

**NOTES ON THE FINANCIAL STATEMENTS** 財務報表附註  
For the year ended 31st March, 2005 (Expressed in Hong Kong dollars)  
截至二零零五年三月三十一日止年度 (以港元計)

**13. FIXED ASSETS****13. 固定資產****(a) The Group****(a) 本集團**

		Land and buildings 土地 及樓宇 \$'000 千元	Investment properties 投資物業 \$'000 千元	Plant and machinery 廠房 及機器 \$'000 千元	Other fixed assets 其他 固定資產 \$'000 千元	Total 合計 \$'000 千元
<b>Cost or valuation:</b>	<b>成本或估值：</b>					
At 1st April, 2004	於二零零四年四月一日	257,997	28,001	511,208	106,646	903,852
Exchange adjustments	匯兌調整	862	-	588	642	2,092
Transfer from construction in progress (note 14)	轉撥自在建工程 (附註14)	18,969	-	7,949	1,710	28,628
Additions	增置	4,574	8,217	4,754	10,317	27,862
Disposals	出售	-	-	(23,511)	(10,248)	(33,759)
Reclassification	重新分類	(11,391)	8,911	-	-	(2,480)
Surplus on revaluation	重估盈餘	-	6,180	-	-	6,180
		<u>271,011</u>	<u>51,309</u>	<u>500,988</u>	<u>109,067</u>	<u>932,375</u>
<b>At 31st March, 2005</b>	<b>於二零零五年三月三十一日</b>	<b>271,011</b>	<b>51,309</b>	<b>500,988</b>	<b>109,067</b>	<b>932,375</b>
<b>Representing:</b>	<b>代表：</b>					
Cost	成本	202,407	-	500,988	109,067	812,462
Valuation - 1988	估值 - 一九八八年	65,761	-	-	-	65,761
- 1991	- 一九九一年	2,843	-	-	-	2,843
- 2005	- 二零零五年	-	51,309	-	-	51,309
		<u>271,011</u>	<u>51,309</u>	<u>500,988</u>	<u>109,067</u>	<u>932,375</u>
<b>Accumulated amortisation and depreciation:</b>	<b>累計攤銷 及折舊：</b>					
At 1st April, 2004	於二零零四年四月一日	59,169	-	148,742	75,687	283,598
Exchange adjustments	匯兌調整	523	-	127	416	1,066
Charge for the year	本年度攤銷及折舊	8,011	-	37,025	7,077	52,113
Reclassification	重新分類	(2,480)	-	-	-	(2,480)
Written back on disposals	出售時撥回	-	-	(13,577)	(9,267)	(22,844)
		<u>65,223</u>	<u>-</u>	<u>172,317</u>	<u>73,913</u>	<u>311,453</u>
<b>At 31st March, 2005</b>	<b>於二零零五年三月三十一日</b>	<b>65,223</b>	<b>-</b>	<b>172,317</b>	<b>73,913</b>	<b>311,453</b>
<b>Net book value:</b>	<b>賬面淨值：</b>					
At 31st March, 2005	於二零零五年三月三十一日	<u>205,788</u>	<u>51,309</u>	<u>328,671</u>	<u>35,154</u>	<u>620,922</u>
At 31st March, 2004	於二零零四年三月三十一日	<u>198,828</u>	<u>28,001</u>	<u>362,466</u>	<u>30,959</u>	<u>620,254</u>

NOTES ON THE FINANCIAL STATEMENTS 財務報表附註  
For the year ended 31st March, 2005 (Expressed in Hong Kong dollars)  
截至二零零五年三月三十一日止年度 (以港元計)

## 13. FIXED ASSETS (continued)

## 13. 固定資產 (續)

## (b) The Company

## (b) 本公司

		Land and Buildings 土地 及樓宇	Investment properties 投資物業	Plant and machinery 廠房 及機器	Other fixed assets 其他 固定資產	Total 合計
		\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元
<b>Cost or valuation:</b>	<b>成本或估值：</b>					
At 1st April, 2004	於二零零四年四月一日	86,863	28,001	21,652	50,311	186,827
Additions	增置	-	-	1,309	491	1,800
Disposals	出售	-	-	(3,892)	(316)	(4,208)
Reclassification	重新分類	(11,391)	8,911	-	-	(2,480)
Surplus on revaluation	重估盈餘	-	2,148	-	-	2,148
		<u>75,472</u>	<u>39,060</u>	<u>19,069</u>	<u>50,486</u>	<u>184,087</u>
<b>At 31st March, 2005</b>	<b>於二零零五年三月三十一日</b>	<b>75,472</b>	<b>39,060</b>	<b>19,069</b>	<b>50,486</b>	<b>184,087</b>
<b>Representing:</b>	<b>代表：</b>					
Cost	成本	6,868	-	19,069	50,486	76,423
Valuation - 1988	估值 - 一九八八年	65,761	-	-	-	65,761
- 1991	- 一九九一年	2,843	-	-	-	2,843
- 2005	- 二零零五年	-	39,060	-	-	39,060
		<u>75,472</u>	<u>39,060</u>	<u>19,069</u>	<u>50,486</u>	<u>184,087</u>
<b>Accumulated amortisation and depreciation:</b>	<b>累計攤銷及 折舊：</b>					
At 1st April, 2004	於二零零四年四月一日	22,508	-	19,458	40,275	82,241
Charge for the year	本年度攤銷及折舊	2,015	-	1,019	2,409	5,443
Reclassification	重新分類	(2,480)	-	-	-	(2,480)
Written back on disposals	出售時撥回	-	-	(2,276)	(307)	(2,583)
		<u>22,043</u>	<u>-</u>	<u>18,201</u>	<u>42,377</u>	<u>82,621</u>
<b>At 31st March, 2005</b>	<b>於二零零五年三月三十一日</b>	<b>22,043</b>	<b>-</b>	<b>18,201</b>	<b>42,377</b>	<b>82,621</b>
<b>Net book value:</b>	<b>賬面淨值：</b>					
At 31st March, 2005	於二零零五年三月三十一日	<u>53,429</u>	<u>39,060</u>	<u>868</u>	<u>8,109</u>	<u>101,466</u>
At 31st March, 2004	於二零零四年三月三十一日	<u>64,355</u>	<u>28,001</u>	<u>2,194</u>	<u>10,036</u>	<u>104,586</u>

## NOTES ON THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 31st March, 2005 (Expressed in Hong Kong dollars)

截至二零零五年三月三十一日止年度 (以港元計)

## 13. FIXED ASSETS (continued)

- (c) The analysis of net book value of land and buildings and investment properties at 31st March, 2005 is as follows:

		Land and buildings 土地及樓宇				Investment properties 投資物業			
		The Group 本集團		The Company 本公司		The Group 本集團		The Company 本公司	
		2005 二零零五年	2004 二零零四年	2005 二零零五年	2004 二零零四年	2005 二零零五年	2004 二零零四年	2005 二零零五年	2004 二零零四年
		\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元
Long-term leases	長期租約								
- outside Hong Kong	- 香港以外地區	126,561	107,460	229	229	-	-	-	-
Medium-term leases	中期租約								
- in Hong Kong	- 香港	41,505	43,191	41,505	43,191	30,842	28,001	30,842	28,001
- outside Hong Kong	- 香港以外地區	26,028	27,242	-	-	12,249	-	-	-
Freehold	永久業權								
- outside Hong Kong	- 香港以外地區	11,694	20,935	11,695	20,935	8,218	-	8,218	-
		<b>205,788</b>	<b>198,828</b>	<b>53,429</b>	<b>64,355</b>	<b>51,309</b>	<b>28,001</b>	<b>39,060</b>	<b>28,001</b>

- (d) The net book value of the land and buildings stated at valuation in the balance sheets would have been as follows had the assets been carried at cost less accumulated depreciation:

- (c) 於二零零五年三月三十一日，土地及樓宇以及投資物業之賬面淨值分析如下：

- (d) 倘資產按成本值減累計折舊列賬，則於結算日按估值列賬之土地及樓宇之賬面淨值應如下列：

		The Group 本集團		The Company 本公司	
		2005 二零零五年	2004 二零零四年	2005 二零零五年	2004 二零零四年
		\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元
Cost	成本	230,093	217,079	31,663	43,054
Accumulated depreciation	累計折舊	(59,780)	(54,941)	(13,709)	(15,389)
		<b>170,313</b>	<b>162,138</b>	<b>17,954</b>	<b>27,665</b>

NOTES ON THE FINANCIAL STATEMENTS 財務報表附註  
For the year ended 31st March, 2005 (Expressed in Hong Kong dollars)  
截至二零零五年三月三十一日止年度 (以港元計)

### 13. FIXED ASSETS (continued)

- (e) Details of the Group's and the Company's major investment properties, held for use in operating leases which are held under medium-term leases, are as follows:

Location	Existing use
22 and 24, Tai Yau Street, San Po Kong, Kowloon.	Warehouse and office

- (f) The investment properties of the Group and the Company were valued at 31st March, 2005 by independent firms of surveyors, Chesterton Petty Limited and Vigers Appraisal and Consulting Limited, on an open market basis. The revaluation surpluses of \$6,180,000 and \$2,148,000 have been transferred to the investment properties revaluation reserve of the Group and the Company respectively (note 35).

- (g) The Group leases out investment properties under operating leases. The leases typically run for an initial period of one to two years, with an option to renew the lease after that date at which time all terms are renegotiated. Lease payments are usually increased annually to reflect market rentals. None of the leases includes contingent rentals.

The gross carrying amounts of investment properties of the Group and the Company held for use in operating leases were \$51,309,000 (2004: \$28,001,000) and \$39,060,000 (2004: \$28,001,000) respectively.

### 13. 固定資產 (續)

- (e) 本集團及本公司以中期租約持有用作經營租賃之主要投資物業詳情如下：

地點	現時用途
九龍 新蒲崗 大有街 22號及24號	貨倉及寫字樓

- (f) 本集團及本公司之投資物業由卓德測計師行及威格斯資產評估顧問有限公司(獨立測量師行)於二零零五年三月三十一日按公開市值之基準重估。為數6,180,000元及2,148,000元之重估盈餘已分別轉撥到本集團及本公司之投資物業重估儲備(附註35)。

- (g) 本集團以營業租賃合約出租投資物業。租賃合約初期一般為一年至二年，並且有權選擇在約滿後續約，屆時所有租約條款均重新協議。租賃費一般每年增加以反映市場租值。所有租賃合約並不包括或有租金。

本集團及本公司持作營業租賃的投資物業總賬面值分別為51,309,000元(二零零四年：28,001,000元)及39,060,000元(二零零四年：28,001,000元)。

**NOTES ON THE FINANCIAL STATEMENTS** 財務報表附註  
For the year ended 31st March, 2005 (Expressed in Hong Kong dollars)  
截至二零零五年三月三十一日止年度 (以港元計)

**14. CONSTRUCTION IN PROGRESS**

## 14. 在建工程

		<b>The Group</b> 本集團	
		2005 二零零五年 \$'000 千元	2004 二零零四年 \$'000 千元
At 1st April	於四月一日	18,508	341,607
Exchange adjustments	匯兌調整	20	363
Additions	增置	10,977	72,581
Transfer to fixed assets (note 13(a))	轉撥往固定資產 (附註13(a))	<b>(28,628)</b>	<b>(396,043)</b>
At 31st March	於三月三十一日	<b>877</b>	<b>18,508</b>

**15. INTANGIBLE ASSETS**

## 15. 無形資產

		<b>The Group</b> 本集團 \$'000 千元	
<b>Cost:</b>	<b>成本：</b>		
At 1st April, 2004	於二零零四年四月一日		5,232
Exchange adjustments	匯兌調整		325
<b>At 31st March, 2005</b>	<b>於二零零五年三月三十一日</b>		<b>5,557</b>
<b>Accumulated amortisation:</b>	<b>累計攤銷：</b>		
At 1st April, 2004	於二零零四年四月一日		(1,753)
Exchange adjustments	匯兌調整		(100)
Charge for the year	本年度攤銷		(1,851)
<b>At 31st March, 2005</b>	<b>於二零零五年三月三十一日</b>		<b>(3,704)</b>
<b>Net book value:</b>	<b>賬面淨值：</b>		
<b>At 31st March, 2005</b>	<b>於二零零五年三月三十一日</b>		<b>1,853</b>
At 31st March, 2004	於二零零四年三月三十一日		3,479

Intangible assets represent the cost of purchase of the right to brand names from an independent third party. The amortisation charge for the year is included in "other operating expenses" in the consolidated income statement.

無形資產乃從獨立第三者購入品牌使用權的成本，本年度攤銷已記入綜合損益表內的「其他經營費用」中。

NOTES ON THE FINANCIAL STATEMENTS 財務報表附註  
For the year ended 31st March, 2005 (Expressed in Hong Kong dollars)  
截至二零零五年三月三十一日止年度 (以港元計)

## 16. GOODWILL

## 16. 商譽

		Positive goodwill	Negative goodwill	Positive goodwill carried in reserves
		正商譽	負商譽	正商譽撥入儲備
		\$'000	\$'000	\$'000
		千元	千元	千元
<b>Cost:</b>	<b>成本：</b>			
At 1st April, 2004	於二零零四年四月一日	15,928	(13,082)	46,161
Written off on deconsolidation of subsidiaries	於不再綜合計算附屬公司時沖銷	(10,390)	-	-
<b>At 31st March, 2005</b>	<b>於二零零五年三月三十一日</b>	<b>5,538</b>	<b>(13,082)</b>	<b>46,161</b>
<b>Accumulated amortisation:</b>	<b>累計攤銷：</b>			
At 1st April, 2004	於二零零四年四月一日	7,229	(2,266)	-
Amortisation for the year	本年度攤銷	6,522	(2,051)	-
Written off on deconsolidation of subsidiaries	於不再綜合計算附屬公司時沖銷	(10,390)	-	-
<b>At 31st March, 2005</b>	<b>於二零零五年三月三十一日</b>	<b>3,361</b>	<b>(4,317)</b>	<b>-</b>
<b>Carrying amount:</b>	<b>賬面金額：</b>			
<b>At 31st March, 2005</b>	<b>於二零零五年三月三十一日</b>	<b>2,177</b>	<b>(8,765)</b>	<b>46,161</b>
At 31st March, 2004	於二零零四年三月三十一日	8,699	(10,816)	46,161

Positive goodwill is amortised to the income statement on a straight line basis over three years.

正商譽在三年內以直線法在損益表內攤銷。

Negative goodwill is recognised as income on a straight line basis over four to eight years. The amortisation of positive and negative goodwill for the year is included in "other operating expenses" in the consolidated income statement.

負商譽在四年至八年內以直線法攤銷確認為收入。每年之正商譽及負商譽攤銷數額已計入綜合損益表內的「其他經營費用」中。

## NOTES ON THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 31st March, 2005 (Expressed in Hong Kong dollars)

截至二零零五年三月三十一日止年度 (以港元計)

## 17. INTEREST IN SUBSIDIARIES

## 17 附屬公司權益

		2005 二零零五年 \$'000 千元	2004 二零零四年 \$'000 千元
Unlisted investments, at cost	非上市投資，按成本	64,122	64,122
Amounts due from subsidiaries	應收附屬公司款項	332,698	244,452
		<u>396,820</u>	<u>308,574</u>
Amounts due to subsidiaries	應付附屬公司款項	(676)	(602)
		<u>396,144</u>	<u>307,972</u>
Less: Impairment losses	減：減值虧損	(6,500)	(6,500)
		<u><u>389,644</u></u>	<u><u>301,472</u></u>

Balances with subsidiaries are unsecured, not repayable within one year and are analysed as follows:

附屬公司所欠款項是沒有抵押，不需於一年內償還，並分析如下：

		2005 二零零五年 \$'000 千元	2004 二零零四年 \$'000 千元
Amounts due from subsidiaries:	附屬公司所欠款項：		
Interest free	不帶利息	283,228	215,104
Interest bearing at Hong Kong Prime Rate	以香港最優惠利率計算利息	49,470	29,348
		<u>332,698</u>	<u>244,452</u>
Amounts due to subsidiaries:	應付附屬公司款項：		
Interest free	不帶利息	(676)	(602)
		<u><u>(676)</u></u>	<u><u>(602)</u></u>

Details of principal subsidiaries at 31st March, 2005 are set out on pages 106 to 108.

於二零零五年三月三十一日主要附屬公司之資料載於第106頁至108頁。

**NOTES ON THE FINANCIAL STATEMENTS** 財務報表附註  
For the year ended 31st March, 2005 (Expressed in Hong Kong dollars)  
截至二零零五年三月三十一日止年度 (以港元計)

**18. INTEREST IN ASSOCIATES**

## 18. 聯營公司權益

		<b>The Group</b> 本集團	
		<b>2005</b> 二零零五年 \$'000 千元	2004 二零零四年 \$'000 千元
Share of net assets	應佔資產淨值	272,328	282,150
Negative goodwill	負商譽	(25,416)	(33,887)
		<b>246,912</b>	<b>248,263</b>

Negative goodwill is amortised over the remaining weighted average useful life of the identifiable acquired depreciable assets. The calculation of the negative goodwill is based on the Group's share of the fair value of the identifiable assets and liabilities acquired as determined by the directors.

負商譽按所收購可分資產的加權平均餘下可用年限攤銷。負商譽乃根據董事確定本集團佔所收購可分資產與負債公平價值的數額計算。

		<b>The Company</b> 本公司	
		<b>2005</b> 二零零五年 \$'000 千元	2004 二零零四年 \$'000 千元
Unlisted investments, at cost	非上市投資，按成本	22,881	22,881
Less: Impairment losses	減：減值虧損	(516)	(516)
		<b>22,365</b>	<b>22,365</b>

Details of the principal associates at 31st March, 2005 are set out on pages 109 and 110.

於二零零五年三月三十一日主要聯營公司之資料載列於第109頁及110頁。

## NOTES ON THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 31st March, 2005 (Expressed in Hong Kong dollars)

截至二零零五年三月三十一日止年度 (以港元計)

## 18. INTEREST IN ASSOCIATES (continued)

## Information on material associates

The financial information of the associates, Qinghai Changqing Aluminium Corporation "Qinghai Aluminium", and Wuxi Changxin Textile Co., Ltd., which are material in the context of the Group's financial statements, as extracted from the audited financial statements of those companies, after making such adjustments considered necessary by the Company's directors in order to comply with the Group's accounting policies, for the year ended 31st March, 2005 are summarised below:

## 18. 聯營公司權益 (續)

## 重要聯營公司資料

對本集團賬目而言屬重要之聯營公司—青海長青鋁業有限公司「青海鋁業」及無錫長新紡織有限公司之財務報表乃摘錄自截至二零零五年三月三十一日止年度之經審核財務報表，包括經由本公司董事認為合適以符合集團的會計政策之調整，概要如下：

		Qinghai Changqing Aluminium Corporation 青海長青鋁業 有限公司		Wuxi Changxin Textile Co., Ltd. 無錫長新紡織 有限公司	
		2005 二零零五年 \$'000 千元	2004 二零零四年 \$'000 千元	2005 二零零五年 \$'000 千元	2004 二零零四年 \$'000 千元
<b>Income statement</b>	<b>損益表</b>				
– year ended	– 截至三月三十一日				
31st March	止年度				
Turnover	營業額	582,439	547,994	910,126	1,009,047
(Loss)/profit from ordinary activities after taxation	除稅後日常業務 (虧損)/溢利	(29,103)	42,867	2,936	60,682
(Loss)/profit attributable to the Group	本集團應佔之 (虧損)/溢利	(10,457)	15,402	979	20,225
<b>Balance Sheet</b>	<b>資產負債表</b>				
– 31st March	– 三月三十一日				
Non-current assets	非流動資產	382,932	395,731	176,045	191,799
Current assets	流動資產	129,215	227,880	585,107	407,001
Current liabilities	流動負債	(296,558)	(354,975)	(525,940)	(320,026)
Non-current liabilities	非流動負債	(20,731)	(24,474)	(81,871)	(128,515)
Net assets	資產淨值	194,858	244,162	153,341	150,259
Net assets attributable to the Group	本集團應佔 資產淨值	70,012	87,727	51,108	50,081

NOTES ON THE FINANCIAL STATEMENTS 財務報表附註  
For the year ended 31st March, 2005 (Expressed in Hong Kong dollars)  
截至二零零五年三月三十一日止年度 (以港元計)

## 18. INTEREST IN ASSOCIATES (continued)

### Information on material associates (continued)

Qinghai Aluminium entered into arrangements with certain banks in prior years to guarantee repayment of facilities extended by these banks to its shareholders and related companies. Certain claims against the guarantees have been lodged against Qinghai Aluminium which has paid out certain amounts claimed in prior years. Other claims against guarantees given by Qinghai Aluminium may be lodged in the future. The Chairman of Qinghai Aluminium is currently negotiating with all relevant parties and is confident that the issue will be resolved in a manner that will not adversely impact the results or financial position of Qinghai Aluminium and may even result in the recovery of part or all of amounts previously paid under the guarantees.

At 31st March, 2005, the current liabilities of Qinghai Aluminium exceed its current assets by \$167,343,000. The excess is principally represented by short-term loans which are renewable on a yearly basis at the option of the correspondent bank. The Chairman of Qinghai Aluminium is confident that such loans will be renewed upon expiry for the foreseeable future and that Qinghai Aluminium will be able to meet its liabilities as they fall due for the foreseeable future.

## 18. 聯營公司權益 (續)

### 重要聯營公司資料 (續)

青海鋁業於年前與有些銀行訂立安排以擔保償付該些銀行提供予其股東及關連公司之信貸額度。青海鋁業已被提出就違反擔保之部份索償，並於年前已支付部份索償，就青海鋁業提供擔保之其他索償將來有可能會被提出。青海鋁業之董事長現在正與有關人士談判，並有信心此事件，可在不會構成重大不利影響青海鋁業財務狀況之情況下獲得解決，甚至有可能獲得取回部份或全部為擔保已付出之賠償。

於二零零五年三月三十一日，青海鋁業之流動負債超越其流動資產167,343,000元。主要為根據相關銀行的要求每年續期之短期銀行貸款。青海鋁業之董事長有信心該等貸款在可預見的將來於限期屆滿時可再續期，同時，青海鋁業在可預見的將來有能力應付其到期負債。

**NOTES ON THE FINANCIAL STATEMENTS** 財務報表附註

For the year ended 31st March, 2005 (Expressed in Hong Kong dollars)

截至二零零五年三月三十一日止年度 (以港元計)

**18. INTEREST IN ASSOCIATES (continued)****Information on material associates (continued)**

The financial information of the associate, W. Haking Enterprises Limited, as extracted from its latest audited financial statements for the year ended 31st December, 2004 is summarised below:

		<b>W. Haking Enterprises Limited 寶源基業有限公司</b>	
		2004 二零零四年 \$'000 千元	2003 二零零三年 \$'000 千元
<b>Income statement</b>	<b>損益表</b>		
– year ended 31st December	– 截至十二月三十一日止年度		
Turnover	營業額	<u>67,061</u>	<u>61,730</u>
Loss from ordinary activities after taxation	除稅後日常業務虧損	<u>(10,273)</u>	<u>(20,223)</u>
<b>Loss attributable to the Group</b>	<b>本集團應佔之虧損</b>	<u>(3,062)</u>	<u>(5,865)</u>
<b>Balance Sheet</b>	<b>資產負債表</b>		
– 31st December	– 十二月三十一日		
Non-current assets	非流動資產	108,750	132,883
Current assets	流動資產	167,029	144,235
Current liabilities	流動負債	(38,376)	(27,363)
Non-current liabilities	非流動負債	<u>(462)</u>	<u>(462)</u>
Net assets	資產淨值	<u>236,941</u>	<u>249,293</u>
<b>Net assets attributable to the Group</b>	<b>本集團應佔 資產淨值</b>	<u>70,632</u>	<u>74,314</u>

**18. 聯營公司權益 (續)****重要聯營公司資料 (續)**

摘錄自截至二零零四年十二月三十一日止年度聯營公司寶源基業有限公司之經審核財務報表，其財務資料概要如下：

**NOTES ON THE FINANCIAL STATEMENTS** 財務報表附註  
For the year ended 31st March, 2005 (Expressed in Hong Kong dollars)  
截至二零零五年三月三十一日止年度 (以港元計)

## 19. PERMANENT QUOTA

## 19. 永久配額

		The Group 本集團		The Company 本公司	
		2005 二零零五年 \$'000 千元	2004 二零零四年 \$'000 千元	2005 二零零五年 \$'000 千元	2004 二零零四年 \$'000 千元
<b>Cost:</b>	<b>成本：</b>				
At 1st April	於四月一日	13,144	13,144	9,002	9,002
Written off	沖銷	(13,144)	—	(9,002)	—
At 31st March	於三月三十一日	—	13,144	—	9,002
<b>Accumulated amortisation:</b>	<b>累計攤銷：</b>				
At 1st April	於四月一日	13,144	13,144	9,002	9,002
Written off	沖銷	(13,144)	—	(9,002)	—
At 31st March	於三月三十一日	—	13,144	—	9,002
<b>Net book value:</b>	<b>賬面淨值：</b>				
At 31st March	於三月三十一日	—	—	—	—

**NOTES ON THE FINANCIAL STATEMENTS** 財務報表附註

For the year ended 31st March, 2005 (Expressed in Hong Kong dollars)  
截至二零零五年三月三十一日止年度 (以港元計)

**20. LOANS RECEIVABLE**

At 31st March 2005, the loans receivable were repayable as follows:

Within 1 year	一年內
After 1 year but within 2 years	一年後但兩年內
After 2 years but within 5 years	兩年後但五年內

The loans receivable represent the consideration received from the disposal of subsidiaries during the year ended 31st March, 2004. They are interest bearing at 3% per annum on the principal outstanding.

**20. 應收貸款**

於二零零五年三月三十一日，應收貸款之還款期如下：

**The Group and the Company**  
**本集團及本公司**

2005 二零零五年 \$'000 千元	2004 二零零四年 \$'000 千元
1,693	1,693
1,693	1,693
4,640	6,224
6,333	7,917
8,026	9,610

應收貸款為於二零零四年三月三十一日止年度出售附屬公司收取之代價。未償還的本金以年利率3%計算利息。

**21. NON-TRADING SECURITIES**

Unlisted equity securities	非上市股本證券
Equity securities listed outside Hong Kong	香港以外之上市股本證券
Market value of listed equity securities	上市股本證券市值

**21. 非交易證券**

**The Group and The Company**  
**本集團及本公司**

2005 二零零五年 \$'000 千元	2004 二零零四年 \$'000 千元
895	895
558	558
1,453	1,453
558	558

NOTES ON THE FINANCIAL STATEMENTS 財務報表附註  
For the year ended 31st March, 2005 (Expressed in Hong Kong dollars)  
截至二零零五年三月三十一日止年度 (以港元計)

## 22. OTHER INVESTMENTS

## 22. 其他投資

		The Group 本集團		The Company 本公司	
		2005 二零零五年 \$'000 千元	2004 二零零四年 \$'000 千元	2005 二零零五年 \$'000 千元	2004 二零零四年 \$'000 千元
Club debentures, at cost	會籍，按成本	<u>2,873</u>	<u>2,873</u>	<u>2,384</u>	<u>2,384</u>

## 23. INVENTORIES

## 23. 存貨

		The Group 本集團		The Company 本公司	
		2005 二零零五年 \$'000 千元	2004 二零零四年 \$'000 千元	2005 二零零五年 \$'000 千元	2004 二零零四年 \$'000 千元
Raw materials	原材料	86,219	54,017	5,934	1,735
Work in progress	在製品	103,075	68,150	31,696	15,963
Finished goods	製成品	44,542	37,624	568	23
Goods in transit	在途貨品	—	30	—	30
		<u>233,836</u>	<u>159,821</u>	<u>38,198</u>	<u>17,751</u>

Amounts included in the Group's and the Company's inventories of \$80,251,000 (2004: \$43,912,000) and \$32,226,000 (2004: \$633,000) are stated net of a specific provision of \$17,519,000 (2004: \$18,745,000) and \$4,442,000 (2004: \$3,799,000) respectively. In addition, there is a general provision made against the remaining inventories of the Group and the Company of \$11,528,000 (2004: \$21,722,000) and \$1,080,000 (2004: \$1,819,000) respectively. These provisions have been made in order to state these inventories at the lower of their cost and estimated net realisable value. The amount of reversal of a write-down of inventories to estimated net realisable value, recognised in the consolidated income statement as a reduction in the amount of inventories recognised as an expense during the year, is \$8,909,000 (2004: \$4,195,000). This reversal arose due to an increase in the estimated net realisable value of certain garments as a result of a change in consumer preferences.

該金額包括分別為本集團與本公司之存貨金額80,251,000元(二零零四年: 43,912,000元)及32,226,000元(二零零四年: 633,000元)，已分別扣除個別減值撥備17,519,000元(二零零四年: 18,745,000元)及4,442,000元(二零零四年: 3,799,000元)。此外，本集團與本公司之其餘存貨已分別作出一般減值撥備11,528,000元(二零零四年: 21,722,000元)及1,080,000元(二零零四年: 1,819,000元)。撥出該等存貨減值準備乃按成本或預計可變現淨值兩者之較低者將存貨數額列賬。存貨數額撇減至估計可變現淨值之逆轉金額為8,909,000元(二零零四年: 4,195,000元)。這數額已於年內在綜合損益表中確認，為列作支出的存貨數額的減少。產生該撥回金額乃由於客戶的喜好改變令若干成衣之估計可變現淨值增加所致。

## NOTES ON THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 31st March, 2005 (Expressed in Hong Kong dollars)

截至二零零五年三月三十一日止年度 (以港元計)

## 24. TRADE AND OTHER RECEIVABLES

## 24. 應收賬款及其他應收款

		The Group 本集團		The Company 本公司	
		2005 二零零五年	2004 二零零四年	2005 二零零五年	2004 二零零四年
		\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元
Trade debtors	應收賬款	101,307	80,610	17,106	21,178
Bills receivable	應收票據	61,151	94,265	24,751	32,668
Deposits, prepayments and other debtors	訂金、預付款及 其他應收款	25,072	66,254	3,689	10,397
Prepayment for investment (note 25)	投資預付款 (附註 25)	33,235	—	—	—
Amounts due from related companies	應收關連公司 款項	8,257	4,976	439	270
Amounts due from associates	應收聯營公司 款項	1,392	—	21	5
Amounts due from subsidiaries	應收附屬公司 款項	—	—	76,382	76,703
Dividends receivable from associates	應收聯營公司 股息	19,905	12,145	—	—
		<b>250,319</b>	<b>258,250</b>	<b>122,388</b>	<b>141,221</b>

Amounts due from subsidiaries totalling \$15,992,000 (2004: \$41,243,000) are interest bearing at Hong Kong Prime Rate. Except for the foregoing, all other amounts due from subsidiaries, related companies and associates are unsecured, interest free and repayable on demand.

All of the trade and other receivables are expected to be recovered within one year apart from the prepayment mentioned in note 25.

應收附屬公司款項中共 15,992,000 元 (二零零四年: 41,243,000 元) 以香港最優惠利率計算利息。除以上所述之外, 其他所有應收附屬公司、關連公司及聯營公司款項是沒有抵押、不帶利息, 並需按通知即時償還。

除附註 25 所述的預付款外, 所有應收賬款及其他應收款預期將於一年內收回。

**NOTES ON THE FINANCIAL STATEMENTS** 財務報表附註  
For the year ended 31st March, 2005 (Expressed in Hong Kong dollars)  
截至二零零五年三月三十一日止年度 (以港元計)

## 24. TRADE AND OTHER RECEIVABLES

(continued)

Included in trade and other receivables are trade debtors and bills receivable (net of provisions for bad and doubtful debts) with the following ageing analysis:

		The Group 本集團		The Company 本公司	
		2005 二零零五年 \$'000 千元	2004 二零零四年 \$'000 千元	2005 二零零五年 \$'000 千元	2004 二零零四年 \$'000 千元
0 – 60 days	0 – 60日	154,253	171,852	41,056	52,530
61 – 90 days	61 – 90日	4,541	1,156	366	806
> 90 days	90日以上	3,664	1,867	435	510
Trade debtors and bills receivable	應收賬款及 應收票據	<u>162,458</u>	<u>174,875</u>	<u>41,857</u>	<u>53,846</u>

The credit terms given to trade debtors vary and are generally based on the financial strengths of individual debtors. In order to effectively manage the credit risks associated with trade debtors, credit evaluation of debtors is performed periodically.

## 24. 應收賬款及其他應收款 (續)

包括在應收賬款及其他應收款內為具有以下賬齡分析之應收賬款及應收票據 (已扣除呆壞賬準備) :

給予應收賬款之信貸期各有不同，一般根據個別債務人之財政實力而定。為有效管理應收賬款之信貸風險，本集團會定期評估債務人之信貸。

## 25. PREPAYMENT FOR INVESTMENT

On 10th July, 2004, the Board approved the entering into a joint venture agreement with three PRC parties to establish a joint venture, Qinghai Wan Zhao Ningbei Electric Corporation Limited ("Qinghai Electric"), for the purpose of developing and operating power plants in Qinghai Province, the PRC.

The registered capital of Qinghai Electric will be RMB200,000,000 (equivalent to approximately \$188,000,000) of which the Company will contribute RMB70,000,000 (equivalent to approximately \$65,000,000) for its 35% interest.

## 25. 投資預付款

於二零零四年七月十日，董事局批准與三家中國公司訂立合營安排成立合營企業青海萬兆寧北發電有限公司 (「青海發電」)，以發展及經營青海之發電廠。

青海發電註冊資本為人民幣200,000,000元 (約188,000,000元)，其中本公司將出繳人民幣70,000,000元 (約65,000,000元) 佔其權益35%。

**NOTES ON THE FINANCIAL STATEMENTS** 財務報表附註

For the year ended 31st March, 2005 (Expressed in Hong Kong dollars)

截至二零零五年三月三十一日止年度 (以港元計)

**25. PREPAYMENT FOR INVESTMENT (continued)**

Contributions to the registered capital of Qinghai Electric will be made by all parties in stages according to their proportionate equity interests in Qinghai Electric. The first contribution to the registered capital of Qinghai Electric amounted to RMB100,000,000 (equivalent to approximately \$94,000,000). The Company contributed RMB35,000,000 (equivalent to \$33,235,000) on 16th December, 2004 in respect of its investment Qinghai Electric. As the approval documents from the relevant PRC authorities in relation to the formal establishment of the joint venture have not yet been obtained as at 31st March, 2005, the contribution paid is recorded in the balance sheet as a prepayment.

**26. PLEDGED DEPOSITS**

Pledged deposits as at 31st March, 2005 represents deposits pledged to designated banks for general banking facilities.

Pledged deposits as at 31st March, 2004 represents deposits pledged to designated banks to guarantee payment of imported processing materials with an aggregate value of \$52,844,000.

**27. CASH AND CASH EQUIVALENTS**

Deposits with banks	銀行存款	30,000	3,505	30,000	—
Cash at bank and in hand	銀行活期存款及現金	65,269	56,023	23,944	26,981
Cash and cash equivalents in the balance sheet	於資產負債表內之現金及現金等價物	95,269	59,528	53,944	26,981
Bank overdraft (note 29)	銀行透支 (附註29)	(4,960)	(622)		
Cash and cash equivalents in the consolidated cash flow statement	於綜合現金流量表內之現金及現金等價物	90,309	58,906		

**25. 投資預付款 (續)**

各方將根據應佔青海發電股本權益比例向青海發電出繳註冊資本。首批向青海發電出繳註冊資本款項總額為人民幣100,000,000元(約94,000,000元)。本公司已於二零零四年十二月十六日就青海發電投資出繳人民幣35,000,000元(約33,235,000元)。截至二零零五年三月三十一日,由於仍未取得中國當局批准正式成立合營企業文件,已付之出繳金額於資產負債表被記入預付款中。

**26. 抵押存款**

於二零零五年三月三十一日,抵押存款乃存款抵押於指定銀行以用作銀行融資。

於二零零四年三月三十一日,抵押存款乃存款抵押於指定銀行以用作擔保合共52,844,000元的進口加工材料。

**27. 現金及現金等價物**

		The Group 本集團		The Company 本公司	
		2005 二零零五年 \$'000 千元	2004 二零零四年 \$'000 千元	2005 二零零五年 \$'000 千元	2004 二零零四年 \$'000 千元
Deposits with banks	銀行存款	30,000	3,505	30,000	—
Cash at bank and in hand	銀行活期存款及現金	65,269	56,023	23,944	26,981
Cash and cash equivalents in the balance sheet	於資產負債表內之現金及現金等價物	95,269	59,528	53,944	26,981
Bank overdraft (note 29)	銀行透支 (附註29)	(4,960)	(622)		
Cash and cash equivalents in the consolidated cash flow statement	於綜合現金流量表內之現金及現金等價物	90,309	58,906		

NOTES ON THE FINANCIAL STATEMENTS 財務報表附註  
For the year ended 31st March, 2005 (Expressed in Hong Kong dollars)  
截至二零零五年三月三十一日止年度 (以港元計)

## 28. TRADE AND OTHER PAYABLES

## 28. 應付賬款及其他應付款

		The Group 本集團		The Company 本公司	
		2005 二零零五年 \$'000 千元	2004 二零零四年 \$'000 千元	2005 二零零五年 \$'000 千元	2004 二零零四年 \$'000 千元
Trade creditors	應付賬款	127,956	110,100	40,558	26,627
Bills payable	應付票據	54,747	46,995	6,759	6,213
Accrued charges and other creditors	應計費用及 其他應付款	138,906	119,520	43,086	51,009
Amounts payable for construction in progress (note 32)	應付在建工程 款 (附註32)	1,413	11,069	—	—
Amounts due to related companies	應付關連公司 款項	15,928	659	449	590
Amounts due to associates	應付聯營公司 款項	47,984	26,208	3,293	2,988
Amount due to a shareholder	應付一股東 款項	5,868	—	—	—
Advance from associate for construction in progress (note 32)	聯營公司借貸用 於支付建築工 程款 (附註32)	—	9,413	—	—
Amounts due to subsidiaries	應付附屬公司 款項	—	—	11,286	13,529
		<b>392,802</b>	<b>323,964</b>	<b>105,431</b>	<b>100,956</b>

**NOTES ON THE FINANCIAL STATEMENTS** 財務報表附註

For the year ended 31st March, 2005 (Expressed in Hong Kong dollars)

截至二零零五年三月三十一日止年度 (以港元計)

**28. TRADE AND OTHER PAYABLES (continued)**

The amounts due to and advance from subsidiaries, related companies, associates and the shareholder are unsecured, interest-free and repayable on demand.

All of the trade and other payables are expected to be settled within one year.

Included in trade and other payables are trade creditors and bills payable with the following ageing analysis:

**28. 應付賬款及其他應付款 (續)**

應付及借貸自附屬公司、關連公司、聯營公司及股東款項是沒有抵押、不帶利息，並需按通知即時償還。

所有應付賬款及其他應付款預期將於一年內償付。

包括在應付賬款及其他應付款內為具有以下賬齡分析之應付賬款及應付票據：

		The Group 本集團		The Company 本公司	
		2005 二零零五年 \$'000 千元	2004 二零零四年 \$'000 千元	2005 二零零五年 \$'000 千元	2004 二零零四年 \$'000 千元
0 – 60 days	0 – 60日	168,734	136,010	44,674	30,745
61 – 90 days	61 – 90日	7,792	12,778	1,741	919
> 90 days	90日以上	6,177	8,307	902	1,176
Trade creditors and bills payable	應付賬款及 應付票據	<u>182,703</u>	<u>157,095</u>	<u>47,317</u>	<u>32,840</u>

NOTES ON THE FINANCIAL STATEMENTS 財務報表附註  
For the year ended 31st March, 2005 (Expressed in Hong Kong dollars)  
截至二零零五年三月三十一日止年度 (以港元計)

## 29. BANK LOANS AND OVERDRAFTS

## 29. 銀行貸款及透支

At 31st March, 2005, the bank loans and overdrafts (including trust receipt loans) were repayable as follows:

於二零零五年三月三十一日，銀行貸款及透支(包括信託收據貸款)之還款期如下：

		The Group 本集團		The Company 本公司	
		2005 二零零五年 \$'000 千元	2004 二零零四年 \$'000 千元	2005 二零零五年 \$'000 千元	2004 二零零四年 \$'000 千元
Trust receipt loans	信託收據貸款	-	55,524	-	50,276
Other bank loans and overdrafts	其他銀行貸款及透支				
- within 1 year or on demand	- 一年內或按通知	237,778	257,424	24,167	29,542
		<u>237,778</u>	<u>312,948</u>	<u>24,167</u>	<u>79,818</u>
Other bank loans	其他銀行貸款				
- after 1 year but within 2 years	- 一年後但兩年內	103,843	102,083	33,333	22,500
- after 2 years but within 5 years	- 兩年後但五年內	109,145	173,281	-	15,000
- after 5 years	- 五年後	758	-	-	-
		<u>213,746</u>	<u>275,364</u>	<u>33,333</u>	<u>37,500</u>
		<u>451,524</u>	<u>588,312</u>	<u>57,500</u>	<u>117,318</u>

## NOTES ON THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 31st March, 2005 (Expressed in Hong Kong dollars)

截至二零零五年三月三十一日止年度 (以港元計)

## 29. BANK LOANS AND OVERDRAFTS

(continued)

At 31st March, 2005, the bank loans and overdrafts were secured as follows:

		The Group 本集團		The Company 本公司	
		2005 二零零五年	2004 二零零四年	2005 二零零五年	2004 二零零四年
		\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元
Bank overdrafts	銀行透支				
– unsecured	– 無抵押				
(note 27)	(附註 27)	4,960	622	–	42
Bank loans	銀行貸款				
– secured	– 有抵押	188,364	194,443	–	–
– unsecured	– 無抵押	258,200	393,247	57,500	117,276
		<u>451,524</u>	<u>588,312</u>	<u>57,500</u>	<u>117,318</u>

Bank loans amounting to \$188,364,000 (2004: \$194,443,000) are secured by machinery and certain land and buildings with an aggregate net book value of \$324,540,000 (2004: \$275,758,000) and trade debtors amounting to \$6,782,000 (2004: \$Nil).

Unsecured bank loans amounting to \$131,922,000 (2004: \$179,789,000) and secured bank loans amounting to \$35,195,000 (2004: \$54,595,000) as at 31st March, 2005 which are also secured as noted in the paragraph above, are guaranteed by an associate, Wuxi Changxin Textile Co., Ltd.

## 29. 銀行貸款及透支 (續)

於二零零五年三月三十一日，銀行貸款及透支之抵押情況如下：

銀行貸款 188,364,000 元 (二零零四年：194,443,000 元) 是以累計賬面淨值為 324,540,000 元 (二零零四年：275,758,000 元) 的機器及部份土地及建築物及 6,782,000 元 (二零零四年：無) 的應收賬款作出抵押。

於二零零五年三月三十一日，獲聯營公司無錫長新紡織有限公司為提供無抵押銀行貸款 131,922,000 元 (二零零四年：179,789,000 元) 及有抵押貸款 35,195,000 元 (二零零四年：54,595,000 元) 作出擔保。

**NOTES ON THE FINANCIAL STATEMENTS** 財務報表附註  
 For the year ended 31st March, 2005 (Expressed in Hong Kong dollars)  
 截至二零零五年三月三十一日止年度 (以港元計)

## 30. NON-CURRENT BANK LOANS

## 30. 非流動銀行貸款

		The Group 本集團		The Company 本公司	
		2005 二零零五年 \$'000 千元	2004 二零零四年 \$'000 千元	2005 二零零五年 \$'000 千元	2004 二零零四年 \$'000 千元
Bank loans (note 29)	銀行貸款 (附註29)				
- secured	- 有抵押	141,381	175,005	-	-
- unsecured	- 無抵押	72,365	100,359	33,333	37,500
		<u>213,746</u>	<u>275,364</u>	<u>33,333</u>	<u>37,500</u>

## NOTES ON THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 31st March, 2005 (Expressed in Hong Kong dollars)

截至二零零五年三月三十一日止年度 (以港元計)

## 31. INCOME TAX IN THE BALANCE SHEET

## 31. 資產負債表所示的所得稅

(a) Current taxation in the balance sheet represents:

(a) 資產負債表所示的本期所得稅為：

		The Group 本集團		The Company 本公司	
		2005 二零零五年	2004 二零零四年	2005 二零零五年	2004 二零零四年
		\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元
Provision for Hong Kong Profits Tax for the year	本年度香港利得稅準備	8,449	9,152	4,004	3,397
Provisional Profits Tax paid	已付暫繳利得稅	(6,236)	(4,486)	(2,503)	(1,985)
		2,213	4,666	1,501	1,412
Tax (recoverable)/ payable in respect to overseas subsidiaries and branches	海外附屬公司及分公司(可發還)/應付稅項				
– current year	– 本年度	(1,266)	(2,039)	–	35
– prior year	– 過往年度	(426)	25	–	–
Net tax payable	應付稅項淨額	521	2,652	1,501	1,447
Representing:	代表：				
Tax recoverable	可發還稅項	(1,693)	(2,143)	–	–
Tax payable	應付稅項	2,214	4,795	1,501	1,447
		521	2,652	1,501	1,447

NOTES ON THE FINANCIAL STATEMENTS 財務報表附註  
For the year ended 31st March, 2005 (Expressed in Hong Kong dollars)  
截至二零零五年三月三十一日止年度 (以港元計)

31. INCOME TAX IN THE BALANCE SHEET  
(continued)

31. 資產負債表所示的所得稅 (續)

(b) Deferred tax (assets)/liabilities recognised:

(b) 已確認遞延所得稅(資產)/負債

(i) The Group

(i) 本集團

The components of net deferred tax recognised in the consolidated balance sheet and the movements during the year are as follows:

已在綜合資產負債表確認的遞延所得稅淨值的組成部份和本年度變動如下：

		Future benefit of tax losses 可抵扣 虧損之 未來利益 \$'000 千元	Revaluation of properties 物業重估 \$'000 千元	Depreciation allowances in excess of of the related depreciation 超過相關 折舊的折舊 免稅額 \$'000 千元	Others 其他 \$'000 千元	Total 總額 \$'000 千元
Deferred tax arising from:	來自下列各項的遞延所得稅：					
At 1st April, 2003	於二零零三年四月一日	-	8,713	2,231	-	10,944
Credited to the consolidated income statement	在綜合損益表計入	-	-	(196)	-	(196)
Charged to reserves (note 35(a))	在儲備列支 (附註35(a))	-	19	-	-	19
At 31st March, 2004	於二零零四年三月三十一日	<u>-</u>	<u>8,732</u>	<u>2,035</u>	<u>-</u>	<u>10,767</u>
At 1st April, 2004	於二零零四年四月一日	-	8,732	2,035	-	10,767
Credited to the consolidated income statement	在綜合損益表計入	(4,367)	-	(603)	(585)	(5,555)
Charged to reserves (note 35(a))	在儲備列支 (附註35(a))	-	2,438	-	-	2,438
At 31st March, 2005	於二零零五年三月三十一日	<u>(4,367)</u>	<u>11,170</u>	<u>1,432</u>	<u>(585)</u>	<u>7,650</u>

**NOTES ON THE FINANCIAL STATEMENTS** 財務報表附註  
For the year ended 31st March, 2005 (Expressed in Hong Kong dollars)  
截至二零零五年三月三十一日止年度 (以港元計)

**31. INCOME TAX IN THE BALANCE SHEET**  
(continued)

(ii) The Company

The components of deferred tax liabilities recognised in the balance sheet and the movements during the year are as follows:

		Revaluation of properties 物業重估 \$'000 千元	Depreciation allowances in excess of the related depreciation 超過相關 折舊的折舊 免稅額 \$'000 千元	Provisions 準備 \$'000 千元	Total 總額 \$'000 千元
Deferred tax arising from:	來自下列各項的 遞延所得稅：				
At 1st April, 2003	於二零零三年四月一日	8,713	1,990	-	10,703
Credited to the income statement	在損益表計入	-	(187)	-	(187)
Charged to reserves (note 35(b))	在儲備列支 (附註35(b))	19	-	-	19
At 31st March, 2004	於二零零四年三月三十一日	<u>8,732</u>	<u>1,803</u>	<u>-</u>	<u>10,535</u>
At 1st April, 2004	於二零零四年四月一日	8,732	1,803	-	10,535
Credited to the income statement	在損益表計入	-	(1,076)	(376)	(1,452)
Charged to reserves (note 35(b))	在儲備列支 (附註35(b))	30	-	-	30
At 31st March, 2005	於二零零五年三月三十一日	<u>8,762</u>	<u>727</u>	<u>(376)</u>	<u>9,113</u>

31. 資產負債表所示的所得稅 (續)

(ii) 本公司

已在資產負債表確認的遞延所得稅負債的組成部份和本年度變動如下：

NOTES ON THE FINANCIAL STATEMENTS 財務報表附註  
For the year ended 31st March, 2005 (Expressed in Hong Kong dollars)  
截至二零零五年三月三十一日止年度 (以港元計)

31. INCOME TAX IN THE BALANCE SHEET  
(continued)

31. 資產負債表所示的所得稅 (續)

		The Group 本集團		The Company 本公司	
		2005 二零零五年	2004 二零零四年	2005 二零零五年	2004 二零零四年
		\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元
Net deferred tax assets recognised in the balance sheet	在資產負債表確認的遞延所得稅資產淨值	(4,367)	—	—	—
Net deferred tax liabilities recognised in the balance sheet	在資產負債表確認的遞延所得稅負債淨值	12,017	10,767	9,113	10,535
		<u>7,650</u>	<u>10,767</u>	<u>9,113</u>	<u>10,535</u>

(c) Deferred tax assets not recognised:

The Group has not recognised deferred tax assets in respect of tax losses of \$10,910,000 attributable to certain PRC subsidiaries (2004: \$19,300,000) as the directors consider it is not probable that these companies will generate sufficient taxable profits in the foreseeable future to utilise the tax losses. The tax losses expire five years after they are incurred.

(c) 未確認的遞延所得稅資產

本集團尚未就若干中國的附屬公司為數10,910,000元(二零零四年: 19,300,000元)的可抵扣虧損確認有關的遞延所得稅資產, 因董事認為公司在可能的將來不可能產生足夠應稅溢利來使用可抵扣虧損。這些可抵扣虧損應用限期為五年。

**NOTES ON THE FINANCIAL STATEMENTS** 財務報表附註

For the year ended 31st March, 2005 (Expressed in Hong Kong dollars)

截至二零零五年三月三十一日止年度 (以港元計)

**32. NET CURRENT LIABILITIES**

The following current liabilities are attributable to a subsidiary, Wuxi YGM Textile Co., Ltd.:

Amounts payable for construction in progress (note 28)	在建工程應付款 (附註28)
Advance from associate for construction in progress (note 28)	聯營公司借貸—用於支付建築工程款 (附註28)
Short-term bank loans	短期銀行貸款
Current portion of bank loans wholly repayable within 4 years	於四年內償還之銀行貸款即期部份

The short-term bank loans are renewable on a yearly basis at the option of the bank. The directors are confident that these bank loans will be renewed upon expiry for the foreseeable future.

**32. 流動負債淨值**

附屬公司無錫長江精密紡織有限公司產生之流動負債如下：

2005 二零零五年 \$'000 千元	2004 二零零四年 \$'000 千元
1,413	11,069
—	9,413
131,922	179,788
35,195	19,438
<b>168,530</b>	<b>219,708</b>

短期銀行貸款是根據銀行的要求每年續期，董事有信心該等銀行貸款在可預見的將來於限期屆滿時再續期。

**33. PROVISION FOR LONG SERVICE PAYMENTS****33. 長期服務金準備**

		The Group 本集團		The Company 本公司	
		2005 二零零五年 \$'000 千元	2004 二零零四年 \$'000 千元	2005 二零零五年 \$'000 千元	2004 二零零四年 \$'000 千元
At 1st April	於四月一日	8,948	9,027	4,872	5,063
Less: Payments during the year	減：年內付款	(216)	(79)	(127)	(191)
Less: Reversal of provision	減：準備撥回	(2,712)	—	(2,037)	—
At 31st March	於三月三十一日	<b>6,020</b>	<b>8,948</b>	<b>2,708</b>	<b>4,872</b>

NOTES ON THE FINANCIAL STATEMENTS 財務報表附註  
For the year ended 31st March, 2005 (Expressed in Hong Kong dollars)  
截至二零零五年三月三十一日止年度 (以港元計)

## 34. SHARE CAPITAL

## 34. 股本

		2005		2004	
		No. of shares 股份數目 '000 千股	Amount 金額 \$'000 千元	No. of shares 股份數目 '000 千股	Amount 金額 \$'000 千元
<b>Authorised:</b>	<b>法定股本：</b>				
Ordinary shares of \$0.50 each	每股面值0.5元 之普通股	<u>400,000</u>	<u>200,000</u>	<u>200,000</u>	<u>100,000</u>
<b>Issued and fully paid:</b>	<b>已發行及繳足 股本：</b>				
At 1st April	於四月一日	<u>140,246</u>	<u>70,123</u>	140,246	70,123
Rights issue	供股	<u>70,123</u>	<u>35,061</u>	—	—
At 31st March	於三月三十一日	<u>210,369</u>	<u>105,184</u>	<u>140,246</u>	<u>70,123</u>

By an ordinary resolution passed at the Extraordinary General Meeting held on 20th September, 2004, the Company's authorised share capital was increased to \$200,000,000 by the creation of an additional 200,000,000 ordinary shares of \$0.50 each, ranking pari passu with the existing shares of the Company.

On 12th October, 2004, the Company completed a rights issue and raised funds of approximately \$126 million by issuing 70,122,896 rights shares at a price of \$1.8 per rights share on the basis of one rights share for every two existing shares held by qualifying shareholders.

在二零零四年九月二十日股東特別大會上通過之普通議案，議決透過增加200,000,000股每股面值0.5元股份，本公司之法定股本增加至200,000,000元。該等股份享有與本公司已發行股份同等權利。

於二零零四年十月十二日，本公司已完成以每股供股股份1.8元之價格供股配售70,122,896股供股股份予合資格股東，集資約1億2千6百萬元。比例以每持有兩股現有股份可獲發一股供股股份計算。

## NOTES ON THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 31st March, 2005 (Expressed in Hong Kong dollars)

截至二零零五年三月三十一日止年度 (以港元計)

## 35. RESERVES

## 35. 儲備

## (a) The Group

## (a) 本集團

		Share premium	Capital redemption reserve	Exchange reserve	Goodwill arising on consolidation	Investment revaluation reserve	Land and buildings revaluation reserve	Investment properties revaluation reserve	Other reserves	Retained profits	Total
		股份溢價	資本贖回儲備	匯兌儲備	綜合賬目所產生之商譽	投資重估儲備	土地及樓宇重估儲備	投資物業重估儲備	其他儲備	保留溢利	總額
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
		千元	千元	千元	千元	千元	千元	千元	千元	千元	千元
As at 1st April, 2003	於二零零三年四月一日	13,731	481	(17,833)	(46,161)	-	42,635	29,262	2,416	257,514	282,045
Dividend approved in respect of the previous year (note 9(b))	本年度內批准屬於上一年度的股息(附註9(b))	-	-	-	-	-	-	-	-	(11,220)	(11,220)
Exchange differences on translation of the financial statements of foreign entities	換算海外附屬公司財務報表之匯兌差額	-	-	2,038	-	-	-	-	-	-	2,038
Revaluation surpluses	重估盈餘	-	-	-	-	400	-	577	-	-	977
Deferred tax (note 31(b))	遞延所得稅(附註31(b))	-	-	-	-	-	-	(19)	-	-	(19)
Share of associates' revaluation surplus, net of deferred tax	應佔聯營公司重估盈餘(已扣除遞延所得稅)	-	-	-	-	-	-	973	-	-	973
Share of associates' other reserves	應佔聯營公司其他儲備	-	-	-	-	-	-	-	697	-	697
Share of associates' exchange reserve	應佔聯營公司匯兌儲備	-	-	1,186	-	-	-	-	-	-	1,186
Disposal of subsidiaries	出售附屬公司	-	-	(122)	-	-	-	-	-	-	(122)
Profit for the year	本年度溢利	-	-	-	-	-	-	-	-	69,085	69,085
Dividend declared for the year (note 9(a))	本年度已宣派股息(附註9(a))	-	-	-	-	-	-	-	-	(1,402)	(1,402)
Appropriation to other reserves	撥往其他儲備	-	-	-	-	-	-	-	1,695	(1,695)	-
As at 31st March, 2004	於二零零四年三月三十一日	13,731	481	(14,731)	(46,161)	400	42,635	30,793	4,808	312,282	344,238

NOTES ON THE FINANCIAL STATEMENTS 財務報表附註  
For the year ended 31st March, 2005 (Expressed in Hong Kong dollars)  
截至二零零五年三月三十一日止年度 (以港元計)

## 35. RESERVES (continued)

## 35. 儲備 (續)

## (a) The Group (continued)

## (a) 本集團 (續)

	Share premium	Capital redemption reserve	Exchange reserve	Goodwill arising on consolidation	Investment revaluation reserve	Land and buildings revaluation reserve	Investment properties revaluation reserve	Other reserves	Retained profits	Total
	股份溢價	資本贖回儲備	匯兌儲備	綜合賬目所產生之商譽	投資重估儲備	土地及樓宇重估儲備	投資物業重估儲備	其他儲備	保留溢利	總額
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
	千元	千元	千元	千元	千元	千元	千元	千元	千元	千元
As at 1st April, 2004	13,731	481	(14,731)	(46,161)	400	42,635	30,793	4,808	312,282	344,238
Dividend approved in respect of the previous year (note 9(b))	-	-	-	-	-	-	-	-	(12,622)	(12,622)
Exchange differences on translation of the financial statements of foreign entities	-	-	1,728	-	-	-	-	-	-	1,728
Revaluation surpluses	-	-	-	-	-	-	6,180	-	-	6,180
Deferred tax (note 31(b))	-	-	-	-	-	-	(2,438)	-	-	(2,438)
Share of associates' revaluation deficit, net of deferred tax	-	-	-	-	-	-	(162)	-	-	(162)
Share of associates' exchange reserve	-	-	621	-	-	-	-	-	-	621
Share premium on issue of rights shares net of issue expenses	89,022	-	-	-	-	-	-	-	-	89,022
Deconsolidation of subsidiaries in liquidation	-	-	3,797	-	-	-	-	-	-	3,797
Profit for the year	-	-	-	-	-	-	-	-	35,016	35,016
Dividend declared for the year (note 9(a))	-	-	-	-	-	-	-	-	(4,207)	(4,207)
Appropriation to other reserves	-	-	-	-	-	-	-	2,546	(2,546)	-
As at 31st March, 2005	102,753	481	(8,585)	(46,161)	400	42,635	34,373	7,354	327,923	461,173

Included in the Group's retained profits is a net loss of \$15,925,000 (2004: net profit of \$21,000) being the Group's share of retained accumulated losses attributable to the associates.

The application of the share premium account and the capital redemption reserve is governed by sections 48B and 49H respectively of the Hong Kong Companies Ordinance. The revaluation reserves have been set up and will be dealt with in accordance with accounting policies adopted for the revaluation of properties.

In accordance with the relevant PRC laws applicable to wholly foreign owned enterprises, a PRC subsidiary is required to make appropriations of at least 10% of its after-tax profit, determined under the relevant PRC accounting regulations to other reserves. Other reserves attributable to the PRC subsidiary can be used to make good losses or may be converted into paid-up capital.

本集團保留溢利內包括虧損淨額 15,925,000 元 (二零零四年: 溢利淨額 21,000 元), 即集團應佔聯營公司之累計保留虧損。

資本贖回儲備的用途分別受到香港《公司條例》第 48B 條及第 49H 條所管轄。本公司已設立重估儲備, 並會根據就重估投資物業所採用的會計政策處理這些儲備。

根據適用於國外獨資企業之有關中國法律, 中國附屬公司必須將其稅後溢利最少 10% (由有關中國會計規例釐定) 撥往其他儲備。應佔中國附屬公司之其他儲備可用以抵銷虧損及轉換為繳足股本。

## NOTES ON THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 31st March, 2005 (Expressed in Hong Kong dollars)

截至二零零五年三月三十一日止年度 (以港元計)

## 35. RESERVES (continued)

## (b) The Company

		Share premium	Capital redemption reserve	Investment revaluation reserve	Land and buildings revaluation reserve	Investment properties revaluation reserve	Retained profits	Total
		股份溢價	資本贖回儲備	投資重估儲備	土地及樓宇重估儲備	投資物業重估儲備	保留溢利	總額
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
		千元	千元	千元	千元	千元	千元	千元
As at 1st April, 2003	於二零零三年四月一日	13,731	481	-	42,635	26,563	161,126	244,536
Dividend approved in respect of the previous year (note 9(b))	本年度內批准屬於上一年度的股息 (附註9(b))	-	-	-	-	-	(11,220)	(11,220)
Revaluation surpluses	重估盈餘	-	-	400	-	577	-	977
Deferred tax (note 31(b))	遞延所得稅 (附註31(b))	-	-	-	-	(19)	-	(19)
Profit for the year	本年度溢利	-	-	-	-	-	89,700	89,700
Dividend declared in respect of the current year (note 9(a))	本年度已宣派股息 (附註9(a))	-	-	-	-	-	(1,402)	(1,402)
As at 31st March, 2004	於二零零四年三月三十一日	<u>13,731</u>	<u>481</u>	<u>400</u>	<u>42,635</u>	<u>27,121</u>	<u>238,204</u>	<u>322,572</u>
As at 1st April, 2004	於二零零四年四月一日	13,731	481	400	42,635	27,121	238,204	322,572
Dividend approved in respect of the previous year (note 9(b))	本年度內批准屬於上一年度的股息 (附註9(b))	-	-	-	-	-	(12,622)	(12,622)
Revaluation surpluses	重估盈餘	-	-	-	-	2,148	-	2,148
Share premium on issue of rights shares net of issue expenses	配售供股股份扣除配售費用之股份溢價	89,022	-	-	-	-	-	89,022
Deferred tax (note 31(b))	遞延所得稅 (附註31(b))	-	-	-	-	(30)	-	(30)
Profit for the year	本年度溢利	-	-	-	-	-	61,548	61,548
Dividend declared in respect of the current year (note 9(a))	本年度已宣派股息 (附註9(a))	-	-	-	-	-	(4,207)	(4,207)
As at 31st March, 2005	於二零零五年三月三十一日	<u>102,753</u>	<u>481</u>	<u>400</u>	<u>42,635</u>	<u>29,239</u>	<u>282,923</u>	<u>458,431</u>

The revaluation reserves in respect of investments, investment properties and land and buildings are not available for distribution to shareholders because they do not constitute realised profits within the meaning of section 79B(2) of the Hong Kong Companies Ordinance.

The distributable reserves of the Company as at 31st March, 2005 were \$282,923,000 (2004: \$238,204,000).

## 35. 儲備 (續)

## (b) 本公司

Share premium	Capital redemption reserve	Investment revaluation reserve	Land and buildings revaluation reserve	Investment properties revaluation reserve	Retained profits	Total
股份溢價	資本贖回儲備	投資重估儲備	土地及樓宇重估儲備	投資物業重估儲備	保留溢利	總額
\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
千元	千元	千元	千元	千元	千元	千元

As at 1st April, 2003	於二零零三年四月一日	13,731	481	-	42,635	26,563	161,126	244,536
Dividend approved in respect of the previous year (note 9(b))	本年度內批准屬於上一年度的股息 (附註9(b))	-	-	-	-	-	(11,220)	(11,220)
Revaluation surpluses	重估盈餘	-	-	400	-	577	-	977
Deferred tax (note 31(b))	遞延所得稅 (附註31(b))	-	-	-	-	(19)	-	(19)
Profit for the year	本年度溢利	-	-	-	-	-	89,700	89,700
Dividend declared in respect of the current year (note 9(a))	本年度已宣派股息 (附註9(a))	-	-	-	-	-	(1,402)	(1,402)
As at 31st March, 2004	於二零零四年三月三十一日	<u>13,731</u>	<u>481</u>	<u>400</u>	<u>42,635</u>	<u>27,121</u>	<u>238,204</u>	<u>322,572</u>
As at 1st April, 2004	於二零零四年四月一日	13,731	481	400	42,635	27,121	238,204	322,572
Dividend approved in respect of the previous year (note 9(b))	本年度內批准屬於上一年度的股息 (附註9(b))	-	-	-	-	-	(12,622)	(12,622)
Revaluation surpluses	重估盈餘	-	-	-	-	2,148	-	2,148
Share premium on issue of rights shares net of issue expenses	配售供股股份扣除配售費用之股份溢價	89,022	-	-	-	-	-	89,022
Deferred tax (note 31(b))	遞延所得稅 (附註31(b))	-	-	-	-	(30)	-	(30)
Profit for the year	本年度溢利	-	-	-	-	-	61,548	61,548
Dividend declared in respect of the current year (note 9(a))	本年度已宣派股息 (附註9(a))	-	-	-	-	-	(4,207)	(4,207)
As at 31st March, 2005	於二零零五年三月三十一日	<u>102,753</u>	<u>481</u>	<u>400</u>	<u>42,635</u>	<u>29,239</u>	<u>282,923</u>	<u>458,431</u>

就投資、投資物業及土地及樓宇之重估儲備並不可供分派予股東，此乃因為該等儲備並不構成香港《公司條例》第79B(2)條涵義所指定之可變現溢利。

本公司於二零零五年三月三十一日之可供分派儲備為282,923,000元(二零零四年：238,204,000元)。

**NOTES ON THE FINANCIAL STATEMENTS** 財務報表附註  
For the year ended 31st March, 2005 (Expressed in Hong Kong dollars)  
截至二零零五年三月三十一日止年度 (以港元計)

### 36. EQUITY COMPENSATION BENEFITS

The Company operates a share option scheme which was adopted on 23rd September, 2004 whereby the directors of the Company are authorised, at their discretion, to invite the following eligible participants, to take up options to subscribe for ordinary shares in the Company subject to a maximum of 14,024,579 new shares:

- (a) any employees (including directors) of the Group and any entity in which any member of the Group holds any equity interest ("Invested Entity");
- (b) any supplier of goods or services to any member of the Group or any Invested Entity;
- (c) any customer of the Group or any Invested Entity;
- (d) any person or entity that provides research, development or technological support or other services to the Group or any Invested Entity; and
- (e) any shareholder or any member of the Group or any Invested Entity or any holder of any securities issued by any member of the Group or any Invested Entity.

The exercise price of options granted is determined by the directors of the Company as the highest of the nominal value of the Company's ordinary shares, the closing price of the Company's ordinary shares on The Stock Exchange of Hong Kong Limited ("SEHK") on the date of the grant (which must be a business day) and the average closing price of the Company's ordinary shares on the SEHK for the five business days immediately preceding the date of the grant.

The options vest immediately when they are granted and are exercisable within a period of ten years although the directors may, at their discretion, determine the minimum period for which options must be held or other restrictions before a holder of such options can exercise the subscription rights attaching thereto. Each option gives the holder the right to subscribe for one ordinary share in the Company.

No options were granted during the year ended 31st March, 2005.

### 36. 股本賠償福利

本公司設有一個購股權計劃，其於二零零四年九月二十三日採納。據此，本公司董事獲授權可酌情邀請下列合資格參與者接納購股權以認購本公司最多14,024,579新股。

- (a) 本集團及本集團任何成員持有股本權益之任何實體（「投資實體」）之任何僱員（包括董事）；
- (b) 向本集團任何成員公司或任何投資實體提供貨品或服務之任何供應商；
- (c) 本集團或任何投資實體之任何客戶；
- (d) 向本集團或任何投資實體提供研究、開發或技術支援或其他服務之任何人士或實體；及
- (e) 本集團或任何投資實體之任何股東或任何成員公司，或本集團任何成員公司或任何投資實體之任何已發行證券之持有人；

所授出購股權之行使價由本公司董事以本公司股份面值、股份於授出日期（必須為交易日）在香港聯合交易所有限公司（「聯交所」）之收市價或股份緊接授出日期前五個交易日在聯交所之平均收市價之最高者釐定。

購股權自授出日期起即時生效及其行使期自屆時起計十年內有效。惟董事可酌情設定購股權所附認購權可予以行使前須持有購股權之最短期限或其他限制。每股購股權賦予其持有人認購一股股份之權利。

於二零零五年三月三十一日止年度內並無授出任何購股權。

**NOTES ON THE FINANCIAL STATEMENTS** 財務報表附註

For the year ended 31st March, 2005 (Expressed in Hong Kong dollars)

截至二零零五年三月三十一日止年度 (以港元計)

**37. COMMITMENTS**

- (a) Capital commitments outstanding at 31st March, 2005 not provided for in the financial statements were as follows:

	已訂約
Contracted for	— 在建工程
— construction in progress	— 固定資產
— fixed assets	— 資本投入
— capital contributions	

The Group's share of the capital commitments of associates outstanding at 31st March, 2005 were as follows:

Authorised but not contracted for	已授權但未訂約
Contracted but not provided for	已訂約但未作出準備

**37. 承擔**

- (a) 於二零零五年三月三十一日，仍未在財務報表作出準備之資本承擔如下：

The Group 本集團	
2005 二零零五年 \$'000 千元	2004 二零零四年 \$'000 千元
—	847
1,200	—
98,501	10,343
<u>99,701</u>	<u>11,190</u>

於二零零五年三月三十一日，本集團佔聯營公司未償付的資本承擔如下：

The Group 本集團	
2005 二零零五年 \$'000 千元	2004 二零零四年 \$'000 千元
—	1,010
4,025	648
<u>4,025</u>	<u>1,658</u>

**NOTES ON THE FINANCIAL STATEMENTS** 財務報表附註  
For the year ended 31st March, 2005 (Expressed in Hong Kong dollars)  
截至二零零五年三月三十一日止年度 (以港元計)

### 37. COMMITMENTS

- (b) At 31st March, 2005, the total future minimum lease payments under non-cancellable operating leases are payable as follows:

Within 1 year	一年內
After 1 year but within 2 years	一年後至兩年內
After 2 years but within 5 years	二年後至五年內
More than 5 years	五年以上

The Group leases a number of properties and a piece of land under operating leases. The leases run for a period of 4 to 60 years. None of the leases includes contingent rentals.

- (c) At 31st March, 2005, the Group and the Company had outstanding commitments in respect of outstanding foreign exchange forward contracts amounting to \$Nil (2004: \$47,981,000), which were designed as non-speculative hedges of the Group's and the Company's foreign currency denominated trade receivables.

### 38. CONTINGENT LIABILITIES

At 31st March, 2005, there were contingent liabilities in respect of the following:

- (a) Bills discounted with banks amounting to approximately \$144,863,000 (2004: \$139,925,000) for the Group and \$85,835,000 (2004: \$67,135,000) for the Company.
- (b) Guarantees given to banks by the Company to the extent of \$49,148,000 (2004: \$49,148,000) in respect of banking facilities extended to its subsidiaries and associates.

### 37. 承擔

- (b) 於二零零五年三月三十一日，根據不可解除的經營租賃在日後應付的最低租賃付款總數如下：

The Group 本集團	
2005 二零零五年 \$'000 千元	2004 二零零四年 \$'000 千元
2,526	2,579
2,198	2,732
1,791	3,515
7,941	8,220
<b>14,456</b>	<b>17,046</b>

本集團以經營租賃租用部分物業及一幅土地，這些租賃為期四至六十年。各項經營租賃均不包含或有租金。

- (c) 於二零零五年三月三十一日，本集團及本公司並沒有遠期外匯期貨合同作承擔（二零零四年：47,981,000元）。按非投機性對沖保值方法，本集團及本公司為外幣結算之應收賬款而訂立此等外匯期貨合同。

### 38. 或有負債

於二零零五年三月三十一日，本集團之或有負債如下：

- (a) 本集團及本公司分別跟銀行貼現了約共144,863,000元（二零零四年：139,925,000元）及85,835,000元（二零零四年：67,135,000元）的票據。
- (b) 本公司就其附屬公司及聯營公司之銀行備用信貸而向銀行作出之擔保共49,148,000元（二零零四年：49,148,000元）。

**NOTES ON THE FINANCIAL STATEMENTS** 財務報表附註

For the year ended 31st March, 2005 (Expressed in Hong Kong dollars)

截至二零零五年三月三十一日止年度 (以港元計)

**39. MATERIAL RELATED PARTY TRANSACTIONS**

(1.1) The following material transactions with related parties were, in the opinion of the directors, carried out in the ordinary course of business and on normal commercial terms:

**39. 與關連人士之重大交易**

(1.1) 董事會認為，下列與關連人士進行之重大交易乃於日常業務中按一般商業條款作出：

			2005 二零零五年 \$'000 千元	2004 二零零四年 \$'000 千元
		Notes 附註		
(i) <b>YGM Trading Limited and its subsidiaries ("YGMT Group")</b>	<b>YGM貿易有限公司及其附屬公司 ("YGMT集團")</b>			
Purchases of traded products by the Group	本集團購買貿易產品	(a)		
Sales of traded products by the Group	本集團銷售貿易產品	(e)	2,860	2,813
Rental income received and receivable from properties by the Group	本集團已收及應收物業租金收入	(e)	35,709	23,771
Management fee received and receivable by the Group	本集團已收及應收管理費	(e)	3,904	3,902
Building management fee received and receivable by the Group	本集團已收及應收樓宇管理費	(f)	804	804
Commission expenses paid and payable by the Group	本集團已付及應付佣金支出	(g)	324	324
			898	-
(ii) <b>YGM Marketing Pte Limited</b>	<b>YGM Marketing Pte Limited</b>			
Purchases of traded products by the Group	本集團購買貿易產品	(b)		
Sales of traded products by the Group	本集團銷售貿易產品	(e)	30	-
		(e)	6,578	4,867
(iii) <b>Wuxi Changxin Textile Co., Ltd.</b>	<b>無錫長新紡織有限公司</b>			
Purchases of traded products by the Group	本集團購買貿易產品	(c)		
Sales of traded products by the Group	本集團銷售貿易產品		100,149	101,047
Processing income received and receivable by the Group	本集團已收及應收加工收入		20,709	7,480
Subcontracting fee paid and payable by the Group	本集團已付及應付外發加工費用		66,939	38,137
			3,250	15,205

NOTES ON THE FINANCIAL STATEMENTS 財務報表附註  
For the year ended 31st March, 2005 (Expressed in Hong Kong dollars)  
截至二零零五年三月三十一日止年度 (以港元計)

39. MATERIAL RELATED PARTY  
TRANSACTIONS (continued)

39. 與關連人士之重大交易 (續)

		Notes 附註	2005 二零零五年 \$'000 千元	2004 二零零四年 \$'000 千元
(iv) <b>Allied Textiles Limited</b>	<b>新聯興紡織有限公司</b>	(c)		
Purchases of traded products by the Group	本集團購買貿易產品		21,154	18,338
Purchases on behalf of and sales of traded products by the Group	本集團代購買及銷售貿易產品	(h)	2,066	2,027
(v) <b>Taizhou Changxin Textile (Xinghua) Co., Ltd.</b>	<b>泰州長新紡織(興化)有限公司</b>	(c)		
Sales of traded products by the Group	本集團銷售貿易產品		4,128	2,149
(vi) <b>Wuxi No. 1 Cotton Mill Import and Export Co., Ltd.</b>	<b>無錫一棉進出口有限公司</b>	(d)		
Purchases of traded products by the Group	本集團購買貿易產品		25,641	—
Sales of traded products by the Group	本集團銷售貿易產品		2	—
Subcontracting fee paid and payable by the Group	本集團已付及應付外發加工費用		17	—
(vii) <b>YangtzeKiang Industries (Myanmar) Ltd. ("YangtzeKiang Myanmar")</b>	<b>YangtzeKiang Industries (Myanmar) Ltd. ("YangtzeKiang Myanmar")</b>	(i)		
Subcontracting fee paid and payable by the Group	本集團已付及應付外發加工費用		13,647	—

The above transactions were, in the opinion of the directors, carried out on prices and terms comparable to those offered to or by independent third parties.

Notes:

- (a) Certain directors of the Company are collectively the controlling shareholders of both the YGMT Group and the Group.
- (b) YGM Marketing Pte Limited is beneficially owned by certain directors of the Company.
- (c) Wuxi Changxin Textile Co., Ltd., Allied Textiles Limited and Taizhou Changxin Textile (Xinghua) Co., Ltd. are the associates of the Group.
- (d) Wuxi No. 1 Cotton Mill Import and Export Co., Ltd. is a subsidiary of Wuxi No. 1 Cotton Mill which is minority shareholder of Wuxi YGM Textile Co., Ltd., a subsidiary of the Group.

董事會認為上述交易之價格及條件與提供予獨立第三者或由彼等所提供之條件相若。

附註：

- (a) 本公司若干董事統稱為YGMT集團及本集團之控股股東。
- (b) YGM Marketing Pte Limited為本公司若干董事實益擁有之公司。
- (c) 無錫長新紡織有限公司、新聯興紡織有限公司、泰州長新紡織(興化)有限公司均為本集團之聯營公司。
- (d) 無錫一棉進出口有限公司為無錫市第一棉紡織廠之附屬公司，而無錫市第一棉紡織廠為無錫長江精密紡織有限公司(本集團之附屬公司)之少數股東。

**NOTES ON THE FINANCIAL STATEMENTS** 財務報表附註

For the year ended 31st March, 2005 (Expressed in Hong Kong dollars)

截至二零零五年三月三十一日止年度 (以港元計)

**39. MATERIAL RELATED PARTY TRANSACTIONS (continued)**

Notes: (continued)

## (e) Continuing connected transactions:

As certain directors and their associates are collectively the controlling shareholder (as defined in the Listing Rules) of YGMT Group and the Group and ultimate beneficial owner of YGM Marketing Pte Limited, the continuing connected transactions and the licence arrangement constitute connected transactions for the Group under the Listing Rules. The SEHK has granted to the Company waivers from strict compliance with the disclosure and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

(f) The management fees were charged for administrative, business strategy, personnel, legal and company secretarial work, accounting and management services provided, which are determined annually between the respective parties after negotiations having regard to the cost of services provided.

(g) The commission expenses were charged for referral of a customer and sales services provided by YGMT Group.

(h) The Group purchased traded products on behalf of Allied Textiles Limited which were reimbursed to the Group at cost.

(i) Yangtzekiang Myanmar was a wholly-owned subsidiary of the Group before disposal of by the Company of its entire interests in Yangtzekiang Myanmar to Mr. Wong Pui Lam, Mr. Wong Chun Yu, Mr. Chee Chong Sin and Ms. Tsang Sau Ngor on 30th March, 2004 ("Disposal"). On 8th June, 2004, the Company entered into the Master Subcontracting Agreement with Yangtzekiang Myanmar in relation to subcontracting services. Yangtzekiang Myanmar has been providing subcontracting services to the Company in the past and will continue to provide such services after the Disposal. Since Mr. Wong Pui Lam is a director of Yangtzekiang Myanmar before the Disposal, Mr. Wong Pui Lam remains a connected person of the Company for 12 months after the Disposal. The subcontracting services constitute continuing connected transactions for the Company during the said period. The SEHK has granted to the Company waivers from strict compliance with the disclosure and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

**39. 與關連人士之重大交易 (續)**

附註：(續)

## (e) 集團之持續關連交易：

若干董事統稱為YGMT集團及本集團之控股股東(定義見上市規則)及YGM Marketing Pte Limited之最終實益擁有人，因此，持續關連交易及使用權安排構成本集團之關連交易。聯交所已授出豁免就每次進行該等交易而嚴格遵守上市規則第14A章披露及取得獨立股東批准之規定。

(f) 管理費收入與提供行政工作、業務策略、人事、法律及公司秘書工作、會計與管理服務有關，該費用是由有關人士每年按磋商後釐定。

(g) 佣金費用乃YGMT集團代尋找一客戶及提供銷售服務所收取之佣金。

(h) 本集團代新聯興紡織有限公司購買之貿易產品均全數按成本付還。

(i) 於二零零四年三月三十日本公司出售其於Yangtzekiang Myanmar之全部權益予王沛霖先生、王震宇先生、徐崇勝先生及曾秀娥女士(「出售事項」)前，Yangtzekiang Myanmar為本集團之全資擁有附屬公司。於二零零四年六月八日，本公司與Yangtzekiang Myanmar就外發加工服務訂立主要外發加工協議。Yangtzekiang Myanmar在過往一直為本公司提供外發加工服務，並將於出售事項後繼續提供該等服務。由於王沛霖先生於出售事項前為Yangtzekiang Myanmar之董事，故此王沛霖先生在出售事項後之十二個月內仍為本公司之關連人士。於上述期間內之外發加工交易已構成本公司之持續關連交易。聯交所已授出豁免就每次進行該等交易而嚴格遵守上市規則第14A章披露及取得獨立股東批准之規定。

NOTES ON THE FINANCIAL STATEMENTS 財務報表附註  
For the year ended 31st March, 2005 (Expressed in Hong Kong dollars)  
截至二零零五年三月三十一日止年度 (以港元計)

39. MATERIAL RELATED PARTY  
TRANSACTIONS (continued)

(1.2) Outstanding balances due from/(to) related companies, associates and the shareholder:

		2005 二零零五年 \$'000 千元	2004 二零零四年 \$'000 千元
Amount due from YGMT Group	應收YGMT集團款項	8,228	1,690
Amount due to YGMT Group	應付YGMT集團款項	(4,103)	-
Amount due from YGM Marketing Pte Limited	應收YGM Marketing Pte Limited款項	29	65
Amount due from Wuxi Changxin Textile Co., Ltd.	應收無錫長新紡織有限公司款項	1,350	-
Dividend receivable from Wuxi Changxin Textile Co., Ltd.	應收無錫長新紡織有限公司股息	99	99
Amount due to Wuxi Changxin Textile Co., Ltd.	應付無錫長新紡織有限公司款項	(45,732)	(33,165)
Amount due to Allied Textiles Limited	應付新聯興紡織有限公司款項	(2,220)	(2,290)
Amount due to Wuxi No. 1 Cotton Mill Import and Export Co., Ltd.	應付無錫一棉進出口有限公司款項	(11,825)	-
Amount due to a shareholder, Chan Family Investment Corporation Ltd.	應付股東款項－Chan Family Investment Corporation Ltd.	(5,868)	-

Balances with related companies, associates and the shareholder are unsecured, interest free and repayable on demand.

39. 與關連人士之重大交易 (續)

(1.2) 應收／(應付)關連公司、聯營公司及股東款項：

	2005 二零零五年 \$'000 千元	2004 二零零四年 \$'000 千元
Amount due from YGMT Group	8,228	1,690
Amount due to YGMT Group	(4,103)	-
Amount due from YGM Marketing Pte Limited	29	65
Amount due from Wuxi Changxin Textile Co., Ltd.	1,350	-
Dividend receivable from Wuxi Changxin Textile Co., Ltd.	99	99
Amount due to Wuxi Changxin Textile Co., Ltd.	(45,732)	(33,165)
Amount due to Allied Textiles Limited	(2,220)	(2,290)
Amount due to Wuxi No. 1 Cotton Mill Import and Export Co., Ltd.	(11,825)	-
Amount due to a shareholder, Chan Family Investment Corporation Ltd.	(5,868)	-

與關連公司、聯營公司及股東之結餘是沒有抵押、不帶利息，並需按通知即時償還。

**NOTES ON THE FINANCIAL STATEMENTS** 財務報表附註

For the year ended 31st March, 2005 (Expressed in Hong Kong dollars)  
截至二零零五年三月三十一日止年度 (以港元計)

**40. RECENTLY ISSUED ACCOUNTING STANDARDS**

The Hong Kong Institute of Certified Public Accountants has issued a number of new and revised Hong Kong Financial Reporting Standards and Hong Kong Accounting Standards (collectively, "new HKFRSs") which are effective for accounting periods beginning on or after 1st January, 2005.

The Group has not early adopted these new HKFRSs in the financial statements for the year ended 31st March, 2005.

The Group has made a preliminary assessment of the impact of these new HKFRSs and has so far concluded that the adoption of the Hong Kong Financial Reporting Standard ("HKFRS") 3 "Business combinations", Hong Kong Accounting Standard ("HKAS") 40 "Investment properties" and HKFRS 2 "Share-based payment" will have a significant impact on its consolidated financial statements as set out below:

- (a) At present, the Group has recognised positive goodwill arising on acquisitions of controlled subsidiaries and associates after 1st April, 2001 in the balance sheet as assets. Such goodwill is amortised to the consolidated income statement on a straight-line basis over its estimated useful life which may not exceed 20 years. Positive goodwill arising on acquisitions prior to 1st April, 2001 was charged to reserves in the period in which it arose and has not been restated. Under the transitional arrangements of HKFRS 3, the Group will discontinue amortising the positive goodwill classified as assets as at 1st April, 2005 and eliminate the carrying amount of the related accumulated amortisation with a corresponding decrease in positive goodwill. Positive goodwill will then be subject to an annual impairment test in accordance with HKAS 36 "Impairment of assets". If the Group had adopted HKFRS 3 for the current year, the Group's profit attributable to the shareholders for the year ended 31st March, 2005 and the Group's net assets at 31st March, 2005 would have been increased by \$6,522,000.

**40. 近期頒佈之主要會計政策**

香港會計師公會已頒佈若干新訂及經修訂之香港財務報告準則及香港會計準則 (統稱為「新香港財務報告準則」)，於二零零五年一月一日或之後開始之會計期間有效。

本集團並無提前於截至二零零五年三月三十一日止年度之財務報表中採納該等新香港財務報告準則。

本集團對新香港財務報告準則之影響作初步評估，至今斷定採納香港財務報告準則 (「香港財務報告準則」) 第3號「業務合併」、香港會計準則 (「香港會計準則」) 第40號「投資物業」及香港財務報告準則第2號「以股份為基礎的支付」將對其綜合財務報表有重大影響，茲載列如下：

- (a) 現時，本集團就二零零一年四月一日後收購之受控制附屬公司及聯營公司產生之正商譽於資產負債表確認為資產。該商譽於綜合損益表按直線法於其估計可用年期 (不得超過20年) 攤銷。於二零零一年四月一日前收購產生之正商譽則計入產生期間之儲備，不予重列。根據香港財務報告準則第3號之過渡安排，本集團將不再攤銷二零零五年四月一日列作資產之正商譽，並對銷相關累計攤銷之賬面值，正商譽則相應減少。正商譽將須根據香港會計準則第36號「資產減值」作出年度減值測試。倘本年度本集團採納香港財務報告準則第3號，本集團截至二零零五年三月三十一日止年度之股東應佔溢利及本集團於二零零五年三月三十一日之資產淨值將增加6,522,000元。

NOTES ON THE FINANCIAL STATEMENTS 財務報表附註  
For the year ended 31st March, 2005 (Expressed in Hong Kong dollars)  
截至二零零五年三月三十一日止年度 (以港元計)

#### 40. RECENTLY ISSUED ACCOUNTING STANDARDS (continued)

(a) (continued)

In addition, the Group has recognised negative goodwill arising on acquisitions of controlled subsidiaries and associates in prior years. Such negative goodwill is amortised to the consolidated income statement on a proportional basis, when the relevant assets acquired are sold or otherwise realised. HKFRS 3 requires negative goodwill to be recognised in the consolidated income statement immediately. Under the transitional arrangements of HKFRS 3, the existing negative goodwill recognised in the balance sheet will be derecognised by way of an adjustment to retained earnings at 1st April, 2005. If the Group had adopted HKFRS 3 for the current year, the Group's profit attributable to shareholders for the year ended 31st March, 2005 would have been decreased by \$10,522,000 and the Group's net assets as at 31st March, 2005 would have been increased by approximately \$44,703,000 respectively.

- (b) At present, surpluses or deficits arising on the annual revaluation of the Group's and its associates' investment properties to open market value at the balance sheet date are dealt with in the investment properties revaluation reserves or in the income statement if the total of those reserves is insufficient to cover a deficit on a portfolio basis. Following the adoption of the new HKAS 40, the investment properties of the Group and its associates will continue to be stated at open market value and all surpluses or deficits arising from the revaluation of the investment properties will be reported in the consolidated income statement. The new HKAS 40 requires the provision of deferred tax on revaluation surpluses or deficits calculated at applicable profits tax rates in accordance with the guidance in HKAS Interpretation 21 "Income taxes – recovery of revalued non-depreciable assets". If HKAS 40 had been adopted for the current year, the Group's profit attributable to shareholders for the year ended 31st March, 2005 would have been increased by \$3,580,000, being the total of the net revaluation surpluses arising on the Group's investment properties of \$6,180,000 which has been dealt with in the investment properties revaluation reserves less deferred tax of \$2,438,000 and the Group's share of the associates' net revaluation surpluses (net of deferred tax) of \$162,000. Furthermore, recognition of deferred tax on the Group's cumulative properties revaluation surpluses would also be required which would have reduced the Group's net assets as at 31st March, 2005.

#### 40. 近期頒佈之主要會計政策 (續)

(a) (續)

此外，本集團確認過往年度收購之受控制附屬公司及聯營公司產生之負商譽。該負商譽於綜合損益表按比例於有關已收購資產出售或另行變現時攤銷。香港財務報告準則第3號規定負商譽即時於綜合損益表確認。根據香港財務報告準則第3號之過渡安排，資產負債表內已確認之現有負商譽將透過調整二零零五年四月一日之保留盈利而解除確認。倘本年度本集團採納香港財務報告準則第3號，本集團截至二零零五年三月三十一日止年度之股東應佔溢利將減少10,522,000元而本集團於二零零五年三月三十一日之資產淨值將增加約44,703,000元。

- (b) 現時，本集團及其聯營公司之投資物業會每年進行重估，以得知於結算日之公開市值。重估產生之盈虧於投資物業重估儲備中處理。倘以組合基準計算，該等儲備不足以補足虧拙，則重估產生之盈虧將於損益表中處理。採納新香港會計準則第40號後，本集團及其聯營公司之投資物業將繼續按公開市值列賬，而重估投資物業產生之所有盈虧將於綜合損益表中呈列。新香港會計準則第40號規定，重估盈虧須根據香港會計準則詮釋21「所得稅－收回重估之不可折舊資產」之指引按適用利得稅稅率作遞延所得稅撥備。倘本年度採納香港會計準則第40號，本集團截至二零零五年三月三十一日止年度之股東應佔溢利將增加3,580,000元，即本集團投資物業產生之總重估盈餘淨額6,180,000元(已於投資物業重估儲備處理)減去遞延所得稅2,438,000元，以及本集團應佔聯營公司之投資物業產生之總重估盈餘淨額(已扣除遞延所得稅)162,000元。此外，亦須就本集團之累計物業重估盈餘確認遞延所得稅，將使本集團於二零零五年三月三十一日之資產淨額減少。

**NOTES ON THE FINANCIAL STATEMENTS** 財務報表附註

For the year ended 31st March, 2005 (Expressed in Hong Kong dollars)  
截至二零零五年三月三十一日止年度 (以港元計)

#### 40. RECENTLY ISSUED ACCOUNTING STANDARDS (continued)

## (b) (continued)

HKAS 40 is required to be adopted retrospectively. Consequently upon adoption for the year ending 31st March, 2006, comparative figures will be restated such that revaluation surpluses (net of deferred tax) at 1st April, 2004 and 1st April, 2005 of \$30,793,000 and \$34,373,000, respectively, will be dealt with in retained earnings and additional deferred tax liabilities will be created.

- (c) At present, when the Group grants employees options to acquire shares in the Company at nominal consideration, no employee benefit cost or obligation is recognised at the date of grant. When options are exercised, equity is increased by the amount of the proceeds received.

In accordance with the requirements of HKFRS 2, for the year beginning 1st April, 2005, an expense, equivalent to the fair value of the option, is required to be recognised in the consolidated income statement where the Group obtains services in exchange for share-based consideration. The expense would be charged to the expense category to which the respective individual relates and a corresponding entry would be made to a capital reserve.

When the options are exercised, the amounts recorded in the capital reserve in respect of the share option, to the extent of the nominal value of the shares issued on exercise of the option, would be transferred to share capital and the balance to the share premium account.

Accordingly, the principal impact of HKFRS 2 on the Group depends on the fair value of the options, usually at the date of grant. The Group granted no options during the year ended 31st March, 2005. Accordingly, there will be no retrospective effect upon adoption of HKFRS 2.

The Group is continuing its assessment of the impact of the new HKFRSs and other significant changes may be identified as a result of this assessment.

#### 40. 近期頒佈之主要會計政策 (續)

## (b) (續)

香港會計準則第40號須追溯採納。因此於截至二零零六年三月三十一日止年度採納後，須重列比較數字使到於二零零四年四月一日及於二零零五年四月一日之重估盈餘(已扣減遞延所得稅)分別30,793,000元及34,373,000元將於保留盈利處理並出現額外遞延所得稅負債。

- (c) 目前，本集團以名義代價向僱員授出可購買本公司股份之購股權時，毋須於授出日期確認僱員利益成本或責任。當行使購股權時，股本按收到之款項增加。

根據香港財務報告準則第2號之規定，於二零零五年四月一日開始之年度，倘本集團是以股份為基礎的代價來取得服務，則相等於購股權公平值之開支須於綜合損益表確認。開支於各別相關個人之開支類別中扣除，而股本儲備將錄得相應項目。

當行使購股權時，就購股權於股本儲備錄得之款項(以行使購股權所發行股份之面值為限)將轉入股本，餘額則轉入股份溢價賬。

因此，香港財務報告準則第2號對本集團之主要影響一般視乎購股權於授出日期之公平值而定。本集團於截至二零零五年三月三十一日止年度並無授出購股權。因此採納香港財務報告準則第2號並無追溯影響。

本集團正繼續評估新香港財務報告準則之影響，故可能因評估而得知其他重大變動。

**NOTES ON THE FINANCIAL STATEMENTS** 財務報表附註  
For the year ended 31st March, 2005 (Expressed in Hong Kong dollars)  
截至二零零五年三月三十一日止年度 (以港元計)

#### 41. POST BALANCE SHEET EVENT

Subsequent to year end, a capital contribution of \$65,500,000 was paid in respect of the establishment of a subsidiary in the People's Republic of China, Wuxi YangtzeKiang Textile Co., Ltd. ("Wuxi YangtzeKiang Textile"). Wuxi YangtzeKiang Textile will be engaged in the manufacture and sale of textile products and has registered capital of US\$12,000,000 (equivalent to approximately \$93,600,000). The capital contribution made by the Group represented the Group's 70% equity interest in this subsidiary.

#### 41. 結算日後事項

於結算日後，已就成立位於中華人民共和國之附屬公司無錫揚子江精密紡織有限公司（「無錫揚子江」）繳付65,500,000元出資。無錫揚子江將從事製造及銷售紡織品業務，註冊資本為12,000,000美元（相等於約93,600,000元）。本集團之出資佔本集團於該附屬公司股本權益之70%。