



Bestway International Holdings Limited
百威國際控股有限公司

Stock Code 股份代號 : 718

ANNUAL REPORT
2008 年報

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公司資料

Corporate Information

EXECUTIVE DIRECTORS

Mr. Tang Kuan Chien (*Chairman*)
Mr. Tang Wei Lun
Mr. Lam Chi Yin Henry
Mr. Chim Kim Lun Ricky (Appointed on 17 September 2007)
Mr. Fok Po Tin (Appointed on 17 September 2007)
Mr. Ng Man Kin Kenneth (Appointed on 1 June 2007)
Mr. Cheung Ming Leung Denver (Resigned on 27 June 2007)

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Hung Shean-I
Mr. Wong Nai Ping
Mr. Au Kwok Yee Benjamin

COMPANY SECRETARY

Mr. Leung Chi Wing Billy

AUDITORS

Morison Heng
Certified Public Accountants
7/F Allied Kajima Building
138 Gloucester Road
Wanchai
Hong Kong

PRINCIPAL BANKERS

Hua Nan Commercial Bank Ltd.
Hong Kong Branch
Suite 5601-03, 56/F Central Plaza
18 Harbour Road
Wanchai
Hong Kong

執行董事

唐貫健先生 (主席)
唐偉倫先生
林智然先生
詹劍崙先生 (於二零零七年九月十七日獲委任)
霍寶田先生 (於二零零七年九月十七日獲委任)
吳文健先生 (於二零零七年六月一日獲委任)
張明良先生 (於二零零七年六月二十七日辭任)

獨立非執行董事

洪顯一先生
黃乃平先生
歐國義先生

公司秘書

梁志永先生

核數師

華利信會計師事務所
香港
灣仔
告士打道138號
聯合鹿島大廈7樓

主要往來銀行

華南商業銀行股份有限公司
香港分行
香港
灣仔
港灣道18號
中環廣場56樓5601-03室

公司資料

Corporate Information

SHARE REGISTRAR & TRANSFER

Tricor Tengis Limited
26/F Tesbury Centre
28 Queen's Road East
Hong Kong

REGISTERED OFFICE

Clarendon House
2 Church Street
Hamilton HM11
Bermuda

PRINCIPAL OFFICE

Room 1304-1305, 13/F
Shun Fat Industrial Building
17 Wang Hoi Road
Kowloon Bay
Kowloon
Hong Kong

股份過戶登記處

卓佳登捷時有限公司
香港
皇后大道東28號
金鐘匯中心26樓

註冊辦事處

Clarendon House
2 Church Street
Hamilton HM11
Bermuda

主要辦事處

香港
九龍
九龍灣
宏開道17號
順發工業大廈
13樓1304至1305室

財務摘要

Financial Highlights

THREE YEARS KEY FINANCIAL DATA (IN HK\$'000)

Financial year ended as at 31 March

三年重要財務數據 (千港元)

截至三月三十一日止財政年度

		2008 二零零八年	2007 二零零七年	2006 二零零六年
Turnover	營業額	245,099	300,334	282,886
Net profit/(loss) attributable to equity holders of the Company	本公司權益持有人應佔溢利/(虧損)淨額	(21,001)	(18,398)	599
Total liabilities	總負債	99,134	117,017	100,141
Total assets	總資產	187,453	194,104	166,201
Net assets	資產淨額	88,319	77,087	66,060
Gearing Ratio	資產負債比率	65.86%	69.88%	75.22%

主席報告書

Chairman's Statement

On behalf of the Board of Directors, I hereby present to the shareholders the annual report of Bestway International Holdings Limited (the "Company") and its subsidiaries (together the "Group") for the year ended 31 March 2008

DIVIDENDS

The directors do not recommend the payment of any dividend in respect of the year.

BUSINESS REVIEW

Review of Operations

The principal activities of the Group during the year were the manufacturing and trading of plastic products, mainly PVC films. During the year, the Group continues its principal business activities in the manufacturing and trading of PVC films in the PRC and recorded a turnover of HK\$245,099,000 (2007: HK\$300,334,000) which represented a decrease in turnover of approximately 18.39% over that achieved for the last year. Gross profit margin had decreased to 5.25% as compared with last year of 5.27%. The decreased in turnover and gross profit margin was mainly due to the higher crude oil price which had adverse effects to the Group in term of sales volume and costs of materials and the Group had disposed two production lines to a third party. The sales volume and average selling price per ton for the year was 21,789 tons and HK\$11,249 as compared with 30,140 tons and HK\$9,965 for the last year which had a decrease of 8,351 tons and increase in the price of HK\$1,284 per ton respectively. The net loss attributable to ordinary equity holders of the Company was HK\$21,001,000 compared with HK\$18,398,000 incurred for the last year. The Group's basic loss per share for the year was HK\$5.14 cent when compared with HK\$6.19 cent for the last year.

本人謹代表董事會向股東提呈百威國際控股有限公司(「本公司」)及其附屬公司(統稱「本集團」)截至二零零八年三月三十一日止年度之年報。

股息

董事不建議就本年度派發任何股息。

業務回顧

營運回顧

本集團於年內之主要業務為生產及買賣塑膠產品(主要為塑膠布)。年內,本集團繼續於中國以製造及買賣塑膠布作為主要業務,錄得營業額245,099,000港元(二零零七年:300,334,000港元),較去年營業額下跌約18.39%。毛利率下跌至5.25%,而去年毛利率則為5.27%。營業額及毛利率下跌主要由於原油價格上漲對本集團之銷售量及生產原料成本造成不利影響所致,本集團已向第三方出售兩條生產線。年內之銷售量及每噸平均售價分別為21,789噸及11,249港元,較去年同期之銷售量30,140噸減少8,351噸,而每噸售價則由9,965港元增加了1,284港元。本公司普通股權持有人應佔淨虧損為21,001,000港元,而去年同期則為18,398,000港元。年內本集團每股基本虧損為5.14港仙,而去年則為6.19港仙。

主席報告書

Chairman's Statement

PROSPECTS

In view of the next year, with the effect of all negative factors, especially the severe price increase of the raw materials, continuing increase of the PRC production cost and appreciation of exchange rate of RMB, the prospect of the Group in the next year is still uncertain.

On June 18 2008, the Group has entered into the very substantial acquisition agreement with Centre Zone Holdings Limited and on June 20 2008, the Group has entered into very substantial disposal agreement with Eastern Wide Investments Limited with the aim that the potential development of the Group could be promoted by business reorganization through the acquisition and sales agreement.

EMPLOYEES

As at 31 March 2008, the Group had approximately 186 full time managerial, administrative and manufacturing employees of which 23 were based in Hong Kong and the rest were stationed in the PRC. The staff number and their respective duties for both years are set out in the following table:

		2008 二零零八年	2007 二零零七年
General administration & accounting	一般行政與會計	34	61
Sales & marketing	銷售及市場推廣	9	13
Material procurement & quality control	採購物料及品質控制	7	45
Manufacturing & warehousing	製造及倉庫	136	163
		186	282

The Group affords competitive remuneration packages to its employees based on prevailing industry practice and provides to most of its employees in the PRC with rent-free quarters and messing. Compensation policies are reviewed regularly and are designed to reward and motivate productivity and performance.

前景

展望來年·在各種不利因素影響之下·尤其是原材料價格急升·國內之生產成本及人民幣匯率持續上升·集團對於來年的展望仍不明朗。

在二零零八年六月十八日·本集團與Center Zone Holdings Limited簽訂非常重大收購協議及在二零零八年六月二十日·與Eastern Wide Investments Limited簽訂非常重大出售協議·希望藉此透過完成收購及出售協議重整業務·以提升集團之長遠發展潛力。

僱員

於二零零八年三月三十一日·本集團聘用約186名負責管理·行政及生產工作之全職僱員。其中23人駐於香港·餘下員工則駐於中國。下表載列兩個年度之僱員人數及彼等之職務：

本集團根據現行業內慣例向僱員提供具競爭力之薪酬·並為大部分國內僱員提供免租住宿及膳食。本公司定期檢討酬金政策·旨在獎勵及提升僱員之生產力及表現。

主席報告書 Chairman's Statement

All of the outstanding employee share options were lapsed on 24 March 2008 which was granted on 25 September 2006 to enhance executive/non-executive directors and employees' contributions and continued services to the Company. No share option had been exercised during 25 September 2006 to 24 March 2008.

APPRECIATION

I would like to extend my gratitude to the members of the board of directors, our management team and staff for their loyalty and dedication during the past year. On behalf of the Board of Directors, I wish to convey our most sincere appreciation of the staunch support to our Group from all of our customers, suppliers and bankers during the year.

Tang Kuan Chien
Chairman

Hong Kong, 18 July 2008

為激勵執行／非執行董事及僱員之貢獻及獎勵彼等一直為本公司服務而於二零零六年九月二十五日授出而尚未行使之所有僱員購股權，已於二零零八年三月二十四日失效。於二零零六年九月二十五日至二零零八年三月二十四日止期間，概無任何購股權獲行使。

致謝

本人謹藉此對各董事、管理層及員工於過去一年之竭誠服務及貢獻表示謝意。本人謹代表董事會對本集團所有客戶、供應商及往來銀行於年內對本集團之鼎力支持深表謝忱。

唐貫健
主席

香港，二零零八年七月十八日

FINANCIAL REVIEW

The principal activities of the Group during the year were the manufacturing and trading of plastic products, mainly PVC films. During the year, the Group continues its principal business activities in the manufacturing and trading of PVC films in the PRC and recorded a turnover of HK\$245,099,000 (2007: HK\$300,334,000) which represented a decrease in turnover of approximately 18.39% over that achieved for the last year. Gross profit margin had decreased to 5.25% as compared with last year of 5.27%. The decreased in turnover and gross profit margin was mainly due to the higher crude oil price which had adverse effects to the Group in term of sales volume and costs of materials and the Group had disposed two production lines to a third party. The sales volume and average selling price per ton for the year was 21,789 tons and HK\$11,249 as compared with 30,140 tons and HK\$9,965 for the last year which had a decrease of 8,351 tons and increase in the price of HK\$1,284 per ton respectively. The net loss attributable to ordinary equity holders of the Company was HK\$21,001,000 compared with HK\$18,398,000 incurred for the last year. The Group's basic loss per share for the year was HK\$5.14 cent when compared with HK\$6.19 cent for the last year.

LIQUIDITY AND FINANCIAL RESOURCES

As at 31 March 2008, the Group's bank and other borrowings was amounted to HK\$58,164,000 which was an increase of HK\$4,294,000 from its borrowings of HK\$53,870,000 at the year ended 31 March 2007.

Of the Group's total borrowings at 31 March 2008:

- (i) HK\$25,517,000 is at floating interest rates and HK\$32,647,000 is at fixed interest rates.
- (ii) 2.57% is denominated in Hong Kong Dollars and 53.56% is denominated in Renminbi and 43.87% in United States Dollars.

財務回顧

本集團於年內之主要業務為生產及買賣塑膠產品（主要為塑膠布）。年內，本集團繼續於中國以製造及買賣塑膠布作為主要業務，錄得營業245,099,000港元（二零零七年：300,334,000港元），較去年營業額下跌約18.39%。毛利率下跌至5.25%，而去年毛利率則為5.27%。營業額及毛利率下跌主要由於原油價格上漲對本集團之銷售量及生產原料成本造成不利影響所致，本集團已向第三方出售兩條生產線。年內之銷售量及每噸平均售價分別為21,789噸及11,249港元，較去年之銷售量30,140噸減少8,351噸，而每噸售價則由9,965港元增加了1,284港元。本公司普通股權持有人應佔淨虧損為21,001,000港元，而去年同期則為18,398,000港元。年內本集團每股基本虧損為5.14港仙，而去年則為6.19港仙。

流動資金及財政資源

於二零零八年三月三十一日，本集團之銀行及其他借貸為58,164,000港元，較截至二零零七年三月三十一日止年度借貸53,870,000港元增加4,294,000港元。

本集團於二零零八年三月三十一日之借貸總額中：

- (i) 25,517,000港元按浮動利率計息，而32,647,000港元則按固定利率計息。
- (ii) 2.57%為港元、53.56%為人民幣及43.87%為美元。

管理層討論及分析

Management Discussion and Analysis

As at 31 March 2008, the Group's bank balances and cash amounted to HK\$35,251,000 (as at 31 March 2007: HK\$35,233,000). The Group's net asset value amounted to approximately HK\$88,319,000 (as at 31 March 2007: HK\$77,087,000) with total assets approximately HK\$187,453,000 (as at 31 March 2007: HK\$194,104,000). Net current assets were approximately HK\$34,208,000 (as at 31 March 2007: HK\$21,140,000) and the current ratio was 1.39 times (as at 31 March 2007: 1.20 times). The gearing ratio, expressed as the percentage of total borrowings to total net assets, was 65.86% as at 31 March 2008 (as at 31 March 2007: 69.88%)

A wholly owned subsidiary, Dongguan Best Faith Plastic Products Limited (DG Best Faith) had applied for an increase of registered capital by USD3,570,000 from USD6,430,000 to USD10,000,000, which has been approved on 7 June 2007.

A 97.65% owned subsidiary, Dongguan Bestway Plastic Manufactory (DG Bestway) originally had four production lines in existing, two of production lines were disposed to its wholly owned subsidiary, DG Best Faith located at Shi Shui Kou Villiage, Qiao Tou Town, Dongguan City. And the remaining of two production lines in DG Bestway were disposed to a third party namely 揭陽市中誠化學工業有限公司 as at a total consideration price of RMB6,800,000 which has a net book value of RMB2,786,000. A gain of RMB3,524,000 arised from the disposal after the expense.

On 23 August 2007, the Company has announced to allot 51,000,000 New Shares at HK\$0.41 per Share to Wealthy Pod Limited which is incorporated in British Virgins Islands and is wholly owned by Mr. Ng Kin Wah (Mr. Ng). Mr. Ng is the independent third party and not connected with the Company or its connected persons (as defined in the Listing Rules). The net proceeds of the Subscription was approximately HK\$20.9 million and used as general working capital. The completion of the allotment was on 22 October 2007.

On 7 November 2007, the Company with the Vendor ("Mr. Suen") had entered into an Acquisition Agreement to acquire a biodiesel plant in Suzhou at a total consideration of HK\$1,100 million. But on 29 January 2008, the Company announced that Acquisition was cancelled which was due to difficulty in obtain financing.

於二零零八年三月三十一日，本集團之銀行結存及現金35,251,000港元（於二零零七年三月三十一日：35,233,000港元）。本集團之資產淨值約為88,319,000港元（於二零零七年三月三十一日：77,087,000港元），而資產總值約為187,453,000港元（於二零零七年三月三十一日：194,104,000港元）。流動資淨值約為34,208,000港元（於二零零七年三月三十一日：21,140,000港元），而流動比率則為1.39倍（於二零零七年三月三十一日：1.20倍）。資產負債比率以借貸總額比資產淨值總額之百分比表示，於二零零八年三月三十一日為65.86%（於二零零七年三月三十一日：69.88%）。

一間全資附屬公司東莞百信塑膠製品有限公司（「東莞百信」）申請增加資本3,570,000美元，將註冊資本由6,430,000美元增加至10,000,000美元，並已於二零零七年六月七日獲得批准。

本公司擁有97.65%權益之附屬公司東莞百威塑膠廠（「東莞百威」）原有四條生產線，其中兩條生產線將出售予其位於東莞市橋頭鎮石水口村之全資附屬公司東莞百信。其餘兩條位於東莞百威之生產線以人民幣6,800,000元之總代價出售予第三方揭陽市中誠化學工業有限公司。該兩條生產線之賬面淨值為人民幣2,786,000元。扣除費用後獲利人民幣3,524,000元。

於二零零七年八月二十三日，本公司公佈以每股0.41港元向Wealthy Pod Limited配發51,000,000股新股。Wealthy Pod Limited為於英屬處女群島註冊成立並由伍健華先生（伍先生）全資擁有之公司。伍先生為與本公司及其關連人士（定義見上市規則）概無關連之獨立第三方。認購事項之所得款項淨額約為20,900,000港元，並用作一般營運資金。配發新股已於二零零七年十月二十二日完成。

於二零零七年十一月七日，本公司與賣方（「Suen先生」）簽訂收購協議，收購於蘇州之生物柴油廠，代價合共1,100,000,000港元。但由於融資問題，本公司於二零零八年一月二十九日公佈取消收購事項。

管理層討論及分析

Management Discussion and Analysis

POST BALANCE SHEET EVENTS

Subsequent to the balance sheet date, the following events had occurred:-

On 18 June 2008, the Company has entered into the Acquisition Agreement with the Vendor (Center Zone Holdings Limited) and the Warrantor (Wu Senqiang) to acquire Sale Shares and Sales Debts of two Mongolia Companies namely as Ou Ya Tou Zi Co., Limited ("Existing Metal Company") and Ou Ya Shi You Co., Limited (Existing Coal Company). Existing Metal Company is the holder of Mining Licence of exploitation and mining of the Metal Resources covering 4.88 square k.m. Existing Coal Company is the holder Mining Licence of covering a site area of not less than 200 square k.m. and the exploration, mining and exploitation of Coal Resources.

The Acquisition Price for the two Acquisitions is HK\$6,980 million, in which the Existing Metal Company Acquisition is HK\$1,280 million (subject to adjustments) which is to be satisfied to the extent of HK\$15 million by refundable deposit in cash; to the extent of HK\$1,185 million by issue of zero coupon convertible bonds ("First Conversion Shares") and to the extent of HK\$80 million by issue of Promissory Note.

The Existing Coal Company Acquisition is HK\$5,700 million (subject to adjustments) which is to be satisfied to the extent of HK\$5,700 million by issue of zero coupon convertible bonds ("Second Conversion Shares").

On 20 June 2008, the Company has entered into the Disposal Agreement with the Disposal Purchaser namely as Eastern Wide Investments Limited. The Company agreed to sell and the Disposal Purchaser agreed to purchase the Disposal Sales shares and the Disposal Sale Loans of Bestway Plastic Products Limited, Best Faith Plastic Products Limited and Bestget Plastic Products Limited and the Machineries of Rich Ocean Limited at a consideration price of approximately HK\$78.8 million which is subject to adjustments of the audited figure as at 31 March 2008.

結算日後事項

於結算日後，有如下事項發生：

於二零零八年六月十八日，本公司與賣方 (Center Zone Holdings Limited) 及擔保人 (Wu Senqiang) 簽訂收購協議，收購兩間蒙古公司，即歐亞投資有限公司（「現有金屬公司」）及歐亞石油有限公司（「現有煤公司」）之銷售股份及銷售債務。現有金屬公司持有勘探及開採涉及4.88平方公里煤礦之開採執照。現有煤公司持有涉及地盤面積不少於200平方公里，可進行勘探、開採及勘探煤礦之開採執照。

兩項收購之收購價為6,980,000,000港元，其中現有金屬公司之收購價為1,280,000,000港元（或須調整），支付方式包括：其中15,000,000港元作為可退還按金以現金支付；其中1,185,000,000港元透過發行零息可換股債券（「第一批兌換股份」）支付及其中80,000,000港元透過發行承兌票據支付。

現有煤公司之收購價為5,700,000,000港元（或須調整），其中5,700,000,000港元透過發行零息可換股債券（「第二批兌換股份」）支付。

於二零零八年六月二十日，本公司與出售買方 Eastern Wide Investments Limited 簽訂出售協議。本公司同意出售及出售買方同意購買百威塑膠製品有限公司、百信塑膠製品有限公司及百吉塑膠製品有限公司之出售銷售股份及出售銷售貸款以及富皇有限公司之機器，代價為78,800,000港元，或須按二零零八年三月三十一日之經審核數字而調整。

管理層討論及分析

Management Discussion and Analysis

The Acquisition and the Disposal constitute a very substantial acquisition and a very substantial disposal for the Company respectively under Chapter 14 of Listing Rules of the Stock Exchange of Hong Kong Limited and are subject to the Shareholders' approval. A circular and the notice of the SGM are being prepared by the Company, once it is well prepared, the Company will despatch to the Shareholders as soon as practicable.

CAPITAL EXPENDITURE

During the year ended 31 March 2008, the Group has spent HK\$7,648,000 for the modification charge of existing plant and equipment, furniture and fixture (2007: HK\$6,268,000)

CHARGE ON GROUP'S ASSETS

The Group pledged bank deposits of HK\$11,541,000 as at 31 March 2008 (as at 31 March 2007: HK\$8,370,000) in return for granting banking facilities of USD4,000,000 by a principal banker. Certain of the Group's medium term leasehold land and the building with net book value of HK\$13,953,000 (as at 31 March 2007: HK\$12,518,000) which were pledged to secure a loan of RMB10 million granted to the Group.

EXPOSURE TO FOREIGN EXCHANGE FLUCTUATION

The Group's monetary assets, liabilities and transactions were principally denominated in Hong Kong dollars ("HKD"), Renminbi ("RMB") and United States Dollars ("USD"). As all of the Group's production plants are based in the People's Republic of China, most wages and salaries and manufacturing overheads are mainly denominated in RMB. Hence, appreciation of the RMB against USD during the year had affected the loss of the Group.

The management has adopted a plan to mitigate the impact of USD depreciation in relation of RMB by the way of convert group's assets in terms of USD in PRC to RMB.

根據香港聯合交易所有限公司上市規則第14章，該等收購及出售分別構成本公司一項非常重大收購及一項非常重大出售，須獲得股東批准。本公司正編製一份通函及股東特別大會通告，並將於完成後盡快向股東寄發。

資本開支

截至二零零八年三月三十一日止年度內，本集團花費7,648,000港元作現有廠房及設備、傢俱及裝置之改良支出（二零零七年：6,268,000港元）。

本集團資產之押記

本集團於二零零八年三月三十一日之有抵押銀行存款為11,541,000港元（於二零零七年三月三十一日：8,370,000港元），以獲主要往來銀行授出一筆為數4,000,000美元之銀行信貸。本集團賬面淨值13,953,000港元（二零零七年三月三十一日：12,518,000港元）之若干中期租賃土地及樓宇已作抵押，以獲取授予本集團一筆人民幣10,000,000元貸款。

外匯波動風險

本集團之貨幣資產、負債及交易主要以港元、人民幣及美元為單位。由於本集團全部生產廠房均位於中華人民共和國，故大部分工資及薪金及製造間接費用主要以人民幣為單位。因此，年內人民幣兌美元升值對本集團之虧損產生影響。

管理層已採納計劃透過將集團於中國以美元計值資產轉換為人民幣之方式，減低美元兌人民幣貶值之影響。

管理層討論及分析

Management Discussion and Analysis

CONTINGENT LIABILITIES

As at 31 March 2008, the Group gave a guarantee of banking facilities granted to independent third parties amounting to HK\$6,647,000 (as at 31 March 2007: HK\$6,074,000).

EMPLOYEES

As at 31 March 2008, the Group had approximately 186 employees full time managerial, administrative and manufacturing employees. The Group affords competitive remuneration packages to its employees based on prevailing and industry practice and provides most of its employees in the PRC with rent-free quarters and messings. Compensation policies are reviewed regularly and are designed to reward and motivate productivity and performance.

All of the outstanding employee share options were lapsed on 24 March 2008 which was granted on 25 September 2006 to enhance executive/non-executive directors and employees' contributions and continued services to the Company. No share option had been exercised during 25 September 2006 to 24 March 2008.

或然負債

於二零零八年三月三十一日，本集團就向獨立第三方授出之銀行信貸達6,647,000港元（於二零零七年三月三十一日：6,074,000港元）提供擔保。

僱員

於二零零八年三月三十一日，本集團聘用約186名負責管理、行政及生產工作之全職僱員。本集團根據現行業內慣例向僱員提供具競爭力之薪酬，並為大部分國內僱員提供免租住宿及膳食。本公司定期檢討酬金政策，旨在獎勵及提升僱員之生產力及表現。

為激勵執行／非執行董事及僱員之貢獻及獎勵彼等一直為本公司服務而於二零零六年九月二十五日授出而尚未行使之所有僱員購股權，已於二零零八年三月二十四日失效。於二零零六年九月二十五日至二零零八年三月二十四日止期間，概無任何購股權獲行使。

董事及高級管理人員簡介

Directors and Senior Management Profile

Directors during the year and up to the date of this Annual Report are as follows:

Mr. Tang Kuan Chien	Chairman
Mr. Tang Wei Lun	Executive Director
Mr. Lam Chi Yin Henry	Executive Director
Mr. Chim Kim Lun Ricky	Executive Director (Appointed on 17 September 2007)
Mr. Fok Po Tin	Executive Director (Appointed on 17 September 2007)
Mr. Cheung Ming Leung Denver	Executive Director (Resigned on 27 June 2007)
Mr. Ng Man Kin Kenneth	Executive Director (Appointed on 1 June 2007)
Mr. Hung Shean-I	Independent Non-Executive Director
Mr. Wong Nai Ping	Independent Non-Executive Director
Mr. Au Kwok Yee Benjamin	Independent Non-Executive Director

DIRECTORS

Details of the Directors are as follows:

Mr. Tang Kuan Chien, aged 63, is responsible for the day to day management and operations of the Group. He joined the Group in August 1995 as President and has over 32 years of working experience in the plastics industry in Taiwan, Hong Kong and the PRC. He was appointed as Chairman on 18 December 1998.

Mr. Tang Wei Lun, aged 34, is the son of Mr. Tang Kuan Chien, the chairman and a substantial shareholder of the Company. He joined the Company in 2003. He obtained a Bachelor of Management from the University of Western Sydney, Australia. Prior to joining the company, Mr. Tang had worked in the banking industry in Australia for several years. He was a member and the secretary of the management committee of the Australia Chinese Charity Foundation. He is currently the deputy manager responsible for the supervision of the production and sales operation of the Group.

年內及直至本年報日期之董事如下:

唐貫健先生	主席
唐偉倫先生	執行董事
林智然先生	執行董事
詹劍崙先生	執行董事 (於二零零七年九月十七日獲委任)
霍寶田先生	執行董事 (於二零零七年九月十七日獲委任)
張明良先生	執行董事 (於二零零七年六月二十七日辭任)
吳文健先生	執行董事 (於二零零七年六月一日獲委任)
洪顯一先生	獨立非執行董事
黃乃平先生	獨立非執行董事
歐國義先生	獨立非執行董事

董事

董事之詳情載列如下:

唐貫健先生·63歲·負責本集團之日常管理及運作。彼於一九九五年八月加入本集團時已出任總裁一職·於台灣、香港及中國之塑膠業累積逾32年工作經驗。彼於一九九八年十二月十八日獲委任為主席。

唐偉倫先生·34歲·本公司主席及主要股東唐貫健先生之兒子。彼於二零零三年加入本公司。彼於澳洲University of Western Sydney取得工商管理學學士學位。加盟本公司前·唐先生曾於澳洲銀行業工作數年。唐先生曾擔任澳洲華人公益金之管理委員會秘書。目前·彼為監管本集團產銷業務之副經理。

董事及高級管理人員簡介

Directors and Senior Management Profile

Mr. Lam Chi Yin Henry, age 42, is a Certified Public Accountant in Hong Kong. He has over 12 years of experience in financial management and holds a Master degree in investment management from the Hong Kong University of Science & Technology. Mr. Lam worked at the senior management level of several securities companies which are listed on the Tokyo Stock Exchange, including Okasan International Asia Limited and Takagi Securities (HK) Ltd, a subsidiary of Nomura Securities Co. Ltd. He was the managing director of GOA Group (International) Limited and GOA Securities Limited. Mr. Lam was also the company secretary of a listed company in Hong Kong, namely Prime Investment Holdings Limited from February 2004 to May 2005. Mr. Lam is mainly responsible for the funds raising of the Group.

Mr. Chim Kim Lun Ricky, aged 38, holds a Bachelor degree in Arts from the University of British Columbia in Canada and has over 10 years of commercial and industrial experiences and of experience in investment. Mr. Chim is an executive director of Bel Global Resources Holdings Limited (Stock code: 761), Yueshou Environmental Holdings Limited (stock code: 1191), China Fair Land Holdings Limited (stock code: 169) and Karce International Holdings Company Limited (stock code: 1159), which are listed on the main board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

Mr. Fok Po Tin aged 48, holds Bachelor's degree in Business Administration with honors from the Chinese University of Hong Kong and a Bachelor's degree in Laws from the Beijing University. He is currently a practicing solicitor of the High Court of Hong Kong and is the principal partner of Henry Fok & Company, Solicitors. Mr. Fok has over 12 years of extensive experience as a solicitor of general practice and is very familiar with commercial law. Mr. Fok was an independent non-executive director of Neptune Group Limited (formerly known as Massive Resources International Corporation Limited, stock code: 70), a company listed on the main board of the Stock Exchange, for the period from January to September 2004, an executive director of Xian Yuen Titanium Resources Holdings Limited (stock code: 353), a company listed on the main board of the Stock Exchange, and the chairman and an executive director of Yueshou Environmental Holdings Limited (stock code: 1191), a company listed on the main board of the Stock Exchange.

林智然先生，42歲，為香港執業會計師。彼於財務管理方面累積逾12年經驗。彼持有香港科技大學投資管理碩士學位。林先生曾於多家東京證券交易所上市證券公司出任高級管理人員，包括岡三國際（亞洲）有限公司及野村證券有限公司之附屬公司高木證券（香港）有限公司。彼曾任興亞集團（國際）有限公司及興亞證券有限公司之董事總經理。於二零零四年二月至二零零五年五月期間，林先生亦為香港上市公司Prime Investment Holdings Limited之公司秘書。林先生主要負責為本集團集資。

詹劍嵩先生，38歲，持有加拿大英屬哥倫比亞大學文學士學位，擁有逾10年工商業及投資業務經驗。詹先生為香港聯合交易所有限公司（「聯交所」）主板上市公司百營環球資源控股有限公司（股份代號：761）、粵首環保控股有限公司（股份代號：1191）、正輝中國集團有限公司（證券代號：169）及泰盛實業集團有限公司（股份代號：1159）之執行董事。

霍寶田先生，48歲，持有香港中文大學工商管理（榮譽）學士學位及北京大學法律學士學位。霍先生現為香港高等法院之執業律師及霍寶田律師行之總合夥人，有超過12年一般律師事務之豐富經驗，對商業法律尤其熟悉。霍先生於二零零四年一月至九月期間擔任聯交所主板上市公司海王集團有限公司（前稱駿雷國際有限公司，股份代號：70）之獨立非執行董事，亦擔任聯交所主板上市公司森源鈦礦控股有限公司（股份代號：353）之執行董事，以及聯交所主板上市公司粵首環保控股有限公司（股份代號：1191）之主席兼執行董事。

董事及高級管理人員簡介

Directors and Senior Management Profile

Mr. Cheung Ming Leung Denver, aged 47, joined the Group in September 2004 and responsible for the internal performance audit for the Group. He has worked in the finance field for over 16 years. He left the Company on 27 June 2007.

Mr. Ng Man Kin Kenneth, aged 33, jointed the Group as a Group Finance and Accounting Manager since August 2004. He obtained a Bachelor of Commerce from the University of New South Wales, Australia. He is a qualified as a CPA Australia and an associate member of HKICPA in 2003 and 2004 respectively. Prior to joining the Group, he has over 4 years of experience in CPA firm in Hong Kong.

Mr. Hung Shean-I, aged 69, graduated from the Faculty of Chemical Engineering at Taiwan National Cheng Kung University and is presently the General Manager of Grand Team International Company, Limited in Taiwan. He was previously the General Manager of Huls Company Limited in Taiwan. He is now the Chairman of Rotary Club at Chaoyang, Taipei and a committee member of the International Rotary Club Fund Organization District 3480.

Mr. Wong Nai Ping, aged 57, was appointed as an independent non-executive director on 2 March 2004. Mr. Wong is currently the Chairman of David and Winson Enterprises Pty. Ltd. He had previously held senior management positions and directorships in Hong Kong and multi-national companies. He is a trustee of the Hong Kong Liver Patients Assistance Fund. Mr. Wong is a Justice of Peace and the founding chairman of the Lions Club of 201N5 in Australia. In 2002, he was awarded the Medal of Centenary of Federation of Australia.

Mr. Au Kwok Yee Benjamin, aged 41, was appointed as an independent non-executive director on 30 September 2004. He graduated from the University of Hong Kong with a bachelor's degree in laws in 1991 and obtained a postgraduate certificate in laws in 1992. He is currently the Principal solicitor of Messrs. Benjamin Au & Co Solicitors. He has over 13 years of experience in commercial and corporate matters, civil and criminal litigations, intellectual property, commercial documents drafting and advice and employment matters and appeals.

張明良先生，47歲，於二零零四年九月加盟本集團，並負責本集團內部業績審計方面之工作。彼於金融行業工作超過16年。彼於二零零七年六月二十七日辭任。

吳文健先生，33歲，自二零零四年八月加入本集團以來一直擔任集團財務及會計經理，持有澳洲新南威爾斯大學商業學士學位，分別於二零零三年及二零零四年取得澳洲執業會計師及香港會計師公會會員資格。於加入本集團前，吳先生曾於香港執業會計師行工作逾4年。

洪顯一先生，69歲，畢業於台灣國立成功大學化學工程系，現為台灣圓登國際股份有限公司總經理。彼前為台灣Huls Company Limited之總經理，現為台北朝陽扶輪社會長以及3480區國際扶輪社基金會委員。

黃乃平先生，57歲，於二零零四年三月二日獲委任為獨立非執行董事。黃先生現為David and Winson Enterprises Pty. Ltd主席，之前曾於香港及多家跨國公司擔任高級管理及董事職位。彼為Hong Kong Liver Patients Assistance Fund信託人，亦為太平紳士及澳洲201N5獅子會創會主席。於二零零二年，彼獲頒澳洲聯邦立國百年勳章。

歐國義先生，41歲，於二零零四年九月三十日獲委任為獨立非執行董事。彼於一九九一年在香港大學畢業，取得法律學士學位，並於一九九二年取得法學專業證書。彼現時在歐國義律師行擔任高級律師，在商業及企業事務、民事及刑事訴訟、知識產權、商業文件草擬及諮詢以及勞工事務及糾紛方面積逾13年經驗。

董事及高級管理人員簡介

Directors and Senior Management Profile

SENIOR MANAGEMENT EXECUTIVES

The senior management executives of the Company for the financial year and up to the date of this Annual Report are as follows:

Mr. Chu Fungshih	Assistant Vice President
Mr. Mo Chi Wai	Group Purchasing Manager
Mr. Leung Chi Wing Billy	Group Chief Accountant

Details of the senior management executives are as follows:

Mr. Chu Fungshih, aged 66, rejoined the Group on 4 December 2003 as Assistant Vice President and has the overall responsibility over the Group's production management and product development. Mr. Chu has over 42 years of plastic industry experience in Taiwan, the PRC and other Southeast Asian countries. He was the project manager in setting up the Dongguan Bestway facility in 1991.

Mr. Mo Chi Wai, aged 42, is Group Purchasing Manager and Administration Manager of the Dongguan plants. Mr. Mo is a graduate of the National Taiwan University in 1991 with a Bachelor of Science Degree in Engineering. He joined the Group on 16 September 1991 and has since been working in managerial positions in different departments.

Mr. Leung Chi Wing Billy, *FCCA, HKICPA*, aged 41, is the Group Chief Accountant of the Group and is responsible for the overall supervision of the financial reporting and accounting functions of the Group. He joined the Group in 19 March 2001. Mr. Leung has over 19 years of experience in accounting and corporate finance. He is the Company Secretary of the Group.

高級管理人員

本公司於本財政年度及直至本年報日期之高級管理人員如下：

朱逢時先生	助理副總裁
巫志偉先生	集團採購經理
梁志永先生	集團首席會計師

高級管理人員之詳情載列如下：

朱逢時先生，66歲，於二零零三年十二月四日重返本集團，出任助理副總裁，負責本集團生產管理及產品開發整體事務。朱先生於台灣、中國及其他東南亞國家的塑膠業積逾42年經驗。彼於一九九一年曾為開設東莞百威廠房之項目經理。

巫志偉先生，42歲，為東莞廠房的集團採購經理兼行政經理。巫先生於一九九一年畢業於國立台灣大學，獲頒工程學理學士學位。彼於一九九一年九月十六日加入本集團，其後一直於不同部門擔任管理職務。

梁志永先生，英國特許公認會計師公會資深會員及香港會計師公會會員，41歲，為集團總會計師，負責本集團財務申報及會計事務的整體監督工作。彼於二零零一年三月十九日加入本集團。梁先生於會計及企業融資方面積累逾19年經驗。彼亦為本集團之公司秘書。

董事會報告

Report of the Directors

The directors present their report and the audited financial statements of the Company and of the Group for the year ended 31 March 2008.

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. The principal activities of the principal subsidiaries consisted of the manufacturing and trading of plastic products, mainly PVC films. There were no significant changes in the nature of the Group's principal activities during the year.

RESULTS

The Group's loss for the year ended 31 March 2008 and the state of affairs of the Company and of the Group at that date are set out in the financial statements on pages 40 to 116.

董事會謹提呈本公司及本集團截至二零零八年三月三十一日止年度之報告及經審核財務報表。

主要業務

本公司之主要業務為投資控股。主要附屬公司之主要業務包括塑膠產品之製造及買賣，主要為塑膠布。本集團年內之主要業務性質並無重大改變。

業績

本集團截至二零零八年三月三十一日止年度之虧損及本公司與本集團於該日之財政狀況載於財務報表第40頁至第116頁。

董事會報告

Report of the Directors

SUMMARY FINANCIAL INFORMATION

The following is a summary of the published results and of the assets, liabilities and minority interests of the Group for the last five financial years, as extracted from the audited financial statements and restated/reclassified as appropriate. This summary does not form a part of the audited financial statements.

Results

財務資料概要

以下為過去五個財政年度本集團已公佈業績及資產、負債及少數股東權益之概要，該等資料摘錄自經審核財務報表，並已適當地重列／重新分類。此概要並不構成經審核財務報表之一部分。

業績

		Year ended 31 March 截至三月三十一日止年度				
		2008 HK\$'000 二零零八年 千港元	2007 HK\$'000 二零零七年 千港元	2006 HK\$'000 二零零六年 千港元	2005 HK\$'000 二零零五年 千港元	2004 HK\$'000 二零零四年 千港元
TURNOVER	營業額	245,099	300,334	282,886	292,020	240,754
Loss before taxation	除稅前虧損	(24,135)	(18,732)	(1,603)	(15,518)	(7,969)
Taxation	稅項	720	34	2,264	(105)	2,440
Profit/(loss) for the year from continuing operations	年度持續經營業務之溢利／(虧損)	(23,415)	(18,698)	661	(15,623)	(5,529)
Loss for the year from a discontinued operation	年度一項終止經營業務之虧損	-	-	-	(12,620)	(3,782)
Profit/(loss) for the year	年度溢利／(虧損)	(23,415)	(18,698)	661	(28,243)	(9,311)
Attributable to:	應佔：					
Equity holders of the Company	本公司權益持有人	(21,001)	(18,398)	599	(28,133)	(9,354)
Minority interests	少數股東權益	(2,414)	(300)	62	(110)	43
		(23,415)	(18,698)	661	(28,243)	(9,311)

董事會報告

Report of the Directors

SUMMARY FINANCIAL INFORMATION

(Continued)

財務資料概要 (續)

Assets, Liabilities and Minority Interests

資產、負債及少數股東權益

		2008	2007	31 March		2005	2004
		HK\$'000	HK\$'000	2006	2005	2004	2004
		二零零八年	二零零七年	二零零六年	二零零五年	二零零四年	二零零四年
		千港元	千港元	千港元	千港元	千港元	千港元
Property, plant and equipment	物業、廠房及設備	59,159	59,933	63,350	75,342	119,434	
Prepaid land lease payments	預付土地租賃款項	3,681	3,942	4,082	4,236	9,000	
Interests in jointly-controlled entities	佔共同控制企業權益	-	-	4,002	8,491	15,272	
Long term receivables/ long term investments	長期應收賬款/ 長期投資	2,660	2,643	2,698	2,866	3,150	
Prepaid rentals	預付租金	-	-	2,098	4,254	6,410	
Current assets	流動資產	121,953	127,586	89,971	88,926	91,687	
Total assets	總資產	187,453	194,104	166,201	184,115	244,953	
Current liabilities	流動負債	(87,745)	(106,446)	(87,387)	(96,231)	(118,316)	
Long term portion of interest-bearing bank and other borrowings	計息銀行及其他借貸之 長期部分	(11,389)	(10,571)	(12,754)	(31,084)	(70,934)	
Long term portion of loan from a shareholder	欠一名股東貸款之 長期部分	-	-	-	(22,500)	-	
Long term portion of finance lease payables	應付融資租約之 長期部分	-	-	-	-	(1,345)	
Convertible bonds	可換股債券	-	-	-	(40,692)	(72,865)	
Total liabilities	負債總額	(99,134)	(117,017)	(100,141)	(190,507)	(263,460)	
Minority interests	少數股東權益	(2,021)	(4,259)	(4,562)	(4,431)	(11,984)	
		86,298	72,828	61,498	(10,823)	(30,491)	

PROPERTY, PLANT AND EQUIPMENT

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

SHARE CAPITAL AND SHARE OPTION SCHEME

Details of the movements in the share capital and share option schemes of the Company during the year, together with the reasons therefor, are set out in notes 28 and 30 to the financial statements.

PRE-EMPTIVE RIGHTS

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

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY

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

RESERVES

Details of movements in the reserves of the Company and of the Group during the year are set out in note 31(b) to the financial statements and in the consolidated statement of changes in equity, respectively.

DISTRIBUTABLE RESERVES

At 31 March 2008, the Company had no retained profits available for cash distribution and/or distribution in specie. Under the Bermuda Companies Act 1981, the Company's contributed surplus of HK\$159,393,000 is currently not available for distribution. The Company's share premium account in the amount of HK\$30,420,000 may be distributed in the form of fully paid bonus shares.

物業、廠房及設備

本集團年內之物業、廠房及設備變動詳情載於財務報表附註14。

股本及購股權計劃

本公司年內之股本及購股權計劃及可換股債券變動詳情連同其原因，分別載於財務報表附註28及30。

優先購買權

本公司之章程細則或百慕達法例均無條文規定本公司須按持股量比例向本公司現有股東發行新股之優先購買權。

購買、贖回或出售本公司上市證券

本公司或其任何附屬公司概無於年內購買、贖回或出售任何本公司上市證券。

儲備

本公司及本集團於本年內之儲備變動詳情分別載於財務報表附註31(b)及綜合權益變動表。

可分派儲備

於二零零八年三月三十一日，本公司並無可供現金分派及／或實物分派之保留溢利。根據一九八一年百慕達公司法（經修訂），本公司之實繳盈餘159,393,000港元現時並不可供分派，本公司之股份溢價賬30,420,000港元可按繳足紅股之形式作分派。

董事會報告

Report of the Directors

MAJOR CUSTOMERS AND SUPPLIERS

In the year under review, sales to the Group's five largest customers accounted for 50% (2007: 49%) of the total sales for the year and sales to the largest customer included therein amounted to 21% (2007: 24%). Purchases from the Group's five largest suppliers accounted for 67% (2007: 64%) of the total purchases for the year and purchases from the largest supplier included therein amounted to 23% (2007: 21%).

None of the directors of the Company or any of their associates or any shareholders (which, to the best knowledge of the directors, own more than 5% of the Company's issued share capital) had any beneficial interest in the Group's five largest customers or suppliers during the year.

The Group's concentration of credit risk on trade receivables as at 31 March 2008 is mainly from five major customers which accounted for 33% (2007: 29%) of trade receivables mainly from Hong Kong. The Group has closely monitored the recoverability of trade receivables and taken effective measures to ensure timely collection of outstanding balances.

DIRECTORS

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

Executive directors:

Mr. Tang Kuan Chien
Mr. Tang Wei Lun
Mr. Lam Chi Yin Henry
Mr. Chim Kim Lun Ricky (appointed on 17 September 2007)
Mr. Fok Po Tin (appointed on 17 September 2007)
Mr. Ng Man Kin Kenneth (appointed on 1 June 2007)
Mr. Cheung Ming Leung Denver (resigned on 27 June 2007)

Independent non-executive directors:

Mr. Hung, Shean-I
Mr. Wong Nai Ping
Mr. Au Kwok Yee Benjamin

主要客戶及主要供應商

於回顧年度內，向本集團五大客戶作出之銷售額佔本年度銷售總額50%（二零零七年：49%），其中向最大客戶作出之銷售額則佔21%（二零零七年：24%）。本集團向五大供應商購貨之採購額佔本年度採購總額67%（二零零七年：64%），其中向最大供應商購貨之採購額則佔23%（二零零七年：21%）。

年內，本公司各董事或彼等之任何聯繫人士或任何就董事所知擁有本公司已發行股本5%以上之股東概無於本集團五大客戶或五大供應商中擁有任何實益權益。

於二零零八年三月三十一日，本集團集中貿易應收賬款之信貸風險主要來自五大客戶，貿易應收賬款共佔33%（二零零七年：29%），主要來自香港。本集團已密切監察貿易應收賬款之可收回程度及採取有效措施，以確保能適時收回未收回餘額。

董事

本公司本年度及截至本報告刊發日期之董事載列如下：

執行董事：

唐貫健先生
唐偉倫先生
林智然先生
詹劍嵩先生（於二零零七年九月十七日獲委任）
霍寶田先生（於二零零七年九月十七日獲委任）
吳文健先生（於二零零七年六月一日獲委任）
張明良先生（於二零零七年六月二十七日辭任）

獨立非執行董事：

洪顯一先生
黃乃平先生
歐國義先生

董事會報告

Report of the Directors

DIRECTORS (Continued)

In accordance with clauses 86(2) and 87 of the Company's bye-laws, Mr. Tang Kuan Chien, Mr. Wong Nai Ping, Mr. Hung Shean-I, Mr. Chim Kim Lun Ricky and Mr. Fok Po Tin will retire and, being eligible, will offer themselves for re-election at the forthcoming annual general meeting.

The Company has received annual confirmations of independence from Mr. Hung Shean-I, Mr. Wong Nai Ping and Mr. Au Kwok Yee Benjamin, and as at the date of this report still considers them to be independent.

DIRECTORS' AND SENIOR MANAGEMENT'S BIOGRAPHIES

Biographical details of the directors of the Company and the senior management of the Group are set out on pages 13 to 16 of the annual report.

DIRECTORS' SERVICE CONTRACTS

No director proposed for re-election at the forthcoming annual general meeting has a service contract with the Company or any of its subsidiaries which is not determinable by the Company within one year without payment of compensation, other than statutory compensation.

DIRECTORS' REMUNERATION

The directors' fees are subject to shareholders' approval at general meetings with reference to the recommendation of the Group's remuneration committee. Other emoluments are determined by the Company's board of directors with reference to directors' duties, responsibilities and performance and results of the Group.

DIRECTORS' INTERESTS IN CONTRACTS

No director had a material interest, either directly or indirectly, in any contract of significance to the business of the Group to which the Company or any of its subsidiaries was a party during the year.

董事 (續)

按照本公司章程細則第86(2)及87條，唐貫健先生、黃乃平先生、洪顯一先生、詹劍崙先生及霍寶田先生於應屆股東週年大會上依章告退，惟彼等均願膺選連任。

本公司已取得洪顯一先生、黃乃平先生及歐國義先生之年度獨立性確認書，於本報告刊發日期，彼等一直被視為獨立人士。

董事及高級管理人員簡介

本公司董事及本集團高級管理人員簡介載於年報第13頁至第16頁。

董事之服務合約

在即將舉行之股東週年大會上獲提名連任之董事概無與本公司及任何其附屬公司訂立任何不可由本公司於一年內終止而毋須作出補償（法定賠償除外）之服務合約。

董事酬金

董事袍金須於週年大會上提交股東批准，並參照本集團薪酬委員會之建議。其他薪酬乃由本公司董事會參照董事工作、職責及本集團之表現及業績而釐定。

董事於合約中之權益

年內，各董事於本公司或其任何附屬公司所訂立對本集團業務有重大影響之合約中概無重大權益。

董事會報告

Report of the Directors

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

At 31 March 2008, the interests of the directors in the share capital of the Company or 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 by the Company pursuant to 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 (the "Model Code"), were as follows:

Long positions in the Shares:

Number of shares held, capacity in which Shares are held and nature of interest:

Name of director		Directly beneficially owned	Through controlled corporation	Total	Percentage of the Company's issued share capital 佔本公司已發行股本百分比
董事姓名		直接實質擁有	透過控制公司	總計	
Tang Kuan Chien 唐貫健	Executive Director 執行董事	7,001,050	59,315,132 ¹	66,316,182	15.18
Tang Wei Lun 唐偉倫	Executive Director 執行董事	2,250,000	–	2,250,000	0.51
Wong Nai Ping 黃乃平	Independent non-executive Director 獨立非執行董事	388,650	–	388,650	0.09
Hung Shean-I 洪顯一	Independent non-executive Director 獨立非執行董事	450,000	–	450,000	0.10

Notes:

1. The corporate interest Shares are held as to 20,152,375 Shares by Bestway Development Limited, a company incorporated in the British Virgin Islands and wholly-owned by Mr. Tang Kuan Chien, and as to 39,162,757 Shares by Best Online Limited, a company incorporated in the British Virgin Islands and wholly-owned by Ms. Wang Ya Chin, the spouse of Mr. Tang Kuan Chien.

董事於股份、相關股份及債券之權益及短倉

於二零零八年三月三十一日，誠如本公司根據證券及期貨條例（「證券及期貨條例」）第352條存置之登記冊記錄，或根據上市公司董事進行證券交易之標準守則（「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」），董事於本公司或其相聯法團（定義見證券及期貨條例第XV部）股本之權益如下：

於股份之長倉：

持有股份數目、身份及權益性質

附註：

1. 公司權益股份乃由Bestway Development Limited（於英屬處女群島註冊成立之公司，由唐貫健先生全資擁有）持有20,152,375股，其中39,162,757股股份由Best Online Limited（於英屬處女群島註冊成立之公司，由唐貫健先生之配偶王雅清女士全資擁有）持有。

董事會報告

Report of the Directors

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

In addition to the above, Mr. Tang Kuan Chien has non-beneficial personal equity interests in certain subsidiaries held in trust for the benefit of the Company solely for the purpose of complying with the minimum company membership requirements.

Save as disclosed above, none of the Directors or chief executive of the Company and their associates had any interests or short positions in any shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO), which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO), or which were required pursuant to Section 352 of the SFO to be entered in the register maintained by the Company referred to therein, or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code.

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

At no time during the year were rights to acquire benefits by means of the acquisition of shares in or debentures of the Company granted to any directors or their respective spouse or minor children, or were any such rights exercised by them; or was the Company or any of its subsidiaries a party to any arrangement to enable the directors to acquire such rights in any other body corporate.

董事於股份、相關股份及債券之權益及短倉 (續)

除上述者外，唐貫健先生於若干附屬公司擁有非實益個人股本權益，為本公司利益以信託形式持有，僅為遵守最少公司股東規定。

除上文所披露者外，董事及本公司行政總裁或彼等之聯繫人士於本公司或其任何相聯法團（定義見證券及期貨條例第XV部）之股份、相關股份及債券中，擁有根據證券及期貨條例第XV部第7及第8分部（包括根據證券及期貨條例該等規定當作或視作擁有之權益及淡倉）須知會本公司及聯交所之權益，或遵照證券及期貨條例第352條須載入該條文所述本公司存置之登記冊之權益，或根據標準守則須知會本公司及聯交所之權益。

董事獲得股票或債券之權利

於年內任何時間，任何董事或其配偶或其未成年之子女概無獲授任何權利可藉著收購本公司之股份或債券而獲益而彼等亦無行使任何該等權利；或其任何附屬公司並無參與任何安排，致使董事於任何其他法人團體取得該等權利。

董事會報告

Report of the Directors

SUBSTANTIAL SHAREHOLDERS

At 31 March 2008, the following interests of 5% or more of the issued share capital of the Company were recorded in the register of interests required to be kept by the Company pursuant to Section 336 of the SFO:

Long positions:

Name		Notes	Number of ordinary shares held	Percentage of the Company's issued share capital
姓名		附註	所持有普通股數目	佔本公司已發行股本百分比
Ms. Wang Ya Chin	王雅清女士	(a)	66,316,182	15.18
Best Online Limited	Best Online Limited	(b)	39,162,757	8.96
Wealthy Pod Limited	Wealthy Pod Limited	(c)	51,000,000	11.67
Mr. Ng Kin Wah	伍健華先生	(c)	51,000,000	11.67

Notes:

- (a) The interests of Ms. Wang Ya Chin include the 39,162,757 shares held by Best Online Limited, being the personal and corporate interests of Mr. Tang Kuan Chien, as disclosed under the heading "Directors' interests and short positions in shares, underlying shares and debentures" above.
- (b) These interests are also included as a corporate interest of Mr. Tang Kuan Chien as disclosed under the heading "Directors' interests and short positions in shares, underlying shares and debentures" above.
- (c) Wealthy Pod Limited is a company incorporated in the BVI and is wholly-owned by Mr. Ng Kin Wah ("Mr. Ng"). Wealthy Pod Limited and Mr. Ng are Independent Third Parties.

Save as disclosed above, as at 31 March 2008, no person other than the directors of the Company whose interests are set out under the heading "Directors' interests and short positions in shares, underlying shares and debentures" above, had registered an interest or short position in the shares, underlying shares or debentures of the Company that was required to be recorded pursuant to Section 336 of the SFO.

主要股東

於二零零八年三月三十一日，按本公司根據證券及期貨條例第336條保存之權益登記冊所載，擁有本公司已發行股本5%或以上權益之股東載列如下：

長倉：

	Notes	Number of ordinary shares held	Percentage of the Company's issued share capital
	附註	所持有普通股數目	佔本公司已發行股本百分比
	(a)	66,316,182	15.18
	(b)	39,162,757	8.96
	(c)	51,000,000	11.67
	(c)	51,000,000	11.67

附註：

- (a) 王雅清女士之權益包括Best Online Limited所持有之39,162,757股股份及唐貴健先生之公司權益，已於上文「董事於股份、相關股份及債券之權益及短倉」一節中披露。
- (b) 此等權益亦已於上文「董事於股份、相關股份及債券之權益及短倉」一節中披露，為唐貴健先生之公司權益。
- (c) Wealthy Pod Limited為一家於英屬處女群島註冊成立之公司，並由伍健華先生（伍先生）全資擁有，Wealthy Pod Limited及伍先生均為獨立第三方。

除上文所披露者外，於二零零八年三月三十一日，除其權益載於上文「董事於股份、相關股份及債券之權益及短倉」一節之本公司董事外，概無任何人士擁有須根據證券及期貨條例第336條登記於本公司股份、相關股份及債券中之權益或短倉。

董事會報告

Report of the Directors

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the directors, at least 25% of the Company's total issued share capital was held by the public as at the date of this report.

DIRECTORS' INTERESTS IN A COMPETING BUSINESS

None of the directors of the Company or their respective associates was interested in, apart from the Group's businesses, any business which competes or is likely to compete, either directly or indirectly, with the businesses of the Group.

CORPORATE GOVERNANCE

In the opinion of the directors, the Company has complied with the Code on Corporate Governance Practices (the "Code") as set out in Appendix 14 of the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules") throughout the accounting period covered by the annual report, except for certain deviations, please refer to the Corporate Governance Report on pages 28 to 36 of the annual report.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code as the Company's code of conduct for dealings in securities of the Company by the directors. Based on specific enquiry of the Company's directors, the directors confirmed that they have complied with the required standard set out in the Model Code, throughout the accounting period covered by the annual report.

足夠之公眾持股量

根據本報告刊發日期可以得悉、而董事亦知悉之公開資料、本公司已發行股本總數中之最少25%乃由公眾持有。

董事於競爭業務之權益

除本集團業務外、本公司董事及彼等各自之聯繫人士概無於任何與本集團業務直接或間接構成或可能構成競爭之業務中擁有權益。

企業管治

董事認為、本公司已於年報所涵蓋之整個會計期間內遵守聯交所證券上市規則（「上市規則」）附錄14中之《企業管治常規守則》（「守則」）、惟若干偏離者除外、請參閱年報第28頁至第36頁之企業管治報告。

證券交易之標準守則

本公司已採納標準守則作為董事買賣本公司證券之標準。根據向本公司董事所作出之特定查詢、董事確認彼等已於年報所涵蓋之整個會計期間內遵守標準守則所載規定。

董事會報告

Report of the Directors

AUDIT COMMITTEE

The Company has an Audit Committee which was established in compliance with the Code for the purposes of reviewing and providing supervision over the Group's financial reporting process and internal controls. The Group's audited financial statements for the year ended 31 March 2008 has been reviewed by the Committee. The Audit Committee comprises the three independent non-executive directors of the Company, and meets at least twice annually to perform their duties.

POST BALANCE SHEET EVENTS

Details of the significant post balance sheet events of the Group are set out in note 38 to the financial statements.

AUDITORS

Morison Heng retire and a resolution for their reappointment as auditors of the Company will be proposed at the forthcoming annual general meeting.

ON BEHALF OF THE BOARD

Tang Kuan Chien
Chairman

Hong Kong
18 July 2008

審核委員會

本公司已遵照守則成立審核委員會，以審視及監督本集團之財務報告程序及內部控制。委員會已審閱本集團截至二零零八年三月三十一日止年度之經審核財務報表。審核委員會由本公司三位獨立非執行董事組成，並每年至少舉行兩次會議以履行其職責。

結算日後事項

本集團結算日後重大事項載於財務報表附註38。

核數師

華利信會計師事務所任滿告退。本屆股東週年大會將提出決議案重新委任其為本公司之核數師。

代表董事會

主席
唐貫健

香港
二零零八年七月十八日

企業管治報告

Corporate Governance Report

The Board of directors (“Board”) is committed to maintaining statutory and regulatory standards and adherence to the principle of corporate governance with emphasis on transparency, independence, accountability and responsibility. The Board reviews its corporate governance practices from time to time in order to meet the rising expectations of shareholders and comply with increasingly stringent regulatory requirements, and to fulfill its commitment to excellence in corporate governance.

The Stock Exchange of Hong Kong Limited (“Stock Exchange”) has issued Appendix 14 of the Rules Governing the listing of securities (the “Listing Rules”) relating to “The Code on Corporate Governance Practices (the “CG Codes”)” for the listed company to comply with. In the opinion of the directors, the Company has complied with CG Codes throughout the year, except for the deviations from the CG Codes provision A.2.1 relating to the separation roles of chairman and chief executive office and the roles should not be performed by the same individual, which are explained in the following paragraphs:

THE BOARD

Responsibilities

The overall management of the Company’s business is vested in the Board, which assumes responsibility for leadership and control of the Company and is collectively responsible for promoting the success of the Company by directing and supervising its affairs. All directors should take decisions objectively in the interests of the Company.

The Board reserves for its decisions all major matters of the Company, including: the approval and monitoring of all policy matters, overall strategies and budgets, internal control and risk management systems, material transactions, financial information, appointment of directors and other significant financial and operational matters.

董事會（「董事會」）致力維持有關法定及監管標準，並緊守企業管治之原則，強調透明、獨立、問責及負責。為了達到與公司有相關利益者對企業管治水平不斷提升之期望，以及符合日趨嚴謹之法規要求，以及履行其良好企業管治之承諾，董事會將不時檢討本公司之企業管治守則。

上市公司須遵守香港聯合交易所有限公司（「聯交所」）發出之證券上市規則附錄14之《企業管治常規守則》（「企業管治守則」）。董事認為本公司全年一直遵守企業管治守則，惟偏離企業管治守則條文A.2.1有關主席及行政總裁之角色區分，此等角色不應由一人同時兼任，偏離詳情於下段說明。

董事會

職責

本公司之整體業務由董事會負責管理。董事會負責本公司之領導及監控，並對本公司之成功負共同責任。全體董事均客觀就本公司利益作出決定。

董事會保留就本公司所有重要事項作出決策之權力，包括批准及監控所有政策、整體策略及預算、內部監控及風險管理制度、重大交易、財務資料、委任董事及其他重大財務及營運事宜。

企業管治報告

Corporate Governance Report

THE BOARD (Continued)

Composition

The Board currently comprises the following directors

Executive directors:

Mr. Tang Kuan Chien (*Chairman*)
Mr. Tang Wei Lun
Mr. Lam Chi Yin Henry
Mr. Chim Kim Lun Ricky
Mr. Fok Po Tin
Mr. Ng Man Kin Kenneth

Independent non-executive directors:

Mr. Hung Shean-I
Mr. Wong Nai Ping
Mr. Au Kwok Yee Benjamin

The list of directors (by category) is also disclosed in all corporate communications issued by the Company pursuant to the Listing Rules from time to time.

There is no relationship among the current members of the Board except for the family relationship between Mr. Tang Kuan Chien and Mr. Tang Wei Lun. Mr. Tang Wei Lun is the son of Mr. Tang Kuan Chien. Biographical details of the Directors are set out in the section headed "Director and Senior Management Profile" on page 13 to 16 of the annual report.

董事會 (續)

組成

本公司董事會現時由以下董事組成：

執行董事：

唐貫健先生 (主席)
唐偉倫先生
林智然先生
詹劍崙先生
霍寶田先生
吳文健先生

獨立非執行董事：

洪顯一先生
黃乃平先生
歐國義先生

上列董事 (按類別計) 亦於本公司根據上市規則不時發出之所有企業通訊披露。

除唐貫健先生及唐偉倫先生為親屬關係外，現有董事間概無關係。唐偉倫先生為唐貫健先生之子。董事簡介載列於本年報第13頁至第16頁「董事及高級管理人員簡介」中披露。

THE BOARD *(Continued)*

Composition *(Continued)*

All Directors are regularly updated on governance and regulatory matters. There is a procedure to enable directors, upon reasonable request, to seek independent professional advice in appropriate circumstances at the expense of the Company in order to discharge of their duties.

During the year, two regular and five irregular board meetings were held. Notice of at least 14 days has been given to all Directors for all regular board meetings and the Directors can include matters for discussion in the agenda if necessary. Agenda and accompanying Board papers in respect of regular and irregular board meetings are sent out in full to all directors within reasonable time before the meeting. Minutes of board meetings are kept by duly appointed secretaries of the respective meetings and record in sufficient detail the matters considered by the board and decision reached and sent to all directors for their comment and records respectively within a reasonable time after the board meeting was held.

All directors have access to board papers and related materials, and are provided with adequate information on a timely manner, which enable the Board to make an informed decision on matters placed before it.

董事會 *(續)*

組成 *(續)*

全體董事均定期獲得有關管治及監管事宜之更新資訊。董事可根據程序，按合理要求於合適情況下尋求獨立意見，以協助履行其於本公司之職責，有關費用由本公司支付。

年內，董事會召開了兩次定期董事會會議及五次臨時董事會會議。就董事會所有定期會議，全體董事均獲給予最少十四天通知，如有需要，董事可將討論事項納入有關議程。董事會定期及臨時會議之議程及附連之董事會文件在開會前一段合理時間內派發予所有董事。董事會之會議紀錄由獲委任之秘書備存，詳列會議上董事會所考慮事項及達致之決定，並於董事會會議結束後合理時間內送交全體董事，供董事表達意見及紀錄之用。

全體董事均有權查閱董事會之文件及有關資料，並會及時獲得充分資料，確保董事會可就提呈會議之事項作出知情決定。

THE BOARD (Continued)

Independent Non-Executive Directors

All the Independent Non-Executive Directors of the Company have been appointed for a specific terms and are subject to retirement by rotation and re-election in accordance with the Company Articles of Association.

The Company has a formal, considered and transparent procedure for the appointment of new directors to the board and all directors should be subject to re-election at regular intervals. Upon the resignation of a director, we made an announcement publicly and explain the reasons for the resignation.

The number of full Board Meetings and Committee Meetings attended by each Director during the year under review is set out in the following table. Figure in brackets indicates maximum number of meetings in the period in which the individual was a Board member or Committee member.

Name of Director	Note	Full Board Meetings 全體 董事會會議	Audit Committee Meetings 審核 委員會會議	Remuneration Committee Meetings 薪酬 委員會會議	Nomination Committee Meetings 提名 委員會會議
董事姓名	附註				
<i>Executive Directors</i> 執行董事					
Mr. Tang Kuan Chien	唐貫健先生	7/(7)	N/A不適用	N/A不適用	N/A不適用
Mr. Tang Wei Lun	唐偉倫先生	7/(7)	N/A不適用	N/A不適用	2/(2)
Mr. Lam Chi Yin Henry	林智然先生	6/(7)	N/A不適用	N/A不適用	N/A不適用
Mr. Chim Kim Lun Ricky	詹劍崙先生	2/(3)	N/A不適用	N/A不適用	N/A不適用
Mr. Fok Po Tin	霍寶田先生	3/(3)	N/A不適用	N/A不適用	N/A不適用
Mr. Ng Man Kin Kenneth	吳文健先生	7/(7)	N/A不適用	N/A不適用	N/A不適用
<i>Independent Non-executive Directors</i> 獨立非執行董事					
Mr. Hung Shean-I	洪顯一先生	4/(7)	2/(2)	N/A不適用	1/(2)
Mr. Wong Nai Ping	黃乃平先生	6/(7)	2/(2)	N/A不適用	2/(2)
Mr. Au Kwok Yee Benjamin	歐國義先生	5/(7)	2/(2)	N/A不適用	N/A不適用

Note:

- Mr. Chim Kim Lun Ricky and Mr. Fok Po Tin were appointed on 17 September 2007
- Mr. Ng Man Kin Kenneth was appointed on 1 June 2007

董事會 (續)

獨立非執行董事

根據本公司細則條文，全體獨立非執行董事均未按特定任期委任，並須輪席退任及接受重選。

本公司已制訂正式、周詳而透明度高的新董事委任程序，所有董事均須定期重選。董事辭任時，本公司須作出公佈並解釋辭任理由。

各董事於回顧年內出席之全體董事會會議及委員會會議次數載於下表。括弧內之數字指該人士擔任董事會成員或委員會成員期內所舉行之會議數目。

附註：

- 詹劍崙先生及霍寶田先生於二零零七年九月十七日獲委任。
- 吳文健先生於二零零七年六月一日獲委任。

THE BOARD *(Continued)*

Chairman and Chief Executive

CG Codes provision A.2.1 stipulates that the roles of chairman and chief executive should be separate and should not be performed by the same person. Mr. Tang Kuan Chien is the Chairman of the Board and also serves the function of a Chief Executive. The Board believes that the present arrangement enables the Company to make and implement decisions promptly, and thus achieve the Company's objectives efficiently and effectively in response to the changing environment. The Board also believes that the Company already has a strong corporate governance structure in place to ensure effective oversight of management. The Board will be looking for a suitable Chief Executive Officer to fulfill the CG Codes.

Remuneration Committee

The Company has set up a Remuneration Committee to ensure that there are formal and transparent procedures for setting policies on the remuneration of Directors and senior management. The Remuneration Committee comprises the Mr. Wong Nai Ping, Mr. Hung Shean-I and Mr. Tang Wei Lun. The Remuneration Committee is chaired by Mr. Wong Nai Ping.

During the year, no Remuneration Committee meeting was held.

董事會 (續)

主席及行政總裁

企業管治守則條文第A.2.1條訂明主席與行政總裁之角色應有區分，並不應由一人同時兼任。唐貫健先生為董事會主席兼行政總裁。董事會相信現時之安排令本公司能及時作出及執行決策，致使本公司在多變之環境下仍能有效率地達成本公司之目標。董事會亦相信本公司已擁有強大之企業管治架構，可有效地監督管理層。董事會正物色一名合適之行政總裁，以遵守企業管治守則。

薪酬委員會

本公司已成立薪酬委員會，以確保在制定董事及高級管理人員薪酬之政策上有正式及透明之程序。薪酬委員會由黃乃平先生、洪顯一先生及唐偉倫先生組成，並由黃乃平先生擔任薪酬委員會主席。

年內沒有召開次薪酬委員會會議。

THE BOARD *(Continued)*

Nomination Committee

The Company has set up a Nomination Committee to ensure fair and transparent procedures for appointment, re-election and removal of Directors to the Board. The Nomination Committee comprises Mr. Wong Nai Ping, Mr. Hung Shean-I and Mr. Tang Wei Lun. The Nomination Committee is chaired by Mr. Wong Nai Ping.

During the year, two Nomination Committee meeting was held to nominate Mr. Ng Man Kin Kenneth, Mr. Chim Kim Lun Ricky and Mr. Fok Po Tin be executive directors of the Company. At present, the Committee is looking for a suitable Chief Executive Officer to fulfill the CG Codes A.2.1 Provision requirement.

Audit Committee

The Audit Committee comprises Mr. Wong Nai Ping, Mr. Hung Shean-I and Mr. Au Kwok Yee Benjamin. The Audit Committee is chaired by Mr. Hung Shean-I.

The principal duties of the Audit Committee are considered significant accounting policies used to prepare the statements, and any changes to them, and significant estimates or judgements on which the statements have been based, taking the external auditors' views into consideration, consider the clarity and completeness of the disclosures in the financial statements. During the year, two Audit Committee meetings were held, reviewing the financial reporting matters of the Group. The terms of reference of the Audit Committee are consistent with the terms set out in relevant section of the Corporate Governance Code.

All the members of the Audit Committee are confirmed to be independence with reference to Rule 3.13 of Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

董事會 (續)

提名委員會

本公司已成立提名委員會，以確保在委任、重選及罷免董事之事宜有公平及透明之程序。提名委員會由黃乃平先生、洪顯一先生及唐偉倫先生組成，並由黃乃平先生擔任提名委員會主席。

年內曾召開了兩次提名委員會會議。提名吳文健先生、詹劍崙先生及霍寶田先生為本公司之執行董事。現時委員會正物色一名合適之行政總裁，以遵守企業管治守則條文第A.2.1條之規定。

審核委員會

審核委員會由黃乃平先生、洪顯一先生及歐國義先生組成，並由洪顯一先生擔任審核委員會主席。

審核委員會之主要職責包括審閱編制財務報表之重要會計政策及其任何變動、財務報表根據之重要評估及判斷、參考外聘核數師之意見及審閱財務報表所披露之清晰及完整程度。年內曾召開了兩次審核委員會會議，以審閱本集團之財務申報事宜。審核委員會之職權範圍與企業管治守則有關部分載之條文一致。

參照香港聯合交易所有限公司之證券上市規則第3.13條，審核委員會全體委員確認為獨立。

THE BOARD (Continued)

Model Code For Securities Transactions

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 to the Listing Rules.

Specific enquiry has been made of all the directors and the directors have confirmed that they have complied with the Model Code throughout the year ended 31 March 2008.

To comply with the code provisions A.5.4 of the CG codes, the Company has also established and adopted the Model Code as the code of conduct for securities transactions by Relevant Employees to regulate the dealings in the securities of the Company by certain employees of the Group who are considered to be likely in possession of unpublished price sensitive information of the Company.

DIRECTORS' AND AUDITORS' RESPONSIBILITIES FOR ACCOUNTS

The directors acknowledge their responsibilities for the preparation of financial statements of the Company for the year ended 31 March 2008. In preparing the financial statement, the Directors have selected suitable accounting policies and applied them consistently, made judgments and estimates that are prudent and reasonable, and have prepared the accounts on the going concern basis. Respective responsibilities of the Directors and the external auditors to the shareholders are set out in the "Independent Auditors' Report" on page 38 of this report .

董事會 (續)

證券交易之標準守則

本公司已採納上市規則附錄10所載上市發行人董事進行證券交易的標準守則(「標準守則」)。

經向全體董事作出特定查詢，董事確認彼等已於二零零八年三月三十一日止年度遵守標準守則所載規定。

為遵守企業管治守則守則條文第A.5.4條，本公司亦已設定及採納標準守則為有關僱員進行證券交易的操守守則，以規管本集團被認為可能會擁有本公司未公開之股價敏感資料之有關僱員買賣本公司之證券。

董事及核數師對賬目之責任

董事知悉彼等編製本公司截至二零零八年三月三十一日止年度財務報表之責任。董事於編製財務報表時已揀選及貫徹應用合適會計政策，並作出審慎及合理之判斷及估計，採納持續經營基準編製有關賬目。董事及外聘核數師向股東所負之責任載列於本年報的「獨立核數師報告書」第38頁。

DIRECTORS' AND AUDITORS' RESPONSIBILITIES FOR ACCOUNTS *(Continued)*

Auditor's remuneration

During the year, Morison Heng CPA was appointed as the external auditors of the Company. Morison Heng CPA has provided audit services to the Group in respect of 2008 financial statements of the Company and its subsidiaries at the fee of HK\$600,000.

Internal Control

The Board of Directors is responsible for the establishing and maintaining a sound system of internal control within the Group. However, such a system was designed to manage various risks of the Group within certain acceptable risk level, rather than the complete elimination of the risk of failure to achieve the business objectives of the Group.

The current Board has already commenced an assessment and review of the internal control system of the Company and will take appropriate action to maintain an adequate internal control system to safeguard shareholders' investments and the Company's assets, and review the effectiveness of such on an annual basis through the Audit Committee.

董事及核數師對賬目之責任 *(續)*

核數師酬金

年內，華利信會計師事務所獲委任為本公司外聘核數師。華利信會計師事務所已分別就本公司及其附屬公司二零零八年財務報表提供核數服務，相關費用為600,000港元。

內部監控

董事會負責為本集團建立及維持健全之內部監控系統。然而，該系統之設計只為於可接受之風險範圍內管理本集團之風險，而並不能消除令本集團業務目標失敗之風險。

現時董事會已開始評核及檢討本公司之內部監控系統，維持充分之內部監控系統，以保障股東投資及本公司資產，並每年由審核委員會檢討其有效程度。

DIRECTORS' AND AUDITORS' RESPONSIBILITIES FOR ACCOUNTS (Continued)

Communication with shareholders

The Group strives to disclose relevant information on its activities to shareholders in an open and timely manner. Communication is achieved through:

- (1) The Company's annual and interim reports which have been enhanced to present a balance, clear and comprehensive assessment of the Group position and prospects.
- (2) Notices of annual and other general meetings and accompanying explanatory materials.
- (3) Press releases on major acquisition.
- (4) Disclosures to Stock Exchange and relevant regulatory bodies.
- (5) Response to inquiries from shareholders by Directors during the Annual General meeting.

Constructive use of Annual General Meetings

The relations with shareholders should be maintained through constructive use of annual general meeting. We are encouraging shareholders to attend at the annual general meeting, giving shareholders an opportunity to ask questions and to hear about the company during the meeting and an opportunity to use their vote and greater openness in voting procedures at the annual general meeting. Our executive directors and responsible person of Audit Committee, Nomination Committee and Remuneration Committee will answer the questions raised by the shareholders. Annual report and related papers are post to shareholders for their consideration at least 21 days prior to the Annual General Meeting. Annual General Meeting proceedings are continually reviewed in the light of corporate governance best practices.

董事及核數師對賬目之責任 (續)

與股東溝通

本公司致力將其業務之有關資訊，以公開及迅速之方法向股東披露。溝通經以下途徑達致：

- (1) 本公司已改進其年報及中期報告，對本集團的現況及前景呈列一個持平、清晰及全面之評估。
- (2) 於年度及其他股東會議通知內附上解釋性資料。
- (3) 為本集團的主要收購事項發出新聞公佈。
- (4) 向聯交所及相關監管機構披露。
- (5) 於股東週年大會上，由董事回應股東之查詢。

積極運用股東週年大會

本集團透過股東週年大會積極維繫與股東之關係。本集團鼓勵股東出席股東週年大會，為股東提供查詢及聆聽有關本公司事項之機會，並於股東週年大會行使其投票權，投票程序亦更為透明。本集團之執行董事及審核委員會、提名委員會及薪酬委員會之負責人士將回答股東之查詢。年報及有關文件已於股東週年大會舉行前最少21天前寄發予股東參考。股東週年大會之程序將繼續根據企業管治最佳慣例檢討。

獨立核數師報告書

Independent Auditors' Report



TO THE SHAREHOLDERS OF BESTWAY INTERNATIONAL HOLDINGS LIMITED *(Incorporated in Bermuda with limited liability)*

We have audited the consolidated financial statements of Bestway International Holdings Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 40 to 116, which comprise the consolidated and the company balance sheets as at 31 March 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 CONSOLIDATED 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 consolidated 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.

百威國際控股有限公司 *(於百慕達註冊成立之有限公司)* 各股東

本核數師(以下簡稱「我們」)已審核載列於第40至116頁之百威國際控股有限公司(「貴公司」)及其附屬公司(統稱「貴集團」)之綜合財務報表。此綜合財務報表包括於二零零八年三月三十一日的綜合及公司資產負債表與截至該日止年度的綜合收益表、綜合權益變動表及綜合現金流量表,以及主要會計政策概要及其他附註解釋。

董事就綜合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香港《公司條例》的披露規定編製及真實而公平地列報該等財務報表。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之重大錯誤陳述;選擇和應用適當之會計政策;及按情況作出合理的會計估計。

獨立核數師報告書

Independent Auditors' Report

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, in accordance with Section 90 of the Bermuda Companies Act 1981, and for no other purpose. We do not assume responsibility towards or accept liability to any other 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 consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated 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 consolidated 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 consolidated financial statements.

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

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，並按照百慕達一九八一年《公司法》第90條僅向整體股東報告，除此之外本報告別無其他目的。我們不會就本報告之內容向任何其他人士負責或承擔責任。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，以合理確定此等綜合財務報表是否不存有任何重大錯誤陳述。

審核涉及執行程序以獲取有關綜合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綜合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之會計估計的合理性，以及評價綜合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充足和適當地為我們的審核意見提供基礎。



獨立核數師報告書 Independent Auditors' Report

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 31 March 2008 and of the loss and cash flows of the Group 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.

Morison Heng
Certified Public Accountants

Hong Kong, 18 July 2008

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三月三十一日的財務狀況及 貴集團截至該日止年度的虧損及現金流量，並已按照香港《公司條例》的披露規定妥為編製。

華利信會計師事務所

香港，二零零八年七月十八日

綜合收益表

Consolidated Income Statement

截至二零零八年三月三十一日止年度 For the year ended 31 March 2008

		Notes 附註	2008 HK\$'000 二零零八年 千港元	2007 HK\$'000 二零零七年 千港元
Turnover	營業額	6	245,099	300,334
Cost of sales	銷售成本		(232,238)	(284,494)
Gross profit	毛利		12,861	15,840
Other revenue	其他收益	6	3,437	1,490
Selling and distribution costs	銷售及分銷成本		(2,138)	(4,404)
Administrative expenses	行政開支		(27,273)	(23,145)
Other operating expenses, net	其他經營開支淨額		(7,137)	(4,643)
Finance costs	財務成本	8	(3,885)	(3,870)
Loss before taxation	除稅前虧損	7	(24,135)	(18,732)
Taxation	稅項	11	720	34
Loss for the year	本年虧損		(23,415)	(18,698)
Attributable to:	歸屬於：			
Equity holders of the Company	本公司股權持有人	12	(21,001)	(18,398)
Minority interest	少數股東權益		(2,414)	(300)
			(23,415)	(18,698)
LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY	本公司普通股權持有人 應佔每股虧損	13		
Basic (HK cents per share)	基本 (每股港仙)		(5.14)	(6.19)
Diluted	攤薄		N/A 不適用	N/A 不適用

綜合資產負債表

Consolidated Balance Sheet

於二零零八年三月三十一日 At 31 March 2008

		Notes	2008 HK\$'000 二零零八年 千港元	2007 HK\$'000 二零零七年 千港元
		附註		
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	14	59,159	59,933
Prepaid lease payments	預付租賃款項	15	3,681	3,942
Long term receivables	長期應收賬款	18	2,660	2,643
			65,500	66,518
Current assets	流動資產			
Inventories	存貨	19	19,077	24,368
Trade receivables	貿易應收賬款	20	49,068	48,723
Prepayments, deposits and other receivables	預付款項、訂金及其他應收款項		7,016	8,019
Tax recoverable	可收回稅項		–	53
Pledged deposits	有抵押存款	21	11,541	8,370
Bank balances and cash	銀行結存及現金	22	35,251	35,233
			121,953	124,766
Assets classified as held for sale	可供出售資產	23	–	2,820
			121,953	127,586
Current liabilities	流動負債			
Trade payables	貿易應付賬款	24	14,858	33,582
Other payables and accruals	其他應付賬款及應計款項		19,758	22,990
Tax payable	應付稅項		5,779	6,000
Interest-bearing bank and other borrowings	計息銀行及其他借貸	25	46,775	43,299
Provision	撥備	27	575	575
			87,745	106,446
Net current assets	流動資產淨值		34,208	21,140
Total assets less current liabilities	總資產減流動負債		99,708	87,658

綜合資產負債表

Consolidated Balance Sheet

於二零零八年三月三十一日 At 31 March 2008

		Notes	2008 HK\$'000 二零零八年 千港元	2007 HK\$'000 二零零七年 千港元
		附註		
Non-current liabilities	非流動負債			
Interest-bearing bank and other borrowings	計息銀行及其他借貸	25	(11,389)	(10,571)
NET ASSETS	資產淨額		88,319	77,087
CAPITAL AND RESERVES	資本及儲備			
Share capital	股本	28	43,690	38,590
Reserves	儲備	31(a)	42,608	34,238
			86,298	72,828
Minority interests	少數股東權益		2,021	4,259
			88,319	77,087

The consolidated financial statements on pages 40 to 116 were approved and authorised for issue by the Board of Directors on 18 July 2008 and are signed on its behalf by:

第40至116頁之綜合財務報告已於二零零八年七月十八日獲董事會批准及授權刊發，並由下列董事代表簽署：

TANG Kuan Chien
DIRECTOR
董事
唐貫健

TANG Wei Lun
DIRECTOR
董事
唐偉倫

綜合權益變動表

Consolidated Statement of Changes in Equity

截至二零零八年三月三十一日止年度 For the year ended 31 March 2008

		Attributable to equity holders of the Company 本公司權益持有人應佔									
		Share capital	Share premium	Share-based payment reserve	Contributed surplus	Asset revaluation reserve	Exchange fluctuation reserve	Accumulated losses	Total	Minority interests	Total equity
		股本	股份溢價	以股代款儲備	實繳盈餘	資產重估儲備	匯率波動儲備	累積虧損	總額	少數股東權益	權益總額
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
At 1 April 2006	於二零零六年四月一日	51,453	6,892	-	52,743	462	(14,132)	(35,920)	61,498	4,562	66,060
Surplus on revaluation	重估盈餘	-	-	-	-	1,000	-	-	1,000	-	1,000
Exchange realignment	外匯調整	-	-	-	-	-	6,362	-	6,362	(3)	6,359
Total income and expenses recognised directly in equity	於股權中直接確認之收入及開支總額	-	-	-	-	1,000	6,362	-	7,362	(3)	7,359
Loss for the year	年度虧損	-	-	-	-	-	-	(18,398)	(18,398)	(300)	(18,698)
Total income and expenses for the year	年度收入及開支總額	-	-	-	-	1,000	6,362	(18,398)	(11,036)	(303)	(11,339)
Capital reduction	股份削減	(25,726)	-	-	-	-	-	25,726	-	-	-
Rights issue	供股	12,863	7,718	-	-	-	-	-	20,581	-	20,581
Share-based payment expenses	以股代款之費用	-	-	1,785	-	-	-	-	1,785	-	1,785
At 31 March 2007	於二零零七年三月三十一日	38,590	14,610	1,785	52,743	1,462	(7,770)	(28,592)	72,828	4,259	77,087
Surplus on revaluation	重估盈餘	-	-	-	-	1,935	-	-	1,935	-	1,935
Exchange realignment	外匯調整	-	-	-	-	-	9,814	-	9,814	176	9,990
Total income and expenses recognised directly in equity	於股權中直接確認之收入及開支總額	-	-	-	-	1,935	9,814	-	11,749	176	11,925
Loss for the year	年度虧損	-	-	-	-	-	-	(21,001)	(21,001)	(2,414)	(23,415)
Total income and expenses for the year	年度收入及開支總額	-	-	-	-	1,935	9,814	(21,001)	(9,252)	(2,238)	(11,490)
Disposal of building	出售樓宇	-	-	-	-	(328)	-	328	-	-	-
New share issued	已發行新股	5,100	15,810	-	-	-	-	-	20,910	-	20,910
Share-based payment expenses	以股代款之費用	-	-	1,812	-	-	-	-	1,812	-	1,812
Expiry of share options	購股權屆滿	-	-	(3,597)	-	-	-	3,597	-	-	-
At 31 March 2008	於二零零八年三月三十一日	43,690	30,420*	-*	52,743*	3,069*	2,044*	(45,668)*	86,298	2,021	88,319

* These reserve accounts comprise the consolidated reserves of HK\$42,608,000 (2007: HK\$34,238,000) in the consolidated balance sheet of the Group.

* 該等儲備賬包括本集團於綜合資產負債表列賬之綜合儲備42,608,000港元(二零零七年: 34,238,000港元)。

綜合現金流量表

Consolidated Cash Flow Statement

截至二零零八年三月三十一日止年度 For the year ended 31 March 2008

		2008 HK\$'000 二零零八年 千港元	2007 HK\$'000 二零零七年 千港元
Cash flows from operating activities	經營業務之現金流量		
Loss before taxation	除稅前虧損	(24,135)	(18,732)
Adjustments for:	經調整下列各項：		
Interest expenses	利息開支	3,885	3,870
Interest income	利息收入	(771)	(156)
(Gain)/Loss on disposal of property, plant and equipment	出售物業、廠房及設備之(收益)/虧損	(1,455)	52
Gain on disposal of prepaid lease payments	出售預付租賃款項之收益	(254)	-
Loss on disposal of a jointly-controlled entity	出售共同控制企業之虧損	-	113
Waive of other payables	豁免其他應付賬款	(1,933)	-
Depreciation	折舊	9,583	10,355
Amortisation of prepaid lease payments	攤銷預付租賃款項	121	122
Amortisation of long term receivable	攤銷長期應收賬款	-	198
Investment income from long term receivable	長期應收賬款之投資收入	(296)	-
Exchange gain on long term receivable	長期應收賬款之匯兌收益	(251)	-
Surplus on revaluation of property, plant and equipment	物業、廠房及設備之重估盈餘	(135)	-
Bad debts	壞賬	74	243
Gain on disposal of subsidiaries	出售附屬公司之收益	-	(1,006)
Provision for other asset	其他資產撥備	204	420
Reversal of allowance for doubtful debts	壞賬支出回撥	-	(133)
Share-based payment expenses	以股代款之費用	1,812	1,785
Operating loss before working capital changes	營運資金變動前之經營虧損	(13,551)	(2,869)
Decrease in prepaid rentals	預付租金減少	-	2,098
Decrease/(Increase) in inventories	存貨減少/(增加)	5,291	(2,694)
Increase in trade receivables	貿易應收賬款增加	(419)	(10,232)
Decrease in prepayments, deposits and other receivables	預付款項、訂金及其他應收款項減少	795	950
(Decrease)/Increase in trade payables	貿易應付賬款(減少)/增加	(18,724)	16,352
Increase)/(Decrease) in other payables and accruals	其他應付賬款及應計款項之增加/(減少)	942	(3,928)
Decrease in deposit received	已收按金減少	(2,241)	-
Cash used in operations	經營所用之現金	(27,907)	(323)
Interest received	已收利息	771	156
Interest paid	已付利息	(3,885)	(3,870)
Hong Kong profits tax paid	已付香港利得稅	-	(132)
Hong Kong profits tax refund	香港利得稅退稅	53	-
Net cash used in operating activities	經營業務所用之現金淨額	(30,968)	(4,169)

綜合現金流量表

Consolidated Cash Flow Statement

截至二零零八年三月三十一日止年度 For the year ended 31 March 2008

		2008 HK\$'000 二零零八年 千港元	2007 HK\$'000 二零零七年 千港元
Cash flows from investing activities	投資活動之現金流量		
Purchases of property, plant and equipment	購買物業、廠房及設備	(7,648)	(5,437)
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備所得款項	9,069	81
Proceeds from disposal of prepaid lease payments	出售預付租賃款項所得款項	398	-
Proceeds from long term receivables	長期應收賬款之所得款項	530	-
Disposal of a subsidiary	出售附屬公司	-	4,036
Increase in pledged deposits	有抵押存款增加	(3,171)	(2,682)
Net cash used in investing activities	投資活動所用之現金淨額	(822)	(4,002)
Cash flows from financing activities	融資活動之現金流量		
Proceeds from issue of shares	發行股份所得款項	20,910	20,581
Drawdown of bank loans	動用銀行貸款	45,731	7,235
Repayment of bank loans	償還銀行貸款	(40,176)	(2,803)
Other loan raised	其他新增貸款	3,000	-
Repayment of other loans	償還其他貸款	(5,261)	(1,000)
Repayment of obligation under finance lease	償還根據融資租賃之責任	(122)	(176)
Net cash from financing activities	融資活動所得之現金淨額	24,082	23,837
Net (decrease)/increase in cash and cash equivalents	(減少) / 增加現金及等同現金項目淨額	(7,708)	15,666
Cash and cash equivalents at beginning of year	年初之現金及等同現金項目	35,233	14,200
Effect of foreign exchange rate changes, net	匯率變動之影響淨額	7,726	5,367
Cash and cash equivalents at end of year	年終之現金及等同現金項目	35,251	35,233
Analysis of balances of cash and cash equivalents	現金及等同現金項目結餘分析		
Bank balances and cash	銀行結存及現金	35,251	35,233

資產負債表

Balance Sheet

於二零零八年三月三十一日 At 31 March 2008

		Notes 附註	2008 HK\$'000 二零零八年 千港元	2007 HK\$'000 二零零七年 千港元
Non-currents assets	非流動資產			
Investments in subsidiaries	於附屬公司之投資	16	11,637	11,637
Current assets	流動資產			
Prepayment	預付款		159	159
Amounts due from subsidiaries	應收附屬公司之款項	16	83,792	72,543
Bank balances and cash	銀行結存及現金	22	99	20,702
			84,050	93,404
Current liabilities	流動負債			
Amounts due to subsidiaries	應付附屬公司之款項	16	11,459	20,634
Other payables and accruals	其他應付賬款及應計款項		308	2,665
			11,767	23,299
Net current assets	流動資產淨值		72,283	70,105
NET ASSETS	資產淨額		83,920	81,742
CAPITAL AND RESERVES	資本及儲備			
Share capital	股本	28	43,690	38,590
Reserves	儲備	31(b)	40,230	43,152
			83,920	81,742

The consolidated financial statements on pages 40 to 116 were approved and authorised for issue by the Board of Directors on 18 July 2008 and are signed on its behalf by:

第40至116頁之綜合財務報告已於二零零八年七月十八日獲董事會批准及授權刊發，並由下列董事代表簽署：

TANG Kuan Chien
DIRECTOR
董事
唐貫健

TANG Wei Lun
DIRECTOR
董事
唐偉倫

財務報表附註

Notes to the Financial Statements

截至二零零八年三月三十一日止年度 For the year ended 31 March 2008

1. CORPORATE INFORMATION

Bestway International Holdings Limited is a limited liability company incorporated in Bermuda. The principal place of business of the Company is located at Room 1304 to 1305, 13/F., Shun Fat Industrial Building, 17 Wang Hoi Road, Kowloon Bay, Kowloon, Hong Kong. The Company's shares are listed on The Stock Exchange of Hong Kong Limited.

The principal activity of the Company is investment holding. The principal activities of the Group during the year were the manufacturing and trading of plastic products, mainly PVC films. There were no significant changes in the nature of the Group's principal activities during the year.

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

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

In the current year, the Group has applied, for the first time, a number of new standards, amendments and interpretations ("new HKFRSs"), issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA") that are effective for the Group's financial year beginning 1 April 2007. The adoption of these new HKFRSs do not result in substantial changes to the Group's accounting policies or financial results except that new and revised disclosures, in particular those in connection with HKFRS 7, "Financial instruments: Disclosures" and amendment to HKAS 1 "Presentation of financial statements – Capital disclosures", have been made in the financial statements. Certain comparative figures have been reclassified to conform to the current year's presentation.

The Group has not early applied the following new and revised standards, amendments or interpretations that have been issued but are not yet effective.

1. 公司資料

百威國際控股有限公司為於百慕達註冊成立之有限公司。本公司之主要營業地點位於香港九龍九龍灣宏開道17號順發工業大廈13樓1304至1305室。本公司股份於香港聯合交易所有限公司上市。

本公司之主要業務為投資控股。本集團於年內之主要業務為製造及買賣塑膠產品，主要為塑膠布。年內，本集團之主要業務性質並無重大變動。

此等綜合財務報表乃以港元呈列，此與本公司之功能貨幣相同。

2. 採納新訂及經修訂香港財務報告準則

本集團於本年度首次採納數項由香港會計師公會（「香港會計師公會」）頒佈之新訂準則、修訂本及詮釋（「新香港財務報告準則」），並於本集團二零零七年四月一日起之財政年度生效。採納該等新香港財務報告準則並無對本集團之會計政策或財務業績產生重大變動，惟新訂及修訂披露，尤其就有關香港財務報告準則第7號「財務工具：披露」及香港會計準則第1號（修訂本）「財務報表之呈報－資本披露」，已於財務報表中作出披露。若干比較數字已作重新分類以符合本年度之呈報。

本集團並未提早採納下列已頒佈但未生效之新訂及修訂準則、修訂本或詮釋。

財務報表附註

Notes to the Financial Statements

截至二零零八年三月三十一日止年度 For the year ended 31 March 2008

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

HKAS 1 (Revised)	Presentation of Financial Statements ¹
HKAS 23 (Revised)	Borrowing Costs ¹
HKAS 27 (Revised)	Consolidated and Separate Financial Statements ²
HKAS 32 & 1 (Amendments)	Puttable financial instruments and obligations arising on obligation ¹
HKFRS 2 (Amendment)	Vesting conditions and cancellation ¹
HKFRS 3 (Revised)	Business Combinations ²
HKFRS 8	Operating Segments ¹
HK(IFRIC) – Int 12	Service Concession Arrangements ³
HK(IFRIC) – Int 13	Customer Loyalty Programmes ⁴
HK(IFRIC) – Int 14	HKAS 19 – The Limit on a Defined Benefit Assets, Minimum Funding Requirements and their Interaction ³

¹ Effective for annual periods beginning on or after 1 January 2009

² Effective for annual periods beginning on or after 1 July 2009

³ Effective for annual periods beginning on or after 1 January 2008

⁴ Effective for annual periods beginning on or after 1 July 2008

The directors of the Company anticipate that the application of these standards, amendments or interpretations will have no impact on the results and the financial position of the Group except for the adoption of HKFRS 3 (Revised) “Business combinations” and HKAS 27 (Revised) “Consolidation and separate financial statements”. HKFRS 3 (Revised) may affect the accounting for business combination for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after 1 July 2009. HKAS 27 (Revised) will affect the accounting treatment on changes in a parent’s ownership interest in a subsidiary that do not result in a loss of control, which will be accounted for as equity transactions.

2. 採納新訂及經修訂香港財務報告準則 (續)

香港會計準則第1號 (經修訂)	財務報表之呈報 ¹
香港會計準則第23號 (經修訂)	借款成本 ¹
香港會計準則第27號 (經修訂)	綜合及獨立財務報表 ²
香港會計準則第32號及第1號 (修訂本)	可沽售財務工具及清盤產生之責任 ¹
香港財務報告準則第2號 (修訂本)	歸屬條件及註銷 ¹
香港財務報告準則第3號 (經修訂)	業務合併 ²
香港財務報告準則第8號	經營分部 ¹
香港 (國際財務報告詮釋委員會) – 詮釋第12號	服務特許權安排 ³
香港 (國際財務報告詮釋委員會) – 詮釋第13號	客戶忠誠度計劃 ⁴
香港 (國際財務報告詮釋委員會) – 詮釋第14號	香港會計準則第19號 – 一定額利益資產的限制、最低資本規定及其相互配合關係 ³

¹ 於二零零九年一月一日或其後開始之年度期間生效

² 於二零零九年七月一日或其後開始之年度期間生效

³ 於二零零八年一月一日或其後開始之年度期間生效

⁴ 於二零零八年七月一日或其後開始之年度期間生效

本公司董事預計，除採納香港財務報告準則第3號 (經修訂) – 「業務合併」及香港會計準則第27號 (經修訂) – 「綜合及獨立財務報告」外，應用該等準則、修訂或詮釋將不會對本公司之業績及財務狀況造成影響。採納香港財務報告準則第3號 (經修訂) 可能影響收購日期為於首個年度報告期間 (於二零零九年七月一日或之後開始之期間) 開始或之後之業務合併會計處理。香港會計準則第27號 (經修訂) 將影響母公司於附屬公司擁有權變動 (惟並無喪失控制權) 之會計處理，有關變動將以股權交易入賬。

財務報表附註

Notes to the Financial Statements

截至二零零八年三月三十一日止年度 For the year ended 31 March 2008

3. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements have been prepared on the historical cost basis except for building, which is measured at fair value, as explained in the accounting policies set out below.

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

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries). Control is achieved where the Company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

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

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

3. 重大會計政策

本綜合財務報表乃按歷史成本法慣例編製，惟樓宇則按公平值計量，並詳述於下文所載之會計政策。

本綜合財務報表乃依據香港會計師公會頒佈之香港財務報告準則編製。此外，本綜合財務報表包括香港聯合交易所有限公司證券上市規則及公司條例規定之適用披露資料。

綜合賬目基準

綜合財務報表包括本公司及由本公司控制的實體（其附屬公司）的財務報表。倘若本公司有權規管實體的財務及營運政策，以從其活動中取得利益，即達到控制。

對於本年度內購入或出售之附屬公司，彼等之業績按情況由購入之生效日期起或截至出售之生效日期止計入綜合收益表內。

如有需要，須對附屬公司之綜合財務報表作出調整，令其會計政策與本集團其他成員公司所採用者相符。

財務報表附註

Notes to the Financial Statements

截至二零零八年三月三十一日止年度 For the year ended 31 March 2008

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of consolidation (Continued)

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

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

Business combinations

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

Subsidiaries

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

The results of subsidiaries are included in the Company's income statement to the extent of dividends received and receivable. The Company's investments in subsidiaries are stated at cost less any impairment losses.

3. 重大會計政策 (續)

綜合賬目基準 (續)

所有集團間之交易、結餘、收入及開支均於綜合賬目時對銷。

綜合附屬公司資產淨值之少數股東權益與本集團於當中之權益分開呈列。資產淨值之少數股東權益包括少數股東於原有業務合併日期所佔之權益總額及少數股東自合併日期起所佔之權益變動。少數股東應佔虧損超出所佔附屬公司權益之差額由本集團承擔，惟少數股東有具約束力責任及可作額外投資以彌補虧損者除外。

業務合併

少數股東於被收購方的權益初始按少數股東於所確認的資產、負債及或然負債的淨公平值的比例計量。

附屬公司

附屬公司乃一間本公司直接或間接控制其財務及營運政策以從其經營業務中獲利之公司。

附屬公司之業績以已收及應收股息為限計入本公司之收益表內。本公司於附屬公司之投資乃按成本減任何減值虧損列賬。

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Impairment of non-financial assets other than goodwill

Where an indication of impairment exists, or when annual impairment testing for an asset is required (other than inventories and financial assets), the asset's recoverable amount is estimated. An asset's recoverable amount is calculated as the higher of the asset's or cash-generating unit's value in use and its fair value less costs to sell, and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

An impairment loss is recognised only if the carrying amount of an asset exceeds its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. An impairment loss is charged to the income statement in the period in which it arises, unless the asset is carried at a revalued amount, in which case the impairment loss is accounted for in accordance with the relevant accounting policy for that revalued asset.

3. 重大會計政策 (續)

非財務資產減值 (不包括商譽)

當資產 (除存貨及財務資產外) 出現減值或需要作年度減值測試, 則估計資產之可收回數額。資產之可收回數額乃按資產或產生現金單位之使用價值或其售價淨額之較高者計算, 及釐定作個別資產, 倘該項資產並不產生獨立於其他資產或多組資產之現金流量, 則其可收回數額乃釐定作資產所屬之產生現金單位。

減值虧損僅於資產之賬面值超逾其於收回價值時確認。於評估使用價值時, 估計未來現金流量乃按稅前折讓率折讓至其現值, 稅前折讓率反映市場現時對貨幣時間價值及資產特定風險之評估。減值虧損乃於產生之期間在收益表中支銷, 除非有關資產以估值列賬, 則在此情況下, 減值虧損乃根據該重估資產之有關會計政策入賬。

財務報表附註

Notes to the Financial Statements

截至二零零八年三月三十一日止年度 For the year ended 31 March 2008

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Impairment of non-financial assets other than goodwill (Continued)

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognised impairment loss of an asset other than goodwill is reversed only if there has been a change in the estimates used to determine the recoverable amount of that asset, however not to an amount higher than the carrying amount that would have been determined (net of any depreciation/amortisation), had no impairment loss been recognised for the asset in prior years. A reversal of such impairment loss is credited to the income statement in the period in which it arises, unless the asset is carried at a revalued amount, in which case the reversal of the impairment loss is accounted for in accordance with the relevant accounting policy for that revalued asset.

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 return that are different from those of segments operation in other economic environments.

3. 重大會計政策 (續)

非財務資產減值 (不包括商譽) (續)

於每個報告日均會就是否有任何跡象顯示過往年度確認之減值虧損不再存在或可能已經減少進行評估。倘有任何該等跡象，便會估計收回價值。先前確認除商譽以外之資產之減值虧損，僅於用以釐訂資產可收回數額之估計有所變動時撥回，惟不得超過倘有關資產在過往年度並未確認減值虧損而所釐訂之賬面值（扣除任何折舊／攤銷淨額）。所撥回之減值虧損，乃於撥回之期間計入收益表中，除非資產乃以估值列賬，則在此情況下，所撥回之減值虧損乃根據該重估資產之有關會計政策之入賬。

分類呈報

業務分類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類。地區分類乃在某一特定經濟環境下從事提供產品或服務，而該分類之風險及回報有別於在其他經濟環境經營之分類。

財務報表附註

Notes to the Financial Statements

截至二零零八年三月三十一日止年度 For the year ended 31 March 2008

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Related parties

A party is considered to be related to the Group if:

- (a) the party, directly, or indirectly through one or more intermediaries, (i) controls, is controlled by, or is under common control with, the Group; (ii) has an interest in the Group that gives it significant influence over the Group; or (iii) has joint control over the Group;
- (b) the party is a jointly-controlled entity;
- (c) the party is a member of the key management personnel of the Group;
- (d) the party is a close member of the family of any individual referred to in (a) or (c);
- (e) the party is an entity that is controlled, jointly-controlled or significantly influenced by or for which significant voting power in such entity resides with, directly or indirectly, any individual referred to in (c) or (d); or
- (f) the party is a post-employment benefit plan for the benefit of employees of the Group, or of any entity that is a related party of the Group.

3. 重大會計政策 (續)

關連人士

該人士被視為關連人士，倘：

- (a) 有關人士直接或間接透過一名或多名中介人：(i)控制本集團、受本集團控制，或與本集團受到共同控制；(ii)擁有本集團權益，並使其可對本集團發揮重大影響力；或(iii)與他人共同擁有本集團控制權；
- (b) 有關人士為共同控制實體；
- (c) 有關人士為本集團主要管理人員；
- (d) 有關人士為(a)或(c)項所述任何人士之直系親屬；
- (e) 有關人士為(c)或(d)項所述人士直接或間接控制、與他人共同控制或能對其發揮重大影響力或擁有重大投票權之該實體；或
- (f) 該名人士為就本集團或本集團有關連人士任何實體之員工福利之退休福利計劃中之一方。

財務報表附註

Notes to the Financial Statements

截至二零零八年三月三十一日止年度 For the year ended 31 March 2008

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Property, plant and equipment and depreciation

Property, plant and equipment are stated at cost or valuation less subsequent depreciation and impairment losses.

Buildings held for use in the production or supply of goods or services, or for administrative purposes, are stated in the consolidated balance sheet at their revalued amounts, being the fair value at the date of revaluation less any subsequent accumulated depreciation and any subsequent accumulated impairment losses. Revaluations are performed with sufficient regularity such that the carrying amount does not differ materially from that which would be determined using fair values at the balance sheet date.

Any revaluation increase arising on revaluation of buildings is credited to the properties revaluation reserve, except to the extent that it reverses a revaluation decrease of the same asset previously recognised as an expense, in which case the increase is credited to the consolidated income statement to the extent of the decrease previously charged. A decrease in net carrying amount arising on revaluation of an asset is dealt with as an expense to the extent that it exceeds the balance, if any, on the properties revaluation reserve relating to a previous revaluation of that asset. On the subsequent sale or retirement of a revalued asset, the attributable revaluation surplus is transferred to retained profits.

3. 重大會計政策 (續)

物業、廠房及設備與折舊

物業、廠房及設備乃以成本值或估值減其後之折舊及減值虧損入賬。

持作生產及提供產品及服務，或作行政管理用途之樓宇均以重估值（即於重估日期之公平值減任何其後累計折舊及任何其後累計減值虧損）於綜合資產負債表入賬。重估會適時定期進行，以確保賬面值不會與按結算日公平值計算之賬面值有重大差異。

任何重估樓宇產生之重估增值均會計入物業重估儲備，惟以就同一資產撥回過往確認為開支之重估減值為限，而在此情況下，有關增值會計入綜合收益表，惟以過往扣除之減值為限。重估資產產生之賬面淨值減少列作開支處理，惟以不超出與過往就同一資產重估有關之物業重估儲備結餘（如有）為限。於其後出售或報廢重估資產時，應佔之重估盈餘會轉撥至保留盈利。

財務報表附註

Notes to the Financial Statements

截至二零零八年三月三十一日止年度 For the year ended 31 March 2008

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Property, plant and equipment and depreciation (Continued)

Depreciation is calculated on the straight-line basis to write off the cost or valuation of each item of property, plant and equipment to its residual value over its estimated useful life. The principal annual rates used for this purpose are as follows:

Buildings	Over the lease terms
Leasehold improvements	5 to 10 years or over the lease terms, whichever is shorter
Plant and machinery	2 to 15 years
Furniture, fixtures, equipment and motor vehicles	3 to 5 years

Where parts of an item of property, plant and equipment have different useful lives, the cost or valuation of that item is allocated on a reasonable basis among the parts and each part is depreciated separately.

Residual values, useful lives and depreciation method are reviewed, and adjusted if appropriate, at each balance sheet date.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on disposal or retirement recognised in the income statement in the year the asset is derecognised is the difference between the net sale proceeds and the carrying amount of the relevant asset.

3. 重大會計政策 (續)

物業、廠房及設備與折舊 (續)

折舊乃以直線基準按估計可使用年期撇銷每項物業、廠房及設備之成本或估值之任何估計剩餘值之餘值。就此採用之年率如下：

樓宇	按租約年期
租賃裝修	5至10年或租約年期，以較短者為準
廠房及機器	2至15年
傢俬、固定裝置、設備及汽車	3至5年

倘一項物業、廠房及設備之各部分具有不同之可使用年期，此項目各部分之成本或估值將按合理基礎分配，而每部分將作個別折舊。

剩餘價值、可使用年期和折舊方法於各結算日進行檢討及調整（如適用）。

一項物業、廠房及設備於出售時或估計其使用或出售不再會有經濟效益時，將不再被確認。於該項資產不再被確認之年度之收益表中確認之出售及報廢盈虧乃指有關資產之出售所得款項淨額與其賬面值之差額。

財務報表附註

Notes to the Financial Statements

截至二零零八年三月三十一日止年度 For the year ended 31 March 2008

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Leases

Leases that transfer substantially all the rewards and risks of ownership of assets to the Group, other than legal title, are accounted for as finance leases. At the inception of a finance lease, the cost of the leased asset is capitalised at the present value of the minimum lease payments and recorded together with the obligation, excluding the interest element, to reflect the purchase and financing. Assets held under capitalised finance leases are included in property, plant and equipment, and depreciated over the shorter of the lease terms and the estimated useful lives of the assets. The finance costs of such leases are charged to the income statement so as to provide a constant periodic rate of charge over the lease terms.

Assets acquired through hire purchase contracts of a financing nature are accounted for as finance leases, but are depreciated over their estimated useful lives.

Leases where substantially all the rewards and risks of ownership of assets remain with the lessor are accounted for as operating leases. Where the Group is the lessee, rentals payable under the operating leases are charged to the income statement on the straight-line basis over the lease terms.

Prepaid lease payments under operating leases are initially stated at cost and subsequently recognised on the straight-line basis over the lease terms. When the lease payments cannot be allocated reliably between the land and buildings elements, the entire lease payments are included in the cost of the land and buildings as a finance lease in property, plant and equipment.

3. 重大會計政策 (續)

租賃

將資產擁有權(法定所有權除外)全部回報及風險大部分轉移至本集團之租約列為融資租約。於融資租約生效時,租賃資產之成本按租約最低付款之現值予以資本化,並連同債務(不包括利息部分)予以記錄以反映該項購買及融資。根據資本化融資租約持有之資產包括在物業、廠房及設備內,並按租約年期及資產之估計可使用年期兩者中之較短者予以折舊。該等租約之融資費用於收益表內扣除,以於租期內提供固定之定期費用率。

透過融資性質之租購合約購買之資產按融資租賃列賬,惟按其估計使用年限折舊。

資產擁有權之全部回報及風險大部分由租賃公司承受之租約列為經營租約。倘本集團為承租人,根據經營租約而應付之租金,乃於租約期內以直線法在收益表扣除。

預付租賃初始時以成本列賬並於租賃期內按直線法攤銷。凡不能可靠劃分土地和樓宇部分之租金,全額記入土地及樓宇成本,並以融資租賃於物業、廠房及設備中列示。

財務報表附註

Notes to the Financial Statements

截至二零零八年三月三十一日止年度 For the year ended 31 March 2008

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments

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

Financial assets

The Group's financial assets are classified as loans and receivables and the accounting policy adopted is set out below.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset, or, where appropriate, a shorter period.

Income is recognised on an effective interest basis.

3. 重大會計政策 (續)

財務工具

倘集團實體成為財務工具合約條文之訂約方，則於資產負債表中確認財務資產及財務負債。財務資產及財務負債首先按公平值計量。因收購或發行財務資產及財務負債（於損益表按公平值處理之財務資產及財務負債除外）而直接產生之交易成本於首次確認時計入財務資產及財務負債（如適用）之公平值或自財務資產及財務負債（如適用）之公平值扣除。就「於損益表按公平值處理之財務資產或財務負債」而言，直接產生之交易成本於損益表即時確認。

財務資產

本集團之財務資產分類為貸款及應收賬款。所採納之會計政策載列於下文。

實際利率法

實際利率法乃計算財務資產之攤銷成本及按有關期間攤分利息收入之方法。實際利率乃將估計未來現金收入（包括構成整體實際利率之一切所支付或收取費用及利率差價、交易成本及其他溢價或折價）按該財務資產之預期年期，或（如適用）較短期間實際折現之利率。

利息按實際利率基準確認。

財務報表附註

Notes to the Financial Statements

截至二零零八年三月三十一日止年度 For the year ended 31 March 2008

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. At each balance sheet date subsequent to initial recognition, loans and receivables (including trade and other receivables, amounts due from subsidiaries, pledged deposits and bank balances and cash) are carried at amortised cost using the effective interest method, less any identified impairment losses.

Fair value

The fair value of investments that are actively traded in organised financial markets is determined by reference to quoted market bid prices at the close of business on the balance sheet date. For investments where there is no active market, fair value is determined using valuation techniques. Such techniques include using recent arm's length market transactions; reference to the current market value of another instrument which is substantially the same; a discounted cash flow analysis; and option pricing models.

Impairment of financial assets

The Group assesses at each balance sheet date whether there is any objective evidence that a financial asset or group of financial assets is impaired.

3. 重大會計政策 (續)

財務工具 (續)

貸款及應收賬款

貸款及應收賬款為於活躍市場並無報價而附帶固定或可釐定付款之非衍生財務資產。於首次確認後之各結算日，貸款及應收款項（包括貿易及其他應收賬款、應收附屬公司款項、有抵押存款以及銀行結存及現金）採用實際利率法攤銷成本，並減任何已識別減值虧損列賬。

公平值

於有序金融市場交易活躍之投資之公平值乃參考結算日營業時間結束時之市場買入報價而計算。對於並無活躍市場標價之投資，其公平值則以估價技術釐定。估價技術包括近期公平市場交易、參照本質相同之其他工具之當時市值、折現現金流量分析和期權定價模型。

財務資產減值

本集團於每個結算日評估是否存在客觀證據顯示一項或一組財務資產出現減值。

財務報表附註

Notes to the Financial Statements

截至二零零八年三月三十一日止年度 For the year ended 31 March 2008

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Impairment of financial assets (Continued)

Assets carried at amortised cost

If there is objective evidence that an impairment loss on loans and receivables carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate (i.e., the effective interest rate computed at initial recognition). The carrying amount of the asset is reduced either directly or through the use of an allowance account. The amount of the impairment loss is recognised in the income statement.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed. Any subsequent reversal of an impairment loss is recognised in the income statement, to the extent that the carrying value of the asset does not exceed its amortised cost at the reversal date.

In relation to trade and other receivables, a provision for impairment is made when there is objective evidence (such as the probability of insolvency or significant financial difficulties of the debtor and significant changes in the technological, market economic or legal environment that have an adverse effect on the debtor) that the Group will not be able to collect all of the amounts due under the original terms of an invoice. The carrying amount of the receivables is reduced through the use of an allowance account. Impaired debts are derecognised when they are assessed as uncollectible.

3. 重大會計政策 (續)

財務資產減值 (續)

按攤銷成本入賬之資產

倘有客觀證據顯示按攤銷成本入賬之貸款及應收賬款出現減值虧損，則虧損金額按該項資產賬面值與以其初始實際利率（即初步確認時計算之實際利率）貼現之估計未來現金流量（不包括尚未產生之未來信貸虧損）現值之差額計算。資產之賬面金額應直接減少或通過使用備抵賬戶減少。減值虧損之金額於收益表確認。

倘其後減值虧損金額減少，且此減少客觀上與確認減值以後發生之事項有關，則以往確認之減值虧損將會撥回並於收益表內確認，惟有關資產之賬面值不得超過撥回當日之攤銷成本。

就貿易及其他應收賬款而言，倘有客觀證據（如債務人可能無償債能力或出現嚴重財務困難）顯示本集團將無法按發票的原定條款收回所有到期款項，本集團會作出減值撥備。應收賬款之賬面值會通過使用撥備賬扣除。減值債項一經評估為無法收回，即會停止確認。

財務報表附註

Notes to the Financial Statements

截至二零零八年三月三十一日止年度 For the year ended 31 March 2008

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Impairment of financial assets (Continued)

Assets carried at cost

If there is objective evidence that an impairment loss on an unquoted equity instrument that is not carried at fair value because its fair value cannot be reliably measured has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset. Impairment losses on these assets are not reversed.

Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised where:

- the rights to receive cash flows from the asset have expired;
- the Group retains the rights to receive cash flows from the asset, but has assumed an obligation to pay in full without material delay to a third party under a "pass-through" arrangement; or
- the Group has transferred its rights to receive cash flows from the asset and either (a) has transferred substantially all the risks and rewards of the asset, or (b) has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

3. 重大會計政策 (續)

財務資產減值 (續)

按成本入賬之資產

倘有客觀證據證明非上市股本工具之減值虧損因未能可靠地計量其公平值而不按公平值列賬，虧損金額按該項資產之賬面值與估計未來現金流量之現值（按類似財務資產目前市場回報率折現）之差額計算。該等資產之減值虧損不會撥回。

取消確認財務資產

財務資產（或一項財務資產之一部分或一組同類財務資產之一部分）於下列情況下將取消確認：

- 收取該項資產所得現金流量之權利經已屆滿；
- 本集團保留收取該項資產所得現金流量之權利，惟須根據一項「通過」安排，在未有嚴重延緩第三者之情況下，已就有關權利全數承擔付款之責任；或
- 本集團已轉讓其收取該項資產所得現金流量之權利，並(a)已轉讓該項資產之絕大部分風險及回報；或(b)並無轉讓或保留該項資產絕大部分風險及回報，但已轉讓該項資產之控制權。

財務報表附註

Notes to the Financial Statements

截至二零零八年三月三十一日止年度 For the year ended 31 March 2008

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Derecognition of financial assets (Continued)

Where the Group has transferred its rights to receive cash flows from an asset and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognised to the extent of the Group's continuing involvement in the asset. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Where continuing involvement takes the form of a written and/or purchased option (including a cash-settled option or similar provision) on the transferred asset, the extent of the Group's continuing involvement is the amount of the transferred asset that the Group may repurchase, except in the case of a written put option (including a cash-settled option or similar provision) on an asset measured at fair value, where the extent of the Group's continuing involvement is limited to the lower of the fair value of the transferred asset and the option exercise price.

Financial liabilities at amortised cost

Financial liabilities including creditors, deposits, other payables and interest-bearing borrowings are initially stated at fair value less directly attributable transaction costs and are subsequently measured at amortised cost, using the effective interest method unless the effect of discounting would be immaterial, in which case they are stated at cost. The related interest expense is recognised within "finance costs" in the income statement.

Gains and losses are recognised in the income statement when the liabilities are derecognised as well as through the amortisation process.

3. 重大會計政策 (續)

取消確認財務資產 (續)

本集團凡已轉讓其收取一項資產所得現金流量之權利，但並無轉讓或保留該項資產之絕大部分風險及回報，且並無轉讓該項資產之控制權，該項資產將以本集團持續牽涉該項資產為限而確認入賬。持續牽涉形式如為本集團就已轉讓資產作出一項保證，已轉讓資產乃以該項資產之原賬面值及本集團或須償還之代價數額上限（以較低者為準）計量。

倘透過書面及／或購入期權（包括以現金結算期權或類似條文）方式持續參與已轉讓資產，則本集團之持續參與限於本集團可購回之已轉讓資產金額，惟在資產之書面認沽期權（包括以現金結算期權或類似條文）按公平價值計量之情況下除外，在此情況下，本集團之持續參與限於已轉讓資產與期權行使價中之較低者。

按攤銷成本列賬之財務負債

財務負債包括應付賬款、按金及其他應付賬款以及附息借貸，初步乃按公平值減直接應佔交易成本列賬，其後用實際利率法按攤銷成本計量，惟倘折現影響屬重大，則財務負債按成本列賬。有關利息開支已於收益表內「財務成本」中確認。

有關損益於負債取消確認時通過攤銷程序於收益表內確認。

財務報表附註

Notes to the Financial Statements

截至二零零八年三月三十一日止年度 For the year ended 31 March 2008

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial guarantee contracts

Financial guarantee contracts in the scope of HKAS 39 are accounted for as financial liabilities. A financial guarantee contract is recognised initially at its fair value less transaction costs that are directly attributable to the acquisition or issue of the financial guarantee contract, except when such contract is recognised at fair value through profit or loss. Subsequent to initial recognition, the Group measures the financial guarantee contract at the higher of: (i) the amount determined in accordance with HKAS 37 Provisions, Contingent Liabilities and Contingent Assets; and (ii) the amount initially recognised less, when appropriate, cumulative amortisation recognised in accordance with HKAS 18 Revenue.

Borrowing costs

Borrowing costs are recognised as an expense in the year in which they are incurred.

Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expired.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference between the respective carrying amounts is recognised in the income statement.

3. 重大會計政策 (續)

財務擔保合約

香港會計準則第39號範圍內的財務擔保合約列作財務負債入賬。財務擔保合約初步按公平值減收購或發行財務擔保合約直接應佔的交易成本確認，惟若該合約乃透過損益按公平值確認則除外。於初步確認後，本集團將以下列之較高者計量此財務擔保合約：(i)根據香港會計準則第37號「撥備、或然負債及或然資產」所釐定的金額；及(ii)初步確認金額減去根據香港會計準則第18號「收益」所確認的累計攤銷（如適用）。

借貸成本

於年度內，借貸成本於發生時被確認為支出。

取消確認財務負債

當財務負債獲解除或註銷或屆滿時，即取消確認財務負債。

倘現有財務負債由來自同一借方之另一筆財務負債替代，而其條款大不相同或現有負債之條款大幅修訂，則變動或修訂被視作取消確認原來負債並確認新負債，而各賬面金額間之差額則於收益表中確認。

財務報表附註

Notes to the Financial Statements

截至二零零八年三月三十一日止年度 For the year ended 31 March 2008

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined on the first-in, first-out basis and, in the case of work in progress and finished goods, comprises direct materials, direct labour and an appropriate proportion of overheads. Net realisable value is based on estimated selling prices less any estimated costs to be incurred to completion and disposal.

Cash and cash equivalents

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

For the purpose of the balance sheet, bank balances and cash comprise cash on hand and at banks, including term deposits, which are not restricted as to use.

Provisions

A provision is recognised when a present obligation (legal or constructive) has arisen as a result of a past event and it is probable that a future outflow of resources will be required to settle the obligation, provided that a reliable estimate can be made of the amount of the obligation.

When the effect of discounting is material, the amount recognised for a provision is the present value at the balance sheet date of the future expenditures expected to be required to settle the obligation. The increase in the discounted present value amount arising from the passage of time is included in finance costs in the income statement.

3. 重大會計政策 (續)

存貨

存貨以成本值及可變現淨值兩者中之較低者入賬。成本值以先入先出之基準釐訂，且若為在製品及製成品，則包括直接物料、直接勞工及適當比例之間接開支。可變現淨值乃根據估計售價減預計至完成及出售所產生之其他費用。

現金及等同現金項目

就綜合現金流量表而言，現金及等同現金項目包括手頭現金及即期存款，以及承受不重大之價值變動風險，且於購入時之到期日短（一般為三個月）並可於毋須通知下隨時轉換回已知現金數額之短期高流通性投資（扣除須按通知償還以及構成本集團現金管理之重要部分之銀行透支）。

就資產負債表而言，銀行結存及現金乃指手頭及銀行現金，包括用途未受限制之定期存款。

撥備

因過往事項導致出現時之責任（法律或推斷）而未來可能須流出資源以解決責任，且能對有關責任作可靠估計，則確認撥備。

倘貼現之影響屬重大，則所確認之撥備數額為於結算日預期須解決責任之未來開支之現值。因時間過去而導致經貼現之現值增加，乃計入收益表中之財務成本。

財務報表附註

Notes to the Financial Statements

截至二零零八年三月三十一日止年度 For the year ended 31 March 2008

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Income tax

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

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities.

Deferred tax is provided, using the liability method, on all temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences except:

- where the deferred tax liability arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of taxable temporary differences associated with investments in subsidiaries, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

3. 重大會計政策 (續)

所得稅

所得稅包括即期及遞延稅項。倘所得稅關乎同一或不同期間直接於股本確認之項目，則於收益表或股本確認。

於目前或過往期間之即期稅項資產及負債，按預期自稅務當局退回或付予稅務當局之金額計算。

遞延稅項乃採用負債法，對於結算日資產及負債之計稅基準及該等項目就財務申報而言之賬面值之一切暫時差額作出撥備。

遞延稅項負債就一切暫時差額予以確認：

- 惟因不屬業務合併之交易首次確認資產或負債（及於交易時並不影響會計溢利或應課稅溢利或虧損）所產生之遞延稅項負債除外；及
- 就與於附屬公司之投資有關之應課稅暫時差額而言，除非撥回暫時差額之時間可以控制及暫時差額可能不會在可見將來撥回。

財務報表附註

Notes to the Financial Statements

截至二零零八年三月三十一日止年度 For the year ended 31 March 2008

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Income tax (Continued)

Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised except:

- where the deferred tax asset relating to the deductible temporary differences arises from negative goodwill or the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of deductible temporary differences associated with investments in subsidiaries, deferred tax assets are only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

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

3. 重大會計政策 (續)

所得稅 (續)

所有可予扣減暫時差額、未動用稅項資產結轉及未動用稅項虧損於可能獲得應課稅溢利作為抵銷，以動用該等可予扣減暫時差額、未動用稅項資產結轉及未動用稅項虧損之情況下，均確認為遞延稅項資產，惟：

- 因不屬業務合併之交易之商譽或首次確認資產或負債（及於交易時並不影響會計溢利或應課稅溢利或虧損）所產生與可扣減暫時差額有關之遞延稅項資產除外；及
- 就與於附屬公司之投資有關之可予扣減暫時差額，僅於暫時差額可能會在可見將來撥回及將有應課稅溢利作為抵銷，以動用暫時差額之情況下，才確認遞延稅項資產。

遞延稅項資產之賬面值乃於各結算日進行審閱，並予以相應扣減，直至不再可能有足夠應課稅溢利以動用全部或部分遞延稅項資產為止。相反，先前未確認之遞延稅項資產乃於各結算日重新評估及於可能獲得足夠應課稅溢利以動用全部或部分遞延稅項資產之情況下予以確認。

財務報表附註

Notes to the Financial Statements

截至二零零八年三月三十一日止年度 For the year ended 31 March 2008

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Income tax (Continued)

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

Deferred tax assets and deferred tax liabilities are offset, if a legally right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Revenue recognition

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

- (a) sale of goods, when the significant risks and rewards of ownership have been transferred to the buyer, provided that the Group maintains neither managerial involvement to the degree usually associated with ownership, nor effective control over the goods sold; and
- (b) interest income, on an accrual basis using the effective interest method by applying the rate that discounts the estimated future cash receipts through the expected life of the financial instrument to the net carrying amount of the financial assets;

3. 重大會計政策 (續)

所得稅 (續)

遞延稅項資產及負債乃根據於結算日已實施或已大致實施之稅率(及稅務法例)·按變現資產或清償負債之期間預期適用之稅率予以計算。

遞延稅項資產可與遞延稅項負債抵銷·惟必須存在容許將即期稅項資產抵銷即期稅項負債之合法權利·且遞延稅項與同一課稅實體及同一稅務當局有關·方可實行。

收益確認

收益於本集團有可能獲取經濟利益及能可靠量度收益時按下列基準確認:

- (a) 於銷售貨品時·倘擁有權所附帶之重大風險及回報已轉讓予買方·且本集團在管理上參與之程度不再達致與擁有權通常相應之程度·亦不再有效控制售出之貨品;及
- (b) 利息收入·以應計方式按財務工具之估計年期用實際利率法將未來估計之現金收入折扣計算財務資產之賬面淨值;

財務報表附註

Notes to the Financial Statements

截至二零零八年三月三十一日止年度 For the year ended 31 March 2008

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Employee benefits

Share-based payment transactions

The Company operates a share option scheme for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's operations. Employees (including directors) of the Group receive remuneration in the form of share-based payment transactions, whereby employees render services as consideration for equity instruments ("equity-settled transactions").

The cost of equity-settled transactions with employees is measured by reference to the fair value at the date at which they are granted. The fair value is determined by an external valuer using the Black-Scholes OPM model, further details of which are given in note 30 to the financial statements. In valuing equity-settled transactions, no account is taken of any performance conditions, other than conditions linked to the price of the shares of the Company ("market conditions"), if applicable.

The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled, ending on the date on which the relevant employees become fully entitled to the award (the "vesting date"). The cumulative expense recognised for equity-settled transactions at each balance sheet date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The charge or credit to the income statement for a period represents the movement in the cumulative expense recognised as at the beginning and end of that period. The equity amount is recognised in the share option reserve until either the option is exercised (when it is transferred to the share premium) or the option expires/lapses (when it is released directly to retained profits).

3. 重大會計政策 (續)

僱員福利

以股份支付的交易

本公司實施購股權計劃，為對本集團業務成功作出貢獻的合資格參與者，提供激勵與獎勵。本集團僱員（包括董事）以股份支付交易的方式收取報酬，僱員提供服務作為收取股權工具的代價（「以股權支付的交易」）。

與僱員進行以股權支付的交易的成本，乃參照授出日期的公平值而計量。公平值由外聘估值師根據柏力克—舒爾斯期權定價模式決定，其進一步詳情載於財務報告附註30。評定以股權支付的交易的價值時，除對本公司股份價格有影響的條件（「市場條件」）（如適用）外，毋須將任何績效條件計算在內。

以股權支付的交易的成本，連同權益相應增加部分，在績效及／或服務條件獲得履行的期間（於有關僱員完全有權獲得授予之日（「歸屬日期」）結束）內確認。在歸屬日期前，每屆結算日確認的以股權支付的交易的累計開支，反映歸屬期已到期部分及本集團對最終將會歸屬的股權工具數目的最佳估計。在某一期間內在收益表內扣除或進賬，乃反映累計開支於期初與期終確認時的變動。股本金額於購股權儲備確認，直至購股權獲行使（當其被轉至股份溢價時）或購股權屆滿／失效（當其直接撥至保留溢利）為止。

財務報表附註

Notes to the Financial Statements

截至二零零八年三月三十一日止年度 For the year ended 31 March 2008

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Employee benefits (Continued)

Share-based payment transactions (Continued)

No expense is recognised for awards that do not ultimately vest, except for awards where vesting is conditional upon a market condition, which are treated as vesting irrespective of whether or not the market condition is satisfied, provided that all other performance conditions are satisfied.

Where the terms of an equity-settled award are modified, as a minimum an expense is recognised as if the terms had not been modified. In addition, an expense is recognised for any modification, which increases the total fair value of the share-based payment arrangement, or is otherwise beneficial to the employee as measured at the date of modification.

Where an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. However, if a new award is substituted for the cancelled award, and is designated as a replacement award on the date that it is granted, the cancelled and new awards are treated as if they were a modification of the original award, as described in the previous paragraph.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of earnings per share.

Employment Ordinance long service payments

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

3. 重大會計政策 (續)

僱員福利 (續)

以股份支付的交易 (續)

對於已授出但尚未歸屬的購股權，不會確認任何開支，但視乎市場條件而決定歸屬與否的已授出購股權則除外。對於該類購股權而言，只要所有其他績效條件已經達成，不論市場條件是否達成，均會被視為已歸屬。

倘若以股權支付的購股權的條款有所變更，所確認的開支最少須達到猶如條款並無任何變更的水平。此外，倘若按變更日期的計量，任何變更導致以股份支付的安排的總公平價值有所增加，或對僱員帶來其他利益，則應該等變更確認開支。

倘若以股權支付的購股權被註銷，應被視為已於註銷日期歸屬，任何尚未確認的授予購股權的開支，均應立刻確認。然而，若授予新購股權代替已註銷的購股權，並於授出日期指定為替代購股權，則已註銷的購股權及新購股權，均應被視為原購股權的變更，一如前段所述。

計算每股盈利時，未行使購股權的攤薄效應，反映為額外股份攤薄。

僱傭條例長期服務金

本集團若干僱員於終止僱傭合約時已於本集團服務滿規定年期，合資格領取香港僱傭條例規定之長期服務金。倘終止僱傭合約符合香港僱傭條例規定之情況，本集團則須支付有關款項。

財務報表附註

Notes to the Financial Statements

截至二零零八年三月三十一日止年度 For the year ended 31 March 2008

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Employee benefits (Continued)

Employment Ordinance long service payments (Continued)

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

Pension schemes and other retirement benefits

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

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

3. 重大會計政策 (續)

僱員福利 (續)

僱傭條例長期服務金 (續)

有關預期日後可能支付之長期服務金已提撥準備。有關撥備乃按於結算日僱員任職於本集團已可享有之可能日後付款之最佳估計數字計算。

退休金計劃及其他退休福利

本集團根據強制性公積金計劃條例為合資格參與退休福利計劃（「強制性公積金計劃」）之僱員實行一項定額供款強制性公積金。供款乃根據強制性公積金計劃規則按參與僱員基本薪資之某個百分比作出，並於其應付時自收益表內扣除。強制性公積金計劃之資產由獨立管理基金持有，與本集團之資產分開保管。本集團之僱主供款乃於向強制性公積金計劃作出供款時悉數歸屬於僱員所有。

於中國大陸經營之附屬公司之僱員須參與由當地市政府管理之中央退休金計劃。該等附屬公司須撥出僱員薪酬成本之若干比率作為對中央退休金計劃之供款。供款於須按中央退休金計劃之規則支付時自收益表扣除。

財務報表附註

Notes to the Financial Statements

截至二零零八年三月三十一日止年度 For the year ended 31 March 2008

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Foreign currencies

These financial statements are presented in Hong Kong dollars, which is the Company's functional and presentation currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency. Foreign currency transactions are initially recorded using the functional currency rates ruling at the date of the transactions. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency rates of exchange ruling at the balance sheet date. All differences are taken to the income statement. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

The functional currencies of certain overseas subsidiaries are currencies other than Hong Kong dollar. As at the balance sheet date, the assets and liabilities of these entities are translated into the presentation currency of the Company at the exchange rates ruling at the balance sheet date and, their income statements are translated into Hong Kong dollars at the weighted average exchange rates for the year. The resulting exchange differences are included in a separate component of equity. On disposal of a foreign entity, the deferred cumulative amount recognised in equity relating to that particular foreign operation is recognised in the income statement.

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

3. 重大會計政策 (續)

外幣

此等財務報表乃以港元(即本公司之功能及呈列貨幣)呈列。本集團內各實體自行釐定其功能貨幣,計入各實體財務報表之項目乃以功能貨幣列值。外幣交易按交易日之適用功能貨幣匯率入賬。於結算日以外幣計價之貨幣資產及負債按該日之適用匯率折算,兌換差額撥入收益表內處理。以外幣歷史成本計算之非貨幣項目按首次交易當日之匯率換算。以外幣公平值計算之非貨幣項目則按釐定公平值當日之匯率換算。

若干香港以外附屬公司之功能貨幣為港元以外之貨幣。於結算日,該等實體之資產及負債已按結算日之匯率換算為本公司之呈列貨幣,彼等之收益表已按年內加權平均匯率換算為港元。產生之匯兌差額計入權益之單獨部分。出售香港以外實體時,與該香港以外實體營運有關且已於股本中確認之遞延累計金額於收益表確認。

就綜合現金流量表而言,海外附屬公司之現金流量乃按現金出現流量之日以適用匯率折算為港元。整個年度經常出現之海外附屬公司經常性現金流量按年內之加權平均匯率折算為港元。

財務報表附註

Notes to the Financial Statements

截至二零零八年三月三十一日止年度 For the year ended 31 March 2008

4. SIGNIFICANT ACCOUNTING JUDGEMENTS

Judgements

In the process of applying the Group's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements:

Impairment of assets

In determining whether an asset is impaired or whether the event previously causing the impairment no longer exists, the Company has to exercise judgement in the area of asset impairment, particularly in assessing: (1) whether an event has occurred that may affect the asset value, or such an event affecting the asset value has not been in existence; (2) whether the carrying value of an asset can be supported by the net present value of future cash flows, which are estimated based upon the continued use of the asset; and (3) the appropriate key assumptions to be applied in preparing cash flow projections including whether these cash flow projections are discounted using an appropriate rate. Changing the assumptions selected by management to determine the level of impairment, including the discount rates or the growth rate assumptions in the cash flow projections, could have a material effect on the net present value used in the impairment test.

Share-based payments

The fair value of the options granted is estimated by independent professional valuers based on the various assumptions on volatility, life of options, dividend paid out rate and annual risk-free interest rate, excluding the impact of any non-market vesting conditions, which generally represent the best estimate of the fair value of the options at the date of granting the options.

4. 重大會計判斷

判斷

於採納本集團之會計政策時，管理層已作出以下對財務報表確認款項有重大影響之判斷。

資產減值

於定資產是否減值或過往導致減值之事件是否已不再存在時，本公司須在資產減值方面作出判斷，特別是評估：(1)有否發生任何事件，導致可能會影響資產值，或影響資產值之事件是否不再存在；(2)資產賬面值能否由未來現金流量（根據持續使用資產而估計）淨現值支持；及(3)編製現金流量預測時所用之適當主要假設（包括該等現金流量預測是否利用合適利率貼現）。更改管理層選用之假設以釐定減值水平（包括現金流量預測之貼現率或增長率假設）可能會對減值測試所用之淨現值造成重大影響。

以股份支付之款項

獨立專業估值師會根據對價格波動、期權有效期、派息率及無風險年利率等多項假設估計所授出期權之公平值，惟並不計入任何非市場狀況之影響。此方法通常可對期權於授出當日之公平值作出最準確之估計。

財務報表附註

Notes to the Financial Statements

截至二零零八年三月三十一日止年度 For the year ended 31 March 2008

4. SIGNIFICANT ACCOUNTING JUDGEMENTS (Continued)

Judgements (Continued)

Income taxes

The Group is subject to income taxes in numerous jurisdictions. Judgment is required in determining the worldwide provision for income taxes. There are transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The tax liabilities recognised are based on management's assessment of the likely outcome.

Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions and deferred tax assets in the period in which such determination is made.

5. SEGMENT INFORMATION

No business segment information of the Group is presented as the Group's revenue, expenses, assets, liabilities and capital expenditure are primarily attributable to the manufacturing and trading of plastic products, mainly PVC films.

No further geographical segment information is presented as over 90% of the Group's revenue, results and assets are attributable to its operations in Mainland China.

4. 重大會計判斷 (續)

判斷 (續)

所得稅

本集團須於多個司法權區繳納所得稅。本集團於釐定全球各地之所得稅撥備時須作出判斷。本集團於日常業務中進行之交易及計算未必能準確釐定最終稅項。已確認之稅項負債乃基於管理層對可能結果所作出之評估而釐定。

倘該等項目最終應繳稅項與初步入賬之數額有所分別，則該差額將影響於釐定稅項期間之所得稅、遞延稅項撥備以及遞延稅項資產。

5. 分部資料

由於本集團之收益、開支、資產、負債及資本支出主要來自製造及銷售塑膠產品（主要為塑膠布），故並無提呈本集團之業務分類資料。

由於本集團逾90%之收益、業績及資產均來自中國大陸之營運，故並無進一步呈報地區分類資料。

財務報表附註

Notes to the Financial Statements

截至二零零八年三月三十一日止年度 For the year ended 31 March 2008

6. TURNOVER AND REVENUE

The Group's turnover, represents the net invoiced value of goods sold, after allowances for returns and trade discounts, but excludes intra-group transactions.

An analysis of turnover and other revenue is as follows:

		2008 HK\$'000 二零零八年 千港元	2007 HK\$'000 二零零七年 千港元
Turnover	營業額		
Sale of goods	銷售貨品	245,099	300,334
Other revenue	其他收益		
Bank interest income	銀行利息收入	771	156
Waive of other payable	豁免其他應付賬款	1,933	–
Reversal of allowance for bad debts	壞賬支出回撥	–	133
Investment income from long term receivables	長期應收賬款之投資收入	296	506
Others	其他	437	695
		3,437	1,490

6. 營業額及其他收益

本集團之營業額乃指所售貨品之發票淨值，並已扣除有關退貨及貿易折扣，惟不包括集團內公司間之交易。

本集團之營業額及其他收益分析如下：

	2008 HK\$'000 二零零八年 千港元	2007 HK\$'000 二零零七年 千港元
營業額	245,099	300,334
其他收益		
銀行利息收入	771	156
豁免其他應付賬款	1,933	–
壞賬支出回撥	–	133
長期應收賬款之投資收入	296	506
其他	437	695
	3,437	1,490

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截至二零零八年三月三十一日止年度 For the year ended 31 March 2008

7. LOSS BEFORE TAXATION

The Group's loss before taxation is arrived at after charging/
(crediting):

7. 除稅前虧損

本集團之除稅前虧損已扣除／(計入)下列各項：

		2008 HK\$'000 二零零八年 千港元	2007 HK\$'000 二零零七年 千港元
Cost of inventories sold	已售存貨成本	232,238	284,494
Depreciation (note 14)	折舊(附註14)	9,583	10,355
Less: Amount included in cost of inventories sold	減:撥入已售存貨成本之總額	(8,854)	(9,459)
		729	896
Amortisation of prepaid lease payments	預付租賃款項之攤銷	121	122
Minimum lease payments under operating leases in respect of land and buildings	土地及樓宇之經營租賃租金最低款項	1,781	3,599
Less: Amount included in cost of inventories sold	減:撥入已售存貨成本之總額	(647)	(2,468)
		1,134	1,131
Auditors' remuneration	核數師酬金		
– provision for the year	– 本年度撥備	540	500
– underprovision in last year	– 上年度撥備不足	–	15
Employee benefits expense (excluding directors' remuneration – note 9):	僱員福利開支(不包括董事酬金 – 附註 9):		
Wages and salaries	工資及薪金	11,557	12,028
Less: Amount included in cost of inventories sold	減:撥入已售存貨成本之總額	(4,299)	(5,392)
		7,258	6,636
Share-based payment expenses	以股代款之費用	1,812	1,785
Pension scheme contributions	退休金計劃供款	398	307
Net exchange loss	外匯虧損淨額	8,313	4,481
Bad debts *	壞賬*	74	243
(Gain)/Loss on disposal of property, plant and equipment *	出售物業、廠房及設備之(收益)／虧損*	(1,455)	110
Loss on disposal of a jointly-controlled entity *	出售共同控制企業之虧損*	–	113
Gain on disposal of subsidiaries*	出售附屬公司之收益*	–	(1,006)
Gain on disposal of prepaid lease payments *	出售預付租賃款項之收益*	(254)	–

* These items are included in "Other operating expenses, net" on the face of the consolidated income statement.

* 該等項目乃計入綜合收益表內「其他經營開支淨額」中。

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截至二零零八年三月三十一日止年度 For the year ended 31 March 2008

8. FINANCE COSTS

	2008 HK\$'000 二零零八年 千港元	2007 HK\$'000 二零零七年 千港元
Interest on:		
Bank loans and other loans wholly repayable within five years	3,788	3,827
Finance leases	97	43
	3,885	3,870

8. 財務成本

9. DIRECTORS' REMUNERATION

Directors' remuneration for the year, disclosed pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") and Section 161 of the Hong Kong Companies Ordinance, is as follows:

	2008 HK\$'000 二零零八年 千港元	2007 HK\$'000 二零零七年 千港元
Independent non-executive directors:		
Fees	180	180
Share-based payment expenses	54	54
	234	234
Other emoluments for executive directors:		
Fees	470	786
Salaries, allowances and benefits in kind	2,565	2,083
Pension scheme contributions	34	24
Share-based payment expenses	179	90
	3,248	2,983
	3,482	3,217

9. 董事酬金

年內，董事酬金根據香港聯合交易所有限公司證券上市規則（「上市規則」）及香港公司條例第161節所披露詳情如下：

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Notes to the Financial Statements

截至二零零八年三月三十一日止年度 For the year ended 31 March 2008

9. DIRECTORS' REMUNERATION (Continued)

2008

	Fees HK\$'000	Salaries, allowances and benefits in kind HK\$'000	Pension scheme contributions HK\$'000	Share-based payment expenses HK\$'000	Total remuneration HK\$'000
	袍金 千港元	薪金、津貼 及實物福利 千港元	退休金 供款計劃 千港元	以股代款 之費用 千港元	酬金總額 千港元
Executive directors:					
Cheung Ming Leung					
Denver ¹	50	–	–	18	68
Lam Chi Yin Henry	420	–	–	18	438
Ng Man Kin Kenneth	–	309	10	107	426
Tang Kuan Chien	–	1,200	12	18	1,230
Tang Wei Lun	–	1,056	12	18	1,086
	470	2,565	34	179	3,248
Independent					
non-executive directors:					
Au Kwok Yee Benjamin	80	–	–	18	98
Hung Shean I	50	–	–	18	68
Wong Nai Ping	50	–	–	18	68
	180	–	–	54	234
	650	2,565	34	233	3,482

¹ Resigned on 27 June 2007

¹ 於二零零七年六月二十七日辭任

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Notes to the Financial Statements

截至二零零八年三月三十一日止年度 For the year ended 31 March 2008

9. DIRECTORS' REMUNERATION (Continued)

9. 董事酬金 (續)

2007

二零零七年

		Fees HK\$'000 袍金 千港元	Salaries, allowances and benefits in kind HK\$'000 薪金、津貼 及實物福利 千港元	Pension scheme contributions HK\$'000 退休金 供款計劃 千港元	Share-based payment expenses HK\$'000 以股代款 之費用 千港元	Total remuneration HK\$'000 酬金總額 千港元
Executive directors:	執行董事:					
Andy Hsiao-An Yuan	Andy Hsiao-An Yuan	220	–	–	18	238
Cheung Ming Leung Denver	張明良	50	–	–	18	68
Lam Chi Yin Henry	林智然	420	–	–	18	438
Tang Kuan Chien	唐貫健	–	1,200	12	18	1,230
Tang Wei Lun	唐偉倫	96	883	12	18	1,009
		786	2,083	24	90	2,983
Independent non-executive directors:	獨立非執行董事:					
Au Kwok Yee Benjamin	歐國義	80	–	–	18	98
Hung Shean I	洪顯一	50	–	–	18	68
Wong Nai Ping	黃乃平	50	–	–	18	68
		180	–	–	54	234
		966	2,083	24	144	3,217

There was no arrangement under which a director waived or agreed to waive any remuneration during the year (2007: HK\$Nil).

年內並無董事放棄或同意放棄任何酬金的安排(二零零七年:零港元)。

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截至二零零八年三月三十一日止年度 For the year ended 31 March 2008

10. FIVE HIGHEST PAID EMPLOYEES

The five highest paid employees during the year included three (2007: three) directors, details of whose remuneration are set out in note 9 above. Details of the remuneration of the remaining two (2007: two) non-directors, highest paid employees for the year are as follows:

Salaries, allowances and benefits in kind	薪金、津貼及實物福利
Share-based payment expenses	以股代款之費用
Pension scheme contributions	退休金計劃之供款

The remuneration of the two (2007: two) non-directors, highest paid employees fell within the band of nil to HK\$1,000,000.

During the year, no emoluments were paid by the Group to the directors of the Company or any of the five highest paid individuals as an inducement to join or upon joining the Group or as compensation for loss of office (2007: Nil).

10. 五位最高薪酬僱員

年內，五位最高薪酬僱員包括三位（二零零七年：三位）董事，彼等之酬金詳情載於上文附註9。餘下兩位（二零零七年：兩位）非董事最高薪酬僱員於年內之酬金詳情如下：

	2008 HK\$'000 二零零八年 千港元	2007 HK\$'000 二零零七年 千港元
Salaries, allowances and benefits in kind	889	864
Share-based payment expenses	222	217
Pension scheme contributions	12	12
	1,123	1,093

兩名（二零零七年：兩名）非董事最高薪酬僱員的酬金屬於零至1,000,000港元酬金組別。

年內，本集團概無向為了吸引董事或任何五位最高薪酬僱員加入本集團或作為離職之補償而支付任何款項（二零零七年：零港元）。

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截至二零零八年三月三十一日止年度 For the year ended 31 March 2008

11. TAXATION

11. 稅項

		2008 HK\$'000 二零零八年 千港元	2007 HK\$'000 二零零七年 千港元
Current tax:	即期稅項:		
Hong Kong	香港		
– charge for the year	– 年度稅項開支	–	–
– overprovision in prior years	– 往年超額撥備	–	(95)
Overseas	海外		
– charge for the year	– 年度稅項開支	–	–
– (overprovision)/underprovision in prior years	– 往年(超額撥備)/ 不足撥備	(720)	61
		(720)	(34)

Hong Kong profits tax has been provided at the rate of 17.5% on the estimated assessable profits arising in Hong Kong during the year (2007: 17.5%). Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the regions in which the Group operates, based on existing legislation, interpretations and practices in respect thereof.

No Hong Kong profits tax have been provided as the Group had sufficient tax losses brought forward to set off against the assessable profits for the year (2007: Nil).

One of the subsidiaries operating in Mainland China is exempt from income tax for two years starting from its first profitable year of operations and is entitled to a 50% relief from income tax for the following three years under the Income Tax Law of the People's Republic of China (the "PRC"), which has been loss-making since its establishment and accordingly income tax has not been provided for the year ended 31 March 2008 (2007: Nil). For another subsidiary operating in Mainland China, as it remains loss-making during the year, no income tax has been provided (2007: Nil).

香港利得稅乃按年內於香港產生之估計應課稅溢利以17.5%之稅率作撥備(二零零七年:17.5%)。其他地區之應課利得稅乃按本集團經營業務之有關地區之現行稅率,根據現行法例、詮釋及慣例計算。

由於本集團已有足夠承前稅項虧損可抵銷年內之應課稅溢利,故並無就香港利得稅作出撥備(二零零七年:零)。

根據中華人民共和國(「中國」)所得稅法,若干在中國大陸經營之附屬公司由首個獲利經營年度起兩年內免繳所得稅,且於其後三年內獲寬減50%之所得稅。本集團在中國大陸經營之其中一間附屬公司自其註冊成立以來均錄得虧損,因此截至二零零八年三月三十一日止年度並無作出所得稅撥備(二零零七年:零)。由於另一間於中國大陸經營之附屬公司年內仍錄得虧損,因此並無作出所得稅撥備(二零零七年:零)。

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Notes to the Financial Statements

截至二零零八年三月三十一日止年度 For the year ended 31 March 2008

11. TAXATION (Continued)

The Group has tax losses arising in Hong Kong of HK\$126,159,000 (2007: HK\$125,377,000) that are available indefinitely for offsetting against future taxable profits of the companies in which the losses arose. Deferred tax assets have not been recognised in respect of these losses as they have arisen in the companies that have been loss-making for some time.

The charge for the year can be reconciled to the loss per the consolidated income statement as follows:

GROUP

Loss before taxation	除稅前虧損
Tax at the statutory tax rates	按法定稅率計算之稅項
Lower tax rate/tax concession for specific provinces or local authority	個別省份及地方當局之較低稅率／稅務寬減
Income not subject to tax	毋須課稅之收入
Expenses not deductible for tax	不可扣稅之開支
Tax allowance for capital expenditure	資本開支之稅項減免
Overprovision in prior years	往年超額撥備
Tax losses not recognised	未確認稅項虧損
Tax losses utilised from previous years	自往年度動用之稅項虧損
Taxation credit	稅項抵免

11. 稅項 (續)

本集團於香港錄得稅項虧損126,159,000港元(二零零七年:125,377,000港元),可無限期用於抵銷出現虧損公司之未來應課稅溢利。因為該等稅項虧損乃來自已錄得一段時間虧損之公司,故財務報表並無就此等虧損確認遞延稅項資產。

根據綜合收益表本年度開支與虧損之對賬如下:

本集團

2008 HK\$'000 二零零八年 千港元	2007 HK\$'000 二零零七年 千港元
(24,135)	(18,732)
(5,766)	(5,300)
1,543	1,178
(52,469)	(41,652)
57,325	43,686
(132)	(65)
(720)	(34)
142	3,295
(643)	(1,142)
(720)	(34)

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12. LOSS FROM ORDINARY ACTIVITIES ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY

The loss from ordinary activities attributable to equity holders of the Company for the year ended 31 March 2008 dealt with in the financial statements of the Company, was HK\$20,544,000 (2007: HK\$3,667,000) (note 31(b)).

13. LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY

The calculation of the basic loss per share is based on the loss for the year attributable to ordinary equity holders of the Company of HK\$21,001,000 (2007: HK\$18,398,000), and the weighted average number of 408,469,000 (2007: 297,335,000) ordinary shares in issue during the year.

Diluted loss per share for the year ended 31 March 2008 and 2007 have not been disclosed, as the share option granted during both years had an anti-dilutive effect on the basic loss per share for both years.

12. 本公司權益持有人應佔日常業務虧損

本公司之財務報表內刊載之截至二零零八年三月三十一日止年度本公司權益持有人應佔日常業務虧損為20,544,000港元(二零零七年: 3,667,000港元)(附註31(b))。

13. 本公司普通權益持有人應佔每股虧損

每股基本虧損乃按本公司普通權益持有人應佔本年度虧損21,001,000港元(二零零七年: 18,398,000港元)及年內已發行普通股股份之加權平均數408,469,000股(二零零七年: 297,335,000股)計算。

由於截至二零零八年三月三十一日及二零零七年止年度之已授出購股權對該等年度之每股基本虧損具反攤薄影響,故此並未披露該等年度之每股攤薄虧損。

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14. PROPERTY, PLANT AND EQUIPMENT

GROUP

		Land and building HK\$'000 土地及樓宇 千港元	Leasehold improvement HK\$'000 租賃 物業裝修 千港元	Plant and equipment HK\$'000 廠房及設備 千港元	Furniture, fixture, equipment and motor vehicles HK\$'000 傢俱、固定裝置、 設備及汽車 千港元	Total HK\$'000 總計 千港元
COST OR VALUATION	成本或估值					
At 1 April 2006	於二零零六年四月一日	9,204	12,368	148,039	9,461	179,072
Additions	添置	-	-	-	6,268	6,268
Disposal	出售	-	-	-	(1,737)	(1,737)
Reclassification	重新分類	-	(2,422)	2,211	211	-
Surplus on revaluation	重估盈餘	1,000	-	-	-	1,000
Transfer to assets classified held for sale	轉移至可供出售資產	-	-	(28,202)	-	(28,202)
Exchange realignment	外匯調整	74	(1,200)	9,924	1,717	10,515
At 31 March 2007	於二零零七年三月三十一日	10,278	8,746	131,972	15,920	166,916
Additions	添置	-	565	2,155	4,928	7,648
Disposal	出售	(1,432)	(316)	-	-	(1,748)
Write-off	撇銷	-	(1,827)	(3,303)	(4,374)	(9,504)
Reclassification	重新分類	-	1,238	7,054	(8,292)	-
Surplus on revaluation	重估盈餘	1,815	-	-	-	1,815
Exchange realignment	外匯調整	(42)	698	7,886	(59)	8,483
At 31 March 2008	於二零零八年三月三十一日	10,619	9,104	145,764	8,123	173,610
ANALYSIS OF COST OR VALUATION	成本或估值之分析：					
At cost	按成本	-	9,104	145,764	8,123	162,991
At 31 March 2008 valuation	於二零零八年三月三十一日之估值	10,619	-	-	-	10,619
		10,619	9,104	145,764	8,123	173,610
ACCUMULATED DEPRECIATION	累計折舊					
At 1 April 2006	於二零零六年四月一日	-	6,926	101,483	7,313	115,722
Charge for the year	年內折舊	51	523	8,854	927	10,355
Eliminated on disposals	出售時消除	-	-	-	(1,359)	(1,359)
Reversal for transfer	轉移時撥回	-	-	(25,382)	-	(25,382)
Exchange realignment	外匯調整	-	1,067	5,138	1,442	7,647
At 31 March 2007	於二零零七年三月三十一日	51	8,516	90,093	8,323	106,983
Charge for the year	年內折舊	273	465	8,079	766	9,583
Eliminated on disposals	出售時消除	(69)	(316)	-	-	(385)
Eliminated on write-off	撇銷時消除	-	(801)	(935)	(4,714)	(6,450)
Reversal for revaluation	重估時撥回	(255)	-	-	-	(255)
Exchange realignment	外匯調整	-	(1,942)	6,670	247	4,975
At 31 March 2008	於二零零八年三月三十一日	-	5,922	103,907	4,622	114,451
NET BOOK VALUE	賬面淨值					
At 31 March 2008	於二零零八年三月三十一日	10,619	3,182	41,857	3,501	59,159
At 31 March 2007	於二零零七年三月三十一日	10,227	230	41,879	7,597	59,933

14. 物業、廠房及設備

本集團

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14. PROPERTY, PLANT AND EQUIPMENT (Continued)

The Group's land and buildings are held under medium term leases outside Hong Kong.

The Group's land and buildings were revalued by LCH (Asia-Pacific) Surveyors Limited ("LCH"), independent professionally qualified valuers, on the open market, existing use basis, at 31 March 2008 at HK\$10,619,000 (2007: HK\$10,227,000) in aggregate. The surplus so arising has been credited to the consolidated income statement and the asset revaluation reserve as to HK\$135,000 (2007: Nil) and HK\$1,935,000 (2007: HK\$1,000,000), respectively.

Had these land and buildings been carried at historical cost less accumulated depreciation and impairment losses, their carrying values would have been approximately HK\$7,425,000 (2007: HK\$7,893,000).

The net book value of the Group's assets held under finance leases included in the total amount of a motor vehicle at 31 March 2008 amounted to HK\$401,000 (2007: HK\$567,000).

At 31 March 2007 and 2008, certain of the Group's buildings were pledged to secure certain credit facilities granted to the Group (note 25).

14. 物業、廠房及設備 (續)

本集團按中期租約於香港以外持有土地及樓宇。

土地及樓宇乃根據獨立專業合資格估值師利駿行測量師有限公司(「利駿行」)於二零零八年三月三十一日在公開市場按現有使用之基準估值為合共10,619,000港元(二零零七年:10,227,000港元)。就此產生之盈餘135,000港元(二零零七年:零)及1,935,000港元(二零零七年:1,000,000港元)已分別計入綜合收益表及資產重估儲備。

倘土地及樓宇均按歷史成本值減累積折舊及減值虧損列賬,則其賬面值應約為7,425,000港元(二零零七年:7,893,000港元)。

於二零零八年三月三十一日,包括在汽車下根據融資租約持有之資產賬面淨值為401,000港元(二零零七年:567,000港元)。

於二零零七年三月三十一日及二零零八年,本集團若干樓宇已予抵押,藉以為本集團取得若干信貸融資(附註25)。

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截至二零零八年三月三十一日止年度 For the year ended 31 March 2008

15. PREPAID LEASE PAYMENTS

15. 預付租賃款項

		2008 HK\$'000 二零零八年 千港元	2007 HK\$'000 二零零七年 千港元
COST	成本值		
At 1 April	於四月一日	4,902	4,902
Disposal	出售	(182)	-
At 31 March	於三月三十一日	4,720	4,902
ACCUMULATED AMORTISATION	累計攤銷		
At 1 April	於四月一日	838	716
Charge for the year	年內攤銷	121	122
Eliminated on disposal	出售時消除	(38)	-
At 31 March	於三月三十一日	921	838
NET BOOK VALUE	賬面淨值		
At 31 March	於三月三十一日	3,799	4,064
Current portion including in prepayments, deposits and other receivables	預付款項、按金及 其他應收賬款之 即期部分	(118)	(122)
Non-current portion	非即期部分	3,681	3,942

The prepaid lease payments in respect of a parcel of land (the "Land") located at Lingxia Development Area, Shishuikou Village, Qiaotou Town, Dongguan City, Guangdong Province of the PRC, together with a factory premises (the "Building") constructed thereon. The Group has not yet obtained the title certificates for the Land and the Building because the land premium of the Land has not yet been paid up. Having consulted with the Group's legal advisor in Mainland China, the directors considered that the Group has the right to use the Land and the Building erected thereon. After payment of the land premium and attending the necessary administrative procedures, the Group should be able to obtain the land use right certificate and the realty title certificate for the Land and the Building, respectively. The aggregate carrying values of the Land and the Building in this respect as at 31 March 2008 amounted to approximately HK\$3,799,000 and HK\$10,154,000 respectively.

The leasehold land is situated in Mainland China, held under a medium term lease and was pledged to secure credit facilities granted to the Group (note 25).

一幅位於中國廣東省東莞市橋頭鎮石水口村嶺夏開發區之土地(「土地」)以及於該址興建之廠房物業(「樓宇」)之預付土地租賃款項。因該土地迄今尚未繳足地價，本集團仍未取得該土地及樓宇的業權證，經諮詢本集團於中國大陸的法律顧問後，董事認為本集團有權使用土地及在土地上興建的樓宇。於繳付地價及辦理所需的行政手續後，本集團應可分別取得土地及樓宇的土地使用權證及房地產業權證。於二零零八年三月三十一日，該土地及樓宇之賬面價值總額分別為3,799,000港元及10,154,000港元。

該土地位於中國大陸，按中期租約持有並已予抵押，藉以為本集團取得若干信貸融資(附註25)。

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16. INTERESTS IN SUBSIDIARIES

16. 於附屬公司之投資

		2008 HK\$'000 二零零八年 千港元	2007 HK\$'000 二零零七年 千港元
Unlisted shares, at cost	非上市股份·按成本值	159,593	159,593
Provision for impairment	減值撥備	(147,956)	(147,956)
		11,637	11,637
Amounts due from subsidiaries	應收附屬公司之款項	464,313	434,414
Provision for impairment	減值撥備	(380,521)	(361,871)
		83,792	72,543
Amount due to a subsidiary	應付附屬公司之款項	(11,459)	(20,634)
		83,970	63,546

The balances with subsidiaries are unsecured, interest-free and have no fixed terms of repayment. The carrying amounts of these amounts due from/to subsidiaries approximate to their fair values.

與附屬公司之結餘乃無抵押、免息及不設固定償還年期。應收／應付附屬公司款項之賬面值與其公平價值相若。

Particulars of the principal subsidiaries are as follows:

主要附屬公司之詳情載列如下：

Name of subsidiary 附屬公司名稱	Place of incorporation/ and operations 註冊成立／註冊 及經營地點	Nominal value of issued and paid-up share/ registered capital 已發行及繳足 股本面值／註冊資本	Percentage of equity attributable to the Company 本公司應佔股權 百分比		Principal activities 主要業務
			Direct 直接	Indirect 間接	
Bestway Group International Limited	British Virgin Islands/ Hong Kong 英屬處女群島／香港	US\$1,100 1,100美元	100	–	Investment holding 投資控股
Tectron Pacific Limited	British Virgin Islands 英屬處女群島	US\$1 1美元	100	–	Investment holding 投資控股
Bestget Plastic Products Limited 百吉塑膠製品有限公司	Hong Kong 香港	Ordinary HK\$2 Non-voting deferred ("Deferred") HK\$3,900,000 (note a) 普通股2港元 無投票權遞延股份 (「遞延股份」) 3,900,000港元 (附註a)	–	100	Property holding and sale of plastic products 物業持有及銷售塑膠產品

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截至二零零八年三月三十一日止年度 For the year ended 31 March 2008

16. INTERESTS IN SUBSIDIARIES (Continued)

16. 於附屬公司之投資 (續)

Name of subsidiary 附屬公司名稱	Place of incorporation/ registration and operations 註冊成立/註冊 及經營地點	Nominal value of issued and paid-up share/ registered capital 已發行及繳足 股本面值/註冊資本	Percentage of equity attributable to the Company 本公司應佔股權 百分比		Principal activities 主要業務
			Direct 直接	Indirect 間接	
Bestway Plastic Products Limited 百威塑膠製品有限公司	Hong Kong 香港	Ordinary HK\$2 Deferred HK\$37,440,000 (note a) 普通股2港元 遞延股份 37,440,000港元 (附註a)	–	100	Sale of plastic products 銷售塑膠產品
Happy Trip Limited 樂業有限公司	Hong Kong 香港	Ordinary HK\$2 Deferred HK\$1,200,000 (note a) 普通股2港元 遞延股份 1,200,000港元 (附註a)	–	100	Sale of plastic products 銷售塑膠產品
Rich Ocean Limited 富皇有限公司	Hong Kong 香港	Ordinary HK\$2 Deferred HK\$1,000,000 (note a) 普通股2港元 遞延股份 1,000,000港元 (附註a)	–	100	Investment holding 投資控股
Best Faith Plastic Products Limited 百信塑膠製品有限公司	Hong Kong 香港	HK\$2,000,000 2,000,000港元	–	100	Sales of plastic products 銷售塑膠產品

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截至二零零八年三月三十一日止年度 For the year ended 31 March 2008

16. INTERESTS IN SUBSIDIARIES (Continued)

16. 於附屬公司之投資 (續)

Name of subsidiary 附屬公司名稱	Place of incorporation/ registration and operations 註冊成立/註冊 及經營地點	Nominal value of issued and paid-up share/ registered capital 已發行及繳足 股本面值/註冊資本	Percentage of equity attributable to the Company 本公司應佔股權 百分比		Principal activities 主要業務
			Direct 直接	Indirect 間接	
Dongguan Bestway Plastic Manufactory (note b) 東莞百威塑膠製品廠(附註b)	PRC/Mainland China 中國/中國大陸	US\$12,741,664 12,741,664美元	-	97.65	Manufacture of plastic products 製造塑膠產品
Dongguan Best Faith Plastic Products Limited (note c) 東莞百信塑膠製品 有限公司(附註c)	PRC/Mainland China 中國/中國大陸	US\$6,067,580 6,067,580美元	-	100	Manufacture of plastic products 製造塑膠產品

Notes:

- (a) The profits which the company may determine to distribute in respect of any financial year shall be distributed, as regard the first HK\$1,000,000,000,000 thereof among the holders of ordinary shares, with one-half of the remaining balance of the said profits being distributed among the holders of the non-voting deferred shares and the other half of such remaining balance being distributed among the holders of ordinary shares. Save as aforesaid, the non-voting deferred shares carry no other rights to dividends. The non-voting deferred shares carry no rights to attend or vote at general meetings, but carry the rights to receive one-half of the balance of any surplus in a return of capital in a winding-up after the holders of the ordinary shares have received a total return of HK\$500,000,000,000.
- (b) This subsidiary is registered as a contractual joint venture under the PRC law.
- (c) This subsidiary is registered as a wholly-owned foreign enterprise under the PRC law.

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

附註:

- (a) 公司決定就任何財政年度分派之首1,000,000,000,000港元溢利將分派予各普通股持有人，上述溢利餘額之半將分派予無投票權遞延股份之持有人，而該餘額之另一半則分派予普通股持有人。除上述者外，無投票權遞延股份再無權利享有股息。無投票權遞延股份亦無賦予持有人權利出席股東大會或於會上投票，惟附有權利可於清盤退回資本時，在普通股持有人獲退回資本總額500,000,000,000港元後收取其餘任何盈餘之一半。
- (b) 此附屬公司乃根據中國法例註冊為合約性合營公司。
- (c) 此附屬公司乃根據中國法例註冊為全外資企業。

董事認為上表載列之本公司附屬公司乃對本集團年內之業績有重大影響，或構成本集團資產淨值之主要部分。董事認為載列其他附屬公司之詳情會導致有關資料過於冗長。

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截至二零零八年三月三十一日止年度 For the year ended 31 March 2008

17. INTEREST IN JOINTLY-CONTROLLED ENTITY

On 11 May 2006, the Group's entire 25% of equity interest in Shenzhen Wuye Jifa Warehouse Company Limited ("SWJ") was disposed of through the disposal of the Group's entire equity interest in Luen Fat Hong Investment Limited, which holds the 25% equity interest in SWJ.

18. LONG TERM RECEIVABLES

The Group's long term receivables represent investments in Chengdu Xingxing Rich Ocean Plastic Products Co., Ltd. ("CD Rich Ocean"), a former subsidiary of the Company, in respect of which there is subcontracting arrangement with the PRC joint venture partner. In accordance with the subcontracting agreement, the Group forfeited its rights to exercise significant influence/control over the financial and operating policy decisions of CD Rich Ocean in return for fixed and guaranteed annual subcontracting fees up to 2014. When this entity lost its status as subsidiary or jointly-controlled entity of the Group pursuant to the above agreement in prior years, this was reclassified as long term receivable accordingly.

19. INVENTORIES

Raw materials	原材料
Finished goods	製成品

17. 佔共同控制企業權益

於二零零六年五月十一日，本集團透過出售持有深圳物業吉發倉儲有限公司（「吉發倉儲」）25%權益之Luen Fat Hong Investment Limited全部權益，出售吉發倉儲全部25%之權益。

18. 長期應收賬款

	2008 HK\$'000 二零零八年 千港元	2007 HK\$'000 二零零七年 千港元
Long term receivables 長期應收賬款	2,660	2,643

本集團之長期應收賬款指於本公司前附屬公司成都新興富皇塑膠製品有限公司（「成都富皇」），就該公司與中國合營夥伴訂有一項承包協議。根據承包協議，本集團以應收定額保證承包年費放棄行使於成都富皇之財務及經營決策之重要影響力／控制之權利，直至二零一四年為止。當此等企業按照上述協議於以往年度失去作為本集團附屬公司或共同控制企業之地位時，其已重新分類為長期應收賬款。

19. 存貨

	2008 HK\$'000 二零零八年 千港元	2007 HK\$'000 二零零七年 千港元
Raw materials 原材料	15,728	23,294
Finished goods 製成品	3,349	1,074
	19,077	24,368

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20. TRADE RECEIVABLES

GROUP

Trade receivables

貿易應收賬款

The Group's trading term with its customers generally have credit terms of up to 60 days and non-interest bearing (except for certain well-established customers having strong financial strength, good repayment history and credit worthiness, where the credit terms are extended to 90 days). Overdue balances are reviewed regularly by senior management. In view of the aforementioned and the fact that the Group's trade receivables relate to a large number of diversified customers, there is no significant concentration of credit risk.

The ageing analysis of the trade receivables net of allowance for doubtful debts was as follows:

GROUP

Within 30 days
31 to 60 days
61 to 90 days
Over 90 days

30日內
31日至60日
61日至90日
90日以上

20. 貿易應收賬款

本集團

2008 HK\$'000 二零零八年 千港元	2007 HK\$'000 二零零七年 千港元
49,068	48,723

本集團一般與客戶訂立信貸期達六十日及免息之貿易條款(除若干財政狀況穩健、還款紀錄良好及信譽良好之長期客戶外,其信貸期可延長為九十日)。高級管理層將定期檢討逾期結餘。基於以上所述及本集團之貿易應收賬款涉及眾多不同之客戶,故並無重大集中之信用風險。

貿易應收賬款減呆賬支出之賬齡分析如下:

本集團

2008 HK\$'000 二零零八年 千港元	2007 HK\$'000 二零零七年 千港元
23,878	21,973
10,481	11,733
11,802	11,635
2,907	3,382
49,068	48,723

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20. TRADE RECEIVABLES (Continued)

The ageing analysis of trade receivables that are past due but not impaired are as follows:

		2008 HK\$'000 二零零八年 千港元	2007 HK\$'000 二零零七年 千港元
Within 30 days	30日內	8,221	1,430
31 to 60 days	31日至60日	2,238	1,576
61 to 90 days	61日至90日	57	492
Over 90 days	90日以上	73	313
		10,589	3,811

Receivables that were past due but not impaired relate to a number of independent customers that have a good track record with the Group. Based on past experience, the directors believe that no impairment allowance is necessary in respect of these balances as there has not been a significant change in credit quality and the balances are still considered fully recoverable. The Group does not hold any collateral over these balances.

The movement in the allowance for doubtful debts during the year is as follows:

		2008 HK\$'000 二零零八年 千港元	2007 HK\$'000 二零零七年 千港元
At the beginning of year	於年初	—	3,169
Uncollectible amounts written off	撇銷未能收回數額	—	(3,036)
Recovered during the year	於年內已回收	—	(133)
At the end of year	於年末	—	—

20. 貿易應收賬款 (續)

已逾期但未減值之貿易應收賬款賬齡分析如下:

已逾期但未減值之應收款項乃與一批與本集團有良好交易記錄之獨立客戶有關。由於信貸質素並無重大變動及結餘仍然可以完全收回，根據過往經驗，董事相信並無必要就該等結餘作出減值撥備。本集團並無就該等結餘持有任何抵押品。

年內呆賬撥備變動之賬齡分析如下:

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21. PLEDGED DEPOSITS

The Group's bank deposits of HK\$11,541,000 as at 31 March 2008 (2007: HK\$8,370,000) were pledged for trust receipt loans and other short term trade financing facilities granted to the Group (note 25). The pledged deposit is denominated in the United States dollars, other than the functional currency of respective group entities, and subject to currency risk. The deposits carry fixed interest rates ranging from 1.7% to 3.8% per annum (2007: 3.8% to 4.25% per annum). The carrying amounts of the pledged deposits approximate to their fair values.

22. BANK BALANCES AND CASH

As at 31 March 2008, the bank balances and cash of the Group denominated in Renminbi ("RMB") amounted to approximately HK\$1,349,000 (2007: HK\$906,000). RMB is not freely convertible into other currencies, however, under the PRC's Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for other currencies through banks authorised to conduct foreign exchange business.

Cash at banks earns interest at floating rates based on daily bank deposit rates. The carrying amounts of the bank balances and cash approximate to their fair values.

21. 有抵押存款

本集團於二零零八年三月三十一日之銀行存款 11,541,000 港元 (二零零七年: 8,370,000 港元) 已就信託收據貸款及其他授予本集團之短期貿易融資信貸額予以抵押 (附註 25)。有抵押存款以美元列值, 而非以各自集團實體的功能貨幣列值, 並須承受外匯風險。存款按每年 1.7% 至 3.8% (二零零七年: 每年 3.8% 至 4.25%) 之固定利率計息。有抵押存款之賬面值與其公平價值相若。

22. 銀行結存及現金

	GROUP 本集團		COMPANY 本公司	
	2008 HK\$'000 二零零八年 千港元	2007 HK'000 二零零七年 千港元	2008 HK\$'000 二零零八年 千港元	2007 HK'000 二零零七年 千港元
Bank balances and cash 銀行結存及現金	35,251	35,233	99	20,702

於二零零八年三月三十一日, 本集團以人民幣 (「人民幣」) 列值之銀行結存及現金約為 1,349,000 港元 (二零零七年: 906,000 港元)。人民幣不可自由兌換其他貨幣。然而, 根據中國外匯管制法規及管理結算、出售與支付外匯法規, 本集團獲准透過特許進行外匯業務之銀行將人民幣兌換為其他貨幣。

銀行現金按以銀行活期存款利率為基準之浮動利率賺取利息。銀行結存及現金之賬面值與其公平價值相若。

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23. ASSETS CLASSIFIED AS HELD FOR SALE

At the beginning of year	於年初
Transfer from property, plant and equipment (note 14)	由物業、廠房及設備轉入 (附註14)
Sold during the year	於年內出售
At the end of year	於年末

23. 可供出售資產

2008 HK\$'000 二零零八年 千港元	2007 HK\$'000 二零零七年 千港元
2,820	—
—	2,820
(2,820)	—
—	2,820

In January 2007, the Group entered into a sale and purchase agreement to dispose of certain machines. The disposal was completed in July 2007, in which the beneficial ownership has been passed to the acquirer.

於二零零七年一月，本集團訂立買賣協議出售有關機器。出售已於二零零七年七月完成，有關實益擁有權已轉讓予購買者。

24. TRADE PAYABLES

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

GROUP

Within 30 days	30日內
31 to 60 days	31日至60日
61 to 90 days	61日至90日
Over 90 days	90日以上

The carrying amounts of the Group's trade payables approximate to their fair values.

24. 貿易應付賬款

於結算日，按發票日期計算之貿易應付賬款賬齡分析如下：

本集團

2008 HK\$'000 二零零八年 千港元	2007 HK\$'000 二零零七年 千港元
7,348	13,113
4,021	6,894
1,696	7,861
1,793	5,714
14,858	33,582

本集團之貿易應付賬款之賬面值與其公平價值相若。

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Notes to the Financial Statements

截至二零零八年三月三十一日止年度 For the year ended 31 March 2008

25. INTEREST-BEARING BANK AND OTHER BORROWINGS

25. 計息銀行及其他借貸

GROUP

本集團

	Effective interest rate 實際利率	Maturity 到期日	2008 HK\$'000 二零零八年 千港元	2007 HK\$'000 二零零七年 千港元
Current				
即期				
Finance lease payables (note 26) 融資租約應付款項(附註26)	7%	2008	182	167
Bank loans – secured 銀行貸款－有抵押	US dollar best lending rate minus 1.25% 美元最優惠貸款 利率減1.25%	2008	25,517	19,707
	7%	2008	20,076	20,246
Other borrowings – secured 其他借貸－有抵押	12%	2008	–	2,633
Other borrowings – unsecured 其他借貸－無抵押	6%	On demand 於催收時償還	1,000	546
			46,775	43,299
Non-current				
非即期				
Finance lease payables (note 26) 融資租約應付款項(附註26)	9%	2009 – 2010	310	448
Other borrowings – secured 其他借貸－有抵押	12%	2009 – 2012	11,079	10,123
			11,389	10,571
			58,164	53,870

財務報表附註

Notes to the Financial Statements

截至二零零八年三月三十一日止年度 For the year ended 31 March 2008

25. INTEREST-BEARING BANK AND OTHER BORROWINGS (Continued)

25. 計息銀行及其他借貸 (續)

GROUP

本集團

		2008 HK\$'000 二零零八年 千港元	2007 HK\$'000 二零零七年 千港元
Analysed into:	分析為：		
Bank loans repayable:	須於下列限期償還之銀行貸款：		
Within one year or on demand	於一年內或於催繳時償還	45,593	39,953
Other borrowings repayable:	須於下列限期償還之其他借貸：		
Within one year or on demand	於一年內或於催繳時償還	1,000	3,179
In the second year	於第二年	2,493	10,123
In the third to fifth years, inclusive	於第三至第五年（包括首尾兩年）	8,586	-
		12,079	13,302
Finance lease payables:	須於下列限期償還之融資租約：		
Within one year or on demand	於一年內或於催繳時償還	182	167
In the second year	於第二年	199	182
In the third to fifth years, inclusive	於第三至第五年（包括首尾兩年）	111	266
		492	615
		58,164	53,870

As at 31 March 2008, the Group's bank and other borrowings were secured by:

於二零零八年三月三十一日，本集團之銀行及其他借貸乃由下列各項作抵押：

- (i) A pledge of the Group's time deposits amounting to HK\$11,541,000 (2007: HK\$8,370,000) (note 21);

- (i) 本集團之有抵押定期存款 11,541,000 港元（二零零七年：8,370,000 港元）（附註 21）；

財務報表附註

Notes to the Financial Statements

截至二零零八年三月三十一日止年度 For the year ended 31 March 2008

25. INTEREST-BEARING BANK AND OTHER BORROWINGS (Continued)

- (ii) A legal charge on the Land and the Building. The net book values of the Land and the Building were approximately HK\$3,799,000 (2007: HK\$4,064,000) and HK\$10,154,000 as at 31 March 2008 (2007: HK\$8,454,000), respectively (notes 15 and 14);
- (iii) Unlimited joint and several personal guarantees executed by a director and his spouse to the extent of HK\$25,517,000, for a bank loan granted to the Group in the amount of HK\$25,517,000 as at 31 March 2008 (2007: HK\$19,707,000); and
- (iv) Unlimited joint and several corporate guarantee executed by a subsidiary and personal guarantee executed by a director to the extent of HK\$20,076,000 for a bank loan granted to the Group in the amount of HK\$20,076,000 as at 31 March 2008 (2007: HK\$20,246,000).

The carrying amounts of the Group's current and non-current borrowings approximate to their fair values.

25. 計息銀行及其他借貸 (續)

- (ii) 土地及樓宇之法定抵押。該土地及樓宇於二零零八年三月三十一日之賬面淨值分別約為3,799,000港元(二零零七年:4,064,000港元)及10,154,000港元(二零零七年:8,454,000港元)(附註15及14)；
- (iii) 一名董事及其配偶所簽立之無限額共同及獨立個人擔保為25,517,000港元。本集團於二零零八年三月三十一日獲授予25,517,000港元(二零零七年:19,707,000港元)之銀行貸款；及
- (iv) 一間附屬公司所簽立之無限額共同及獨立公司擔保及一名董事所簽立之個人擔保為20,076,000港元。本集團於二零零八年三月三十一日獲授予20,076,000港元(二零零七年:20,246,000港元)之銀行貸款。

本集團之即期及非即期借貸之賬面值與其公平價值相若。

財務報表附註

Notes to the Financial Statements

截至二零零八年三月三十一日止年度 For the year ended 31 March 2008

26. FINANCE LEASE PAYABLES

The Group leases a motor vehicle for its business operations. The lease was classified as a finance lease and had a remaining lease term of three years.

At 31 March 2008, the total future minimum lease payments under finance leases and their present values were as follows:

GROUP

		Minimum lease payments 最少租約款項		Present value of minimum lease payments 最少租約款項之現值	
		2008 HK\$'000 二零零八年 千港元	2007 HK'000 二零零七年 千港元	2008 HK\$'000 二零零八年 千港元	2007 HK'000 二零零七年 千港元
Amounts payable:	須於下列期間償還之 應付款項:				
Within on year	一年內	219	219	182	167
In the second year	於第二年	219	219	199	182
In the third to fifth years, inclusive	於第三至第五年 (包括首尾兩年)	109	329	111	266
		547	767	492	615
Future finance charges	日後財務支出	(55)	(152)	-	-
		492	615	492	615
Portion classified as current liabilities (note 25)	列作流動負債之部分 (附註25)			(182)	(167)
Non-current portion (note 25)	非流動負債(附註25)			310	448

27. PROVISION

The Group provides for the probable future long service payments expected to be made to employees under the Hong Kong Employment Ordinance, as further explained under the heading "Employee benefits" in note 3 to the financial statements. The provision for long service payments of HK\$575,000 (2007: HK\$575,000) is based on the best estimate of the probable future payments which have been earned by the employees from their services to the Group to the balance sheet date.

26. 融資租約應付款項

本集團租賃一輛汽車作業務營運用途。該等租約列為融資租約，餘下之租賃期為三年。

於二零零八年三月三十一日，根據融資租約之未來最少融資租約款項總額及其現值如下：

本集團

27. 撥備

本集團根據香港僱傭條例就預期日後可能支付僱員之長期服務金作出撥備，有關詳情於財務報表附註3「僱員福利」一段闡述。為數575,000港元(二零零七年：575,000港元)之長期服務金撥備乃按僱員於結算日因任職本集團而享有之可能日後款項之最佳估計數字計算。

財務報表附註

Notes to the Financial Statements

截至二零零八年三月三十一日止年度 For the year ended 31 March 2008

28. SHARE CAPITAL

28. 股本

		Number of shares 股份數目 '000 千股	Nominal value 面值 HK\$'000 千港元
Authorised:	法定：		
At 1 April 2006	於二零零六年四月一日		
Ordinary shares of HK\$0.01 each	普通股每股面值0.01港元	24,000,000	240,000
Capital reduction	股本削減	-	(120,000)
Share consolidation	股份合併	(22,800,000)	-
		<hr/>	<hr/>
At 31 March 2007 and 31 March 2008	於二零零七年三月三十一日及 二零零八年三月三十一日		
Ordinary shares of HK\$0.1 each	普通股每股面值0.1港元	1,200,000	120,000
		<hr/>	<hr/>
Issued and fully paid:	已發行及繳足股本：		
At 1 April 2006	二零零六年四月一日		
Ordinary shares of HK\$0.01 each	普通股每股面值0.01港元	5,145,274	51,453
Capital reduction	股本削減	-	(25,726)
Share consolidation	股份合併	(4,888,010)	-
Right issue	供股發行	128,632	12,863
		<hr/>	<hr/>
At 31 March 2007	於二零零七年三月三十一日		
Ordinary shares of HK\$0.1 each	普通股每股面值0.1港元	385,896	38,590
Issue of shares by placements (note)	透過配售發行股份(附註)	51,000	5,100
		<hr/>	<hr/>
At 31 March 2008	於二零零八年三月三十一日		
Ordinary shares of HK\$0.1 each	普通股份每股面值0.1港元	436,896	43,690
		<hr/>	<hr/>

Note:

On 23 August 2007, the Company entered into the subscription agreement with Wealthy Pod Limited ("Wealthy Pod"), a company incorporated in British Virgin Islands with limited liability. An aggregate of 51,000,000 shares at a price of HK\$0.41 per share were allotted and issued to Wealthy Pod. The subscription agreement was completed on 22 October 2007.

附註：

於二零零七年八月二十三日，本公司與於英屬處女群島註冊成立之有限公司 Wealthy Pod Limited (「Wealthy Pod」) 訂立認購協議，以每股股份0.41港元之價格認購合共51,000,000股股份。認購協議已於二零零七年十月二十二日完成。

財務報表附註

Notes to the Financial Statements

截至二零零八年三月三十一日止年度 For the year ended 31 March 2008

29. CAPITAL MANAGEMENT

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged from prior year.

The capital structure of the Group consists of debt, which includes interest-bearing bank and other borrowings, equity attributable to equity holders of the Company, comprising issued share capital and reserves.

The directors of the Company review the capital structure on a regular basis. As part of this review, the directors consider the cost of capital and the risks associated with each class of capital. Based on recommendations of the directors, the Group will balance its overall capital structure through the new shares issues, the issue of new debt or the redemption of existing debt.

30. SHARE OPTION SCHEME

At the annual general meeting of shareholders held on 19 August 2003, a new share option scheme, details of which appeared in a circular to shareholders of 25 July 2003, was approved.

On 25 September 2006, the Company has granted 281,000,000 share options to directors and employees at exercise price of HK\$0.035 per share.

On 14 December 2006, the Company passed a resolution of Capital Reorganisation by the shareholders at the special general meeting involving:

- the capital reduction involves a reduction in the nominal value of each existing share in issue of HK\$0.01 to HK\$0.005;

29. 資本管理

本集團管理其資本，以確保本集團之實體將可持續經營，並透過優化債務及權益結餘為股東帶來最大回報。於過往年度，本集團之整體策略維持不變。

本集團之資本結構包括債務，其包括計息銀行及其他借貸，以及本公司權益持有人應佔權益，其包括已發行股本及儲備。

本公司董事定期審閱資本結構。作為此審閱之一部分，董事會考慮資本成本及與各類別資本相關之風險。本集團將根據董事之意見透過發行新股以及新增債務或贖回現有債務而平衡其整體資本結構。

30. 購股權計劃

於二零零三年八月十九日召開的股東週年大會上，新購股權計劃獲批准，其詳情見二零零三年七月二十五日致股東之通函。

於二零零六年九月二十五日，本公司以行使價每股0.035港元授予董事及僱員281,000,000份購股權。

於二零零六年十二月十四日，本公司股東於特別股東大會通過一項股本重組決議案，當中涉及：

- 削減股本，將每股已發行現有股份之面值由0.01港元減至0.005港元；

財務報表附註

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截至二零零八年三月三十一日止年度 For the year ended 31 March 2008

30. SHARE OPTION SCHEME (Continued)

- the share consolidation will be implemented whereby 20 existing shares of HK\$0.005 each in the issued or unissued share capital of the Company resulting from the capital reduction will be consolidated into one consolidated Share of HK\$0.10.

As a result, the share options exercise price need to be consolidated at HK\$0.70 per share and the number of share options granted need to be consolidated to 14,050,000 share options on 15 December 2006.

- (a) The terms and conditions of the grants that existed during the year ended 31 March 2007 are as follows, whereby all options are settled by physical delivery of shares:

	Number of instruments 工具數目 '000 千份	Vesting conditions 歸屬條件	Contractual life of options 購股權合約年期
Options granted to directors: 授予董事之購股權:			
– on 25 September 2006 – 於二零零六年九月二十五日	490	Immediately from the date of grant 緊隨授予日期	1.5 years 1.5年
	490	0.75 year from the date of grant 授予日期後0.75年	0.75 year 0.75年
Options granted to employees: 授予僱員之購股權:			
– on 25 September 2006 – 於二零零六年九月二十五日	6,535	Immediately from the date of grant 緊隨授予日期	1.5 years 1.5年
	6,535	0.75 year from the date of grant 授予日期後0.75年	0.75 year 0.75年
Total share options 購股權總數	14,050		

30. 購股權計劃 (續)

- 實行股份合併，將本公司已發行及未發行股本中因股本削減所產生之每20股每股面值0.005港元之現有股份合併為一股面值為0.10港元之合併股份。

因此，於二零零六年十二月十五日，購股權之行使價須合併為每股0.70港元，而所授出購股權數目須合併為14,050,000份購股權。

- (a) 截至二零零七年三月三十一日止年度內已授出之購股權之條款及條件如下，據此，所有購股權將以股份實物交付形式交收：

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截至二零零八年三月三十一日止年度 For the year ended 31 March 2008

30. SHARE OPTION SCHEME (Continued)

(b) The number and weighted average exercise prices of share options are as follows:

		2008 二零零八年		2007 二零零七年	
		Weighted average exercise price '000 加權平均 行使價 千元	Number of option 購股之數目	Weighted average exercise price '000 加權平均 行使價 千元	Number of option 購股之數目
Outstanding at the beginning of the year	年初未行使	HK\$0.70	14,050	—	—
Granted during the year	年內授出	—	—	HK\$0.70	14,050
Expired during the year	年內屆滿	HK\$0.70	(14,050)	—	—
Outstanding at the end of the year	年末未行使	—	—	HK\$0.70	14,050

30. 購股權計劃 (續)

(b) 購股權之數目及加權平均行使價如下：

財務報表附註

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截至二零零八年三月三十一日止年度 For the year ended 31 March 2008

30. SHARE OPTION SCHEME (Continued)

(c) Fair value of share options and assumptions

The fair value of services received in return for share options granted are measured by reference to the fair value of share options granted. The estimate of the fair value of the services received is measured based on Black – Scholes OPM model. The contractual life of the option is used as an input into this model. Expectations of early exercise are incorporated into the Black – Scholes OPM model.

Fair value at measurement date	計量日期之公平價值	HK\$0.0113, HK\$0.0133 and HK\$0.0153 0.0113港元、0.0133港元及0.0153港元
Share price	股份價格	HK\$0.035 0.035港元
Exercise price	行使價	HK\$0.035 0.035港元
Expected volatility	預期波動	100.45% 100.45%
Option life	購股權年期	0.75 to 1.5 years 0.75至1.5年
Expected dividends	預期股息率	0% 0%
Risk free interest rate	無風險利率	3.56% – 3.62% 3.56%至3.62%

The expected volatility is based on the historical volatility. Expected dividends are based on historical dividends. Changes in the subjective input assumption could materially affect the fair value estimate.

30. 購股權計劃 (續)

(c) 購股權公平值及假設

授予購股權所換取所得服務之公平價值乃參考所授出購股權之公平價值而計量。所得服務之公平價值估計乃根據柏力克－舒爾斯期權定價模式而計量。購股權之合約年期乃用作此模式之計算元素。提早行使之預期乃計入柏力克－舒爾斯期權定價模式。

25.9.2006

二零零六年九月二十五日

預期波動乃以歷史波動為基準計算。預期股息率乃按歷史股息為依據。主觀假設之變動可能對所估計之公平價值構成重大影響。

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截至二零零八年三月三十一日止年度 For the year ended 31 March 2008

31. RESERVES

(a) GROUP

The amounts of the Group's reserves and the movements therein for the current and prior years are presented in the consolidated statement of changes in equity.

The contributed surplus of the Group arose as a result of the Group reorganisation prior to its public listing on 2 October 1995 and represents the difference between the nominal value of the shares of the former holding company of the Group acquired pursuant to the Group reorganisation, over the nominal value of the shares of the Company issued in exchange therefore.

Share-based payment reserve represent the fair value of employee services estimated to be received in exchange for the grant of the relevant options over the relevant vesting periods, the total of which is based on the fair value of the options at grant date. The amount for each period is determined by spreading the fair value of the options over the relevant vesting periods (if any) and is recognised as staff costs and related expenses with a corresponding increase in the share-based payment reserve.

31. 儲備

(a) 本集團

本集團之儲備及其於年內及過往年度變動之金額已載於綜合權益變動表內。

本集團之實繳盈餘因本集團於一九九五年十月二日公開上市前進行集團重組而產生，乃相等於根據本集團重組而收購本集團前控股公司之股份面值，扣除因該宗收購而發行之本公司股份面值後所得差額。

以股代款儲備指估計僱員於有關歸屬期間提供服務以換取授出有關購股權之公平價值，而儲備總額乃根據購股權授出當日之公平值計算。各期間之金額乃將購股權公平值於有關歸屬期間（如有）攤分而計算，並確認為員工成本及相關開支，而以股代款儲備則相應增加。

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截至二零零八年三月三十一日止年度 For the year ended 31 March 2008

31. RESERVES (Continued)

(b) COMPANY

		Share premium HK\$'000 股份溢價 千港元	Contributed surplus HK\$'000 實繳盈餘 千港元	Share-based payment reserve HK\$'000 以股代款 儲備 千港元	Accumulated losses HK\$'000 累計虧損 千港元	Total HK\$'000 總計 千港元
At 1 April 2006	於二零零六年四月一日	6,892	159,393	-	(154,695)	11,590
Capital reduction	股本削減	-	-	-	25,726	25,726
Share-based payment expenses	以股代款之費用	-	-	1,785	-	1,785
Rights issue	供股發行	7,718	-	-	-	7,718
Loss for the year	年內虧損	-	-	-	(3,667)	(3,667)
At 31 March 2007	於二零零七年三月三十一日	14,610	159,393	1,785	(132,636)	43,152
Issue of new shares	發行新股份	15,810	-	-	-	15,810
Share-based payment expenses	以股代款之費用	-	-	1,812	-	1,812
Expiry of share options	購股權屆滿	-	-	(3,597)	3,597	-
Loss for the year	年內虧損	-	-	-	(20,544)	(20,544)
At 31 March 2008	於二零零八年三月三十一日	30,420	159,393	-	(149,583)	40,230

The contributed surplus of the Company arose as a result of the Group reorganisation referred to in note 31(a), and represents the excess of the then combined net assets of the subsidiaries acquired, over the nominal value of the share capital of the Company issued in exchange therefor.

Share-based payment reserve referred to 31(a) represent the fair value of employees services estimated to be received in exchange for the grant of the relevant vesting periods.

本公司之實繳盈餘乃由附註31(a)所述之集團重組計劃所產生，乃相等於被收購之附屬公司當時剩餘之合併資產淨值，扣除因該宗收購而發行之本公司股本面值後所得差額。

附註31(a)所述的以股代款儲備指估計僱員於有關歸屬期間提供服務以換取授出有關歸屬期之公平價值。

31. 儲備 (續)

(b) 本公司

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Notes to the Financial Statements

截至二零零八年三月三十一日止年度 For the year ended 31 March 2008

32. NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT

- (a) During the year ended 31 March 2007, the Group disposed of its entire interests in Luen Fat Holding Investment Limited, Champion City Limited and Full Happy Limited at a consideration of HK\$4,040,000. The net assets of the disposed subsidiaries at the date of disposal are summarised as follows:

		HK\$'000 千港元
Net assets disposed of:	出售資產淨值:	
Investment in joint venture	共同控制企業之權益	3,889
Bank balances and cash	銀行結存及現金	4
Other payables and accruals	其他應付賬款及應計款項	(26)
Interest-bearing other borrowings	其他計息借貸	(833)
		<u>3,034</u>
Gain on disposal of subsidiaries	出售附屬公司之盈利	<u>1,006</u>
Satisfied by:	出資:	
Cash consideration received	已收現金代價	<u>4,040</u>

An analysis of the net inflow of cash and cash equivalents in respect of the disposal of subsidiaries is as follows:

		HK\$'000 千港元
Cash consideration received	已收之現金代價	4,040
Bank balances and cash disposed of	出售之銀行結存及現金	(4)
		<u>4,036</u>

The subsidiaries disposed of during the year ended 31 March 2007 did not contribute significantly to the Group's revenue and net loss for the current year.

32. 綜合現金流量表附註

- (a) 本集團於截至二零零七年三月三十一日止年度內，以4,040,000港元出售Luen Fat Holding Investment Limited、Champion City Limited及富式有限公司之所有權益。被出售之附屬公司於出售日之資產淨值總結如下：

有關出售附屬公司之現金及等同現金項目之流入淨額分析如下：

於截至二零零七年三月三十一日止年度，出售附屬公司對本集團年內之收益及虧損淨額貢獻不重要。

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Notes to the Financial Statements

截至二零零八年三月三十一日止年度 For the year ended 31 March 2008

33. CONTINGENT LIABILITIES

At the balance sheet date, the Group's contingent liabilities not provided for in the financial statements were as follows:

Guarantees of banking facilities granted to independent third parties 向獨立第三方授出之銀行信貸擔保

2008 HK\$'000 二零零八年 千港元	2007 HK\$'000 二零零七年 千港元
6,647	6,074

The Group has not recognised any deferred income in respect of the cross guarantee as its fair value cannot be reliably measured and its transaction price was \$Nil.

34. OPERATING LEASE COMMITMENTS

The Group leases certain of its office premises and staff quarters under operating lease commitments. Leases for premises are negotiated for terms for two years. The terms of the leases generally require the Group to pay deposits.

At the balance sheet date, the Group had total future minimum lease payments under non-cancellable operating leases falling due as follows:

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

2008 HK\$'000 二零零八年 千港元	2007 HK\$'000 二零零七年 千港元
66	4,330
-	1,212
66	5,542

33. 或然負債

於結算日，財務報表並無撥備之本集團或然負債如下：

由於交叉擔保之公平價值不能可靠地計量，且其交易價格為零，故本集團並無就交叉擔保確認任何遞延收入。

34. 經營租約承擔

本集團根據經營租約承擔租用其辦公室物業及員工宿舍。就物業租約所商定之租約期為兩年。租約之條款一般要求本集團支付按金。

於結算日，本集團根據不可撤銷經營租約而於下列期間到期應付之未來最少賬款總額如下：

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35. CAPITAL COMMITMENTS

In addition to the operating lease commitments detailed in note 34 above, the Group had the following commitments at the balance sheet date:

35. 資本承擔

除上文附註34所述之經營租約承擔外，本集團於結算日有下列承擔：

	Notes 附註	GROUP 本集團		COMPANY 本公司	
		2008 HK\$'000 二零零八年 千港元	2007 HK'000 二零零七年 千港元	2008 HK\$'000 二零零八年 千港元	2007 HK'000 二零零七年 千港元
Contracted, but not provided for:					
Capital contribution to a subsidiary	(a)	30,606	10,854	—	—
Prepaid lease payments	(b)	9,286	8,853	—	—
Construction of a production plant		212	3,374	—	—
		40,104	23,081	—	—

(a) A contracted commitment was in respect of capital contribution to a subsidiary (the "Subsidiary") operating in Mainland China amounting to US\$3,932,000 (equivalent to approximately HK\$30,606,000) at 31 March 2008, which was due for payment in June 2009.

(b) The Group had unprovided commitments of RMB8,382,000 (equivalent to approximately HK\$9,286,000) in respect of the land premium for a parcel of land located in Dongguan, the PRC.

(a) 就向於中國大陸經營之附屬公司（「附屬公司」）的資本貢獻之訂約承擔於二零零八年三月三十一日為3,932,000美元（相等於約30,606,000港元），款項於二零零九年六月到期。

(b) 本集團就一幅位於中國東莞之地塊之土地出讓金之未撥備承擔為人民幣8,382,000元（相等於約9,286,000港元）。

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36. RELATED PARTY TRANSACTIONS

- (a) In addition to those transactions and balances disclosed elsewhere in these financial statements, the Group also had the following significant transactions with related parties during the year:
- (i) Certain of the Group's loan facilities were supported/pledged by personal guarantees executed by certain directors of the Company and the spouse of one of the directors of the Company, as further disclosed in note 25 to the financial statements.
 - (ii) The key management personnel are the directors of the Company. The details of the remuneration paid to them are set out in note 9.

37. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's principal financial instruments comprise interest-bearing bank and other borrowings, finance leases, cash and short term deposits. The Group has various other financial assets and liabilities such as trade receivables and trade payables, which arise directly from its operations.

The main risks arising from the Group's financial instruments are interest rate risk, foreign currency risk, liquidity risk and credit risk. The board of directors reviews and agrees policies for managing each of these risks and they are summarised below.

Interest rate risk

The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's bank borrowings and other borrowings with floating interest rates.

The Group regularly reviews and monitors the mix of fixed and floating interest rate borrowings in order to manage its interest rate risk. Floating rate interest income and expenses are credited/charged to the income statement as earned/incurred.

36. 關連人士交易

- (a) 除本財務報表其他地方所披露之該等交易及結餘外，於年內，本集團與關連人士亦有以下重要交易：
- (i) 本集團若干貸款融資由本公司若干董事及本公司一名董事之妻子簽立之個人擔保作為支持／抵押，詳情於財務報表附註25披露。
 - (ii) 本公司之主要管理人員為董事。彼等共支付之薪酬詳情載於附註9。

37. 財務風險管理目標與政策

本集團之主要財務工具包括計息銀行及其他借貸、融資租賃以及現金和短期存款。本集團有若干其他財務資產及負債，如直接自其業務產生之貿易應收賬款及貿易應付賬款。

本集團財務工具所產生之主要風險為利率風險、外匯風險、流動資金風險及信貸風險。董事會審核並同意下文所概述管理各項此等風險之政策。

利率風險

本集團所承擔之市場利率變動風險主要關乎本集團以浮動利率計息之銀行借貸及其他借貸。

本集團定期審查並監督固定及浮動利率混合借貸，以管理其利率風險。浮動利率利息收入及開支按賺取／引致收入及開支在收益表計入／扣除。

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37. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

Interest rate risk (Continued)

The Group's policy is to manage its interest rate risk to reduce or maintain its current level of interest bearing borrowings.

At balance sheet date, a hypothetical one percentage point increase/decrease in interest rates on the short-term bank borrowings, that are carried at variable rates would increase/decrease the interest expense as follows:

Increase/decrease in interest expense 利息開支增加／減少

Foreign currency risk

The Group has transactional currency exposures. Such exposures arise from sales or purchases by operating units in currencies other than the unit's functional currency. Given that the Hong Kong dollars are pegged to USD, management do not expect the Group has significant foreign exchange exposure to USD and hence the Group has no hedging policy on USD.

37. 財務風險管理目標與政策 (續)

利率風險 (續)

本集團之政策乃管理其利率風險以減少或維持其現有計息借貸水平。

於結算日，倘短期銀行借貸之利率增加／減少一個百分點將會使利息開支出現下列增加／減少：

	2008 HK\$'000 二零零八年 千港元	2007 HK\$'000 二零零七年 千港元
Increase/decrease in interest expense	255	197

外匯風險

本集團須面對交易貨幣風險。該風險乃由於經營單位以單位之功能貨幣以外之貨幣進行買賣而產生。鑒於港元與美元掛鈎，管理層預期本集團就美元並無重大匯兌風險，因此，本集團對美元並無對沖政策。

財務報表附註

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37. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

Foreign currency risk (Continued)

Sensitivity analysis

The following table demonstrates the sensitivity at the balance sheet date to a reasonably possible change in RMB exchange rates, with all other variables held constant, of the Group's loss before taxation, in respect of the financial assets and financial liabilities based on their carrying amounts at the balance sheet date.

		Increase (decrease) in exchange rate	Increase (decrease) in loss before taxation HK\$'000 除稅前 虧損增加(減少) 千港元
2008	二零零八年		
- if Hong Kong dollars weaken against foreign currencies RMB	- 當港元對外幣人民幣呈弱勢	-5%	(5,117)
- if Hong Kong dollars strengthen against foreign currencies RMB	- 當港元對外幣人民幣呈強勢	5%	5,117
2007	二零零七年		
- if Hong Kong dollars weaken against foreign currencies RMB	- 當港元對外幣人民幣呈弱勢	-5%	(5,496)
- if Hong Kong dollars strengthen against foreign currencies RMB	- 當港元對外幣人民幣呈強勢	5%	5,496

The Group currently does not have a foreign exchange hedging policy to eliminate the currency exposures to RMB. However, management monitors the related foreign currency exposure closely and will consider hedging significant foreign currency exposures should the need arise.

37. 財務風險管理目標與政策 (續)

外匯風險 (續)

敏感度分析

下表顯示在所有其他變數均保持不變之情況下，本集團除稅前虧損對於結算日人民幣匯率可能出現之合理波動的敏感度（由於財務資產及財務負債於結算日之賬面金額變動所致）。

本集團現時並無採納外匯對沖政策抵銷對人民幣承擔之貨幣風險。然而，管理層會密切監管有關外匯風險，並於有需要時考慮對沖重大外匯風險。

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37. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

Liquidity risk

The Group maintains a balance between continuity of funding and flexibility through the use of interest-bearing bank and other borrowings. The directors of the Company have reviewed the Group's working capital and capital expenditure requirements and determined that the Group has no significant liquidity risk.

The following table details the Group's remaining contractual maturity for its financial liabilities. For non-derivative financial liabilities, the table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay.

GROUP

		Within 1 year or on demand HK\$'000 一年內 或按要求 千港元	More than 1 year but less than 2 years HK\$'000 超過一年 但少於兩年 千港元	More than 2 years but less than 5 years HK\$'000 超過兩年 但少於五年 千港元	Total HK\$'000 總計 千港元
2008	二零零八年				
Trade payables	貿易應付賬款	14,858	—	—	14,858
Other payables and accruals	其他應付賬款及 應計款項	19,758	—	—	19,758
Interest-bearing bank and other borrowings	計息銀行及其他借貸	46,775	2,692	8,697	58,164
		81,391	2,692	8,697	92,780

37. 財務風險管理目標與政策 (續)

流動資金風險

本集團透過計息銀行及其他借貸，維持資金持續供應及靈活性之間之平衡。本公司董事已檢討本集團之營運資金及資本支出需要，並認為本集團並無重大之流動資金風險。

下表載列本集團財務負債之剩餘合約到期日之詳情。就非衍生財務負債而言，此表乃根據本集團可能最早被要求償還財務負債之日，財務負債之未貼現現金流量而編製。

本集團

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37. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

Liquidity risk (Continued)

COMPANY

		Within 1 year or on demand HK\$'000 一年內 或按 要求 千港元	More than 1 year but less than 2 years HK\$'000 超過一年 但少於兩年 千港元	More than 2 years but less than 5 years HK\$'000 超過兩年 但少於五年 千港元	Total HK\$'000 總計 千港元
2008	二零零八年				
Amount due to a subsidiary	應付附屬公司款項	11,459	–	–	11,459
Other payables and accruals	其他應付賬款及 應計款項	308	–	–	308
		11,767	–	–	11,767

GROUP

		Within 1 year or on demand HK\$'000 一年內 或按 要求 千港元	More than 1 year but less than 2 years HK\$'000 超過一年 但少於兩年 千港元	More than 2 years but less than 5 years HK\$'000 超過兩年 但少於五年 千港元	Total HK\$'000 總計 千港元
2007	二零零七年				
Trade payables	貿易應付賬款	33,582	–	–	33,582
Other payables and accruals	其他應付賬款及 應計款項	22,990	–	–	22,990
Interest-bearing bank and other borrowings	計息銀行及其他借貸	43,299	10,305	266	53,870
		99,871	10,305	266	110,442

37. 財務風險管理目標與政策 (續)

流動資金風險 (續)

本公司

	Within 1 year or on demand HK\$'000 一年內 或按 要求 千港元	More than 1 year but less than 2 years HK\$'000 超過一年 但少於兩年 千港元	More than 2 years but less than 5 years HK\$'000 超過兩年 但少於五年 千港元	Total HK\$'000 總計 千港元
2008	二零零八年			
Amount due to a subsidiary	應付附屬公司款項	11,459	–	–
Other payables and accruals	其他應付賬款及 應計款項	308	–	–
		11,767	–	11,767

本集團

	Within 1 year or on demand HK\$'000 一年內 或按 要求 千港元	More than 1 year but less than 2 years HK\$'000 超過一年 但少於兩年 千港元	More than 2 years but less than 5 years HK\$'000 超過兩年 但少於五年 千港元	Total HK\$'000 總計 千港元
2007	二零零七年			
Trade payables	貿易應付賬款	33,582	–	–
Other payables and accruals	其他應付賬款及 應計款項	22,990	–	–
Interest-bearing bank and other borrowings	計息銀行及其他借貸	43,299	10,305	266
		99,871	10,305	266

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37. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

Liquidity risk (Continued)

COMPANY

		Within 1 year or on demand HK\$'000 一年內 或按要求 千港元	More than 1 year but less than 2 years HK\$'000 超過一年 但少於兩年 千港元	More than 2 years but less than 5 years HK\$'000 超過兩年 但少於五年 千港元	Total HK\$'000 總額 千港元
2007	二零零七年				
Amount due to a subsidiary	應付附屬公司款項	20,634	–	–	20,634
Other payables and accruals	其他應付賬款及 應計款項	2,665	–	–	2,665
		23,299	–	–	23,299

The fair value of financial assets and financial liabilities are determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices or rates from observable current market transactions as input.

The directors consider that the fair value of financial assets and financial liabilities recorded at amortised cost in the consolidated financial statements approximates to the carrying amount.

37. 財務風險管理目標與政策 (續)

流動資金風險 (續)

本公司

		Within 1 year or on demand HK\$'000 一年內 或按要求 千港元	More than 1 year but less than 2 years HK\$'000 超過一年 但少於兩年 千港元	More than 2 years but less than 5 years HK\$'000 超過兩年 但少於五年 千港元	Total HK\$'000 總額 千港元
2007	二零零七年				
Amount due to a subsidiary	應付附屬公司款項	20,634	–	–	20,634
Other payables and accruals	其他應付賬款及 應計款項	2,665	–	–	2,665
		23,299	–	–	23,299

財務資產及財務負債之公平值乃根據公認定價模式，按照折現現金流量分析及使用當前可觀察之市場交易價格釐定。

董事認為於綜合財務報表中以攤銷成本入賬之財務資產與財務負債之公平價值與其賬面值相若。

37. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

Credit risk

The Group's maximum exposure to credit risk in the event of that counterparties fail to perform their obligations as at 31 March 2008 in relation to each class of recognised financial assets is the carrying amount of those assets as stated in the consolidated balance sheet.

In order to minimise the credit risk in relation to trade receivables, credit limits and credit terms granted to customers should be approved by delegated officers and follow-up action is taken to recover overdue debts. In addition, the management of the Group reviews the recoverable amount of each individual trade debt at each balance sheet date to ensure that adequate impairment losses are made for irrecoverable amounts. In this regard, the directors of the Company consider that the Group's credit risk is significantly reduced.

The credit risk on liquid funds is limited because the majority of the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

The Group's concentration of credit risk on trade receivables as at 31 March 2008 is mainly from five major customers which accounted for 33% (2007: 29%) of trade receivables mainly from Hong Kong. The Group has closely monitored the recoverability of trade receivables and taken effective measures to ensure timely collection of outstanding balances.

37. 財務風險管理目標與政策 (續)

信貸風險

倘交易對手未能履行其於二零零八年三月三十一日之責任，則本集團就各類別已確認財務資產而須承受之最高信貸風險為於綜合資產負債表列值之資產賬面值。

為減低有關貿易應收賬款之信貸風險，向客戶授出之信貸額及信貸期須經指定主管批准，並採取跟進行動收回逾期債務。此外，本集團管理層審閱各結算日之各項個別貿易債務之可收回金額，確保已就不可收回金額作出足夠減值虧損。就此而言，本公司董事認為，本集團之信貸風險已大大減少。

由於交易對手為獲國際信貸評級機構評級為信貸評級之銀行，故流動資金之信貸風險有限。

於二零零八年三月三十一日，本集團集中貿易應收賬款之信貸風險主要來自五大客戶，共佔貿易應收賬款33%（二零零七年：29%），主要來自香港。

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38. POST BALANCE SHEET EVENT

- (i) On 18 June 2008, Tectron Pacific Limited (“Tectron”), a wholly owned subsidiary of the Company, entered into an acquisition agreement with Center Zone Holdings Limited (the “Vendor”) pursuant to which Tectron has agreed to acquire and the Vendor has agreed to sell (a) the entire issued shares of Dahlia Group Limited (“Dahlia”), a wholly-owned subsidiary of the Vendor (“First Sale Share”); (b) the face value of the loans outstanding as at the completion date made by or on behalf of the Vendor to Dahlia (“First Sale Loan”); (c) the entire issued shares of Fullday Group Limited (“Fullday”), a wholly-owned subsidiary of the Vendor (“Second Sale Share”); and (d) the face value of the loans outstanding as at the completion date made by or on behalf of the Vendor to Fullday (“Second Sale Loan”).

The aggregate consideration for the First Sale Share and First Sale Loan shall be HK\$1,280,000,000 (subject to adjustments), which is to be satisfied to the extent of HK\$15,000,000 by refundable deposit in cash; to the extent of HK\$1,185,000,000 by issue of zero coupon convertible bonds (“First Conversion Shares”); and to the extent of HK\$80,000,000 by issue of zero coupon promissory notes.

The aggregate consideration for the Second Sale Share and Second Sale Loan shall be HK\$5,700,000,000 (subject to adjustments), which is to be satisfied by issue of zero coupon convertible bonds (“Second Conversion Shares”).

The proposed transaction is subject to, inter alia, the approval of the Company’s shareholders at a special general meeting, the relevant parties obtaining approval from the Stock Exchange to grant the listing of, and permission to deal in First and Second Conversion Shares.

HK\$15,000,000 has been paid to the Vendor as deposit of the possible acquisition on 9 July 2008. Details of this potential acquisition were disclosed in the Company’s announcement on 9 July 2008.

38. 結算日後事項

- (i) 於二零零八年六月十八日，本公司全資附屬公司 Tectron Pacific Limited (「Tectron」) 與 Center Zone Holdings Limited (「賣方」) 簽訂收購協議。根據該協議，Tectron 同意收購及賣方同意出售 (a) 賣方全資附屬公司 Dahlia Group Limited (「Dahlia」) 之全部已發行股份 (「第一銷售股份」); (b) 賣方或代表賣方向 Dahlia 所作出尚未償還貸款於交易完成日期之面值 (「第一銷售貸款」); (c) 賣方全資附屬公司 Fullday Group Limited (「Fullday」) 之全部已發行股份 (「第二銷售股份」); 及 (d) 賣方或代表賣方向 Fullday 所作出尚未償還貸款於交易完成日期之面值 (「第二銷售貸款」)。

第一銷售股份及第一銷售貸款之總代價為 1,280,000,000 港元 (或須調整)，其中 15,000,000 港元以現金支付作為可退還按金; 其中 1,185,000,000 港元透過發行零息可換股債券 (「第一批兌換股份」) 支付; 及其中 80,000,000 港元透過發行零息承兌票據支付。

第二銷售股份及第二銷售貸款之總代價為 5,700,000,000 港元 (或須調整)，將透過發行零息可換股債券 (「第二批兌換股份」) 支付。

該建議交易須待 (其中包括) 本公司股東於股東特別大會上批准，有關方面獲得聯交所批准第一批及第二批兌換股份上市及買賣。

賣方已於二零零八年七月九日獲支付 15,000,000 港元，作為可能進行收購之按金。此一項可能進行收購的詳情披露於本公司日期為二零零八年七月九日之公佈。

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38. POST BALANCE SHEET EVENT (Continued)

- (ii) On 20 June 2008, Bestway Group International Limited ("Bestway GI") and Rich Ocean Limited ("Rich Ocean"), each of which is a wholly-owned subsidiary of the Company, as vendors on the one part, have entered into a sale and purchase agreement with Eastern Wide Investments Limited ("the Disposal Purchaser"), as purchaser of the other part, pursuant to which Bestway GI has agreed to sell the entire issued shares of Best Faith Plastic Products Limited, Bestway Plastic Products Limited and Bestget Plastic Products Limited, (collectively as the "Disposal Sale Shares") and the Disposal Sale Loans to the Disposal Purchaser and Rich Ocean has agreed to sell the Sale Machineries to the Disposal Purchaser.

The aggregate disposal consideration shall be HK\$78,800,000 (subject to adjustments), which is to be settled by the Disposal Purchaser to the extent of HK\$1,000,000 refundable deposit in cash; and to the extent of HK\$77,800,000 by cashier order in favour of Bestway GI (for itself and on behalf of Rich Ocean) or as it may direct or in such other manner as may be agreed between Bestway GI (for itself and on behalf of Rich Ocean) and the Disposal Purchaser.

HK\$1,000,000 has been received from the Disposal Purchaser on 9 July 2008. Details of this potential disposal were disclosed in the same Company's announcement on 9 July 2008 as mentioned in note 38(i) above.

38. 結算日後事項 (續)

- (ii) 於二零零八年六月二十日，Bestway Group International Limited (「Bestway GI」) 與富皇有限公司 (「富皇」) 均為本公司全資附屬公司，作為賣方與 Eastern Wide Investments Limited (「出售買方」) 作為買方簽訂買賣協議。根據該協議，Bestway GI 同意向出售買方出售百信塑膠製品有限公司、百威塑膠製品有限公司及百吉塑膠製品有限公司之全部已發行股份 (統稱出售銷售股份) 及出售銷售貸款，而富皇已同意向出售買方出售銷售機器。

出售總代價為78,800,000港元 (或須調整)，其中1,000,000港元由出售買方以現金支付作為可退還按金；及餘下77,800,000港元以主要以Bestway GI (為其本身及代表富皇) 或其指定人士為受益人支付，或按照Bestway GI (為其本身及代表富皇) 與出售買方協定之其他方式支付。

1,000,000港元已於二零零八年七月九日自出售買方收取。此項潛在出售之詳情已披露於以上附註38(i)所述本公司日期為二零零八年七月九日之公佈。

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39. APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the board of directors on 18 July 2008.

39. 批准財務報表

財務報表由董事會於二零零八年七月十八日批准及通過。