000 was incurred due to the recognition of the fair value of the share options granted. Among the expenses, of which HK\$9,443,000, HK\$5,320,000 and HK\$102,709,000 were allocated to the cost of long-term service contracts of photovoltaic business, staff costs and consultancy fee respectively; c) an amortisation of the intangible assets of HK\$14,058,000. If the above factors were taken out, the operating result after adjusting the above factors was a positive figure of HK\$3,635,000 which was better than of the last year.

Liquidity, Financial Resources and Funding

At 31 March 2008, the Group had net current assets of HK\$143,145,000 (2007: HK\$210,251,000) and cash and cash equivalents HK\$48,639,000 (2007: HK\$52,183,000). The decreases were because part of the cash was paid to supplier as deposit for the production line and part of the cash was paid to invest in financial assets through profit or loss. Most of the cash reserves were placed in Hong Kong dollar short-term deposits with major banks in Hong Kong.

The liquidity ratio of the Group, represented by a ratio between current assets over current liabilities, was 200% (2007: 402%), reflecting adequacy of financial resources.

The indebtedness of the Group as at 31 March 2008 was HK\$600,000 (2007: HK\$700,000).

本年度應佔虧損主要來自a)本公司完成一條5MW a-Si薄膜生產線。就此，由於所有銷售及採購均以美元報價，故本公司之功能貨幣被視為美元。去年十一月，本公司以港元發行認股權證，計值貨幣有別於功能貨幣美元。根據現行之會計準則，即使港元與美元掛鈎，去年十一月以港元發行之認股權證仍被視作以公允價值列入損益賬之金融資產，因而產生非現金開支87,230,000港元；b)為加快交付a-Si光伏薄膜生產線及物色相關潛在客戶及投資者，本公司向僱員及顧問授出購股權以作獎勵，因而就確認已授出購股權之公允價值產生非現金開支117,472,000港元。於該等開支中9,443,000港元、5,320,000港元及102,709,000港元已分別分配至光伏業務之長期服務合約成本、員工成本及顧問費；c)無形資產攤銷14,058,000港元。若不計及上述因素，經調整上述各項因素後之經營業績為正數3,635,000港元，較去年為佳。

流動資金、財務資源及資金

於二零零八年三月三十一日，本集團流動資產淨值為143,145,000港元（二零零七年：210,251,000港元），而現金及現金等價物為48,639,000港元（二零零七年：52,183,000港元）。有關減幅部分是由於就生產線支付部分現金予供應商作為訂金，部分則由於就投資於列入損益賬之金融資產支付現金。現金儲備大部分以港元短期存款方式存放於香港主要銀行。

本集團以流動資產除以流動負債計算之流動資金比率為200%（二零零七年：402%），反映財務資源充裕。

本集團於二零零八年三月三十一日之債務為600,000港元（二零零七年：700,000港元）。

Management Discussion and Analysis

管理層討論及分析

Foreign Exchange Exposure

The Group is exposed to a very limited level of exchange risk as the foreign currency that the group dealing with are mainly denominated in US dollars to which Hong Kong dollars was pegged.

Share Capital Structure

In June 2005, the Company issued up to a maximum of 550,000,000 listed warrants ("2005 Warrants") by way of private placing at the issue price of HK\$0.046, each conferring the right to subscribe for one new share at the initial exercise price of HK\$0.116 up to an aggregate amount of HK\$63,800,000 at any time during the period from 4 July 2005 to 3 July 2007. During the year, the Company issued 375,700,000 shares due to the exercise of the 2005 Warrants. Upon the maturity of the exercise period of the 2005 Warrants, all 2005 Warrants have been exercised.

In November 2007, the Company issued up to a maximum of 751,980,000 listed warrants ("2007 Warrants") by way of private placing at the issue price of HK\$0.034, each conferring the right to subscribe for one new share at the initial exercise price of HK\$0.52 up to an aggregate amount of HK\$391,029,600 at any time during the period from 13 November, 2007 to 12 November, 2009. During the year, none of the 2007 Warrants has been exercised.

During the year, exercise of share options resulted in the issue of 121,400,000 ordinary shares of the Company.

Apart from the above, there was no change in the share capital structure of the Company during the year under review.

外匯風險

由於本集團用以交易之外幣主要為與港元掛鈎之美元，故本集團面對之匯兌風險非常有限。

股本結構

於二零零五年六月，本公司通過按發行價0.046港元進行私人配售，發行最多550,000,000份上市認股權證（「二零零五年認股權證」），各賦予權利於二零零五年七月四日至二零零七年七月三日期間內任何時間按初步行使價0.116港元認購一股新股，認購額合共為63,800,000港元。年內，本公司因二零零五年認股權證獲行使而發行375,700,000股股份。於二零零五年認股權證之行使期屆滿時，所有二零零五年認股權證已獲行使。

於二零零七年十一月，本公司通過按發行價0.034港元進行私人配售，發行最多751,980,000份上市認股權證（「二零零七年認股權證」），各賦予權利於二零零七年十一月十三日至二零零九年十一月十二日期間內任何時間按初步行使價0.52港元認購一股新股，認購額合共為391,029,600港元。年內，二零零七年認股權證一概未獲行使。

年內，本公司因購股權獲行使而發行121,400,000股本公司普通股。

除上文所述者外，本公司於回顧年內之股本結構並無變動。

Management Discussion and Analysis

管理層討論及分析

Material Acquisition and Disposal of Subsidiaries

During the year under review, there is no material acquisition or disposal subsidiaries occurred.

Charges on Group's Assets

As at 31 March 2008, the Group's trading securities with market value of HK\$Nil (2007: HK\$3,487,000) have been pledged to secure stock brokers loans of HK\$Nil (2007: HK\$700,000) granted to its subsidiary.

Contingent Liabilities

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

Human Resources

As at 31 March 2008, the Group had 36 full time employees.

The Group remunerated its employees mainly based on the individual's performance and experience. Apart from the basic remuneration, discretionary bonus and share option may be granted to eligible employees by reference to the Group's performance as well as individual's performance.

附屬公司之重大收購及出售

回顧年度內並無有關附屬公司之重大收購或出售事項。

集團資產抵押

於二零零八年三月三十一日，本集團市值零港元（二零零七年：3,487,000港元）之交易證券已作抵押，以為其附屬公司取得股票經紀貸款零港元（二零零七年：700,000港元）。

或有負債

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

人力資源

於二零零八年三月三十一日，本集團共有36名全職僱員。

本集團主要按個別僱員之表現及經驗釐定僱員薪酬。除基本薪酬外，本集團亦會按本集團業績及個別僱員之表現，向合資格僱員發放不定額花紅及購股權。

Biographical Details of Directors and Senior Management

董事及高層管理人員履歷

CHAIRMAN AND NON-EXECUTIVE DIRECTOR

Mr Henry J. BEHNKE III, aged 48, was appointed as a Chairman and non-executive director of the Company on 10 September 2007. Mr. Behnke is the leader in Terra Solar's Kiss a-Si Platform ("KASIP"). The KASIP combines the valuable intellectual property that Terra Solar have built and accumulated for many years. Being a 25 years veteran and the Chief Operating Officer of Terra Solar Group, the subsidiary of China Solar Energy Holdings Limited, Mr. Behnke has participated in the development, testing and installation of equipment used in the manufacturing of amorphous silicon photovoltaic solar cells for over 25 years. He supervised the installation of turnkey manufacturing facilities on location in Port Jervis, NY, Bridgend, Wales (UK) and Lens, France. His responsibilities with Terra Solar Group focused on the management of installation operations for PV systems, facility management for manufacturing and R&D process development operations. His professional qualifications include AIChE (American Institute of Chemical Engineers), ASAE (The Society for Engineering in Agriculture, Food and Biological Systems), ASTM (American Society for Testing and Materials), and ISA (The Instrumentation, Systems and Automation Society). He holds an Executive MBA from the Graduate School of Management of Rutgers University in 1994, a Professional Engineering License NJ Mechanical Engineering #32029 in 1986, and a BS Engineering from the College of Engineering of Rutgers University in 1981.

EXECUTIVE DIRECTORS

Mr Pierre SELIGMAN, aged 42, joined the group as an executive director on 7 February 2005 and was appointed as Managing Director in 2006. He holds a Bachelors degree in French Literature and a textile degree in knitwear from the University of Leeds in the United Kingdom. He has more than 15 years experience in local and overseas trading business working as a senior executive.

Mr CHU Chik Ming Jack, aged 52, was appointed as an executive director on 7 February 2005. He holds a MBA degree in real estate, a Bachelor of Science degree in business management and an associate degree in construction. He is a Certified Commercial Investment Member. He has extensive experience in strategic investment of number of essential business and IT projects focused at creating an e-Commerce infrastructure in China. Prior to that, Mr Chu was a real estate consultant, consulting on project feasibility, site selection as well as property market analysis.

主席兼非執行董事

Henry J. BEHNKE III先生，48歲，於二零零七年九月十日獲委任為本公司主席兼非執行董事。Behnke先生為Terra Solar之Kiss非晶硅平台（「KASIP」）之領導者。KASIP結合Terra Solar多年來發展及積累所得之寶貴知識財富。作為華基光電能源控股有限公司之附屬公司Terra Solar集團之營運總裁，Behnke先生具備二十五年豐富經驗，彼參與製造非結晶硅光伏太陽能電池之發展、測試及安裝設備超過二十五年。彼曾監督位於紐約州傑維斯港、英國威爾斯布裏傑德及法國朗斯之完善製造設施裝置。彼於Terra Solar集團負責管理光伏系統之設置營運，以及製造、研究及發展過程運作之設施管理。彼持有包括AIChE（美國化學工程學學院）、ASAE（農業、食品暨生物系統工程學會）、ASTM（美國材料測試學會）及ISA（美國儀錶學會）之專業資格。彼於一九九四年獲得羅格斯大學管理學院行政人員工商管理碩士學位、於一九八六年獲得專業工程執照NJ Mechanical Engineering #32029，並於一九八一年獲得羅格斯大學工程學院房屋裝置工程學學位。

執行董事

Pierre SELIGMAN先生，42歲，於二零零五年二月七日加入本集團出任執行董事，於二零零六年獲委任為董事總經理。彼持有法國文學學士學位及英國利茲大學針織學紡織學位。彼於本地及海外貿易業務累積逾十五年高級行政人員經驗。

朱植明先生，52歲，於二零零五年二月七日獲委任為執行董事。彼持有房地產工商管理碩士學位、商業管理學士學位及建築學副學士學位。彼為認證商業投資會員。彼於多項為專注在中國建立電子商貿基建之主要業務及資訊科技項目之策略性投資方面積逾豐富經驗。在此之前，朱先生為房地產顧問，就項目可行性、選址及物業市場分析提供顧問意見。

Biographical Details of Directors and Senior Management

董事及高層管理人員履歷

Mr CHAN Wai Kwong Peter, aged 55, was appointed as an executive director on 8 April 2002. He graduated with a bachelor degree in Social Science (Economics) from the University of Western Ontario, Canada in 1978. Mr Chan has over 24 years of experience in marketing and business development. Mr Chan is also an executive director of Mobile Telecom Network (Holdings) Limited and an independent non-executive director of China Golden Development Holdings Limited, all of them are listed companies in Hong Kong. Mr Chan is a member of the Amusement Game Centre Appeal Board, The Government of "HKSAR".

Mr ON Kien Quoc, aged 48, was appointed as an executive director of the Company on 10 September 2007. Mr. On is a Certified Commercial Investment Member of the CCIM Institute in the United States of America. Mr. On has extensive experience in the field of corporate strategy, marketing solutions and business development and he is the business development manager of Evergreen Equity Investment, LLC, an investment consultancy company based in the United States of America. Mr On has been the independent non-executive director of REXCAPITAL Financial Holdings Limited for the period from 14 September 2004 to 17 April 2007.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr CHOW Siu Ngor, aged 53, was appointed as an independent non-executive director on 5 October 1998 and a member of the audit committee of the Company on 29 March 1999. Mr Chow is a practising solicitor in Hong Kong. Mr Chow graduated from the Chinese University of Hong Kong in 1981 with an honours degree in Social Science. He then obtained an honours degree in Laws from the University of Birmingham in 1987. Mr Chow was admitted as a solicitor of the Supreme Court of Hong Kong in 1990 and has been in private practice since then. Currently, Mr Chow is a Partner of Arculli Fong & Ng, Solicitors. Mr Chow also serves as an independent non-executive director of two other listed companies in Hong Kong namely CCT Tech International Limited and REXCAPITAL Financial Holdings Limited respectively. He is also a non-executive director of another listed company in Hong Kong, namely Premium Land Limited.

陳為光先生，55歲，於二零零二年四月八日獲委任為執行董事。陳先生於一九七八年畢業於加拿大西安大略大學，獲頒社會科學（經濟）學士學位。陳先生於市場推廣及業務發展方面積逾24年經驗。陳先生亦為流動電訊網絡（控股）有限公司之執行董事及中國金展控股有限公司之獨立非執行董事，以上兩家均為香港上市公司。陳先生為香港特區政府遊戲機中心（上訴委員會）成員。

ON Kien Quoc先生，48歲，於二零零七年九月十日獲委任為本公司之執行董事。On先生為美國國際認證不動產投資師協會之認證商業投資會員。On先生在企業策略、市場解難及業務發展多方面有豐富經驗，另彼亦為Evergreen Equity Investment, LLC（一間以美國為基地之投資顧問公司）業務發展經理。On先生於二零零四年九月十四日至二零零七年四月十七日期間曾任御泰金融控股有限公司之獨立非執行董事。

獨立非執行董事

鄒小岳先生，53歲，於一九九八年十月五日獲委任為獨立非執行董事，並於一九九九年三月二十九日獲委任為本公司審核委員會成員。鄒先生為香港執業律師。鄒先生於一九八一年在香港中文大學畢業，獲得社會科學榮譽學位。鄒先生其後於一九八七年取得伯明翰大學法律榮譽學位。彼於一九九零年獲錄取為香港高等法院律師，之後一直私人執業。目前，彼為夏佳理方和吳正和律師事務所之合夥人。鄒先生亦為另外兩家香港上市公司中建科技國際有限公司及御泰金融控股有限公司之獨立非執行董事。彼亦為另一家香港上市公司上海策略置地有限公司之非執行董事。

Biographical Details of Directors and Senior Management

董事及高層管理人員履歷

Mr YIN Tat Man, aged 48, was appointed as an independent non-executive director and a member of the Company's audit committee on 30 September 2004. He holds a Bachelor of Science degree from University of Toronto in Canada. He is a professional business executive with over 20 years of experience in the information technology industry specializing in the field of project management, risk management and channel management. Currently, Mr Yin is an IT director of an international IT and system technology company based in Shanghai.

Mr TAM Kam Biu William, aged 52, was appointed as an independent non-executive director and a member of the Company's audit committee on 24 January 2006. He obtained a Bachelor of Business Administration degree and a Master of Business Administration degree from York University, Toronto, Canada. He is a fellow of Association of Chartered Certified Accountants, United Kingdom and an associate of the Hong Kong Institute of Certified Public Accountants. Mr. Tam is currently a director and chief financial officer of Bio Cassava Technology Holdings Limited and an independent non-executive director of Soluteck Holdings Limited, both are listed on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited.

SENIOR MANAGEMENT

Mr TSANG Wai Wa, aged 47, Financial Controller as well as Company Secretary of the group, joined the Group in April 2005. Mr Tsang holds a Bachelor degree in Finance and Accounting and a Master degree in Business Administration. He is a fellow member of the Chartered Association of Certified Accountants and an associate member of the Hong Kong Institute of Certified Public Accountants. He has extensive experience in auditing, accounting, company secretary and corporate finance experience.

袁達文先生，48歲，於二零零四年九月三十日獲委任為獨立非執行董事及本公司審核委員會成員。彼持有加拿大多倫多大學之理科學士學位。彼於資訊科技行業擁有逾二十年專業行政人員經驗，專長於項目管理、風險管理及渠道管理。袁先生現為一家位於上海之國際資訊科技及系統技術公司之資訊科技董事。

譚錦標先生，52歲，於二零零六年一月二十四日獲委任為獨立非執行董事及本公司審核委員會成員。彼持有加拿大多倫多約克大學工商管理學士學位及工商管理碩士學位。彼為英國特許公認會計師公會資深會員及香港會計師公會會員。譚先生現為九方科技控股有限公司董事兼財務總監，並為一創科技集團有限公司之獨立非執行董事，兩家公司均為香港聯合交易所有限公司創業板上市公司。

高層管理人員

曾偉華先生，47歲，本集團財務總監兼公司秘書，於二零零五年四月加入本集團。曾先生持有財務及會計學士學位，以及工商管理碩士學位。彼為英國特許公認會計師公會資深會員及香港會計師公會會員。彼於審計、會計、公司秘書及企業財務擁有豐富經驗。

Biographical Details of Directors and Senior Management 董事及高層管理人員履歷

Dr Steve T CHEN, aged 50, Corporate Strategist of the group, graduated from Taipei's National Taiwan University with LL.B degree and earned his Ph.D. degree in Law from the University of London. He is well experienced in the fields of legal affairs, market development, and corporate strategies in Greater China, with previous senior executive appointments including CNT Groups Ltd. (a listed company in Hong Kong), and Taipei's Taiwan Cement Group Ltd. (the largest cement manufacturing company listed in Taiwan). Dr Chen is a respected commentator and writer for national economic and legal affairs. Dr Chen had served as Secretary General for Taiwan Business Association (Hong Kong) Ltd. and Director for the Association of Chinese Traders and he is currently a counselor for Taipei City Government and Director for Taiwan Business Association (Hong Kong). Dr Chen joined the Group in March 2006.

Dr Yuan LEE, aged 57, CEO of the TerraSolar Group, joined TerraSolar at the end of 2004 as the Group's CEO. Previously, he was an Executive Director at Morgan Stanley Investment Banking Division. Prior to that Dr Lee worked as a Marketing Director at Reuters America and was in charge of new business development of analytic financial information products targeting Wall Street firms. He also spent nine years at Citicorp where he was responsible for product management, relationship management, marketing strategy and new product development. Dr Lee earned a Ph.D. in physics from Columbia University.

Mr Gregory KISS, aged 50, Director of TerraSolar Group, is also the Founder and Principal of Kiss + Cathcart, Architects. He earned a Master of Architecture from Columbia University in 1983 and a Bachelor of Arts from Yale University in 1979. His selected architecture and research projects on Building Integrated Photovoltaic includes: New York City Transit Stillwell Avenue Terminal (Brooklyn, NY: 1999-2007), Smithsonian Tropical Research Institute (Bocas del Toro, Panama: 2001-2003), Heliiodomi Photovoltaic Production Facility, Thessalonika (Greece: 2000-2007), IJsselstein Housing (Holland: 1999-2000), 3 Studies for the National Renewable Energy Laboratory (1992-1995), Self sustaining HighRise Buildings: National Science Foundation Grant based on 2020 tower project (2006-2007).

陳自創博士，50歲，本集團企業策略人，於台灣大學法律學系畢業，並為倫敦大學法學博士。彼於中國法務、市場開發及企業策略方面累積豐富經驗，亦曾出任香港上市公司北海集團有限公司及台灣最大上市水泥製造公司台灣水泥集團有限公司高級行政職位多年。陳博士為國際知名之經濟時事及法律評論員及作家。陳博士亦曾擔任香港台灣工商協會秘書長及國際華商協進會理事，現時兼任台北市政府顧問及香港台灣工商協會董事。陳博士於二零零六年三月加入本集團。

Dr Yuan LEE，57歲，TerraSolar集團行政總裁，於二零零四年底加入TerraSolar出任本集團行政總裁。彼前為摩根士丹利投資銀行業務執行董事。在此之前Dr Lee為路透社（美國）市場總監，曾負責處理有關華爾街公司分析性財務資料產品之新興業務發展。彼曾於花旗集團任職九年，負責產品管理、關係管理、市場策略及新產品開發。Dr Lee持有哥倫比亞大學物理學博士學位。

Gregory KISS先生，50歲，TerraSolar集團董事，亦為Kiss + Cathcart, Architects始創人及社長。彼於一九八三年獲得哥倫比亞大學建築碩士學位，並於一九七九年獲得耶魯大學文學學士學位。彼曾參與之傑出建築物光電整合建築及研究項目包括紐約市Transit Stillwell Avenue Terminal（紐約州布魯克林：1999-2007）、史密生熱帶研究學院（巴拿馬博卡斯•德爾托羅：2001-2003）、塞薩洛尼基Heliiodomi Photovoltaic Production Facility（希臘：2000-2007）、IJsselstein Housing（荷蘭：1999-2000）、美國能源部再生性能源實驗室進行之三項研究（1992-1995）、美國國家科學基金根據二零二零年大廈計劃撥款進行之摩天大廈自供能源項目（2006-2007）。

1. CORPORATE MANAGEMENT

Chairman and Managing director

The roles of the Chairman and the Managing Director are segregated and assumed by two separate individuals who have no relationship with each other to strike a balance of power and authority so that the job responsibilities are not concentrated on any one individual.

The Chairman of the Board is responsible for taking lead of effective running of the Board.

The Managing director is delegated with the authorities to manage the Group's business in all aspects effectively, implement major strategies, make day-to-day decision and coordinate overall business operation.

2. BOARD RESPONSIBILITIES

The Board is responsible for the management of the business and affairs of the Group with the objective of enhancing shareholder value and prospects in the annual and interim reports, and of other price-sensitive announcements and other financial disclosures as required under the Listing Rules, and reports to regulators any information required to be disclosed pursuant to statutory requirement.

Management is responsible for the day-to-day operations of the Group under the leadership of the Managing Director. The Managing Director, working with the other executive directors and the executive management team of each business division, is responsible for managing the business of the Group, including implementation of strategies adopted by the Board and assuming full accountability to the Board for operations of the Group. All executive directors have made full and active contribution to the affairs of the Board and the Board always acts in the best interests of the Group.

1. 企業管治

主席及董事總經理

主席及董事總經理之角色分立，由兩名彼此間並無關係之獨立人士擔任，以達到平衡權力及職權，致使工作職責不會集中於任何一人。

董事會主席負責領導董事會，使之有效運作。

董事總經理獲授予職權，以有效方式管理本集團業務之各方面事務、執行重要策略、進行日常決策及協調整體業務運作。

2. 董事會之職責

董事會負責管理本集團之業務及事務，力求提升股東價值，並編製年報與中期報告中之前景、其他可能影響股份價格之公佈及上市規則規定須予披露之其他財務資料，以及向監管機構報告法例規定須予披露之任何資料。

在董事總經理帶領下，管理層負責本集團之日常營運。董事總經理連同其他執行董事及各業務部門之行政管理隊伍負責管理本集團之業務，包括實施董事會採納之政策，並就本集團營運向董事會負上全責。所有執行董事均盡全力及主動投入董事會事務，而董事會經常以符合本集團最佳利益之方式行事。

3. REGULAR BOARD MEETINGS

The Board meets at least four times each year and has a formal schedule of matters referred to it for consideration and decision. Additional meetings may be convened as and when necessary. Notice of at least fourteen days is served for regular Board meetings and reasonable notice is given for all other Board meetings. Directors are consulted and provided with an opportunity to include matters into the agenda for discussion at the Board meetings. The Company Secretary assists the Chairman/Managing Director in preparing the agenda for each Board meeting and to ensure that applicable rules and regulations regarding the meetings are observed. The final agenda together with the Board papers are distributed to the Directors at least three days before the Board meetings.

During the year, twenty-six board meetings, of which twenty-four were regular board meetings and two were audit committee meetings, were held during the year ended 31 March 2008.

Individual attendance of each of the directors is set out below:

3. 定期董事會會議

董事會至少每年召開四次會議，訂有正式議程，據此作出考慮及決定。於有需要時，亦會召開額外會議。就董事會定期會議而言，全體董事均獲發最少十四日通知，而就所有其他董事會會議而言，則會發出合理通知。董事獲諮詢及有機會於董事會會議中於議程上新增商議事項。公司秘書協助主席／董事總經理準備各董事會會議之議程，及確保符合有關會議之適用守則及規定。最後決定之議程連同董事會文件會於董事會會議最少三日前分派予董事。

於截至二零零八年三月三十一日止年度曾舉行二十六次董事會會議，其中二十四次為定期董事會會議，而兩次為審核委員會會議。

各董事之個別出席率載列如下：

Directors	董事	Meetings attended/ Eligible to attend 曾出席會議次數／ 合資格出席會議次數
<i>Executive directors</i>		
Mr Pierre Seligman	Pierre Seligman先生	24
Mr Chu Chik Ming Jack	朱植明先生	8
Mr Chan Wai Kwong Peter	陳為光先生	24
Mr On Kien Quoc (appointed on 10 September 2007)	On Kien Quoc先生 (於二零零七年九月十日獲委任)	14
<i>Non-executive director</i>		
Dr Zoltan J. Kiss (Chairman) (resigned on 26 August 2007)	Dr Zoltan J. Kiss (主席) (於二零零七年八月二十六日辭任)	1
Henry J. Behnke III (appointed on 10 September 2007)	Henry J. Behnke III (於二零零七年九月十日獲委任)	6
<i>Independent non-executive directors</i>		
Mr Chow Siu Ngor	鄒小岳先生	10
Mr Yin Tat Man	袁達文先生	8
Mr Tam Kam Biu, William	譚錦標先生	15

4. BOARD COMMITTEES

Each Committee has its own defined scope of duties and terms of reference. The Company Secretary shall make available the terms of reference of the committees to any shareholder upon receipt of a request in writing from the shareholder. The members of a committee are empowered to make decisions on matters within the terms of reference of such committee. Copies of all signed minutes of the committees are sent to Directors for their record.

a. Audit Committee

The Audit Committee currently comprises three members, all of whom are independent non-executive directors, namely, Mr Chow Siu Ngor, Mr Yin Tat Man and Mr Tam Kam Biu William.

The primary duties of the Audit Committee include review of the effectiveness of financial reporting processes and internal control systems of the Group, review of the Group's financial information and compliance, making recommendation to the Board on the appointment and removal of external auditors and assessing their independence and performance.

During the year, the works performed by Audit Committee were mainly set out below:

- reviewed the interim results for the period ended 30 September 2007 and annual results for the ended 31 March 2008 of the Group
- discussed with the management of the Company over the fairness and adequate accounting standards and policies of the Group in the preparation of the interim and annual financial statements
- reviewed the connected transactions entered into by the Group during the year
- reviewed and discussed with the external auditors over the financial reporting of the company
- reviewed, recommended and approved the retirement and re-appointment of external auditors

4. 董事會委員會

每個委員會有其各自已定之職責及職權範圍。公司秘書應按股東之書面要求，向股東提供委員會之職權範圍。委員會成員有權於委員會之職權範圍內就事項作出決定。委員會所有已簽署之會議記錄將交由董事作記錄。

a. 審核委員會

審核委員會現包括三位成員，全部為獨立非執行董事，分別為鄧小岳先生、袁達文先生及譚錦標先生。

審核委員會之主要職責包括檢討本集團財務報告程序及內部監控系統之成效，檢討本集團之財務資料及其合規情況，以及就委任及罷免外聘核數師與評估其獨立性及表現向董事提出建議。

於本年度，審核委員會之工作主要載列如下：

- 審閱本集團截至二零零七年九月三十日止期間之中期業績及截至二零零八年三月三十一日止年度之年度業績
- 與本公司管理層就編撰中期及年度財務報表討論本集團會計準則及政策是否公平及合適
- 檢討本集團於本年度所進行之關連交易
- 與外聘核數師審閱及討論本公司之財務申報
- 檢討、建議及批准外聘核數師之退任及重選事宜

- reviewed, recommended and approved the remuneration of external auditors

b. Remuneration Committee

The Remuneration Committee has been established by the Company on 20 December 2005. Accordance with the requirements of the Code on CGP, the Remuneration Committee currently comprises three members, one executive director, namely, Mr Chu Chik Ming Jack and two independent non-executive directors, namely, Mr Chow Siu Ngor and Mr Yin Tat Man.

The primary duties of the Remuneration Committee are to make recommendations to the Board on the Group's policy and structure for the overall remuneration of directors and management, including the policy of granting of share options to employees under the Company's share option scheme.

c. Nomination Committee

The Company has not established any nomination committee and would not consider establishing a nomination committee owing to the small size of the Board. The appointment of a new director is a collective decision of the Board, taking into consideration the expertise, experience, integrity and commitment of that appointee to the relevant principal division, the Company and the Group.

Every newly appointed Director will receive a comprehensive, formal and tailored induction of the first occasion of his appointment.

5. DIRECTORS' AND AUDITORS' ACKNOWLEDGMENT

Messrs Grant Thornton, the ex-auditors of the Company, acknowledge their reporting responsibilities in the auditors' report on the financial statements for the period ended 30 September 2007 while Messrs Deloitte Touche Tohmatsu, the auditors of the Company, acknowledge their reporting responsibilities in the auditors' report on the financial statements for the year ended 31 March 2008.

- 檢討、建議及批准外聘核數師之酬金

b. 薪酬委員會

薪酬委員會於二零零五年十二月二十日由本公司成立。按企業管治常規守則規定，薪酬委員會現包括三位成員，分別為一位執行董事朱植明先生及兩位獨立非執行董事鄒小岳先生及袁達文先生。

薪酬委員會之主要職責乃就本集團董事及管理層之整體薪酬政策及結構（包括根據本公司購股權計劃授出購股權予員工之政策）向董事會提出建議。

c. 提名委員會

本公司並無設立任何提名委員會，而因董事會規模細小，故不擬考慮設立提名委員會。新董事之委任由董事會全體決定，當中考慮獲委任者之專業、經驗、操守及對本集團、本公司及相關主要分部之承擔。

各新委任董事將獲取一個全面、正式兼特為其首度就職而設之就任須知。

5. 董事及核數師之確認

本公司前核數師均富會計師行確認其有責任呈報截至二零零七年九月三十日止期間財務報表之核數師報告，而本公司之核數師德勤•關黃陳方會計師行確認其有責任呈報截至二零零八年三月三十一日止年度財務報表之核數師報告。

6. AUDITORS' REMUNERATION

The fees paid/payable to the group's external auditors for audit service for the year ended 31 March 2008 was total to HK\$2,326,000.

7. DIRECTORS' SECURITIES TRANSACTIONS

The company has adopted the Model Code set out in Appendix 10 of The Listing Rules as the code of conduct regarding securities transactions by the Directors (the "Model Code"). All Directors have confirmed, following a specific enquiry by the Company, that they have fully complied with the required standards as set out in the Model Code during the year.

8. INTERNAL CONTROLS

The Board has overall responsibility for the Group's internal control Systems and through the Audit Committee, conducts reviews on the Effectiveness of these systems at least annually, covering all material controls, financial, operational and compliance controls and risk management functions. The process used in reviewing the effectiveness of these internal control systems includes discussion with management on risk areas identified by management. The purpose of the Company's internal control is to provide reasonable, but not absolute, assurance against material misstatement or loss and to manage rather than eliminate risks of failure in operational systems so that the Company's objectives can be achieved.

9. COMMUNICATION WITH SHAREHOLDERS

The Company endeavours to maintain a high level of transparency in communicating with shareholders. Extensive information of the Group's activities, business strategies and developments is provided, in additions to the Company's annual reports and interim reports, in our website "www.chinasolar-energy.com". Shareholders of the Company are encouraged to attend the annual general meeting of the Company which offers a valuable forum for dialogue and interaction with management. The Chairman of the Board and the chairman of the Audit Committee, or in their absence, another member of the relevant committee, are available at the annual general meeting to answer questions from shareholders on the business of the Group.

6. 核數師之酬金

就截至二零零八年三月三十一日止年度之核數服務已付／應付本集團外聘核數師之款項合共為2,326,000港元。

7. 董事之證券交易

本公司已採納上市規則附錄十所載之標準守則為本公司有關董事進行證券交易之守則（「標準守則」）。經本公司作出具體查詢後，全體董事已確認，於本年度內，彼等均全面遵守標準守則所定之規定標準。

8. 內部監控

董事會整體負責本集團之內部監控系統，及透過審核委員會，至少每年檢討此等系統之成效，及至負責所有重大監控與財務、營運及合規監管及風險管理職能。檢討此等內部監控系統效益之程序包括與管理層檢討管理層訂明之風險範圍。本公司內部監控旨在提供合理而非絕對之保證，以防出現嚴重誤報或損失的情況，並管理而非杜絕營運系統失誤之風險，以達成本公司之目標。

9. 與股東之溝通

本公司致力於與股東溝通時維持高透明度，並於本公司之網站「www.chinasolar-energy.com」內提供本集團之活動、業務策略及發展之廣泛資料，以及本公司之年報及中期報告。本公司鼓勵本公司之股東出席本公司之股東週年大會，該大會為與管理層進行對話與交流的寶貴機會。董事會主席及審核委員會主席，或於兩者皆缺席之情況下，相關委員會之其他成員可於股東週年大會上回答股東有關本集團業務之提問。

Directors' Report

董事會報告

The directors of the Company (the "Directors") submit herewith their annual report together with the audited financial statements for the year ended 31 March 2008.

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. The principal activities and other particulars of the subsidiaries are set out in note 41 to the financial statements.

The analyzes of the principal activities and geographical locations of the operations of the Group during the financial year are set out in note 9 to the financial statements.

RESULTS AND APPROPRIATIONS

The results of the Group for the year ended 31 March 2008 are set out in the consolidated income statement on pages 34.

The directors do not recommend the payment of any dividends in respect of the year ended 31 March 2008 (2007: Nil).

PROPERTY, PLANT AND EQUIPMENT

Details of movements in property, plant and equipment during the year are set out in note 20 to the financial statements.

SHARE CAPITAL

Details of the movements in share capital of the Company are set out in note 34 to the consolidated financial statements.

DISTRIBUTABLE RESERVES

At 31 March 2008, the Company's reserves available for distribution to shareholders was HK\$455,421,000 (2007: HK\$308,868,000) which represented the net balance of contributed surplus of approximately HK\$596,248,000 (2007: HK\$596,248,000), general reserves of approximately HK\$984,142,000 (2007: HK\$810,146,000) and accumulated losses of approximately HK\$1,124,969,000 (2007: HK\$1,097,526,000).

本公司董事（「董事」）仝人謹將截至二零零八年三月三十一日止年度之年報及經審核財務報表呈覽。

主要業務

本公司之主要業務為投資控股。其附屬公司之主要業務及其他詳情列載於財務報表附註41。

本集團於本財政年度之主要業務和經營地區分析列載於財務報表附註9。

業績及分派

本集團截至二零零八年三月三十一日止年度之業績載於第34頁之綜合收益表。

董事不建議就截至二零零八年三月三十一日止年度派付任何股息（二零零七年：無）。

物業、廠房及設備

年內物業、廠房及設備之變動詳情列載於財務報表附註20。

股本

本公司股本之變動詳情列載於綜合財務報表附註34。

可供分派儲備

於二零零八年三月三十一日，本公司可供分派予股東之儲備達455,421,000港元（二零零七年：308,868,000港元），為繳入盈餘約596,248,000港元（二零零七年：596,248,000港元）、一般儲備約984,142,000港元（二零零七年：810,146,000港元）及累計虧損約1,124,969,000港元（二零零七年：1,097,526,000港元）的結餘淨額。

Directors' Report

董事會報告

MAJOR CUSTOMERS AND SUPPLIERS

In the year under review, turnover attributable to the Group's one major customer accounted for 93.2% of the total turnover for the year.

The aggregate purchases during the year attributable to Group's one major supplier was accounted for the Group's 100% of the total purchase for the year.

DIRECTORS

The Directors during the financial year and up to the date of this report were:

Chairman and non-executive director

Dr Zoltan J. Kiss

(resigned on 27 August 2007)

Henry J. Behnke III

(appointed on 10 September 2007)

Executive Directors

Pierre Seligman

Chu Chik Ming Jack

Chan Wai Kwong Peter

On Kien Quoc

(appointed on 10 September 2007)

Independent Non-executive Directors

Chow Siu Ngor

Yin Tat Man

Tam Kam Biu William

In accordance with bye-law 88 of the Company's bye-laws, Mr Chan Wai Kwong Peter, Mr Chow Siu Ngor and Mr Tam Kam Biu William retires and, being eligible, offers himself for re-election at the forthcoming annual general meeting.

主要客戶及供應商

於回顧年度，一名主要客戶佔本集團全年總營業額的93.2%。

年內，本集團一名主要供應商應佔之總採購額佔本集團全年總採購額之100%。

董事

本財政年度內及截至本報告日期之董事如下：

主席兼非執行董事

Dr Zoltan J. Kiss

(於二零零七年八月二十七日辭任)

Henry J. Behnke III

(於二零零七年九月十日獲委任)

執行董事

Pierre Seligman

朱植明

陳為光

On Kien Quoc

(於二零零七年九月十日獲委任)

獨立非執行董事

鄒小岳

袁達文

譚錦標

根據本公司之公司細則第88條，陳為光先生、鄒小岳先生及譚錦標先生依章告退，惟合資格並願意在即將召開之股東週年大會上重選連任。

Directors' Report

董事會報告

DIRECTORS' SERVICE CONTRACTS

No Director proposed for re-election and re-appointment at the forthcoming annual general meeting has an unexpired service contract which is not determinable by the Company or any of its subsidiaries within one year without payment of compensation, other than normal statutory compensation.

DIRECTORS' INTERESTS IN CONTRACTS

No contract of significance to which the Company, its holding company, its fellow subsidiaries or any of its subsidiaries was a party, in which a Director had a material interest, subsisted at the end of the year or at any time during the year.

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS IN SECURITIES

As at 31 March 2008, the interests or short positions of the Directors and chief executives and their associates in the shares of the Company as recorded in the register maintained by the Company pursuant to Section 352 of the Securities and Futures Ordinance (the "SFO") or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to the Model Code for Securities Transactions by Directors of Listed Companies (the "Model Code") were as follows:

Long position in the ordinary shares of HK\$0.01 each (the "Shares") in the Company

Name of Director 董事姓名	Number of Shares 股份數目	Type of interest 權益類別	Percentage of issued share capital 佔已發行股本百分比
Pierre Seligman ("Mr Seligman") Pierre Seligman (「Seligman先生」)	34,700,000 (Note a) (附註a)	Beneficial 實益	0.79%
Chu Chik Ming Jack ("Mr Chu") 朱植明 (「朱先生」)	1,000,000 (Note b) (附註b)	Beneficial 實益	0.023%
Chan Wai Kwong Peter ("Mr Chan") 陳為光 (「陳先生」)	500,000 (Note c) (附註c)	Beneficial 實益	0.011%

董事之服務合約

擬於即將召開之股東週年大會上重選及連任之董事概無與本公司或其任何附屬公司訂立如不作出賠償(一般法定賠償除外)則不能於一年內終止且尚未屆滿之服務合約。

董事所佔合約權益

本公司、其控股公司、其同集團附屬公司或其任何附屬公司概無訂立任何在年終時或本年度內任何時間有效而董事於其中擁有重大權益之重要合約。

董事及主要行政人員之證券權益

於二零零八年三月三十一日，董事及本公司主要行政人員及彼等之聯繫人士於本公司之股份中擁有記錄在本公司根據證券及期貨條例(「證券及期貨條例」)第352條須存置之名冊內之權益或淡倉，或根據上市公司董事進行證券交易的標準守則(「標準守則」)已知會本公司及香港聯合交易所有限公司(「聯交所」)之權益或淡倉如下：

於本公司每股面值0.01港元普通股(「股份」)之好倉

Directors' Report

董事會報告

Notes:

- a. Mr Seligman is beneficially interested in 34,700,000 shares. Among those shares, 24,700,000 were share options granted by the Company and 10,000,000 shares are the shares of the Company.
- b. Mr Chu is beneficially interested in 1,000,000 options granted by the Company.
- c. Mr Chan is beneficially interested in 500,000 shares of the Company.

Save as disclosed above, as at 31 March 2008, none of the Directors or chief executives, nor their associates, had any interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

SHARE OPTIONS

The following is a summary of the principal terms of the share option scheme adopted by the Company on 29 July 2002 (the "Scheme").

The purpose of the Scheme is to enable the Company to grant options to employees, executives or officers of the Company or any of its subsidiaries and other persons who have made a contribution to the Group as incentives and/or rewards for their contributions to the Company or its subsidiaries.

According to the Scheme, the Board may grant options to the eligible participants as defined in the Scheme to subscribe for such number of shares as the Board may determine. Options granted should be accepted within 30 days from the date of offer. Upon acceptance of the options, the grantee shall pay HK\$1 to the Company by way of consideration for the grant.

附註:

- a. Seligman先生實益擁有34,700,000股股份權益。於該等股份中，本公司授出之購股權佔24,700,000股，而本公司之股份佔10,000,000股。
- b. 朱先生實益擁有本公司授出之1,000,000份購股權權益。
- c. 陳先生實益擁有本公司500,000股股份權益。

除上文所披露者外，於二零零八年三月三十一日，各董事或主要行政人員或彼等之聯繫人士概無於本公司或其任何相聯法團（定義見證券及期貨條例第XV部）之股份、相關股份或債權證中擁有任何已記錄在根據證券及期貨條例第352條須存置之名冊內之權益或淡倉，或根據標準守則已知會本公司及聯交所之權益或淡倉。

購股權

以下為本公司於二零零二年七月二十九日採納之購股權計劃（「該計劃」）之主要條款概要。

該計劃旨在讓本公司可向曾對本集團作出貢獻之本公司或其任何附屬公司僱員、行政人員或高級職員以及其他人士授出購股權，作為彼等對本公司或其附屬公司作出貢獻之獎勵及／或回報。

根據該計劃，董事會可向該計劃所界定之合資格參與者授出購股權，以認購董事會所釐定數目之股份。授出之購股權須自邀約日期起計30日內接納。接納購股權時，承授人須向本公司支付1港元作為獲授購股權之代價。

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The exercise price of options shall be determined by the Board, save that such price will not be less than the highest of (a) the closing price of the shares as stated in the Stock Exchange's daily quotations sheet on the date of grant, which must be a business day; (b) the average of the closing prices of the shares as stated in the Stock Exchange's daily quotations sheet for the five business days immediately preceding the date of grant; or (c) the nominal value of a share.

The maximum number of shares which may be issued upon exercise of all options to be granted under the Scheme and any other share option scheme(s) of the Company must not exceed 10% of the issued share capital of the Company on the date of approval and adoption of the Scheme provided that the Company may at any time seek approval from its shareholders to refresh the limit to 10% of the shares in issue as at the date of approval by the shareholders in general meeting where such limit is refreshed. Options previously granted under any share option schemes of the Company (including those outstanding, cancelled, lapsed in accordance with such schemes or exercised options) will not be counted for the purpose of calculating the limit as refreshed.

The total number of shares issued and which may fall to be issued upon exercise of the options granted under the Scheme and any other share option scheme(s) of the Company (including exercised and outstanding options) to each eligible participant in any 12-month period up to the date of grant shall not exceed 1% of the shares in issue as at the date of grant. Options granted to substantial shareholders or independent non-executive Directors or their respective associates (as defined in the Listing Rules) in excess of 0.1% of the Company's issued share capital on the date of grant or with a value in excess of HK\$5 million must be approved in advance by the Company's shareholders.

購股權之行使價由董事會釐定，惟不得低於(a)股份於授出購股權當日(須為營業日)聯交所日報表所列之收市價；(b)股份於緊接授出購股權日期前五個營業日聯交所日報表所列之平均收市價；或(c)股份面值(以最高者為準)。

因行使根據該計劃及本公司任何其他購股權計劃授出之所有購股權而可發行之股份數目上限，不得超過批准及採納該計劃當日本公司已發行股本之10%，惟本公司可隨時徵求股東批准將上限重新釐定為股東於股東大會上批准重新釐定上限當日之已發行股份之10%。計算重新釐定之上限時，先前根據本公司任何購股權計劃授出之購股權(包括根據該等計劃尚未行使、已註銷、已失效或已行使之購股權)不會計算在內。

於截至授出購股權日期之前任何12個月內，因行使各合資格參與者根據該計劃及本公司任何其他購股權計劃獲授之購股權(包括已行使及未行使之購股權)而已發行及可能須予發行之股份總數，不得超過授出購股權當日之已發行股份之1%。倘向主要股東或獨立非執行董事或彼等各自之聯繫人士(定義見上市規則)授出超逾本公司於授出日期之已發行股本之0.1%或價值超出5,000,000港元之購股權，則須先經本公司股東批准。

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The period during which an option may be exercised will be determined by the Board at its absolute discretion, save that no options can be exercised more than 10 years after it has been granted. There is no general requirement that an option must be held for any minimum period before it can be exercised. The Scheme will expire on 29 July 2012.

The total number of Shares available for issue under the Scheme was 539,917,006 Shares (representing 12.35% of the Shares in issue as at the date of this report).

The movements in share options granted under the Scheme during the year are shown below:

購股權行使期將由董事會全權釐定，惟購股權於授出購股權日期起計滿10年後即不可行使。本公司並無規定行使前必須持有購股權之最短期限。該計劃將於二零一二年七月二十九日屆滿。

根據該計劃可予發行之股份總數為539,917,006股（佔於本報告日期已發行股份之12.35%）。

於本年度根據該計劃所授出購股權之變動如下：

Name/Category of participant	At 1 April 2007 於二零零七年四月一日	Granted during the year 年內授出	Exercised during the year 年內行使	Lapsed during the year 年內失效	At 31 March 2008 於二零零八年三月三十一日	Date of offer to grant options 授出日期	Exercise price per share 每股行使價 (HK\$) (港元)	Exercisable period 可行使期
Directors 董事								
Pierre Seligman	23,100,000	-	-	-	23,100,000	25/11/2004	0.088	20/12/2004 – 19/12/2014
	1,600,000	-	-	-	1,600,000	22/6/2005	0.166	27/6/2005 – 26/6/2015
Chu Chik Ming Jack 朱植明	1,000,000	-	-	-	1,000,000	22/6/2005	0.166	27/6/2005 – 26/6/2015
Employees 僱員	25,000,000	-	(25,000,000)	-	-	22/6/2005	0.166	27/6/2005 – 26/6/2015
	300,000	-	(300,000)	-	-	22/6/2005	0.166	20/7/2005 – 19/7/2015
Directors and employees of the associate 聯營公司董事及僱員	-	30,000,000	-	-	30,000,000	4/9/2007	0.566	3/10/2007 – 2/10/2017
	-	19,700,000	-	-	19,700,000	4/9/2007	0.566	3/10/2007 – 2/10/2017
Consultants 顧問	16,117,006	-	-	-	16,117,006	22/12/2003	0.160	2/1/2004 – 1/1/2014
	39,200,000	-	(16,100,000)	-	23,100,000	25/11/2004	0.088	20/12/2004 – 19/12/2014
	53,000,000	-	(53,000,000)	-	-	22/6/2005	0.166	27/6/2005 – 26/6/2015
	126,000,000	-	(27,000,000)	-	99,000,000	22/6/2005	0.166	20/7/2005 – 19/7/2015
	-	326,300,000	-	-	326,300,000	4/9/2007	0.566	3/10/2007 – 2/10/2017
	<u>285,317,006</u>	<u>376,000,000</u>	<u>(121,400,000)</u>	<u>-</u>	<u>539,917,006</u>			

Notes: a) the closing price of the shares as stated in the Stock Exchange's daily quotations sheet on the date of grant was HK\$0.560.

b) the average of closing price of the shares as stated in the Stock Exchange's daily quotations sheet for the five business days immediately preceding the date of grant was HK\$0.566.

附註：a) 股份於授出購股權日期在聯交所日報表上所列之收市價為0.560港元。

b) 股份於緊接授出購股權日期前五個營業日在聯交所日報表上所列之平均收市價為0.566港元。

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ARRANGEMENTS TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed above, at no time during the year was the Company, its holding company, its fellow subsidiaries or any of its subsidiaries a party to any arrangement to enable the Directors to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

DIRECTORS' INTERESTS IN COMPETING BUSINESS

Pursuant to Rule 8.10(2) of the Listing Rules, details of the interests held by the Directors in business which is considered to compete or are likely to compete, either directly or indirectly, with the business of the Group, are disclosed as follows:

Name of company	Competing business
REXCAPITAL Finance Limited ("RFL")	Money lending
RPI Finance Limited ("RPI")	Money lending
TKR Finance Limited ("TKR") (in liquidation)	Money lending

Mr Chan How Chung, Victor and Miss Lee Huei Lin are the directors of these companies and the directors of D & M Finance Limited, one of the subsidiaries of our Group engaging in money lending business. The terms and conditions of the financing loans of each of RFL, RPI and TKR are market driven and agreed at arm's length between the borrowers and the financiers. When making decisions on the above competing businesses, the relevant Directors, in the performance of their duties as directors of D&M Finance Limited, have acted and will continue to act in the best commercial interest of the Group.

收購股份或債權證之安排

除上文所披露者外，本公司、其控股公司、其同集團附屬公司或其任何附屬公司於年內任何時間概無參與任何安排，致使各董事可藉購入本公司或任何其他公司之股份或債權證而獲益。

董事於競爭性業務中之權益

根據上市規則第8.10(2)條，董事所擁有而被視為與或可能與本集團業務有直接或間接競爭之業務權益詳情披露如下：

公司名稱	競爭性業務
御泰信貸有限公司（「御泰信貸」）	貸款
御泰財務有限公司（「御泰財務」）	貸款
鼎康御泰財務有限公司 （「鼎康御泰財務」）（清盤中）	貸款

陳孝聰先生及李慧玲小姐為上述公司之董事，亦為本集團其中一間從事貸款業務之附屬公司 D & M Finance Limited 之董事。御泰信貸、御泰財務及鼎康御泰財務各自之財務貸款之條款及條件均由市場導向並由借貸雙方經公平磋商協定。就上述競爭業務作出決策時，有關董事（於履行彼等作為 D & M Finance Limited 董事之職務時）經已並將會繼續採取符合本集團最佳商業利益之行動。

Directors' Report

董事會報告

SUBSTANTIAL SHAREHOLDERS

As at 31 March 2008, the interests or short positions of the following parties in the shares of the Company as recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO were as follows:

Long Position in the Shares

Name of Shareholder	股東名稱	Directly beneficially owned	Through controlled corporation	Total number	Approximate percentage of
					issued share capital
		直接實益擁有	透過受控法團	總數	佔已發行股本概約百分比
Li Di (notes 1, 2)	李弟(附註1、2)	189,690,000	704,250,000	893,940,000	20.45%
Topskill Holdings Limited (notes 2, 3)	Topskill Holdings Limited (附註2、3)	84,250,000	620,000,000	704,250,000	16.11%
Multichannel Investments Limited (note 3)	Multichannel Investments Limited (附註3)	620,000,000	–	620,000,000	14.18%
Och Daniel Saul	Och Daniel Saul	256,480,000	–	256,450,000	5.87%

Notes:

- The interest of 189,690,000 Shares includes interest in 91,740,000 underlying Shares in connection with derivatives listed on the Stock Exchange.
- Topskill Holdings Limited is wholly owned by Mr Li Di and the interest of Topskill Holdings Limited in 704,250,000 Shares is reported as interest of Mr. Li Di through controlled corporation.
- Multichannel Investments Limited is the wholly owned subsidiary of Flytech Holdings Limited which is wholly owned by Topskill Holdings Limited. The interest of Multichannel Investments Limited in 620,000,000 Shares is reported as interest of Topskill Holdings Limited through controlled corporation.

Save as disclosed above, the register required to be kept under section 336 of the SFO shows that as at 31 March 2008, the Company had not been notified of any other person who had an interest or short position in the shares and underlying shares of the Company.

主要股東

於二零零八年三月三十一日，按本公司根據證券及期貨條例第336條須存置之名冊所載，下列人士於本公司股份中擁有之權益或淡倉如下：

於股份之好倉

Name of Shareholder	股東名稱	Directly beneficially owned	Through controlled corporation	Total number	Approximate percentage of
					issued share capital
		直接實益擁有	透過受控法團	總數	佔已發行股本概約百分比
Li Di (notes 1, 2)	李弟(附註1、2)	189,690,000	704,250,000	893,940,000	20.45%
Topskill Holdings Limited (notes 2, 3)	Topskill Holdings Limited (附註2、3)	84,250,000	620,000,000	704,250,000	16.11%
Multichannel Investments Limited (note 3)	Multichannel Investments Limited (附註3)	620,000,000	–	620,000,000	14.18%
Och Daniel Saul	Och Daniel Saul	256,480,000	–	256,450,000	5.87%

附註：

- 該189,690,000股股份權益包括與聯交所上市衍生工具有關之91,740,000股相關股份之權益。
- Topskill Holdings Limited由李弟先生全資擁有，故Topskill Holdings Limited於704,250,000股股份之權益呈報為李弟先生透過受控法團擁有之權益。
- Multichannel Investments Limited為Flytech Holdings Limited之全資附屬公司，而Flytech Holdings Limited則由Topskill Holdings Limited全資擁有。Multichannel Investments Limited於620,000,000股股份之權益呈報為Topskill Holdings Limited透過受控法團擁有之權益。

除上文所披露者外，根據證券及期貨條例第336條置存之名冊所顯示，於二零零八年三月三十一日，本公司並無獲知會有任何其他人士於本公司股份或相關股份中擁有權益或淡倉。

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

During the year under review, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any listed securities of the Company.

CONNECTED TRANSACTIONS

Particulars of connected transactions of the Company and the Group during the year ended 31 March 2008 are set out in note 38 to the financial statements. Other than as disclosed therein, there was no other connected transaction of the Company and the Group during the year ended 31 March 2008.

BANK LOANS AND OTHER BORROWINGS

Particulars of bank loans and other borrowings of the Company and the Group as at 31 March 2008 are set out on note 32 the financial statements.

FIVE YEAR FINANCIAL SUMMARY

A summary of the consolidated results and of the assets and liabilities of the Group for the last five financial years is set out on page 112.

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Company's byelaws or the laws in Bermuda, which would oblige the Company to offer new shares on a pro-rata basis to existing shareholders.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code set out in Appendix 10 to the Listing Rules as the code of conduct regarding securities transactions by the Directors. All Directors have confirmed, following specific enquiry by the Company, that they have complied with the required standard set out in the Model Code throughout the year ended 31 March 2008.

購買、出售或贖回本公司之上市證券

於回顧年度內，本公司及其附屬公司概無購買、出售或贖回任何本公司之上市證券。

關連交易

本公司及本集團於截至二零零八年三月三十一日止年度之關連交易詳情列載於財務報表附註38。除上述所披露者外，於截至二零零八年三月三十一日止年度，本公司及本集團概無其他關連交易。

銀行貸款及其他借款

本公司及本集團於二零零八年三月三十一日之銀行貸款及其他借款詳情列載於財務報表附註32。

五年財務概要

本集團於過去五個財政年度之綜合業績及資產與負債概要列載於第112頁。

優先認購權

本公司之公司細則或百慕達法例並無有關本公司須按比例向現有股東發售新股之優先認購權規定。

董事進行證券交易之標準守則

本公司已採納上市規則附錄十所載之標準守則為董事進行證券交易之操守守則。經本公司向所有董事作出特定查詢後，所有董事確認彼等於截至二零零八年三月三十一日止年度一直遵守標準守則所載之規定準則。

Directors' Report

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CODE OF BEST PRACTICE

None of the Directors is aware of any information which would reasonably indicate that the Company is not, or was not, throughout the year ended 31 March 2008, in compliance with the Code of Best Practice as previously set out in Appendix 14 to the Listing Rules which remains applicable to disclosure in annual reports in respect of accounting periods, the three independent non-executive Directors are not appointed for a specific term, but are subject to retirement by rotation at the Company's annual general meeting as specified in the bye-laws of the Company.

AUDIT COMMITTEE

The audit committee of the Company consisted of Mr Chow Siu Ngor, Mr Yin Tat Man and Mr Tam Kam Biu William, the three independent non-executive Directors. The primary duties of the audit committee are to review the accounting principles and practices adopted by the Group, and the financial reporting process and internal control system of the Group.

SUFFICIENCY OF PUBLIC FLOAT

The Company has maintained a sufficiency of public float throughout the year ended 31 March 2008.

AUDITORS

Messrs Grant Thornton resigned as auditors of the Company on 3 June 2008, and Messrs Deloitte Touche Tohmatsu were appointed as auditors of the Company on the even date to fill the casual vacancy so arising. A resolution will be submitted to the annual general meeting to re-appoint Messrs. Deloitte Touche Tohmatsu as auditors of the Company.

By order of the Board

Pierre Seligman
Managing Director

Hong Kong, 28 July 2008

最佳應用守則

董事概不知悉有任何資料可合理顯示本公司於截至二零零八年三月三十一日止年度內並未或曾經未有遵守之前載於上市規則附錄十四之最佳應用守則（仍然適用於有關會計期間之年報之披露），惟三名獨立非執行董事並無固定任期，而須根據本公司之公司細則在本公司之股東週年大會上輪值告退。

審核委員會

本公司之審核委員會成員為三名獨立非執行董事鄒小岳先生、袁達文先生及譚錦標先生。審核委員會之主要職責在於檢討本集團採納之會計原則及慣例，以及本集團之財務申報程序及內部監控系統。

足夠公眾持股量

本公司於截至二零零八年三月三十一日止年度一直維持足夠公眾持股量。

核數師

均富會計師行於二零零八年六月三日辭任本公司之核數師，而德勤•關黃陳方會計師行已於同日獲委任為本公司之核數師以填補所產生之臨時空缺。股東週年大會上將提呈決議案，續聘德勤•關黃陳方會計師行為本公司之核數師。

承董事會命

董事總經理
Pierre Seligman

香港，二零零八年七月二十八日

Deloitte.

德勤

TO THE MEMBERS OF
CHINA SOLAR ENERGY HOLDINGS LIMITED
(incorporated in Bermuda with limited liability)

We have audited the consolidated financial statements of China Solar Energy Holdings Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 34 to 111, which comprise the consolidated balance sheet as at 31 March 2008, and the consolidated income statement, the consolidated statement of changes in equity and the consolidated cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

DIRECTORS' RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

致華基光電能源控股有限公司
(於百慕達註冊成立之有限公司)
列位股東

吾等已審核載於第34至111頁華基光電能源控股有限公司(「貴公司」)及其附屬公司(統稱「貴集團」)之綜合財務報表,當中包括於二零零八年三月三十一日之綜合資產負債表與截至該日止年度之綜合收益表、綜合權益變動表和綜合現金流量表,以及主要會計政策概要及其他附註解釋。

董事就綜合財務報表須承擔之責任

貴公司董事須負責根據香港會計師公會頒佈之香港財務報告準則及香港《公司條例》之披露規定編製及真實公平地呈列該等綜合財務報表。此項責任包括設計、實施及維護與編製及真實公平地呈列綜合財務報表相關之內部監控,致使綜合財務報表不存在由於欺詐或錯誤而導致之重大錯誤陳述;選擇和應用適當之會計政策;及按情況作出合理之會計估計。

Independent Auditor's Report

獨立核數師報告

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these consolidated financial statements based on our audit and to report our opinion solely to you, as a body, in accordance with Section 90 of the Bermuda Companies Act and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. We conducted our audit in accordance with Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance as to whether the consolidated financial statements are free from material misstatement.

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

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

核數師之責任

吾等之責任乃根據百慕達公司法第90條按照吾等審核工作之結果，對該等綜合財務報表發表意見，僅向全體股東報告。除此之外，本報告不可用作其他用途。吾等概不就本報告之內容對任何其他人士負責或承擔任何責任。吾等已根據香港會計師公會頒佈之香港審計準則進行審核。這些準則要求吾等遵守道德規範，並規劃及進行審核，以合理確定綜合財務報表是否不存有任何重大錯誤陳述。

審核工作涉及執行程序以獲取有關綜合財務報表所載金額及披露資料之審核憑證。所選定之程序取決於核數師之判斷，包括評估不論是因欺詐或錯誤而導致綜合財務報表存有重大錯誤陳述之風險。在評估該等風險時，核數師考慮與該公司編製及真實公平地呈列綜合財務報表相關之內部監控，以設計適當之審核程序，但並非為對公司之內部監控效益發表意見。審核工作亦包括評估董事所採用之會計政策是否合適及作出之會計估計是否合理，以及評估綜合財務報表之整體呈列方式。

吾等相信，吾等所獲得之審核憑證已充足及適當地為吾等之審核意見提供基礎。

Independent Auditor's Report

獨立核數師報告

OPINION

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

Deloitte Touche Tohmatsu

Certified Public Accountants

Hong Kong

28 July 2008

意見

吾等認為，綜合財務報表已根據香港財務報告準則真實及公平地反映 貴集團於二零零八年三月三十一日之財務狀況以及 貴集團截至該日止年度之虧損及現金流量，並已按照香港《公司條例》之披露規定妥為編製。

德勤•關黃陳方會計師行

執業會計師

香港

二零零八年七月二十八日

Consolidated Income Statement

綜合收益表

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

		NOTES 附註	2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元 (restated) (重列)
Revenue	收入	8	97,668	41,123
Other income	其他收入	10	9,593	4,768
Net gain on financial assets at fair value through profit or loss	以公允價值列入損益賬之 金融資產之收益淨額	11	1,206	36,997
Costs of long-term service contracts of photovoltaic business	光伏業務長期服務 合約成本		(76,906)	(27,566)
Staff costs	員工成本	12	(20,219)	(21,780)
Consultancy expenses	顧問開支		(107,270)	(5,233)
Loss on derivative financial instruments classified as financial liabilities held for trading	分類為持作買賣金融負債之 衍生金融工具之虧損	33	(87,230)	–
Depreciation of property, plant and equipment	物業、廠房及設備折舊		(239)	(623)
Amortisation of intangible assets	無形資產攤銷		(14,058)	(14,058)
Reversal of (allowance for) bad and doubtful debts	呆壞賬撥回(撥備)		2,500	(4,425)
Loss on remeasurement to fair value less costs to sell	重新計量減去銷售成本之 公允價值虧損	30	–	(2,717)
Other operating expenses	其他經營開支		(19,768)	(23,043)
Share of loss of an associate	分佔一間聯營公司之虧損		(582)	–
Finance costs	融資成本	13	(18)	(450)
Loss before taxation	除稅前虧損		(215,323)	(17,007)
Taxation	稅項	14	(996)	(431)
Loss for the year	年內虧損	15	(216,319)	(17,438)
Attributable to:	應佔如下:			
Equity holders of the Company	本公司權益持有人		(215,125)	(14,581)
Minority interests	少數股東權益		(1,194)	(2,857)
			(216,319)	(17,438)
			HK cents	HK cents
			港仙	港仙
Loss per share	每股虧損	19		
Basic	基本		(5.11)	(0.39)
Diluted	攤薄		N/A不適用	N/A不適用

Consolidated Balance Sheet

綜合資產負債表

As at 31 March 2008 於二零零八年三月三十一日

	NOTES 附註	2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元 (restated) (重列)
ASSETS AND LIABILITIES			
Non-current assets			
Property, plant and equipment	20	752	905
Intangible asset	21	110,117	124,175
Goodwill	22	17,213	–
Interest in an associate	23	6,738	–
Available-for-sale investments	24	–	7,750
Amount due from the majority shareholder of an associate	23	16,517	–
Other receivables	26	10,062	–
		161,399	132,830
Current assets			
Trade receivables	25	69,735	25,755
Deposits, prepayments and other receivables	26	61,155	65,820
Amount due from a shareholder	27	6,713	19,833
Amount due from a minority shareholder	27	–	420
Amount due from related companies	27	17,264	657
Financial assets at fair value through profit or loss	28	83,377	52,274
Tax recoverable		–	674
Pledged bank deposits	29	–	8,051
Bank balances and cash	29	48,639	52,183
		286,883	225,667
Assets held for sale	30	–	54,220
		286,883	279,887
Current liabilities			
Trade and other payables	31	28,855	25,260
Amount due to a shareholder	27	–	15
Taxation payables		1,486	1,066
Borrowings	32	600	700
Derivative financial instruments	33	112,797	–
		143,738	27,041
Liabilities associated with assets classified as held for sale	30	–	42,595
		143,738	69,636
Net current assets		143,145	210,251
Total assets less current liabilities		304,544	343,081

Consolidated Balance Sheet

綜合資產負債表

As at 31 March 2008 於二零零八年三月三十一日

		NOTES 附註	2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元 (restated) (重列)
EQUITY	權益			
Share capital	股本	34	43,720	38,749
Reserves	儲備		251,339	291,864
Equity attributable to equity holders of the Company	本公司權益持有人應佔權益		295,059	330,613
Minority interests	少數股東權益		8,508	11,864
Share option reserve of a subsidiary	一間附屬公司之購股權儲備		977	604
Total equity	總權益		304,544	343,081

The consolidated financial statements on pages 34 to 111 were approved and authorised for issue by the Board of Directors on 28 July 2008 and are signed on its behalf by:

第34至111頁之綜合財務報表經董事會於二零零八年七月二十八日批准及授權刊行，並由下列董事代表簽署：

Pierre Seligman
DIRECTOR
董事

On Kien Quoc
DIRECTOR
董事

Consolidated Statement of Changes in Equity

綜合權益變動表

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

		Attributable to equity holders of the Company 本公司權益持有人應佔									
		Share capital	Share premium	Share option reserve	Contributed surplus	Warrant reserve	Accumulated losses	Total	Minority interests	Share option reserve of a subsidiary	Total equity
		股本	股份溢價	購股權儲備	繳入盈餘	認股權證儲備	累計虧損	總計	少數股東權益	附屬公司之購股權儲備	總權益
		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
				(Note a) (附註a)	(Note b) (附註b)					(Note a) (附註a)	
At 1 April 2006, as previously stated	於二零零六年四月一日·如前所列	36,326	735,824	22,569	596,248	23,770	(1,097,003)	317,734	14,721	-	332,455
Prior year adjustments	往年調整	-	-	(137)	-	-	(2,342)	(2,479)	-	137	(2,342)
At 1 April 2006, as restated	於二零零六年四月一日·經重列	36,326	735,824	22,432	596,248	23,770	(1,099,345)	315,255	14,721	137	330,113
Loss for the year and total recognised expense for the year	年內虧損及年內確認開支總額	-	-	-	-	-	(14,581)	(14,581)	(2,857)	-	(17,438)
Exercise of warrants	行使認股權證	1,694	25,350	-	-	(7,388)	-	19,656	-	-	19,656
Exercise of share options	行使購股權	729	13,906	(4,352)	-	-	-	10,283	-	-	10,283
Recognition of equity-settled share based payments	確認以權益結算及以股份支付之款項	-	-	-	-	-	-	-	-	467	467
At 31 March 2007, restated	於二零零七年三月三十一日·重列	38,749	775,080	18,080	596,248	16,382	(1,113,926)	330,613	11,864	604	343,081
Loss for the year and total recognised expense for the year	年內虧損及年內確認開支總額	-	-	-	-	-	(215,125)	(215,125)	(1,194)	-	(216,319)
Acquisition of additional interest in a subsidiary	增購一間附屬公司之權益	-	-	-	-	-	-	-	(2,162)	-	(2,162)
Exercise of warrants	行使認股權證	3,757	56,206	-	-	(16,382)	-	43,581	-	-	43,581
Exercise of share options	行使購股權	1,214	26,885	(9,202)	-	-	-	18,897	-	-	18,897
Share issued expenses	股份發行開支	-	(6)	-	-	-	-	(6)	-	-	(6)
Recognition of equity-settled share based payments	確認以權益結算及以股份支付之款項	-	-	117,099	-	-	-	117,099	-	373	117,472
At 31 March 2008	於二零零八年三月三十一日	43,720	858,165	125,977	596,248	-	(1,329,051)	295,059	8,508	977	304,544

Notes:

附註:

(a) The share option reserve arises from the share based compensation regarding the share options granted by the Company and a subsidiary as referred to in note 35.

(a) 購股權儲備乃因與附註35所述本公司及一間附屬公司所授出之購股權有關以股份支付之補償而產生。

(b) (i) Pursuant to a special resolution passed on 11 August 2001, a capital reorganisation was undertaken which involved share subdivision on the basis that every issued and unissued share of \$0.10 each in the capital of the Company was divided into two subdivided shares of \$0.05 each and the nominal value of each of the subdivided shares in issue was reduced from \$0.05 to \$0.01 by cancelling \$0.04 paid up capital on each issued subdivided share. Every unissued subdivided share of \$0.05 each was further divided into five new shares of \$0.01 each. The reduction in share capital amounted to \$419,002,000 was credited to the contributed surplus.

(b) (i) 根據一項於二零零一年八月十一日通過之特別決議案·曾進行資本重組·當中涉及股份分拆·基準為將本公司股本中每股面值0.10元之每股已發行及未發行股份分拆為兩股每股面值0.05元之分拆股份·並透過將每股已發行分拆股份之繳足資本註銷0.04元·將每股已發行分拆股份之面值由0.05元削減至0.01元·每股面值0.05元之每股未發行分拆股份進一步分為五股每股面值0.01元之新股·股本削減419,002,000元一事已計入繳入盈餘。

Consolidated Statement of Changes in Equity

綜合權益變動表

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

(ii) Pursuant to a special resolution passed on 29 July 2002, a capital reorganisation was undertaken on 30 July 2002 to consolidate shares on the basis that every twenty issued and unissued shares of \$0.01 each in the capital of the Company were consolidated into one consolidated share of \$0.20 each. The nominal value of each of the consolidated shares in issue was reduced from \$0.20 to \$0.01 by cancelling \$0.19 paid up on each issued consolidated share and the subdivision of each unissued consolidated share of \$0.20 each into twenty new shares of \$0.01 each and as a result, an amount of \$177,246,000 was credited to the contributed surplus.

(ii) 根據一項於二零零二年七月二十九日通過之特別決議案，於二零零二年七月三十日曾進行資本重組，按將本公司股本中每二十股每股面值0.01元之已發行及未發行股份合併為一股每股面值0.20元之合併股份之基準進行股份合併。透過將每股已發行合併股份之繳足資本註銷0.19元及將每股面值0.20元之每股未發行合併股份分拆為二十股每股面值0.01元之新股，每股已發行合併股份之面值由0.20元削減至0.01元。因此，本公司將177,246,000元計入繳入盈餘。

Consolidated Cash Flow Statement

綜合現金流量表

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

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元 (restated) (重列)
Cash flows from operating activities	經營活動之現金流量		
Loss before taxation	除稅前虧損	(215,323)	(17,007)
Adjustments for:	調整:		
Interest expenses	利息開支	18	450
Interest income	利息收入	(1,520)	(2,060)
Dividend income	股息收入	(33)	(9)
Depreciation of property, plant and equipment	物業、廠房及設備折舊	239	623
Bad debts written off	壞賬撇銷	912	-
Amortisation of intangible assets	無形資產攤銷	14,058	14,058
Loss on disposal of property, plant and equipment	出售物業、廠房及設備之虧損	-	178
Share-based payment expenses	以股份支付之開支	117,472	467
Share of loss of an associate	分佔一間聯營公司之虧損	582	-
Change in fair value of derivative financial instruments	衍生金融工具之公允價值變動	87,230	-
Change in fair value of financial assets at fair value through profit or loss	以公允價值列入損益賬之 金融資產之公允價值變動	17,531	(20,267)
(Reversal of) allowance for bad and doubtful debts	呆壞賬(撥回)撥備	(2,500)	4,425
Loss on remeasurement to fair value less costs to sell	重新計量減去銷售成本之 公允價值之虧損	-	2,717
Operating gain (loss) before working capital changes	營運資金變動前經營收益(虧損)	18,666	(16,425)
Increase in inventories	存貨增加	-	(239)
Decrease in amount due from customers for contract work	應收合約工程客戶款項減少	-	18,140
Increase in financial assets at fair value through profit or loss	以公允價值列入損益賬之 金融資產增加	(48,601)	(15,825)
Increase in trade receivables	應收賬款增加	(41,480)	(45,845)
Increase in deposits, prepayments and other receivables	按金、預付款項及其他應收 款項增加	(23,573)	(90,064)
Increase in trade and other payables	應付賬款及其他應付款項增加	3,595	26,773
Cash used in operations	經營所用現金	(91,393)	(123,485)
Interest received	已收利息	1,520	2,060
Tax refunded	已退回稅項	98	-
Net cash used in operating activities	經營活動所用現金淨額	(89,775)	(121,425)

Consolidated Cash Flow Statement

綜合現金流量表

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

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元 (restated) (重列)
Cash flows from investing activities	投資活動之現金流量		
Acquisition of additional interest in a subsidiary	增購一間附屬公司之權益	(19,375)	-
Payments to acquire property, plant and equipment	購入物業、廠房及設備付款	(202)	(2,965)
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備所得款項	116	32
Purchase of available-for-sale investments	購入可供銷售之投資	-	(7,750)
Proceeds from disposal of available-for-sale financial assets	出售可供銷售之金融資產所得款項	7,750	-
Investment in an associate	於一間聯營公司之投資	(7,320)	-
Proceeds from disposal of disposal group held for sale	出售持作銷售之出售組合所得款項	11,625	-
Repayment from a shareholder	向一名股東還款	13,120	15,720
Advance to the majority shareholder of an associate	給予聯營公司大股東之墊款	(16,517)	-
Repayment from a minority shareholder	向少數股東還款	420	3,488
Repayment from (advance to) related companies	償還(給予)關連公司之墊款	657	(657)
Decrease (increase) in pledged bank deposits	已抵押銀行存款減少(增加)	8,051	(8,051)
Net cash used in investing activities	投資活動所用現金淨額	(1,675)	(183)
Cash flows from financing activities	融資活動之現金流量		
Interest paid	已付利息	(18)	(450)
(Repayment to) advance from a shareholder	(向一名股東還款) 一名股東提供之墊款	(15)	15
Proceeds from borrowings	借貸所得款項	-	700
Repayments of borrowings	償還借貸	(100)	(3,832)
Proceeds from issue of warrants	發行認股權證所得款項	25,567	-
Proceeds from exercise of warrants	行使認股權證所得款項	43,581	19,656
Proceeds from exercise of share options	行使購股權所得款項	18,897	10,283
Share issued expenses	股份發行開支	(6)	-
Net cash generated from financing activities	融資活動所得現金淨額	87,906	26,372
Net decrease in cash and cash equivalents	現金及現金等價物減少淨額	(3,544)	(95,236)
Bank balances and cash at beginning of financial year	於財政年度初之銀行結餘及現金	52,183	147,419
Bank balances and cash at end of financial year	於財政年度末之銀行結餘及現金	48,639	52,183

Notes to the Financial Statements

財務報表附註

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

1. GENERAL

China Solar Energy Holdings Limited (the "Company") is a limited liability company incorporated in Bermuda. The address of its principal place of business is 21/F, 3 Lockhart Road, Wan Chai, Hong Kong. The Company's shares are listed on The Stock Exchange of Hong Kong Limited. The Company has established a Sponsored Level I American Depository Receipt Programme and the trading of its American depository shares on the over-the counter market was commenced on 29 January 2007 in the United States.

During the year, the Company has determined that its functional currency has changed from Hong Kong dollars ("HKD") to United States dollars ("USD") as the Company has, through its subsidiaries, substantially increased its activities in photovoltaic business, of which most of the sales and purchases contracts are denominated in USD.

As the Company is listed in Hong Kong, the directors consider that it is appropriate to present the consolidated financial statements in Hong Kong dollars.

The Company and its subsidiaries (collectively, the "Group") are mainly engaged in the following activities:

- development, manufacturing, marketing and sale of photovoltaic solar cells, modules and panels for generating solar electric power and related training and consulting services ("photovoltaic business")
- provision of capital market advisory services
- participation in primary and secondary securities market
- money lending

1. 一般資料

華基光電能源控股有限公司（「本公司」）為在百慕達註冊成立之有限公司。本公司主要營業地點之地址為香港灣仔駱克道3號21樓。本公司股份於香港聯合交易所有限公司上市。本公司已設立第一級美國預託證券憑證計劃，美國預託證券已於二零零七年一月二十九日開始於美國場外市場買賣。

年內，本公司決定將其功能貨幣由港元（「港元」）改為美元（「美元」），原因為本公司已透過其附屬公司大幅增加光伏業務活動，當中大部分買賣合約乃以美元計值。

由於本公司於香港上市，故董事認為以港元呈列綜合財務報表較為恰當。

本公司及其附屬公司（統稱「本集團」）主要從事以下業務：

- 太陽能發電之光伏太陽能電池、組件、控電板之開發、生產、營銷及銷售，以及有關之培訓及顧問服務（「光伏業務」）
- 提供資本市場顧問服務
- 參與主要及次要證券市場
- 貸款

Notes to the Financial Statements

財務報表附註

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

2. RE-STATEMENT OF COMPARATIVE FINANCIAL INFORMATION

In the current year, the Group has made the following restatements:

- (i) On 19 January 2006, the Group acquired 100% of the issued share capital of Eaglefly Technology Limited ("Eaglefly") together with the shareholders' loan (the "Acquisition") from Multichannel Investments Limited. Eaglefly is incorporated in the British Virgin Islands and is an investment holding company. As at the date of the Acquisition, Eaglefly had 51% equity interests in Terra Solar Global, Inc ("TSG"), which had 100% equity interests in Terra Solar North America, Inc. ("TSNA", together with TSG collectively, the "TS Group").

As at the date of the Acquisition, TSG owned 100% interest in TSNA, a patent in application (the "IP asset"), and certain tangible assets relating to photovoltaic technology.

The purchase consideration comprised US\$3,145,000 (equivalent to HK\$24,374,000) by way of cash and HK\$133,800,000 by issuing 600,000,000 ordinary shares of the Company at the price of HK\$0.233 per share which represented the market price of the Company's share at the date of the Acquisition. After taking into account the professional fees directly attributable to the Acquisition of HK\$3,224,000, the total acquisition cost amounted to HK\$161,398,000.

2. 重列比較財務資料

於本年度，本集團曾重列下列資料：

- (i) 於二零零六年一月十九日，本集團向Multichannel Investments Limited收購Eaglefly Technology Limited（「Eaglefly」）100%已發行股本連同股東貸款（「收購」）。Eaglefly於英屬處女群島註冊成立，為一投資控股公司。於收購日，Eaglefly持有Terra Solar Global, Inc（「TSG」）51%股本權益，而TSG則持有Terra Solar North America, Inc.（「TSNA」，連同TSG統稱「TS集團」）100%股本權益。

於收購日，TSG擁有TSNA之全部權益、關於光伏科技之應用專利（「知識產權資產」）及若干有形資產。

收購代價中3,145,000美元（相等於24,374,000港元）以現金支付，其餘133,800,000港元則透過以每股0.233港元（即本公司股份於收購日之市價）發行600,000,000股本公司普通股支付。在計入收購直接引致之專業費用3,224,000港元後，總收購成本為161,398,000港元。

Notes to the Financial Statements

財務報表附註

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

2. RE-STATEMENT OF COMPARATIVE FINANCIAL INFORMATION (Continued)

In prior years, the Acquisition was accounted for using purchase method of accounting and the excess of the cost of the Acquisition of HK\$161,398,000 over the fair value of the Group's share of the identifiable net tangible assets acquired of HK\$20,823,000 was recorded as goodwill of HK\$140,575,000.

Prior to the date of the sale and purchase agreement entered for the Acquisition, no operation had been carried out in TSG and TSNA. Therefore, the Group had acquired entities that did not constitute a business. In the current financial year, the directors of the company have conducted detailed analysis of the characteristic of the IP asset and concluded that the IP asset meets the definition of intangible assets according to HKAS 38 Intangible assets at the date of the Acquisition. Accordingly, the excess of the cost of the Acquisition over the fair value of the Group's share of the identifiable net tangible assets acquired of HK\$140,575,000 should not be recognised as goodwill. Instead, the IP asset should be recognised as an intangible asset at an initial carrying amount of HK\$140,575,000, representing its cost of acquisition at the date of the Acquisition and amortised over its useful life (i.e. 10 years). The cost of acquisition have been determined by reference to the cash paid and the quoted market price of the shares of the Company issued as the independent valuer engaged by the Company has determined that its fair value as at the date of acquisition cannot be reliably measured. The adjustments are made retrospectively.

- (ii) The share option reserve of a subsidiary was included in the share option reserve of the Company. As the share option reserve by TSG is not attributable to equity holders of the Company, the relevant share option reserve should be separately presented. Accordingly, the presentation of consolidated balance sheet and consolidated statement of changes in equity have been amended retrospectively.

2. 重列比較財務資料 (續)

於過往年度，收購以收購會計法入賬，而收購成本161,398,000港元超出本集團分佔所收購可識別有形資產淨值之公允價值20,823,000港元之差額已記錄為商譽140,575,000港元。

訂立有關收購之買賣協議當日前，TSG及TSNA並無經營任何業務，故本集團收購之實體並不構成一項業務。於本財政年度，本公司董事曾詳盡分析知識產權資產之特點，結論為知識產權資產於收購日符合香港會計準則第38號「無形資產」中無形資產之定義。因此，收購成本超出本集團分佔所收購可識別有形資產淨值之公允價值之差額140,575,000港元不應確認為商譽。而應將知識產權資產按初步賬面值140,575,000港元確認為無形資產，該金額乃知識產權資產於收購日之收購成本，並於其可使用年期（即十年）內攤銷。由於本公司委聘之獨立估值師認為未能可靠地計量知識產權資產於收購日之公允價值，故有關收購成本乃參考已付現金及本公司已發行股份之市場報價釐定。有關事項已追溯調整。

- (ii) 一間附屬公司之購股權儲備已計入本公司之購股權儲備。由於TSG之購股權儲備並不歸屬於本公司權益持有人，故相關購股權儲備應分開呈列。因此，綜合資產負債表及綜合權益變動表之呈列方式已追溯修訂。

Notes to the Financial Statements

財務報表附註

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

2. RE-STATEMENT OF COMPARATIVE FINANCIAL INFORMATION (Continued)

The effects of the above restatements on the financial position of the Group as of 31 March 2007 are as follows:

2. 重列比較財務資料 (續)

上述重列對本集團於二零零七年三月三十一日之財務狀況之影響如下:

		As previously reported 如前所報 HK\$'000 千港元	Adjustments 調整 HK\$'000 千港元	As restated 經重列 HK\$'000 千港元
Property, plant and equipment	物業、廠房及設備	905	-	905
Goodwill	商譽	140,575	(140,575)	-
Intangible asset	無形資產	-	124,175	124,175
Available-for-sale financial assets	可供銷售之金融資產	7,750	-	7,750
Assets held for sale	持作出售資產	54,220	-	54,220
Current assets	流動資產	225,667	-	225,667
Total assets	資產總值	429,117	(16,400)	412,717
Current liabilities	流動負債	27,041	-	27,041
Liabilities associated with assets classified as held for sale	與分類為持作出售資產有關之負債	42,595	-	42,595
Total liabilities	負債總額	69,636	-	69,636
		359,481	(16,400)	343,081
Share capital	股本	38,749	-	38,749
Reserves	儲備	308,868	(17,004)	291,864
Total equity attributable to equity holders of the Company	本公司權益持有人應佔總權益	347,617	(17,004)	330,613
Minority interests	少數股東權益	11,864	-	11,864
Share option reserve of a subsidiary	一間附屬公司之購股權儲備	-	604	604
		359,481	(16,400)	343,081

Notes to the Financial Statements

財務報表附註

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

2. RE-STATEMENT OF COMPARATIVE FINANCIAL INFORMATION (Continued)

The effect of the above restatements on the result for the current and prior years are as follows:

		2008	2007
		二零零八年	二零零七年
		HK\$'000	HK\$'000
		千港元	千港元
Amortisation of intangible assets	無形資產攤銷	(14,058)	(14,058)
Increase in loss for the year	年內虧損增加	(14,058)	(14,058)
Attributable to:	應佔如下:		
Equity holders of the Company	本公司權益持有人	(14,058)	(14,058)
Minority interests	少數股東權益	-	-
		(14,058)	(14,058)
Increase in basic loss per share	每股基本虧損增加	(0.33) cents 仙	(0.37) cents 仙

The effect of the above restatements on the equity as of 1 April 2006:

		As previously reported	Adjustments	As restated
		如前所報	調整	經重列
		HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元
Share capital	股本	36,326	-	36,326
Share premium	股份溢價	735,824	-	735,824
Share option reserve	購股權儲備	22,569	(137)	22,432
Contributed surplus	繳入盈餘	596,248	-	596,248
Warrant reserve	認股權證儲備	23,770	-	23,770
Accumulated losses	累計虧損	(1,097,003)	(2,342)	(1,099,345)
		317,734	(2,479)	315,255
Minority interest	少數股東權益	14,721	-	14,721
Share option reserve of a subsidiary	一間附屬公司之購股權儲備	-	137	137
Total	總計	332,455	(2,342)	330,113

2. 重列比較財務資料 (續)

上述重列對本年度及往年度業績之影響如下:

上述重列對二零零六年四月一日之權益之影響如下:

Notes to the Financial Statements

財務報表附註

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

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

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

HKAS 1 (Amendment)	Capital disclosures
HKFRS 7	Financial instruments: Disclosures
HK(IFRIC) – INT 8	Scope of HKFRS 2
HK(IFRIC) – INT 9	Reassessment of embedded derivatives
HK(IFRIC) – INT 10	Interim financial reporting and impairment
HK(IFRIC) – INT 11	HKFRS 2: Group and treasury share transactions

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

3. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）

於本年度，本集團首次應用以下由香港會計師公會（「香港會計師公會」）頒佈之新準則、修訂及詮釋（「新香港財務報告準則」），全部於二零零七年四月一日開始之本集團財政年度生效。

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

本集團已分別追溯應用香港會計準則第1號（經修訂）及香港財務報告準則第7號之披露規定。本年度移除往年根據香港會計準則第32號之規定呈列之若干資料，並首次呈列根據香港會計準則第1號（經修訂）及香港財務報告準則第7號之規定須提供之相關比較資料。

Notes to the Financial Statements

財務報表附註

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

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

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

HKAS 1 (Revised)	Presentation of financial statements ¹
HKAS 23 (Revised)	Borrowing costs ¹
HKAS 27 (Revised)	Consolidated and separate financial statements ²
HKAS 32 & 1 (Amendments)	Puttable financial instruments and obligations arising on liquidation ¹
HKFRS 2 (Amendment)	Vesting conditions and cancellations ¹
HKFRS 3 (Revised)	Business combinations ²
HKFRS 8	Operating segments ¹
HK(IFRIC) – INT 12	Service concession arrangements ⁴
HK(IFRIC) – INT 13	Customer loyalty programmes ⁵
HK(IFRIC) – INT 14	HKAS 19 – The limit on a defined benefit asset, minimum funding requirements and their interaction ⁴

¹ Effective for accounting periods beginning on or after 1 January 2009.

² Effective for accounting periods beginning on or after 1 July 2009.

³ Effective for accounting periods beginning on or after 1 January 2008.

⁴ Effective for accounting periods beginning on or after 1 July 2008.

3. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

本集團並無提早應用以下已頒佈但尚未生效之新訂及經修訂準則、修訂或詮釋。

香港會計準則第1號（經修訂）	財務報表之呈列 ¹
香港會計準則第23號（經修訂）	借貸成本 ¹
香港會計準則第27號（經修訂）	綜合及獨立財務報表 ²
香港會計準則第32號及第1號（經修訂）	可沽售金融工具及清盤時產生之責任 ¹
香港財務報告準則第2號（經修訂）	歸屬條件及註銷 ¹
香港財務報告準則第3號（經修訂）	業務合併 ²
香港財務報告準則第8號	業務分類 ¹
香港（國際財務報告詮釋委員會）詮釋第12號	服務經營權安排 ⁴
香港（國際財務報告詮釋委員會）詮釋第13號	客戶忠誠度計劃 ⁵
香港（國際財務報告詮釋委員會）詮釋第14號	香港會計準則第19號— 界定福利資產之限制、最低資金要求及兩者之互動關係 ⁴

¹ 於二零零九年一月一日或之後開始之會計期間生效。

² 於二零零九年七月一日或之後開始之會計期間生效。

³ 於二零零八年一月一日或之後開始之會計期間生效。

⁴ 於二零零八年七月一日或之後開始之會計期間生效。

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

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

4. SIGNIFICANT ACCOUNTING POLICIES

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

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

3. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

採納香港財務報告準則第3號（經修訂）可能影響收購日期於二零零九年七月一日或之後開始之首個年度報告期間開始當日或以後之業務合併之會計方法。香港會計準則第27號（經修訂）將影響對母公司於附屬公司之擁有權出現不致喪失控制權之變動之會計處理方法。有關變動將入賬列作股權交易。本公司董事預期，應用其他準則、修訂或詮釋將不會對本集團之業績及財務狀況造成任何重大影響。

4. 主要會計政策

綜合財務報表乃按歷史成本法編製，惟若干金融工具按公允價值計量除外，詳見下文之會計政策。

綜合財務報表乃根據香港會計師公會頒佈之香港財務報告準則（「香港財務報告準則」）編製。此外，綜合財務報表包括根據香港聯合交易所有限公司（「聯交所」）證券上市規則及香港公司條例規定之適用披露資料。

Notes to the Financial Statements

財務報表附註

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

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of consolidation

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

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

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

Acquisition of additional interests in subsidiaries are recorded at historical cost and the excess of the cost of acquisition over the carrying amounts of net assets acquired is recognised as goodwill.

4. 主要會計政策 (續)

綜合賬目基準

綜合財務報表包括本公司及受其控制之公司(即其附屬公司)之財務報表。倘本公司有權規管一間公司之財務及營運政策,以致可從該公司之業務中獲利,即被視為擁有該公司之控制權。

於年內收購或出售之附屬公司之業績,由收購生效之日起或截至出售生效之日止(按適用者)於綜合收益表內入賬。

有需要時,附屬公司之財務報表會作出調整,以使當中所用會計政策與本集團其他成員公司所用者相符。

本集團內各公司之交易、結餘、收入及開支均會在綜合賬目時對銷。

綜合附屬公司資產淨值中之少數股東權益與本集團之權益分開呈列。資產淨值中之少數股東權益包括該等權益於業務開始合併當日之數額及自合併日期起計之少數股東應佔權益變動。少數股東應佔之虧損如多於少數股東於附屬公司權益之應佔權益,則劃撥至本集團之權益,惟少數股東具約束性責任及有能力作額外投資以填補該等虧損除外。

增購附屬公司權益按成本法入賬,而收購成本高於所收購淨資產之賬面值之數額則確認為商譽。

Notes to the Financial Statements

財務報表附註

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

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Goodwill

Goodwill arising on an acquisition of a business represents the excess of the cost of acquisition over the Group's interest in the fair value of the identifiable assets, liabilities and contingent liabilities of the relevant business at the date of acquisition. Such goodwill is carried at cost less any accumulated impairment losses.

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

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

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

4. 主要會計政策 (續)

商譽

收購業務時產生之商譽指於收購日期收購成本高於本集團於相關業務之可識別資產、負債及或然負債之公允價值所佔權益之數額。有關商譽以成本減任何累計減值虧損入賬。

收購業務時產生且已資本化之商譽於綜合資產負債表中獨立呈列。

就減值測試而言，收購時產生之商譽會分配至預期可因收購之協同效益而得益之各個有關現金產生單位或多個現金產生單位。獲分配商譽之現金產生單位會每年進行減值測試，或於有跡象顯示該單位可能出現減值時進行減值測試。就於某一財政年度進行收購時產生之商譽而言，獲分配商譽之現金產生單位會於該財政年度結束前進行減值測試。倘現金產生單位之可收回數額少於其賬面值，則減值虧損會先減低任何分配至該單位之商譽之賬面值，再按該單位中各項資產賬面值之比例分配至該單位之其他資產。商譽減值虧損均會直接於綜合收益表內確認。商譽減值虧損不會於往後期間撥回。

於往後出售相關現金產生單位時，已資本化之商譽所佔金額於釐定出售損益時會計算在內。

Notes to the Financial Statements

財務報表附註

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

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Business combinations

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

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

Investment in an associate

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

The result and assets and liabilities of associate are incorporated in these consolidated financial statements using the equity method of accounting. Under the equity method, investment in an associate is carried in the consolidated balance sheet at cost as adjusted for post-acquisition changes in the Group's share of the net assets of the associate, less any identified impairment loss. When the Group's share of losses of an associate equals or exceeds its interest in that associate (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.

4. 主要會計政策 (續)

業務合併

業務收購採用購買處理法入賬。收購成本按交易當日所給予之資產、所產生或承擔之負債以及本集團為交換被收購公司之控制權而發行之股本工具三者之公允總值，另加業務合併直接應佔之任何成本計量。被收購公司之可識別資產、負債及或然負債若符合香港財務報告準則第3號業務合併之確認條件，則以收購當日之公允價值確認。

被收購公司之少數股東權益初步按少數股東所佔資產、負債及或然負債已確認之公允淨值之比例計量。

於聯營公司之投資

聯營公司指投資者對其擁有重大影響力之公司，且不屬於附屬公司或於合營公司之權益。

聯營公司之業績及資產與負債以權益會計法計入綜合財務報表內。根據權益法，於聯營公司之投資乃按成本於綜合資產負債表入賬，並就本集團於收購後分佔有關聯營公司之資產淨值之變動作出調整，再減去任何已識別減值虧損。當本集團所佔聯營公司虧損相等於或超出於有關聯營公司之權益時（包括任何實際構成本集團於有關聯營公司之投資淨值一部份之長期權益），本集團會終止確認其應佔之進一步虧損。

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財務報表附註

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

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investment in an associate (Continued)

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.

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.

Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivables for goods sold and services provided in the normal course of business, net of discount and sales related tax.

Revenue is recognised when it is probable that economic benefits will flow to the Group and when the revenue and costs, if applicable, can be measured reliably, on the following bases:

- (i) Fees from financial advisory services including investment advisory fee, referral fee and placement fee are recognised when the relevant services are rendered.
- (ii) Interest income is recognised on a time-proportion basis using the effective interest method.
- (iii) Revenue from long-term service contracts in respect of photovoltaic business is recognised according to the percentage of completion of individual contract at the balance sheet date.
- (iv) Income from secondment services is recognised when the relevant services are rendered.
- (v) Dividend income is recognised when the right to receive payment is established.

4. 主要會計政策 (續)

於聯營公司之投資 (續)

本集團僅於須承擔法律或推定責任或曾代表有關聯營公司支付款項之情況下，方會就額外分佔之虧損撥備及確認負債。

本集團應佔之可識別資產、負債及或然負債之公允淨值超逾經重新評估之收購成本之數額，即時於損益賬內確認。倘集團實體與本集團聯營公司進行交易，則有關損益以本集團於有關聯營公司之權益為限作出對銷。

收入確認

收入按已收或應收代價之公允價值計量，即於日常業務過程中出售貨品及提供服務後應收之款項於扣除折扣及銷售相關稅項後之金額。

當本集團可能獲得經濟利益，並可按下列基準可靠計量有關收入及成本時，收益將予確認：

- (i) 財務顧問服務費（包括投資顧問費、轉介費及配售服務費），於提供相關服務時確認。
- (ii) 利息收入，參考未償還本金按時間比例以實際利率法確認。
- (iii) 有關光伏業務之長期服務合約收入，按於結算日個別合約之完成百分比確認。
- (iv) 借調服務收入，於提供有關服務時確認。
- (v) 股息收入，於確立收取有關款項之權利後確認。

Notes to the Financial Statements

財務報表附註

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

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Long term service contract

Where the outcome of a long term service contract can be estimated reliably, revenue and costs are recognised by reference to the stage of completion of the contract activity at the balance sheet date, as measured by the proportion that contract costs incurred for work performed to date bear to the estimated total contract costs. Variations in contract work, claims and incentive payments are included to the extent that they have been agreed with the customer.

Where the outcome of a long term service contract cannot be estimated reliably, contract revenue is recognised to the extent of contract costs incurred that it is probable will be recoverable. Contract costs are recognised as expenses 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.

Where contract costs incurred to date plus recognised profits less recognised losses exceed progress billings, the surplus is shown as an amount due from customers for contract work. For contracts where progress billings exceed contract costs occurred to date plus recognised profits less recognised losses, the surplus is shown as an amount due to customers for contract work. Amounts received before the related work is performed are included in the balance sheet, as a liability, as advances received. Amounts billed for work performed but not yet paid by the customer are included in the balance sheet under trade and other receivables.

4. 主要會計政策 (續)

長期服務合約

倘長期服務合約之成果可以可靠地評估，則收入及成本參照合約活動於結算日之完成程度加以確認。完成程度乃按截至計算當日進行工作產生之合約成本佔估計總合約成本之比例計算。約定工作之改動、申索及獎勵金按與客戶之協定計算。

倘長期服務合約之成果無法可靠地評估，則合約收入按很有可能收回之已產生合約成本確認。合約成本於產生期內確認為支出。

倘總合約成本很有可能超逾總合約收入，預期虧損會即會確認為支出。

倘截至計算當日已產生之合約成本加已確認溢利減虧損超逾工作進度款，則有關溢額以應收客戶約定工作款項入賬。若工作進度款超逾截至計算當日已產生之合約成本加已確認溢利減虧損，則有關溢額以應付客戶約定工作款項列帳。進行相關工作前已收之款項會以已收墊款列入資產負債表內之負債。而就已進行之工作已開立賬單但客戶尚未支付之款項則會列入資產負債表內之應收賬款及其他應收款項。

Notes to the Financial Statements

財務報表附註

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

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Property, plant and equipment

Property, plant and equipment are stated at cost less subsequent accumulated depreciation and accumulated impairment losses.

Depreciation is provided to write off the cost of items of property, plant and equipment over their estimated useful lives and after taking into account 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 the continued use of the asset. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in the consolidated income statement in the year in which the item is derecognised.

Intangible assets

Intangible assets acquired separately which have finite useful lives are carried at cost less accumulated amortisation and any accumulated impairment losses.

4. 主要會計政策 (續)

物業、廠房及設備

物業、廠房及設備按成本減日後之累計折舊及累計減值虧損入賬。

物業、廠房及設備項目之折舊於估計可使用年期內經計及其估值餘值後以直線法撇銷其成本。

物業、廠房及設備項目於出售後或當預期持續使用有關資產將不會產生未來經濟利益時終止確認。於終止確認有關資產時所產生之任何收益或虧損(以出售所得款項淨額與該項目之賬面值之差額計算)將計入終止確認年度之綜合收益表內。

無形資產

獨立收購而可使用年期有限之無形資產按成本減累計攤銷及任何累計減值虧損入賬。

Notes to the Financial Statements

財務報表附註

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

4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Intangible assets (Continued)

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

Impairment losses on tangible and intangible assets other than goodwill

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

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

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.

4. 主要會計政策 (續)

無形資產 (續)

於初步確認後，可使用年期有限之無形資產乃按成本減累計攤銷及任何累計減值虧損入賬。可使用年期有限之無形資產於估計可使用年期內以直線法攤銷（見下文有關有形及無形資產之減值虧損之會計政策）。

有形及無形資產（商譽除外）之減值虧損

本集團於各結算日審閱其資產之賬面值以確定是否有任何跡象表明該等資產存在減值虧損。倘預計某項資產之可收回金額低於其賬面值，則該項資產之賬面值應扣減至其可收回金額。減值虧損應立即確認為支出。

倘減值虧損於日後撥回，則該項資產之賬面值應增至其可收回金額經修訂後之估值，惟所增加之賬面值不得超過假設該項資產於過往年度未有出現減值虧損所釐定之賬面值。撥回之減值虧損可即時確認為收入。

租賃

凡租約條款將租賃資產擁有權之絕大部分風險及利益撥歸於承租人之租約，均歸類為融資租約。所有其他租約均歸類為經營租約。

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財務報表附註

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

4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Leasing (Continued)

The Group as lessee

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

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 the respective 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.

4. 主要會計政策 (續)

租賃 (續)

本集團作為承租人

經營租約之應付租金於有關租賃期內以直線法於損益賬中扣除。作為促使訂立經營租約之已收及應收利益亦於租賃期內以直線法確認為租金開支扣減。

外幣

於編製每間個別集團公司之財務報表時，倘交易所用貨幣與有關公司之功能貨幣不同(外幣)，則以其功能貨幣(有關公司經營業務之主要經濟環境採用之貨幣)按交易日期適用之匯率換算入賬。於各結算日，以外幣計值之貨幣項目按結算日適用之匯率重新換算。以外幣計值並以公允價值入賬之非貨幣項目，按釐定公允價值日期適用之匯率重新換算。惟以外幣計值並以歷史成本入賬之非貨幣項目則不會重新換算。

於結算及換算貨幣項目所產生之匯兌差異於產生期間在損益賬內確認。於重新換算以公允價值入賬之非貨幣項目產生之匯兌差異計入有關期間之損益賬。

Notes to the Financial Statements

財務報表附註

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

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Foreign currencies (Continued)

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.

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

Borrowing costs

All borrowing costs are recognised and included in finance costs in the consolidated income statement in the period in which they are incurred.

Research and development expenditure

Expenditure on research activities is recognised as an expense in the year in which it is incurred.

An internally-generated intangible asset arising from development expenditure is recognised only if it is anticipated that the development costs incurred on a clearly-defined project will be recovered through future commercial activity. Where no internally-generated intangible asset can be recognised, development expenditure is charged to profit or loss in the period in which it is incurred.

4. 主要會計政策 (續)

外幣 (續)

於結算及換算貨幣項目所產生之匯兌差異於產生期間在損益賬內確認。於重新換算以公允價值入賬之非貨幣項目產生之匯兌差異計入有關期間之損益賬。

就呈列綜合財務報表而言，本集團旗下公司之資產及負債均以結算日之適用匯率換算為本集團之呈列貨幣（即港元），而收入及開支則以本年度之平均匯率換算，惟期內匯率大幅波動除外，於此情況下，則採用交易日期適用之匯率換算。所產生之匯兌差異（如有）確認為權益中之獨立構成部份（匯兌儲備）。該等匯兌差異於有關境外業務被出售期間於損益賬內確認。

借貸成本

所有借貸成本均於產生期間之綜合收益表內確認，並計入融資成本中。

研發開支

研究活動之開支於產生期間確認為開支。

因開發開支產生之內部產生無形資產僅會於預期就明確界定項目產生之開發成本將可透過日後之商業活動而收回時確認。倘並無內部產生之無形資產可供確認，則開發支出於產期期間之損益賬中扣除。

Notes to the Financial Statements

財務報表附註

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

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Retirement benefit costs

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

Equity-settled share-based payment

Share options granted to employees

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

At each balance sheet date, the Group revises its estimates of the number of options that are expected to ultimately vest. The impact of the revision of the estimates during the vesting period, if any, is recognised in profit or loss, with a corresponding adjustment to share options reserve.

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

Share options granted to other share option scheme participants

Share options issued in exchange for goods or services are measured at the fair values of the goods or services received, unless that fair value cannot be reliably measured, in which case the goods or services received are measured by reference to the fair value of the share options granted. The fair values of the goods or services received are recognised as expenses immediately, unless the goods or services qualify for recognition as assets. Corresponding adjustment has been made to equity (share options reserve).

4. 主要會計政策 (續)

退休福利成本

強制性公積金計劃及國家管理退休福利計劃之供款於僱員提供服務至有權享有有關供款時作為開支支銷。

以股本結算股份支付款項

向僱員授出之購股權

所獲取服務之公允價值乃參照所授出購股權於授出日期之公允價值而釐定，於授出日期全數確認為開支，而購股權則於當日即時歸屬，權益（購股權儲備）亦相應增加。

本集團會於各結算日修訂預期最終歸屬之購股權數目之估計數字。於歸屬期內修訂估計數字（如有）之影響會於損益賬中確認，購股權儲備亦會作出相應調整。

當購股權獲行使時，原先於購股權儲備內確認之金額將轉撥至股份溢價。當購股權於歸屬日期後失效或於屆滿日期仍未行使時，原先於購股權儲備內確認之金額將轉撥至累計虧損。

向其他購股權計劃參與者授出之購股權

為交換貨品或服務而發行之購股權以所得貨品或服務之公允價值計量，惟倘公允價值無法可靠計算，則所得貨品或服務會參考所授購股權之公允價值計量。所得貨品或服務之公允價值即時確認為開支，惟有關貨品或服務合資格確認為資產則除外。權益（購股權儲備）會作出相應調整。

Notes to the Financial Statements

財務報表附註

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

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Equity-settled share-based payment (Continued)

Share issued to vendors

Share issued in exchange for goods or services are measured at the fair values of the goods or services received, unless that fair value cannot be reliably measured, in which case the goods or services received are measured by reference to the fair value of the share issued. The fair values of the goods or services received are recognised as expenses immediately, unless the goods or services qualify for recognition as assets.

Taxation

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

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

Deferred tax is recognised on differences between the carrying amount of assets and liabilities in the consolidated financial statements and the corresponding tax bases, used in the computation of taxable profit and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences, and deferred tax assets are recognised to the extent that it is probable that taxable 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.

4. 主要會計政策 (續)

以股本結算股份支付款項 (續)

向賣家發行之股份

為交換貨品或服務而發行之股份按所收取貨品或服務之公允價值計量，惟倘有關公允價值未能可靠地計量，則所收取貨品或服務會參照所發行股份之公允價值計量。所收取貨品或服務之公允價值即時確認為開支，惟貨品或服務合資格確認為資產則作別論。

稅項

所得稅開支指本期應付稅項及遞延稅項之總額。

本期應付稅項乃按本年度之應課稅溢利計算。應課稅溢利與綜合收益表所呈報之溢利有別，此乃由於應課稅溢利並不包括其他年度之應課稅或可扣減之收入或支出項目，亦不包括永不課稅或不可扣減之項目。本集團之本期稅項負債乃按結算日已制定或大致上已制定之稅率計算。

遞延稅項按綜合財務報表內資產及負債之賬面值與計算應課稅溢利所用之相關稅基之差異確認，並按資產負債表負債法入賬。計算預期應付或可予撥回之稅項。遞延稅項負債一般就一切應課稅暫時差異而予以確認，而遞延稅項資產則於極可能有應課稅溢利可抵銷可動用之可扣減暫時差異之情況下而予以確認。倘因商譽而產生或因於交易中初步確認其他資產及負債（於業務合併時確認者除外）而產生之暫時差異，並不影響應課稅溢利或會計溢利，則不會確認有關資產及負債。

Notes to the Financial Statements

財務報表附註

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

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Taxation (Continued)

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 consolidated income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

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.

Financial assets

The Group's financial assets are classified into three categories, financial assets at fair value through profit or loss ("FVTPL"), loans and receivables and available-for-sale investments. All regular way purchases or sales of financial assets are recognised and derecognised on 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.

4. 主要會計政策 (續)

稅項 (續)

遞延稅項按預期於償還負債或變現資產之年度適用之稅率計算。遞延稅項於綜合收益表內支銷或入賬，惟在與直接於權益支銷或入賬之項目有關之情況下，遞延稅項則同樣於權益中處理。

金融工具

倘集團實體成為工具合約條文之訂約方，則於資產負債表中確認金融資產及金融負債。金融資產及金融負債初次按公允價值計量。因收購或發行金融資產及金融負債（以公允價值列入損益賬之金融資產及金融負債除外）而直接產生之交易成本於初步確認時加入金融資產或金融負債之公允價值或自金融資產或金融負債之公允價值扣除（按適用者）。

金融資產

本集團之金融資產分為以下三個類別之一：包括以公允價值列入損益賬（「以公允價值列入損益賬」）之金融資產、貸款及應收款項以及可供銷售之投資。所有金融資產之日常買賣於交易日期確認及終止確認。日常買賣指須根據市場規則或慣例訂立之時間內付運資產之金融資產買賣。

Notes to the Financial Statements

財務報表附註

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

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Effective interest method

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

Income is recognised on an effective interest basis for debt instruments.

Financial assets at fair value through profit or loss

Financial assets at FVTPL of the Group comprise financial assets held for trading.

A financial asset is classified as held for trading if:

- it has been acquired principally for the purpose of selling in the near future; or
- it is a part of an identified portfolio of financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

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

4. 主要會計政策 (續)

金融工具 (續)

金融資產 (續)

實際利率法

實際利率法乃計量金融資產之攤銷成本及分配相關期間利息收入之方法。實際利率乃按金融資產之預計年期或適用之較短期間，準確折讓估計未來現金收入（包括構成實際利率不可或缺部份之一切已付或已收利率差價費用、交易成本及其他溢價及折讓）之利率。

債務工具之收入乃按實際利率基準確認。

以公允價值列入損益賬之金融資產

本集團以公允價值列入損益賬之金融資產包括持作買賣之金融資產。

倘金融資產：

- 主要為於不久將來出售而購入；或
- 構成本集團合併管理之已識別金融工具組合一部分，且近期出現實際短期獲利規率；或
- 屬於未被指定之衍生工具，並可有效作為對沖工具，則歸類為持作買賣。

於初步確認後之各結算日，以公允價值列入損益賬之金融資產乃按公允價值計量，而公允價值之變動乃於產生期間直接於損益賬確認。於損益賬確認之收益或虧損淨額不包括於金融資產賺取之股息或利息。

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財務報表附註

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

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial assets (Continued)

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, receivables (including trade and other receivables, deposits, amount due from a shareholder, amount due from a minority shareholder, amount due from related companies, pledged bank deposits and bank balances) are carried at amortised cost using the effective interest method, less any identified impairment losses.

Available-for-sale investments

Available-for-sale investments are non-derivatives that are either designated or not classified as financial assets at FVTPL, loans and receivables or held-to-maturity investments. At each balance sheet date subsequent to initial recognition, available-for-sale investments are measured at fair value.

Changes in fair value are recognised in equity, until the financial asset is disposed of or is determined to be impaired, at which time, the cumulative gain or loss previously recognised in equity is removed from equity and recognised in profit or loss (see accounting policy on impairment loss on financial assets below).

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

4. 主要會計政策 (續)

金融工具 (續)

金融資產 (續)

貸款及應收款項

貸款及應收款項為附帶固定或可釐定付款之非衍生金融資產，而其在活躍市場並無報價。於初步確認後每一個結算日，應收款項（包括應收賬款及其他應收款項、按金、應收一名股東款項、應收一名少數股東款項、應收關連公司款項、已抵押銀行存款及銀行結餘）採用實際利率法按攤銷成本減任何已識別減值虧損列賬。

可供銷售之投資

可供銷售之投資為非衍生項目，並指定為或未有劃分為以公允價值列入損益賬之金融資產、貸款及應收款項或持有至到期日之投資。於初步確認後每一個結算日，可供銷售之投資會按公允價值計量。

公允價值之變動會於權益中確認，直至金融資產被出售或釐定為減值為止，屆時，先前已於權益中確認之累計收益或虧損會從權益中剔除，並於損益表內確認（見下文有關金融資產減值虧損之會計政策）。

就可供銷售之投資而言，倘並無活躍市場之市價報價，而其公允價值未能可靠計量，則於初步確認後之每個結算日按成本減任何已識別減值虧損計量（見下文有關金融資產減值虧損之會計政策）。

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財務報表附註

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

4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Financial instruments (Continued)

Impairment of financial assets

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

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

For loans and receivables, objective evidence of impairment could include:

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

For certain categories of financial assets such as trade receivables, assets that are assessed not to be impaired individually are subsequently assessed for impairment on a collective basis. Objective evidence of impairment for receivable could include the Group's past experience of collecting payments, an increase in the number of delayed payments beyond the average credit period of 90 days, observable changes in national or local economic conditions that correlate with default on receivables.

4. 主要會計政策 (續)

金融工具 (續)

金融資產之減值

以公允價值列入損益賬之金融資產以外之金融資產於各結算日評定有否減值跡象。倘有客觀證據顯示，金融資產之估計未來現金流量因一項或多項於初步確認金融資產後發生之事件而受到影響，則金融資產出現減值。

就可供銷售之投資而言，倘該項投資之公允價值大幅或長期低於其成本，則被視為出現客觀之減值證據。

就貸款及應收款項而言，客觀之減值證據包括：

- 發行人或交易對手出現重大財政困難；或
- 未能繳付或延遲償還利息或本金；或
- 借款人有可能面臨破產或財務重組。

就應收賬款等若干金融資產類別而言，個別被評為不會減值之資產於其後以彙集基準進行減值評估。應收款項之客觀減值證據包括本集團過往收款之經驗、於90天平均信貸期後逾期還款之次數增加、全國或本地經濟狀況出現與欠繳應收款項有關之可見變動。

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財務報表附註

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

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Impairment of financial assets (Continued)

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

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

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade and other receivables, where the carrying amount is reduced through the use of an allowance account. Changes in the carrying amount of the allowance account are recognised in consolidated income statement. When trade and other receivables are considered uncollectible, they are written off against the allowance account. Subsequent recoveries of amounts previously written off are credited to consolidated income statement.

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

Impairment losses on available-for-sale equity investments will not be reversed in profit or loss in subsequent periods. Any increase in fair value subsequent to impairment loss is recognised directly in equity.

4. 主要會計政策 (續)

金融工具 (續)

金融資產之減值 (續)

就按攤銷成本列賬之金融資產而言，倘有客觀證據證明資產出現減值，則於綜合收益表確認減值虧損，並按資產之賬面值及估計未來現金流量按初始實際利率折現之現值之差額計量。

就按成本列賬之金融資產而言，減值虧損之金額按該項資產之賬面值與估計未來現金流量按類似金融資產現時市場回報率折現之現值之差額計量。有關減值虧損不會於往後期間撥回。

除應收賬款及其他應收款項外，所有金融資產之減值虧損會直接於金融資產之賬面值中扣減，金融資產之賬面值會透過撥備賬作出扣減。撥備賬之賬面值變動於綜合收益表確認。倘應收賬款及其他應收款項被視為無法收回，則於撥備賬撇銷。其後收回過往撇銷之款項計入綜合收益表內。

就按攤銷成本計量之金融資產而言，倘減值虧損金額於往後期間有所減少，而有關減少在客觀上與確認減值虧損後發生之事件有關，則先前已確認之減值虧損將透過綜合收益表撥回，惟該資產於減值被撥回當日之賬面值不得超過未確認減值時之攤銷成本。

可供銷售股本投資之減值虧損不會於往後期間在損益賬撥回。出現減值虧損後之公允價值增加會直接於權益中確認。

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財務報表附註

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

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

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 Company after deducting all of its liabilities. The Group's financial liabilities are generally classified into financial liabilities at FVTPL and other financial liabilities.

Effective interest method

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

Interest expense is recognised on an effective interest basis.

Financial liabilities at fair value through profit or loss

The Group's financial liabilities at FVTPL comprise financial liability held for trading. A financial liability is classified as held for trading if:

- it has been incurred principally for the purpose of repurchasing in the near future; or
- it is a part of an identified portfolio of financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

4. 主要會計政策 (續)

金融工具 (續)

金融負債及股權

由集團實體發行之金融負債及股本工具按所訂立之合約安排性質，以及金融負債及股本工具之定義而分類。

股本工具為證明本公司資產剩餘權益（經扣除其所有負債）之任何合約。本集團之金融負債一般被分類為以公允價值列入損益賬之金融負債及其他金融負債。

實際利率法

實際利率法乃計算金融負債之攤銷成本及分配相關期間利息開支之方法。實際利率乃按金融負債之預計年期或適用之較短期間，準確折現估計未來現金付款之利率。

利息開支乃按實際利率基準確認。

以公允價值列入損益賬之金融負債

本集團以公允價值列入損益賬之金融負債包括持作買賣之金融負債。在下列情況下，金融負債會分類為持作買賣：

- 其產生之主因是於不久將來進行購回；或
- 其為本集團彙集管理之可識別金融工具組合之一部分，且近期出現實際有短期獲利規率；或
- 其為未被指定之衍生工具，並可有效作為對沖工具。

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財務報表附註

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

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial liabilities and equity (Continued)

Financial liabilities at fair value through profit or loss (Continued)

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

Other financial liabilities

Financial liabilities including trade and other payables, amount due to a shareholder and borrowings are subsequently measured at amortised cost, using the effective interest method.

Warrants

Warrants issued by the company that will be settled by other than a fixed amount of cash for a fixed number of the company's own equity instruments is a derivative financial instrument. Warrants classified as a derivative financial instrument are recognised at their fair values at the date of issue. Changes in fair values in subsequent periods are recognised through profit or loss.

Warrants issued by the company that will be settled by a fixed amount of cash for a fixed number of the company's own equity instruments is equity. The net proceed received from the issue of warrants is recognised in equity (warrant reserve). The warrant reserve will be transferred to share capital and share premium accounts upon the exercise of the warrants. When the warrants are still not exercised at the expiry date, the amount previously recognised in warrant reserve will be transferred to accumulated losses.

4. 主要會計政策 (續)

金融工具 (續)

金融負債及股權 (續)

以公允價值列入損益賬之金融負債 (續)

於首次確認後之每個結算日，以公允價值列入損益賬之金融負債按公允價值計量，公允價值之變動於其產生期間直接於損益賬確認。於損益賬確認之收益或虧損淨額不包括就金融負債支付之任何利息。

其他金融負債

金融負債（包括應付賬款及其他應付款項、應付一名股東款項及借貸）其後按實際利率法以攤銷成本計量。

認股權證

並非以定額現金或本公司定額股本工具結算之本公司發行認股權證為衍生金融工具。分類為衍生金融工具之認股權證於發行日期按公允價值確認。往後期間之公允價值變動於損益賬確認。

以定額現金或本公司定額股本工具結算之本公司發行認股權證為股權。發行認股權證收取之所得款項淨額於權益中確認（認股權證儲備）。認股權證儲備將於認股權證獲行使時轉撥至股本及股份溢價賬。倘認股權證於到期日仍未獲行使，則過往於認股權證儲備確認之款項將轉撥至累計虧損。

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財務報表附註

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

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial liabilities and equity (Continued)

Equity instruments

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

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 receivable and the cumulative gain or loss that had been recognised directly in equity is recognised in profit or loss.

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

4. 主要會計政策 (續)

金融工具 (續)

金融負債及股權 (續)

股本工具

由本公司發行之股本工具按收取之所得款項記錄，扣除直接發行成本。

終止確認

若從資產收取現金流量之權利已到期，或金融資產已轉讓及本集團已將其於金融資產擁有權之絕大部份風險及回報轉移，則金融資產將被終止確認。於終止確認金融資產時，資產賬面值與已收及應收之代價及已直接於權益確認之累計損益之總和之差額，於損益賬確認。

倘於有關合約之特定責任獲解除、取消或到期，金融負債將終止確認。終止確認之金融負債賬面值與已付及應付之代價之差額乃於損益賬確認。

5. KEY SOURCES OF ESTIMATION UNCERTAINTY

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

Estimated allowance of trade receivables

When there is objective evidence of impairment loss, the Group takes into consideration the estimation of future cash flows. The amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate (i.e. the effective interest rate computed at initial recognition). There the actual future cash flows are less than expected, a material impairment loss may arise. As at 31 March 2008, the carrying amount of trade receivables is HK\$69,735,000 (2007: HK\$25,755,000).

6. CAPITAL RISK MANAGEMENT

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

The capital structure of the Group is mainly represented by the equity attributable to equity holders of the Company, comprising issued share capital and reserves.

The directors of the Company review the capital structure on a semi-annual basis. As part of this review, the directors consider the cost of capital and the risks associates with each class of capital. Based on recommendations of the directors, the Group will balance its overall capital structure through the issue of new shares as well as the issue of new debt or the repayment of existing debt.

5. 估計不明朗因素之主要來源

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

應收賬款估計撥備

倘有客觀證據顯示出現減值虧損，本集團將計算估計未來現金流量。減值虧損之數額乃按資產賬面值與估計未來現金流量（不包括尚未產生之未來信貸虧損）之現值之差額計量，並按金融資產之原實際利率（即於首次確認時採用之實際利率）進行貼現。倘實際未來現金流量少於預期，則可能會產生重大減值虧損。於二零零八年三月三十一日，應收賬款之賬面值為69,735,000港元（二零零七年：25,755,000港元）。

6. 資本風險管理

本集團之資本管理旨在透過在債務與權益間作出最佳平衡，確保本集團之實體可持續經營之餘，亦為股東締造最大回報。本集團整體策略與去年相同。

本集團之資本架構包括本公司權益持有人應佔權益（包括已發行股本及儲備）。

本公司董事每半年檢討資本架構。作為檢討一部分，董事考慮資本成本及與各類資本有關之風險。本集團會通過發行新股、發行新債務或償還現有債務等方式，平衡整體資本架構。

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7. FINANCIAL INSTRUMENTS

Categories of financial instruments

7. 金融工具

金融工具之類別

		2008	2007
		二零零八年	二零零七年
		HK\$'000	HK\$'000
		千港元	千港元
Financial assets	金融資產		
Loan and receivables (including cash and cash equivalents)	貸款及應收款項 (包括現金及現金等價物)	175,454	129,070
Financial assets at FVTPL	以公允價值列入損益賬之 金融資產	83,377	52,274
Available-for-sale investments	可供銷售之投資	–	7,750
Financial liabilities	金融負債		
Amortised cost	攤銷成本	17,072	5,220
Financial liabilities at FVTPL	以公允價值列入損益賬之 金融負債	112,797	–

Financial risk management objectives and policies

The Group's financial instruments include amount due from a shareholder of an associate, trade receivables, deposits, other receivables, amount due from a shareholder, amount due from related companies, financial assets at fair value through profit or loss, bank balances, trade and other payables, borrowings and derivative financial instruments. Details of these financial instruments are disclosed in respective notes. The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below. The management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

Market risk

Currency risk

The director considered that the Group's exposure to foreign currency exchange risk is insignificant as more than 95% of the Group's revenue is denominated in the functional currency of each individual group entity.

The directors consider that the sensitivity of the Group's exposure towards the change in foreign exchange rates is minimal as most of the Group's assets and liabilities are denominated in the functional currency of a particular group entity as at each of the balance sheet dates.

金融風險管理目標及政策

本集團之金融工具包括應收一名聯營公司股東款項、應收賬款、按金、其他應收款項、應收一名股東款項、應收關連公司款項、以公允價值列入損益賬之金融資產、銀行結餘、應付賬款及其他應付款項、借貸及衍生金融工具。此等金融工具之詳情於各附註披露。與此等金融工具有關之風險及減輕此等風險之政策載於下文。管理層會管理及監察此等風險，確保適時及有效地採取合適之措施。

市場風險

貨幣風險

由於本集團逾95%收入以各獨立集團實體之功能貨幣計值，故董事認為本集團之外幣匯兌風險不高。

由於本集團大部分資產及負債以某一集團實體於各結算日之功能貨幣計值，故董事認為本集團於外幣匯率變動風險方面之敏感度甚低。

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財務報表附註

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7. FINANCIAL INSTRUMENTS (Continued)

Financial risk management objectives and policies

(Continued)

Market risk (Continued)

Fair value interest rate risk

The Group is exposed to fair value interest rate risk in relation to fixed-rate bank deposit. The interest rate risk on bank deposits is limited because of the short maturity.

Cash flow interest rate risk

The Group's cash flow interest rate risk relates to the bank balances as well as variable-rate borrowings (see Notes 29 and 32 for details). The Group cash flow interest rate risk on borrowings is mainly concentrated on the fluctuation of the prime rate.

The Group currently does not have interest rate hedging policy. However, the management will consider hedging significant interest rate exposure should the need arise.

The Group's exposures to interest rates on financial liabilities are detailed in the liquidity risk management section of this note.

Sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to interest rates for non-derivative financial instruments at the balance sheet date. For variable-rate bank balances and borrowings, the analysis is prepared assuming the amount of asset and liability outstanding at the balance sheet date was outstanding for the whole year. A 50 basis point increase or decrease is used which represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 50 basis points higher/lower and all other variables were held constant, the Group's loss for the year ended 31 March 2008 would decrease/increase by HK\$58,000 (2007: decrease/increase by HK\$161,000). This is mainly attributable to the Group's exposure to interest rates on its variable-rate bank balances and borrowings.

7. 金融工具 (續)

金融風險管理目標及政策 (續)

市場風險 (續)

公允價值利率風險

本集團之固定利率銀行存款承受公允價值利率風險。銀行存款之到期日短，故所承受之利率風險有限。

現金流量利率風險

本集團之現金流量利率風險乃關於銀行結餘及浮動利率借貸（詳見附註29及32）。本集團有關借貸之現金流量利率風險主要集中於最優惠利率之波動。

本集團現時並無訂有利率對沖政策。然而，管理層將考慮於有需要時對沖重大之利率風險。

本集團有關金融負債之利率風險詳情載於本附註流動資金風險管理一節。

敏感度分析

下文之敏感度分析乃根據非衍生金融工具於結算日之利率風險釐定。編製浮動利率銀行結餘及借貸之分析時會假設於結算日之未償還資產及負債金額於整個年度均未償還。本集團會上調或下調50個基點，而有關幅度乃管理層對利率可能出現之合理變動作出之評估。

倘利率上調／下滑50個基點，而所有其他變數維持不變，則本集團截至二零零八年三月三十一日止年度之虧損將會減少／增加58,000港元（二零零七年：減少／增加161,000港元），主要原因為本集團承擔其浮動利率銀行結餘及借貸之利率風險。

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財務報表附註

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7. FINANCIAL INSTRUMENTS (Continued)

Financial risk management objectives and policies

(Continued)

Market risk (Continued)

Equity price risk

The Group is exposed to equity price risk in relation to the warrants issued, which are classified as derivative financial instrument.

Sensitivity analysis

If the spot market quoted price of the Company's warrant had been 5% higher/lower on the reporting date while all other variables were held constant, the loss for the year would increase/decrease by HK\$413,000.

Credit risk

As at 31 March 2008, the Group's maximum exposure to credit risk which may cause a financial loss to the Group due to failure to discharge an obligation by the counterparties is arising from the carrying amount of the respective recognised financial assets as stated in the consolidated balance sheet. The Group has significant concentration on a trade debtor. As at 31 March 2008, a customer (2007: 1) accounted for over 90% (2007: 90%) of the trade receivables. The customer is a foreign-owned enterprise located in Changzhou, Jiangsu of PRC and it is principally engaged in the production of solar panel. The credit limit granted to this customer is US\$15,000,000 (equivalent to approximately HK\$117,000,000). In order to minimise the credit risk, the management of the Group has delegated a team responsible for determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group reviews the recoverable amount of each individual trade debt at each balance sheet date to ensure that adequate impairment losses are made for irrecoverable amounts. Also, upto the date of this report, about 50% of the trade receivables have been settled. In this regard, the directors of the Company consider that the Group's credit risk is significantly reduced.

7. 金融工具 (續)

金融風險管理目標及政策 (續)

市場風險 (續)

權益價格風險

本集團承受有關所發行認股權證之權益價格風險，而該等認股權證乃分類為衍生金融工具。

敏感度分析

倘本公司認股權證之現貨市場報價於報告日期上升／下跌5%，而所有其他變數維持不變，則年內虧損將會增加／減少413,000港元。

信貸風險

於二零零八年三月三十一日，因對手方未能履行義務而可能導致本集團蒙受財務虧損之本集團最高信貸風險乃因綜合資產負債表所列各項已確認金融資產之賬面值而產生。本集團之應收賬款非常集中。於二零零八年三月三十一日，一名客戶（二零零七年：一名）佔應收賬款超過90%（二零零七年：90%）。該名客戶為位於中國江蘇常州之外資企業，其主要業務為生產太陽能控電板。給予此名客戶之信貸限額為15,000,000美元（相等於約117,000,000港元）。為將信貸風險減至最低，本集團管理層已指派一支團隊，負責釐定信貸額、審批信貸及執行其他監察程序，確保採取跟進行動收回逾期債務。此外，本集團審閱每筆貿易債務於結算日之可收回金額，確保就不能收回之金額作出充份之減值虧損。再者，直至本報告日期，約50%應收賬款已獲償付。就此，本公司董事認為本集團之信貸風險已大幅減低。

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財務報表附註

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

7. FINANCIAL INSTRUMENTS (Continued)

Financial risk management objectives and policies

(Continued)

Credit risk (Continued)

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

Liquidity risk

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

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

Liquidity tables

		Weighted average effective interest rate	Within 3 months or on demand	Carrying undiscounted cash flows	Total amount at 31.3.2008
					未貼現 於二零零八年 三月三十一日 之賬面值
		%	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
2008	二零零八年				
Non-derivative financial liabilities	非衍生金融負債				
Trade payables	應付賬款	-	13,266	13,266	13,266
Other payables	其他應付款項	-	3,206	3,206	3,206
Borrowings	借貸	8.3%	606	606	600
			17,078	17,078	17,072

7. 金融工具 (續)

金融風險管理目標及政策 (續)

信貸風險 (續)

由於流動資金之對手方為獲國際評級機構給予高信貸評級之銀行，故有關流動資金之信貸風險有限。

流動資金風險

就管理流動資金風險而言，本集團監察及維持現金及現金等價物於管理層認為合適之水平，為本集團業務提供資金，並減低現金流量波動之影響。管理層監察銀行借貸之動用情況，並確保遵守貸款契諾。

下表載有本集團金融負債之剩餘合約年期詳情。就非衍生金融負債而言，有關列表乃根據於本集團可能被要求付款之最早日期之金融負債未貼現現金流量編製。下列載有利息及主要現金流量。

流動資金列表

Notes to the Financial Statements

財務報表附註

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

7. FINANCIAL INSTRUMENTS (Continued)

Financial risk management objectives and policies

(Continued)

Credit risk (Continued)

Liquidity tables (Continued)

		Weighted average effective interest rate	Within 3 months or on demand	Carrying undiscounted cash flows 未貼現 現金流量 總額	Total amount at 31.3.2008 於二零零八年 三月三十一日 之賬面值
		%	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
2007	二零零七年				
Non-derivative financial liabilities	非衍生金融負債				
Trade payables	應付賬款	-	1,103	1,103	1,103
Other payables	其他應付款項	-	3,402	3,402	3,402
Amount due to a shareholder	應付一名股東款項	-	15	15	15
Borrowings	借貸	10.8%	700	700	700
			<u>5,220</u>	<u>5,220</u>	<u>5,220</u>

Fair value

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

- the fair values of financial assets and financial liabilities with standard terms and conditions and traded on active liquid markets are determined with reference to quoted market bid prices and ask prices respectively; and
- the fair values of other financial assets and financial liabilities are determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices or rates from observable current market transactions as input. For an option-based derivative, the fair value is estimated using option-price mode (see details in note 33).

The directors consider that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the consolidated financial statements approximate their fair values.

7. 金融工具 (續)

金融風險管理目標及政策 (續)

信貸風險 (續)

流動資金列表 (續)

		Weighted average effective interest rate	Within 3 months or on demand	Carrying undiscounted cash flows 未貼現 現金流量 總額	Total amount at 31.3.2008 於二零零八年 三月三十一日 之賬面值
		%	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
2007	二零零七年				
Non-derivative financial liabilities	非衍生金融負債				
Trade payables	應付賬款	-	1,103	1,103	1,103
Other payables	其他應付款項	-	3,402	3,402	3,402
Amount due to a shareholder	應付一名股東款項	-	15	15	15
Borrowings	借貸	10.8%	700	700	700
			<u>5,220</u>	<u>5,220</u>	<u>5,220</u>

公允價值

金融資產及金融負債之公允價值釐定如下:

- 受標準條款及條件規管及於活躍流動市場交易之金融資產及金融負債之公允價值乃分別參考市價報價及索價釐定; 及
- 其他金融資產及金融負債之公允價值按公認定價模型, 以可知當前市場交易價格或利率作為輸入值進行折算現金流量分析釐定。以期權為基礎之衍生工具之公允價值利用購股權定價模式估計 (詳見附註33)。

董事認為於綜合財務報表以攤銷成本記錄之金融資產及金融負債之賬面值與其公允價值相若。

Notes to the Financial Statements

財務報表附註

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

8. REVENUE

Revenue, which is also turnover of the Group, represents value of services rendered and interest income earned from money lending, and is analysed as follows:

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Financial advisory services	財務顧問服務	2,107	2,235
Interest income from money lending	貸款之利息收入	2,561	564
Long-term service contracts of photovoltaic business	光伏業務長期服務合約	93,000	38,324
		97,668	41,123

9. SEGMENT INFORMATION

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

Business segments

The Group is organised into three main business segments:

Strategic investments and capital market activities	– Participation in primary and secondary securities market and provision of capital market advisory services
Financing	– Provision of commercial and personal loans
Photovoltaic business	– Development and manufacturing of solar cells, modules and panels for generating solar electric power

8. 收入

收入(即本集團之營業額)乃提供服務之價值及賺取自貸款之利息收入。收入之分析如下:

	2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Financial advisory services	2,107	2,235
Interest income from money lending	2,561	564
Long-term service contracts of photovoltaic business	93,000	38,324
	97,668	41,123

9. 分部資料

根據本集團之內部財務申報制度,本集團決定以業務分部為其主要呈報方式,各分部之組織及管理均為獨立。

業務分部

本集團由三個主要業務分部組成:

策略性投資及資本市場活動	– 參與主要及次要證券市場以及提供資本市場顧問服務
融資	– 提供商業及個人貸款
光伏業務	– 太陽能發電之太陽能電池、組件及控電板等之開發及生產

Notes to the Financial Statements

財務報表附註

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

9. SEGMENT INFORMATION (Continued)

Business segments (Continued)

There are no significant sales or other transactions between the business segments.

9. 分部資料 (續)

業務分部 (續)

業務分部間並無重大銷售或其他交易。

		Strategic investments and capital market activities		Financing		Photovoltaic business		Unallocated		Consolidated	
		策略性投資及資本市場活動		融資		光伏業務		未分配		綜合	
		2008	2007	2008	2007	2008	2007	2008	2007	2008	2007
		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
											(restated)
											(重列)
Revenue from external customers	來自外界客戶之收入	2,107	2,235	2,561	564	93,000	38,324	-	-	97,668	41,123
Segment result	分部業績	(1,978)	34,049	5,043	(4,350)	(7,098)	(40,629)	-	-	(4,033)	(10,930)
Unallocated operating expenses	未分配經營開支	-	-	-	-	(50,678)	-	(66,794)	-	(15,581)	(10,395)
Share-based payment expenses	以股份支付開支	-	-	-	-	-	-	-	-	(117,472)	-
Loss on derivative financial instruments classified as financial liabilities held for trading	分類為持作買賣金融負債之衍生金融工具之虧損	-	-	-	-	-	-	-	-	(87,230)	-
Other income	其他收入	-	-	-	-	-	-	-	-	9,593	4,768
Share of loss of an associate	分佔一間聯營公司之虧損	-	-	-	-	(582)	-	-	-	(582)	-
Finance costs	融資成本	-	-	-	-	-	-	-	-	(18)	(450)
Loss before taxation	除稅前虧損	-	-	-	-	-	-	-	-	(215,323)	(17,007)
Taxation	稅項	-	-	-	-	-	-	-	-	(996)	(431)
Loss for the year	年內虧損	-	-	-	-	-	-	-	-	(216,319)	(17,438)
BALANCE SHEET	資產負債表										
Total assets	資產總值	83,934	54,349	437	25,435	265,117	189,145	98,794	143,788	448,282	412,717
Total liabilities	負債總額	(3,538)	(764)	(964)	(1,964)	(22,068)	(21,239)	(117,168)	(45,669)	(143,738)	(69,636)
OTHER INFORMATION	其他資料										
Depreciation of property, plant and equipment	物業、廠房及設備折舊	-	-	-	-	239	623	-	-	239	623
Capital expenditure	資本開支	-	-	-	-	202	2,965	-	-	202	2,965
Allowance for bad and doubtful debts	呆壞賬撥備	-	-	-	4,425	-	-	-	-	-	4,425
Amortisation of intangible assets	無形資產攤銷	-	-	-	-	14,058	14,058	-	-	14,058	14,058
Consultancy expenses	顧問開支	-	-	-	-	50,305	5,233	56,965	-	107,270	5,233

Notes to the Financial Statements

財務報表附註

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

9. SEGMENT INFORMATION (Continued)

Geographical segments

The Group's operations are located in Hong Kong, other areas of China and the United States ("US").

The Group's financing and strategic investments and capital market activities are mainly carried out in Hong Kong. Photovoltaic business is mainly carried out in other areas of China.

The following table provides an analysis of the Group's revenue by geographical location of the Group's customers. It also provides an analysis of the carrying amount of segment assets and additions of the property, plant and equipment, analysed by the geographical area in which the assets are located or the assets are registered.

9. 分部資料 (續)

地區分部

本集團之營運位於香港、中國其他地區及美國(「美國」)。

本集團之融資以及策略性投資及資本市場活動主要於香港進行，而光伏業務則主要於中國其他地區進行。

下表為按本集團客戶所在地區進行之本集團收入分析，當中同時按資產所在地或資產註冊地點分析分部資產之賬面值及物業、廠房及設備之添置。

	Hong Kong		Other areas		US		Consolidated	
	香港		中國其他地區		美國		綜合	
	2008	2007	2008	2007	2008	2007	2008	2007
	二零零八年	二零零七年	二零零八年	二零零七年	二零零八年	二零零七年	二零零八年	二零零七年
	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 from external customers	來自外界客戶之收入							
	4,668	2,799	93,000	38,324	-	-	97,668	41,123
Segment assets	分部資產							
	142,061	90,802	60,660	-	146,767	178,127	349,488	268,929
Capital expenditure	資本開支							
	152	-	-	-	50	2,965	202	2,965

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財務報表附註

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

10. OTHER INCOME

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Secondment services	借調服務	2,915	2,579
Interest income from bank balances	銀行結算利息收入	1,520	2,060
Dividend income	股息收入	33	9
Net exchange gain	匯兌收益淨額	2,402	35
Royalty income	專利權收入	2,325	-
Others	其他	398	85
		9,593	4,768

10. 其他收入

11. NET GAIN ON FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Change in fair value of held for trading investments	持作買賣投資之公允價值變動	1,206	36,997

11. 以公允價值列入損益賬之金融資產收益淨額

12. STAFF COSTS (INCLUDING DIRECTORS' EMOLUMENTS)

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Salaries, allowances and benefits	薪金、津貼及福利	14,518	21,108
Share-based payment expenses	以股份支付開支	5,320	467
Contributions to retirement benefit scheme	退休福利計劃供款	381	205
		20,219	21,780

12. 員工成本 (包括董事酬金)

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財務報表附註

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

13. FINANCE COSTS

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Interest on borrowings wholly repayable within five years	須於五年內悉數償還之借貨之利息	18	450

14. TAXATION

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Current tax:	本期稅項:		
Hong Kong	香港	420	-
Other jurisdiction	其他司法管轄區	12	-
		432	-
Underprovision in prior year – Hong Kong	以往年度撥備不足 – 香港	564	431
Total income tax expenses	所得稅開支總額	996	431

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

No provision for Hong Kong profits tax had been made in the consolidated financial statements for prior year as the relevant subsidiaries either had tax losses brought forward which were available to set off against the assessable profit arising in Hong Kong or did not generate assessable profits.

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

香港利得稅以年內估計應課稅溢利按稅率17.5% (二零零七年: 17.5%) 計算。

由於相關附屬公司擁有可抵銷在香港產生之應課稅溢利之承前稅務虧損, 或並無賺取任何應課稅溢利, 故於去年之綜合財務報表並無就香港利得稅作出撥備。

其他司法管轄區產生之稅項按相關司法管轄區當時適用稅率計算。

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財務報表附註

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

14. TAXATION (Continued)

The taxation charge for the year can be reconciled to the loss before taxation per the consolidated income statement as follows:

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Loss before taxation	除稅前虧損	(215,323)	(17,007)
Tax at the Hong Kong Profits Tax rate of 17.5%	按香港利得稅率17.5% 計算之稅項	(37,682)	(2,976)
Tax effect of share of loss of an associate	應佔一間聯營公司虧損之稅務影響	102	-
Tax effect of non-deductible expenses	不可扣減開支之稅務影響	38,903	7,088
Tax effect of non-taxable income	非課稅收入之稅務影響	(917)	(6,892)
Utilisation of tax losses not previously recognised	動用以往未確認之稅務虧損	(2,314)	(93)
Tax effect of tax losses not recognised	未確認稅務虧損之稅務影響	1,990	2,874
Other temporary differences not recognised	其他未確認暫時性差異	-	(1)
Effect of different tax rates of subsidiaries operating in other jurisdiction	於其他司法管轄區經營之 附屬公司不同稅率之影響	350	-
Underprovision in prior year	以往年度撥備不足	564	431
Tax charge for the year	年內稅項支出	996	431

At the balance sheet date, the Group has estimated unused tax losses of approximately HK\$269,917,000 (2007: HK\$271,768,000) available for offset against future profits. No deferred taxation asset has been recognised in respect of these tax losses due to unpredictability of future profit streams. The tax losses may be carried forward indefinitely.

14. 稅項 (續)

年內稅項支出與綜合收益表之除稅前虧損之對賬如下：

	2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Loss before taxation	(215,323)	(17,007)
Tax at the Hong Kong Profits Tax rate of 17.5%	(37,682)	(2,976)
Tax effect of share of loss of an associate	102	-
Tax effect of non-deductible expenses	38,903	7,088
Tax effect of non-taxable income	(917)	(6,892)
Utilisation of tax losses not previously recognised	(2,314)	(93)
Tax effect of tax losses not recognised	1,990	2,874
Other temporary differences not recognised	-	(1)
Effect of different tax rates of subsidiaries operating in other jurisdiction	350	-
Underprovision in prior year	564	431
Tax charge for the year	996	431

於結算日，本集團可抵銷未來溢利之估計未動用稅務虧損約為269,917,000港元（二零零七年：271,768,000港元）。由於未能預計未來溢利來源，故並無就此等稅務虧損確認遞延稅項資產。稅務虧損可無限期結轉。

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財務報表附註

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

15. LOSS FOR THE YEAR

15. 年內虧損

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Auditors' remuneration	核數師酬金		
– provision for the year	– 年內撥備	2,326	1,238
– underprovision in prior year	– 以往年度撥備不足	10	–
Loss on disposal of property, plant and equipment	出售物業、廠房及設備之虧損	–	178
Operating lease rentals in respect of land and buildings	土地及樓宇之經營租賃租金	2,343	4,867
Bad debts written off	壞賬撇銷	912	–
Research and development expenses	研發開支	233	1,236

16. DIRECTORS' REMUNERATION

The emoluments paid or payable to each of the 9 (2007: 7) directors were as follows:

16. 董事酬金

已付或應付予九位(二零零七年:七位)董事之酬金分別如下:

For the year ended 31 March 2008

截至二零零八年三月三十一日止年度

		Chan Wai Kwong, Peter	Chu Chik Ming, Jack	Pierre Seligman	Zoltan J. Kiss	Chow Siu Ngor	Yin Tat Man	Tam Kam Biu, William	On Kien Ouoc Ken	Henry John Behuke III	Total 2008
		陳為光	朱植明	Pierre Seligman	Zoltan J. Kiss	鄧小岳	袁達文	譚錦標	On Kien Ouoc Ken	Henry John Behuke III	總計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	二零零八年 HK\$'000 千港元
Fees	袍金	–	–	–	–	80	80	240	–	260	660
Other emoluments	其他酬金										
Salaries and other benefits	薪金及其他福利	510	1,276	932	52	–	–	6	596	207	3,579
Contributions to retirement benefit scheme	退休福利計劃供款	12	–	12	–	–	–	–	–	42	66
Total emoluments	酬金總額	522	1,276	944	52	80	80	246	596	509	4,305

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

16. DIRECTORS' REMUNERATION (Continued)

For the year ended 31 March 2007

		Chan Wai Kwong, Peter	Chu Chik Ming, Jack	Pierre Seligman Pierre Seligman	Zoltan J. Kiss Zoltan J. Kiss	Chow Siu Ngor 鄧小岳	Yin Tat Man 袁達文	Tam Kam Biu, William 譚錦標	Total 2007 總計 二零零七年
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Fees	袍金	-	-	-	-	80	80	240	400
Other emoluments	其他酬金								
Salaries and other benefits	薪金及其他福利	370	1,048	780	844	-	-	-	3,042
Contributions to retirement benefit scheme	退休福利計劃供款	12	-	12	-	-	-	-	24
Total emoluments	酬金總額	382	1,048	792	844	80	80	240	3,466

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

於本年度，本集團概無向任何董事支付作為加入本集團之獎勵或作為離職補償之酬金。於本年度，概無董事放棄任何酬金。

17. EMPLOYEES' EMOLUMENTS

Of the five highest paid individuals in the Group, one (2007: two) was director of the Company whose emoluments are included in note 16. The emoluments of the remaining four (2007: remaining three) highest paid individuals were as follows:

17. 僱員酬金

本集團五位最高酬金人士之中有一位(二零零七年:兩位)為本公司董事，本公司董事之酬金已載於附註16。其餘四位(二零零七年:其餘三位)最高酬金人士之酬金如下:

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Salaries and allowances and benefits in kind	薪酬、津貼及實物利益	4,205	2,804
Retirement benefits scheme contributions	退休福利計劃供款	12	-
Share-based payment expenses	以股份支付開支	3,515	-
		7,732	2,804

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財務報表附註

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

17. EMPLOYEES' EMOLUMENTS (Continued)

Their emoluments were within the following bands:

	2008 二零零八年	2007 二零零七年
	No. of employees 僱員人數	No. of employees 僱員人數
Nil to HK\$1,000,000	零元至1,000,000港元	3
HK\$1,000,001 to HK\$1,500,000	1,000,001港元至1,500,000港元	–
HK\$1,500,001 to HK\$2,000,000	1,500,001港元至2,000,000港元	–
HK\$3,000,001 to HK\$3,500,000	3,000,001港元至3,500,000港元	–
	4	3

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

18. DIVIDENDS

The directors do not recommend the payment of a dividend for the year ended 31 March 2008 (2007: nil) and the Company did not pay any interim dividend during the year (2007: nil).

19. LOSS PER SHARE

The calculation of basic loss per share was based on the loss attributable to equity holders of the Company of HK\$215,125,000 (2007: HK\$14,581,000) and on the weighted average of 4,206,232,000 (2007: 3,762,374,000) ordinary shares in issue during the year.

Diluted loss per share for the years ended 31 March 2007 and 2008 was not presented because the Company's outstanding share options and warrants were anti-dilutive.

17. 僱員酬金 (續)

彼等之酬金範圍如下:

	2008 二零零八年	2007 二零零七年
	No. of employees 僱員人數	No. of employees 僱員人數
Nil to HK\$1,000,000	–	3
HK\$1,000,001 to HK\$1,500,000	2	–
HK\$1,500,001 to HK\$2,000,000	1	–
HK\$3,000,001 to HK\$3,500,000	1	–
	4	3

於兩個年度，本集團概無向五位最高酬金人士中之任何人士支付作為加入本集團之獎勵或作為離職補償之酬金。

18. 股息

董事並不建議派付截至二零零八年三月三十一日止年度之股息(二零零七年: 無)，而本公司於年內並無派付任何中期股息(二零零七年: 無)。

19. 每股虧損

每股基本虧損乃根據年內本公司權益持有人應佔虧損215,125,000港元(二零零七年: 14,581,000港元)及已發行普通股之加權平均數4,206,232,000股(二零零七年: 3,762,374,000股)計算。

由於本公司尚未行使之購股權及認股權證具有反攤薄影響，因此並無呈列截至二零零七年及二零零八年三月三十一日止年度之每股攤薄虧損。

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財務報表附註

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

20. PROPERTY, PLANT AND EQUIPMENT

20. 物業、廠房及設備

		Leasehold improvements	Plant and machinery	Furniture, fixtures and office equipment	Total
		租賃裝修	廠房及機器	傢俬、裝置 及辦公室設備	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
COST	成本				
At April 1, 2006	於二零零六年四月一日	453	11,239	1,267	12,959
Additions	添置	904	1,106	955	2,965
Disposals	出售	-	-	(240)	(240)
Reclassified as assets held for sale (note 30)	重新分類為持作出售資產 (附註30)	(1,357)	(12,345)	(134)	(13,836)
At 31 March 2007	於二零零七年三月三十一日	-	-	1,848	1,848
Additions	添置	-	-	202	202
Disposals	出售	-	-	(187)	(187)
At 31 March 2008	於二零零八年三月三十一日	-	-	1,863	1,863
DEPRECIATION	折舊				
At April 1, 2006	於二零零六年四月一日	-	49	804	853
Provided for the year	年內撥備	90	309	224	623
Eliminated on disposals	出售時對銷	-	-	(30)	(30)
Reclassified as assets held for sale (note 30)	重新分類為持作出售資產 (附註30)	(90)	(358)	(55)	(503)
At 31 March 2007	於二零零七年三月三十一日	-	-	943	943
Provided for the year	年內撥備	-	-	239	239
Eliminated on disposals	出售時對銷	-	-	(71)	(71)
At 31 March 2008	於二零零八年三月三十一日	-	-	1,111	1,111
CARRYING VALUES	賬面值				
At 31 March 2008	於二零零八年三月三十一日	-	-	752	752
At 31 March 2007	於二零零七年三月三十一日	-	-	905	905

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財務報表附註

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

20. PROPERTY, PLANT AND EQUIPMENT (Continued)

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

Plant and machinery	15%
Furniture, fixtures and office equipment	20%
Leasehold improvements	Over the shorter of the lease terms of the lease or 10 years

20. 物業、廠房及設備 (續)

上述物業、廠房及設備項目按以下年率以直線法計算折舊：

廠房及機器	15%
傢俬、裝置及辦公室設備	20%
租賃裝修	租期或10年(以較短者為準)

21. INTANGIBLE ASSET

21. 無形資產

		IP assets 知識產權資產 HK\$'000 千港元
COST	成本	
At 1 April 2006 as previously stated	於二零零六年四月一日(如以往呈列)	-
Prior year adjustment (Note 2)	以往年度調整(附註2)	140,575
At 1 April 2006 as restated, 31 March 2007 and 31 March 2008	於二零零六年四月一日(經重列)、 二零零七年三月三十一日及 二零零八年三月三十一日	140,575
ACCUMULATED AMORTISATION	累計攤銷	
At 1 April 2006 as previously stated	於二零零六年四月一日(如以往呈列)	-
Prior year adjustment (Note 2)	以往年度調整(附註2)	2,342
At 1 April 2006 as restated	於二零零六年四月一日(經重列)	2,342
Charge for the year	年內支出	14,058
At 31 March 2007	於二零零七年三月三十一日	16,400
Charge for the year	年內支出	14,058
At 31 March 2008	於二零零八年三月三十一日	30,458
CARRYING VALUES	賬面值	
At 31 March 2008	於二零零八年三月三十一日	110,117
At 31 March 2007	於二零零七年三月三十一日	124,175

The IP asset was acquired on acquisition of subsidiaries from independent third parties. It is amortised on a straight-line basis over the period of 10 years.

知識產權資產乃於向獨立第三方收購附屬公司時購入。有關資產按10年期以直線法攤銷。

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

22. GOODWILL

22. 商譽

		HK\$'000 千港元
COST		
At 1 April 2006 as previously stated	成本	188,465
Prior year adjustment (Note 2)	於二零零六年四月一日 (如以往呈列)	(140,575)
	以往年度調整 (附註2)	<hr/>
At 1 April 2006 as restated and 31 March 2007	於二零零六年四月一日 (經重列) 及 二零零七年三月三十一日	47,890
Arising on acquisition of additional interest in a subsidiary	增購一間附屬公司之權益時產生	17,213
		<hr/>
At 31 March 2008	於二零零八年三月三十一日	65,103
IMPAIRMENT		
At 1 April 2006 and 31 March 2007 and 31 March 2008	減值	
	於二零零六年四月一日、 二零零七年三月三十一日及 二零零八年三月三十一日	47,890
		<hr/>
CARRYING VALUES		
At 31 March 2008	賬面值	17,213
At 31 March 2007	於二零零八年三月三十一日	<hr/>
	於二零零七年三月三十一日	-
		<hr/>

The Group tests goodwill annually for impairment or more frequently if there are indications that goodwill might be impaired.

The management allocated the goodwill to the cash generating unit ("CGU") which represented subsidiaries engaged in photovoltaic business for the purpose of goodwill impairment testing. At the balance sheet date, the carrying amount of goodwill represents premium of HK\$17,213,000 arising from the acquisition of additional equity interest in a subsidiary, TSG.

本集團每年都會對商譽進行減值測試，倘若跡象顯示商譽可能出現減值，則會增加測試次數。

管理層將商譽分配至現金產生單位（「現金產生單位」，即從事光伏業務之附屬公司）以作商譽減值測試。於結算日，商譽之賬面值為增購一間附屬公司TSG股權而產生之17,213,000港元進賬。

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

22. GOODWILL (Continued)

The recoverable amount of the CGU has been determined on the basis of value in use calculations. The recoverable amount is based on the financial budget approved by management for the next year and extrapolates cash flows for the following four years based on an estimated constant growth rate of 10%. This rate does not exceed the long-term growth rate for the relevant markets. The rate used to discount the forecast cash flows is 15%. Cash flow projection during the budget period for the CGU is based on the expected gross margins during the budget period. Budgeted gross margins have been determined based on past performance and management's expectations for the market development. In the opinion of the directors, no material impairment loss is identified as at 31 March 2008.

Management believes that any reasonably possible change in any of these assumptions would not cause the carrying amount of the CGU to exceed its recoverable amount.

23. INTEREST IN AN ASSOCIATE/AMOUNT DUE FROM A SHAREHOLDER OF AN ASSOCIATE

22. 商譽 (續)

現金產生單位之可收回金額按使用價值計算法釐定。可收回金額乃根據經管理層批准之來年財務預算計算，並按估計固定增長率10%推算未來四年之現金流量。有關增長率並不超過相關市場之長期增長率。就現金流量預測採用之貼現率為15%。預算期間就現金產生單位進行之現金流量預測乃根據預算期間之預期毛利率釐定。預算毛利率乃根據以往表現及管理層對市場發展之預期釐定。董事認為，於二零零八年三月三十一日，並無識別任何重大減值虧損。

管理層相信，上述任何假設之任何合理可能變動將不會導致現金產生單位之賬面值超出其可收回金額。

23. 於一間聯營公司之權益／應收一名聯營公司股東款項

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Cost of unlisted investment, at cost	非上市投資成本，按成本值入賬	7,320	-
Share of post-acquisition losses	應佔收購後虧損	(582)	-
		6,738	-

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

23. INTEREST IN AN ASSOCIATE/AMOUNT DUE FROM A SHAREHOLDER OF AN ASSOCIATE (Continued)

Details of the Group's associate as at 31 March 2008 are as follows:

Name	Form of business structure	Place of incorporation or registration/ operation	Attributable equity interest directly held by the Company	Principal activities
名稱	業務架構形式	註冊成立或註冊／經營地點	本公司直接持有之應佔股權	主要業務
Taiwan C.S. Energy Corporation ("Taiwan CS")	Incorporated 註冊成立	Taiwan 台灣	30%	Investment holding (note) 投資控股(附註)

Note: Its subsidiary is principally engaged in manufacturing of the production lines for solar cells, modules and panels.

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

23. 於一間聯營公司之權益／應收一名聯營公司股東款項(續)

於二零零八年三月三十一日本集團聯營公司之詳情如下：

附註：其附屬公司主要從事製造太陽能電池、模組及電板之生產線。

本集團聯營公司之財務資料概述如下：

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Total assets	資產總值	227,234	—
Total liabilities	負債總額	195,034	—
Net assets	資產淨值	32,200	—
Revenue	收入	57,040	—
Loss for the year	年內虧損	1,896	—

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財務報表附註

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

23. INTEREST IN AN ASSOCIATE/AMOUNT DUE FROM A SHAREHOLDER OF AN ASSOCIATE (Continued)

During the year and as at 31 March 2008, an amount of HK\$16,517,000 was advanced to a majority shareholder of the Group's associate. The amount is interest-free and repayable by 30 June 2009. The amount is secured by the shares of Taiwan CS owned by the majority shareholder of the Group's associate.

23. 於一間聯營公司之權益／應收一名聯營公司股東款項 (續)

於截至二零零八年三月三十一日止年度及於二零零八年三月三十一日，本集團一名聯營公司大股東獲授一筆16,517,000港元墊款。該筆款項不計息，須於二零零九年六月三十日償還，並以本集團聯營公司大股東擁有之Taiwan CS股份作抵押。

24. AVAILABLE-FOR-SALE INVESTMENTS

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Unlisted equity investments, at cost	非上市股本證券，按成本入賬	-	116,950
Less: Provision for impairment	減：減值撥備	-	(109,200)
		-	7,750

24. 可供出售投資

25. TRADE RECEIVABLES

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Trade receivables	應收賬款	86,095	44,615
Less: Allowance for bad and doubtful debts	減：呆壞賬撥備	(16,360)	(18,860)
		69,735	25,755

25. 應收賬款

The Group allows credit periods ranging from 30 days to 90 days to its trade customers.

Included in trade receivables of the Group are loan receivables which amounted to HK\$437,000 (2007: HK\$44,294,000) arising from the money lending business. The loan receivables are unsecured, interest-bearing at prime rate plus 3 to 5% per annum and with repayment period of 1 month to 12 months from date of drawdown. The effective interest rate of the loan receivables is 8.3% (2007: 9.5%).

本集團給予其貿易客戶之信貸期介乎30日至90日。

計入本集團應收賬款中，共437,000港元（二零零七年：44,294,000港元）為貸款業務產生之應收貸款。此等應收貸款為無抵押，每年以最優惠利率加3厘至5厘計息，還款期為支取日期起計一至十二個月。應收貸款之實際利率為8.3厘（二零零七年：9.5厘）。

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25. TRADE RECEIVABLES (Continued)

The ageing analysis of trade receivables net of allowance for bad and doubtful debts is stated as follows:

	2008 二零零八年 HK\$'000 千港元
Within 90 days	90日內
91 to 180 days	91日至180日

In determining the recoverability of the trade receivables, the Group considers any changes in the credit quality of the trade receivables from the date credit was initially granted up to the reporting date. As at 31 March 2008, a customer accounted for over 90% (2007: 90%) of trade receivables. As nearly 50% of the trade receivables have been settled as at the date of this report, the directors believe that there is no further credit provision required in excess of the allowance for bad and doubtful debts.

The amount receivables with a carrying amount of HK\$2,504,000 (2006: HK\$1,357,000) which are neither past due nor impaired at reporting date for which the Group believes that the amounts are considered recoverable.

At the balance sheet date, included in the Group's trade receivables with aggregate carrying amount of approximately HK\$67,231,000 (2007: HK\$24,398,000) which are past due at the reporting date for which the Group has not provided for impairment loss as there has not been a significant change in credit quality and the Group believes that the amounts are considered recoverable.

25. 應收賬款 (續)

應收賬款(扣除呆壞賬撥備)之賬齡分析如下:

	2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Within 90 days	69,735	25,655
91 to 180 days	-	100
	69,735	25,755

在釐定應收賬款之可收回程度時，本集團會考慮應收賬款在首次授出信貸當日至報告日期期間之任何信貸質素變動。於二零零八年三月三十一日，一名客戶佔應收賬款逾90% (二零零七年: 90%)。由於應收賬款有近50%已於本報告日期清償，故董事相信除呆壞賬撥備外，無須作出進一步信貸撥備。

賬面值為2,504,000港元(二零零六年: 1,357,000港元)之應收賬款於報告日期尚未逾期亦無減值，故本集團相信將可收回該等款項。

於結算日，計入本集團之應收賬款中，總賬面值約67,231,000港元(二零零七年: 24,398,000港元)於報告日期已經逾期，惟本集團鑑於該等款項之信貸質素並無重大變動，且相信可收回該等款項，故並無就該等款項作出減值虧損撥備。

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

25. TRADE RECEIVABLES (Continued)

Movement in the allowance for bad and doubtful debts

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Balance at beginning of the year	年初結餘	18,860	14,435
Charged for the year	年內支出	-	4,425
Amounts recovered during the year	年內已收回款項	(2,500)	-
Balance at end of the year	年末結餘	16,360	18,860

The Group has policy of allowance for bad and doubtful debts which is based on the evaluation of collectibility and age of accounts and on management's judgement including credit worthiness and past collection history of each client. In determining the recoverability of the trade receivables, the Group considers any changes in the credit quality of the trade receivables from the date credit was initially granted up to the reporting date.

25. 應收賬款 (續)

呆壞賬撥備變動

	2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Balance at beginning of the year	18,860	14,435
Charged for the year	-	4,425
Amounts recovered during the year	(2,500)	-
Balance at end of the year	16,360	18,860

本集團之呆壞賬撥備政策乃根據應收賬款可收回程度及賬齡之評估，以及管理層之判斷（包括每名客戶之信用及以往收款記錄）而制定。在釐定應收賬款之可收回程度時，本集團會考慮應收賬款在首次授出信貸當日至報告日期期間之任何信貸質素變動。

26. DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Deposits (note i)	訂金 (附註i)	54,437	43,497
Prepayments	預付款項	194	827
Other receivables (note ii)	其他應收款項 (附註ii)	371,258	376,168
Less: Allowance for bad and doubtful debts	減：呆壞賬撥備	(354,672)	(354,672)
		71,217	65,820

26. 訂金、預付款項及其他應收款項

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

26. DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES (Continued)

26. 訂金、預付款項及其他應收款項 (續)

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Classified as:	分類為:		
Current assets	流動資產	61,155	65,820
Non-current asset (note iii)	非流動資產 (附註iii)	10,062	-
		71,217	65,820

Notes:

- (i) During the year, the Group paid deposits of HK\$9,735,000 (2007: HK\$43,497,000) and HK\$44,702,000 (2007: HK\$ Nil) to Chinese United Semiconductor Equipment Manufacturing Inc. ("CUSEM") and Taiwan CS respectively. CUSEM was a subcontractor of the Group which became a subsidiary of Taiwan CS during the year.

- (ii) Other receivables are unsecured, interest-free and have no fixed repayment terms.

Included in other receivables of the Group is a balance of HK\$350,000,000 representing the unsettled cash consideration from the disposal of the Group's interest comprising 875 fully paid ordinary shares in REXCAPITAL Infrastructure Limited, a former subsidiary, in year 2003.

None of the cash consideration of HK\$350,000,000 was settled and there has not been any subsequent settlement up to the date of approval of the financial statements. A full provision has been made in prior years.

Also, as at 31 March 2007, included in other receivables of the Company and the Group is a balance of HK\$4,672,000 representing deposit paid for exploring potential investment projects. During the year ended 31 March 2006, such amount was impaired because of cessation of the exploration.

- (iii) Included in other receivables is an amount of HK\$10,062,000 which is a deposit paid to an agent for acquisition of additional interest in TSG.

附註:

- (i) 年內，本集團分別向中華聯合半導體設備製造股份有限公司（「中華聯合」）及 Taiwan CS 支付訂金 9,735,000 港元（二零零七年：43,497,000 港元）及 44,702,000 港元（二零零七年：零港元）。中華聯合以往為本集團承包商，於年內成為 Taiwan CS 之附屬公司。

- (ii) 其他應收款項乃無抵押、不計息及無固定還款期。

包括於本集團其他應收款項中之 350,000,000 港元為本集團在二零零三年度出售其於前附屬公司 REXCAPITAL Infrastructure Limited 之 875 股已繳足普通股之權益之未收取現金代價。

350,000,000 港元之現金代價均未支付，截至財務報表核准日期為止，亦未有任何其後之付款。本集團已於以往年度作出全數撥備。

另外，於二零零七年三月三十一日，本公司及本集團之其他應收款項中包括一筆為數 4,672,000 港元之結餘，乃為發掘潛在投資項目而支付之訂金。於截至二零零六年三月三十一日止年度，由於發掘行動終止，該筆款項已減值。

- (iii) 包括於其他應收款項中之 10,062,000 港元為就增購 TSG 權益而支付予一名代理之訂金。

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

27. AMOUNT DUE FROM (TO) A SHAREHOLDER/A MINORITY SHAREHOLDER/RELATED COMPANIES

The amounts due are unsecured, interest-free and repayable on demand.

In year 2007, an amount of HK\$657,000 was due from a company in which a director had beneficial interest. The maximum outstanding balance due from the related company was HK\$657,000.

During the year, amounts of HK\$17,264,000 were due from companies in which a substantial shareholder had beneficial interest.

28. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

At 31 March 2007, listed equity securities of HK\$3,487,000 were pledged as security for borrowings of HK\$700,000 as set out in note 32.

27. 應收(應付)一名股東/一名少數股東/關連公司之款項

該等款項乃無抵押、不計息及按要求償還。

於二零零七年度，為數657,000港元為應收董事擁有實益權益之一間公司之款項。應收關連公司之最高未償還結餘為657,000港元。

年內，應收主要股東擁有實際權益之公司之款項為17,264,000港元。

28. 以公允價值列入損益賬之金融資產

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Held for trading investments:	持作買賣投資:		
Equity securities listed in Hong Kong, at fair values	香港上市股本證券，按公允價值入賬	76,809	52,274
Equity securities listed in elsewhere, at fair values	其他地方上市股本證券，按公允價值入賬	6,568	-
		83,377	52,274

At 31 March 2007, listed equity securities of HK\$3,487,000 were pledged as security for borrowings of HK\$700,000 as set out in note 32.

於二零零七年三月三十一日，已上市股本證券為3,487,000港元已作為700,000港元借貸之抵押(見附註32)。

Notes to the Financial Statements

財務報表附註

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

29. BANK BALANCES AND CASH/PLEDGED BANK DEPOSITS

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 bear floating interest of 3.0% to 4.9% (2007: 3.9% to 4.4%) per annum.

As at 31 March 2007, the Group's bank deposits of HK\$8,051,000 were pledged to a bank for granting a letter of guarantee of performance bond to Weihai Bluestar Terra Photovoltaic Company Limited, in which the Group has 13% of equity interests (included in available-for-sale investments) for the amount of US\$900,000. During the year, the pledge has been released upon the disposal of the available-for-sale investments.

30. DISPOSAL GROUP HELD FOR SALE

On 27 April 2007, the TSG and its wholly owned subsidiary TSNA, entered into an agreement with Solar Co. NJ, in which an immediate family member of a director of the Company has beneficial interests, to transfer all machinery, equipment and hardware associated with the business of manufacturing of photovoltaic panels and sale of the photovoltaic manufacturing equipment located in United States to Solar Co. NJ. The relevant assets and liabilities relating to such operations have been classified as assets held for sale and liabilities associated with assets held for sale.

The directors of the Company have re-assessed the fair value of the relevant assets and liabilities with reference to the sale and purchase agreement entered on 27 April 2007. The net consideration would be approximately HK\$11,625,000 (US\$1,500,000).

The shareholders of TSG have passed a resolution on 17 February 2007 authorising the Board of Directors of TSG to enter into the agreement. Accordingly, the carrying amount of net assets of the disposal group as at 31 March 2007 have been classified as held for sale amounting to approximately HK\$14,342,000 and resulted in a loss on remeasurement to fair value less costs to sell amounting to approximately HK\$2,717,000.

29. 銀行結餘及現金／已抵押銀行存款

銀行結餘及現金包括本集團持有之現金及原到期日為三個月或以內之短期銀行存款。銀行存款按介乎3.0厘至4.9厘(二零零七年:3.9厘至4.4厘)之浮動年利率計息。

於二零零七年三月三十一日,本集團8,051,000港元銀行存款已抵押予銀行,以向Weihai Bluestar Terra Photovoltaic Company Limited授予金額900,000美元之履約保函信用狀。本集團擁有該公司13%股本權益,有關權益計入可供銷售之投資。於年內,該抵押已於出售可供銷售之投資時解除。

30. 出售持作銷售之出售組合

於二零零七年四月二十七日, TSG及其全資附屬公司TSNA與Solar Co. NJ(本公司其中一位董事之直系親屬擁有其實益權益)訂立協議,向Solar Co. NJ轉讓與位於美國之光伏控電板製造及光伏製造設備銷售業務相關之所有機器、設備及硬件。該等業務相關資產及負債已分類為持作銷售資產及持作銷售資產有關之負債。

本公司董事經參考日期為二零零七年四月二十七日之買賣協議,已重新評估有關資產及負債之公允價值。代價淨額將約為11,625,000港元(1,500,000美元)。

TSG之股東已於二零零七年二月十七日通過一項決議案,授權TSG董事會訂立協議。因此,出售組合資產淨值於二零零七年三月三十一日的賬面值約14,342,000港元已分類為持作銷售,產生重新計量減去銷售成本之公允價值之虧損約2,717,000港元。

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

30. DISPOSAL GROUP HELD FOR SALE (Continued)

The major classes of assets and liabilities of disposal group at 31 March 2007 which are classified as assets held for sale are as follows:

30. 出售持作銷售之出售組合 (續)

於二零零七年三月三十一日分類為持作銷售資產之出售組合的資產及負債主要類別如下：

		Fair value	Carrying amount upon being classified as held for sale
		公允價值	項目之賬面值
		HK\$'000	HK\$'000
		千港元	千港元
Assets	資產		
Property, plant and equipment (note 20)	物業、廠房及設備 (附註20)	10,616	13,333
Inventories	存貨	758	758
Trade receivables (note (a))	應收賬款 (附註(a))	37,627	37,627
Other receivables	其他應收款項	5,219	5,219
		<u>54,220</u>	<u>56,937</u>
Assets classified as held for sale	分類為持作銷售資產		
Liabilities	負債		
Trade payables (note (b))	應付賬款 (附註(b))	(35,600)	(35,600)
Other payables	其他應付款項	(6,995)	(6,995)
		<u>(42,595)</u>	<u>(42,595)</u>
Liabilities associated with assets classified as held for sale	與分類為持作銷售資產有關之負債		
Net assets of disposal group classified as held for sale	分類為持作銷售之出售組合的資產淨值	<u>11,625</u>	<u>14,342</u>

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財務報表附註

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

30. DISPOSAL GROUP HELD FOR SALE

(Continued)

- (a) Trade receivables generally have credit terms of not more than 60 days. An ageing analysis of trade receivables at 31 March 2007 based on invoice date, is as follows:

		HK\$'000 千港元
Current – 90 days	即期至90日	36,567
91 days to 180 days	91日至180日	679
Over 181 days	181日以上	381
		<u>37,627</u>

- (b) An ageing analysis of trade payables at 31 March 2007 based on invoice date, is as follows:

		HK\$'000 千港元
Current – 90 days	即期至90日	31,093
91 days to 180 days	91日至180日	2,747
Over 181 days	181日以上	1,760
		<u>35,600</u>

30. 出售持作銷售之出售組合

(續)

- (a) 應收賬款一般信貸期不多於六十日。於二零零七年三月三十一日，應收賬款按發票日期之賬齡分析如下：

	HK\$'000 千港元
Current – 90 days	36,567
91 days to 180 days	679
Over 181 days	381
	<u>37,627</u>

- (b) 於二零零七年三月三十一日，應付賬款按發票日期之賬齡分析如下：

	HK\$'000 千港元
Current – 90 days	31,093
91 days to 180 days	2,747
Over 181 days	1,760
	<u>35,600</u>

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

31. TRADE AND OTHER PAYABLES

Details of the trade and other payables including ageing analysis of trade payables, based on invoice date, are as follows:

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Trade payables	應付賬款		
Within 90 days	90日內	12,497	504
91 to 180 days	91日至180日	769	–
Over 180 days	180日以上	–	599
		13,266	1,103
Temporary receipts from customers	來自客戶之暫收款	4,500	18,720
Other payables and accrued charges	其他應付款項及應計費用	11,089	5,437
		28,855	25,260

Included in trade payables is an amount of HK\$12,306,000 (2007: nil) payable to CUSEM.

31. 應付賬款及其他應付款項

應付賬款及其他應付款項按發票日期之詳情(包括應付賬款之賬齡分析)如下:

包括於應付賬款中之12,306,000港元為應付予中華聯合之款項(二零零七年: 無)。

32. BORROWINGS

The borrowings which are repayable on demand are analysed as follows:

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Loan from securities brokers, secured	來自證券經紀之貸款, 有抵押	–	700
Other loan, unsecured	其他貸款, 無抵押	600	–
		600	700

32. 借貸

按要求償還之借貸分析如下:

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

32. BORROWINGS (Continued)

Loans from securities brokers are secured by certain equity securities (note 28). All the borrowings are denominated in Hong Kong dollars and are repayable within one year. Loans from securities brokers are interest-bearing at prime rate plus 3% to 5% per annum. The effective interest rate is 10.8%.

During the year, the other loan bears interest at prime rate plus 3%. The effective interest rate is 8.3%. The proceed is used to finance the trading of investment securities.

33. DERIVATIVE FINANCIAL INSTRUMENTS

Warrants – listed in the SEHK

認股權證 – 於聯交所上市

2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
----------------------------------	----------------------------------

112,797

–

On 8 November 2007, the Company had successfully placed 751,980,000 warrants in registered form, giving the holders thereof the rights to subscribe up to 751,980,000 shares in aggregate in cash for HK\$391,029,600 at an initial subscription price of HK\$0.52 per share, subject to anti-dilutive adjustments, at any time from 13 November 2007 to 12 November 2009, both dates inclusive (the "Warrant Placing"). The warrants were issued at an issue price of HK\$0.034 per warrant.

The gross proceeds from the Warrant Placing was approximately HK\$25,567,000. The transaction costs of HK\$1,495,000 has been charged to the consolidated income statement during the year. A fair value loss of HK\$87,230,000 was charged to the consolidated income statements during the current financial year.

No Warrants have been exercised since the date of Warrant Placing. Exercise in full of such Warrants would result in the issue of 751,980,000 additional ordinary shares of HK\$0.01 each in the Company.

The fair value of the warrants as at 31 March 2008 was determined by reference to the quoted market price of the warrants.

32. 借貸 (續)

來自證券經紀之貸款以若干股本證券作抵押(附註28)。所有借貸均以港元計值，須於一年內償還。來自證券經紀之貸款每年按最優惠利率加3厘至5厘計息。實際利率為10.8厘。

於年內，其他貸款按最優惠利率加3厘計息。實際利率為8.3厘。所得款項用作為買賣投資證券之資金。

33. 衍生金融工具

於二零零七年十一月八日，本公司成功以記名方式配售751,980,000份認股權證，賦予持有人權利於二零零七年十一月十三日至二零零九年十一月十二日期間(包括首尾兩天)內任何時間，按初步認購價每股股份0.52港元(可予反攤薄調整)以現金合共391,029,600港元認購最多751,980,000股股份(「認股權證配售」)。認股權證以發行價每份0.034港元發行。

認股權證配售所得款項總額約為25,567,000港元。年內，綜合收益表中已扣除交易成本1,495,000港元。於本財政年度已於綜合收益表扣除87,230,000港元之公允價值虧損。

自認股權證配售當日以來並無行使任何認股權證。該等認股權證倘獲悉數行使，將導致額外發行本公司751,980,000股每股面值0.01港元之普通股。

於二零零八年三月三十一日，認股權證之公允價值乃參考認股權證之市場報價釐定。

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34. SHARE CAPITAL

34. 股本

		Number of shares 股份數目 '000 千股	Amount 金額 HK\$'000 千港元
Ordinary shares of HK\$0.01 each	每股面值0.01港元之普通股		
Authorised:	法定股本：		
At 1 April 2007, 31 March 2007 and 31 March 2008	於二零零七年四月一日、 二零零七年三月三十一日及 二零零八年三月三十一日	100,000,000	1,000,000
Issued and fully paid:	已發行及繳足股本：		
At 1 April 2007	於二零零七年四月一日	3,632,552	36,326
Exercise of share options	行使購股權	72,900	729
Exercise of warrants	行使認股權證	169,450	1,694
At 31 March 2007	於二零零七年三月三十一日	3,874,902	38,749
Exercise of warrants	行使購股權	375,700	3,757
Exercise of share options	行使認股權證	121,400	1,214
At 31 March 2008	於二零零八年三月三十一日	4,372,002	43,720

Notes:

During the year, subscription rights attached to 16,100,000 (2007: 23,100,000) and 105,300,000 (2007: 49,800,000) share options of the Company were exercised at the subscription price of HK\$0.088 and HK\$0.166 per share respectively, giving rise to the issue of 121,400,000 (2007: 72,900,000) shares of HK\$0.01 each for a total consideration of HK\$18,896,600 (2007: HK\$10,300,000). Accordingly, additional share capital of HK\$1,214,000 (2007: HK\$729,000) and share premium of HK\$17,683,000 (2007: HK\$9,571,000), before netting-off issue expenses and not including the amount transferred from share option reserve, is resulted.

附註：

年內，本公司16,100,000份（二零零七年：23,100,000份）及105,300,000份（二零零七年：49,800,000份）購股權隨附之認購權獲行使，認購價分別為每股0.088港元及每股0.166港元，以致須發行121,400,000股（二零零七年：72,900,000股）每股面值0.01港元之股份，總代價為18,896,600港元（二零零七年：10,300,000港元）。因此，導致股本增加1,214,000港元（二零零七年：729,000港元）；並於扣除發行開支前及不包括轉撥自購股權儲備款項之情況下，錄得股份溢價17,683,000港元（二零零七年：9,571,000港元）。

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

34. SHARE CAPITAL (Continued)

During the year, an aggregate of 375,700,000 (2007: 169,450,000) new shares of the Company of HK\$0.01 each were issued for cash at a subscription price of HK\$0.116 each pursuant to the exercise of 375,700,000 (2007: 169,450,000) warrants for a total cash consideration of HK\$43,581,000 (2007: HK\$19,656,000). Accordingly, additional share capital of HK\$3,757,000 (2007: HK\$1,694,000) and share premium of HK\$39,824,000 (2007: HK\$17,962,000), not including the amount transferred from warrant reserve, is resulted. As at 31 March 2008, except for the warrants disclosed in note 33, there are no other outstanding warrants.

35. SHARE-BASED COMPENSATION

THE COMPANY

On 29 July 2002, the Company adopted a share option scheme (the "2002 Scheme"). Under the 2002 Scheme, the directors are authorised, at their discretion, to offer eligible participants, being employees (whether full time or part time), business consultants, agents, financial or legal advisors whom the directors consider, in sole discretion, have contributed to the Group, options to subscribe for new shares of the Company. The directors are authorised to determine exercise price, such price will not be less than the highest of (a) the closing price of the shares as stated in the Stock Exchange's daily quotations on the date of offer, which must be a business day; (b) the average of the closing prices of the shares as stated in the Stock Exchange's daily quotations for the five business days immediately preceding the date of offer; and (c) the nominal value of an ordinary share. There is no general requirement that an option must be held for any minimum period before it can be exercised but the directors are empowered to impose at their discretion any requirements at the time of granting any particular option. Upon acceptance of the option, the grantee is required to pay a consideration of HK\$1.00 for each lot of share options granted on or before the 30 days after the option is offered.

34. 股本 (續)

年內，共375,700,000份(二零零七年：169,450,000份)認股權證獲行使，導致按認購價每股0.116港元合共發行375,700,000股(二零零七年：169,450,000股)每股面值0.01港元新股以換取現金，總現金代價為43,581,000港元(二零零七年：19,656,000港元)。因此，導致股本增加3,757,000港元(二零零七年：1,694,000港元)，並於不包括轉撥自認股權證儲備款項之情況下，錄得股份溢價39,824,000港元(二零零七年：17,962,000港元)。於二零零八年三月三十一日，除附註33所披露之認股權證外，並無其他尚未行使之認股權證。

35. 以股份支付之補償

本公司

於二零零二年七月二十九日，本公司採納一項購股權計劃(「二零零二年計劃」)。根據二零零二年計劃，董事獲授權可全權向彼等全權酌情認為對本集團有貢獻之全職或兼職僱員、業務顧問、代理、財務或法律顧問等合資格人士授出購股權，以認購本公司新股。董事獲授權可釐定行使價，惟該價格不得低於：(a)股份於授出購股權日期(必須為營業日)在聯交所每日報價表所列之收市價；(b)緊接授出購股權日期之前五個營業日股份在聯交所每日報價表所列之平均收市價；及(c)普通股面值(以最高者為準)。並無購股權承授人須持有購股權一段限期方可行使之一般規定，惟董事可酌情於授出任何購股權時施加任何規定。於接納購股權時，承授人須於授出購股權日期起計滿30日或之前就每次獲授之購股權支付代價1.00港元。

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35. SHARE-BASED COMPENSATION (Continued)

THE COMPANY (Continued)

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

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

The maximum number of shares which may be issued upon exercise of all options to be granted under the 2002 Scheme and any other share option schemes of the Company must not exceed 10% of the issued share capital of the Company on the date of approval and adoption of the 2002 Scheme provided that the Company may at any time seek approval from its shareholders to refresh the limit to 10% of the shares in issue as at the date of approval by the shareholders in general meeting where such limit is refreshed.

35. 以股份支付之補償 (續)

本公司 (續)

承授人根據購股權須承購股份之期限，將由董事酌情釐定，惟不得遲於採納二零零二年計劃當日起計十年。

根據二零零二年計劃及本公司任何其他購股權計劃授予個別合資格參與者之購股權(包括已行使及未行使之購股權)獲行使而已經及須予以發行之股份總數，於截至授出日期止任何十二個月期間內，不得多於授出日期已發行股份之1%。

因根據二零零二年計劃及本公司任何其他購股權計劃授出之所有購股權獲行使而可能發行之股份數目，最高不得超過本公司於批准及採納二零零二年計劃當日之已發行股本之10%，惟本公司可於任何時候尋求其股東批准更新限額，至股東批准更新該限額之股東大會當日已發行股份之10%。

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35. SHARE-BASED COMPENSATION (Continued)

THE COMPANY (Continued)

The movement of the share options granted by the Company under the 2002 Scheme are as follows:

35. 以股份支付之補償 (續)

本公司 (續)

根據二零零二年計劃本公司授出之購股權變動如下:

	Date of grant	Exercise price	Exercisable period	Outstanding at 1.4.2006	Exercised during the year ended 31.3.2007	Outstanding at 31.3.2007	Granted during the year ended 31.3.2008	Exercised during the year ended 31.3.2008	Outstanding at 31.3.2008
	授出日期	行使價 HK\$ 港元	行使期	於 二零零六年 四月一日 尚未行使	截至 二零零七年 三月 三十一日止 年度內行使	於 二零零七年 三月 三十一日 尚未行使	截至 二零零八年 三月 三十一日 年度內授出	截至 二零零八年 三月 三十一日 年度內行使	於 二零零八年 三月 三十一日 尚未行使
Directors of the Company 本公司董事	25.11.2004 二零零四年 十一月二十五日	0.088	20.12.2004 – 19.12.2014 二零零四年十二月二十日至 二零一四年十二月十九日	23,100,000	-	23,100,000	-	-	23,100,000
	22.6.2005 二零零五年 六月二十二日	0.166	27.6.2005 – 26.6.2015 二零零五年六月二十七日至 二零一五年六月二十六日	3,100,000	(500,000)	2,600,000	-	-	2,600,000
Consultants 顧問	22.12.2003 二零零三年 十二月二十二日	0.160	2.1.2004 – 1.1.2014 二零零四年一月二日至 二零一四年一月一日	16,117,006	-	16,117,006	-	-	16,117,006
	25.11.2004 二零零四年 十一月二十五日	0.088	20.12.2004 – 19.12.2014 二零零四年十二月二十日至 二零一四年十二月十九日	62,300,000	(23,100,000)	39,200,000	-	(16,100,000)	23,100,000
	22.6.2005 二零零五年 六月二十二日	0.166	27.6.2005 – 26.6.2015 二零零五年六月二十七日至 二零一五年六月二十六日	53,000,000	-	53,000,000	-	(53,000,000)	-
	22.6.2005 二零零五年 六月二十二日	0.166	20.7.2005 – 19.7.2015 二零零五年七月二十日至 二零一五年七月十九日	171,200,000	(45,200,000)	126,000,000	-	(27,000,000)	99,000,000
	4.9.2007 二零零七年 九月四日	0.566	3.10.2007 – 2.10.2017 二零零七年十月三日至 二零一七年十月二日	-	-	-	326,300,000	-	326,300,000
Directors and employees of the associate 聯營公司董事及僱員	4.9.2007 二零零七年 九月四日	0.566	3.10.2007 – 2.10.2017 二零零七年十月三日至 二零一七年十月二日	-	-	-	30,000,000	-	30,000,000
Employees 僱員	22.6.2005 二零零五年 六月二十二日	0.166	27.6.2005 – 26.6.2015 二零零五年六月二十七日至 二零一五年六月二十六日	29,100,000	(4,100,000)	25,000,000	-	(25,000,000)	-
	22.6.2005 二零零五年 六月二十二日	0.166	20.7.2005 – 19.7.2015 二零零五年七月二十日至 二零一五年七月十九日	300,000	-	300,000	-	(300,000)	-
	4.9.2007 二零零七年 九月四日	0.566	3.10.2007 – 2.10.2017 二零零七年十月三日至 二零一七年十月二日	-	-	-	19,700,000	-	19,700,000
				358,217,006	(72,900,000)	285,317,006	376,000,000	(121,400,000)	539,917,006

Exercisable at the end of
the year
年末時可行使

539,917,006

The consideration received during the year from the consultants, directors and employees of the associates and employees of the Group for taking up the options granted amounted to HK\$54 (2007: HK\$27).

年內已收聯營公司顧問、董事及僱員以及本集團僱員有關承購所授出購股權之代價為54港元(二零零七年:27港元)。

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35. SHARE-BASED COMPENSATION (Continued)

THE COMPANY (Continued)

During the year ended 31 March 2008, share options were granted on 4 September 2007. The estimated fair values of the share options granted are HK\$117,099,000. The share options were vested immediately as at the date of grant.

In respect of the share options exercised in the current financial year, the weighted average share price of the Company at the dates of exercise was HK\$0.546 (2007: HK\$0.754) per share.

Details of the fair value of the share options determined at the date of grant on September 4, 2007 using the Binomial model with the inputs are as follows:

Share price at date of grant	HK\$0.53
Exercise price	HK\$0.566
Option life	10 years
Expected volatility	74%
Risk-free rate	2.577%
Expected dividend yield	0%

Expected volatility was determined by using the historical volatility of the Company's share price over the previous 7 years.

The Binomial model has been used to estimate the fair value of the options. The variables and assumptions used in computing the fair value of the share options are based on the directors' best estimate. The value of an option varies with different variables of certain subjective assumptions.

In the current year, an amount of share-based payment expenses in respect of its share options of approximately HK\$117,099,000 (2007: nil) has been recognised in the consolidated income statement with a corresponding adjustment recognised in the Group's share option reserve.

35. 以股份支付之補償 (續)

本公司 (續)

截至二零零八年三月三十一日止年度，本集團已於二零零七年九月四日授出購股權。所授出購股權之估計公允價值為117,099,000港元。有關購股權已於授出當日即時歸屬。

就於本財政年度行使之購股權而言，於行使當日之本公司加權平均股價為每股0.546港元（二零零七年：0.754港元）。

於二零零七年九月四日授出當日利用二項式模型釐定之購股權公允價值詳情（附輸入值）如下：

授出日期之股價	0.53港元
行使價	0.566港元
購股權年期	10年
預期波幅	74%
無風險利率	2.577%
預期股息率	0%

預期波幅乃利用本公司股價於過往七年之歷史波幅釐定。

本集團已利用二項式模型估計購股權之公允價值。計算購股權公允價值時所用之變數及假設乃以董事之最佳估計為基礎。購股權之價值會因應若干主觀假設之不同變數而改變。

於本年度已於綜合收益表就購股權確認以股份支付之開支金額約117,099,000港元（二零零七年：無），本集團之購股權儲備亦已確認相關調整。

35. SHARE-BASED COMPENSATION (Continued)

SUBSIDIARY

On 31 December 2005, TSG, a subsidiary of the Group, implemented a share option scheme (the "2005 Scheme"). Under the 2005 Scheme, TSG's directors (the "TSG directors") are authorised to offer share options of TSG to eligible participants, being directors, officers and other employee of TSG as well as consultants of TSG and its subsidiaries, with a vesting period from one to three years.

The TSG directors are authorised to determine exercise price per share. Such price shall not be less than (i) 110% of the fair market value per share on the date of grant if the options are granted to employee as defined under 2005 Scheme and at the time of grant of the options, the employee owns more than 10% of the voting power of all classes of shares of TSG or any parent or subsidiary; or (ii) the fair market value per share on the date of grant for cases other than that described in (i).

The period within which the shares must be taken up under an option will be determined by the TSG directors, but not more than 5 or 10 years from the date of grant, depending on the situations as described in the 2005 Scheme. The options granted under the 2005 Scheme shall be exercisable upon its having vested in accordance with the vesting schedule and upon and after the registration date.

The aggregate number of shares which may be issued pursuant to the 2005 Scheme is 1,500. If any option granted under the 2005 Scheme shall expire or terminate for any reason without having been exercised in full or shall cease for any reason to be exercisable in whole or in part, or if TSG shall reacquire any option, the unpurchased shares subject to such options shall again be available for grants of options under the 2005 Scheme. The maximum aggregate number of shares of TSG that may be granted in the form of share options in any one fiscal year to an eligible participant shall be 1,000 shares.

35. 以股份支付之補償 (續)

附屬公司

於二零零五年十二月三十一日，本集團之附屬公司TSG實施一項購股權計劃（「二零零五年計劃」）。根據二零零五年計劃，TSG之董事（「TSG董事」）獲授權授出TSG之購股權予合資格參加者，即TSG之董事、高級職員及其他僱員，以及TSG及其附屬公司之顧問，歸屬期介乎一至三年。

TSG董事獲授權釐定每股股份之行使價，惟(i)倘購股權乃授予根據二零零五年計劃定義之僱員，而有關僱員在獲授購股權時擁有超過TSG或其母公司或附屬公司所有類別股份之投票權10%，有關價格不能低於於授出日每股之公允市值之110%；或(ii)倘為(i)所述情況以外者，有關價格不能低於授出日每股之公允市值。

須根據購股權承購股份之期限由TSG董事釐定，惟視乎於二零零五年計劃所述之情況，不得多於5年或10年。根據歸屬時間表，以及於註冊日及其後，按二零零五年計劃授出之購股權於歸屬後可行使。

根據二零零五年計劃可能發行之股份總數為1,500股。倘按二零零五年計劃授出之任何購股權期滿失效，或因任何原因終止而未獲悉數行使，或因任何原因而令全部或部分變成不能行使，或倘TSG再購回任何購股權，有關購股權所涉及之未被購入股份可按二零零五年計劃再作授出購股權之用。於任何一個財政年度可以購股權形式授予合資格參加者之TSG股份總數最高為1,000股。

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35. SHARE-BASED COMPENSATION (Continued)

SUBSIDIARY (Continued)

The movement of the share options granted under the 2005 Scheme are as follows:

		2008 二零零八年		2007 二零零七年	
		Number	Weighted average exercise price	Number	Weighted average exercise price
		數目	加權平均行使價 HK\$ 港元	數目	加權平均行使價 HK\$ 港元
Outstanding at April 1	於四月一日尚未行使	1,058	6,154	1,226	6,154
Cancelled	註銷	(48)	6,154	(161)	6,154
Lapsed	失效	(269)	6,154	(7)	6,154
Outstanding at March 31	於三月三十一日尚未行使	741	6,154	1,058	6,154

As at 31 March 2008, 223 (2007: 377) share options were vested and exercisable. The outstanding share options as at 31 March 2008 are exercisable from the date of vesting to 31 December 2015.

The share options granted under the 2005 Scheme during the year have been accounted for under HKFRS 2 and as a result, HK\$373,000 (2007: HK\$467,000) has been recognised as staff costs in the consolidated income statement for the year ended 31 March 2008.

35. 以股份支付之補償 (續)

附屬公司 (續)

根據二零零五年計劃授出之購股權之變動如下:

		2008 二零零八年		2007 二零零七年	
		Number	Weighted average exercise price	Number	Weighted average exercise price
		數目	加權平均行使價 HK\$ 港元	數目	加權平均行使價 HK\$ 港元
Outstanding at April 1	於四月一日尚未行使	1,058	6,154	1,226	6,154
Cancelled	註銷	(48)	6,154	(161)	6,154
Lapsed	失效	(269)	6,154	(7)	6,154
Outstanding at March 31	於三月三十一日尚未行使	741	6,154	1,058	6,154

於二零零八年三月三十一日，223份（二零零七年：377份）購股權已歸屬及可予行使。於二零零八年三月三十一日尚未行使之購股權於歸屬日期起至二零一五年十二月三十一日止期間可予行使。

根據二零零五年計劃於年內授出之購股權已根據香港財務報告準則第2號入賬，因此373,000港元（二零零七年：467,000港元）已於截至二零零八年三月三十一日止年度之綜合收益表確認為員工成本。

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36. OPERATING LEASE COMMITMENTS

At the balance sheet date, the Group had commitments for future minimum lease payments in respect of rented premises which fall due as follows:

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Within one year	一年內	879	4,729
In the second to fifth year inclusive	二至五年(包括首尾兩年)	77	13,339
After 5 years	逾五年	-	11,027
		956	29,095

Operating lease payments for the year represent rental payable by the Group for its office premises whereas the operating lease payment for last year included the lease of land and building. The lease run for an average term of two years (2007: ten years), with an option to renew the lease and renegotiate the terms at the expiry date. The lease does not include any contingent rentals.

37. CAPITAL COMMITMENTS

As at 31 March 2008, the Group had the following capital commitments:

Pursuant to the signing of an agreement regarding to an investment in an associate by an subsidiary on 21 May 2007, the Group is required to make capital contribution of RMB100,000,000 (equivalent to approximately HKD110,000,000). During the year, the Group did not make any capital contribution for the investment. As a result, a capital commitment of HKD110,000,000 arose as at 31 March 2008.

36. 經營租賃承擔

於結算日，本集團就日後有關租賃物業之最低租賃款項承擔之到期情況如下：

	2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
年內之經營租賃款項指本集團就其辦公室物業應付之租金，而去年之經營租賃款項則包括土地及樓宇之租賃。租賃平均為期兩年(二零零七年：十年)，本集團可選擇於到期日續訂租約及重新磋商條款。租賃並無包括任何或有租金。	879	4,729
	77	13,339
	-	11,027
	956	29,095

年內之經營租賃款項指本集團就其辦公室物業應付之租金，而去年之經營租賃款項則包括土地及樓宇之租賃。租賃平均為期兩年(二零零七年：十年)，本集團可選擇於到期日續訂租約及重新磋商條款。租賃並無包括任何或有租金。

37. 資本承諾

於二零零八年三月三十一日，本集團之資本承諾如下：

根據一間附屬公司於二零零七年五月二十一日就一間聯營公司之投資簽訂之協議，本集團團須作出人民幣100,000,000元(相等於約110,000,000港元)之注資。年內，本集團並無向投資注資，故於二零零八年三月三十一日產生110,000,000港元之資本承諾。

Notes to the Financial Statements

財務報表附註

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

38. LITIGATIONS

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

39. RELATED PARTY TRANSACTIONS

During the year, the Group had transactions with related parties as follows:

38. 訴訟

於一九九九年九月二十一日，本公司之前任董事黃創山先生於高等法院提出向本公司索償合共5,000,000港元。黃創山先生宣稱於一九九七年八月代表本公司向第三方支付該筆款項作為按金，惟本公司並未向其償還該筆款項。董事在考慮有關事宜後，認為由於黃創山先生於二零零零年六月後並無就有關訴訟採取行動，故在現階段無須就有關訴訟在綜合財務報表中作出撥備。

39. 關連人士交易

年內，本集團與關連人士曾進行以下交易：

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Interest expense (note a)	利息開支(附註a)	1	41
Operating lease rental in respect of properties paid (note b)	已付物業之經營租賃租金(附註b)	–	200
Purchase of manufacturing equipment (note h)	購入製造設備(附註h)	–	27,789
Research and development expenses (note c)	研發開支(附註c)	–	726
Secondment service income (note d)	借調服務收入(附註d)	2,915	2,579
Sub-contracting fee (note e)	承包費用(附註e)	57,040	–
Commission expenses (note f)	佣金開支(附註f)	237	62
Share-based payment to directors and employee of the associate (note g)	給予聯營公司董事及僱員之以股份支付款項(附註g)	9,443	–

Notes to the Financial Statements

財務報表附註

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

39. RELATED PARTY TRANSACTIONS (Continued)

Notes:

- (a) As at 31 March 2008, short-term loan of HK\$600,000 (2007: HK\$700,000) was advanced to the Group by companies in which a director of a subsidiary of the Group has equity interest. Interest expenses charged by the related party for the year amounted to HK\$1,000 (2007: HK\$41,000).
- (b) An area of office premises, owned by a related company in which a director of a subsidiary of the Group has equity interest, was occupied by certain subsidiaries of the Group. For the year ended 31 March 2007, HK\$200,000 was paid by the Group for the operating lease rental. No operating lease rental was paid by the Group during the year.
- (c) During the year ended 31 March 2007, the Group has entered into research and development agreement with a related company in which a director of the Company had equity interest. Research and development expenses incurred by the Group in last year in respect of the agreement was HK\$726,000.
- (d) Secondment service income of HK\$2,915,000 (2007: HK\$2,579,000) was derived from secondment of staff to a related company in which a director of a subsidiary of the Group has equity interest.
- (e) An subcontracting fee of HK\$57,040,000 (2007: HK\$Nil) was paid to CUSEM for the production of solar cells, modules and panels. In the course of the subcontracting work performed by CUSEM, the Company had purchased machinery and paid expenditure on behalf of CUSEM amounting HK\$11,700,000, which had been off set against the subcontracting fee.
- (f) Commission expenses of HK\$237,000 (2007: HK\$62,000) was paid to a related company, in which a director of a subsidiary of the Group has equity interest, for handling the investment securities of a subsidiary of the Company.

39. 關連人士交易 (續)

附註:

- (a) 於二零零八年三月三十一日，若干公司向本集團墊付短期貸款600,000港元(二零零七年:700,000港元)，而本集團一間附屬公司之一位董事擁有該等公司之股權。該關連方於年內收取之利息開支為1,000港元(二零零七年:41,000港元)。
- (b) 本集團若干附屬公司佔用辦公室物業一部分。該等辦公室物業由本集團一間附屬公司之一位董事擁有股權之一間關連公司擁有。截至二零零七年三月三十一日止年度，本集團支付經營租賃租金200,000港元。本集團於年內並無支付任何經營租賃租金。
- (c) 截至二零零七年三月三十一日止年度，本集團與一間關連公司訂立研究及發展協議，而本公司一名董事擁有該關連公司之股權。本集團去年就該協議產生之研發費用為726,000港元。
- (d) 2,915,000港元(二零零七年:2,579,000港元)之借調服務收入乃來自向一間關連公司提供借調員工服務，而本集團一間附屬公司之一位董事擁有該關連公司之股權。
- (e) 57,040,000港元(二零零七年:零港元)之承包費用乃就生產太陽能電池、組件及控電板而支付予中華聯合。在承包中華聯合進行之工程時，本公司代表中華聯合採購機器並支付開支11,700,000港元，有關開支已與承包費用對銷。
- (f) 237,000港元(二零零七年:62,000港元)之佣金開支乃就處理本公司一間附屬公司之投資證券支付予一間關連公司，而本集團一間附屬公司之一位董事擁有該關連公司之股權。

Notes to the Financial Statements

財務報表附註

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

39. RELATED PARTY TRANSACTIONS

(Continued)

- (g) During the year, the Company has granted 30,000,000 share options to the directors and employee of a subsidiary of the Group's associate. The fair value of the shares granted amounted to HK\$9,443,000.
- (h) During the year ended 31 March 2007, the Group had purchased certain manufacturing equipment, which were used in the long-term services work provided to customers, from a company in which a director had beneficial interest.

The key management personnel of the Group is the directors and details of the directors' emoluments are disclosed in note 16.

40. RECLASSIFICATION

In prior years, the management of the Company requested two companies, in which Mr. Li Di had beneficial interest, to receive trade deposits from a customer on the Company's behalf. As Mr. Li Di became a beneficial owner of a holding company of the Company during the year, the amount of HK\$17,264,000 were reclassified from other receivables to amounts due from related companies.

39. 關連人士交易 (續)

- (g) 於年內，本公司向本集團聯營公司之一間附屬公司之董事及僱員授出30,000,000份購股權。已授出股份之公允價值為9,443,000港元。
- (h) 於截至二零零七年三月三十一日止年度內，本集團向一位董事擁有實益權益之公司採購若干生產設備，用於向客戶提供之長期服務工程。

本集團之主要管理人員為董事，董事酬金詳情已於附註16披露。

40. 重新分類

於過往年度，本公司管理層要求兩間李弟先生於當中擁有實益權益之公司代表本公司向一名客戶收取貿易訂金。由於李弟先生於年內成為本公司控股公司的實益擁有人，故為數17,264,000港元之款項已由其他應收款項重新分類為應收關連公司款項。

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財務報表附註

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

41. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY

41. 本公司主要附屬公司之詳情

Name 名稱	Place of incorporation 註冊成立地點	Percentage of issued share capital 已發行股本百分比	Percentage of issued capital held by the Company 本公司持有已發行股本百分比		Principal activity and place operations 主要業務及營業地點
			2008 二零零八年	2007 二零零七年	
REXCAPITAL Group Limited	British Virgin Islands 英屬處女群島	1 ordinary share of US\$1 1股普通股 每股1美元	100%	100%	Investment holding in Hong Kong 於香港從事投資控股
Golden Chino Limited	British Virgin Islands 英屬處女群島	1 ordinary share of US\$1 1股普通股 每股1美元	100%	100%	Participation in primary and secondary securities market in Hong Kong 於香港參與主要及次要證券市場活動
Eaglefly Technology Limited	British Virgin Islands 英屬處女群島	1 ordinary share of US\$1 1股普通股 每股1美元	100%	100%	Investment holding in Hong Kong 於香港從事投資控股
China Solar Energy Group Limited	Hong Kong 香港	1 ordinary share of HK\$1 1股普通股 每股1港元	100%	100%	Production of solar energy products 提供太陽能產品
Add Result Holdings Limited Islands	British Virgin Islands 英屬處女群島	1 ordinary share of US\$1 1股普通股 每股1美元	100%	N/A 不適用	Investment holding in Hong Kong 於香港從事投資控股
China Solar Energy Development Limited	Hong Kong 香港	1 ordinary share of HK\$1 1股普通股 每股1港元	100%	100%	Inactive 非活躍
REXCAPITAL (Hong Kong) Limited 御泰融資(香港)有限公司	Hong Kong 香港	10,000,000 ordinary shares of HK\$1 each 10,000,000股普通股 每股1港元	100%	100%	Provision of investment advisory services in Hong Kong 於香港提供投資顧問服務

Notes to the Financial Statements

財務報表附註

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

41. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY (Continued)

41. 本公司主要附屬公司之詳情 (續)

Name 名稱	Place of incorporation 註冊成立地點	Percentage of issued share capital 已發行股本百分比	Percentage of issued capital held by the Company 本公司持有已發行股本百分比		Principal activity and place operations 主要業務及營業地點
			2008 二零零八年	2007 二零零七年	
REXCAPITAL Enterprises Limited 御泰企業有限公司	Hong Kong 香港	2 ordinary shares of HK\$1 each 2股普通股 每股1港元	100%	100%	Provision of management services in Hong Kong 於香港提供管理服務
D & M Finance Limited	Hong Kong 香港	2 ordinary shares of HK\$1 each 2股普通股 每股1港元	100%	100%	Money lending in Hong Kong 於香港提供貸款
REXCAPITAL International Holdings Limited 御泰國際控股有限公司	Hong Kong 香港	1 ordinary share of HK\$1 1股普通股 每股1港元	100%	N/A 不適用	Inactive 非活躍
China Solar Energy (Macau) Limited	Macau 澳門	25,000 ordinary share of Macau Pataca 1 each 25,000股普通股 每股1澳門元	100%	N/A 不適用	Inactive 非活躍
REXCAPITAL Technology Limited	British Virgin Islands 英屬處女群島	1 ordinary share of US\$1 1股普通股 每股1美元	100%	100%	Investment holding in Hong Kong 於香港從事投資控股
REXCAPITAL Financial Services Limited	British Virgin Islands 英屬處女群島	1 ordinary share of US\$1 1股普通股 每股1美元	100%	100%	Investment holding in Hong Kong 於香港從事投資控股
REXCAPITAL Strategic Investments Limited	British Virgin Islands 英屬處女群島	1 ordinary share of US\$1 1股普通股 每股1美元	100%	100%	Investment holding in Hong Kong 於香港從事投資控股
REXCAPITAL Management Limited	British Virgin Islands 英屬處女群島	1 ordinary share of US\$1 1股普通股 每股1美元	100%	100%	Investment holding in Hong Kong 於香港從事投資控股

Notes to the Financial Statements

財務報表附註

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

41. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY (Continued)

41. 本公司主要附屬公司之詳情 (續)

Name 名稱	Place of incorporation 註冊成立地點	Percentage of issued share capital 已發行股本百分比	Percentage of issued capital held by the Company 本公司持有已發行股本百分比		Principal activity and place operations 主要業務及營業地點
			2008 二零零八年	2007 二零零七年	
Capital View Investments Limited	British Virgin Islands 英屬處女群島	1 ordinary share of US\$1 1股普通股 每股1美元	100%	100%	Provision of nominee services in Hong Kong 於香港提供代理人服務
Twin Star Agents Limited	British Virgin Islands 英屬處女群島	1 ordinary share of US\$1 1股普通股 每股1美元	100%	100%	Holding nominee shares for the Group in Hong Kong 為本集團於香港持有代理人股份
REXCAPITAL Secretarial Services Limited 御泰秘書服務有限公司	Hong Kong 香港	2 ordinary shares of HK\$1 each 2股普通股 每股1港元	100%	100%	Provision of secretarial services in Hong Kong 於香港提供秘書服務
Terra Solar Global, Inc.	United States of America shares 美國	10,000 ordinary shares of US\$0.01 each 10,000股普通股 每股0.01美元	60%	51%	Investment holding in the United States 於美國從事投資控股
Terra Solar North America, Inc.	United States of America 美國	200 ordinary shares, no par value 200股無面值普通股	60%	51%	Licensing of patent rights in the United States 於美國從事分發專利權許可

Five year Financial Summary

五年財務摘要

		Year ended 31 March 截至三月三十一日止年度				
		2008	2007	2006	2005	2004
		二零零八年	二零零七年	二零零六年	二零零五年	二零零四年
		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
			(restated)	(restated)		
			(重列)	(重列)		
RESULTS	業績					
Revenue	收入	97,668	41,123	12,354	3,769	6,050
Loss before income tax	除所得稅前虧損	(215,323)	(17,007)	(99,665)	(375,796)	(2,135)
Income tax expense	所得稅開支	(996)	(431)	(118)	(517)	-
Loss for the year	年內虧損	(216,319)	(17,438)	(99,783)	(376,313)	(2,135)
Minority interests	少數股東權益	1,194	2,857	1,935	-	9
Loss attributable to equity holders of the Company	本公司權益持有人應佔虧損	(215,125)	(14,581)	(97,848)	(376,313)	(2,126)
ASSETS AND LIABILITIES	資產及負債					
Property, plant and equipment	物業、廠房及設備	752	905	12,106	3	4
Intangible assets	無形資產	110,117	124,175	138,233	-	-
Goodwill	商譽	17,213	-	-	47,890	50,602
Net current assets	流動資產淨值	143,145	210,251	179,774	38,042	369,677
Interest in an associate	於一間聯營公司之權益	6,738	-	-	-	-
Amount due from a shareholder of associate	應收一名聯營公司股東款項	16,517	-	-	-	-
Available-for-sale investments	可供出售投資	-	7,750	-	-	-
Other receivables	其他應收款項	10,062	-	-	-	-
Net assets	資產淨值	304,544	343,081	330,113	85,935	420,283
Share capital	股本	43,720	38,749	36,326	27,525	17,094
Reserves	儲備	251,339	291,864	278,929	58,410	403,189
Equity attributable to equity holders of the Company	本公司權益持有人應佔權益	295,059	330,613	315,255	85,935	420,283
Share option reserve of a subsidiary	一間附屬公司之購股權儲備	977	604	137	-	-
Minority interests	少數股東權益	8,508	11,864	14,721	-	-
Total equity	總權益	304,544	343,081	330,113	85,935	420,283

Note: Please refer to note 2 for the details of the restatements.

附註：重列詳情請參閱附註2。