

**THE POWER OF  
GROWTH**

**2006 年報**  
Annual Report



**China Gas Holdings Limited**  
**中國燃氣控股有限公司**

Stock code 股份代號: 384

## ABOUT CHINA GAS 關於中國燃氣



中國燃氣控股有限公司（「中國燃氣」，股票代號：384）是一家天然氣營運服務商，主要於中國大陸從事投資、建設、經營城市燃氣管道基礎設施，向居民和工商業用戶輸送天然氣，建設和經營加油站和加氣站，開發與應用石油、天然氣相關技術。中國燃氣之主要股東包括：隸屬國務院臺灣事務辦公室之海峽經濟科技合作中心、中國第二大石油及天然氣生產商中國石油化工股份有限公司、印度政府旗下最大的天然氣公司Gail (India) Limited，以及阿曼國家石油公司（Oman Oil Company S.A.O.C）。

China Gas Holdings Limited (“China Gas”, stock code: 384) is a natural gas services operator, principally engaging in the investment, operation and management of city gas pipeline infrastructure, distribution of natural gas to residential and industrial users, construction and operation of oil stations and gas stations, and development and application of oil and natural gas related technologies. Major shareholders of the Company include the Centre of Strait Economy & Science-Tech Cooperation under the Taiwan Affairs Office of the State Council of China, Sinopec, the second largest oil and gas company in China, and Gail (India) Limited, the largest natural gas company in India under the control of Indian federal government, and Oman Oil Company, S.A.O.C.

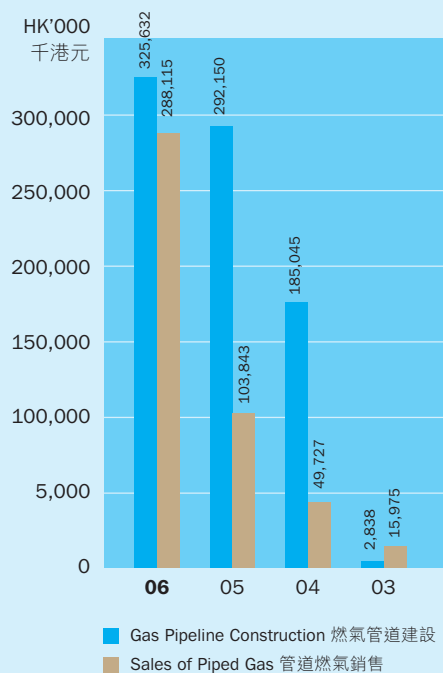
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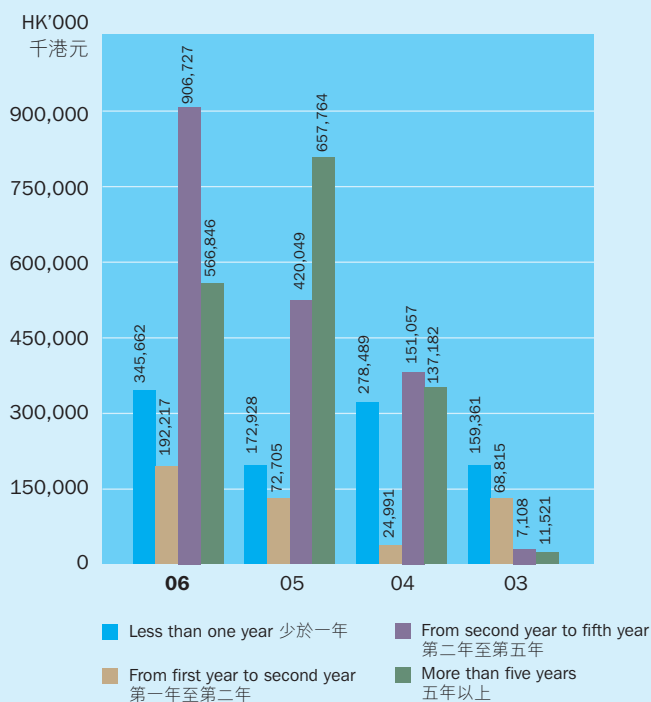
## Turnover by Principal Activities

以主要業務分類之營業額



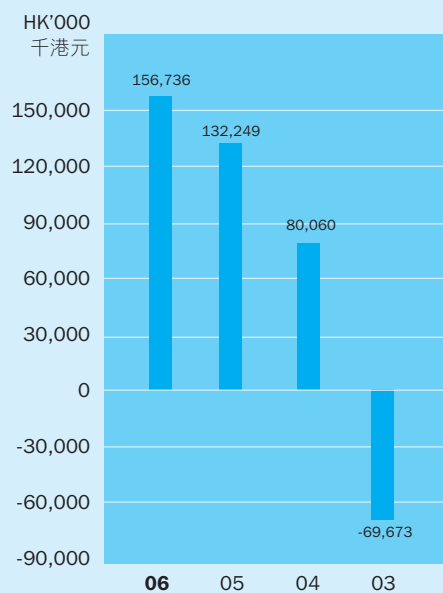
## DEBT Maturity Profile

債務到期日資料



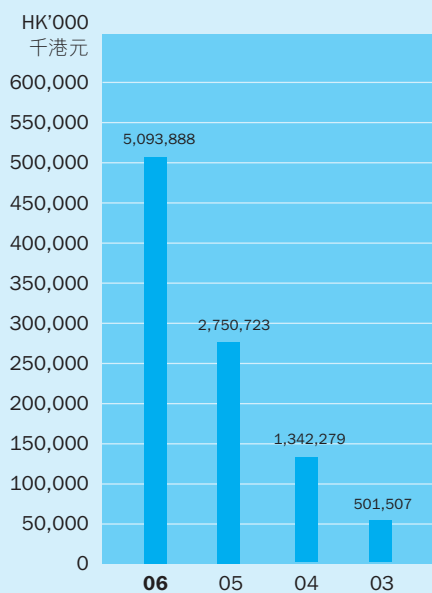
## Profit (Loss) Attributable to Shareholders

股東應佔溢利 (虧損)



## Total Assets

總資產



## Financial ratios

## 財務比率

		2006 二零零六年	2005 二零零五年 (Restated) (重列)	2004 二零零四年
Earning per share (HK cents)	每股盈利 (港仙)	6.15	5.24	6.15
Net asset value per share (HK cents)	每股資產淨值 (港仙)	63.85	44.04	32.27
Current ratio	流動比率	3.37	3.19	2.65
Quick ratio	速動比率	3.24	3.08	2.61
Net gearing ratio	淨資產負債比率	0.38	0.72	0.4
Gross profit margin	毛利率	48%	60%	45%
Net profit margin	淨利率	29%	32%	21%
Return on average equity (%)	平均股本回報 (%)	11%	13%	25%
Price to earning ratio	市盈率			
Year low	全年最低	19.0	7.8	10.4
Year high	全年最高	28.5	22.5	19.8

## Formula for financial ratios:

Current ratio

流動比率

Quick ratio

速動比率

Net gearing ratio

淨資產負債比率

Gross profit margin

毛利率

Net profit margin

淨利率

Return on average equity

平均股本回報

## 財務比率之公式：

Current assets/Current liabilities

流動資產/流動負債

(Current assets – Inventories)/Current liabilities

(流動資產 – 存貨) / 流動負債

Net borrowing/Shareholders' funds

淨借貸/股東權益

Gross profit/Turnover

毛利/營業額

Net profit for the year/Turnover

年度純利/營業額

Profit attributable to equity holders of the Company/

Average equity attributable to equity holders of the Company

公司股東應佔溢利/公司股東應佔平均權益

# CORPORATE INFORMATION

# 公司資料

## Board of Directors

### Executive Directors

Li Xiao Yun (Chairman)  
Xu Ying (Vice-Chairman)  
Liu Ming Hui (Managing Director)  
Zhu Wei Wei  
Ma Jin Long

### Non-Executive Director

Feng Zhuo Zhi  
Suresh Raghavanachari  
Harrison Blacker

### Independent Non-Executive Directors

Zhao Yu Hua  
Mao Er Wan  
Wong Sin Yue Cynthia

## Company Secretary

Yang Yan Tung Doris

## Auditors

Deloitte Touche Tohmatsu  
Certified Public Accountants

## Principal Bankers

Hang Seng Bank  
Dah Sing Bank  
Industrial and Commercial Bank of China  
China Construction Bank  
Agricultural Bank of China  
China Minsheng Banking Corp. Ltd.

## 董事會

### 執行董事

李小雲（主席）  
徐鷹（副主席）  
劉明輝（董事總經理）  
朱偉偉  
馬金龍

### 非執行董事

馮卓志  
Suresh Raghavanachari  
Harrison Blacker

### 獨立非執行董事

趙玉華  
毛二萬  
黃倩如

## 公司秘書

楊紉桐

## 核數師

德勤·關黃陳方會計師行  
執業會計師

## 主要往來銀行

恒生銀行  
大新銀行  
中國工商銀行  
中國建設銀行  
中國農業銀行  
中國民生銀行股份有限公司

## Head Office and Principal Place of Business in Hong Kong

Room 1601  
16th Floor  
AXA Centre  
151 Gloucester Road  
Wan Chai  
Hong Kong

## Legal Advisers

Michael Li & Co  
Conyers Dill & Pearman

## Registered Office

Clarendon House  
Church Street  
Hamilton HM11  
Bermuda

## Principal Share Registrar and Transfer Office

Butterfield Fund Services (Bermuda) Limited  
Rosebank Centre  
14 Bermudiana Road  
Pembroke  
Bermuda

## Stock Code

384

## Website

[www.chinagasholdings.com.hk](http://www.chinagasholdings.com.hk)

## 總辦事處及香港主要營業地點

香港  
灣仔  
告士打道 151 號  
國衛中心  
16 樓  
1601 室

## 法律顧問

李智聰律師事務所  
Conyers Dill & Pearman

## 註冊辦事處

Clarendon House  
Church Street  
Hamilton HM11  
Bermuda

## 主要股份登記及過戶辦事處

Butterfield Fund Services (Bermuda) Limited  
Rosebank Centre  
14 Bermudiana Road  
Pembroke  
Bermuda

## 股份編號

384

## 網址

[www.chinagasholdings.com.hk](http://www.chinagasholdings.com.hk)



**IN STEP  
WITH TOMORROW**





↑ **10%**  
Natural gas consumption will account for 10% of total energy consumption in China by 2020  
至 2020 年，天然氣將佔中國能源總耗用量 10%



Continuous growth in  
earnings per share

每股盈利持續增長

↑  
**17%**



On behalf of the Board of Directors (the “Board” or the “Directors”) of China Gas Holdings Limited (“China Gas” or the “Company”, together with its subsidiaries, the “Group”), I would like to present to the shareholders the 2006 annual report.

The past financial year embarked a year of vigorous development for the Group. Over the past year, China’s sustainable robust and rapid economic growth has resulted in an explicit energy supply and demand gap. Meanwhile, in light of soaring oil prices and increasingly stringent environmental protection requirements imposed by the State, coupled with the discovery and development of a large number of new natural gas fields on the one hand, and the commissioning of cross-regional natural gas pipelines on the other, the natural gas market recorded an explosively vivid growth. Under favourable external macro-economic environment, and with the joint efforts of the Group and all our staff, the Group had during the past year posted remarkable progress in the aspects of project expansion, customers development, natural gas sales and internal control.

### Financial Results

The overall results of the Group in the past financial year ended March 31, 2006 were satisfactory. Turnover amounted to HK\$630,522,000, net profit to HK\$180,068,000 and profit attributable to shareholders to HK\$156,736,000, representing a year-on-year growth of 53.27%, 36.02% and 62.22% respectively. Basic earnings per share was HK6.15 cents, an increase of 17.37%. Over the past financial year, the Group connected 141,543 households users, 20 industrial users and 142 commercial users, representing a year-on-year growth of approximately 7.0%, 122.2% and 283.8% respectively. As at March 31, 2006, the Group’s total connected residential customers came to 806,103 households, total connected industrial customers to 72 users and total connected commercial customers to 1,395 users, representing a year-on-year growth of approximately 96.1%, 105.7% and 185.3% respectively. During the past financial year, the Group sold a total volume of 176,378,710 m<sup>3</sup> of piped gas, an approximately 131.2% year-on-year growth, of which 172,319,750 m<sup>3</sup> was natural gas and 4,058,960 m<sup>3</sup> was other piped gases, representing a year-on-year growth of 364.5% and a year-on-year decrease of 89.6% respectively. This demonstrated a rapid growth in our sale of natural gas.

本人謹代表中國燃氣控股有限公司(以下簡稱「中國燃氣」或「公司」)，與附屬公司「集團」董事會(「董事會」)向股東提呈二零零六年年報。

過去的一個財政年度是本集團快速發展的一年。在過去一年之中，中國經濟繼續保持穩定快速增長，能源供需矛盾進一步突出，石油價格不斷攀升，與此同時，國家對環境保護的要求日趨嚴格；另一方面，隨著中國大陸一批新的天然氣氣田的發現和跨區域的天然氣長輸管線投入運營，天然氣市場呈現爆發性的增長。借助週邊良好的宏觀形勢，在集團管理層及廣大員工的共同努力之下，過去一年集團在項目拓展、用戶開發，天然氣銷售以及集團內部管制等方面都取得了長足的進步。

### 財務業績

截至二零零六年三月三十一日止的過去一個財政年度，集團整體業績表現令人滿意。營業額、純利及股東應佔溢利分別達到 630,522,000 港元、180,068,000 港元、及 156,736,000 港元，較去年同期分別增長 53.27%、36.02% 及 62.22%。每股基本盈利 6.15 港仙，較去年同期增長 17.37%。集團在過去一個財政年度新增接駁 141,543 戶住宅用戶、20 戶工業用戶及 142 戶商業用戶，新增住宅用戶、工業用戶和商業用戶較去年同期分別增長約 7.0%、122.2% 和 283.8%。截至二零零六年三月三十一日止，集團累計接駁住宅用戶 806,103 戶，累計接駁工業用戶 72 戶，累計接駁商業用戶 1,395 戶，分別較去年同期增長約 96.1%、105.7% 和 185.3%。於過去一個財政年度，集團合計銷售管道燃氣 176,378,710 立方米，較去年同期增長約 131.2%，其中管道天然氣銷售量達到 172,319,750 立方米，其他管道燃氣銷量 4,058,960 立方米，分別較去年同期增長 364.5% 和減少 89.6%，反映集團天然氣銷量迅速增長。

To express our gratitude to our shareholders' support and trust to the Company over the past year, the Board resolved to recommend the payment of a final dividend of HK1 cent per share for the year ended March 31, 2006, marking the first dividend payment by the Company since its establishment.

### New Project Development

On the side of new project expansion, the past year was a remarkable year for the Group. We secured 11 new city gas projects in eight provinces/autonomous regions, of which the projects in Liuzhou in Guangxi, Baoji in Shaanxi, Yangzhou in Jiangsu, Fushun and Dalian in Liaoning were in large sized cities with population over a million. The projects in Fushun and Dalian in Liaoning were the Group's first investment in the north-eastern part of China. Dalian is the most economically prosperous city in north-east China. PetroChina Company Limited is planning to construct a liquefied natural gas receiving terminal in Dalian. The acquisition of the Dalian project is a reflection of our competitive strengths in the industry. In addition, the Group has also acquired equity interest in a natural gas company in the Dianjiang County in Chongqing, the only regional gas company which has been given the right to explore and produce natural gas in China. Such company currently owns 40 natural gas wells with annual production capacity of 150,000,000 m<sup>3</sup>. Such acquisition marked our first step into the upstream natural gas supply market and will further enhance the Group's competitive strengths.

### Capital Markets

In the last financial year, the Group has obtained financing from major international and domestic financial institutions. In January 2006, the Company obtained a credit facility of up to RMB20 billion from China Development Bank, which can be drawn within the next five years according to the Group's project development needs. The facility will have a tenor of up to 15 years with a grace period of at least five years. The facility will bear interest at the rate as announced by the People's Bank of China in respect of long-term loans with maturities of over five years, and will be subject to downward adjustment if appropriate. The interest rate for the facility is substantially lower than that of high-yield bonds of similar maturities in the international capital markets. This is attributable to our good credit reputation in and wide-recognition of our business prospects by the financial markets. With such financing, sufficient capital is assured for our future investment in and development of natural gas projects. Furthermore, the Group also obtained a nine-year term loan in the amount of US\$50 million from The Netherlands Development Finance Company (FMO) and PROPARCO in October 2005. Financing supports for our business development from these development capital institutions will allow the Group to formulate more aggressive investment strategies to secure more city gas projects and enable the Group to participate in large city gas projects in the future.

為答謝廣大股東對公司過去一年的支持與信任，董事會議決派付截至二零零六年三月三十一日止年度之末期股息每股 1 港仙，這也是本公司成立以來首次派息。

### 新項目開發

在新項目拓展方面，集團在過去一年取得了非凡的成績，共在 8 個省／自治區獲得了 11 個新的城市燃氣項目。其中，廣西柳州、陝西寶雞、江蘇揚州、遼寧撫順和大連項目均為城市人口超過百萬的大型城市燃氣項目。遼寧撫順和大連為集團在中國東北地區的首次投資，大連市為中國東北地區經濟最發達之城市，中國石油天然氣股份公司已在該市規劃建設液化天然氣接收碼頭，獲取大連項目反映了集團在行業中的競爭優勢。此外，集團亦收購了一家位於重慶市墊江縣的天然氣開發公司的股本權益，該公司為中國國內唯一一家擁有天然氣勘探開發權的地方性公司，目前擁有四十口天然氣氣井，年天然氣產量達到 150,000,000 立方米。該項收購為本集團參與上游天然氣市場的開發邁出了第一步，並將進一步增強集團的競爭力。

### 資本市場

本集團在過去一個財政年度取得了國際和國內主要金融機構的融資支持。於二零零六年一月，集團獲得中國國家開發銀行人民幣授信二百億元，未來集團可根據項目發展之需要，在五年內提取該授信項下之資金。該項融資自提款之日起最長期限為十五年，而於動用後最少五年內毋須償還貸款本金，貸款利率按照中國人民銀行公佈的五年期以上長期貸款利率厘定，並可適當下浮。該項融資之利率遠低於國際資本市場類似期限的高息債券利率，顯示出集團在金融界良好的信用以及集團發展前景受到廣泛認可。該項融資為本集團未來投資及發展天然氣項目提供了充足的資金保障。此外，本集團亦於二零零五年十月取得荷蘭國家開發銀行 (FMO) 和法國國家開發銀行 (PROPARCO) 九年期五千萬美元貸款。憑藉此等開發性金融機構的財務支持，本集團可制定更為進取的投資策略以爭取更多城市燃氣項目，並有助本集團日後參與大型城市燃氣項目的開發。

## Shareholders' Structure

In the last fiscal year, the shareholders' structure of the Company has been further optimized as well as internationalized. Hai Xia Finance Holdings Limited is the founding and principal shareholder of the Company together with the three international strategic shareholders namely China Petroleum & Chemical Corporation, GAIL (India) Limited and Oman Oil Company, the Company has become a platform to facilitate cooperation among energy companies in Asia. Furthermore, Mackenzie Financial Corporation, a well-known Canada's mutual funds, also holds a substantial stake in the Company. Templeton Asset Management and FMO, being famous institutional investors, also became shareholders of the Company through share subscription in October 2005.

The composition of the Board of the Company has a change in this financial year. Following the completion of the subscription of shares in the Company by GAIL (India) Limited and Oman Oil Company, two of their representatives were appointed as non-executive directors of the Company in January 2006 and March 2006 respectively. On behalf of the Board, I would like to welcome Mr. Suresh Raghavanachari and Mr. Harrison Blacker to join the Board and believe that their participation in the Board will strengthen our team with their considerable ability, rich industry and management experience and quality dynamic ideas. We will continue to ensure that the Board will maintain high corporate governance standards and utilize the skills and experience of its members so as to make the Group a successful international natural gas enterprise.

## Business Outlook

We had a steady growth in 2006 fiscal year. With a large portfolio of quality potential projects and sufficient capital support, 2007 fiscal year will be a year of prosperous anticipation. We will continue to move towards our targets according to our plan, invest in piped gas construction projects in medium- to large-sized cities with population over millions, and take active action to participate in upstream natural gas supply market, especially in the areas of natural gas liquefaction. The Group will pursue a more proactive approach in its investment strategy.

In closing, I would like to thank the employees, the management team and the fellow board members for their commitment and endeavors, our shareholders for their full support to our strategy of value creation, and the bankers and investors of their confidence, encouragement and recognition.

**Li Xiao Yun**

*Chairman*

July 21, 2006

## 股東結構

於過去的一個財政年度，公司的股東結構進一步優化，股東基礎更趨於國際化。海峽金融控股有限公司為公司之創辦及主要股東，連同中國石油化工股份有限公司、印度燃氣公司（GAIL (India) Limited）及阿曼石油公司（Oman Oil Company）等三名國際策略股東，使得公司成為亞洲能源公司之間的合作平臺。此外，加拿大知名互惠基金Mackenzie Financial Corporation亦持有本公司大量股份，國際知名的金融機構Templeton Asset Management及FMO亦於二零零五年十月認購本公司新股而成為本公司股東之一。

本財政年度，公司董事會組合也有所改變。印度燃氣公司（GAIL (India) Limited）及阿曼石油公司（Oman Oil Company）完成認購本公司股份後，彼等兩名代表已分別於二零零六年一月及二零零六年三月獲委任為本公司之非執行董事。本人謹代表董事會歡迎Suresh Raghavanachari先生及Harrison Blacker先生加入董事會，並深信憑藉兩人出眾的才幹且豐富的行業及管理經驗，加盟董事會後定能令集團隊伍更添實力並注入更多優質思維。本集團將繼續確保董事會保持高度的管治標準，能充份結合才幹與經驗，從而達致引領本集團成為成功的國際天然氣集團。

## 展望

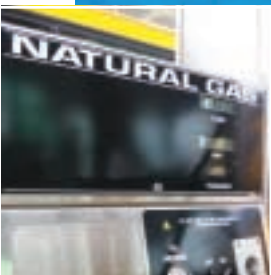
本集團在二零零六年財政年度錄得平穩的增長。在擁有眾多潛在優質項目及充足資金支持的前景下，二零零七財政年度將會是充滿期待的一年。本集團將繼續朝著目標進發，參與人口逾數百萬的大、中型城市的管道燃氣項目建設，並採取較積極的行動參與上游天然氣供應市場，特別是在液化天然氣供應市場方面，本集團將採取更為積極的投資策略。

最後，本人謹在此對全體員工、管理層及所有董事會成員的熱誠及努力表示衷心感謝，也非常感謝股東全力支持我們締造價值的政策，亦感謝銀行家及投資者給予的信心、鼓勵及肯定。

**李小雲**

*主席*

2006年7月21日



# REACHING NEW MILESTONES OF GROWTH



# OPERATIONAL STATISTICS

# 營運統計資料

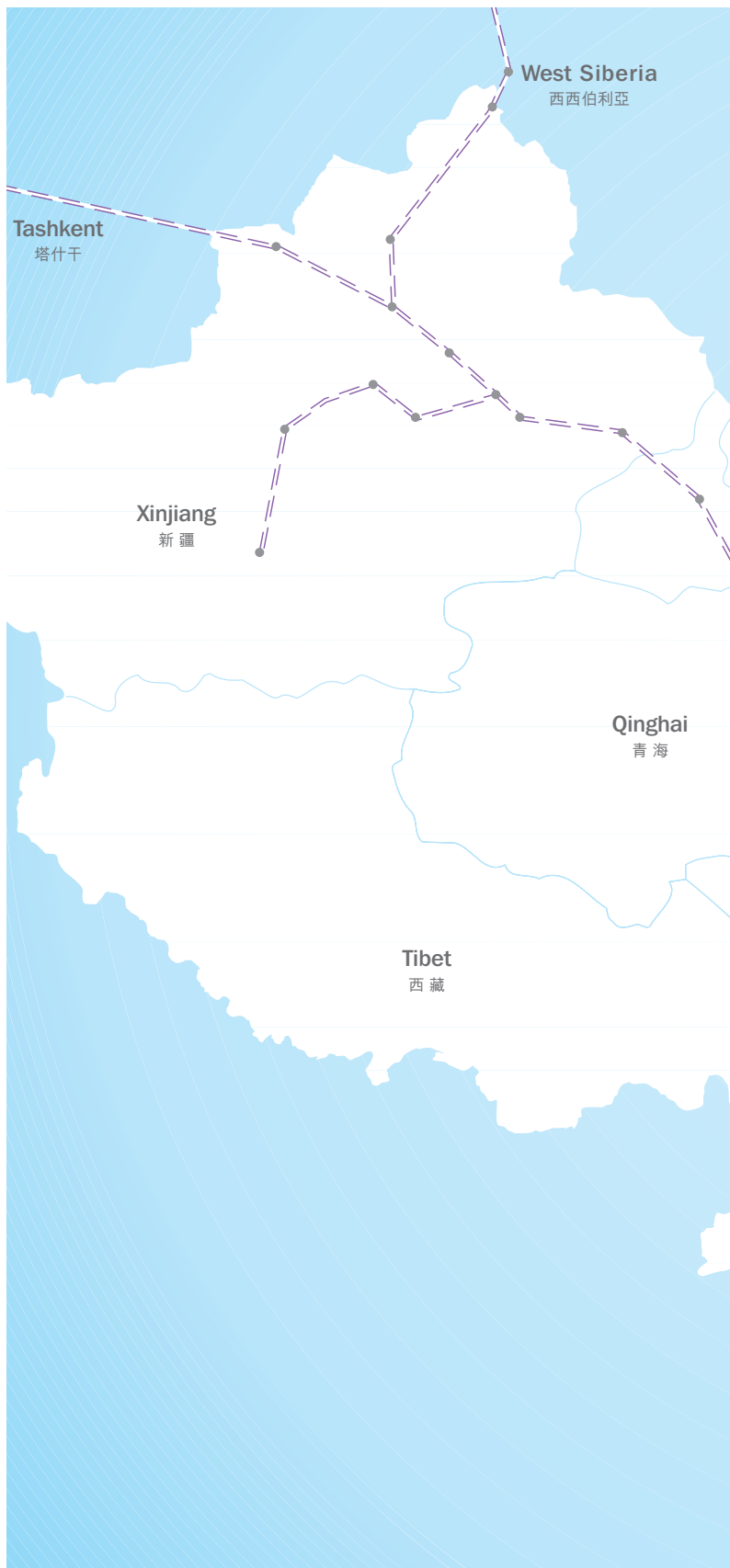
Province 省	Operational Location 營運地點	Total Population 總人口	Urban Population 市區人口	Connectable Domestic Households 可接駁住宅客戶		
				as at 31 Mar 05 於 05 年 3 月 31 日	as at 31 Mar 06 於 06 年 3 月 31 日	
Anhui 安徽	Wuhu (蕪湖)	2,190,000	650,000	203,000	203,000	
	Huainan (淮南)	2,065,000	1,090,000	341,000	341,000	
	Shouxian (壽縣)	1,270,000	150,000	47,000	47,000	
	Suzhou (宿州)	5,707,000	425,000	133,000	133,000	
	Wuhuxian (蕪湖縣)	530,000	80,000	25,000	25,000	
	Nanlingxian (南陵縣)	540,000	125,000	39,000	39,000	
	Huoshanxian (霍山縣)	540,000	80,000	25,000	25,000	
	Fengtaixian (鳳台縣)	580,000	90,000	28,000	28,000	
	Guzhen (固鎮)	633,000	100,000	-	31,000	
Hubei 湖北	Yichang (宜昌)	3,990,000	1,209,000	378,000	378,000	
	Xiaogan (孝感)	883,000	230,000	72,000	72,000	
	Hanchuan (漢川)	1,061,000	173,000	54,000	54,000	
	Yingcheng (應城)	669,000	175,000	55,000	55,000	
	Yunmeng (雲夢)	579,000	94,000	29,000	29,000	
	Suizhou (隨州)	2,580,000	782,000	244,000	244,000	
	Tianmen (天門)	1,740,000	200,000	63,000	63,000	
	Dangyang (當陽)	560,000	140,000	44,000	44,000	
	Guangshui (廣水)	899,000	125,000	39,000	39,000	
Hunan 湖南	Yiyang (益陽), Yuanjian (沅江)	4,600,000	860,000	269,000	269,000	
Jiangsu 江蘇	Pizhou (邳州)	1,580,000	230,000	72,000	72,000	
	Yangzhong (揚中)	273,000	88,000	28,000	28,000	
	Jiang Bei District, Nanjing (南京江北地區)	1,200,000	650,000	203,000	203,000	
	Jiawang District, Xuzhou (徐州賈汪區)	500,000	180,000	56,000	56,000	
	Xinyi, Xuzhou (徐州新沂)	970,000	160,000	50,000	50,000	
	Yangzhou City (揚州市)	4,570,000	1,220,000	-	381,000	
Zhejiang 浙江	Xiaoshan district, Hangzhou (杭州蕭山區)	1,157,000	280,000	88,000	88,000	
	Shaoxingxian (紹興縣)	710,000	110,000	34,000	34,000	
Hebei 河北	Cangzhou (滄州)	6,670,000	470,000	147,000	147,000	
	Cangzhou Economic Development Zone (滄州經濟開發區)	20,000	20,000	6,000	6,000	
	Nanpixian (南皮縣)	760,000	52,000	16,000	16,000	
	Qinghexian (清河縣)	340,000	72,000	23,000	23,000	
	Wangdu city (望都市)	230,000	32,000	-	10,000	
	Tangshan Nampo (唐山南堡)	170,000	72,000	-	23,000	
	Letingxian (樂亭縣), Xinle (新樂), Gaocheng (藁城), Pingshanxian (平山縣), Fengnan District of Tangshan (唐山豐南區), Neiqiuxian (內丘縣)	4,320,000	788,000	246,000	246,000	
	Guangxi Zhuang Autonomous Region 廣西壯族自治區	Yulin (玉林)	5,760,000	400,000	125,000	125,000
		Qinzhou (欽州)	3,260,000	220,000	69,000	69,000
Liuzhou (柳州)		3,580,000	1,300,000	-	406,000	
Fangchenggang (防城港)		718,000	130,000	-	41,000	
Shaanxi 陝西	Xi'an National Hi-Tech Industrial Development Zone (西安高新技術產業開發區)	20,000	20,000	6,000	6,000	
	Baoji (寶雞)	3,720,000	1,020,000	-	319,000	
Beijing 北京	Changping district (昌平區), Daxing district (大興區), Yangqing district (延慶區), Tongzhou district (通州區), Shunyi district (順義區), Fangshan district (房山區)	4,419,000	2,594,000	811,000	811,000	
	Guangdong 廣東	Maoming (茂名)	6,700,000	1,200,000	375,000	375,000
		Conghua (從化)	630,000	300,000	-	94,000
	Liaoning 遼寧	Fushun (撫順)	2,226,000	1,415,000	-	442,000
		Dailian (大連)	6,020,000	3,123,000	-	976,000
Chongqing 重慶	Dianjiang (墊江)	890,000	110,000	-	34,000	
<b>Total 總數</b>		<b>93,029,000</b>	<b>23,034,000</b>	<b>4,443,000</b>	<b>7,200,000</b>	



Accumulated Connected Domestic Households 累計已接駁住宅用戶		Accumulated Connected Industrial Customers 累計已接駁工業用戶		Accumulated Connected Commercial Customers 累計已接駁商業用戶		Length of Pipelines (km) 管道長度 (公里)			
as at 31 Mar 05 於 05 年 3 月 31 日	as at 31 Mar 06 於 06 年 3 月 31 日	as at 31 Mar 05 於 05 年 3 月 31 日	as at 31 Mar 06 於 06 年 3 月 31 日	as at 31 Mar 05 於 05 年 3 月 31 日	as at 31 Mar 06 於 06 年 3 月 31 日	Total Length 總長度 as at 31 Mar 05 於 05 年 3 月 31 日	as at 31 Mar 06 於 06 年 3 月 31 日	Length for Branch 小區管網長度 as at 31 Mar 05 於 05 年 3 月 31 日	as at 31 Mar 06 於 06 年 3 月 31 日
116,632	132,513	18	18	293	305	980	1,206	557	700
53,368	61,662	-	3	11	37	437	536	292	367
-	-	-	-	-	-	-	5	-	-
13,393	35,569	-	2	11	26	59	186	40	107
-	629	-	-	-	-	-	11	-	-
-	71	-	-	-	-	-	3	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	10	-	3
-	-	-	-	-	-	-	-	-	-
66,925	80,036	-	1	91	101	573	714	244	362
22,279	23,062	-	-	1	1	352	386	114	116
15,737	15,948	-	5	-	4	112	133	98	98
15,450	15,616	-	1	-	10	95	104	78	78
11,987	12,097	-	-	-	-	93	101	80	80
28,684	35,928	-	2	-	10	157	284	116	181
-	1,341	-	-	-	1	-	35	-	12
-	-	-	1	-	-	54	57	-	-
-	-	-	-	-	-	-	-	-	-
30,237	32,312	-	-	-	-	301	348	272	284
7,166	17,261	-	-	-	-	22	88	22	52
9,283	15,298	-	1	48	58	86	183	28	46
-	25,009	-	-	-	-	-	107	-	75
-	-	-	-	-	-	-	-	-	-
-	529	-	-	-	-	-	5	-	2
-	94,016	-	2	-	224	-	705	-	282
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
131	491	1	4	-	2	5	7	-	1
-	313	-	-	-	-	3	7	-	1
-	-	-	-	-	-	-	-	-	-
-	813	-	-	-	-	-	7	-	3
19,792	31,405	16	17	34	34	185	228	85	97
-	2,522	-	-	-	-	-	23	-	8
-	3,675	-	-	-	-	-	28	-	11
-	51,621	-	1	-	319	-	647	-	155
-	-	-	-	-	-	-	-	-	-
-	116,366	-	14	-	263	-	753	-	349
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
411,064	806,103	35	72	489	1,395	3,514	6,907	2,026	3,470

# NATURAL GAS NETWORK

# 天然氣供應網絡





**Concession Location\*  
項目位置**

- City Gas Project  
城市燃氣項目
- Long Distance Pipeline Project  
長輸管道項目

**Major Natural Gas Pipelines in China  
國內主要天然氣管道**

- West-East Gas Pipeline  
西氣東輸
- Shaanxi-Beijing Pipeline  
陝京二綫
- Zhongwu Line  
忠武綫

\* As of June 30, 2006  
截至二零零六年六月三十日



**62%**

**Tremendous increase  
in profit**  
溢利錄得強勁升幅

**A TASTE FOR  
EXCELLENCE**



Possesses exclusive piped  
gas development rights in 50  
cities and regions in China

擁有中國 50 個城市和地區的管  
道燃氣專營權



## Industry Overview

China's sustained and rapidly growing economy over the past few years has triggered off its expanding demand for energy. Traditionally, China is both the largest consumer and producer of coal in the world and coal is a dominant fuel in China and makes up 69% of the China's primary energy consumption. However, heavy use of coal leads to serious environmental problem due to large emission of sulfur dioxide and carbon dioxide. Oil is the second largest fuel after coal, accounting for 22.3% of the primary energy consumption structure in China.

In view of ever rising oil price in recent years and the narrow import channel, the Chinese government began to think about its own energy safety. As a clean and safe energy, natural gas has distinct advantages over oil and its derivative products in terms of price and environmental friendliness. Since the 90s, the Chinese government began its strong encouragement of exploration of natural gas and construction of gas infrastructure, resulting in rapid growth of natural gas output and consumption over the past few years. According to the statistics of China's Association of Oil and Petrochemical Industry, China's natural gas output reached 49.953 billion m<sup>3</sup> in 2005, which was up by approximately 21.9% over 40.978 billion m<sup>3</sup> in 2004. However, as China is a late starter in engaging in natural gas consumption, at present natural gas only accounts for 3% of total energy consumption in China, which is significantly lower than the present average level of 23.8% in the world, and hence the market potential is enormous. According to China's "Tenth Five-Year" Plan for the petroleum industry, it is expected that the natural gas demand in China will exceed 100 billion m<sup>3</sup> in 2010, and will reach 200 billion m<sup>3</sup> in 2020. By then, natural gas consumption will reach about 10% of the total energy consumption in China.

As a part of a city's basic infrastructure, city gas is closely related to the people's living standards, city environment and social environment, and is an industry that is enjoying great support from the Chinese government and is opened to foreign participation. China is a late starter in developing the piped city gas industry, which is primarily coal-gas based, natural gas only takes up a small portion of the total energy consumption. The changing energy consumption structure and the rising living standards of the people, and in particular the commissioning of a number of important natural gas projects such as the "West-to-East Pipeline", "Sichuan-to-East Pipeline" and "Shaanxi-Beijing Pipeline 2", have opened up tremendous opportunity for the development of the city gas industry.

## 行業概覽

中國經濟在過去幾年持續保持高速增長，推動能源需求也不斷上升。傳統上，中國是全球最大的煤消耗國及生產國，煤是中國最主要的燃料，佔中國一次性能源耗用量的69%，然而，大量使用煤炭排放的二氧化硫及二氧化碳已造成嚴重的環境污染問題。石油在中國是僅次於煤炭的第二大燃料，在中國一次性能源消耗結構中的比例已達到22.3%。

近年來油價的節節攀升以及過度單一的進口渠道，使得中國政府開始考慮自身的能源安全問題。天然氣作為一種清潔安全的能源，與石油及其衍生產品相比，具有明顯的價格優勢和環保優勢。自九零年代起，中國政府開始大力鼓勵開採天然氣並發展燃氣基礎設施，中國天然氣產銷量在過去幾年呈現快速增長的態勢。根據中國石油和化學工業協會的統計，二零零五年中國天然氣產量已達到499.53億立方米，較二零零四年的409.78億立方米增長約21.9%。但由於中國天然氣行業起步較晚，目前天然氣只佔中國能源總耗用量的3%左右，遠低於目前23.8%的世界平均水準，未來市場發展前景巨大。根據中國石油工業“十五”規劃，預計到二零一零年中國天然氣市場需求將超過1,000億立方米，到二零二零年將達到2,000億立方米，天然氣佔中國能源總耗用量的比例將達到10%左右。

城市燃氣作為城市基礎設施的一部分，關係到人民的生活品質、城市環境和社會環境，是目前中國政府重點扶持和對外開放的產業。中國管道城市燃氣行業發展起步較晚，而且以人工煤氣為主，天然氣所佔的比例較小。隨著中國能源消費結構的調整以及人民生活水準的提高，特別是以西氣東輸、川氣東送、陝京二線為代表的一批重點天然氣工程相繼建成並投入使用，這為城市燃氣行業提供了前所未有的發展機遇。

## MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層之討論及分析

### Business Review

The Group is principally engaged in the investment in, and the operation and management of, gas pipeline infrastructure and the sale and distribution of piped natural gas and compressed natural gas in China.

For the year ended March 31, 2006, turnover of the Group amounted to HK\$630,522,000 (year ended March 31, 2005: HK\$411,389,000), representing a year-on-year growth of 53.27%. Net profit was HK\$180,068,000 (year ended March 31, 2005: HK\$132,382,000), an increase of 36.02%. Profit attributable to shareholders amounted to HK\$156,736,000 (year ended March 31, 2005: HK\$96,617,000), a year-on-year growth of 62.22%. Basic earnings per share was HK6.15 cents (year ended March 31, 2005: HK5.24 cents), representing a year-on-year growth of 17.37%.

### Development of New Projects

Since 2005, the Group has gradually sought for project expansions in medium to large sized cities. Overall project quality was enhanced. As at June 30, 2006, the Group had further secured a total of 11 city piped gas projects (with exclusive concession rights) and acquired a gas company with natural gas exploration and production rights. Most of the natural gas projects acquired during the year are located in economically prosperous medium to large sized cities with population over a million. This demonstrates that the Group's strengthened competitiveness in the industry, and our operating and management capabilities are increasingly and widely recognized by the local governments.

As at June, 2006, the Group has secured a total of 50 city gas projects with exclusive operating rights in 11 provinces (autonomous regions and directly-administered cities), two long distance pipeline projects and has also invested in one natural gas production company, and it was also our first time to invest in the Liaoning Province.

Set out below are the 11 city piped gas projects which the Group acquired during the last fiscal period up to June 2006. Of these projects, Dalian is provincial-level city; Liuzhou, Fangchenggang, Baoji, Yangzhou, Fushun, Conghua and Dianjiang are local-level cities; whereas the remaining are county-level cities:

Province	City/Districts
Anhui	Guzhen
Hebei	Wangdu, Tangshan Nanbao
Guangxi	Liuzhou, Fangchenggang
Shaanxi	Baoji
Jiangsu	Yangzhou
Liaoning	Fushun, Dalian
Guangdong	Guangzhou Conghua
Chongqing	Dianjiang

### 業務回顧

本集團主要於中國從事燃氣管道之投資、經營及管理、以及管道天然氣和壓縮天然氣之銷售及分銷業務。

截至二零零六年三月三十一日止年度，本集團營業額為630,522,000港元（截至二零零五年三月三十一日止年度：411,389,000港元），同比增長53.27%。純利為180,068,000港元（截至二零零五年三月三十一日止年度：132,382,000港元），同比增長36.02%。股東應佔溢利為156,736,000港元（截至二零零五年三月三十一日止年度：96,617,000港元），同比增長62.22%。每股基本盈利為6.15港仙（截至二零零五年三月三十一日止年度每股盈利：5.24港仙），同比增長17.37%。

### 新項目拓展

自二零零五年以來，集團項目拓展逐漸轉向大中型城市，項目整體品質明顯提高。截至二零零六年六月三十日止，本集團再取得11個城市管道燃氣項目（擁有管道燃氣專營權），並收購一家擁有天然氣勘探權的天然氣公司。年內取得的大部份城市燃氣項目均位於城市人口過百萬的經濟發達之大中型城市，顯示了集團在行業中的競爭實力不斷增強，以及集團的營運管理水準得到地方政府的廣泛認可。

截至二零零六年六月，本集團合共取得11個省（自治區、直轄市）共50個城市的管道燃氣專營權項目、2個天然氣長輸管道項目及投資一家天然氣開發公司，其中遼寧省為集團首次投資。

本集團截至二零零六年六月所取得之額外11個城市管道燃氣項目如下，其中大連市為省級城市，柳州、防城港、寶雞、揚州、撫順、從化和墊江為地級城市，其餘為縣區級城市：

省	市／區
安徽	固鎮
河北	望都、唐山南堡
廣西	柳州、防城港
陝西	寶雞
江蘇	揚州
遼寧	撫順、大連
廣東	廣州從化
重慶	墊江



The above new projects cover a connectable population of approximately 8,822,000 (approximately 2,757,000 households). Up to June 2006, all the city gas projects of the Group cover a connectable population of approximately 23,034,000 (approximately 7,198,000 households). This represents an increase of 58.0% compared to 2005.

Of the 50 city gas projects owned by the Group, Dalian is one of the cities with the largest population and the most prosperous economic development, and represents another breakthrough of the Group after Yangzhou in Jiangsu, Liuzhou in Guangxi and Baoji in Shaanxi. Dalian has an area of 12,574 square kilometers, and a population of over 6 million. Dalian is named the economically strongest city amongst the three provinces in North-East China by ranking the seventh according to the statistics relating to the top 100 cities with comprehensive strengths in China carried out by the National Bureau of Statistics in 2004. Dalian Gas Company is the gas company which was set up in China in the earliest days after Shanghai Gas Company. It has a history of about 100 years, with an existing coal gas client base of approximately 650,000 and an industrial and commercial client base of about 6,000. Our investment in this economically most prosperous city in the north-eastern part of China, being our first investment in this region, demonstrates the recognition of the Group's competitiveness by the local government there, and our capability in investing and managing large scale city gas projects.

Chongqing Ding Fat Industries Company Limited is a company principally engaged in the exploration, collection, transportation, purification and sale of natural gas. It has the exploration right which was approved by The Ministry of Land and Resources to explore natural gas in Dianjiang County, Chongqing, China and currently owns 40 natural gas wells with an annual capacity up to 150,000,000 m<sup>3</sup>. In addition, the company has also entered into cooperative agreement with PetroChina, which is also producing gas in the same region, under which PetroChina will supply natural gas to the company. Our investment in Chongqing Ding Fat further enhances our competitiveness, and marks the Group's important first step in moving up the industry ladder vertically.

Looking into the next financial year, the Group will continue to base its investment in the city gas distribution sector on a reasonable level of investment returns, and will actively look for investment opportunities in medium to large sized cities in order to expand our customers base, further strengthen our project portfolio, and increase the quality and return of our projects. In the upstream exploration and transportation areas, the Group will look for opportunities to invest in small scale natural gas liquefaction facilities in the central and western region of China in order to build up its own captive gas supply according to the needs of its downstream projects so as to meet their demands and to further strengthen our competitiveness for project tender.

以上新增項目覆蓋市區可接駁人口約為8,822,000人(約2,757,000戶)。截至二零零六年六月，集團所有燃氣項目覆蓋的城市可接駁人口已增至23,034,000人(約7,198,000戶)，較二零零五年增長58.0%。

在集團擁有的50個城市燃氣項目之中，大連市是人口最多、經濟最發達的城市之一，乃集團繼打入江蘇揚州、廣西柳州和陝西寶雞之後，又一重大突破。大連全市總面積達12,574平方公里，居住人口逾600萬人，在二零零四年國家統計局的中國綜合實力百強城市中，大連市榮獲第七名，乃東北三省中經濟最強的城市。大連市燃氣公司是除上海之外中國最早成立的燃氣公司，至今已有近100年的歷史，現有煤氣用戶近65萬戶，工商業用戶近6,000戶。集團首次投資東北地區，就獲得該地區經濟最發達的城市之燃氣項目，說明集團的競爭實力得到了地方政府的廣泛認可，集團已經具備了投資和管理超大型城市燃氣項目的實力。

重慶鼎發實業股份有限公司之主要業務為勘探、採集、運輸、淨化及銷售天然氣。該公司擁有經中國國土資源部認可的天然氣勘探權，可於中國重慶市墊江縣進行天然氣勘探開發，為除中國三大石油公司之外唯一擁有天然氣勘探權的地方性公司。該公司現時擁有40口天然氣氣井，年天然氣產量達150,000,000立方米，同時重慶鼎發已經與在同區進行開採的中國石油天然氣股份有限公司（「中石油」）形成合作，由中石油向重慶鼎發提供原生天然氣。投資重慶鼎發將進一步增強集團的競爭實力，是集團在產業鏈上進行縱向整合邁出的重要一步。

展望下一財政年度，在城市燃氣分銷領域，集團仍將以合理的投資回報為基礎，積極尋求國內大中型城市燃氣項目的投資機會，擴大原有的客戶基礎，並進一步整合原有的城市燃氣項目，提高集團整體的項目品質和回報水準；在上游天然氣開發與輸配領域，集團將根據下游項目的天然氣氣源需要，在中國中西部天然氣氣源地附近，尋找小型液化天然氣工廠的投資機會，建立自己獨立的氣源供應體系，以滿足下游市場的需要，並進一步增強集團投標新項目的競爭實力。

Natural gas storage tank (left)  
儲氣鼓(左)

Piped natural gas (right)  
管道天然氣(右)



### Construction of Piped Gas Networks

Construction of city gas pipeline networks is one of the Group's principal businesses. The Group builds city main pipeline network and branch pipeline network to make gas connection to residential users and industrial and commercial users, and charges these users with gas connection fee and gas usage fee.

During the financial year, the Group had completed 7 processing stations, 8 medium to high pressure regulating stations, high pressure pipelines of approximately 107 km, city medium to low pressure pipelines of approximately 1,842 km and branch and customer pipeline network of approximately 1,443 km.

Natural gas projects in Wuhu, Huainan, Suzhou, Yangzhong, Yichang, Suizhou, Xiaogan, Yicheng, Yumeng, Hanchuen etc are in operation and have contributed to the Group's revenue. As at March 31, 2006, the Group had 28 projects supplying natural gas. The Yangzhou project and the Liuzhou project of the Group are under construction, and are supplying piped coal gas and LPG to their customers during this construction period.

As at March 31, 2006, the Group had completed a total of 25 processing stations, 20 medium to high pressure regulating stations, high pressure pipelines of approximately 412 km, low to medium pressure pipelines of approximately 3,025 km and branch and customer pipeline network of approximately 3,470 km. Designed daily gas supply capacity of our processing stations reached 6,140,000 m<sup>3</sup>/day.

### Residential Customers

During the year, the Group acquired a number of large city gas projects with urban population over a million. These cities are economically prosperous and their citizens have high demand for real properties. This will enhance the development of residential customer base of the Group. During the year, the Group completed natural gas connections for 141,543 domestic households, an increase of approximately 7.0% compared to

### 管道燃氣網路建設

修建城市燃氣管網是本集團的主要業務之一，本集團通過修建城市主幹管網及支線管網，將天然氣管道接駁到居民用戶和工商業用戶，並向用戶收取接駁費和燃氣使用費。

於本財政年度，集團共建成儲配站（門站）7座，高中壓調壓站8座，高壓管線107公里，市政中低壓管線約1,842公里及庭院小區管網1,443公里。

位於蕪湖、淮南、宿州、揚中、宜昌、隨州、孝感、應城、雲夢、漢川等地的天然氣項目已在營運，並為集團提供收入貢獻。截至二零零六年三月三十一日，集團已實現天然氣通氣的城市達到28個。集團揚州和柳州天然氣項目正在建設過程之中，於過渡期間該等項目向用戶銷售管道煤氣及液化石油氣。

截至二零零六年三月三十一日，本集團累計已建成25座儲配站（門站），高中壓調壓站20座，高壓管線約412公里，中低壓管線約3,025公里，及庭院小區管網3,470公里，儲配站（門站）設計日供氣能力為6,140,000立方米。

### 住宅用戶

本財政年度內，集團獲得多個城市人口過百萬的大型城市燃氣項目，這些城市經濟發達，居民購房需求旺盛，促進了集團住宅用戶的發展。期內，集團共為141,543戶住宅用戶完成接駁工程，較去年同期增長約7.0%，住宅用戶平均支付的管道燃氣接駁費為2,372人民幣，較去年同期增長約7.0%，住宅用戶接

last year's figure. The average connection fee of residential users was RMB2,372, a growth of 7%, and such increase was due to the higher affordability of the local residents and the higher connection fees approved by the local governments in those economically developed cities in which the Group has acquired the city gas projects.

During the year, the Group acquired a total of 253,419 residential users, and these users were primarily from the Yangzhou, Liuzhou and Baoji projects. As at March 31, 2006, the Group had a total of 806,103 residential users, an increase of 96.1% compared with the last period, representing 11.2% of the total connectable domestic households.

### Industrial and Commercial Customers

As versus residential users, industrial and commercial users have much bigger demand for gas, and are the focus of the Group's business direction. During the financial year, the Group completed natural gas connections for 20 industrial customers and 142 commercial customers and acquired 17 industrial customers and 764 commercial customers. Industrial users are primarily in industries ranging from glass and porcelain making, metal processing, petrochemical and building materials production, and commercial users are from industries such as catering, hotels, schools, shopping malls etc.

As at March 31, 2006, the Group has acquired and connected 72 industrial customers and 1,395 commercial customers, representing a growth of 105.7% and 185.3% respectively compared with the last period. During the financial year, the connection fee for industrial users was calculated on the basis of the contracted daily gas volume at the average rate of RMB17 per m<sup>3</sup>, and the average connection fee paid by commercial customers was RMB51,451 per customer. The lower connection fee for industrial users is mainly because of bigger discounts offered to them to incentivize their connections.

Since both projects in Dalian and Fushun, Liaoning had accumulated substantial numbers of connected customers, subsequent to the Group's acquisition of these piped gas projects, the Group accumulates more than 1.60 million residential customers as well as 11,000 industrial and commercial customers.

Connection fee represented approximately 51.65% to the Group's total turnover for the financial year under review.

### Sale of Piped Gas

Connection fee is a one-off income, whereas the Group's ultimate profit comes from the sales income of piped gas.

駁費的上升主要是由於集團獲取了更多經濟發達的城市燃氣項目所致，這些項目當地居民經濟承受能力相對較高，地方政府批准的單位住宅用戶接駁費也相對較高。

於財政年度內本集團亦收購253,419戶住宅用戶，收購用戶主要來自揚州、柳州和寶雞項目。截至二零零六年三月三十一日止，本集團累計接駁的住宅用戶為806,103戶，較去年同期增長約96.1%，佔集團整體可供接駁用戶的11.2%。

### 工商業用戶

與住宅用戶相比，工商業用戶用氣需求巨大，是本集團重點發展的方向。本財政年度內，集團共接駁20戶工業用戶及142戶商業用戶；並分別收購17戶工業用戶及764戶商業用戶，工業用戶主要涵蓋玻璃、陶瓷、冶金、化工、建材等行業，商業用戶主要涵蓋餐飲、酒店、學校、購物中心等行業。

截至二零零六年三月三十一日止，集團累計收購及接駁72戶工業用戶及1,395戶商業用戶，分別較去年同期增長約105.7%和185.3%。於本財政年度，工業用戶的接駁費按照合同的日供應量平均17人民幣/立方米/日計算，商業用戶的接駁費平均為每戶51,451人民幣。對工業用戶的接駁費偏低，是因為集團為鼓勵工業用戶接駁，而給予較多折讓所至。

由於遼寧大連及撫順項目擁有大量的已接駁用戶，於二零零六年六月收購遼寧大連及撫順燃氣項目之後，集團累計的已接駁住宅用戶已超過160萬戶，已接駁工商業用戶接近11,000戶。

接駁費收入佔集團年度內總營業額的比例約為51.65%。

### 管道燃氣銷售

接駁費為一次性的收入，本集團最終的利潤來自燃氣銷售收入。

## MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層之討論及分析

During the financial year, natural gas sales income from the projects in Wuhu, Dangyang, Yichang, Suizhou, Xiaogan, Huainan, Beijing Xiangke, Suzhou, Baoji and Yangzhong were recorded. The Group sold in total 172,319,750 m<sup>3</sup> of natural gas, a substantially increase of 364.5% as compared to last year, of which as to 32,024,390 m<sup>3</sup> was sold to residential customers, 126,007,760 m<sup>3</sup> to industrial users, 12,408,070 m<sup>3</sup> to commercial users, 313,050 m<sup>3</sup> CNG to vehicle drivers, and 1,566,480 m<sup>3</sup> to other users.

於本財政年度，蕪湖、當陽、宜昌、隨州、孝感、淮南、北京翔科、宿州、寶雞及揚中等公司錄得天然氣的銷售收入。本年度內集團共銷售172,319,750立方米天然氣，較去年同期大幅增長364.5%。其中32,024,390立方米天然氣銷售予住宅用戶，126,007,760立方米天然氣予工業用戶，12,408,070立方米天然氣予商業用戶，313,050立方米天然氣予CNG汽車用戶，1,566,480立方米天然氣予其他用戶。



During the year, gas sold to industrial users represented 73.1% of the total natural gas volume sold, and those to commercial users and residential users were 7.2% and 18.6% respectively. With industrial customers being our core customers base, the Group is presented with a big potential for gas sales growth in the future, and as local governments are generally more relaxed in controlling the tariffs for industrial users, it makes it much easier for us to pass through our upstream cost increase to them so as to mitigate price fluctuation risk.

於本財政年度，工業用氣佔集團天然氣總銷量的比例約為73.1%，商業用氣佔集團天然氣總銷量的比例約為7.2%，居民用氣佔集團天然氣總銷量的比例約為18.6%，以工商業用氣為主的用戶結構使得集團未來天然氣銷量的增長具有巨大的潛力，並且政府對於工商業用氣寬鬆的價格管制環境，也使得集團更容易轉嫁上游天然氣價格波動的風險。

During the financial year, the Group recorded natural gas sales income of HK\$273,044,103, representing approximately 43.3% of the Group's total turnover for the year. The gas sales income was approximately 258.24% higher than that of the same period last year.

於本財政年度內集團錄得天然氣銷售收入273,044,103港元，佔本集團年度內總營業額的比例約為43.3%，天然氣銷售收入較去年同期增長約258.24%。

As at March 31, 2006, the daily natural gas supply capacity of the Group reached 756,209 m<sup>3</sup>, representing a growth of 87.5%, of which the actual domestic usage was approximately 111,948 m<sup>3</sup>/day, actual industrial usage approximately 439,873 m<sup>3</sup>/day, actual commercial usage approximately 143,988 m<sup>3</sup>/day, and actual CNG vehicles usage approximately 41,843 m<sup>3</sup>/day. As at June 30, 2006, the daily natural gas supply capacity of the Group exceeded 1,000,000 m<sup>3</sup>.

截至二零零六年三月三十一日，集團天然氣合計的日供應量已達到756,209立方米，較去年同期增長約87.5%，其中已接駁的住宅用戶實際日用量約為111,948立方米，工業用戶實際日用量約為439,873立方米，商業用戶實際燃氣日用量約為143,988立方米，CNG汽車用戶實際燃氣日用量約為41,843立方米。截至二零零六年六月三十日，集團天然氣合計的日供應量已超過一百萬立方米。

In the past financial year, the average selling price (pre tax) was RMB1.73 per cubic meter for residential customer, RMB1.57 for industrial customer, RMB2.22 for commercial customer, and RMB2.35 for CNG vehicles.

The core business of the Group is natural gas supply. In the past two years, the Group was able to switch the coal gas and LPG customers in Wuhu, Huainan, Yichang, Yangzhong and Suzhou to use natural gas. In this financial year, the Group acquired the Yangzhou project and the Liuzhou project which are still using coal gas and LPG, and we are planning to switch them into natural gas within the next two years. During the financial year, coal gas and piped LPG sales income from Yangzhou Zhongran and Liuzhou Zhongran were recorded. A total of 4,058,960 m<sup>3</sup> of coal gas and piped LPG was sold during the financial year, a decrease of 89.6% compared to the last period, of which 3,885,120 m<sup>3</sup> was sold to residential customers and 173,840 m<sup>3</sup> was sold to commercial customers.

### Natural Gas Joint Venture Companies

As at March 31, 2006, revenue contribution from the Group's major subsidiaries and jointly-controlled companies are as follows:

Joint Venture Company	Revenue (HK\$'000)	To the Group's total revenue (%)
Wuhu Zhongran	121,307	19.24
Dongyang Zhongran	82,578	13.10
Suzhou Zhongran	60,812	9.64
Nanjing Zhongran	55,925	8.87
Yichang Zhongran	49,432	7.84
Huainan Zhongran	30,932	4.90
Beijing Zhongran Xiangke	28,251	4.48
Pizhou Zhongran	25,950	4.12
Tangshan Xiangke	24,832	3.94
Yangzhong Zhongran	19,477	3.09
Yangzhou Zhongran	19,409	3.08
Suizhou Zhongran	16,336	2.59
Qingzhou Zhongran	14,725	2.34
Liuzhou Zhongran	13,076	2.07
Total	563,042	89.30%

### CNG Refilling Stations

In the past years, international oil price has increased continually, causing a significant increase in oil price within China. Fuel costs for vehicles also increased. In addition, car emissions are causing a tremendous problem to the environment, raising an alarm for the Chinese government to impose more stringent control over the emissions for environmental protection reasons. Under such a circumstance, natural gas becomes a new energy source for car use, and is particularly welcome by bus and taxi companies.

在過去一個財政年度，集團對住宅用戶的天然氣平均售價（不含稅）為 1.73 人民幣／立方米，對工業用戶的平均售價（不含稅）為 1.57 人民幣／立方米，對商業用戶的平均售價（不含稅）為 2.22 人民幣／立方米，對 CNG 汽車用戶的平均售價（不含稅）為 2.35 人民幣／立方米。

本集團主要發展管道天然氣業務，於過去兩年，集團成功將原蕪湖、淮南、宜昌、揚中和宿州的管道煤氣用戶和液化石油氣用戶置換成為天然氣用戶。於本財政年度，集團收購了仍使用管道煤氣及液化石油氣的揚州及柳州項目，集團計畫於本財政年度及下一財政年度將其置換為天然氣。期內，揚中中燃、宿州中燃、揚州中燃及柳州中燃錄得部分管道煤氣及管道液化石油氣的銷售收入。本財政年度內集團共銷售 4,058,960 立方米煤氣及液化石油氣，較去年同期減少 89.6%，其中 3,885,120 立方米煤氣及液化石油氣為售予住宅用戶，173,840 立方米煤氣及液化石油氣則售予商業用戶。

### 天然氣合資公司

截至二零零六年三月三十一日止年度，本集團主要附屬／共同控制公司之營業額對本集團總營業額所佔之比例說明：

合資公司	營業額 (千港元)	佔本集團 總營業額 (%)
蕪湖中燃	121,307	19.24
當陽中燃	82,578	13.10
宿州中燃	60,812	9.64
南京中燃	55,925	8.87
宜昌中燃	49,432	7.84
淮南中燃	30,932	4.90
北京中燃翔科	28,251	4.48
邳州中燃	25,950	4.12
唐山翔科	24,832	3.94
揚中中燃	19,477	3.09
揚州中燃	19,409	3.08
隨州中燃	16,336	2.59
欽州中燃	14,725	2.34
柳州中燃	13,076	2.07
合計	563,042	89.30%

### 壓縮天然氣汽車加氣站

過去幾年以來，國際原油價格不斷走高，帶動國內成品油價格上漲，汽車燃油成本不斷上升，同時由於汽車尾氣排放造成的環境污染日益嚴重，中國政府對汽車尾氣排放的環保要求也不斷提高。在這樣的宏觀背景之下，天然氣成為新興的車用能源，受到廣大車主尤其是公車與計程車公司的歡迎。

## MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層之討論及分析

In order to develop the CNG refilling business for vehicles, the Group and GAIL, one of its existing shareholders, have commenced discussion about investing in this CNG refilling stations opportunities in China. In addition, in this financial year, the Group has acquired the Baoji project, which owns four CNG refilling stations in the city of Baoji in Shaanxi Province, with a daily supply capacity in excess of 40,000 m<sup>3</sup>. Also, in Wuhu City of Anhui Province, the Group has, through its wholly-owned subsidiary which has a joint venture with the local bus operator, built two CNG refilling stations, and is in the process of completing another two.

For the current financial year, the Group will invest further in refilling stations for vehicles with an aim to generate more income and higher return from natural gas sales.

### Gross Profit Margin and Net Profit Margin

During the financial year, the Group realized revenue of HK\$630,522,000 (2005: HK\$411,389,000), an increase of 53.27% as compared to last year and gross profit of HK\$305,354,000 (2005: HK\$247,404,000), representing 48.4% of the Group's overall gross profit margin (2005: 60.1%). The Group realized net profit of HK\$180,068,000 (2005: HK\$132,382,000), representing an overall net profit margin of 28.6% (2005: 32.18%).

為開發天然氣汽車加氣市場，集團與現有股東——印度燃氣公司（GAIL (India) Limited）展開協商，雙方就合資在中國投資天然氣汽車加氣站的事宜仍在談判過程之中。另外，集團於財政年度內收購寶雞項目，寶雞中燃目前在陝西省寶雞市擁有天然氣汽車加氣站四座，日加氣量超過40,000立方米。同時，集團在安徽省無湖市，通過獨資與與當地公交公司合資的方式，已建成天然氣汽車加氣站兩座，另外兩座正在規劃建設之中。

本財政年度，集團將進一步加大在天然氣汽車加氣站上的投資，以期獲得更多的燃氣銷售和更高的回報。

### 毛利率及純利率

本集團於本財政年度內實現營業收入630,522,000港元（二零零五年度：411,389,000港元），較去年同期增長約53.27%；實現毛利305,354,000港元（二零零五年度：247,404,000港元），相當於集團整體毛利潤率為48.4%（二零零五年度：60.1%）。集團實現純利180,068,000港元（二零零五年度：132,382,000港元），相當於整體純利潤率為28.6%（二零零五年度：32.18%）。



Left: Mr. Ali Sultan, Maqbool bin Mohammed of Oman Oil Company S.A.O.C (left) and Mr. Liu Ming Hui, Managing Director of China Gas (right), signed a Share Subscription Agreement

圖左：阿曼國家石油公司 Ali Sultan 先生(左)與中國燃氣董事總經理劉明輝先生(右)簽署認股協定

Right: Mr. Liu Ming Hui, Managing Director of China Gas (left) and Mr. J. K. Jain, Director (Finance) of GAIL (India) Limited (right), signed a Heads of Agreement

圖右：中國燃氣董事總經理劉明輝先生(左)與印度燃氣公司財務董事 J. K. Jain 先生(右)簽訂框架協議

### Strategic Shareholders

In the past two years, besides Hai Xai Finance Holdings Limited, the principal shareholder of the Company, the Group has successfully brought in China Petroleum & Chemical Corporation, GAIL (India) Limited and Oman Oil Company as strategic shareholders of the Company.

Besides the financial supports from these strategic shareholders, the Company also has strategic cooperation with them. For Oman Oil Company, our cooperation involves formation of a joint venture company and to consider the importation of liquefied natural gas, crude oil and other energy products from energy companies in Oman and other middle-east countries. Discussion and negotiations over the form, nature and amount of the cooperation are continuing.

### 策略股東

除本公司主要股東海峽金融控股有限公司外，集團於過往兩年成功引入中國石油化工股份有限公司、印度燃氣公司（GAIL (India) Limited）及阿曼石油公司（Oman Oil Company）為本公司策略股東。

除給予財政上的支持外，本公司亦分別與該等策略性股東進行戰略合作。以阿曼石油公司與本集團的合作模式包括合組合營公司，研究從阿曼及中東其他地區的能源企業輸入液化天然氣、原油及其他能源產品。有關合作形式、性質及數額的討論和磋商仍在進行當中。

## Human Resources

A team of excellent employees is vital to the success of a corporation. The Group remains faithful to “people come first” management concept. It has put in place a system of recruitment and internal training which is subject to ongoing modification from time to time. This system provides mechanism for upgrading the professionalism and competence of our staff at all levels and also creates a platform for knowledge exchange and experience sharing among our staff. The Group recruits and retains capable people through enhancing job satisfaction and attractive remuneration package.

The Group has carried out many measures to attract and train employees. During the financial year, the Group had recruited top graduates from various prestigious universities included Harbin Institute of Technology (HIT). At the same time, Gas Technology Research Institute of China Gas and HIT has provided over 20 on-job training programs for the Group’s general staff and senior management. Six career training programmes for the Group’s ground-level staff had been conducted at the training base of the Group at Suzhou, with more than 200 employees attended. Furthermore, the Group has established a second training institute namely Management Institute of China Gas (中國燃氣管理學院) in early 2006 which is mainly providing training courses for the Group’s middle-level management staff. As at June 2006, the Institute had provided three programs to a total of 113 people from middle-level management. The training covers areas such as production safety, market development, customers service, financial management and application of information technology. We believe that by providing adequate and practical training to the Group’s employees would be able to broaden their professional knowledge and perspectives and upgrade their technical and management standards.

As at March 31, 2006, the Group has approximately 4,464 employees, representing an increase of approximately 155.1% over last year. More than 99% of the Group’s employees are located in the PRC. Remuneration is determined by reference to their qualifications and experiences of the staff concerned and according to the prevailing industry practice in the respective regions in which it operates. Besides basic salaries and pension funds, some employees are entitled to discretionary bonuses, merit payment and share options which depend on the financial results of the Group and the performances of individual employees. Share Options were granted to eligible staff in this financial year. The Group also provided extensive trainings including orientation tours for new employees and different levels of technical and management courses for the Group’s management and employees.

## Excellence in Corporate Management

The Group’s management team is committed to upgrading its management standard and transparency. In recognition of the effort by the Group’s management, it has been awarded in May 2006 with the “First Outstanding Enterprise Achievement Award” under the award title

## 人力資源

優秀的員工為企業成功的關鍵因素，集團一直堅持以人為本的管理理念，建立及健全人才引進及內部培訓機制，持續提高各級員工的職業素質和工作能力，創造員工之間知識交流與經驗分享的平臺，通過提升員工的職業滿足感和完善的薪酬福利體系來吸引和保留優秀的員工。

本集團已採取多項措施吸引及培訓員工。於本財政年度，集團從哈爾濱工業大學等國內知名大學招聘部分優秀畢業生，同時中燃哈工大燃氣技術研究院向本集團一般員工及高級管理人員提供超過20項在職培訓課程。集團宿州培訓基地為集團基層員工舉辦專業培訓課程6期，培訓基層技術員工近200人。此外，本集團於二零零六年初亦成立第二所培訓中心，稱為中國燃氣管理學院，主要為集團中層管理員工提供培訓課程。截止二零零六年六月，其已為集團中層管理員工提供3期培訓課程，培訓中層管理員工113人，培訓內容涵蓋安全生產、市場開發、客戶服務、財物管理以及資訊化等課程。本集團認為向集團僱員提供充足及實際的培訓可開闊彼等之專業知識、視野及提升彼等之技術及管理水準。

於二零零六年三月三十一日，本集團總員工數目約為4,464名，與去年比較增加約155.1%。本集團超過99%員工位於中國。員工薪酬將根據員工的履歷及經驗來釐定，及根據現時行業於營運當地的一般模式。除基本薪金及退休金供款外，部分員工將根據本集團財務業績及其個別表現，決定其可獲得酌情花紅、獎金及購股期權的數量。於本財政年度，集團已向合資格員工授予購股期權。本集團亦向員工提供大量培訓，包括為新入職僱員提供迎新介紹及向本集團管理層及僱員提供不同程度的技術及管理課程。

## 卓越管理

集團管理層一直致力於提高集團管理水準與透明度，在集團管理層的共同努力之下，集團於今年五月榮獲「第一屆資本傑出企業成就獎」中的「資本中國傑出天然氣供應商」，該獎項由本港最暢銷及最具代表性的

## MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層之討論及分析

“Capital’s Outstanding PRC Natural Gas Supplier” by Capital, one of the best-selling and authoritative Chinese financial magazines in Hong Kong. The award panel was comprised of members from the editorial committee of Capital and 10 leading figures in the business community. The Award demonstrates that the management standard of the Group is recognized by the investors at large. On the other hand, the Group has also been elected by a dedicated gas industry portal in China – “博燃網” (Gasshow.com) as one of the “Top Ten Most Impressive Enterprises” in its “2005 Gasshow Performance Ranking”. The election evidences the recognition of the Group within the gas industry in China and among the consumers. The election was conducted through website members’ recommendations and online ballot. The election criteria included the yearly performance, integrity, contribution to industry’s development and capacity in technological and managerial innovation of an enterprise.

### Market Risk

On December 23, 2005, the National Development and Reform Commission issued the “Notice on reforming natural gas wellhead price to establish a pricing mechanism and making appropriate increase in natural gas wellhead price in the recent period”, which provided that adjustments to wellhead price of natural gas would be pegged with the price changes in coal,

中文財經雜誌之一《資本雜誌》主辦，評審團由《資本雜誌》編務委員會及十名商界領袖組成。獲此獎項反映出集團管制水準獲得投資者的認可。此外，集團在中國燃氣行業專業門戶網站—博燃網主辦的2005年度“博燃風雲榜”的評選活動中榮膺“博燃風雲榜2005年度十大印象企業”，反映出集團在中國城市燃氣行業中的傑出地位，以及集團在消費者中極高的認可度。本次評選活動採用網友推薦、網上投票的方式進行，其評選標準包括企業的年度表現、誠信度、企業對行業發展的推動作用、技術及管理創新能力等。

### 市場風險

於2005年12月23日，國家發展與改革委員會發佈《關於改革天然氣出廠價格形成機制及近期適當提高天然氣出廠價格的通知》，該通知規定天然氣出廠價格的調整與煤炭、石油和液化石油氣的價格變化掛鉤，從長遠來看，其目的是建立天然氣市場化的定價機



(left) Natural gas compressed to smaller volume with high pressure (about 200-250 bar), transported by trucks to cities or factories for consumption  
(左) 將天然氣壓縮至體積較小的高壓氣體(約200-250巴)，以貨車運送至城市或廠房使用

(right) Natural gas liquefied at critically low temperature (about -162°C), transported by ships or trucks to LNG terminal where it is gasified to become PNG  
(右) 天然氣以極低溫度(約-162°C)液化後，由貨船或貨車運送至液化天然氣處理站，再氣化為管道天然氣

petroleum and LPG. From a long-term perspective, the objective of the policy is to establish a market-oriented pricing mechanism in natural gas market and to support sustainable development of the industry. In the short-term, as the retail pricing of natural gas is still under the control of local governments, an upward movement in natural gas wellhead price would affect the profitability of the urban area gas supply industry to a certain extent. To ensure the Group’s investment return, subsequent to the issuance of the notice, various measures have been taken by the Group to mitigate the impact of this policy. Firstly, in the supply to industrial and commercial customers where regulation on tariffs is less rigid, the Group has negotiated and agreed with its customers to align price movements between upstream and downstream prices, such that if the upstream wellhead price of natural gas has risen, the Group may also adjust its

制，推進天然氣行業的可持續發展。從近期來看，在天然氣零售價格還由地方政府控制的情況之下，天然氣出廠價格的上調將對城市燃氣行業的利潤造成一定的影響。為確保集團的投資回報，在該通知下發之後，集團採取了多項措施來積極應對。首先，針對價格管制較為寬鬆的工商業用氣，通過與用戶協商談判的方式，做到上下游價格的聯動，一旦上游天然氣出廠價調整，集團可以根據與各工商業用戶簽署的供氣協議，調整零售價格，確保自身不受上游價格調整的影響；其次，對於價格管制較為嚴格的居民用氣價格和CNG用氣價格，積極的與各地方政府協調，申請調整天然氣的零售價格。到目前為止，集團已經與所有的工商業用戶完成談判，並按照價格聯動的方式重新



retail price in accordance with the separate agreements entered into by the Group and its industrial and commercial customers, thereby mitigating the impact of price movement on the Group itself. Secondly, in the area of domestic gas and CNG prices where regulation is more stringent, the Group has been proactively seeking to negotiate and coordinate with local governments so as to successfully apply for adjustments of natural gas retail prices. As of today, negotiation with all commercial and industrial customers has been completed and gas supply contracts have been re-executed on terms which enable price-alignment mechanism. As far as domestic gas prices are concerned, applications for increase of gas tariffs and for price alignment have been made to local governments for most of our projects which were affected by the increase in the upstream cost. As of today, approvals for price alignment systems have been granted by Hubei Government for the 7 city gas projects invested by the Group in Hubei. Approval for increase in natural gas retail prices including the prices on domestic gas and motor vehicle CNG gas has also been given by Shaanxi Government for the Baoji project in Shaanxi.

## Financial Review

### Liquidity

As at March 31, 2006, the total assets of the Group was HK\$5,093,888,000 increased by approximately 85% as compared to March 31, 2005.

As at March 31, 2006, cash on hand was HK\$1,727,130,000 (March 31, 2005: HK\$712,015,000). The Group's total bank and other borrowings amounted to HK\$2,011,452,000 (March 31, 2005: HK\$1,323,446,000) of which approximately 17.2%, 9.5%, 45.1% and 28.2% would be due within one year, from first to second year, from second to fifth year and after the fifth year, respectively.

The Group has a current ratio of approximately 3.37 (March 31, 2005: 3.19) and the net gearing ratio was 0.38 (March 31, 2005: 0.72). The calculation of net gearing ratio was based on the net borrowings of HK\$801,865,000 (total borrowings of HK\$2,528,995,000 less bank balances and cash of HK\$1,727,130,000) and the net assets of HK\$2,120,766,000 as at March 31, 2006.

### Capital Structure

During the year, the Group had entered into subscription agreements with Oman Oil Company, Templeton Strategic Emerging Markets Fund II, LDC ("TSEMF II") and FMO respectively, and a total of 343,000,000 shares had been issued to these investors with net proceeds of approximately HK\$401,000,000. These proceeds were mainly used for the new projects development and general working capital of the Group.

簽署天然氣供氣合同；對於天然氣居民用氣價格，集團受提價影響的大部分項目已向地方政府提出價格調整並建立價格聯動機制的申請，到目前為止，集團在湖北省投資的7個城市燃氣項目已獲湖北省人民政府的批准，實行上下游價格聯動，陝西寶雞項目也已獲陝西省人民政府批准，全面調高包括居民用氣和CNG汽車用氣在內的天然氣零售價格。

## 財務回顧

### 流動資金

於二零零六年三月三十一日，本集團總資產值為5,093,888,000港元，與二零零五年三月三十一日比較，增加約85%。

於二零零六年三月三十一日，本集團手頭現金為1,727,130,000港元（二零零五年三月三十一日：712,015,000港元）。本集團銀行貸款及其它貸款總額為2,011,452,000港元（二零零五年三月三十一日：1,323,446,000港元），而其約17.2%、9.5%、45.1%及28.2%將分別於一年、由一至兩年、由兩年至五年及五年後到期。

本集團流動比率約為3.37（二零零五年三月三十一日：3.19），淨資產負債比率為0.38（二零零五年三月三十一日：0.72），淨資產負債比率之計算是根據截至二零零六年三月三十一日之淨借貸801,865,000港元（總借貸2,528,995,000港元減銀行結餘及現金1,727,130,000港元）及淨資產2,120,766,000港元計算。

### 資本架構

於本財政年度，本集團分別與阿曼石油公司（Oman Oil Company）、鄧普頓新興市場策略基金II（TSEMF II）和荷蘭國家開發銀行（FMO）訂立認購協議，已合共發行343,000,000股股份予該等投資者，本公司所收取之所得款項淨額約為401,000,000港元，該款項主要用於集團新項目的拓展及日常運營支出。

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The Company also issued convertible bonds at 1% per annum coupon due June 29, 2010 with an aggregate principal amount of US\$40,000,000 (the "Bonds") in June 2005. On issuance, the initial conversion price of the Bonds was HK\$1.731 which is subject to adjustment in the event of any shareholding dilution to take place. The Bonds have been listed on The Hong Kong Stock Exchange from June 1, 2006 and none of the Bonds had been converted as at June 30, 2006.

### Financial Resources

In October 2005, the Group obtained a 9-year term loan of US\$50 million from FMO and PROPARCO both being development finance institutions dedicated to providing financing solutions for small to medium-sized companies in developing countries. This is an unsecured bank loan based on floating interest rate.

於二零零五年六月，本公司亦發行年利率 1 厘本金總額為 40,000,000 美元之可換股債券（「債券」），債券到期日為二零一零年六月二十九日。債券發行時之初步換股價為 1.731 港元，發行後如出現有股份攤薄之事項，會根據當初之協定，對換股價作出調整。於二零零六年六月一日，債券已於香港交易所上市。截至二零零六年六月三十日，該債券尚未換股。

### 財務資源

於二零零五年十月，本集團從荷蘭開發銀行及法國開發銀行獲得 5,000 萬美元 9 年期開發性金融貸款。這兩家銀行都致力於向廣大發展中國家的中小企業提供長期性的財務資助，以解決其發展所需的資金問題。是次銀行貸款為無抵押的貸款，以浮動利息結算。



Ms. Yu Xiao Ping (left), President of the China Development Bank's Shenzhen Branch and Mr. Li Xiao Yun (right), Chairman of China Gas Holdings Limited, signed a Development Capital Cooperation Agreement  
國家開發銀行深圳分行行長俞小平女士(左)與中國燃氣主席李小雲先生(右)簽訂開發金融合作協議

In January 2006, China Development Bank, the country's policy lending bank, granted a credit facility of RMB20 billion to the Group. The facility may be drawn by the group in the next 5 years, with a tenor of 15 years and a grace period of at least five years. Interest rate of the loan is fixed by reference to the official rate of The People's Bank of China for long term borrowing of over 5-year and may be adjusted downward as appropriate.

於二零零六年一月，國家政策借款銀行中國國家開發銀行向本集團授出人民幣 200 億元的信貸融資。集團可在未來五年之內提取該授信項下之資金，該項融資自提款之日起最長期限為十五年，而於動用後最多五年內毋須償還貸款本金，貸款利率按照中國人民銀行公佈的五年期以上長期貸款利率厘定，並可適當下浮。

The Group does not anticipate any material foreign exchange exposure since its cash, borrowings, revenue and expenses are denominated in Hong Kong dollars, RMB and US dollars. Besides, the Group believed that RMB appreciation will continue in the foreseeable future. Since all the operating income of the Group is denominated in RMB, we expected the Group will benefit from repaying foreign currency debt by RMB funding.

由於本集團之現金、借貸、收入及開支均以港元、人民幣及美元結算，故並不預期有任何重大外匯風險。此外，本集團相信人民幣升值於可見未來仍會持續，由於本集團所有營運收入均以人民幣為基礎，預期本集團將在以人民幣償還外幣債項時而得益。

However, as financial loans granted to the Group for development are based on floating interest rates, the Group entered into interest rate swap contracts in early 2006 for these loans in order to hedge against the interest rate exposure. Interest on the US\$60 million syndicated loan arranged by Societe Generale as lead arranger was originally charged at

然而，由於本集團所獲得的開發性金融貸款以浮動息率計算，為減低利率風險，本集團在 2006 年年初已為有關貸款安排利率調期合約，原法國興業銀行牽頭安排的 6,000 萬美元銀團貸款，集團需按 LIBOR+150 點子的利率支付浮息，現按有關的利率調期合約，集團

the floating rate of LIBOR+150bps. At present, the Group would only need to pay interest at a fixed annual rate of 5.06% pursuant to the interest rate swap. Interest on the US\$50 million development capital loan provided by FMO and Proparco was originally charged at the floating rate of LIBOR+235bps. At present, the Group would only need to pay interest at a fixed annual rate of 5.73% pursuant to the interest rate swap. These interest rate swaps substantially reduce the Group's interest rate risk and help make savings of its finance cost.

The Group's operating and capital expenditures are funded by operating cash income, subscription monies from strategic investors, bank loans, the Bonds, development capital debt and the syndicated bank loans. The Group has sufficient sources of funds to meet future capital expenditure and working capital requirements.

### Charge on Assets

As at March 31, 2006, the Group pledged part of its fixed assets and investment properties having a net carrying value of approximately HK\$371,867,000 (March 31, 2005: HK\$399,393,000) and certain investments in subsidiaries to banks to secure loan facilities granted to the Group.

### Capital Commitments

Capital commitments in respect of the acquisition of property, plant and equipment and construction materials contracted for but not provided in the financial statements as at March 31, 2006 was HK\$453,224,000 (March 31, 2005: HK\$661,157,000) and HK\$175,573,000 (March 31, 2005: HK\$405,968,000) which would require part of the Group's present cash resources and external funding. The Group has committed to acquire interests in certain PRC enterprise and to establish certain sino-foreign joint venture companies in the PRC.

### Contingent Liabilities

As at March 31, 2006, the Group did not have any material contingent liabilities (as at March 31, 2005: Nil).

**Liu Ming Hui**

*Managing Director*

July 21, 2006

只需要支付固定年息 5.06%；原荷蘭開發銀行及法國興業銀行提供的 5,000 萬美元開發性金融貸款，集團需按 LIBOR+235 點子的利率支付浮息，現按有關的利率調期合約，集團只需要支付固定年息 5.73%，從而大大降低了利率風險，節省了財務費用。

本集團之經營及資本性開支之來源乃由經營現金收入、策略投資者的認購款項、銀行貸款、債券、開發性金融貸款及銀團貸款撥付。本集團有足夠資金來源滿足其未來資本開支及營運資金需求。

### 抵押資產

於二零零六年三月三十一日，本集團抵押部份固定資產及投資物業，其賬面淨值約 371,867,000 港元（二零零五年三月三十一日：399,393,000 港元）及部份附屬公司之投資予銀行，以獲得貸款額度。

### 資本承擔

於二零零六年三月三十一日，本集團於就已訂約收購但未於財務報表撥備之物業、廠房及設備及建築材料合同分別作出為數 453,224,000 港元（二零零五年三月三十一日：661,157,000 港元）及 175,573,000 港元（二零零五年三月三十一日：405,968,000 港元）之資本承擔，需要動用部份本集團現有現金及向外融資。本集團已承諾收購部份中國企業股份及於中國成立中外合資企業。

### 或然負債

於二零零六年三月三十一日，本集團並無任何重大或然負債（二零零五年三月三十一日：無）。

**劉明輝**

*董事總經理*

二零零六年七月二十一日

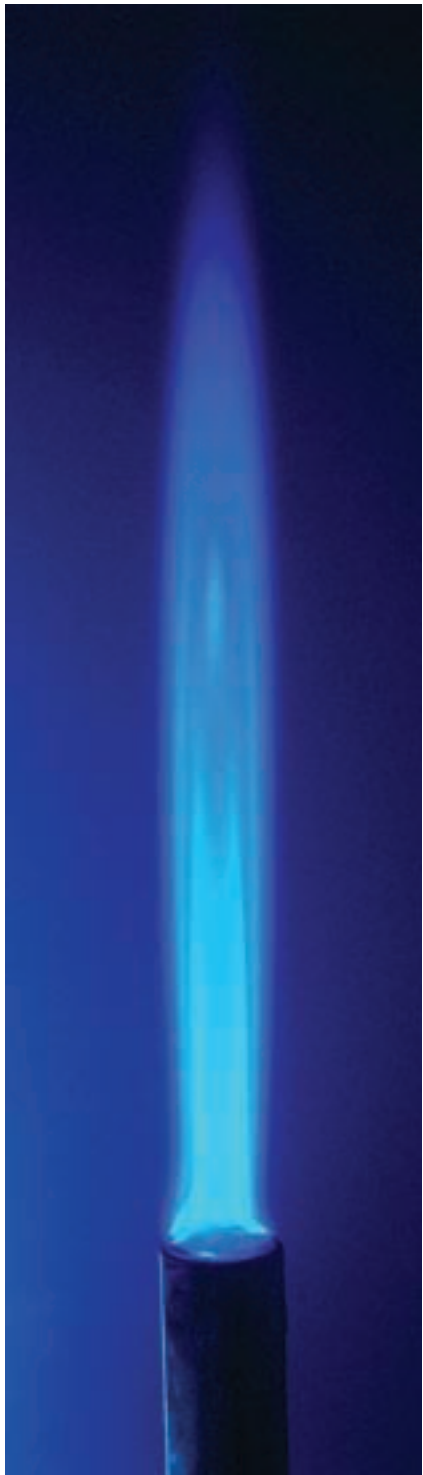


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# CORPORATE GOVERNANCE REPORT

# 企業管治報告

The Board of Directors (the “Board” or the “Directors”) and the management of China Gas Holdings Limited (the “Company”) are committed to attain high standards of corporate governance.

中國燃氣控股有限公司（「本公司」）的董事會（「董事會」或「董事」）及管理層致力達致高水平的企業管治。

The Company has complied the code provisions of the Code on Corporate Governance Practices (the “Code”) set out in Appendix 14 of the Rules Governing the Listing of Securities (the “Listing Rules”) on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) throughout the year ended March 31, 2006. Deviations from code provision in respect of (i) the term of the appointment of non-executive directors; and (ii) the retirement and rotation of Directors would be explained in the relevant section.

本公司已於截至二零零六年三月三十一日止整個年度內遵守香港聯合交易所有限公司（「聯交所」）證券上市規則（「上市規則」）附錄十四的企業管治常規守則（「守則」）。有關(i)委任非執行董事之任期；及(ii)董事退任及輪替偏離守則條文的規定，並將於相關分節闡釋。

## BOARD MATTERS

The Board currently consists of 11 members, five of whom are executive directors, three are non-executive directors and three are independent non-executive directors. As over half of the members of the Board being non-executive and they have not participated into the management of the Company, the Board is therefore able to exercise independent judgment on corporate affairs and provide the management with a diverse and objective perspective on issues. The Board believes that current board size is appropriate based on the Company’s present circumstances and will periodically evaluate the need for increasing or decreasing its size. Table 1 gives the composition of the Board of the Company.

## 董事會事務

董事會現時包括11名成員，其中有五名執行董事、三名非執行董事及三名獨立非執行董事。董事會過半數成員為非執行董事，彼等並無參與本公司的管理，故董事會可就企業事務作出獨立判斷，並向管理層就各項事宜提供各方面的意見及客觀分析。董事會相信，董事會現時的規模適合本公司的現時環境，並將會訂其評估是否需要增加或減少成員數目。表1載列本公司董事會的組成。

Name of Directors	Position
Li Xiao Yun	Chairman, Executive Director
Xu Ying	Vice-Chairman, Executive Director
Liu Ming Hui	Managing Director, Executive Director
Zhu Wei Wei	Head of Capital, Executive Director
Ma Jin Long	Executive Director
Feng Zhuo Zhi	Non-Executive Director (nominated by Hai Xia Finance Holdings Limited)
Suresh Raghavanachari	Non-Executive Director (nominated by GAIL (India) Limited)
Harrison Blacker	Non-Executive Director (nominated by Oman Oil Company, S.A.O.C)
Zhao Yu Hua	Independent Non-Executive Director
Mao Er Wan	Independent Non-Executive Director
Wong Sin Yue, Cynthia	Independent Non-Executive Director

Table 1 Composition of the Board for the financial year 2006

董事姓名	職位
李小雲	主席、執行董事
徐鷹	副主席、執行董事
劉明輝	董事總經理、執行董事
朱偉偉	資本主管、執行董事
馬金龍	執行董事
馮卓志	非執行董事（由海峽金融控股有限公司提名）
Suresh Raghavanachari	非執行董事（由 GAIL (India) Limited 提名）
Harrison Blacker	非執行董事（由 Oman Oil Company, S.A.O.C 提名）
趙玉華	獨立非執行董事
毛二萬	獨立非執行董事
黃倩如	獨立非執行董事

表1 二零零六年財政年度的董事會組成

Details of all the directors are disclosed under the “Biographical Details of Directors” of the 2006 Annual Report. There is no financial, business, family and other relevant relationship among members of the Board. The roles and responsibilities of the Chairman and Managing Director are clearly separated and the two positions are held by two different members of the Board. The Chairman, though who is an Executive Director, is only responsible for the Company’s overall strategic planning and for ensuring the effectiveness of the Board. The Managing Director, on the other hand, is responsible for the daily operation of the Group and the running of the Group’s business.

Each of the independent non-executive directors has provided an annual confirmation of his/her independence to the Company pursuant to the requirement of the Listing Rules. The Board considers that all of the independent non-executive directors to be independent.

The primary role of the Board is to protect and enhance long-term shareholder value. The Board is responsible for setting overall strategy for the Group, overseeing the businesses and affairs of the Group and monitoring the performance of the management. The following Board committees deal with specific aspects of the Group’s affairs. Other ad-hoc committees can be formed from time to time to look into specific areas as and when the need arises.

### 1. Executive Committee

The executive committee provides overall strategic direction to the management, to monitor the operations of all business units and to ensure that funding is adequate for the Group’s investment projects.

During the financial year, the members of the committee include the Vice-Chairman, Managing Director and an executive director. The committee meets as and when required to discuss the daily operations and affairs of the Group. It reviews and approves major investments recommended by management. Besides, a committee comprising two of the executive directors has been set up to approve the issue and allotment of shares (i) under the share option scheme of the Company when exercise of share options arose; and (ii) conversion of subscription rights attached to the convertible bonds. In order to further assist the executive committee, sub-committees are formed which include executive directors and senior management which are performing key operational and functional areas and they report to the Managing Director regularly.

所有董事的詳情均於二零零六年年報「董事履歷詳情」項下披露。董事會各成員間並無任何財政、業務、家庭及其他相關關係。主席及董事總經理的角色及職責已清晰劃分，並由董事會兩位不同成員擔任。主席（亦為執行董事）僅負責計劃本公司整體策略及確保董事會有效運作；而董事總經理則負責本集團的日常營運及經營集團的業務。

每名獨立非執行董事已根據上市規則的規定向本公司提供有關其獨立性的年度確認書。董事會認為，所有獨立非執行董事均為獨立人士。

董事會的主要角色為保障及增加股東長遠的利益。董事會負責制定本集團整體的策略、監督本集團業務及事務，並監察管理層表現。下列董事會委員會處理本集團特定方面的事宜。董事會亦可不時成立其他特別委員會，以於有需要時處理特定範疇的事宜。

### 1. 執行委員會

執行委員會負責向管理層提供整體策略的方向，監察所有業務單位的運作，並確保本集團有充足的資金應付投資項目所需。

於財政年度內，委員會的成員包括副主席、董事總經理及一名執行董事。委員會於有需要時舉會議商討本集團日常營運及事務。其亦會審閱及批准管理層推薦的重大投資項目。此外，包括兩名執行董事的委員會已成立，以批准於(i)根據本公司購股權計劃行使購權股；及(ii)轉換可換股債券所附之認購權發行及配發股份。為了進一步協助執行委員會履行職責，小組委員會亦已成立，其成員包括執行董事及負責主要運作及職能的高級管理人員，他們須定期向董事總經理作出匯報。

## 2. Remuneration Committee

The remuneration committee consists of all independent non-executive directors with terms of reference approved by the Board. The committee is not currently independently advised by remuneration consultants but consults with the Chairman/Managing Director of the Board.

The committee is responsible for setting the remuneration for all Executive Directors and to recommend to the Board the remuneration policy, compensation policy, structure for directors and senior management and on the establishment of a formal and transparent procedure for developing such policies. It also ensures that no directors or any of his/her associates are involved in determining his/her own remuneration.

The committee met once during the financial year 2006 and reviewed and approved the remuneration packages for two executive directors. No member can determine his or her own remuneration. Table 2 gives the remuneration of each of the members of the Board of the Company.

## 2. 薪酬委員會

薪酬委員會由全體獨立非執行董事組成，其職權範圍由董事會批准。委員會現時並無向收取酬金的僱員作獨立諮詢，惟會諮詢董事會主席／董事總經理。

委員會負責制訂全體執行董事的酬金，並就酬金政策、補償政策、董事及高級管理層架構向董事會提供意見，以及就制訂有關政策釐訂正式及具透明度的程序。彼亦確保董事或其任何聯繫人士並無參與釐訂其本身的酬金。

委員會於二零零六年財政年度召開一次會議，並已審閱及批准兩位執行董事的酬金組合。並無成員可釐訂其本身的酬金。表 2 載列本公司董事會各成員的酬金。

	Basic Salary and Fee 基本薪金及袍金	Other Benefits 其他福利	Total 總計
Li Xiao Yun 李小雲	–	91,000	91,000
Xu Ying 徐鷹	–	2,273,000	2,273,000
Liu Ming Hui 劉明輝	–	3,277,000	3,277,000
Zhu Wei Wei 朱偉偉	520,000	12,000	532,000
Ma Jin Long 馬金龍	60,000	–	60,000
Feng Zhuo Zhi 馮卓志	103,000	–	103,000
Suresh Raghavanachari	–	–	–
Harrison Blacker	–	–	–
Zhao Yu Hua 趙玉華	120,000	–	120,000
Mao Er Wan 毛二萬	120,000	–	120,000
Wong Sin Yue, Cynthia 黃倩如	120,000	–	120,000

Table 2 Remuneration of each member of the Board for the financial year ended March 31, 2006 (All figures are in HK\$)

表 2 董事會各成員於截至二零零六年三月三十一日止財政年度的酬金（所有數字均為港元）



The Company grants share option to Directors and the eligible persons under the share option scheme of the Company adopted on February 6, 2003 for the primary purpose of providing incentives to these parties. Directors were granted with the following batches of share options. Table 3 gives the interest of directors in share options as at March 31, 2006.

本公司根據本公司於二零零三年二月六日採納的購股權計劃向董事及合資格人士授出購股權，其主要目的為向該等人士提供獎勵。董事獲授下列批次的購股權。表3載列董事於二零零六年三月三十一日於購股權的權益。

Batch 批次	Exercise Price (HK\$) 行使價 (港元)	Exercise Period 行使期
1	0.80	September 1, 2004 to January 8, 2014 二零零四年九月一日至二零一四年一月八日
2a	0.71	March 20, 2005 to October 5, 2014 二零零五年三月二十日至二零一四年十月五日
2b	0.71	November 22, 2004 to October 5, 2014# 二零零四年十一月二十二日至二零一四年十月五日 #
2c	0.71	January 1, 2005 to October 5, 2014 二零零五年一月一日至二零一四年十月五日
3	1.50	October 20, 2010 to October 19, 2015 二零一零年十月二十日至二零一五年十月十九日

# The exercise of options will be subject to the condition that the consolidated net asset value of the Group which shall be certified by the auditors appointed by the Company as at the date of exercise of the options being not less than HK\$1 billion.

# 購股權的行使條件為本集團的綜合資產淨值於購股權行使當日不少於1,000,000,000港元(須由本公司委任的核數師核證)。

	Batch 批次	As at April 1, 2005 於二零零五年四月一日	Granted during year 於年內授出	Exercised during year 於年內行使	As at March 31, 2006 於二零零六年三月三十一日
Li Xiao Yun 李小雲	1 3	5,000,000 -	- 5,000,000	- -	5,000,000 5,000,000
Xu Ying 徐鷹	1 2b	5,000,000 90,000,000	- -	- -	5,000,000 90,000,000
Liu Ming Hui 劉明輝	1 2b	5,000,000 130,000,000	- -	- -	5,000,000 130,000,000
Zhu Wei Wei 朱偉偉	1 2a	4,000,000 6,000,000	- -	- -	4,000,000 6,000,000
Ma Jin Long 馬金龍	1	9,240,711	-	-	9,240,711
Zhao Yu Hua 趙玉華	1 2c	1,000,000 700,000	- -	- -	1,000,000 700,000
Mao Er Wan 毛二萬	1 2c	1,000,000 700,000	- -	- 700,000	1,000,000 -
Wong Sin Yue, Cynthia 黃倩如	1 2c	1,000,000 700,000	- -	- -	1,000,000 700,000

Table 3 Interest of each member of the Board in share options for the financial year ended March 31, 2006

表3 董事會各成員於截至二零零六年三月三十一日止財政年度的權益

### 3. Nomination Committee

The nomination committee established in July 2005 with term of reference approved by the Board and the committee met twice during the fiscal year 2006. It consists of one independent non-executive director and two executive directors. The committee is responsible for ensuring that the Board comprises an appropriate balance of skills, knowledge and experience and as part of this role leads the process of recommending candidates for appointment to the Board. The committee also coordinates the performance evaluation of directors and considers those candidates presenting themselves for election at the annual general meeting ("AGM").

According to the bye-laws of the Company, the Board is empowered to appoint directors at any time so as to fill the casual vacancy or add a new member of the Board. During the financial year, Mr. Suresh Raghavanachari, the nominee representative of GAIL (India) Limited and Mr. Harrison Blacker, the nominee representative of Oman Oil Company, S.A.O.C were appointed as non-executive directors of the Company.

At present, both non-executive directors and independent non-executive directors are not appointed for a fixed term and this deviate from the provision of the Code. However they are subject to retirement by rotation and re-election at AGM in accordance to the bye-laws of the Company.

Pursuant to the existing bye-laws of the Company, at each AGM, one-third of the directors shall retire from the office whilst the Chairman and Managing Director shall not be subject to retirement by rotation or to be taken in determining the number of directors to retire in each year. The retired directors should be those who have been the longest in the office since their last re-election or appointment. New director appointed by the Board during the year shall hold office until the next following AGM and shall then be eligible for re-election at that meeting. The newly appointed director shall not be taken into account in determining the number of directors who are to retire by rotation at that AGM. All retiring directors are eligible for re-election at each AGM of the Company.

As the Chairman and the Managing Director of the Board is not subject to retirement by rotation under the existing bye-laws of the Company, this constitutes a deviation from the code provision of the Code. To comply with the code provision, amendment to the relevant bye-laws would be proposed to the shareholders at the annual general meeting to be held on September 5, 2006.

### 3. 提名委員會

提名委員會於二零零五年七月成立，其職權範圍由董事會批准，而委員會於二零零六年財政年度共舉行兩次會議。委員會由一名獨立非執行董事及兩名執行董事組成，負責確保董事會的組成於技能、知識及經驗等方面均支得平衡，而引薦候選人給董事會委任亦為其責任之一。委員會亦會協調評核董事的表現，以及考慮該等於股東週年大會（「股東週年大會」）上膺選的候選人。

根據本公司的細則，董事會獲授權可於任何時間委任董事填補臨時空缺，或作為董事會的新增成員。於本財政年度內，Suresh Raghavanachari 先生（GAIL (India) Limited 的提名代表）及 Harrison Blacker 先生（Oman Oil Company, S.A.O.C 的提名代表）獲委任為本公司的非執行董事。

現時，非執行董事及獨立非執行董事並無固定任期，此乃偏離守則之守則條文。然而，彼等須根據本公司的公司細則在股東週年大會上輪值告退，惟可膺選連任。

根據本公司的現有公司細則，三分之一的董事須於本公司每年的股東週年大會上退任，而主席及董事總經理毋須輪值退任或計入每年須退任的董事人數內。退任董事須為自上次膺選連任或獲委任以來任期最長的董事。年內由董事會新委任的董事應在任直至下屆股東週年大會為止，並符合資格於該大會上膺選連任。新委任的董事毋須計入須於股東週年大會上輪值告退的董事人數內。所有退任董事均合資格在本公司每屆股東週年大會上膺選連任。

由於董事會主席及董事總經理毋須根據本公司之現有細則輪值告退，此舉與守則的守則修文出現偏離。為遵守守則條文，本公司將於二零零六年九月五日舉行之股東週年大會上向股東提呈修改相關細則。

For the fiscal year 2006, the directors who are retiring and who, being eligible, will offer themselves for re-election at the forthcoming AGM, are named below:

於二零零六年財政年度，須於應屆股東週年大會上告退但符合資格並願膺選連任的董事名列如下：

Name of Director 董事姓名	Date of first appointment 首次委任日期	Date of last-re-election 上次重選日期
Ma Jin Long 馬金龍	September 5, 2002 二零零二年九月五日	August 27, 2003 二零零三年八月二十七日
Mao Er Wan 毛二萬	January 7, 2003 二零零三年一月七日	August 27, 2003 二零零三年八月二十七日
Suresh Raghavanachari	January 12, 2006 二零零六年一月十二日	-
Harrison Blacker	March 27, 2006 二零零六年三月二十七日	-

#### 4. Audit Committee

Audit committee consists of all independent non-executive directors with terms of reference approved by the Board. The main responsibility of the audit committee is to review with the external auditors and the management, the Company's general policies and internal financial control procedures. It also reviews half-yearly and annual results announcements as well as the financial statements of the Group before they are submitted to the Board for approval. The audit committee also recommends the appointment and re-appointment of the Company's external auditors.

The committee met four times during the fiscal year 2006. The work performed by the audit committee included:

- i. review of the Company's annual financial statements for the year ended March 31, 2005 and the annual results announcement and provide recommendation to the Board for approval;
- ii. recommend to the Board to re-appoint Deloitte Touche Tohmatsu as external auditors of the Company for the financial year 2006 pending for approval in 2005 AGM;
- iii. review of the Company's interim financial statements for the six months ended September 30, 2005 and the interim results announcement and provided recommendation to the Board for approval;
- iv. review the report and the management letter submitted by the external auditors for the matters arising from their audit on the Group for the year ended March 31, 2005;

#### 4. 審核委員會

審核委員會由全體獨立非執行董事組成，其職權範圍由董事會批准。審核委員會的主要職責為與外部核數師及管理層共同檢討本公司的常務政策及內部財務監控程序。在呈交董事會批准前，該委員會亦須審閱本集團的中期、全年業績公佈及財務報表。審核委員會亦須就聘任及續聘本公司的外部核數師提供推薦意見。

委員會於二零零六年財政年度共舉行四次會議。審核委員會所進行的工作包括：

- i. 審閱本公司截至二零零五年三月三十一日止年度的全年財政報表及全年業績公佈，以及就審批該等文件向董事會提供推薦意見；
- ii. 向董事會建議續聘德勤•關黃陳方會計師行為本公司二零零六年財政年度的外部核數師，惟有待於二零零五年股東週年大會上批准；
- iii. 審閱本公司截至二零零五年九月三十日止六個月的中期財務報表及中期業績公佈，以及就審批該等文件向董事會提供推薦意見；
- iv. 審閱外部核數師就彼等對本集團截至二零零五年三月三十一日止年度所作出的審核工作所產生的事宜提交的報告及管理函件；

- v. review and discuss with the management and the external auditors the changes in accounting policies arising from the new Hong Kong financial reporting and accounting standards which would have effect on the financial statements for the year ended March 31, 2006;
- vi. discuss with the management of the Company to seek external professional advices on reviewing the Group's present internal audit function and internal control policy so as to comply with the Listing Rules requirement and meet the international development; and
- vii. review the conditions which was related to the share options granted to the two executive directors.

The audit committee has reviewed the amount of remuneration paid and payable in connection with the audit and non-audit services provided by Deloitte Touche Tohmatsu for the fiscal year 2006.

- v. 與管理層及外部核數師審閱及討論影響截至二零零六年三月三十一日止年度財務報表的新香港財務報告及會計準則所產生的會計政策變動；
- vi. 與本公司管理層討論，就審閱本集團現時的內部審計功能及內部監控政策尋求外部專業意見，以遵守上市規則的規定及緊隨國際發展步伐；及
- vii. 審閱授予兩位執行董事的購股權的條件。

審核委員會已審閱就德勤•關黃陳方會計師行於二零零六年財政年度所提供之審計及非審計服務已付及應付之酬金。

Services	服務	Amount 金額 HK\$ 港元
Audit Services	審計服務	
Final results for the year ended March 31, 2006 (to be agreed)	截至二零零六年三月三十一日止年度的末期業績 (有待同意)	2,000,000
Restated balance sheet at April 1, 2005	於二零零五年四月一日之經重列資產負債表	200,000

Table 4 Amount of remuneration paid and payable to Deloitte Touche Tohmatsu

表4 已付及應付予德勤•關黃陳方會計師行的酬金

The audit committee considered that the provision of the above services by Deloitte Touche Tohmatsu would not affect the auditors' independence.

審核委員會認為，德勤•關黃陳方會計師行提供上述服務不會影響其作為核數師的獨立性。

The Board and the Board Committees meet regularly every fiscal year and additional meetings would be arranged if and when necessary. The attendance record of each member of the Board in respect of the Board and Board Committee meetings are set out in the table below.

董事會及各董事委員會會於各財政年度定期舉行會議，亦會於有需要時另行安排舉行額外會議。各董事會成員出席各董事委員會會議的情況載於下表。

Name of directors 董事姓名	Board (regular meeting) 董事會 (常務會議)		Audit Committee 審核委員會		Nominations Committee 提名委員會		Remuneration Committee 薪酬委員會	
	No. of meetings held 所舉行的 會議次數	No. of meetings attended 所出席的 會議次數	No. of meetings held 所舉行的 會議次數	No. of meetings attended 所出席的 會議次數	No. of meetings held 所舉行的 會議次數	No. of meetings attended 所出席的 會議次數	No. of meetings held 所舉行的 會議次數	No. of meetings attended 所出席的 會議次數
	Li Xiao Yun 李小雲	4	2	-	-	-	-	-
Xu Ying 徐鷹	4	4	-	-	2	2	-	-
Liu Ming Hui 劉明輝	4	4	-	-	2	2	-	-
Zhu Wei Wei 朱偉偉	4	3	-	-	-	-	-	-
Ma Jin Long 馬金龍	4	1	-	-	-	-	-	-
Feng Zhuo Zhi 馮卓志	4	-	-	-	-	-	-	-
Suresh Raghavanachari Harrison Blacker	-	-	-	-	-	-	-	-
Zhao Yu Hua 趙玉華	4	4	4	4	-	-	1	1
Mao Er Wan 毛二萬	4	4	4	4	2	2	1	1
Wong Sin Yue, Cynthia 黃倩如	4	4	4	4	-	-	1	1

Table 5 Directors' attendance at Board and Board Committee Meetings

表5 董事出席董事會及董事委員會會議的情況

Meeting agenda of the board meeting or committee meeting is generally distributed at least seven business days before the meeting date whereas the relevant board papers are generally distributed in writing to the directors at least three days in advance of the meeting for review by the directors. Sensitive subject matters may be discussed at the meeting without written materials being distributed in advance or at the meeting.

董事會會議或委員會會議議程一般會在召開會議日期前最少七個營業日分發，而相關董事會文件一般會在召開會議前最少三日以書面方式分發予董事以供審閱。任何敏感事項可能會於並無事先或在會議上派發書面資料的情況下於會上討論。

The Company has adopted Model Code set out in Appendix 10 of the Listing Rules. The Board confirmed that for the financial year ended March 31, 2006, all of the directors of the Company have complied with the Model Code set out in Appendix 10 of the Listing Rules.

本公司已採納上市規則附錄 10 所載的標準守則。董事會確認，於截至二零零六年三月三十一日止財政年度，本公司全體董事均已遵守上市規則附錄 10 所載的標準守則。

The Company maintains appropriate insurance cover in respect of legal action against the Company's directors when they discharge their duties.

本公司就本公司董事履行彼等的職務時所面對的法律訴訟購有合適保險。

## COMMUNICATIONS

### Shareholders

The Board is accountable to the Company's shareholders for the performance and activities of the Group and is very much aware of maintaining good relations and communications with all its shareholders. The reporting calendar is dominated by the publication of interim and final results each year, in which the Board reports to shareholders on its performance of the Company. Information is also communicated to shareholders on a timely basis through corporate announcements and circulars. All of the circulars and the announcements, including the annual reports and interim reports are easily accessed from the Company's website ([www.chinagasholdings.com.hk](http://www.chinagasholdings.com.hk)). If not ready access to the website, hard copies are available upon request to the Company Secretary.

Shareholders' meeting provides a principal forum for dialogue with shareholders. The Board encourages shareholders to attend and welcomes their participation. For the AGM, notice of which and the related circular are dispatched to the shareholders of the Company at least 21 calendar days before the meeting. Separate resolution for each substantial issue, including the election of director, is proposed at the AGM and details of the poll voting procedures and rights of shareholders to demand a poll are included in the related circular.

During the fiscal year 2006, two shareholders' meeting were carried out. The extraordinary general meeting was carried out in April 2005 for the approval of the transaction in relation to the subscription of shares by GAIL (India) Limited. The 2005 AGM of the Company was held on August 18, 2005 at the principal office of the Company in Hong Kong. All resolutions put to shareholders were duly passed at the meeting and the Managing Director and senior management of the Company were available at both meetings to answer questions.

### Investors and Analysts

The Board acknowledges the importance to establish good relationship with analysts and investors. The Company has established an Investors Relations Department dedicated for communication with institutional investors and analysts. Throughout the financial year, there are regular site visits, luncheons, telephone conferences and non deal roadshows with analysts and investors to update them on the latest business development of the Group.

Besides, the Board also recognises the importance to be readily accessible by the public and retail investors. From time to time press conferences are held so that the public can be informed of recent business developments of the Group. The Company sees this as an effective channel to pass public corporate information to the general investors community.

## 通訊

### 股東

董事會須就本集團的表現及業務向本公司股東作出交代，並充分明瞭與全體股東維持良好關係與溝通的重要性。申報日曆中每年較重要的事項為刊發中期及全年業績，董事會會於當中向股東報告本公司之表現。本公司亦會透過刊發公司公告及通函，於適當時間向股東發放有關信息。所有通函及公佈（包括年報及中期報告）均可輕易於本公司網站（[www.chinagasholdings.com.hk](http://www.chinagasholdings.com.hk)）閱覽。如未能連上本公司網站，公司秘書會應要求提供文件的印刷本。

股東大會為與股東直接對話的主要渠道。董事鼓勵股東出席大會，並歡迎彼等參與。就股東週年大會而言，會於舉行大會最少21個曆日前，向本公司股東寄發大會通告。各項重大事項（其中包括甄選董事）均會於股東週年大會上另行提呈決議案，而有關投票表決程序及股東要求以投票方式表決程序的詳情載於相關之通函內。

於二零零六年財政年度內，共舉行兩次股東大會。股東特別大會於二零零五年四月舉行，以批准有關 GAIL (India) Limited 認購股份的交易。本公司二零零五年股東週年大會於二零零五年八月十八日在本公司於香港之總辦事處舉行。所有提呈股東表決的決議案均於會上獲正式通過，而本公司董事總經理及高級管理層亦於兩次會議上解答題問。

### 投資者及分析員

董事會明白與分析員及投資者建立良好關係尤為重要。本公司已建立一個專責與機構投資者及分析員溝通的投資者關係部門。於本財政年度，本公司定期安排分析員及投資者參觀項目，共進午餐，並舉行電話會議及不涉及交易的路演，藉此向他們披露本集團業務最新發展的情況。

此外，董事會亦明白與公眾及散戶投資者保持溝通的重要性。本公司會不時舉行新聞發佈會，使公眾人士可得知本集團的近期業務發展。本公司視上述方式為向一般投資者群體傳遞上市公司資料的有效渠道。

All investors and public are welcome to give their comments and make their enquiries through the Company's website ([www.chinagasholdings.com.hk](http://www.chinagasholdings.com.hk)) or by email at [investor@chinagasholdings.com.hk](mailto:investor@chinagasholdings.com.hk).

## DIRECTORS' RESPONSIBILITY IN PREPARING THE FINANCIAL STATEMENTS

The Directors acknowledge their responsibilities in preparing the financial statements and ensure that the financial statements are in accordance to the statutory requirements and applicable accounting standards.

The statement of the Auditors, Messrs. Deloitte Touche Tohmatsu, about their reporting responsibilities on the financial statements is set out in the Auditor's report on page 58 of the 2006 Annual Report.

## FORWARD

The Company will continue to improve the corporate governance practices in view of the regulatory requirements and in line with the international developments. The Board believes that a sound system of internal controls is an essential factor to safeguard the shareholders' investments and the Group's assets. The Company will engage a consultancy firm to carry out comprehensive review on the system of internal control, internal audit and risk management of the Group so as to identify the potential risks within Group and to implement appropriate measures as necessary.

本公司歡迎所有投資者及公眾人士透過本公司網站 ([www.chinagasholdings.com.hk](http://www.chinagasholdings.com.hk)) 或電郵至 [investor@chinagasholdings.com.hk](mailto:investor@chinagasholdings.com.hk) 提供彼等的意見及作出查詢。

## 董事編製財務報表之責任

董事確認其於編製財務報表之責任及確保財務報表乃根據法定要求及適用會計原則編製。

核數師德勤•關黃陳方會計師行就其對財務報表之申報責任之聲明載於二零零六年年報第58頁之核數師報告。

## 展望

本公司將繼續因應規管需求及緊貼國際發展改善企業管治常規。董事會相信，良好的內部監控系統乃保護股東投資及集團資產的重要因素。本公司將委聘顧問公司對本集團的內部監控、內部審核及風險管理系統進行詳細審閱，以確認本集團內是否有潛在風險，以及於有需要時實行恰當的措施。

# BIOGRAPHICAL DETAILS OF DIRECTORS

## 董事履歷

### Executive Directors

**Mr. Li Xiao Yun**, aged 50, is a Director of the Company since August 2001 and appointed as Chairman of the Company since April 2002. Mr. Li graduated from Beijing University in 1979 and has substantial years experience in economic management. Mr. Li is the President of Strait Travel Agency.

**Mr. Xu Ying**, aged 44, is a Director of the Company and appointed as Vice-Chairman of the Company since August 2001. Mr. Xu graduated from Shanghai Jiao Tong University of Agriculture and Biology. Mr. Xu is the deputy President of Strait Travel Agency.

**Mr. Liu Ming Hui**, aged 43, is a Director of the Company since April 2002 and appointed as Managing Director of the Company since July 2002. Mr. Liu received his Bachelor of Science Degree in Mathematics from Hebei Normal University in 1984. He had worked in various local government authorities and Chinese enterprises.

**Mr. Ma Jin Long**, aged 39, is a Director of the Company since September 2002. Mr. Ma received his Degree in Economics from Hebei University and has over 16 years experience in financial management. Mr. Ma is the Vice President of Beijing Zhongran Xiangke Oil Gas Technology Company Limited.

**Mr. Zhu Wei Wei**, aged 33, is a Director of the Company since September 2002. Mr. Zhu received his Degree of Master in Finance from Zhong-nan University of Finance & Economic. Mr. Zhu has over 11 years experience in project management.

### Non-Executive Directors

**Mr. Feng Zhuo Zhi**, aged 50, is a non-executive Director of the Company since May 2005. Mr. Feng graduated from 中國人民解放軍炮兵指揮學院 (Artillery College of the People's Liberation Army) and is currently the general manager of Straits Travel Agency.

**Mr. Suresh Raghavanachari**, aged 51, appointed as a non-executive director of the Company in January 2006. Mr. Raghavanachari obtained his post-graduate degree in energy studies from India Institute of Technology, Delhi, India and has 27 years of experiences in the energy sector. He was participated into the construction of first natural gas pipeline from Bombay High to Uran, the first gas based LPG recovery unit at Uran and the petrochemical plant of GAIL (India) Limited ("GAIL") at UPPC Pata. He had worked in Oil and Natural Gas Corporation, India before joining GAIL in 1985 and is currently the Executive Director (Marketing) of GAIL.

### 執行董事

**李小雲先生**，年50歲，自二零零一年八月獲委任為本公司董事，並於二零零二年四月獲委任為本公司之主席。李先生在一九七九年畢業於北京大學，擁有豐富經濟管理經驗。李先生現為海峽旅行社之董事長。

**徐鷹先生**，年44歲，自二零零一年八月獲委任為本公司董事及副主席。徐先生畢業於上海交通大學農業與生物學院。徐先生現為海峽旅行社之副董事長。

**劉明輝先生**，年43歲，自二零零二年四月獲委任為本公司董事，並自二零零二年七月獲委任為本公司董事總經理。劉先生於一九八四年畢業於河北師範大學數學系獲數學學士。彼曾在國內地方政府多家中資企業任職。

**馬金龍先生**，年39歲，自二零零二年九月獲委任為本公司董事。馬先生獲河北大學頒授經濟學士學位並擁有超過十六年之財務管理經驗。馬先生現為北京中燃翔科油氣技術有限公司之副總裁。

**朱偉偉先生**，年33歲，自二零零二年九月獲委任為本公司董事。朱先生獲中南大學財經及經濟學頒授財經碩士學位。朱先生擁有超過十一年項目管理經驗。

### 非執行董事

**馮卓志先生**，年50歲，自二零零五年五月獲委任為本公司非執行董事。馮先生畢業於中國人民解放軍炮兵指揮學院。彼現任海峽旅行社總經理。

**Suresh Raghavanachari 先生**，年51歲，於二零零六年一月獲委任為本公司非執行董事。Raghavanachari 先生在印度德里 India Institute of Technology 取得能源研究學位，並在能源範疇累積27年經驗。彼曾參與首項由孟買高地通往烏蘭之天然氣管道之建造工程，此乃 Uran 首個以氣體為主之液化石油氣工場，亦參與 GAIL (India) Limited (「GAIL」) 於 UPPC Pata 之石油化工廠房。於一九八五加盟 GAIL 前，彼曾在印度之 Oil and Natural Gas Corporation 工作，而彼現為 GAIL 之執行董事（市場推廣部）。



**Mr. Harrison Blacker**, aged 56, appointed as a non-executive director of the Company in March 2006. Mr. Blacker holds a master degree in mechanical engineering and has 30 years of experiences in the energy sector. Mr. Blacker had been working in Atlantic Richfield Company, an integrated US energy company principally engaged in the development, transportations, and marketing of oil, gas, and petroleum products, for over 20 years. He served as President of Arco Venezuela Energy before joining Oman Oil Company, S.A.O.C (“OOC”) in 2001 and is currently a Senior Investment Advisor for OOC. Mr. Blacker is a member and former director of the Society of Petroleum Engineers and he is an active member of the Association of International Petroleum Negotiators.

### Independent non-executive Directors

**Mr. Zhao Yuhua**, aged 39, appointed as an independent non-executive Director of the Company in November 2002. Mr. Zhao graduated from Institute of International Economic, Nankai University and holds a master degree in economics. He joined J&A Securities Company in 1993, engaging in corporate financing and advisory business.

**Dr. Mao Er Wan**, aged 43, appointed as an independent non-executive Director of the Company in January 2003. Dr. Mao graduated from Mathematics and System Sciences, Chinese Academy of Sciences and holds a Doctor Degree. He was the Chief Economist of Da Cheng Fund Management Co. Ltd. He is currently a professor of School of International Business, Beijing Foreign Studies University and a committee member of China Institute of Finance, Financial Engineering.

**Ms. Wong Sin Yue, Cynthia**, aged 54, appointed as an independent non-executive director of the Company in October 2003. Ms. Wong is currently a Deputy General Manager of China Merchants Holdings (International) Company Limited and is responsible for finance. She also holds the office of non-executive director of China Merchants Holdings (Pacific) Limited. Ms. Wong holds a MBA degree. She held various senior positions at reputable international investment banks including Societe Generale, Deutsche Morgan Grenfell, Samuel Montague and Bear Stearns Asia for over 15 years during which period she had advised more than 50 companies in Greater China and Asia in their equity, equity finance or equity-related activities.

**Harrison Blacker** 先生，年 56 歲，於二零零六年三月獲委任為本公司非執行董事。Blacker 先生持有機械工程碩士學位，並在能源範疇累積三十年經驗。Blacker 先生曾於一家綜合美國能源公司 Atlantic Richfield Company 工作逾二十年，該公司主要從事油、氣及石油產品之開發、輸送及市場推廣業務。於二零零一年加盟 Oman Oil Company S.A.O.C (「OOC」) 前，彼曾任 Arco Venezuela Energy 之總裁，現為 OOC 之高級投資顧問。Blacker 先生為美國石油工程師協會之會員及前董事，並為 Association of International Petroleum Negotiators 之基本會員。

### 獨立非執行董事

**趙玉華** 先生，年 39 歲，於二零零二年十一月獲委任為本公司獨立非執行董事。趙先生畢業於南開大學國際經濟研究所並持有經濟學碩士學位。趙先生自一九九三年起加入君安證券有限公司長期從事企業融資和財務顧問工作。

**毛二萬** 博士，年 43 歲，於二零零三年一月獲委任為本公司獨立非執行董事。毛博士畢業於中國科學院數學與系統科學研究院並持有博士學位。毛博士曾出任大成基金管理有限公司高級經濟師，現為北京外國語大學國際商學院教授及中國金融學會金融工程專業委員會委員。

**黃倩如** 女士，年 54 歲，於二零零三年十月獲委任為本公司獨立非執行董事。黃女士現任招商局國際有限公司副總經理，負責公司財務。彼為招商局亞太有限公司之非執行董事。黃女士持有工商管理碩士學位。之前她曾任職各國際有名之投資銀行高層超過十五年，其中包括 Societe Generale, Deutsche Morgan Grenfell, Samuel Montague 及 Bear Stearns Asia 等，期間替不少於五十家大中華及亞洲企業提供財務諮詢及融資服務。

# DIRECTORS' REPORT

The directors present their annual report and the audited financial statements for the year ended March 31, 2006.

## PRINCIPAL ACTIVITIES

The Company acts as an investment holding company. The activities of its associates, jointly controlled entities and principal subsidiaries are set out in notes 18, 19 and 48, respectively, to the financial statements.

## RESULTS AND APPROPRIATIONS

The results of the Group for the year ended March 31, 2006 are set out in the consolidated income statement on page 60.

## DIVIDENDS

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

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

## FINANCIAL SUMMARY

A summary of the results and of the assets and liabilities of the Group for the past five financial years is set out on page 167.

## INVESTMENT PROPERTIES AND PROPERTY, PLANT AND EQUIPMENT

During the year, the Group transferred certain leasehold land and buildings to investment properties and carry out revaluation at the date of transfer. The revaluation resulted in a surplus over book values amounting to HK\$1,601,000, which has been credited directly to asset revaluation reserve.

During the year, the Group revalued all of its investment properties at the year end date. The net increase in fair value of investment properties, which has been credited to profit or loss, amounting to HK\$6,073,000.

Details of these and other movements during the year in investment properties and property, plant and equipment of the Group are set out in notes 15 and 16 to the financial statements respectively.

# 董事會報告書

董事會謹此提呈截至二零零六年三月三十一日止年度之年度報告書及經審核財務報表。

## 主要業務

本公司為一間投資控股公司。其聯營公司、共同控制實體及主要附屬公司之業務分別載於財務報表附註18、19及48。

## 業績及股息分派

本集團截至二零零六年三月三十一日止年度之業績載於第60頁之綜合收益表。

## 股息

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

倘獲股東批准，末期股息預期將於二零零六年九月二十九日或相近日子派付。

## 財務摘要

本集團過去五個財政年度之業績摘要及資產與負債之摘要載於第167頁。

## 投資物業及物業、廠房及設備

年內，本集團轉移若干租賃土地及樓宇至投資物業，並於轉移日期進行重估。重估令賬面值出現1,601,000港元盈餘，已直接於資產重估儲備列賬。

年內，本集團於年結日重估其所有投資物業。已於損益入列賬之投資物業公平值增加淨額為6,073,000港元。

年內本集團投資物業及物業、廠房及設備之該等及其他變動分別載於財務報表附註15及16。

## MAJOR PROPERTIES

Details of the major properties of the Group at March 31, 2006 are set out on page 168.

## SHARE CAPITAL AND WARRANTS

Movements in the share capital of the Company are set out in note 32 to the financial statements.

During the year, 90,000,000 warrants were exercised and 90,000,000 ordinary shares of HK\$0.01 each in the Company at a price of HK\$0.66 per share were issued. At as March 31, 2006, the Company had no outstanding warrants.

During the year, US\$4,603,000 (approximate HK\$35,900,000) convertible note and were redeemed for consideration of US\$4,603,000 (approximate HK\$35,900,000). At the balance sheet date, the Company had outstanding US\$40,000,000 (approximate HK\$312,000,000) convertible bond.

## DISTRIBUTABLE RESERVES OF THE COMPANY

Under the Companies Act, the contributed surplus account of the Company is available for distribution. However, the Company cannot declare or pay a dividend, or make a distribution out of contributed surplus if:

- (a) it is, or would after the payment be, unable to pay its liabilities as they become due, or
- (b) the realisable value of its assets would thereby be less than the aggregate of its liabilities and its issued share capital and share premium accounts.

At March 31, 2006, the Company had no reserve available for distribution.

## PRE-EMPTIVE RIGHTS

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

## DIRECTORS

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

## 主要物業

本集團於二零零六年三月三十一日之主要物業詳情載於第 168 頁。

## 股本及認股權證

本公司之股本變動載於財務報表附註 32。

於年內，90,000,000 份認股權證已獲行使，本公司已按每股股份 0.66 港元之價格發行 90,000,000 股每股面值 0.01 港元之普通股。於二零零六年三月三十一日，本公司並無尚未行使之認股權證。

年內，4,603,000 美元（約 35,900,000 港元）之可換股票據乃以 4,603,000 美元（約 35,900,000 港元）之代價贖回。於結算日，本公司由尚未償還可換股價券 40,000,000 美元（約 312,000,000 港元）。

## 本公司之可供分派儲備

根據公司法，本公司之繳入盈餘賬可用作分派用途。然而，倘發生下列情況，本公司不可宣派或派付股息，或於繳入盈餘作出分派：

- (a) 於作出派付後，其未能或可能未能於債項到期時作出償付，或
- (b) 其資產之可變現淨值將因此少於其負債及其已發行股本及股份溢價賬之總值。

於二零零六年三月三十一日，本公司並無可供分派儲備。

## 優先購買權

根據本公司之公司細則及百慕達法律，並無任何規定本公司按比例向現有股東發售新股份之優先購買權條文。

## 董事

年內及截至本報告刊發日期，本公司之在任董事如下：

## DIRECTORS' REPORT

## 董事會報告書

### Executive directors

Mr. Li Xiao Yun  
Mr. Xu Ying  
Mr. Liu Ming Hui  
Mr. Ma Jin Long  
Mr. Zhu Wei Wei

### 執行董事

李小雲先生  
徐鷹先生  
劉明輝先生  
馬金龍先生  
朱偉偉先生

### Non-executive directors

Mr. Feng Zhuo Zhi (appointed on May 20, 2005)  
  
Mr. Suresh Raghavanachari (appointed on January 12, 2006)  
  
Mr. Harrison Blacker (appointed on March 27, 2006)  
  
Mr. Wu Bang Jie (resigned on May 20, 2005)

### 非執行董事

馮卓志先生 (於二零零五年五月二十日獲委任)  
  
Suresh Raghavanachari 先生 (於二零零六年一月十二日獲委任)  
  
Harrison Blacker 先生 (於二零零六年三月二十七日獲委任)  
  
吳邦杰先生 (於二零零五年五月二十日辭任)

### Independent non-executive directors

Mr. Zhao Yu Hua  
Dr. Mao Er Wan  
Ms. Wong Sin Yue, Cynthia

### 獨立非執行董事

趙玉華先生  
毛二萬博士  
黃倩如女士

In accordance with the provisions of the Company's Bye-laws, Mr. Ma Jin Long, Dr. Mao Er Wan, Mr. Suresh Raghavanachari and Mr. Harrison Blacker shall retire and, being eligible, offer themselves for re-election.

按照本公司公司細則之規定，馬金龍先生、毛二萬博士、Suresh Raghavanachari 先生及 Harrison Blacker 先生將會告退，彼等合乎資格並願膺選連任。

The term of office of each non-executive or independent non-executive director is the period up to his retirement by rotation in accordance with the above clause of the Company's Bye-laws.

各非執行董事或獨立非執行董事之任期乃按照上述本公司公司細則之條款規定至其輪值告退為止之期間。

### DIRECTORS' SERVICE CONTRACTS

No director proposed for re-election at the forthcoming annual general meeting has a service contract which is not determinable by the Group within one year without payment of compensation (other than statutory compensation).

### 董事之服務合約

概無擬於應屆股東週年大會上膺選連任之董事訂有不可由本集團於一年內在不予補償(法定補償除外)下終止之服務合約。

Each of Mr. Xu Ying and Mr. Liu Ming Hui had entered into a service agreement with the Company commencing from April 1, 2005 for a period of three years.

徐鷹先生及劉明輝先生已與本公司訂立服務協議，由二零零五年四月一日起為期三年。

### RETIREMENT BENEFITS SCHEME

Details of the Group's retirement benefits scheme are set out in note 44 to the financial statements.

### 退休福利計劃

本集團之退休福利計劃詳情載於財務報表附註 44。

## DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS IN SHARES

As at March 31, 2006, the interests of the directors and chief executives of the Company in the equity or debt securities and underlying shares of the Company or its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (“SFO”)) which (a) were required to be notified to the Company and the Stock Exchange of Hong Kong Limited (“Stock Exchange”) pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which the directors were taken or deemed to have under such provisions of the SFO); or (b) were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (c) were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Companies contained in the Rules Governing the Listing of Securities (the “Listing Rules”), to be notified to the Company and the Stock Exchange were as follows:

### (a) Ordinary shares of HK\$0.01 each of the Company (the “Shares”)

Name of director 董事名稱	Nature of interest 權益性質	Number of attributable number of Shares held 應佔之所持股份數目	Approximate percentage or attributable percentage of shareholdings (%) 持股概約百分比或應佔百分比(%)
Mr. Liu Ming Hui (“Mr. Liu”) 劉明輝先生 (「劉先生」)	Personal 個人	335,100,000 (L) 118,500,000 (S) (Note) (附註)	11.46 4.06

L: Long position L: 長倉  
S: Short position S: 短倉

Note: Pursuant to the sale and purchase agreement dated March 8, 2005 (the “Sale and Purchase Agreement”), Mr. Liu has agreed to sell an aggregate of 190,000,000 Shares to Hai Xia Finance Holdings Limited (“Hai Xia”). As at March 31, 2006, the sale and purchase of 71,500,000 Shares out of the 190,000,000 Shares has been completed, the outstanding number of shares to be sold and purchased is 118,500,000 Shares. Details of the Sale and Purchase Agreement are set out in the announcement of the Company dated March 9, 2005.

These 335,100,000 Shares represent 216,600,000 Shares beneficially owned by Mr. Liu and 118,500,000 Shares agreed to be delivered to Hai Xia pursuant to the Sale and Purchase Agreement.

## 董事及行政總裁於股份之權益

於二零零六年三月三十一日，本公司董事及行政總裁於本公司或其相聯法團（按證券及期貨條例（「證券及期貨條例」）第XV部之涵義）之股本或債務證券及相關股份中擁有(a)根據證券及期貨條例第XV部第7及第8分部必須知會本公司及香港聯合交易所有限公司（「聯交所」）之權益（包括根據證券及期貨條例有關條文該董事被視為或當作擁有之權益或短倉）；或(b)根據證券及期貨條例第352條規定必須列入該條例所指之登記冊內之權益；或(c)根據證券上市規則（「上市規則」）所載上市公司董事進行證券交易之標準守則必須通知本公司及聯交所之權益如下：

### (a) 本公司每股面值 0.01 港元之普通股（「股份」）

附註：根據於二零零五年三月八日訂立之買賣協議（「買賣協議」），劉先生已同意向海峽金融控股有限公司（「海峽」）出售合共 190,000,000 股股份。於二零零六年三月三十一日已完成買賣 190,000,000 股股份中之 71,500,000 股股份，有待買賣之尚餘股份數目為 118,500,000 股股份。買賣協議之詳情載於本公司在二零零五年三月九日刊發之公佈內。

該等 335,100,000 股股份乃指由劉先生實益擁有之 216,600,000 股股份及根據買賣協議將予交付海峽之 118,500,000 股股份。

## (b) Share options

## (b) 購股權

Name of director 董事姓名	Number of options held (Note) 持有購股權數目 (附註)	Nature of interest 權益性質	Number of underlying shares 相關股份數目
Mr. Li Xiao Yun 李小雲先生	10,000,000 10,000,000 份	Beneficial owner 實益擁有人	10,000,000 10,000,000 份
Mr. Xu Ying 徐鷹先生	95,000,000 95,000,000 份	Beneficial owner 實益擁有人	95,000,000 95,000,000 份
Mr. Liu 劉先生	135,000,000 135,000,000 份	Beneficial owner 實益擁有人	135,000,000 135,000,000 份
Mr. Zhu Wei Wei 朱偉偉先生	10,000,000 10,000,000 份	Beneficial owner 實益擁有人	10,000,000 10,000,000 份
Mr. Ma Jin Long 馬金龍先生	9,240,711 9,240,711 份	Beneficial owner 實益擁有人	9,240,711 9,240,711 份
Mr. Zhao Yu Hua 趙玉華先生	1,700,000 1,700,000 份	Beneficial owner 實益擁有人	1,700,000 1,700,000 份
Dr. Mao Er Wan 毛二萬博士	1,000,000 1,000,000 份	Beneficial owner 實益擁有人	1,000,000 1,000,000 份
Ms. Wong Sin Yue, Cynthia 黃倩如女士	1,700,000 1,700,000 份	Beneficial owner 實益擁有人	1,700,000 1,700,000 份
	263,640,711		263,640,711

Note: The share options were granted under the share option scheme adopted by the Company on February 6, 2003 and the holders thereof are entitled to subscribe for Shares at an exercise price and exercise period as disclosed in the section headed "Share Options" below.

附註：該等購股權乃根據本公司於二零零三年二月六日採納之購股權計劃授出，其持有人可按下文「購股權」一節所述之行使價及行使期認購股份。

Save as disclosed above, as at March 31, 2006, none of the directors nor the chief executives of the Company had or was deemed to have any interests or short positions in the equity or debt securities and underlying shares of the Company or its associated corporations (within the meaning of Part XV of the SFO) which (a) were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the

除上文所披露者外，於二零零六年三月三十一日，本公司之董事及行政總裁概無於本公司或其相聯法團（按證券及期貨條例第 XV 部之涵義）之股本或債務證券及相關股份中擁有或被視作擁有 (a) 根據證券及期貨條例第 XV 部第 7 及第 8 分部必須通知本公司及聯交所之權益或短倉（包括根據證券及期貨條例有關條文該

SFO (including interests or short positions which the directors were taken or deemed to have under such provisions of the SFO); or (b) were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (c) were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Companies contained in the Listing Rules, to be notified to the Company and the Stock Exchange.

## SHARE OPTIONS

Particulars of the Company's share option scheme and details of movements in the share options under the share option scheme during the year are set out in note 45 to the financial statements.

等董事被視為或當作擁有之權益或短倉)；或(b)根據證券及期貨條例第352條規定必須列入該條例所指之登記冊內之權益或短倉；或(c)根據上市規則所載上市公司董事進行證券交易之標準守則必須通知本公司及聯交所之權益或短倉。

## 購股權

本公司購股權計劃之資料及年內購股權計劃項下之購股權變動詳情載於財務報表附註45。

Name 姓名	Exercise period 行使期	Exercise price 行使價 HK\$ 港元	No. of options 購股權數目				
			As at April 1, 2005 於 二零零五年 四月一日	Granted during the financial year ended March 31, 2006 於截至 二零零六年 三月三十一日 年度內授出	Exercised during the financial year ended March 31, 2006 於截至 二零零六年 三月三十一日 年度內行使	Lapsed during the financial year ended March 31, 2006 於截至 二零零六年 三月三十一日 年度內失效	Outstanding as at March 31, 2006 於 二零零六年 三月三十一日 尚未行使
<b>Directors 董事</b>							
Mr. Li Xiao Yun 李小雲先生	9.1.2004 to 1.8.2014 10.20.2010 to 10.19.2015	0.80 1.50	5,000,000 -	- 5,000,000	- -	- -	5,000,000 5,000,000
Mr. Xu Ying 徐鷹先生	9.1.2004 to 1.8.2014 11.22.2004 to 10.5.2014	0.80 0.71	5,000,000 90,000,000	- -	- -	- -	5,000,000 90,000,000
Mr. Liu 劉先生	9.1.2004 to 1.8.2014 11.22.2004 to 10.5.2014	0.80 0.71	5,000,000 130,000,000	- -	- -	- -	5,000,000 130,000,000
Mr. Zhu Wei Wei 朱偉偉	9.1.2004 to 1.8.2014 3.20.2005 to 10.5.2014	0.80 0.71	4,000,000 6,000,000	- -	- -	- -	4,000,000 6,000,000
Mr. Ma Jin Long 馬金龍先生	9.1.2004 to 1.8.2014	0.80	9,240,711	-	-	-	9,240,711
Mr. Wu Bang Jie* 吳邦杰先生*	9.1.2004 to 1.8.2014 3.20.2005 to 10.5.2014	0.80 0.71	2,000,000 1,000,000	- -	- -	(2,000,000) (1,000,000)	- -

Name 姓名	Exercise period 行使期	Exercise price 行使價 HK\$ 港元	No. of options 購股權數目				Outstanding as at March 31, 2006 於 二零零六年 三月三十一日 尚未行使
			As at April 1, 2005 於 二零零五年 四月一日	Granted during the financial year ended March 31, 2006 於截至 二零零六年 三月三十一日 年度內授出	Exercised during the financial year ended March 31, 2006 於截至 二零零六年 三月三十一日 年度內行使	Lapsed during the financial year ended March 31, 2006 於截至 二零零六年 三月三十一日 年度內失效	
Mr. Zhao Yu Hua 趙玉華先生	9.1.2004 to 1.8.2014 1.1.2005 to 10.5.2014	0.80 0.71	1,000,000 700,000	- -	- -	- -	1,000,000 700,000
Dr. Mao Er Wan 毛二萬博士	9.1.2004 to 1.8.2014 1.1.2005 to 10.5.2014	0.80 0.71	1,000,000 700,000	- -	- (700,000)	- -	1,000,000 -
Ms. Wong Sin Yue, Cynthia 黃倩如女士	9.1.2004 to 1.8.2014 1.1.2005 to 10.5.2014	0.80 0.71	1,000,000 700,000	- -	- -	- -	1,000,000 700,000
			262,340,711	5,000,000	(700,000)	(3,000,000)	263,640,711
Other employees 其他僱員	9.1.2004 to 1.8.2014 3.20.2005 to 10.5.2014 10.20.2010 to 10.19.2015 1.27.2011 to 1.26.2016	0.80 0.71 1.50 1.52	81,120,000 166,300,000 - -	- - 151,800,000 6,500,000	(10,810,000) (20,240,000) - -	(1,800,000) - - -	68,510,000 146,060,000 151,800,000 6,500,000
			247,420,000	158,300,000	(31,050,000)	(1,800,000)	372,870,000
			509,760,711	163,300,000	(31,750,000)	(4,800,000)	636,510,711
* resigned as director of the Company on May 20, 2005							
* 於二零零五年五月二十日辭任本公司董事							



## SUBSTANTIAL SHAREHOLDERS

As at March 31, 2006, so far as was known to the directors and the chief executives of the Company, the following persons, other than a director or chief executive of the Company, had an interest or short position in the shares and underlying shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or who were, directly or indirectly, interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of the Company or any other members of the Group:

## 主要股東

據本公司董事及行政總裁所知，於二零零六年三月三十一日，下列人士（本公司之董事或行政總裁除外）於股份及相關股份中擁有根據證券及期貨條例第XV部第2及第3分部之條文必須向本公司披露之權益或短倉，或直接或間接擁有5%或以上之任何類別股本面值（附有一切情況下於本公司或本集團任何其他成員公司之股東大會上投票的權利）：

Name of shareholder 股東名稱	Notes 附註	Nature of interest 權益性質	Total 合計	Approximate percentage or attributable percentage of shareholdings (%) 持股概約百分比或應佔百分比 (%)
Ms. Xu Xau Lan 許秀蘭女士	1 & 2	Deemed interest 視作權益	335,100,000 (L) 118,500,000 (S)	11.47 4.06
Hai Xia 海峽	2	Beneficial owner 實益擁有人	340,000,003 (L) 150,000,003 (S)	11.64 5.13
China Petroleum & Chemical Corporation 中國石油化工股份有限公司		Beneficial owner 實益擁有人	210,000,000 (L)	7.19
GAIL (India) Limited		Beneficial owner 實益擁有人	210,000,000 (L)	7.19
Oman Oil Company, S.A.O.C		Beneficial owner 實益擁有人	210,000,000 (L)	7.19
Mackenzie Financial Corporation		Investment manager 投資經理	231,010,000 (L)	7.91

L: Long position L: 長倉  
S: Short position S: 短倉

### Notes:

- (1) Ms. Xu Xau Lan is deemed to be interested in the shares held by her spouse, Mr. Liu, the managing director of the Company.
- (2) On March 8, 2005, a sale and purchase agreement was entered into between Hai Xia and Mr. Liu. Pursuant to which Mr. Liu has agreed to sell and Hai Xia has agreed to purchase 190,000,000 Shares from Mr. Liu in five tranches for a cash consideration in an aggregate amount of HK\$330,000,000. Details of the transaction was set out in the announcement of the Company dated March 9, 2005. As at March 31, 2006, sale and purchase of 71,500,000 Shares has been completed, the outstanding number of shares to be sold and purchased is 118,500,000 Shares.

The 340,000,003 Shares represented 221,500,003 Shares beneficially owned by Hai Xia and 118,500,000 Shares agreed to be acquired by Hai Xia from Mr. Liu.

### 附註：

- (1) 許秀蘭女士被視為擁有其配偶劉先生（本公司董事總經理）持有之股份權益。
- (2) 於二零零五年三月八日，海峽與劉先生訂立一項買賣協議，據此，劉先生同意出售而海峽同意購買190,000,000股股份，買賣共分五次進行，現金代價總值330,000,000港元。交易詳情載於本公司於二零零五年三月九日刊發之公佈內。於二零零六年三月三十一日，其中71,500,000股股份之買賣交易已告完成，買賣股份之餘額為118,500,000股。

該等340,000,003股股份乃指由海峽實益擁有之221,500,003股股份及海峽同意將予向劉先生購入之118,500,000股股份。

## DIRECTORS' REPORT

Save as disclosed herein, as at March 31, 2006, the directors and the chief executives of the Company were not aware of any person who had an interest or short position in the shares of underlying shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or who were, directly or indirectly, interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of the Company or any member of the Group.

### DIRECTORS' INTERESTS IN CONTRACTS OF SIGNIFICANCE

Other than those set out in "Connected Transaction" below and note 46 to the financial statements, no contract of significance to which the Company or any of its subsidiaries was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

### MAJOR CUSTOMERS AND SUPPLIERS

The five largest customers of the Group accounted for less than 30% of the Group's turnover. The aggregate purchases attributable to the Group's five largest suppliers were 38% of total purchases of the Group, with the largest supplier accounted for approximately 18%.

At no time during the year did any director, any associate of a director, or any shareholder, which to the knowledge of the directors owned more than 5% of the Company's share capital, have any beneficial interests in the Group's five largest suppliers.

### PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

During the year, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

### PRE-EMPTIVE RIGHTS

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

### CORPORATE GOVERNANCE

The Company has received from each of the independent non-executive directors, an annual confirmation of his independence pursuant to Rule 3.13 of the Listing Rules. The Company considers all of the independent non-executive directors are independent.

## 董事會報告書

除上文所披露者外，於二零零六年三月三十一日，本公司董事及行政總裁概不知悉任何人士於股份或相關股份中擁有根據證券及期貨條例第XV部第2及第3分部之條文必須向本公司披露之權益或短倉，或直接或間接擁有5%或以上之任何類別股本面值（附有在一情況下於本公司或本集團任何成員公司之股東大會上投票的權利）。

### 董事之重要合約權益

除下文「關連交易」及財務報表附註46所載者外，本公司之董事概無於本公司或其任何附屬公司所訂立於本年度結束時或本年度任何時間有效之任何重大合約中直接或間接擁有重大權益。

### 主要客戶及供應商

本集團五大客戶佔本集團營業額少於30%。本集團五大供應商之採購額總和共佔本集團總採購額38%，而最大供應商則約佔18%。

年內概無董事、董事之聯繫人士或就董事所知擁有本公司股本5%以上之股東於本集團五大供應商擁有任何實益權益。

### 購買、出售或贖回上市證券

年內，本公司或其任何附屬公司概無購買、出售或贖回本公司任何上市證券。

### 優先購買權

根據本公司之公司細則或百慕達公司法，並無任何規定本公司按比例向現有股東發售新股份之優先購買權條文。

### 公司管治

本公司已收到各獨立非執行董事根據上市規則第3.13條有關其獨立性之每年確認函。本公司認為，所有獨立非執行董事均為獨立人士。

### SUFFICIENCY OF PUBLIC FLOAT

The Company has maintained a sufficient public float throughout the year ended March 31, 2006.

### POST BALANCE SHEET EVENTS

Details of the significant events occurring after the balance sheet date are set out in note 47 to the financial statements.

### AUDITORS

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

On behalf of the Board

**Liu Ming Hui**

*Managing Director*

July 21, 2006

### 維持足夠公眾持股量

本公司於截至二零零六年三月三十一日止年度內已一直維持足夠公眾持股量。

### 結算日後事項

結算日後發生之重要事項詳情載於財務報表附註47。

### 核數師

在股東週年大會上將提呈一項決議案，續聘德勤•關黃陳方會計師行為本公司之核數師。

代表董事會

**劉明輝**

*董事總經理*

二零零六年七月二十一日

# Deloitte.

## 德勤

### TO THE SHAREHOLDERS OF CHINA GAS HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

We have audited the consolidated financial statements of China Gas Holdings Limited (the "Company") and its subsidiaries (the "Group") on pages 60 to 166 which have been prepared in accordance with accounting principles generally accepted in Hong Kong.

### Respective responsibilities of directors and auditors

The Company's directors are responsible for the preparation of consolidated financial statements which give a true and fair view. In preparing consolidated financial statements which give a true and fair view it is fundamental that appropriate accounting policies are selected and applied consistently.

It is our responsibility to form an independent opinion, based on our audit, on those consolidated financial statements and to report our opinion solely to you, as a body, in accordance with Section 90 of the Companies Act 1981 of Bermuda (as amended), and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

### Basis of opinion

We conducted our audit in accordance with Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the consolidated financial statements. It also includes an assessment of the significant estimates and judgments made by the directors in the preparation of the consolidated financial statements, and of whether the accounting policies are appropriate to the circumstances of the Group, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance as to whether the consolidated financial statements are free from material misstatement. In forming our opinion, we also evaluated the overall adequacy of the presentation of information in the consolidated financial statements. We believe that our audit provides a reasonable basis for our opinion.

致中國燃氣控股有限公司

(於百慕達註冊成立之有限公司)

列位股東

本核數師行已完成審核中國燃氣控股有限公司(「貴公司」)及其附屬公司(「貴集團」)載於第60至166頁按照香港普遍採納之會計原則編製之綜合財務報表。

### 董事及核數師之個別責任

貴公司之董事須負責編製真實兼公平之綜合財務報表。在編製該等真實兼公平之綜合財務報表時，董事必須貫徹選用合適之會計政策。

本核數師行之責任是根據本核數師行審核工作之結果，對該等綜合財務報表表達獨立意見，並根據百慕達一九八一年公司法第90條(經修訂)向作為團體之股東作出匯報。除此以外，本報告概不可用作其他用途。本核數師行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。

### 意見基礎

本核數師行是按照香港會計師公會頒佈之香港核數準則進行審核工作。審核範圍包括以抽查方式查核與綜合財務報表所載數額及披露事項有關之憑證，亦包括評估董事於編製該等綜合財務報表時所作之重大估計和判斷，所選用之會計政策是否適合貴集團之具體情況，以及是否貫徹應用並足夠地披露該等會計政策。

本核數師行在策劃和進行審核工作時，均以取得一切本核數師行認為必需之資料及解釋為目標，以使本核數師行能獲得充份之憑證，就該等綜合財務報表是否存在重大錯誤陳述，作出合理之確定。在表達意見時，本核數師行亦已衡量該等綜合財務報表所載之資料在整體上是否足夠。本核數師行相信，本核數師行之審核工作已為下列意見建立了合理之基礎。

## Opinion

In our opinion, the consolidated financial statements give a true and fair view of the state of affairs of the Group as at March 31, 2006 and of the profit and cash flows of the Group for the year then ended 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

July 21, 2006

## 意見

本核數師行認為綜合財務報表均真實及公平地反映 貴集團於二零零六年三月三十一日之財務狀況及 貴集團截至該日止年度之溢利和現金流量，並已按照香港公司條例之披露資料規定而妥善編製。

### **德勤•關黃陳方會計師行**

*執業會計師*

香港

二零零六年七月二十一日

# CONSOLIDATED INCOME STATEMENT

For the year ended March 31, 2006

# 綜合收益表

截至二零零六年三月三十一日止年度

			2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元 (Restated) (重列)
	NOTES 附註			
Revenue	收入	6	<b>630,522</b>	411,389
Cost of sales	銷售成本		<b>(325,168)</b>	(163,985)
Gross profit	毛利		<b>305,354</b>	247,404
Other income	其他收益	8	<b>39,580</b>	15,677
Distribution costs	分銷成本		<b>(27,463)</b>	(12,484)
Administrative expenses	行政開支		<b>(145,254)</b>	(106,310)
Change in fair value of investment properties	投資物業之公平值變動		<b>6,073</b>	-
Impairment loss reversed in respect of buildings	樓宇之減值虧損撥回		-	1,330
Impairment loss reversed in respect of prepaid lease payments	預付租賃款項之減值虧損撥回		-	1,338
Impairment loss recognised in respect of available-for-sale investments	確認可供出售之投資減值虧損		<b>(4,400)</b>	-
Impairment loss recognised in respect of trade and other receivables	確認貿易應收賬款及其他應收賬項減值虧損		<b>(11,000)</b>	-
Finance costs	財務費用	9	<b>(44,207)</b>	(27,428)
Change in fair value of derivative financial instruments	衍生金融工具之公平值變動		<b>25,669</b>	-
Gain (loss) on disposal of subsidiaries	出售附屬公司之收益 (虧損)		<b>443</b>	(1,650)
Discounts on acquisition of subsidiaries, jointly controlled entities and businesses	收購附屬公司、共同控制企業及業務之折扣	10	<b>37,893</b>	15,998
Share of results of associates	應佔聯營公司業績		<b>(138)</b>	-
Profit before taxation	除稅前溢利		<b>182,550</b>	133,875
Taxation	稅項	11	<b>(2,482)</b>	(1,493)
Profit for the year	本年度溢利	12	<b>180,068</b>	132,382
Attributable to:	歸屬：			
Equity holders of the Company	本公司股東		<b>156,736</b>	96,617
Minority interests	少數股東權益		<b>23,332</b>	35,765
			<b>180,068</b>	132,382
Earnings per share	每股盈利	14		
Basic	基本		<b>HK6.15 cents 港仙</b>	HK5.24 cents 港仙
Diluted	攤薄		<b>HK5.54 cents 港仙</b>	HK5.10 cents 港仙

# CONSOLIDATED BALANCE SHEET

At March 31, 2006

# 綜合資產負債表

於二零零六年三月三十一日

			2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元 (Restated) (重列)
	NOTES 附註			
<b>Non-current assets</b>	<b>非流動資產</b>			
Investment properties	投資物業	15	44,450	–
Property, plant and equipment	物業、廠房及設備	16	1,809,844	954,664
Prepaid lease payments	預付租賃款項	17	94,434	60,581
Interests in associates	於聯營公司之權益	18	613	751
Investments in securities	證券投資	20	–	5,693
Available-for-sale investments	可供出售之投資	20	27,989	–
Goodwill	商譽	21	275,375	209,394
Deposits for acquisition of property, plant and equipment	收購物業、廠房及 設備按金	22	173,863	298,700
			<b>2,426,568</b>	1,529,783
<b>Current assets</b>	<b>流動資產</b>			
Inventories	存貨	23	108,024	42,520
Amounts due from customers for contract work	應收客戶之合約 工程款項	24	454,914	366,664
Trade and other receivables	貿易應收賬款及 其他應收賬項	25	347,666	86,666
Derivative financial instruments	衍生金融工具	26	27,660	–
Prepaid lease payments	預付租賃款項	17	1,926	907
Investments in securities	證券投資	20	–	14,430
Bank balances and cash	銀行結存及現金	27	1,727,130	712,015
			<b>2,667,320</b>	1,223,202
<b>Current liabilities</b>	<b>流動負債</b>			
Trade and other payables	貿易應付賬款及 其他應付賬項	28	391,765	173,137
Derivative financial instruments	衍生金融工具	26	49,369	–
Amounts due to customers for contract work	應付客戶之合約工程款項	24	1,209	892
Amounts due to minority shareholders of subsidiaries	欠附屬公司少數股東款項	28	–	435
Taxation	稅項		1,784	158
Bank and other borrowings – due within one year	銀行及其他借貸 – 於一年內到期	29	345,662	172,928
Obligations under a finance lease – due within one year	融資租賃承擔 – 於一年內到期	30	64	64
Convertible note	可換股票據	31	–	35,811
			<b>789,853</b>	383,425
<b>Net current assets</b>	<b>流動資產淨值</b>		<b>1,877,467</b>	839,777
			<b>4,304,035</b>	2,369,560

# CONSOLIDATED BALANCE SHEET

# 綜合資產負債表

At March 31, 2006

於二零零六年三月三十一日

			2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元 (Restated) (重列)
		NOTES 附註		
Equity	權益			
Share capital	股本	32	29,216	22,448
Reserves	儲備		1,836,242	966,182
Equity attributable to equity holders of the Company	歸屬本公司股東之權益		1,865,458	988,630
Minority interests	少數股東權益		255,308	97,360
Total equity	權益總額		2,120,766	1,085,990
Non-current liabilities	非流動負債			
Amount due to a minority shareholder of a subsidiary	應付一家附屬公司一名 少數股東款項	33	244,505	132,931
Bank and other borrowings – due after one year	銀行及其他借貸 – 於一年後到期	29	1,665,790	1,150,518
Obligations under a finance lease – due after one year	融資租賃承擔 – 於一年後到期	30	–	121
Convertible bonds	可換股債券	34	272,974	–
			2,183,269	1,283,570
			4,304,035	2,369,560

The consolidated financial statements on pages 60 to 166 were approved and authorised for issue by the Board of Directors on July 21, 2006 and are signed on its behalf by:

第60頁至第166頁之綜合財務報表已由董事會於二零零六年七月二十一日批准及授權發行並由下列董事代表簽署：

**Xu Ying**  
Vice Chairman

**Liu Ming Hui**  
Managing Director

徐鷹  
副主席

劉明輝  
董事總經理



# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

# 綜合權益變動表

For the year ended March 31, 2006

截至二零零六年三月三十一日止年度

		Attributable to equity holders of the Company 歸屬本公司股東													
		Share capital	Share premium	Other reserve	Employee share-based compensation reserve	Convertible note and bonds equity reserve	Translation reserve	Investment reserve	Properties revaluation reserve	Special reserve	Statutory funds	Accumulated (losses) profits	Minority interests	Total	
		股本	股份溢價	其他儲備	僱員股份報酬儲備	可換股票據及債券股本儲備	匯兌儲備	投資重估儲備	物業重估儲備	特別儲備	法定基金	累計(虧損)溢利	總計	少數股東權益	
		HK\$'000	HK\$'000	HK\$'000	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	千港元	千港元	千港元	
				(Note) (附註)						(Note) (附註)	(Note) (附註)				
At April 1, 2004	於二零零四年														
as originally stated	四月一日，原列	15,578	504,957	58,000	-	-	3,241	-	-	1,602	5,002	(85,706)	502,674	91,121	593,795
Effect of changes in accounting policies (Note 2A)	會計政策改變之影響 (附註 2A)	-	58	-	-	6,572	-	-	-	-	-	(1,207)	5,423	-	5,423
As restated	重列	15,578	505,015	58,000	-	6,572	3,241	-	-	1,602	5,002	(86,913)	508,097	91,121	599,218
Exchange gain on translation of operations outside Hong Kong recognised directly in equity	直接於權益確認之 換算香港境外業務 之匯兌收益	-	-	-	-	-	842	-	-	-	-	-	842	-	842
Profit for the year (restated)	本年度溢利 (重列)	-	-	-	-	-	-	-	-	-	-	96,617	96,617	35,765	132,382
Total recognised income for the year	本年度確認 收入總額	-	-	-	-	-	842	-	-	-	-	96,617	97,459	35,765	133,224
Private placement	私人配售	4,301	255,212	(58,000)	-	-	-	-	-	-	-	-	201,513	-	201,513
Conversion of convertible bonds	轉換可換股債券	811	43,281	-	-	(5,638)	-	-	-	-	-	-	38,454	-	38,454
Redemption of convertible note and bonds	贖回可換股票據 及債券	-	-	-	-	(5,392)	-	-	-	-	-	5,392	-	-	-
Recognition of equity component of convertible bonds	確認可換股債券 之股本部分	-	-	-	-	5,812	-	-	-	-	-	-	5,812	-	5,812
Recognition of share based payments	確認以股份 形式付款	-	-	-	29,474	-	-	-	-	-	-	-	29,474	-	29,474
Exercise of share options	行使購股權	58	4,566	-	-	-	-	-	-	-	-	-	4,624	-	4,624
Issue of warrants	發行認股權證	-	-	2,600	-	-	-	-	-	-	-	-	2,600	-	2,600
Exercise of warrants	行使認股權證	1,700	112,200	(1,700)	-	-	-	-	-	-	-	-	112,200	-	112,200
Share issue expenses	發行股份開支	-	(10,130)	-	-	-	-	-	-	-	-	-	(10,130)	-	(10,130)
Expenses on issuing convertible bonds	發行可換股 債券開支	-	(1,283)	-	-	-	-	-	-	-	-	-	(1,283)	-	(1,283)
Expenses on issuing warrants	發行認股權證開支	-	(190)	-	-	-	-	-	-	-	-	-	(190)	-	(190)
Acquisition of subsidiaries	收購附屬公司	-	-	-	-	-	-	-	-	-	-	-	-	8,466	8,466
Capital injected by minority shareholders of subsidiaries	附屬公司少數 股東注資	-	-	-	-	-	-	-	-	-	-	-	-	17,693	17,693
Decrease in minority interest as a result of acquisitions of additional investments in subsidiaries	收購附屬公司額外 投資導致少數 股東權益減少	-	-	-	-	-	-	-	-	-	-	-	-	(55,685)	(55,685)
Transfer	轉撥	-	-	-	-	-	-	-	-	-	4,073	(4,073)	-	-	-
At March 31, 2005	於二零零五年 三月三十一日	22,448	908,671	900	29,474	1,354	4,083	-	-	1,602	9,075	11,023	988,630	97,360	1,085,990
Effect of change in accounting policies	會計政策改變之影響	-	-	-	-	-	-	-	-	-	-	(4,600)	(4,600)	-	(4,600)
At April 1, 2005 as restated	於二零零五年 四月一日，重列	22,448	908,671	900	29,474	1,354	4,083	-	-	1,602	9,075	6,423	984,030	97,360	1,081,390

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

# 綜合權益變動表

For the year ended March 31, 2006

截至二零零六年三月三十一日止年度

## Attributable to equity holders of the Company

歸屬本公司股東

		Attributable to equity holders of the Company										Minority interests	Total		
		Share capital	Share premium	Other reserve	Employee share-based compensation reserve	Convertible bonds equity reserve	Translation reserve	Investment revaluation reserve	Properties revaluation reserve	Special reserve	Statutory funds			Accumulated profits (losses)	
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	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	千港元	千港元	千港元	千港元
				(Note)					(Note)	(Note)					
				(附註)					(附註)	(附註)					
At April 1, 2005 as restated	於二零零五年 四月一日，重列	22,448	908,671	900	29,474	1,354	4,083	-	-	1,602	9,075	6,423	984,030	97,360	1,081,390
Decrease in fair value of available-for-sales investments	可供出售之投資 公平值減少	-	-	-	-	-	-	(5,259)	-	-	-	-	(5,259)	-	(5,259)
Revaluation upon change of intended use of properties	物業擬定用途 改變時重估	-	-	-	-	-	-	-	1,601	-	-	-	1,601	-	1,601
Exchange gain on translation of operations outside Hong Kong	換算香港境外業務 之匯兌收益	-	-	-	-	-	4,439	-	-	-	-	-	4,439	496	4,935
Net income recognised directly in equity	直接於權益確認 之收入淨額	-	-	-	-	-	4,439	(5,259)	1,601	-	-	-	781	496	1,277
Profit for the year	本年度溢利	-	-	-	-	-	-	-	-	-	-	156,736	156,736	23,332	180,068
Total recognised income for the year	本年度確認 收入總額	-	-	-	-	-	4,439	(5,259)	1,601	-	-	156,736	157,517	23,828	181,345
Private placement	私人配售	5,550	643,016	-	-	-	-	-	-	-	-	-	648,566	-	648,566
Redemption of convertible note	贖回可換股票據	-	-	-	-	(1,354)	-	-	-	-	-	1,354	-	-	-
Recognition of equity-settled share based payments	確認按股本結付之 以股份形式付款	-	-	-	8,505	-	-	-	-	-	-	-	8,505	-	8,505
Exercise of share options	行使購股權	318	23,198	-	-	-	-	-	-	-	-	-	23,516	-	23,516
Exercise of warrants	行使認股權證	900	59,400	(900)	-	-	-	-	-	-	-	-	59,400	-	59,400
Share issue expenses	發行股份開支	-	(16,076)	-	-	-	-	-	-	-	-	-	(16,076)	-	(16,076)
Acquisition of a subsidiary	收購附屬公司	-	-	-	-	-	-	-	-	-	-	-	-	116,088	116,088
Disposal of a subsidiary	出售附屬公司	-	-	-	-	-	-	-	-	-	-	-	-	(2,160)	(2,160)
Capital injected by minority shareholder of a subsidiary	附屬公司少數 股東注資	-	-	-	-	-	-	-	-	-	-	-	-	20,192	20,192
Transfer	轉撥	-	-	-	-	-	-	-	-	-	3,352	(3,352)	-	-	-
At March 31, 2006	於二零零六年 三月三十一日	29,216	1,618,209	-	37,979	-	8,522	(5,259)	1,601	1,602	12,427	161,161	1,865,458	255,308	2,120,766

Note: The special reserve of the Group represents the difference between the nominal value of the shares of the acquired subsidiaries and the nominal value of the Company's shares issued for the acquisition at the time of the group reorganisation prior to the listing of the Company's shares in 1995.

The statutory funds are reserves required by the relevant laws of the People's Republic of China, other than Hong Kong (the "PRC"), applicable to the Group's PRC subsidiaries.

Other reserve as at April 1, 2004 represented the advance payment received from the subscriber for the private placement of which the shares have been issued and allotted during the year ended March 31, 2005. Other reserve as at March 31, 2005 represented the consideration received from subscribers for the issue of warrants.

附註：本集團之特別儲備乃指本公司所收購附屬公司之股份面值與本公司股份於一九九五年上市前進行集團重組期間收購附屬公司而發行之股份之面值二者之差額。

法定基金乃中華人民共和國（「中國」，就此而言不包括香港）適用於本集團中國附屬公司之有關法例所規定設有之儲備。

於二零零四年四月一日之其他儲備代表截至二零零五年三月三十一日止年度以私人配售方式發行及配發股份而向認購人士收取之墊款。於二零零五年三月三十一日之其他儲備代表就發行認股權證向認購人士收取之代價。

Note: The special reserve of the Group represents the difference between the nominal value of the shares of the acquired subsidiaries and the nominal value of the Company's shares issued for the acquisition at the time of the group reorganisation prior to the listing of the Company's shares in 1995.

The statutory funds are reserves required by the relevant laws of the People's Republic of China, other than Hong Kong (the "PRC"), applicable to the Group's PRC subsidiaries.

Other reserve as at April 1, 2004 represented the advance payment received from the subscriber for the private placement of which the shares have been issued and allotted during the year ended March 31, 2005. Other reserve as at March 31, 2005 represented the consideration received from subscribers for the issue of warrants.

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# CONSOLIDATED CASH FLOW STATEMENT

# 綜合現金流量表

For the year ended March 31, 2006

截至二零零六年三月三十一日止年度

		2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元 (Restated) (重列)
<b>OPERATING ACTIVITIES</b>	<b>經營業務</b>		
Profit before taxation	除稅前溢利	182,550	133,875
Adjustments for:	經以下調整：		
Change in fair value of investment properties	投資物業之公平值變動	(6,073)	-
Impairment loss reversed in respect of buildings	樓宇之減值虧損撥回	-	(1,330)
Impairment loss reversed in respect of prepaid lease payments	預付租賃款項之減值虧損撥回	-	(1,338)
Impairment loss recognised in respect of available-for-sale investments	確認可供出售之投資減值虧損	4,400	-
Impairment loss recognised in respect of trade and other receivables	確認貿易應收賬款及其他應收賬項之減值虧損	11,000	-
Unrealised holding loss on other investments	持有其他投資之未變現虧損	-	370
Depreciation of property, plant and equipment	物業、廠房及設備之折舊	46,868	11,103
Release of prepaid lease payments	預付租賃款項解除	696	204
Gain on disposal of investment properties	投資物業收益	-	(300)
Loss on disposal of property, plant and equipment	出售物業、廠房及設備虧損	-	51
Interest expense	利息開支	44,207	27,428
(Gain) loss on disposal of subsidiaries	出售附屬公司之(收益)虧損	(443)	1,650
Share of results of associates	應佔聯營公司業績	138	-
Discount on acquisition of subsidiaries, jointly controlled entities and businesses	收購附屬公司、共同控制企業及業務之折扣	(37,893)	(15,998)
Share-based payments	以股份形式付款	8,505	29,474
Interest income	利息收入	(21,553)	(1,911)
Change in fair value of derivative financial instruments	衍生金融工具之公平值變動	(25,669)	-
Operating cash flows before movements in working capital	營運資金變動前之經營業務現金流	206,733	183,278
Increase in inventories	存貨增加	(7,069)	(25,023)
Increase in amounts due from customers for contract work	應收客戶之合約工程款項增加	(88,250)	(223,229)
(Increase) decrease in trade and other receivables	貿易應收賬款及其他應收賬項(增加)減少	(186,081)	21,791
Increase in trade and other payables	貿易應付賬款及其他應付賬項增加	120,129	79,570
Increase in amounts due to customers for contract work	應付客戶之合約工程款項增加	317	549
Decrease in amounts due to minority shareholders of subsidiaries	應付附屬公司少數股東款項減少	(435)	(550)
Cash from operations	經營業務產生現金	45,344	36,386
PRC income tax paid	已付中國所得稅	(856)	(1,720)
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>經營業務所得現金淨額</b>	<b>44,488</b>	<b>34,666</b>

			2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元 (Restated) (重列)
	NOTES 附註			
<b>INVESTING ACTIVITIES</b>	<b>投資活動</b>			
Interest received	已收利息		21,553	1,911
Decrease (increase) in deposits paid for acquisition of property, plant and equipment	收購物業、廠房及設備 已付按金減少(增加)		124,837	(264,513)
Deposits refunded for investments	退還投資按金		-	5,714
Purchase of available-for-sale investments	購買可供出售之投資		(17,525)	-
Purchase of additional interest in subsidiaries	增購附屬公司權益		-	(95,413)
Addition of property, plant and equipment	添置物業、廠房及設備		(496,990)	(497,449)
Addition of prepaid lease payments	添置預付租賃款項		(12,249)	(8,373)
Proceeds from disposal of property, plant and equipment	出售物業、廠房及 設備所得款項		-	18
Proceeds from disposal of investment properties	出售投資物業所得款項		-	9,920
Purchase of subsidiaries, net of cash and cash equivalents acquired	購買附屬公司，扣除收購 之現金及現金等值項目	36	-	(72,743)
Purchase of jointly controlled entities, net of cash and cash equivalents acquired	購買共同控制企業，扣除 收購之現金及現金等值項目	37	(130,131)	(195)
Purchase of businesses, net of cash and cash equivalents acquired	購買業務，扣除收購之現金 及現金等值項目	38	(56,275)	-
Disposal of subsidiaries, net of cash and cash equivalents disposed of	出售附屬公司，扣除出售 之現金及現金等值項目	39	2,682	17,050
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>投資活動所用現金淨額</b>		<b>(564,098)</b>	<b>(904,073)</b>
<b>FINANCING ACTIVITIES</b>	<b>融資活動</b>			
Interest paid	已付利息		(35,997)	(22,571)
Proceeds from issue of ordinary shares	發行普通股之所得款項		731,482	318,337
Proceeds from issue of convertible bonds	發行可換股債券之所得款項		310,000	54,523
Proceeds from issue of warrants	發行認股權證之所得款項		-	2,600
Share issue expenses	股份發行開支		(16,076)	(10,130)
Expenses on issuing convertible bonds	發行可換股債券之開支		(9,259)	(1,283)
Expenses on issuing warrants	發行認股權證之開支		-	(190)
Repayment of convertible note	償還可換股票據		(35,900)	(10,900)
Repayment of convertible bonds	償還可換股債券		-	(46,725)
New bank and other borrowings raised	新籌得銀行及其他借貸		768,403	994,017
Repayments of bank borrowings	償還銀行借貸		(285,294)	(319,433)
Repayments of obligations under a finance lease	融資租約承擔之還款		(131)	(112)
Capital injected by minority shareholders of subsidiaries	附屬公司少數股東注資		-	17,693
Advance from a minority shareholder of subsidiaries	附屬公司少數股東墊款		111,574	132,931
<b>NET CASH GENERATED FROM FINANCING ACTIVITIES</b>	<b>融資活動所得現金淨額</b>		<b>1,538,802</b>	<b>1,108,757</b>

# CONSOLIDATED CASH FLOW STATEMENT

# 綜合現金流量表

For the year ended March 31, 2006

截至二零零六年三月三十一日止年度

		2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元 (Restated) (重列)
	NOTES 附註		
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	現金及現金等值項目之增加淨額	<b>1,019,192</b>	239,350
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR</b>	年初之現金及現金等值項目	<b>712,015</b>	471,823
<b>EFFECT OF FOREIGN EXCHANGE RATE CHANGES</b>	匯率變動之影響	<b>(4,077)</b>	842
<b>CASH AND CASH EQUIVALENTS AT END OF THE YEAR</b>	年終之現金及現金等值項目	<b>1,727,130</b>	712,015
<b>ANALYSIS OF THE BALANCES OF CASH AND CASH EQUIVALENTS</b>	現金及現金等值項目結餘分析		
Bank balances and cash	銀行結餘及現金	<b>1,727,130</b>	712,015

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended March 31, 2006

# 財務報表附註

截至二零零六年三月三十一日止年度

## 1. GENERAL

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

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

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

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

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

### Share-based payments

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

## 1. 一般資料

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

本公司為一間投資控股公司。本公司主要附屬公司之業務載於附註 48。

綜合財務報表乃以港元列示，與本公司之功能貨幣相同。

## 2. 採納新訂及經修訂香港財務報告準則

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

### 以股份形式付款

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



## NOTES TO THE FINANCIAL STATEMENTS

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## 財務報表附註

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

#### Financial instruments

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

#### *Convertible note and convertible bonds*

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

#### *Classification and measurement of financial assets and financial liabilities*

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

### 2. 採納新訂及經修訂香港財務報告準則 (續)

#### 金融工具

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

#### *可換股票據及可換股債券*

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

#### *金融資產及金融負債之分類及計量*

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

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

### Financial instruments (Continued)

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

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

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

### Financial assets and financial liabilities other than investments in equity securities

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

## 2. 採納新訂及經修訂香港財務報告準則 (續)

### 金融工具 (續)

以往根據會計實務準則第24號之基準處理方法入賬之債務及股本證券

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

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

### 股本證券投資以外之金融資產及金融負債

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

## NOTES TO THE FINANCIAL STATEMENTS

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## 財務報表附註

截至二零零六年三月三十一日止年度

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

#### Financial instruments (Continued)

##### Derivatives and hedging

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

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

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

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

### 2. 採納新訂及經修訂香港財務報告準則 (續)

#### 金融工具 (續)

##### 衍生工具及對沖

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

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

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

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

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

### Owner-occupied leasehold interest in land

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

### Leasehold land held for undetermined future use

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

## 2. 採納新訂及經修訂香港財務報告準則 (續)

### 業主佔用租賃土地權益

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

### 持作未決定未來用途之租賃土地

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

## NOTES TO THE FINANCIAL STATEMENTS

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## 財務報表附註

截至二零零六年三月三十一日止年度

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

#### Investment properties

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

#### Deferred taxes related to investment properties

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

### 2. 採納新訂及經修訂香港財務報告準則 (續)

#### 投資物業

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

#### 與投資物業有關之遞延稅項

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

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

### Interests in jointly controlled entities

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

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

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

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

## 2. 採納新訂及經修訂香港財務報告準則(續)

### 於共同控制企業之權益

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

## 2A. 會計政策改變之影響概要

上文附註2所述之會計政策改變對本期間及前期間業績之影響如下：

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended March 31, 2006

## 財務報表附註

截至二零零六年三月三十一日止年度

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

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

### 2A. 會計政策改變之影響概要 (續)

按每一行呈列之項目根據其功能對期間溢利淨額增加(減少)之分析：

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

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

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

## 2A. 會計政策改變之影響概要 (續)

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

		Effect of	Effect of	Effect of	Effect of	Effect of	Effect of	Effect of	Effect of	As at
	As at	HKAS 1	HKFRS 2	HKAS 17	HKAS 31	HKAS 32	HKAS 31,	HKAS 40	HKAS 39	As at
	March 31,	and	Effect of	Effect of	Effect of	Effect of	March 31,	Effect of	Effect of	As at
	2005	HKAS 27	HKFRS 2	HKAS 17	HKAS 31	HKAS 32	2005	HKAS 40	HKAS 39	April 1,
	於	香港會計	香港財務	香港	香港	香港	於	香港	香港	於
	二零零五年	準則第 1	報告準則	會計準則	會計準則	會計準則	二零零五年	會計準則	會計準則	二零零五年
	三月	及 27 號	第 2 號	第 17 號	第 31 號	第 32 號	三月	第 40 號	第 39 號	於
	三十一日	之影響	之影響	之影響	之影響	之影響	三十一日	之影響	之影響	二零零五年
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
	(originally									
	stated)						(restated)			(restated)
	(原列)						(重列)			(重列)
Balance sheet items	資產負債表項目									
Property, plant and equipment	物業、廠房及設備	998,112	-	(43,988)	540	-	954,664	-	-	954,664
Properties held for development	持作發展物業	17,500	-	(17,500)	-	-	-	-	-	-
Investment properties	投資物業	-	-	-	-	-	-	24,400	-	24,400
Interest in a jointly controlled entity	於共同控制企業之權益	20,454	-	-	(20,454)	-	-	-	-	-
Interests in associates	於聯營公司之權益	-	-	-	751	-	751	-	-	751
Investments in securities	證券投資	19,920	-	-	203	-	20,123	-	(20,123)	-
Available-for-sales investments	可供出售投資	-	-	-	-	-	-	-	20,123	20,123
Prepaid lease payments	預付租賃款項	-	-	61,488	-	-	61,488	(17,500)	-	43,988
Inventories	存貨	38,829	-	-	3,691	-	42,520	-	-	42,520
Trade and other receivables	貿易應收賬款及其他應收賬項	85,761	-	-	905	-	86,666	-	-	86,666
Bank balances and cash	銀行結存及現金	695,389	-	-	16,626	-	712,015	-	-	712,015
Trade and other payables	貿易應付賬款及其他應付賬項	(170,876)	-	-	(2,261)	-	(173,137)	-	-	(173,137)
Derivative financial instruments	衍生金融工具	-	-	-	-	-	-	-	(11,500)	(11,500)
Taxation	稅項	(157)	-	-	(1)	-	(158)	-	-	(158)
Convertible note	可換股票據	(35,900)	-	-	-	89	(35,811)	-	-	(35,811)
Amounts due to minority shareholders of subsidiaries	欠附屬公司少數股東款項	(133,366)	-	-	-	-	(133,366)	-	-	(133,366)
Bank and other borrowings	銀行及其他借貸	(1,323,446)	-	-	-	-	(1,323,446)	-	-	(1,323,446)
Other assets and liabilities	其他資產及負債	873,681	-	-	-	-	873,681	-	-	873,681
Total effects on assets and liabilities	對資產及負債之影響總額	1,085,901	-	-	-	89	1,085,990	6,900	(11,500)	1,081,390



# NOTES TO THE FINANCIAL STATEMENTS

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For the year ended March 31, 2006

截至二零零六年三月三十一日止年度

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

## 2A. 會計政策改變之影響概要 (續)

		Effect of					Effect of				
		As at	HKAS 1	Effect of	Effect of	Effect of	Effect of	As at	Effect of	Effect of	As at
		March 31,	and	Effect of	Effect of	Effect of	Effect of	March 31,	Effect of	Effect of	As at
		2005	HKAS 27	HKFRS 2	HKAS 17	HKAS 31	HKAS 32	2005	HKAS 40	HKAS 39	April 1,
		於	香港會計	香港財務	香港	香港	香港	於	香港	香港	於
		二零零五年	準則第 1	報告準則	會計準則	會計準則	會計準則	二零零五年	會計準則	會計準則	二零零五年
		三月	及 27 號	第 2 號	第 17 號	第 31 號	第 32 號	三月	第 40 號	第 39 號	四月一日
		三十一日	之影響	之影響	之影響	之影響	之影響	三十一日	之影響	之影響	四月一日
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
		(originally						(restated)			(restated)
		stated)									
		(原列)						(重列)			(重列)
Share capital	股本	22,448	-	-	-	-	-	22,448	-	-	22,448
Share premium	股份溢價	907,963	-	-	-	-	708	908,671	-	-	908,671
Employee share-based compensation reserve	僱員股份 報酬儲備	-	-	29,474	-	-	-	29,474	-	-	29,474
Convertible note and bonds equity reserve	可換股票據及 債券股本儲備	-	-	-	-	-	1,354	1,354	-	-	1,354
Accumulated profits	累計溢利	42,470	-	(29,474)	-	-	(1,973)	11,023	6,900	(11,500)	6,423
Other reserves	其他儲備	15,660	-	-	-	-	-	15,660	-	-	15,660
Minority interests	少數股東權益	-	97,360	-	-	-	-	97,360	-	-	97,360
Total effects on equity	對權益之影響總額	988,541	97,360	-	-	-	89	1,085,990	6,900	(11,500)	1,081,390
Minority interests	少數股東權益	97,360	(97,360)	-	-	-	-	-	-	-	-
		1,085,901	-	-	-	-	89	1,085,990	6,900	(11,500)	1,081,390

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

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

## 2A. 會計政策改變之影響概要 (續)

應用新香港財務報告準則對本集團權益於二零零四年四月一日之財務影響概述如下：

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

For the year ended March 31, 2006

截至二零零六年三月三十一日止年度

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

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

HKAS 1 (Amendment)  
香港會計準則第 1 號 (修訂本)

HKAS 19 (Amendment)  
香港會計準則第 19 號 (修訂本)

HKAS 21 (Amendment)  
香港會計準則第 21 號 (修訂本)

HKAS 39 (Amendment)  
香港會計準則第 39 號 (修訂本)

HKAS 39 (Amendment)  
香港會計準則第 39 號 (修訂本)

HKAS 39 and HKFRS 4 (Amendments)  
香港會計準則第 39 號及香港  
財務報告準則第 4 號 (修訂本)

HKFRS 6  
香港財務報告準則第 6 號

HKFRS 7  
香港財務報告準則第 7 號

HK(IFRIC) – INT 4  
香港財務報告詮釋委員會 – 詮釋 4

HK(IFRIC) – INT 5  
香港財務報告詮釋委員會 – 詮釋 5

HK(IFRIC) – INT 6  
香港財務報告詮釋委員會 – 詮釋 6

HK(IFRIC) – INT 7  
香港財務報告詮釋委員會 – 詮釋 7

HK(IFRIC) – INT 8  
香港財務報告詮釋委員會 – 詮釋 8

HK(IFRIC) – INT 9  
香港財務報告詮釋委員會 – 詮釋 9

**2A. 會計政策改變之影響概要 (續)**

於批准此等財務報表當日，下列新準則、修訂及詮釋經已頒佈但尚未生效。

Capital disclosure<sup>1</sup>  
資本披露<sup>1</sup>

Actuarial gains and losses, group plans and disclosures<sup>2</sup>  
精算盈虧、集團計劃及披露<sup>2</sup>

New investment in a foreign operation<sup>2</sup>  
海外業務投資淨額<sup>2</sup>

Cash flow hedge accounting of forecast intragroup transactions<sup>2</sup>  
預測集團內部交易之現金流量對沖會計方法<sup>2</sup>

The fair value option<sup>2</sup>  
公平值選擇<sup>2</sup>

Financial guarantee contracts<sup>2</sup>  
財務擔保合約<sup>2</sup>

Exploration for and evaluation of mineral resources<sup>2</sup>  
勘探及評估礦物資源<sup>2</sup>

Financial instruments: Disclosures<sup>1</sup>  
金融工具：披露<sup>1</sup>

Determining whether an arrangement contains a lease<sup>2</sup>  
釐定一項安排是否包括租約<sup>2</sup>

Rights to interests arising from decommissioning,  
restoration and environmental rehabilitation funds<sup>2</sup>  
解除、恢復及環境修復基金所產生權益之權利<sup>2</sup>

Liabilities arising from participating in a specific market  
– waste electrical and electronic equipment<sup>3</sup>  
因參與個別市場產生之責任 – 廢料電動及電子儀器<sup>3</sup>

Applying the restatement approach under HKAS 29  
Financial Reporting in Hyperinflationary Economies<sup>4</sup>  
應用香港會計準則第 29 號惡性通貨膨脹經濟財務報告項下之重列法<sup>4</sup>

Scope of HKFRS 2<sup>5</sup>  
香港財務報告準則第 2 號之範圍<sup>5</sup>

Reassessment of embedded derivatives<sup>6</sup>  
重估附帶衍生工具<sup>6</sup>

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

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

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

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

## 3. SIGNIFICANT ACCOUNTING POLICIES

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

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

### Basis of consolidation

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

## 2A. 會計政策改變之影響概要 (續)

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

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

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

## 3. 重大會計政策

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

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

### 綜合基準

綜合財務報表包括本公司及其附屬公司編製至每年三月三十一日之財務報表。

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended March 31, 2006

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Basis of consolidation (Continued)

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

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

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

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

#### Business combinations

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

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

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

## 財務報表附註

截至二零零六年三月三十一日止年度

### 3. 重大會計政策 (續)

#### 綜合基準 (續)

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

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

所有本集團內公司間之交易、結餘、收入及開支已於綜合賬目時對銷。

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

#### 業務合併

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

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

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

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Goodwill

##### *Capitalised goodwill arising on acquisitions prior to April 1, 2004*

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

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

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

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

##### *Impairment testing on capitalised goodwill*

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

### 3. 重大會計政策 (續)

#### 商譽

於二零零四年四月一日前因收購所產生之已資本化商譽

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

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

於二零零四年四月一日或其後因收購所產生之已資本化商譽

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

##### *已資本化商譽之減值測試*

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

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended March 31, 2006

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Goodwill (Continued)

##### Impairment testing on capitalised goodwill (Continued)

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

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

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

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

#### Interests in associates

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

## 財務報表附註

截至二零零六年三月三十一日止年度

### 3. 重大會計政策 (續)

#### 商譽 (續)

##### 撥作資本商譽之減值測試 (續)

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

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

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

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

#### 於聯營公司之權益

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

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Interests in associates (Continued)

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

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

#### Investments in jointly controlled entities

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

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

#### Revenue recognition

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

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

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

### 3. 重大會計政策 (續)

#### 於聯營公司之權益 (續)

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

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

#### 於共同控制實體之投資

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

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

#### 收入確認

收入按已收或應收代價之公允價值計算。

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

石油、天然氣及燃氣器具之銷售須於貨物送抵且物權轉移時確認。



# NOTES TO THE FINANCIAL STATEMENTS

For the year ended March 31, 2006

## 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

### Revenue recognition (Continued)

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

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

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

### Property, plant and equipment

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

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

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

### Construction in progress

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

# 財務報表附註

截至二零零六年三月三十一日止年度

## 3. 重大會計政策 (續)

### 收入確認 (續)

經營租約之租金收入乃按有關租約之年期以直線基準加以確認。

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

投資之股息收入於股東收取股息之權利獲確立時加以確認。

### 物業、廠房及設備

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

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

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

### 在建工程

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

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Investment properties

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

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

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

#### Construction contracts

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

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

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

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

### 3. 重大會計政策 (續)

#### 投資物業

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

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

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

#### 建造合同

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

倘建造合同之結果未能可靠衡量，合同成本將於彼等產生之期間作開支確認。

倘合同成本總額可能超逾合同收入時，預期虧損將立即作開支確認。

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

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended March 31, 2006

# 財務報表附註

截至二零零六年三月三十一日止年度

## 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

### Inventories

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

### Impairment losses other than goodwill

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

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

### Leasing

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

#### *The Group as lessor*

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

#### *The Group as lessee*

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

## 3. 重大會計政策 (續)

### 存貨

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

### 減值虧損（商譽除外）

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

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

### 租賃

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

#### *本集團作為出租人*

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

#### *本集團作為承租人*

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

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Foreign currencies

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

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

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

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

#### Retirement benefit costs

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

### 3. 重大會計政策 (續)

#### 外幣

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

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

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

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

#### 退休福利成本

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

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended March 31, 2006

# 財務報表附註

截至二零零六年三月三十一日止年度

## 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

### Taxation

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

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

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

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

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

### Borrowing costs

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

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

## 3. 重大會計政策 (續)

### 稅項

所得稅開支指現時應付稅項及遞延稅項。

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

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

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

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

### 借貸成本

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

所有借貸成本於產生期間確認為開支。

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Financial instruments

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

#### Financial assets

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

#### Loans and receivables

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

### 3. 重大會計政策 (續)

#### 金融工具

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

#### 金融資產

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

#### 貸款及應收款項

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

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended March 31, 2006

## 財務報表附註

截至二零零六年三月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Financial instruments (Continued)

##### Financial assets (Continued)

##### Available-for-sale financial assets

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

##### Financial liabilities and equity

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

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

##### Financial liabilities

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

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

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

### 3. 重大會計政策 (續)

#### 金融工具 (續)

##### 金融資產 (續)

##### 可出售金融資產

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

##### 金融負債及權益

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

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

##### 金融負債

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

以固定數目之股本工具結算之可換股票據及可換股債券

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

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Financial instruments (Continued)

##### Financial liabilities and equity (Continued)

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

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

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

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

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

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

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

### 3. 重大會計政策 (續)

#### 金融工具 (續)

##### 金融負債及權益 (續)

以固定數目之股本工具結算之可換股票據及可換股債券 (續)

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

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

##### 並非以固定數目結算之可換股債券

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

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

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



# NOTES TO THE FINANCIAL STATEMENTS

For the year ended March 31, 2006

## 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

### Financial instruments (Continued)

#### Equity instruments

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

#### Derivatives financial instruments

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

#### Embedded derivatives

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

#### Derecognition

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

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

# 財務報表附註

截至二零零六年三月三十一日止年度

## 3. 重大會計政策 (續)

### 金融工具 (續)

#### 股本工具

本公司發行之股本工具乃按實得款項（扣除直接發行成本）入賬。

#### 衍生金融工具

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

#### 附帶衍生工具

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

#### 解除確認

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

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

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Equity settled share-based payment transactions

##### Share options granted to employees of the Company

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

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

#### Government grants

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

### 4. KEY SOURCES OF ESTIMATION UNCERTAINTY

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

#### Impairment of goodwill

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

### 3. 重大會計政策 (續)

#### 以股本結算及以股份形式付款之交易

##### 授予本公司僱員之購股權

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

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

#### 政府補助金

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

### 4. 估計不明朗因素之主要來源

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

#### 商譽減值

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

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended March 31, 2006

# 財務報表附註

截至二零零六年三月三十一日止年度

## 5. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

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

### Currency risk

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

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

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

### Interest rate risks

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

#### *Fair value interest rate risk*

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

## 5. 財務風險管理目標及政策

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

### 貨幣風險

本集團大部份收益均以人民幣收取，而大部份開支及資本開支亦均以人民幣計值。

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

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

### 利率風險

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

#### *公平值利率風險*

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

## 5. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

### Interest rate risks (Continued)

#### Cash flow interest rate risk

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

## 6. REVENUE

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

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

## 7. BUSINESS AND GEOGRAPHICAL SEGMENTS

### Business segments

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

## 5. 財務風險管理目標及政策 (續)

### 利率風險 (續)

#### 現金流量利率風險

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

## 6. 收益

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

## 7. 業務及地域分項資料

### 業務分項

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

## NOTES TO THE FINANCIAL STATEMENTS

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For the year ended March 31, 2006

截至二零零六年三月三十一日止年度

### 7. BUSINESS AND GEOGRAPHICAL SEGMENTS (Continued)

#### Business segments (Continued)

Segment information about these businesses is presented below:

2006

		Financial and securities investment					Gas connection	Sales of piped gas	Others	Consolidated
		Property investment	Financial and securities investment	Gas connection	Sales of piped gas	Gas connection	Sales of piped gas	Others	Consolidated	
		物業投資	金融及證券投資	燃氣接駁	管道燃氣銷售	燃氣接駁	管道燃氣銷售	其他	綜合	
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	
REVENUE	收入	1,070	487	325,632	288,115			15,218	630,522	
SEGMENT RESULT	分類業績	7,101	460	186,372	22,117			(7,708)	208,342	
Unallocated corporate revenue	未分配公司收益								35,752	
Unallocated corporate expenses	未分配公司開支								(81,204)	
Finance costs	財務費用								(44,207)	
Change in fair value of derivative financial instruments	衍生金融工具公平值變更								25,669	
Gain on disposal of subsidiaries	出售附屬公司之收益	-	-	-	443				443	
Discount on acquisition of a subsidiary, a jointly controlled entity and businesses	收購附屬公司及共同控制實體及業務之折讓	-	-	393	37,500				37,893	
Share of results of associates	應佔聯營公司業績	-	-	-	(138)				(138)	
Profit before taxation	除稅前溢利								182,550	
Taxation	稅項								(2,482)	
Profit for the year	本年度溢利								180,068	
ASSETS	資產									
Segment assets	分類資產	44,450	27,989	527,919	4,083,301			7,549	4,691,208	
Unallocated corporate assets	未分配公司資產								402,680	
Consolidated total assets	綜合資產總值								5,093,888	
LIABILITIES	負債									
Segment liabilities	分類負債	149	-	176,476	191,048			6,976	374,649	
Unallocated corporate liabilities	未分配公司負債								2,598,473	
Consolidated total liabilities	綜合負債總值								2,973,122	
OTHER INFORMATION	其他資料									
Additions to goodwill	商譽添置	-	-	-	65,981				65,981	
Additions to property, plant and equipment	物業、廠房及設備之添置	-	-	-	881,830				881,830	
Additions to property, plant and equipment (unallocated)	物業、廠房及設備之添置 (未分配)								21,256	
									969,067	
Depreciation of property, plant and equipment	物業、廠房及設備之折舊	-	-	-	42,700				42,700	
Depreciation of property, plant and equipment (unallocated)	物業、廠房及設備之折舊 (未分配)								4,168	
									46,868	

### 7. 業務及地域分項資料 (續)

#### 業務分項 (續)

此等業務之分類資料呈列如下：

二零零六年



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### 7. BUSINESS AND GEOGRAPHICAL SEGMENTS

(Continued)

#### Geographical segments

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

### 7. 業務及地域分項資料 (續)

#### 地區分部

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

### 8. OTHER INCOME

### 8. 其他收入

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

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

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

## 9. FINANCE COSTS

## 9. 財務費用

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

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

年內撥充資本的來自借貸的借貸成本直接歸屬於合資格資產的開支。

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

## 10. 收購附屬公司、共同控制實體及業務之折讓

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



## NOTES TO THE FINANCIAL STATEMENTS

For the year ended March 31, 2006

### 11. TAXATION

The amount represents PRC income tax for both years.

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

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

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

## 財務報表附註

截至二零零六年三月三十一日止年度

### 11. 稅項

有關款項指二零零五年及二零零六年之中國所得稅。

由於本集團於兩年度均無應課稅溢利，故並未於財務報表就香港利得稅作出撥備。

其他司法權區之稅項乃按個別司法權區之適用稅率計算。

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

**11. TAXATION (Continued)**

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

**11. 稅項 (續)**

年度稅項與收益表所示之除稅前(虧損)溢利之對賬如下:

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

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

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

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# 財務報表附註

For the year ended March 31, 2006

截至二零零六年三月三十一日止年度

## 12. PROFIT FOR THE YEAR

## 12. 本年度溢利

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

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

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

**2006**

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

**12. 本年度溢利 (續)****董事及僱員酬金***董事*

已付及應付予各董事之酬金如下：

**二零零六年**

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截至二零零六年三月三十一日止年度

### 12. PROFIT FOR THE YEAR (Continued)

#### Emoluments of Directors and Employees (Continued)

Directors (Continued)

2005 (Restated)

		Directors' fees	Salaries and other benefits	Share-based payments	Contributions to retirement benefits scheme	Total emoluments
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
<i>Executive directors</i>	<i>執行董事</i>					
Mr. Li Xiao Yun	李小雲先生	1,100	–	–	–	1,100
Mr. Xu Ying	徐鷹先生	–	2,040	12,057	12	14,109
Mr. Liu Ming Hui	劉明輝先生	–	2,040	17,417	12	19,469
Mr. Ma Jin Long	馬金龍先生	–	–	–	–	–
Mr. Zhu Wei Wei	朱偉偉先生	–	460	–	12	472
<i>Non-executive directors</i>	<i>非執行董事</i>					
Mr. Wu Bang Jie	吳邦傑先生	240	–	–	–	240
<i>Independent non-executive directors</i>	<i>獨立非執行董事</i>					
Mr. Zhao Yu Hua	趙玉華先生	120	–	–	–	120
Dr. Mao Er Wan	毛二萬博士	120	–	–	–	120
Ms. Wong Sin Yue, Cynthia	黃倩如女士	120	–	–	–	120
		1,700	4,540	29,474	36	35,750

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

### 12. 本年度溢利 (續)

#### 董事及僱員酬金 (續)

董事 (續)

二零零五年 (重列)

		Directors' fees	Salaries and other benefits	Share-based payments	Contributions to retirement benefits scheme	Total emoluments
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
<i>Executive directors</i>	<i>執行董事</i>					
Mr. Li Xiao Yun	李小雲先生	1,100	–	–	–	1,100
Mr. Xu Ying	徐鷹先生	–	2,040	12,057	12	14,109
Mr. Liu Ming Hui	劉明輝先生	–	2,040	17,417	12	19,469
Mr. Ma Jin Long	馬金龍先生	–	–	–	–	–
Mr. Zhu Wei Wei	朱偉偉先生	–	460	–	12	472
<i>Non-executive directors</i>	<i>非執行董事</i>					
Mr. Wu Bang Jie	吳邦傑先生	240	–	–	–	240
<i>Independent non-executive directors</i>	<i>獨立非執行董事</i>					
Mr. Zhao Yu Hua	趙玉華先生	120	–	–	–	120
Dr. Mao Er Wan	毛二萬博士	120	–	–	–	120
Ms. Wong Sin Yue, Cynthia	黃倩如女士	120	–	–	–	120
		1,700	4,540	29,474	36	35,750

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

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

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

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

Their emoluments were within the following bands:

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

**13. DIVIDENDS**

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

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

**12. 本年度溢利 (續)****董事及僱員酬金 (續)***僱員*

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

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

彼等之酬金範圍如下：

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

**13. 股息**

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

倘獲股東批准，末期股息預期將於二零零六年九月二十九日或相近日子派付。

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### 14. EARNINGS PER SHARE

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

### 14. 每股盈利

本公司普通股本持有人應佔每股基本及攤薄盈利乃按下列資料計算：

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

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

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

#### 14. EARNINGS PER SHARE (Continued)

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

#### Impact of changes in accounting policy

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

#### 14. 每股盈利 (續)

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

#### 會計政策變更之影響

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



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### 14. EARNINGS PER SHARE (Continued)

#### Impact of changes in accounting policy (Continued)

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

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

### 14. 每股盈利 (續)

#### 會計政策變更之影響 (續)

下表概述本集團會計政策之變更對每股基本及攤薄盈利之影響：

### 15. INVESTMENT PROPERTIES

### 15. 投資物業

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

## 15. INVESTMENT PROPERTIES (Continued)

### Notes:

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

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

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

## 15. 投資物業 (續)

### 附註：

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

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

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

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## 16. PROPERTY, PLANT AND EQUIPMENT

## 16. 物業、廠房及設備

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

## 16. PROPERTY, PLANT AND EQUIPMENT (Continued)

## 16. 物業、廠房及設備 (續)

		Buildings	Pipelines	Construction in progress	Machinery and equipment	Furniture and fixtures	Motor vehicles	Total
		樓宇	管道	在建工程	機器及 設備	傢俬及 固定裝置	汽車	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元
<b>DEPRECIATION AND IMPAIRMENT</b>	<b>折舊及減值</b>							
At April 1, 2004	於二零零四年 四月一日							
– as originally stated	– 原列	4,521	591	–	2,062	618	1,449	9,241
– effect on adoption of HKAS 17	– 採納香港會計準則 第 17 號之影響	(1,586)	–	–	–	–	–	(1,586)
as restated	重列	2,935	591	–	2,062	618	1,449	7,655
Provided for the year	年內撥備	1,619	1,958	–	3,402	1,287	2,837	11,103
Impairment loss reversed in the income statement (note below)	已於收益表 撥回之減值虧損 (見下文附註)	(1,330)	–	–	–	–	–	(1,330)
Eliminated on disposals	出售後撇除	–	–	–	(2)	(58)	–	(60)
At March 31, 2005	於二零零五年 三月三十一日	3,224	2,549	–	5,462	1,847	4,286	17,368
Provided for the year	年內撥備	5,155	23,396	–	10,261	1,557	6,499	46,868
Eliminated on transfer to investment properties	轉撥至投資 物業後撇除	(167)	–	–	–	–	–	(167)
Eliminated on disposal of a subsidiary	出售一間附屬 公司時撇除	–	–	–	(1)	(10)	(3)	(14)
Exchange realignment	匯兌調整	8	25	–	53	13	35	134
At March 31, 2006	於二零零六年 三月三十一日	8,220	25,970	–	15,775	3,407	10,817	64,189
<b>CARRYING VALUES</b>	<b>賬面值</b>							
At March 31, 2006	於二零零六年 三月三十一日	96,966	518,880	1,023,709	124,096	9,326	36,867	1,809,844
At March 31, 2005	於二零零五年 三月三十一日	30,892	101,392	756,859	39,546	6,749	19,226	954,664

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### 16. PROPERTY, PLANT AND EQUIPMENT (Continued)

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

### 16. 物業、廠房及設備 (續)

本集團上述樓宇之賬面值包括：

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

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

物業、廠房及設備乃按以下比率折舊：

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

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

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

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

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

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

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

## 17. PREPAID LEASE PAYMENTS

## 17. 預付租賃款項

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

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

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

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

租賃土地及土地使用權乃按中期租約持有及以直線法按租賃年期計入收益表。

## 18. INTERESTS IN ASSOCIATES

## 18. 於聯營公司之權益

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

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### 18. INTERESTS IN ASSOCIATES (Continued)

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

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

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

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

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

本集團之聯營公司之財務資料概要載列如下：

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

## 19. INVESTMENTS IN JOINTLY CONTROLLED ENTITIES

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

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

\* English name is for identification purposes only.

Notes:

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

## 19. 於共同控制實體之投資

於二零零六年三月三十一日，本集團於以下重大共同控制實體擁有權益：

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

\* 英文名稱僅供識別。

附註：

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



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### 19. INVESTMENTS IN JOINTLY CONTROLLED ENTITIES

(Continued)

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

### 19. 於共同控制實體之投資 (續)

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

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

## 20. INVESTMENTS

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

## 20. 投資

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

		Investment securities		Other investments		Available-for-sale investments	
		投資證券	其他投資	其他投資	可供出售之投資		
		2006	2005	2006	2005	2006	2005
		二零零六年	二零零五年	二零零六年	二零零五年	二零零六年	二零零五年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元
			(Restated)				
			(重列)				
Equity securities listed in Hong Kong, at fair value	於香港上市之股本證券，按公平值	-	5,490	-	14,430	19,386	-
Unlisted equity securities, at cost	非上市股本證券，按成本值	-	203	-	-	5,217	-
Club debenture, at fair value	會所債券，按公平值	-	-	-	-	3,386	-
		-	5,693	-	14,430	27,989	-
Carrying amount analysed for reporting purpose as:	賬面值分析供呈報用途：						
Current	流動	-	-	-	14,430	-	-
Non-current	非流動	-	5,693	-	-	27,989	-
		-	5,693	-	14,430	27,989	-

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

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

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

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

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### 20. INVESTMENTS (Continued)

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

### 20. 投資 (續)

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

### 21. GOODWILL

### 21. 商譽

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

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

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

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

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

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

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

## 21. GOODWILL (Continued)

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

## 22. DEPOSITS FOR ACQUISITION OF PROPERTY, PLANT AND EQUIPMENT

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

## 23. INVENTORIES

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

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

以下為存貨於呈報日期之分析：

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

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

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

## 21. 商譽 (續)

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

## 22. 收購物業、廠房及設備之按金

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

## 23. 存貨

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

### 24. 應收（應付）客戶之合約工程款項

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

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

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

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

董事認為，應收／應付客戶之合約工程款項賬面值與其公平值相若。

### 25. TRADE AND OTHER RECEIVABLES

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

### 25. 貿易應收賬款及其他應收賬項

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

**25. TRADE AND OTHER RECEIVABLES (Continued)**

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

**25. 貿易應收賬款及其他應收賬項 (續)**

於申報當日，貿易應收賬款及其他應收賬項之賬齡分析如下：

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

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

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

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

董事認為，貿易應收賬款及其他應收賬項賬面值與其公平值相若。

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### 26. DERIVATIVE FINANCIAL INSTRUMENTS

### 26. 衍生金融工具

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

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

利率掉期合約之主要條款如下：

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

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

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

## 26. DERIVATIVE FINANCIAL INSTRUMENTS (Continued)

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

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

### Notes:

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

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

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

## 26. 衍生金融工具 (續)

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

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

### 附註：

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

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

年內，25,669,000 港元獲確認為衍生金融工具之公平值開支。



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### 27. BANK BALANCES AND CASH

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

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

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

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

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

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

### 27. 銀行結餘及現金

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

### 28. 貿易應付賬款及其他應付賬項／應付 附屬公司少數股東款項

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

應付附屬公司少收股東款項為無抵押、免息及須於要求時償還。

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

## 29. BANK AND OTHER BORROWINGS

## 29. 銀行及其他借貸

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

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

本集團借貸之實際利率之範圍（相等已訂約利率）如下：

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

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### 29. BANK AND OTHER BORROWINGS (Continued)

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

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

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

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

### 29. 銀行及其他借貸 (續)

本集團以外幣計值之借貸之詳情載列如下：

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

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

### 30. OBLIGATIONS UNDER A FINANCE LEASE

### 30. 融資租賃承擔

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

### 30. OBLIGATIONS UNDER A FINANCE LEASE (Continued)

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

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

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

### 31. CONVERTIBLE NOTE

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

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

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

### 30. 融資租賃承擔 (續)

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

本集團於融資租賃之承擔乃以出租人以租賃資產設立之押記作抵押。

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

### 31. 可換股票據

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

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

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

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### 31. CONVERTIBLE NOTE (Continued)

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

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

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

### 31. 可換股票據 (續)

年內，可換股票據之負債及權益成份之變動載列如下：

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

董事認為可換股票據之賬面值與其公平值相若。

## 32. SHARE CAPITAL

## 32. 股本

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

## Notes:

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

## 附註：

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

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### 32. SHARE CAPITAL (Continued)

(d) On February 6, 2006 and February 21, 2006, pursuant to a subscription letter on October 29, 2003, the Company issued a total of 2,000,000 ordinary shares at HK\$0.01 each in the Company at a price of HK\$1.128 per share to ML. Details of the subscription letter have been set out in note 34.

(e) On September 28, 2004, pursuant to agreements made between the Company and two independent investors, 260,000,000 warrants were issued at a price of HK\$0.01 per warrant. Each of the warrants will give the holder the right to subscribe in cash for one share of the Company at an initial subscription price of HK\$0.66 per share of HK\$0.01 of the Company at any time from the date of issue thereof up to and including September 27, 2009.

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

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

### 33. AMOUNT DUE TO A MINORITY SHAREHOLDER OF A SUBSIDIARY

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

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

### 32. 股本 (續)

(d) 於二零零六年二月六日及二零零六年二月二十一日，根據日期為二零零三年十月二十九日之認購函，本公司合共發行本公司股本中2,000,000股每股面值0.01港元之普通股予美林，每股作價1.128港元。認購函之詳情載於附註34。

(e) 於二零零四年九月二十八日，根據本公司與兩名獨立投資者訂立之協議，260,000,000份認股權證乃按每份認股權證0.01港元之價格發行。各份認股權證將授予持有權利由認股權證發行日期直至二零零九年九月二十七日(包括該日)止期間，以現金按初步認購價每股0.66港元認購一股本公司每股面值0.01港元之股份。

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

於年內發行之股份於所有方面與現有股份享有同等權利。

### 33. 欠一間附屬公司一名少數股東之款項

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

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

### 34. CONVERTIBLE BONDS

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

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

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

### 34. 可換股債券

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

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

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



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### 34. CONVERTIBLE BONDS (Continued)

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

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

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

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

### 34. 可換股債券 (續)

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

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

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

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

### 34. CONVERTIBLE BONDS (Continued)

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

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

### 34. 可換股債券 (續)

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

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

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### 34. CONVERTIBLE BONDS (Continued)

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

### 34. 可換股債券 (續)

年內可換股債券之不同成份之變動載列如下：

		Liability	Equity	Embedded Conversion option	Early redemption option	Mandatory redemption option	Total
		負債	權益	附帶 換股權	提早贖回 選擇權	強制贖回 選擇權	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元
At April 1, 2004	於二零零四年四月一日						
– As originally stated	– 原列	35,644	–	–	–	–	35,644
– Effect on adoption of HKAS 32:	– 採納香港會計 準則第 32 號之影響：						
Recognition of equity component	確認權益成份	(4,807)	4,807	–	–	–	–
Interest charged	利息支出	421	–	–	–	–	421
– As restated	– 重列	31,258	4,807	–	–	–	36,065
Issued during the year, net of issued cost	年內發行，已扣除 發行成本	48,711	5,812	–	–	–	54,523
Interest charged (note 9)	利息支出 (附註 9)	5,438	–	–	–	–	5,438
Interest paid	已付利息	(228)	–	–	–	–	(228)
Redeemed during the year	年內贖回	(46,725)	(4,981)	–	–	–	(51,706)
Converted during the year	年內轉換	(38,454)	(5,638)	–	–	–	(44,092)
At April 1, 2005	於二零零五年四月一日	–	–	–	–	–	–
Issued during the year, net of issued cost	年內發行， 已扣除發行成本	264,863	–	40,609	(5,991)	1,260	300,741
Interest charged (note 9)	利息支出 (附註 9)	10,436	–	–	–	–	10,436
Interest paid	利息支出	(2,325)	–	–	–	–	(2,325)
At March 31, 2006	於二零零六年三月三十一日	272,974	–	40,609	(5,991)	1,260	308,852

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

董事認為，可換股債券之賬面值與其公平值相若。

### 35. DEFERRED TAXATION

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

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

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

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

### 35. 遞延稅項

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

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

與聯營公司有關而產生之暫時差異並不重要。

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### 36. ACQUISITION OF SUBSIDIARIES

#### Acquisition in 2005

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

### 36. 收購附屬公司

#### 二零零五年之收購

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

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

### 36. ACQUISITION OF SUBSIDIARIES (Continued)

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

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

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

### 36. 收購附屬公司 (續)

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

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

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

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### 37. ACQUISITION OF JOINTLY CONTROLLED ENTITIES

#### Acquisition in 2006

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

### 37. 收購共同控制企業

#### 於二零零六年之收購

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

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

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

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

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

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

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

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

**37. 收購共同控制企業 (續)****二零零五年之收購**

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

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

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

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

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

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



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## 財務報表附註

截至二零零六年三月三十一日止年度

### 38. ACQUISITION OF BUSINESS

#### Establishment of a subsidiary

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

### 38. 收購業務

#### 成立附屬公司

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

**38. ACQUISITION OF BUSINESS (Continued)****Establishment of a subsidiary (Continued)****38. 收購業務 (續)****成立附屬公司 (續)**

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

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

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

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## 財務報表附註

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### 38. ACQUISITION OF BUSINESS (Continued)

#### Establishment of a subsidiary (Continued)

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

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

#### Establishment of a jointly controlled entity

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

### 38. 收購業務 (續)

#### 成立附屬公司 (續)

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

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

#### 成立共同控制企業

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

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

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

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

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

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

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

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## 財務報表附註

截至二零零六年三月三十一日止年度

### 39. DISPOSAL OF A SUBSIDIARY

#### Disposal in 2006

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

### 39. 出售附屬公司

#### 於二零零六年之出售

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

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

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

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

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

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

**NET ASSETS DISPOSED OF**

Prepaid lease payments

Trade and other receivables

Trade and other payables

**出售之淨資產**

預付租賃款項

貿易應收賬款及其他應收賬項

貿易應付賬款及其他應付賬項

HK\$'000  
千港元

		18,700
		25
		(25)
		18,700
Loss on disposals	出售虧損	(1,650)
Total cash consideration	現金代價總額	17,050
Net cash flow arising on disposal:	出售產生之現金流量淨額：	
Cash consideration	現金代價	17,050

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

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

**40. MAJOR NON-CASH TRANSACTIONS**

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

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

**40. 主要非現金交易**

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

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

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截至二零零六年三月三十一日止年度

### 41. OPERATING LEASE ARRANGEMENTS

#### The Group as lessee

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

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

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

#### The Group as lessor

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

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

Leases are negotiated for an average term of two years.

### 41. 經營租約安排

#### 本集團作為承租人

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

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

#### 本集團作為出租人

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

租約之平均年期經議定為兩年。

## 42. CAPITAL COMMITMENTS

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

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

## 42. 資本承擔

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

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



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## 財務報表附註

截至二零零六年三月三十一日止年度

### 43. PLEDGE OF ASSETS

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

### 44. RETIREMENT BENEFITS SCHEMES

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

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

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

### 45. SHARE OPTION SCHEME AND SHARE BASED PAYMENTS

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

### 43. 資產抵押

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

### 44. 退休福利計劃

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

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

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

### 45. 購股權計劃及以股份形式付款

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

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

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

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

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

#### 45. 購股權計劃及以股份形式付款 (續)

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

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

該計劃有效期由採納日期至二零一三年二月五日止十年。

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

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

### 45. 購股權計劃及以股份形式付款 (續)

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

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

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

Notes:

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

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

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

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

## 45. 購股權計劃及以股份形式付款 (續)

附註：

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

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

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

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

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

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

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

Notes:

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

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

### 45. 購股權計劃及以股份形式付款 (續)

該等公平值乃運用柏力克－舒爾斯期權定價模式計算。計入該模式之因素如下：

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

附註：

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

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

## 46. RELATED PARTY TRANSACTIONS

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

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

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

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

## 46. 關連人士交易

本集團與並非本集團成員公司之關連人士訂立下列交易：

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

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

淮南中燃收購及隨州中燃收購就收購產生折讓10,815,000港元。

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### 46. RELATED PARTY TRANSACTIONS (Continued)

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

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

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

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

### 46. 關連人士交易 (續)

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

本集團主要管理層之酬金如下：

主要管理層酬金由薪酬委員會經考慮個人表現及市場趨勢後釐定。

### 47. POST BALANCE SHEET EVENTS

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

### 47. 結算日後事項

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

#### 47. POST BALANCE SHEET EVENTS (Continued)

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

#### 47. 結算日後事項 (續)

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



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### 48. PARTICULAR OF PRINCIPAL SUBSIDIARIES

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

### 48. 主要附屬公司詳情

於二零零六年三月三十一日，主要附屬公司詳情如下：

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

## 48. PARTICULAR OF PRINCIPAL SUBSIDIARIES

## 48. 主要附屬公司詳情 (續)

(Continued)

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

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### 48. PARTICULAR OF PRINCIPAL SUBSIDIARIES

### 48. 主要附屬公司詳情 (續)

(Continued)

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

## 48. PARTICULAR OF PRINCIPAL SUBSIDIARIES

## 48. 主要附屬公司詳情 (續)

(Continued)

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

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## 48. PARTICULAR OF PRINCIPAL SUBSIDIARIES

## 48. 主要附屬公司詳情 (續)

(Continued)

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

## 48. PARTICULAR OF PRINCIPAL SUBSIDIARIES

(Continued)

## 48. 主要附屬公司詳情 (續)

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

# NOTES TO THE FINANCIAL STATEMENTS

# 財務報表附註

For the year ended March 31, 2006

截至二零零六年三月三十一日止年度

## 48. PARTICULAR OF PRINCIPAL SUBSIDIARIES

## 48. 主要附屬公司詳情 (續)

(Continued)

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

## 48. PARTICULAR OF PRINCIPAL SUBSIDIARIES

(Continued)

## 48. 主要附屬公司詳情 (續)

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

\* English name is for identification purposes only.

\* 英文名稱僅供識別。



## NOTES TO THE FINANCIAL STATEMENTS

For the year ended March 31, 2006

## 財務報表附註

截至二零零六年三月三十一日止年度

### 48. PARTICULAR OF PRINCIPAL SUBSIDIARIES

*(Continued)*

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

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

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

### 48. 主要附屬公司詳情 (續)

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

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

各附屬公司於年終時並無任何未償還債務證券。

# FINANCIAL SUMMARY

# 財務摘要

For the year ended March 31,

截至三月三十一日止年度

		2002	2003	2004	2005	2006
		二零零二年	二零零三年	二零零四年	二零零五年	二零零六年
		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)	
<b>RESULTS</b>	<b>業績</b>					
<b>REVENUE</b>	收入	4,827	85,537	376,491	411,389	<b>630,522</b>
<b>(LOSS) PROFIT BEFORE TAXATION</b>	除稅前（虧損）溢利	(7,383)	(64,825)	117,005	133,875	<b>182,550</b>
<b>TAXATION CREDIT (CHARGE)</b>	稅項抵免（支出）	89	(1,861)	(1,344)	(1,493)	<b>(2,482)</b>
<b>(LOSS) PROFIT FOR THE YEAR ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY</b>	本年度歸屬本公司股東（虧損）溢利	(7,294)	(69,673)	78,853	96,617	<b>156,736</b>

At March 31,

於三月三十一日

		2002	2003	2004	2005	2006
		二零零二年	二零零三年	二零零四年	二零零五年	二零零六年
		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)	(Restated)	
			(重列)	(重列)	(重列)	
<b>ASSETS AND LIABILITIES</b>	<b>資產及負債</b>					
<b>TOTAL ASSETS</b>	總資產	108,968	501,507	1,342,279	2,752,985	<b>5,093,888</b>
<b>TOTAL LIABILITIES</b>	總負債	(5,044)	(297,049)	(748,484)	(1,666,995)	<b>(2,973,122)</b>
<b>TOTAL EQUITY</b>	權益總額	103,924	204,458	593,795	1,085,990	<b>2,120,766</b>

The results of the year ended March 31, 2004 and 2005 and the assets and liabilities as at March 31, 2003, 2004 and 2005 have been restated as a result of the adoption of new HKFRS. Details of the effects of the changes in accounting policies are set out in note 2A of the financial statements. The adoption of new HKFRS has no significant impact on the results for the year ended March 31, 2002 and 2003 and the assets and liabilities as at March 31, 2002.

截至二零零四年及二零零五年三月三十一日止年度之業績及於二零零三年、二零零四年及二零零五年三月三十一日之資產及負債已因採納新訂香港財務報告準則而予以重列。會計政策改變之影響詳情載於財務報表附註2A。採納新訂香港財務報告準則對截至二零零二年及二零零三年三月三十一日止年度之業績及於二零零二年三月三十一日之資產及負債並無重大影響。

# PARTICULARS OF MAJOR PROPERTIES

## 主要物業資料

Location 地點	Type 類別	Group's interest (%) 本集團之權益(%)	Lease term 租期
<i>Leasehold land and buildings</i> 租賃土地及樓宇			
In Hong Kong: 香港地區：			
16/F, AXA Centre No. 151 Gloucester Road Wan Chai Hong Kong 香港灣仔 告士打道 151 號 國衛中心 16 樓	Office premises  辦公室物業	100  100	Long lease  長期租約
In the People's Republic of China: 於中華人民共和國：			
深圳市濱河大道 5002 號 聯合廣場 B 座 1301 室	Commercial 商業	100	Medium term lease 中期租約
<i>Investment properties</i> 投資物業			
No. 28-30 Kai Tak Road Kowloon City Kowloon Hong Kong 香港 九龍九龍城 啟德道 28 – 30 號	Vacant land  空置土地	100	Medium term lease  中期租約





China Gas Holdings Limited  
中國燃氣控股有限公司

[www.chinagasholdings.com.hk](http://www.chinagasholdings.com.hk)