



MIRABELL INTERNATIONAL HOLDINGS LIMITED
美麗寶國際控股有限公司*

(Incorporated in the Cayman Islands with limited liability)
(於開曼群島註冊成立之有限公司)

Annual Report 2007~2008年報

Stock Code 股份代號 : 1179

* For identification purposes only 僅供識別



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CORPORATE INFORMATION

公司資料

BOARD OF DIRECTORS

Executive Directors

Tang Wai Lam (*Chairman and Managing Director*)
Ng Man Kit, Lawrence (*Deputy Managing Director*)
Chung Chun Wah
Leung Kelvin Yiu Fai

Non-executive Directors

Lee Kwan Hung
Lee Kin Sang*
Chan Ka Sing, Tommy*
Ng Chun Chuen, David*
* *Independent Non-executive Director*

AUDIT COMMITTEE

Lee Kin Sang (*Chairman*)
Chan Ka Sing, Tommy
Ng Chun Chuen, David

REMUNERATION COMMITTEE

Chan Ka Sing, Tommy (*Chairman*)
Lee Kin Sang
Ng Chun Chuen, David
Tang Wai Lam

QUALIFIED ACCOUNTANT

Leung Kelvin Yiu Fai

COMPANY SECRETARY

Leung Kelvin Yiu Fai

REGISTERED OFFICE

Ugland House
South Church Street
P.O. Box 309
George Town, Grand Cayman
Cayman Islands
British West Indies

董事會

執行董事

鄧偉林 (*主席兼董事總經理*)
吳民傑 (*董事副總經理*)
鍾振華
梁耀輝

非執行董事

李均雄
李建生*
陳家聲*
吳振泉*
* *獨立非執行董事*

審核委員會

李建生 (*主席*)
陳家聲
吳振泉

薪酬委員會

陳家聲 (*主席*)
李建生
吳振泉
鄧偉林

合資格會計師

梁耀輝

公司秘書

梁耀輝

註冊辦事處

Ugland House
South Church Street
P.O. Box 309
George Town, Grand Cayman
Cayman Islands
British West Indies

CORPORATE INFORMATION

公司資料

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS

8/F, Wyler Centre, Phase II
200 Tai Lin Pai Road
Kwai Chung
New Territories
Hong Kong

STOCK CODE

1179

WEBSITE

www.mirabell.com.hk

LEGAL ADVISORS

Woo, Kwan, Lee & Lo
26/F, Jardine House
1 Connaught Place
Central
Hong Kong

AUDITOR

PricewaterhouseCoopers
Certified Public Accountants
22/F, Prince's Building
Central
Hong Kong

PRINCIPAL SHARE REGISTRAR

Bank of Bermuda (Cayman) Limited
P.O. Box 513 G.T.
Strathvale House
North Church Street
George Town, Grand Cayman
Cayman Islands
British West Indies

HONG KONG BRANCH SHARE REGISTRAR

Tricor Abacus Limited
26/F, Tesbury Centre
28 Queen's Road East
Wanchai
Hong Kong

PRINCIPAL BANKERS

Hang Seng Bank Limited
DBS Bank (Hong Kong) Limited

總辦事處及主要營業地點

香港
新界葵涌
大連排道200號
偉倫中心第2期8樓

股份代號

1179

網址

www.mirabell.com.hk

法律顧問

胡關李羅律師行
香港中環
康樂廣場1號
怡和大廈26樓

核數師

羅兵咸永道會計師事務所
執業會計師
香港中環太子大廈22樓

主要股份過戶登記處

Bank of Bermuda (Cayman) Limited
P.O. Box 513 G.T.
Strathvale House
North Church Street
George Town, Grand Cayman
Cayman Islands
British West Indies

香港之股份過戶登記分處

卓佳雅柏勤有限公司
香港灣仔
皇后大道東28號
金鐘匯中心26樓

主要往來銀行

恒生銀行有限公司
星展銀行(香港)有限公司

CHAIRMAN'S STATEMENT

主席報告

Dear Shareholders,

I am pleased to present this annual report for the year ended 29 February 2008.

RESULTS AND DIVIDEND

The turnover of the Group for the year ended 29 February 2008 was HK\$1,017,527,000 whereas the profit attributable to equity holders of the Company was HK\$3,466,480,000.

The board of directors has resolved not to recommend a final dividend. An interim dividend of HK2.5 cents per share was paid on 19 December 2007.

A DISTINCTIVE YEAR UNDER REVIEW

During the year, the footwear retail sector continued to face with keen market competition. Operating costs remained at high levels mainly due to the surge of rental and staff expenses. The management closely monitored and controlled the increases in operating costs and concentrated on improving operational effectiveness and efficiency as well as store performance. Accordingly, the Group achieved satisfactory operating results as a whole.

The Group has adopted a multi-brand business model to run the business by offering a wide range of footwear products sold at varied retail prices targeted at different customer segments. The management will continue to keep abreast of changing market trends and identify footwear products that are distinctive in the market to differentiate itself from its competitors. The Group has offered high quality products with unique designs and functionality to our customers. As such, the management has devoted more resources to product development. The product development and buying team members will attend international footwear trade fairs and exhibitions regularly in order to keep themselves abreast of the latest fashion trends to source high quality and trendy products. Emphasis was put on product development to broaden the product range and enhance the product mix for the purposes of matching the ever-changing customer needs.

各位股東

本人欣然向各位提呈截至二零零八年二月二十九日止年度年報。

業績及股息

本集團截至二零零八年二月二十九日止年度的營業額為1,017,527,000港元；而本公司權益持有人應佔溢利為3,466,480,000港元。

董事會決議不派發末期股息。中期股息每股2.5港仙已於二零零七年十二月十九日支付。

不平凡的一年

於回顧期內，鞋類零售行業持續面對激烈市場的競爭，經營成本仍然維持高企的水平，主要是因急劇上升的租金及員工成本所致。管理層密切注視和控制經營成本的增加及集中改善營運效率和效益，以及同店增長。本集團整體取得令人滿意的經營業績。

本集團一直採取多品牌業務模式經營業務，針對不同階層的顧客群而提供各式各樣不同檔次的鞋類產品。管理層將繼續密切注視市場的變化趨勢並甄選獨特的產品，務求從競爭對手中脫穎而出。本集團為顧客提供高質素、款式獨特及多效能的產品。因此，管理層投放更多資源開發及採購產品。產品開發及採購部員工將參加多個國際鞋類展銷交易會及展覽會，從中掌握最新潮流的趨勢，以啟發對高質素及時尚產品的思維。為迎合不同的顧客需求，管理層重點投放資源在產品開發，並以擴大產品種類及加強產品組合。

CHAIRMAN'S STATEMENT

主席報告

The Group is committed to strengthening our brand awareness by increasing marketing and promotion activities in the marketplace including but not limited to placing advertisements on various media such as newspapers, magazines, television channels and outdoor advertisement media. These marketing and promotion activities have received good market responses and the management shall put more efforts on such activities so as to increase the market awareness of our brands and products.

Human resources are a determining factor for success. As such, the Group recruits capable people and assigns them to take up different levels of responsibilities. In the meantime, the management regularly provides employees with various types of training programs in professional selling techniques, customer service standards, product knowledge and management skills. A broad range of classroom training and field coaching has also been provided in order to persistently advance the knowledge and skills of employees.

On 27 July 2007, it was approved by the shareholders of the Company in the annual general meeting that the Company distributed in specie of 71 shares of Belle International Holdings Limited ("Belle Shares") for every 50 shares of the Company to its shareholders. As a result, 372,494,400 Belle Shares were distributed to our shareholders.

本集團致力提升各品牌的知名度，並通過廣告宣傳及市場推廣以提高市場的知名度，其中包括在不同的廣告媒體上，如報章、雜誌、電視頻道及戶外廣告媒體刊登廣告。該等活動在市場上反應良好，而管理層將投入更多的資源在廣告宣傳及市場推廣，藉以提高我們的品牌及產品在市場的知名度。

人力資源是企業得以成功的一個重要因素。因此，本集團招聘有才幹人士，並委派其擔任不同工作的崗位。與此同時，管理層定期為員工提供各類型的培訓課程，如在專業銷售技巧、顧客服務、產品知識及管理技巧。全面提供課堂及實地培訓，望能提高員工的知識及技能的水平。

於二零零七年七月二十七日，本公司在股東週年大會上獲得本公司股東批准，向本公司股東每持有50股本公司股份實物分派71股百麗國際控股有限公司股份（「百麗股份」）。因此，372,494,400股百麗股份已被分派予本公司的股東。

CHAIRMAN'S STATEMENT

主席報告

On 18 April 2008, a composite document was issued jointly by Belle Group Limited (“BGL”, a wholly-owned subsidiary of Belle International Holdings Limited (“Belle”)) and the Company to inform the shareholders and optionholders of the Company that DBS Asia Capital Limited was making a voluntary conditional cash offer on behalf of BGL to acquire all of the issued and to be issued shares in the share capital (the “Share Offer”), and for the cancellation of all the outstanding share options (the “Option Offer”), of the Company. BGL announced that the Share Offer and the Option Offer had become unconditional in all respects on 9 May 2008. As at the close of the Share Offer and the Option Offer on 23 May 2008, valid acceptances of (i) the Share Offer had been received in respect of 258,058,000 shares (representing approximately 98.38% of the issued share capital of the Company as at the date of this annual report); and (ii) the Option Offer had been received in respect of the share options to subscribe for 16,420,000 shares (representing 100% of all outstanding share options as at the opening of the Option Offer). It is noted that BGL intends to exercise the right under the Companies Law of the Cayman Islands to compulsorily acquire the shares of the Company not acquired by BGL under the Share Offer. On completion of the compulsory acquisition, the Company will become a wholly-owned subsidiary of Belle and an application will be made for the withdrawal of the listing of the shares from The Stock Exchange of Hong Kong Limited.

Looking ahead, the Group will strive for improvements in all business areas so as to further increase our competitive advantage in the marketplace. In light of the positive economic outlook, the management is of view that there is a considerable development potential in the footwear retail market. The Group aims at becoming a reputable footwear retailer offering a diversified range of high quality footwear products catering different needs of customers at different market segments. The management will pursue continuous quality improvement of products and provide a comprehensive product mix to meet diverse customers' needs. Meanwhile, the Group will strive to provide our customers with enjoyable shopping experiences beyond their expectations.

於二零零八年四月十八日，Belle Group Limited (「BGL」，為百麗國際控股有限公司 (「百麗」) 的全資附屬公司) 與本公司聯合刊發一份綜合文件通知本公司的股東及期權持有人有關星展亞洲融資有限公司代表BGL提出的自願有條件現金要約收購本公司股本中的所有已發行及將發行的股份 (「股份要約」)，並註銷所有已發行的認股權 (「期權要約」)。BGL宣佈在二零零八年五月九日股份要約及期權要約在所有方面已經成為無條件。截至二零零八年五月二十三日股份要約及期權要約截止時，BGL已經(i)收到258,058,000股股份有效接納股份要約 (相當於本公司截至本年報日的已發行股本約98.38%)；以及(ii)收到可認購16,420,000股股份的認股權有效接納期權要約 (相當於在期權要約的期初所有已發行的認股權的100%)。我們注意到BGL有意行使開曼群島《公司法》的權利，在股份要約中強制收購未為BGL收購的本公司股份。在強制收購完成後，本公司將成為百麗的全資附屬公司，屆時將向香港聯合交易所有限公司申請撤回本公司股份的上市地位。

展望將來，本集團將不斷在各業務範疇力求改進，從而進一步增強我們在市場的競爭優勢。在光明經濟前景下，管理層認為鞋業零售市場具有相當的發展空間。本集團目標成為一間信譽超卓的鞋類產品連鎖店，並在不同的市場領域為不同顧客提供優質的服務。管理層將繼續提高產品質量，並以滿足不同顧客的需要而提供全面的產品組合。同時，本集團將致力為顧客提供超越他們期望之購物體驗。

CHAIRMAN'S STATEMENT

主席報告

ACKNOWLEDGEMENT

On behalf of the board of directors, I would like to take this opportunity to express my gratitude to all shareholders and business partners for their support and to all employees for their hard work.

Tang Wai Lam

Chairman

Hong Kong, 26 May 2008

致謝

本人謹代表董事會全人，藉此機會向全體股東及商業夥伴給予之支持及全體員工之努力工作，深表謝意！

主席

鄧偉林

香港，二零零八年五月二十六日

MANAGEMENT DISCUSSION AND ANALYSIS

管理層之論述及分析

BUSINESS REVIEW

During the year, the Group recorded a turnover of HK\$1,017,527,000, representing an increase of 8.92%, compared with last year. As a result of the increases in operating profit and share of profit of an associate, the profit attributable to equity holders of the Company increased to HK\$3,466,480,000. The increase in operating profit (excluding the realisation of available-for-sale financial assets reserve) was mainly due to the increases in the turnover and gross profit, gains in relation to the disposal of a subsidiary holding a property in Shenzhen (details of which were disclosed in an announcement of 24 December 2007 and a circular of 9 January 2008) and a gain on disposal of a property in Macau.

Best Quality Investments Limited (“Best Quality”), a company incorporated in Samoa, is the Group’s associate in which the Group holds 30% interest. On 18 June 2007, Best Quality declared a distribution in specie of all the 1,250,000,000 shares in Belle International Holdings Limited (“Belle Shares”) held by it to its shareholders, pursuant to which the Group received 375,000,000 Belle Shares. On 27 July 2007, it was approved by the shareholders of the Company in the annual general meeting that the Company distributed in specie of 71 Belle Shares for every 50 shares of the Company to its shareholders.

The significant increase in share of profit of an associate was mainly due to the distribution in specie by Best Quality, the Group has derived a profit of approximately HK\$3,093,092,000 therefrom, representing the share of realisation of the cumulative gain on the increase in fair value of available-for-sale financial assets held by an associate. In addition, upon the distribution in specie of Belle Shares by the Company, the Group has derived a profit of approximately HK\$264,471,000 therefrom, representing the realisation of the cumulative gain on the increase in fair value of available-for-sale financial assets.

業務回顧

於回顧期內，本集團錄得1,017,527,000港元之營業額，與去年同期相比上升8.92%。由於經營溢利及應佔聯營公司溢利的增加，因此本公司權益持有人應佔溢利上升至3,466,480,000港元。經營溢利（不包括實現可供出售財務資產儲備）的增加主要因營業額及毛利上升、有關出售於深圳持有物業之附屬公司（詳情於二零零七年十二月二十四日的公告及二零零八年一月九日的通函披露）的收益及出售於澳門物業的收益。

於薩摩亞註冊成立的 Best Quality Investments Limited（「Best Quality」）是本集團佔30%權益的聯營公司。於二零零七年六月十八日，Best Quality宣布派發其實物持有所有1,250,000,000股百麗國際控股有限公司股份（「百麗股份」）予其股東。為此，本集團收到375,000,000股百麗股份。於二零零七年七月二十七日舉行之股東週年大會獲得本公司股東批准，向本公司股東每持有50股本公司股份實物分派71股百麗股份。

應佔聯營公司溢利的顯著增加主要因Best Quality派發其實物分派，本集團從該實物分派應計入約3,093,092,000港元之盈利，此乃應佔聯營公司持有可供出售財務資產的公平值增加而實現的累計收益。此外，本公司實物分派百麗股份後，本集團從該實物分派應計入約264,471,000港元之盈利，此乃持有可供出售財務資產的公平值增加而實現的累計收益。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層之論述及分析

The Hong Kong and Macau market

During the year, customer spending in the local market was stimulated by the favourable economic conditions and the booming stock and property markets. Besides, our efforts in brand building and customer satisfaction improvement were proven to be successful. These had brought fruitful results to the Hong Kong and Macau market during the year. Nevertheless, the ever increasing operational expenses in particular rental and staff costs posed high pressure and great challenges to us.

The Group strengthened the operational management by focusing on store performance improvement as well as optimised the merchandise mix. As a result, the retail business in the Hong Kong and Macau market continued to progress steadily during the year. The gross profit margin of the retail business recorded an increase owing to the increased sales of exclusive international brand products and reduced the extent of promotion discounts to customers.

Notwithstanding the keen competition in the marketplace, the wholesale business recorded a promising result during the year. The Group is currently the exclusive footwear distributor of the US brands of Caterpillar, Merrell, Royal Elastics and Sebago; Italian brand of Geox; and the UK brand of Gola in Hong Kong and Macau and/or the Mainland China.

Compared with last year, the turnover increased by 8.70% to HK\$655,891,000 whereas the operating profit (excluding the realisation of available-for-sale financial assets reserve, and a gain on disposal of a property in Macau) increased by 25.63% to HK\$37,813,000 in the Hong Kong and Macau market. At the end of April 2008, the Group operated 114 retail outlets in Hong Kong and Macau under the brands of Mirabell, Joy & Peace, Fiorucci, Inshoesnet and Geox.

香港及澳門市場

於回顧期內，在有利的經濟條件下，股票及房地產市場興旺，大大刺激了本地的消費市場。此外，本集團在建立品牌及改善顧客滿意度的努力，亦見成績。這些因素都為我們於回顧期內的香港及澳門市場取得滿意的業績。然而，在不斷增加的經營開支，特別是租金及員工成本上升，本集團面對巨大的壓力及挑戰。

通過集中改善店舖表現以及優化產品組合，本集團加強了營運管理。因此，香港及澳門市場的零售業務於回顧期內持續穩步發展。由於獨家國際品牌產品的銷售份額提高及減少給予顧客促銷折扣，因此零售業務的毛利錄得上升。

儘管市場競爭激烈，批發業務於回顧期內錄得理想的業績。現時，本集團是美國品牌Caterpillar、Merrell、Royal Elastics及Sebago；意大利品牌Geox；以及英國品牌Gola在香港、澳門及／或中國大陸的獨家鞋類產品總代理。

香港及澳門市場的營業額較去年同期增加8.70%至655,891,000港元；而經營溢利（不包括實現可供出售財務資產儲備，以及出售於澳門物業的收益）增加25.63%至37,813,000港元。於二零零八年四月底，本集團以Mirabell、Joy & Peace、Fiorucci、Inshoesnet及Geox品牌在香港及澳門經營114間零售店舖。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層之論述及分析

The Mainland China market

Leveraging the rapid economic growth in the Mainland China, there is a huge demand for high quality international footwear products. During the year, the Group increased the retail outlets in particular by strengthening its market presence in the first tier cities and further penetrating into the second tier cities. In the meantime, the Group significantly increased marketing and promotional activities.

During the year, the Group implemented various policies in order to improve operational effectiveness and efficiency. The management ceased the operations of some non-performing retail outlets and opened more counters at well-positioned department stores where turnover rent shall be paid. In addition, the management further tightened and monitored cost controls particularly the turnover rent paid resulted from promotional activities organised by department stores and shopping malls as well as other operating costs.

Compared with last year, the turnover increased by 9.08% to HK\$333,954,000 whereas the operating profit (excluding gains in relation to the disposal of a subsidiary holding a property in Shenzhen) increased by 12.63% to HK\$42,341,000. At the end of April 2008, the Group operated 220 retail outlets in Shenzhen, Guangzhou, Shanghai, Beijing, Tianjin, Dalian, Chengdu, Chongqing, Zhuhai, Xi'an, Wuhan, Wuxi, Dongguan, Harbin, Shijiazhuang, Panyu, Shenyang, Foshan, Hangzhou, Zhongshan, Changsha, Wenzhou, Changzhou and Kunming under the brands of Mirabell, Joy & Peace, Caterpillar, Merrell, Fiorucci, Innet and Kokopelli. In addition, there were 146 franchised retail outlets under the brand of Joy & Peace.

中國大陸市場

在迅速的經濟增長下，中國大陸市場對優質的國際鞋類產品有着龐大的需求。於回顧期內，本集團增加多間零售店舖，主要是加強在國內一線城市的市場佔有率，並進一步滲透到國內二線城市。與此同時，本集團大幅增加市場推廣活動。

於回顧期內，本集團實施多項政策以提升營運效率及效益。管理層關閉多間表現不理想的店舖，並且在位置優越的百貨公司及商場開設更多以銷售金額提成計算租金的店舖。此外，管理層進一步加強成本的控制，特別是因百貨公司及商場舉行促銷活動而引致以銷售金額提成計算的租金及其他經營費用。

營業額較去年同期增加9.08%至333,954,000港元；而經營溢利（不包括有關出售於深圳持有物業之附屬公司的收益）增加12.63%至42,341,000港元。於二零零八年四月底，本集團以Mirabell、Joy & Peace、Caterpillar、Merrell、Fiorucci、Innet及Kokopelli品牌在深圳、廣州、上海、北京、天津、大連、成都、重慶、珠海、西安、武漢、無錫、東莞、哈爾濱、石家莊、番禺、瀋陽、佛山、杭州、中山、長沙、溫州、常州及昆明經營220間零售店舖。此外，本集團亦以特許經營模式經營146間Joy & Peace品牌的零售店舖。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層之論述及分析

The Taiwan market

As the economy had been continuing to be sluggish, the management took extra caution to manage the business and particularly focused on improving store operational efficiency and strengthened our marketing activities. The Group will maintain the same number of retail outlets until the emergence of a turnaround in consumption sentiment.

Despite the continuing weak consumer sentiment in the Taiwan market, the turnover increased by 12.07% to HK\$27,682,000 whereas the operating loss decreased by 79.52% to HK\$1,376,000, compared with last year. At the end of April 2008, the Group operated 17 retail outlets under the brand of Fiorucci in Taiwan.

OUTLOOK

The economy of Hong Kong and Macau has continued to show strong growth. The management believes that consumer sentiment will improve thanks to the rising incomes, the decreasing unemployment rate and the buoyant property market. It is expected that the robust consumption will support our business. On the contrary, the Group is faced with great challenges ahead in particular keen market competition and rising in rental and staff costs.

With the increase in purchasing power of the Mainland China customers as a result of the rapid economic growth in recent years, there is still great room for the Group to further expand the retail network in the Mainland China. In the future, the management shall further consolidate our retail business and in particular focusing on store performance improvement and operational efficiency.

台灣市場

由於經濟持續放緩，管理層採取了審慎的方針去經營業務，專注改善店舖營運效率及加強市場推廣活動。本集團將維持現有的零售店舖數目直至消費意欲出現顯著的改善。

儘管台灣市場的消費意欲持續疲弱，但營業額較去年同期增加12.07%至27,682,000港元；而經營虧損減少79.52%至1,376,000港元。於二零零八年四月底，本集團在台灣以Fiorucci品牌經營17間零售店舖。

展望

香港及澳門的經濟持續呈現強勁增長。管理層認為因收入增加、失業率下降及房地產市場暢旺均使消費意欲改善，有助本集團的業務。另一方面，在激烈的市場競爭及租金與員工成本的上升，本集團將面對巨大的挑戰。

由於近年中國大陸經濟的快速增長，使內地消費者購買力大幅提高，因此本集團仍有龐大的空間去進一步擴大在中國大陸的零售網絡。管理層進一步鞏固未來我們的零售業務，並特別着重改進店舖表現及營運效率。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層之論述及分析

After the 2008 election in Taiwan, the management expects that the market conditions of Taiwan will become better in the near future in light of the government re-focuses on improving economic conditions and cross straits relationship. The Group will put emphasis on strengthening brand management and marketing as well as closely monitoring cost controls in order to improve the overall performance. The management expects that the retail business in Taiwan can turnaround and achieve break-even in the coming year.

On 18 April 2008, a composite document was issued jointly by Belle Group Limited (“BGL”, a wholly-owned subsidiary of Belle International Holdings Limited (“Belle”)) and the Company to inform the shareholders and optionholders of the Company that DBS Asia Capital Limited was making a voluntary conditional cash offer on behalf of BGL to acquire all of the issued and to be issued shares in the share capital (the “Share Offer”), and for the cancellation of all the outstanding share options (the “Option Offer”), of the Company. BGL announced that the Share Offer and the Option Offer had become unconditional in all respects on 9 May 2008. As at the close of the Share Offer and the Option Offer on 23 May 2008, valid acceptances of (i) the Share Offer had been received in respect of 258,058,000 shares (representing approximately 98.38% of the issued share capital of the Company as at the date of this annual report); and (ii) the Option Offer had been received in respect of the share options to subscribe for 16,420,000 shares (representing 100% of all outstanding share options as at the opening of the Option Offer). It is noted that BGL intends to exercise the right under the Companies Law of the Cayman Islands to compulsorily acquire the shares of the Company not acquired by BGL under the Share Offer. On completion of the compulsory acquisition, the Company will become a wholly-owned subsidiary of Belle and an application will be made for the withdrawal of the listing of the shares from The Stock Exchange of Hong Kong Limited.

二零零八年台灣大選過後，管理層預料在不久的未來當地政府將着重改善經濟環境及兩岸關係，並為台灣經濟帶來一番新景象。本集團將重點加強品牌管理與市場推廣，以及密切控制成本以達到改善整體業績。我們預期台灣的零售業務在來年達致收支平衡。

於二零零八年四月十八日，Belle Group Limited（「BGL」，為百麗國際控股有限公司（「百麗」）的全資附屬公司）與本公司聯合刊發一份綜合文件通知本公司的股東及期權持有人有關星展亞洲融資有限公司代表BGL提出的自願有條件現金要約收購本公司股本中的所有已發行及將發行的股份（「股份要約」），並註銷所有已發行的認股權（「期權要約」）。BGL宣佈在二零零八年五月九日股份要約及期權要約在所有方面已經成為無條件。截至二零零八年五月二十三日股份要約及期權要約截止時，BGL已經（i）收到258,058,000股股份有效接納股份要約（相當於本公司截至本年報日的已發行股本約98.38%）；以及（ii）收到可認購16,420,000股股份的認股權有效接納期權要約（相當於在期權要約的期初所有已發行的認股權的100%）。我們注意到BGL有意行使開曼群島《公司法》的權利，在股份要約中強制收購未為BGL收購的本公司股份。在強制收購完成後，本公司將成為百麗的全資附屬公司，屆時將向香港聯合交易所有限公司申請撤回本公司股份的上市地位。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層之論述及分析

Looking ahead, the management is confident that our multi-brand business model meets the demand of customers at different market segments. The Group will reinforce brand development, pursue product quality improvement and customer service excellence. Meanwhile, the Group continues its strategic and prudent approach towards network expansion by closely monitoring different market circumstances. The management will place a strong emphasis on same store growth by further improving operational efficiency. All in all, in light of the positive economic outlook, the management is cautiously optimistic about the business performance in the future.

LIQUIDITY AND FINANCIAL RESOURCES

Working capital of the Group increased from HK\$271,814,000 to HK\$490,796,000, and the current ratio and quick ratio were 3.87 and 2.46 times, respectively.

The inventory balance as at 29 February 2008 amounted to HK\$240,663,000. Compared with the inventory balance of HK\$182,052,000 as at 28 February 2007, an increase was recorded. As at 29 February 2008, the Group had bank balances and cash of HK\$278,541,000 and had no outstanding bank borrowings. During the year, the Group raised new short-term bank loans of HK\$37,337,000 for the financing of working capital and short-term bank loans of HK\$63,923,000 were settled.

As at 29 February 2008, the gearing ratio of the Group was 0 (28 February 2007: 0.02) which was calculated on the Group's total borrowings of nil (28 February 2007: HK\$25,008,000) and the total equity of HK\$596,315,000 (28 February 2007: HK\$1,284,327,000).

展望未來，管理層有信心憑着本集團的多品牌經營模式能滿足不同市場顧客群的需要。本集團將繼續加強品牌開發，不繼追求提升產品質量與顧客服務水平。與此同時，本集團繼續制定穩健的策略，並通過密切注視不同市場的情況而審慎擴展網絡。管理層將重點專注在同店的增長，以進一步提高經營效率。總括而言，在光明經濟前景下，管理層對來年的業績抱審慎樂觀的態度。

流動資金及財務資源

本集團之營運資金由271,814,000港元上升至490,796,000港元；而其流動比率及速動比率分別為3.87倍及2.46倍。

於二零零八年二月二十九日，本集團存貨為240,663,000港元，較於二零零七年二月二十八日之182,052,000港元相比，存貨水平上升。於二零零八年二月二十九日，本集團擁有278,541,000港元的銀行結餘及現金；以及沒有未償還銀行借貸。於回顧年度內，本集團新增37,337,000港元的短期銀行借貸作為營運資金之用；並已償還63,923,000港元的短期銀行借貸。

於二零零八年二月二十九日，本集團之資本負債比率為0（二零零七年二月二十八日：0.02），乃以本集團總借貸0港元（二零零七年二月二十八日：25,008,000港元）以及總權益596,315,000港元（二零零七年二月二十八日：1,284,327,000港元）計算。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層之論述及分析

TREASURY POLICIES

The Group continued to adopt a conservative approach to financial risk management. The Group's borrowings were in Hong Kong dollars and Renminbi and were arranged on a floating rate basis. As at 29 February 2008, the Group did not employ any financial instrument. The Group's treasury management policy is not to engage in any highly leveraged or speculative derivative products. With low gearing ratio and sound financial position, the management believes that the Group is well placed to avail itself to future expansion and investment opportunities.

CHARGE ON ASSETS

As at 29 February 2008, the net book values of land and buildings pledged as security for certain banking facilities available to the Group amounted to approximately HK\$9,935,000 (28 February 2007: HK\$10,396,000).

CONTINGENT LIABILITIES

As at 29 February 2008, the Group did not have any contingent liabilities (28 February 2007: Nil).

HUMAN RESOURCES

As at 29 February 2008, the Group had a total of 2,040 employees. The Group offers a competitive remuneration package to its employees, including insurance and medical benefits. In addition, discretionary bonus and share options may be granted to eligible employees based on the Group's performance and individual performance.

庫務政策

本集團於財務風險管理方面繼續維持審慎態度。本集團的借貸分別為港元及人民幣，利息以浮動利率計算。於二零零八年二月二十九日，本集團並無利用任何金融工具。本集團的理財政策是不參與高風險之投資或投機性的衍生工具。管理層深信，憑藉較低之資本負債水平及穩健之財政狀況，本集團具備優越條件，以助日後之擴展及掌握投資機會。

資產抵押

於二零零八年二月二十九日，用作本集團可動用之若干銀行信貸抵押之土地及樓宇賬面淨值為約9,935,000港元（二零零七年二月二十八日：10,396,000港元）。

或然負債

於二零零八年二月二十九日，本集團並無或然負債（二零零七年二月二十八日：無）。

人力資源

於二零零八年二月二十九日，本集團之僱員總數為2,040名。本集團為僱員提供優厚薪酬組合，包括保險及醫療福利。此外，本集團亦會按業績及個別僱員表現給予合資格僱員酌情花紅及認股權。

REPORT OF THE DIRECTORS

董事會報告

The directors submit their report together with the audited financial statements for the year ended 29 February 2008.

PRINCIPAL ACTIVITIES

The Company is an investment holding company. Its subsidiaries are principally engaged in retailing, wholesaling and manufacturing of footwear. There were no changes in the Group's activities during the year.

The Group has only one single business segment which is the sales of footwear through retailing, wholesaling and manufacturing. Accordingly, the segment information for this sole business segment is equivalent to the consolidated figures. A geographical analysis of the Group's performance for the year is set out in note 5 to the financial statements.

RESULTS AND APPROPRIATIONS

The results of the Group for the year are set out in the consolidated income statement on page 58.

The board of directors declared on 22 November 2007 an interim dividend of HK2.5 cents per ordinary share, totalling HK\$6,558,000 and the interim dividend was paid on 19 December 2007.

The board of directors has resolved not to recommend a final dividend.

SHARE CAPITAL

Movements in the share capital of the Company during the year are set out in note 29 to the financial statements.

RESERVES

Movements in the reserves of the Group and the Company during the year are set out in note 30 to the financial statements.

董事會仝人謹將截至二零零八年二月二十九日止年度報告連同已經審核之財務報表呈覽。

主要業務

本公司為一間投資控股公司。其附屬公司之主要業務包括鞋類產品零售、批發及製造。在本年度期間內，本集團並無任何業務變更。

本集團之唯一主要業務為鞋類零售、批發及製造，因此該業務之分部資料與綜合賬內之數字相同。按地區分部劃分之本集團本年度的業務表現分析載於財務報表附註5。

業績及分派

本集團本年度之業績載於第58頁之綜合損益表內。

於二零零七年十一月二十二日，董事會宣派中期股息每股普通股2.5港仙，合共6,558,000港元，而中期股息已於二零零七年十二月十九日支付。

董事會決議不建議派發末期股息。

股本

在本年度期間內，本公司股本之變動情況載於財務報表附註29。

儲備

在本年度期間內，本集團及本公司儲備之變動情況載於財務報表附註30。

REPORT OF THE DIRECTORS 董事會報告

DISTRIBUTABLE RESERVES

As at 29 February 2008, the distributable reserves of the Company available for distribution amounted to HK\$167,870,000 (28 February 2007: HK\$124,317,000) as computed in accordance with the Companies Law of the Cayman Islands.

FIXED ASSETS

The Company did not own any fixed assets during the year.

Details of the movements in property, plant and equipment and particulars of investment properties of the Group are set out in notes 14 and 15, respectively to the financial statements.

PRINCIPAL SUBSIDIARIES

Details of the principal subsidiaries of the Company as at 29 February 2008 are set out on pages 145 to 149.

RETIREMENT SCHEME

The Group has set up, in accordance with the laws of the regions where the Group operates, defined contribution retirement schemes, which are available to all eligible employees. Contributions to the schemes by the Group and, if applicable, the employees are calculated as a percentage of the employees' salaries. The retirement benefit schemes cost charged to the income statement represents contributions payable by the Group to these schemes.

Contributions totalling approximately HK\$784,000 (2007: HK\$743,000) were payable to these schemes at the year end and are included in accrued charges. The assets of these schemes are held separately from those of the Group in independently administered funds.

可分派儲備

根據開曼群島《公司法》計算，本公司於二零零八年二月二十九日之可分派儲備為167,870,000港元（二零零七年二月二十八日：124,317,000港元）。

固定資產

本公司在本年度期間內並無擁有任何固定資產。

本集團物業、機器及設備之變動情況及投資物業詳情分別載於財務報表附註14及15。

主要附屬公司

本公司於二零零八年二月二十九日主要附屬公司詳情載於第145至149頁。

退休計劃

本集團按其經營地區法例規定設有定額供款退休福利計劃以供其合資格僱員參與。僱主及僱員（如適用）所作出之供款乃按僱員薪金之百分比計算。在損益表支銷之退休福利計劃成本指本集團對該等計劃應付之供款。

於本年結日應付予該等計劃之供款為約784,000港元（二零零七年：743,000港元），已列於應計費用內。該等計劃之資產與本集團之資產分開持有，由獨立行政之基金管理。

REPORT OF THE DIRECTORS 董事會報告

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Articles of Association of the Company and there are no restrictions against such rights under the laws of the Cayman Islands.

FIVE-YEAR FINANCIAL SUMMARY

A summary of the results and of the assets and liabilities of the Group for the latest five financial years is set out on page 151.

DIRECTORS

The directors during the year were:

Executive directors

Mr Tang Wai Lam
Mr Ng Man Kit, Lawrence
Mr Chung Chun Wah
Mr Leung Kelvin Yiu Fai

Non-executive directors

Mr Lee Kwan Hung
Mr Lee Kin Sang*
Mr Chan Ka Sing, Tommy*
Mr Ng Chun Chuen, David*

* *Independent non-executive directors*

In accordance with the Articles of Association of the Company, Mr Chung Chun Wah, Mr Lee Kin Sang and Mr Ng Chun Chuen, David will retire from office at the forthcoming annual general meeting and, being eligible, offer themselves for re-election.

優先購買權

本公司之《組織章程細則》並無優先購買權之規定；而開曼群島法例亦無對優先購買權作出限制。

五年財務摘要

本集團最近五個財務年度之業績及資產與負債摘要載於第151頁。

董事

在本年度期間內董事如下：

執行董事

鄧偉林先生
吳民傑先生
鍾振華先生
梁耀輝先生

非執行董事

李均雄先生
李建生先生*
陳家聲先生*
吳振泉先生*

* *獨立非執行董事*

鍾振華先生、李建生先生及吳振泉先生根據本公司之《組織章程細則》於即將舉行之股東週年大會上退任，惟有資格並願膺選連任。

REPORT OF THE DIRECTORS 董事會報告

DIRECTORS (continued)

The Company has received from each of the independent non-executive directors an annual confirmation of his independence pursuant to Rule 3.13 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules"), and still considers all of the independent non-executive directors to be independent.

DIRECTORS' SERVICE CONTRACTS

None of the directors has a service contract with the Company which expressly requires the Company to give a period of notice of more than one year or to pay compensation or make other payments equivalent to more than one year's emoluments in order to entitle the Company to terminate the service contract.

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

Brief biographical details of directors and senior management are set out as follows:

Executive directors

Mr Tang Wai Lam, aged 54, is one of the two co-founders of the Group and the Chairman and Managing Director of the Company. Appointed as a director of the Company in 1996, Mr Tang has over 34 years of experience in the footwear retailing business and has established strong and extensive connections with footwear suppliers in Europe, USA, Hong Kong and Mainland China. He is primarily responsible for the overall direction of the business and formulation of corporate policies of the Group. Mr Tang serves as the Permanent Honorary Chairman of The Federation of Hong Kong Footwear Limited.

董事 (續)

本公司已根據《香港聯合交易所有限公司證券上市規則》(「《上市規則》」)第3.13條收到每名獨立非執行董事就其獨立性而作出的年度確認函，並仍然認為所有獨立非執行董事均屬獨立人士。

董事服務合約

全體董事概無簽訂任何明文訂明本公司必須給予逾一年通知或支付等同一年以上酬金的賠償或其他款項以終止之服務合約。

董事及高級管理人員之個人簡歷

董事及高級管理人員之個人簡歷如下：

執行董事

鄧偉林先生，現年54歲，為本集團兩名創辦人之一，並為本公司主席兼董事總經理，於一九九六年獲委任為本公司董事。鄧先生在鞋類產品零售方面有逾34年經驗，並已與歐洲、美國、香港及中國大陸之皮鞋供應商建立鞏固及廣泛之聯繫。彼現時主要負責本集團之整體業務發展及制訂公司政策。鄧先生現時為香港鞋業總會有限公司之永遠名譽會長。

REPORT OF THE DIRECTORS 董事會報告

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT (continued)

Executive directors (continued)

Mr Ng Man Kit, Lawrence, aged 52, is the Deputy Managing Director of the Company. Mr Ng is responsible for the overall strategic planning, retail operation as well as business development of the Group. Before re-joining the board in 2002, he was an executive director of two listed fashion groups and the vice president of a listed trading company in Hong Kong. Mr Ng holds a distinction Diploma in History from the Hong Kong Baptist University and has over 26 years of experience in the retail services industry in Hong Kong.

Mr Chung Chun Wah, aged 58, was appointed as a director of the Company in 1996. He joined the Group in 1990 and is responsible for the merchandising management and product development of the Group. He has over 32 years of experience in the footwear business.

Mr Leung Kelvin Yiu Fai, aged 41, was appointed as a director of the Company in 2006 and is concurrently serving as the Qualified Accountant and Company Secretary of the Company. Mr Leung joined the Group as the Financial Controller and Company Secretary of the Company in 2002. He holds a Master degree in Finance and Commercial Law from the University of Sydney, Australia, a Master degree in Business Administration from Monash University, Australia, a Bachelor degree in Law from Tsinghua University, PRC and a Bachelor degree in Law from University of Wolverhampton, UK. Besides, he is a Fellow of the Hong Kong Institute of Certified Public Accountants, a Fellow of the Association of Chartered Certified Accountants, UK, a Certified Management Accountant of the Institute of Certified Management Accountants, USA, a Fellow of CPA Australia and a Solicitor of the High Court of Australia. Mr Leung has over 17 years of experience in accounting, finance, taxation, company and commercial law, management and business development.

董事及高級管理人員之個人簡歷 (續)

執行董事 (續)

吳民傑先生，現年52歲，為本公司董事副總經理。吳先生現時負責本集團之整體策略計劃、零售管理及業務發展。吳先生於二零零二年重新加入本公司董事會前，曾為香港兩間上市時裝集團之執行董事，以及一間上市貿易公司的副總裁。吳先生持有香港浸會大學歷史學優良文憑，彼於香港的零售服務業擁有逾26年經驗。

鍾振華先生，現年58歲，於一九九六年獲委任為本公司董事。鍾先生於一九九零年加入本集團，現時負責本集團採購管理及產品發展事宜。彼於鞋類產品業有逾32年經驗。

梁耀輝先生，現年41歲，於二零零六年獲委任為本公司之董事，並同時履行本公司合資格會計師及公司秘書職務。梁先生於二零零二年加入本集團擔任本公司財務總監及公司秘書職位。彼持有澳洲悉尼大學財務及商業法律碩士學位、澳洲 Monash University 工商管理碩士學位、中華人民共和國清華大學法學學士學位及英國 University of Wolverhampton 法學學士學位。此外，彼亦為香港會計師公會資深會計師、英國特許公認會計師公會資深會員、美國註冊管理會計師公會註冊管理會計師、澳洲資深註冊會計師及澳洲高等法院律師。梁先生於會計、財務、稅務、公司及商業法、企業管理和業務發展方面擁有逾17年經驗。

REPORT OF THE DIRECTORS 董事會報告

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT (continued)

Non-executive directors

Mr Lee Kwan Hung, aged 42, was appointed as a non-executive director of the Company in 2000. Mr Lee graduated from the University of Hong Kong in 1988 and obtained a Postgraduate Certificate in Laws in 1989. He was qualified as a solicitor in Hong Kong in 1991 and in England and Wales in 1997. He was a senior manager of The Stock Exchange of Hong Kong Limited and is a partner of Woo, Kwan, Lee & Lo and the chief representative of Woo, Kwan, Lee & Lo's Beijing Office.

Mr Lee Kin Sang, aged 55, is an independent non-executive director of the Company and joined the board in 1996. He has been involved in the jewellery industry for over 32 years and has substantial experience in manufacturing and trading of jewellery. He is a director of several private companies engaged in jewellery manufacturing and trading. Mr Lee presently serves as a director of Hong Kong Jewellery Manufacturers' Association, the Committee Member of Chinese People's Political Consultative Conference (Panyu, Guangzhou) and the chairman of Guangzhou Panyu Jewellers Manufacturing Association.

Mr Chan Ka Sing, Tommy, aged 47, is an independent non-executive director of the Company and joined the board in 1996. Mr Chan is a practising solicitor admitted by the Supreme Court of Hong Kong and the Supreme Court of England and Wales. He holds a Bachelor degree in Law from Wolverhampton Polytechnic, England and a Diploma of accountancy from Hong Kong Polytechnic. Mr Chan has worked in the legal profession for more than 16 years and held accounting positions in an international accounting firm and an international trading company, and has extensive experience in law practising and accountancy. Mr Chan is currently a consultant of the solicitors' firm Jimmie K S Wong & Partners. Besides, Mr Chan is a member of the Solicitors Disciplinary Tribunal Panel and a Fellow of The Hong Kong Institute of Directors.

董事及高級管理人員之個人簡歷 (續)

非執行董事

李均雄先生，現年42歲，於二零零零年獲委任為本公司非執行董事。李先生於一九八八年畢業於香港大學並於一九八九年獲得法律深造證書。彼分別於一九九一年及一九九七年成為香港及英格蘭及威爾斯之認可執業律師。李先生曾於香港聯合交易所有限公司擔任高級經理，現為胡關李羅律師行之合夥人及胡關李羅律師行北京辦事處的首席代表。

李建生先生，現年55歲，為本公司獨立非執行董事，於一九九六年加入董事會。彼從事珠寶業逾32年，在珠寶製造及貿易方面有豐富經驗。李先生為多間從事珠寶製造及貿易之私營公司之董事，現時為香港珠寶製造業廠商會之理事、廣州市番禺區政協委員及廣州番禺珠寶廠商會之會長。

陳家聲先生，現年47歲，為本公司獨立非執行董事，於一九九六年加入董事會。陳先生為香港最高法院及英格蘭及威爾斯最高法院之認可執業律師。彼持有英國 Wolverhampton Polytechnic 法律學士學位及香港理工學院會計文憑。陳先生從事法律界逾16年，並曾於一間國際會計師事務所及一間國際貿易公司任職會計職位，在法律實務及會計方面具有豐富經驗。陳先生現為黃嘉錫律師事務所之顧問。此外，陳先生為律師紀律審裁組成員及香港董事學會資深會員。

REPORT OF THE DIRECTORS 董事會報告

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT (continued)

Non-executive directors (continued)

Mr Ng Chun Chuen, David, aged 43, is an independent non-executive director of the Company and joined the board in 2004. Mr Ng is a Fellow of the Hong Kong Institute of Certified Public Accountants and a Fellow of the Association of Chartered Certified Accountants, UK. Mr Ng has extensive experience in auditing, financial management, corporate development, investment and corporate finance. He had been an executive director and chief financial officer of various companies listed on The Stock Exchange of Hong Kong Limited.

The executive directors of the Company are also senior management of the Group and hold directorships in certain subsidiaries.

DIRECTORS' INTERESTS IN CONTRACTS

No contracts of significance in relation to the Group's business to which the Company or any of its subsidiaries was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

董事及高級管理人員之個人簡歷 (續)

非執行董事 (續)

吳振泉先生，現年43歲，為本公司獨立非執行董事，於二零零四年加入董事會。吳先生為香港會計師公會資深會計師及英國特許公認會計師公會資深會員。吳先生在審計、財務管理、企業發展、投資及企業融資方面經驗豐富。彼曾擔任多間於香港聯合交易所有限公司上市之公司之董事及首席財務官等職銜。

本公司之執行董事同時為本集團之高級管理人員並在若干附屬公司擔任董事職務。

董事於合約之權益

於年終或年內任何時間，本公司或附屬公司概無簽訂任何涉及本集團之業務，而本公司董事直接或間接在其中擁有重大權益之重要合約。

REPORT OF THE DIRECTORS 董事會報告

DIRECTORS' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 29 February 2008, the interests and short positions of the directors of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) as recorded in the register required to be kept under Section 352 of the SFO or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the Listing Rules, were as follows:

(a) Shares in the Company

董事於股份、相關股份及債權證之權益及淡倉

於二零零八年二月二十九日，根據《證券及期貨條例》第352條規定須設置之登記冊所載記錄或根據《上市規則》附錄十所載有關《董事進行證券交易的標準守則》須知會本公司及香港聯合交易所有限公司（「聯交所」），本公司董事在本公司及其相聯法團（定義見《證券及期貨條例》第XV部）的股份、相關股份及債權證之任何權益及淡倉如下：

(a) 本公司之股份

Name of Director	董事姓名	Number of shares/ underlying shares beneficially held 實益持有股份／相關股份數目			Total 總計
		Personal interests 個人權益	Other interests 其他權益		
		Ordinary shares of HK\$0.1 each 每股0.1港元之 普通股股份	Underlying shares 相關股份 (note (i)) (附註(i))		
Mr Tang Wai Lam	鄧偉林先生	6,000,000	–	130,575,000 (note (ii)) (附註(ii))	136,575,000
Mr Ng Man Kit, Lawrence	吳民傑先生	13,034,000	1,400,000	50,000 (note (iii)) (附註(iii))	14,484,000
Mr Chung Chun Wah	鍾振華先生	902,000	1,400,000	158,000 (note (iv)) (附註(iv))	2,460,000
Mr Leung Kelvin Yiu Fai	梁耀輝先生	–	980,000	–	980,000
Mr Lee Kwan Hung	李均雄先生	–	340,000	–	340,000
Mr Lee Kin Sang	李建生先生	–	340,000	–	340,000
Mr Chan Ka Sing, Tommy	陳家聲先生	–	340,000	–	340,000
Mr Ng Chun Chuen, David	吳振泉先生	–	170,000	–	170,000

REPORT OF THE DIRECTORS 董事會報告

DIRECTORS' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES (continued)

Notes:

- (i) Underlying shares are shares options granted to the directors of the Company pursuant to the share option scheme of the Company and details of which are set out on pages 27 to 34.
- (ii) Of these 130,575,000 shares, 8,175,000 shares were held by Rich Land Property Limited, which was wholly owned by a discretionary trust, the founder of which was Mr Tang Wai Lam. The other 122,400,000 shares were held by Tang's Enterprises Limited, which was owned by Rich Land Property Limited, Kinlington Agents Limited and Mosman Associates Limited as to one-third each.
- (iii) These 50,000 shares were held by Madam Wong Lee Ling, Cathy, the spouse of Mr Ng Man Kit, Lawrence.
- (iv) These 158,000 shares were held by Madam Cheung Suk Yee, the spouse of Mr Chung Chun Wah.

(b) Shares in Mirabell Footwear Limited

Name of Director

董事姓名

Mr Tang Wai Lam
Mr Chung Chun Wah

鄧偉林先生
鍾振華先生

6,561
477

董事於股份、相關股份及債權證之權益及淡倉(續)

附註:

- (i) 相關股份乃按本公司之認股權計劃授予董事之認股權，有關詳情載於第27至34頁。
- (ii) 此等130,575,000股股份中，8,175,000股股份由一項全權信託全資所擁有的Rich Land Property Limited所持有，鄧偉林先生為該全權信託的成立人。其餘122,400,000股股份由Tang's Enterprises Limited所持有，而Rich Land Property Limited、Kinlington Agents Limited及Mosman Associates Limited各擁有其三分之一之股權。
- (iii) 此等50,000股股份由吳民傑先生之配偶黃莉玲女士所持有。
- (iv) 此等158,000股股份由鍾振華先生之配偶張淑儀女士所持有。

(b) 美麗寶鞋業有限公司之股份

Number of non-voting deferred shares of HK\$100 each in a subsidiary of the Company, Mirabell Footwear Limited, beneficially held personally
個人實益持有本公司附屬公司
美麗寶鞋業有限公司每股100港元
之無投票權遞延股數目

REPORT OF THE DIRECTORS 董事會報告

DIRECTORS' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES (continued)

Save as disclosed above:

- (i) As at 29 February 2008, none of the directors or chief executives (including their spouses and children under 18 years of age) of the Company had any interest in, or had been granted, or exercised, any rights to subscribe for the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of the SFO).
- (ii) At no time during the year was the Company or its subsidiaries a party to any arrangement to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

董事於股份、相關股份及債權證之權益及淡倉(續)

除上文披露者外：

- (i) 於二零零八年二月二十九日，本公司之董事或最高行政人員（包括彼等之配偶及十八歲以下子女）概無持有或獲授予或行使任何用以認購本公司及其相聯法團（定義見《證券及期貨條例》）的股份、相關股份及債權證之權利。
- (ii) 本公司及其附屬公司在本年度期間內任何時間概無訂立任何安排，致使本公司之董事可藉購入本公司或任何其他法人團體之股份或債權證而獲得利益。

REPORT OF THE DIRECTORS 董事會報告

SUBSTANTIAL SHAREHOLDERS

As at 29 February 2008, the following persons (other than the directors of the Company) had 5% or more interests and short positions in the shares and underlying shares of the Company as recorded in the register required to be kept by the Company under Section 336 of the SFO.

主要股東

於二零零八年二月二十九日，根據《證券及期貨條例》第336條規定須設置之登記冊所載記錄，以下人士（除本公司之董事外）持有本公司的股份及相關股份之5%或以上之權益及淡倉。

Number of ordinary shares of HK\$0.1 each beneficially held 實益持有每股0.1港元之普通股份數目

Name	姓名	Beneficial interests 實益權益	Interest of controlled corporation 受控制公司權益	Other interests 其他權益	Total 總計
Tang's Enterprises Limited (note (v))	Tang's Enterprises Limited (附註(v))	122,400,000	–	–	122,400,000
Rich Land Property Limited (note (v))	Rich Land Property Limited (附註(v))	8,175,000	122,400,000 (note (i)) (附註(i))	–	130,575,000
Kinlington Agents Limited (note (v))	Kinlington Agents Limited (附註(v))	8,175,000	122,400,000 (note (i)) (附註(i))	–	130,575,000
Mosman Associates Limited	Mosman Associates Limited	8,175,000	122,400,000 (note (i)) (附註(i))	–	130,575,000
Mr Tang Keung Lam	鄧強林先生	6,000,000	–	130,575,000 (note (ii)) (附註(ii))	136,575,000
Madam Tso Lai Kuen	曹麗娟女士	6,000,000	–	130,575,000 (note (iii)) (附註(iii))	136,575,000
Strath Fiduciaries Limited	Strath Fiduciaries Limited	–	146,925,000 (note (iv)) (附註(iv))	–	146,925,000

REPORT OF THE DIRECTORS 董事會報告

SUBSTANTIAL SHAREHOLDERS (continued)

Notes:

- (i) These represented the same block of 122,400,000 shares held by Tang's Enterprises Limited, which was owned by Rich Land Property Limited, Kinlington Agents Limited and Mosman Associates Limited as to one-third each.
- (ii) Of these 130,575,000 shares, 8,175,000 shares were held by Kinlington Agents Limited, which was wholly owned by a discretionary trust, the founder of which was Mr Tang Keung Lam. The other 122,400,000 shares represented the same block of shares held by Tang's Enterprises Limited.
- (iii) Of these 130,575,000 shares, 8,175,000 shares were held by Mosman Associates Limited, which was wholly owned by a discretionary trust, the founder of which was Madam Tso Lai Kuen. The other 122,400,000 shares represented the same block of shares held by Tang's Enterprises Limited.
- (iv) These represented the same block of 122,400,000 shares held by Tang's Enterprises Limited and the three blocks of shares of 8,175,000 each beneficially held by Rich Land Property Limited, Kinlington Agents Limited and Mosman Associates Limited respectively. Since Rich Land Property Limited, Kinlington Agents Limited and Mosman Associates Limited were wholly owned on trust by Strath Fiduciaries Limited, Strath Fiduciaries Limited was deemed to be interested in the shares in which those companies were interested or deemed to be interested under the SFO.
- (v) Mr Tang Wai Lam is a director of Tang's Enterprises Limited, Rich Land Property Limited and Kinlington Agents Limited.

Save as disclosed above, as at 29 February 2008, no other person was recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO as having 5% or more interests and short positions in the shares and underlying shares of the Company.

主要股東(續)

附註:

- (i) 此等股份與Tang's Enterprises Limited所持有的122,400,000股股份為同一宗。而Rich Land Property Limited、Kinlington Agents Limited及Mosman Associates Limited各擁有其三分之一股權。
- (ii) 此等130,575,000股股份中，8,175,000股股份由一項全權信託全資所擁有的Kinlington Agents Limited所持有，鄧強林先生為該全權信託的成立人。其餘122,400,000股股份與Tang's Enterprises Limited所持有的股份為同一宗。
- (iii) 此等130,575,000股股份中，8,175,000股股份由一項全權信託全資所擁有的Mosman Associates Limited所持有，曹麗娟女士為該全權信託的成立人。其餘122,400,000股股份與Tang's Enterprises Limited所持有的股份為同一宗。
- (iv) 此等股份包括由Tang's Enterprises Limited持有而同屬一宗之122,400,000股股份：分別由Rich Land Property Limited、Kinlington Agents Limited及Mosman Associates Limited實益持有每宗為8,175,000股之三宗股份。由於Rich Land Property Limited、Kinlington Agents Limited及Mosman Associates Limited由Strath Fiduciaries Limited以信託形式全資擁有，故根據《證券及期貨條例》，Strath Fiduciaries Limited被視為擁有此等股份之權益，而此等股份之權益由該等公司所擁有或被視為擁有。
- (v) 鄧偉林先生為Tang's Enterprises Limited、Rich Land Property Limited及Kinlington Agents Limited之董事。

除上文披露者外，於二零零八年二月二十九日，本公司根據《證券及期貨條例》第336條而設之登記冊並無記錄其他人士持有本公司之股份及相關股份之5%或以上之權益及淡倉。

REPORT OF THE DIRECTORS 董事會報告

DEALINGS IN THE COMPANY'S LISTED SHARES

The Company did not redeem any of the Company's shares during the year. Neither the Company nor any of its subsidiaries had purchased or sold any of the Company's share during the year.

PUBLIC FLOAT

On 18 April 2008, a composite document was issued jointly by Belle Group Limited ("BGL", a wholly-owned subsidiary of Belle International Holdings Limited) and the Company to inform the shareholders and optionholders of the Company that DBS Asia Capital Limited was making a voluntary conditional cash offer on behalf of BGL to acquire all of the issued and to be issued shares in the share capital (the "Share Offer"), and for the cancellation of all the outstanding share options (the "Option Offer"), of the Company. BGL announced that the Share Offer and the Option Offer had become unconditional in all respects on 9 May 2008. As at the close of the Share Offer and the Option Offer on 23 May 2008, valid acceptances of (i) the Share Offer had been received in respect of 258,058,000 shares (representing approximately 98.38% of the issued share capital of the Company as at the date of this annual report); and (ii) the Option Offer had been received in respect of the share options to subscribe for 16,420,000 shares (representing 100% of all outstanding share options as at the opening of the Option Offer). The prescribed public float percentage under the Listing Rules of 25% is not maintained.

買賣本公司上市股份

本公司在本年度期間內並無贖回其任何股份。本公司或其任何附屬公司在本年度期間內概無購買或出售本公司任何股份。

公眾持股量

於二零零八年四月十八日，Belle Group Limited（「BGL」，為百麗國際控股有限公司的全資附屬公司）與本公司聯合刊發一份綜合文件通知本公司的股東及期權持有人有關星展亞洲融資有限公司代表BGL提出的自願有條件現金要約收購本公司股本中的所有已發行及將發行的股份（「股份要約」），並註銷所有已發行的認股權（「期權要約」）。BGL宣佈在二零零八年五月九日股份要約及期權要約在所有方面已經成為無條件。截至二零零八年五月二十三日股份要約及期權要約截止時，BGL已經 (i) 收到258,058,000股股份有效接納股份要約（相當於本公司截至本年報日的已發行股本約98.38%）；以及 (ii) 收到可認購16,420,000股股份的認股權有效接納期權要約（相當於在期權要約的期初所有已發行的認股權的100%）。《上市規則》所規定的25%公眾持股量百分比並未能維持。

REPORT OF THE DIRECTORS 董事會報告

SHARE OPTION SCHEME

The purpose of the share option scheme of the Company (the "Share Option Scheme") is to provide the Company with a flexible means of giving incentive to, rewarding, remunerating, compensating and/or providing benefits to the participants for their contributions and/or potential contributions to the Group and for such other purposes as the Board may approve from time to time.

The participants of the Share Option Scheme are:

- (i) any executive or non-executive directors including independent non-executive directors or any employees (whether full-time or part-time) of the Group;
- (ii) any discretionary objects of a discretionary trust established by any employees, executive or non-executive directors of the Group;
- (iii) any consultants, professional and other advisers to the Group (or persons, firms or companies proposed to be appointed for providing such services);
- (iv) any chief executives of the Company; and
- (v) any associates of director or chief executive of the Company,

provided that the Board may have absolute discretion to determine whether or not one falls within the above categories.

認股權計劃

本公司之認股權計劃（「本認股權計劃」）旨在讓本公司能以一個靈活方式向對本集團有所貢獻及／或有潛在貢獻及董事會不時批准之其他目的之參與者給予獎勵、獎賞、酬金、補償及／或提供福利。

本認股權計劃之參與者為：

- (i) 本集團之任何執行或非執行董事（包括獨立非執行董事）或任何僱員（不論全職或兼職）；
- (ii) 由本集團之任何僱員、執行或非執行董事所成立之全權信託之任何全權對象；
- (iii) 本集團之任何顧問、專業人士及其他諮詢人（或擬受聘提供有關服務的個人、商行或公司）；
- (iv) 本公司之任何最高行政人員；及
- (v) 本公司之董事、最高行政人員之任何聯繫人，

以上類別均由董事會按其絕對酌情權決定。

REPORT OF THE DIRECTORS 董事會報告

SHARE OPTION SCHEME (continued)

The total number of shares of the Company (“Shares”) which may be issued upon exercise of all options under the Share Option Scheme and any other share option schemes of the Company (excluding, for this purpose, options lapsed in accordance with the terms of the Share Option Scheme and any other share option schemes) must not in aggregate exceed 10% of Shares in issue at 27 July 2007, the date on which a fresh approval of the shareholders was obtained after the adoption of the Share Option Scheme on 29 December 2004, unless another fresh approval of the shareholders is obtained. As at the date of this annual report, the total number of Shares available for issue under the Share Option Scheme is 26,232,000, which represents 10% of the issued share capital of the Company as at the date of this annual report.

The total number of Shares issued and to be issued upon exercise of the options granted to each participant (including both exercised and outstanding options) in any 12-month period shall not exceed 1% of the total number of Shares in issue. Any further grant of options in excess of such limit must be separately approved by the shareholders of the Company in general meeting with such participant and his associates abstaining from voting.

The Board shall be entitled at any time within 10 years after 29 December 2004 to make an offer of the grant of an option. The period during which an option may be exercised is determined by the Board, which shall not be longer than 10 years from the date upon which the option is granted unless otherwise determined by the Board and specified in the offer letter at the time of the offer of the grant of the option, there is no minimum period for which an option must be held before it can be exercised.

認股權計劃(續)

除非另獲股東批准，否則於本認股權計劃及本公司任何其他認股權計劃（為此並不包括根據本認股權計劃及任何其他認股權計劃條款而已失效之認股權）授出之所有認股權予以行使時發行之本公司之股份（「股份」）總數，合計不得超過於二零零四年十二月二十九日採納本認股權計劃後獲股東批准更新限額之日，即二零零七年七月二十七日已發行股份之10%。於本年報日，在本認股權計劃可供發行之股份總數為26,232,000股，亦即於本年報日本公司已發行股本之10%。

每一名參與者在任何十二個月內獲授之認股權（包括已行使及未行使之認股權）予以行使時所發行及將發行之股份，不得超過已發行股份總數之1%。任何再授出認股權超出所訂限制，則本公司必須另行召開股東大會尋求股東批准（會上參與者及其聯繫人必須放棄投票權）。

董事會可在二零零四年十二月二十九日後十年的任何期間內作出要約授出認股權。董事會決定行使的認股權期間由授出認股權日起的十年內。除在作出要約授出認股權時董事會另有決定及於要約函件中指定外，在行使認股權之前並無持有認股權最短的期限。

REPORT OF THE DIRECTORS 董事會報告

SHARE OPTION SCHEME (continued)

The amount payable on acceptance of the option is HK\$1.00 to be received by the Company within a period of 28 days from the date upon which the offer is made, provided that no such offer shall be open for acceptance after the 10th anniversary from 29 December 2004. Such remittance shall in no circumstances be refundable. The full amount of the exercise price for the subscription of Shares has to be paid upon exercise of an option.

The subscription price in respect of each Share issued pursuant to the exercise of options granted shall be a price solely determined by the Board and notified to a participant and shall be at least the highest of:

- (a) the closing price of Shares as stated in the Stock Exchange's daily quotations sheet on the offer date, which must be a business day;
- (b) a price being the average of the closing prices of Shares as stated in the Stock Exchange's daily quotations sheets for the 5 business days immediately preceding the offer date; and
- (c) the nominal value of a Share.

The Share Option Scheme was approved by the shareholders of the Company on 29 December 2004 and has a life of 10 years until 28 December 2014, but any options then outstanding will continue to be exercisable.

認股權計劃(續)

接納認股權的代價為1.00港元，並應在作出要約後二十八天內由本公司收取，惟須確保於二零零四年十二月二十九日開始計算的第十個週年後有關要約之接納不會被接受。在任何情況下已支付款項將不會退回。當行使認股權時，認購股份的行使價必須全數支付。

董事會將全權決定及通知參與者就行使認股權之每股股份之行使價，必須至少為下列三者中之較高者：

- (a) 股份於要約日期（必須為營業日）在聯交所日報表所載之收市價；
- (b) 股份於要約日期前五個營業日在聯交所日報表所載之平均收市價；及
- (c) 股份之面值。

本認股權計劃於二零零四年十二月二十九日經本公司之股東批准，且有效期為十年直至二零一四年十二月二十八日，但之後仍可繼續行使任何尚未行使的認股權。

REPORT OF THE DIRECTORS

董事會報告

SHARE OPTION SCHEME (continued)

As at 29 February 2008, share options with rights to subscribe for a total of 16,420,000 Shares were outstanding. The share options granted shall expire on 2 April 2012 or 2 April 2014.

Movements in the share options previously granted are set out below:

認股權計劃 (續)

於二零零八年二月二十九日，有可行使合共16,420,000股股份的認股權尚未行使，並將於二零一二年四月二日或二零一四年四月二日到期。

關於已授出之認股權變動資料載列如下：

		Number of underlying Shares 相關股份數目				Balance as at 1 March 2007	Granted during the year ended 29 February 2008 截至 二零零八年 二月二十九日 止年度內 授出 (note (i)) (附註(i))	Exercised during the year ended 29 February 2008 截至 二零零八年 二月二十九日 止年度內 行使 (note (ii)) (附註(ii))	Lapsed during the year ended 29 February 2008 截至 二零零八年 二月二十九日 止年度內 失效	Balance as at 29 February 2008	Exercise price per share 每股 行使價 HK\$ 港元	Date of grant 授出 日期 (DD/MM/YYYY) (日/月/年)	Exercisable period 行使期 (DD/MM/YYYY) (日/月/年)
Eligible person	合資格人士	於 二零零七年 三月一日 之結餘	於 二零零八年 二月二十九日 止年度內 授出	於 二零零八年 二月二十九日 止年度內 行使	於 二零零八年 二月二十九日 止年度內 失效								
Director	董事												
Mr Ng Man Kit, Lawrence	吳民傑先生	600,000	-	(600,000)	-	-	2.875	03/04/2006	03/04/2007 – 02/04/2012				
		600,000	-	-	-	600,000	2.875	03/04/2006	03/04/2008 – 02/04/2012				
		800,000	-	-	-	800,000	2.875	03/04/2006	03/04/2009 – 02/04/2012				
		2,000,000	-	(600,000)	-	1,400,000							
Mr Chung Chun Wah	鍾振華先生	600,000	-	(600,000)	-	-	2.875	03/04/2006	03/04/2007 – 02/04/2012				
		600,000	-	-	-	600,000	2.875	03/04/2006	03/04/2008 – 02/04/2012				
		800,000	-	-	-	800,000	2.875	03/04/2006	03/04/2009 – 02/04/2012				
		2,000,000	-	(600,000)	-	1,400,000							

REPORT OF THE DIRECTORS

董事會報告

SHARE OPTION SCHEME (continued)

認股權計劃(續)

		Number of underlying Shares 相關股份數目				Balance as at 1 March 2007 於 二零零七年 三月一日 之結餘	Exercise price per share HK\$ 港元	Date of grant (DD/MM/YYYY) (日/月/年)	Exercisable period (DD/MM/YYYY) (日/月/年)
Eligible person	合資格人士	Granted during the year ended 29 February 2008 截至 二零零八年 二月二十九日 止年度內 授出 (note (i)) (附註(i))	Exercised during the year ended 29 February 2008 截至 二零零八年 二月二十九日 止年度內 行使 (note (ii)) (附註(ii))	Lapsed during the year ended 29 February 2008 截至 二零零八年 二月二十九日 止年度內 失效	Balance as at 29 February 2008 於 二零零八年 二月二十九日 之結餘				
Mr Leung Kelvin Yiu Fai	梁耀輝先生	320,000	-	(320,000)	-	2.875	03/04/2006	03/04/2007 – 02/04/2014	
		320,000	-	-	-	2.875	03/04/2006	03/04/2008 – 02/04/2014	
		320,000	-	-	-	2.875	03/04/2006	03/04/2009 – 02/04/2014	
		340,000	-	-	-	2.875	03/04/2006	03/04/2010 – 02/04/2014	
		1,300,000	-	(320,000)	-			980,000	
Mr Lee Kwan Hung	李均雄先生	160,000	-	(160,000)	-	2.875	03/04/2006	03/04/2007 – 02/04/2014	
		160,000	-	-	-	2.875	03/04/2006	03/04/2008 – 02/04/2014	
		180,000	-	-	-	2.875	03/04/2006	03/04/2009 – 02/04/2014	
		500,000	-	(160,000)	-	340,000			
Mr Lee Kin Sang	李建生先生	160,000	-	(160,000)	-	2.875	03/04/2006	03/04/2007 – 02/04/2014	
		160,000	-	-	-	2.875	03/04/2006	03/04/2008 – 02/04/2014	
		180,000	-	-	-	2.875	03/04/2006	03/04/2009 – 02/04/2014	
		500,000	-	(160,000)	-	340,000			

REPORT OF THE DIRECTORS

董事會報告

SHARE OPTION SCHEME (continued)

認股權計劃 (續)

		Number of underlying Shares 相關股份數目				Balance as at 29 February 2008	Exercise price per share	Date of grant	Exercisable period
		Balance as at 1 March 2007	Granted during the year ended 29 February 2008	Exercised during the year ended 29 February 2008	Lapsed during the year ended 29 February 2008				
Eligible person	合資格人士	於 二零零七年 三月一日 之結餘	截至 二零零八年 二月二十九日 止年度內 授出 (note (i)) (附註(i))	截至 二零零八年 二月二十九日 止年度內 行使 (note (ii)) (附註(ii))	截至 二零零八年 二月二十九日 止年度內 失效	於 二零零八年 二月二十九日 之結餘	每股 行使價 HK\$ 港元	授出 日期 (DD/MM/YYYY) (日/月/年)	行使期 (DD/MM/YYYY) (日/月/年)
		Mr Chan Ka Sing, Tommy	陳家聲先生	160,000	-	(160,000)	-	-	2.875
		160,000	-	-	-	160,000	2.875	03/04/2006	03/04/2008 – 02/04/2014
		180,000	-	-	-	180,000	2.875	03/04/2006	03/04/2009 – 02/04/2014
		500,000	-	(160,000)	-	340,000			
Mr Ng Chun Chuen, David	吳振泉先生	80,000	-	(80,000)	-	-	2.875	03/04/2006	03/04/2007 – 02/04/2014
		80,000	-	-	-	80,000	2.875	03/04/2006	03/04/2008 – 02/04/2014
		90,000	-	-	-	90,000	2.875	03/04/2006	03/04/2009 – 02/04/2014
		250,000	-	(80,000)	-	170,000			
Employees (note (iv))	僱員 (附註(iv))	3,900,000	-	(3,900,000)	-	-	2.875	03/04/2006	03/04/2007 – 02/04/2014
		3,900,000	-	-	(370,000)	3,530,000	2.875	03/04/2006	03/04/2008 – 02/04/2014
		4,030,000	-	-	(380,000)	3,650,000	2.875	03/04/2006	03/04/2009 – 02/04/2014
		1,400,000	-	-	(300,000)	1,100,000	2.875	03/04/2006	03/04/2010 – 02/04/2014
		-	1,810,000	(1,810,000)	-	-	5.896	06/03/2007	03/04/2007 – 02/04/2014
		-	1,510,000	-	(80,000)	1,430,000	5.896	06/03/2007	03/04/2008 – 02/04/2014
		-	1,520,000	-	(80,000)	1,440,000	5.896	06/03/2007	03/04/2009 – 02/04/2014
		-	300,000	-	-	300,000	5.896	06/03/2007	03/04/2010 – 02/04/2014
		13,230,000	5,140,000	(5,710,000)	(1,210,000)	11,450,000			
Total	合計	20,280,000	5,140,000	(7,790,000)	(1,210,000)	16,420,000			

REPORT OF THE DIRECTORS

董事會報告

SHARE OPTION SCHEME (continued)

Notes:

- (i) On 6 March 2007, share options with rights to subscribe for a total of 5,140,000 Shares were granted to certain employees with an exercise price set at HK\$5.896 per share.

The closing price of the Share immediately before 6 March 2007 was HK\$5.390 per share.

The Company adopts the binomial model for estimating the fair value of share options issued under the Share Option Scheme. The model is one of the commonly used models to estimate the fair value of a share option which can be exercised before the expiry of the option period.

Significant assumptions are used in the binomial model to estimate the value of the share options granted on 6 March 2007, taking into account the following factors:

- Risk-free interest rate – the yields of Hong Kong Exchange Fund Notes
- Expected volatility – the historical volatility of the Share
- Expected dividend yields – the historical dividend yields of the Company

Binomial model is subject to certain fundamental limitations because of the subjective nature of and uncertainty relating to the assumptions and inputs to the model as well as certain inherent limitations of the model itself. Any changes in the above assumptions or inputs may materially affect the fair value estimation.

The total value of the share options granted on 6 March 2007, estimated to be approximately HK\$7,669,000, is expensed with that of the share options granted on 3 April 2006 over the respective vesting periods according to the vesting conditions.

認股權計劃 (續)

附註:

- (i) 於二零零七年三月六日，若干僱員獲授予以每股5.896港元的行使價行使合共5,140,000股股份的認股權。

股份在緊接二零零七年三月六日之前的收市價為每股5.390港元。

本公司採用「二項式」期權定價模式評估根據本認股權計劃授出認股權的公平值。該模式乃用以評估可於認股權限期前行使之認股權之價值的常用模式之一。

估算於二零零七年三月六日授出之認股權價值採用了重大的假設，當中考慮了以下因素：

- 無風險利率 – 香港外匯基金債券收益率
- 預期波幅 – 股份的過往波幅
- 預期股息收益率 – 本公司之過往預期股息收益率

「二項式」期權定價模式乃受若干基本局限，因主觀性質和不確定的假設與模式投入，以及模式本身若干內在的局限。倘若上述之假設或投入出現任何變動，將會對公平值之估計造成重大的影響。

於二零零七年三月六日授出之認股權總值估計為約7,669,000港元，並連同於二零零六年四月三日授出之認股權之總值根據歸屬條件於各歸屬期內予以支銷。

REPORT OF THE DIRECTORS 董事會報告

SHARE OPTION SCHEME (continued)

Notes: (continued)

- (ii) The weighted average closing price of the Shares immediately before the dates on which the share options were exercised during the year was HK\$9.288 per share.
- (iii) No share options granted under the Share Option Scheme were cancelled during the year.
- (iv) Employees working under employment contracts that are regarded as “continuous contracts” for the purposes of the Employment Ordinance of Hong Kong.

As at the close of the Option Offer on 23 May 2008, valid acceptances of the Option Offer had been received in respect of the share options to subscribe for 16,420,000 Shares (representing 100% of all outstanding share options as at the opening of the Option Offer).

CONNECTED TRANSACTIONS

Related party transactions entered by the Group during the year ended 29 February 2008 included compensation paid to key management (being directors of the Company), and are disclosed in note 33 to the financial statements. These transactions constitute connected transactions which are exempt from all the reporting, announcement and independent shareholders’ approval requirements under the Listing Rules.

MANAGEMENT CONTRACTS

No contracts concerning the management and administration of the whole or any substantial part of the business of the Company were entered into or existed during the year.

認股權計劃 (續)

附註: (續)

- (ii) 在本年度期間內，在緊接認股權行使日期之前的加權平均收市價為每股9.288港元。
- (iii) 在本年度期間內，並無按本認股權計劃授出的認股權被註銷。
- (iv) 按香港《僱傭條例》所指的「連續合約」工作的僱員。

截至二零零八年五月二十三日期權要約截止時，BGL已收到可認購16,420,000股股份的認股權有效接納期權要約（相當於在期權要約的期初所有已發行的認股權的100%）。

關連交易

截至二零零八年二月二十九日止年度期間內，本集團進行之關聯方交易指支付主要管理人員（即本公司之董事）酬金，並載於財務報表附註33。該等交易構成根據《上市規則》獲豁免所有申報、公告及獨立股東批准的規定之關連交易。

管理合約

在本年度期間內，本公司並無訂立或存在有關本公司整體或任何主要部份業務之管理及行政合約。

REPORT OF THE DIRECTORS 董事會報告

MAJOR CUSTOMERS AND SUPPLIERS

The aggregate percentages of purchases and sales for the year attributable to the Group's five largest suppliers and five largest customers, respectively, are less than 30% of the total purchases and sales for the year, respectively. Therefore no disclosure with regard to major suppliers and customers is made.

AUDITOR

The financial statements have been audited by PricewaterhouseCoopers who retires and, being eligible, offer itself for re-appointment.

On behalf of the Board

Tang Wai Lam
Chairman

Hong Kong, 26 May 2008

主要客戶及供應商

由於本集團五大供應商及五大客戶分別佔本年度採購及銷售總額之百分比不足30%，因此並無需披露主要供應商及客戶的資料。

核數師

本財務報表已經由羅兵咸永道會計師事務所審核，該核數師任滿告退，並願膺選連任。

董事會代表

主席
鄧偉林

香港，二零零八年五月二十六日

CORPORATE GOVERNANCE REPORT

企業管治報告

The Company is committed to building and maintaining high standards of corporate governance. The Company has complied with the code provisions set out in the Code on Corporate Governance Practices (the “CG Code”) contained in Appendix 14 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong (the “Listing Rules”), with certain deviations as mentioned below, throughout the year.

A. DIRECTORS

A.1 The Board

12 board meetings were held during the year.

Individual attendance of the Directors, during the respective terms of their directorships, is set out below:

Name	姓名	Number of meetings attended 出席會議次數
<i>Executive Directors</i>		
Mr Tang Wai Lam (Chairman & Managing Director)	鄧偉林先生 (主席兼董事總經理)	12/12
Mr Ng Man Kit, Lawrence (Deputy Managing Director)	吳民傑先生 (董事副總經理)	12/12
Mr Chung Chun Wah	鍾振華先生	11/12
Mr Leung Kelvin Yiu Fai	梁耀輝先生	12/12
<i>Independent Non-executive Directors</i>		
Mr Lee Kin Sang	李建生先生	3/12
Mr Chan Ka Sing, Tommy	陳家聲先生	3/12
Mr Ng Chun Chuen, David	吳振泉先生	3/12
<i>Non-executive Director</i>		
Mr Lee Kwan Hung	李均雄先生	3/12

本公司致力建立及維持高水平的企業管治。本公司於整個年度內一直遵守《香港聯合交易所有限公司證券上市規則》(「《上市規則》」)附錄十四所載《企業管治常規守則》中之守則條文，當中只有以下範圍有若干偏離。

A. 董事

A.1 董事會

董事會在本年度期間內共召開了12次會議。

各董事在其任內的出席率如下：

A. DIRECTORS (continued)

A.1 The Board (continued)

Directors are consulted to include matters in the agenda for regular board meetings.

Notice of at least 14 days is given of a regular board meeting to give all Directors an opportunity to attend. For all other board meetings, reasonable notice is given.

All Directors have access to the advice and services of the Company Secretary with a view to ensuring that board procedures, and all applicable rules and regulations, are followed.

Minutes of meetings of the Board, the Audit Committee and the Remuneration Committee are kept by the Company Secretary and such minutes are open for inspection at any reasonable time on reasonable notice by any Director.

Minutes of meetings of the Board, the Audit Committee and the Remuneration Committee record in sufficient detail the matters considered by the Board and decisions reached, including any concerns raised by Directors or dissenting views expressed. Draft and final versions of minutes of board meetings are sent to all Directors for their comment and records respectively, in both cases within a reasonable time after the board meeting is held.

All Directors may, upon reasonable request, seek independent professional advice in appropriate circumstances, at the Company's expense. The Board shall resolve to provide separate independent professional advice to Directors to assist the relevant Director or Directors to discharge his/their duties to the Company.

A. 董事 (續)

A.1 董事會 (續)

董事會定期會議之商討事項，經諮詢董事後列入會議議程。

召開董事會定期會議會發出至少十四天通知，以讓所有董事皆有機會騰空出席。至於召開其他所有董事會會議，會發出合理通知。

所有董事可取得公司秘書的意見和享用他的服務，目的是為了確保董事會程序及所有適用規則及規例均獲得遵守。

公司秘書已備存董事會、審核委員會及薪酬委員會的會議紀錄，若有任何董事發出合理通知，可公開有關會議紀錄供其在任何合理的時段查閱。

董事會、審核委員會及薪酬委員會的會議紀錄，已對會上各董事所考慮事項及達致的決定作足夠詳細的紀錄，其中包括董事提出的任何疑慮或表達的反對意見。董事會會議結束後，於合理時段內先後將會議紀錄的初稿及最終定稿發送全體董事，初稿供董事表達意見，最後定稿則作其紀錄之用。

所有董事按合理要求，可在適當的情況下尋求獨立專業意見，費用由本公司支付。董事會將議決另外為董事提供獨立專業意見，以協助有關董事履行其對本公司的責任。

CORPORATE GOVERNANCE REPORT

企業管治報告

A. DIRECTORS (continued)

A.1 The Board (continued)

If a substantial shareholder or a Director has a conflict of interest in a matter to be considered by the Board which the Board has determined to be material, the matter shall not be dealt with by way of circulation or by a committee (except an appropriate board committee set up for that purpose pursuant to a resolution passed in a board meeting) but a board meeting shall be held. Independent non-executive directors who, and whose associates, have no material interest in the transaction shall be present at such board meeting.

A.2 Chairman and Chief Executive Officer

Code Provision A.2.1 stipulates that the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. Both roles of the Company are at present performed by Mr Tang Wai Lam holding the positions of Chairman and Managing Director. The Board believes that such appointment has served and is serving the Group well by providing unified leadership and direction and allowing corporate strategies to be developed and implemented more effectively.

The Chairman is responsible for ensuring that all Directors are properly briefed on issues arising at board meetings, and that they receive adequate information, which must be complete and reliable, in a timely manner.

A. 董事 (續)

A.1 董事會 (續)

若有大股東或董事在董事會將予考慮的事項中存有董事會認為重大的利益衝突，有關事項將不會以傳閱文件方式處理或交由轄下委員會處理（根據董事會會議上通過的決議而特別就此事項成立的委員會除外），而董事會將就該事項舉行董事會會議。在交易中本身及其聯繫人均沒有重大利益的獨立非執行董事將出席有關的董事會會議。

A.2 主席及行政總裁

守則條文A.2.1規定主席與行政總裁的角色應有區分，並不應由一人同時兼任。本公司之此二者角色現時由主席兼董事總經理鄧偉林先生出任。董事會相信此委任能提供統一的領導和方向，並能更有效地發展及實施企業策略，所以在過去及現在皆對公司帶來裨益。

主席確保董事會會議上所有董事均適當知悉當前的事項並及時收到充分的資訊，而有關資訊均屬完備可靠。

A. DIRECTORS (continued)

A.3 Board composition

There is a strong independent element on the Board, which can exercise independent judgement and ensure a balance of power and authority. Throughout the year, independent non-executive directors represent more than one-third of the Board and executive directors do not comprise a majority of the Board.

All Directors are expressly identified by categories of executive directors, independent non-executive directors and non-executive director in all corporate communications that disclose the names of Directors of the Company.

Biographical details of the Directors are set out in the Report of the Directors.

A.4 Appointments, re-election and removal

The appointment of a candidate as a new Director is considered by the Board to ensure that he has the character, experience and integrity and is able to demonstrate a standard of competence commensurate with his position as a director of the Company. A newly appointed Director must be able to meet the standards as set out in Rules 3.08 and 3.09 of the Listing Rules. In the case of an Independent Non-executive Director, he should also meet the independence criteria set out in Rule 3.13 of the Listing Rules.

A. 董事 (續)

A.3 董事會組成

董事會上有強大的獨立元素，能夠有效地作出獨立判斷及確保權力和授權分布均衡。於整個年度內，獨立非執行董事佔董事會成員人數超過三分之一，而執行董事並不構成董事會的大多數。

所有載有董事姓名的公司通訊中，已按董事類別，包括執行董事、非執行董事及獨立非執行董事，明確說明所有董事身份。

各董事的個人簡歷，刊載於董事會報告中。

A.4 委任、重選和罷免

新董事的委任由董事會考慮，以確保候選人具備適宜擔任本公司董事的個性、經驗及品格，並證明其具備足夠的才幹勝任該職務。新獲委任之董事必須符合《上市規則》第3.08及3.09條所載的標準。如其為獨立非執行董事，亦須符合《上市規則》第3.13條所列的獨立性準則。

CORPORATE GOVERNANCE REPORT

企業管治報告

A. DIRECTORS (continued)

A.4 Appointments, re-election and removal (continued)

All directors appointed to fill a casual vacancy are subject to election by shareholders at the first general meeting after their appointment. Every director, is subject to retirement by rotation at least once every three years.

Code Provision A.4.1 stipulates that non-executive directors should be appointed for a specific term, subject to re-election. The non-executive directors of the Company were appointed before the effectiveness of the CG Code and were not appointed for a specific term, but are subject to retirement by rotation at least once every three years.

A.5 Responsibilities of directors

Every newly appointed Director of the Company shall receive a comprehensive, formal and tailored induction on the first occasion of his appointment, and subsequently such briefing and professional development as is necessary, to ensure that he has a proper understanding of the operations and business of the Company and that he is fully aware of his responsibilities under statute and common law, the Listing Rules, applicable legal requirements and other regulatory requirements and the business and governance policies of the Company.

The functions of Non-executive Directors include those specified in Code Provision A.5.2 (a) to (d) of the CG Code.

A. 董事 (續)

A.4 委任、重選和罷免 (續)

所有為填補臨時空缺而被委任的董事須在接受委任後的首次股東大會上接受股東選舉。每名董事須輪流退任，至少每三年一次。

守則條文A.4.1規定非執行董事的委任應有指定任期，並須接受重新選舉。本公司的非執行董事乃於《企業管治常規守則》生效前獲委任，並無指定任期，惟須輪流退任，至少每三年一次。

A.5 董事責任

本公司每名新委任的董事均在首次接受委任時獲得全面、正式兼特為其而設的就任須知，其後亦會獲得所需的介紹及專業發展，以確保其對本公司的運作及業務均有適當的理解，以及完全知道本身在法規及普通法、《上市規則》、適用的法律規定及其他監管規定以及本公司的業務及管治政策下的職責。

非執行董事的職能包括《企業管治常規守則》守則條文A.5.2(a)至(d)所指明的各項職能。

A. DIRECTORS (continued)

A.5 Responsibilities of directors (continued)

Every Director is aware that he should give sufficient time and attention to the affairs of the Company.

The Company has adopted a code of conduct regarding directors' securities transactions on terms no less exacting than the required standard set out in the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 to the Listing Rules. Following a specific enquiry, each of the directors confirmed that he complied with the code of conduct regarding directors' securities transactions throughout year ended 29 February 2008, save as mentioned below.

In respect of the purchase of 46,000 shares of the Company by Madam Wong Lee Ling, Cathy ("Madam Wong"), the spouse of Mr Ng Man Kit, Lawrence ("Mr Ng") who is a director of the Company, on 18 June 2007, Rules A and B of the Model Code have not been complied with. In respect of the purchase of 4,000 shares of the Company by Madam Wong on 17 July 2007, Rule B of the Model Code has not been complied with. Mr Ng disclosed his deemed interests immediately after such dealings came into his attention. To address the non-compliance, the Company Secretary has re-explained to all of the directors of the Company the requirements set out in the Model Code.

A. 董事 (續)

A.5 董事責任 (續)

每名董事知悉其應付出足夠時間及精神以處理本公司的事務。

本公司已採納一套有關董事進行證券交易的行為守則。該行為守則並不低於《上市規則》附錄十所載《董事進行證券交易的標準守則》(「《標準守則》」)所規定的標準。經特定查詢後，每名董事均確認於截至二零零八年二月二十九日止整個年度內已遵守了有關董事進行證券交易的行為守則(以下事件除外)。

就本公司之董事吳民傑先生(「吳先生」)之配偶黃莉玲女士(「黃女士」)於二零零七年六月十八日購入46,000股本公司之股份，《標準守則》第A及B條並未受遵守。就黃女士於二零零七年七月十七日購入4,000股本公司之股份，《標準守則》第B條並未受遵守。吳先生在獲悉該等交易後已立即就其視作權益進行披露。就有關未有遵守守則的事件，公司秘書已向本公司之所有董事重新解釋《標準守則》所載之規定。

CORPORATE GOVERNANCE REPORT

企業管治報告

A. DIRECTORS (continued)

A.6 Supply of and access to information

In respect of regular board meetings, and so far as practicable in all other cases, an agenda and accompanying board papers are sent in full to all Directors in a timely manner and at least 3 days before the intended date of a board or board committee meeting.

Management is aware that it has an obligation to supply the Board and its committees with adequate, complete and reliable information in a timely manner to enable it to make informed decisions. The Board and each Director have separate and independent access to the senior management of the Company.

All Directors are entitled to have access to board papers and related materials.

B. REMUNERATION OF DIRECTORS AND SENIOR MANAGEMENT

B.1 The level and make-up of remuneration and disclosure

The Remuneration Committee makes recommendations to the Board on the policy and structure of the Company for all remuneration of Directors and senior management and on the establishment of a formal and transparent procedure for developing policy on such remuneration. The Remuneration Committee comprises three Independent Non-executive Directors, namely Mr Chan Ka Sing, Tommy, Mr Lee Kin Sang and Mr Ng Chun Chuen, David and an Executive Director, namely Mr Tang Wai Lam.

A. 董事 (續)

A.6 資料提供及使用

董事會定期會議的議程及相關會議文件會全部及時送交全體董事，並至少在計劃舉行董事會日期的三天前送出。董事會其他所有會議在切實可行的情況下亦會採納以上安排。

管理層知悉其有責任向董事會及其轄下委員會提供充足、完整及可靠的適時資料，以使董事能夠在掌握有關資料的情況下作出決定。董事會及每名董事均有自行接觸本公司高級管理人員的獨立途徑。

所有董事均有權查閱董事會文件及相關資料。

B. 董事及高級管理人員的薪酬

B.1 薪酬及披露的水平及組成

薪酬委員會就本公司董事及高級管理人員的全體薪酬政策及架構，及就設立正規而具透明度的程序制訂此等薪酬政策，向董事會提出建議。薪酬委員會由三名獨立非執行董事陳家聲先生、李建生先生及吳振泉先生，以及執行董事鄧偉林先生組成。

B. REMUNERATION OF DIRECTORS AND SENIOR MANAGEMENT (continued)

B.1 The level and make-up of remuneration and disclosure (continued)

4 meetings were held during the year. Individual attendance of the committee members is set out below:

Name	姓名	Number of meetings attended 出席會議次數
Mr Chan Ka Sing, Tommy (<i>Chairman</i>)	陳家聲先生 (主席)	4/4
Mr Lee Kin Sang	李建生先生	4/4
Mr Ng Chun Chuen, David	吳振泉先生	4/4
Mr Tang Wai Lam	鄧偉林先生	4/4

The written terms of reference of the Remuneration Committee deal clearly with its authority and duties, and are no less exacting than those stipulated in Code Provision B.1.3 of the CG Code. The Remuneration Committee has made available its terms of reference, on the website of the Company, explaining its role and the authority delegated to it by the Board.

Work performed by the Remuneration Committee during the year included the approval of performance-based bonus to the Executive Directors and recommending to the Board the remuneration of a newly appointed Executive Director.

The Remuneration Committee is provided with sufficient resources to discharge its duties.

B. 董事及高級管理人員的薪酬 (續)

B.1 薪酬及披露的水平及組成 (續)

薪酬委員會在本年度期間內共召開了4次會議。各委員的出席率如下：

薪酬委員會的職權範圍清楚說明其權限及職責，且並不低於《企業管治常規守則》守則條文B.1.3所規定的標準。薪酬委員會已於本公司網站上公開其職權範圍，解釋其角色及董事會轉授予其的權力。

在本年度期間內，薪酬委員會的工作包括批准應付予執行董事之按表現而釐定的花紅以及向董事會就一名新委任的執行董事之薪酬提出建議。

薪酬委員會已獲供給充足資源以履行其職責。

CORPORATE GOVERNANCE REPORT

企業管治報告

B. REMUNERATION OF DIRECTORS AND SENIOR MANAGEMENT (continued)

B.1 The level and make-up of remuneration and disclosure (continued)

The emoluments specified in the service contract appointing an Executive Director consist of a salary, provident fund contributed by the Group and a discretionary bonus. The salary is determined with reference to his duties and responsibilities, remuneration benchmark in the industry and prevailing market conditions. The discretionary bonus is calculated with reference to the Company's performance and profitability as well as his performance determined by the Board.

The emoluments payable to a Non-executive Director or an Independent Non-executive Director are determined by the Board with reference to the Company's performance and profitability, his duties and responsibilities, remuneration benchmark in the industry and prevailing market conditions.

C. ACCOUNTABILITY AND AUDIT

C.1 Financial reporting

Management provides explanation and information to the Board to enable the Board to make an informed assessment of the financial and other information put before the Board for approval.

B. 董事及高級管理人員的薪酬 (續)

B.1 薪酬及披露的水平及組成 (續)

聘任執行董事之服務合約所訂明為酬金包括薪金、由本集團供款的公積金及酌情花紅。該薪金乃按彼之職務與責任、同行薪酬基準及屆時的市場環境而釐定。該酌情花紅乃按本公司的業績表現與盈利狀況，以及由董事會所釐定該董事之工作表現計算。

非執行董事或獨立非執行董事之酬金由董事會按本公司的業績表現與盈利狀況、該董事的職務與責任、同行薪酬基準及屆時的市場環境而釐定。

C. 問責及核數

C.1 財務匯報

管理層向董事會提供充分的解釋及足夠的資料，讓董事會可以就提交給他們批准的財務及其他資料，作出有根據的評審。

C. ACCOUNTABILITY AND AUDIT (continued)

C.1 Financial reporting (continued)

The Directors are responsible for selecting and consistently applying appropriate accounting policies and preparing financial statements which give a true and fair view. The Directors are not aware of any material uncertainties relating to events or conditions that may cast significant doubt upon the Company's ability to continue as a going concern. Accordingly, the Directors have prepared the financial statements on a going concern basis.

The Board is responsible for presenting a balanced, clear and understandable assessment to annual and interim reports, other price-sensitive announcements and other financial disclosures required under the Listing Rules, and reports to regulators as well as to information required to be disclosed pursuant to statutory requirements.

A statement by the auditor about its reporting responsibilities is included in the Independent Auditor's Report on pages 56 and 57 of this annual report.

C.2 Internal controls

The Board is responsible for the Group's system of internal controls and for reviewing its effectiveness through the Audit Committee. The Board requires management to establish and maintain sound and effective internal controls. Evaluation is performed by management on a regular and ad-hoc basis. Such evaluation covers all material controls, including financial, operational and compliance controls and risk management functions.

C. 問責及核數 (續)

C.1 財務匯報 (續)

董事有責任採用並且貫徹應用適當之會計政策，並編製真實兼公平之財務報表。董事未有知悉任何重大不明朗事件或情況可能會嚴重影響本公司持續經營的能力。故此，董事已以公司持續經營為基礎編製財務報表。

董事會有責任於年度報告及中期報告、其他涉及股價敏感資料的通告及根據《上市規則》規定須予披露的其他財務資料，以及向監管者提交的報告書以至根據法例規定須予披露的資料，平衡、清晰及明白地評審公司表現。

核數師的申報責任聲明載於本年報第56及57頁的獨立核數師報告內。

C.2 內部監控

董事會需負責本集團的內部監控系統，並透過審核委員會檢討其效能。董事會規定管理層設立及維持穩健妥善而且有效的內部監控。管理層以定期及臨時形式評估本集團的內部監控。評估涵蓋所有重要的監控方面，包括財務監控、運作監控及合規監控以及風險管理功能。

C. ACCOUNTABILITY AND AUDIT (continued)

C.3 Audit Committee

The Audit Committee provides an important link between the Board and the Company's auditor in matters coming within the scope of the group audit. It also reviews the effectiveness of the external audit and of internal control and risk evaluation. The Audit Committee comprises three independent non-executive directors, namely Mr Lee Kin Sang, Mr Chan Ka Sing, Tommy and Mr Ng Chun Chuen, David, none of whom is a former partner of the Company's existing auditing firm.

2 meetings were held during the year. Individual attendance of the committee members is set out below:

Name	姓名	Number of meetings attended 出席會議次數
Mr Lee Kin Sang (<i>Chairman</i>)	李建生先生 (主席)	2/2
Mr Chan Ka Sing, Tommy	陳家聲先生	2/2
Mr Ng Chun Chuen, David	吳振泉先生	2/2

Full minutes of the Audit Committee are kept by the Company Secretary of the Company. Draft and final versions of minutes of the Audit Committee meetings were sent to all members of the Committee for their comment and records respectively, in both cases within a reasonable time after the meeting.

The written terms of reference of the Audit Committee are no less exacting than those stipulated in Code Provision C.3.3 of the CG Code. The Audit Committee has made available its terms of reference, on the website of the Company, explaining its role and the authority delegated to it by the Board.

C. 問責及核數 (續)

C.3 審核委員會

審核委員會就本集團審計範圍內的事項擔任董事會與本公司核數師之間的重要橋樑。審核委員會亦負責檢討公司外部審核工作，以及內部監控與風險評估等方面的效能。審核委員會由三名獨立非執行董事李建生先生、陳家聲先生及吳振泉先生組成，當中沒有委員為現時負責審計本公司賬目的核數公司的前任合夥人。

審核委員會在本年度期間內共召開了2次會議。各委員的出席率如下：

審核委員會的完整會議紀錄已由本公司之公司秘書保存。審核委員會會議紀錄的初稿及最後定稿已在會議後一段合理時間內先後發送委員會全體成員，初稿供成員表達意見，最後定稿作其紀錄之用。

審核委員會的職權範圍並不低於《企業管治常規守則》守則條文C.3.3所規定的標準。審核委員會已於本公司網站上公開其職權範圍，解釋其角色及董事會轉授予之權力。

C. ACCOUNTABILITY AND AUDIT (continued)

C.3 Audit Committee (continued)

Work performed by the Audit Committee during the year included:

- reviewing the financial statements for the year ended 28 February 2007;
- reviewing the financial statements for the six months ended 31 August 2007;
- meeting with the external auditor to discuss the scope of its audit work;
- reviewing the effectiveness of the system of internal control;
- reviewing the external auditor's management letter and management's response;
- reviewing the compliance of the CG Code; and
- recommending the appointment of the external auditor.

The Audit Committee is provided with sufficient resources to discharge its duties.

C. 問責及核數 (續)

C.3 審核委員會 (續)

在本年度期間內，審核委員會的工作包括：

- 審閱截至二零零七年二月二十八日止年度之財務報表；
- 審閱截至二零零七年八月三十一日止六個月之財務報表；
- 會見外聘核數師以商討其核數工作範圍；
- 檢討內部監控系統的效能；
- 審閱外聘核數師的致管理層函件及管理層之回應；
- 審閱遵守《企業管治常規守則》情況；及
- 建議外聘核數師之委任。

審核委員會獲供給充足資源，以履行其職責。

CORPORATE GOVERNANCE REPORT

企業管治報告

C. ACCOUNTABILITY AND AUDIT (continued)

C.3 Audit Committee (continued)

The Audit Committee has recommended for the re-appointment of PricewaterhouseCoopers as the external auditor of the Company. The recommendation was agreed by the Board and will be put forward for the approval of the shareholders at the forthcoming annual general meeting.

C.4 Auditor's remuneration

During the year, the services provided by, and the associated remuneration paid to, PricewaterhouseCoopers, the principal external auditor of the Group, and its affiliated firms were as follows:

		HK\$'000 千港元
Audit	核數	1,970
Taxation	稅務	287
		<hr/>
		2,257

C. 問責及核數 (續)

C.3 審核委員會 (續)

審核委員會已提議羅兵咸永道會計師事務所連任本公司的外聘核數師。有關提議已獲董事會同意及將在下一次股東週年大會上提呈各股東議決。

C.4 核數師酬金

在本年度期間內，本集團主要外聘核數師羅兵咸永道會計師事務及其關連機構所提供之服務及向其支付之相關酬金如下：

D. DELEGATION BY THE BOARD

D.1 Management functions

When the Board delegates aspects of its management and administration functions to management, it gives at the same time clear directions as to the powers of management, in particular, with respect to the circumstances where management should report back and obtain prior approval from the Board before making decisions or entering into any commitments on behalf of the Company.

Functions reserved by the Board include the formulation of business strategies, appointment of directors and senior executives, approval of financial statements and budgets, proposal of selection of auditors, and proposal and declaration of dividends.

D.2 Board Committees

Where board committees are established to deal with matters, the Board shall prescribe sufficiently clear terms of reference to enable such committees to discharge their functions properly.

Particulars of the Remuneration Committee and the Audit Committee have been disclosed under B.1 and C.3, respectively. Copies of minutes of meetings of the two Committees have been sent to the Board for information.

D. 董事會權力的轉授

D.1 管理功能

當董事會將其管理及行政功能方面的權力轉授予管理層時，會同時就管理層的權力，給予清晰的指引，特別是在何種情況下管理層應向董事會匯報以及在代表本公司作出任何決定或訂立任何承諾前應取得董事會批准等事宜方面。

董事會予以保留的職能包括制訂商業策略、委任董事及高級行政人員、通過財務報表及預算、就選擇核數師提出建議，以及建議和宣派股息。

D.2 董事會轄下的委員會

若要成立委員會處理事宜，董事會將充分清楚的訂明該等委員會的職權範圍，讓有關委員會能適當地履行其職能。

薪酬委員會及審核委員會之詳情已分別於B.1段及C.3段披露。該兩個委員會會議紀錄的副本已送呈董事會以供參閱。

E. COMMUNICATION WITH SHAREHOLDERS

E.1 Effective communication

At the Annual General Meeting held on 27 July 2007 (the "2007 AGM"), a separate resolution was proposed by the Chairman of the Board in respect of each substantially separate issue.

The Chairman of the Board and a delegate duly appointed by the Chairman of the Audit Committee have attended the 2007 AGM to answer questions.

E.2 Voting by Poll

The procedures for and the rights of shareholders to demand a poll in the 2007 AGM were disclosed in the circular to shareholders.

At the commencement of the 2007 AGM, the Chairman of the Board explained to the shareholders of the Company the procedures for demanding a poll by shareholders before putting a resolution to the vote on a show of hands and the detailed procedures for conducting a poll.

E. 與股東的溝通

E.1 有效溝通

在二零零七年七月二十七日舉行的股東週年大會（「二零零七年股東週年大會」），董事會主席已就每項實際獨立的事宜個別提出決議案。

董事會主席及一名由審核委員會適當委任的代表在二零零七年股東週年大會上回答提問。

E.2 以投票方式表決

在二零零七年股東週年大會上以投票方式表決的程序，以及股東可要求以投票方式表決的權利已載列在致股東通函內。

董事會主席在二零零七年股東週年大會開始時已解釋在決議案以舉手方式表決之前股東要求以投票方式表決的程序，以及在要求以投票方式表決的情況下，以投票方式進行表決。

NOTICE OF ANNUAL GENERAL MEETING 股東週年大會通告

Notice is hereby given that the Annual General Meeting of the Company will be held at 8/F, Wyler Centre, Phase II, 200 Tai Lin Pai Road, Kwai Chung, New Territories, Hong Kong on 27 June 2008 at 10:30 a.m. for the following purposes:

1. to consider and adopt the audited financial statements for the year ended 29 February 2008 and the reports of the directors and of the independent auditor;
2. (A) to re-elect the retiring director, Mr Chung Chun Wah as a director;

(B) to re-elect the retiring director, Mr Lee Kin Sang as a director;

(C) to re-elect the retiring director, Mr Ng Chun Chuen, David as a director;

(D) to authorise the board of directors to fix the directors' remuneration; and
3. to re-appoint auditor and to authorise the board of directors to fix its remuneration.

By Order of the Board
Leung Kelvin Yiu Fai
Executive Director and Company Secretary

Hong Kong, 2 June 2008

茲通告本公司將於二零零八年六月二十七日上午十時三十分假座位於香港新界葵涌大連排道200號偉倫中心第2期8樓舉行之股東週年大會，以處理下列事項：

1. 省覽及採納截至二零零八年二月二十九日止年度之經審核財務報表及董事會與獨立核數師報告；
2. (A) 重選退任董事－鍾振華先生為董事；

(B) 重選退任董事－李建生先生為董事；

(C) 重選退任董事－吳振泉先生為董事；

(D) 授權董事會釐定董事之薪酬；及
3. 續聘核數師及授權董事會釐定其酬金。

承董事會命
執行董事兼公司秘書
梁耀輝

香港，二零零八年六月二日

NOTICE OF ANNUAL GENERAL MEETING

股東週年大會通告

Notes:

1. A member entitled to attend and vote at the meeting convened by the above notice is entitled to appoint one or more proxies to attend and vote on his behalf. A proxy needs not be a member of the Company.
2. To be valid, a form of proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of such authority, must be deposited with the Company's Hong Kong branch share registrar, Tricor Abacus Limited at 26/F, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong, not less than 48 hours before the time appointed for holding of the meeting or adjourned meeting thereof.
3. Shareholders whose names appear on the Register of Members of the Company at the close of business on 26 June 2008 are entitled to attend and vote at the Annual General Meeting. The Register of Members of the Company will be closed from 25 June 2008 to 27 June 2008, both days inclusive, during which period no transfer of shares will be effected. All transfers of shares accompanied by the relevant share certificates must be lodged with the Company's Hong Kong branch share registrar, Tricor Abacus Limited at 26/F, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong no later than 4:00 p.m. on 24 June 2008.
4. As at the date of this Notice, the Company's executive directors are Mr Tang Wai Lam, Mr Ng Man Kit, Lawrence, Mr Chung Chun Wah and Mr Leung Kelvin Yiu Fai; independent non-executive directors are Mr Lee Kin Sang, Mr Chan Ka Sing, Tommy and Mr Ng Chun Chuen, David; non-executive director is Mr Lee Kwan Hung.

附註:

1. 任何有權出席上述通告召開之會議及在會上投票之股東均有權委任一名或多名人士為其代表，代其出席大會及投票。受委代表毋須為本公司股東。
2. 填妥之代表委任表格連同已簽署之授權書或其他授權文件（如有）或經公證人簽署證明之該授權書或授權文件副本須於大會或其續會舉行時間四十八小時前送達至香港灣仔皇后大道東28號金鐘匯中心26樓本公司於香港之股份過戶登記分處卓佳雅柏勤有限公司，方為有效。
3. 於二零零八年六月二十六日營業時間結束時名列本公司股東名冊之股東，有權出席股東週年大會並可在會上投票。本公司將於二零零八年六月二十五日至二零零八年六月二十七日期間（包括首尾兩天），暫停辦理股份過戶登記。所有股份轉讓申請連同有關股票必須於二零零八年六月二十四日下午四時正前交至香港灣仔皇后大道東28號金鐘匯中心26樓本公司於香港之股份過戶登記分處卓佳雅柏勤有限公司，辦理過戶登記手續。
4. 於本通告日，本公司的執行董事為鄧偉林先生、吳民傑先生、鍾振華先生及梁耀輝先生；獨立非執行董事為李建生先生、陳家聲先生及吳振泉先生；非執行董事為李均雄先生。

DETAILS OF DIRECTORS PROPOSED TO BE RE-ELECTED

擬膺選連任董事之詳情

The brief biographical particulars of Mr Chung Chun Wah, Mr Lee Kin Sang and Mr Ng Chun Chuen, David, who will retire from office at the AGM and will, being eligible, offer themselves for re-election, are as follows:

Mr Chung Chun Wah, aged 58, was appointed as a director of the Company in 1996. He joined the Group in 1990 and is responsible for the merchandising management and product development of the Group. He has over 32 years of experience in the footwear business. Mr Chung also holds directorships in certain subsidiaries of the Company. He did not act as director of other listed public companies in the last three years.

Mr Chung is not connected with any other directors, senior management or substantial or controlling shareholders of the Company.

As at 28 May 2008, as recorded in the register required to be kept by the Company under Section 352 of the SFO, save as the beneficial interest in 477 non-voting deferred shares of HK\$100.00 each of a wholly-owned subsidiary of the Company, Mirabell Footwear Limited, Mr Chung did not have any other interests in shares of the Company or any of its associated corporations within the meaning of Part XV of the SFO.

Mr Chung has entered into a service contract with the Company appointing him as an executive director and there is no specified length of service in respect of his appointment, except that he is subject to retirement by rotation and re-election pursuant to the Articles of Association of the Company. The emoluments specified in the service contract consist of a salary, provident fund contributed by the Group and a discretionary bonus. The salary is determined from time to time with reference to his duties and responsibilities, remuneration benchmark in the industry and prevailing market conditions. The discretionary bonus is calculated with reference to the Company's performance and profitability as well as his performance determined by the board of directors. The emoluments (excluding share-based payments) of Mr Chung for the year ended 29 February 2008 were HK\$1,426,000.

鍾振華先生、李建生先生及吳振泉先生將於股東週年大會退任，惟有資格並願膺選連任，其個人資料簡介如下：

鍾振華先生，現年58歲，於一九九六年獲委任為本公司董事。鍾先生於一九九零年加入本集團，現時負責本集團採購管理及產品發展事宜。彼於鞋類產品業有逾32年經驗。鍾先生同時在本公司若干附屬公司擔任董事職務。在過往三年，彼並無擔任其他上市公眾公司的董事職務。

鍾先生與本公司之任何其他董事、高級管理人員、主要股東或控股股東概無任何關連。

於二零零八年五月二十八日，根據《證券及期貨條例》第352條規定須設置之登記冊所載記錄，鍾先生除了477股本公司全資附屬公司美麗寶鞋業有限公司每股100.00港元之無投票權遞延股份外，並無持有其他《證券及期貨條例》第XV部所指的本公司或其任何相關法團之股份權益。

鍾先生與本公司訂立委任彼為執行董事之服務合約，其委任並無特定服務年期，惟彼須按本公司之《組織章程細則》輪流退任及膺選連任。該服務合約所訂明之酬金包括薪金、由本集團供款的公積金及酌情花紅。該薪金乃不時按彼之職務與責任、同行薪酬基準及屆時的市場環境而釐定。該酌情花紅乃按本公司的業績表現與盈利狀況，以及由董事會所評定彼之工作表現計算。鍾先生在截至二零零八年二月二十九日止年度之酬金（不包括以股份為基礎的支付）為1,426,000港元。

DETAILS OF DIRECTORS PROPOSED TO BE RE-ELECTED 擬膺選連任董事之詳情

Save as disclosed above, there are no other matters concerning Mr Chung that need to be brought to the attention of the shareholders nor any information to be disclosed pursuant to any of the requirements of Rule 13.51(2) of the Listing Rules.

Mr Lee Kin Sang, aged 55, is an independent non-executive director of the Company and joined the board in 1996. He has been involved in the jewellery industry for over 32 years and has substantial experience in manufacturing and trading of jewellery. He is a director of several private companies engaged in jewellery manufacturing and trading. Mr Lee presently serves as a director of Hong Kong Jewellery Manufacturers' Association, the Committee Member of Chinese People's Political Consultative Conference (Panyu, Guangzhou) and the chairman of Guangzhou Panyu Jewellers Manufacturing Association. He did not act as director of other listed public companies in the last three years.

Mr Lee is not connected with any other directors, senior management or substantial or controlling shareholders of the Company.

As at 28 May 2008, as recorded in the register required to be kept by the Company under Section 352 of the SFO, Mr Lee did not have any interests in shares of the Company or any of its associated corporations within the meaning of Part XV of the SFO.

There is no specific term of service with the Company but Mr Lee is subject to retirement by rotation and re-election pursuant to the Articles of Association of the Company. The emoluments (excluding share-based payments) of Mr Lee for the year ended 29 February 2008 were HK\$65,000. Having authorised by the shareholders of the Company at the AGM, the board of directors will determine the director's fee of Mr Lee with reference to the Company's performance and profitability, his duties and responsibilities, remuneration benchmark in the industry and prevailing market conditions.

Save as disclosed above, there are no other matters concerning Mr Lee that need to be brought to the attention of the shareholders nor any information to be disclosed pursuant to any of the requirements of Rule 13.51(2) of the Listing Rules.

除上文所披露者外，並無任何其他與鍾先生有關之事項需向股東公布，亦無任何資料須根據《上市規則》第13.51(2)條之任何規定作出披露。

李建生先生，現年55歲，為本公司獨立非執行董事，於一九九六年加入董事會。彼從事珠寶業逾32年，在珠寶製造及貿易方面有豐富經驗。李先生為多間從事珠寶製造及貿易之私營公司之董事，現時為香港珠寶製造業廠商會之理事、廣州市番禺區政協委員及廣州番禺珠寶廠商會之會長。在過往三年，彼無擔任其他上市公眾公司的董事職務。

李先生與本公司之任何其他董事、高級管理人員、主要股東或控股股東概無任何關連。

於二零零八年五月二十八日，根據《證券及期貨條例》第352條規定須設置之登記冊所載記錄，李先生並無持有《證券及期貨條例》第XV部所指的本公司或其任何相關法團之股份權益。

李先生與本公司並無既定之委任年期，惟須按本公司之《組織章程細則》輪換退任及膺選連任。李先生在截至二零零八年二月二十九日止年度之酬金（不包括以股份為基礎的支付）為65,000港元。董事會將在本公司之股東於股東週年大會授權後，按本公司的業績表現與盈利狀況、李先生的職務與責任、同行薪酬基準及屆時的市場環境而釐定其董事袍金。

除上文所披露者外，並無任何其他與李先生有關之事項需向股東公布，亦無任何資料須根據《上市規則》第13.51(2)條之任何規定作出披露。

DETAILS OF DIRECTORS PROPOSED TO BE RE-ELECTED

擬膺選連任董事之詳情

Mr Ng Chun Chuen, David, aged 43, is an independent non-executive director of the Company and joined the board in 2004. Mr Ng is a Fellow of the Hong Kong Institute of Certified Public Accountants and a Fellow of the Association of Chartered Certified Accountants, UK. Mr Ng has extensive experience in auditing, financial management, corporate development, investment and corporate finance. He had been an executive director of China Seven Star Shopping Limited (formerly known as Landune International Limited and Singapore Hong Kong Properties Investment Limited), the shares of which are listed on the Stock Exchange, in the last three years.

Mr Ng is not connected with any other directors, senior management or substantial or controlling shareholders of the Company.

As at 28 May 2008, as recorded in the register required to be kept by the Company under Section 352 of the SFO, Mr Ng did not have any interests in shares of the Company or any of its associated corporations within the meaning of Part XV of the SFO.

There is no specific term of service with the Company but Mr Ng is subject to retirement by rotation and re-election pursuant to the Articles of Association of the Company. The emoluments (excluding share-based payments) of Mr Ng for the year ended 29 February 2008 were HK\$65,000. Having authorised by the shareholders of the Company at the AGM, the board of directors will determine the director's fee of Mr Ng with reference to the Company's performance and profitability, his duties and responsibilities, remuneration benchmark in the industry and prevailing market conditions.

Save as disclosed above, there are no other matters concerning Mr Ng that need to be brought to the attention of the shareholders nor any information to be disclosed pursuant to any of the requirements of Rule 13.51(2) of the Listing Rules.

吳振泉先生，現年43歲，為本公司獨立非執行董事，於二零零四年加入董事會。吳先生為香港會計師公會資深會計師及英國特許公認會計師公會資深會員。吳先生在審計、財務管理、企業發展、投資及企業融資方面經驗豐富。彼於過往三年曾為中國七星購物有限公司（前稱藍頓國際有限公司及星港地產投資有限公司）之執行董事，該公司之股份於聯交所上市。

吳先生與本公司之任何其他董事、高級管理人員、主要股東或控股股東概無任何關連。

於二零零八年五月二十八日，根據《證券及期貨條例》第352條規定須設置之登記冊所載記錄，吳先生並無持有《證券及期貨條例》第XV部所指的本公司或其任何相關法團之股份權益。

吳先生與本公司並無既定之委任年期，惟須按本公司之《組織章程細則》輪換退任及膺選連任。吳先生在截至二零零八年二月二十九日止年度之酬金（不包括以股份為基礎的支付）為65,000港元。董事會將在本公司之股東於股東週年大會授權後，按本公司的業績表現與盈利狀況、吳先生的職務與責任、同行薪酬基準及屆時的市場環境而釐定其董事袍金。

除上文所披露者外，並無任何其他與吳先生有關之事項需向股東公布，亦無任何資料須根據《上市規則》第13.51(2)條之任何規定作出披露。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告



羅兵咸永道會計師事務所

PricewaterhouseCoopers
22/F, Prince's Building
Central, Hong Kong

TO THE SHAREHOLDERS OF MIRABELL INTERNATIONAL HOLDINGS LIMITED

(incorporated in the Cayman Islands with limited liability)

We have audited the consolidated financial statements of Mirabell International Holdings Limited (the "Company") and its subsidiaries (together, the "Group") set out on pages 58 to 144, which comprise the consolidated and Company balance sheets as at 29 February 2008, and the consolidated income statement, the consolidated statement of changes in equity and the consolidated cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Directors' responsibility for the financial statements

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

致MIRABELL INTERNATIONAL HOLDINGS LIMITED

美麗寶國際控股有限公司*股東
(於開曼群島註冊成立之有限公司)

本核數師(以下簡稱「我們」)已審核列載於第58至144頁Mirabell International Holdings Limited(美麗寶國際控股有限公司*)(「貴公司」)及其附屬公司(以下合稱「貴集團」)的綜合財務報表。此綜合財務報表包括於二零零八年二月二十九日的綜合及公司資產負債表與截至該日止年度的綜合損益表、綜合權益變動表和綜合現金流量表,以及重要會計政策概要及其他附註解釋。

董事就財務報表須承擔的責任

貴公司董事須負責根據香港會計師公會頒佈的香港財務報告準則及按照香港《公司條例》的披露規定編製及真實而公平地列報該等綜合財務報表。這責任包括設計、實施及維護與編製及真實而公平地列報財務報表相關的內部控制,以使財務報表不存在由於欺詐或錯誤而導致的重大錯誤陳述;選擇和應用適當的會計政策;及按情況下作出合理的會計估計。

* 僅供識別

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

Auditor's responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit and to report our opinion solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any person for the contents of this report.

We conducted our audit in accordance with Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free from material misstatement.

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

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

Opinion

In our opinion, the consolidated financial statements give a true and fair view of the state of affairs of the Company and of the Group as at 29 February 2008 and of the Group's profit and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.

PricewaterhouseCoopers
Certified Public Accountants

Hong Kong, 26 May 2008

核數師的責任

我們的責任是根據我們的審核對該等綜合財務報表作出意見，並僅向整體股東報告，除此之外本報告別無其他目的。我們不會就本報告的內容向任何其他人士負責或承擔任何責任。

我們已根據香港會計師公會頒佈的香港審計準則進行審核。這些準則要求我們遵守道德規範，並規劃及執行審核，以合理確定此等財務報表是否不存有任何重大錯誤陳述。

審核涉及執行情序以獲取有關財務報表所載金額及披露資料的審核憑證。所選定的程序取決於核數師的判斷，包括評估由於欺詐或錯誤而導致財務報表存有重大錯誤陳述的風險。在評估該等風險時，核數師考慮與該公司編製及真實而公平地列報財務報表相關的內部控制，以設計適當的審核程序，但並非為對公司的內部控制的效能發表意見。審核亦包括評價董事所採用的會計政策的合適性及所作出的會計估計的合理性，以及評價財務報表的整體列報方式。

我們相信，我們所獲得的審核憑證是充足和適當地為我們的審核意見提供基礎。

意見

我們認為，該等綜合財務報表已根據香港財務報告準則真實而公平地反映 貴公司及 貴集團於二零零八年二月二十九日的事務狀況及 貴集團截至該日止年度的溢利及現金流量，並已按照香港《公司條例》的披露規定妥為編製。

羅兵咸永道會計師事務所
執業會計師

香港，二零零八年五月二十六日

CONSOLIDATED INCOME STATEMENT

綜合損益表

For the year ended 29 February 2008 截至二零零八年二月二十九日止年度

		Note 附註	2008 HK\$'000 千港元	2007 HK\$'000 千港元
Turnover	營業額	5	1,017,527	934,225
Cost of sales	銷售成本	6	(401,742)	(377,503)
Gross profit	毛利		615,785	556,722
Other income	其他收入	5	10,491	5,298
Other gains, net	其他收益·淨額	7	28,714	4,701
Distribution and selling costs	分銷及銷售成本	6	(436,159)	(399,157)
Administrative expenses	行政費用	6	(117,635)	(106,590)
			101,196	60,974
Realisation of available-for-sale financial assets reserve	實現可供出售財務 資產儲備	30(a)	265,054	–
Operating profit	經營溢利		366,250	60,974
Finance costs	財務費用	8	(379)	(2,199)
Share of profit of an associate	應佔聯營公司溢利	19	3,114,499	58,002
Profit before income tax	除所得稅前溢利		3,480,370	116,777
Income tax expense	所得稅費用	9	(13,890)	(11,315)
Profit attributable to equity holders of the Company	本公司權益持有人 應佔溢利	10	3,466,480	105,462
Earnings per share (expressed in HK cents per share)	每股盈利 (以每股港仙 列示)			
– Basic	– 基本	11	1,328.5 cents 仙	41.4 cents仙
– Diluted	– 攤薄	11	1,285.8 cents 仙	41.0 cents仙
Appropriation	分配			
– Cash dividend	– 現金股息	12	6,558	3,818
– Distribution in specie	– 實物分派	12	3,459,654	–

CONSOLIDATED BALANCE SHEET

綜合資產負債表

As at 29 February 2008 於二零零八年二月二十九日

		Note 附註	2008 HK\$'000 千港元	2007 HK\$'000 千港元
Non-current assets	非流動資產			
Property, plant and equipment	物業、機器及設備	14	37,582	39,638
Investment properties	投資物業	15	–	56,460
Leasehold land and land use rights	租賃土地及土地使用權	16	3,291	15,697
Intangible assets	無形資產	17	10,867	14,905
Interest in an associate	聯營公司權益	19	408	864,389
Rental deposits	租賃按金		30,202	24,735
Available-for-sale financial assets	可供出售財務資產	20	22,322	–
Deferred income tax assets	遞延所得稅資產	21	9,045	9,900
			113,717	1,025,724
Current assets	流動資產			
Inventories	存貨	22	240,663	182,052
Trade receivables	應收賬款	23	100,240	80,646
Other receivables, deposits and prepayments	其他應收款、 按金及預付款	24	38,203	49,008
Taxation recoverable	應收退稅		4,227	3,770
Cash and cash equivalents	現金及現金等價物	25	278,541	108,246
			661,874	423,722
Current liabilities	流動負債			
Trade payables	應付賬款	26	76,210	48,666
Other payables and accrued charges	其他應付款及 應計費用	27	84,911	69,420
Taxation payable	應付稅項		9,957	8,814
Short-term bank borrowings	短期銀行借貸	28	–	25,008
			171,078	151,908

CONSOLIDATED BALANCE SHEET

綜合資產負債表

As at 29 February 2008 於二零零八年二月二十九日

		Note 附註	2008 HK\$'000 千港元	2007 HK\$'000 千港元
Net current assets	流動資產淨值		490,796	271,814
Total assets less current liabilities	總資產減流動負債		604,513	1,297,538
Non-current liabilities	非流動負債			
Other non-current liabilities	其他非流動負債		8,042	11,514
Deferred income tax liabilities	遞延所得稅負債	21	156	1,697
			8,198	13,211
Net assets	淨資產		596,315	1,284,327
Equity	權益			
Share capital	股本	29	26,232	25,453
Other reserves	其他儲備	30	171,776	871,003
Retained earnings	保留盈利	30	398,307	387,871
Total equity	總權益		596,315	1,284,327

Tang Wai Lam
鄧偉林
Director
董事

Ng Man Kit, Lawrence
吳民傑
Director
董事

BALANCE SHEET

資產負債表

As at 29 February 2008 於二零零八年二月二十九日

		Note 附註	2008 HK\$'000 千港元	2007 HK\$'000 千港元
Non-current assets	非流動資產			
Investments in subsidiaries	附屬公司投資	18	87,580	77,598
Available-for-sale financial assets	可供出售財務資產	20	22,088	–
			109,668	77,598
Current assets	流動資產			
Amounts due from subsidiaries	應收附屬公司款項	18	101,414	81,399
Cash and cash equivalents	現金及現金等價物	25	2,603	175
			104,017	81,574
Current liabilities	流動負債			
Amounts due to subsidiaries	應付附屬公司款項	18	6,713	–
Other payables and accrued charges	其他應付款及應計費用	27	558	678
			7,271	678
Net current assets	流動資產淨值		96,746	80,896
Total assets less current liabilities	總資產減流動負債		206,414	158,494
Equity	權益			
Share capital	股本	29	26,232	25,453
Other reserves	其他儲備	30	157,153	119,374
Retained earnings	保留盈利	30	23,029	13,667
Total equity	總權益		206,414	158,494

Tang Wai Lam
鄧偉林
Director
董事

Ng Man Kit, Lawrence
吳民傑
Director
董事

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

For the year ended 29 February 2008 截至二零零八年二月二十九日止年度

		Attributable to equity holders of the Company 本公司權益持有人應佔			
		Share capital 股本 HK\$'000 千港元	Other reserves 其他儲備 HK\$'000 千港元	Retained earnings 保留盈利 HK\$'000 千港元	Total 總額 HK\$'000 千港元
Balance as at 1 March 2007	於二零零七年 三月一日之結餘	25,453	871,003	387,871	1,284,327
Share of fair value gain of an associate (Note 19)	應佔聯營公司 公平值收益 (附註19)	-	2,356,011	-	2,356,011
Share of realisation of available-for-sale financial assets reserve of an associate (Note 19)	應佔聯營公司可供 出售財務資產 儲備之實現 (附註19)	-	(3,103,491)	-	(3,103,491)
Fair value gains on available- for-sale financial assets (Note 20)	可供出售財務資產 公平值收益 (附註20)	-	267,563	-	267,563
Realisation of:	實現:				
- Available-for-sale financial assets reserve	- 可供出售財務 資產	-	(265,054)	-	(265,054)
- Assets revaluation reserve:	- 資產重估儲備:				
- Upon disposal of a subsidiary	- 出售附屬公司	-	(6,600)	-	(6,600)
- Upon disposal of an investment property	- 出售投資物業	-	(10,168)	10,168	-
Revaluation of properties:	物業重估:				
- Fair value gains on investment properties	- 投資物業 公平值收益	-	17,442	-	17,442
- Deferred taxation	- 遞延稅項	-	(674)	-	(674)
Share option scheme:	認股權計劃:				
- Value of services	- 服務之價值	-	9,982	-	9,982
Issue of shares upon exercise of share options	行使認股權 而發行股份	779	27,083	-	27,862
Profit for the year	本年度溢利	-	-	3,466,480	3,466,480
2008 Interim cash dividend paid	二零零八年已派 中期現金股息	-	-	(6,558)	(6,558)
Distribution in specie	實物分派	-	-	(3,459,654)	(3,459,654)
Currency translation differences	貨幣匯兌差額	-	8,679	-	8,679
Balance as at 29 February 2008	於二零零八年二月 二十九日之結餘	26,232	171,776	398,307	596,315

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

For the year ended 29 February 2008 截至二零零八年二月二十九日止年度

		Attributable to equity holders of the Company 本公司權益持有人應佔			
		Share capital 股本 HK\$'000 千港元	Other reserves 其他儲備 HK\$'000 千港元	Retained earnings 保留盈利 HK\$'000 千港元	Total 總額 HK\$'000 千港元
Balance as at 1 March 2006	於二零零六年 三月一日之結餘	25,453	112,384	300,226	438,063
Share of fair value gain of an associate	應佔聯營公司 公平值收益	-	747,480	-	747,480
Share option scheme:	認股權計劃:				
- Value of services	- 服務之價值	-	8,344	-	8,344
Profit for the year	本年度溢利	-	-	105,462	105,462
2006 Final cash dividend paid	二零零六年 已派末期現金股息	-	-	(13,999)	(13,999)
2007 Interim cash dividend paid	二零零七年 已派中期現金股息	-	-	(3,818)	(3,818)
Currency translation differences	貨幣匯兌差額	-	2,795	-	2,795
Balance as at 28 February 2007	於二零零七年二月 二十八日之結餘	25,453	871,003	387,871	1,284,327

CONSOLIDATED CASH FLOW STATEMENT

綜合現金流量表

For the year ended 29 February 2008 截至二零零八年二月二十九日止年度

	Note 附註	2008 HK\$'000 千港元	2007 HK\$'000 千港元
Cash flow from operating activities			
Cash generated from operations	31(a)	85,307	69,508
Interest paid		(379)	(2,199)
Hong Kong profits tax paid		(5,118)	(3,005)
Overseas taxation paid		(7,267)	(9,720)
Net cash generated from operating activities		72,543	54,584
Cash flow from investing activities			
Purchase of property, plant and equipment		(19,295)	(21,405)
Proceed from disposal of property, plant and equipment	31(c)	4	31
Proceed from disposal of an investment property	31(c)	21,000	–
Proceed from disposal of a subsidiary	31(b)	78,326	–
Proceed from disposal of available-for-sale financial assets		2,293	–
Interest received		2,095	920
Dividend received from an associate		21,000	–
Net cash generated from/ (used in) investing activities		105,423	(20,454)
Cash flow from financing activities			
New bank loans raised		37,337	70,279
Repayment of bank loans		(63,923)	(94,846)
Dividends paid		(6,558)	(17,817)
Stamp duty on distribution in specie		(6,631)	–
Issuance of shares		27,862	–
Net cash used in financing activities		(11,913)	(42,384)

CONSOLIDATED CASH FLOW STATEMENT

綜合現金流量表

For the year ended 29 February 2008 截至二零零八年二月二十九日止年度

		Note 附註	2008 HK\$'000 千港元	2007 HK\$'000 千港元
Net increase/(decrease) in cash and cash equivalents	現金及現金等價物之增加／(減少)淨額		166,053	(8,254)
Cash and cash equivalents at beginning of year	於年初之現金及現金等價物		108,246	114,891
Effect of foreign exchange rate changes	外幣匯率變動之影響		4,242	1,609
Cash and cash equivalents at end of year	於年終之現金及現金等價物	25	278,541	108,246

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

29 February 2008 二零零八年二月二十九日

1. GENERAL INFORMATION

Mirabell International Holdings Limited (the “Company”) and its subsidiaries (collectively, the “Group”) are principally engaged in the retailing, wholesaling and manufacturing of footwear.

The Company is a limited liability company incorporated in the Cayman Islands. The principal place of business is at 8/F, Wyler Centre, Phase II, 200 Tai Lin Pai Road, Kwai Chung, New Territories, Hong Kong.

The Company’s shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

These consolidated financial statements are presented in Hong Kong dollars, unless otherwise stated. These consolidated financial statements were approved for issue by the Board of Directors on 26 May 2008.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

1. 一般資料

Mirabell International Holdings Limited (美麗寶國際控股有限公司*) (「本公司」) 及其附屬公司 (合稱「本集團」) 之主要業務包括鞋類產品零售、批發及製造。

本公司是在開曼群島註冊成立的有限公司。主要營業地點於香港新界葵涌大連排道200號偉倫中心第2期8樓。

本公司的股份在香港聯合交易所有限公司(「聯交所」) 主板上市。

本綜合財務報表以港元列報(除非另有說明)。綜合財務報表已經由董事會在二零零八年五月二十六日批准刊發。

2. 重要會計政策摘要

編製本綜合財務報表採用的主要會計政策載於下文。除另有說明外，此等政策在所呈報的所有年度內貫徹應用。

* 僅供識別

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

29 February 2008 二零零八年二月二十九日

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.1 Basis of preparation

The consolidated financial statements of Mirabell International Holdings Limited have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRS”). The consolidated financial statements have been prepared under the historical cost convention except that investment properties and certain financial assets and financial liabilities are measured at fair value as appropriate.

The preparation of financial statements in conformity with HKFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements, are disclosed in Note 4.

2. 重要會計政策摘要 (續)

2.1 編製基準

Mirabell International Holdings Limited (美麗寶國際控股有限公司*)的綜合財務報表乃按照香港財務報告準則(「HKFRS」)編製。綜合財務報表已按照歷史成本法編製,惟投資物業及若干按公平值計量之財務資產及財務負債(如適用)除外。

編製符合HKFRS的財務報表需要使用若干關鍵會計估算。這亦需要管理層在應用本集團會計政策過程中行使其判斷。涉及高度的判斷或高度複雜性的範疇,或涉及對綜合財務報表屬重大假設和估算的範疇,在附註4中披露。

* 僅供識別

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.1 Basis of preparation (continued)

The following standard, amendment and interpretations to the standards are mandatory for the financial year ended 29 February 2008.

HKAS 1 (Amendment)	Presentation of Financial Statements: Capital Disclosures
HKFRS 7	Financial Instruments: Disclosures
HK(IFRIC)-Int 8	Scope of HKFRS 2
HK(IFRIC)-Int 9	Reassessment of Embedded Derivatives
HK(IFRIC)-Int 10	Interim Financial Reporting and Impairment
HK(IFRIC)-Int 11	HKFRS 2 – Group and Treasury Share Transactions

Except for HKAS 1 (Amendment) and HKFRS 7, the adoption of the above interpretations do not have material impact to the Group's principal accounting policies or presentation of financial statements.

According to HKAS 1 (Amendment), an entity shall disclose information that enable users of the financial statements to evaluate the entity's objective, policies and processes for managing capital; including (a) qualitative information about its objectives, policies and processes for managing capital; (b) summary quantitative data about what it manages as capital; (c) any changes on (a) and (b) from the previous period; (d) whether during the period it complied with any externally imposed capital requirements to which it is subject; and (e) when the entity has not complied with such externally imposed capital requirements, the consequences of such non-compliance.

2. 重要會計政策摘要 (續)

2.1 編製基準 (續)

下列準則、準則的修訂及詮釋必須於截至二零零八年二月二十九日止財政年度強制接納。

HKAS 1 (修訂)	財務報表的呈列：資本披露
HKFRS 7	金融工具：披露
HK(IFRIC)-Int 8	HKFRS 2的範圍
HK(IFRIC)-Int 9	重新評估嵌入式衍生工具
HK(IFRIC)-Int 10	中期財務報告及減值
HK(IFRIC)-Int 11	HKFRS 2—集團及庫存股份交易

除HKAS 1 (修訂)及HKFRS 7外，採納上述詮釋並不會對本集團的主要會計政策或財務報表的呈列造成重大影響。

根據HKAS 1 (修訂)，實體須披露該等可使財務報表使用者能用以分析實體的目標、政策及程序以作管理資本的資料，包括(a)其對管理資本的目標、政策及程序的定性資料；(b)有關實體作為資本管理的摘要定量數據；(c)於過往期間第(a)及(b)點的任何變動；(d)於期間內實體是否已遵守任何外部施加的資本規定；及(e)當實體並無遵守該等外部施加的資本規定的後果。

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.1 Basis of preparation (continued)

The HKFRS 7 requires disclosures of (a) the significance of financial instruments for an entity's financial position and performance; and (b) qualitative and quantitative information about its exposure to risks arising from financial instruments, including specified minimum disclosures about credit risk, liquidity risk and market risk. The qualitative disclosures include description of management's objective, policies and processes for managing those risks. The quantitative disclosures provide information about the extent to which the entity is exposed to risks including sensitivity analysis to market risk, based on information provided internally to the entity's key management personnel.

The following new standard, amendment/revisions to standards and interpretations have been issued but are not yet effective and have not been early adopted by the Group:

		Effective for accounting periods beginning on or after 於以下日期起或 期後的會計期間生效
HKAS 1 (Revised) HKAS 1 (經修訂)	Presentation of Financial Statements 財務報表的呈列	1 January 2009 二零零九年一月一日
HKFRS 2 (Amendment) HKFRS 2 (修訂)	Share-based Payment – Vesting Conditions and Cancellations 股份付款 – 歸屬條件及注銷	1 January 2009 二零零九年一月一日
HKFRS 3 (Revised) HKFRS 3 (經修訂)	Business Combinations 業務合併	1 July 2009 二零零九年七月一日
HKFRS 8 HKFRS 8	Operating Segments 營運分部	1 January 2009 二零零九年一月一日
HKAS 23 (Revised) HKAS 23 (經修訂)	Borrowing Costs 借貸成本	1 January 2009 二零零九年一月一日
HKAS 27 (Revised) HKAS 27 (經修訂)	Consolidated and Separate Financial Statements 綜合及單獨財務報表	1 July 2009 二零零九年七月一日
HK(IFRIC)-Int 12 HK(IFRIC)-Int 12	Service Concession Arrangements 服務特許權協議	1 January 2008 二零零八年一月一日
HK(IFRIC)-Int 13 HK(IFRIC)-Int 13	Customer Loyalty Programmes 客戶獎勵計劃	1 July 2008 二零零八年七月一日
HK(IFRIC)-Int 14 HK(IFRIC)-Int 14	HKAS 19 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction	1 January 2008
HK(IFRIC)-Int 14	HKAS 19 – 界定利益資產、最低資金要求的 限制及彼等之間的互動關係	二零零八年一月一日

2. 重要會計政策摘要 (續)

2.1 編製基準 (續)

HKFRS 7 規定須披露(a)財務工具對實體的財務狀況及表現的重要性;及(b)財務工具所產生的風險程度有關的定性及定量資料,包括信貸風險、流動資金風險及市場風險的特定最低披露。定性披露包括有關管理該等風險的管理目標、政策及程序的描述。定量披露指根據提供予實體的主要管理人員的內部資料,提供有關實體所面對風險的程度的資料,包括市場風險的敏感度分析。

下列新訂準則、準則的修訂/修改及詮釋已獲頒布但尚未生效,且本集團並無提早採納:

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.1 Basis of preparation (continued)

The Group has already commenced an assessment of the related impact of adopting the above new standard, amendment/revisions to standards and interpretations to the Group.

For the remaining standards, amendment/revisions to standards and interpretations, the Group is not yet in a position to state whether substantial changes to the Group's accounting policies and presentation of the financial statements will be resulted.

2.2 Consolidation

The consolidated financial statements include the financial statements of the Company and all its subsidiaries made up to 29 February.

(a) Subsidiaries

Subsidiaries are all entities (including special purpose entities) over which the Group has the power to govern the financial and operating policies generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

2. 重要會計政策摘要 (續)

2.1 編製基準 (續)

本集團已開始評估採納上述新訂準則、準則的修訂／修改及詮釋對本集團的有關影響。

就其餘準則、準則的修訂／修改及詮釋而言，本集團尚未能確定本集團的會計政策及財務報表的呈列會否因而出現重大變動。

2.2 綜合賬目

綜合財務報表包括本公司及其所有附屬公司截至二月二十九日止之財務報表。

(a) 附屬公司

附屬公司指本集團有權控制一般財務及營運政策之企業（包括特殊目的企業），並一般擁有超過一半投票權之股權。在評定本集團是否控制另一實體時，目前可行使或可兌換的潛在投票權的存在及影響均予考慮。

附屬公司自控制權轉交本集團之日起全面綜合入賬，並於控制權終止之日停止綜合入賬。

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.2 Consolidation (continued)

(a) Subsidiaries (continued)

The purchase method of accounting is used to account for the acquisition of subsidiaries by the Group. The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of any minority interest. The excess of the cost of acquisition over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill. If the cost of acquisition is less than the fair value of the net assets of the subsidiary acquired, the difference is recognised directly in the income statement.

Inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

In the Company's balance sheet, the investments in subsidiaries are stated at cost less provision for impairment losses. The results of subsidiaries are accounted by the Company on the basis of dividend received and receivable.

2. 重要會計政策摘要 (續)

2.2 綜合賬目 (續)

(a) 附屬公司 (續)

會計採購法用於計算本集團收購附屬公司之賬目。收購成本乃按交換日期所交出資產／發行股權工具及產生或承擔之負債之公平值計量，加收購之直接應計成本。所收購可辨識之資產及業務合併時所承擔之負債及或然負債乃於開始時按收購日之公平值計量，不論任何少數股東權益的數額。收購成本超過本集團應佔所收購可辨識淨資產公平值之總額入賬為商譽。倘若收購成本低於所收購附屬公司的資產公平值，差額乃直接在損益表中確認。

集團內公司間交易、集團公司間交易產生之結餘及未實現盈利均予以對銷。除非交易提供所轉讓資產減值之憑證，否則未實現虧損亦予以對銷。附屬公司之會計政策已作所需變動，以確保與本集團所採納政策一致。

於本公司之資產負債表內，附屬公司之投資以成本值扣除減值虧損準備入賬。本公司將附屬公司之業績按已收及應收股息入賬。

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.2 Consolidation (continued)

(b) Associates

Associates are all entities over which the Group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting and are initially recognised at cost. The Group's investment in associates includes goodwill (net of any accumulated impairment loss) identified on acquisition.

The Group's share of its associates' post-acquisition profits or losses is recognised in the income statement, and its share of post-acquisition movements in reserves is recognised in reserves. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

Unrealised gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the Group.

2. 重要會計政策摘要 (續)

2.2 綜合賬目 (續)

(b) 聯營公司

聯營公司是指本集團對其有重大影響但不擁有控制權的公司，一般附帶擁有其20%至50%投票權的股權。於聯營公司之投資於綜合財務報表按權益法入賬，並於最初按成本確認。本集團於聯營公司之投資包括於收購時辨識之商譽（減去任何累計減值虧損）。

本集團對應佔收購後聯營公司的利潤或虧損於損益表中確認，而應佔收購後的聯營公司的儲備變動在儲備中確認。收購後的累積變動乃於投資之賬面值作調整。當本集團應佔聯營公司的虧損相等於或大於其佔聯營公司的權益（包括任何其他無擔保之應收賬款），本集團不再確認額外的損失，除非本集團有此責任或已代聯營公司支付款項。

因本集團與聯營公司之間交易而產生的未實現收益按本集團所佔權益予以抵銷。除非該交易提供證據證明所轉移資產出現減值，否則未實現虧損亦予抵銷。聯營公司之會計政策已在需要情況下作修訂，以確保與本集團所採納之政策一致。

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.3 Segment reporting

A business segment is a group of assets and operations engaged in providing products or services that are subject to risks and returns that are different from those of other business segments. A geographical segment is engaged in providing products or services within a particular economic environment that are subject to risks and returns that are different from those of segments operating in other economic environments.

Segment assets consist primarily of property, plant and equipment, investment properties, leasehold land and land use rights, intangible assets, rental deposits, inventories, receivables, available-for-sale financial assets and operating cash and exclude items such as taxation recoverable and deferred income tax assets.

Segment liabilities comprise operating liabilities and exclude items such as taxation payable and deferred income tax liabilities.

Capital expenditure comprises additions to property, plant and equipment, investment properties, leasehold land and land use rights and intangible assets.

In respect of geographical segment reporting, sales are based on the geographical area in which the customer is located; and total assets and capital expenditure are based on where the assets are located.

2. 重要會計政策摘要 (續)

2.3 分部報表

一個業務分部指從事提供產品或服務之一組資產及業務，而該組資產及業務之風險及回報有別於其他業務分部。一個地區分部乃在某一特定經濟環境下從事提供產品或服務，而該分部之風險及回報有別於在其他經濟環境經營的分部。

分部資產主要包括物業、機器及設備、投資物業、租賃土地及土地使用權、無形資產、租賃按金、存貨、應收款項、可供出售財務資產及營運現金，但不包括應收退稅及遞延所得稅資產。

分部負債包括營運負債，但不包括應付稅項及遞延所得稅負債。

資本開支包括物業、機器及設備、投資物業、租賃土地及土地使用權以及無形資產之添置。

至於地區分部報告，銷售額乃按照客戶所在地區計算。總資產及資本開支則按資產所在地計算。

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.4 Foreign currency translation

(a) *Functional and presentation currency*

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The consolidated financial statements are presented in Hong Kong dollars ("HK\$"), which is the Company's functional and presentation currency.

(b) *Transactions and balances*

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement.

2. 重要會計政策摘要 (續)

2.4 外幣換算

(a) 功能及呈列貨幣

本集團內各實體的財務報表內的項目均以該實體經營之主要經濟環境之通行貨幣(「功能貨幣」)計量。綜合財務報表以港元呈列，而該貨幣為本公司的功能及呈列貨幣。

(b) 交易及結餘

外幣交易均按交易當日之匯率折算為功能貨幣入賬。結算該等交易以及按年終兌換率匯算以外幣為單位之貨幣性資產和負債時出現的匯兌收益及虧損均於損益表中確認。

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.4 Foreign currency translation (continued)

(c) Group companies

The results and financial position of all the group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- (i) assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;
- (ii) income and expenses for each income statement are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and
- (iii) all resulting exchange differences are recognised as a separate component of equity.

On consolidation, exchange differences arising from the translation of the net investment in foreign operations, and of borrowings, are taken to equity holders' equity. When a foreign operation is partially disposed of or sold, exchange differences that were recorded in equity are recognised in the income statement as part of the gain or loss on sale.

2. 重要會計政策摘要 (續)

2.4 外幣換算 (續)

(c) 集團公司

所有本集團之實體若其功能貨幣與呈列貨幣不同(各實體均無極高通脹經濟體系之貨幣)·其業績及財務狀況均按以下方法換算為呈列貨幣:

- (i) 每份呈列於資產負債表之資產及負債均以該資產負債表結算日之收市匯率換算;
- (ii) 每份損益表之收入及支出項目按平均匯率換算(除非該平均匯率並非反映交易日通行匯率累計影響的一個合理約數·在此情況下收入及支出乃用交易當日之匯率換算);及
- (iii) 所有由此產生匯兌差額乃確認為權益的一個獨立部份。

於綜合賬目時·換算海外業務的淨投資·以及借貸所產生之匯兌差額列入權益持有人之權益內。當售出或清理部份海外業務時·該等匯兌差額於損益表中確認為出售收益或虧損的一部份。

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.4 Foreign currency translation (continued)

(c) Group companies (continued)

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate.

2.5 Property, plant and equipment

Property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged in the income statement during the financial period in which they are incurred.

Depreciation of property, plant and equipment is calculated using the straight-line method to allocate their costs to their residual values over their estimated useful lives, as follows:

Buildings	3% – 5%
Leasehold improvements	Over the remaining period of leases
Furniture, fixtures and office equipment	20% – 33 $\frac{1}{3}$ %
Motor vehicles	25% – 33 $\frac{1}{3}$ %
Plant and machinery	20%

2. 重要會計政策摘要 (續)

2.4 外幣換算 (續)

(c) 集團公司 (續)

收購海外實體產生的商譽及公平值調整視為該海外實體的資產和負債，並按收市匯率換算。

2.5 物業、機器及設備

物業、機器及設備按歷史成本減累計折舊和累計減值虧損（如有）列賬。歷史成本包括收購該項目直接應佔的開支。

僅在與該項目相關之未來經濟效益有可能歸於本集團及能可靠地計算出該項目成本之情況下，其後之成本才會包括於資產賬面值或確認為獨立之資產（如適用）。已更換零件的賬面值已被剔除入賬。所有其他維修及保養支出於其產生之財務期間內計入損益表。

物業、機器及設備之折舊乃以其資產成本值按其估計於本集團可使用年期以直線方式撇銷至其殘值如下：

樓宇	3% – 5%
租賃物業裝修	按剩餘之租賃期
傢俬、裝置及辦公室設備	20% – 33 $\frac{1}{3}$ %
汽車	25% – 33 $\frac{1}{3}$ %
機器及設備	20%

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.5 Property, plant and equipment (continued)

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (Note 2.8).

Gains and losses on disposals are determined by comparing proceeds with carrying amount and are recognised within administrative expenses in the income statement.

2.6 Investment properties

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the companies in the Group, is classified as investment property.

Investment property comprises land held under operating leases and buildings. Land held under operating leases are classified and accounted for as investment property when the rest of the definition of investment property is met.

2. 重要會計政策摘要 (續)

2.5 物業、機器及設備 (續)

資產之剩餘價值及可使用年期在每個結算日審閱及在適當時調整。

倘若資產之賬面值高於其估計可收回款項，資產之賬面值即時撇減至其可收回金額 (附註2.8)。

出售收益及虧損為所得款與賬面值之差額，並於損益表內之行政費用中確認。

2.6 投資物業

為獲得長期租金收益或資本增值或兩者兼備而持有，且並非由本集團內的公司佔用的物業列為投資物業。

投資物業包括樓宇及以營運租賃持有的土地。以營運租賃持有的土地，如符合投資物業其餘定義，按投資物業分類及記賬。

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.6 Investment properties (continued)

Investment property is measured initially at its cost, including related transaction costs. After initial recognition, investment property is carried at fair value. Fair value is based on active market prices, adjusted, if necessary, for any difference in the nature, location or condition of the specific asset. These valuations are reviewed annually by external valuers.

The fair value of investment property reflects, among other things, rental income from current leases and assumptions about rental income from future leases in the light of current market conditions.

The fair value also reflects, on a similar basis, any cash outflows that could be expected in respect of the property. Some of those outflows are recognised as a liability, including finance lease liabilities in respect of land classified as investment property; others, including contingent rent payments, are not recognised in the financial statements.

Subsequent expenditure is charged to the asset's carrying amount only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed in the income statement during the financial period in which they are incurred.

Changes in fair values are recognised in the income statement, as part of other gains, net.

2. 重要會計政策摘要 (續)

2.6 投資物業 (續)

投資物業初步按其成本計量，包括相關的交易成本。在初步確認後，投資物業按公平值列賬。公平值根據活躍市場價格計算，如有需要就個別資產的性質、地點或狀況的任何差異作出調整。此等估值每年由外部估值師檢討。

投資物業的公平值反映（包括其他）來自現有租賃的租金收入，及在現時市場情況下未來租賃的租金收入假設。

公平值亦反映，在類似基準下物業預期的任何現金流出。此等現金流出部份確認為負債，包括列為投資物業的土地有關的融資租賃負債；而其他，包括或然租金款項，不在財務報表列賬。

其後支出只有在與該項目有關的未來經濟利益有可能流入本集團，而該項目的成本能可靠衡量時，才計入在資產的賬面值中。所有其他維修及保養成本在產生的財政期間內於損益表支銷。

公平值變動在損益表列賬為其他收益，淨額，之一部份。

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.6 Investment properties (continued)

Gains or losses on disposal of an investment property are recognised in the income statement in the year of disposal.

If a property occupied by the Group as an owner-occupied property becomes an investment property, the Group accounts for such property in accordance with the policy stated under "Property, plant and equipment" up to the date of change in use, and any difference at the date between the carrying amount and the fair value of the property is accounted for as a revaluation. Increases in the carrying amount arising on revaluation are credited to other reserves in shareholders' equity. Decreases that offset previous increases of the same asset are charged against other reserves directly in equity; all other decreases are charged to the income statement.

2.7 Intangible assets

(a) Goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of the Group's share of the net identifiable assets of the acquired associate at the date of acquisition. Goodwill on acquisitions of associates is included in interest in an associate and is tested annually for impairment as part of the overall balance. Separately recognised goodwill is tested for impairment and carried at cost less accumulated impairment losses. Impairment losses on goodwill are not reversed. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing.

2. 重要會計政策摘要 (續)

2.6 投資物業 (續)

出售投資物業之收益或損失於出售年度在損益表中確認。

倘若本集團旗下公司佔用的物業轉作投資物業，本集團會就該物業根據「物業、廠房及設備」所列之政策入賬，直至轉變日期為止。於該日的賬面值與公平值之間的差額列作重估。因重估而產生之賬面升值會貸記在股東權益中的其他儲備。抵銷先前同一資產升值之減值直接記賬在權益中的其他儲備，所有其他減值則在損益表中支銷。

2.7 無形資產

(a) 商譽

商譽指收購成本超出於收購日本集團應佔所收購聯營公司之可辨識資產淨值之公平值之數額。收購聯營公司的商譽計入聯營公司權益內並每年就減值進行測試，作為整體結餘的一部份。分開確認的商譽就減值進行測試，並按成本值減累計減值虧損列賬。商譽的減值虧損不會撥回。出售某個實體之收益及虧損包括與被出售實體相關的商譽賬面值。

就減值測試而言，商譽會分配至現金產生單位。

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.7 Intangible assets (continued)

(b) Patents and licenses

Patents and licenses on branded products are stated at cost, which represent capitalisation of the minimum license fees payments in accordance with the license agreements. License rights have a finite useful life and are carried at cost less accumulated amortisation. Amortisation is made in accordance with the pattern of economic inflow to the Group.

License fees payable are recognised initially at fair value using the effective interest method and subsequently stated at amortised cost less the amounts paid.

2.8 Impairment of investments in subsidiaries, associates and non-financial assets

Assets that have an indefinite useful life or have not yet been available for use are not subject to amortisation and are tested annually for impairment. Assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

2. 重要會計政策摘要 (續)

2.7 無形資產 (續)

(b) 專利權及牌照

品牌產品的專利權及牌照按成本列賬，該成本指根據經營協議將最低牌照費用資本化。經營權有限定使用年期，並按成本減累計攤銷列賬。攤銷費用是根據流入本集團的經濟收益模式而作出。

應付牌照費用起始按公平值利用實際利息法確認，其後按已攤銷成本減已付款額列賬。

2.8 附屬公司投資、聯營公司權益及非金融資產減值

無指定使用年期或尚未可供使用之資產毋需攤銷，但每年就減值進行檢討。資產當有事項或情況轉變顯示賬面值可能無法收回時就減值進行檢討。減值虧損按資產之賬面值超出其可收回金額之差額確認。可收回金額為資產之公平值扣除銷售成本或使用價值兩者之間較高者為準。於評估減值時，資產按可分開識辨現金流量（現金產生單位）的最低層次組合。除商譽外，已蒙受減值的非財務資產在每個報告日期均就減值是否可以撥回進行檢討。

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.9 Financial assets

The Group classifies its financial assets in the following categories: loans and receivable and available-for-sale financial assets. The classification depends on the purposes for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

(a) *Loans and receivables*

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the balance sheet date which are classified as non-current assets. Loans and receivables include rental and other deposits plus trade and other receivables.

(b) *Available-for-sale financial assets*

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless management intends to dispose of the investment within 12 months of the balance sheet date.

2. 重要會計政策摘要 (續)

2.9 財務資產

本集團將其財務資產分類為以下類別：貸款及應收款項，以及可供出售財務資產。分類視乎購入財務資產之目的。管理層在初始確認時釐定財務資產的分類。

(a) 貸款及應收款項

貸款及應收款項為有固定或可釐定付款且沒有在活躍市場上報價的非衍生財務資產。此等項目包括在流動資產內，但若到期日由結算日起計超過十二個月者，則分類為非流動資產。貸款及應收款項列包括租賃及其他按金、應收及其他應收賬款。

(b) 可供出售財務資產

可供出售財務資產為被指定作此類別或並無分類為任何其他類別之非衍生工具。除非管理層有意在結算日後十二個月內出售該項投資，否則此等資產列在非流動資產內。

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.9 Financial assets (continued)

(b) Available-for-sale financial assets (continued)

Regular purchases and sales of financial assets are recognised on the trade-date – the date on which the Group commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership.

Changes in the fair value of monetary securities denominated in a foreign currency and classified as available-for-sale are analysed between translation differences resulting from changes in amortised cost of the security and other changes in the carrying amount of the security. The translation differences on monetary securities are recognised in profit or loss; translation differences on non-monetary securities are recognised in equity. Changes in the fair value of monetary and non-monetary securities classified as available for sale are recognised in equity.

When securities classified as available for sale are sold or impaired, the accumulated fair value adjustments recognised in equity are included in the income statement as “realisation of available-for-sale financial assets reserve”.

2. 重要會計政策摘要 (續)

2.9 財務資產 (續)

(b) 可供出售財務資產 (續)

定期購入及出售的財務資產在交易日確認－交易日指本集團承諾購入或出售該資產之日。對於並非按公平值透過損益記賬的所有財務資產，其投資初步按公平值加交易成本確認。當從投資收取現金流量的權利已經到期或已經轉讓，而本集團已將擁有權的所有風險和回報實際轉讓時，財務資產即終止確認。

以外幣為單位並分類為可供出售的貨幣性證券的公平值變動，按照證券的攤銷成本變動與該證券賬面值的其他變動所產生的匯兌差額進行分析。貨幣性證券的匯兌差額在損益表中確認；非貨幣性證券的匯兌差額在權益中確認。分類為可供出售的貨幣性及非貨幣性證券的公平值變動在權益中確認。

當分類為可供出售的證券售出或減值時，在權益中確認的累計公平值調整列入損益表內作為「實現可供出售財務資產」。

NOTES TO THE FINANCIAL STATEMENTS

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.9 Financial assets (continued)

(b) Available-for-sale financial assets (continued)

Interest on available-for-sale securities calculated using the effective interest method is recognised in the income statement as part of other gains. Dividends on available-for-sale equity instruments are recognised in the income statement as part of other income when the Group's right to receive payments is established.

The Group assesses at each balance sheet date whether there is objective evidence that a financial asset or a group of financial assets is impaired. In the case of equity securities classified as available for sale, a significant or prolonged decline in the fair value of the security below its cost is considered as an indicator that the securities are impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss – measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in profit or loss – is removed from equity and recognised in the income statement. Impairment losses recognised in the income statement on equity instruments are not reversed through the income statement. Impairment testing of trade receivables is described in Note 2.12.

2. 重要會計政策摘要 (續)

2.9 財務資產 (續)

(b) 可供出售財務資產 (續)

可供出售證券利用實際利息法計算的利息在損益表內確認為部份其他收益。至於可供出售權益工具的股息，當本集團收取有關款項的權利確定時，在損益表內確認為部份其他收入。

本集團在每個結算日評估是否有客觀證據證明某項財務資產或某組財務資產經已減值。對於分類為可供出售的股權證券，證券公平值若大幅度或長期跌至低於其成本值，會被視為證券已經顯示減值。若可供出售財務資產存在此等證據，累計虧損 – 按收購成本與當時公平值的差額，減該財務資產之前在損益表確認的任何減值虧損計算 – 自權益中剔除並在損益表記賬。在損益表確認的股權工具減值虧損不會透過損益表撥回。應收賬款的減值測試在附註2.12中說明。

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.10 Financial guarantees

A financial guarantee (a kind of insurance contract) is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the original or modified terms of a debt instrument. The Group does not recognise liabilities for financial guarantees at inception, but performs a liability adequacy test at each reporting date by comparing its net liability regarding the financial guarantee with the amount that would be required if the financial guarantee would result in a present legal or constructive obligation. If the liability is less than its present legal or constructive obligation amount, the entire difference is recognised in the income statement immediately.

2.11 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the weighted average method. The cost of finished goods and work in progress comprises raw materials, direct labour, other direct costs and related production overheads (based on normal operating capacity). It excludes borrowing costs. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

2. 重要會計政策摘要 (續)

2.10 財務擔保

財務擔保(一項保險合約)為一項要求發行人須對持有人就個別債務人未能履行債務合約之原有或經修改條文而在付款期限前作出付款時承諾補償該持有人損失之合約。本集團未就財務擔保之負債作初步確認,但於每個報告日將其財務擔保之負債淨額與倘財務擔保會引致現行法定或推定責任所需之金額進行比較而對負債之充足性作出測試。倘負債低於其現行法定或推定責任之金額時,所有差額即時於損益表確認。

2.11 存貨

存貨按成本及可變現淨值兩者的較低者列賬。成本以加權平均法計算。製成品及在製品的成本包括原材料、直接勞工、其他直接成本及相關的生產經常開支(依據正常營運能力)。成本不包括借貸成本。可變現淨值為於日常業務過程之預計售價減去適用之可變銷售費用。

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.12 Trade and other receivables

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for impairment of trade and other receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtors will enter bankruptcy or financial reorganisation, and default or delinquency in payments are considered indicators that the trade receivable is impaired. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. The carrying amount of the assets is reduced through the use of an allowance account, and the amount of the loss is recognised in the income statement. When a trade receivable is uncollectible, it is written off against the allowance account for trade receivables. Subsequent recoveries of amounts previously written off are credited in distribution and selling costs.

2.13 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or less.

2. 重要會計政策摘要 (續)

2.12 應收及其他應收賬款

應收及其他應收賬款初步以公平值確認，其後利用實際利息法按攤銷成本扣除減值撥備計量。當有客觀證據證明本集團將無法按應收賬款的原有條款收回所有款項時，即就應收及其他應收賬款設定減值撥備。債務人之重大財務困難、債務人可能破產或進行財務重組，以及拖欠或逾期付款，均被視為是應收賬款已減值的跡象。撥備金額為資產之賬面值與按原實際利率折現之估計未來現金流量之現值之差額。資產的賬面值透過使用備付賬戶削減，而有關的虧損數額則在損益表中確認。如一項應收賬款無法收回，其會與應收賬款內的備付賬戶撇銷。之前已撇銷的款項如其後收回，將撥回損益表中的銷售及銷售成本內。

2.13 現金及現金等價物

現金及現金等價物包括手頭現金、銀行活期存款以及原到期日為三個月或以下之其他短期高流動性投資。

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.14 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

2.15 Trade and other payables

Trade and other payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

2.16 Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the income statement over the period of the borrowings using the effective interest method.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

2.17 Borrowing costs

Borrowing costs incurred for the construction of any qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use. Other borrowing costs are expensed.

2. 重要會計政策摘要 (續)

2.14 股本

普通股被列為權益。直接歸屬於發行新股或認股權的新增成本在權益中列為所得款的減少(扣除稅項)。

2.15 應付及其他應付賬款

應付及其他應付賬款初步按公平值確認,其後以實際利息法按攤銷成本計量。

2.16 借貸

借貸起始以公平值,扣除產生之交易成本確認。借貸於其後按攤銷成本列賬,所得款項(經扣除交易成本)與贖回價值之任何差額於借貸期間內採用實際利息法於損益表內確認。

除非本集團有權力無條件地將負債償還期延遲至結算日後至少十二個月,否則借貸分類為流動負債。

2.17 借貸成本

建造任何合資格資產所產生的借貸成本,於完成建造及將資產達致擬定用途所需期間內資本化。其他借貸成本列作費用支銷。

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.18 Current and deferred income tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Company's subsidiaries and the associate operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income 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.

2. 重要會計政策摘要 (續)

2.18 當期及遞延所得稅

當期所得稅支出根據本公司之附屬公司及聯營公司營運及產生應課稅收入的國家於結算日已頒布或實質頒布的稅務法例計算。管理層就適用稅務法例詮釋所規限的情況定期評估報稅表的狀況，並在適用情況下根據預期須向稅務機關支付的稅款設定撥備。

遞延所得稅利用負債法就資產和負債的稅基與在資產和負債在綜合財務報表的賬面值之差產生的暫時差異全數撥備。然而，若遞延所得稅來自在交易（不包括企業合併）中對資產或負債的初步確認，而在交易時不影響會計損益或應課稅盈虧，則不作記賬。遞延所得稅採用在結算日前已頒布或實質頒布，並在有關遞延所得稅資產實現或遞延所得稅負債結算時預期將會適用之稅率（及法例）而釐定。

遞延所得稅資產是就可能未來應課稅盈利而就此可使用暫時差異而確認。

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.18 Current and deferred income tax (continued)

Deferred income tax is provided on temporary differences arising on investments in subsidiaries and associates, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

2.19 Employee benefits

(a) Retirement benefits

Arrangements for staff retirement benefits are made in accordance with local regulations and customs.

The Group's employees in Mainland China are covered by various government sponsored pension plans. These government agencies are responsible for the pension liabilities to these employees. The relevant group companies pay monthly contributions to these pension plans based on certain percentages of the salaries, subject to a certain ceiling. Under these plans, the Group has no legal or constructive obligation to make further payments once the required contributions have been paid. Contributions to these plans are expensed as incurred.

2. 重要會計政策摘要 (續)

2.18 當期及遞延所得稅 (續)

遞延稅項就附屬公司及聯營公司投資產生之暫時差異而撥備，但假若本集團可以控制暫時差異之撥回時間，而暫時差異在可預見將來有可能不會撥回則除外。

2.19 僱員福利

(a) 退休福利

本集團根據當地法規及慣例作出僱員退休福利安排。

本集團於中國大陸之僱員受政府管理之不同退休金計劃保障。有關政府機構須負責中國大陸僱員之退休金負債。相關集團公司每月向該等退休金計劃作出供款，供款額按僱員薪金之若干百分比計算（須受供款上限之限制）。根據上述計劃，除了作出供款外，本集團並無任何有關退休福利之法定或推定責任。上述計劃之供款於產生時支銷。

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.19 Employee benefits (continued)

(a) Retirement benefits (continued)

The Group's employees in Mainland China are also entitled to participate in various government-sponsored medical insurance plan and housing funds. The relevant group companies pay monthly contributions to these funds based on certain percentages of the salaries. The Group's liability in respect of these funds is limited to the contributions paid. Contributions to these plans are expensed as incurred.

The Group's Hong Kong and overseas employees are entitled to participate in a number of defined contribution pension schemes, the assets of which are generally held in separate trustee-administered funds. The pension schemes are generally funded by payments from employees and by the relevant group companies.

(b) Employee leave entitlements

Employee entitlements to annual leave and long service leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave and long-service leave as a result of services rendered by employees up to the balance sheet date.

Employee entitlements to sick leave and maternity leave are not recognised until the time of leave.

2. 重要會計政策摘要 (續)

2.19 僱員福利 (續)

(a) 退休福利 (續)

本集團於中國大陸之僱員亦有權參與由不同政府管理之醫療保險計劃及房屋基金。相關集團公司每月向有關基金作出供款，供款額按僱員薪金之若干百分比計算。就上述基金而言，本集團之責任僅限於各個期間之應付供款。上述計劃之供款於產生時支銷。

香港及海外僱員有權參與多項界定供款退休金計劃，有關計劃之資產一般交由獨立受託人基金管理。退休金計劃一般由僱員及有關集團公司供款。

(b) 僱員應享假期

僱員的年假和長期服務休假之權利在僱員享有時確認。本集團為截至結算日止僱員已提供之服務而產生之年假及長期服務休假之估計負債作出撥備。

僱員之病假及產假不作確認，直至僱員正式休假為止。

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.19 Employee benefits (continued)

(c) Profit sharing and bonus plans

Provisions for profit sharing and bonus plans due wholly within 12 months after the balance sheet date are recognised when the Group has a present legal or constructive obligation as a result of services rendered by employees and a reliable estimate of the obligation can be made.

(d) Share-based compensation

The Group operates an equity-settled, share-based compensation plan. The fair value of the employee services received in exchange for the grant of the options is recognised as an expense. The total amount to be expensed over the vesting period is determined by reference to the fair value of the options granted, excluding the impact of any non-market vesting conditions (for example, profitability and sales growth targets). Non-market vesting conditions are included in assumptions about the number of options that are expected to vest. At each balance sheet date, the entity revises its estimates of the number of options that are expected to vest. It recognises the impact of the revision of original estimates, if any, in the income statement, with a corresponding adjustment to equity.

The proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value) and share premium when the options are exercised.

2. 重要會計政策摘要 (續)

2.19 僱員福利 (續)

(c) 利潤分享和獎金計劃

當本集團因為僱員已提供之服務而產生現有法律或推定性責任，利潤分享和獎金計劃之負債預期須在十二個月內償付的，則確認為負債入賬。

(d) 以股份為基礎的補償

本集團設有一項以權益、以股份為基礎的補償計劃。僱員為獲取授予認股權而提供的服務的公平值確認為費用。在歸屬期間內將予支銷的總金額參考授予的認股權的公平值釐定，不包括任何非市場歸屬條件（例如盈利能力和銷售增長目標）的影響。非市場歸屬條件包括在有關預期可予以行使的認股權數目的假設中。於每個結算日，本集團修訂其對預期可予以行使認股權數目的估計。本集團在損益表確認對原估算修訂（如有）的影響，並對權益作出相應調整。

在認股權行使時，收取的所得款扣除任何直接應佔的交易成本後，撥入股本（面值）及股本溢價。

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.20 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

2.21 Contingent liabilities

A contingent liability is a possible obligation that arises from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. It can also be a present obligation arising from past events that is not recognised because it is not probable that outflow of economic resources will be required or the amount of obligation cannot be measured reliably.

2. 重要會計政策摘要 (續)

2.20 撥備

當本集團因過往事件而產生之現有法定或推定責任，較可能需要有資源流出以用作償還責任，而該金額已被可靠地估量時，本集團會確認撥備。撥備並不就未來經營虧損確認。

如有多項類似責任，其需要在償付中流出資源的可能性，根據責任的類別整體考慮。即使在同一責任類別所含的任何一個項目相關的資源流出的可能性極低，仍須確認撥備。

撥備採用稅前利率按照預期需償付有關責任的開支的現值計量，該利率反映當時市場對金錢時間值和有關責任固有風險的評估。隨着時間過去而增加的撥備確認為利息開支。

2.21 或然負債

或然負債指因已發生的事件而可能引起之責任，此等責任需就某一宗或多宗事件會否發生才能確認，而本集團並不能完全控制這些未來事件會否實現。或然負債亦可能是因已發生的事件引致之現有責任，但由於可能不需要消耗經濟資源，或責任金額未能可靠地衡量而未有入賬。

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財務報表附註

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.21 Contingent liabilities (continued)

A contingent liability is not recognised but is disclosed in the notes to the financial statements. When a change in the probability of an outflow occurs so that the outflow is probable, it will then be recognised as a provision.

2.22 Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and services in the ordinary course of the Group's activities. Revenue is shown, net of value-added tax, returns, rebates and discounts and after eliminating sales within the Group.

The Group recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the Group's activities as described below. The amount of revenue is not considered to be reliably measurable until all contingencies relating to the sale have been resolved. The Group bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

(a) Sales of goods – retail

Sales of goods are recognised when a group entity sells a product to the customer. Retail sales are usually in cash or by credit card.

2. 重要會計政策摘要 (續)

2.21 或然負債 (續)

或然負債不會被確認，但會在財務報表附註中披露。假若消耗資源之可能性改變導致可能出現資源消耗，此等負債將被確立為撥備。

2.22 收益確認

收益指本集團在通常活動過程中出售貨品及服務的已收或應收代價的公平值。收益在扣除增值稅、退貨、回扣和折扣，以及對銷本集團內部銷售後列賬。

當收益的數額能夠可靠計量、未來經濟利益有可能流入有關實體，而本集團每項活動均符合具體條件時（如下文所述），本集團便會將收益確認。除非與銷售有關的所有或然事項均已解決，否則收益的數額不被視為能夠可靠計量。本集團會根據其往績並考慮客戶類別、交易種類和每項安排的特點作出估計。

(a) 貨品銷售 – 零售

貨品銷售在本集團實體將貨品售賣予顧客後確認。零售銷售一般以現金或信用卡結賬。

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.22 Revenue recognition (continued)

(b) Sales of goods – wholesale

The Group manufactures and sells a range of footwear products in the wholesale market. Sales of goods are recognised when a group entity has delivered products to the wholesaler, the wholesaler has full discretion over the channel and price to sell the products, and there is no unfulfilled obligation that could affect the wholesaler's acceptance of the products. Delivery does not occur until the products have been shipped to the specified location, the risks of obsolescence and loss have been transferred to the wholesaler, and either the wholesaler has accepted the products in accordance with sales contract, the acceptance provisions have lapsed, or the Group has objective evidence that all criteria for acceptance have been satisfied.

(c) Royalty income

Royalty income is recognised on an accrual basis in accordance with the substance of the relevant agreements.

2. 重要會計政策摘要 (續)

2.22 收益確認 (續)

(b) 貨品銷售 – 批發

本集團在批發市場製造及銷售一系列鞋類產品。當本集團實體已將貨品交付予批發商，批發商對銷售產品的渠道及價格擁有完全決定權，且沒有未履行的責任可能影響批發商對產品的接收時，貨品銷售即確認入賬。當產品已付運予至指定地點，廢棄和損失風險已轉讓予批發商，而批發商已根據銷售合約接收產品、或接收條款已作廢，或本集團有客觀證據顯示所有接收條款已經履行後，貨品交付才算產生。

(c) 專利權收入

專利權收入按照相關協議之實質以應計基準確認。

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.22 Revenue recognition (continued)

(d) *Interest income*

Interest income is recognised on a time proportion basis using the effective interest method. When a receivable is impaired, the Group reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at original effective interest rate of the instrument, and continues unwinding the discount as interest income.

(e) *Dividend income*

Dividend income is recognised when the right to receive payment is established.

(f) *Operating lease rental income*

Operating lease rental income is recognised on a straight-line basis over the lease period.

2.23 Leases (as the lessee for operating leases)

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the income statement on the straight-line basis over the period of the lease.

2.24 Dividend distribution

Dividend distribution to the Company's shareholders is recognised as a liability in the Group's financial statements in the period in which the dividends are approved by the Company's shareholders or directors, where appropriate.

2. 重要會計政策摘要 (續)

2.22 收益確認 (續)

(d) *利息收入*

利息收入採用實際利息法按時間比例基準確認。倘應收賬款出現減值，本集團會將賬面值減至可收回款額，即估計的未來現金流量按該工具之原有效利率貼現值，並繼續將貼現計算並確認為利息收入。

(e) *股息收入*

股息收入於確定收取股息權利時確認。

(f) *經營租賃之租金收入*

經營租賃之租金收入於租賃期內以直線法確認。

2.23 租賃 (作為營運租賃的承租人)

如租賃擁有權的重大部份風險和回報由出租人保留，分類為營運租賃。根據營運租賃支付的款項 (扣除自出租人收取之任何獎勵金後) 於租賃期內以直線法在損益表支銷。

2.24 股息分派

向本公司股東派發之股息，於本公司股東或董事批准派息的財務期間被確認為一項負債。

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3. FINANCIAL RISK MANAGEMENT

3.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including foreign currency risk, cash flow and fair value interest rate risks and price risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

Management regularly manages the financial risks of the Group. Because of the simplicity of the financial structure and the current operations of the Group, no major hedging activities are undertaken by management.

(a) Market risk

(i) Foreign currency risk

The Group mainly operates in Hong Kong, Macau, Mainland China and Taiwan. Foreign exchange risk arises from future commercial transactions, recognised assets and liabilities and net investments in foreign operations. The Group is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to Euro, Renminbi ("RMB") and Macau Pataca ("MOP").

The Group manages its foreign exchange risk by performing regular reviews of the Group's net foreign exchange exposures and maintains Euro, RMB and MOP bank accounts which are used by the Group to pay for the transactions denominated in these currencies.

3. 財務風險管理

3.1 財務風險因素

本集團的業務承擔多項不同的財務風險：市場風險（包括外匯風險、現金流量及公平值利率風險和價格風險）、信貸風險及流動資金風險。本集團的整體風險管理計劃針對不可預測的金融市場，並尋求將本集團財務表現的潛在不利影響減至最低。

管理層定期管理本集團的財務風險。由於本集團的財務結構及現時運作簡單，因此管理層並無執行重大對沖活動。

(a) 市場風險

(i) 外匯風險

本集團主要在香港、澳門、中國大陸及台灣經營。外匯風險來自未商業交易、已確認資產與負債及海外業務的淨投資。本集團面對多種貨幣的外匯風險，主要與歐羅、人民幣及澳門元。

本集團透過定期審視本集團的外匯風險淨額管理其外匯風險，並開設歐羅、人民幣及澳門元的銀行帳戶用作本集團支付以該等貨幣計價的交易。

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3. FINANCIAL RISK MANAGEMENT (continued)

3.1 Financial risk factors (continued)

(a) Market risk (continued)

(i) Foreign currency risk (continued)

Euro, RMB and MOP experienced certain appreciation in recent years which is the major reason for the exchange gains recognised by the Group for the year. Further depreciation or appreciation of HK\$ against Euro, RMB and MOP will affect the Group's financial position and results of operations.

As at 29 February 2008, if HK\$ had weakened/strengthened by 5% against RMB, with all other variables held constant, the post-tax profit would have been approximately HK\$4,747,000 (2007: HK\$1,464,000) higher/lower.

As at 29 February 2008, if HK\$ had weakened/strengthened by 5% against Euro, with all other variables held constant, the post-tax profit would have been approximately HK\$79,000 (2007: HK\$324,000) higher/lower.

As at 29 February 2008, if HK\$ had weakened/strengthened by 1% against MOP, with all other variables held constant, the post-tax profit would have been approximately HK\$212,000 (2007: HK\$55,000) higher/lower.

3. 財務風險管理 (續)

3.1 財務風險因素 (續)

(a) 市場風險 (續)

(i) 外匯風險 (續)

歐羅、人民幣及澳門元在近幾年經歷一定的升值，為本集團於本年度確認為匯兌收益的主要原因。港元兌歐羅、人民幣及澳門元進一步貶值或升值，將會影響本集團的財務狀況及經營業績。

於二零零八年二月二十九日，倘若港元兌人民幣貶值／升值約5%，而所有其他變數維持不變，則除稅後溢利將增加／減少約4,747,000港元（二零零七年：1,464,000港元）。

於二零零八年二月二十九日，倘若港元兌歐羅貶值／升值約5%，而所有其他變數維持不變，則除稅後溢利將增加／減少約79,000港元（二零零七年：324,000港元）。

於二零零八年二月二十九日，倘若港元兌澳門元貶值／升值約1%，而所有其他變數維持不變，則除稅後溢利將增加／減少約212,000港元（二零零七年：55,000港元）。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

29 February 2008 二零零八年二月二十九日

3. FINANCIAL RISK MANAGEMENT (continued)

3.1 Financial risk factors (continued)

(a) Market risk (continued)

(ii) Price risk

The Group is exposed to securities price risk because investments held by the Group are classified on the balance sheet as available-for-sale financial assets. The Group is not exposed to commodity price risk. The Group has not mitigated its price risk arising from investments in securities financial assets.

The Group's investments consist mainly of the shares of Belle International Holdings Limited ("Belle Shares"), which are listed on the Stock Exchange. The fair value of the investments of the Group is determined with reference to quoted market prices.

With all other variables held constant, if the average future prices of Belle Shares increase/decrease by HK\$3.5, the impact on the Group's equity would be a maximum increase/decrease of HK\$8,069,600 (2007: Nil). This sensitivity analysis has been determined assuming that the change in the future prices had occurred at the balance sheet date and had been applied to the exposure to the price risk in existence at that date. The HK\$3.5 shift represents the management's assessment of a reasonable possible change in those future prices in Belle Shares which has the most significant impact on the Group.

3. 財務風險管理 (續)

3.1 財務風險因素 (續)

(a) 市場風險 (續)

(ii) 價格風險

由於本集團持有的投資在資產負債表中分類為可供出售財務資產，故此本集團承受證券的價格風險。本集團不承受商品價格風險。本集團並未減輕來自證券投資的金融資產的價格風險。

本集團的投資主要由百麗國際控股有限公司股份（「百麗股份」）組成，而其股份在聯交所上市。本集團投資的公平值乃參考市場報價而釐定。

倘若百麗股份未來平均價格上升／下跌至3.5港元，而所有其他變數維持不變，對本集團權益的影響最高增加／減少8,069,600港元（二零零七年：無）。敏感度分析的釐定乃假定在未來價格的變化已發生在結算日，並已被應用於反映在結算日的價格風險中。3.5港元的改變表示管理層評估在百麗股份未來價格中對本集團最具重大影響的一個合理可能變化。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

29 February 2008 二零零八年二月二十九日

3. FINANCIAL RISK MANAGEMENT (continued)

3.1 Financial risk factors (continued)

(a) Market risk (continued)

(iii) Cash flow and fair value interest rate risks

The Group's income and operating cash flows are substantially independent of changes in market interest rates and the Group has no significant interest-bearing assets except for cash and cash equivalents, details of which have been disclosed in Note 25. Management considers that cash flow and fair value interest rate risks of the Group are insignificant and therefore no sensitivity analysis is presented thereon.

(b) Credit risk

The Group has no significant concentrations of credit risk. The carrying amounts of rental and other deposits, trade and other receivables, and cash and cash equivalents included in the consolidated balance sheet represent the Group's maximum exposure to credit risk in relation to its financial assets.

The Group has policies in place to ensure that sales of products on credit terms are made to customers with an appropriate credit history and the Group performs periodic credit evaluations of its customers. The Group's concessionaire sales through department stores are generally collectible within 30 days from the invoice date while credit sales are generally on credit terms within 30 days to 60 days. The existing debtors have no significant defaults in the past. The Group's historical experience in collection of trade and other receivables falls within the recorded allowances and the directors are of the opinion that adequate provision for uncollectible receivables has been made.

3. 財務風險管理 (續)

3.1 財務風險因素 (續)

(a) 市場風險 (續)

(iii) 現金流量及公平值利率風險

由於本集團並無重大計息資產，因此除現金及現金等價物外，本集團的收入及經營現金流量大致上不受市場利率變動的影響，而有關現金及現金等價物的詳情在附註25披露。管理層認為本集團的現金流量及公平值利率風險並不重大，故並無呈列敏感度分析。

(b) 信貸風險

本集團並無高度集中的信貸風險。載於綜合資產負債表的租賃及其他按金、應收及其他應收賬款和現金及現金等價物的賬面值為本集團財務資產所承受的最大信貸風險。

本集團訂有政策確保僅向信貸紀錄良好的顧客以信貸方式銷售產品，而本集團亦會定期評估顧客的信貸狀況。本集團於百貨商場的特許銷售一般可於發票日起三十天內收回，而信貸銷售的信貸期一般為三十至六十天之內。現有債務人過去並無重大拖欠紀錄。本集團過往收回的應收及其他賬款並無超出有關撥備額，而董事認為已就不可收回的應收賬款作出充足撥備。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

29 February 2008 二零零八年二月二十九日

3. FINANCIAL RISK MANAGEMENT (continued)

3.1 Financial risk factors (continued)

(b) Credit risk (continued)

The credit risk on cash and cash equivalents is limited because the Group mainly places the deposits in banks with high credit rating and management does not expect any losses from non-performance by banks.

(c) Liquidity risk

Prudent liquidity risk management includes maintaining sufficient cash and cash equivalents and the availability of funding from an adequate amount of committed credit facilities. The Group aims to maintain flexibility in funding by keeping credit lines available at all time.

The table below analyses the Group's financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

Group	集團	Less than 1 year 一年內 HK\$'000 千港元	Between 1 and 2 years 一至二年 HK\$'000 千港元	Between 2 and 5 years 二至五年 HK\$'000 千港元	Over 5 years 五年以上 HK\$'000 千港元
As at 29 February 2008	於二零零八年二月二十九日				
Trade payables	應付賬款	76,210	-	-	-
Other payables and accrued charges	其他應付款及應計費用	84,911	-	-	-
Other non-current liabilities	其他非流動負債	-	5,396	2,024	1,312
As at 28 February 2007	於二零零七年二月二十八日				
Trade payable	應付賬款	48,666	-	-	-
Other payables and accrued charges	其他應付款及應計費用	69,420	-	-	-
Short-term bank borrowings	短期銀行借貸	25,008	-	-	-
Other non-current liabilities	其他非流動負債	-	5,010	4,111	6,957

3. 財務風險管理 (續)

3.1 財務風險因素 (續)

(b) 信貸風險 (續)

本集團認為有關現金及現金等價物的信貸風險甚微，因為有關款項主要存放於信譽良好的銀行，而管理層並不預期會出現任何因銀行不履約而產生的虧損。

(c) 流動資金風險

審慎之流動資金風險管理包括維持充足現金及現金等價物，並透過充裕之已承擔信貸融資以維持可供動用資金。本集團旨在於任何時間可維持有靈活信貸額度的資金。

下表載列根據由結算日至合約到期日的剩餘期間本集團相關到期類別的財務負債分析。下表披露的金額為訂約非貼現現金流量。

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3. FINANCIAL RISK MANAGEMENT (continued)

3.1 Financial risk factors (continued)

(c) Liquidity risk (continued)

Company	公司	Less than 1 year 一年內 HK\$'000 千港元	Between	Between	Over 5 years 五年以上 HK\$'000 千港元
			1 and 2 years 一至二年 HK\$'000 千港元	2 and 5 years 二至五年 HK\$'000 千港元	
As at 29 February 2008	於二零零八年二月二十九日				
Amounts due to subsidiaries	應付附屬公司款項	6,713	-	-	-
Other payables and accrued charges	其他應付款及應計費用	558	-	-	-
As at 28 February 2007	於二零零七年二月二十八日				
Other payables and accrued charges	其他應付款及應計費用	678	-	-	-

3.2 Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The Group manages the capital structure and makes adjustments to it in the light of changes in economic conditions. In order to maintain or adjust the capital structure, the Group may adjust the dividend payments to shareholders or obtain new bank borrowings.

The Group monitors capital by maintaining a net cash position throughout the year.

3. 財務風險管理 (續)

3.1 財務風險因素 (續)

(c) 流動資金風險 (續)

Company	公司	Less than 1 year 一年內 HK\$'000 千港元	Between	Between	Over 5 years 五年以上 HK\$'000 千港元
			1 and 2 years 一至二年 HK\$'000 千港元	2 and 5 years 二至五年 HK\$'000 千港元	
As at 29 February 2008	於二零零八年二月二十九日				
Amounts due to subsidiaries	應付附屬公司款項	6,713	-	-	-
Other payables and accrued charges	其他應付款及應計費用	558	-	-	-
As at 28 February 2007	於二零零七年二月二十八日				
Other payables and accrued charges	其他應付款及應計費用	678	-	-	-

3.2 資本風險管理

本集團管理資本的目標為保障本集團持續運作的能力，從而為股東提供回報、為其他利益相關者提供利益，以及保持理想的資本架構以減低資本成本。

本集團管理資本架構，並根據經濟環境的變動作出調整。為保持或調整資本架構，本集團可調整支付予股東的股息或獲得新的銀行借貸。

本集團於整年內以維持淨現金狀況監察其資本。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

29 February 2008 二零零八年二月二十九日

3. FINANCIAL RISK MANAGEMENT (continued)

3.3 Fair value estimation

The carrying amounts of the Group's financial assets, including cash and cash equivalents, trade and other receivables, rental and other deposits and the Group's financial liabilities including trade payables, other payables and accrued charges, and other current liabilities and the Company's amounts due from/to subsidiaries and cash and cash equivalents, approximate their fair values due to their short maturities.

The fair value of financial instruments traded in active markets such as available-for-sale securities is based on quoted market prices at the balance sheet date. The quoted market price used for financial assets held by the Group and the Company is the current bid price.

The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Group for similar financial instruments.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

3. 財務風險管理 (續)

3.3 公平值估計

本集團的財務資產(包括現金及現金等價物、應收及其他應收賬款、租賃及其他按金)·以及本集團的財務負債(包括應付賬款、其他應付款及應計費用及其他流動負債)及本公司的應收/應付附屬公司款項及現金及現金等價物之賬面值因到期日較短而假設與其各自的公平值相約。

於活躍市場買賣的金融工具(如可供出售證券)的公平值按於結算日的市場報價計算。就本公司及本集團所持金融資產採用的市場報價為當前買入價。

財務負債的賬面值減其減值撥備合理接近其公平值。供披露的財務負債的公平值·乃按本集團同類財務工具現時的市場利率折現未來合約現金流量而估計。

4. 重要會計估計及判斷

估計及判斷之評估會不斷地進行·並以過往經驗及其他因素作為基礎·包括在目前情況下對未來事件的合理預期。

本集團對未來作出推算及假設。所得之會計估計理論上難以與相關的實際結果相同。以下所論述之估計及假設有相當風險會引致須於下個財政年度對資產和負債之賬面值作重大調整。

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

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4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (continued)

(a) Estimated impairment of property, plant and equipment, leasehold land and land use rights

The Group assesses annually whether property, plant and equipment, leasehold land and land use rights have any indication of impairment. The recoverable amounts have been determined based on value-in-use calculations or market valuations. These calculations require the use of judgement and estimates.

(b) Estimated write-downs of inventories to net realisable value

The Group writes down inventories to net realisable value based on an assessment of the realisability of inventories. Write-downs on inventories are recorded where events or changes in circumstances indicate that the balances may not be realised. The identification of write-downs requires the use of judgement and estimates. Where the expectations are different from the original estimates, such differences will impact the carrying value of inventories and write-downs of inventories in the year in which such estimates have been changed.

4. 重要會計估計及判斷 (續)

(a) 物業、機器及設備、租賃土地及土地使用權之估計減值

本集團每年評估物業、機器及設備、租賃土地及土地使用權有否顯示有減值跡象。可收回金額乃根據使用價值計算方法或市場估值釐定。該等計算需要作出判斷及估計。

(b) 撇減存貨至可變現淨值之估計

本集團根據存貨變現性之評估撇減存貨至可變現淨值。當有事件發生或情況改變顯示存貨結餘可能未能變現時將被記錄為撇減。識別撇減需要作出判斷及估計。當預期之金額與原本預期出現差異，則該差異將會於估計改變之期間內，分別影響存貨之賬面值及存貨之撇減。

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

29 February 2008 二零零八年二月二十九日

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (continued)

(c) Estimated impairment of receivables

The Group makes provision for impairment of receivables based on an assessment of the recoverability of the receivables. Provisions are applied to receivables where events or changes in circumstances indicate that the balances may not be collectible. The identification of impairment of receivables requires the use of judgement and estimates. Where the expectations are different from the original estimates, such differences will impact the carrying value of receivables and loss for the impairment of receivable is recognised in the year in which such estimates have been changed.

(d) Income taxes

The Group is subject to income taxes in various jurisdictions. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current income tax and deferred income tax provisions in the period in which such determination is made.

4. 重要會計估計及判斷 (續)

(c) 應收賬款之估計減值

本集團根據應收賬款可收回性之評估而進行應收賬款之減值。當有事件發生或情況改變顯示應收賬款結餘可能未能收回時將作出撥備。識別應收賬款之減值需要作出判斷及估計，當預期之金額與原本預期出現差異，則該差異將於估計改變之期間內，分別影響應收賬款之賬面值及應收賬款之減值虧損。

(d) 所得稅

本集團需要在多個司法權區繳納所得稅。有許多交易和計算所涉及的最終稅項釐定都是不確定的。本集團根據對是否需要繳付額外稅款的估計，就預期稅務審計項目確認負債。如此等事件的最終稅項後果與最初記錄的金額不同，此等差額將影響作出此等釐定期間的所得稅和遞延所得稅撥備。

NOTES TO THE FINANCIAL STATEMENTS

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29 February 2008 二零零八年二月二十九日

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (continued)

(e) Employee benefits – share-based payments

The valuation of the fair value of the share options at the grant date requires judgement in determining the expected volatility of the share price, the dividends expected on the shares, the risk-free interest rate during the life of the options and the number of the share options that are expected to vest. Where the number of options that are expected to vest is different, such difference will impact the income statement in subsequent remaining vesting period of the relevant share options.

5. TURNOVER, OTHER INCOME AND SEGMENT INFORMATION

The Group is principally engaged in retailing, wholesaling and manufacturing of footwear. Revenues recognised during the year are as follows:

		2008 HK\$'000 千港元	2007 HK\$'000 千港元
Turnover	營業額		
Sales of goods	貨物銷售	1,017,527	934,225
<hr/>			
Other income	其他收入		
Royalty income	專利費收入	6,855	4,375
Interest income	利息收入	2,095	920
Rental income	租金收入	1,461	–
Dividend income	股息收入	80	3
		10,491	5,298
<hr/>			
Total	總額	1,028,018	939,523

Primary reporting format – geographical segments

The Group's business operates in three main geographical areas, namely Hong Kong and Macau market, Mainland China market and Taiwan market.

4. 重要會計估計及判斷 (續)

(e) 僱員福利 – 以股份為基礎的支付

於授出日評估認股權的公平值須於釐定股價預期之波動幅度、估計所派付股息、認股權行使期內之無風險利率及預計歸屬之認股權數目等因素作出判斷。倘預期歸屬之認股權數目有所偏差，其差額或會影響有關認股權在剩餘歸屬期間的損益表。

5. 營業額、其他收入及分部資料

本集團之主要業務為鞋類產品零售、批發及製造。在本年度期間內確認的收入如下：

主要報告形式 – 地區分部

本集團之業務主要在香港及澳門市場、中國大陸市場及台灣市場經營。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

29 February 2008 二零零八年二月二十九日

5. TURNOVER, OTHER INCOME AND SEGMENT INFORMATION (continued)

5. 營業額、其他收入及分部資料 (續)

Primary reporting format – geographical segments (continued)

主要報告形式 – 地區分部 (續)

		Hong Kong and Macau 香港及澳門 2008 HK\$'000 千港元	Mainland China 中國大陸 2008 HK\$'000 千港元	Taiwan 台灣 2008 HK\$'000 千港元	Total 總額 2008 HK\$'000 千港元
Gross segment sales	分部銷售總額	828,573	348,904	27,682	1,205,159
Inter-segment sales	分部間銷售	(172,682)	(14,950)	–	(187,632)
		655,891	333,954	27,682	1,017,527
Segment results	分部業績	312,867	54,759	(1,376)	366,250
Finance costs	財務費用				(379)
Share of profit of an associate	應佔聯營公司溢利	–	3,114,499	–	3,114,499
Profit before income tax	除所得稅前溢利				3,480,370
Income tax expense	所得稅費用				(13,890)
Profit attributable to equity holders of the Company	本公司權益持有人應佔溢利				3,466,480
Segment assets	分部資產	457,734	277,968	26,209	761,911
Interest in an associate	聯營公司權益	–	408	–	408
Taxation recoverable	應收退稅				4,227
Deferred income tax assets	遞延所得稅資產				9,045
Total assets	總資產				775,591
Segment liabilities	分部負債	104,612	51,698	12,853	169,163
Taxation payable	應付稅項				9,957
Deferred income tax liabilities	遞延所得稅負債				156
Total liabilities	總負債				179,276
Capital expenditure	資本性開支	12,808	10,819	249	23,876
Depreciation of property, plant and equipment	物業、機器及設備折舊	11,707	10,547	1,027	23,281
Amortisation of leasehold land and land use rights	租賃土地及土地使用權攤銷	852	218	–	1,070
Amortisation of intangible assets	無形資產攤銷	1,700	1,755	2,773	6,228
Provision for/(write-back of) inventory obsolescence	陳舊存貨撥備/(撥回)	108	(102)	(6)	–
Provision for impairment of receivables	應收賬款減值撥備	–	156	–	156

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5. TURNOVER, OTHER INCOME AND SEGMENT INFORMATION (continued)

5. 營業額、其他收入及分部資料 (續)

Primary reporting format – geographical segments (continued)

主要報告形式 – 地區分部 (續)

		Hong Kong and Macau 香港及澳門 2007 HK\$'000 千港元	Mainland China 中國大陸 2007 HK\$'000 千港元	Taiwan 台灣 2007 HK\$'000 千港元	Total 總額 2007 HK\$'000 千港元
Gross segment sales	分部銷售總額	763,624	327,110	24,701	1,115,435
Inter-segment sales	分部間銷售	(160,244)	(20,966)	-	(181,210)
		603,380	306,144	24,701	934,225
Segment results	分部業績	30,099	37,593	(6,718)	60,974
Finance costs	財務費用				(2,199)
Share of profit of an associate	應佔聯營公司溢利	-	58,002	-	58,002
Profit before income tax	除所得稅前溢利				116,777
Income tax expense	所得稅費用				(11,315)
Profit attributable to equity holders of the Company	本公司權益持有人應佔溢利				105,462
Segment assets	分部資產	257,328	293,911	20,148	571,387
Interest in an associate	聯營公司權益	-	864,389	-	864,389
Taxation recoverable	應收退稅				3,770
Deferred income tax assets	遞延所得稅資產				9,900
Total assets	總資產				1,449,446
Segment liabilities	分部負債	76,884	73,300	4,424	154,608
Taxation payable	應付稅項				8,814
Deferred income tax liabilities	遞延所得稅負債				1,697
Total liabilities	總負債				165,119
Capital expenditure	資本性開支	16,645	10,067	1,459	28,171
Depreciation of property, plant and equipment	物業、機器及設備折舊	11,395	8,586	1,867	21,848
Amortisation of leasehold land and land use rights	租賃土地及土地使用權攤銷	1,675	332	-	2,007
Amortisation of intangible assets	無形資產攤銷	2,332	2,359	491	5,182
(Write-back of)/provision for inventory obsolescence	陳舊存貨(撥回)/撥備	(1,163)	(2,740)	993	(2,910)
Provision for impairment of receivables	應收賬款減值撥備	-	268	596	864

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5. TURNOVER, OTHER INCOME AND SEGMENT INFORMATION (continued)

Secondary reporting format – business segments

The Group's principal activities are retailing, wholesaling and manufacturing of footwear. No business segment information has been prepared by the Group for the years ended 28 February 2007 and 29 February 2008 as less than 10% of the Group's turnover and results are attributable to wholesaling and manufacturing.

6. EXPENSES BY NATURE

5. 營業額、其他收入及分部資料 (續)

次要報告形式 – 業務分部

本集團主要業務為鞋類產品之零售、批發及製造，由於批發及製造業務佔本集團之營業額及業績少於10%，因此本集團並無編製截至二零零七年二月二十八日及二零零八年二月二十九日止年度以業務分部之資料。

6. 按性質分類的費用

		2008 HK\$'000 千港元	2007 HK\$'000 千港元
Auditor's remuneration	核數師酬金	2,138	1,569
Depreciation of property, plant and equipment	物業、機器及設備折舊	23,281	21,848
Amortisation of leasehold land and land use rights	租賃土地及土地使用權攤銷	1,070	2,007
Amortisation of intangible assets	無形資產攤銷	6,228	5,182
Cost of inventories sold	已銷售存貨成本	379,618	354,336
Loss on disposal of property, plant and equipment	出售物業、機器及設備虧損	51	1,243
Employee benefit expenses (including directors' emoluments):	僱員福利費用(包括董事酬金):		
– Wages, salaries and allowances	– 工資、薪金及津貼	165,440	149,970
– Share-based payments in relation to share options granted to directors and employees	– 有關授予董事及僱員的認股權之以股份為基礎的支付	9,982	8,344
– Pension costs	– 退休福利金成本	4,547	4,333
Write-back of inventory obsolescence	陳舊存貨撥回	–	(2,910)
Provision for impairment of receivables	應收賬款減值撥備	156	864
Operating leases rentals in respect of leasehold land and buildings, including contingent rental expenses of HK\$74,104,000 (2007: HK\$93,295,000)	租賃土地及樓宇經營租賃租金，包括或然租金 74,104,000港元 (二零零七年： 93,295,000港元)	254,864	228,626
Outgoings in respect of investment properties	投資物業支出	118	172
Others	其他	108,043	107,666
Total cost of sales, distribution and selling costs, and administrative expenses	銷售成本、分銷及銷售成本及行政費用總額	955,536	883,250

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7. OTHER GAINS, NET

7. 其他收益，淨額

		2008	2007
		HK\$'000	HK\$'000
		千港元	千港元
Net foreign exchange gains	淨匯兌收益	6,296	2,109
Fair value gains on investment properties	投資物業公平值收益	10,000	3,012
Fair value losses on derivative financial instruments	衍生金融工具公平值虧損	–	(420)
Gain on disposal of a subsidiary	出售附屬公司收益	5,818	–
Realisation of assets revaluation reserve upon disposal of a subsidiary	出售附屬公司之資產重估儲備之實現	6,600	–
		28,714	4,701

8. FINANCE COSTS

8. 財務費用

		2008	2007
		HK\$'000	HK\$'000
		千港元	千港元
Interest on bank loans	銀行借貸利息	379	2,199

9. INCOME TAX EXPENSE

9. 所得稅費用

Hong Kong profits tax has been provided at the rate of 17.5% (2007: 17.5%) on the estimated assessable profit for the year. Taxation on overseas profits has been calculated on the estimated assessable profit for the year at the rates of taxation prevailing in the geographical areas in which the Group operates.

香港利得稅乃按照本年度估計應評稅利潤依稅率17.5% (二零零七年：17.5%) 提撥準備。海外利潤之稅款，則按照本年度估計應評稅利潤依本集團經營業務地區之現行稅率計算。

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9. INCOME TAX EXPENSE (continued)

The amount of income tax charged to the consolidated income statement represents:

		2008 HK\$'000 千港元	2007 HK\$'000 千港元
Current income tax	當期所得稅		
– Hong Kong profits tax	– 香港利得稅	7,506	5,937
– Overseas taxation	– 海外稅項	7,257	4,889
– (Over)/under-provision in prior years	– 過往年度準備 (剩餘) / 不足	(1,867)	2,065
Deferred income tax (Note 21)	遞延所得稅 (附註21)	994	(1,576)
Income tax expense	所得稅費用	13,890	11,315

The taxation on the Group's profit before income tax differs from the theoretical amount that would arise using the weighted average tax rate applicable to the respective geographical areas as follows:

		2008 HK\$'000 千港元	2007 HK\$'000 千港元
Profit before income tax	除所得稅前溢利	3,480,370	116,777
Tax calculated at domestic tax rates applicable to profits in the respective geographical areas	按各地區稅率計算之稅項	609,202	15,983
Income not subject to tax	無須課稅之收入	(599,090)	(12,481)
Expenses not deductible for tax purposes	不可扣稅之支出	5,783	3,085
Unrecognised deferred income tax assets	未確認之遞延所得稅資產	823	3,165
Utilisation of previously unrecognised tax losses	使用早前未有確認之稅損	(654)	(447)
(Over)/under-provision in prior years	過往年度準備 (剩餘) / 不足	(1,867)	2,065
Others	其他	(307)	(55)
Income tax expense	所得稅費用	13,890	11,315

9. 所得稅費用 (續)

綜合損益表支銷之所得稅金額如下：

本集團有關除所得稅前溢利之稅項與假若採用按各地區所適用之加權平均稅率而計算之理論稅額之差額如下：

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10. PROFIT ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY

The profit attributable to equity holders of the Company is dealt with in the financial statements of the Company to the extent of HK\$3,475,574,000 (2007: HK\$2,834,000).

11. EARNINGS PER SHARE

(a) Basic

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the year.

10. 本公司權益持有人應佔溢利

本公司賬目內處理之本公司權益持有人應佔溢利為3,475,574,000港元（二零零七年：2,834,000港元）。

11. 每股盈利

(a) 基本

基本每股盈利根據本公司權益持有人應佔溢利，除以在本年度期間內已發行普通股的加權平均數目計算。

		2008	2007
Profit attributable to equity holders of the Company (HK\$'000)	本公司權益持有人應佔溢利（千港元）	3,466,480	105,462
Weighted average number of ordinary shares in issue	已發行普通股的加權平均數目	260,923,000	254,530,000
Basic earnings per share (HK cents per share)	基本每股盈利（每股港仙）	1,328.5	41.4

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11. EARNINGS PER SHARE (continued)

(b) Diluted

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. The Company has one category of dilutive potential ordinary shares: share options. For the share options, a calculation is made in order to determine the number of shares that could have been acquired at fair value (determined as the average annual market share price of the Company's shares) based on the monetary value of the subscription rights attached to outstanding share options. The number of shares calculated as above is compared with the number of shares that would have been issued assuming the exercise of the share options.

11. 每股盈利 (續)

(b) 攤薄

攤薄每股盈利假設所有可攤薄的潛在普通股被兌換後，根據已發行普通股的加權平均數目計算。本公司有一類可攤薄的潛在普通股：認股權。認股權，根據未行使認股權所附的認購權的貨幣價值，釐定按公平值（釐定為本公司股份的平均年度市價）可購入的股份數目。按以上方式計算的股份數目，與假設認股權行使而應已發行的股份數目作出比較。

		2008	2007
Profit attributable to equity holders of the Company (HK\$'000)	本公司權益持有人應佔溢利（千港元）	3,466,480	105,462
Weighted average number of ordinary shares in issue	已發行普通股的加權平均數目	260,923,000	254,530,000
Adjustments for share options	認股權調整	8,668,000	2,650,000
Weighted average number of ordinary shares for diluted earnings per share	用以計算攤薄每股盈利之普通股加權平均數目	269,591,000	257,180,000
Diluted earnings per share (HK cents per share)	攤薄每股盈利（每股港仙）	1,285.8	41.0

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12. APPROPRIATION

12. 分配

		2008 HK\$'000 千港元	2007 HK\$'000 千港元
2008 Interim cash dividend, paid, of HK2.5 cents (2007: HK1.5 cents) per ordinary share	二零零八年已派中期現金股息 每股普通股2.5港仙 (二零零七年: 1.5港仙)	6,558	3,818
Distribution in specie	實物分派	3,459,654	-
		3,466,212	3,818

On 22 November 2007, the interim cash dividend of HK2.5 cents (2007: HK1.5 cents) per ordinary share, totalling HK\$6,558,000, was declared.

於二零零七年十一月二十二日，中期現金股息每股普通股2.5港仙（二零零七年：1.5港仙），合共6,558,000港元已獲宣派。

After having obtained approval of the shareholders in the annual general meeting held on 27 July 2007, the Company distributed in specie of 71 Belle Shares for every 50 shares of the Company ("Shares") in each holding of the Shares of the Company's shareholders. The making of the distribution in specie by the Company has resulted in the consolidated net asset value of the Group decreasing by approximately HK\$3,459,654,000, which was equal to the then fair value of approximately HK\$3,453,023,000 of the Belle Shares distributed pursuant thereto and related stamp duty of approximately HK\$6,631,000. Upon such distribution in specie by the Company, the Group has derived a profit of approximately HK\$264,471,000 therefrom, representing the realisation of the cumulative gain on the increase in fair value of available-for-sale financial assets.

於二零零七年七月二十七日舉行之股東週年大會獲得股東批准後，本公司向本公司股東每持有50股本公司股份實物分派71股百麗股份。本公司進行實物分派後導致本集團綜合資產淨值減少約3,459,654,000港元，相等於百麗股份按計劃分派時之公平值約3,453,023,000港元及相關印花稅約6,631,000港元。本公司宣布派發其實物分派後，本集團從該實物分派宣布中應計入約264,471,000港元之盈利，此乃持有可供出售財務資產的公平值增加而實現的累計收益。

At a meeting held on 26 May 2008, the directors resolved not to recommend the payment of final dividend (2007: Nil).

於二零零八年五月二十六日舉行之董事會會議上，董事會決議不建議派發末期股息（二零零七年：無）。

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13. DIRECTORS' AND SENIOR MANAGEMENT'S EMOLUMENTS

(a) Directors' emoluments

The emoluments (excluding share-based payments) of each director for the year ended 29 February 2008 are set out below:

Name of director	董事姓名
<i>Executive directors:</i>	
Tang Wai Lam	鄧偉林
Ng Man Kit, Lawrence	吳民傑
Chung Chun Wah	鍾振華
Leung Kelvin Yiu Fai	梁耀輝
<i>Non-executive director:</i>	
Lee Kwan Hung	李均雄
<i>Independent non-executive directors:</i>	
Lee Kin Sang	李建生
Chan Ka Sing, Tommy	陳家聲
Ng Chun Chuen, David	吳振泉

13. 董事及高級管理人員酬金

(a) 董事酬金

截至二零零八年二月二十九日止年度，各董事之酬金（不包括以股份為基礎的支付）詳情如下：

Basic salaries, housing allowances, other allowances and benefits in kind		Employer's contributions to pension scheme		Total
Fees	Discretionary bonuses	Retirement scheme		
袍金	酌情發放之花紅	退休福利計劃僱主供款		總額
HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
千港元	千港元	千港元	千港元	千港元
-	1,419	3,260	12	4,691
-	1,512	1,000	12	2,524
-	950	464	12	1,426
100	1,485	794	12	2,391
65	-	-	-	65
65	-	-	-	65
65	-	-	-	65
65	-	-	-	65

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13. DIRECTORS' AND SENIOR MANAGEMENT'S EMOLUMENTS (continued)

(a) Directors' emoluments (continued)

The emoluments (excluding share-based payments) of each director for the year ended 28 February 2007 are set out below:

Name of director	董事姓名	Fees 袍金 HK\$'000 千港元	Basic salaries, housing allowances, other allowances and benefits in kind 基本薪酬、 房屋津貼、 其他津貼 及實物利益 HK\$'000 千港元	Discretionary bonuses 酌情發放 之花紅 HK\$'000 千港元	Employer's contributions to pension scheme 退休福利 計劃僱主 供款 HK\$'000 千港元	Total 總額 HK\$'000 千港元
<i>Executive directors:</i>						
Tang Wai Lam	鄧偉林	-	1,397	1,807	12	3,216
Ng Man Kit, Lawrence	吳民傑	-	1,496	667	12	2,175
Chung Chun Wah	鍾振華	-	737	226	12	975
Leung Kelvin Yiu Fai	梁耀輝					
(appointed on 1 August 2006)	(於二零零六年 八月一日獲委任)					
For the 7 months from 1 August 2006 to 28 February 2007 in the capacity of Executive Director	於二零零六年八月一日 至二零零七年二月 二十八日止七個月期間內 為執行董事	100	759	98	7	964
For the 5 months from 1 March 2006 to 31 July 2006 in the capacity of Financial Controller	於二零零六年三月一日 至二零零六年七月 三十一日止五個月期間內 為財務總監	-	508	-	5	513
<i>Non-executive director:</i>						
Lee Kwan Hung	李均雄	65	-	-	-	65
<i>Independent non-executive directors:</i>						
Lee Kin Sang	李建生	65	-	-	-	65
Chan Ka Sing, Tommy	陳家聲	65	-	-	-	65
Ng Chun Chuen, David	吳振泉	65	-	-	-	65

No directors of the Company waived any emoluments and no emoluments were paid by the Group to any of the directors of the Company as an inducement to join or upon joining the Group or as compensation for loss of office.

13. 董事及高級管理人員酬金 (續)

(a) 董事酬金 (續)

截至二零零七年二月二十八日止年度，各董事之酬金（不包括以股份為基礎的支付）詳情如下：

本公司之董事並無放棄其酬金，而本集團亦無支付酬金予本公司任何董事，作為促使加盟本集團之條件或職務損失之賠償。

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13. DIRECTORS' AND SENIOR MANAGEMENT'S EMOLUMENTS (continued)

(b) Five highest paid individuals

The five individuals whose emoluments (excluding share-based payments) were the highest in the Group for the year include four (2007: four) directors whose emoluments (excluding share-based payments) are reflected in the analysis presented in Note (a) above. The emoluments (excluding share-based payments) payable to the remaining one (2007: one) individual during the year are as follows:

		2008 HK\$'000 千港元	2007 HK\$'000 千港元
Basic salaries, housing allowances, other allowances and benefits in kind	基本薪酬、房屋津貼及實物利益	993	870
Discretionary bonuses	酌情發放之花紅	184	245
Employer's contributions to pension scheme	退休福利計劃僱主供款	12	12
		1,189	1,127

The emoluments (excluding share-based payments) fell within the following band:

Emolument band HK\$	酬金組別 港元	Number of individual 人數	
		2008	2007
1,000,001 – 1,500,000	1,000,001 – 1,500,000	1	1

None of the highest paid individuals of the Group waived any emoluments and no emoluments were paid by the Group to any of such individuals as an inducement to join or upon joining the Group or as compensation for loss of office.

13. 董事及高級管理人員酬金 (續)

(b) 五名最高薪人士

本年度本集團內五名最高薪酬 (不包括以股份為基礎的支付) 人士包括四名 (二零零七年: 四名) 董事, 其酬金 (不包括以股份為基礎的支付) 已載於上文附註 (a) 之分析。其餘一名 (二零零七年: 一名) 最高薪人士之酬金 (不包括以股份為基礎的支付) 分析如下:

支付酬金 (不包括以股份為基礎的支付) 組別如下:

本集團之最高薪人士並無放棄其酬金, 而本集團亦無支付酬金予任何該等人士, 作為促使加盟本集團之條件或職務損失之賠償。

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14. PROPERTY, PLANT AND EQUIPMENT

14. 物業、機器及設備

		Group 集團					
		Buildings 樓宇 HK\$'000 千港元	Leasehold improve- ments 租賃 物業裝修 HK\$'000 千港元	Furniture, fixtures and office equipment 傢俬、 裝置及 辦公室設備 HK\$'000 千港元	Motor vehicles 汽車 HK\$'000 千港元	Plant and machinery 機器及設備 HK\$'000 千港元	Total 總額 HK\$'000 千港元
As at 1 March 2006	於二零零六年三月一日						
Cost	成本值	21,554	67,193	23,611	5,063	4,130	121,551
Accumulated depreciation	累計折舊	(5,021)	(51,488)	(18,139)	(3,732)	(1,920)	(80,300)
Net book value	賬面淨值	16,533	15,705	5,472	1,331	2,210	41,251
Year ended 28 February 2007	截至二零零七年二月二十八日止年度						
Opening net book value	年初賬面淨值	16,533	15,705	5,472	1,331	2,210	41,251
Currency translation differences	貨幣匯兌差額	-	(42)	50	13	83	104
Additions	添置	-	18,588	2,022	638	157	21,405
Disposals	出售	-	(1,272)	(2)	-	-	(1,274)
Depreciation	折舊	(837)	(18,195)	(1,980)	(512)	(324)	(21,848)
Closing net book value	年終賬面淨值	15,696	14,784	5,562	1,470	2,126	39,638
As at 28 February 2007	於二零零七年二月二十八日						
Cost	成本值	21,554	76,354	25,754	4,463	4,459	132,584
Accumulated depreciation	累計折舊	(5,858)	(61,570)	(20,192)	(2,993)	(2,333)	(92,946)
Net book value	賬面淨值	15,696	14,784	5,562	1,470	2,126	39,638
Year ended 29 February 2008	截至二零零八年二月二十九日止年度						
Opening net book value	年初賬面淨值	15,696	14,784	5,562	1,470	2,126	39,638
Currency translation differences	貨幣匯兌差額	-	(18)	206	17	151	356
Additions	添置	-	18,909	1,255	1,522	-	21,686
Disposals	出售	-	(12)	(18)	(25)	-	(55)
Transfer:	轉撥:						
- Assets revaluation reserve	- 資產重估儲備	703	-	-	-	-	703
- Investment properties (Note 15)	- 投資物業 (附註15)	(1,465)	-	-	-	-	(1,465)
Depreciation	折舊	(814)	(19,183)	(1,965)	(768)	(551)	(23,281)
Closing net book value	年終賬面淨值	14,120	14,480	5,040	2,216	1,726	37,582

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14. PROPERTY, PLANT AND EQUIPMENT (continued)

14. 物業、機器及設備 (續)

		Group 集團					
		Buildings 樓宇	Leasehold improve- ments 租賃 物業裝修	Furniture, fixtures and office equipment 傢俬、 裝置及 辦公室設備	Motor vehicles 汽車	Plant and machinery 機器及設備	Total 總額
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
As at 29 February 2008	於二零零八年二月二十九日						
Cost	成本值	20,500	95,000	27,545	5,798	4,836	153,679
Accumulated depreciation	累計折舊	(6,380)	(80,520)	(22,505)	(3,582)	(3,110)	(116,097)
Net book value	賬面淨值	14,120	14,480	5,040	2,216	1,726	37,582

As at 29 February 2008, certain banking facilities were secured by certain land and buildings with total net book value of approximately HK\$9,935,000 (2007: HK\$10,396,000).

於二零零八年二月二十九日，用作本集團可動用之若干銀行信貸抵押之若干土地及樓宇總賬面淨值為約9,935,000港元（二零零七年：10,396,000港元）。

15. INVESTMENT PROPERTIES

15. 投資物業

		Group 集團	
		2008 HK\$'000 千港元	2007 HK\$'000 千港元
At beginning of year	於年初	56,460	53,448
Fair value gains charged to income statement (Note 7)	公平值收益在損益表扣除 (附註7)	10,000	3,012
Transfer from property, plant and equipment (Note 14)	轉撥自物業、機器 及設備(附註14)	1,465	—
Transfer from leasehold land and land use rights (Note 16)	轉撥自租賃土地及 土地使用權(附註16)	28,075	—
Disposal of an investment property	出售投資物業	(21,000)	—
Disposal of a subsidiary	出售附屬公司	(75,000)	—
At end of year	於年終	—	56,460

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15. INVESTMENT PROPERTIES (continued)

The valuations for the investment properties during the year were based on their open market value by DTZ Debenham Tie Leung Limited, an independent firm of chartered surveyors, employed by the Group.

The Group's interests in investment properties were held outside Hong Kong with lease period between 10 to 50 years.

As at 28 February 2007, investment properties were located in Mainland China and held under medium term leases.

15. 投資物業 (續)

投資物業在本年度期間內由本集團聘任的獨立特許測量師戴德梁行有限公司按公開市值基準進行重估。

本集團在投資物業之權益乃在香港以外持有十至十五年年期的租賃。

於二零零七年二月二十八日，位於中國大陸的投資物業乃中期租賃物業。

16. LEASEHOLD LAND AND LAND USE RIGHTS

16. 租賃土地及土地使用權

		Group 集團	
		2008 HK\$'000 千港元	2007 HK\$'000 千港元
At beginning of year	於年初	15,697	17,704
Transfer to:	轉撥:		
– Assets revaluation reserve	– 資產重估儲備	16,739	–
– Investment properties (Note 15)	– 投資物業 (附註15)	(28,075)	–
Amortisation	攤銷	(1,070)	(2,007)
At end of year	於年終	3,291	15,697

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16. LEASEHOLD LAND AND LAND USE RIGHTS (continued)

The Group's interests in leasehold land and land use rights represent prepaid operating lease payments and their net book values are analysed as follows:

		Group 集團	
		2008 HK\$'000 千港元	2007 HK\$'000 千港元
In Hong Kong, held on:	在香港持有：		
– Leases of between 10 to 50 years	– 十至五十年租賃	1,189	1,218
Outside Hong Kong, held on:	在海外持有：		
– Leases of between 10 to 50 years	– 十至五十年租賃	2,102	12,834
– Leases of less than 10 years	– 少於十年租賃	–	1,645
		3,291	15,697

本集團於租賃土地及土地使用權之權益指預付經營租賃款項，其賬面淨額分析如下：

17. INTANGIBLE ASSETS

17. 無形資產

		Group 集團	
		2008 HK\$'000 千港元	2007 HK\$'000 千港元
Patents and licenses	專利權及牌照		
At beginning of year	於年初	14,905	13,321
Additions	增加	2,190	6,766
Amortisation	攤銷	(6,228)	(5,182)
At end of year	於年終	10,867	14,905

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17. INTANGIBLE ASSETS (continued)

Intangible assets represent license rights on branded products up to 2010. Additions during the year represent capitalisation of minimum license fees payable, based on a discount rate equal to the Group's weighted average borrowing rate of 4.68% (2007: 5.11%) at the date of inception.

Amortisation of HK\$6,228,000 (2007: HK\$5,182,000) is included in cost of sales.

18. INVESTMENTS IN SUBSIDIARIES AND AMOUNTS DUE FROM/TO SUBSIDIARIES

Non-current: 非流動：
Unlisted shares, at cost 非上市股份，按成本值
Amount due from a subsidiary 應收附屬公司款項

Current: 流動：
Amounts due from subsidiaries 應收附屬公司款項

Amounts due to subsidiaries 應付附屬公司款項

The credit quality of the balances due from subsidiaries that are neither past due nor impaired can be assessed by reference to historical information about counter party default rates. None of them have defaults and been renegotiated in the past and were considered as past due nor impaired.

As at 28 February 2007 and 29 February 2008, the amounts due from/to subsidiaries are unsecured, interest free and repayable on demand, except for an amount due from a subsidiary of HK\$18,326,000 (2007: HK\$8,344,000) which is not repayable within one year. Details of the Company's principal subsidiaries as at 29 February 2008 are set out on pages 145 to 149.

As at 28 February 2007 and 29 February 2008, all these balances are denominated in Hong Kong dollars and approximate their fair values.

17. 無形資產 (續)

無形資產是指直至二零一零年止之品牌產品經營權。在本年度期間內之增加指將最低應付牌照費用資本化，並於開始日期時根據相等於本集團之加權平均借貸率4.68% (二零零七年：5.11%) 之折讓率為基準。

6,228,000港元之攤銷金額 (二零零七年：5,182,000港元) 計入銷售成本內。

18. 附屬公司投資及應收／應付附屬公司款項

		Company 公司	
		2008 HK\$'000 千港元	2007 HK\$'000 千港元
Non-current:	非流動：		
Unlisted shares, at cost	非上市股份，按成本值	69,254	69,254
Amount due from a subsidiary	應收附屬公司款項	18,326	8,344
		87,580	77,598
Current:	流動：		
Amounts due from subsidiaries	應收附屬公司款項	101,414	81,399
Amounts due to subsidiaries	應付附屬公司款項	6,713	—

並無逾期或減值的應收附屬公司款項的信貨質量乃透過參考有關對手方拖欠比率的過往資料進行評估。現有對手方過往並無拖欠。

除 18,326,000 港元 (二零零七年：8,344,000 港元) 之應收／應付附屬公司款項並非一年內償還外，於二零零七年二月二十八日及二零零八年二月二十九日，應收附屬公司款項為無抵押、免息及隨時要求還款。於二零零八年二月二十九日，本公司之主要附屬公司詳情載於第 145 至 149 頁。

於二零零七年二月二十八日及二零零八年二月二十九日，應收／應付附屬公司款項為港元，其賬面值與公平值相約。

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19. INTEREST IN AN ASSOCIATE

Movements of interest in an associate are as follows:

		Group 集團	
		2008 HK\$'000 千港元	2007 HK\$'000 千港元
At beginning of year	於年初	864,389	59,343
Share of fair value gain of an associate	應佔聯營公司公平值收益	2,356,011	747,480
Share of realisation of available-for-sale financial assets reserve	應佔可供出售財務資產儲備之實現	(3,103,491)	-
Cash dividend received	已收現金股息	(21,000)	-
Distribution in specie received	已收實物分派	(3,210,000)	-
Share of profit	應佔溢利	3,114,499	58,002
Currency translation differences	貨幣匯兌差額	-	(436)
At end of year	於年終	408	864,389

The Group's associate has a financial accounting period of 31 December which is not coterminous with the Group.

The financial information of the Group's associate is as follows:

		2008 HK\$'000 千港元	2007 HK\$'000 千港元
Total assets	總資產	1,361	2,361,013
Total liabilities	總負債	-	300
Revenues	收入	-	-
Profit for the year	本年度溢利	10,381,663	193,339

Best Quality Investments Limited ("Best Quality"), a company incorporated in Samoa, is the Group's associate in which the Group holds 30% interests. Details of Best Quality at 29 February 2008 are set out on page 150.

19. 聯營公司權益

聯營公司權益之變動如下：

		Group 集團	
		2008 HK\$'000 千港元	2007 HK\$'000 千港元
At beginning of year	於年初	864,389	59,343
Share of fair value gain of an associate	應佔聯營公司公平值收益	2,356,011	747,480
Share of realisation of available-for-sale financial assets reserve	應佔可供出售財務資產儲備之實現	(3,103,491)	-
Cash dividend received	已收現金股息	(21,000)	-
Distribution in specie received	已收實物分派	(3,210,000)	-
Share of profit	應佔溢利	3,114,499	58,002
Currency translation differences	貨幣匯兌差額	-	(436)
At end of year	於年終	408	864,389

本集團之聯營公司之結算日為十二月三十一日，與本集團之結算日並非一致。

本集團之聯營公司之財務資料如下：

		2008 HK\$'000 千港元	2007 HK\$'000 千港元
Total assets	總資產	1,361	2,361,013
Total liabilities	總負債	-	300
Revenues	收入	-	-
Profit for the year	本年度溢利	10,381,663	193,339

於薩摩亞註冊成立的Best Quality Investments Limited (「Best Quality」) 是本集團佔30%權益之聯營公司。Best Quality於二零零八年二月二十九日之詳情載於第150頁。

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19. INTEREST IN AN ASSOCIATE (continued)

On 1 May 2007, Best Quality declared an interim cash dividend, which was paid on 8 June 2007. The cash dividend of HK\$21,000,000 was received by the Group.

On 18 June 2007, Best Quality declared a distribution in specie of all the 1,250,000,000 Belle Shares held by it to its shareholders, pursuant to which the Group has received 375,000,000 Belle Shares. Upon such distribution in specie by Best Quality, the Group has derived a profit of approximately HK\$3,093,092,000 therefrom, representing the share of realisation of the cumulative gain on the increase in fair value of available-for-sale financial assets held by an associate.

19. 聯營公司權益 (續)

於二零零七年五月一日，Best Quality 宣布派發中期現金股息，並於二零零七年六月八日支付。本集團已收到 21,000,000 港元的現金股息。

於二零零七年六月十八日，Best Quality 宣布派發其實物持有所有 1,250,000,000 股百麗股份予其股東。為此，本集團收到 375,000,000 股百麗股份。Best Quality 實物分派百麗股份後，本集團從該實物分派應計入約 3,093,092,000 港元之盈利，此乃應佔聯營公司持有可供出售財務資產的公平值增加而實現的累計收益。

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20. AVAILABLE-FOR-SALE FINANCIAL ASSETS

20. 可供出售財務資產

		Group 集團		Company 公司	
		2008 HK\$'000 千港元	2007 HK\$'000 千港元	2008 HK\$'000 千港元	2007 HK\$'000 千港元
Carrying value at 1 March	於三月一日之賬面值	—	—	—	—
Additions:	添置:				
– Distribution in specie received from an associate/a subsidiary	– 收到聯營公司/附屬公司之實物分派	3,210,000	—	3,476,250	—
– Others	– 其他	75	—	—	—
Fair value gains credited to equity	公平價值收益在權益中記賬	267,563	—	1,154	—
Disposals:	出售:				
– Distribution in specie to shareholders	– 實物分派予股東	(3,453,023)	—	(3,453,023)	—
– Others	– 其他	(2,293)	—	(2,293)	—
Carrying value at 29 February/28 February	於二月二十九日/二月二十八日之賬面值	22,322	—	22,088	—

		Group 集團		Company 公司	
		2008 HK\$'000 千港元	2007 HK\$'000 千港元	2008 HK\$'000 千港元	2007 HK\$'000 千港元
Listed securities	上市證券				
– Equity securities, Hong Kong	– 股權證券, 香港	22,322	—	22,088	—
Market value of listed securities	上市證券之市值	22,322	—	22,088	—

As at 29 February 2008, available-for-sale financial assets in the Group and the Company were denominated in Hong Kong dollars. None of the available-for-sale financial assets is either past due or impaired.

於二零零八年二月二十九日，本集團及本公司可供出售財務資產賬面值為港元。可供出售財務資產並無逾期或減值。

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21. DEFERRED INCOME TAX

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes relate to the same fiscal authority. The offset amounts are as follows:

		Group 集團	
		2008 HK\$'000 千港元	2007 HK\$'000 千港元
Deferred income tax assets	遞延所得稅資產	9,045	9,900
Deferred income tax liabilities	遞延所得稅負債	(156)	(1,697)
Deferred income tax, net		8,889	8,203

Deferred income tax assets and liabilities are expected to be settled after more than 12 months.

The movement in deferred income tax assets and liabilities during the year, without taking into consideration the offsetting of balances within the same tax jurisdiction, is as follows:

Deferred income tax assets 遞延所得稅資產		Tax depreciation allowance 稅項折舊免稅額		Tax losses 稅損		Provision for long services payments 長期服務金撥備		Others 其他		Total 總額	
		2008 HK\$'000 千港元	2007 HK\$'000 千港元	2008 HK\$'000 千港元	2007 HK\$'000 千港元	2008 HK\$'000 千港元	2007 HK\$'000 千港元	2008 HK\$'000 千港元	2007 HK\$'000 千港元	2008 HK\$'000 千港元	2007 HK\$'000 千港元
At beginning of year	於年初	1,891	1,796	3,817	4,366	195	287	3,997	1,516	9,900	7,965
Recognised in the income statement	在損益表確認	525	95	529	(549)	(21)	(92)	(876)	2,481	157	1,935
Recognised in equity	在權益中確認	(174)	-	-	-	-	-	-	-	(174)	-
At end of year	於年終	2,242	1,891	4,346	3,817	174	195	3,121	3,997	9,883	9,900

21. 遞延所得稅

當有法定可執行權力將現有稅項資產與現有稅務負債抵銷，且遞延所得稅涉及同一財政機關，則可將遞延所得稅資產與負債互相抵銷。抵銷的金額如下：

遞延所得稅資產及負債預計在超過十二個月後抵銷。

在本年度期間內遞延所得稅資產及負債並無計入在同一徵稅區內抵銷結餘之變動如下：

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21. DEFERRED INCOME TAX (continued)

21. 遞延所得稅 (續)

Deferred income tax liabilities 遞延所得稅負債		Group 集團							
		Tax depreciation allowance 稅項折舊免稅額		Assets revaluation 資產重估		Others 其他		Total 總額	
		2008 HK\$'000 千港元	2007 HK\$'000 千港元	2008 HK\$'000 千港元	2007 HK\$'000 千港元	2008 HK\$'000 千港元	2007 HK\$'000 千港元	2008 HK\$'000 千港元	2007 HK\$'000 千港元
At beginning of year	於年初	1,411	1,338	286	-	-	-	1,697	1,338
Recognised in the income statement	在損益表確認	(19)	73	332	286	838	-	1,151	359
Recognised in equity	在權益中確認	-	-	500	-	-	-	500	-
Disposal of a subsidiary	出售附屬公司	(1,236)	-	(1,118)	-	-	-	(2,354)	-
At end of year	於年終	156	1,411	-	286	838	-	994	1,697

Deferred income tax assets are recognised for tax losses carried forward to the extent that realisation of the related tax benefits through the future taxable profits is probable. The Group has unrecognised tax losses of HK\$9,287,000 (2007: HK\$8,216,000) to carry forward against future taxable income. The tax losses have no expiry date (2007: tax losses of HK\$8,216,000 had no expiry date).

遞延所得稅資產乃因應相關稅務利益可透過未來應課稅溢利變現而就所結轉之稅損作確認。本集團有未確認稅損9,287,000港元(二零零七年: 8,216,000港元)可結轉以抵銷未來應課收入; 此稅損並無期限(二零零七年: 8,216,000港元的稅損並無期限)。

22. INVENTORIES

22. 存貨

		Group 集團	
		2008 HK\$'000 千港元	2007 HK\$'000 千港元
Raw materials	原材料	2,268	2,873
Work in progress	在製品	48	420
Finished goods	製成品	271,248	211,660
		273,564	214,953
Less: Provision for inventories	減: 存貨撥備	(32,901)	(32,901)
		240,663	182,052

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22. INVENTORIES (continued)

The cost of inventories recognised as expense and included in cost of sales amounted to approximately HK\$379,618,000 (2007: HK\$354,336,000).

The Group has written-back provisions of HK\$15,656,000 (2007: HK\$18,890,000) relating to those inventories that were subsequently sold during the year. The write-back was included in cost of sales in the income statement.

23. TRADE RECEIVABLES

Trade receivables	應收賬款
Less: Provision for impairment of receivables	減：應收賬款 減值撥備

		Group 集團	
		2008 HK\$'000 千港元	2007 HK\$'000 千港元
		100,914	81,284
		(674)	(638)
		100,240	80,646

Other than cash and credit card sales, the majority of the Group's credit sales is on a credit term of 30 – 60 days. As at 29 February 2008, the ageing analysis of trade receivables was as follows:

0 – 30 days	零至三十日
31 – 60 days	三十一至六十日
61 – 90 days	六十一至九十日
Over 90 days	超過九十日

		Group 集團	
		2008 HK\$'000 千港元	2007 HK\$'000 千港元
		76,398	66,785
		7,541	2,540
		2,040	1,638
		14,935	10,321
		100,914	81,284

22. 存貨 (續)

存貨成本已被確認為費用並記賬在銷售成本中為約379,618,000港元(二零零七年：354,336,000港元)。

關於在本年度期間內銷售已撥備之存貨，本集團已撥回15,656,000港元(二零零七年：18,890,000港元)。撥回存貨撥備已記賬在損益表中的銷售成本內。

23. 應收賬款

除現金及信用卡銷售外，本集團主要之信貸銷售還款期一般為三十至六十日。於二零零八年二月二十九日，應收賬款之賬齡分析如下：

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23. TRADE RECEIVABLES (continued)

As at 29 February 2008, trade receivables of HK\$21,892,000 (28 February 2007: HK\$12,842,000) were past due but not impaired. These related to a number of customers for whom there had been no recent history of default. Their ageing analysis from the due date is as follows:

		Group 集團	
		2008 HK\$'000 千港元	2007 HK\$'000 千港元
31 – 60 days	三十一至六十日	5,591	1,521
61 – 90 days	六十一至九十日	2,040	1,638
Over 90 days	超過九十日	14,261	9,683
		21,892	12,842

Impairment loss in respect of trade receivables are recorded using an allowance account unless the Group is satisfied that recovery of the amount is remote, in which case the impairment loss is written off against trade receivables directly.

The movements in the provision for impairment of receivables during the year, including both specific and collective loss components, are as follows:

		Group 集團	
		2008 HK\$'000 千港元	2007 HK\$'000 千港元
At beginning of year	於年初	638	44
Provision for impairment of receivables	應收賬款減值撥備	156	864
Receivables written off during the year as uncollectible	在本年度期間內列為未能收回的應收賬款撤銷	(156)	(270)
Currency translation difference	貨幣匯兌差額	36	–
At end of year	於年終	674	638

23. 應收賬款 (續)

於二零零八年二月二十九日，逾期但並無減值之應收賬款為21,892,000港元（二零零七年：12,842,000港元）。而若干有關客戶在最近並無壞賬記錄。根據到期日劃分之賬齡分析如下：

應收賬款的減值虧損，乃以撥備賬戶入賬，除非本集團認為收回賬款的機會極微，在此情況下，減值虧損將直接在應收賬款中撇銷。

在本年度期間內，應收賬款減值撥備的變動（包括特定及整體虧損部份）如下：

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23. TRADE RECEIVABLES (continued)

The individually impaired receivables relate to small customers that are in unexpected difficult economic situations. Consequently, specific provision for impairment of receivables were recognised. The Group does not hold any collateral over these balances.

The carrying amounts of the Group's trade receivables are denominated in the following currencies:

Hong Kong dollars	港元
Renminbi	人民幣
Euro	歐羅
Macau Pataca	澳門元
New Taiwan dollars	新台幣
US dollars	美元

23. 應收賬款 (續)

個別已減值的應收賬款與出現不可預期的財政困難的小客戶。因此確認為特定應收賬款減值撥備。本集團並無就有關欠款持有任何抵押品。

本集團的應收賬款之賬面值以下列貨幣為單位：

		Group 集團	
		2008	2007
		HK\$'000	HK\$'000
		千港元	千港元
		20,099	37,351
		76,160	39,481
		107	80
		–	888
		4,546	3,484
		2	–
		100,914	81,284

During the year, the Group recognised a loss of HK\$156,000 (2007: HK\$864,000) for the impairment of its trade receivables.

The carrying amount of trade receivables approximates its fair value.

在本年度期間內，本集團確認156,000港元(二零零七年：864,000港元)之應收賬款減值撥備虧損。

應收賬款之賬面值與其公平值相約。

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24. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

The carrying amounts of the Group's other receivables, deposits and prepayments are denominated in the following currencies:

		Group 集團	
		2008 HK\$'000 千港元	2007 HK\$'000 千港元
Hong Kong dollars	港元	19,519	31,111
Renminbi	人民幣	18,335	17,700
Euro	歐羅	19	-
New Taiwan dollars	新台幣	330	197
		38,203	49,008

As at 28 February 2007 and 29 February 2008, the carrying amounts of other receivables, deposits and prepayments are considered as neither past due nor impaired. They can be assessed by reference to historical information about counter party default rates. None of them have defaults and been renegotiated in the past.

24. 其他應收款、按金及預付款

本集團的其他應收款、按金及預付款之賬面值以下列貨幣為單位：

		Group 集團	
		2008 HK\$'000 千港元	2007 HK\$'000 千港元
Hong Kong dollars	港元	19,519	31,111
Renminbi	人民幣	18,335	17,700
Euro	歐羅	19	-
New Taiwan dollars	新台幣	330	197
		38,203	49,008

於二零零七年二月二十八日及二零零八年二月二十九日，其他應收款、按金及預付款之賬面值並無逾期及減值。無逾期或減值的其他應收款、按金及預付款的信貨質量乃透過參考有關對手方拖欠比率的過往資料進行評估。現有對手方過往並無拖欠。

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25. CASH AND CASH EQUIVALENTS

25. 現金及現金等價物

		Group 集團		Company 公司	
		2008 HK\$'000 千港元	2007 HK\$'000 千港元	2008 HK\$'000 千港元	2007 HK\$'000 千港元
Cash at bank and in hand	銀行及現金結存	171,811	106,183	2,603	175
Short-term bank deposits	短期銀行存款	106,730	2,063	–	–
		278,541	108,246	2,603	175
Denominated in:	以下列貨幣為單位：				
Hong Kong dollars	港元	189,989	51,085	2,603	175
Renminbi	人民幣	48,273	38,161	–	–
Euro	歐羅	13,077	8,981	–	–
Macau Pataca	澳門元	21,246	5,505	–	–
New Taiwan dollars	新台幣	5,951	4,496	–	–
US dollars	美元	5	18	–	–
		278,541	108,246	2,603	175

The effective interest rate on short-term bank deposits was 2.16% (2007: 3.89%); these deposits have an average maturity of 30 days (2007: 29 days).

短期銀行存款的實際利率為2.16% (二零零七年: 3.89%)，此等定期存款的平均到期日為30天 (二零零七年: 29天)。

The Group's cash and cash equivalents denominated in Renminbi are deposited with banks in the People's Republic of China ("PRC"). The conversion of these Renminbi denominated balances into foreign currencies and the remittance of funds out of the PRC is subject to the rules and regulations of foreign exchange control promulgated by the PRC Government.

本集團之人民幣現金及現金等價物是結存於中華人民共和國(「中國」)境內的銀行。將此等人民幣之結餘兌換為外幣及匯出資金到中國境外時，須遵照中國政府所頒布外匯管制的規則及規例。

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26. TRADE PAYABLES

As at 29 February 2008, the ageing analysis of trade payables was as follows:

		Group 集團	
		2008 HK\$'000 千港元	2007 HK\$'000 千港元
0 – 30 days	零至三十日	54,367	29,367
31 – 60 days	三十一至六十日	7,195	4,929
61 – 90 days	六十一至九十日	467	2,220
Over 90 days	超過九十日	14,181	12,150
		76,210	48,666

The carrying amounts of the Group's trade payables are denominated in the following currencies:

		Group 集團	
		2008 HK\$'000 千港元	2007 HK\$'000 千港元
Hong Kong dollars	港元	11,635	13,419
Renminbi	人民幣	29,117	25,634
US dollars	美元	23,830	6,422
Euro	歐羅	11,628	2,589
New Taiwan dollars	新台幣	–	602
		76,210	48,666

The carrying amount of trade payables approximates its fair value.

26. 應付賬款

於二零零八年二月二十九日，應付賬款之賬齡分析如下：

		Group 集團	
		2008 HK\$'000 千港元	2007 HK\$'000 千港元
0 – 30 days	零至三十日	54,367	29,367
31 – 60 days	三十一至六十日	7,195	4,929
61 – 90 days	六十一至九十日	467	2,220
Over 90 days	超過九十日	14,181	12,150
		76,210	48,666

本集團的應付賬款之賬面值以下列貨幣為單位：

		Group 集團	
		2008 HK\$'000 千港元	2007 HK\$'000 千港元
Hong Kong dollars	港元	11,635	13,419
Renminbi	人民幣	29,117	25,634
US dollars	美元	23,830	6,422
Euro	歐羅	11,628	2,589
New Taiwan dollars	新台幣	–	602
		76,210	48,666

應付賬款之賬面值與其公平值相約。

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27. OTHER PAYABLES AND ACCRUED CHARGES

The carrying amounts of the Group's other payables and accrued charges are denominated in the following currencies:

		Group 集團		Company 公司	
		2008 HK\$'000 千港元	2007 HK\$'000 千港元	2008 HK\$'000 千港元	2007 HK\$'000 千港元
Hong Kong dollars	港元	61,874	45,329	558	678
Renminbi	人民幣	18,714	21,757	–	–
US dollars	美元	401	–	–	–
New Taiwan dollars	新台幣	3,922	2,334	–	–
		84,911	69,420	558	678

The carrying amount of other payables and accrued charges approximates their fair values.

27. 其他應付款及應計費用

本集團的其他應付款及應計費用之賬面值以下列貨幣為單位：

其他應付款及應計費用之賬面值與其公平值相約。

28. SHORT-TERM BANK BORROWINGS

		Group 集團	
		2008 HK\$'000 千港元	2007 HK\$'000 千港元
Unsecured	無抵押	–	25,008

As at 28 February 2007, the effective interest rate per annum of borrowings was 5.11%.

28. 短期銀行借貸

於二零零七年二月二十八日的借貸實際利率為每年5.11%。

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28. SHORT-TERM BANK BORROWINGS (continued)

An analysis of the carrying amount of borrowings by type and by currency is as follows:

		Group 集團	
		2008 HK\$'000 千港元	2007 HK\$'000 千港元
Hong Kong dollars at floating rates	港元浮動利率	–	6,334
Renminbi at floating rates	人民幣浮動利率	–	18,674
		–	25,008

The carrying amount of borrowings approximated its fair value.

28. 短期銀行借貸(續)

借貸之賬面值按種類及貨幣分析如下：

借貸之賬面值與其公平值相約。

29. SHARE CAPITAL

		Ordinary shares of HK\$0.1 each 每股面值0.1港元 之普通股	
		No. of shares 股份數目	HK\$'000 千港元
Authorised:	法定股本：		
As at 28 February 2007 and 29 February 2008	於二零零七年二月二十八日及 二零零八年二月二十九日	1,000,000,000	100,000
Issued and fully paid:	已發行及全數繳足股本：		
As at 1 March 2007	於二零零七年三月一日	254,530,000	25,453
Issue of shares upon exercise of share options	行使認股權而發行股份	7,790,000	779
As at 29 February 2008	於二零零八年二月二十九日	262,320,000	26,232

29. 股本

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29. SHARE CAPITAL (continued)

Share options

On 3 April 2006 and 6 March 2007, share options were granted to certain employees and/or directors of the Group pursuant to the Company's share option scheme, which was approved by the shareholders of the Company on 29 December 2004. As at 29 February 2008, share options with rights to subscribe for a total of 16,420,000 shares of the Company were outstanding. The share options granted shall expire on 2 April 2012 or 2 April 2014.

Movements in the share options outstanding and their related weighted average exercise prices are as follows:

		Weighted average exercise price per share 每股加權 平均行使價 HK\$ 港元	Number of underlying shares 相關 股份數目
As at 1 March 2007	於二零零七年三月一日	2.875	20,280,000
Granted	授出	5.896	5,140,000
Exercised	行使	3.577	(7,790,000)
Forfeited	放棄	3.274	(1,210,000)
As at 29 February 2008	於二零零八年二月二十九日	3.458	16,420,000

As at 29 February 2008, all the share options outstanding were not exercisable.

29. 股本 (續)

認股權

於二零零六年四月三日及二零零七年三月六日，本集團若干僱員及／或董事根據本公司之認股權計劃，獲授予認股權。該認股權計劃於二零零四年十二月二十九日經本公司之股東批准。於二零零八年二月二十九日，有可行使合共16,420,000股本公司之股份的認股權尚未行使。有關認股權將於二零一二年四月二日或二零一四年四月二日到期。

關於尚未行使之認股權數目及其相關之加權平均行使價的變動載列如下：

於二零零八年二月二十九日，所有尚未行使之認股權均未可行使。

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29. SHARE CAPITAL (continued)

Share options (continued)

Share options outstanding at the end of the year have the following expiry dates and exercise prices:

		Exercise price per share 每股行使價 HK\$ 港元	2008 Number of underlying shares 相關 股份數目	2007 Number of underlying shares 相關 股份數目
2 April 2012	二零一二年四月二日	2.875	2,800,000	4,000,000
2 April 2014	二零一四年四月二日	2.875	10,450,000	16,280,000
2 April 2014	二零一四年四月二日	5.896	3,170,000	–
			16,420,000	20,280,000

On 6 March 2007, share options with rights to subscribe for a total of 5,140,000 shares were granted to certain employees with an exercise price set at HK\$5.896 per share (expiry date: 2 April 2014).

The fair value of the share options granted during the year ended 29 February 2008 amounted to approximately HK\$7,669,000 (2007: HK\$17,286,000). It was estimated as at the date of grant by using a binominal model, taking into account the terms and conditions upon which the options were granted. The significant assumptions and inputs used in the valuation model are as follows:

Expected volatility: 38.78%, based on historical volatility of the Company's shares

Risk-free interest rate: 4.16% per annum, based on the yields of Hong Kong Exchange Fund Notes

29. 股本 (續)

認股權 (續)

於年終時尚未行使之認股權的到期日及行使價如下:

		Exercise price per share 每股行使價 HK\$ 港元	2008 Number of underlying shares 相關 股份數目	2007 Number of underlying shares 相關 股份數目
		2.875	2,800,000	4,000,000
		2.875	10,450,000	16,280,000
		5.896	3,170,000	–
			16,420,000	20,280,000

於二零零七年三月六日，若干僱員獲授予以每股5.896港元的行使價行使合共5,140,000股股份的認股權（到期日：二零一四年四月二日）。

在截至二零零八年二月二十九日止年度期間內，授出認股權的公平值為約7,669,000港元（二零零七年：17,286,000港元）。認股權的公平值乃按照授出日以「二項式」期權定價模式評估，當中考慮了授出認股權的條款及條件。重大的假設及投入使用的評估模式載列如下：

預期波幅：38.78%，根據本公司的股份

無風險利率：利率每年4.16%，根據香港外匯基金債券收益率

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29. SHARE CAPITAL (continued)

Share options (continued)

Expected dividend 4.32%
yield:

Binominal model is subject to certain fundamental limitations because of the subjective nature of and uncertainty relating to the assumptions and inputs to the model as well as certain inherent limitations of the model itself. Any changes in the above assumptions or inputs may materially affect the fair value estimation.

The fair value of the share options granted during the year ended 29 February 2008, amounting to approximately HK\$7,669,000 (2007: HK\$17,286,000), would be recognised as an employee benefit expense of the Group with that of the share options granted on 3 April 2006 over the respective vesting periods according to the vesting conditions. An amount of approximately HK\$9,982,000 (2007: HK\$8,344,000) was charged as employee benefit expenses for the year ended 29 February 2008.

For share options exercised during the year, the weighted average closing price at the respective dates of exercise is HK\$9.771 per share.

29. 股本 (續)

認股權 (續)

預期股息 4.32%
收益率:

「二項式」期權定價模式乃受若干基本局限，因主觀性質和不確定的假設與模式投入，以及模式本身若干內在的局限。倘若上述之假設或投入出現任何變動，將會對公平值之估計造成重大的影響。

根據歸屬條件，截至二零零八年二月二十九日止年度授出之認股權的公平值約為7,669,000港元（二零零七年：17,286,000港元），並連同於二零零六年四月三日授出之認股權之公平值於各歸屬期內確認為僱員福利費用。截至二零零八年二月二十九日止年度約9,982,000港元（二零零七年：8,344,000港元）已支銷為僱員福利費用。

對於在本年度期間內行使之認股權，在各行使日之加權平均收市價為每股9.771港元。

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30. RESERVES

(a) Group

30. 儲備

(a) 集團

	Share Premium	Capital redemption reserve	Capital reserve	Available-for-sale financial assets reserve	Assets revaluation	Share option reserve	Cumulative translation reserve	Retained earnings	Total
	股份溢價	資本贖回儲備	資本儲備	可供出售財務資產儲備	資產重估	認股權儲備	累計匯兌儲備	保留盈利	總額
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
Balance as at 1 March 2007									
Share of fair value gain of an associate (Note 19)									
Share of realisation of available-for-sale financial assets reserve of an associate (Note 19)									
Fair value gains on available-for-sale financial assets (Note 20)									
Realisation of:									
- Available-for-sale financial assets reserve									
- Assets revaluation reserve:									
- Upon disposal of a subsidiary									
- Upon disposal of an investment property									
Revaluation of properties:									
- Fair value gains on investment properties									
- Deferred taxation									
Share option scheme:									
- Value of services									
Issue of shares upon exercise of share options									
Profit for the year									
2008 Interim cash dividend paid									
Distribution in specie									
Currency translation differences									
Balance as at 29 February 2008									

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

29 February 2008 二零零八年二月二十九日

30. RESERVES (continued)

(a) Group (continued)

		Share Premium	Capital redemption reserve	Capital reserve	Available- for-sale financial assets reserve	Share option reserve	Cumulative translation reserve	Retained earnings	Total
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
Balance as at 1 March 2006	於二零零六年 三月一日之結餘	110,650	380	91	-	-	1,263	300,226	412,610
Share of fair value gain of an associate (Note 19)	應佔聯營公司 公平值收益 (附註19)	-	-	-	747,480	-	-	-	747,480
Share option scheme: - Value of services	認股權計劃: - 服務之價值	-	-	-	-	8,344	-	-	8,344
Profit for the year	本年度溢利	-	-	-	-	-	-	105,462	105,462
2006 Final cash dividend paid	二零零六年已派末期現金股息	-	-	-	-	-	-	(13,999)	(13,999)
2007 Interim cash dividend paid	二零零七年已派中期現金股息	-	-	-	-	-	-	(3,818)	(3,818)
Currency translation differences	貨幣匯兌差額	-	-	-	-	-	2,795	-	2,795
Balance as at 28 February 2007	於二零零七年 二月二十八日之結餘	110,650	380	91	747,480	8,344	4,058	387,871	1,258,874

30. 儲備 (續)

(a) 集團 (續)

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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30. RESERVES (continued)

(b) Company

30. 儲備 (續)

(b) 公司

		Share premium	Capital redemption reserve	Available-for-sale financial assets reserve	Share option reserve	Retained earnings	Total
		股份溢價	資本贖回儲備	可供出售財務資產儲備	認股權儲備	保留盈利	總額
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元
Balance as at 1 March 2007	於二零零七年三月一日之結餘	110,650	380	-	8,344	13,667	133,041
Fair value gain on available-for-sale financial assets (Note 20)	可供出售財務資產公平值收益 (附註20)	-	-	1,154	-	-	1,154
Realisation of available-for-sale financial assets	可供出售財務資產之實現	-	-	(440)	-	-	(440)
Share option scheme:	認股權計劃:						
- Value of services	- 服務之價值	-	-	-	9,982	-	9,982
Issue of shares upon exercise of options	行使認股權而發行股份	34,191	-	-	(7,108)	-	27,083
Profit for the year	本年度溢利	-	-	-	-	3,475,574	3,475,574
2008 Interim cash dividend paid	二零零八年已派中期現金股息	-	-	-	-	(6,558)	(6,558)
Distribution in specie	實物分派	-	-	-	-	(3,459,654)	(3,459,654)
Balance as at 29 February 2008	於二零零八年二月二十九日之結餘	144,841	380	714	11,218	23,029	180,182
Balance as at 1 March 2006	於二零零六年三月一日之結餘	110,650	380	-	-	28,650	139,680
Share option scheme:	認股權計劃:						
- Value of services	- 服務之價值	-	-	-	8,344	-	8,344
Profit for the year	本年度溢利	-	-	-	-	2,834	2,834
2006 Final cash dividend paid	二零零六年已派末期現金股息	-	-	-	-	(13,999)	(13,999)
2007 Interim cash dividend paid	二零零七年已派中期現金股息	-	-	-	-	(3,818)	(3,818)
Balance as at 28 February 2007	於二零零七年二月二十八日之結餘	110,650	380	-	8,344	13,667	133,041

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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31. NOTES TO CONSOLIDATED CASH FLOW STATEMENT

(a) Cash generated from operations

31. 綜合現金流量表附註

(a) 經營產生之現金

		Group 集團	
		2008 HK\$'000 千港元	2007 HK\$'000 千港元
Profit before income tax	除所得稅前溢利	3,480,370	116,777
Adjustments for:	調整：		
- Share of profit of an associate	- 應佔聯營公司溢利	(3,114,499)	(58,002)
- Depreciation of property, plant and equipment	- 物業、機器及設備折舊	23,281	21,848
- Amortisation of leasehold land and land use rights	- 租賃土地及土地使用權攤銷	1,070	2,007
- Amortisation of intangible assets	- 無形資產攤銷	6,228	5,182
- Loss on disposal of property, plant and equipment (Note c)	- 出售物業、機器及設備虧損(附註c)	51	1,243
- Realisation of assets revaluation reserve	- 資產重估儲備之實現	(6,600)	-
- Fair value gains on investment properties	- 投資物業公平值收益	(10,000)	(3,012)
- Gain on disposal of a subsidiary	- 出售附屬公司收益	(5,818)	-
- Realisation of available-for-sale financial assets reserve	- 可供出售財務資產之實現儲備	(265,054)	-
- Write-back of inventory obsolescence	- 陳舊存貨撥回	-	(2,910)
- Write-back of provision for long service payments	- 長期服務金撥備之撥回	(120)	(525)
- Share-based payments in relation to share options granted to directors and employees	- 有關授予董事及僱員的認股權之以股份為基礎的支付	9,982	8,344
- Provision for impairment of receivables	- 應收賬款減值撥備	156	864
- Interest income	- 利息收入	(2,095)	(920)
- Interest on bank loans	- 銀行借貸利息	379	2,199
		117,331	93,095
Changes in working capital:	營運資金之變動：		
- Non-current rental deposits	- 非流動租賃按金	(5,467)	4,992
- Inventories	- 存貨	(52,672)	(22,190)
- Trade receivables	- 應收賬款	(17,854)	(10,807)
- Other receivables, deposits and prepayments	- 其他應收款、按金及預付款	9,038	(8,296)
- Trade payables	- 應付賬款	25,412	6,432
- Other payables and accrued charges	- 其他應付款及應計費用	9,519	6,202
- Derivative financial instruments	- 衍生金融工具	-	80
Cash generated from operations	經營產生之現金	85,307	69,508

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

29 February 2008 二零零八年二月二十九日

31. NOTES TO CONSOLIDATED CASH FLOW STATEMENT (continued)

(b) Disposal of a subsidiary

		2008 HK\$'000 千港元	2007 HK\$'000 千港元
Investment properties	投資物業	75,000	-
Trade receivables	應收賬款	1,275	-
Prepayments	預付款	11	-
Other payables and accrued charges	其他應付款及應計費用	(1,424)	-
Deferred income tax liabilities	遞延所得稅負債	(2,354)	-
<hr/>			
Net assets disposed	出售淨資產	72,508	-
Gain on disposal of a subsidiary	出售附屬公司收益	5,818	-
<hr/>			
Satisfied by:	支付方法:		
Cash	現金	78,326	-

Analysis of the net cash inflow in respect of the disposal of a subsidiary:

		2008 HK\$'000 千港元	2007 HK\$'000 千港元
Cash consideration	現金代價	78,326	-

(c) Disposal of property, plant and equipment and an investment property

In the consolidated cash flow statement, proceeds from disposal of property, plant and equipment and an investment property comprise:

		Property, plant and equipment 物業、機器及設備		Investment property 投資物業	
		2008 HK\$'000 千港元	2007 HK\$'000 千港元	2008 HK\$'000 千港元	2007 HK\$'000 千港元
Net book value	賬面淨值	55	1,274	21,000	-
Loss on disposals	出售損失	(51)	(1,243)	-	-
<hr/>					
Proceeds	所得款	4	31	21,000	-

31. 綜合現金流量表附註 (續)

(b) 出售附屬公司

出售附屬公司淨現金流入分析:

(c) 出售物業、機器及設備與投資物業

在綜合現金流量表內，出售物業、機器及設備與投資物業的所得款包括：

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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32. COMMITMENTS

(a) Capital commitments

As at 29 February 2008, the Group had capital commitment contracted but not provided for in respect of leasehold improvements amounting to approximately HK\$737,000 (2007: HK\$1,766,000).

(b) Commitments under operating leases

As at 29 February 2008, the Group had future aggregate minimum lease payments under non-cancellable operating leases in respect of land and buildings as follows:

32. 承擔

(a) 資本承擔

於二零零八年二月二十九日，本集團有關裝修工程已訂約但未撥備之資本承擔為約737,000港元（二零零七年：1,766,000港元）。

(b) 經營租賃承擔

於二零零八年二月二十九日，本集團對土地及樓宇不可撤銷經營租賃須支付之未來最低租金總額如下：

		Group 集團	
		2008 HK\$'000 千港元	2007 HK\$'000 千港元
Not later than one year	不超過一年	159,520	140,946
Later than one year and not later than five years	超過一年但不超過五年	121,065	83,550
		280,585	224,496

The payments of operating lease rentals of certain retail outlets are based on the higher of a minimum guaranteed rental and a sales level based rental. The minimum guaranteed rental has been used to arrive at the above commitments.

若干零售店舖所繳付之經營租賃租金乃以最低保證租金或銷售額租金（以較高者為準）計算。上述承擔乃按最低保證租金計算。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

29 February 2008 二零零八年二月二十九日

32. COMMITMENTS (continued)

(c) Commitments on royalty payments

As at 29 February 2008, the Group had future aggregate minimum royalty payments under non-cancellable royalty agreement as follows:

		Group 集團	
		2008 HK\$'000 千港元	2007 HK\$'000 千港元
Not later than one year	不超過一年	14,002	16,046
Later than one year and not later than five years	超過一年但不超過五年	7,420	21,195
		21,422	37,241

32. 承擔 (續)

(c) 專利費承擔

於二零零八年二月二十九日，本集團根據不可撤銷專利費協議須支付之未來最低專利費總額如下：

33. RELATED PARTY TRANSACTIONS

Key management compensation

		Group 集團	
		2008 HK\$'000 千港元	2007 HK\$'000 千港元
Salaries and other short-term employee benefits	薪金及其他短期僱員福利	11,244	7,547
Employer's contributions to pension scheme	退休福利計劃僱主供款	48	43
Share-based payments	以股份為基礎的支付	1,730	2,710
		13,022	10,300

33. 關聯方交易

主要管理人員酬金

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

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34. EVENTS AFTER THE BALANCE SHEET DATE

On 18 April 2008, a composite document was issued jointly by Belle Group Limited (“BGL”, a wholly-owned subsidiary of Belle International Holdings Limited) and the Company to inform the shareholders and optionholders of the Company that DBS Asia Capital Limited was making a voluntary conditional cash offer on behalf of BGL to acquire all of the issued and to be issued shares in the share capital (the “Share Offer”), and for the cancellation of all the outstanding share options (the “Option Offer”), of the Company. BGL announced that the Share Offer and the Option Offer had become unconditional in all respects on 9 May 2008.

As at 23 May 2008, valid acceptances of (i) the Share Offer had been received in respect of 258,058,000 Shares (representing approximately 98.38% of the issued share capital of the Company as at the date of this annual report); and (ii) the Option Offer had been received in respect of the share options to subscribe for 16,420,000 Shares (representing 100% of all outstanding share options as at the opening of the Option Offer).

34. 結算日後事項

於二零零八年四月十八日，Belle Group Limited（「BGL」，為百麗國際控股有限公司的全資附屬公司）與本公司聯合刊發一份綜合文件通知本公司的股東及期權持有人有關星展亞洲融資有限公司代表BGL提出的自願有條件現金要約收購本公司股本中的所有已發行及將發行的股份（「股份要約」），並註銷所有已發行的認股權（「期權要約」）。BGL宣佈在二零零八年五月九日股份要約及期權要約在所有方面已經成為無條件。

截至二零零八年五月二十三日，BGL已經(i)收到258,058,000股股份有效接納股份要約（相當於本公司截至本年報日的已發行股本約98.38%）；以及(ii)收到可認購16,420,000股股份的認股權有效接納期權要約（相當於在期權要約的期初所有已發行的認股權的100%）。

GROUP STRUCTURE 集團架構

As at 29 February 2008, the Company had the following principal subsidiaries and an associate:

於二零零八年二月二十九日，本公司擁有以下各主要附屬公司及聯營公司：

Name 公司名稱	Place of incorporation/ establishment and kind of legal entity 註冊／成立地點 及法定實體類別	Principal activities and place of operation 主要業務 及經營地點	Particulars of issued share capital/ registered capital 已發行／ 註冊股本	Interest held 應佔股本權益	
				Direct 直接 %	Indirect 間接 %
Subsidiaries 附屬公司					
Mirabell Group Limited*	British Virgin Islands ("BVI") 英屬處女群島	Investment holding in BVI 在英屬處女群島從事 投資控股業務	Ordinary US\$48,000 普通股 48,000美元	100	–
Artigiano Footwear Limited*	Macau 澳門	Retailing of footwear in Macau 在澳門從事 鞋類零售業務	Ordinary MOP30,000 普通股 30,000澳門元	–	100
Fiorucci (HK) Limited	Hong Kong 香港	Retailing of footwear in Hong Kong 在香港從事 鞋類零售業務	Ordinary HK\$10,000 普通股 10,000港元	–	100
Guangzhou Mirabell General Merchandise Company Limited* 廣州美麗寶百貨有限公司*	The PRC/ sino-foreign co-operative joint venture 中國／ 中外合作企業	Retailing of footwear in Mainland China 在中國大陸從事 鞋類零售業務	HK\$3,500,000 3,500,000港元	–	100

GROUP STRUCTURE

集團架構

Name 公司名稱	Place of incorporation/ establishment and kind of legal entity 註冊／成立地點 及法定實體類別	Principal activities and place of operation 主要業務 及經營地點	Particulars of issued share capital/ registered capital 已發行／ 註冊股本	Interest held 應佔股本權益	
				Direct 直接 %	Indirect 間接 %
Subsidiaries (continued) 附屬公司(續)					
Hornet Agents Limited*	BVI 英屬處女群島	Holding of trademarks in Hong Kong and overseas 於香港及其他 海外國家 持有商標	Ordinary US\$1 普通股 1美元	–	100
Inshoesnet Footwear (HK) Limited 潮流鞋網(香港) 有限公司	Hong Kong 香港	Retailing of footwear in Hong Kong 在香港從事 鞋類零售業務	Ordinary HK\$1,000,000 普通股 1,000,000港元	–	100
Manner Holdings Limited 萬年集團有限公司	Hong Kong 香港	Property holding in Hong Kong 在香港持有物業	Ordinary HK\$2 普通股 2港元	–	100
Mirabell China Limited*	BVI 英屬處女群島	Investment holding and trading of footwear in Hong Kong 投資控股及 在香港從事 鞋類買賣業務	Ordinary US\$1 普通股 1美元	–	100

GROUP STRUCTURE

集團架構

Name 公司名稱	Place of incorporation/ establishment and kind of legal entity 註冊／成立地點 及法定實體類別	Principal activities and place of operation 主要業務 及經營地點	Particulars of issued share capital/ registered capital 已發行／ 註冊股本	Interest held 應佔股本權益	
				Direct 直接 %	Indirect 間接 %
Subsidiaries (continued) 附屬公司(續)					
Mirabell Footwear Limited 美麗寶鞋業有限公司	Hong Kong 香港	Retailing of footwear in Hong Kong 在香港從事 鞋類零售業務	Ordinary HK\$200 Non-voting deferred HK\$2,016,000 普通股 200港元 無投票權 遞延股 2,016,000港元	–	100
Netfashion Company Limited 網上潮流有限公司	Hong Kong 香港	Property holding in Macau 在澳門持有物業	Ordinary HK\$10,000 普通股 10,000港元	–	100
Senses Marketing International Limited 先鋒創庫國際 有限公司	Hong Kong 香港	Wholesaling of footwear in Hong Kong 在香港從事 鞋類批發業務	Ordinary HK\$10,000 普通股 10,000港元	–	100
Shoesnet Company Limited 鞋網有限公司	Hong Kong 香港	Property holding in Mainland China 在中國大陸 持有物業	Ordinary HK\$10,000 普通股 10,000港元	–	100

GROUP STRUCTURE

集團架構

Name 公司名稱	Place of incorporation/ establishment and kind of legal entity 註冊／成立地點 及法定實體類別	Principal activities and place of operation 主要業務 及經營地點	Particulars of issued share capital/ registered capital 已發行／ 註冊股本	Interest held 應佔股本權益	
				Direct 直接 %	Indirect 間接 %
Subsidiaries (continued) 附屬公司 (續)					
創庫國際貿易(上海) 有限公司*	The PRC/wholly foreign-owned enterprise 中國／外商 獨資企業	Wholesaling of footwear in Mainland China 在中國大陸從事 鞋類批發業務	US\$200,000 200,000美元	–	100
裕嘉達國際貿易(上海) 有限公司*	The PRC/wholly foreign-owned enterprise 中國／外商 獨資企業	Retailing and wholesaling of footwear in Mainland China 在中國大陸從事 鞋類零售及 批發業務	US\$700,000 700,000美元	–	100
Sun View (Macao Commercial Offshore) Company Limited* 日景(澳門離岸商業 服務)有限公司*	Macau 澳門	Providing procurement service in Macau 在澳門提供 採購服務	MOP100,000 100,000澳門元	–	100
Scarpa Company Limited 信念有限公司	Hong Kong 香港	Trading of footwear in Hong Kong 在香港從事 鞋類買賣業務	Ordinary HK\$10,000 普通股 10,000港元	–	100

GROUP STRUCTURE

集團架構

Name 公司名稱	Place of incorporation/ establishment and kind of legal entity 註冊／成立地點 及法定實體類別	Principal activities and place of operation 主要業務 及經營地點	Particulars of issued share capital/ registered capital 已發行／ 註冊股本	Interest held 應佔股本權益	
				Direct 直接 %	Indirect 間接 %
Subsidiaries (continued) 附屬公司 (續)					
宏裕貿易(深圳) 有限公司*	The PRC/wholly foreign-owned enterprise 中國／外商 獨資企業	Retailing of footwear in Mainland China 在中國大陸從事 鞋類零售業務	HK\$2,000,000 2,000,000港元	–	100
Mirabell Footwear (Taiwan) Limited* 台灣美麗寶鞋業 有限公司*	BVI 英屬處女群島	Retailing of footwear in Taiwan 在台灣從事 鞋類零售業務	Ordinary US\$1 普通股 1美元	–	100
廣州市寶橋鞋業 有限公司*	The PRC/wholly foreign-owned enterprise 中國／外商 獨資企業	Manufacturing of footwear in Mainland China 在中國大陸從事 鞋類製造業務	HK\$8,800,000 8,800,000港元	–	100
廣州晉騰貿易 有限公司*	The PRC/wholly foreign-owned enterprise 中國／外商 獨資企業	Retailing of footwear in Mainland China 在中國大陸從事 鞋類零售業務	HK\$3,500,000 3,500,000港元	–	100

GROUP STRUCTURE 集團架構

Name 公司名稱	Place of incorporation/ establishment and kind of legal entity 註冊／成立地點 及法定實體類別	Principal activities and place of operation 主要業務 及經營地點	Particulars of issued share capital/ registered capital 已發行／ 註冊股本	Interest held 應佔股本權益	
				Direct 直接 %	Indirect 間接 %
Associate 聯營公司					
Best Quality Investments Limited*	Samoa 薩摩亞	Investment holding 投資控股	Ordinary US\$50,000 普通股 50,000美元	-	30

* Companies not audited by PricewaterhouseCoopers

* 非經羅兵咸永道會計師事務所審核之公司

The above table includes the subsidiaries and associate of the Company which, in the opinion of the directors, principally affected the results of the year or formed a substantial portion of the net assets of the Group. Giving details of other subsidiaries would, in the opinion of the directors, result in particulars of excessive length.

董事認為，上表所包括之本公司之附屬公司及聯營公司，對本集團本年度業績有重大影響或構成資產淨值之主要部份。而倘提供其他附屬公司之詳情，董事則認為會使資料過於冗長。

FIVE-YEAR FINANCIAL SUMMARY

五年財務摘要

		2007/2008 HK\$'000 千港元	2006/2007 HK\$'000 千港元	2005/2006 HK\$'000 千港元	2004/2005 HK\$'000 千港元	2003/2004 HK\$'000 千港元
Turnover	營業額	1,017,527	934,225	866,238	747,839	645,617
Gross profit	毛利	615,785	556,722	505,853	439,126	378,428
Gross profit margin	毛利率	60.52%	59.59%	58.40%	58.72%	58.61%
Operating profit	經營溢利	366,250	60,974	54,496	65,068	50,464
Operating profit margin	經營溢利率	35.99%	6.53%	6.29%	8.70%	7.82%
Profit attributable to equity holders of the Company	本公司權益持有人應佔溢利	3,466,480	105,462	65,497	76,139	64,237
Bank balances and cash	銀行結餘及現金	278,541	108,246	114,891	86,357	96,135
Bank loan and overdraft	銀行貸款及透支	–	25,008	47,817	31,084	32,772
Total assets	總資產	775,591	1,449,446	604,508	569,122	490,642
Total liabilities	總負債	179,276	165,119	166,445	147,804	122,842
Total equity	總權益	596,315	1,284,327	438,063	421,318	367,800
Gearing ratio	資本負債率	0	0.02	0.11	0.07	0.09
Return on total assets employed	總資產回報率	446.95%	7.28%	10.83%	13.38%	13.09%

Summary of the results and of the assets and liabilities of the Group for the latest five years have been extracted from this annual report and prior years' annual reports of the Group.

最近五個財政年度之業績及資產與負債概要乃摘自本集團本年度及過往年度之年報。





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