



185

HENG FUNG HOLDINGS LIMITED
HONG KONG STOCK EXCHANGE: STOCK CODE 185



CHINA GAS HOLDINGS LTD.
(Hong Kong Stock Exchange: Stock Code 384)
(香港联交所上市公司: 编号384)

ENERSAVE

Annual Report

2003

www.185hk.com

CONTENTS	目錄	PAGE(S) 頁
CORPORATE INFORMATION	公司資料	2
CHAIRMAN'S STATEMENT	主席報告	3
MANAGEMENT DISCUSSION AND ANALYSIS	管理層討論與分析	6
DIRECTORS AND MANAGEMENT PROFILE	董事及管理人員簡介	10
NOTICE OF ANNUAL GENERAL MEETING	股東週年大會通告	12
REPORT OF THE DIRECTORS	董事會報告書	15
REPORT OF THE AUDITORS	核數師報告書	27
CONSOLIDATED INCOME STATEMENT	綜合收益賬	29
BALANCE SHEETS	資產負債表	30
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY	綜合權益變動表	32
CONSOLIDATED CASH FLOW STATEMENT	綜合現金流量表	33
NOTES TO THE FINANCIAL STATEMENTS	財務報表附註	35
FINANCIAL SUMMARY	財務資料概要	101
PARTICULARS OF MAJOR PROPERTIES	主要物業概要	102

CORPORATE INFORMATION

BOARD OF DIRECTORS

Chan Heng Fai (Managing Chairman)
Chan Tong Wan (Managing Director)
Chan Yoke Keow
Chan Sook Jin, Mary-ann
Fong Kwok Jen
Lee Ka Leung, Daniel
Wong Dor Luk, Peter

COMPANY SECRETARY

Chan Suk King, Zoe

AUDITORS

Deloitte Touche Tohmatsu
Certified Public Accountants

SOLICITORS

Herbert Smith

PRINCIPAL BANKERS

Hang Seng Bank Limited

SHARE REGISTRARS

Friendly Registrars Limited
Ground Floor, Bank of East Asia Harbour View Centre
56 Gloucester Road, Wanchai
Hong Kong

REGISTERED OFFICE & PRINCIPAL OFFICE

Room 2601, 26th Floor
Island Place Tower
510 King's Road
North Point, Hong Kong

公司資料

董事會

陳恒輝 (執行主席)
陳統運 (董事總經理)
陳玉嬌
陳淑貞
鄺國禎
李家樑
王多祿

公司秘書

陳淑琮

核數師

德勤•關黃陳方會計師行
執業會計師

律師

史密夫律師行

主要往來銀行

恒生銀行有限公司

股份過戶登記處

準誠證券登記有限公司
香港
灣仔告士打道56號
東亞銀行港灣中心地下

註冊及主要辦事處

香港北角
英皇道510號
港運大廈
26樓2601室

CHAIRMAN'S STATEMENT

During the year, Hong Kong's economy continued to experience difficulties, which led to a weak demand for loans. Rising personal bankruptcies, together with high unemployment and declining property and securities prices, also put pressure on the Company's earnings. The outbreak of SARS starting in the first quarter of 2003 has affected the overall business and financial performance of the Group.

Notwithstanding these poor economic factors, this year the Group recorded a turnover of approximately HK\$142,594,000 representing an increase of 135% from HK\$60,685,000 for the previous year. The gain attributable to shareholders for the year ended March 31, 2003 was a historical high of HK\$190,447,000 compared with a loss of HK\$39,708,000 in 2002.

CREDIT CARD BUSINESS

Credit demand in the consumer finance field continued to fall and industry competition intensified. Due to the high level of personal bankruptcies, the Group's charge for bad and doubtful debts increased sharply by 15.6% to HK\$30,811,000 from HK\$26,646,000 in the previous year. The Credit Card business recorded a turnover of approximately HK\$40,007,000, representing a decrease of 19.5% from 2002.

Nevertheless, I am pleased to report that during the year, we successfully introduced MBf Asia Capital Corporation Holdings Limited ("MBf Asia") as a strategic shareholder of Online Credit Card Limited ("OCCL"). OCCL is the Group's subsidiary that carries on credit card business in Hong Kong as a non-bank standalone card issuer and service provider of MasterCard cards. It is expected that the credit card business will benefit in terms of utilising the knowledge and expertise of MBf Asia in the credit card industry, obtaining information technology support from MBf Asia and assistance from MBf Asia in seeking recognition with VISA International to become one of its licensed credit card issuers.

In July 2003, the Group introduced EnerSave Holdings Limited ("Energsave"), a company listed on the Singapore Exchange Securities Trading Limited as a strategic partner by the shares swap of 24.51% of Energsave with 9% of each of the issued share capital of three subsidiaries, namely OCCL, Online Discount Card Limited and China Credit Card Limited.

The Group is pursuing expansion of its card logistics services into China by promoting tailored, turn-key, full service card issuance, marketing, processing and logistics services to PRC companies, especially financial institutions, such as banks and insurance companies.

主席報告

年內，香港經濟仍然陷於困境，貸款需求疲弱。個人破產個案上升，加上失業率高企及物業與證券價格下跌，本公司之盈利備受沉重壓力。二零零三年首季爆發非典型肺炎，本集團整體業務及財務表現均受到影響。

儘管面對此等不利經濟因素，本集團於本年度錄得營業額約142,594,000港元，較去年之60,685,000港元增加135%。截至二零零三年三月三十一日止年度之股東應佔收益創下歷史新高，達190,447,000港元，而二零零二年則為虧損39,708,000港元。

信用卡業務

消費財務範疇之信貸需求持續下降，業內競爭趨於白熱化。由於個人破產數字飆升，本集團之呆壞賬開支亦由去年26,646,000港元銳增15.6%至30,811,000港元。信用卡業務錄得營業額約40,007,000港元，較二零零二年下降19.5%。

然而，本人欣然報告，我們於年內成功引入MBf Asia Capital Corporation Holdings Limited (「MBf Asia」) 為本集團附屬公司聯網信用卡有限公司 (「聯網信用卡」) 之策略股東。聯網信用卡於香港從事信用卡業務，為非銀行獨立信用卡發行機構，並為萬事達卡服務供應商。預期信用卡業務將可充分運用MBf Asia於信用卡業之知識及專業經驗，並獲得MBf Asia的資訊科技支援，另於獲取VISA國際授權信用卡發行公司地位方面得到MBf Asia的協助。

於二零零三年七月，本集團引入於Singapore Exchange Securities Trading Limited上市之EnerSave Holdings Limited (「Energsave」) 為策略夥伴，以三間附屬公司聯網信用卡、聯網優惠卡有限公司及China Credit Card Limited各自相當於9%之已發行股本交換Energsave 24.51%股本。

本集團正積極藉向中國公司 (特別是銀行及保險公司等財務機構) 推廣度身訂造之全面信用卡發行、市場推廣、處理及後勤服務，擴展其信用卡後勤服務至中國。

FINANCIAL AND SECURITIES INVESTMENT

The Group is cautious in investment and fund management, with the aim to optimise return, safeguard assets and satisfy liquidity requirements. The financial and securities investment division of the Group recorded a turnover of approximately HK\$47,717,000 for the year ended March 31, 2003, representing an increase of 614% from HK\$6,679,000 for the previous year. The financial and securities investment division recorded an operating profit of HK\$201,697,000 as compared to HK\$7,792,000 in 2002. The gain was mainly attributable to the unrealised gain on other investments of HK\$227,330,000 in China Gas Holdings Limited (“China Gas”).

During the year ended, the Group's interest in China Gas was reduced from 52.86% at April 1, 2002 to 26.41% at March 31, 2003 resulting from a series of placing of ordinary shares of China Gas and conversions of preference shares of China Gas. The Group had previously accounted for the investment in China Gas as a subsidiary in prior years. Following the decrease in the Group's interests in China Gas, the Group's interests in China Gas was reclassified to interest in an associate and subsequently to other investments in November 2002 when the Group no longer had the capability to exercise the power to participate in the financial and operating decisions of China Gas.

On March 18, 2003, the Group entered into a conditional share sale agreement with IPCO International Limited (“IPCO”) to dispose of its 320,000,000 ordinary shares of China Gas for a consideration of HK\$304,000,000. The agreement was subsequently lapsed due to the Group's disagreement with readjusting the consideration downward based on the prevailing market conditions as requested by IPCO. The Group is actively seeking international institutions or investors to divest its non-core holdings in China Gas.

HEALTH CARE

The Group's investments in Global Med Technologies, Inc. (“Global Med”) continues improve, with the health care business recording a turnover of approximately HK\$51,595,000 and operating profit of approximately HK\$4,116,000.

Global Med is a leading supplier of management information systems to U.S. blood centers. Current clients of Global Med's products and services manage more than 3 million units of blood or over 22% of the U.S. blood supply each year.

Additionally, the American Red Cross conducted a pilot launch of a state-of-the-art transfusion service management information system from Global Med on October 22, 2002. Global Med has also been working closely with the Safe Blood for Africa™ Foundation to provide products, support and services to help establish urgently needed blood services and support throughout sub-Saharan Africa. This project's objective is to help stop the transmission of AIDS through contaminated blood transfusions, in line with the U.S. President Bush's US\$15 billion initiative to help save the lives of AIDS-infected people in Africa and to further help decrease the spread of AIDS in Africa.

金融及證券投資

本集團在投資及資金管理方面甚為審慎，以期增加回報、保障資產及配合流動資金需要。本集團的金融及證券投資部門於截至二零零三年三月三十一日止年度錄得約47,717,000港元之營業額，即較去年的6,679,000港元上升614%。金融及證券投資部門錄得經營溢利201,697,000港元，而二零零二年則為7,792,000港元。收益主要來自於中國燃氣控股有限公司（「中國燃氣」）之其他投資之227,330,000港元未變現收益。

年內，連串配售中國燃氣普通股及轉換中國燃氣優先股後，本集團於中國燃氣之權益由二零零二年四月一日之52.86%減至二零零三年三月三十一日之26.41%。本集團以往將於中國燃氣之投資列為附屬公司，隨著本集團於中國燃氣之權益減少，本集團於中國燃氣之權益已重新分類為於聯營公司之權益，後於本集團於二零零二年十一月不能行使權力參與中國燃氣財務及營運決策後再重新分類為其他投資。

於二零零三年三月十八日，本集團與IPCO International Limited（「IPCO」）訂立有條件股份銷售協議，按總代價304,000,000港元出售中國燃氣320,000,000股普通股。然而，由於本集團不同意應IPCO要求，按現行市況調低代價，故該項協議其後已告失效。本集團正積極物色國際機構或投資者，以出售其於中國燃氣之非核心股權。

保健

本集團於Global Med Technologies, Inc.（「Global Med」）之投資持續改善，保健業務錄得營業額約51,595,000港元及經營溢利約4,116,000港元。

Global Med為美國輸血中心管理資訊系統供應商中之翹楚。目前使用Global Med產品及服務的客戶每年管理超過3,000,000個單位的血液或美國每年血液供應的22%以上。

此外，於二零零二年十月二十二日，美國紅十字會試用Global Med的先進輸血服務管理資訊系統。Global Med亦與Safe Blood for Africa™ Foundation緊密合作，向非洲撒哈拉沙漠週邊地區提供產品、支援及服務，協助建立緊急血液服務及支援。此項目之目標為遏止愛滋病透過輸血傳播，加上美國總統布殊動用150億美元拯救非洲感染愛滋病人士，望有助制止非洲之愛滋病擴散。

OUTLOOK

It is our business strategy to continue to focus on the financial and securities investment businesses including corporate finance, consumer finance and the credit card business. We will continue to introduce other reputable strategic partners to create opportunities to enlarge the credit card customer base, enhance the Group's business connections, and build on our brand name and international recognition.

In December 2002, the Company entered into a conditional agreement to acquire 39.51% of the issued capital and 1,050,000 warrants of American Pacific Bank, a licensed bank incorporated in the U.S. with its shares listed on NASDAQ in the U.S. for a consideration of HK\$134 million. The acquisition was approved by the independent shareholders of the Company in May 2003 but is still subject to the approval by relevant government or regulatory authorities in the U.S.

The Group's business direction includes diversification of country risk through the expansion and development of its existing business model of corporate finance, consumer finance and the credit card businesses outside of Hong Kong with a strong focus on Singapore.

The Group maintained a very strong cash position throughout the year and had a cash balance of over HK\$115,265,000 as at March 31, 2003. This advantage, together with the continued growth of our core business and prudent investment strategies, makes us highly competitive in the current depressed economy. We are realistically optimistic about our future. Our business foundation is strong and our strategic partnerships are solid. By effective utilisation of our capital, we will expand and extend our business in the years to come.

In the coming year, the Group will further create greater synergies among the strategic partners in order to maximise its competitive advantages in large scale operations and services.

APPRECIATION

I would like to thank the members of the Board for their guidance and to extend my appreciation to the management and staff for their continued dedication and hard work.

By Order of the Board
CHAN HENG FAI
Managing Chairman

Hong Kong, August 25, 2003

展望

我們之業務策略為繼續著眼於金融及證券投資業務，包括企業財務、消費信貸及信用卡業務。我們將繼續引入其他著名策略夥伴，以製造機會擴大信用卡客戶基礎，提升本集團之業務聯繫及建立我們之品牌及國際知名度。

於二零零二年十二月，本公司訂立有條件協議，收購美國註冊成立之美國納斯達克上市持牌銀行American Pacific Bank 39.51%已發行股本及1,050,000份認股權證，代價為134,000,000港元。該項收購於二零零三年五月獲本公司獨立股東批准，惟仍須待美國有關政府或監管機構批准。

本集團之業務方向包括透過擴大及發展其於香港以外地區之現有企業財務、消費信貸及信用卡業務，以分散國家風險，並以新加坡市場為重點。

本集團年內現金水平維持穩健，於二零零三年三月三十一日，現金結餘超過115,265,000港元。憑藉此優勢加上本公司核心業務持續增長及審慎投資策略，本公司因而能於目前低迷經濟中維持高度競爭力，所以對前景審慎樂觀。本公司之業務基礎穩健，策略夥伴亦具實力。本公司將可於未來藉有效運用資金擴展及擴充其業務。

來年，本集團將於策略夥伴間創造更大協同效益，以提升大規模業務及服務之競爭優勢。

致謝

本人謹此對董事會各成員的英明指導以及一直鞠躬盡瘁的管理層及員工致以衷心謝意。

承董事會命
執行主席
陳恒輝

香港，二零零三年八月二十五日

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

Financial Review

The Group recorded a turnover of approximately HK\$142,594,000 for the year ended March 31, 2003, representing an increase of approximately 135% as compared to the year ended March 31, 2002. The increase in turnover was mainly due to increases in securities trading and investments and the health care business. The profit attributable to shareholders for the year ended March 31, 2003 was approximately HK\$190,447,000 as compared to the loss of approximately HK\$39,708,000 in 2002. The earnings per share for the year was HK\$3.38 when compared with loss per share of HK\$0.78 in last year.

The substantial increase in turnover was contributed by the health care investments acquired last year. The improvement in the results was mainly attributable to the gains amounting to HK\$56,729,000 from the disposal/deemed disposal of shares and preference shares in subsidiaries and associate and the net gain on investments in securities and properties of HK\$201,444,000, including the unrealized holding gain of HK\$227,330,000 from the investment in China Gas Holdings Limited ("China Gas").

Liquidity and capital resources

During the period under review, the Company raised HK\$37,200,000 from the placing of preference shares of China Gas and received HK\$68,400,000 from Hai Xia Finance Holdings Limited for the exercise of the option to acquire China Gas's shares.

In August 2002, the Company raised HK\$20,000,000 from the subscription of 80,000,000 subscription shares (or 3,200,000 consolidated shares) at a subscription price of HK\$0.25 each (or HK\$6.25 for each consolidated share). The subscription shares were issued with 140,000,000 bonus shares (or 5,600,000 consolidated shares) and 80,000,000 bonus warrants (or 3,200,000 consolidated warrants). The Group applied HK\$8,500,000 to partially settle the amount due to MBf Asia Capital Corporation Holdings Limited ("MBf Asia").

These fund raising exercises enabled the Group to strengthen its financial position and to allocate more resources to the expansion of the credit card business and financial services division of the Group.

As at March 31, 2003, the Group's current ratio was 11.9 (3.31.2002: 2.92) and the gearing of the Group was 13.0% (3.31.2002: 26.8%) which was calculated based on the total borrowings of HK\$59,345,000 and the shareholders' fund of HK\$455,194,000. Bank balance and cash amounted to approximately HK\$115,265,000 (3.31.2002: HK\$71,632,000).

財務回顧

本集團就截至二零零三年三月三十一日止年度錄得營業額約142,594,000港元，較截至二零零二年三月三十一日止年度增加約135%，主要受到證券買賣及投資與保健業務的增長所帶動。截至二零零三年三月三十一日止年度的股東應佔溢利約190,447,000港元，而二零零二年則有虧損約39,708,000港元。年內每股盈利為3.38港元，而去年則為虧損每股0.78港元。

大部分營業額增幅源自去年所購入之保健業務投資，而業績改善主要原因為出售／視為出售附屬公司及聯營公司股份及優先股錄得收益56,729,000港元，加上證券及物業投資獲得淨收益201,444,000港元，包括於中國燃氣控股有限公司（「中國燃氣」）投資的持有未變現收益227,330,000港元。

流動資金及資金來源

回顧期內，本公司透過配售中國燃氣優先股集資37,200,000港元，並因海峽金融控股有限公司行使期權收購中國燃氣股份，而從該公司收取68,400,000港元。

於二零零二年八月，本公司透過以每股0.25港元（或每股合併股份6.25港元）之認購價認購80,000,000股認購股份（或3,200,000股合併股份），集資20,000,000港元。認購股份連同140,000,000股紅股（或5,600,000股合併股份）及80,000,000份紅利認股權證（或3,200,000份合併認股權證）一併發行。本集團動用8,500,000港元償還欠負MBf Asia Capital Corporation Holdings Limited（「MBf Asia」）之部分款項。

上述集資活動有助本集團加強其財政狀況，並可分配更多資源以拓展本集團之信用卡業務及金融服務部門。

於二零零三年三月三十一日，本集團之流動比率為11.9（二零零二年三月三十一日：2.92），而資產負債比率則為13.0%（二零零二年三月三十一日：26.8%）。資產負債比率乃按總借貸59,345,000港元與股東資金455,194,000港元計算。銀行結存及現金約115,265,000港元（二零零二年三月三十一日：71,632,000港元）。

MANAGEMENT DISCUSSION AND ANALYSIS

– continued

Material Acquisitions and disposal and future plans for material investments

In August 2002, the Group transferred 18% interest of a subsidiary, Online Credit Card Limited (“OCCL”), to MBf Asia pursuant to the Compromise and Settlement Agreement to settle the litigation in relation to the credit card business.

In December 2002, the Company entered into a conditional agreement to acquire 39.51% of the issued capital and 1,050,000 warrants of American Pacific Bank, a licensed bank incorporated in the U.S. with its shares listed on NASDAQ in the U.S. for a consideration of HK\$134 million. The acquisition was approved by the independent shareholders of the Company in May 2003 but is still subject to the approval by relevant government or regulatory authorities in the U.S.

In February 27, 2003, Online Credit Limited (“OCL”), a subsidiary of the Company entered into a conditional agreement to dispose of an equivalent of 9% each of the issued share capital of 3 subsidiaries, China Credit Card Limited, Online Discount Card Limited and OCCL to EnerSave Holdings Limited (“Enersave”), the shares of which are listed on the Singapore Exchange Securities Trading Limited, for a consideration of Singapore dollars (“S\$”) 6 million to be satisfied in full by the issue and allotment of 40,000,000 new shares of Enersave at an issue price of S\$0.15 for each new share, representing approximately 24.51% of the issued share capital of Enersave. The transaction was completed in July 2003.

On July 24, 2003, OCL entered into a conditional bond subscription agreement to subscribe a convertible bond with principal amount of S\$4,000,000 and a call option issued by Futuristic Image Builder Ltd. (“Futuristic”), the shares of which are listed on the Singapore Exchange Securities Trading Limited for a consideration of S\$4,000,000. The consideration for the subscription to be satisfied by payment of S\$1,500,000 in cash, transfer of 3,050,000 common shares of Global Med Technologies, Inc. (“Global Med”) a subsidiary of the Company at a consideration of S\$2,499,999 and procure for Futuristic for a consideration of S\$1 an exclusive marketing rights for all technology, products and services provided by Global Med for the countries of Indonesia, Malaysia, Thailand and Singapore. The convertible bond to be issued with a zero coupon and could be convertible during the period from its issue to its maturity after 2 years at a conversion price of S\$0.10 each in Futuristic. Upon conversion of the convertible bond and exercise of the call option, the Group will hold approximately 38.3% and 49.6% respectively of the enlarged issued share capital of Futuristic.

管理層討論與分析

– 續

重大收購及出售與日後重大投資計劃

於二零零二年八月，本集團根據妥協及償還協議，向MBf Asia轉讓附屬公司聯網信用卡有限公司（「聯網信用卡」）18%權益，以就有關信用卡業務之訴訟作出和解。

於二零零二年十二月，本公司訂立有條件協議，按代價134,000,000港元收購American Pacific Bank 39.51%已發行股本及1,050,000份認股權證。該銀行為於美國註冊成立之持牌銀行，其股份於美國納斯達克市場上市。該項收購於二零零三年五月獲本公司獨立股東批准，惟尚有待美國有關政府或監管機關批准。

於二零零三年二月二十七日，本公司附屬公司聯網信貸有限公司（「聯網信貸」）訂立有條件協議，按代價6,000,000新加坡元，向EnerSave Holdings Limited（「Enersave」）出售其於三間附屬公司China Credit Card Limited、聯網優惠卡有限公司及聯網信用卡各自相當於9%之已發行股本。Enersave之股份於Singapore Exchange Securities Trading Limited上市。有關代價將透過按發行價每股新股份0.15新加坡元發行及配發40,000,000股Enersave新股份悉數支付，該等新股份相當於Enersave已發行股本約24.51%。該項交易已於二零零三年七月完成。

於二零零三年七月二十四日，聯網信貸訂立有條件債券認購協議，按代價4,000,000新加坡元認購由Futuristic Image Builder Ltd.（「Futuristic」）所發一份本金額4,000,000新加坡元之可換股債券及一份認購期權。Futuristic之股份於Singapore Exchange Securities Trading Limited上市。認購代價將以下列方式支付：現金1,500,000新加坡元；按代價2,499,999新加坡元轉讓3,050,000股本公司附屬公司Global Med Technologies, Inc.（「Global Med」）普通股；及按代價1新加坡元為Futuristic取得Global Med所提供所有科技、產品及服務於印尼、馬來西亞、泰國及新加坡等國家之獨家市場推廣權。將予發行之可換股債券為零息債券，可於發行日期起計至兩年後之到期日止期間，按轉換價每份0.10新加坡元轉換為Futuristic股份。可換股債券獲轉換及認購期權獲行使後，本集團將分別持有Futuristic經擴大已發行股本約38.3%及49.6%。

MANAGEMENT DISCUSSION AND ANALYSIS

– continued

During the year ended, the Group's interest in China Gas was reduced from 52.86% at April 1, 2002 to 26.41% at March 31, 2003 following a series of placing of ordinary shares of China Gas and conversions of preference shares of China Gas. The Group had previously accounted for the investment in China Gas as a subsidiary, and the financial statements of China Gas were consolidated in the consolidated financial statements of the Company for the year ended March 31, 2002. Following the decrease in the Group's interests in China Gas, the Group's interests in China Gas was reclassified to interest in an associate and subsequently to other investments when the Group no longer had the capability to exercise the power to participate in the financial and operating decisions of China Gas in November 2002. It is the Group's strategies to dispose its non-core assets, including China Gas and consolidate its principal businesses allowing the Group to focus on financial services, securities investments and its credit card business. In March 2003, the Group entered into a conditional agreement with an independent purchaser to dispose of 26.39% of the issued share capital of China Gas for an aggregate consideration of HK\$304,000,000. However, the agreement has subsequently lapsed due to the Group's disagreement with readjusting the selling price of China Gas's shares downward based on prevailing market conditions, as requested by the purchaser.

The Group is actively seeking buyers to divest its non-core holdings in China Gas and consider that large-block disposals to international institutions or investors will maximise the Group's gain by reducing downward pressure on the open market price of China Gas created by on-market disposals.

Foreign Exchange Exposure

Substantially all the revenues, expenses, assets and liabilities are denominated in Hong Kong dollars and United States dollars. The Group's cash deposit and bank balances are mainly in either Hong Kong Dollars or United States Dollars. During the same period, the Group neither engaged in any derivative activities nor committed to any financial instruments to hedge its balance sheet exposures.

Human Resources

Remuneration packages are generally structured by reference to prevailing market terms and individual qualifications. Salaries and wages are normally reviewed on an annual basis based on performance appraisals and other relevant factors. Apart from salary payments, there are other staff benefits including provident fund, medical insurance and performance related bonus. At the balance sheet date, there were approximately 101 employees employed by the Group. Share options may also be granted to eligible employees and persons of the Group.

管理層討論與分析

– 續

年內，在連串配售中國燃氣普通股及轉換中國燃氣優先股後，本集團於中國燃氣之權益由二零零二年四月一日之52.86%減至二零零三年三月三十一日之26.41%。本集團以往將於中國燃氣之投資列為附屬公司，而中國燃氣之財務報表則綜合計入本公司截至二零零二年三月三十一日止年度綜合財務報表。隨著本集團於中國燃氣之權益減少，本集團於中國燃氣之權益已重新分類為於聯營公司之權益，後於本集團於二零零二年十一月不能行使權力參與中國燃氣財務及營運決策後再重新分類為其他投資。本集團之策略為出售其非核心資產（包括中國燃氣）及整合其主要業務，以讓本集團集中發展其金融服務、證券投資及其信用卡業務。於二零零三年三月，本集團與獨立買方訂立有條件協議，按總代價304,000,000港元出售中國燃氣26.39%已發行股本。然而，由於本集團不同意應買方要求，按現行市況調低中國燃氣股份售價，故該項協議其後已告失效。

本集團正積極物色買家，以出售其中國燃氣非核心股權，並考慮將大批該等股權售予國際機構或投資人士，以減輕因於市場出售而對中國燃氣公開市場價格造成的下調壓力，盡量提高本集團收益。

外匯風險

本集團絕大部分收益、開支、資產及負債均以港元及美元結算。本集團之現金存款及銀行結存亦主要為港元或美元。同期，本集團並無參與任何衍生工具活動或以任何金融工具為其資產負債表之賬目進行對沖。

人力資源

薪酬待遇一般參考現行市場條款及個人資歷制定。薪金及工資一般按年根據表現評估及其他相關因素檢討。除薪金外，本集團另有其他員工福利，包括公積金、醫療保險及與表現掛鉤的花紅。於結算日，本集團聘用約101名員工。本集團另可向合資格僱員及其他人士授出購股權。

MANAGEMENT DISCUSSION AND ANALYSIS

– continued

Pledge of Assets

At the balance sheet date, the Group had pledged bank balances of HK\$3,963,000 as a security for banking facilities granted to a subsidiary and as securities for the credit card business transactions with MasterCard International Inc. The mortgage loans of HK\$9,975,000 were secured on the investment properties and land and buildings of the Group with an aggregate carrying value of HK\$16,877,000.

Contingent Liabilities

- (a) At the balance sheet date, the Company has given a guarantee to a financial institution in respect of banking facilities granted to subsidiaries of HK\$3,884,000.
- (b) Actions were brought by Pricerite Stores Limited and Pricerite Group Limited (together referred to as “Pricerite”) respectively, against a subsidiary of the Company, in respect of the alleged breach of agreement, for damages which are not quantified. In the opinion of the directors, it is not practicable at this stage to determine with certainty the outcome of the litigation.

管理層討論與分析

– 續

資產抵押

於結算日，本集團已抵押銀行結存3,963,000港元，作為一間附屬公司獲授銀行融資以及與MasterCard International Inc.進行信用卡業務交易之抵押。本集團亦就其賬面總值達16,877,000港元之投資物業和土地及樓宇取得按揭貸款9,975,000港元。

或然負債

- (a) 於結算日，本公司就附屬公司所獲授3,884,000港元銀行融資向一間財務機構提供擔保。
- (b) 實惠傢居廣場有限公司及實惠集團有限公司（統稱「實惠」）分別就指稱本公司一間附屬公司違約而向該公司提出訴訟，追討尚未確定之賠償額。董事認為，在現階段無法肯定訴訟結果。

DIRECTORS AND MANAGEMENT PROFILE

Brief biographical information of the directors and senior management of the Group are as follows:

DIRECTORS

Mr. Chan Heng Fai, aged 58, is the Managing Chairman of the Company. He has been a director since September 1992. Mr. Chan is responsible for the overall business development of the Group. His experience and expertise are in the finance and banking sectors. He is the spouse of Ms. Chan Yoke Keow.

Mr. Chan Tong Wan, Tony, aged 28, is the Managing Director of the Company. Mr. Chan began his career by working in two international companies as an investment banker specialising in Asian equity financial products. Subsequently, Mr. Chan worked for a finance and technology company in the United States as the Chief Operating Officer with a focus on its investment banking and merchant banking activities. Mr. Chan joined the Group as a non-executive director in January 2000, was appointed as an executive director in September 2002 and was appointed as Managing Director in August 2003. Mr. Chan is the son of Mr. Chan Heng Fai and Ms. Chan Yoke Keow.

Ms. Chan Yoke Keow, aged 54, has been a director of the Company since January 1992. She is responsible for the general administration and financial planning of the Group. She has over 20 years experience in financial management and administration. Ms. Chan is a member of the Hong Kong Securities Institute. She is the spouse of Mr. Chan Heng Fai.

Ms. Chan Sook Jin, Mary-ann, aged 32, has been a director of the Company since 1995. Ms. Chan is involved with the securities operations. Ms. Chan has previous experience with one of the leading banks in Hong Kong where she was involved in sales and marketing as well as relationship management for the Regional Securities office. Ms. Chan is the daughter of Mr. Chan Heng Fai and Ms. Chan Yoke Keow.

Mr. Fong Kwok Jen, aged 54, is a solicitor practicing in Singapore. Mr. Fong is a partner of a solicitors' firm in Singapore. Mr. Fong was appointed as a non-executive director in May 1995.

Mr. Lee Ka Leung, Daniel, aged 44, is a certified public accountant admitted to practise in Hong Kong. He is a fellow of the Association of Chartered Certified Accountants and a fellow of the Hong Kong Society of Accountants. Mr. Lee is currently the managing partner of K.L. Lee & Partners C.P.A. Limited and KLL Associates CPA Limited. Mr. Lee was appointed as an independent non-executive director in October 1994.

Mr. Wong Dor Luk, Peter, aged 61, has over 30 years experience in the fashion industry including distribution, sourcing, overseeing manufacturing and exporting to international clients in France, the United Kingdom, Germany and the United States. Mr. Wong was appointed as an independent non-executive director in September 1998.

董事及管理人員簡介

本集團董事及高級管理人員履歷概述如下：

董事

陳恒輝先生，現年五十八歲，現為本公司執行主席。陳先生自一九九二年九月起出任本公司董事。陳先生負責制訂本集團之整體業務發展政策，於金融及銀行業擁有豐富經驗及專業知識。彼乃陳玉嬌女士之配偶。

陳統運先生，現年二十八歲，現為本公司董事總經理。陳先生最初在兩間跨國公司任職投資銀行家，專門負責亞洲之股本金融產品。其後，陳先生在美國一家金融及科技公司任職營運總監，專責統籌投資銀行及商人銀行業務。陳先生於二零零零年一月加入本集團出任非執行董事，於二零零二年九月成為執行董事，並於二零零三年八月獲委任為董事總經理。彼為陳恒輝先生及陳玉嬌女士之兒子。

陳玉嬌女士，現年五十四歲，自一九九二年一月起出任本公司董事。陳女士負責本集團之日常行政及財務策劃。彼擁有二十年以上之專業財務管理及行政經驗。陳女士為香港證券專業學會之會員。彼乃陳恒輝先生之配偶。

陳淑貞女士，現年三十二歲，自一九九五年起出任本公司董事。陳小姐參與證券業務。陳小姐曾於香港一家主要銀行任職，參與銷售、市場推廣及於地區證券辦事處從事公關工作。陳小姐乃陳恒輝先生及陳玉嬌女士之千金。

鄺國禎先生，現年五十四歲，新加坡執業律師，現為新加坡一律師事務所之合夥人。鄺先生於一九九五年五月獲委任為本公司非執行董事。

李家樑先生，現年四十四歲，乃香港執業會計師，獲許於香港執業。李先生為英國公認會計師公會及香港會計師公會資深會員。李先生現為李家樑合夥會計師事務所有限公司及華融會計師事務所有限公司之首席合夥人。李先生於一九九四年十月獲委任為本公司獨立非執行董事。

王多祿先生，現年六十一歲，在時裝界擁有逾三十年經驗，包括分銷、採購、掌管製造業務，以及出口往法國、英國、德國及美國之國際客戶。王先生於一九九八年九月獲委任為本公司獨立非執行董事。

SENIOR MANAGEMENT

Mr. Chan Tung Moe, aged 25, the General Manager and a director of Online Credit Card Limited (“OCCL”), is responsible for the overall management of the card operation. Previously, Mr. Chan was in charge of technical and business development for a finance and technology company in the United States. Mr. Chan is the son of Mr. Chan Heng Fai and Ms. Chan Yoke Keow.

Mr. Chong You Hwa, Roger, 40, is the Information Technology Manager of OCCL in charge of the information technology and electronic data processing functions since October 1996. Prior to joining OCCL, Mr. Chong has worked as Technical Services Section Head for a credit card company in Malaysia. Mr. Chong has over 12 years system experience in the credit card industry.

Mr. Liew Tze Choon, aged 45, the Senior Manager-Operations of OCCL, responsible for the overall back-office operations of OCCL. He has over 18 years experience in the credit card industry. Before joining OCCL, he was worked for a credit card company in Malaysia and Indonesia. He holds a Master Degree in Business Administration.

Mr. Ng Hin Chau, aged 41, is the Administration Manager of the Group. Mr. Ng is responsible for the credit card operations of OCCL. Prior to joining the Group in March 1995, Mr. Ng has 13 years banking experience specializing in branch accounting, credit administration and project financing in the PRC.

Mr. Wong Shui Yeung, aged 32, is the Financial Controller of the Group and responsible for the financial and management reporting of the Group, including internal control and policy review, taxation, audit, legal and regulatory affairs. He has over 10 years in public accounting, taxation, and financial consultancy and management in Hong Kong. He worked with an international accounting firm prior to joining the Group in 2001. He holds a Bachelor Degree in Business Administration and is a Certified Public Accountant in Hong Kong. He is an associate member of the Hong Kong Society of Accountants and the Association of International Accountants.

Mr. Yuen Ping Man, aged 39, is the Senior Manager-Corporate Services of the Group responsible for the corporate secretarial function of the Group and human resources, customer service and general administration of OCCL. Prior to joining OCCL in June 1997, Mr. Yuen worked in two listed groups and a financial institution. Mr. Yuen is a fellow member of the Institute of Chartered Secretaries and Administrators and of the Hong Kong Institute of Company Secretaries, and a member of the Hong Kong Securities Institute, the Hong Kong Institute of Human Resource Management and the Hong Kong Institute of Purchasing & Supply.

高級管理層

陳統武先生，現年二十五歲，為聯網信用卡有限公司（「聯網信用卡」）之總經理兼董事，負責信用卡之整體營運及管理。先前，陳先生在美國一家金融及科技公司工作，主管其科技及業務發展。陳先生乃陳恒輝先生及陳玉嬌女士之兒子。

張祐華先生，現年四十歲，自一九九六年十月起出任聯網信用卡資訊科技經理，負責資訊科技及電子數據處理事務。在加入聯網信用卡前，張先生曾擔任馬來西亞一間信用卡公司技術服務部主管一職。彼擁有十二年以上之信用卡行業系統管理經驗。

劉子俊先生，現年四十五歲，為聯網信用卡高級經理--營運，負責聯網信用卡之整體營運支援。彼於信用卡行業擁有超過十八年經驗。於加入聯網信用卡前，彼於馬來西亞及印尼一間信用卡公司工作。彼擁有工商管理碩士學位。

吳顯周先生，現年四十一歲，為本集團行政經理。吳先生負責聯網信用卡之信用卡運作事宜。於一九九五年三月加入本集團前，吳先生擁有十三年之分行會計，信貸管理及國內項目融資之專門銀行經驗。

黃瑞洋先生，現年三十二歲，為本集團之財務總監，負責本集團之財務及管理匯報工作，包括有關內部控制及政策檢討、稅務、審計、法律及監管事宜。彼擁有十年以上有關香港之企業會計、稅務及財務顧問與管理經驗。於二零零一年加入本集團前，黃先生於一間國際會計師事務所工作。黃先生擁有工商管理學士學位，並為香港執業會計師。彼為香港會計師公會及國際會計師公會之會員。

源秉民先生，現年三十九歲，為本集團之高級經理--企業服務，負責本集團之公司秘書事務及聯網信用卡之人力資源、客戶服務及一般行政事務。於一九九七年六月加入聯網信用卡前，源先生於本港兩間上市集團及一間財務機構任職。源先生為英國特許秘書及行政人員學會、香港公司秘書公會之資深會員及香港證券專業學會、香港人力資源學會及香港物資採購與供銷學會會員。

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Annual General Meeting of the members of Heng Fung Holdings Limited (the "Company") will be held at Monaco Room, B1, Regal Hongkong Hotel, 88 Yee Wo Street, Causeway Bay, Hong Kong on Tuesday, September 23, 2003 at 9:30 a.m. for the following purposes:-

ORDINARY BUSINESS

1. To receive and adopt the audited consolidated financial statements of the Company and the Reports of the Directors and the Auditors for the year ended March 31, 2003.
2. To consider the re-election of the retiring Directors and to authorize the Board of Directors to fix the Directors' remuneration.
3. To consider the re-appointment of Deloitte Touche Tohmatsu as Auditors of the Company and to authorize the Board of Directors to fix their remuneration.

SPECIAL BUSINESS

4. As special business, to consider and, if thought fit, pass the following resolution as an Ordinary Resolution:-

THAT:

- (i) subject to paragraph (iii) below, pursuant to Section 57B of the Companies Ordinance, the exercise by the Directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional shares in the capital of the Company and to make or grant offers, agreements and options (including warrants, bonds and debentures convertible into shares of the Company) which might require the exercise of such powers be and is hereby generally and unconditionally approved;
- (ii) the approval in paragraph (i) shall authorize the Directors of the Company during the Relevant Period to make or grant offers, agreements and options (including warrants, bonds and debenture convertible into shares of the Company) which might require the exercise of such powers to allot, issue and deal with additional shares in the capital of the Company after the end of the Relevant Period;

股東週年大會通告

茲通告恒鋒集團有限公司(「本公司」)謹訂於二零零三年九月二十三日星期二上午九時三十分假座香港銅鑼灣怡和街88號富豪香港酒店低座1樓蒙納歌廳舉行股東週年大會,以處理下列事項:-

普通事項

1. 省覽本公司截至二零零三年三月三十一日止年度之經審核綜合財務報表、董事會與核數師報告書。
2. 考慮重選退任董事及授權董事會釐定董事酬金。
3. 考慮重新委聘德勤•關黃陳方會計師行為本公司之核數師及授權董事會釐定其酬金。

特別事項

4. 作為特別事項,考慮及酌情通過下列決議案為一項普通決議案:-

動議:

- (i) 在第(iii)段規限下及根據公司條例第57B條,一般及無條件批准本公司董事於有關期間(定義見下文)內行使本公司所有權力,配發、發行及處理本公司股本中之額外股份,並作出或授予或須行使該等權力之建議、協議及購股權(包括可兌換為本公司股份之認股權證、債券及公司債券);
- (ii) 第(i)段之批准須授權本公司董事於有關期間內作出或授予或須於有關期間結束後行使上述權力以配發、發行及處理本公司股本中之額外股份之建議、協議及購股權(包括可兌換為本公司股份之認股權證、債券及公司債券);

- (iii) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Directors of the Company pursuant to the approval in paragraph (i), otherwise than pursuant to (a) a Rights Issue; (b) an issue of shares of the Company upon the exercise of rights of subscription or conversion under the terms of any warrants of the Company or any securities which are convertible into shares of the Company; or (c) an issue of shares of the Company as scrip dividends pursuant to the articles of association of the Company from time to time; or (d) an issue of shares of the Company under any option scheme or similar arrangement for the grant or issue to employees of the Company and/or any of its subsidiaries of shares of the Company, or rights to acquire shares of the Company, shall not exceed 20 per cent. of the aggregate nominal amount of the share capital of the Company in issue as at the date of the passing of this resolution, and the said approval shall be limited accordingly;
- (iv) for the purpose of this resolution:–
- “Relevant Period” means the period from the passing of this resolution until whichever is the earliest of:–
- (a) the conclusion of the next annual general meeting of the Company;
- (b) the expiration of the period within which the next annual general meeting of the Company is required by any applicable law of Hong Kong or the Company’s Articles of Association to be held; or
- (c) the authority set out in this resolution being revoked or varied by way of ordinary resolution of the Company in general meeting.
- “Rights Issue” means an offer of shares open for a period fixed by the Directors of the Company to holders of shares whose names appear on the register of members on a fixed record date in proportion to their then holdings of such shares (subject to such exclusions or other arrangements as the Directors of the Company may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of any relevant jurisdiction, or the requirements of any recognized regulatory body or any stock exchange).
- (iii) 本公司董事根據第(i)段之批准而配發或有條件或無條件同意配發之股本面值總額（無論為根據購股權或其他原因而配發者），不得超過本公司於本決議案獲通過當日已發行股本面值總額百分之二十，上述批准亦須受此數額限制，惟根據(a)配售新股；(b)根據本公司任何認股權證或可兌換為本公司股份之任何證券之條款行使認購權或換股權而發行本公司股份；或(c)根據本公司不時之組織章程細則發行本公司股份進行以股代息計劃；或(d)根據任何購股權計劃或向本公司及／或其任何附屬公司之僱員授出或發行本公司股份或可購買本公司股份之權利之類似安排而發行本公司股份者除外；
- (iv) 就本決議案而言：–
- 「有關期間」指本決議案獲通過當日起至下列三者中較早之日期止之期間：–
- (a) 本公司下屆股東週年大會結束時；
- (b) 任何適用香港法例或本公司之組織章程細則規定本公司下屆股東週年大會須舉行之期限屆滿；或
- (c) 本決議案所作出之授權經由股東大會通過普通決議案而撤銷或修訂之日。
- 「配售新股」指於董事指定之期限內，向於指定紀錄日期名列股東名冊之股份持有人按彼等當日之持股比例提呈發售股份之建議（惟董事可就零碎股權或在考慮本公司適用之任何地區法例或任何認可監管機關或任何證券交易所之規定所產生之限制或責任後而酌情作出彼等認為必要或權宜取消此等權利之決定或其他安排）。

NOTICE OF ANNUAL GENERAL MEETING – continued

- (v) the authority conferred by this resolution shall be in substitution for all previous authorities granted to the Directors of the Company, except that it shall be without prejudice to and shall not affect the exercise of the power of the Directors of the Company pursuant to such authorities to allot additional shares of the Company up to and in accordance with the approval therein contained prior to the date of this resolution.

By order of the Board
Chan Suk King, Zoe
Company Secretary

Hong Kong, August 25, 2003

Notes:

1. A member entitled to attend and vote at the above Meeting may appoint one or more proxies to attend and, on a poll, vote instead of him. A proxy need not be a member of the Company.
2. In order to be valid, a form of proxy together with the power of attorney or other authority (if any) under which it is signed, or a notary certified copy thereof, must be deposited at the registered office of the Company in any event not less than 48 hours before the time appointed for holding the Meeting. Completion and return of a form of proxy will not preclude you from attending and voting in person if you are subsequently able to be present.

股東週年大會通告 – 續

- (v) 本決議案所賦予之授權將取代原先授予本公司董事之所有授權，惟其不得妨礙或影響本公司董事根據該等授權行使權力，配發最多達於本決議案日期前當中批准所載之本公司額外股份數目。

承董事會命
公司秘書
陳淑琼

香港，二零零三年八月二十五日

附註：

1. 有權出席上述大會及於會上投票之股東可委任一名或以上之代表代其出席及舉手投票。受委任代表毋須為本公司股東。
2. 代表委任表格連同經簽署之授權書或其他授權文件（如有）或經公證人簽署證明之授權書或授權文件副本，無論如何最遲須於大會指定舉行時間48小時前交回本公司之註冊辦事處，方為有效。填妥及交回代表委任表格後，閣下其後仍可親身出席大會，並於會上投票。

REPORT OF THE DIRECTORS

The directors present their annual report and the audited financial statements for the year ended March 31, 2003.

PRINCIPAL ACTIVITIES

The Company acts as an investment holding company and provides corporate management services to its subsidiaries. The activities of its principal subsidiaries and associates are set out in notes 45 and 46 respectively to the financial statements.

RESULTS

The results of the Group for the year ended March 31, 2003 are set out in the consolidated income statement on page 29.

INVESTMENT PROPERTIES

During the year, the Group disposed of investment properties with carrying amounts of HK\$14,836,000, of which HK\$13,923,000 related to disposal through the disposal of a subsidiary.

The Group's investment properties were revalued as at March 31, 2003, as set out in note 13 to the financial statements. The resulting surplus arising on revaluation which amounted to HK\$570,000 has been credited directly to the investment property revaluation reserve.

PROPERTY, PLANT AND EQUIPMENT

During the year, the Group disposed of property, plant and equipment with carrying amounts of HK\$54,694,000, of which HK\$54,682,000 related to disposal through the disposal of a subsidiary.

Details of these and other movements in the property, plant and equipment of the Group and the Company during the year are set out in note 14 to the financial statements.

MAJOR PROPERTIES

Details of the major properties of the Group at March 31, 2003 are set out on page 102.

SHARE CONSOLIDATION

At the extraordinary general meeting of the Company held on May 9, 2003, the consolidation of every 25 issued and unissued shares of HK\$0.25 each in the capital of the Company into 1 consolidated share of HK\$6.25 was approved to take effect on May 12, 2003.

SHARE CAPITAL AND WARRANTS

Movements in the share capital and warrants of the Company are set out in note 26 to the financial statements.

董事會報告書

董事謹此提呈截至二零零三年三月三十一日止年度之年報及經審核財務報表。

主要業務

本公司乃投資控股公司，並為其附屬公司提供公司管理服務。其主要附屬公司及聯營公司之業務分別載於財務報表附註45及46。

業績

本集團截至二零零三年三月三十一日止年度之業績載於第29頁之綜合收益賬內。

投資物業

本集團於年內出售賬面值14,836,000港元之投資物業，當中13,923,000港元與出售一家附屬公司有關。

於二零零三年三月三十一日，本集團重估其投資物業，有關詳情載於財務報表附註13，因而產生之重估盈餘達570,000港元，已直接於投資物業重估儲備入賬。

物業、廠房及設備

本集團於年內出售賬面值54,694,000港元之物業、廠房及設備，當中54,682,000港元與出售一家附屬公司有關。

本集團與本公司之物業、廠房及設備於年內之變動情況載於財務報表附註14。

主要物業

本集團於二零零三年三月三十一日所持有之主要物業詳情載於第102頁。

股份合併

本公司於二零零三年五月九日舉行股東特別大會，會上批准本公司股本中每25股每股面值0.25港元之已發行及未發行股份合併為1股每股面值6.25港元之合併股份，並於二零零三年五月十二日生效。

股本及認股權證

本公司之股本及認股權證變動情況載於財務報表附註26。

REPORT OF THE DIRECTORS – continued

RESERVES

Details of movements during the year in the reserves of the Group and the Company are set out in note 27 to the financial statements.

DIRECTORS

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

Executive directors:

Chan Heng Fai
Chan Tong Wan (redesignated from non-executive director on September 30, 2002 and appointed as Managing Director on August 25, 2003)

Chan Yoke Keow
Chan Sook Jin, Mary-ann

Non-executive directors:

Chan Tong Wan (redesignated to executive director on September 30, 2002)

Fong Kwok Jen
Ha Kee Choy (resigned on July 23, 2003)

Independent non-executive directors:

Lee Ka Leung, Daniel
Wong Dor Luk, Peter

Alternate directors:

Lau Kwok Fai (alternate to Chan Heng Fai)
Wooldridge Mark Dean (alternate to Fong Kwok Jen)

In accordance with Articles 78 and 79 of the Company's Articles of Association, Ms. Chan Sook Jin, Mary-ann and Mr. Lee Ka Leung, Daniel retire by rotation and, being eligible, offer themselves for re-election. The term of office of each non-executive director and independent non-executive director is the period up to his retirement by rotation and each one of them can be re-appointed in accordance with the above articles.

董事會報告書 – 續

儲備

本集團及本公司於年內之儲備變動詳情載於財務報表附註27。

董事

年內及截至本報告日期為止，本公司之在任董事如下：

執行董事：

陳恒輝
陳統運 (於二零零二年九月三十日由非執行董事轉任，後於二零零三年八月二十五日獲委任為董事總經理)

陳玉嬌
陳淑貞

非執行董事：

陳統運 (於二零零二年九月三十日轉任為執行董事)

鄺國禎
夏其才 (於二零零三年七月二十三日辭任)

獨立非執行董事：

李家樑
王多祿

替任董事：

劉國輝 (陳恒輝之替任董事)
Wooldridge Mark Dean (鄺國禎之替任董事)

根據本公司之公司組織章程細則第78及79條，陳淑貞女士及李家樑先生須輪值告退，惟合資格且願膺選連任。各非執行董事及獨立非執行董事之任期至根據上述條文輪值告退為止，且均可根據上述條文再獲委任。

DIRECTORS' INTERESTS IN SECURITIES

董事於證券之權益

(1) Shares and warrants

At March 31, 2003, the interests of the directors, chief executives and their associates in the shares of the Company as recorded in the register maintained by the Company pursuant to Section 29 of the Securities (Disclosure of Interests) Ordinance of Hong Kong (the "SDI Ordinance") were as follows:

(i) Ordinary shares of the Company

董事姓名 Name of directors	個人權益 Personal interests	所持普通股數目 Number of ordinary shares held			其他權益 Other interests
		公司權益 Corporate interests	家族權益 Family interests		
Chan Heng Fai 陳恒輝	71,476,233	8,535,276 (附註1) (note 1)	-	-	
Chan Yoke Keow 陳玉嬌	31,437,294	434,328,440 (附註2) (note 2)	-	59,733,600 (附註3) (note 3)	
Chan Sook Jin, Mary-ann 陳淑貞	25,680	-	3,416,000 (附註4) (note 4)	-	
Fong Kwok Jen 鄺國禎	3,828,000	-	-	-	
Chan Tong Wan 陳統運	17,612,480	-	-	-	
Wong Dor Luk, Peter 王多祿	280,000	-	-	-	

(ii) Warrants of the Company

董事姓名 Name of director	個人權益 Personal interests	所持認股權證數目 Number of warrants held			其他權益 Other interests
		公司權益 Corporate interests	家族權益 Family interests		
Chan Yoke Keow 陳玉嬌	-	80,000,000 (附註5) (note 5)	-	-	

(1) 股份及認股權證

於二零零三年三月三十一日，按本公司根據香港之證券(披露權益)條例(「披露權益條例」)第29條存置之登記冊所載，董事、主要行政人員及彼等之聯繫人士於本公司之股份中擁有之權益如下：

(i) 本公司之普通股

(ii) 本公司之認股權證

REPORT OF THE DIRECTORS – continued

董事會報告書 – 續

DIRECTORS' INTERESTS IN SECURITIES – continued

董事於證券之權益 – 續

(1) Shares and warrants – continued

Notes:

- These shares are owned by Heng Fai China & Asia Industries Limited, in which Mr. Chan Heng Fai (“Mr. Chan”) has a beneficial interest.
- These shares are owned by BPR Holdings (BC) Inc., BPR Holdings (Far East) Limited, First Pacific International Limited and Prime Star Group Co. Ltd., in which Mrs. Chan Yoke Keow (“Mrs. Chan”) has beneficial interests.
- These shares are owned by a discretionary trust, Bermuda Trust (South Pacific) Limited. Mrs. Chan is one of the discretionary objects.
- These shares are owned by Mr. Wooldridge Mark Dean, the spouse of Ms. Chan Sook Jin, Mary-ann.
- These warrants are owned by Prime Star Group Co. Ltd., in which Mrs. Chan has a beneficial interest.

(iii) Shares in a subsidiary

At March 31, 2003, the following directors held interest in the shares of PeopleMed.com, Inc., a subsidiary of the Company as follows:

(1) 股份及認股權證 – 續

附註：

- 該等股份由陳恒輝先生（「陳先生」）實益擁有之恒輝中亞企業有限公司擁有。
- 該等股份由陳玉嬌女士（「陳女士」）實益擁有之BPR Holdings (BC) Inc.、BPR Holdings (Far East) Limited、First Pacific International Limited及Prime Star Group Co. Ltd.擁有。
- 該等股份由一項全權信託Bermuda Trust (South Pacific) Limited擁有，而陳女士乃該項信託之受益人之一。
- 該等股份由陳淑貞女士之配偶Wooldridge Mark Dean先生擁有。
- 該等認股權證由陳女士實益擁有之Prime Star Group Co. Ltd.擁有。

(iii) 於一家附屬公司之股份

於二零零三年三月三十一日，以下董事於本公司附屬公司PeopleMed.com, Inc.之股份擁有之權益如下：

所持普通股數目

Number of ordinary shares held	
個人權益 Personal interests	家族權益 Family interests

Chan Heng Fai	陳恒輝	100,000	–
Chan Yoke Keow	陳玉嬌	–	100,000 (附註) (Note)
Chan Tong Wan	陳統運	25,000	–
Fong Kwok Jen	鄺國禎	25,000	–

Note: These shares are owned by Mr. Chan, the spouse of Mrs. Chan.

附註：該等股份由陳女士之配偶陳先生擁有。

REPORT OF THE DIRECTORS – continued

董事會報告書 – 續

DIRECTORS' INTERESTS IN SECURITIES – continued

董事於證券之權益 – 續

(2) Options

Particulars of the Company's and subsidiaries' share option schemes are set out in note 41 to the financial statements.

The following table discloses details of the Company's share options in issue during the year:

(2) 購股權

本公司及附屬公司之購股權計劃詳情載於財務報表附註41。

下表披露本公司於年內發行之購股權詳情：

董事姓名	授出日期	可予行使期限	每股行使價	於二零零二年 四月一日及 二零零三年 三月三十一日 之購股權數目 Number of share options at 4.1.2002 and 3.31.2003	
Name of director	Date granted	Exercisable period	Exercise price per share 港元 HK\$		
Category 1: Directors	第一類: 董事				
Chan Heng Fai	陳恒輝	4.22.1996	4.22.1996 – 4.21.2006	0.4025	1,000,000
		5.15.1997	5.15.1997 – 5.14.2007	0.4512	6,660,000
		10.26.1997	10.26.1997 – 10.25.2007	0.3064	14,400,000
Chan Yoke Keow	陳玉嬌	4.22.1996	4.22.1996 – 4.21.2006	0.4025	2,071,739
		5.15.1997	5.15.1997 – 5.14.2007	0.4512	6,660,000
		10.26.1997	10.26.1997 – 10.25.2007	0.3064	14,400,000
Chan Sook Jin, Mary-ann	陳淑貞	10.26.1997	10.26.1997 – 10.25.2007	0.3064	25,000,000
Total directors	董事總數				70,191,739
Category 2 : Employees	第二類: 僱員				
Total employees	僱員總數	5.15.1997	5.15.1997 – 5.14.2007	0.4512	1,300,000
Total all categories	所有類別總數				71,491,739

No share option was granted or exercised during the year.

年內並無購股權獲授出或行使。

DIRECTORS' INTERESTS IN SECURITIES – continued

董事於證券之權益 – 續

(2) Options – continued

In addition, the following outstanding options to subscribe for shares in the capital of a former subsidiary and certain subsidiaries of the Company, granted to certain directors of the Company under the share option schemes of these former and existing subsidiaries are as follows:

- (i) *China Gas Holdings Limited (“CGHL”), a former subsidiary of the Company*

The following table discloses movements in the CGHL's share options during the year.

董事姓名 Name of director	授出日期 Date of grant	可予行使期限 Exercisable period	每股行使價 Exercise price per share 港元 HK\$	購股權數目 Number of share options		
				於 二零零二年 四月一日 At 4.1.2002	於 二零零三年 年內行使 三月三十一日 Exercised during the year	於 二零零三年 三月三十一日 At 3.31.2003
Chan Sook Jin, Mary-ann 陳淑貞	2.10.1998	2.10.1998 – 2.9.2008	0.11	1,000,000	(1,000,000)	-

The weighted average closing price of CGHL's shares immediately before the date on which the options were exercised was HK\$1.35 per share.

CGHL was disposed of during the year. Details of the transaction are set out in note 19 to the financial statements.

(2) 購股權 – 續

此外，以下可認購本公司一間前附屬公司及若干附屬公司股本中股份之尚未行使購股權乃根據該前附屬公司及現有附屬公司之購股權計劃授予本公司若干董事，詳情如下：

- (i) 本公司前附屬公司中國燃氣控股有限公司（「中國燃氣」）

下表披露中國燃氣購股權於年內之變動情況。

購股權數目 Number of share options	購股權數目 Number of share options	
	於 二零零二年 四月一日 At 4.1.2002	於 二零零三年 年內行使 三月三十一日 Exercised during the year

緊接購股權獲行使日期前之中國燃氣股份加權平均收市價為每股1.35港元。

中國燃氣於年內售出。有關交易詳情載於財務報表附註19。

REPORT OF THE DIRECTORS – continued

董事會報告書 – 續

DIRECTORS' INTERESTS IN SECURITIES – continued

董事於證券之權益 – 續

(2) Options – continued

(ii) *eBanker USA.com, Inc. ("eBanker")*

The following table presents details of share options in issue during the year.

Category 1: Directors	第一類: 董事	
Chan Heng Fai	陳恒輝	500,000
Fong Kwok Jen	鄺國禎	100,000
Total held by directors	董事所持總數	600,000
Category 2: Employees	第二類: 僱員	
Total held by employees	僱員所持總數	20,000
Total	總計	620,000

There was no movement in the share options granted by eBanker during the year.

(iii) *Global Med Technologies, Inc. ("Global Med")*

The following table presents the activity for options for the year ended and as of March 31, 2003:

Category 1: Directors	第一類: 董事	每股行使價 Exercise price per share 美元 US\$	於二零零三年三月三十一日之購股權數目 Number of share options at 3.31.2003
Chan Heng Fai	陳恒輝	0.78	250,000
Chan Tong Wan	陳統運	0.66	50,000
Fong Kwok Jen	鄺國禎	0.78	150,000
Total held by directors	董事所持總數		450,000
Category 2: Employees	第二類: 僱員		
Total held by employees	僱員所持總數	0.75	8,461,942
Total	總計		8,911,942

(2) 購股權 – 續

(ii) *eBanker USA.com, Inc. ("eBanker")*

下表乃年內已發行購股權之詳情。

於二零零二年四月一日及二零零三年三月三十一日之購股權數目
Number of share options at 4.1.2002 and 3.31.2003

eBanker授出之購股權於年內並無任何變動。

(iii) *Global Med Technologies, Inc. ("Global Med")*

下表乃購股權於截至二零零三年三月三十一日止年度及於該日之詳情:

REPORT OF THE DIRECTORS – continued

董事會報告書 – 續

DIRECTORS' INTERESTS IN SECURITIES – continued

董事於證券之權益 – 續

(2) Options – continued

(2) 購股權計劃 – 續

(iii) Global Med Technologies, Inc. (“Global Med”) – continued

(iii) Global Med Technologies, Inc. (「Global Med」) – 續

		購股權 Options	價格* Price* 美元 US\$
Outstanding, beginning of year	年初尚未行使	6,257,971	0.85
Granted	授出	2,827,500	0.58
Forfeited/cancelled	已沒收/註銷	(173,529)	1.31
Outstanding, end of year	年終尚未行使	<u>8,911,942</u>	<u>0.75</u>

There was no movement in options granted to the directors during the year.

年內授予董事之購股權並無任何變動。

The following table presents the composition of options outstanding and exercisable as of March 31, 2003:

下表呈列於二零零三年三月三十一日尚未行使及可予行使購股權之情況：

行使價範圍 Range of exercise price 美元 US\$	尚未行使購股權 Options Outstanding			可予行使購股權 Exercisable Options	
	款額 Amount	價格* Price* 美元 US\$	年期* Life*	款額 Amount	價格* Price* 美元 US\$
0.45-0.55	50,000	0.47	9.8	-	-
0.56-1.00	8,050,498	0.65	7.2	2,647,165	0.72
1.03-1.50	265,000	1.16	5.2	211,000	1.13
1.51-2.00	322,194	1.78	4.7	322,194	1.78
2.45-3.00	210,750	2.51	4.3	210,750	2.51
3.75	13,500	3.75	3.3	13,500	3.75
總計 Total	<u>8,911,942</u>	<u>0.75</u>	<u>6.9</u>	<u>3,404,609</u>	<u>0.97</u>

* Price and life reflect the weighted average exercise price and weighted average remaining contractual life, respectively.

* 價格及年期分別指加權平均行使價及加權平均尚餘契約期。

The fair value of the options in Global Med granted during the year is not disclosed as in the opinion of the directors, certain assumptions needed to derive the fair value using the Black-Scholes option pricing model cannot be reasonably determined.

董事認為，由於未能合理釐訂若干採用柏力克－舒爾斯期權訂價模式計算公平值所需之假設，故並無披露年內授出之Global Med購股權公平值。

Other than as disclosed above, at no time during the year was the Company or any of its subsidiaries a party to any arrangements to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate and neither the directors nor the chief executives, nor any of their spouses or children under the age of 18, had any right to subscribe for the securities of the Company, or had exercised any such rights during the year.

除上文所披露者外，本公司或其任何附屬公司於年內任何時間概無參與任何安排，可使本公司董事藉收購本公司或任何其他法人團體之股份或債券而獲利，董事或主要行政人員或任何彼等之配偶或18歲以下之子女概無任何權利認購本公司證券，年內亦無行使任何該等權利。

DIRECTORS' SERVICE CONTRACTS

董事之服務合約

(i) On November 9, 1998, a service contract (“Service Contract”) was entered into between the Company and Mr. Chan, for a term of five years expiring on January 31, 2002, terminable by Mr. Chan on 180 days’ notice. The terms of this Service Contract are deemed to have taken effect on February 1, 1997. On November 25, 2000, a supplementary agreement was entered into between the Company and Mr. Chan for the extension of the Service Contract for a period of three years expiring on January 31, 2005.

Commencing from February 1, 1998 and up to January 31, 2005, the Service Contract provides for the payment of a salary of the greater of (i) an annual salary equal to 5.9% of the net assets value of the Company shown in its consolidated audited accounts at each financial year end of the Company, and (ii) 101% of the basic salary for the period from February 1, 1997 to January 31, 1998. In addition, Mr. Chan is also entitled to receive an accommodation allowance of HK\$30,000 per month.

On August 22, 2003, Mr. Chan submitted a “Voluntary Undertaking to Reduce Basic Remuneration by Approximately 50% Effective August 1, 2003” (“Voluntary Reduction Undertaking”) to the directors of the Company. This Voluntary Reduction Undertaking, effective from August 1, 2003 through the remaining life of the Service Contract, voluntarily amends the Service Contract by placing additional limits on Mr. Chan’s remuneration, resulting in an immediate going-forward reduction of approximately 50% in basic salary remuneration, and requiring any additional remuneration to be subject to the Company’s profit before taxation as shown in its consolidated audited accounts at each financial year end of the Company. The Company will not be obligated to remunerate Mr. Chan any more than would be required under the Service Contract before this Voluntary Reduction Undertaking.

In the event that the Company should terminate Mr. Chan’s employment following the change of control of the Company, as defined in the Service Contract, or for any reasons not specifically excluded in the Service Contract, Mr. Chan shall be entitled to receive as liquidated damages a lump sum equal to the sum which would have been payable by the Company as gross salary in respect of the unexpired term of the Service Contract on the date notice of termination is given.

(i) 於一九九八年十一月九日，本公司與陳先生訂立一份為期五年之服務合約（「服務合約」），於二零零二年一月三十一日屆滿，在陳先生發出180日通知之情況下，此服務合約可予終止。該份服務合約之條款被當作已於一九九七年二月一日生效。於二零零零年十一月二十五日，本公司與陳先生訂立一項補充協議，將服務合約延長三年，於二零零五年一月三十一日屆滿。

由一九九八年二月一日起至二零零五年一月三十一日止，服務合約規定須支付薪金之金額為下列較高者：(i)相等於本公司每個財政年度年結日之經審核綜合賬目所示本公司資產淨值5.9%之年薪；及(ii)於一九九七年二月一日至一九九八年一月三十一日期間基本薪金之101%。陳先生亦有權收取每月30,000港元之房屋津貼。

二零零三年八月二十二日，陳先生向本公司董事會呈交「自願承諾自二零零三年八月一日起減薪約50%」（「自願減薪承諾」）。此自願減薪承諾自二零零三年八月一日起生效，直至服務合約結束，就陳先生之薪酬作出額外限制，從而自願修訂服務合約，基本薪酬即時持續減低約50%，而任何額外薪酬須取決於每個財政年度年結日之本公司綜合經審核賬目所示除稅前溢利。本公司毋須就自願減薪承諾向陳先生支付多於服務合約規定之薪酬。

倘本公司因控制權轉變（定義見服務合約），或因服務合約並無特別訂明豁免之任何原因而終止僱用陳先生，則陳先生有權於接獲解僱通知當日收取一筆定額賠償，數額相當於本公司於服務合約餘下期間須付予陳先生之薪金總額。

DIRECTORS' SERVICE CONTRACTS – continued

董事之服務合約 – 續

(ii) A service contract (the "Service Contract with Mrs. Chan") was entered into between the Company and Mrs. Chan, for a term of five years commencing February 1, 1997, and expiring on February 1, 2002, terminable by Mrs. Chan on 180 days' notice. The Service Contract with Mrs. Chan provides for the payment of a basic salary of HK\$88,000 per month, together with an additional amount equal to one month's salary payable in February of each year. The basic salary is to be revised on an annual basis by not less than 10% per year. In addition to the basic salary, Mrs. Chan shall be entitled to receive an accommodation allowance of HK\$30,000 per month. In the event that the Company should terminate Mrs. Chan's employment following a change of control of the Company as defined in the Service Contract with Mrs. Chan, or for any reasons not specifically excluded in the Service Contract with Mrs. Chan, Mrs. Chan shall be entitled to receive as liquidated damages a lump sum equal to the sum which would have been payable by the Company as gross salary in respect of the unexpired term of the service contract with Mrs. Chan on the date notice of termination is given.

A supplementary agreement to the Service Contract with Mrs. Chan has been entered into between the Company and Mrs. Chan in substitution for various terms of the service contract with Mrs. Chan. The supplementary agreement provides for the payment of a salary of the greater of (i) an annual salary equal to 1% of the net assets value of the Company shown in its consolidated audited accounts at each financial year end of the Company, or (ii) 110% of the basic salary as mentioned in the Service Contract with Mrs. Chan with effect from February 1, 1998.

On April 22, 2002, a new service contract was entered into between the Company and Mrs. Chan, for a term of five years expiring on February 1, 2007. The terms of this service contract are deemed to have taken effect on February 1, 2002. The contract provides for the payment of a salary terms same as the supplementary agreement. In addition, Mrs. Chan is also entitled to receive an accommodation allowance of HK\$30,000 per month. In the event that the Company should terminate Mrs. Chan's employment following the change of control of the Company, as defined in the service contract, or for any reasons not specifically excluded in the service contract, Mrs. Chan shall be entitled to receive as liquidated damages a lump sum equal to the sum which would have been payable by the Company as gross salary in respect of the unexpired term of the service contract on the date on which notice of termination is given.

Other than as disclosed above, none of the directors has a service contract with the Company which is not determinable by the Company within one year without payment of compensation, other than statutory compensation.

(ii) 本公司與陳女士訂有服務合約（「與陳女士之服務合約」），由一九九七年二月一日起為期五年，於二零零二年二月一日屆滿，在陳女士發出180日通知之情況下，此服務合約可予終止。與陳女士之服務合約規定每月須支付88,000港元之基本薪金，另於每年二月支付一筆相等於一個月薪金之額外款項。基本薪金將每年須調整，惟每年加薪幅度不得少於10%。除基本薪金外，陳女士亦有權收取每月30,000港元之房屋津貼。倘本公司因控制權轉變（定義見與陳女士之服務合約），或因與陳女士之服務合約並無特別訂明豁免之任何原因而終止僱用陳女士，則陳女士有權於接獲解僱通知當日收取一筆定額賠償，數額相當於本公司於與陳女士之服務合約餘下期間須付予陳女士之薪金總額。

本公司已就與陳女士之服務合約，與陳女士訂立一份補充協議，以代替與陳女士之服務合約多項條款。該份補充協議規定須支付薪金之金額為下列較高者：(i)相等於本公司每個財政年度年結日之經審核綜合賬目所示本公司之資產淨值1%之年薪；或(ii)於一九九八年二月一日生效之與陳女士之服務合約所述基本薪金之110%。

本公司與陳女士於二零零二年四月二十二日訂立一份為期五年之新服務合約，將於二零零七年二月一日屆滿。此服務合約之條款被視為於二零零二年二月一日生效。該合約所規定之薪金條款與補充協議一致。此外，陳女士亦有權收取每月30,000港元之房屋津貼。倘本公司因控制權轉變（定義見服務合約），或因服務合約並無特別訂明豁免之任何原因而終止僱用陳女士，則陳女士有權於接獲解僱通知當日收取一筆定額賠償，數額相當於本公司於與陳女士之服務合約餘下期間須付予陳女士之薪金總額。

除上文所披露者外，概無任何董事與本公司訂立任何本公司不可於一年內毋須作出賠償（法定賠償除外）而終止之服務合約。

REPORT OF THE DIRECTORS – continued

董事會報告書 – 續

DIRECTORS' INTERESTS IN CONTRACTS

Other than certain transactions as disclosed in the section headed "Connected Transactions" below and note 43 to the financial statements, no other 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.

CONNECTED TRANSACTIONS

On May 27, 2002, a subscription agreement was entered into with Prime Star Group Co. Ltd., a company beneficially wholly-owned by Mrs. Chan, a director of the Company, to subscribe for an aggregate of 80,000,000 new ordinary shares of the Company of HK\$0.25 each at a subscription price of HK\$0.25 per share. Details of the transaction are set out in note 26 to the financial statements.

On December 10, 2002, an agreement was entered into between the Company and Mr. Chan, a director of the Company, pursuant to which the Company agreed to purchase 645,934 shares (representing 39.51% of the issued capital owned by Mr. Chan) of American Pacific Bank ("AP Bank"), and 1,050,000 warrants of AP Bank for a total consideration of HK\$134,000,000. A summary of the terms of the agreement is set out in a circular of the Company dated April 17, 2003. The transaction was approved by the independent shareholders in the extraordinary general meeting on May 9, 2003 but subject to the approval by relevant government and regulatory authorities in the United States of America.

SUBSTANTIAL SHAREHOLDERS

As at March 31, 2003, according to the register of interest kept by the Company under Section 16(1) of the SDI Ordinance, the persons who were interested in 10% or more in the issued share capital of the Company are as follows:

名稱
Name

所持股份數目
Number of shares held

百分比
%

Prime Star Group Co. Ltd.

321,260,000

21.59

Save as disclosed above, as at March 31, 2003, no person other than the directors of the Company whose interests are set out in the section headed "Directors' interest in securities" above, had registered an interest of 10% or more in the issued share capital of the Company that was required to be recorded in the register of interest pursuant to Section 16(1) of the SDI Ordinance.

MAJOR CUSTOMERS AND SUPPLIERS

For the year ended March 31, 2003, the aggregate amount of turnover and purchases attributable to the Group's five largest customers and suppliers respectively accounted for less than 30% of the Group's total turnover and purchases.

董事於合約之權益

除下文「關連交易」一節及財務報表附註43所披露之若干交易外，本公司或其任何附屬公司概無訂立任何本公司董事直接或間接擁有重大權益且於年終或年內任何時間仍然生效之重要合約。

關連交易

於二零零二年五月二十七日，本公司與本公司董事陳女士全資實益擁有之Prime Star Group Co. Ltd.訂立認購協議，以認購價每股0.25港元認購本公司合共80,000,000股每股面值0.25港元之新普通股。有關交易詳情載於財務報表附註26。

於二零零二年十二月十日，本公司與本公司董事陳先生訂立協議，據此，本公司同意以總代價134,000,000港元購入American Pacific Bank（「AP Bank」）645,934股（相當於陳先生擁有之已發行股本39.51%）及1,050,000份認股權證。協議條款概要載於本公司日期為二零零三年四月十七日之通函。交易已於二零零三年五月九日舉行之股東特別大會獲獨立股東批准，惟有待美國有關政府及監管機構批准。

主要股東

於二零零三年三月三十一日，按本公司根據披露權益條例第16(1)條所存置之權益登記冊所示，以下人士擁有本公司已發行股本10%或以上權益：

除上文所披露者外，於二零零三年三月三十一日，除上文「董事於證券之權益」一節所載本公司董事擁有之權益外，概無人士於本公司根據披露權益條例第16(1)條存置之權益登記冊所記錄擁有本公司已發行股本10%或以上權益。

主要客戶及供應商

截至二零零三年三月三十一日止年度，本集團五大客戶及供應商分別佔本集團營業總額及採購總額不足30%。

REPORT OF THE DIRECTORS – continued

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.

POST BALANCE SHEET EVENTS

Details of significant post balance sheet events are set out in note 44 to the financial statements.

CORPORATE GOVERNANCE

In the opinion of the directors, the Company has complied throughout the year ended March 31, 2003 with the Code of Best Practice as set out in Appendix 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

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

CHAN TONG WAN
MANAGING DIRECTOR

August 25, 2003

董事會報告書 – 續

購回、出售或贖回上市證券

本公司或其任何附屬公司於年內概無購回、出售或贖回本公司任何上市證券。

結算日後事項

於結算日後之重大事項詳情載於財務報表附註 44。

公司管治

董事認為，本公司於截至二零零三年三月三十一日止年度一直遵守香港聯合交易所有限公司證券上市規則附錄14所載最佳應用守則。

核數師

將於股東週年大會提呈有關再度委聘德勤•關黃陳方會計師行為本公司核數師之決議案。

代表董事會

董事總經理
陳統運

二零零三年八月二十五日

德勤·關黃陳方會計師行

Certified Public Accountants
26/F, Wing On Centre
111 Connaught Road Central
Hong Kong

香港中環干諾道中111號
永安中心26樓

**Deloitte
Touche
Tohmatsu**

TO THE SHAREHOLDERS OF HENG FUNG HOLDINGS LIMITED

恒鋒集團有限公司

(Incorporated in Hong Kong with limited liability)

We have audited the financial statements on pages 29 to 100 which have been prepared in accordance with accounting principles generally accepted in Hong Kong.

Respective responsibilities of directors and auditors

The Companies Ordinance requires the directors to prepare financial statements which give a true and fair view. In preparing 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 financial statements and to report our opinion solely to you, as a body, in accordance with section 141 of the Companies Ordinance, 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 Statements of Auditing Standards issued by the Hong Kong Society of Accountants. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the circumstances of the Company and 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 financial statements are free from material misstatement. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements. We believe that our audit provides a reasonable basis for our opinion.

致恒鋒集團有限公司列位股東

(在香港註冊成立之有限公司)

本核數師行已完成審核載於第29頁至第100頁按照香港普遍採納之會計原則編製的財務報表。

董事及核數師的個別責任

《公司條例》規定董事須負責編製真實與公平的財務報表。在編製該等財務報表時，董事必須貫徹採用合適的會計政策。

本行的責任是根據本行審核工作的結果，對該等財務報表表達獨立的意見，並根據公司條例第141條僅向股東（作為一個團體）作出報告，本報告不作其他用途。本行不會就本報告內容向任何其他人士承擔責任。

意見的基礎

本行是按照香港會計師公會頒佈的核數準則進行審核工作。審核範圍包括以抽查方式查核與財務報表所載數額及披露事項有關的憑證，亦包括評估董事於編製該等財務報表時所作的重大估計和判斷、所釐定的會計政策是否適合 貴公司及 貴集團的具體情況，及是否貫徹應用並足夠地披露該等會計政策。

本行在策劃和進行審核工作時，均以取得一切本行認為必需的資料及解釋為目標，使本行能獲得充份的憑證，就該等財務報表是否存有重要錯誤陳述，作出合理的確定。在表達意見時，本行亦已衡量該等財務報表所載資料在整體上是否足夠。本行相信，本行的審核工作已為下列意見建立合理的基礎。

Fundamental uncertainty relating to the recoverable amount of a promissory note receivable

In forming our opinion, we have considered the adequacy of the disclosures made in note 24 to the financial statements concerning the recovery of a promissory note receivable of HK\$19,000,000 as at March 31, 2003. The promissory note receivable was, subsequent to the balance sheet date, settled by the issue of 965,147,945 ordinary shares by RNA Holdings Limited (“RNA”), a company incorporated in Bermuda with its shares listed on The Stock Exchange of Hong Kong Limited. However, the trading of the shares of RNA was suspended before the aforesaid settlement and has not been resumed up to the date of this report. No allowance has been made in these financial statements in respect of the promissory note receivable. However, the recoverable amount of the shares and, accordingly, the recoverable amount of the receivable, will only be known with reasonable certainty upon the resumption of trading in the shares.

We consider that appropriate estimates and disclosures have been made and our opinion is not qualified in this respect.

Opinion

In our opinion the financial statements give a true and fair view of the state of affairs of the Company and the Group as at March 31, 2003 and of the profit and cash flows of the Group for the year then ended and have been properly prepared in accordance with the Companies Ordinance.

Deloitte Touche Tohmatsu
Certified Public Accountants

August 25, 2003

有關承付票據應收款項可收回款額的基本不明朗因素

本行作出意見時，曾考慮財務報表附註24有關於二零零三年三月三十一日之承付票據應收款項19,000,000港元能夠收回與否之披露是否充份。承付票據應收款項於結算日後，以發行於百慕達註冊成立之慶豐金集團有限公司（「慶豐金」）965,147,945股普通股結清，該公司股份於香港聯合交易所有限公司上市。然而，慶豐金股份於上述款項結清前暫停買賣，截至本報告日期尚未恢復買賣，惟財務報表並未就承付票據應收款項作出撥備。股份的可收回款項及應收款項可收回款項，有待股份恢復買賣始能合理確定。

本行認為，財務報表已就此作出適當評估及披露，故並未就此方面作出保留意見。

意見

本行認為上述的財務報表均真實與公平地反映 貴公司及 貴集團於二零零三年三月三十一日的財務狀況及 貴集團截至該日止年度的溢利和現金流量，並已按照《公司條例》妥善編製。

德勤•關黃陳方會計師行
執業會計師

二零零三年八月二十五日

CONSOLIDATED INCOME STATEMENT
FOR THE YEAR ENDED MARCH 31, 2003

綜合收益賬

截至二零零三年三月三十一日止年度

		附註 Notes	二零零三年 2003 千港元 HK\$'000	二零零二年 2002 千港元 HK\$'000
Turnover	營業額	4	142,594	60,685
Cost of sales	銷售成本		(101,085)	(33,556)
Gross profit	毛利		41,509	27,129
Other operating income	其他營運收入	6	1,014	6,335
Distribution costs	分銷成本		(159)	(1,722)
Administrative expenses	行政開支		(100,993)	(67,872)
Other operating expenses	其他營運開支		(861)	(483)
Net gain (loss) on investments in securities and properties	來自證券及物業投資之 淨收益 (虧損)	7	201,444	(1,211)
Impairment loss recognised in respect of goodwill	商譽之已確認 減值虧損		(3,054)	(28,898)
Provision for guaranteed liabilities	擔保債務撥備		(5,130)	(4,885)
Profit (loss) from operations	經營溢利 (虧損)	8	133,770	(71,607)
Finance costs	融資成本	9	(7,331)	(6,925)
Share of results of associates	分佔聯營公司業績		(1,562)	-
Gain on partial disposal of a subsidiary	出售一間附屬公司部分 權益之收益	35(b)	12,515	-
Gain on disposal of preference shares of a subsidiary	出售一間附屬公司優先股 之收益	19	12,330	-
Gain on deemed disposal of a subsidiary	視作出售一間附屬公司 之收益	19	13,823	30,964
Gain on deemed disposal of an associate	視作出售一間聯營公司 之收益	19	18,061	-
Impairment loss recognised in respect of interest in an associate	一間聯營公司權益之 已確認減值虧損		-	(412)
Profit (loss) before taxation	除稅前溢利 (虧損)		181,606	(47,980)
Taxation	稅項	11	470	89
Net profit (loss) before minority interests	未計少數股東權益前之 淨溢利 (虧損)		182,076	(47,891)
Minority interests	少數股東權益		8,371	8,183
Net profit (loss) for the year	本年度淨溢利 (虧損)		190,447	(39,708)
Earnings (loss) per share - basic and diluted	每股盈利 (虧損) - 基本及攤薄	12	HK\$3.38	HK\$(0.78)

BALANCE SHEETS
AT MARCH 31, 2003

資產負債表
於二零零三年三月三十一日

	附註 Notes	本集團 THE GROUP		本公司 THE COMPANY	
		二零零三年 2003 千港元 HK\$'000	二零零二年 2002 千港元 HK\$'000	二零零三年 2003 千港元 HK\$'000	二零零二年 2002 千港元 HK\$'000
Assets					
		資產			
Non-current assets		非流動資產			
Investment properties	13	11,482	25,748	-	-
Property, plant and equipment	14	13,360	70,001	335	446
Goodwill	15	20,987	26,458	-	-
Intangible assets	16	2,936	6,293	-	-
Investments in subsidiaries	17	-	-	13,879	85,600
Interests in associates	18	-	-	-	-
Investments in securities	19	12,887	7,587	2,383	3,883
Amounts due from subsidiaries	20	-	-	155,256	87,682
Loans receivable – due after one year	21	-	632	-	-
Pledged bank deposits	40	3,963	4,216	-	-
		<u>65,615</u>	<u>140,935</u>	<u>171,853</u>	<u>177,611</u>
Current assets		流動資產			
Inventories	22	457	420	-	-
Properties held for sale	23	79	79	79	79
Trade and other receivables	24	83,733	111,350	5,372	4,958
Taxation recoverable		473	-	-	-
Amounts due from associates	25	13	13	13	13
Loans receivable – due within one year	21	1,510	1,776	-	-
Investments in securities	19	300,658	46,715	186,871	4
Bank balances and cash		115,265	71,632	58,569	5,269
		<u>502,188</u>	<u>231,985</u>	<u>250,904</u>	<u>10,323</u>
Total assets		<u>567,803</u>	<u>372,920</u>	<u>422,757</u>	<u>187,934</u>
		資產總值			

BALANCE SHEETS – continued
AT MARCH 31, 2003

資產負債表 – 續
於二零零三年三月三十一日

	附註 Notes	本集團 THE GROUP		本公司 THE COMPANY	
		二零零三年 2003 千港元 HK\$'000	二零零二年 2002 千港元 HK\$'000	二零零三年 2003 千港元 HK\$'000	二零零二年 2002 千港元 HK\$'000
Equity and liabilities					
		股本及負債			
Capital and reserves		資本及儲備			
Share capital	26	372,029	317,029	372,029	317,029
Reserves	27	83,165	(88,262)	22,156	(161,690)
		<u>455,194</u>	<u>228,767</u>	<u>394,185</u>	<u>155,339</u>
Minority interests		<u>8,922</u>	<u>1,965</u>	<u>-</u>	<u>-</u>
		非流動負債			
Non-current liabilities		非流動負債			
Borrowings	28	9,442	9,988	-	-
Convertible debentures	29	49,370	49,297	-	-
Obligations under finance leases	30	-	730	-	-
Amounts due to associates	31	1,679	1,679	1,364	1,364
Amounts due to subsidiaries	32	-	-	24,922	24,913
Deferred taxation	33	1,014	1,014	-	-
		<u>61,505</u>	<u>62,708</u>	<u>26,286</u>	<u>26,277</u>
Current liabilities		流動負債			
Trade and other payables	34	41,563	77,198	2,286	6,318
Amount due to an associate	31	-	1,043	-	-
Borrowings	28	533	488	-	-
Obligations under finance leases	30	-	693	-	-
Taxation payable		86	58	-	-
		<u>42,182</u>	<u>79,480</u>	<u>2,286</u>	<u>6,318</u>
Total equity and liabilities		<u>567,803</u>	<u>372,920</u>	<u>422,757</u>	<u>187,934</u>
		股本及負債總額			

The financial statements on pages 29 to 100 were approved and authorised for issue by the Board of Directors on August 25, 2003 and are signed on its behalf by:

第29頁至第100頁所載財務報表已於二零零三年八月二十五日由董事會通過及授權刊發，並由下列董事代表簽署：

Chan Heng Fai **陳恒輝**
 Managing Chairman 執行主席

Chan Tong Wan **陳統運**
 Managing Director 董事總經理

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED MARCH 31, 2003

綜合權益變動表

截至二零零三年三月三十一日止年度

		股本總額 Total equity 千港元 HK\$'000
At April 1, 2001	於二零零一年四月一日	229,115
Goodwill reserve released on deemed disposal of a subsidiary	視作出售一間附屬公司時解除之商譽儲備	10,063
Impairment loss recognised in respect of goodwill	商譽之已確認減值虧損	28,898
Exchange realignment not recognised in the income statement	未於收益賬確認之匯兌調整	399
Net loss for the year	本年度淨虧損	<u>(39,708)</u>
At March 31, 2002	於二零零二年三月三十一日	228,767
Goodwill reserve released on deemed disposal and partial disposal of subsidiaries	視作出售附屬公司及出售附屬公司部分權益時解除之商譽儲備	11,423
Goodwill reserve released on deemed disposal of an associate	視作出售一間聯營公司時解除之商譽儲備	933
Impairment loss recognised in respect of goodwill	商譽之已確認減值虧損	3,054
Revaluation surplus of investment properties not recognised in the income statement	未於收益賬確認之投資物業重估盈餘	570
Issue of ordinary shares	發行普通股	55,000
Issue of bonus shares	發行紅股	(35,000)
Net profit for the year	本年度純利	<u>190,447</u>
At March 31, 2003	於二零零三年三月三十一日	<u><u>455,194</u></u>

CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED MARCH 31, 2003

綜合現金流量表
截至二零零三年三月三十一日止年度

		二零零三年 2003 千港元 HK\$'000	二零零二年 2002 千港元 HK\$'000
OPERATING ACTIVITIES	經營業務		
Profit (loss) from operations	經營溢利 (虧損)	133,770	(71,607)
Adjustments for:	經下列各項調整:		
Interest income	利息收入	(24,546)	(47,914)
Allowance for loans receivable	應收貸款撥備	3,000	890
Allowance for trade and other receivables	貿易及其他應收款項撥備	33,574	25,756
Loss on disposal of investment properties	出售投資物業之虧損	-	21
Impairment loss recognised in respect of goodwill	商譽之已確認減值虧損	3,054	28,898
Provision for guaranteed liabilities	擔保債務撥備	5,130	4,885
(Gain) loss on disposal of property, plant and equipment	出售物業、廠房及設備之 (收益) 虧損	(6)	66
Impairment loss recognised in respect of	就下列各項確認之減值虧損		
- properties under development for sale	- 待售發展中物業	-	1,200
- land and buildings	- 土地及樓宇	820	3,935
Unrealised gain on other investments	其他投資未變現收益	(205,864)	(6,590)
Net impairment loss recognised in respect of	就下列各項確認之淨減值虧損		
- held-to-maturity securities	- 持至到期證券	2,100	1,624
- investment securities	- 投資證券	1,500	-
Deficit on revaluation of investment properties	投資物業重估虧絀	-	1,042
Depreciation	折舊	2,964	2,380
Amortisation of goodwill	商譽攤銷	5,471	900
Amortisation and write off of intangible assets	無形資產攤銷及撇銷	4,909	-
Operating cash flows before movement in working capital	營運資金變動前之經營現金流量	(34,124)	(54,514)
(Increase) decrease in loans receivable	應收貸款 (增加) 減少	(2,102)	2,675
Increase in investments in securities	證券投資增加	(22,844)	(3,079)
Increase in inventories	存貨增加	(37)	(111)
(Increase) decrease in trade and other receivables	貿易及其他應收款項 (增加) 減少	(15,775)	22,809
Decrease in trade and other payables	貿易及其他應付款項減少	(5,907)	(2,686)
Decrease in amount due to an associate	結欠一間聯營公司款項減少	(1,043)	(19,824)
Exchange realignment	匯兌調整	-	399
Cash used in operations	經營所用現金	(81,832)	(54,331)
Hong Kong Profits Tax refunded (paid)	退回 (已繳) 香港利得稅	89	(104)
Overseas tax paid	已繳海外稅項	-	(126)
Interest on amount due to an associate paid	已付結欠一間聯營公司款項之利息	-	(6,660)
Interest received	已收利息	24,546	47,914
NET CASH USED IN OPERATING ACTIVITIES	經營業務所用現金淨額	(57,197)	(13,307)

CONSOLIDATED CASH FLOW STATEMENT – continued
FOR THE YEAR ENDED MARCH 31, 2003

綜合現金流量表 – 續
截至二零零三年三月三十一日止年度

	附註 Notes	二零零三年 2003 千港元 HK\$'000	二零零二年 2002 千港元 HK\$'000
INVESTING ACTIVITIES	投資活動		
Acquisition of a subsidiary	收購一間附屬公司	36 (8,500)	41,127
Deemed disposal of a subsidiary	視作出售一間附屬公司	37 (24,687)	–
Proceeds from disposal of preference shares of a subsidiary	出售一間附屬公司優先股之所得款項	105,629	–
Purchase of property, plant and equipment	購入物業、廠房及設備	(1,837)	(82)
Advance to an associate	墊支予一間聯營公司	–	(236)
Proceeds from disposal of investment properties	出售投資物業之所得款項	913	376
Decrease in loans receivable	應收貸款減少	–	272
Decrease in pledged bank deposits	已抵押銀行存款減少	253	858
Payment of guaranteed liabilities of an associate	支付一間聯營公司擔保債務款項	(10,015)	–
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備之所得款項	18	–
Additions of intangible assets	添置無形資產	(1,552)	–
Investment in an associate	於一間聯營公司之投資	(321)	–
NET CASH FROM INVESTING ACTIVITIES	投資活動所得現金淨額	59,901	42,315
FINANCING ACTIVITIES	融資活動		
Interest paid	已付利息	(7,184)	(265)
Finance lease charges	融資租賃開支	(74)	–
Repayment of finance leases obligations	償還融資租賃承擔	(1,423)	–
Contribution from minority shareholders of a subsidiary	一間附屬公司少數股東注資	30,111	18,910
Issue of shares	發行股份	20,000	–
Repayment of mortgage loans	償還按揭貸款	(501)	(406)
NET CASH FROM FINANCING ACTIVITIES	融資活動所得現金淨額	40,929	18,239
NET INCREASE IN CASH AND CASH EQUIVALENTS	現金及現金等值項目增加淨額	43,633	47,247
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR	年初之現金及現金等值項目	71,632	24,385
CASH AND CASH EQUIVALENTS AT END OF THE YEAR	年終之現金及現金等值項目	115,265	71,632
ANALYSIS OF THE BALANCE OF CASH AND CASH EQUIVALENTS	現金及現金等值項目之結餘分析		
Bank balances and cash	銀行結存及現金	115,265	71,632

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2003**

1. GENERAL

The Company is a public limited company incorporated in Hong Kong and its shares are listed on The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

The Company acts as an investment holding company and provides corporate management services to its subsidiaries. Its subsidiaries are principally engaged in investment holding, property investment and development, securities investment, credit card and health care business.

2. ADOPTION OF STATEMENTS OF STANDARD ACCOUNTING PRACTICE

In the current year, the Group has adopted, for the first time, a number of new and revised Statements of Standard Accounting Practice ("SSAP(s)") issued by the Hong Kong Society of Accountants. The adoption of these SSAPs has resulted in a change in the format of presentation of the cash flow statement and the inclusion of the statement of changes in equity, but has had no material effect on the results for the current or prior accounting periods. Accordingly, no prior period adjustment has been required.

Foreign currencies

The revisions to SSAP 11 "Foreign Currency Translation" have eliminated the choice of translating the income statements of overseas subsidiaries and associates at the closing rate for the year, the policy previously followed by the Group. They are now required to be translated at an average rate. This change in accounting policy has not had any material effect on the results for the current or prior accounting years.

Cash flow statements

In the current year, the Group has adopted SSAP 15 (Revised) "Cash Flow Statements". Under SSAP 15 (Revised), cash flows are classified under three headings – operating, investing and financing, rather than the previous five headings. Interest received and paid, which were previously presented under a separate heading, are classified as operating and financing cash flows respectively. Interest expenses paid on amount due to an associate that related to credit card operations were classified as operating cash flows. Cash flows arising from taxes on income are classified as operating activities, unless they can be separately identified with investing or financing activities.

財務報表附註

截至二零零三年三月三十一日止年度

1. 一般事項

本公司為在香港註冊成立之公眾有限公司，其股份在香港聯合交易所有限公司（「聯交所」）上市。

本公司乃投資控股公司，對其附屬公司提供公司管理服務，而其附屬公司之主要業務為投資控股、物業投資及發展、證券投資、信用卡以及保健業務。

2. 採納會計實務準則

本年度，本集團首度採納香港會計師公會頒佈之多項新訂及經修訂會計實務準則（「會計實務準則」），採納該等準則導致現金流量表的呈列格式有變及須載入股權變動表，惟對目前或過往會計期之業績並無重大影響，因此，毋須作出前期調整。

外幣

會計實務準則第11號「外幣兌換」之修訂，取銷按年結日匯率換算海外附屬公司及聯營公司收益賬之選擇，而須按平均匯率換算。本集團過往政策乃按年結日匯率換算，惟此項會計政策變動對目前或過往會計年度業績並無重大影響。

現金流量表

本集團於本年度採納會計實務準則第15號（經修訂）「現金流量表」。根據會計實務準則第15號（經修訂），現金流量現根據經營業務、投資活動及融資活動三個項目劃分，而非過往之五個項目。已收及已付利息過往獨立呈列，現則分別歸類為經營業務及融資活動現金流量。就有關信用卡業務結欠聯營公司款項支付的利息支出歸類為經營業務現金流量。除非入息稅產生之現金流量能夠獨立歸類投資活動或融資活動，否則納入經營業務項目。

NOTES TO THE FINANCIAL STATEMENTS – continued
FOR THE YEAR ENDED MARCH 31, 2003

2. ADOPTION OF STATEMENTS OF STANDARD ACCOUNTING PRACTICE – continued

Employee benefits

In the current year, the Group has adopted SSAP 34 “Employee Benefits”, which introduces measurement rules for employee benefits, including retirement benefit plans. Because the Group participates only in defined contribution retirement benefit schemes, the adoption of SSAP 34 has not had any material impact on the financial statements.

3. SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared under the historical cost convention as modified for the revaluation of certain properties and investments in securities.

The financial statements have been prepared in accordance with accounting principles generally accepted in Hong Kong. The principal accounting policies adopted are as follows:

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and its subsidiaries made up to March 31 each year except for eBanker USA.com, Inc. and its subsidiaries whose financial year end is December 31.

The results of the subsidiaries and associates 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.

All significant intercompany transactions and balances within the Group have been eliminated on consolidation.

Goodwill

Goodwill arising on consolidation represents the excess of the cost of acquisition over the Group’s interest in the fair value of the identifiable assets and liabilities of a subsidiary at the date of acquisition.

Goodwill arising on acquisitions prior to March 31, 2001 continues to be held in reserves, and will be charged to the income statement at the time of disposal of the relevant subsidiary, or at such time as the goodwill is determined to be impaired.

財務報表附註 – 續

截至二零零三年三月三十一日止年度

2. 採納會計實務準則 – 續

僱員福利

本集團於本年度採納會計實務準則第34號「僱員福利」，引入僱員福利之計算準則，包括退休福利計劃。由於本集團僅參與定額供款退休福利計劃，採納會計實務準則第34號對財務報表並無任何重大影響。

3. 重要會計政策

財務報表乃根據原始成本法編製，並已就若干物業及證券投資之重估作修訂。

財務報表按香港普遍採納之會計原則編製。主要會計政策如下：

綜合基準

綜合財務報表包括本公司及其附屬公司每年結算至三月三十一日止之財務報表，惟 eBanker USA.com, Inc. 及其附屬公司之財政年度結算日為十二月三十一日。

於年內收購或出售之附屬公司及聯營公司之業績分別由收購生效之日起計入綜合收益賬或結算至出售生效之日止（視適用情況而定）。

本集團成員公司之間所有重大交易及往來結餘均於綜合賬目時互相抵銷。

商譽

綜合賬目時產生之商譽，乃收購成本超出收購當日本集團所佔有關附屬公司之可區分資產與負債之公平價值權益之差額。

二零零一年三月三十一日前因收購而產生之商譽乃於儲備持有，並將於出售有關附屬公司時，或於認定商譽出現減值時自收益賬扣除。

NOTES TO THE FINANCIAL STATEMENTS – continued
FOR THE YEAR ENDED MARCH 31, 2003

3. SIGNIFICANT ACCOUNTING POLICIES – continued

Goodwill – continued

Goodwill arising on acquisitions after March 31, 2001 is capitalised and amortised on a straight-line basis over its useful economic life. Goodwill arising on the acquisition of an associate is included within the carrying amount of the associate. Goodwill arising on the acquisition of subsidiaries is presented separately in the balance sheet.

On disposal of a subsidiary, the attributable amount of unamortised goodwill/goodwill previously eliminated against or credited to reserves is included in the determination of the profit or loss on disposal.

Negative goodwill

Negative goodwill represents the excess of the Group's interest in the fair value of the identifiable assets and liabilities of a subsidiary at the date of acquisition over the cost of acquisition.

Negative goodwill arising on acquisitions prior to March 31, 2001 continues to be held in reserves and will be credited to income at the time of disposal of the relevant subsidiary.

Negative goodwill arising on acquisitions after March 31, 2001 is presented as deduction from assets and will be released to income based on an analysis of the circumstances from which the balance resulted.

Revenue recognition

Sales of goods are recognised when goods are delivered and title has passed.

Sale proceeds on trading of securities are recognised on a trade date basis when a sale and purchase contract is entered into.

Consultancy income is recognised when services are provided.

License fee are recognised over the license period.

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

Rental income, including rentals invoiced in advance from properties under operating leases, is recognised on a straight line basis over the term of the lease.

財務報表附註 – 續

截至二零零三年三月三十一日止年度

3. 重要會計政策 – 續

商譽 – 續

二零零一年三月三十一日後因收購而產生之商譽撥充資本，並就其估計可使用年期以直線法攤銷。因收購聯營公司而產生之商譽，計入聯營公司賬面值內。因收購附屬公司而產生之商譽則於資產負債表中獨立列示。

出售附屬公司時，未攤銷／先前於儲備撇銷或直接計入儲備之應佔商譽金額在計算出售盈虧時須包括在內。

負商譽

負商譽乃指收購日期本集團於某附屬公司可區分資產與負債公平值之權益超出收購成本之差額。

二零零一年三月三十一日前因收購而產生之負商譽繼續於儲備持有，並將於出售有關附屬公司時列作收益。

二零零一年三月三十一日後因收購而產生之負商譽，乃列作資產扣除，並就對結餘之分析而撥為收入。

收入確認

貨物銷售於貨物送遞及所有權轉移後確認。

證券買賣收入按交易日基準於買賣合約簽訂時確認。

顧問收入於提供服務時確認。

特許收入於特許期間確認。

投資之股息收入將於股東收取付款之權利確立時確認。

租金收入（包括就附有營業租約之物業預早開列發票之租金）乃於租約期內按直線法基準確認。

NOTES TO THE FINANCIAL STATEMENTS – continued
FOR THE YEAR ENDED MARCH 31, 2003

3. SIGNIFICANT ACCOUNTING POLICIES – continued

Revenue recognition – continued

Interest income from credit card receivables is recognised in the income statement on an accrual basis, except where a debt becomes doubtful, in which case recognition of interest income is suspended until it is realised on a cash basis.

Other interest income is accrued on a time basis by reference to the principal outstanding and at the rate applicable.

Subsidiaries

Investments in subsidiaries are included in the Company's balance sheet at cost less any identified impairment losses.

Associates

The consolidated income statement includes the Group's share of the post-acquisition results of its associates for the year. In the consolidated balance sheet, interests in associates are stated at the Group's share of the net assets of the associates less any identified impairment loss.

The results of associates are accounted for by the Company on the basis of dividends received and receivable during the year. In the Company's balance sheet, investments in associates are stated at cost, as reduced by any identified impairment losses.

Investment properties

Investment properties are completed properties which are held for their investment potential, any rental income being negotiated at arm's length.

Investment properties are stated at their open market value based on independent professional valuations at the balance sheet date. Any surplus or deficit arising on the revaluation of investment properties is credited or charged to the investment property revaluation reserve unless the balance of this reserve is insufficient to cover a deficit, in which case the excess of the deficit over the balance of the investment property revaluation reserve is charged to the income statement. Where a deficit has previously been charged to the income statement and a revaluation surplus subsequently arises, this surplus is credited to the income statement to the extent of the deficit previously charged.

On disposal of an investment property, the balance on the investment property revaluation reserve attributable to that property is transferred to the income statement.

財務報表附註 – 續

截至二零零三年三月三十一日止年度

3. 重要會計政策 – 續

收入確認 – 續

應收信用卡利息收入按累計基準於收益賬確認，惟債項變成呆賬，則暫停確認利息收入，直至可按現金基準變現為止。

其他利息收入按時間基準參考尚餘本金及適用息率累計。

附屬公司

於附屬公司之投資按成本值減任何已辨認之減值虧損，於本公司資產負債表列賬。

聯營公司

綜合收益賬包括年內本集團應佔其聯營公司之收購後業績。在綜合資產負債表內，於聯營公司之權益乃以本集團應佔聯營公司資產淨值減任何已辨認減值虧損列賬。

聯營公司業績乃由本公司按年內已收及應收股息基準入賬。於聯營公司之投資乃按成本值減任何已辨認之減值虧損，於本公司資產負債表列賬。

投資物業

投資物業指就其投資潛力而持有之已落成物業，任何租金收入乃經公平原則磋商釐定。

投資物業乃按於結算日獨立專業估值之公開市值列賬。重估投資物業所產生之任何盈餘或虧絀計入投資物業重估儲備或自投資物業重估儲備扣除，除非此項儲備之結餘不足以彌補虧絀則除外；在此情況下，虧絀超出投資物業重估儲備結餘之部分於收益賬扣除。倘虧絀先前於收益賬扣除，而其後產生重估盈餘，則該盈餘於收益賬列賬，以先前扣除之虧絀為限。

出售投資物業時，該物業應佔之投資物業重估儲備結餘轉撥至收益賬。

NOTES TO THE FINANCIAL STATEMENTS – continued
FOR THE YEAR ENDED MARCH 31, 2003

3. SIGNIFICANT ACCOUNTING POLICIES – continued

Investment properties – continued

No depreciation is provided in respect of investment properties which are held on leases with unexpired terms, including the renewable period, of more than twenty years.

Property, plant and equipment

Property, plant and equipment, other than properties held for development, are stated at cost less depreciation and accumulated impairment losses, where appropriate.

Certain properties held for development are carried at a valuation at March 31, 1995. Advantage has been taken of the transitional relief provided by paragraph 80 of SSAP 17 “Property, Plant and Equipment” from the requirement to make regular revaluations of the Group’s land and buildings which had been carried out at revalued amounts prior to September 30, 1995 and, accordingly, no further revaluation of properties held for development is carried out. The surplus arising on revaluation of land and buildings was credited to the revaluation reserve. Any future decrease in value of these assets will be charged to the income statement to the extent that it exceeds the balance, if any, on the revaluation reserve relating to a previous revaluation of the asset. On the sale or retirement of such assets, the attributable revaluation surplus will be transferred to retained profits.

No depreciation is provided on properties held for development.

Depreciation is provided to write off the cost of property, plant and equipment over their estimated useful lives, on the following bases and at the following rates per annum:

Leasehold land	Over the remaining terms of the leases
Buildings	2% on straight line method
Leasehold improvements	Over the term of the lease
Furniture, fixtures and motor vehicles	20%-25% on reducing balance method

The gain or loss arising from the disposal or retirement of an asset is determined as the difference between the sale proceed and the carrying amount of the asset and is recognised in the income statement.

財務報表附註 – 續

截至二零零三年三月三十一日止年度

3. 重要會計政策 – 續

投資物業 – 續

按租約持有而未屆滿租賃年期逾二十年(包括可續期限)之投資物業不作折舊。

物業、廠房及設備

物業、廠房及設備(除持作發展之物業以外)按成本減折舊及累積減值虧損(倘適用)列賬。

若干持作發展之物業以一九九五年三月三十一日之估值列賬。根據會計實務準則第17號「物業、廠房及設備」第80段之過渡安排,本集團獲豁免毋須定期重估其土地及樓宇(已按一九九五年九月三十日前之重估價列賬),因此,本集團並無進一步重估持作發展之物業。因重估土地及樓宇而產生之盈餘一概計入重估儲備。該等資產之價值如日後下跌,而跌幅超過較早前重估資產時之重估儲備結餘(如有),則有關下跌款額自收益賬扣除。出售或廢置該等資產時,其應佔之重估盈餘撥入保留溢利。

持作發展之物業不予折舊。

物業、廠房及設備之折舊按其估計可使用年期撇銷成本計算,所採用之基準及年率如下:

租賃土地	按租約餘下年期
樓宇	2%按直線法
租賃物業裝修	按租約年期
傢俬、裝置及汽車	20%-25%按餘額遞減法

出售或廢置資產所產生之收益或虧損,按該資產之銷售所得款項及其賬面值兩者之差額,於收益賬確認。

NOTES TO THE FINANCIAL STATEMENTS – continued
FOR THE YEAR ENDED MARCH 31, 2003

3. SIGNIFICANT ACCOUNTING POLICIES – continued

Properties held for sale

Properties held for sale are stated at the lower of cost and net realisable value. Cost includes borrowing cost, professional fees and other direct costs attributable to such properties. Net realisable value represents the estimated selling price less all further costs to completion and costs to be incurred in selling.

Research and development expenditure

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

An internally-generated intangible asset arising from development expenditure is recognised only if it is anticipated that the development costs incurred on a clearly-defined project will be recovered through future commercial activity. The resultant asset is amortised on a straight-line basis over its useful life.

Where no internally-generated intangible asset can be recognised, development expenditure is recognised as an expense in the period in which it is incurred.

Impairment

At each balance sheet date, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. Impairment losses are recognised as an expense immediately, unless the relevant asset is carried at a revalued amount under another SSAP, in which case the impairment loss is treated as revaluation decrease under that SSAP.

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, unless the relevant asset is carried at a revalued amount under another SSAP, in which case the reversal of the impairment loss is treated as a revaluation increase under that SSAP.

財務報表附註 – 續

截至二零零三年三月三十一日止年度

3. 重要會計政策 – 續

待售物業

待售物業按成本及可變現淨值兩者之較低值入賬。成本包括借貸成本、專業費用及有關物業其他應佔直接費用。可變現淨值指估計售價減所有因完工產生之所有其他成本及出售產生之成本。

研究及開發費用

研究活動之費用於產生期間確認為開支。

因開發費用而內部產生之無形資產僅在預期明確界定項目所產生之開發費用可透過未來商業活動收回時確認。因而產生之資產按直線法於其可使用年期攤銷。

倘並無內部產生之無形資產可予確認，則開發費用於產生期間確認為開支。

減值

本集團於各結算日審閱其有形資產及無形資產之賬面值，以釐定資產是否有減值虧損跡象。倘資產之可收回款額估計低於其賬面值，資產之賬面值則減至其可收回款額。減值虧損即時確認為開支，除非有關資產根據另一會計實務準則以重估值列賬，則減值虧損根據該會計實務準則處理為重估減少。

倘減值虧損其後撥回，則資產之賬面值增加至其可收回款額之經修訂估計值，惟經增加之賬面值不可超過倘該資產於過往年度並無確認減值虧損而釐定之賬面值。減值虧損之撥回即時確認為收入，除非有關資產根據另一會計實務準則以重估值列賬，則減值虧損之撥回根據該會計實務準則處理為重估增加。

NOTES TO THE FINANCIAL STATEMENTS – continued
FOR THE YEAR ENDED MARCH 31, 2003

3. SIGNIFICANT ACCOUNTING POLICIES – continued

Investments in securities

Investments in securities are recognised on a trade-date basis and are initially measured at cost.

At subsequent reporting dates, debt securities that the Group has the expressed intention and ability to hold to maturity (held-to-maturity debt securities) are measured at amortised cost, less any impairment loss recognised to reflect irrecoverable amounts. The annual amortisation of any discount or premium on the acquisition of a held-to-maturity is aggregated with other investment income receivable over the term of the instrument so that the revenue recognised in each period represents a constant yield on the investment.

Investments other than held-to-maturity debt securities are classified as investment securities and other investments.

Investment securities, which are securities held for an identified long-term strategic purpose, are measured at subsequent reporting dates at cost, as reduced by any impairment loss that is other than temporary.

Other investments are measured at fair value, with unrealised gains and losses included in net profit or loss for the year.

Inventories

Inventories, which represent premium items for card holders, are stated at the lower of cost, calculated using weighted average method, and net realisable value.

Leased assets

Leases are classified as finance leases when the terms of the lease transfer substantially all the risks and rewards of ownership of the assets concerned to the Group. Assets held under finance leases are capitalised at their fair values at the acquisition. The corresponding liability to the lessor, net of interest charges, is included in the balance sheet as a finance lease obligation. Finance costs, which represent the difference between the total leasing commitments and the fair value of the assets acquired, are charged to the income statement over the period of the relevant leases so as to produce a constant periodic rate of charge on the remaining balance of the obligations for each accounting periods.

All other leases are classified as operating leases and the annual rentals are charged to the income statement on a straight-line basis over the relevant lease term.

財務報表附註 – 續

截至二零零三年三月三十一日止年度

3. 重要會計政策 – 續

證券投資

證券投資按交易日確認及初步按成本值計算。

於隨後之申報日期，本集團明確表示有意及有能力持有至到期日之債務證券（持至到期債務證券）按攤銷成本減任何已確認減值虧損計算，以反映不可收回之款項。收購持至到期票據之任何折讓或溢價每年攤銷，按票據年期，與該票據其他應收投資收入合併計算，以使每段期間確認之收益形成固定的投資回報率。

所有持至到期債務證券以外之證券列為投資證券及其他投資。

投資證券為就指定長期策略目的而持有之證券，於其後報告日期按成本值減任何非暫時性減值虧損列賬。

其他投資按公平價值計算，而未變現之收益及虧損則計入有關年度之淨收益或虧損。

存貨

存貨乃指給予信用卡持有人之贈品，按以加權平均法計算之成本及可變現淨值兩者之較低者入賬。

租賃資產

資產擁有權之絕大部分風險及回報轉移予本集團之租賃列為融資租賃。根據融資租賃持有之資產於收購時按公平值撥充資本。出租人之有關負債（扣除利息支出後）於資產負債表列作融資租賃承擔。融資成本指租賃總承擔與所收購資產公平值之差額，按有關租賃期間於收益賬扣除，以就各會計期間之承擔餘額達致固定支銷率。

所有其他租賃列為經營租賃。年租金於有關租賃年期按直線法於收益賬扣除。

NOTES TO THE FINANCIAL STATEMENTS – continued
FOR THE YEAR ENDED MARCH 31, 2003

3. SIGNIFICANT ACCOUNTING POLICIES – continued

Foreign currencies

Transactions in foreign currencies are initially recorded at the rates of exchange prevailing on the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are re-translated at the rates prevailing on the balance sheet date. Profits and losses arising on exchange are included in the net profit or loss for the year.

On consolidation, the assets and liabilities of the Group's overseas operations are translated at the exchange rates prevailing on the balance sheet date. Income and expense items are translated at the average exchange rates for the year. Exchange differences arising, if any, are classified as equity and transferred to the Group's translation reserve. Such translation differences are recognised as income or as expenses in the period in which the operation is disposed of.

Taxation

The charge for taxation is based on the results for the year as adjusted for items which are non-assessable or disallowed. Timing differences arise from the recognition for tax purposes of certain items of income and expense in a different accounting period from that in which they are recognised in the financial statements. The tax effect of timing differences, computed using the liability method, is recognised as deferred taxation in the financial statements to the extent that it is probable that a liability or an asset will crystallise in the foreseeable future.

Retirement benefits costs

Payments to defined contribution retirement benefit plans are charged as expenses as they fall due.

財務報表附註 – 續

截至二零零三年三月三十一日止年度

3. 重要會計政策 – 續

外幣

外幣交易初步按交易日之匯率入賬。以外幣為單位之貨幣資產及負債則按結算日之匯率再折算。兌換產生之損益均列入有關年度之淨溢利或虧損。

綜合賬目時，本集團海外業務之資產及負債按結算日之匯率折算。收入及開支項目按有關年度之平均匯率折算。因此產生之匯兌差額（如有）列作股本，並撥入本集團換算儲備處理。該等匯兌差額於出售業務之期間確認為收入或開支。

稅項

稅項支出按已就毋須課稅或無減免項目調整之本年度業績計算。就稅務確認若干收支項目之會計期間與財務報表確認之會計期間不同產生時差，時差之稅務影響以負債法計算，並在可預見將來出現負債或資產之情況下，方在財務報表確認為遞延稅項。

退休福利成本

向定額供款退休福利計劃作出之付款於到期支付時列作開支。

NOTES TO THE FINANCIAL STATEMENTS – continued
FOR THE YEAR ENDED MARCH 31, 2003

4. TURNOVER

Turnover represents the interest earned on credit card advances, service income, sales of discount cards, income from trading of securities, interest earned on bank deposits and loans, consultancy service income, license fees of healthcare software, rental income and amounts received and receivable on the sale of goods and is summarised as follows:

		二零零三年 2003 千港元 HK\$'000	二零零二年 2002 千港元 HK\$'000
Credit card interest income	信用卡利息收入	22,734	45,008
Credit card service income	信用卡服務收入	2,273	4,665
Sales of countdown cards (note 24)	優惠卡銷售(附註24)	15,000	-
Sale proceeds of securities trading	買賣證券之銷售所得款項	46,718	5,631
Dividend income	股息收入	999	1,048
Other interest income	其他利息收入	1,812	2,906
Consultancy service income	顧問服務收入	14,870	-
License fees for healthcare software	保健軟件特許費	36,725	-
Rental income	租金收入	1,463	1,351
Sales of goods	銷售貨品	-	76
		142,594	60,685

5. SEGMENTAL INFORMATION

Business segments

For management purposes, the Group is currently organised into five operating divisions – credit card operations, securities trading and investments, treasury investment, property investment and health care. These principal operating activities are the basis on which the Group reports its primary segment information.

In the prior year, the Group was also involved in the retailing of fashion apparel and accessories. These operations were discontinued on disposal of subsidiaries during the year.

財務報表附註 – 續
截至二零零三年三月三十一日止年度

4. 營業額

營業額指信用卡貸款所賺取利息、服務收入、優惠卡銷售、買賣證券之收入、銀行存款及貸款所賺取利息、顧問服務收入、保健軟件特許費、租金收入以及銷售貨品已收及應收款項，概述如下：

		二零零三年 2003 千港元 HK\$'000	二零零二年 2002 千港元 HK\$'000
信用卡利息收入	信用卡利息收入	22,734	45,008
信用卡服務收入	信用卡服務收入	2,273	4,665
優惠卡銷售(附註24)	優惠卡銷售(附註24)	15,000	-
買賣證券之銷售所得款項	買賣證券之銷售所得款項	46,718	5,631
股息收入	股息收入	999	1,048
其他利息收入	其他利息收入	1,812	2,906
顧問服務收入	顧問服務收入	14,870	-
保健軟件特許費	保健軟件特許費	36,725	-
租金收入	租金收入	1,463	1,351
銷售貨品	銷售貨品	-	76
		142,594	60,685

5. 分部資料

業務分部

就管理而言，本集團目前按五營運部門組織－信用卡業務、證券買賣及投資、庫存投資、物業投資以及保健業務。此等主要經營業務乃本集團呈報其主要分類資料之基礎。

於上個年度，本集團亦從事時裝及飾物零售業務。該等業務於年內出售附屬公司後終止。

NOTES TO THE FINANCIAL STATEMENTS – continued
FOR THE YEAR ENDED MARCH 31, 2003

5. SEGMENTAL INFORMATION – continued

Business segments – continued

Segment information about these businesses is presented below.

REVENUE AND RESULTS

Year ended March 31, 2003

		信用卡業務	證券買賣 及投資	庫存投資	物業投資	保健	對銷	綜合
		Credit card operations	Securities trading and investments	Treasury investment	Property investment	Health care	Eliminations	Consolidated
		千港元	千港元	千港元	千港元	千港元	千港元	千港元
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
TURNOVER	營業額							
External sales	對外銷售	40,007	47,717	1,812	1,463	51,595	-	142,594
Inter-segment sales	分部間銷售	5,907	-	16,765	-	-	(22,672)	-
Total	總計	<u>45,914</u>	<u>47,717</u>	<u>18,577</u>	<u>1,463</u>	<u>51,595</u>	<u>(22,672)</u>	<u>142,594</u>

Inter-segment sales are charged at prevailing market prices.

分部間銷售乃以現行市價計算。

SEGMENT RESULTS	分部業績	(1,662)	201,697	(5,536)	569	4,116	-	199,184
Unallocated corporate revenue	未予分配公司 收益							376
Unallocated corporate expenses	未予分配公司 開支							(56,786)
Impairment loss recognised in respect of:	已確認減值虧損 之項目:							
- goodwill	- 商譽							(3,054)
- property, plant and equipment	- 物業、廠房 及設備							(820)
Provision for guaranteed liabilities	擔保債務撥備							(5,130)
Profit from operations	經營溢利							133,770
Finance costs	融資成本							(7,331)
Share of results of associates	分佔聯營公司業績							(1,562)
Gain on partial disposal of a subsidiary	出售一間附屬公司部分 權益之收益							12,515
Gain on disposal of preference shares of a subsidiary	出售一間附屬公司 優先股之收益							12,330
Gain on deemed disposal of a subsidiary	視作出售一間附屬 公司之收益							13,823
Gain on deemed disposal of an associate	視作出售一間聯營 公司之收益							18,061
Net profit before taxation	除稅前淨溢利							181,606
Taxation	稅項							470
Net profit before minority interests	未計少數股東 權益前淨溢利							182,076
Minority interests	少數股東權益							8,371
Net profit for the year	本年度淨溢利							<u>190,447</u>

財務報表附註 – 續

截至二零零三年三月三十一日止年度

5. 分部資料 – 續

業務分部 – 續

此等業務之分部資料呈列如下。

收益及業績

截至二零零三年三月三十一日止
年度

NOTES TO THE FINANCIAL STATEMENTS – continued
FOR THE YEAR ENDED MARCH 31, 2003

5. SEGMENTAL INFORMATION – continued

Business segments – continued

BALANCE SHEET

At March 31, 2003

		信用卡業務	證券買賣 及投資	庫存投資	物業投資	保健	綜合
		Credit card operations	Securities trading and investments	Treasury investment	Property investment	Health care	Consolidated
		千港元	千港元	千港元	千港元	千港元	千港元
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
ASSETS	資產						
Segment assets	分部資產	60,704	312,119	7,704	15,868	36,893	433,288
Unallocated corporate assets	未予分配公司資產						134,515
Consolidated total assets	綜合資產總值						<u>567,803</u>
LIABILITIES	負債						
Segment liabilities	分部負債	7,893	137	1,344	240	26,590	36,204
Unallocated corporate liabilities	未予分配公司負債						67,483
Consolidated total liabilities	綜合負債總額						<u>103,687</u>

OTHER INFORMATION

Year ended March 31, 2003

		信用卡業務	證券買賣 及投資	庫存投資	保健	物業投資	未予分配	綜合
		Credit card operations	Securities trading and investments	Treasury investment	Health care	Property investment	Unallocated	Consolidated
		千港元	千港元	千港元	千港元	千港元	千港元	千港元
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Capital expenditures	資本開支	282	-	-	3,070	37	-	3,389
Depreciation	折舊	1,526	99	1,328	-	11	-	2,964
Allowance for bad and doubtful debts	呆壞賬撥備	30,811	-	5,763	-	-	-	36,574
Amortisation of goodwill	商譽攤銷	-	-	-	5,471	-	-	5,471
Amortisation and write off of intangible assets	無形資產攤銷 及撇銷	-	-	-	4,909	-	-	4,909
Impairment loss recognised in respect of:	已確認減值 虧損之項目:							
- property, plant and equipment	- 物業、廠房 及設備	-	-	-	-	-	820	820
- investments in securities	- 證券投資	-	1,500	2,100	-	-	-	3,600
- goodwill	- 商譽	3,054	-	-	-	-	-	3,054

財務報表附註 – 續

截至二零零三年三月三十一日止年度

5. 分部資料 – 續

業務分部 – 續

資產負債表

於二零零三年三月三十一日

其他資料

截至二零零三年三月三十一日止
年度

NOTES TO THE FINANCIAL STATEMENTS – continued
FOR THE YEAR ENDED MARCH 31, 2003

5. SEGMENTAL INFORMATION – continued

Business segments – continued

REVENUE AND RESULTS

Year ended March 31, 2002

		信用卡業務	證券買賣 及投資	庫存投資	時裝及 飾物零售	物業投資	對銷	綜合
		Credit card operations	Securities trading and investments	Treasury investment	Retailing of fashion apparel and accessories	Property investment	Eliminations	Consolidated
		千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000 (附註) (note)	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000
TURNOVER	營業額							
External sales	對外銷售	49,673	6,679	2,906	76	1,351	-	60,685
Inter-segment sales	分部間銷售	-	-	14,787	-	-	(14,787)	-
Total	總計	49,673	6,679	17,693	76	1,351	(14,787)	60,685

Inter-segment sales are charged at prevailing market prices.

分部間銷售乃以現行市價計算。

SEGMENT RESULTS	分部業績	8,404	7,792	(2,891)	(963)	(997)	-	11,345
Unallocated corporate revenue	未予分配公司 收益							6,335
Unallocated corporate expenses	未予分配公司 開支							(55,504)
Impairment loss recognised in respect of goodwill	商譽之已確認 減值虧損							(28,898)
Provision for guaranteed liabilities	擔保債務 撥備							(4,885)
Loss from operations	經營虧損							(71,607)
Finance costs	融資成本							(6,925)
Impairment loss recognised in respect of interest in an associate	一間聯營公司 權益之已確認 減值虧損							(412)
Gain on deemed disposal of a subsidiary	視作出售一間附屬 公司之收益							30,964
Loss before taxation	除稅前虧損							(47,980)
Taxation	稅項							89
Net loss before minority interests	未計少數股東 權益前淨虧損							(47,891)
Minority interests	少數股東權益							8,183
Net loss for the year	本年度淨虧損							(39,708)

Note: During the year ended March 31, 2002, the Group discontinued its retailing of fashion apparel and accessories, operations which contributed HK\$76,000 to the Group's turnover and HK\$963,000 to the Group's loss from operations. It also contributed HK\$3,584,000 to the Group's net operating cash outflows and received HK\$1,075,000 in respect of investing activities during the year ended March 31, 2002.

財務報表附註 – 續

截至二零零三年三月三十一日止年度

5. 分部資料 – 續

業務分部 – 續

收益及業績

截至二零零二年三月三十一日止
年度

附註：截至二零零二年三月三十一日止年度，本集團終止時裝及飾物零售業務。該業務為本集團帶來營業額76,000港元及經營虧損963,000港元，亦為本集團產生經營現金流出淨額3,584,000港元，並於截至二零零二年三月三十一日止年度就投資活動獲取1,075,000港元。

NOTES TO THE FINANCIAL STATEMENTS – continued
FOR THE YEAR ENDED MARCH 31, 2003

5. SEGMENTAL INFORMATION – continued

Business segments – continued

BALANCE SHEET

At March 31, 2002

		信用卡業務	證券買賣 及投資	庫存投資	時裝及 飾物零售	物業投資	保健	綜合
		Credit card operations	Securities trading and investments	Treasury investment	Retailing of fashion apparel and accessories	Property investment	Health care	Consolidated
		千港元	千港元	千港元	千港元	千港元	千港元	千港元
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
ASSETS	資產							
Segment assets	分部資產	84,942	55,300	4,338	65	88,648	50,492	283,785
Unallocated corporate assets	未予分配公司 資產							89,135
Consolidated total assets	綜合資產總值							<u>372,920</u>
LIABILITIES	負債							
Segment liabilities	分部負債	63,856	1,057	4,930	25	8,145	30,728	108,741
Unallocated corporate liabilities	未予分配公司 負債							33,447
Consolidated total liabilities	綜合負債總額							<u>142,188</u>

OTHER INFORMATION

Year ended March 31, 2002

財務報表附註 – 續

截至二零零三年三月三十一日止年度

5. 分部資料 – 續

業務分部 – 續

資產負債表

於二零零二年三月三十一日

其他資料

截至二零零二年三月三十一日止
年度

		信用卡業務	證券買賣 及投資	庫存投資	時裝及 飾物零售	物業投資	保健	未予分配	綜合
		Credit card operations	Securities trading and investments	Treasury investment	Retailing of fashion apparel and accessories	Property investment	Health care	Unallocated	Consolidated
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Capital expenditures	資本開支	-	-	-	-	8,432	8,197	85	16,714
Depreciation	折舊	1,916	-	-	15	444	-	5	2,380
Impairment loss recognised in respect of:	已確認減值虧損 之項目:								
- property, plant and equipment	- 物業、廠房 及設備	-	-	-	-	5,135	-	-	5,135
- investments in securities	- 證券投資	-	1,624	-	-	-	-	-	1,624
Amortisation of goodwill	商譽攤銷	-	-	-	-	-	900	-	900
Deficit on revaluation of investment properties	投資物業 重估虧絀	-	-	-	-	1,042	-	-	1,042
Allowance for bad and doubtful debt	呆壞賬撥備	20,849	-	5,797	-	-	-	-	26,646

NOTES TO THE FINANCIAL STATEMENTS – continued
FOR THE YEAR ENDED MARCH 31, 2003

5. SEGMENTAL INFORMATION – continued

Geographical segments

The Group's operations are principally located in Hong Kong, North America and South East Asia.

The following table provides an analysis of the Group's sales by geographical market, irrespective of the origin of the goods/services:

Hong Kong	香港
North America	北美洲
South East Asia	東南亞

The following is an analysis of the carrying amount of segment assets at the balance sheet date, and additions to property, plant and equipment and intangible assets during the year, analysed by the geographical area in which the assets are located:

		分部資產 賬面值		添置物業、廠房及 設備和無形資產	
		Carrying amount of segment assets		Additions to property, plant and equipment and intangible assets	
		二零零三年 2003 千港元 HK\$'000	二零零二年 2002 千港元 HK\$'000	二零零三年 2003 千港元 HK\$'000	二零零二年 2002 千港元 HK\$'000
Hong Kong	香港	381,160	209,049	282	–
North America	北美洲	52,128	71,525	3,107	16,714
South East Asia	東南亞	–	3,211	–	–
		<u>433,288</u>	<u>283,785</u>	<u>3,389</u>	<u>16,714</u>

財務報表附註 – 續

截至二零零三年三月三十一日止年度

5. 分部資料 – 續

地區分部

本集團業務主要設於香港、北美洲及東南亞。

下表提供本集團按地區市場分類之銷售分析，而不計及貨品／服務原產地：

按地區市場 分類之營業額	
Turnover by geographical market	
二零零三年 2003 千港元 HK\$'000	二零零二年 2002 千港元 HK\$'000
89,839	60,206
52,730	264
25	215
<u>142,594</u>	<u>60,685</u>

以下為於結算日分部資產之賬面值分析，年內所添置物業廠房及設備和無形資產按資產所在地區分析：

NOTES TO THE FINANCIAL STATEMENTS – continued
FOR THE YEAR ENDED MARCH 31, 2003

財務報表附註 – 續
截至二零零三年三月三十一日止年度

6. OTHER OPERATING INCOME

6. 其他營運收入

	二零零三年 2003 千港元 HK\$'000	二零零二年 2002 千港元 HK\$'000
Included in other operating income are:		
Financial advisory fee received from a related company (note 43(f))	-	3,900
Other income	1,014	2,435
	<u>1,014</u>	<u>6,335</u>

其他營運收入包括：

收取一間關連公司財務
顧問費(附註43(f))

其他收入

7. NET GAIN (LOSS) ON INVESTMENTS IN SECURITIES AND
PROPERTIES

7. 來自證券及物業投資之淨收益
(虧損)

	二零零三年 2003 千港元 HK\$'000	二零零二年 2002 千港元 HK\$'000
Impairment loss recognised in respect of :		
– properties held for development	-	(1,200)
– land and buildings (note 14)	(820)	(3,935)
Net impairment loss recognised in respect of:		
– held-to-maturity securities	(2,100)	(1,624)
– investment securities	(1,500)	-
Net unrealised gain on other investments	205,864	6,590
Deficit on revaluation of investment properties	-	(1,042)
	<u>201,444</u>	<u>(1,211)</u>

就下列各項確認之減值虧損：

– 持作發展物業

– 土地及樓宇(附註14)

就下列各項確認之淨減值
虧損：

– 持至到期證券

– 證券投資

其他投資之未變現

淨收益

投資物業重估虧絀

NOTES TO THE FINANCIAL STATEMENTS – continued
FOR THE YEAR ENDED MARCH 31, 2003

財務報表附註 – 續
截至二零零三年三月三十一日止年度

8. PROFIT (LOSS) FROM OPERATIONS

8. 經營溢利 (虧損)

		二零零三年 2003 千港元 HK\$'000	二零零二年 2002 千港元 HK\$'000
Profit (loss) from operations has been arrived at after charging:	經營溢利 (虧損) 經扣除以下各項:		
Auditors' remuneration	核數師酬金		
– Current year	– 本年度	1,222	1,609
– Overprovision in respect of prior year	– 上年度超額撥備	(83)	(163)
Amortisation of goodwill included in administrative expenses	計入行政開支之 商譽攤銷	5,471	900
Amortisation and write off of intangible assets included in administrative expenses	計入行政開支之無形 資產攤銷及撇銷	4,909	–
Depreciation	折舊	2,964	2,380
(Gain) loss on disposal of property, plant and equipment	出售物業、廠房及設備 之 (收益) 虧損	(6)	66
Loss on disposal of investment properties	出售投資物業之虧損	–	21
Minimum lease payments for operating leases in respect of	經營租約之最低租金		
– rented premises	– 租賃物業	5,071	2,638
– leased assets	– 租賃資產	22	25
Allowance for bad and doubtful debts	呆壞賬撥備	36,574	26,646
Staff costs including directors' emoluments (note)	僱員成本 (包括 董事酬金) (附註)	69,263	47,104
and crediting:	及計入:		
Gross rental income from investment properties less outgoings of HK\$512,000 (2002: HK\$181,000)	投資物業總租金收入 減支出512,000港元 (二零零二年: 181,000港元)	951	1,170

Note: Included in staff costs are retirement benefit scheme contributions of approximately HK\$877,000 (2002: HK\$856,000).

附註: 僱員成本包括退休福利計劃供款約877,000港元(二零零二年: 856,000港元)。

9. FINANCE COSTS

9. 融資成本

		二零零三年 2003 千港元 HK\$'000	二零零二年 2002 千港元 HK\$'000
Interest on:	下列各項之利息:		
Convertible bonds	可換股債券	6,432	–
Amount due to an associate	結欠一間聯營公司款項	–	6,660
Bank loans not wholly repayable within five years	毋須於五年內全數 償還之銀行貸款	825	265
Finance lease charges	融資租約開支	74	–
		7,331	6,925

NOTES TO THE FINANCIAL STATEMENTS – continued
FOR THE YEAR ENDED MARCH 31, 2003

財務報表附註 – 續
截至二零零三年三月三十一日止年度

10. DIRECTORS' EMOLUMENTS AND HIGHEST PAID EMPLOYEES

10. 董事酬金及最高薪僱員

		二零零三年 2003 千港元 HK\$'000	二零零二年 2002 千港元 HK\$'000
Directors	董事		
The directors' emoluments are analysed as follows:	董事酬金分析如下:		
Fees:	袍金:		
Executive	執行	-	-
Non-executive	非執行	120	305
Independent non-executive	獨立非執行	335	515
Other emoluments paid to executive directors:	應付執行董事之其他酬金:		
Salaries and other benefits	薪金及其他福利	30,989	31,329
Retirement benefit scheme contributions	退休福利計劃供款	345	335
Other emoluments paid to alternate directors:	應付替任董事之其他酬金:		
Salaries and other benefits	薪金及其他福利	-	875
Retirement benefit scheme contributions	退休福利計劃供款	-	56
Total emoluments	酬金總額	<u>31,789</u>	<u>33,415</u>

The emoluments of the directors were within the following bands:

董事之酬金介乎下列幅度:

		二零零三年 2003 董事人數 Number of directors	二零零二年 2002 董事人數 Number of directors
Nil up to HK\$1,000,000	零至1,000,000港元	8	10
HK\$1,000,001 to HK\$1,500,000	1,000,001至1,500,000港元	-	1
HK\$4,500,001 to HK\$5,000,000	4,500,001至5,000,000港元	1	-
HK\$5,500,001 to HK\$6,000,000	5,500,001至6,000,000港元	-	1
HK\$24,500,001 to HK\$25,000,000	24,500,001至25,000,000港元	1	1

Highest paid employees

最高薪僱員

The five highest paid individuals of the Group included two directors (2002: four), details of whose emoluments are set out above. The emoluments of the remaining three (2002: one) highest paid employees, other than directors of the Company, are as follows:

本集團五名最高薪僱員包括兩名(二零零二年:四名)董事,其酬金詳情載於上文。其餘三名(二零零二年:一名)非本公司董事之最高薪僱員之酬金如下:

		二零零三年 2003 千港元 HK\$'000	二零零二年 2002 千港元 HK\$'000
Salaries and other benefits	薪金及其他福利	4,959	826
Retirement benefit scheme contributions	退休福利計劃供款	-	24
		<u>4,959</u>	<u>850</u>

NOTES TO THE FINANCIAL STATEMENTS – continued
FOR THE YEAR ENDED MARCH 31, 2003

財務報表附註 – 續
截至二零零三年三月三十一日止年度

10. DIRECTORS' EMOLUMENTS AND HIGHEST PAID EMPLOYEES – continued

The emoluments of the above highest paid employees were within the following bands:

Nil up to HK\$1,000,000	零至1,000,000港元
HK\$1,000,001 to HK\$1,500,000	1,000,001至1,500,000港元
HK\$1,500,001 to HK\$2,000,000	1,500,001至2,000,000港元
HK\$2,000,001 to HK\$2,500,000	2,000,001至2,500,000港元

11. TAXATION

The tax credit comprises:

Overprovision in respect of prior year
– Hong Kong Profits Tax
– Other jurisdiction

No tax is payable on the profit for the year arising in Hong Kong since the assessable profit is wholly absorbed by tax losses brought forward. No provision for tax in other jurisdiction as there is no assessable profit for the year.

Details of the unprovided deferred tax charge for the year are set out in note 33.

10. 董事酬金及最高薪僱員 – 續

上述最高薪僱員之酬金介乎下列幅度：

二零零三年 2003 僱員人數 Number of employees	二零零二年 2002 僱員人數 Number of employees
–	1
1	–
1	–
1	–
<u>3</u>	<u>1</u>

11. 稅項

二零零三年 2003 千港元 HK\$'000	二零零二年 2002 千港元 HK\$'000
–	89
470	–
<u>470</u>	<u>89</u>

由於本年度應課稅溢利已悉數由承前稅項虧損所抵銷，故並無在香港產生任何應課稅溢利。由於本年度並無任何應課稅溢利，故並無就其他司法權區之稅項作出任何撥備。

本年度未撥備遞延稅項支出之詳情載於附註33。

NOTES TO THE FINANCIAL STATEMENTS – continued
FOR THE YEAR ENDED MARCH 31, 2003

12. EARNINGS (LOSS) PER SHARE

The calculation of basic earnings (loss) per share is based on net profit for the year of HK\$190,447,000 (2002: loss of HK\$39,708,000) and on the weighted average number of 56,294,034 shares (2002: 50,724,719 shares) as adjusted for share consolidation effected on May 12, 2003 as set out in note 44(c).

No diluted earnings per share for the year ended March 31, 2003 has been presented because the exercise price of the Company's options/warrants was higher than the average market price of the Company's shares for the year ended March 31, 2003 and the conversion of the Group's outstanding convertible bonds would result in an increase in net profit per share from operations.

The computation of diluted loss per share for the year ended March 31, 2002 does not assume the exercise of potential dilutive ordinary shares as their exercise would result in reduction in loss per share for the year ended March 31, 2002.

13. INVESTMENT PROPERTIES

VALUATION	
At beginning of the year	
Acquired on acquisition of a subsidiary	
Disposal of a subsidiary	
Disposal	
Surplus (deficit) arising on revaluation	
At end of the year	

估值	
於年初	
收購一間附屬公司時購入	
出售一間附屬公司	
出售	
重估盈餘 (虧絀)	
於年終	

財務報表附註 – 續
截至二零零三年三月三十一日止年度

12. 每股盈利 (虧損)

每股基本盈利 (虧損) 乃根據本年度淨溢利190,447,000港元 (二零零二年: 虧損39,708,000港元) 及按附註44(c)所載二零零三年五月十二日生效之股份合併調整之加權平均股數56,294,034股 (二零零二年: 50,724,719股) 計算。

由於本公司之購股權/認股權證之行使價高於本公司股份於截至二零零三年三月三十一日止年度之平均市價, 故並無呈列截至二零零三年三月三十一日止年度之每股攤薄盈利, 而兌換本集團未行使可換股債券將導致每股經營純利增加。

計算截至二零零二年三月三十一日止年度之每股攤薄虧損時, 並無假設有任何潛在攤薄普通股已獲行使, 因行使該等股份會導致截至二零零二年三月三十一日止年度之每股虧損減少。

13. 投資物業

本集團	
THE GROUP	
二零零三年	二零零二年
2003	2002
千港元	千港元
HK\$'000	HK\$'000
25,748	18,755
–	8,432
(13,923)	–
(913)	(397)
570	(1,042)
11,482	25,748

NOTES TO THE FINANCIAL STATEMENTS – continued
FOR THE YEAR ENDED MARCH 31, 2003

13. INVESTMENT PROPERTIES – continued

The market value of investment properties shown above comprises:

Long lease in Hong Kong	香港之長期租約物業
Medium-term leases in Hong Kong	香港之中期租約物業
Freehold outside Hong Kong	香港以外之永久業權物業

The investment properties of the Group at No. B503, 4821 53rd Street, Delta, British Columbia, Canada and No. 1281, Alberni Street, Vancouver, British Columbia, Canada were revalued at March 31, 2003 on an open market value basis by Johnston, Ross & Cheng Ltd., an independent firm of professional valuers, at value of HK\$2,678,000 (CAD540,000). A surplus arising on revaluation of HK\$198,000 is credited to the investment property revaluation reserve.

The investment properties of the Group at No. 981 Nelson Street, Vancouver, British Columbia, Canada were revalued at March 31, 2003 on an open market value basis by Colliers International Realty Advisors Inc., an independent firm of professional valuers, at value of HK\$8,804,000 (CAD1,775,000). A surplus arising on revaluation of HK\$372,000 is credited to the investment property revaluation reserve.

All of the Group's investment properties are rented out under operating leases and have been pledged to secure banking facilities granted to the Group.

財務報表附註 – 續

截至二零零三年三月三十一日止年度

13. 投資物業 – 續

以上投資物業之市值包括：

	二零零三年 2003 千港元 HK\$'000	二零零二年 2002 千港元 HK\$'000
	–	11,860
	–	2,063
	<u>11,482</u>	<u>11,825</u>
	<u>11,482</u>	<u>25,748</u>

本集團持有位於加拿大卑斯省 Delta, 53rd Street 4821 號 B503 及加拿大卑斯省溫哥華 Alberni Street 1281 號之投資物業，於二零零三年三月三十一日由獨立專業估值師 Johnston, Ross & Cheng Ltd. 按公開市值基準進行重估，其估值為 2,678,000 港元 (540,000 加幣)。重估盈餘 198,000 港元已撥入投資物業重估儲備。

本集團於加拿大卑斯省溫哥華 Nelson Street 981 號之投資物業於二零零三年三月三十一日由獨立專業估值師 Colliers International Realty Advisors Inc. 按公開市值基準進行重估，其估值為 8,804,000 港元 (1,775,000 加幣)。重估盈餘 372,000 港元已撥入投資物業重估儲備。

本集團所有投資物業均根據經營租約出租，並已就本集團獲授之銀行融資作出抵押。

NOTES TO THE FINANCIAL STATEMENTS – continued
FOR THE YEAR ENDED MARCH 31, 2003

財務報表附註 – 續
截至二零零三年三月三十一日止年度

14. PROPERTY, PLANT AND EQUIPMENT

14. 物業、廠房及設備

		土地 及樓宇	租賃 物業裝修	傢俬、裝置 及汽車	持作發展 物業	總計
		Land and buildings	Leasehold improvements	Furniture, fixtures and motor vehicles	Properties held for development	Total
		千港元	千港元	千港元	千港元	千港元
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
THE GROUP	本集團					
COST OR VALUATION	成本值或估值					
At April 1, 2002	於二零零二年 四月一日	23,909	3,266	20,178	47,380	94,733
Disposal of a subsidiary	出售一間附屬公司	(17,435)	–	(4,166)	(43,100)	(64,701)
Additions	添置	–	106	1,731	–	1,837
Disposals	出售	–	–	(24)	–	(24)
		<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
At March 31, 2003	於二零零三年 三月三十一日	6,474	3,372	17,719	4,280	31,845
Comprising	包括：					
At cost	成本值	6,474	3,372	17,719	76	27,641
At professional valuation	專業估值					
– 1995	– 一九九五年	–	–	–	4,204	4,204
		<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
		6,474	3,372	17,719	4,280	31,845
		<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
DEPRECIATION AND IMPAIRMENT	折舊及減值					
At April 1, 2002	於二零零二年 四月一日	4,964	2,423	16,145	1,200	24,732
Provided for the year	本年度撥備	130	604	2,230	–	2,964
Impairment loss recognised	已確認減值虧損	820	–	–	–	820
Eliminated on disposal of a subsidiary	出售一間附屬公司 時撇除	(4,835)	–	(3,984)	(1,200)	(10,019)
Eliminated on disposals	出售時撇除	–	–	(12)	–	(12)
		<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
At March 31, 2003	於二零零三年 三月三十一日	1,079	3,027	14,379	–	18,485
		<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
NET BOOK VALUES	賬面淨值					
At March 31, 2003	於二零零三年 三月三十一日	5,395	345	3,340	4,280	13,360
		<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
At March 31, 2002	於二零零二年 三月三十一日	18,945	843	4,033	46,180	70,001
		<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

NOTES TO THE FINANCIAL STATEMENTS – continued
FOR THE YEAR ENDED MARCH 31, 2003

14. PROPERTY, PLANT AND EQUIPMENT – continued

The net book value of properties shown above comprises:

		土地及樓宇		持作發展物業	
		Land and buildings		Properties held for development	
		二零零三年	二零零二年	二零零三年	二零零二年
		2003	2002	2003	2002
		千港元	千港元	千港元	千港元
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
Medium-term leases in Hong Kong	香港之中期租約物業	–	12,600	76	41,976
Medium-term leases outside Hong Kong	香港以外之中期租約物業	5,395	6,345	–	–
Freehold outside Hong Kong	香港以外之永久業權物業	–	–	4,204	4,204
		<u>5,395</u>	<u>18,945</u>	<u>4,280</u>	<u>46,180</u>

The net book value of furniture, fixtures and motor vehicles as at March 31, 2002 included an amount of approximately HK\$1,347,000 in respect of assets held under finance leases.

During the year, the management reviewed the recoverable amounts of the Group's property, plant and equipment. An impairment loss was recognised so as to reduce the carrying amounts of land and buildings to their recoverable amounts determined by reference to independent professional valuations.

The properties held for development of the Group consist of several parcels of vacant freehold land at the City of Desert Hot Springs, Riverside County, California, U.S.A. They were revalued at March 31, 1995 on an open market value basis by Amy J. Wood/Clem Demus at a value of approximately HK\$4,204,000. Had the properties held for development not been revalued and carried at cost, the carrying amount of the properties held for development would have been stated at approximately HK\$6,923,000 (2002: HK\$6,923,000).

財務報表附註 – 續
截至二零零三年三月三十一日止年度

14. 物業、廠房及設備 – 續

以上物業之賬面淨值包括：

於二零零二年三月三十一日之傢俬、裝置及汽車賬面淨值包括根據融資租約持有之資產約1,347,000港元。

年內，管理層審閱本集團物業、廠房及設備之可收回款額。減值虧損已予以確認，以減低土地及樓宇之賬面值至其按獨立專業估值釐定之可收回款額。

本集團持作發展物業包括位於美國加利福尼亞州Riverside County, City of Desert Hot Springs之數幅空置永久業權土地。該等物業於一九九五年三月三十一日由Amy J. Wood/Clem Demus按公開市價基準進行重估，其估值約為4,204,000港元。倘持作發展物業並無經重估而按成本值入賬，則賬面值將約為6,923,000港元（二零零二年：6,923,000港元）。

NOTES TO THE FINANCIAL STATEMENTS – continued
FOR THE YEAR ENDED MARCH 31, 2003

財務報表附註 – 續
截至二零零三年三月三十一日止年度

14. PROPERTY, PLANT AND EQUIPMENT – continued

14. 物業、廠房及設備 – 續

		傢俬、裝置 及汽車 Furniture, fixtures and motor vehicles 千港元 HK\$'000
THE COMPANY	本公司	
COST	成本值	
At April 1, 2002	於二零零二年四月一日	1,885
Disposals	出售	(24)
		<hr/>
At March 31, 2003	於二零零三年三月三十一日	1,861
		<hr/>
DEPRECIATION	折舊	
At April 1, 2002	於二零零二年四月一日	1,439
Provided for the year	本年度撥備	99
Eliminated on disposals	出售時撇除	(12)
		<hr/>
At March 31, 2003	於二零零三年三月三十一日	1,526
		<hr/>
NET BOOK VALUES	賬面淨值	
At March 31, 2003	於二零零三年三月三十一日	335
		<hr/> <hr/>
At March 31, 2002	於二零零二年三月三十一日	446
		<hr/> <hr/>

15. GOODWILL

15. 商譽

		本集團 THE GROUP 千港元 HK\$'000
COST	成本值	
At April 1, 2002 and March 31, 2003	於二零零二年四月一日及 二零零三年三月三十一日	27,358
		<hr/>
AMORTISATION	攤銷	
At April 1, 2002	於二零零二年四月一日	900
Charge for the year	本年度攤銷	5,471
		<hr/>
At March 31, 2003	於二零零三年三月三十一日	6,371
		<hr/>
NET BOOK VALUES	賬面淨值	
At March 31, 2003	於二零零三年三月三十一日	20,987
		<hr/> <hr/>
At March 31, 2002	於二零零二年三月三十一日	26,458
		<hr/> <hr/>

The amortisation period adopted for goodwill is five years on a straight line basis.

商譽按直線法攤銷，所採納攤銷期為五年。

NOTES TO THE FINANCIAL STATEMENTS – continued
FOR THE YEAR ENDED MARCH 31, 2003

財務報表附註 – 續
截至二零零三年三月三十一日止年度

16. INTANGIBLE ASSETS

16. 無形資產

		本集團 THE GROUP 千港元 HK\$'000
COST	成本值	
At April 1, 2002	於二零零二年四月一日	6,293
Addition	添置	1,552
Written off during the year	年內撇銷	(1,168)
		<hr/>
At March 31, 2003	於二零零三年三月三十一日	6,677
AMORTISATION	攤銷	
Charge for the year and at March 31, 2003	年內攤銷及於二零零三年三月三十一日	3,741
		<hr/>
NET BOOK VALUE	賬面淨值	
At March 31, 2003	於二零零三年三月三十一日	<u>2,936</u>
At March 31, 2002	於二零零二年三月三十一日	<u>6,293</u>

Intangible assets represent software development costs, which are amortised on a straight line basis over the product lives of two to four years.

無形資產為軟件開發成本，按直線法以二至四年之產品年期攤銷。

17. INVESTMENTS IN SUBSIDIARIES

17. 於附屬公司之投資

		本公司 THE COMPANY	
		二零零三年 2003 千港元 HK\$'000	二零零二年 2002 千港元 HK\$'000
Unlisted shares, at cost	非上市股份，按成本值	95,208	219,451
Less: Impairment losses recognised	減：已確認減值虧損	<u>(81,329)</u>	<u>(133,851)</u>
		<u>13,879</u>	<u>85,600</u>

Particulars of the Company's subsidiaries at March 31, 2003 are set out in note 45.

本公司於二零零三年三月三十一日之附屬公司詳情載於附註45。

NOTES TO THE FINANCIAL STATEMENTS – continued
FOR THE YEAR ENDED MARCH 31, 2003

財務報表附註 – 續
截至二零零三年三月三十一日止年度

18. INTERESTS IN ASSOCIATES

18. 於聯營公司之權益

		本集團		本公司	
		THE GROUP		THE COMPANY	
		二零零三年	二零零二年	二零零三年	二零零二年
		2003	2002	2003	2002
		千港元	千港元	千港元	千港元
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
Unlisted shares, at cost	非上市股份， 按成本值	–	–	5,869	5,869
Less: Impairment losses recognised	減：已確認減值虧損	–	–	(5,869)	(5,869)
Share of net assets	所佔資產淨值	–	–	–	–
		–	–	–	–
		–	–	–	–

Particulars of the Group's principal associates at March 31, 2003 are set out in note 46.

本集團於二零零三年三月三十一日之主要聯營公司詳情載於附註46。

19. INVESTMENTS IN SECURITIES

19. 證券投資

THE GROUP

本集團

		持至到期證券		投資證券		其他投資		總計	
		Held to maturity		Investment securities		Other investments		Total	
		二零零三年	二零零二年	二零零三年	二零零二年	二零零三年	二零零二年	二零零三年	二零零二年
		2003	2002	2003	2002	2003	2002	2003	2002
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Equity securities:	股本證券：								
Listed	上市	–	–	1,999	1,999	299,012	45,832	301,011	47,831
Unlisted	非上市	–	–	7,663	4,163	–	–	7,663	4,163
		–	–	9,662	6,162	299,012	45,832	308,674	51,994
Debt securities:	債券證券：								
Listed	上市	–	–	–	–	722	883	722	883
Unlisted	非上市	2,724	–	1,425	1,425	–	–	4,149	1,425
		2,724	–	1,425	1,425	722	883	4,871	2,308
Total securities:	證券總額：								
Listed	上市	–	–	1,999	1,999	299,734	46,715	301,733	48,714
Unlisted	非上市	2,724	–	9,088	5,588	–	–	11,812	5,588
		2,724	–	11,087	7,587	299,734	46,715	313,545	54,302
Market value of listed securities	上市證券 市值	–	–	3,290	2,279	299,734	46,715	303,024	48,994
Carrying amount analysed for reporting purposes as:	為申報目的 之賬面值 分析：								
Current	流動	924	–	–	–	299,734	46,715	300,658	46,715
Non-current	非流動	1,800	–	11,087	7,587	–	–	12,887	7,587
		2,724	–	11,087	7,587	299,734	46,715	313,545	54,302

NOTES TO THE FINANCIAL STATEMENTS – continued
FOR THE YEAR ENDED MARCH 31, 2003

財務報表附註 – 續
截至二零零三年三月三十一日止年度

19. INVESTMENTS IN SECURITIES – continued

19. 證券投資 – 續

THE COMPANY

本公司

		持至到期證券		投資證券		其他投資		總計	
		Held to maturity		Investment securities		Other investments		Total	
		二零零三年	二零零二年	二零零三年	二零零二年	二零零三年	二零零二年	二零零三年	二零零二年
		2003	2002	2003	2002	2003	2002	2003	2002
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Equity securities:	股本證券:								
Listed	上市	-	-	-	-	185,947	4	185,947	4
Unlisted	非上市	-	-	2,383	3,883	-	-	2,383	3,883
		-	-	2,383	3,883	185,947	4	188,330	3,887
Debt securities, unlisted	債券證券, 非上市	924	-	-	-	-	-	924	-
Total securities:	證券總額:								
Listed	上市	-	-	-	-	185,947	4	185,947	4
Unlisted	非上市	924	-	2,383	3,883	-	-	3,307	3,883
		924	-	2,383	3,883	185,947	4	189,254	3,887
Market value of listed securities	上市證券 市值	-	-	-	-	185,947	4	185,947	4
Carrying amount analysed for reporting purposes as:	為申報目的 之賬面值 分析:								
Current	流動	924	-	-	-	185,947	4	186,871	4
Non-current	非流動	-	-	2,383	3,883	-	-	2,383	3,883
		924	-	2,383	3,883	185,947	4	189,254	3,887

Included above is the Group's investment in 26.41% of the ordinary shares of China Gas Holdings Limited ("CGHL"), with a carrying amount of approximately HK\$275,358,000 (2002: Nil). The Group had previously accounted for the investment in CGHL as a subsidiary, and the financial statements of CGHL were consolidated in the financial statements of the Company for the year ended March 31, 2002. During the year ended March 31, 2003, the Group's interest in CGHL was reduced from 52.86% at April 1, 2002 to 26.41% at March 31, 2003 following a series of placing of ordinary shares of CGHL and conversions of preference shares of CGHL. CGHL was accounted for as an associate of the Group from August 2, 2002 to November 20, 2002, during which period the Group retained its significant influence in CGHL.

上述包括本集團於中國燃氣控股有限公司（「中國燃氣」）普通股26.41%之投資，股份賬面值約275,358,000港元（二零零二年：無）。本集團以往將中國燃氣之投資列作附屬公司，而中國燃氣之財務報表則綜合計入本公司截至二零零二年三月三十一日止年度之財務報表。於截至二零零三年三月三十一日止年度，隨連串中國燃氣普通股配售及轉換中國燃氣優先股後，本集團於中國燃氣之權益由二零零二年四月一日之52.86%減至二零零三年三月三十一日之26.41%。二零零二年八月二日至二零零二年十一月二十日，本集團對中國燃氣維持重大影響力，中國燃氣於該期間列作本集團聯營公司。

19. INVESTMENTS IN SECURITIES – continued

On November 20, 2002, the Company's representative resigned from the board of CGHL. Following the appointment of a new board, and a change in business direction for CGHL, the Group no longer had the capability to exercise the power to participate in the financial and operating policy decisions of CGHL. The investments in CGHL were consequently reclassified as other investments. Equity accounting was discontinued from November 20, 2002 when the Group ceased to have the capability to exercise significant influence over CGHL. The carrying amount of the Group's interest in CGHL of approximately HK\$48,028,000 has been regarded as cost for the purposes of the reclassification. Since November 2002, the Group's investments in CGHL have been dealt with in accordance with the Group's accounting policy for other investments.

On March 18, 2003, the Group entered into a conditional share sale agreement ("the Agreement") with IPCO International Limited ("IPCO") to dispose of its 320,000,000 ordinary shares of CGHL of HK\$0.01 each for a consideration of HK\$304,000,000. However, the Agreement has subsequently lapsed due to the Group's disagreement with readjusting the consideration downward based on the prevailing market conditions as requested by IPCO. Following the lapse of the Agreement, the Group continues to negotiate with potential investors to dispose of its investments in CGHL.

Following the decrease in the Group's interests in CGHL, the Group's interests in CGHL was reclassified to interest in an associate and subsequently to other investments when the Group ceased to have significant influence over CGHL. The dilutions in interests in CGHL have resulted in a gain on deemed disposal of interests in subsidiary and associate of approximately HK\$13,823,000 and approximately HK\$18,061,000 respectively. The carrying amount of the interest in associate of approximately HK\$48,028,000 was reclassified to other investments and has been dealt with in accordance with the Group's accounting policy for other investment since November 20, 2002. The revaluation of investment in the listed shares of CGHL based on the market value of the shares at the balance sheet date resulted in an unrealised gain of approximately HK\$227,330,000. On August 25, 2003, being the date of the approval of these financial statements, the market value for the Group's investment in CGHL had reduced by HK\$32,019,000. The disposal of preference shares held by the Group and the ordinary shares converted from the preference shares has resulted in a gain on disposal of preference shares of HK\$12,330,000.

19. 證券投資 – 續

於二零零二年十一月二十日，本公司之代表辭退中國燃氣董事會職務。委任新董事會及中國燃氣業務方向轉變後，本集團再無權力參與中國燃氣之財務及營運決策，於中國燃氣之投資亦因而重新分類為其他投資。本集團對中國燃氣失去重大影響力後，由二零零二年十一月二十日起不再採用權益會計處理方法。就重新分類而言，本集團於中國燃氣之權益之賬面值約48,028,000港元已列作成本。自二零零二年十一月起，本集團於中國燃氣之投資已按本集團其他投資之會計政策處理。

於二零零三年三月十八日，本集團與IPCO International Limited（「IPCO」）訂立有條件股份銷售協議（「該協議」），以按代價304,000,000港元出售中國燃氣320,000,000股每股面值0.01港元之普通股。由於本集團不同意應IPCO要求，按現行市況調低代價，該協議其後失效。該協議失效後，本集團繼續就出售其於中國燃氣之投資與潛在投資人士進行磋商。

隨著本集團於中國燃氣之權益減少，本集團於中國燃氣之權益已重新分類為於聯營公司之權益，及後於本集團對中國燃氣失去重大影響力後重新分類為其他投資。於中國燃氣之權益攤薄，因而分別產生視作出售附屬公司及聯營公司權益之收益約13,823,000港元及約18,061,000港元。於聯營公司之權益賬面值約48,028,000港元已重新分類為其他投資，並自二零零二年十一月二十日起按本集團其他投資之會計政策處理。按股份於結算日之市值重估於中國燃氣上市股份之投資產生未變現收益約227,330,000港元。於批准財務報表之日二零零三年八月二十五日，本集團於中國燃氣之投資市值減少32,019,000港元。出售本集團所持優先股及轉換優先股為普通股產生出售優先股收益12,330,000港元。

NOTES TO THE FINANCIAL STATEMENTS – continued
FOR THE YEAR ENDED MARCH 31, 2003

20. AMOUNTS DUE FROM SUBSIDIARIES

Interest bearing at prevailing market rate	按現行市場息率計息	174,322	149,459
Non-interest bearing	免息	233,510	227,499
		<u>407,832</u>	<u>376,958</u>
Less: Allowances for doubtful debts	減：呆賬撥備	(252,576)	(289,276)
		<u>155,256</u>	<u>87,682</u>

The amounts are unsecured and have no fixed repayment terms. In the opinion of the directors, the amounts will not be repaid within the next twelve months from the balance sheet date and, accordingly, the amounts are shown as non-current.

21. LOANS RECEIVABLE

Term loans, after allowance	撥備後定期貸款	–	648
Mortgage loans, after allowance	撥備後按揭貸款	1,510	1,760
		<u>1,510</u>	<u>2,408</u>
Less: Amount due within one year shown under current assets	減：流動資產下一年內到期之欠款	(1,510)	(1,776)
Amount due after one year	一年後到期欠款	<u>–</u>	<u>632</u>

The term loans are unsecured, interest bearing at prevailing market rates and are repayable within one year.

The mortgage loans bear interest at 0.5% over prime rates and are repayable by instalments and the last of which are falling due within the period from 2005 to 2011. The loans are secured by mortgages over the corresponding properties.

22. INVENTORIES

THE GROUP

The amount represents premium items for credit card holders and is carried at cost.

財務報表附註 – 續
截至二零零三年三月三十一日止年度

20. 附屬公司欠款

本公司		THE COMPANY	
二零零三年	二零零二年	二零零三年	二零零二年
2003	2002	2003	2002
千港元	千港元	千港元	千港元
HK\$'000	HK\$'000	HK\$'000	HK\$'000
174,322	149,459	174,322	149,459
233,510	227,499	233,510	227,499
<u>407,832</u>	<u>376,958</u>	<u>407,832</u>	<u>376,958</u>
(252,576)	(289,276)	(252,576)	(289,276)
<u>155,256</u>	<u>87,682</u>	<u>155,256</u>	<u>87,682</u>

該等款項為無抵押及無固定還款期。董事認為，該等款項毋須於結算日起計十二個月內償還，因此列作非流動資產。

21. 應收貸款

本集團		THE GROUP	
二零零三年	二零零二年	二零零三年	二零零二年
2003	2002	2003	2002
千港元	千港元	千港元	千港元
HK\$'000	HK\$'000	HK\$'000	HK\$'000
–	648	–	648
1,510	1,760	1,510	1,760
<u>1,510</u>	<u>2,408</u>	<u>1,510</u>	<u>2,408</u>
(1,510)	(1,776)	(1,510)	(1,776)
<u>–</u>	<u>632</u>	<u>–</u>	<u>632</u>

定期貸款乃無抵押、按現行市場息率計息，並須於一年內償還。

按揭貸款按優惠利率加0.5厘計息，須分期償還，而最後一期還款於二零零五至二零一一年間到期。該筆貸款乃以有關物業按揭作抵押。

22. 存貨

本集團

該款項指信用卡持有人的贈品，按成本值入賬。

NOTES TO THE FINANCIAL STATEMENTS – continued
FOR THE YEAR ENDED MARCH 31, 2003

23. PROPERTIES HELD FOR SALE

THE GROUP AND THE COMPANY

The properties held for sale are situated in Hong Kong and held under medium-term leases.

24. TRADE AND OTHER RECEIVABLES

The Group allows an average credit terms of 45 days to its trade customers of health care business and up to 56 days interest free repayment period for the credit card holders for retail sales.

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

0 – 60 days	0至60日
61 – 90 days	60至90日
Over 90 days	90日以上
Promissory note receivable (note)	承付票據應收款項 (附註)
Deposits, prepayments and other receivables	按金、預付款項及 其他應收款項

Note:

On July 8, 2002, the Group entered into an agreement with RNA Holdings Limited (“RNA”) for the sales of discount cards which entitle the card holders to certain privilege and discounts from retail shops. The discount cards would be issued to the customers of RNA upon RNA’s request within two years from the date of signing of the agreement and a non-refundable one-time fee of HK\$15,000,000 was receivable upon signing of the agreement. Besides, pursuant to the agreement, the Group also agreed with RNA for the disposal of 1% equity interest in a subsidiary, Online Credit Card Limited at a consideration of HK\$4,000,000.

The aggregate amount of HK\$19,000,000 was settled by the issue of a promissory note (the “Note”) from RNA and the Note was unsecured, interest free and repayable within one year. On March 3, 2003, the Company further entered into a subscription agreement with RNA for the settlement of such receivable by the issue of RNA’s new ordinary shares pursuant to a debt restructuring exercise which are subject to approvals by the shareholders of RNA. Subsequent to the balance sheet date, the subscription agreement was approved and 965,147,945 shares of RNA were allotted to the Group as settlement of the Note. However, the trading of the shares of RNA was suspended before the aforesaid settlement and has not been resumed up to the date of this report. No allowance has been made in these financial statements in respect of the aggregate receivable of HK\$19,000,000. However, the recoverable amount of the shares and, accordingly, the recoverable amount of the receivables, will only be known with reasonable certainty upon resumption of trading in the shares.

財務報表附註 – 續

截至二零零三年三月三十一日止年度

23. 待售物業

本集團及本公司

待售物業位於香港，乃按中期租約持有。

24. 貿易及其他應收款項

本集團給予其保健業務客戶平均45日信貸期，惟信用卡持有人零售簽賬最多可獲56日免息還款期。

於申報日，貿易應收款項按賬齡分析如下：

		本集團 THE GROUP	
		二零零三年 2003 千港元 HK\$’000	二零零二年 2002 千港元 HK\$’000
	0至60日	40,483	63,590
	60至90日	964	4,558
	90日以上	1,262	25,568
	承付票據應收款項 (附註)	19,000	–
	按金、預付款項及 其他應收款項	22,024	17,634
		83,733	111,350

附註：

於二零零二年七月八日，本集團與慶豐金集團有限公司（「慶豐金」）就優惠卡銷售訂立協議，優惠卡持有人可於零售店舖享有若干優惠及折扣。優惠卡將應慶豐金要求，於簽訂協議日期起計兩年內發行予慶豐金客戶，而本集團於簽訂協議時可收取一次過不可退回費用15,000,000港元。此外，根據協議，本集團亦與慶豐金協定，以代價4,000,000港元出售附屬公司聯網信用卡有限公司1%股本權益。

慶豐金透過發行承付票據（「承付票據」）支付總額19,000,000港元，承付票據為無抵押、免息及須於一年內償還。於二零零三年三月三日，本公司另與慶豐金訂立認購協議，據此，慶豐金透過根據債務重組發行慶豐金新普通股，以償還該筆應收款項，債務重組須待慶豐金股東批准。結算日後，認購協議已獲批准，本集團獲配發965,147,945股慶豐金股份，以償付承付票據。然而，慶豐金股份於結清該筆款項前已暫停買賣，而截至本報告日期止仍未恢復買賣。本集團並無就應收款項總額19,000,000港元於財務報表作出撥備。然而，股份可收回數額及應收款項就此可收回之款額將於股份恢復買賣時方可合理確定。

NOTES TO THE FINANCIAL STATEMENTS – continued
FOR THE YEAR ENDED MARCH 31, 2003

25. AMOUNTS DUE FROM ASSOCIATES

THE GROUP AND THE COMPANY

The amounts are unsecured, interest free and have no fixed repayment terms.

26. SHARE CAPITAL

Ordinary shares of HK\$0.25 each
 Authorised:
 At beginning and at end
 of the years 2003 and 2002

每股面值0.25港元之普通股
 法定股本：
 於二零零三年及二零零二年
 年初及年終

Issued and fully paid:
 At April 1, 2001 and
 March 31, 2002
 Issue of ordinary shares

已發行及繳足股本：
 於二零零一年四月一日及
 二零零二年三月三十一日
 發行普通股

At March 31, 2003

於二零零三年三月三十一日

On May 27, 2002, a subscription agreement (the “Subscription Agreement”) was entered into with Prime Star Group Co. Ltd., a company beneficially wholly-owned by Ms. Chan Yoke Keow, a director of the Company, to subscribe for an aggregate of 80,000,000 new ordinary shares of HK\$0.25 each at a subscription price of HK\$0.25 per share. Pursuant to the Subscription Agreement, 175 bonus shares and 100 bonus warrants were issued with every 100 new issued shares resulting in an increase in issued share capital of HK\$55,000,000 and a reduction of HK\$35,000,000 in the share premium. The effective subscription price is approximately HK\$0.091, representing a discount of approximately 4.2% over the closing price of the Company’s shares on May 10, 2002. The new issue and allotment of shares was completed on August 12, 2002. These new shares rank pari passu with the existing shares in all respects. Details of the subscription of shares are set out in the circular of the Company dated July 8, 2002.

At the extraordinary general meeting of the Company held on May 9, 2003, the Company approved to effect a share consolidation pursuant to which every 25 existing issued and unissued shares will be consolidated into 1 share (“Consolidated Share”) of HK\$6.25 each. On the same date, the authorised share capital of the Company was increased from HK\$500,000,000 to HK\$10,000,000,000 by creation of 1,520,000,000 Consolidated Shares.

財務報表附註 – 續

截至二零零三年三月三十一日止年度

25. 聯營公司欠款

本集團及本公司

該等款項乃無抵押、免息及無固定還款期。

26. 股本

	股份數目 Number of shares	金額 Amount 千港元 HK\$'000
	2,000,000,000	500,000
	1,268,117,965	317,029
	220,000,000	55,000
	1,488,117,965	372,029

於二零零二年五月二十七日，本公司與其董事陳玉嬌女士實益全資擁有之Prime Star Group Co. Ltd. 訂立認購協議（「認購協議」），以每股0.25港元之認購價，認購合共80,000,000股每股面值0.25港元之新普通股。根據認購協議，按每100股已發行新股份獲配發175股紅股及100份紅利認股權證之基準，將已發行股本增加55,000,000港元，惟股份溢價則減少35,000,000港元。實際認購價約0.091港元，較本公司股份於二零零二年五月十日之收市價折讓約4.2%。發行新股及配發股份已於二零零二年八月十二日完成。該等新股份在各方面與現有股份均享有同等權利。有關認購股份詳情載於本公司日期為二零零二年七月八日之通函。

本公司於二零零三年五月九日舉行股東特別大會，會上批准股份合併生效，基準為每25股現有已發行及未發行股份將合併為1股每股面值6.25港元之股份（「合併股份」）。同日，本公司法定股本藉增設1,520,000,000股合併股份由500,000,000港元增至10,000,000,000港元。

NOTES TO THE FINANCIAL STATEMENTS – continued
FOR THE YEAR ENDED MARCH 31, 2003

26. SHARE CAPITAL – continued

Warrants

As a consequence of the shares subscription mentioned above, a bonus issue of warrants was made on the basis of one warrant for every one new share issued. Each warrant carries an entitlement to subscribe in cash at a price of HK\$0.25 for one ordinary share of the Company from the date of issue to August 11, 2004. Upon exercise of the bonus warrants, one bonus share will be issued with each share subscribed. No warrants were exercised during the year.

At the balance sheet date, the Company had outstanding 80,000,000 warrants exercisable on or before August 11, 2004. Exercise in full of such warrants would result in the issue of 160,000,000 additional ordinary shares of HK\$0.25 each.

財務報表附註 – 續
截至二零零三年三月三十一日止年度

26. 股本 – 續

認股權證

進行上述股份認購後，本公司已按每一股已發行新股份獲發一份認股權證之基準發行紅利認股權證。每份認股權證賦予持有人權利，可於發行日期起至二零零四年八月十一日止期間，按每股0.25港元之價格，以現金認購本公司一股普通股。行使紅利認股權證時，每認購一股股份將獲發行一股紅股。年內，概無任何認股權證獲行使。

於結算日，本公司有80,000,000份可於二零零四年八月十一日或之前行使之尚未行使認股權證。悉數行使該等認股權證將致使本公司額外發行160,000,000股每股面值0.25港元之普通股。

NOTES TO THE FINANCIAL STATEMENTS – continued
FOR THE YEAR ENDED MARCH 31, 2003

財務報表附註 – 續
截至二零零三年三月三十一日止年度

27. RESERVES

27. 儲備

		股份溢價	商譽儲備	資本儲備	投資物業 重估儲備	換算儲備	虧蝕	總計
		Share premium 千港元 HK\$'000	Goodwill reserve 千港元 HK\$'000 (附註3) (Note 3)	Capital reserve 千港元 HK\$'000	Investment property revaluation reserve 千港元 HK\$'000	Translation reserve 千港元 HK\$'000	Deficit 千港元 HK\$'000	Total 千港元 HK\$'000
THE GROUP	本集團							
At April 1, 2001	於二零零一年 四月一日	366,509	(63,122)	1,479	-	12,132	(404,912)	(87,914)
Released on deemed disposal of a subsidiary	視作出售一間 附屬公司時 解除之儲備	-	10,063	-	-	-	-	10,063
Impairment loss recognised in respect of goodwill	商譽之已確認 減值虧損	-	28,898	-	-	-	-	28,898
Exchange realignment	匯兌調整	-	-	-	-	399	-	399
Net loss for the year	本年度淨虧損	-	-	-	-	-	(39,708)	(39,708)
At March 31, 2002	於二零零二年 三月三十一日	366,509	(24,161)	1,479	-	12,531	(444,620)	(88,262)
Revaluation surplus of investment properties not recognised in the income statement	未於收益賬 確認之投資 物業重估 盈餘	-	-	-	570	-	-	570
Released on deemed disposal of a subsidiary	視作出售一間 附屬公司時 解除之儲備	-	12,521	-	-	-	-	12,521
Released on partial disposal of a subsidiary	出售一間附屬 公司部分權益 時解除之儲備	-	(1,098)	-	-	-	-	(1,098)
Impairment loss recognised in respect of goodwill (note 1)	商譽之已確認 減值虧損 (附註1)	-	3,054	-	-	-	-	3,054
Released on deemed disposal of an associate	視作出售一間 聯營公司時 解除之儲備	-	933	-	-	-	-	933
Issue of bonus shares (Note 2)	發行紅股 (附註2)	(35,000)	-	-	-	-	-	(35,000)
Net profit for the year	本年度淨溢利	-	-	-	-	-	190,447	190,447
At March 31, 2003	於二零零三年 三月三十一日	<u>331,509</u>	<u>(8,751)</u>	<u>1,479</u>	<u>570</u>	<u>12,531</u>	<u>(254,173)</u>	<u>83,165</u>

Note 1: An impairment loss has been recognised in respect of the goodwill arising on acquisition of a subsidiary by the management based on their review of financial position of this subsidiary. The directors considered that the subsidiary cannot generate positive cash flows in the future and the goodwill previously charged to reserve was impaired and released to income statement.

附註1: 因收購一間附屬公司而產生之商譽, 經管理層評估該附屬公司之財務狀況後, 已就此確認減值虧損。董事認為該附屬公司不會於日後產生任何正數現金流量, 而先前計入儲備之商譽已出現減值, 計入收益賬。

Note 2: Details of the bonus issue were set out in note 26.

附註2: 有關發行紅股詳情載於附註26。

Note 3: Included in goodwill reserve above is a negative goodwill arisen on acquisition of a subsidiary of HK\$4,679,000 (2002: HK\$5,777,000). Negative goodwill of HK\$1,098,000 (2002: Nil) was released on partial disposal of the subsidiary during this year.

附註3: 上列商譽儲備包括收購一間附屬公司所產生之負商譽4,679,000港元(二零零二年: 5,777,000港元)。負商譽1,098,000港元(二零零二年: 無)於年內因出售附屬公司部分權益而解除。

NOTES TO THE FINANCIAL STATEMENTS – continued
FOR THE YEAR ENDED MARCH 31, 2003

財務報表附註 – 續
截至二零零三年三月三十一日止年度

27. RESERVES – continued

Included in the above deficit was a deficit of HK\$18,415,000 (2002: HK\$18,094,000) representing the Group's share of post-acquisition deficit of associate.

27. 儲備 – 續

上列虧絀包括本集團分佔聯營公司之收購後虧絀18,415,000港元(二零零二年:18,094,000港元)。

		股份溢價 Share premium 千港元 HK\$'000	虧絀 Deficit 千港元 HK\$'000	總計 Total 千港元 HK\$'000
THE COMPANY	本公司			
At April 1, 2001	於二零零一年四月一日	366,509	(502,759)	(136,250)
Net loss for the year	本年度淨虧損	–	(25,440)	(25,440)
At March 31, 2002	於二零零二年三月三十一日	366,509	(528,199)	(161,690)
Issue of bonus share	發行紅股	(35,000)	–	(35,000)
Net profit for the year	本年度淨溢利	–	218,846	218,846
At March 31, 2003	於二零零三年三月三十一日	<u>331,509</u>	<u>(309,353)</u>	<u>22,156</u>

The Company had no reserve available for distribution to shareholders at March 31, 2003.

本公司於二零零三年三月三十一日並無可分派予股東之儲備。

28. BORROWINGS

28. 借貸

		本集團 THE GROUP	
		二零零三年 2003 千港元 HK\$'000	二零零二年 2002 千港元 HK\$'000
Secured mortgage loans	有抵押按揭貸款	<u>9,975</u>	<u>10,476</u>
The maturity of the above loans and overdrafts is as follows:	上述各項貸款及透支之到期日如下:		
On demand or within one year	按通知或一年內	533	488
More than one year, but not exceeding two years	超過一年但少於兩年	573	515
More than two years, but not exceeding five years	超過兩年但少於五年	1,967	1,775
More than five years (Note)	超過五年(附註)	<u>6,902</u>	<u>7,698</u>
		9,975	10,476
Less: Amount due within one year shown under current liabilities	減: 流動負債下一年內到期款項	<u>(533)</u>	<u>(488)</u>
Amount due after one year	一年後到期之款項	<u>9,442</u>	<u>9,988</u>

Note: The loans bear interest at market rates and are repayable in installments over a period of 5 years. The loans were used to finance the acquisition of property, plant and equipment and investment properties.

附註: 貸款按市場利率計息, 須於五年期內分期償還。貸款乃用作購買物業、廠房及設備以及投資物業之融資。

NOTES TO THE FINANCIAL STATEMENTS – continued
FOR THE YEAR ENDED MARCH 31, 2003

財務報表附註 – 續
截至二零零三年三月三十一日止年度

29. CONVERTIBLE DEBENTURES

29. 可換股債券

		本集團 THE GROUP	
		二零零三年 2003 千港元 HK\$'000	二零零二年 2002 千港元 HK\$'000
Convertible debentures	可換股債券	49,370	49,297

The convertible debentures issued by a subsidiary of the Company bear interest at a rate of 10% per annum, payable semi-annually and will mature on August 1, 2008. The debentures are not callable prior to maturity. These debentures are convertible into shares of common stock of the subsidiary at a conversion price of US\$5.00 per share.

本公司附屬公司發行之可換股債券之年息率為10厘，每半年派息一次，到期日為二零零八年八月一日。該等債券不能於到期日前贖回，可以每股5.00美元之轉換價轉換為附屬公司之普通股。

30. OBLIGATIONS UNDER FINANCE LEASES

30. 融資租賃承擔

		最低租約付款 Minimum lease payments		最低租約款付款之現值 Present value of minimum lease payments	
		二零零三年 2003 千港元 HK\$'000	二零零二年 2002 千港元 HK\$'000	二零零三年 2003 千港元 HK\$'000	二零零二年 2002 千港元 HK\$'000
Amount payable under finance leases	根據融資租賃應付之款項				
Within one year	一年內	-	748	-	693
In the second to fifth years inclusive	兩年至五年(包括首尾兩年)	-	948	-	730
		-	1,696	-	1,423
Less: Future finance charges	減: 日後融資費用	-	(273)	-	-
Present value of lease obligations	租賃承擔之現值	-	1,423	-	1,423
Less: Amount due within one year shown under current liabilities	減: 流動負債項下一年內到期之款項			-	(693)
Amount due after one year	一年後到期之款項			-	730

NOTES TO THE FINANCIAL STATEMENTS – continued
FOR THE YEAR ENDED MARCH 31, 2003

31. AMOUNTS DUE TO ASSOCIATES

THE GROUP AND THE COMPANY

The amounts, included in non-current liabilities, are unsecured, interest free and are not repayable within the next twelve months from the balance sheet date and, accordingly, the amounts are shown as non-current.

THE GROUP

The amount included in current liabilities as at March 31, 2002 was unsecured, interest free and had no fixed term of repayment.

32. AMOUNTS DUE TO SUBSIDIARIES

THE COMPANY

The amounts are unsecured, interest free and are not repayable within the next twelve months from the balance sheet date and, accordingly, the amounts are shown as non-current.

33. DEFERRED TAXATION

At beginning of the year and at end of the year 年初及年終

The balance as at March 31, 2003 comprised deferred taxation of approximately HK\$1,014,000 (2002: HK\$1,014,000) regarding the provision for withholding tax on overseas interest income. The withholding tax is due to be paid upon remittance of the income from the respective jurisdictions.

財務報表附註 – 續

截至二零零三年三月三十一日止年度

31. 結欠聯營公司款項

本集團及本公司

列作非流動負債之款項乃無抵押、免息及毋須於結算日起計十二個月內償還，因此被列為非流動負債。

本集團

於二零零二年三月三十一日列作流動負債之款項並無抵押，為免息及無固定還款期。

32. 結欠附屬公司款項

本公司

該等款項乃無抵押、免息及毋須於結算日起計十二個月內償還，因此被列為非流動負債。

33. 遞延稅項

本集團	
THE GROUP	
二零零三年	二零零二年
2003	2002
千港元	千港元
HK\$'000	HK\$'000
1,014	1,014

於二零零三年三月三十一日之結餘包括遞延稅項1,014,000港元（二零零二年：1,014,000港元），其為海外利息收入預扣稅項之撥備。該預扣稅項須在該項收入從有關司法權區匯出時支付。

NOTES TO THE FINANCIAL STATEMENTS – continued
FOR THE YEAR ENDED MARCH 31, 2003

財務報表附註 – 續
截至二零零三年三月三十一日止年度

33. DEFERRED TAXATION – continued

33. 遞延稅項 – 續

The Group and the Company have net deferred tax asset respectively which has not been recognised in the financial statements as realisation of this asset in the foreseeable future is uncertain. Details of the unprovided deferred tax asset are as follows:

本集團及本公司各自之淨遞延稅項資產，因未能肯定此項資產會否在可見未來變現，故並無在財務報表中予以確認。未作撥備之遞延稅項資產詳情如下：

		本集團		本公司	
		THE GROUP		THE COMPANY	
		二零零三年	二零零二年	二零零三年	二零零二年
		2003	2002	2003	2002
		千港元	千港元	千港元	千港元
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
Tax effect of timing differences because of:	因下列事項時差引起之稅務影響：				
Tax losses	稅項虧損	51,565	54,458	20,111	16,325
Shortfall (excess) of tax allowances over depreciation	免稅額少於(超出)折舊之差額	35	183	(26)	(43)
Other timing differences	其他時差	15,259	2,948	6,729	–
Net deferred tax asset	淨遞延稅項資產	<u>66,859</u>	<u>57,589</u>	<u>26,814</u>	<u>16,282</u>

The amount of unprovided deferred tax credit (charge) for the year is as follows:

本年度未作撥備之遞延稅項撥回(支出)如下：

		本集團		本公司	
		THE GROUP		THE COMPANY	
		二零零三年	二零零二年	二零零三年	二零零二年
		2003	2002	2003	2002
		千港元	千港元	千港元	千港元
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
Tax effect of timing differences because of:	因下列事項時差引起之稅務影響：				
Tax losses (utilised) arising (Excess) shortfall of tax allowances over depreciation	產生(動用)稅項虧損免稅額(超出)少於折舊之差額	(2,893)	23,905	3,786	8,269
Other timing differences	其他時差	(148)	125	17	(51)
		12,311	2,948	6,729	–
		<u>9,270</u>	<u>26,978</u>	<u>10,532</u>	<u>8,218</u>

Deferred taxation has not been provided on the valuation surplus arising on the revaluation of investment properties and properties held for development as profits arising on the disposal of these assets would not be subject to taxation. Accordingly, the valuation does not constitute a timing difference for tax purposes.

由於出售投資物業、持作發展物業所產生溢利毋須繳稅，故並無就重估該等資產時產生之估值盈餘提撥遞延稅項。因此，就稅項而言，估值並無產生時差。

NOTES TO THE FINANCIAL STATEMENTS – continued
FOR THE YEAR ENDED MARCH 31, 2003

34. TRADE AND OTHER PAYABLES

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

		本集團 THE GROUP	
		二零零三年 2003 千港元 HK\$'000	二零零二年 2002 千港元 HK\$'000
0 – 60 days	零至60日	10,993	12,589
61 – 90 days	61日至90日	234	364
Over 90 days	90日以上	820	9,944
Accruals and other payables	預提費用及其他應付款項	29,516	54,301
		41,563	77,198

35. MAJOR NON CASH TRANSACTIONS

- (a) During the year ended March 31, 2003, the Group acquired the entire interest in Merchant Partners Limited for a consideration of HK\$900,000 which was satisfied by reducing the trade receivable due from Merchant Partners Limited. Details of the transaction are set out in note 36(b).
- (b) (i) On April 24, 2002, the Group entered into a compromise agreement (the "Compromise Agreement") with MBf Asia Capital Corporation Holdings Limited ("MBf Asia") pursuant to which the parties agreed to cancel all litigation relating to the purchase by the Company of Online Credit Card Limited ("OCCL") and to the settlement of a net amount of HK\$23,100,000 due by the Group to MBf Asia. The net amount was settled by the payment of HK\$8,500,000 by the Group and the disposal of 18% equity interest in OCCL, to MBf Asia for a consideration of approximately HK\$14,600,000. The disposal of 18% equity interest in OCCL has resulted in a gain of HK\$8,872,000.

財務報表附註 – 續
截至二零零三年三月三十一日止年度

34. 貿易及其他應付款項

於申報日之貿易及其他應付款項按賬齡分析如下：

		本集團 THE GROUP	
		二零零三年 2003 千港元 HK\$'000	二零零二年 2002 千港元 HK\$'000
0 – 60 days	零至60日	10,993	12,589
61 – 90 days	61日至90日	234	364
Over 90 days	90日以上	820	9,944
Accruals and other payables	預提費用及其他應付款項	29,516	54,301
		41,563	77,198

35. 主要非現金交易

- (a) 截至二零零三年三月三十一日止年度，本集團以900,000港元之代價收購Merchant Partners Limited全部權益，代價將以減低應收Merchant Partners Limited貿易款項方式支付。有關交易詳情載於附註36(b)。
- (b) (i) 於二零零二年四月二十四日，本集團與MBf Asia Capital Corporation Holdings Limited (「MBf Asia」) 訂立妥協協議 (「妥協協議」)。據此，各訂約方同意註銷本公司收購聯網信用卡有限公司 (「聯網信用卡」) 及本集團結清結欠MBf Asia 23,100,000港元淨額相關之所有訴訟。淨額8,500,000港元已由本集團結清，並以約14,600,000港元之代價向MBf Asia出售聯網信用卡18%股本權益。出售聯網信用卡18%股本權益帶來8,872,000港元之收益。

NOTES TO THE FINANCIAL STATEMENTS – continued
FOR THE YEAR ENDED MARCH 31, 2003

35. MAJOR NON CASH TRANSACTIONS – continued

- (ii) During the year ended March 31, 2003, the Group entered into an agreement with RNA for the disposal of 1% equity interests in OCCL at a consideration of HK\$4,000,000 which is satisfied by the issue of a promissory note of HK\$4,000,000. Details of the transactions are set out in note 24. The disposal of 1% equity interest in OCCL has resulted in a gain of HK\$3,643,000.

The disposals of the 18% and 1% interests in OCCL as mentioned above have given rise to an aggregate gain on partial disposal of a subsidiary of HK\$12,515,000.

- (c) During the year ended March 31, 2003, 140,000,000 bonus shares were issued, by the capitalisation of HK\$35,000,000 of the share premium account.
- (d) During the year ended March 31, 2002, a subsidiary of the Company subscribed for 600,000,000 ordinary shares of a listed company in consideration of issuing 100,000,000 ordinary shares of the subsidiary, which has resulted in a deemed disposal of interests in that subsidiary.

財務報表附註 – 續
截至二零零三年三月三十一日止年度

35. 主要非現金交易 – 續

- (ii) 截至二零零三年三月三十一日止年度，本集團與慶豐金就以4,000,000港元之代價出售聯網信用卡1%股本權益訂立協議。該代價以4,000,000港元承付票據支付。有關交易詳情載於附註24。出售聯網信用卡1%股本權益帶來3,643,000港元之收益。

誠如上文所述，出售聯網信用卡18%及1%權益帶來出售附屬公司部分權益之收益合共12,515,000港元。

- (c) 截至二零零三年三月三十一日止年度，本公司藉將股份溢價賬35,000,000港元撥充資本，發行140,000,000股紅股。
- (d) 截至二零零二年三月三十一日止年度，本公司一家附屬公司認購一家上市公司600,000,000股普通股，作為發行該附屬公司100,000,000股普通股之代價，而此項股份發行因而被視作出售該附屬公司之權益。

NOTES TO THE FINANCIAL STATEMENTS – continued
FOR THE YEAR ENDED MARCH 31, 2003

財務報表附註 – 續
截至二零零三年三月三十一日止年度

36. ACQUISITION OF A SUBSIDIARY

36. 收購附屬公司

- (a) During the year, the Group settled the deferred consideration regarding the purchase of the interest in OCCL by the payment of HK\$8,500,000 and disposal of 18% interest in OCCL. Details of the settlement were set out in note 35 (b) above.
- (b) During the year, the Group acquired the entire interest of Merchant Partners Limited for an aggregate consideration of HK\$900,000 which was satisfied by reducing the amount of a trade receivable due from Merchant Partners Limited. The acquisition has been accounted for by the acquisition method of accounting.

- (a) 年內，本集團就收購聯網信用卡之權益而須予支付之遞延代價乃以8,500,000港元及出售聯網信用卡18%權益之方式支付。有關付款詳情載於上文附註35(b)。
- (b) 年內，本集團以總代價900,000港元收購Merchant Partners Limited全部權益，總代價以減低Merchant Partners Limited結欠貿易應收款項方式支付。收購乃以收購會計法入賬。

		二零零三年 2003 千港元 HK\$'000	二零零二年 2002 千港元 HK\$'000
Net assets acquired:	購入資產淨值：		
Investment properties	投資物業	-	8,432
Property, plant and equipment	物業、廠房及設備	-	1,904
Intangible assets	無形資產	-	6,293
Investments in securities	證券投資	900	4,636
Amount due from a group company	一家集團公司欠款	-	23,603
Trade and other receivables	貿易及其他應收款項	-	18,306
Bank balances and cash	銀行結餘及現金	-	41,127
Trade and other payables	貿易及其他應付款項	-	(38,214)
Convertible debentures	可換股債券	-	(49,297)
Borrowings	借貸	-	(6,079)
Obligations under finance leases	融資租約承擔	-	(1,423)
Minority interests	少數股東權益	-	(6,465)
		900	2,823
Goodwill	商譽	-	27,358
		900	30,181
Satisfied by:	支付方式：		
Convertible debenture	可換股債券	-	30,181
Trade receivable	應收貿易款項	900	-
		900	30,181
Net cash inflow arising on acquisition	收購產生之現金流入淨額		
Bank balances and cash acquired	購入銀行結存及現金	-	41,127

The subsidiaries acquired during both years did not have any material contribution to the Group's turnover, results from operations and cashflow for the both years.

兩個年度內收購之附屬公司對本集團之營業額、經營業績及現金流量並無任何重大貢獻。

NOTES TO THE FINANCIAL STATEMENTS – continued
FOR THE YEAR ENDED MARCH 31, 2003

財務報表附註 – 續
截至二零零三年三月三十一日止年度

37. DEEMED DISPOSAL OF A SUBSIDIARY

During the year, the Group's interest in CGHL, a subsidiary of the Group was reduced from 52.86% at March 31, 2002 to 28.24% at August 2, 2002 following a series of placings of ordinary shares of CGHL and the conversion of preference shares of CGHL. The Group's interest in CGHL was reclassified to interest in an associate. Details of the transaction are set out in note 19. The net assets of CGHL attributable to the Group as at the date of reclassification to interest in an associate were as follows:

37. 視作出售一間附屬公司

年內，經多次配售中國燃氣普通股及轉換中國燃氣之優先股後，本集團於附屬公司中國燃氣之權益由二零零二年三月三十一日之52.86%減至二零零二年八月二日之28.24%。本集團於中國燃氣之權益已重新分類為於聯營公司之權益。有關交易詳情載於附註19。於重新分類為於聯營公司之權益日期，本集團所佔中國燃氣資產淨值如下：

		二零零三年 2003 千港元 HK\$'000
Investment properties	投資物業	13,923
Property, plant and equipment	物業、廠房及設備	54,682
Investments in securities	證券投資	14,793
Trade and other receivables	貿易及其他應收款項	12,918
Bank balances and cash	銀行結存及現金	24,687
Trade and other payables	貿易及其他應付款項	(1,743)
Taxation	稅項	(64)
Minority interests	少數股東權益	(115,265)
		<hr/>
		3,931
Goodwill released on deemed disposal of a subsidiary	視作出售一間附屬公司時解除之商譽	12,521
Gain on deemed disposal of a subsidiary	視作出售一間附屬公司之收益	13,823
		<hr/>
		30,275
		<hr/>
Reclassification to interest in an associate	重新分類為於一間聯營公司之權益	30,275
		<hr/>
Net cash outflow arising on deemed disposal:	視作出售產生之現金流出淨額：	
Bank balances and cash disposed of	售出銀行結存及現金	(24,687)
		<hr/>

The subsidiary disposed of during the year contributed HK\$332,000 (2002: HK\$4,826,000) to the Group's turnover and HK\$23,066,000 (2002: HK\$1,683,000) to the Group's loss from operations.

年內售出之附屬公司分別為本集團帶來營業額及經營虧損332,000港元（二零零二年：4,826,000港元）及23,066,000港元（二零零二年：1,683,000港元）。

NOTES TO THE FINANCIAL STATEMENTS – continued
FOR THE YEAR ENDED MARCH 31, 2003

38. CONTINGENT LIABILITIES

At the balance sheet date, contingent liabilities of the Group and the Company were as follows:

- (a) Guarantees given to a financial institution in respect of banking facilities granted to subsidiaries

The extent of the facilities utilised as at March 31, 2003 by the subsidiaries amounted to HK\$3,111,000 (2002: HK\$3,430,000).

- (b) Actions were brought by Pricerite Stores Limited and Pricerite Group Limited (together referred to as "Pricerite") respectively, against a subsidiary of the Company, in respect of the alleged breach of agreement, for damages which are not quantified. In the opinion of the directors, it is not practicable at this stage to determine with certainty the outcome of the litigation.

39. OPERATING LEASE COMMITMENTS

The Group as lessee

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

- Within one year 一年內
 In the second to fifth years inclusive 第二至第五年(包括首尾兩年)

Operating lease payments represent rentals payable by the Group in respect of leased land and buildings. Lease is negotiated for a term of six years with fixed rental.

財務報表附註 – 續

截至二零零三年三月三十一日止年度

38. 或然負債

本集團及本公司於結算日之或然負債載列如下：

本集團及本公司 THE GROUP AND THE COMPANY	
二零零三年 2003 千港元 HK\$'000	二零零二年 2002 千港元 HK\$'000

- (a) 就附屬公司所獲銀行信貸向財務機構作出擔保

3,884 3,884

截至二零零三年三月三十一日，附屬公司已動用信貸3,111,000港元(二零零二年：3,430,000港元)。

- (b) 實惠傢居廣場有限公司及實惠集團有限公司(統稱「實惠」)就指稱違反協議，分別對本公司一附屬公司提出訴訟申索未定額賠償。董事認為，現階段未能對訟案之結果下定論。

39. 經營租賃承擔

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不可撤銷租賃物業經營租約而承諾將於日後支付之最低租金如下：

本集團 THE GROUP	
二零零三年 2003 千港元 HK\$'000	二零零二年 2002 千港元 HK\$'000
3,312	5,315
4,245	8,534
7,557	13,849

經營租約之付款指本集團就所租用之土地及樓宇應付之租金。租約經議定為期六年，租金固定。

NOTES TO THE FINANCIAL STATEMENTS – continued
FOR THE YEAR ENDED MARCH 31, 2003

39. OPERATING LEASE COMMITMENTS – continued

The Group and the Company as lessor

At the balance sheet date, the Group and the Company 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:

		本集團		本公司	
		THE GROUP	THE COMPANY	THE GROUP	THE COMPANY
		二零零三年	二零零二年	二零零三年	二零零二年
		2003	2002	2003	2002
		千港元	千港元	千港元	千港元
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
Within one year	一年內	770	1,121	-	39
In the second to fifth year inclusive	第二年至第五年 (包括首尾兩年)	2,036	3,004	-	-
		<u>2,806</u>	<u>4,125</u>	<u>-</u>	<u>39</u>

Leases are negotiated for an average term of five years.

財務報表附註 – 續
截至二零零三年三月三十一日止年度

39. 經營租賃承擔 – 續

本集團及本公司作為出租人

於結算日，本集團及本公司已與租戶訂立於下列期間屆滿之不可撤銷租賃物業經營租約，未來最低租金如下：

		本集團		本公司	
		THE GROUP	THE COMPANY	THE GROUP	THE COMPANY
		二零零三年	二零零二年	二零零三年	二零零二年
		2003	2002	2003	2002
		千港元	千港元	千港元	千港元
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
Within one year	一年內	770	1,121	-	39
In the second to fifth year inclusive	第二年至第五年 (包括首尾兩年)	2,036	3,004	-	-
		<u>2,806</u>	<u>4,125</u>	<u>-</u>	<u>39</u>

租約之平均年期經議定為五年。

40. PLEDGE OF ASSETS

At the balance sheet date, the Group pledged bank balances of HK\$3,963,000 (2002: HK\$4,216,000) as a security for banking facilities granted to a subsidiary and as securities for the credit card business transactions with MasterCard International Inc.

The mortgage loans of HK\$9,975,000 (2002: HK\$10,476,000) are secured on the investment properties and land and buildings of the Group with an aggregate carrying value of HK\$16,877,000 (2002: HK\$17,257,000).

40. 資產抵押

於結算日，本集團將3,963,000港元（二零零二年：4,216,000港元）之銀行結餘按予銀行，作為一間附屬公司獲授銀行信貸以及與MasterCard International Inc.進行信用卡業務交易之抵押。

本集團已抵押賬面總值為16,877,000港元（二零零二年：17,257,000港元）之投資物業及土地與樓宇，取得按揭貸款9,975,000港元（二零零二年：10,476,000港元）。

41. SHARE OPTION SCHEMES

The Company's share option scheme (the "Old Share Option Scheme") was adopted pursuant to a resolution passed on September 28, 1995 for the purpose of providing incentive to directors and eligible employees, and will be expired on September 27, 2005. Under the Old Share Option Scheme, the board of directors of the Company may grant options to executive directors and employees of the Company and its subsidiaries to subscribe for ordinary shares in the Company, at a price not less than 80% of the average closing price of the Company's shares on the five trading days immediately preceding the offer of the options or the nominal value of the shares whichever is the higher.

The maximum number of shares in respect of which options may be granted under the Old Share Option Scheme in such number of shares which, when aggregated with any shares subject to any other share option schemes, represents 10% of the issued shares of the Company from time to time. No individuals may be granted options which would enable him or her to subscribe for an aggregate of more than 25% of the aggregate number of shares for the time being issued and issuable under the Old Share Option Scheme. Upon acceptance of the option, the grantee shall pay HK\$1 to the Company as consideration. The options granted were exercisable during the ten year period commencing after the date on which the options were accepted.

On May 9, 2003, the Old Share Option Scheme was terminated and a new share option scheme (the "New Share Option Scheme") was adopted to comply with the new amendments to the Rules Governing the Listing of Securities on the Stock Exchange ("Listing Rules") regarding share option schemes of listed companies. As a result, the Company may no longer grant any further options under the Old Share Option Scheme. However, all options granted prior to the termination of the Old Share Option Scheme will remain in full force and effect.

As at March 31, 2003, there were 71,491,739 share options granted which remained outstanding under the Old Share Option Scheme, representing approximately 4.8% of the shares of the Company in issue at that time. No options have been granted under the New Share Option Scheme since the date of its adoption.

41. 購股權計劃

本公司於一九九五年九月二十八日通過決議案，採納購股權計劃（「舊有購股權計劃」），該計劃旨在給予董事及合資格僱員獎勵，將於二零零五年九月二十七日屆滿。根據舊有購股權計劃，本公司董事會可向本公司或其附屬公司之執行董事及僱員授予可認購本公司普通股之購股權，惟認購價不得低於以下較高者：本公司股份緊接提呈購股權前五個交易日之平均收市價80%或股份之面值。

根據舊有購股權計劃可能授出之購股權涉及之股份數目，與任何其他購股權計劃涉及之股份相加，最多不得超過本公司不時已發行股份10%。不得向任何個別人士授予任何超過當時已發行及根據舊有購股權計劃可予發行股份總數25%之購股權。於接納購股權時，承授人須向本公司支付代價1港元。授出之購股權可於接納購股權日期後起計十年內行使。

舊有購股權計劃於二零零三年五月九日終止，而本公司其後遵照聯交所證券上市規則（「上市規則」）有關上市公司購股權計劃之新修訂採納新購股權計劃（「新購股權計劃」）。因此，本公司不得再按舊有購股權計劃進一步授出任何購股權。然而，終止舊有購股權計劃前授出之所有購股權將仍然全面生效及有效。

於二零零三年三月三十一日，根據舊有購股權計劃授出但尚未行使之購股權有71,491,739份，相當於本公司當時已發行股份約4.8%。自採納新購股權計劃以來，本公司並無授出任何購股權。

41. SHARE OPTION SCHEMES – continued

The purpose of the New Share Option Scheme is to provide incentives and rewards to eligible persons who contribute to the success of the Group's operations. Eligible persons of the New Share Option Scheme include any employee, executive or officer of the Company or any of its subsidiaries (including executive and non-executive directors of the Company or any of its subsidiaries) and any suppliers, consultants, agents, advisers, shareholders, customers, partners or business associates who, in the sole discretion of the board of directors of the Company, have contributed to the Company and/or any of its subsidiaries. The New Share Option Scheme became effective on May 9, 2003 and, unless otherwise cancelled or amended, will remain in force for 10 years from that date.

Pursuant to the New Share Option Scheme, the maximum number of shares in respect of which options may be granted is such number of shares, when aggregated with shares subject to any other share option scheme(s), must not exceed 10% of the issued share capital of the Company from time to time. The maximum number of shares issuable under share options to each eligible persons in the New Share Option Scheme within any 12-month period is limited to 1% of the shares of the Company in issue at any time. Any further grant of share options in excess of this limit is subject to the shareholders' approval in a general meeting.

Share options granted to a director, chief executive or substantial shareholder of the Company, or to any of their associates, are subject to approval in advance by the independent non-executive directors of the Company. In addition, any share options granted to a substantial shareholder or an independent non-executive director of the Company, or to any of their associates, in excess of 0.1% of the shares of the Company in issue at any time or with an aggregate value (based on the price of the Company's shares at the date of grant) in excess of HK\$5,000,000, within any 12-month period, are subject to the shareholders' approval in advance in a general meeting.

The offer of a grant of share options may be accepted from the date of the offer, upon payment of a nominal consideration of HK\$1 in total by the grantee. The exercise period of the share options granted is determinable by the directors, and commences on a specified date and ends on a date which is not later than 10 years from the date of the offer of the share options or the expiry date of the New Share Option Scheme, whichever is earlier.

41. 購股權計劃 – 續

新購股權計劃旨在向該等對本集團業務有所貢獻之合資格人士給予獎勵及獎賞。新購股權計劃所指合資格人士包括本公司董事會全權認為對本公司及／或其任何附屬公司有所貢獻之本公司或其任何附屬公司之任何僱員、行政人員或高級職員（包括本公司或其任何附屬公司之執行及非執行董事）及任何供應商、諮詢顧問、代理、顧問、股東、客戶、合夥人或業務夥伴等。新購股權計劃於二零零三年五月九日起生效。除另有註銷或修訂者外，新購股權計劃由該日起十年內有效。

根據新購股權計劃，可能授出之購股權涉及之股份數目，與任何其他購股權計劃涉及之股份相加，最多不得超過本公司不時已發行股本10%。於任何十二個月期間可根據新購股權計劃向各合資格人士發行之股份數目上限，以本公司任何時間已發行股份1%為限。進一步授出超逾該限額之購股權須待股東於股東大會批准後，方可實行。

向本公司董事、行政總裁、主要股東或彼等各自之聯繫人士授予購股權，均須取得本公司獨立非執行董事之事先批准。此外，在任何十二個月期間，倘向本公司任何主要股東或獨立非執行董事或彼等各自之聯繫人士授出任何超過本公司於任何時間已發行股份0.1%之購股權或按本公司股份於授出日期之價格計算總值超過5,000,000港元，則必須事先取得股東於股東大會批准。按本公司授出日期之價格計算之股份。

提呈之購股權可於提呈日期後接納，承授人須於接納時支付代價合共1港元。授出購股權之行使期乃由董事釐定，由指定日期起至不遲於提呈購股權日期起計十年或新購股權計劃屆滿日期之較早日期止。

NOTES TO THE FINANCIAL STATEMENTS – continued
FOR THE YEAR ENDED MARCH 31, 2003

41. SHARE OPTION SCHEMES – continued

The exercise price of the share options is determinable by the directors of the Company, but may not be less than the highest of (i) the closing price of the Company's shares as stated in the daily quotations sheet of the Stock Exchange on the date of offer of the grant, which must be a trading day; (ii) the average closing price of the Company's shares as stated in the Stock Exchange's daily quotations sheet for the five trading days immediately preceding the date of offer of the grant; and (iii) the nominal value of the Company's shares.

The following table discloses movements in the Company's share options under the Old Share Option Scheme during both years:

類別	授出日期	可予行使期	行使價	購股權數目			
				於二零零一年 四月一日	年內失效	於二零零二年 三月三十一日 及二零零三年 三月三十一日	
Category	Date of grant	Exercisable period	Exercise price 港元 HK\$	At 4.1.2001	Lapsed during the year	At 3.31.2002 and 3.31.2003	
Category 1: Directors	第一類: 董事	4.22.1996	4.22.1996- 4.21.2006	0.4025	3,071,739	-	3,071,739
		5.15.1997	5.15.1997- 5.14.2007	0.4512	15,320,000	(2,000,000)	13,320,000
		10.26.1997	10.26.1997- 10.25.2007	0.3064	55,300,000	(1,500,000)	53,800,000
Total held by directors	董事所持總數				73,691,739	(3,500,000)	70,191,739
Category 2: Employees	第二類: 僱員	5.15.1997	5.15.1997- 5.14.2007	0.4512	1,300,000	-	1,300,000
					74,991,739	(3,500,000)	71,491,739

No share option was granted or exercised during the year.

Consideration of HK\$1 was received from each of the option holders, at the time that the options were accepted.

財務報表附註 – 續

截至二零零三年三月三十一日止年度

41. 購股權計劃 – 續

購股權之行使價乃由本公司董事釐定，惟不得低於以下最高者：(i)本公司股份於提呈購股權日期（必須為交易日）於聯交所每日報價表所報收市價；(ii)本公司股份於緊接提呈日期前五個交易日於聯交所每日報價表所報平均收市價；及(iii)本公司股份面值。

下表披露兩個年度內，舊有購股權計劃項下本公司購股權之變動：

年內，並無任何購股權獲授出或行使。

各購股權持有人已於接納購股權時支付代價1港元。

NOTES TO THE FINANCIAL STATEMENTS – continued
FOR THE YEAR ENDED MARCH 31, 2003

41. SHARE OPTION SCHEMES – continued

In addition, the following outstanding options to subscribe for shares in the capital of the subsidiaries of the Company, granted to certain directors of the Company and the employee of the Group under the share option schemes of the subsidiaries are as follows:

(i) CGHL

Under the terms of the Share Option Scheme (the "Scheme") which became effective on October 2, 1995 for the primary purpose of providing incentive to directors and eligible employees, and with expiry period of 10 years after the date of adoption, the board of directors of CGHL may offer to any directors or full time employees of CGHL, or any of its subsidiaries, options to subscribe for shares in CGHL at a price equal to the higher of the nominal value of the shares and 80 per cent. of the average of the closing prices of the shares on the Stock Exchange on the five trading days immediately preceding the date of grant of the options, subject to a maximum of 10 per cents. of the issued share capital of CGHL from time of time. No employee may be granted options which would enable him or her to subscribe for an aggregate of more than 25 per cent. of the aggregate number of shares under the Scheme. Upon acceptance of the option, the grantee shall pay HK\$1 to CGHL as consideration.

類別	授出日期	可予行使期	行使價	購股權數目			
				於二零零二年 四月一日	年內行使 Exercised during the year	於二零零三年 三月三十一日	
Category	Date of grant	Exercisable period	Exercise price 港元 HK\$	At 4.1.2002		At 3.31.2003	
Directors	董事	2.10.1998	2.10.1998- 2.9.2008	0.11	1,000,000	(1,000,000)	-

類別	授出日期	可予行使期	行使價	購股權數目			
				於二零零一年 四月一日	年內行使 Exercised during the year	於二零零二年 三月三十一日	
Category	Date of grant	Exercisable period	Exercise price 港元 HK\$	At 4.1.2001		At 3.31.2002	
Directors	董事	2.10.1998	2.10.1998- 2.9.2008	0.11	9,272,000	(8,272,000)	1,000,000

The fair value of the share preceding the date of exercise was HK\$1.35 (2002: HK\$0.46) per share.

財務報表附註 – 續

截至二零零三年三月三十一日止年度

41. 購股權計劃 – 續

此外，以下為根據本公司附屬公司之購股權計劃，向若干本公司董事及本集團僱員授出可認購該附屬公司股本中股份之尚未行使購股權詳情：

(i) 中國燃氣

根據一九九五年十月二日生效之購股權計劃（「該計劃」）條款，該計劃之主要目的在於給予董事及合資格僱員獎勵。該計劃自採納日期起計十年內有效。中國燃氣可向其或其任何附屬公司任何董事或全職僱員提呈購股權，以相當於以下較高者之價格，認購中國燃氣股份：股份之面值或股份緊接授出購股權日期前五個交易日在聯交所之平均收市價80%，惟股份數目不得多於中國燃氣不時已發行股本10%。不得向僱員授出可認購超過該計劃項下股份總數25%之購股權。接納購股權時，承授人須向中國燃氣支付代價1港元。

類別	授出日期	可予行使期	行使價	購股權數目			
				於二零零一年 四月一日	年內行使 Exercised during the year	於二零零二年 三月三十一日	
Category	Date of grant	Exercisable period	Exercise price 港元 HK\$	At 4.1.2001		At 3.31.2002	
Directors	董事	2.10.1998	2.10.1998- 2.9.2008	0.11	9,272,000	(8,272,000)	1,000,000

行使日期前，股份之公平值為每股1.35港元（二零零二年：每股0.46港元）。

NOTES TO THE FINANCIAL STATEMENTS – continued
FOR THE YEAR ENDED MARCH 31, 2003

41. SHARE OPTION SCHEMES – continued

(ii) **eBanker USA.Com, Inc. (“eBanker”)**

In January 1999, the board of directors of eBanker authorised the eBanker 1999 Incentive and Nonstatutory Stock Option Plan, with effective from January 18, 1999 through January 17, 2009, unless sooner terminated. The eBanker’s board of directors granted to certain eBanker’s directors, options to purchase 620,000 shares of eBanker’s common stock at US\$3.00 per share, exercisable immediately and for a period of ten years.

The following table presents the activity for options outstanding as of March 31, 2003 and March 31, 2002:

Directors	董事	600,000
Employees	僱員	20,000
Total	總計	620,000

財務報表附註 – 續
截至二零零三年三月三十一日止年度

41. 購股權計劃 – 續

(ii) **eBanker USA.Com, Inc. (「eBanker」)**

於一九九九年一月，eBanker董事會授權推行eBanker 1999狀勵及非法定購股權計劃，除非提前終止，否則由一九九九年一月十八日起至二零零九年一月十七日止期間生效。eBanker董事會向若干eBanker董事授予購股權，可以每股3.00美元之價格認購eBanker 620,000股普通股，該等購股權可由即日起十年內行使。

下表呈列於二零零三年三月三十一日及二零零二年三月三十一日尚未行使購股權之詳情：

於二零零二年
三月三十一日及
二零零三年
三月三十一日
之購股權數目
Number of
share options
at 3.31.2002
and 3.31.2003

NOTES TO THE FINANCIAL STATEMENTS – continued
FOR THE YEAR ENDED MARCH 31, 2003

財務報表附註 – 續
截至二零零三年三月三十一日止年度

41. SHARE OPTION SCHEMES – continued

41. 購股權計劃 – 續

(ii) eBanker USA.Com, Inc. (“eBanker”) – continued

(ii) eBanker USA.Com, Inc.
(「eBanker」) – 續

The following table presents the composition of options outstanding and exercisable as of March 31, 2003:

下表呈列於二零零三年三月三十一日之未行使及可予行使購股權詳情：

		尚未行使購股權 Options Outstanding			可予行使購股權 Exercisable Options	
		金額 Amount	價格* Price* 美元 US\$	行使期* Life*	金額 Amount	價格* Price* 美元 US\$
Total	總計	620,000	3.00	7年 7 years	620,000	3.00

* Price and life reflect the weighted average exercise price and weighted average remaining contractual life, respectively.

* 價格及行使期分別反映加權平均行使價及加權平均尚餘契約期。

There was no movement in share options granted by eBanker during both years.

兩個年度內eBanker授出之購股權均無任何變動。

(iii) Global Med Technologies Inc. (“Global Med”)

(iii) Global Med Technologies
Inc. (「Global Med」)

In the second quarter of 2001, Global Med adopted the 2001 Stock Option Plan (the “2001 Plan”). The 2001 Plan provides for the issuance of options to purchase up to 15 million registered shares of the Global Med’s common stock to employees, officers, directors and consultants of Global Med. Options may be granted as incentive stock options or as nonqualified stock options. Only employees of Global Med are eligible to receive incentive options. The 2001 Plan will expire on December 28, 2010. As of March 31, 2003, options to purchase 2,858,000 shares of Global Med’s common stock at a weighted average exercise price of US\$0.58 per share were outstanding under the 2001 Plan, of which 193,000 options to purchase shares were exercisable at March 31, 2003. Options granted under the 2001 Plan vest on a straight-line basis, based on schedules as determined by the board of directors of Global Med upon grant and generally expire 10 years after grant. During the year, Global Med issued 2,858,000 stock options.

二零零一年第二季，Global Med採納二零零一年購股權計劃（「二零零一年計劃」）。二零零一年計劃給予Global Med僱員、高級職員、董事及諮詢顧問可認購最多15,000,000股Global Med註冊普通股。購股權可以獎勵購股權或非正式購股權方式授出。只有Global Med僱員才合資格獲授有關獎勵購股權。二零零一年計劃將於二零零一年十二月二十八日屆滿。於二零零三年三月三十一日，根據二零零一年計劃，可按加權平均行使價每股0.58美元認購Global Med 2,858,000股普通股之購股權尚未獲行使，當中有193,000份購股權可於二零零三年三月三十一日行使。根據二零零一年計劃授出之購股權乃按直線法基準，根據Global Med董事會釐定之時間表賦予承授人，一般於授出日期後十年屆滿。年內，Global Med已發行2,858,000份購股權。

NOTES TO THE FINANCIAL STATEMENTS – continued
FOR THE YEAR ENDED MARCH 31, 2003

41. SHARE OPTION SCHEMES – continued

(iii) Global Med Technologies Inc. (“Global Med”) – continued

The Second Amended and Restated Stock Option Plan (the “New Plan”) provides for the issuance of options to purchase up to 2,200,000 registered shares of the Global Med’s common stock to employees, officers, directors and consultants of Global Med. Options may be granted as incentive stock or as nonqualified stock options. Only employees of Global Med are eligible to receive incentive options. The New Plan expired on May 31, 2000. As of March 31, 2003, options to purchase 1,228,000 shares of Global Med’s common stock at a weighted average exercise price of US\$1.16 per share were outstanding under the New Plan, of which 1,135,000 options to purchase shares were exercisable.

Global Med also periodically grants options to purchase shares of restricted common stock. The shares underlying these options are not registered under the Exchange Act 1933. As of March 31, 2003, there were options to purchase 4,826,000 shares of common stock at a weighted average exercise price of US\$0.75 per share being outstanding, of which 2,086,000 options were exercisable at March 31, 2003.

During 2001, Global Med issued 34,000 stock options. During 2000, Global Med also issued 255,000 nonqualified stock options to certain employees.

In 1999, the board of directors of Global Med approved a grant of nonqualified options, to purchase 1,500,000 shares of Global Med’s common stock to two officers of Global Med, which are exercisable only at the earlier of (i) such time as the earnings of Global Med are at least US\$0.01 per share, reported in the Global Med’s audited financial statements; (ii) such time as Global Med is sold or merged, or there is a change in control of Global Med; or (iii) 5 years from the effective date, and are exercisable at US\$0.5625 per share for a period of ten years.

財務報表附註 – 續

截至二零零三年三月三十一日止年度

41. 購股權計劃 – 續

(iii) Global Med Technologies Inc. (「Global Med」) – 續

第二修訂及重新訂定購股權計劃（「新計劃」）旨在向Global Med僱員、高級職員、董事及諮詢顧問發行可認購最多2,200,000股Global Med註冊普通股之購股權。購股權可以獎勵購股權或非正式購股權方式授出。只有Global Med僱員才合資格獲授有關獎勵購股權。新計劃將於二零零零年五月三十一日屆滿。於二零零三年三月三十一日，根據新計劃，可按加權平均行使價每股1.16美元認購1,228,000股Global Med普通股之購股權尚未獲行使，當中有1,135,000份購股權可予以行使。

Global Med並定期授出可認購受限普通股之購股權。購股權所涉及之相關股份並未有根據Exchange Act 1933登記。於二零零三年三月三十一日，可按加權平均行使價每股0.75美元認購4,826,000股普通股之購股權尚未獲行使，當中有2,086,000份購股權可於二零零三年三月三十一日行使。

於二零零一年，Global Med已發行34,000份購股權。於二零零零年，Global Med曾向若干僱員發行255,000份非正式購股權。

於一九九九年，Global Med董事會批准向兩名Global Med高級職員授出非正式購股權，以認購1,500,000股Global Med普通股。該等購股權可於以下較早時間，按每股0.5625美元之行使價行使：(i)Global Med經審核財務報表所報，Global Med之盈利錄得最少每股0.01美元之時；(ii)Global Med出售或合併，或其控制權有變之時；及(iii)由生效日期起計五年，購股權可於十年內行使。

NOTES TO THE FINANCIAL STATEMENTS – continued
FOR THE YEAR ENDED MARCH 31, 2003

財務報表附註 – 續
截至二零零三年三月三十一日止年度

41. SHARE OPTION SCHEMES – continued

41. 購股權計劃 – 續

(iii) Global Med Technologies Inc. (“Global Med”) – continued

(iii) Global Med Technologies Inc. (「Global Med」) – 續

For the year ended March 31, 2003

截至二零零三年三月三十一日止年度

The following table presents the activity for options for the year ended March 31, 2003:

下表呈列截至二零零三年三月三十一日止年度有關購股權詳情：

類別	行使價*	購股權數目				於二零零三年三月三十一日
		於二零零二年四月一日	年內授出	年內沒收/註銷	於二零零三年三月三十一日	
Category	Exercise price* 美元 US\$	At 4.1.2002	Granted during the year	Forfeited/ cancelled during the year	At 3.31.2003	
Directors	董事	0.77	450,000	–	–	450,000
Employees	僱員	0.75	5,807,971	2,827,500	(173,529)	8,461,942
Total	總計	0.75	6,257,971	2,827,500	(173,529)	8,911,942
				購股權 Option		價格* Price* 美元 US\$
Outstanding, beginning of year		於年初尚未行使		6,257,971		0.85
Granted		已授出		2,827,500		0.58
Forfeited/cancelled		已沒收/已註銷		(173,529)		1.31
Outstanding, end of year		於年終尚未行使		8,911,942		0.75

NOTES TO THE FINANCIAL STATEMENTS – continued
FOR THE YEAR ENDED MARCH 31, 2003

41. SHARE OPTION SCHEMES – continued

(iii) Global Med Technologies Inc. (“Global Med”) – continued

The following table presents the composition of options outstanding and exercisable as of March 31, 2003:

行使價範圍 Range of exercise price 美元 US\$	尚未行使購股權 Options Outstanding			可予行使購股權 Exercisable Options	
	金額	價格*	行使期*	金額	價格*
	Amount 美元 US\$	Price* 美元 US\$	Life*	Amount	Price* 美元 US\$
0.45-0.55	50,000	0.47	9.8	–	–
0.56-1.00	8,050,498	0.65	7.2	2,647,165	0.72
1.03-1.50	265,000	1.16	5.2	211,000	1.13
1.51-2.00	322,194	1.78	4.7	322,194	1.78
2.45-3.00	210,750	2.51	4.3	210,750	2.51
3.75	13,500	3.75	3.3	13,500	3.75
Total 總計	<u>8,911,942</u>	<u>0.75</u>	<u>6.9</u>	<u>3,404,609</u>	<u>0.97</u>

* Price and life reflect the weighted average exercise price and weighted average remaining contractual life, respectively.

財務報表附註 – 續
截至二零零三年三月三十一日止年度

41. 購股權計劃 – 續

(iii) Global Med Technologies Inc. (「Global Med」) – 續

下表呈列於二零零三年三月三十一日尚未行使及可予行使購股權之詳情：

行使價範圍 Range of exercise price 美元 US\$	尚未行使購股權 Options Outstanding			可予行使購股權 Exercisable Options	
	金額	價格*	行使期*	金額	價格*
	Amount 美元 US\$	Price* 美元 US\$	Life*	Amount	Price* 美元 US\$
0.45-0.55	50,000	0.47	9.8	–	–
0.56-1.00	8,050,498	0.65	7.2	2,647,165	0.72
1.03-1.50	265,000	1.16	5.2	211,000	1.13
1.51-2.00	322,194	1.78	4.7	322,194	1.78
2.45-3.00	210,750	2.51	4.3	210,750	2.51
3.75	13,500	3.75	3.3	13,500	3.75
Total 總計	<u>8,911,942</u>	<u>0.75</u>	<u>6.9</u>	<u>3,404,609</u>	<u>0.97</u>

* 價格及行使期分別反映加權平均行使價及加權平均尚餘契約期。

NOTES TO THE FINANCIAL STATEMENTS – continued
FOR THE YEAR ENDED MARCH 31, 2003

41. SHARE OPTION SCHEMES – continued

(iii) Global Med Technologies Inc. (“Global Med”) – continued

For the year ended March 31, 2002

The followings table presents the activity for options for the year ended March 31, 2002:

Category	類別	行使價* Exercise price* 美元 US\$	購股權數目 Number of share options			
			於二零零一年 四月一日 At 4.1.2001	年內授出 Granted during the year	年內沒收/ 註銷 Forfeited/ cancelled during the year	於二零零二年 三月三十一日 At 3.31.2002
Directors	董事	0.77	450,000	–	–	450,000
Employees	僱員	0.86	5,886,971	34,000	(113,000)	5,807,971
Total	總計	0.85	6,336,971	34,000	(113,000)	6,257,971
				購股權 Option	價格* Price* 美元 US\$	
Outstanding, beginning of year			於年初尚未行使 授出	6,336,971	0.85	
Granted				34,000	0.64	
Forfeited/cancelled			沒收/註銷	(113,000)	1.01	
Outstanding, end of year			於年終尚未行使	6,257,971	0.85	

財務報表附註 – 續

截至二零零三年三月三十一日止年度

41. 購股權計劃 – 續

(iii) Global Med Technologies Inc. (「Global Med」) – 續

截至二零零二年三月三十一日止年度

下表呈列購股權於截至二零零二年三月三十一日止年度之詳情：

NOTES TO THE FINANCIAL STATEMENTS – continued
FOR THE YEAR ENDED MARCH 31, 2003

41. SHARE OPTION SCHEMES – continued

(iii) Global Med Technologies Inc. (“Global Med”) – continued

The following table presents the composition of options outstanding and exercisable as of March 31, 2002:

行使價範圍 Range of exercise price 美元 US\$	尚未行使購股權 Options Outstanding			可予行使購股權 Exercisable Options	
	金額	價格*	行使期*	金額	價格*
	Amount 美元 US\$	Price* 美元 US\$	Life*	Amount	Price* 美元 US\$
0.56-1.00	5,312,998	0.68	7.5	2,205,932	0.73
1.03-1.50	297,500	1.18	7.9	204,500	1.13
1.51-2.00	420,973	1.73	6.4	342,473	1.76
2.45-3.00	213,000	2.51	5.7	211,000	2.50
3.75	13,500	3.75	5.0	13,200	3.75
Total 總計	<u>6,257,971</u>	<u>0.85</u>	<u>7.4</u>	<u>2,977,105</u>	<u>1.01</u>

* Price and life reflect the weighted average exercise price and weighted average remaining contractual life, respectively.

No charge is recognised in the income statement in respect of the value of options granted by Global Med for both years.

財務報表附註 – 續
截至二零零三年三月三十一日止年度

41. 購股權計劃 – 續

(iii) Global Med Technologies Inc. (「Global Med」) – 續

下表呈列於二零零二年三月三十一日尚未行使及可予行使購股權之詳情：

行使價範圍 Range of exercise price 美元 US\$	尚未行使購股權 Options Outstanding			可予行使購股權 Exercisable Options	
	金額	價格*	行使期*	金額	價格*
	Amount 美元 US\$	Price* 美元 US\$	Life*	Amount	Price* 美元 US\$
0.56-1.00	5,312,998	0.68	7.5	2,205,932	0.73
1.03-1.50	297,500	1.18	7.9	204,500	1.13
1.51-2.00	420,973	1.73	6.4	342,473	1.76
2.45-3.00	213,000	2.51	5.7	211,000	2.50
3.75	13,500	3.75	5.0	13,200	3.75
Total 總計	<u>6,257,971</u>	<u>0.85</u>	<u>7.4</u>	<u>2,977,105</u>	<u>1.01</u>

* 價格及行使期分別反映加權平均行使價及加權平均尚餘契約期。

兩個年度內均無就 Global Med 授出之購股權價值於收益賬確認支出。

NOTES TO THE FINANCIAL STATEMENTS – continued
FOR THE YEAR ENDED MARCH 31, 2003

42. RETIREMENT BENEFIT SCHEME

The Group operates a defined contribution retirement benefit scheme (“Defined Contribution Scheme”) for all qualifying employees in Hong Kong. The assets of the scheme are held separately from those of the Group in funds under the control of trustees. Where there are employees who leave the scheme prior to vesting fully in the contributions, the contributions payable by the Group are reduced by the amount of forfeited contributions.

Effective from December 1, 2000, the Group has joined the Mandatory Provident Fund Scheme (“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 the rate specified in the rules. The only obligation of the Group in respect of 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.

The retirement benefit scheme contributions arising from the Defined Contribution Scheme and the MPF Scheme charged to the income statement represent contributions paid or payable to the funds by the Group at rates specified in the rules of the schemes.

At the balance sheet date, the total amount of forfeited contribution, which arose upon employees leaving the retirement benefit scheme and which are available to reduce the contributions payable in the future years was HK\$24,000 (2002: HK\$142,000).

財務報表附註 – 續

截至二零零三年三月三十一日止年度

42. 退休福利計劃

本集團為全體香港合資格僱員提供一項定額供款退休福利計劃（「定額供款計劃」）。該計劃之資產由受託人以基金方式與本集團資產分開持有。倘僱員於獲得全數供款前退出該計劃，沒收供款可用以減低本集團應付之供款。

自二零零零年十二月一日起，本集團為香港所有僱員參加強制性公積金計劃（「強積金計劃」）。強積金計劃已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。強積金計劃之資產由獨立受託人以基金方式與本集團資產分開持有。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計劃供款。本集團就強積金計劃之唯一責任為按該計劃之規定供款。並無沒收供款可用以減低未來年度應付之供款。

定額供款計劃及強積金計劃產生之退休福利計劃供款於收益賬扣除，根據本集團遵照該等計劃規則已付或應付予基金之供款計算。

於結算日，因僱員退出退休福利計劃產生而可用以減少未來年度應付供款之沒收供款總額為24,000港元（二零零二年：142,000港元）。

NOTES TO THE FINANCIAL STATEMENTS – continued
FOR THE YEAR ENDED MARCH 31, 2003

43. RELATED PARTY TRANSACTIONS

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

- (a) During the year, the Group has paid HK\$3,192,000 to eVision International, Inc. (“eVision”), an associate of the Group, for certain accounting, legal and administrative services provided to the Group.
- (b) During the year, the Group has placed certain deposits with American Pacific Bank (“AP Bank”). The principal outstanding as at March 31, 2003 and the relevant bank interest income earned during the year are HK\$10,514,782 (2002: HK\$121,356) and HK\$101,780 (2002: HK\$159,032) respectively.
- (c) As of March 31, 2002, the Group has guaranteed the payment of any cash dividends accrued on the eVision’s Convertible Series B-1 Preferred Stock through October 31, 2002 if such dividend is not paid by eVision. Pursuant to this guarantee, the payments for April 30 and October 31, 2001 cash dividends were made by the Group. In return, the Group received convertible debenture for US\$589,889 and US\$614,963 due on June and December 2006 respectively. During the year, the Group had provided for the guaranteed liabilities of HK\$5,130,000 (2002: HK\$4,885,000) regarding the guaranteed liabilities up to October 31, 2002 and the liabilities were fully paid during the year.

財務報表附註 – 續

截至二零零三年三月三十一日止年度

43. 關連人士交易

年內，本公司與關連人士之交易如下：

- (a) 年內，本集團就其所獲提供若干會計、法律及行政服務，向本集團聯營公司 eVision International, Inc. (「eVision」) 支付 3,192,000 港元。
- (b) 年內，本集團於 American Pacific Bank (「AP Bank」) 存有若干存款。於二零零三年三月三十一日尚餘本金及年內賺取之有關銀行利息收入分別為 10,514,782 港元 (二零零二年：121,356 港元) 及 101,780 港元 (二零零二年：159,032 港元)。
- (c) 於二零零二年三月三十一日，本集團擔保 eVision 會派付其 B-1 系列可轉換優先股份於二零零二年十月三十一日前累計之任何現金股息，否則將由本集團派付該等股息。本集團根據該項擔保於二零零一年四月三十日及十月三十一日支付現金股息。作為代價，本集團獲發價值 589,889 美元及 614,963 美元之可換股債券，到期日分別為二零零六年六月及十二月。年內，本集團就截至二零零二年十月三十一日止之擔保債務 5,130,000 港元 (二零零二年：4,885,000 港元)，作出擔保債務撥備，而有關債務已於年內悉數支付。

NOTES TO THE FINANCIAL STATEMENTS – continued
FOR THE YEAR ENDED MARCH 31, 2003

43. RELATED PARTY TRANSACTIONS – continued

- (d) As of March 31, 2001, Online Credit Limited (“OCL”) a subsidiary of the Company held a total of US\$8,000,000 of the convertible debenture (the “Convertible Debenture”) issued by an associate, eVision. The principal is due on December 15, 2007 except for one instalment of US\$500,000 which is due in March 2000. OCL extended the due date of the US\$500,000 instalment from March 2000 to March 2001 for which, eVision paid OCL a fee of US\$15,000, in the form of 44,092 common shares of eVision. In consideration of a fee of 1% or US\$5,000 given by eVision, the due date of this instalment was extended further to March 2002. In May 2001, eVision settled US\$660,000 of the debenture by way of payment of cash of US\$600,000 and US\$60,000 was credited as additional paid in capital.

On June 8, 2001, eVision and OCL, entered into an agreement whereby eVision agreed to pay US\$7,314,316 of principal and interest, in the form of transferring ownership of assets, to OCL in satisfaction of the Convertible Debentures outstanding. The shareholders approved this transaction on November 28, 2001.

The interest on the Convertible Debenture was paid in form of the shares of the eVision’s common stock.

- (e) In March 2000, eBanker, a former associate which was acquired as subsidiary of the Group in year 2002, acquired from MBf Card International Limited (“MBf”), a non-revolving interest in certain outstanding credit card accounts receivable, for a total consideration of US\$7,625,062.

財務報表附註 – 續

截至二零零三年三月三十一日止年度

43. 關連人士交易 – 續

- (d) 於二零零一年三月三十一日，本公司附屬公司聯網信貸有限公司（「聯網信貸」）持有由聯營公司eVision所發行合共8,000,000美元之可換股債券（「可換股債券」）。本金將於二零零七年十二月十五日到期，惟其中一期分期款項500,000美元於二零零零年三月到期。聯網信貸將該分期款項500,000美元之到期日由二零零零年三月延展至二零零一年三月，eVision就此以eVision普通股44,092股向聯網信貸支付15,000美元之費用。此項分期付款之到期日於eVision支付1%或5,000美元費用後，已進一步延展至二零零二年三月。於二零零一年五月，eVision以現金600,000美元清償660,000美元之債券，而60,000美元入賬列作額外實收股本。

於二零零一年六月八日，eVision與聯網信貸訂立協議，據此，eVision同意以轉讓資產所有權之形式，向聯網信貸支付7,314,316美元之本金及利息，以支付尚未轉換之可換股債券。股東於二零零一年十一月二十八日批准該項交易。

可換股債券之利息已以eVision普通股支付。

- (e) 於二零零零年三月，前聯營公司eBanker（本集團於二零零二年收購為附屬公司），以總代價7,625,062美元向MBf卡務國際有限公司（「MBf」）收購若干未償還信用卡應收款項之非循環利息。

NOTES TO THE FINANCIAL STATEMENTS – continued
FOR THE YEAR ENDED MARCH 31, 2003

43. RELATED PARTY TRANSACTIONS – continued

(e) – continued

Following the acquisition of the credit card portfolio by eBanker, OCL acquired MBf and changed the name of MBf to Online Credit Card Limited (“OCCL”). OCCL processes the credit card collections for eBanker, remits collection to eBanker on a monthly basis, and manages and absorbs (i) the administration and overhead costs of the portfolio including rent, utilities, salaries, wages, benefits, and hardware, software and other equipment costs, (ii) the underlying cards’ benefits and bonus points program, (iii) one-third of any charge-offs and (iv) the provision of 24-hour customer support.

During the year ended March 31, 2002, OCCL entered into agreements with eBanker and Corporate Bridge Limited (“CBL”) (formerly known as eCredit Card HK Limited), a subsidiary of eBanker, respectively to provide credit card facilities to several unrelated companies in Hong Kong. The credit card facilities bear interest at the rate of 3% per month and is administered by OCCL. In exchange for OCCL’s administration of the facilities including legal documentation and due diligence, eBanker and CBL has agreed to pay OCCL 10% per annum on eBanker’s and CBL’s share of the outstanding balances. The share of the outstanding credit card balances by eBanker and CBL as of March 31, 2002 amounted to HK\$17,478,802 and HK\$4,294,639 respectively.

In connection with the above arrangements, eBanker received interest of HK\$5,625,834 and paid OCCL a fee of HK\$1,503,117 for the year and the amount due to eBanker as of March 31, 2002 amounted to HK\$18,262,850. CBL received interest of HK\$1,643,831 and paid the Company a fee of HK\$472,238 for the year and the amount due to CBL as of March 31, 2002 amounted to HK\$5,339,974.

財務報表附註 – 續

截至二零零三年三月三十一日止年度

43. 關連人士交易 – 續

(e) – 續

eBanker收購信用卡組合後，聯網信貸收購MBf並更改其名稱為聯網信用卡有限公司（「聯網信用卡」）。聯網信用卡為eBanker處理信用卡之收賬，按月將收獲款項交予eBanker，及管理 and 承擔以下各項：(i) 組合之行政及間接成本，包括租金、雜費、薪金、工資、福利以及硬件、軟件及其他器材成本；(ii) 信用卡優惠及獎賞計劃；(iii) 任何撇賬三份之一數額；及(iv) 二十四小時顧客支援。

於截至二零零二年三月三十一日止年度，聯網信用卡分別與eBanker及eBanker之附屬公司Corporate Bridge Limited（「CBL」，前稱eCredit Card HK Limited），就向數家並無關連之香港公司提供信用卡貸款訂立協議。信用卡貸款按月息3厘計息，由聯網信用卡負責管理，eBanker及CBL已同意按彼等所佔之未償還結餘，每年支付10%予聯網信用卡，以換取聯網信用卡貸款之管理，包括處理法律文件及盡職審查報告。於二零零二年三月三十一日，eBanker及CBL之應佔未償還信用卡結餘分別為17,478,802港元及4,294,639港元。

就上述安排，eBanker於年內收取利息5,625,834港元，並向聯網信用卡支付費用1,503,117港元。於二零零二年三月三十一日，結欠eBanker款項達18,262,850港元。CBL於年內收取利息1,643,831港元，並向本公司支付費用472,238港元。於二零零二年三月三十一日，欠CBL之款項為5,339,974港元。

NOTES TO THE FINANCIAL STATEMENTS – continued
FOR THE YEAR ENDED MARCH 31, 2003

43. RELATED PARTY TRANSACTIONS – continued

- (f) Pursuant to an agreement dated September 19, 2001 entered between OCL and eBanker, OCL received from eBanker financial advisory fee of HK\$3,900,000 (US\$500,000) as of March 31, 2002.
- (g) On February 20, 2002, eVision and Heng Fung Capital Company Limited (“Heng Fung Capital”), a subsidiary of the Company, entered into an agreement whereby Heng Fung Capital agreed to acquire the 73,370 shares of AP Bank stock held by eVision for US\$256,795. This amount approximates eVision’s cost in the shares and is approximately US\$26,000 above what it is valued at as of December 31, 2001 in the consolidated balance sheet. The value was based on the closing price of the stock in the market for the 20 trading days prior to the agreement. Of the acquisition price, US\$30,000 were paid in cash in 2002 and, US\$133,994 were paid in cash during the year, and the remainder of US\$92,801 was settled by Heng Fung Capital on assuming US\$90,000 of eVision’s debt.
- (h) Pursuant to an agreement dated April 29, 2002 entered into between the Group and CGHL a former subsidiary of the Group, CGHL paid management service fee of HK\$492,000 (2002: HK\$900,000) to the Group for the provision of management and support services related to corporate services, capital raising and other support as requested by CGHL during the year. The agreement has been terminated by CGHL with effect from September 30, 2002.
- (i) Pursuant to an agreement dated November 30, 2001 entered into between OCCL and CGHL, CGHL paid a one-time non-refundable initial set up fee of HK\$980,000 to OCCL for issuance of a Co-branded MasterCard Card known as “Hai Xia Online Co-Branded MasterCard” as of March 31, 2002.

財務報表附註 – 續

截至二零零三年三月三十一日止年度

43. 關連人士交易 – 續

- (f) 根據聯網信貸與eBanker於二零零一年九月十九日訂立之協議，截至二零零二年三月三十一日止，聯網信貸自eBanker收取財務顧問費3,900,000港元(500,000美元)。
- (g) 於二零零二年二月二十日，eVision與本公司附屬公司恒鋒融資有限公司(「恒鋒融資」)訂立協議，據此，恒鋒融資同意以256,795美元收購eVision所持之73,370股AP Bank股份。此款額約為eVision之股份成本，較其於二零零一年十二月三十一日之綜合資產負債表之價值高出約26,000美元。該價值乃根據股份於協議訂定前20個交易日之市場收市價訂出。收購價中30,000美元已於二零零二年以現金繳付，133,994美元於年內以現金支付，餘下92,801美元已由恒鋒融資承擔eVision 90,000美元債務支付。
- (h) 根據本集團與本集團前附屬公司中國燃氣於二零零二年四月二十九日訂立之協議，中國燃氣就其於年內要求本集團提供有關企業服務、籌措資金及其他支援之管理及支援服務，向本集團支付管理服務費492,000港元(二零零二年：900,000港元)。該協議於二零零二年九月三十日由中國燃氣終止。
- (i) 根據聯網信用卡與中國燃氣於二零零一年十一月三十日訂立之協議，於截至二零零二年三月三十一日止，中國燃氣已向聯網信用卡支付980,000港元一次過不能退回之初步成立費用，以發行一張稱為「海峽聯網萬事達卡」之聯營萬事達卡。

NOTES TO THE FINANCIAL STATEMENTS – continued
FOR THE YEAR ENDED MARCH 31, 2003

43. RELATED PARTY TRANSACTIONS – continued

Notes:

- (i) Mr. Chan Heng Fai, a director and substantial shareholder of the Company, is the Chairman, President and Director of eVision and is also a director of Global Med and AP Bank.
- (ii) Mr. Fong Kwok Jen, a non-executive director of the Company, is a director of eVision and is also a director of Global Med.
- (iii) Mr. Chan Tong Wan is a director of AP Bank.

The terms of the above transactions were mutually agreed by the parties involved.

44. POST BALANCE SHEET EVENTS

- (a) On December 10, 2002, an agreement was entered into between the Company and Mr. Chan Heng Fai pursuant to which the Company agreed to purchase 645,934 shares representing 39.51% of the issued share capital and 1,050,000 warrants of AP Bank, a licensed bank incorporated in the United States of America. AP Bank is owned as to 39.51% by Mr. Chan Heng Fai. A summary of the terms of the agreement is set out in a circular of the Company dated April 17, 2003. The transaction was subsequently approved in the extraordinary general meeting of the Company held on May 9, 2003 and is still subject to the approval by relevant government and regulatory authorities in the United States.
- (b) On February 27, 2003, an agreement was entered into between the Group and EnerSave Holdings Limited (“Energsave”), a company incorporated and listed in the Republic of Singapore pursuant to which the Group agreed to sell respectively 9% equity interest in each of OCCL, Online Discount Card Limited and China Credit Card Limited, subsidiaries of the Group, for a total consideration of S\$6,000,000 to be satisfied by the allotment and issue of the shares of Energsave. The transaction was completed on July 2, 2003.

財務報表附註 – 續

截至二零零三年三月三十一日止年度

43. 關連人士交易 – 續

附註:

- (i) 本公司之董事兼主要股東陳恒輝先生為eVision之主席、總裁兼董事，亦為Global Med及AP Bank之董事。
- (ii) 本公司之非執行董事鄺國禎先生乃eVision及Global Med之董事。
- (iii) 陳統運先生為AP Bank之董事。

上述交易之條款乃由有關訂約各方共同議定。

44. 結算日後事項

- (a) 於二零零二年十二月十日，本公司與陳恒輝先生訂立協議，據此，本公司同意購買於美利堅合眾國註冊成立之持牌銀行AP Bank 645,934股股份（相當於AP Bank已發行股本39.51%）及1,050,000份認股權證。AP Bank由陳恒輝先生擁有39.51%權益。協議條款概要載於本公司日期為二零零三年四月十七日之通函。該項交易其後在本公司於二零零三年五月九日舉行之股東特別大會獲批准，惟尚有待美國有關政府及監管機關批准。
- (b) 於二零零三年二月二十七日，本集團與於新加坡共和國註冊成立及上市之EnerSave Holdings Limited（「Energsave」）訂立協議，據此本集團同意按總代價6,000,000新加坡元，出售其於三間附屬公司聯網信用卡、聯網優惠卡有限公司及China Credit Card Limited各自相當於9%之股本權益。有關代價將透過配發及發行Energsave股份支付，而該項交易已於二零零三年七月二日完成。

NOTES TO THE FINANCIAL STATEMENTS – continued
FOR THE YEAR ENDED MARCH 31, 2003

44. POST BALANCE SHEET EVENTS – continued

- (c) At the extraordinary general meeting of the Company held on May 9, 2003, the Company approved to effect a share consolidation pursuant to which every 25 existing issued and unissued shares will be consolidated into a Consolidated Share of HK\$6.25 each. On the same date, the authorised share capital of the Company was increased from HK\$500,000,000 to HK\$10,000,000,000 by creation of 1,520,000,000 Consolidated Shares.
- (d) On March 3, 2003, the Group entered into a subscription agreement to subscribe for the shares of RNA for the settlement of a promissory note receivable of HK\$19,000,000 subject to the approvals by the shareholders of RNA. On July 14, 2003, the subscription was approved and 965,147,945 ordinary shares were allotted to the Group on July 15, 2003.
- (e) On July 24, 2003, OCL entered into a conditional bond subscription agreement to subscribe for a convertible bond with principal amount of S\$4,000,000 and a call option issued by Futuristic Image Builder Ltd. ("Futuristic"), a company incorporated in the Republic of Singapore and its shares are listed on the Singapore Exchange Securities Trading Limited, for a consideration of S\$4,000,000. The consideration will be satisfied by the payment of S\$1,500,000 in cash, transfer of 3,050,000 common shares of a subsidiary of the Group, Global Med at a consideration of S\$2,499,999 and procure Futuristic with an exclusive marketing rights for all technology, products and services provided by Global Med for the countries of Indonesia, Malaysia, Thailand and Singapore at a nominal consideration of S\$1.

財務報表附註 – 續

截至二零零三年三月三十一日止年度

44. 結算日後事項 – 續

- (c) 本公司於二零零三年五月九日舉行股東特別大會，本公司於會上批准股份合併生效，據此，每25股現有已發行及未發行股份將合併為每股面值6.25港元之合併股份。同日，本公司透過設立1,520,000,000股合併股份，將法定股本由500,000,000港元增至10,000,000,000港元。
- (d) 於二零零三年三月三日，本集團訂立認購協議，認購慶豐金股份以結算承付票據應付款項19,000,000港元，惟有待慶豐金之股東批准。於二零零三年七月十四日，該項認購已獲批准，本集團於二零零三年七月十五日獲配發965,147,945股普通股。
- (e) 於二零零三年七月二十四日，聯網信貸訂立有條件債券認購協議，按代價4,000,000新加坡元認購由Futuristic Image Builder Ltd. (「Futuristic」) 所發行一份本金4,000,000新加坡元之可換股債券及一份認購期權。Futuristic於新加坡共和國註冊成立，其股份於Singapore Exchange Securities Trading Limited上市。認購代價將以下列方式支付：現金1,500,000新加坡元；按代價2,499,999新加坡元轉讓3,050,000股本集團附屬公司Global Med普通股；及按代價1新加坡元為Futuristic取得Global Med所提供所有科技、產品及服務於印尼、馬來西亞、泰國及新加坡等國家之獨家市場推廣權。

44. POST BALANCE SHEET EVENTS – continued

- (f) On March 18, 2003, the Group entered into an agreement with IPCO International Limited (“IPCO”) for the disposal of 26.39% shareholding in CGHL for an aggregate consideration of HK\$304 million. Details of the disposal are set out in the circular of the Company dated April 8, 2003. The disposal was approved in an extraordinary general meeting of the Company on April 30, 2003. However, the agreement lapsed on May 30, 2003. Due to the disagreement by the Group regarding the readjusting of the sale price downward based on prevailing market conditions at that moment as requested by IPCO, IPCO has notified the Group on May 30, 2003 that it will not extend the due diligence review deadline. As the due diligence has not been completed within the prescribed period, IPCO has not given its written confirmation that it is satisfied with the results of the due diligence and has elected, at its option, to treat the Agreement to have ceased and determined. Consequently, the agreement has lapsed, and none of the parties shall have any claim against the other parties for costs, damages, expenses, compensation or otherwise.
- (g) Subsequent to the balance sheet date, the Company received claims from certain shareholders of an associate, eVision, involving the transfer of certain assets from eVision for settlement of debt owed to a subsidiary of the Company in 2001 and the calculation and reporting of certain dividend payments that were made to the plaintiffs pursuant to the terms of Series B-1 Preferred Stock that was issued by eVision in November 1999. However, damages sought are not quantified. After considering the legal advice, the management are in the opinion that the likelihood of the Company suffering from any material loss in respect of these claims is remote and no material financial impact would be resulted from these claims.
- (h) On August 25, 2003, being the date of approval of the financial statements, the market value of the Group’s investment in CGHL was decreased by HK\$32,019,000 based on the closing price of CGHL of HK\$0.76 on August 25, 2003.

44. 結算日後事項 – 續

- (f) 於二零零三年三月十八日，本集團與 IPCO International Limited (「IPCO」) 訂立協議，按總代價304,000,000港元出售中國燃氣26.39%股權。有關出售之詳情載於本公司日期為二零零三年四月八日之通函。該項出售在本公司於二零零三年四月三十日舉行之股東特別大會獲批准。然而，由於本集團不同意應 IPCO 之要求，按當時市況調低售價，IPCO 於二零零三年五月三十日知會本集團，表示不予延展盡職審查之最後期限。基於盡職審查未能於指定期間內完成，IPCO 並未發出確認書，表示其信納盡職審查的結果，並選擇結束及終止協議。因此，該項協議已於二零零三年五月三十日失效，訂約各方不得就成本、損失、開支、補償或其他事宜向另一方索償。
- (g) 於結算日後，本公司接獲聯營公司 eVision 若干股東索償，索償有關 eVision 於二零零一年轉讓資產以償付結欠本公司一間附屬公司之債項及原訟人根據 eVision 於一九九九年十一月發行之 B-1 系列優先股之條款所獲派若干股息之計算及申報。然而，所徵求之賠償金額尚未計出。經考慮法律意見後，管理層認為本公司就該等索償而承受重大損失之機會甚微，該等索償亦不會產生重大財務影響。
- (h) 於批准財務報表之日二零零三年八月二十二日，按中國燃氣於二零零三年八月二十五日之收市價 0.76 港元計算，本集團於中國燃氣上市股份之投資之市值減少 32,019,000 港元。

NOTES TO THE FINANCIAL STATEMENTS – continued
FOR THE YEAR ENDED MARCH 31, 2003

45. PARTICULARS OF PRINCIPAL SUBSIDIARIES

Particulars of the Company's principal subsidiaries at March 31, 2003 are as follows:

附屬公司名稱 Name of subsidiary	註冊成立／註冊／ 營業地點 Place of incorporation/ registration/ operation	已發行及 繳足股本／ 註冊資本 Issued and fully paid share capital/ registered capital	本公司所持已發行 股本／註冊資本 面值比率 Proportion of nominal value of issued capital/ registered capital held by the Company		主要業務 Principal activities
			直接 Directly %	間接 Indirectly %	
China Credit Card Limited	英屬處女群島 British Virgin Islands	100美元 US\$100	–	98.6	投資控股 Investment holding
China Units Enterprises Limited	英屬處女群島 British Virgin Islands	1美元 US\$1	–	98.6	投資控股 Investment holding
eBanker USA.com, Inc. (附註d) (Note d)	美利堅合眾國 United States of America	普通股 27,159,000美元 一股A系列優先股 (附註a) Common stock US\$27,159,000 1 Series A preferred stock (Note a)	–	39.7	財務投資 Financial investment
Global Growth Management Inc.	加拿大 Canada	1,000美元 US\$1,000	–	98.6	物業投資 Property investment
Global Med China & Asia Limited (“GMCAL”) (附註d) (Note d)	英屬處女群島 British Virgin Islands	8,000,001港元 HK\$8,000,001	–	39.7	投資控股 Investment holding
Global Med International Limited (“GMIL”) (附註d) (Note d)	英屬處女群島 British Virgin Islands	1,000美元 US\$1,000	–	39.7	投資控股 Investment holding
Global Med Technologies Inc. (附註d) (Note d)	美利堅合眾國 United States of America	245,000美元 US\$245,000	–	30.6	醫學軟件開發 Medical software development
恒鋒融資有限公司 Heng Fung Capital Company Limited	香港 Hong Kong	2港元 HK\$2	100	–	證券投資 Securities investment

財務報表附註 – 續

截至二零零三年三月三十一日止年度

45. 主要附屬公司概要

於二零零三年三月三十一日，本公司主要附屬公司之概要如下：

NOTES TO THE FINANCIAL STATEMENTS – continued
FOR THE YEAR ENDED MARCH 31, 2003

45. PARTICULARS OF PRINCIPAL SUBSIDIARIES – continued

附屬公司名稱 Name of subsidiary	註冊成立／註冊／ 營業地點 Place of incorporation/ registration/ operation	已發行及 繳足股本／ 註冊資本 Issued and fully paid share capital/ registered capital	本公司所持已發行 股本／註冊資本 面值比率 Proportion of nominal value of issued capital/ registered capital		主要業務 Principal activities
			直接 Directly %	間接 Indirectly %	
Heng Fung Capital, Inc.	美利堅合眾國 United States of America	15,000美元 US\$15,000	100	–	投資控股 Investment holding
Heng Fung Capital (Canada) Inc.	加拿大 Canada	(附註c) (Note c)	100	–	物業持有 Property holding
Heng Fung Equities, Inc.	美利堅合眾國 United States of America	15,000美元 US\$15,000	–	100	證券投資 Securities investment
Heng Fung Underwriter Limited	香港 Hong Kong	2港元 HK\$2	100	–	證券買賣 Securities trading
Heng Fung Singapore Pte. Limited (前稱eCredit Singapore Pte. Limited) (formerly known as eCredit Singapore Pte. Limited)	新加坡 Singapore	13,417,282新加坡元 S\$13,417,282	98.6	–	投資控股 Investment holding
恒利卡諮詢服務(深圳) 有限公司(附註b) Heng Li Card Consultancy & Service (Shenzhen) Co. Ltd. (Note b)	中華人民共和國 The People's Republic of China	1,000,000港元 HK\$1,000,000	–	98.6	信用卡處理 Card processing
建煌美國企業有限公司 Keng Fong America Enterprises Limited	香港 Hong Kong	1,500,000港元 HK\$1,500,000	100	–	投資控股 Investment holding
建煌加拿大企業有限公司 Keng Fong Canada Enterprises Limited	香港 Hong Kong	10,000港元 HK\$10,000	100	–	投資控股 Investment holding
Keng Fong Foreign Investment Co. Ltd.	美利堅合眾國 United States of America	250,000美元 US\$250,000	–	100	物業投資及發展 Property investment and development
建煌馬來亞企業有限公司 Keng Fong Malaysia Enterprises Limited	香港 Hong Kong	100,000港元 HK\$100,000	100	–	投資控股 Investment holding

財務報表附註 – 續

截至二零零三年三月三十一日止年度

45. 主要附屬公司概要 – 續

NOTES TO THE FINANCIAL STATEMENTS – continued
FOR THE YEAR ENDED MARCH 31, 2003

45. PARTICULARS OF PRINCIPAL SUBSIDIARIES – continued

附屬公司名稱 Name of subsidiary	註冊成立／註冊／ 營業地點 Place of incorporation/ registration/ operation	已發行及 繳足股本／ 註冊資本 Issued and fully paid share capital/ registered capital	本公司所持已發行 股本／註冊資本 面值比率 Proportion of nominal value of issued capital/ registered capital held by the Company		主要業務 Principal activities
			直接 Directly %	間接 Indirectly %	
Merchant Partners Limited	英屬處女群島 British Virgin Islands	1美元 US\$1	–	98.6	投資控股 Investment holding
聯網信用卡有限公司 Online Credit Card Limited	香港 Hong Kong	普通股 120,000,000港元 Ordinary HK\$120,000,000 7%無投票權累積 可贖回優先股 13,866,230港元 7% Non-voting cumulative redeemable preference shares HK\$13,866,230	–	79.9	信用卡服務 Credit card services
聯網信貸有限公司 Online Credit Limited	香港 Hong Kong	1,260,000港元 HK\$1,260,000	–	98.6	投資控股 Investment holding
聯網優惠卡有限公司 Online Discount Card Limited	香港 Hong Kong	12,000,000港元 HK\$12,000,000	–	98.6	優惠卡服務 Discount card services
PeopleMed.com, Inc. (附註d) (Note d)	美利堅合眾國 United States of America	9,040美元 US\$9,040	–	33.0	醫療健康護理 Medical healthcare
Rasa Sayang Limited	香港 Hong Kong	10,000港元 HK\$10,000	100	–	證券投資 Securities investment
SRI Group Limited	英屬處女群島 British Virgin Islands	1美元 US\$1	–	100	投資控股 Investment holding
Sure World Capital Limited	英屬處女群島 British Virgin Islands	50,000美元 US\$50,000	100	–	投資控股 Investment holding
緯健置業有限公司 Wai Kin Investment Company Limited	香港 Hong Kong	600,000港元 HK\$600,000	100	–	投資控股 Investment holding

財務報表附註 – 續

截至二零零三年三月三十一日止年度

45. 主要附屬公司概要 – 續

NOTES TO THE FINANCIAL STATEMENTS – continued
FOR THE YEAR ENDED MARCH 31, 2003

45. PARTICULARS OF PRINCIPAL SUBSIDIARIES – continued

Notes:

- a. The Group holds a 39.7% interest in eBanker and control equivalent proportion of voting right. In addition, the Group holds a share of series A preferred stock, which entitles the Group to 50% of the vote for the Board of Directors of eBanker. Therefore, eBanker is accounted for as a subsidiary.
- b. Heng Li Card Consultancy & Service (Shenzhen) Co. Ltd. is a wholly-owned foreign enterprise.
- c. As of the balance sheet date, no part of the capital has been contributed.
- d. The year end date of these subsidiaries is December 31, accordingly the financial information of these subsidiaries that consolidated into the Group's consolidated financial statements are drawn up to that year end date.

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

The above table lists the principal subsidiaries of the Group. To give details of other subsidiaries would, in the opinion of the directors, result in particulars of excessive length.

財務報表附註 – 續
截至二零零三年三月三十一日止年度

45. 主要附屬公司概要 – 續

附註:

- a. 本集團持有eBanker 39.7%權益，並控制同等比例之投票權。另外，本集團持有一股A系列優先股，該股份授予本集團50% eBanker董事會投票權。因此，eBanker列作附屬公司。
- b. 恒利卡諮詢服務(深圳)有限公司為全外資企業。
- c. 於結算日，並無任何股本出資。
- d. 該等附屬公司之年結日為十二月三十一日，因此，該等附屬公司在本集團之綜合財務報表綜合計入之財務資料亦截至該年結日止。

各附屬公司於年終或於年內任何時間並無任何未行使之債務證券。

上表列出本集團主要附屬公司。董事認為，倘詳列其他附屬公司資料將使篇幅過於冗長。

NOTES TO THE FINANCIAL STATEMENTS – continued
FOR THE YEAR ENDED MARCH 31, 2003

財務報表附註 – 續
截至二零零三年三月三十一日止年度

46. PARTICULARS OF PRINCIPAL ASSOCIATE

46. 主要聯營公司概要

Particulars of the Group's principal associate at March 31, 2003 are as follows:

於二零零三年三月三十一日，本集團主要聯營公司之概要如下：

聯營公司名稱	註冊成立／ 營業地點	本公司所持已發行股本 面值之比率		主要業務
		直接	間接	
Name of associate	Place of incorporation/ operation	Proportion of nominal value of issued capital held by the Company		Principal activity
		Directly %	Indirectly %	
eVision International, Inc.	美利堅合眾國 United States of America	0.8	30.9	投資控股 Investment holding

The above table lists the principal associate of the Group. To give details of other associates would, in the opinion of the directors, result in particulars of excessive length.

上表列載本集團主要聯營公司。董事認為，倘詳列其他聯營公司資料將使篇幅過於冗長。

PARTICULARS OF MAJOR PROPERTIES
AT MARCH 31, 2003

主要物業概要
於二零零三年三月三十一日

地點 Location	實質擁有權 (%) Effective % held	類別 Type	租約 Lease term
LAND AND BUILDINGS 土地及樓宇			
No. 35 North Canal Road, Singapore	98.6	辦公室 Office premises	中期租約 Medium term lease
INVESTMENT PROPERTIES 投資物業			
No. B503, 4821 53rd Street, Delta, British Columbia, Canada and No. 1281 Alberni Street, Vancouver British Columbia, Canada 加拿大卑斯省	100	寓所 Apartment	永久業權 Freehold
981 Nelson Street Vancouver British Columbia Canada 加拿大卑斯省	98.6	單層地下 學校／辦公室 Single-storey ground floor school/office unit	永久業權 Freehold

地點 Location	平方米 Square metre	實質擁有權 (%) Effective % held	類別 Type	租約 Lease term
PROPERTIES HELD FOR SALE 待售物業				
Car parking spaces Nos. 22 to 24 on lower G/F., Inverness Villa No. 22 Inverness Road Kowloon Tong, Hong Kong 香港九龍塘 延文禮士道22號 賢文別墅地下低層 22號至24號車位	30	100	車位 Car parking space	中期租約 Medium term lease