

## 1. CORPORATE INFORMATION

The registered office of Texwinca Holdings Limited is located at Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda. The principal place of business of Texwinca Holdings Limited is located at 16th Floor, Metroplaza II, 223 Hing Fong Road, Kwai Chung, New Territories, Hong Kong.

During the year, the Group was involved in the following principal activities:

- Production, dyeing and sale of knitted fabric
- Production, dyeing and sale of yarn
- Retailing and distribution of casual apparel and accessory
- Provision of franchise services
- Provision of repair and maintenance services for motors and generators, and trading of generators

In the opinion of the directors, the ultimate holding company is Farrow Star Limited, which is incorporated in the British Virgin Islands.

## 1. 公司資料

德永佳集團有限公司註冊辦事處為 Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda。德永佳集團有限公司主要營業地址為香港新界葵涌興芳路223號新都會廣場第二座十六樓。

於本年度，集團主要經營以下業務：

- 針織布之產銷及整染
- 棉紗之產銷及整染
- 便服及飾物之零售及分銷
- 特許經營服務
- 汽車及發電機之維修保養及發電機銷售

按董事之意見，最終控股公司為於英屬處女群島成立之 Farrow Star Limited。

**2. IMPACT OF RECENTLY ISSUED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)**

The Hong Kong Institute of Certified Public Accountants has issued a number of new Hong Kong Financial Reporting Standards and Hong Kong Accounting Standards, herein collectively referred to as the new HKFRSs, which are generally effective for accounting periods beginning on or after 1 January 2005. The Group has not early adopted these new HKFRSs in the financial statements for the year ended 31 March 2005. The Group has already commenced an assessment of the impact of these new HKFRSs but is not yet in a position to state whether these new HKFRSs would have a significant impact on its results of operations and financial position.

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**  
**Basis of preparation**

These financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards (which also included Statements of Standard Accounting Practice and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants, accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for the remeasurement of certain fixed assets and investment properties, as further explained below.

**2. 新近頒佈之香港財務報告準則（「財務報告準則」）之影響**

香港會計師公會已頒佈多項香港財務報告準則及香港會計準則（統稱「新香港財務報告準則」），並普遍於二零零五年一月一日或以後開始之會計期間生效。本集團並無於截至二零零五年三月三十一日止年度之財務報表提早採納新香港財務報告準則。本集團已開始評估該等新香港財務報告準則之影響，惟尚未能就該等新香港財務報告準則會否對本集團營運業績及財務狀況造成重大影響而作出定論。

**3. 主要會計政策摘要**  
**編製基準**

本財務報表乃根據香港會計師公會頒佈之香港財務報告準則（亦包括會計實務準則及詮釋）、香港普遍採納之會計原則及香港公司條例有關資料披露之規定編製。除部份固定資產及投資物業重新釐定價值外，賬目乃按原始成本法編製，有關詳細資料載於下文。

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries for the year ended 31 March 2005. The results of subsidiaries acquired or disposed of during the year are consolidated from or to their effective dates of acquisition or disposal, respectively. All significant intercompany transactions and balances within the Group are eliminated on consolidation.

Minority interests represent the interests of outside shareholders in the results and net assets of the Company's subsidiaries.

#### Subsidiaries

A subsidiary is a company whose financial and operating policies the Company controls, directly or indirectly, so as to obtain benefits from its activities.

The results of subsidiaries are included in the Company's profit and loss account to the extent of dividends received and receivable. The Company's interests in subsidiaries are stated at cost less any impairment losses.

### 3. 主要會計政策摘要 (續)

#### 綜合基準

綜合財務報表包括本公司及各附屬公司截至二零零五年三月三十一日止年度之財務報表。於本年度內收購或出售之附屬公司之業績分別由其實際收購日期起或截至出售日期止綜合計算。所有本集團內部重大交易及結餘均於綜合時對銷。

少數股東權益即外界股東佔本公司附屬公司業績及資產淨值之權益。

#### 附屬公司

附屬公司乃本公司直接或間接地控制其財務及營運政策，藉以從其業務得益之公司。

附屬公司業績計入本公司損益賬，以已收及應收股息為限。本公司於附屬公司權益按原值入賬，撇減任何減值損失。

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### Associates

An associate is a company, not being a subsidiary, in which the Group has a long term interest of generally not less than 20% of the equity voting rights and over which it is in a position to exercise significant influence.

The Group's share of the post-acquisition results and reserves of associates is included in the consolidated profit and loss account and consolidated reserves, respectively. The Group's interest in an associate is stated in the consolidated balance sheet at the Group's share of net assets under the equity method of accounting, less any impairment loss.

#### Goodwill

Goodwill arising on the acquisition of a subsidiary and an associate represents the excess of the cost of the acquisition over the Group's share of the fair values of the identifiable assets and liabilities acquired as at the date of acquisition.

Goodwill arising on acquisition is recognised in the consolidated balance sheet as an asset and amortised on the straight-line basis over its estimated useful life of 20 years. In the case of an associate, any unamortised goodwill is included in the carrying amount thereof, rather than as a separately identified asset on the consolidated balance sheet.

### 3. 主要會計政策摘要 (續)

#### 聯營公司

聯營公司乃附屬公司以外，本集團長期持有其實質擁有投票權不少於20%及本集團之地位足以對其發揮相當影響力之公司。

本集團應佔聯營公司收購日後之業績及儲備，已分別列入綜合損益表及綜合儲備內，而本集團於聯營公司權益則按本集團應佔之資產淨值按權益法計算減去任何減值損失，列入綜合資產負債表內。

#### 商譽

收購附屬公司及聯營公司所產生之商譽指收購成本超逾本集團所佔於收購日期所收購之可識別資產與負債之公平價值之數。

收購所產生之商譽乃於綜合資產負債表中以資產確認，並按其估計可用20年期作直線攤銷。如屬聯營公司，任何未經攤銷之商譽乃包括在其賬面金額之內，而非在綜合資產負債表中作獨立識別資產。

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### Goodwill (continued)

Prior to the adoption of Statement of Standard Accounting Practice ("SSAP") 30, "Business combinations" in 2001, goodwill arising on acquisitions was eliminated against consolidated reserves in the year of acquisition. On the adoption of SSAP 30, the Group applied the transitional provision of the SSAP that permitted such goodwill to remain eliminated against consolidated reserves. Goodwill on acquisitions subsequent to the adoption of the SSAP is treated according to the SSAP 30 goodwill accounting policy above.

On disposal of a subsidiary or an associate, the gain or loss on disposal is calculated by reference to the net assets at the date of disposal, including the attributable amount of goodwill which remains unamortised and any relevant reserves, as appropriate. Any attributable goodwill previously eliminated against consolidated reserves at the time of acquisition is written back and included in the calculation of the gain or loss on disposal.

### 3. 主要會計政策摘要 (續)

#### 商譽 (續)

於二零零一年採納會計實務準則(「會計準則」)第三十條「企業合併」前，因收購所產生之商譽乃於收購年度與綜合儲備撇銷。於採納會計準則第三十條後，本集團引用會計準則第三十條之過渡性條款，允許該等商譽仍可繼續與綜合儲備撇銷。於採納有關會計準則後，因收購而產生之商譽，則按照會計準則第三十條商譽會計政策處理。

出售附屬公司或聯營公司時，出售產生之損益乃參照出售當日資產淨值計算，包括仍未攤銷商譽及任何有關儲備(如適用)之應佔金額。凡先前於收購當時於綜合儲備撇銷之任何應佔商譽乃予撥回並列入出售損益之計算當中。

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### Goodwill (continued)

The carrying amount of goodwill, including goodwill remaining eliminated against consolidated reserves, is reviewed annually and written down for impairment when it is considered necessary. A previously recognised impairment loss for goodwill is not reversed unless the impairment loss was caused by a specific external event of an exceptional nature that was not expected to recur, and subsequent external events have occurred which have reversed the effect of that event.

#### Negative goodwill

Negative goodwill arising on the acquisition of a subsidiary and an associate represents the excess of the Group's share of the fair values of the identifiable assets and liabilities acquired as at the date of acquisition, over the cost of the acquisition.

To the extent that negative goodwill relates to expectations of future losses and expenses that are identified in the acquisition plan and that can be measured reliably, but which do not represent identifiable liabilities as at the date of acquisition, that portion of negative goodwill is recognised as income in the consolidated profit and loss account when the future losses and expenses are recognised.

### 3. 主要會計政策摘要 (續)

#### 商譽 (續)

商譽之賬面值，包括維持在綜合儲備撇銷之商譽，乃作每年審閱，並會視乎情況需要作減值撇減。先前已確認之商譽減值虧損不予撥回，除非有關減值虧損乃因性質特殊且預期不會再度發生之特定外界事件所引致，而其後發生之外界事件亦扭轉該事件之影響。

#### 負商譽

收購附屬公司及聯營公司所產生負商譽指本集團所佔於收購日期所收購之可識別資產與負債之公平價值超逾收購成本之數。

倘若負商譽乃與本集團收購計劃中已識別及能可靠衡量之預期未來虧損及開支有關，惟並非指截至收購日期之可識別負債，該部份之負商譽乃於確認未來虧損及開支時於綜合損益賬確認為收入。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(continued)

**Negative goodwill** (continued)

To the extent that negative goodwill does not relate to identifiable expected future losses and expenses as at the date of acquisition, negative goodwill is recognised in the consolidated profit and loss account on a systematic basis over the remaining average useful life of the acquired depreciable/amortisable assets. The amount of any negative goodwill in excess of the fair values of the acquired non-monetary assets is recognised as income immediately.

In the case of an associate, any negative goodwill not yet recognised in the consolidated profit and loss account is included in the carrying amount thereof, rather than as a separately identified item on the consolidated balance sheet.

Prior to the adoption of SSAP 30 "Business combinations" in 2001, negative goodwill arising on acquisitions was credited to the consolidated reserves in the year of acquisition. On the adoption of SSAP 30, the Group applied the transitional provision of the SSAP that permitted such negative goodwill to remain credited to the consolidated reserves. Negative goodwill on acquisitions subsequent to the adoption of the SSAP is treated according to the SSAP 30 negative goodwill accounting policy above.

3. 主要會計政策摘要 (續)

**負商譽** (續)

負商譽並非與截至收購日期之可識別預期未來虧損及開支有關，乃於可識別之已購入須作出折舊／攤銷之資產之餘下平均使用年期內，有系統地於綜合損益賬確認入賬。凡超逾所購入之非貨幣資產之公平價值之負商譽乃即時確認為收入。

收購聯營公司所產生並未於綜合損益賬確認入賬之負商譽，乃計入該聯營公司之賬面值中，而非在綜合資產負債表中獨立呈列為一識別項目。

於二零零一年採納會計準則第三十條「企業合併」前，因收購所產生之負商譽乃計入收購年度之綜合儲備。於採納會計準則第三十條後，本集團應用會計準則之過渡性條款，允許該等負商譽仍可繼續維持計入綜合儲備。於採納該會計準則後，因收購所產生之負商譽，則按照會計準則第三十條負商譽會計政策處理。

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### Negative goodwill (continued)

On disposal of a subsidiary or an associate, the gain or loss on disposal is calculated by reference to the net assets at the date of disposal, including the attributable amount of negative goodwill which has not been recognised in the consolidated profit and loss account and any relevant reserves as appropriate. Any attributable negative goodwill previously credited to the consolidated reserves at the time of acquisition is written back and included in the calculation of the gain or loss on disposal.

#### Impairment of assets

An assessment is made at each balance sheet date of whether there is any indication of impairment of any asset, or whether there is any indication that an impairment loss previously recognised for an asset in prior years may no longer exist or may have decreased. If any such indication exists, the asset's recoverable amount is estimated. An asset's recoverable amount is calculated as the higher of the asset's value in use and its net selling price.

An impairment loss is recognised only if the carrying amount of an asset exceeds its recoverable amount. An impairment loss is charged to the profit and loss account in the period in which it arises, unless the asset is carried at a revalued amount, when the impairment loss is accounted for in accordance with the relevant accounting policy for that revalued asset.

### 3. 主要會計政策摘要 (續)

#### 負商譽 (續)

出售附屬公司或聯營公司時，出售損益乃參照出售當日資產淨值計算，包括仍未於綜合損益賬確認之負商譽及任何有關儲備(如適用)之應佔金額。任何過往於收購時計入綜合儲備之應佔負商譽均予撥回及於計算出售盈虧時包括在內。

#### 資產減值

於各結算日進行評估，以決定是否有任何顯示任何資產出現減值，或有任何顯示往年度已確認之減值虧損不再存在或已減少。倘有任何該等顯示存在，該資產之可收回值須予以評估。資產之可收回值定為資產之使用價值與銷售淨值之較高者。

減值虧損僅於資產賬面值超出其可收回值時予以確認。減值虧損於其產生之期間在損益賬內扣除，惟當該資產以重估價值為其賬面值時，減值虧損則按重估資產之有關會計政策入賬。



3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(continued)

**Impairment of assets** (continued)

A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the recoverable amount of an asset, however not to an amount higher than the carrying amount that would have been determined (net of any depreciation/amortisation), had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is credited to the profit and loss account in the period in which it arises, unless the asset is carried at a revalued amount, when the reversal of the impairment loss is accounted for in accordance with the relevant accounting policy for that revalued asset.

**Fixed assets and depreciation**

Fixed assets, other than investment properties and construction in progress, are stated at cost or valuation less accumulated depreciation and any impairment losses. The cost of an asset comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use. Expenditure incurred after fixed assets have been put into operation, such as repairs and maintenance, is normally charged to the profit and loss account in the period in which it is incurred. In situations where it can be clearly demonstrated that the expenditure has resulted in an increase in the future economic benefits expected to be obtained from the use of the fixed asset, the expenditure is capitalised as an additional cost of that asset.

3. 主要會計政策摘要 (續)

**資產減值 (續)**

僅於資產之估計可收回值出現變動時，過往已確認之減值虧損方予以撥回，然而，撥回金額則不得超過若往年度該資產並無已確認之減值虧損而釐定之賬面值(扣除任何折舊／攤銷)。撥回之減值虧損於其產生之期間計入損益賬內，惟當該資產以重估值為其賬面值時，減值虧損則按重估資產之有關會計政策入賬。

**固定資產及折舊**

除投資物業及在建工程外，固定資產均按原值或估值減累計折舊入賬。資產之成本包括資產之購買價及將資產達至運作狀況及地點以作其計劃用途所產生之任何直接應計成本。固定資產投入運作後之開支(如維修及保養之費用)，一般在產生期間於損益賬中扣除。當明顯證明上述開支已致使預期日後因使用該固定資產而取得之經濟利益增加，則該開支會作資本化，列為該固定資產之增加成本。

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### Fixed assets and depreciation (continued)

Changes in the values of fixed assets, other than investment properties, are dealt with as movements in the asset revaluation reserve. If the total of this reserve is insufficient to cover a deficit, on an individual asset basis, the excess of the deficit is charged to the profit and loss account. Any subsequent revaluation surplus is credited to the profit and loss account to the extent of the deficit previously charged. On disposal of a revalued asset, the relevant portion of the asset revaluation reserve in respect of previous valuations is realised and transferred to retained profits as a movement in reserves.

Depreciation is calculated on a straight-line basis to write off the cost or valuation of each asset over its estimated useful life. The estimated useful lives used for this purpose are as follows:

Leasehold land	Over the remaining lease terms
Buildings	25 years or over the lease terms, whichever is shorter
Leasehold improvements	Over the remaining lease terms
Plant and machinery	10–20 years
Furniture, fixtures and office equipment	5 years
Motor vehicles	5 years
Yacht	5 years

### 3. 主要會計政策摘要 (續)

#### 固定資產及折舊 (續)

除投資物業外，固定資產價值之變動計入資產重估儲備。如儲備總額不足以抵銷減值，(按個別資產為基準)，則差額會於損益賬內扣除，之後任何估值溢價也直接反映於損益表中，直至完全抵銷以往反映於損益表的不足額為止。於出售已重估之資產時，過往估值列入資產重估儲備賬內之相關部份須變現及轉至保留溢利作儲備變動。

折舊之計算方法乃按個別資產之估計可使用年期以直線法撇銷其原值或估值。就此目的而估計之可使用年期如下：

租賃土地	按餘下之租賃年期
樓宇	25年或租賃年期 (倘為較短者)
租賃樓宇裝修	按餘下之租賃年期
廠房設備及機械	10–20年
傢俬、裝置及辦公室設備	5年
汽車	5年
遊艇	5年

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

*(continued)*

**Fixed assets and depreciation** *(continued)*

The gain or loss on disposal or retirement of a fixed asset recognised in the profit and loss account is the difference between the net sales proceeds and the carrying amount of the relevant asset.

**Construction in progress**

Construction in progress represents a building under construction, which is stated at cost less any impairment losses, and is not depreciated. Cost comprises the direct costs of construction. Construction in progress is reclassified to the appropriate category of fixed assets when completed and ready for use.

**3. 主要會計政策摘要 (續)**

**固定資產及折舊 (續)**

於損益表中入賬關於固定資產在出售或棄用時之收益或虧損，乃出售所得款項淨額與有關資產結存值之差額。

**在建工程**

在建工程指興建中之樓宇，其乃按成本值減任何減值虧損列賬，且不予折舊。成本為直接建築成本。當在建工程完工及可預備使用會重新分類至適當之固定資產類別。

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### Investment properties

Investment properties are interests in land and buildings in respect of which construction work and development have been completed and which are intended to be held on a long term basis for their investment potential, any rental income being negotiated at arm's length. Such properties are not depreciated and are stated at their open market values on the basis of annual professional valuations performed at the end of each financial year. Changes in the values of investment properties are dealt with as movements in the investment property revaluation reserve. If the total of this reserve is insufficient to cover a deficit, on a portfolio basis, the excess of the deficit is charged to the profit and loss account. Any subsequent revaluation surplus is credited to the profit and loss account to the extent of the deficit previously charged.

On disposal of an investment property, the relevant portion of the investment property revaluation reserve in respect of previous valuations is realised and released to the profit and loss account.

#### Trademarks

Trademarks are stated at cost less accumulated amortisation and any impairment losses. Amortisation is calculated on a straight-line basis to write off the cost of each trademark over its estimated useful life of 20 years.

### 3. 主要會計政策摘要 (續)

#### 投資物業

投資物業乃已完成建築及發展工程並擬長期持有作投資用途之土地及樓宇權益，任何租金收入乃按市場價格釐定。此等物業不予折舊，並於每年年結按專業估值基準以其公開市值入賬。投資物業價值之變動將計入投資物業重估儲備。如儲備總額不足以抵銷減值，則差額會於損益賬內扣除，之後任何估值溢價也直接反映於損益表中，直至完全抵償以往反映於損益表的不足額為止。

投資物業於出售時，過往估值列入投資物業重估儲備賬內之相關部份須變現及列入損益賬內計算。

#### 商標

商標乃按成本值減累積攤銷及任何減值虧損列賬。攤銷以直線法進行，按估計可使用年期20年撇銷每項商標成本。

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

*(continued)*

**Operating leases**

Leases where substantially all the rewards and risks of ownership of assets remain with the lessor are accounted for as operating leases. Where the Group is the lessor, assets leased by the Group under operating leases are included in non-current assets, and rentals receivable under the operating leases are credited to the profit and loss account on the straight-line basis over the lease terms. Where the Group is the lessee, rentals payable under the operating leases are charged to the profit and loss account on the straight-line basis over the lease terms.

**Inventories**

Inventories are stated at the lower of cost and net realisable value. For fabric and yarn, cost is determined on a weighted average basis and, for work in progress and finished goods, cost comprises direct materials, direct labour and an appropriate proportion of overheads. For casual apparel and accessory, cost is determined on a weighted average basis and includes all costs of purchases and other costs incurred in bringing the inventories to their present location and condition. Net realisable value is based on estimated selling prices less further costs expected to be incurred to completion and disposal or to make the sale.

**3. 主要會計政策摘要 (續)**

**經營租賃**

凡出租人實際上仍保留資產擁有權之絕大部分收益及風險之租賃，均以經營租賃入賬。倘本集團為出租人，本集團按經營租賃之資產列作非流動資產及該等經營租賃之應收租金乃按租賃年期，以直線法計入損益賬。倘本集團為承租人，則按經營租賃應付之租金按租賃年期以直線法在損益賬中扣除。

**存貨**

貨物乃按原值或可變現淨值兩者之較低者入賬。布和紗方面，成本乃按加權平均法計算。半成品與成品之成本包括直接材料、直接工資及適當比例之間接費用。另外有關便服及飾物之成本則以加權平均法計算，並包括所有購進費用及其他將貨物送達至目前地點及保持狀況之成本。可變現淨值乃根據預算銷售價減去於完成及出售所需之成本計算。

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### Trade receivables

Trade receivables are recognised and carried at original invoice amount less allowances for any amounts deemed uncollectible by the directors. A provision for doubtful debts is estimated when the collection of any of the receivables are deemed to be no longer probable. Bad debts and provision for doubtful debts are charged to the profit and loss account as incurred.

#### Income tax

Income tax comprises current and deferred tax. Income tax is recognised in the profit and loss account or in equity if it relates to items that are recognised, in the same or a different period, directly in equity.

Deferred tax is provided, using the liability method, on all temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Tax rates enacted or substantively enacted by the balance sheet date are used to determine deferred tax.

Deferred tax liabilities are provided in full on all taxable temporary differences while deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

### 3. 主要會計政策摘要 (續)

#### 應收賬款

應收賬款入賬乃按發票原本金額減去董事認為不能收回之數作準備。呆賬撥備乃按估計之不可能收回金額作全數撥備，並按有關壞賬及呆賬產生時間反影於損益賬中。

#### 所得稅

所得稅包括即期及遞延稅項。所得稅乃於損益表確認，而有關在同一或不同時期直接於股本權益確認之項目，則於股本權益確認入賬。

就於結算日資產及負債之稅基與彼等就財務申報而言之賬面值間之所有暫時性差額，乃以負債法提撥遞延稅項準備。於結算日已實施或即將實施之稅率用作釐定遞延稅項。

遞延稅項負債乃就所有應課稅暫時性差額確認入賬，而遞延稅項資產的確認只限於未來有可能產生應課稅利潤以抵銷的暫時性差異。

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

*(continued)*

**Income tax** *(continued)*

A deferred tax asset is also recognised for the carryforward of unused tax losses, to the extent that it is probable that future taxable profit will be available against which the carryforward of the unused tax losses can be utilised.

**Cash and cash equivalents**

For the purpose of the consolidated cash flow statement, cash and cash equivalents comprise cash on hand and demand deposits, and short term highly liquid investments which are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, and have a short maturity of generally within three months when acquired, less bank overdrafts which are repayable on demand and form an integral part of the Group's cash management.

For the purpose of the balance sheet, cash and cash equivalents comprise cash on hand and at banks, including term deposits, which are not restricted as to use and are due to mature within one year.

**3. 主要會計政策摘要 (續)**

**所得稅 (續)**

遞延稅項資產同時乃就未動用稅項虧損確認入賬，但只限於未來有可能產生之應課稅利潤可抵銷未動用稅項虧損。

**現金及現金等價物**

就綜合現金流量表而言，現金及現金等價物包括手持現金及活期存款，以及可隨時轉換為可知數額現金而價值變動風險不大，且一般於購入後三個月內到期之短期高流通性投資，減除須應銀行要求償還及構成本集團現金管理整體的一部份之透支。

就資產負債表而言，現金及現金等價物包括手持及存於銀行之現金，包括並無限制用途及於一年內到期之定期存款。

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### Revenue recognition

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

- (a) from the sale of goods, when the significant risks and rewards of ownership have been transferred to the buyer, provided that the Group maintains neither managerial involvement to the degree usually associated with ownership, nor effective control over the goods sold;
- (b) from the rendering of services, when the services have been provided;
- (c) rental income, in accordance with the terms of the rental agreements;
- (d) franchise income, on a time proportion basis, over the franchise periods;
- (e) interest income, on a time proportion basis taking into account the principal outstanding and the effective interest rate applicable; and
- (f) dividend income, when the shareholders' rights to receive payment has been established.

### 3. 主要會計政策摘要 (續)

#### 收益確認

倘本集團可能獲得經濟利益及當收益可按下列基準作可靠計算時，則收益確認入賬：

- (a) 如銷售貨品，則當擁有權之重大風險及收益已轉移至買方，並且本集團並不對所出售貨品保持與擁有權有關之管理參與，亦無實際控制該等貨品；
- (b) 如提供服務，則當已提供該等服務時；
- (c) 租金收入，按照租約之條款；
- (d) 特許經營收入，於特許經營期，按時間比例；
- (e) 利息收入，以本金及應計利率按時間比例計算；及
- (f) 股息收入，則當確定股東收取款項之權利時。



**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

*(continued)*

**Dividends**

Final dividends proposed by the directors are classified as a separate allocation of retained profits within the capital and reserves section of the balance sheet, until they have been approved by the shareholders in a general meeting. When these dividends have been approved by the shareholders and declared, they are recognised as a liability.

Interim dividends are simultaneously proposed and declared, because the Company's Bye-laws grant the directors the authority to declare interim dividends. Consequently, interim dividends are recognised immediately as a liability when they are proposed and declared.

**Employee benefits**

*Paid leave carried forward*

The Group provides paid annual leave to its employees under their employment contracts on a calendar year basis. Under certain circumstances and with approval from the management, such leave which remains untaken as at the balance sheet date is permitted to be carried forward and utilised by the respective employees in the following year. No accrual has been made for unpaid leave as at 31 March 2005 as there was no material approved untaken leave carried forward at the balance sheet date.

**3. 主要會計政策摘要 (續)**

**股息**

董事建議派付之末期股息於資產負債表之資本及儲備項下重新分類，列作保留溢利之獨立分配，直至股東於股東大會批准派付該等股息。倘該等股息獲股東批准，並予以宣派，則確認為負債入賬。

中期股息由本公司同時建議及宣派，因本公司組織細則授權董事有宣派中期股息之權利。故此，中期股息於建議及宣派時隨即確認為負債。

**僱員福利**

*有薪假期結轉*

本集團根據僱傭合約按曆年基準給予其僱員有薪年假。在若干情況及管理層批准下，於結算日未支取之年假准予結轉，留待有關僱員於來年享用。於二零零五年三月三十一日，由於並無重大已批准的未支取年假須結轉，因此並無就有關年假計提撥備。

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### Employee benefits (continued)

##### Employment Ordinance long service payments

The Group's Hong Kong employees who have completed the required number of years of service to the Group are eligible for long service payments under the Hong Kong Employment Ordinance in the event of the termination of their employments. The Group is liable to make such payments in the event that such a termination of employments meets the circumstances specified in the Employment Ordinance.

A provision is recognised in respect of the probable future long service payments expected to be made. The provision is based on the best estimate of the probable future payments which have been earned by the employees from their service to the Group to the balance sheet date.

A further contingent liability is disclosed in respect of possible future long service payments to employees, as a number of current employees have achieved the required number of years of service to the Group, to the balance sheet date, in order to be eligible for long service payments under the Employment Ordinance if their employments are terminated in the circumstances specified. A provision has not been recognised in respect of such possible payments, as it is not considered probable that the situation will result in a material future outflow of resources from the Group.

### 3. 主要會計政策摘要 (續)

#### 僱員福利 (續)

##### 僱傭條例長期服務金

本集團香港僱員於完成若干服務年期後，可依據香港僱傭條例在終止僱用時，取得長期服務金。當終止僱用的情形符合僱傭條例的特定情況，本集團有責任支付該等費用。

撥備將會在預期可能須支付日後之長期服務金時確認。有關撥備乃根據於結算日就僱員向本集團提供服務而可能在日後取得之金額之最佳評估款項而計算。

於結算日，由於若干現任僱員服務本集團之年期，根據僱傭條例，已屆合資格於若干情況下終止任職而可獲取長期服務金之指定年數，故已就日後可能須付予僱員之長期服務金作出或然負債披露。由於預期該等情況不大可能會導致本集團日後出現重大資源流出，故並無就有關可能支付之款項確認撥備。

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

*(continued)*

**Employee benefits** *(continued)*

*Retirement benefits schemes*

The Group operates a defined contribution retirement benefits scheme (the "MPF Scheme") under the Mandatory Provident Fund Schemes Ordinance, for all of its employees in Hong Kong. Contributions are made based on a percentage of the employees' basic salaries and are charged to the profit and loss account as they become payable in accordance with the rules of the MPF Scheme. The assets of the MPF Scheme are held separately from those of the Group in an independently administered fund. The Group's employer contributions vest fully in the employees when contributed into the MPF Scheme.

The employees of the Group's subsidiaries which operate in Mainland China are required to participate in a central pension scheme operated by the local municipal government. These subsidiaries are required to contribute a certain percentage of their remuneration to the central pension scheme. The contributions are charged to the profit and loss account as they become payable in accordance with the rules of the central pension scheme.

**3. 主要會計政策摘要 (續)**

**僱員福利 (續)**

*退休福利計劃*

本集團根據強制性公積金計劃條例，為所有在香港受僱之僱員設立一項定額供款退休福利計劃（「強積金計劃」）。按照強積金計劃之規則，供款乃按僱員基本薪金之百分比作出，並於應付時自損益表扣除。強積金計劃的資產由獨立管理之基金與本集團之資產分開持有。本集團作出之僱主供款繳入計劃後即全數歸僱員。

本集團於中國大陸營運之附屬公司的僱員均須參加由地方市政府設立之中央退休保障計劃。該等附屬公司須按其收入之若干百分比向該中央退休保障計劃作出供款。根據該中央退休保障計劃的規定，供款於應付時在損益賬內扣除。

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### Employee benefits (continued)

##### Share option scheme

The Company operates a share option scheme for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's operations. The financial impact of share options granted under the share option scheme is not recorded in the Company's or the Group's balance sheet until such time as the options are exercised, and no charge is recorded in the profit and loss account or balance sheet for their cost. Upon the exercise of share options, the resulting shares issued are recorded by the Company as additional share capital at the nominal value of the shares, and the excess of the exercise price per share over the nominal value of the shares is recorded by the Company in the share premium account. Options which are cancelled prior to their exercise date, or which lapse, are deleted from the register of outstanding options.

#### Foreign currencies

Foreign currency transactions are recorded at the applicable exchange rates ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated at the applicable exchange rates ruling at that date. Exchange differences are dealt with in the profit and loss account.

### 3. 主要會計政策摘要 (續)

#### 僱員福利 (續)

##### 購股權計劃

本公司設有購股權計劃，旨在向對本集團之業務成就作出貢獻之合資格參與人士提供獎勵及獎賞。根據購股權計劃所授出購股權之財務影響，並不會於授出時列入本公司或集團的資產負債表，有關成本亦並不計入損益表或資產負債表，直至購股權被行使。購股權獲行使時，因而發行之股份按股份面值列為本公司額外股本，而每股行使價超出股份面值之差額則列入本公司股本溢價賬。於行使日期前註銷或失效之購股權自尚未行使購股權登記冊刪除。

#### 外幣

外幣交易按個別交易日之適用滙率計算。於結算日，以外幣結算之貨幣資產及負債均按該日之適用滙率換算。滙兌差額均列入損益表。

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### Foreign currencies (continued)

On consolidation, the financial statements of overseas subsidiaries and associates are translated into Hong Kong dollars using the net investment method. The profit and loss accounts of overseas subsidiaries and associates are translated into Hong Kong dollars at the weighted average exchange rates for the year, and their balance sheets are translated into Hong Kong dollars at the exchange rates ruling at the balance sheet date. The resulting translation differences are included in the exchange fluctuation reserve.

For the purpose of the consolidated cash flow statement, the cash flows of overseas subsidiaries and associates are translated into Hong Kong dollars at the exchange rates ruling at the dates of the cash flows. Frequently recurring cash flows of overseas subsidiaries and associates which arise throughout the year are translated into Hong Kong dollars at the weighted average exchange rates for the year.

#### Related parties

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control or common significant influence. Related parties may be individuals or corporate entities.

### 3. 主要會計政策摘要 (續)

#### 外幣 (續)

在綜合賬目時，海外附屬公司及聯營公司之財務報表按淨投資法換算為港幣。海外附屬公司及聯營公司之損益賬按該年之加權平均滙率換算為港幣，而其資產負債表則按結算日適用之滙率換算為港幣。因而產生之換算差額撥入外滙變動儲備。

就綜合現金流量表而言，海外附屬公司及聯營公司之現金流轉按現金流轉日期適用之滙率換算為港幣。海外附屬公司及聯營公司於年內經常產生之現金流轉，則按該年之加權平均滙率換算為港幣。

#### 關連人士

關連人士乃指其中一方能直接或間接控制另外一方，或能對另一方之財務或運作決策施予重大之影響。有關人士亦將被視為關連，如該等人士是受到共同的控制或重大影響。關連人士可以是個人或公司。

#### 4. SEGMENT INFORMATION

Segment information is presented by way of two segment formats: (i) on a primary segment reporting basis, by business segment; and (ii) on a secondary segment reporting basis, by geographical segment.

The Group's operating businesses are structured and managed separately, according to the nature of their operations and the products and services they provide. Each of the Group's business segments represents a strategic business unit that offers products and services which are subject to risks and returns that are different from those of the other business segments. Summary details of the business segments are as follows:

- (a) the production, dyeing and sale of knitted fabric and yarn segment;
- (b) the casual apparel and accessory retailing and distribution segment; and
- (c) the "others" segment principally comprises the provision of motor and generator repair and maintenance services, the trading of generators and the provision of franchise services.

In determining the Group's geographical segments, revenues are attributed to the segments based on the location of the markets, and assets are attributed to the segments based on the location of the assets.

Intersegment sales and transfers are transacted with reference to the selling prices used for sales made to third parties at the then prevailing market prices.

#### 4. 分類資料

分類資料乃按兩種分類方式呈列：(i)主要分類呈報方式乃按業務分類；及(ii)次要分類呈報方式乃按地域分類。

本集團之營運業務劃分乃按其業務性質、產品及服務分類。集團每一個業務分類代表該策略性業務之產品及服務之風險回報與其他業務不同，業務分類之摘要明細如下：

- (a) 針織布及棉紗之產銷及整染分類；
- (b) 便服及飾物零售及分銷分類；及
- (c) 其他分類主要包含集團汽車及發電機之維修保養及發電機銷售和特許經營服務。

集團地域分類之決定，乃按收入之來源市場地域分類，而資產則按資產之所在地分類。

業務間之銷售及轉撥交易之售價乃參照售予第三者之現市場價格。

4. SEGMENT INFORMATION (continued)

(a) Business segments

The following tables present revenue, profit and certain asset, liability and expenditure information for the Group's business segments:

4. 分類資料 (續)

(a) 業務分類

下表為本集團業務分類之收入、溢利、部份資產、負債及支出資料：

Group		Casual apparel and accessory retailing and distribution								Consolidated	
		Production, dyeing and sale of knitted fabric and yarn 針織布及棉紗之產銷及整染		Casual apparel and accessory retailing and distribution 便服及飾物零售及分銷		Others 其他		Eliminations 對銷		綜合	
		2005	2004	2005	2004	2005	2004	2005	2004	2005	2004
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
Segment revenue:	分類收入：										
Sales to external customers	售予集團外客戶	4,108,693	3,626,629	3,146,485	2,548,155	47,519	41,681	—	—	7,302,697	6,216,465
Intersegment sales	業務間之銷售	—	—	—	—	1,765	1,892	(1,765)	(1,892)	—	—
Other revenue	其他收入	41,758	29,900	28,513	19,162	4,517	1,076	(1,375)	(1,170)	73,413	48,968
Total	合計	4,150,451	3,656,529	3,174,998	2,567,317	53,801	44,649	(3,140)	(3,062)	7,376,110	6,265,433
Segment results	分類業績	430,485	360,100	65,393	126,353	15,943	8,433	(181)	(867)	511,640	494,019
Interest income	利息收入									13,541	4,247
Profit from operating activities	經常業務溢利									525,181	498,266
Share of profit of an associate	應佔聯營公司溢利									40,276	33,344
Finance costs	財務費用									(10,224)	(4,086)
Profit before tax	除稅前溢利									555,233	527,524
Tax	稅項									(65,116)	(57,888)
Profit before minority interests	未計少數股東權益前溢利									490,117	469,636
Minority interests	少數股東權益									(21,886)	(47,666)
Net profit from ordinary activities attributable to shareholders	股東應佔經常業務溢利淨額									468,231	421,970
Segment assets	分類資產	3,557,046	3,258,807	1,239,308	896,765	73,135	74,614	(600,117)	(429,970)	4,269,372	3,800,216
Interest in an associate	於聯營公司之權益									139,548	133,275
Unallocated assets	未分配資產									409,643	457,194
Total assets	總資產									4,818,563	4,390,685
Segment liabilities	分類負債	887,647	1,027,887	1,001,814	685,342	99,012	104,268	(574,830)	(404,863)	1,413,643	1,412,634
Unallocated liabilities	未分配負債									670,537	446,827
Total liabilities	總負債									2,084,180	1,859,461
Other segment information:	其他分類資料：										
Depreciation and amortisation	折舊及攤銷	145,343	115,158	85,252	60,157	4,994	4,917	—	—	235,589	180,232
Other non-cash expenses/(income)	其他非現金支出/(收入)	(18,501)	(5,073)	7,637	14,826	—	2,766	—	—	(10,864)	12,519
Capital expenditure	資本開支	391,700	469,129	232,533	150,032	385	2,016	—	—	624,618	621,177

4. SEGMENT INFORMATION (continued)

(b) Geographical segments

The following tables present revenue and certain asset and expenditure information for the Group's geographical segments:

4. 分類資料 (續)

(b) 地域分類

下表為本集團地域分類之收入、  
部份資產及支出資料：

Group		集團													
		USA 美國		Mainland China 中國大陸		Japan 日本		Hong Kong 香港		Others 其他		Eliminations 對銷		Consolidated 綜合	
		2005	2004	2005	2004	2005	2004	2005	2004	2005	2004	2005	2004	2005	2004
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
Segment revenue:	分類收入：														
Sales to external customers	售予集團外客戶	2,836,065	2,350,043	2,130,190	1,786,442	399,994	388,771	798,452	812,980	1,137,996	878,229	—	—	7,302,697	6,216,465
Other segment information:	其他分類資料：														
Segment assets	分類資產	—	—	4,119,301	3,537,365	—	—	3,701,386	3,885,167	874,412	828,076	(3,876,536)	(3,859,923)	4,818,563	4,390,685
Capital expenditure	資本開支	—	—	493,944	563,643	—	—	26,096	11,620	104,578	45,914	—	—	624,618	621,177



**5. TURNOVER, OTHER REVENUE AND GAINS**

Turnover represents the net invoiced value of goods sold, after allowances for returns and trade discounts, and the value of services rendered and franchise income, but excludes intra-group transactions.

An analysis of the Group's turnover, other revenue and gains is as follows:

**5. 營業額、其他收入及收益**

營業額指扣除退貨及貿易折扣後之銷貨發票淨值，及提供服務及特許經營收入，但不包括集團內部交易。

本集團之營業額、其他收入及收益分析如下：

		<b>Group</b>	
		<b>集團</b>	
		<b>2005</b>	2004
		<b>HK\$'000</b>	HK\$'000
		<b>港幣千元</b>	港幣千元
Turnover:	營業額：		
Sale of goods	銷售貨品	<b>7,250,027</b>	6,165,638
Rendering of services	提供服務	<b>31,623</b>	32,113
Franchise income	特許經營收入	<b>21,047</b>	18,714
		<b>7,302,697</b>	6,216,465
Other revenue and gains:	其他收入及收益：		
Interest income	利息收入	<b>13,541</b>	4,247
Gross rental income	總租金收入	<b>5,449</b>	4,298
Net realised and unrealised gains on foreign exchange forward contracts	已兌現及未兌現之遠期外匯合約收益淨額	<b>26,936</b>	14,152
Sundry income	雜項收入	<b>41,028</b>	30,518
		<b>86,954</b>	53,215

6. PROFIT FROM OPERATING ACTIVITIES

The Group's profit from operating activities is arrived at after charging/(crediting):

6. 經常業務溢利

本集團經常業務溢利已扣除／(加上)下列各項：

		Group 集團	
		2005	2004
		Notes 附註	HK\$'000 港幣千元
		附註	港幣千元
Cost of inventories sold	已售之貨物成本		5,123,037
Depreciation	折舊	13	232,663
Amortisation of trademarks included in cost of sales	已包括在銷售成本中 商標攤銷	16	2,926
Staff costs, including directors' remuneration (note 7):	員工成本包括 董事酬金(附註7):		
Wages, salaries and other allowances	人工、薪金及 其他津貼		692,534
Provision for long service payments	長期服務金撥備	25	1,155
Retirement benefits schemes contributions	退休福利計劃供款		8,774
Minimum lease payments under operating leases:	經營租賃下之最低 租金:		
Land and buildings	土地及樓宇		671,011
Plant and machinery	廠房設備及機械		8,006
Auditors' remuneration	核數師酬金		1,838
Loss on disposal of fixed assets	出售固定資產虧損		3,610
Surplus on revaluation of investment properties	投資物業重估盈餘	14	(6,881)
Net exchange gains, excluding realised and unrealised gains on foreign exchange forward contracts	滙兌收益淨額，不包括 已兌現及未兌現之 遠期外滙合約收益		(10,534)
Net rental income	租金收入淨額		(5,449)
Provision/(write-back of provision) for slow-moving inventories included in cost of sales	已包括在銷售成本中 呆滯存貨撥備 ／(撥回)		(12,375)
Provision for doubtful debts	呆壞賬撥備		5,763
Write-back of provision for value-added tax recoverable included in cost of sales, net	已包括在銷售成本中 撥回應退增值稅 撥備，淨額		(981)

**7. DIRECTORS' REMUNERATION AND FIVE HIGHEST PAID EMPLOYEES**

Directors' remuneration for the year, disclosed pursuant to the Listing Rules and Section 161 of the Hong Kong Companies Ordinance, is as follows:

**7. 董事酬金及最高薪酬五位僱員**

按《證券上市規則》及香港公司法第161條，本年度董事酬金之披露如下：

		<b>Group</b>	
		<b>集團</b>	
		<b>2005</b>	2004
		<b>HK\$'000</b>	HK\$'000
		<b>港幣千元</b>	港幣千元
<b>Fees:</b>	<b>袍金：</b>		
Executive directors	執行董事	<b>50</b>	50
Independent non-executive directors	獨立非執行董事	<b>630</b>	400
<b>Other emoluments:</b>	<b>其他酬金：</b>		
Executive directors:	執行董事：		
Basic salaries, housing, allowances and benefits in kind	基本薪金、房屋、津貼與實物利益	<b>22,901</b>	22,467
Bonuses	花紅	<b>29,435</b>	28,970
Retirement benefits scheme contributions	退休福利計劃供款	<b>60</b>	60
		<b>53,076</b>	51,947

**7. DIRECTORS' REMUNERATION AND FIVE HIGHEST PAID EMPLOYEES** (continued)

The number of directors, including independent non-executive directors, whose remuneration fell within the following bands is as follows:

**7. 董事酬金及最高薪酬五位僱員** (續)

按下列酬金級別劃分之董事(包括獨立非執行董事)人數如下：

	Number of directors	
	董事人數	
	2005	2004
HK\$		
港幣元		
Nil-1,000,000	3	3
4,500,001-5,000,000	1	—
5,500,001-6,000,000	—	1
6,000,001-6,500,000	—	1
7,000,001-7,500,000	1	—
7,500,001-8,000,000	—	1
8,000,001-8,500,000	1	—
9,000,001-9,500,000	1	—
11,000,001-11,500,000	—	1
20,500,001-21,000,000	—	1
23,000,001-23,500,000	1	—
	<b>8</b>	<b>8</b>

There were no arrangements under which a director waived or agreed to waive any remuneration during the year.

於年內，並無董事放棄或同意放棄任何酬金的安排。

The five highest paid individuals employed by the Group during the year were all directors, details of whose remuneration are set out above.

於年內，集團最高薪酬五位人士全為董事，其薪酬明細已呈列如上。

8. FINANCE COSTS

8. 財務費用

		Group	
		集團	
		2005	2004
		<i>HK\$'000</i>	<i>HK\$'000</i>
		港幣千元	港幣千元
Interest on bank loans	銀行貸款及透支利息		
and overdrafts		<b>7,345</b>	3,612
Interest on shareholder loan	股東貸款利息	<b>2,879</b>	474
		<b>10,224</b>	4,086

**9. TAX**

Hong Kong profits tax has been provided at the rate of 17.5% (2004: 17.5%) on the estimated assessable profits arising in Hong Kong during the year. Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the countries in which the Group operates, based on existing legislation, interpretations and practices in respect thereof.

**9. 稅項**

香港利得稅已按年內於香港賺取之估計應課稅溢利以稅率17.5% (二零零四年：17.5%) 提撥準備。在其他地區所應課稅溢利的稅項，乃根據本集團業務經營所在國家之現有法律、詮釋及常規，按其現行稅率計算。

		<b>Group</b>	
		<b>集團</b>	
		<b>2005</b>	2004
		<b>HK\$'000</b>	HK\$'000
		<b>港幣千元</b>	港幣千元
Group:	集團：		
Hong Kong and PRC taxes:	香港及中國稅項：		
Current year provision	本年度準備	<b>62,940</b>	54,554
Deferred tax charge/(credit)	遞延稅項準備／(回撥)		
(note 26)	(附註26)	<b>(1,827)</b>	1,000
		<b>61,113</b>	55,554
Share of tax attributable to an associate	應佔聯營公司稅項	<b>4,003</b>	2,334
Tax charge for the year	本年度稅項	<b>65,116</b>	57,888

9. TAX (continued)

A reconciliation of the tax expense applicable to profit before tax using the applicable rates for the countries in which the Company and its subsidiaries and associate are domiciled to the tax charge for the year is as follows:

9. 稅項 (續)

按採用本公司及其附屬公司及聯營公司所在國家之法定稅率計算且適用於除稅前溢利之稅項開支與本年度稅項對賬如下：

		Group	
		集團	
		2005	2004
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Profit before tax	除稅前溢利	<b>555,233</b>	527,524
Tax at the domestic tax rates applicable to profits in the countries concerned	按有關當地國家稅率計算且適用於溢利之稅項	<b>67,015</b>	74,865
Income not subject to tax	毋須繳稅之收入	<b>(34,834)</b>	(29,200)
Expenses not deductible for tax	不可作稅項扣減之費用	<b>18,357</b>	8,761
Unrecognised deferred tax assets on tax losses	未確認有關稅項虧損之遞延稅項資產	<b>14,320</b>	13,558
Tax losses utilised from previous periods	過往期間已動用之稅項虧損	<b>(2,048)</b>	(7,829)
Others	其他	<b>2,306</b>	(2,267)
Tax charge for the year	本年度稅項	<b>65,116</b>	57,888

**10. NET PROFIT FROM ORDINARY ACTIVITIES**

**ATTRIBUTABLE TO SHAREHOLDERS**

The net profit from ordinary activities attributable to shareholders for the year ended 31 March 2005 dealt with in the financial statements of the Company was HK\$279,386,000 (2004: HK\$265,808,000) (note 29(b)).

**10. 股東應佔經常業務溢利淨額**

於二零零五年三月三十一日止年度，列入本公司之財務報表內之股東應佔經常業務溢利淨額為港幣279,386,000元（二零零四年：港幣265,808,000元）（附註29(b)）。

**11. DIVIDENDS**

**11. 股息**

		2005	2004
		<i>HK\$'000</i>	<i>HK\$'000</i>
		港幣千元	港幣千元
Interim of HK10.0 cents	中期股息每股港幣10.0仙		
(2004: HK8.0 cents) per share	(二零零四年：港幣8.0仙)	<b>132,598</b>	105,996
Proposed final of HK11.0 cents	擬派末期股息每股港幣11.0仙		
(2004: HK12.0 cents) per share	(二零零四年：港幣12.0仙)	<b>145,881</b>	159,047
		<b>278,479</b>	265,043

The proposed final dividend for the year is subject to the approval of the Company's shareholders at the forthcoming Annual General Meeting.

本年度擬派之末期股息須待本公司股東於即將來臨股東週年大會通過。



## 12. EARNINGS PER SHARE

The basic and diluted earnings per share for the year ended 31 March 2005 have been calculated as follows:

### (a) Basic earnings per share

The calculation of basic earnings per share is based on the net profit from ordinary activities attributable to shareholders for the year of HK\$468,231,000 (2004: HK\$421,970,000) and the weighted average number of 1,325,596,142 (2004: 1,324,573,514) shares in issue during the year.

### (b) Diluted earnings per share

The calculation of diluted earnings per share is based on the net profit from ordinary activities attributable to shareholders for the year of HK\$468,231,000 (2004: HK\$421,970,000) and the weighted average number of 1,337,379,710 (2004: 1,329,141,903) shares in issue, as adjusted to reflect the effects of all potential dilutive shares during the year.

## 12. 每股盈利

截至二零零五年三月三十一日止年度之基本每股盈利及攤薄後之每股盈利的計算為：

### (a) 基本每股盈利

基本每股盈利乃按本年度之股東應佔經常業務溢利淨額港幣468,231,000元(二零零四年：港幣421,970,000元)及年內已發行股份之加權平均數1,325,596,142(二零零四年：1,324,573,514)股計算。

### (b) 攤薄後之每股盈利

攤薄後之每股盈利乃按本年度之股東應佔經常業務溢利淨額港幣468,231,000元(二零零四年：港幣421,970,000元)及年內已發行股份之加權平均數1,337,379,710(二零零四年：1,329,141,903)股計算，加上就所有具攤薄潛力之股份之影響作出調整計算。

12. EARNINGS PER SHARE (continued)

(b) Diluted earnings per share (continued)

A reconciliation of the weighted average number of shares used in the calculation of basic earnings per share to that used in the calculation of diluted earnings per share is as follows:

		Number of shares	
		股份數目	
		2005	2004
Weighted average number of shares in issue during the year used in the calculation of basic earnings per share	用作計算每股基本盈利之年內已發行股份加權平均股數	<b>1,325,596,142</b>	1,324,573,514
Weighted average number of shares assumed to have been issued at no consideration on deemed exercise of all share options outstanding during the year	假設所有於年內未行使購股權皆已行使而被視作以無償發行之股份加權平均股數	<b>11,783,568</b>	4,568,389
Weighted average number of shares used in the calculation of diluted earnings per share	用作計算攤薄後每股盈利之加權平均股數	<b>1,337,379,710</b>	1,329,141,903

12. 每股盈利 (續)

(b) 攤薄後之每股盈利 (續)

以下為用作計算基本每股盈利及攤薄後之每股盈利之加權平均股數調節表：

13. FIXED ASSETS

13. 固定資產

Group

集團

		Leasehold land and buildings	Leasehold improvements	Plant and machinery	Furniture, fixtures and office equipment	Motor vehicles and yacht	Total
		租賃土地 及樓宇	租賃 樓宇裝修	廠房設備 及機械	傢俬、 裝置及 辦公室設備	汽車及 遊艇	合計
		HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元
Cost or valuation:	成本或估值：						
At beginning of year	年初	605,251	303,091	1,284,429	141,076	69,430	2,403,277
Additions	添置	13,870	127,427	291,262	37,125	5,013	474,697
Disposals	出售	(464)	(16,737)	(9,283)	(8,104)	(1,267)	(35,855)
Transfer from construction in progress (note 15)	在建工程 撥入(附註15)	260,012	—	54,414	3,957	—	318,383
Transfer to investment properties (note 14)	撥往投資 物業(附註14)	(6,433)	—	—	—	—	(6,433)
Foreign exchange adjustments	外匯調整	2,417	4,550	893	750	136	8,746
<b>At 31 March 2005</b>	<b>於二零零五年 三月三十一日</b>	874,653	418,331	1,621,715	174,804	73,312	3,162,815
Accumulated depreciation:	累計折舊：						
At beginning of year	年初	128,592	209,683	546,929	93,148	54,801	1,033,153
Provided during the year	本年準備	26,885	68,062	114,426	17,825	5,465	232,663
Disposals	出售	(16)	(11,288)	(8,486)	(5,848)	(975)	(26,613)
Transfer to investment properties (noted 14)	撥往投資 物業(附註14)	(2,384)	—	—	—	—	(2,384)
Foreign exchange adjustments	外匯調整	69	2,213	407	245	74	3,008
<b>At 31 March 2005</b>	<b>於二零零五年 三月三十一日</b>	153,146	268,670	653,276	105,370	59,365	1,239,827
Net book value:	賬面淨值：						
<b>At 31 March 2005</b>	<b>於二零零五年 三月三十一日</b>	721,507	149,661	968,439	69,434	13,947	1,922,988
At 31 March 2004	於二零零四年 三月三十一日	476,659	93,408	737,500	47,928	14,629	1,370,124

**13. FIXED ASSETS** (continued)

An analysis of the leasehold land and buildings at 31 March 2005 is as follows:

**13. 固定資產** (續)

於二零零五年三月三十一日之租賃土地及樓宇分析如下：

		<b>1992</b>		
		<b>Professional</b>		
		<b>valuation</b>	<b>Cost</b>	<b>Total</b>
		<b>專業估值</b>	<b>成本值</b>	<b>合計</b>
		<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
		港幣千元	港幣千元	港幣千元
Medium term leasehold land and buildings situated in Hong Kong	位於香港之中期租賃土地及樓宇	21,336	111,243	132,579
Medium term leasehold land and buildings situated outside Hong Kong	位於香港以外之中期租賃土地及樓宇	—	742,074	742,074
		21,336	853,317	874,653

All the other fixed assets are stated at cost less accumulated depreciation.

所有其他固定資產均按成本減累計折舊列賬。

**13. FIXED ASSETS** (continued)

Certain medium term leasehold land and buildings were revalued in 1992. The Group has adopted the transitional provisions of SSAP 17 "Property, plant and equipment", issued in 1995, of not making further regular revaluations by class of those assets stated at revalued amounts based on revaluations which were reflected in financial statements prior to that date. During the year, certain of these revalued leasehold land and buildings with a total net carrying amount of HK\$4,049,000 were transferred from fixed assets to investment properties (note 14), and the relevant asset revaluation reserve of HK\$1,816,000 was transferred to investment property revaluation reserve. Had such leasehold land and buildings been carried at historical cost less accumulated depreciation, their carrying amount would have been approximately HK\$9,151,000 (2004: HK\$12,439,000).

As at 31 March 2005, certain leasehold land and buildings situated outside Hong Kong (2004: certain motor vehicles and certain leasehold land and buildings situated outside Hong Kong) were pledged to the Group's bankers to secure the Group's banking facilities (note 23).

**13. 固定資產 (續)**

部份中期租賃土地及樓宇曾於一九九二年進行重估。本集團採用於一九九五年發出之會計準則第十七條「物業、廠房及設備」之過渡性規定，不再對已於過往財務報表以重估值入賬之分類資產進行定期重估。於年內，部份已作重估之租賃土地及樓宇，其賬面金額共港幣4,049,000元，已由固定資產轉撥至投資物業(附註14)，及其相關的重估儲備港幣1,816,000元，已由資產重估儲備轉撥投資物業儲備。倘該等土地及樓宇按成本減累計折舊列賬，其賬面金額應約為港幣9,151,000元(二零零四年：港幣12,439,000元)。

於二零零五年三月三十一日，部份位於香港以外之租賃土地及樓宇(二零零四年：部份汽車及部份位於香港以外之租賃土地及樓宇)已抵押予集團往來銀行作集團銀行信貸之用(附註23)。

14. INVESTMENT PROPERTIES

14. 投資物業

		Group	
		集團	
		2005	2004
		HK\$'000	HK\$'000
		港幣千元	港幣千元
At beginning of year	年初	41,920	35,710
Transfer from fixed assets (note 13)	由固定資產轉撥 (附註13)	4,049	2,597
Revaluation surplus credited to the profit and loss account	於損益賬中加入 重估盈餘	6,881	3,613
At 31 March	於三月三十一日	52,850	41,920

The investment properties are all situated in Hong Kong and held under medium term leases. All investment properties were revalued on 31 March 2005 on an open market, existing use basis by Chung, Chan & Associates, Chartered Surveyors, independent professionally qualified valuers. The investment properties are leased to third parties under operating leases, further summary details of which are included in note 32(a) to the financial statements.

投資物業全部位於香港，並按中期租約持有。於二零零五年三月三十一日，全部投資物業曾由獨立專業評估師、特許測量師 Chung, Chan & Associates, Chartered Surveyors 按公開市場現有用途基準進行重估。此投資物業乃以經營租約租予第三者，詳細資料載於財務表附註32(a)。

**14. INVESTMENT PROPERTIES** (continued)

Certain investment properties were transferred from leasehold land and buildings in Hong Kong at their 1992 professional valuation. The related revaluation reserve of HK\$9,054,000 (2004: HK\$7,238,000), which has been reclassified from the asset revaluation reserve to the investment property revaluation reserve, was frozen upon the transfer and will be released directly to retained profits upon the disposal of the related investment properties.

The gross rental income earned from the investment properties during the year amounted to HK\$5,449,000 (2004: HK\$4,298,000).

**14. 投資物業** (續)

若干投資物業已按一九九二年專業估值從香港租賃土地及樓宇轉撥。自資產重估儲備撥往投資物業重估儲備港幣9,054,000元（二零零四年：港幣7,238,000元），已於轉撥時凍結，並將於出售有關投資物業時直接撥往保留溢利。

年內源於投資物業之總租金收入為港幣5,449,000元（二零零四年：港幣4,298,000元）。

**15. CONSTRUCTION IN PROGRESS**

**15. 在建工程**

		Group 集團	
		2005	2004
		<i>HK\$'000</i>	<i>HK\$'000</i>
		港幣千元	港幣千元
At beginning of year	年初	185,064	52,485
Additions	添置	149,921	201,277
Transfer to fixed assets (note 13)	撥往固定資產 (附註13)	(318,383)	(68,490)
Foreign exchange adjustments	外匯調整	2,987	(208)
At 31 March	於三月三十一日	19,589	185,064

16. TRADEMARKS

16. 商標

		Group 集團
		HK\$'000 港幣千元
Cost:	成本：	
At beginning of year	年初	52,564
Additions	添置	50
<b>At 31 March 2005</b>	<b>於二零零五年三月三十一日</b>	<b>52,614</b>
Accumulated amortisation:	累計攤銷：	
At beginning of year	年初	16,569
Provided during the year	本年度準備	2,926
<b>At 31 March 2005</b>	<b>於二零零五年三月三十一日</b>	<b>19,495</b>
Net book value:	賬面淨值：	
<b>At 31 March 2005</b>	<b>於二零零五年三月三十一日</b>	<b>33,119</b>
At 31 March 2004	於二零零四年三月三十一日	35,995

17. INTEREST IN AN ASSOCIATE

17. 於聯營公司之權益

		Group 集團
		2005 2004
		HK\$'000 港幣千元
		HK\$'000 港幣千元
Share of net assets	應佔資產淨值	<b>139,548</b> 133,275



**17. INTEREST IN AN ASSOCIATE** (continued)

As detailed in note 3 to the financial statements, the Group applied the transitional provision of SSAP 30 "Business combinations", which permitted goodwill in respect of the acquisition of an associate of HK\$110,648,000, which occurred prior to the adoption of SSAP 30 "Business combinations", in 2001 to remain eliminated against consolidated reserves (note 29(a)).

Particulars of the associate are as follows:

**17. 於聯營公司之權益** (續)

按財務報表附註3，本集團已應用會計準則第三十條「企業合併」之過渡性條文，該條文容許於二零零一年採納會計準則第三十條「企業合併」前收購聯營公司產生之商譽港幣110,648,000元仍然維持沖銷於綜合儲備中(附註29(a))。

聯營公司之資料如下：

Name 名稱	Business structure 商業架構	Place of incorporation/ operations 註冊成立及 營業地點	Percentage of equity attributable to the Group 本集團應佔權益 百份率		Principal activity 主要業務
			2005	2004	
Megawell Industrial Limited	Corporate 公司	Hong Kong/ Mainland China and Vietnam 香港／中國大陸及越南	50	50	Manufacture of garments 成衣生產

**17. INTEREST IN AN ASSOCIATE** (continued)

A summary of the financial information of Megawell Industrial Limited, based on its audited financial statements for the year ended 31 March 2005, is as follows:

**17. 於聯營公司之權益** (續)

以下為 Megawell Industrial Limited 截至二零零五年三月三十一日止年度經審核財務報表的簡略財務資料：

		<b>2005</b>	2004
		<b>HK\$'000</b>	HK\$'000
		<b>港幣千元</b>	港幣千元
<hr/>			
Balance sheet:	資產負債表：		
Fixed assets	固定資產	<b>55,891</b>	63,146
Current assets	流動資產	<b>336,632</b>	310,229
Current liabilities	流動負債	<b>(132,196)</b>	(129,571)
Long term liabilities	長期負債	<b>(808)</b>	(508)
<hr/>			
Profit and loss account:	損益表：		
Turnover	營業額	<b>815,525</b>	713,246
Profit before tax	除稅前溢利	<b>83,497</b>	66,226

**18. DUE TO AN ASSOCIATE**

The amount due to an associate is unsecured, interest-free and repayable on agreed credit terms.

**18. 應付聯營公司**

應付聯營公司欠款乃無抵押、無利息及須按協訂賬期還款。

19. INVENTORIES

19. 存貨

		Group 集團	
		2005	2004
		<i>HK\$'000</i>	<i>HK\$'000</i>
		港幣千元	港幣千元
Raw materials	原料	545,780	582,975
Work in progress	在製品	46,304	73,439
Finished goods	製成品	463,022	385,264
		<b>1,055,106</b>	<b>1,041,678</b>

20. TRADE AND BILLS RECEIVABLE

20. 應收賬款及應收票據

		Group 集團	
		2005	2004
		<i>HK\$'000</i>	<i>HK\$'000</i>
		港幣千元	港幣千元
Trade receivables	應收賬款	407,652	519,029
Bills receivable	應收票據	16,363	15,805
		<b>424,015</b>	<b>534,834</b>

**20. TRADE AND BILLS RECEIVABLE** (continued)

The trading terms with customers are largely on credit. Invoices are normally payable within 90 days of issue. The Group seeks to maintain strict control over its outstanding receivables and has a credit control policy to minimise credit risk. Overdue balances are regularly reviewed by directors.

An aged analysis of trade receivables as at the balance sheet date, based on invoice date and net of provisions, is as follows:

**20. 應收賬款及應收票據** (續)

本公司與客戶交易一般有賬期，發票一般於發出日後90天內到期。本集團對應收款有一套嚴謹監察制度，以減少信貸風險，並且董事亦會定期審閱逾期賬款跟進情況。

於結算日，按發票日期扣除撥備之應收賬款賬齡分析如下：

		<b>Group</b>	
		<b>集團</b>	
		<b>2005</b>	2004
		<b>HK\$'000</b>	HK\$'000
		<b>港幣千元</b>	港幣千元
Within 90 days	90日內	<b>397,383</b>	502,538
Over 90 days	90日以上	<b>10,269</b>	16,491
		<b>407,652</b>	519,029

20. TRADE AND BILLS RECEIVABLE (continued)

An aged analysis of bills receivable, based on invoice date, as at the balance sheet date is as follows:

20. 應收賬款及應收票據 (續)

於結算日，按發票日期之應收票據賬齡分析如下：

		Group 集團	
		2005	2004
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Within 90 days	90日內	16,158	12,849
Over 90 days	90日以上	205	2,956
		<b>16,363</b>	15,805

21. CASH AND CASH EQUIVALENTS

21. 現金及現金等價物

		Group 集團		Company 公司	
		2005	2004	2005	2004
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元
Cash and bank balances	現金及銀行結存	193,459	176,563	92	77
Time deposits	定期存款	503,731	457,195	—	—
		<b>697,190</b>	633,758	<b>92</b>	77
Less: Long term time deposit	減：長期定期存款	(15,600)	—	—	—
Cash and cash equivalents	現金及現金等價物	<b>681,590</b>	633,758	<b>92</b>	77

**21. CASH AND CASH EQUIVALENTS** (continued)

At the balance sheet date, the cash and bank balances of the Group denominated in Renminbi ("RMB") amounted to HK\$136,416,000 (2004: HK\$78,559,000) and the time deposits of the Group denominated in RMB amounted to HK\$94,751,000 (2004: HK\$264,228,000). RMB is not freely convertible into other currencies, however, under Mainland China's Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for other currencies through banks authorised to conduct foreign exchange business.

**22. TRADE AND BILLS PAYABLE**

**21. 現金及現金等價物** (續)

於結算日，本集團以人民幣定值之現金及銀行結餘為港幣136,416,000元(二零零四年：港幣78,559,000元)，人民幣定期存款則為港幣94,751,000元(二零零四年：港幣264,228,000元)。人民幣不能自由兌換其他貨幣，惟根據中國大陸外匯管制法規及結匯、售匯及付匯管理規定，本集團獲准透過獲授權進行外匯業務之銀行將人民幣兌換為其他貨幣。

**22. 應付賬款及應付票據**

		Group 集團	
		2005	2004
		<i>HK\$'000</i>	<i>HK\$'000</i>
		<b>港幣千元</b>	<b>港幣千元</b>
Trade payables	應付賬款	<b>858,823</b>	728,479
Bills payable	應付票據	<b>16,500</b>	29,849
		<b>875,323</b>	758,328

**22. TRADE AND BILLS PAYABLE** (continued)

An aged analysis of trade payables as at balance sheet date, based on invoice date, is as follows:

		Group 集團	
		2005	2004
		<i>HK\$'000</i>	<i>HK\$'000</i>
		港幣千元	港幣千元
Within 90 days	90日內	<b>815,097</b>	701,856
Over 90 days	90日以上	<b>43,726</b>	26,623
		<b>858,823</b>	728,479

An aged analysis of bills payable, based on invoice date, as at balance sheet date is as follows:

		Group 集團	
		2005	2004
		<i>HK\$'000</i>	<i>HK\$'000</i>
		港幣千元	港幣千元
Within 90 days	90日內	<b>12,401</b>	28,840
Over 90 days	90日以上	<b>4,099</b>	1,009
		<b>16,500</b>	29,849

**22. 應付賬款及應付票據** (續)

於結算日，按發票日期之應付賬款賬齡分析如下：

於結算日，按發票日期之應付票據賬齡分析如下：

23. INTEREST-BEARING BANK BORROWINGS

23. 附息銀行貸款

		Group 集團	
		2005	2004
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Bank overdrafts, unsecured	銀行透支，無抵押	—	403
Bank loans:	銀行貸款：		
Secured	有抵押	<b>9,426</b>	16,735
Unsecured	無抵押	<b>544,536</b>	350,374
		<b>553,962</b>	367,109
		<b>553,962</b>	367,512
Bank overdrafts repayable within one year or on demand	銀行透支於一年內償還或按要求	—	403
Short term bank loans repayable within one year	短期銀行貸款於一年內償還	<b>149,586</b>	45,091
Long term bank loans repayable:	長期銀行貸款須於下列期間清還：		
Within one year	於一年內	<b>269,098</b>	167,535
In the second year	第二年	<b>88,889</b>	154,410
In the third to fifth years, inclusive	第三年至第五年 (包括首尾兩年)	<b>46,389</b>	73
		<b>404,376</b>	322,018
Total interest-bearing bank loans and overdrafts	附息銀行貸款及透支合計	<b>553,962</b>	367,512
Less: Portion classified as current liabilities	減：分類為流動負債之部份	<b>(418,684)</b>	(213,029)
Long term portion	長期部份	<b>135,278</b>	154,483



**23. INTEREST-BEARING BANK BORROWINGS** (continued)

As at 31 March 2005, certain bank loans were secured by the pledge of certain leasehold land and buildings (note 13).

As at 31 March 2004, certain bank loans were secured by the pledge of certain motor vehicles and leasehold land and buildings (note 13), and the value-added tax recoverable from the People's Republic of China (the "PRC") included in the prepayments, deposits and other receivables balance of the Group.

**24. SHAREHOLDER LOAN**

The shareholder loan is unsecured, interest-bearing at Hong Kong Interbank Offered Rate ("HIBOR") plus 0.4% (2004: HIBOR plus 0.4%) per annum and not repayable within one year.

**25. PROVISION FOR LONG SERVICE PAYMENTS**

**23. 附息銀行貸款 (續)**

於二零零五年三月三十一日，部份銀行貸款乃以集團部份租賃土地及樓宇作抵押(附註13)。

於二零零四年三月三十一日，部份銀行貸款乃以集團部份汽車、租賃土地及樓宇(附註13)及已包括於集團的預付賬款、訂金及其他應收賬款內中華人民共和國(「中國」)之應退增值稅款作抵押。

**24. 股東貸款**

股東貸款乃無抵押、年利息為香港銀行同業拆息加0.4%(二零零四年：香港銀行同業拆息加0.4%)，並無須於一年內還款。

**25. 長期服務金撥備**

		Group	
		集團	
		2005	2004
		HK\$'000	HK\$'000
		港幣千元	港幣千元
At beginning of year	年初	7,954	4,941
Additional provision	額外撥備	1,155	3,120
Amount utilised during the year	年內動用金額	(998)	(107)
At 31 March	於三月三十一日	8,111	7,954

26. DEFERRED TAX

26. 遞延稅項

		Group	
		集團	
		2005	2004
		HK\$'000	HK\$'000
		港幣千元	港幣千元
At beginning of year	年初	3,000	2,000
Charge/(credit) for the year	本年度準備／(回撥)		
(note 9)	(附註9)	(1,827)	1,000
At 31 March	於三月三十一日	1,173	3,000

The provision for deferred tax, calculated at 17.5% (2004: 17.5%) mainly relates to the temporary differences arising from accelerated depreciation allowances.

遞延稅項準備以17.5%計算(二零零四年: 17.5%)乃就按加速折舊免稅額引起之暫時性差異而提撥準備。

The Group has tax losses arising in Hong Kong of HK\$325,046,000 (2004: HK\$303,402,000) that are available indefinitely for offsetting against future taxable profits of the companies in which the losses arose. Deferred tax assets have not been recognised in respect of these losses as they have arisen in subsidiaries of which no assessable profits is expected to generate in the foreseeable future.

本集團於香港產生之稅項虧損為港幣325,046,000元(二零零四年: 港幣303,402,000元),有關所產生的虧損可無限期用作抵銷公司日後之應課稅溢利。由於未能確定附屬公司日後會否產生足夠應課稅溢利以抵銷以上稅項虧損,遞延稅項資產並無就該等虧損進行確認。

At 31 March 2005, there was no significant unrecognised deferred tax liabilities (2004: Nil) for taxes that would be payable on the unremitted earnings of certain of the Group's subsidiaries and associate, as the Group has no liability to additional tax should such amounts be remitted.

於二零零五年三月三十一日,稅項中並無因本集團附屬公司及聯營公司之未匯寄盈利有重大未確認遞延稅項負債(二零零四年:無),因倘若該盈利得以匯寄,本集團並無額外稅項負債。

**26. DEFERRED TAX** (continued)

The revaluation of the Group's properties do not constitute temporary differences and, consequently, the amount of potential deferred tax thereon has not been quantified.

There are no income tax consequences attaching to the payment of dividends by the Company to its shareholders.

**26. 遞延稅項 (續)**

重估本集團之物業並不構成時差，因此不必計算可能由此產生之遞延稅項。

本公司向其股東派股息後，並無導致任何須繳納所得稅之後果。

**27. SHARE CAPITAL**

**Shares**

**27. 股本**

**股份**

		<b>2005</b>	2004
		<b>HK\$'000</b>	HK\$'000
		<b>港幣千元</b>	港幣千元
Authorised:	法定：		
2,000,000,000 shares of	2,000,000,000股		
HK\$0.05 each in nominal value	每股面值港幣0.05元	100,000	100,000
Issued and fully paid:	已發行及繳足：		
1,326,108,104	1,326,108,104		
(2004: 1,324,778,104) shares of	(二零零四年：1,324,778,104)股		
HK\$0.05 each in nominal value	每股面值港幣0.05元	66,305	66,239

27. SHARE CAPITAL (continued)

A summary of the movements in the Company's share capital during the year is as follows:

27. 股本 (續)

於本年度內，本公司股本之變動簡略如下：

		Number of shares in issue 已發行 股份數量	Issued capital 已發行 股本 HK\$'000 港幣千元	Share premium account 股本 溢價賬 HK\$'000 港幣千元	Total 總額 HK\$'000 港幣千元
At 1 April 2003	於二零零三年 四月一日	1,324,148,104	66,208	333,628	399,836
Exercise of share options	購股權之行使	630,000	31	3,100	3,131
At 31 March 2004 and 1 April 2004	於二零零四年 三月三十一日 及二零零四年 四月一日	1,324,778,104	66,239	336,728	402,967
Exercise of share options	購股權之行使	1,330,000	66	6,544	6,610
At 31 March 2005	於二零零五年 三月三十一日	1,326,108,104	66,305	343,272	409,577

Subsequent to the balance sheet date, on 12 May 2005 and 27 June 2005, a total of 80,000 new shares were issued upon the exercise of 80,000 share options by certain employees of the Group (note 28).

於結算日後，二零零五年五月十二日及二零零五年六月二十七日，本集團部份僱員行使總數80,000份購股權導至本公司發行新股80,000股(附註28)。

**27. SHARE CAPITAL** (continued)

**Share options**

Detail of the Company's share option scheme and the share options issued under the scheme are included in note 28 to the financial statements.

**28. SHARE OPTION SCHEME**

The Company operates a share option scheme (the "Scheme"), in compliance with the requirements of Chapter 17 of the Listing Rules, for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's operations. Eligible participants of the Scheme include the Company's directors (including independent non-executive directors), and other employees of the Group. The Scheme became effective on 28 August 2002 and will remain in force for ten years from that date.

The maximum number of share options permitted to be granted under the Scheme was an amount equivalent, upon their exercise, to 10% of the shares of the Company in issue at any time. The maximum number of shares issuable under share options to each eligible participant of the 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 shareholders' approval in a general meeting.

**27. 股本 (續)**

**購股權**

本公司之購股權計劃及根據該計劃發行之購股權之詳細資料已載於財務報表附註28。

**28. 購股權計劃**

本公司採納一個符合《證券上市規則》第十七章要求的新購股權計劃「該計劃」，主要目的是向符合資格及曾對集團作出貢獻的參與者給與獎勵及獎賞。該計劃符合資格參與者包括本公司董事（包括獨立非執行董事）及集團其他僱員。有效期為由二零零二年八月二十八日起計之十年內。

該計劃允許之最多可授予之購股權為相等於本公司任何時間之10%已發行股份。於任何十二個月期間內根據購股權計劃可向每名合資格參與人士發行之股份數目，最多不得超逾任何時間之本公司已發行股份1%。進一步授出超過該限額之購股權必須獲股東於股東大會批准。

**28. SHARE OPTION SCHEME** (continued)

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. 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 the grant) in excess of HK\$5 million, within any 12-month period, are subject to shareholders' approval in advance in a general meeting.

The offer of a grant of share options may be accepted within 28 days 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 but is not more than 10 years from the date of grant.

The exercise price of the share options is determinable by the directors, but may not be less than the higher of (i) the Stock Exchange closing price of the Company's shares on the date of the offer of the share options; (ii) the average Stock Exchange closing price of the Company's shares for the five trading days immediately preceding the date of the offer; and (iii) the nominal value of a share. Share options do not confer rights on the holders to dividends or to vote at shareholders' meetings.

**28. 購股權計劃** (續)

向董事、行政總裁、主要股東或彼等任何聯繫人士授出購股權必須獲獨立非執行董事事先批准。此外，於任何十二個月期間內任何購股權授予主要股東或獨立非執行董事或彼等聯繫人士超過本公司在任何時間已發行股本0.1%或總值(按本公司股份於該授予日期之價格計算)超逾港幣5百萬元，必須事先獲股東於股東大會批准。

購股權之被授予人必須於頒授日起之28日內支付名義代價港幣1元。購股權之行使限期由董事會決定，但最長不超過頒授日起計之十年。

購股權之認購價由董事釐定，惟不得低於以下之較高者：(i)本公司股份於頒授購股權日期在聯交所之收市價；(ii)本公司股份於緊接頒授日期前五個交易日在聯交所之平均收市價；及(iii)股份票面值。購股權並無賦予持有人收取股息或於股東大會投票之權利。

28. SHARE OPTION SCHEME (continued)

The following share options were outstanding under the Scheme at the balance sheet date:

28. 購股權計劃 (續)

於結算日，未行使之購股權如下：

Name or category of participant 參與者 名稱或類別	Date of grant of share options* 購股權 頒發日期*	Exercise price of share options** 購股權 行使價格** HK\$ 港幣元	Number of share options 購股權數目				Exercise period of share options 購股權行使期限	Price of Company's shares*** 本公司股價***	
			At 1 April 2004 於二零零四年 四月一日	Exercised during the year 年內 已行使	Cancelled during the year 年內 已取消	At 31 March 2005 於二零零五年 三月三十一日		At grant date of options 於頒發購股權日 HK\$ 港幣元	At exercise date of options 於行使日 HK\$ 港幣元
<b>Directors</b> <b>董事</b>									
Poon Bun Chak 潘彬澤	11 September 2002 二零零二年九月十一日	4.97	1,000,000	—	—	1,000,000	11 September 2002 to 10 September 2012 二零零二年九月十一日至二零一二年九月十日	4.80	—
Poon Kai Chak 潘佳澤	11 September 2002 二零零二年九月十一日	4.97	7,500,000	—	—	7,500,000	11 September 2002 to 10 September 2012 二零零二年九月十一日至二零一二年九月十日	4.80	—
	26 March 2004 二零零四年三月二十六日	5.60	3,000,000	—	—	3,000,000	26 March 2004 to 25 March 2014 二零零四年三月二十六日至二零一四年三月二十五日	5.55	—
			10,500,000	—	—	10,500,000			
Poon Kei Chak 潘熾澤	11 September 2002 二零零二年九月十一日	4.97	7,500,000	—	—	7,500,000	11 September 2002 to 10 September 2012 二零零二年九月十一日至二零一二年九月十日	4.80	—
	26 March 2004 二零零四年三月二十六日	5.60	3,000,000	—	—	3,000,000	26 March 2004 to 25 March 2014 二零零四年三月二十六日至二零一四年三月二十五日	5.55	—
			10,500,000	—	—	10,500,000			
Poon Kwan Chak 潘鈞澤	11 September 2002 二零零二年九月十一日	4.97	4,000,000	—	—	4,000,000	11 September 2002 to 10 September 2012 二零零二年九月十一日至二零一二年九月十日	4.80	—
	26 March 2004 二零零四年三月二十六日	5.60	6,000,000	—	—	6,000,000	26 March 2004 to 25 March 2014 二零零四年三月二十六日至二零一四年三月二十五日	5.55	—
			10,000,000	—	—	10,000,000			
Ting Kit Chung 丁傑忠	11 September 2002 二零零二年九月十一日	4.97	4,000,000	—	—	4,000,000	11 September 2002 to 10 September 2012 二零零二年九月十一日至二零一二年九月十日	4.80	—
	26 March 2004 二零零四年三月二十六日	5.60	6,000,000	—	—	6,000,000	26 March 2004 to 25 March 2014 二零零四年三月二十六日至二零一四年三月二十五日	5.55	—
			10,000,000	—	—	10,000,000			
Au Son Yiu 區焜耀	11 September 2002 二零零二年九月十一日	4.97	200,000	—	—	200,000	11 September 2002 to 10 September 2012 二零零二年九月十一日至二零一二年九月十日	4.80	—
	26 March 2004 二零零四年三月二十六日	5.60	200,000	—	—	200,000	26 March 2004 to 25 March 2014 二零零四年三月二十六日至二零一四年三月二十五日	5.55	—
			400,000	—	—	400,000			
Cheng Shu Wing 鄭樹榮	11 September 2002 二零零二年九月十一日	4.97	200,000	—	—	200,000	11 September 2002 to 10 September 2012 二零零二年九月十一日至二零一二年九月十日	4.80	—
	26 March 2004 二零零四年三月二十六日	5.60	200,000	—	—	200,000	26 March 2004 to 25 March 2014 二零零四年三月二十六日至二零一四年三月二十五日	5.55	—
			400,000	—	—	400,000			
Wong Tze Kin, David 黃自建	26 March 2004 二零零四年三月二十六日	5.60	200,000	—	—	200,000	26 March 2004 to 25 March 2014 二零零四年三月二十六日至二零一四年三月二十五日	5.55	—

28. SHARE OPTION SCHEME (continued)

28. 購股權計劃 (續)

Name or category of participant 參與者 名稱或類別	Date of grant of share options* 購股權 頒授日期*	Exercise price of share options** 行使價格** HK\$ 港幣元	Number of share options 購股權數目				Exercise period of share options 購股權行使期限	Price of Company's shares*** 本公司股價***	
			At 1 April 2004 於二零零四年 四月一日	Exercised during the year 年內 已行使	Cancelled during the year 年內 已取消	At 31 March 2005 於二零零五年 三月三十一日		At grant date of options 於頒授購股權日 HK\$ 港幣元	At exercise date of options 於行使日 HK\$ 港幣元
<b>Other employees</b> 其他僱員									
In aggregate 合共	11 September 2002 二零零二年九月十一日	4.97	3,070,000	(1,330,000)	(270,000)	<b>1,470,000</b>	11 September 2002 to 10 September 2012 二零零二年九月十一日至二零一二年九月十日	4.80	6.61
	26 March 2004 二零零四年三月二十六日	5.60	7,650,000	—	(550,000)	<b>7,100,000</b>	1 April 2006 to 25 March 2014 二零零六年四月一日至二零一四年三月二十五日	5.55	—
			10,720,000	(1,330,000)	(820,000)	<b>8,570,000</b>			
			53,720,000	(1,330,000)	(820,000)	<b>51,570,000</b>			

\* The vesting period of the share options is from the date of the grant until the commencement of the exercise period.

\*\* The exercise price of the share options is subject to adjustment in the case of rights or bonus issues, or other similar changes in the Company's share capital.

\*\*\* The price of the Company's shares disclosed as at the date of the grant of the share options is the Stock Exchange closing price on the trading day immediately prior to the date of the grant of the options. The price of the Company's shares disclosed as at the date of the exercise of the share options is the weighted average of the Stock Exchange closing prices immediately before the dates on which all the options were exercised.

The 1,330,000 share options exercised during the year resulted in the issue of 1,330,000 ordinary shares of the Company, new share capital of HK\$66,000 and share premium of HK\$6,544,000, as detailed in note 27 to the financial statements. 820,000 share options were cancelled upon resignation of certain employees of the Group during the year.

\* 購股權有效日期乃由頒授購股權日起至行使期開始止。

\*\* 購股權的行使價於本公司配股或派發紅股或在股本中有其他類似轉變時可予調整。

\*\*\* 於購股權授出日期披露之本公司股份價格為緊接授出購股權日期前交易日之聯交所收市價。於購股權行使日期披露之本公司股份價格為緊接於所有已行使購股權日前之聯交所加權平均收市價。

於年內，1,330,000份購股權獲行使，導致發行1,330,000股本公司普通股，並產生新股本港幣66,000元及股份溢價港幣6,544,000元，詳情見財務報表附註27。於年內，由於本集團部份僱員離職，820,000份購股權因而被取消。



**28. SHARE OPTION SCHEME** (continued)

At 31 March 2005, 51,570,000 share options remained outstanding under the Scheme, which represented approximately 3.9% of the Company's shares in issue as at that date. The exercise in full of the remaining share options would, under the present capital structure of the Company, result in the issue of 51,570,000 additional ordinary shares of the Company and additional share capital of HK\$2,579,000 and share premium of HK\$269,915,000 (before issue expenses).

Subsequent to the balance sheet date, on 12 May 2005 and 27 June 2005, a total of 80,000 new shares were issued upon the exercise of 80,000 share options by certain employees of the Group (note 27) and, on 6 and 16 April 2005, a total of 200,000 shares options were cancelled upon the resignation of certain employees of the Group.

**29. RESERVES**

**(a) Group**

The amount of the Group's reserves and the movements therein for the current and prior years are presented in the consolidated statement of changes in equity on pages 35 and 36 of the financial statements.

As detailed in notes 3 and 17 to the financial statements, certain amounts of goodwill and negative goodwill arising on the acquisitions of an associate and a subsidiary in prior years, of HK\$110,648,000 and HK\$45,000, respectively, remain eliminated against or credited to the consolidated reserves. The amount of goodwill is stated at cost.

**28. 購股權計劃 (續)**

於二零零五年三月三十一日，該計劃下尚有51,570,000份購股權未獲行使相當於該日本公司已發行股份約3.9%。根據本公司之現有資本架構，全面行使餘下之購股權將導致額外發行51,570,000股本公司之普通股，並額外產生股本港幣2,579,000元及股份溢價港幣269,915,000元（未計發行開支）。

於結算日後，二零零五年五月十二日及二零零五年六月二十七日，本集團部份僱員行使總數80,000份購股權及本公司發行新股80,000股（附註27）。於二零零五年四月六日及十六日，由於本集團部份僱員離職，200,000份購股權因而被取消。

**29. 儲備**

**(a) 集團**

本年度及前年度本集團儲備及其間變動之數額呈列於財務報表第35及36頁之綜合權益變動報表內。

載於財務報表附註3及17已列明，從往年度收購聯營及附屬公司產生之商譽及負商譽保留沖銷於綜合儲備中分別為港幣110,648,000元及港幣45,000元，商譽乃按成本入賬。

29. RESERVES (continued)

(a) Group (continued)

The Group's contributed surplus represents the difference between the nominal value of the issued share capital of the Company and the then nominal value of the issued share capital of the subsidiaries acquired at the date of acquisition, as a result of the reorganisation which occurred before the listing of the Company's shares in 1992.

(b) Company

29. 儲備 (續)

(a) 集團 (續)

因應本公司在一九九二年上市前的重組，本集團之實繳盈餘，即本公司已發行股本之面值，與所收購附屬公司於收購日期之股本面值之差額。

(b) 公司

			Share premium account	Capital redemption reserve	Contributed surplus	Retained profits	Total
			股本溢價賬	股本贖回 儲備	實繳盈餘	保留溢利	總額
	Notes 附註	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元
At 1 April 2003	於二零零三年 四月一日		333,628	1,587	48,708	378,233	762,156
Exercise of share options	行使購股權	27	3,100	—	—	—	3,100
Net profit for the year	本年度溢利 淨額		—	—	—	265,808	265,808
Interim 2004 dividend	二零零四年中期 股息	11	—	—	—	(105,996)	(105,996)
Proposed final 2004 dividend	二零零四年擬派 末期股息	11	—	—	—	(159,047)	(159,047)
At 31 March 2004 and 1 April 2004	於二零零四年 三月三十一日 及二零零四年 四月一日		336,728	1,587	48,708	378,998	766,021
Exercise of share options	行使購股權	27	6,544	—	—	—	6,544
Net profit for the year	本年度溢利 淨額		—	—	—	279,386	279,386
Interim 2005 dividend	二零零五年中期 股息	11	—	—	—	(132,598)	(132,598)
Proposed final 2005 dividend	二零零五年擬派 末期股息	11	—	—	—	(145,881)	(145,881)
<b>At 31 March 2005</b>	<b>於二零零五年 三月三十一日</b>		<b>343,272</b>	<b>1,587</b>	<b>48,708</b>	<b>379,905</b>	<b>773,472</b>

29. RESERVES (continued)

(b) Company (continued)

The Company's contributed surplus represents the difference between the nominal value of the issued share capital of the Company and the then combined net assets of the subsidiaries acquired on the date of acquisition, as a result of the reorganisation which occurred before the listing of the Company's shares in 1992. Under the Companies Act 1981 of Bermuda (as amended), a distribution may be made out of the contributed surplus under certain circumstances.

29. 儲備 (續)

(b) 公司 (續)

因應本公司在一九九二年上市前的重組，本公司之實繳盈餘，即本公司已發行股本之面值，與所收購附屬公司於收購日之合併資產淨值之差額。根據百慕達一九八一年公司法（經修訂），可於若干情況下派發實繳盈餘。

30. INTERESTS IN SUBSIDIARIES

30. 於附屬公司之權益

		Company	
		公司	
		2005	2004
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Unlisted shares, at cost	非上市股份，成本值	48,908	48,908
Due from subsidiaries	應收附屬公司賬款	2,124,539	2,129,940
Due to subsidiaries	應付附屬公司賬款	(1,334,081)	(1,347,235)
		839,366	831,613

The balances with subsidiaries are unsecured, interest-free and not repayable within one year.

與附屬公司之賬款結餘，乃無抵押、無利息及無須於一年內償還。

**30. INTERESTS IN SUBSIDIARIES (continued)**

All subsidiaries, other than Trustland Inc., are indirectly held by the Company. The particulars of the principal subsidiaries are as follows:

**30. 於附屬公司之權益 (續)**

除 Trustland Inc.外，所有附屬公司均由本公司間接持有。主要附屬公司詳情如下：

Name 名稱	Place of incorporation/ registration and operations 註冊成立/ 登記及營業地點	Nominal value of issued ordinary/ paid-up capital 已發行普通股/ 已繳股本面值	Percentage of equity attributable to the Company 本公司應佔權益 之百分率		Principal activities 主要業務
			2005	2004	
Trustland Inc.	British Virgin Islands/ Hong Kong 英屬處女群島/香港	US\$18,000 18,000美元	100	100	Investment holding 投資控股
Nice Dyeing Factory Limited 永佳染廠有限公司	Hong Kong 香港	Ordinary HK\$1,000 Non-voting deferred HK\$3,125,000 普通股本港幣1,000元 無投票權遞延股本 港幣3,125,000元	100	100	Sale of finished knitted fabric and dyed yarn 銷售針織布及色紗
Texwinca Enterprises (China) Limited 德永佳(中國)發展 有限公司	British Virgin Islands/ the PRC 英屬處女群島/中國	US\$1 1美元	100	100	Investment holding and provision of subcontracting services 投資控股及提供 加工服務
Dongguan Texwinca Textile & Garment Limited 東莞德永佳紡織製衣 有限公司	the PRC/Mainland China 中國/中國大陸	HK\$1,062,448,508 港幣1,062,448,508元	100	100	Production of finished knitted fabric and dyed yarn 生產整染針織布及 色紗

30. INTERESTS IN SUBSIDIARIES (continued)

30. 於附屬公司之權益 (續)

Name 名稱	Place of incorporation/ registration and operations 註冊成立/ 登記及營業地點	Nominal value of issued ordinary/ paid-up capital 已發行普通股/ 已繳股本面值	Percentage of equity attributable to the Company 本公司應佔權益 之百分率		Principal activities 主要業務
			2005	2004	
Texwinca Enterprises Limited	Hong Kong	HK\$2	100	100	Provision of management services
德永佳實業有限公司	香港	港幣2元			提供管理服務
Win Ready Industrial Limited	Hong Kong	Ordinary HK\$10 Non-voting deferred HK\$2	100	100	Property holding
永備實業有限公司	香港	普通股本港幣10元 無投票權遞延股本 港幣2元			持有物業
Winlife Trading Limited 永生行有限公司	Hong Kong 香港	HK\$15,903,100 港幣15,903,100元	100	100	Property holding 持有物業
Baleno Holdings Limited 班尼路集團有限公司	British Virgin Islands 英屬處女群島	US\$10,000 10,000美元	54	54	Investment holding 投資控股
Baleno Kingdom Limited 班尼路有限公司	Hong Kong 香港	HK\$10,000 港幣10,000元	54	54	Retail and distribution of casual apparel and accessory 便服及飾物 零售及分銷
Guangzhou Friendship Baleno Company Limited 廣州友誼班尼路服飾 有限公司	the PRC/Mainland China 中國/中國大陸	HK\$48,800,000 港幣48,800,000元	54	54	Retail and distribution of casual apparel and accessory 便服及飾物 零售及分銷

30. INTERESTS IN SUBSIDIARIES (continued)

30. 於附屬公司之權益 (續)

Name 名稱	Place of incorporation/ registration and operations 註冊成立/ 登記及營業地點	Nominal value of issued ordinary/ paid-up capital 已發行普通股/ 已繳股本面值	Percentage of equity attributable to the Company 本公司應佔權益 之百分率		Principal activities 主要業務
			2005	2004	
Shanghai Haiwen Baleno Garment Company Limited 上海海文班尼路服飾 有限公司	the PRC/Mainland China 中國/中國大陸	US\$210,000 210,000美元	51.4	51.4	Retail and distribution of casual apparel and accessory 便服及飾物 零售及分銷
Beijing Xingyu Baleno Garment & Decoration Company Limited 北京興宇班尼路服裝 服飾有限公司	the PRC 中國/中國大陸	US\$500,000 500,000美元	54	54	Retail and distribution of casual apparel and accessory 便服及飾物 零售及分銷
Chongqing Dasheng Baleno Fashion Company Limited 重慶大生班尼路服飾 有限公司	the PRC/Mainland China 中國/中國大陸	HK\$3,880,000 港幣3,880,000元	54	54	Retail and distribution of casual apparel and accessory 便服及飾物 零售及分銷
天津市班尼路服飾 有限公司	the PRC/Mainland China 中國/中國大陸	RMB500,000 人民幣500,000元	54	54	Retail and distribution of casual apparel and accessory 便服及飾物 零售及分銷
Silver Kingdom Limited 銀鯨有限公司	British Virgin Islands/ Taiwan 英屬處女群島/台灣	US\$1 1美元	54	54	Retail and distribution of casual apparel and accessory 便服及飾物 零售及分銷

30. INTERESTS IN SUBSIDIARIES (continued)

30. 於附屬公司之權益 (續)

Name 名稱	Place of incorporation/ registration and operations 註冊成立/ 登記及營業地點	Nominal value of issued ordinary/ paid-up capital 已發行普通股/ 已繳股本面值	Percentage of equity attributable to the Company 本公司應佔權益 之百分率		Principal activities 主要業務
			2005	2004	
Bigpoint Limited	British Virgin Islands/ the PRC	US\$1	100	100	Holding of trademarks and provision of franchise services
大班有限公司	英屬處女群島/中國	1美元			持有商標及 提供商標服務
Highrich Corporation	British Virgin Islands/ the PRC	US\$1	54	54	Provision of management services and sub-licensing of trademarks
大富有限公司	英屬處女群島/中國	1美元			提供管理服務 及代理版權服務
Winca Trading Limited	British Virgin Islands/ Hong Kong	US\$1	100	100	Provision of repair and maintenance services for generators and trading of generators
永佳貿易有限公司	英屬處女群島/香港	1美元			提供發電機之 維修及銷售
Winca (Dongguan) Motor Service Limited	the PRC/Mainland China	HK\$28,460,000	100	100	Provision of repair and maintenance services for motors
永佳(東莞)汽車維修 服務有限公司	中國/中國大陸	港幣28,460,000元			提供汽車之維修

30. INTERESTS IN SUBSIDIARIES (continued)

30. 於附屬公司之權益 (續)

Name 名稱	Place of incorporation/ registration and operations 註冊成立/ 登記及營業地點	Nominal value of issued ordinary/ paid-up capital 已發行普通股/ 已繳股本面值	Percentage of equity attributable to the Company 本公司應佔權益 之百分率		Principal activities 主要業務
			2005	2004	
Overseas Union Limited 聯合海外有限公司	Hong Kong 香港	HK\$2 港幣2元	54	54	Leasing of properties 租賃物業
Successful Channel Corporation	British Virgin Islands/ the PRC 英屬處女群島/中國	US\$1 1美元	54	54	Property holding 持有物業
Samuel & Kevin Macau Fashion Company Limited	Macau	MOP25,000	54	54	Retail and distribution of casual apparel and accessory
Samuel & Kevin 服裝 服飾澳門有限公司	澳門	葡幣 25,000元			便服及飾物 零售及分銷
Billion Global Limited	British Virgin Islands/ Taiwan	US\$1	54	54	Retail and distribution of casual apparel and accessory
億皓股份有限公司	英屬處女群島/ 台灣	1美元			便服及飾物 零售及分銷
南京班尼路服飾 有限公司	the PRC/Mainland China	RMB1,010,000	54	54	Retail and distribution of casual apparel and accessory
	中國/中國大陸	人民幣 1,010,000元			便服及飾物 零售及分銷



30. INTERESTS IN SUBSIDIARIES (continued)

30. 於附屬公司之權益 (續)

Name 名稱	Place of incorporation/ registration and operations 註冊成立/ 登記及營業地點	Nominal value of issued ordinary/ paid-up capital 已發行普通股/ 已繳股本面值	Percentage of equity attributable to the Company 本公司應佔權益 之百分率		Principal activities 主要業務
			2005	2004	
武漢班尼路商貿 有限公司	the PRC/Mainland China 中國/中國大陸	RMB1,080,000 人民幣1,080,000元	54	54	Retail and distribution of casual apparel and accessory 便服及飾物 零售及分銷
長沙班尼路服飾 有限公司	the PRC/Mainland China 中國/中國大陸	RMB500,000 人民幣500,000元	54	54	Retail and distribution of casual apparel and accessory 便服及飾物 零售及分銷
陝西班尼路服飾 有限公司	the PRC/Mainland China 中國/中國大陸	RMB600,000 人民幣600,000元	54	54	Retail and distribution of casual apparel and accessory 便服及飾物 零售及分銷
Baleno Kingdom (Singapore) Private Limited	Singapore 新加坡	SG\$300,000 坡幣300,000元	54	54	Retail and distribution of casual apparel and accessory 便服及飾物 零售及分銷
Grand Nice Development Limited 嘉麗發展有限公司	Hong Kong 香港	HK\$2 港幣2元	54	54	Leasing of properties 租賃物業
Excel Billion Inc. 永億國際有限公司	British Virgin Islands/Taiwan 英屬處女群島/ 台灣	US\$1 1美元	54	54	Property holding 持有物業
大連班尼路服飾 有限公司	the PRC/Mainland China 中國/中國大陸	HK\$2,100,000 港幣2,100,000元	54	54	Retail and distribution of casual apparel and accessory 便服及飾物 零售及分銷

**30. INTERESTS IN SUBSIDIARIES (continued)**

The above table lists the subsidiaries of the Company which, in the opinion of the directors, principally affected the results for the year or formed a substantial portion of the net assets of the Group. To give details of all subsidiaries would, in the opinion of the directors, result in particulars of excessive length.

**31. CONTINGENT LIABILITIES**

(a) At the balance sheet date, contingent liabilities not provided for in the financial statements were as follows:

**30. 於附屬公司之權益 (續)**

上表僅列出本公司之主要附屬公司，董事認為彼等對本集團之業績構成主要影響或組成本集團淨資產之主要部份。董事認為詳列所有附屬公司會令篇幅過於冗長。

**31. 或有負債**

(a) 於結算日，於財務報表未作撥備之或有負債如下：

		Group		Company	
		集團		公司	
		2005	2004	2005	2004
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元
Bank guarantees given in lieu of property rental deposits	代替租用物業按金之銀行擔保	3,734	3,934	—	1,580
Guarantees of banking facilities granted to an associate	為聯營公司銀行信貸所作之擔保	12,500	12,500	12,500	12,500
Guarantees of banking facilities granted to subsidiaries	為附屬公司銀行信貸所作之擔保	—	—	3,157,000	1,898,000
Export bills discounted with recourse	有追索權之出口票據貼現	239,543	255,870	—	—

**31. CONTINGENT LIABILITIES** (continued)

As at 31 March 2005, the banking facilities granted to an associate and subsidiaries with guarantees given to the banks by the Company were not utilized (2004: Nil) and were utilised to the extent of approximately HK\$545 million (2004: HK\$351 million), respectively.

- (b) In respect of possible future long service payments to employees under the Hong Kong Employment Ordinance as further explained under the heading "Employee benefits" in note 3 to financial statements, the Group has made a provision of HK\$8,111,000 (2004: HK\$7,955,000) and has further contingent liability with a maximum possible amount of HK\$3,647,000 (2004: HK\$5,320,000) as at 31 March 2005.

The contingent liability has arisen because, at the balance sheet date, certain employees of the Group were eligible for long service payments under the Employment Ordinance if their employment were terminated under certain circumstances. A provision has not been recognised in respect of such possible payments, as it is not considered probable that the situation will result in a material future outflow of resources from the Group.

**31. 或有負債 (續)**

截至二零零五年三月三十一日，聯營公司並無動用本公司已作擔保之銀行額度（二零零四年：無），而附屬公司則已動用港幣545百萬元（二零零四年：港幣351百萬元）。

- (b) 根據香港僱傭條例可能須於未來向僱員支付長期服務金，如財務報表附註3「僱員福利」一節所詳述，於二零零五年三月三十一日，本集團已撥備港幣8,111,000元（二零零四年：港幣7,955,000元）及或有負債可能涉及之金額最多為港幣3,647,000元（二零零四年：港幣5,320,000元）。

有關或有負債產生之原因為於結算日，若干現任僱員服務本集團年數已符合僱傭條例下的資格於若干情況被終止任職時可獲付長期服務金之規定。由於預期該等情況不大可能會對本集團日後資源流出有任何重大影響，故並無就有關可能支付之款項確認撥備。

### 31. CONTINGENT LIABILITIES (continued)

- (c) A subsidiary of the Group in Taiwan is currently subject to a claim from the National Tax Authority (the "NTA") of Taiwan for the underpayment of business tax on sales made through certain local stores in Taiwan during the period from November 1998 to December 2002 together with penalties, of NTD63 million in aggregate (equivalent to HK\$14 million). An amendment letter against the claims was filed by the local tax representative of the subsidiary in the prior year. The directors, based on the advice from the local tax representative of the subsidiary, believe that the subsidiary has a valid ground to object the claims from the NTA, and accordingly, the Group has not made any provision for the tax claim as at 31 March 2004 and 2005.

### 32. OPERATING LEASE ARRANGEMENTS

#### (a) As lessor

The Group leases its investment properties (note 14) under operating lease arrangements, with leases negotiated for terms ranging from two to three years. The terms of the leases generally also require the tenants to pay security deposits and provide for periodic rent adjustments according to the then prevailing market conditions.

### 31. 或有負債 (續)

- (c) 本集團於台灣之其中一間附屬公司受到台灣國稅局追索有關透過部份當地店舖擁有者於一九九八年十一月至二零零二年十二月期間銷售之少付營業稅及罰款，總額共新台幣63百萬元(相等於港幣14百萬元)。該附屬公司之當地稅務代表已呈交抗辯信反對該索償。按該附屬公司當地稅務代表之意見，董事相信該附屬公司有充分理據反對國稅局之索償，因此，本集團並沒有於二零零四年三月三十一日及二零零五年三月三十一日為此稅務索償作出撥備。

### 32. 經營租賃安排

#### (a) 作為出租人

本集團根據經營租賃安排出租旗下投資物業(附註14)，議定期由兩年至三年不等。租約條款一般規定租戶須繳付保證按金及訂明可根據當時市場情況定期作出租金調整。

**32. OPERATING LEASE ARRANGEMENTS** (continued)

(a) **As lessor** (continued)

At 31 March 2005, the Group had total future minimum lease receivables under non-cancellable operating leases with its tenants falling due as follows:

		<b>Group</b>	
		<b>集團</b>	
		<b>2005</b>	2004
		<b>HK\$'000</b>	HK\$'000
		<b>港幣千元</b>	港幣千元
Within one year	於一年內	<b>3,155</b>	2,717
In the second to fifth years, inclusive	第二年至第五年 (包括首尾兩年)	<b>2,258</b>	103
After five years	於五年後	<b>14</b>	—
		<b>5,427</b>	2,820

(b) **As lessee**

The Group leases certain of its land for factories, retail stores, plant and machinery, and staff and directors' quarters under operating lease arrangements. Such leases are negotiated for terms of not more than 50 years.

**32. 經營租賃安排** (續)

(a) **作為出租人** (續)

於二零零五年三月三十一日，本集團根據有關之不可撤銷經營租賃合約未來最低應收租金總額到期情況如下：

(b) **作為承租人**

本集團根據經營租賃安排租用若干土地用作工廠、零售商店、廠房設備及機械，以及員工及董事宿舍。該等租約議定租期不超過五十年。

**32. OPERATING LEASE ARRANGEMENTS** (continued)

(b) **As lessee** (continued)

At 31 March 2005, the Group had total future minimum lease payments under non-cancellable operating leases falling due as follows:

		<b>Group</b>	
		<b>集團</b>	
		<b>2005</b>	2004
		<b>HK\$'000</b>	HK\$'000
		<b>港幣千元</b>	港幣千元
Within one year	於一年內	<b>451,792</b>	415,530
In the second to fifth years, inclusive	第二年至第五年 (包括首尾兩年)	<b>698,222</b>	709,874
After five years	於五年後	<b>495,220</b>	441,511
		<b>1,645,234</b>	1,566,915

At the balance sheet date, the Company had no commitment under operating lease arrangements (2004: Nil).

**32. 經營租賃安排** (續)

(b) **作為承租人** (續)

於二零零五年三月三十一日，本集團根據有關之不可撤銷經營租賃合約未來最低應付租金總額到期情況如下：

於結算日，本公司並無經營租賃安排承擔(二零零四年：無)。

33. COMMITMENTS

(a) Capital commitments

Commitments for capital expenditure at the balance sheet date were as follows:

		Group	
		集團	
		2005	2004
		HK\$'000	HK\$'000
		港幣千元	港幣千元
In respect of fixed assets, contracted, but not provided for	已就固定資產訂約，但未作準備	40,373	84,478
In respect of fixed assets, authorised, but not contracted for	已就固定資產核準，但沒有訂約	332,361	345,206
In respect of investments in subsidiaries operating in Mainland China, contracted, but not provided for	已就投資於中國大陸之附屬公司訂約，但未作準備	312,343	722,380
		<b>685,077</b>	1,152,064

At the balance sheet date, the Company had no capital commitment (2004: Nil).

(b) At 31 March 2005, the Group had outstanding foreign exchange forward contracts with an equivalent aggregate principal amount of HK\$3,898 million (2004: HK\$3,336 million).

33. 承擔

(a) 資本承擔

於結算日，資本支出承擔如下：

		Group	
		集團	
		2005	2004
		HK\$'000	HK\$'000
		港幣千元	港幣千元
In respect of fixed assets, contracted, but not provided for	已就固定資產訂約，但未作準備	40,373	84,478
In respect of fixed assets, authorised, but not contracted for	已就固定資產核準，但沒有訂約	332,361	345,206
In respect of investments in subsidiaries operating in Mainland China, contracted, but not provided for	已就投資於中國大陸之附屬公司訂約，但未作準備	312,343	722,380
		<b>685,077</b>	1,152,064

於結算日，本公司並無資本承擔 (二零零四年：無)。

(b) 於二零零五年三月三十一日，本集團有相等於本金總值港幣3,898百萬元 (二零零四年：港幣3,336百萬元) 之未完成遠期外匯合約。

**34. RELATED PARTY TRANSACTIONS**

(a) During the year, the Group had the following transactions with its associate:

		<b>Group</b>		
		<b>集團</b>		
		<b>2005</b>		2004
		<i>Notes</i>	<b>HK\$'000</b>	<i>HK\$'000</i>
		<i>附註</i>	<b>港幣千元</b>	<i>港幣千元</i>
Sales to Megawell Industrial Limited ("Megawell")	銷售予 Megawell Industrial Limited (「Megawell」)	<i>(i)</i>	317,944	265,183
Purchases from Megawell	向 Megawell 採購	<i>(ii)</i>	208,692	203,846

*Notes:*

- (i) The sales to Megawell, the associate of the Group, were made according to the prices and conditions offered to the major customers of the Group.
- (ii) The directors consider that the purchases from Megawell were made according to the prices and conditions similar to those offered to other customers of the associate.

In addition, the Company and the Group have provided certain guarantees for banking facilities granted to the associate, as detailed in note 31(a) to the financial statements.

**34. 關連人士交易**

(a) 於年內，本集團曾與其聯營公司進行下列交易：

*附註：*

- (i) 向本集團之聯營公司 Megawell 銷售乃根據向本集團主要客戶提供之價格及條件進行。
- (ii) 董事認為向 Megawell 採購之價格及條件，與聯營公司向其他客戶所提供之價格及條件相若。

此外，公司及集團作出若干銀行信貸擔保予聯營公司，詳細載於財務報表附註 31(a)。



**34. RELATED PARTY TRANSACTIONS (continued)**

(b) As at 31 March 2005, Nice Dyeing Factory Limited, a wholly-owned subsidiary of the Company, has provided advances of HK\$497,949,000 (2004: HK\$323,520,000) to Baleno Kingdom Limited, a non wholly-owned subsidiary, at annual interest rate of HIBOR plus 2% (2004: annual interest rate of prime rate minus 1.25% and HIBOR plus 2% for the period from April to October 2003, and from November 2003 to March 2004, respectively). The advances are unsecured and have no fixed terms of repayment. The principal purpose of these advances is to finance the operations of Baleno Kingdom Limited.

(c) During the year, a shareholder loan was granted to the Group by a substantial shareholder and director of the Company, details of which were set out in note 24 to the financial statements. Total interest expenses of the shareholder loan and the repayment made by the Group during the year were HK\$2,879,000 (2004: HK\$474,000) and HK\$93,829,000 (2004: Nil). As at 31 March 2005, the outstanding balance of the loan was HK\$266,376,000 (2004: HK\$360,205,000) for the year.

(d) A minority shareholder of the Group's 54% owned subsidiary had provided an unconditional guarantee to indemnify the Group from any loss arising from the recoverability of prepayments made to a supplier of the Group of HK\$24,155,000 (2004: HK\$16,741,000) as included in the prepayments, deposits and other receivables balance of the Group as at the balance sheet date.

**35. APPROVAL OF THE FINANCIAL STATEMENTS**

The financial statements were approved and authorised for issue by the board of directors on 19 July 2005.

**34. 關連人士交易 (續)**

(b) 於二零零五年三月三十一日，本公司之全資擁有附屬公司永佳染廠有限公司向本公司之非全資擁有附屬公司班尼路有限公司提供之未償還貸款為港幣497,949,000元(二零零四年：港幣323,520,000元)，年利率為香港同業拆息加2%(二零零四年：二零零三年四月至十月及二零零三年十一月至二零零四年三月期間之年利率分別按最優惠利率減1.25%及香港銀行同業拆息加2%)，有關貸款並無抵押及無協定還款日期，主要用作班尼路有限公司之營運資金。

(c) 於年內，本公司之主要股東兼董事借出股東貸款予本集團，詳情已於財務報表附註24列出。本年度股東貸款之利息支出總額及集團於年內償還金額分別為港幣2,879,000元(二零零四年：港幣474,000元)及港幣93,829,000元(二零零四年：無)。於二零零五年三月三十一日，未償還股東貸款金額為港幣266,376,000元(二零零四年：港幣360,205,000元)。

(d) 本集團擁有54%權益附屬公司之其中一少數股東就本集團預付一供應商貸款港幣24,155,000元(二零零四年：港幣16,741,000元)可回收性之任何損失，提供無條件的擔保。於結算日，該款已包括於預付款項、訂金及其他應收賬款中。

**35. 財務報表之核准**

本財務報表已於二零零五年七月十九日由董事會核准及授權刊發。