



Texwinca holdings limited

德永佳集團有限公司

Stock Code 股份代號 : 321

annual report 2008

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Corporate Information 公司資料

DIRECTORS

Poon Bun Chak
(Chairman and Chief Executive Officer)

Poon Kai Chak

Poon Kei Chak

Poon Kwan Chak

Ting Kit Chung

Au Son Yiu*

Cheng Shu Wing*

Wong Tze Kin, David*

* Independent Non-executive Directors

NOMINATION COMMITTEE

Cheng Shu Wing (Chairman)

Au Son Yiu

Wong Tze Kin, David

Ting Kit Chung

REMUNERATION COMMITTEE

Au Son Yiu (Chairman)

Cheng Shu Wing

Wong Tze Kin, David

Ting Kit Chung

AUDIT COMMITTEE

Wong Tze Kin, David (Chairman)

Au Son Yiu

Cheng Shu Wing

COMPANY SECRETARY

Chan Chi Hon

REGISTERED OFFICE

Clarendon House,
2 Church Street,
Hamilton HM 11,
Bermuda.

董事

潘彬澤
(主席兼董事總經理)

潘佳澤

潘機澤

潘鈞澤

丁傑忠

區燦耀*

鄭樹榮*

黃自建*

* 獨立非執行董事

提名委員會

鄭樹榮(主席)

區燦耀

黃自建

丁傑忠

薪酬委員會

區燦耀(主席)

鄭樹榮

黃自建

丁傑忠

審核委員會

黃自建(主席)

區燦耀

鄭樹榮

公司秘書

陳志漢

註冊辦事處

Clarendon House,
2 Church Street,
Hamilton HM 11,
Bermuda.

Corporate Information 公司資料

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS

16th Floor, Metroplaza, Tower II,
223 Hing Fong Road, Kwai Chung,
New Territories, Hong Kong.

總辦事處及主要營業地點

香港新界葵涌
興芳路223號
新都會廣場第二座十六樓

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Butterfield Fund Services (Bermuda) Limited
Rosebank Centre,
14 Bermudiana Road, Pembroke,
Bermuda.

主要股份登記及過戶處

Butterfield Fund Services (Bermuda) Limited
Rosebank Centre,
14 Bermudiana Road, Pembroke,
Bermuda.

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Tengis Limited
26th Floor, Tesbury Centre,
28 Queen's Road East,
Wanchai, Hong Kong.

香港股份登記及過戶分處

卓佳登捷時有限公司
香港灣仔
皇后大道東二十八號
金鐘匯中心二十六樓

AUDITORS

Ernst & Young
Certified Public Accountants

核數師

安永會計師事務所
執業會計師

LEGAL ADVISORS

Jennifer Cheung & Co.
Wilkinson & Grist

法律顧問

張美霞律師行
高露雲律師行

PRINCIPAL BANKERS

Bank of China (Hong Kong) Ltd.
BNP Paribas
Citibank, N.A.
The Hongkong and Shanghai Banking Corporation Ltd.
Hang Seng Bank
Mizuho Corporate Bank, Ltd.
The Bank of East Asia, Ltd.

主要往來銀行

中國銀行(香港)有限公司
法國巴黎銀行
花旗銀行
香港上海滙豐銀行有限公司
恒生銀行
瑞穗實業銀行
東亞銀行有限公司

WEBSITES

<http://www.texwinca.com/>
<http://www.baleno.com.hk/>
<http://www.irasia.com/listco/hk/texwinca/>

網址

<http://www.texwinca.com/>
<http://www.baleno.com.hk/>
<http://www.irasia.com/listco/hk/texwinca/>

Financial and Operational Highlights 財務與業務摘要

(Amounts expressed in HK\$ million, unless specified)			2008	2007	2006	2005	2004
(以港幣百萬元為單位，除特別註明外)		Notes 附註					
Turnover	營業額		9,669	8,299	7,749	7,303	6,216
Profit for the year attributable to equity holders of the Company	本公司權益 所有者應佔 本年度溢利		926	625	480	462	422
Total equity	總權益		3,916	3,315	2,930	2,731	2,529
Total assets	總資產		6,890	5,842	5,266	4,822	4,391
Total liabilities to equity ratio	總負債與 總權益比率		0.8	0.8	0.8	0.8	0.7
Total interest-bearing debts to total equity ratio	總付息債務與 總權益比率		0.3	0.3	0.3	0.2	0.1
Current ratio	流動比率		1.9	1.6	1.5	1.5	1.8
Trade and bills receivables to turnover (days)	應收賬款及應收票據 比營業額(日)		39	48	41	21	31
Inventory to turnover (days)	存貨比營業額(日)		60	57	61	53	61
Net assets per share (HK cents)	每股資產淨值 (港幣仙)		295	250	221	206	191
Return on total assets (%)	總資產回報率(%)		13.4	10.7	9.1	9.6	9.6
Return on turnover (%)	營業額回報率(%)		9.6	7.5	6.2	6.3	6.8
Interest cover (times)	利息保障比率(倍數)	1	29	16	14	54	130
EBITDA	息、稅、折舊及 攤銷前利潤	2	1,578	1,076	826	792	709
EBITDA to turnover (%)	息、稅、折舊及攤銷 前利潤比營業額(%)		16.3	13.0	10.7	10.8	11.4

Financial and Operational Highlights 財務與業務摘要

(Amounts expressed in HK\$ million, unless specified)			2008	2007	2006	2005	2004
(以港幣百萬元為單位，除特別註明外)		Notes 附註					
Basic earnings per share (HK cents)	基本每股盈利 (港幣仙)	3	69.8	47.1	36.2	34.8	31.9
Dividends per share (HK cents)	每股股息 (港幣仙)		43	27	22	21	20
Dividend yield (%)	股息回報率 (%)	4	7.7	5.1	3.7	3.2	3.3
Number of issued shares (million)	已發行股份數目 (百萬)		1,327	1,326	1,326	1,326	1,325
Number of employees	僱員人數						
Hong Kong & Macau	香港及澳門		716	682	1,007	881	759
Taiwan	台灣		587	640	737	851	717
Mainland China	中國大陸		23,372	21,300	20,249	19,691	16,376
Singapore	新加坡		369	522	464	333	248
Malaysia	馬來西亞		185	256	343	61	—
Total	總數		25,229	23,400	22,800	21,817	18,100

Notes:

附註：

- Interest cover was calculated by dividing the profit before interest and tax by the interest expenses.
 - EBITDA is the earnings before interest, tax, depreciation and amortisation expenses.
 - Number of shares was on weighted average basis.
 - Dividend yield was calculated by dividing the dividends per share by the closing market price per share as at the respective balance sheet dates.
 - The financial results of the above refer to the results of the Group for each financial year. And, the other figures used were the position of the Group as at the respective balance sheet dates.
- 利息保障比率之計算為稅項及利息前之溢利與利息費用之比率。
 - EBITDA為未計利息、稅項、折舊及攤銷費用前利潤。
 - 股份數目按加權平均基準計算。
 - 股息回報率之計算為每股股息與本公司於相關結算日每股收市價之比率。
 - 以上業績乃指本集團於每個財政年度的業績，而其他數字則指本集團於有關年度結算日之情況。

Chairman's Statement 主席報告書

The Group achieved strong results again in this fiscal year. Consolidated revenue and profit attributable to equity holders of the Company both yielded new high to HK\$9,669 million and HK\$926 million, respectively. All textile, garment and retail business sectors produced progressive performance. More detailed information regarding the Group's operating results and financial position can be found in the Management's Discussion and Analysis section in this annual report.

The fabric division experienced a stable operating environment in the period. Industry consolidation continued in faster manner and the Group further grew its production capacity to extend market share. Order volume was strong even under a slower US economy. The Group was also able to increase selling prices to counter the escalating costs.

The retail business gained significant improved results. Store expansion was slowed down with only 41 new outlets added in the year. Strong business growth was mainly driven by the mature performance of many young stores opened in the past few years. Mainland China operation was still the best performer and will continue be the focus market.

The Group is in healthy financial position. It is the Group's policy to return surplus cash to the shareholders. The Board has recommended a final dividend of HK 25.0 cents per share. Together with the interim dividend of HK 18.0 cents per share, the dividend payout ratio will be 62% for the year.

Looking forward, with the increasingly cloudy global economic outlook, the operating environment will be more uncertain. The Group will continue its scale expansion to pursue operating efficiency. With solid business foundation and sound financial position, the Management maintains an optimistic view on the Group's prospect for the coming year.

On behalf of the Board, I would like to express my gratitude towards the shareholders and business partners for their ongoing support. I would also like to offer special thanks to our colleagues for their excellent contribution to the Group.

Poon Bun Chak
Chairman

Hong Kong, 18 July 2008

本集團於本財政年度再度取得強勁之業績。總營業收入及本公司權益所有者應佔溢利均創新高，分別錄得港幣9,669百萬元及港幣926百萬元。各紡織、製衣及零售業務均有進步之表現。有關本集團業績及財務狀況在本年報之管理層之論述及分析將有更詳盡之報導。

針織布部門於期內有穩定之經營環境。行業整固繼續加速，而本集團進一步加強生產量以拓展市場佔有率。在美國經濟下滑情況下，單量仍然強勁。本集團亦能提升價格以抗衡成本之上升。

零售業務之業績明顯改善。年內之店舖擴張放緩，僅增加了41間新店。業務增長強勁主要由過往數年開設之許多新店表現成熟所帶動。中國大陸業務仍取得最佳表現，且仍將繼續為重點市場。

本集團財務狀況健康。將盈餘現金派回股東為本集團之政策。董事會建議派發末期股息每股港幣25.0仙。連同中期股息每股港幣18.0仙，本年股息派發率為62%。

全球經濟前景趨於不明朗，展望經營環境將趨於不穩定。本集團將繼續擴展以追求營運效益。在穩健業務基礎及良好財務狀況下，管理層對本集團於來年之前景仍保持樂觀。

本人謹代表董事會多謝股東及業務夥伴之長久支持。本人亦特別多謝同事們對本集團優良之貢獻。

主席
潘彬澤

香港，二零零八年七月十八日

Management's Discussion and Analysis 管理層之論述及分析

BUSINESS REVIEW

For this fiscal year ended 31 March 2008, the Group's total turnover increased by 17%, to HK\$9,669 million (2007: HK\$8,299 million). Profit for the year attributable to the equity holders of the Company amounted to HK\$926 million (2007: HK\$625 million), an increase of 48% over last year. The Group's gross profit margin increased by 1.7% to 33.5% (2007: 31.8%). The Board has recommended a final dividend of HK 25.0 cents (2007: HK 15.0 cents) per ordinary share. Including interim dividend, total dividend per ordinary share amounts to HK 43.0 cents, an increase of 59% over last year's HK 27.0 cents.

Textile business

Turnover of the fabric business grew by 16% to HK\$5,386 million (2007: HK\$4,627 million). The sum represented 56% of the Group's total turnover. In the period, industry consolidation was going on which provided a more favourable business environment for the Group. Raw material prices were stable, but other production costs increased due to upsurge of fuel prices, wage inflation, the reduction in VAT export refund and the appreciation of Renminbi. The Group was able to raise the average selling price to protect the profit margin. Gross profit margin for this year increased by 2.2% to 21.3% (2007: 19.1%). Production capacity increased by about 15% in the period to capture greater market share and maximize operating efficiency. The business performance and the key financial ratios were as below:

業務回顧

截至二零零八年三月三十一日止之本財政年度，本集團之總營業額為上升17%，達港幣9,669百萬元（二零零七年：港幣8,299百萬元）。本公司權益所有者應佔本年度溢利為港幣926百萬元（二零零七年：港幣625百萬元），較去年增長48%。本集團之毛利率上升1.7%至33.5%（二零零七年：31.8%），董事會建議派發末期股息每普通股港幣25.0仙（二零零七年：港幣15.0仙）。連同中期股息，每普通股股息總額為港幣43.0仙，較去年之港幣27.0仙增長59%。

紡織業務

針織布業務營業額增加16%至港幣5,386百萬元（二零零七年：港幣4,627百萬元）。此數目為本集團總營業額之56%。期內行業持續整固，令本集團有較佳之經營環境。原料價格平穩，但其他生產成本上升主要受燃料價格上揚、工資上漲、出口退稅減少及人民幣升值影響。本集團能夠提升平均產品價格以保護邊際利潤。毛利率上升2.2%至21.3%（二零零七年：19.1%）。生產力於期內增加約15%以擴大市場佔有率及提升最佳營運效益。業務表現及主要財務比率現列於下：

(in HK\$'million) (港幣百萬元)		2008	2007	2006	2005	2004
Net sales	淨銷售	5,386	4,627	4,258	4,109	3,627
Gross profit margin (%)	毛利率 (%)	21.3	19.1	18.0	16.8	16.9
Operating profit (note)	營業利潤 (附註)	910	664	503	426	374
EBITDA (note)	息、稅、折舊 及攤銷前利潤 (附註)	1,108	837	665	571	489
Return on total assets (%) (note)	總資產收益率 (%) (附註)	14.8	13.7	11.0	10.7	10.0
Return on sales (%) (note)	銷售收益率 (%) (附註)	15.4	14.5	12.2	10.5	10.7
Return on equity (%) (note)	權益收益率 (%) (附註)	22.5	20.5	18.1	16.8	16.0
Capital expenditure	資本性支出	216	468	148	392	469

Note: Exclude interest income and rental income

附註：不包括利息收入及租金收入

Management's Discussion and Analysis 管理層之論述及分析

BUSINESS REVIEW (continued)

Retail and distribution business

Sales of the business amounted to HK\$4,239 million (2007: HK\$3,625 million), an increase of 17%, and represented 44% of the Group's total turnover. The operation continued to achieve improved results. In the period, 130 new outlets were added in the focus Mainland China market. Store expansion was slowed down and greatest effort was placed to improve the store performance. Average selling price was increased to widen the profit margin. Gross profit margin increased by 1.3% to 49.1% (2007: 47.8%). At the year end:

- (a) the business performance and the key financial ratios were as follows:

(in HK\$'million) (港幣百萬元)		2008	2007	2006	2005	2004
Net sales	淨銷售	4,239	3,625	3,444	3,146	2,548
Gross profit margin (%)	毛利率 (%)	49.1	47.8	46.5	46.8	46.7
Sales growth of comparable shops (%) (note 1)	可比店舖銷售增長比率 (%) (附註1)	21.4	2.9	(7.0)	0.1	1.9
Operating profit (note 2)	營業利潤 (附註2)	242	21	(55)	65	126
EBITDA (note 2)	息、稅、折舊及攤銷前利潤 (附註2)	364	147	62	151	186
Return on total assets (%) (note 2)	總資產收益率 (%) (附註2)	2.1	(0.4)	(3.6)	1.9	5.5
Return on sales (%) (note 2)	銷售收益率 (%) (附註2)	0.8	(0.4)	(2.8)	1.5	4.1
Return on equity (%) (note 2)	權益收益率 (%) (附註2)	26.2	(9.1)	(77.5)	21.8	59.8
Capital expenditure	資本性支出	76	141	203	233	150

- Notes: (1) Comparable shops of a year include shops with full year operation during the year and the preceding year.
(2) Exclude interest income and rental income.

業務回顧 (續)

零售及分銷業務

此業務銷售額為港幣4,239百萬元(二零零七年: 港幣3,625百萬元), 增長17%, 而佔本集團總營業額44%。本業務繼續取得進步之業績。期內在中國大陸此重點市場增設新店130間。店舖擴展放緩而致力集中於提升店舖之表現。產品平均售價有所增加以擴闊邊際利潤。毛利率上升1.3%至49.1%(二零零七年: 47.8%)。於本年末:

- (a) 業務表現及主要財務比率現列如下:

- 附註: (1) 可比店舖指於該年及其前一年均有全年營運的店舖。
(2) 不包括利息收入及租金收入。

Management's Discussion and Analysis 管理層之論述及分析

BUSINESS REVIEW (continued)

業務回顧(續)

Retail and distribution business (continued)

零售及分銷業務(續)

(b) the analysis of turnover by major brand was as follows:

(b) 按主要品牌銷售分析如下：

(in HK\$ million) (港幣百萬元)		2008	2007	2006	2005	2004
Baleno	班尼路	1,589	1,584	1,596	1,497	1,285
S&K	S&K	826	601	563	586	464
I.P. Zone	I.P. Zone	528	441	361	302	196
ebase	ebase	462	398	399	337	203
Others	其他	834	601	525	424	400
Total	合計	4,239	3,625	3,444	3,146	2,548

(c) the development in different markets was as follows:

(c) 各地市場發展情況如下：

Mainland China		中國大陸				
		2008	2007	2006	2005	2004
Net sales	銷售淨額					
(HK\$ million)	(港幣百萬元)	3,124	2,431	2,219	1,963	1,598
Increase in net sales (%)	銷售淨額之增加(%)	29	10	13	23	12
Retail floor area	零售樓面面積					
(sq. ft.)**	(平方呎)**	1,692,967	1,672,807	1,601,473	1,322,547	621,294
Number of sales associates**	售貨員數目**	10,442	11,089	10,119	10,534	6,395
Number of outlets* ^Δ	門市數目* ^Δ	3,477	3,347	3,143	2,837	1,750

Hong Kong and Macau		香港及澳門				
		2008	2007	2006	2005	2004
Net sales	銷售淨額					
(HK\$ million)	(港幣百萬元)	404	476	496	463	393
Increase/(decrease) in net sales (%)	銷售淨額之增加/減少(%)	(15)	(4)	7	18	19
Retail floor area	零售樓面面積					
(sq. ft.)**	(平方呎)**	63,957	74,907	78,285	81,442	64,930
Number of sales associates**	售貨員數目**	396	447	624	536	382
Number of outlets**	門市數目**	70	87	94	85	62

Management's Discussion and Analysis 管理層之論述及分析

BUSINESS REVIEW (continued)

業務回顧(續)

Retail and distribution business (continued)

零售及分銷業務(續)

(c) the development in different markets was as follows:
(continued)

(c) 各地市場發展情況如下：(續)

Taiwan		台灣				
		2008	2007	2006	2005	2004
Net sales	銷售淨額					
(HK\$ million)	(港幣百萬元)	397	427	513	557	440
Increase/(decrease)	銷售淨額之增加/					
in net sales (%)	(減少)(%)	(7)	(17)	(8)	27	38
Retail floor area	零售樓面面積					
(sq.ft.)*#	(平方呎)**	199,443	202,080	208,925	219,625	150,965
Number of sales associates*#	售貨員數目**	474	528	603	706	614
Number of outlets*Δ	門市數目*Δ	217	259	266	270	196
Singapore		新加坡				
		2008	2007	2006	2005	2004
Net sales	銷售淨額					
(HK\$ million)	(港幣百萬元)	233	221	175	154	117
Increase in net sales (%)	銷售淨額之增加(%)	5	26	14	32	83
Retail floor area	零售樓面面積					
(sq.ft.)*#	(平方呎)**	43,149	61,601	55,781	32,548	31,289
Number of sales associates*#	售貨員數目**	318	456	408	289	234
Number of outlets*#	門市數目**	44	64	56	43	32
Malaysia		馬來西亞				
		2008	2007	2006	2005	2004
Net sales	銷售淨額					
(HK\$ million)	(港幣百萬元)	81	70	41	9	N/A 不適用
Increase in net sales (%)	銷售淨額之增加(%)	16	71	356	N/A 不適用	N/A 不適用
Retail floor area	零售樓面面積					
(sq.ft.)*#	(平方呎)**	44,630	59,170	36,681	17,200	N/A 不適用
Number of sales associates*#	售貨員數目**	149	243	155	66	N/A 不適用
Number of outlets*#	門市數目**	20	30	20	31	N/A 不適用

* As at 31 March

* 於三月三十一日

For self-managed stores

自營店

Δ Include self-managed and franchise stores

Δ 包括自營店及特許經營店

Management's Discussion and Analysis 管理層之論述及分析

BUSINESS REVIEW (continued)

Garment manufacturing business

Turnover of this associate grew 18% to HK\$1,221 million (2007: HK\$1,036 million). Net profit contribution to the Group amounted to HK\$62 million (2007: HK\$48 million), an increase of 29%. In the period, about 73% (2007: 63%) of the fabric purchased was supplied by our fabric division and sales to our retail division accounted for about 20% (2007: 17%) of its revenue.

FINANCIAL CONDITION

Liquidity and financial resources

The Group continued to maintain a strong financial position. The current ratio, the total bank debts and the gearing ratio as at the year end were 1.9, HK\$1,248 million and 0.1 (2007: 1.6, HK\$1,105 million and 0.3), respectively. The gearing ratio refers to the ratio of the total interest-bearing debts, net of cash and cash equivalents, to total shareholders' equity. The net cash inflow from operating activities for the year was HK\$1,131 million (2007: HK\$598 million). The surge in the net cash inflow was mainly due to the drastic growth in the sales and gross profit of the textile business and the retail and distribution business and the reduction of the trade and bills receivables to turnover (days) by 9 days to 39 days (2007: 48 days) compared with last year.

The interest cover and the inventory to turnover for the year under review were 29 times and 60 days (2007: 16 times and 57 days), respectively. The Group mainly financed its operation by cash inflow from its operating activities and bank borrowings. At the balance sheet date, the cash and cash equivalents, the equity attributable to equity holders of the Company and the unutilized banking facilities were HK\$818 million, HK\$3,819 million and HK\$3,347 million (2007: HK\$245 million, HK\$3,248 million and HK\$2,820 million), respectively.

業務回顧 (續)

製衣業務

此聯營業務營業額增長18%至港幣1,221百萬元(二零零七年:港幣1,036百萬元),對本集團淨溢利貢獻為港幣62百萬元(二零零七年:港幣48百萬元),增加29%。期內約73%(二零零七年:63%)購入之布料由本集團紡織業務供應,而銷貨予本集團零售業務則佔其銷售額約20%(二零零七年:17%)。

財務狀況

流動資金及財務資源

本集團繼續維持強勁的財務狀況。於本年末,流動比率、銀行貸款總額及資本負債比率分別為1.9、港幣1,248百萬元及0.1(二零零七年:1.6、港幣1,105百萬元及0.3)。資本負債比率乃指扣除現金及現金等價物的總付息債務與總股東權益之比率。本年經營所得的現金流入淨額為港幣1,131百萬元(二零零七年:港幣598百萬元),現金流入淨額急升主要由於紡織業務和零售及分銷業務的銷售和毛利大幅上升,及應收賬款及應收票據與營業額週轉期比去年減少9天至39天(二零零七年:48天)。

於本年,利息保障比率及存貨與營業額比率分別為29倍及60天(二零零七年:16倍及57天)。本集團主要以經營所得現金流入及銀行貸款滿足其營運資金的需求。於年結日,現金及現金等價物、本公司權益所有者應佔權益及未動用銀行信貸額分別為港幣818百萬元、港幣3,819百萬元及港幣3,347百萬元(二零零七年:港幣245百萬元、港幣3,248百萬元及港幣2,820百萬元)。

Management's Discussion and Analysis 管理層之論述及分析

FINANCIAL CONDITION (continued)

Capital expenditure

Total capital expenditure of the Group for the year amounted to HK\$292 million (2007: HK\$609 million), of which HK\$216 million (2007: HK\$468 million) was incurred by the textile business for the expansion of its production capacity to meet the continuous increase in customer demand. The decrease in the capital expenditure during the year was due to the completion of construction and addition of machinery for the second phase of the spinning factory in last year. For the retail and distribution business, the management has been focusing more on the development of the existing retail network to improve the same-store growth, thus the capital expenditure incurred by this business decreased by HK\$65 million to HK\$76 million (2007: HK\$141 million) compared with last year.

Pledge of assets

No significant assets were pledged as at 31 March 2007 and 31 March 2008.

Foreign exchange and interest rate risks

The Group continued to adopt a strict and prudent policy in managing its interest rate and currency exchange risks. The major interest bearing bank borrowings of the Group were HIBOR based Hong Kong dollar borrowings with maturity due within five years. The Group will continue to monitor the changes in the interest rate and arrange appropriate financial instruments to hedge its interest rate risks whenever needed.

During the year, the major revenues, expenses and procurements of the Group were denominated in HKD, USD, Renminbi, Yen, and NTD. The Group had arranged forward exchange contracts to reduce its currency exchange risk.

Human Resources

As at 31 March 2008, the Group had about 25,200 (2007: 23,400) employees in the Greater China, Singapore and Malaysia. The remuneration of the employees was largely based on industry practice and the performance of individual employee

財務狀況 (續)

資本性支出

於本年，本集團資本性支出共港幣292百萬元(二零零七年：港幣609百萬元)，其中紡織業務的資本性支出為港幣216百萬元(二零零七年：港幣468百萬元)，主要用於擴大其生產設施以滿足不斷上升的客戶需求。本年資本性支出的減少，主要由於第二期織前廠的建築及機器購置已於去年完成。零售及分銷業務方面，管理層積極加強發展現時零售網絡以增加同店銷售，因此此業務資本性支出較去年減少港幣65百萬元至港幣76百萬元(二零零七年：港幣141百萬元)。

資產抵押

於二零零七年三月三十一日及二零零八年三月三十一日，並無重大資產已作抵押。

匯兌及利率風險

本集團維持嚴格及審慎政策管理利率與匯率風險。本集團主要附息銀行貸款為港元，利率以香港銀行同業拆息為計算基礎，並於五年內到期。本集團將繼續密切注意利率變動，並於需要時安排適當金融工具以對沖其利率風險。

於本年內，本集團主要收入、支出及採購皆以港元、美元、人民幣、日元及新台幣進行，本集團已安排遠期外匯合約以減低匯率風險。

人力資源

於二零零八年三月三十一日，本集團於大中華、新加坡及馬來西亞共有僱員約25,200(二零零七年：23,400)人。員工薪酬之釐定主要基於行業之情況及員工個人之表現。

Management's Discussion and Analysis 管理層之論述及分析

OUTLOOK

In the coming year, the Group will continue a moderate expansion in all textile, garment and retail sections to extend market share and to pursue optimum operating efficiency. Total capital expenditure will be about HK\$300 million. Cash inflow is anticipated to be strong, thus dividend payout ratio will still be at a high level.

The Group is at a good bargaining position in pricing to protect its profit growth. It will also maintain solid cost control to enhance profit return. In the coming year, the Group will face more challenges caused by the global inflation. However, the Group maintains an extremely optimistic view on its business performance for the next financial year.

展望

本集團來年將繼續在紡織、製衣及零售各層面作出中度之擴張以增加市場佔有率及追求最佳之經營效益。總資本性支出約為港幣300百萬元。預計資金回流仍然強勁，因而派息比率仍將處於高水平。

本集團具有良好之議價能力以保護其利潤增長。本集團亦持續嚴控成本以提高利潤回報。來年，本集團將面對更多由全球通漲所帶來之挑戰。然而，本集團對來年之業務表現，仍深表樂觀。

Report of the Directors 董事會報告

The board of directors (the “Board”) have pleasure in presenting their report and the audited financial statements of Texwinca Holdings Limited (the “Company”) and its subsidiaries (collectively referred to as the “Group”) for the year ended 31 March 2008.

PRINCIPAL ACTIVITIES

The Group’s principal activities during the year consisted of the production, dyeing and sale of knitted fabric and yarn, the retailing and distribution of casual apparel and accessory, the provision of franchise services, and the provision of repair and maintenance services for motors and generators. There were no significant changes in the nature of the Group’s principal activities during the year.

The principal activity of the Company is investment holding.

RESULTS AND DIVIDENDS

The Group’s profit for the year ended 31 March 2008 and the state of affairs of the Company and the Group at that date are set out in the financial statements on pages 50 to 164.

An interim dividend of HK 18.0 cents per ordinary share was paid on 6 February 2008. The Board recommend the payment of a final dividend of HK 25.0 cents per ordinary share in respect of the year, to shareholders on the register of members on 28 August 2008. This recommendation has been incorporated in the financial statements as an allocation of retained profits within the equity section of the balance sheet.

董事會欣然呈奉德永佳集團有限公司(「本公司」)與其附屬公司(合稱「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，敬祈省覽。

主要業務

本年度本集團之主要業務包括針織布及棉紗之產銷及整染、便服及飾物之零售及分銷、提供特許經營服務、提供汽車及發電機之維修及保養服務。本集團之業務性質在本年度並無重大轉變。

本公司之主要業務為投資控股。

業績與股息

本集團於截至二零零八年三月三十一日止年度之溢利及本公司與本集團截至該日期之業務狀況列載於財務報表第50至164頁。

中期股息每股港幣18.0仙已於二零零八年二月六日派發。董事會茲建議派發本年度末期股息每股港幣25.0仙予二零零八年八月二十八日名列股東名冊之股東，是項建議股息已列入本財務報表，亦即於資產負債表的權益中由保留溢利撥出。

Report of the Directors 董事會報告

SUMMARY FINANCIAL INFORMATION

A summary of the results and of the assets, liabilities and minority interests of the Group for the last five financial years, as extracted from the published audited financial statements and restated/reclassified as appropriate, is set out below.

This summary does not form part of the audited financial statements.

財務資料概要

下表為本集團於過往五個財政年度之業績及資產、負債與少數股東權益之概要，乃摘自已公佈之經審核財務報表及按需要重新修訂／分類。

此概要並不構成經審核財務報表之部分。

RESULTS

業績

		Year ended 31 March				
		截至三月三十一日止年度				
		2008	2007	2006	2005	2004
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
REVENUE	收入	9,669,206	8,298,552	7,749,112	7,302,697	6,216,465
PROFIT BEFORE TAX	除稅前溢利	1,213,975	732,868	505,690	544,798	525,097
Tax	稅項	(254,843)	(107,047)	(70,473)	(61,113)	(55,554)
PROFIT FOR THE YEAR	本年度溢利	959,132	625,821	435,217	483,685	469,543
Attributable to:	歸屬：					
Equity holders	本公司權益					
of the Company	所有者	926,351	625,148	480,253	461,799	421,877
Minority interests	少數股東權益	32,781	673	(45,036)	21,886	47,666
		959,132	625,821	435,217	483,685	469,543

Report of the Directors 董事會報告

ASSETS, LIABILITIES AND MINORITY INTERESTS

資產、負債與少數股東權益

		As at 31 March				
		於三月三十一日				
		2008	2007	2006	2005	2004
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
TOTAL ASSETS	資產總值	6,890,097	5,842,399	5,265,840	4,822,286	4,390,685
TOTAL LIABILITIES	負債總值	(2,973,812)	(2,527,376)	(2,335,891)	(2,090,945)	(1,861,347)
MINORITY INTERESTS	少數股東權益	(96,933)	(66,943)	(58,148)	(103,498)	(82,766)
		3,819,352	3,248,080	2,871,801	2,627,843	2,446,572

PROPERTY, PLANT AND EQUIPMENT AND INVESTMENT PROPERTIES

物業、廠房及設備與投資物業

Details of movements in the property, plant and equipment and investment properties of the Group during the year are set out in notes 13 and 14 to the financial statements, respectively.

本集團於本年度之物業、廠房及設備與投資物業之變動詳情分別列載於財務報表附註13及14。

SHARE CAPITAL AND SHARE OPTIONS

股本及購股權

Details of movements in the Company's share capital and share options during the year, together with the reasons therefor, are set out in notes 28 and 29 to the financial statements, respectively.

本公司於年內股本及購股權變動之詳情及有關原因已分別列載於財務報表附註28及29。

PRE-EMPTIVE RIGHTS

優先認購權

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.

本公司之組織細則及百慕達之法例概無優先認購權條文要求本公司須按比例向現有股東發行新股。

Report of the Directors 董事會報告

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY

購入、贖回或出售本公司上市證券

Since the grant of the share repurchase mandate in the last annual general meeting on 24 August 2007, the Company has made the following share repurchases of its own shares on The Stock Exchange of Hong Kong Limited (the "Stock Exchange"):

自上次二零零七年八月二十四日股東週年大會授出回購股份授權，本公司已於香港聯合交易所有限公司（「聯交所」）回購以下本公司股份：

Date 日期	Number of shares repurchased 回購股份數目	Price per share 每股價格		Aggregate consideration 代價總額 HK\$ 港幣
		Highest 最高 HK\$ 港幣	Lowest 最低 HK\$ 港幣	
25 March 2008 二零零八年三月二十五日	402,000	5.65	5.53	2,259,000
26 March 2008 二零零八年三月二十六日	82,000	5.65	5.65	465,000
27 March 2008 二零零八年三月二十七日	150,000	5.65	5.55	845,000
28 March 2008 二零零八年三月二十八日	76,000	5.59	5.52	425,000
1 April 2008 二零零八年四月一日	166,000	5.49	5.43	908,000
9 April 2008 二零零八年四月九日	288,000	5.48	5.42	1,572,000
10 April 2008 二零零八年四月十日	250,000	5.38	5.32	1,338,000
	1,414,000			7,812,000

The repurchased shares were subsequently cancelled and the issued share capital of the Company was reduced by the par value thereof. The premium paid on the purchase of the shares of HK\$7,741,000 has been debited to the share premium account of the Company. An amount equivalent to the par value of the shares cancelled has been transferred from the retained profits of the Company to the capital redemption reserve.

回購之股份隨即被取消及相應面值之本公司已發行股本亦已扣減。已付之回購股份溢價港幣7,741,000元，已於本公司股本溢價賬內扣除。相等於取消股份面值之金額，已由本公司的保留溢利轉撥往股本贖回儲備。

Report of the Directors 董事會報告

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY *(continued)*

The repurchases were effected by the directors pursuant to the general mandate granted with a view to benefit the shareholders as a whole by enhancing the net assets, and/or earnings per share of the Company. All shares repurchased were subsequently cancelled.

Save as disclosed herein, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the listed securities of the Company.

RESERVES

Details of movements in the reserves of the Company and the Group during the year are set out in note 30(b) to the financial statements and in the consolidated statement of changes in equity, respectively.

DISTRIBUTABLE RESERVES

At 31 March 2008, the Company's reserves available for cash distribution and/or distribution in specie amounted to HK\$1,173,346,000, of which HK\$331,750,000 has been proposed as a final dividend for the year. In addition, the Company's share premium account, in the amount of HK\$350,598,000, may be distributed in the form of fully paid bonus shares.

購入、贖回或出售本公司上市證券 (續)

董事乃按照已獲授的一般授權進行回購，目的是以提升本公司資產淨額，及／或每股盈利，使整體股東獲益。所有被回購的股份隨後已被取消。

除上述所披露外，本公司及其任何附屬公司並無購入、出售或贖回本公司任何上市證券。

儲備

本公司及本集團於本年度之儲備變動詳情分別列載於財務表附註30(b)及綜合權益變動表。

可供分派儲備

於二零零八年三月三十一日，本公司可供作現金及／或實物分派之儲備為港幣1,173,346,000元，其中將擬派發本年度末期股息為港幣331,750,000元。此外，本公司股本溢價賬港幣350,598,000元亦可以繳足紅股方式予以分派。

Report of the Directors 董事會報告

MAJOR CUSTOMERS AND SUPPLIERS

In the year under review, sales to the Group's five largest customers accounted for less than 30.0% of the total sales for the year. Purchases from the Group's five largest suppliers accounted for 37.0% of the total purchases for the year and purchases from the largest supplier included therein amounted to 18.4%.

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 and suppliers.

DIRECTORS

The directors of the Company during the year were:

Executive directors:

Poon Bun Chak (*Chairman and Chief Executive Officer*)

Poon Kai Chak

Poon Kei Chak

Poon Kwan Chak

Ting Kit Chung

Independent non-executive directors ("INED"):

Au Son Yiu

Cheng Shu Wing

Wong Tze Kin, David

主要客戶及供應商

於本年度，售予本集團最大五個客戶之金額佔全年總銷售少於30.0%。本集團從最大五個供應商之採購佔全年之總採購37.0%，其中向最大供應商採購則佔全年總採購18.4%。

並無任何本公司董事或其聯繫人仕或任何股東（按董事知悉佔本公司已發行股本5%以上）對本集團最大五個客戶及供應商有任何實際利益。

董事

本年內本公司董事如下：

執行董事：

潘彬澤 (主席兼董事總經理)

潘佳澤

潘機澤

潘鈞澤

丁傑忠

獨立非執行董事：

區樂耀

鄭樹榮

黃自建

Report of the Directors 董事會報告

DIRECTORS (continued)

In accordance with the Company's bye-laws, all the existing directors 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 Messrs. Au Son Yiu, Cheng Shu Wing and Wong Tze Kin, David, and as at the date of this report still considers them to be independent.

DIRECTORS' SERVICE CONTRACTS

The service contracts entered into between the Company and each of the executive directors as listed above may be terminated by either party by giving not less than three months' written notice or compensation in lieu.

Save as disclosed above, no director proposed for re-election at the forthcoming annual general meeting has a service contract with the Company which is not determinable by the Company within one year without payment of compensation, other than statutory compensation.

DIRECTORS' REMUNERATION

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

DIRECTORS' INTERESTS IN CONTRACTS

Save as disclosed in note 35 to the financial statements, 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, its holding company, or any of its subsidiaries was a party during the year.

董事 (續)

根據本公司組織細則，所有現任董事將於即將舉行之股東週年大會上退任，惟彼等符合資格並願膺選連任。

本公司已接獲區樂耀先生，鄭樹榮先生及黃自建先生之每年作出之獨立確認書，截至及於本報告書日期，仍然視該等獨立非執行董事層獨立。

董事服務合約

本公司與上列每位執行董事簽訂之服務合約要求雙方於終止服務合約時，其中一方須給予不少於三個月之書面通知或代通知補償。

除上文所披露者外，本公司並無與建議在即將舉行之股東週年大會上重選連任之董事簽訂本公司於一年內不作補償，法定賠償除外，則不可終止之服務合約。

董事酬金

董事袍金須待股東於股東大會上通過。其他酬金則由公司之董事會根據董事之職務、責任及表現與集團之業績而釐定。

董事合約權益

除於財務報表附註35披露外，各董事於年內概無在本公司、其控股公司或其任何附屬公司所簽訂之任何重大合約中直接或間接佔有重大權益。

Report of the Directors 董事會報告

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理人員履歷

Executive directors

執行董事

Mr. Poon Bun Chak, aged 60, is the chairman and chief executive officer overseeing the planning and development of the Group. He founded the Group in 1975 and has more than 33 years' experience in the textile field.

潘彬澤先生，六十歲，主席兼董事總經理，負責監督本集團之規劃及發展。彼於一九七五年創辦本集團並擁有逾三十三年紡織業經驗。

Mr. Poon Kai Chak, aged 58, is a younger brother of Mr. Poon Bun Chak. He joined the Group in 1980 and has more than 28 years' experience in the industry. He is responsible for the management of the manufacturing operations of the Group.

潘佳澤先生，五十八歲，潘彬澤先生之胞弟。彼於一九八零年加入本集團，擁有逾二十八年本行業經驗，負責本集團的生產管理。

Mr. Poon Kei Chak, aged 56, is a younger brother of Mr. Poon Bun Chak. He joined the Group on its establishment in 1975 and has more than 33 years' experience in the field. He is responsible for the purchases, sales and the overall management of the Group.

潘機澤先生，五十六歲，潘彬澤先生之胞弟。彼於一九七五年本集團創立時加入本集團，擁有逾三十三年紡織業經驗，負責採購、銷售及協助理本集團一般業務。

Mr. Poon Kwan Chak, aged 62, is the elder brother of Mr. Poon Bun Chak. He joined the Group in 1976 and has more than 32 years' related experience. He is responsible for the Group's merchandising and sales management.

潘鈞澤先生，六十二歲，潘彬澤先生之胞兄。彼於一九七六年加入本集團，擁有逾三十二年有關業務經驗，負責管理本集團採購及銷售業務。

Mr. Ting Kit Chung, aged 52, is responsible for the general administration and financial management of the Group. He joined the Group in 1991 and has more than 10 years' banking experience. He holds a Bachelor of Arts degree from The University of Hong Kong.

丁傑忠先生，五十二歲，負責本集團行政及財務管理。彼於一九九一年加入本集團，擁有逾十年銀行業經驗。彼持有香港大學文學士學位。

Report of the Directors 董事會報告

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT (continued)

Independent non-executive directors

Mr. Au Son Yiu, aged 63, has extensive experience in the securities industry. He is a director of The Association of Former Council Members of the Stock Exchange and the Institute of Securities Dealers Limited, a consultant to Dao Heng Securities Limited and a member of the Election Committee for the financial services subsector election for the 1998 Legislative Council. He is also an independent non-executive director for several public companies listed on the Stock Exchange. In addition, he is the ex-deputy chairman of The Hong Kong Securities Clearing Company Limited (1992–1994) and ex-council member of the Stock Exchange (1988–1994). He was appointed as an independent non-executive director of the Company in July 1995.

Mr. Cheng Shu Wing, aged 58, is a director of Techlux Investments Limited. He holds a Bachelor of Business Administration degree from The Chinese University of Hong Kong and has more than 30 years' experience in the banking and securities industries in Hong Kong. He was appointed as an independent non-executive director of the Company in July 1992.

Mr. Wong Tze Kin, David, aged 45, is a director of CFL Anchor Limited. Mr. Wong holds a Bachelor of Science degree from the University of California at Berkeley. He is a member of the American Institute of Certified Public Accountants and a fellow member of the Hong Kong Institute of Certified Public Accountants. He has over 20 years' experience in accounting, corporate finance, stockbroking and fund management. He was appointed as an independent non-executive director of the Company in March 2004.

董事及高級管理人員履歷(續)

獨立非執行董事

區樂耀先生，六十三歲，於證券界積累廣泛經驗。彼為聯交所歷屆理事聯誼會有限公司及證券商協會有限公司董事，道亨證券有限公司顧問，以及一九九八年立法會選舉委員會金融服務界界別分組之選舉委員。彼亦為多間在聯交所上市之公眾公司之獨立非執行董事。此外，彼亦為香港中央結算有限公司前任副主席（一九九二年至一九九四年）及聯交所前任理事會成員（一九八八年至一九九四年）。彼於一九九五年七月獲委任為本公司之獨立非執行董事。

鄭樹榮先生，五十八歲，統立投資有限公司董事。彼持有香港中文大學工商管理學士學位並有超逾三十年香港銀行業及證券業經驗。彼於一九九二年七月獲委任為本公司之獨立非執行董事。

黃自建先生，四十五歲，現為安格爾有限公司董事。黃先生持有加州大學柏克萊分校理學士位，並為美國會計師協會會員及香港會計師公會之資深會員。黃先生於會計、企業融資、證券經紀及基金管理業務擁有逾二十年經驗。彼於二零零四年三月獲委任為本公司之獨立非執行董事。

Report of the Directors 董事會報告

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT (continued) 董事及高級管理人員履歷(續)

Senior management

Mr. Chan Min, Samuel, aged 53, is a director of the Group's retail operations. He holds a Master's degree in business administration from the Northwestern University and The Hong Kong University of Science and Technology. He is a member of the British Computer Society. Prior to joining the Group in 1996, Mr. Chan had over 15 years' experience in retail operations and MIS management.

高級管理人員

陳勉先生，五十三歲，本集團零售業務之董事。彼持有美國西北大學及香港科技大學合作的工商管理碩士學位。彼為英國電腦學會會員。於一九九六年加入本集團前，陳先生曾從事零售業之業務及資訊科技管理超過十五年。

Mr. Chan Chi Hon, aged 46, joined the Group in 1997 and is the Group's financial controller and company secretary. Mr. Chan holds a Master's degree in commerce from The University of New South Wales, Australia, and is a fellow member of the Hong Kong Institute of Certified Public Accountants and is a certified practising accountant of the CPA Australia. He has more than 21 years' experience in auditing and accounting.

陳志漢先生，四十六歲，本集團財務總監兼公司秘書。彼於一九九七年加入本集團。彼持有澳洲新南威爾斯大學商科碩士學位，並為香港會計師公會資深會員及澳洲會計師公會會員，具有超過二十一年的核數與會計經驗。

Mr. Chau Kuen Kai, aged 50, is a factory manager of the knitting operations of the Group. He joined the Group in 1979 and has more than 28 years' experience in the knitting industry.

周權佳先生，五十歲，本集團針織業務工廠經理。彼於一九七九年加入本集團，擁有超過二十八年針織業經驗。

Mr. Fung Wai Lun, Daniel, aged 51, is a director of the Group's retail operations. Before joining the Group in 1996, Mr. Fung had more than 20 years' experience in the retailing industry.

封偉倫先生，五十一歲，本集團零售業務董事。於一九九六年加入本集團之前，已具有超過二十年零售業經驗。

Mr. Hon Siu Kit, aged 48, is a director of Nice Dyeing Factory Limited, a subsidiary of the Group engaged in the sale of finished knitted fabric. He joined the Group in 1993 and has more than 30 years' experience in the textile industry.

韓少傑先生，四十八歲，本集團從事針織布銷售之附屬公司永佳染廠有限公司董事。彼於一九九三年加入本集團，擁有超過三十年紡織業經驗。

Mr. Ling Man, aged 55, is a factory manager in charge of the yarn dyeing operations of the Group. He joined the Group in 1998 and has more than 32 years' experience in the dyeing and finishing industry.

凌文先生，五十五歲，本集團染紗業務部工廠經理。於一九九八年加入本集團，擁有超過三十二年整染業經驗。

Report of the Directors 董事會報告

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT *(continued)*

Senior management *(continued)*

Mr. Liu Wei Chao, aged 43, joined the Group in 1996 and is the chief financial officer of the Group's retail operations. He has more than 24 years' experience in accounting. Mr. Liu holds a Master's degree in business administration from the University of Western Sydney, Australia. He is a member of the Chinese Institute of Certified Public Accountants and CIA (Certified Internal Auditor).

Mr. Kelven Su, aged 44, is the general manager of the Group's retail operations in Shanghai. He joined the Group in 1998 and has more than 20 years' experience in the retailing industry.

Mr. Ting Kit Hung, aged 56, is the director and chief executive of the Group's motor vehicles and generators services operations in the Mainland China. He is an associate member of the Institute of Motor Industry, the Chartered Institute of Transport and the British Institute of Management. He also holds a Master's degree in business administration from The University of East Asia, Macau. He joined the Group in 1995 and has more than 38 years' experience in the motor industry. He is the elder brother of Mr. Ting Kit Chung.

Mr. Wong Tung Yiu, aged 53, is the director and general manager of Nice Dyeing Factory Limited, a subsidiary of the Group engaged in the sale of finished knitted fabric and dyed yarn. He joined the Group in 1994 and has more than 34 years' experience in the textile industry.

董事及高級管理人員履歷 *(續)*

高級管理人員 *(續)*

劉偉超先生，四十三歲，於一九九六年加入本集團，彼為集團零售業務財務總監，彼具有超過二十四年財務及會計經驗。彼持有澳洲西悉尼大學工商管理碩士學位，並為中國註冊會計師及國際內部審計師會員。

蘇耿文先生，四十四歲，本集團零售業務上海區總經理。於一九九八年加入本集團及已具有超過二十年零售經驗。

丁傑雄先生，五十六歲，本集團在中國大陸汽車及發電機維修部董事兼行政總裁。彼為英國汽車工業學會、英國特許運輸學會及英國管理學會會員，亦擁有澳門東亞大學工商管理碩士學位。彼於一九九五年加入本集團，擁有逾三十八年汽車業經驗。彼為丁傑忠先生之胞兄。

王東耀先生，五十三歲，本集團從事針織布及色紗銷售之附屬公司永佳染廠有限公司董事兼總經理。彼於一九九四年加入本集團，擁有超過三十四年紡織業經驗。

Report of the Directors 董事會報告

DIRECTORS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

At 31 March 2008, the interests and short positions of the directors in the share capital and underlying shares 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 pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code"), were as follows:

董事於股份及相關股份之權益及淡倉

於二零零八年三月三十一日，根據《證券及期貨條例》第352條而備存的登記冊，或根據《上市公司董事進行證券交易的標準守則》(「標準守則」)通知本公司及聯交所，各董事在本公司及其聯繫法團(定義見《證券及期貨條例》第XV部)的股本權益及淡倉如下：

Long positions in ordinary shares of the Company:

於本公司好倉之普通股份：

Name of director	董事姓名	Number of shares held, capacity and nature of interest			Total	Percentage of the Company's issued share capital
		Directly or beneficially owned	Through spouse or minor children	Through controlled corporations		
		直接或實益擁有	藉配偶或未成年子女	藉受控制公司	合計	佔本公司已發行股本百份率
Poon Bun Chak	潘彬澤	31,638,000	168,800,104 ⁽¹⁾	456,450,000 ⁽²⁾	656,888,104	49.5
Poon Kai Chak	潘佳澤	7,202,800	—	—	7,202,800	0.5
Poon Kei Chak	潘機澤	21,477,200	—	41,922,000 ⁽³⁾	63,399,200	4.8
Poon Kwan Chak	潘鈞澤	13,270,800	—	—	13,270,800	1.0
Ting Kit Chung	丁傑忠	1,600,000	—	—	1,600,000	0.1
		75,188,800	168,800,104	498,372,000	742,360,904	55.9

Report of the Directors 董事會報告

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

Notes:

- (1) The 168,800,104 shares are owned by Farrow Star Limited, which is wholly-owned by Perfection (PTC) Inc. as a trustee for The Evergreen Trust, a discretionary trust, the beneficiaries of which include the family members of Mr. Poon Bun Chak. These shares are held through his spouse or minor children in accordance with the SFO.
- (2) The 456,450,000 shares are owned by Giant Wizard Corporation in which Farrow Star Limited has an 97.15% equity interest. A 2.85% interest in Giant Wizard Corporation is owned by Mr. Poon Bun Chak.
- (3) The 41,922,000 shares are held by Treasure Link International Holdings Limited ("Treasure Link"), in which Mr. Poon Kei Chak and his spouse each owned 50% equity interests.

董事於股份及相關股份之權益及淡倉 (續)

附註：

- (1) 168,800,104股股份由Farrow Star Limited持有，而該公司則由Perfection (PTC) Inc.以The Evergreen Trust之信託人身份全資擁有，該全權信託之受益人包括潘彬澤先生之家族成員。根據《證券及期貨條例》，該等股份屬於以配偶及未成年子女持有。
- (2) 456,450,000股股份由Farrow Star Limited擁有97.15%股本權益之Giant Wizard Corporation擁有。Giant Wizard Corporation之2.85%權益由潘彬澤先生擁有。
- (3) 該41,922,000股股份由潘機澤先生及其配偶各擁有50%權益之Treasure Link International Holdings Limited(「Treasure Link」)持有。

Long positions in share options of the Company:

於本公司好倉之購股權股份：

		Number of share options held directly or beneficially owned 直接持有或實益擁有購股權數目
Executive directors:	執行董事：	
Poon Bun Chak	潘彬澤	1,000,000
Poon Kai Chak	潘佳澤	10,500,000
Poon Kei Chak	潘機澤	10,500,000
Poon Kwan Chak	潘鈞澤	10,000,000
Ting Kit Chung	丁傑忠	10,000,000
Independent non-executive directors:	獨立非執行董事：	
Au Son Yiu	區樂耀	400,000
Cheng Shu Wing	鄭樹榮	400,000
Wong Tze Kin, David	黃自建	200,000
		43,000,000

Report of the Directors 董事會報告

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

Save as disclosed above, as at 31 March 2008, none of the directors had registered an interest or short position in the shares, underlying shares of the Company or any of its associated corporations that was required to be recorded pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

DIRECTORS' RIGHTS TO ACQUIRE SHARES

Save as disclosed in the section "Directors' interests and short positions in shares and underlying shares" above and in the section "Share option scheme" below, at no time during the year were rights to acquire benefits by means of the acquisition of shares in the Company granted to any director 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.

SHARE OPTION SCHEME

The Company operates a share option scheme (the "Scheme") for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's operations. Further details of the Scheme are disclosed in note 29 to the financial statements.

董事於股份及相關股份之權益及淡倉 (續)

除上文所述外，於二零零八年三月三十一日，董事概無於本公司或其任何聯繫法團之股份、相關股份中，擁有須遵照《證券及期貨條例》第352條予以記錄之權益或淡倉，或根據標準守則須知會本公司及聯交所。

董事之購股權利

除於上述「董事於股份及相關股份之權益及淡倉」及以下「購股權計劃」披露以外，於年內任何時間，概無任何董事或彼等各自的配偶或未成年子女獲授可藉購入本公司的股份而獲益的權利，或彼等概無行使此等權利；或本公司或其任何附屬公司概無參與任何安排，致令董事可於任何其他法人團體獲得此等權利。

購股權計劃

本公司採納一個購股權計劃（「該計劃」），主要目的是向符合資格及曾對本集團作出貢獻的參與者給與獎勵及報酬。該計劃的詳情已於財務報表附註29中披露。

Report of the Directors 董事會報告

SHARE OPTION SCHEME (continued)

購股權計劃(續)

The following table discloses movements in the Company's share options outstanding during the year: 下表披露於年內本公司未行使之購股權的變動：

Name or category of participant	Date of grant of share options*	Exercise price of share options** 購股權行使價格** HK\$ per share 每股港幣元	Number of share options 購股權數目			Exercise period of share options
			At 1 April 2007 於二零零七年四月一日	exercised during the year 年內已行使	At 31 March 2008 於二零零八年三月三十一日	
Directors						
董事						
Poon Bun Chak	11 September 2002	4.97	1,000,000	—	1,000,000	11 September 2002 to 10 September 2012
潘彬澤	二零零二年九月十一日					二零零二年九月十一日至二零零二年九月十日
Poon Kai Chak	11 September 2002	4.97	7,500,000	—	7,500,000	11 September 2002 to 10 September 2012
潘佳澤	二零零二年九月十一日					二零零二年九月十一日至二零零二年九月十日
	26 March 2004	5.60	3,000,000	—	3,000,000	26 March 2004 to 25 March 2014
	二零零四年三月二十六日					二零零四年三月二十六日至二零零四年三月二十五日
			10,500,000	—	10,500,000	

Report of the Directors 董事會報告

SHARE OPTION SCHEME (continued)

購股權計劃(續)

Name or category of participant	Date of grant of share options*	Exercise price of share options** 購股權 行使價格** HK\$ per share 每股港幣元	Number of share options 購股權數目			Exercise period of share options
			At 1 April 2007 於二零零七年 四月一日	Exercised during the year 年內已行使	At 31 March 2008 於二零零八年 三月三十一日	
Directors (continued)						
董事 (續)						
Poon Kei Chak 潘機澤	11 September 2002 二零零二年 九月十一日	4.97	7,500,000	—	7,500,000	11 September 2002 to 10 September 2012 二零零二年九月十一日至 二零一二年九月十日
	26 March 2004 二零零四年 三月二十六日	5.60	3,000,000	—	3,000,000	26 March 2004 to 25 March 2014 二零零四年三月二十六日至 二零一四年三月二十五日
			10,500,000	—	10,500,000	
Poon Kwan Chak 潘鈞澤	11 September 2002 二零零二年 九月十一日	4.97	4,000,000	—	4,000,000	11 September 2002 to 10 September 2012 二零零二年九月十一日至 二零一二年九月十日
	26 March 2004 二零零四年 三月二十六日	5.60	6,000,000	—	6,000,000	26 March 2004 to 25 March 2014 二零零四年三月二十六日至 二零一四年三月二十五日
			10,000,000	—	10,000,000	

Report of the Directors 董事會報告

SHARE OPTION SCHEME (continued)

購股權計劃(續)

Name or category of participant	Date of grant of share options*	Exercise price of share options** 購股權 行使價格** HK\$ per share 每股港幣元	Number of share options 購股權數目			Exercise period of share options
			At 1 April 2007 於二零零七年 四月一日	Exercised during the year 年內已行使	At 31 March 2008 於二零零八年 三月三十一日	
Directors (continued)						
董事(續)						
Ting Kit Chung	11 September 2002	4.97	4,000,000	—	4,000,000	11 September 2002 to 10 September 2012
丁傑忠	二零零二年 九月十一日					二零零二年九月十一日至 二零一二年九月十日
	26 March 2004	5.60	6,000,000	—	6,000,000	26 March 2004 to 25 March 2014
	二零零四年 三月二十六日					二零零四年三月二十六日至 二零一四年三月二十五日
			10,000,000	—	10,000,000	
Au Son Yiu	11 September 2002	4.97	200,000	—	200,000	11 September 2002 to 10 September 2012
區樂耀	二零零二年 九月十一日					二零零二年九月十一日至 二零一二年九月十日
	26 March 2004	5.60	200,000	—	200,000	26 March 2004 to 25 March 2014
	二零零四年 三月二十六日					二零零四年三月二十六日至 二零一四年三月二十五日
			400,000	—	400,000	

Report of the Directors 董事會報告

SHARE OPTION SCHEME (continued)

購股權計劃(續)

Name or category of participant	Date of grant of share options*	Exercise price of share options** 購股權行使價格** HK\$ per share 每股港幣元	Number of share options			Exercise period of share options
			At 1 April 2007 於二零零七年四月一日	Exercised during the year 年內已行使	At 31 March 2008 於二零零八年三月三十一日	
Directors (continued)						
董事(續)						
Cheng Shu Wing 鄭樹榮	11 September 2002 二零零二年九月十一日	4.97	200,000	—	200,000	11 September 2002 to 10 September 2012 二零零二年九月十一日至 二零一二年九月十日
	26 March 2004 二零零四年三月二十六日	5.60	200,000	—	200,000	26 March 2004 to 25 March 2014 二零零四年三月二十六日至 二零一四年三月二十五日
			400,000	—	400,000	
Wong Tze Kin, David 黃自建	26 March 2004 二零零四年三月二十六日	5.60	200,000	—	200,000	26 March 2004 to 25 March 2014 二零零四年三月二十六日至 二零一四年三月二十五日
			43,000,000	—	43,000,000	

Report of the Directors 董事會報告

SHARE OPTION SCHEME (continued)

購股權計劃(續)

Name or category of participant	Date of grant of share options*	Exercise price of share options** 購股權 行使價格** HK\$ per share 每股港幣元	Number of share options 購股權數目			Exercise period of share options
			At 1 April 2007 於二零零七年 四月一日	during the year 年內已行使	At 31 March 2008 於二零零八年 三月三十一日	
Other employees 其他僱員						
In aggregate	11 September 2002	4.97	1,250,000	(650,000)	600,000	11 September 2002 to 10 September 2012
合共	二零零二年 九月十一日					二零零二年九月十一日至 二零一二年九月十日
	26 March 2004	5.60	6,600,000	(1,430,000)	5,170,000	1 April 2006 to 25 March 2014
	二零零四年 三月二十六日					二零零六年四月一日至 二零一四年三月二十五日
			7,850,000	(2,080,000)	5,770,000	
			50,850,000	(2,080,000)	48,770,000	

Report of the Directors 董事會報告

SHARE OPTION SCHEME (continued)

Notes:

- * The vesting period of the share options is from the date of the grant until the commencement of the exercise period.
- ** The exercise price of the share options is subject to adjustment in the case of rights or bonus issues, or other similar changes in the Company's share capital.

The weighted average closing price of the Company's shares immediately before and at the exercise dates of the share options was HK\$6.34 and HK\$6.28 respectively.

The binomial model is a generally accepted method of valuing options. The significant assumptions used in the calculation of the values of the share options were the risk-free interest rate, expected life, expected volatility and expected dividend. The measurement dates used in the valuation calculation were the dates on which the options were granted.

The values of share options calculated using the binomial model are subject to certain fundamental limitations, due to the subjective nature of and uncertainty relating to a number of assumptions of the expected future performance input to the model, and certain inherent limitations of the model itself.

The value of an option varies with different variables of certain subjective assumptions. Any change to the variables used may materially affect the estimation of the fair value of an option.

購股權計劃(續)

附註：

- * 購股權賦權日期乃由頒授購股權日起至行使期開始止。
- ** 購股權的行使價於本公司配股或派發紅股或在股本中有其他類似轉變時可予調整。

於緊接購股權行使日期前及於行使日的本公司加權平均收市價分別為港幣6.34元及港幣6.28元。

二項式模式為一般被接受的估值方法的其中一種。用於計算購股權價值的重要假設包括無風險利率、預計年期、預期引伸波幅及預期股息。用以計量估值的日期為授出購股權的日期。

以二項式模式計算出的購股權價值取決於某些基本限制，包括用以輸入該模式有預期將來表現假設的主觀性質及不明朗，及該模式本身的某些內在的限制。

購股權價值隨某些主觀假設的不同可變因素而浮動。所採用的可變因素的變化可能會嚴重影響購股權公允值的估計。

Report of the Directors 董事會報告

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS IN SHARES AND UNDERLYING SHARES

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 in ordinary shares of the Company:

主要股東及其他人士於股份及相關股份權益

於二零零八年三月三十一日，以下擁有本公司已發行股本5%或以上之權益，已根據《證券及期貨條例》第336條規定記載於權益登記冊內：

於本公司好倉之普通股份：

Name	Capacity and nature of interests	Number of ordinary shares held	Percentage of the Company's issued share capital
名稱	身份及權益的性質	持有普通股數目	佔本公司已發行股本百分率
Shanghai Industrial Investment (Holdings) Company Limited	Through controlled corporation 藉受控制公司	92,902,000	7.0
The Bank of New York Mellon Corporation	Through controlled corporation 藉受控制公司	66,861,187	5.0
Heung Mi Kuen Miraner 香美娟	Through spouse 藉配偶	21,477,200	1.6
	Through controlled corporation 藉受控制公司	41,922,000	3.2

Report of the Directors 董事會報告

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS IN SHARES AND UNDERLYING SHARES 主要股東及其他人士於股份及相關股份權益 (續)

(continued)

Long positions in share options of the Company:

於本公司好倉之購股權：

Name	Nature of interest	Number of share options held	Percentage of the Company's issued share capital
名稱	權益性質	持有購股權數目	佔本公司已發行股本百分率
Heung Mi Kuen Miraner 香美娟	Through spouse 藉配偶	10,500,000	0.8

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

除上述披露外，於二零零八年三月三十一日，無任何人士，除本公司董事權益已詳述於「董事於股份及相關股份之權益及淡倉」，根據《證券及期貨條例》第336條須登記其於本公司股份或相關股份之權益及淡倉。

CONTINUING CONNECTED TRANSACTIONS

The independent non-executive directors of the Company have reviewed the continuing connected transactions set out below and in note 35(a)(iii) to the financial statements, which are disclosed in compliance with the requirements of Chapter 14A of the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules"), and have confirmed that these continuing transactions were entered into:

持續關連交易

獨立非執行董事已按《香港聯合交易所有限公司證券上市規則》(「上市規則」)第14A章披露要求審閱載於下述及財務報表附註35(a)(iii)的持續關連交易，並確認該等交易按以下進行：

- (i) in the ordinary and usual course of business of the Group;
- (ii) on normal commercial terms or on terms no less favourable to the Group than terms available to or from independent third parties; and

- (i) 屬本集團的日常業務；
- (ii) 按照一般商業條款進行，或對本集團而言，該等交易的條款不遜於給予或取得自獨立第三者的條款；及

Report of the Directors 董事會報告

CONTINUING CONNECTED TRANSACTIONS (continued)

- (iii) in accordance with the relevant agreements governing them on terms that are fair and reasonable and in the interests of the shareholders of the Company as a whole.

Details of non-exempt continuing connected transactions

In accordance with Rule 14A.35 and 14A.45 of the Listing Rule, the Group is required to disclose certain details of its non-exempt continuing connected transactions in compliance with Rule 14A.45.

(1) *Lease of a property as retail outlets from a connected person*

On 30 April 2007, the Group entered into a lease agreement with Mountain Rich Limited ("MRL"), a company controlled and owned by Mr. Poon Bun Chak, an executive director and controlling shareholder of the Company, to lease from MRL Tianjin Bin Jiang Fu Shi Commercial Building, No. 282-286 Bin Jiang Road, He Ping Qu, Tianjin, China as retail outlets for the retail and distribution business of the Group for a term of two years commencing from 1 April 2007 at the monthly rent of RMB650,000.

(2) *Lease of a property as a staff quarter from a connected person*

On 28 March 2006, the Group entered into a lease agreement with Mr. Poon Bun Chak, an executive director and controlling shareholder of the Company, to lease from him Unit E, 12th Floor, Tower 2, Fairview Garden, Beijing, China as a staff quarter of the retail and distribution business of the Group for a term of three years commencing from 1 April 2006 at the monthly rent of HK\$10,000.

持續關連交易 (續)

- (iii) 該等交易是根據有關交易的協議條款進行，交易條款公平合理，並且符合本公司股東的整體利益。

不獲豁免的持續關連交易詳情

按上市規則第14A.35及14A.45條規定，本集團須符合第14A.45條披露不獲豁免的持續關連交易的細節。

(1) *向一關連人仕承租 - 物業作為零售店舖*

於二零零七年四月三十日，本集團與山富有限公司（「山富」）（本公司的執行董事及控股股東潘彬澤先生全資擁有）簽訂合約，向山富承租位於中國天津市和平區濱江道282號 - 286號的天津濱江服飾商廈，作為本集團零售及分銷業務的零售店舖，由二零零七年四月一日起為期兩年，每月租金為人民幣650,000元。

(2) *向一關連人仕承租 - 物業作為董事宿舍*

於二零零六年三月二十八日，本集團與本公司的執行董事及控股股東潘彬澤先生承租中國北京怡景園二座十二樓E室作為本集團零售及分銷業務員工宿舍之用。由二零零六年四月一日起為期三年，每月租金為港幣10,000元。

Report of the Directors 董事會報告

CONTINUING CONNECTED TRANSACTIONS (continued)

持續關連交易 (續)

Details of non-exempt continuing connected transactions

不獲豁免的持續關連交易詳情 (續)

(continued)

(3) *Lease of a property as a training center from a connected person*

(3) *向一關連人士承租一物業作為培訓中心*

On 15 January 2007, the Group entered into a lease agreement with Winson Link Enterprises Limited (“WLEL”), a company controlled and owned by Mr. Poon Bun Chak, an executive director and controlling shareholder of the Company, to lease from WLEL Room 4207B, 42nd Floor, Metroplaza, Tower II, 223 Hing Fong Road, Kwai Chung, New Territories, Hong Kong from WLEL as a training center of the Group for a term of two years and four months commencing from 1 December 2006 at the monthly rent of HK\$33,000.

於二零零七年一月十五日，本集團與永信興企業有限公司(由本公司執行董事及控股股東潘彬澤先生全資擁有)簽訂合約，承租香港新界葵涌興芳路223號新都會廣場第二座四十二樓4207B室，作為本集團的培訓中心。由二零零六年十二月一日起，為期兩年四個月，每月租金為港幣33,000元。

SUFFICIENCY OF PUBLIC FLOAT

Based on 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.

足夠之公眾持股量

按本公司獲得之公開資料及董事會之理解，於本報告日，公眾已持有本公司不少於合計已發行股本之25%。

AUDITORS

Ernst & Young retire and a resolution for their re-appointment as auditors of the Company will be proposed at the forthcoming annual general meeting.

核數師

安永會計師事務所任滿告退，惟本公司將於即將舉行之股東週年大會上提呈續聘該核數師之決議案。

ON BEHALF OF THE BOARD

承董事會命

Poon Bun Chak

Chairman

主席

潘彬澤

Hong Kong, 18 July 2008

香港，二零零八年七月十八日

Corporate Governance Report 企業管治報告

The Group is committed to maintaining high standards of corporate governance and enhancing corporate value and accountability.

本集團積極維持高標準的企業管治及提升企業價值和問責性。

BOARD STRUCTURE AND BOARD PROCESS

The overall management of the Group is vested with the Board and the day-to-day management of the business is delegated to the executive management.

董事會架構及會議程序

董事會負責本集團整體的管治，負責執行的管理層則獲授權負責日常業務上的管理。

The principal roles of the Board are:

董事會的主要職能：

- (1) to lay down the Group's objectives, strategies, policies and business plan;
 - (2) to monitor the performance of each business segment;
 - (3) to set appropriate policies to manage risks in pursuit of the Group's strategic objectives.
- (1) 釐定本集團目標、策略、制度及業務計劃；
 - (2) 監察每個業務分類的表現；
 - (3) 按本集團策略性目標制訂合適的政策以管理風險。

The Board comprises of eight members. The five executive directors include Messrs. Poon Bun Chak, Poon Kai Chak, Poon Kei Chak, Poon Kwan Chak and Ting Kit Chung. The three independent non-executive directors include Messrs. Au Son Yiu, Cheng Shu Wing and Wong Tze Kin, David. Mr. Poon Bun Chak is the chairman and chief executive officer ("CEO") of the Company.

董事會包括八名成員。五位執行董事包括潘彬澤先生、潘佳澤先生、潘機澤先生、潘鈞澤先生及丁傑忠先生。三位獨立非執行董事包括區樂耀先生、鄭樹榮先生及黃自建先生。潘彬澤先生為本公司主席兼董事總經理。

Corporate Governance Report 企業管治報告

BOARD STRUCTURE AND BOARD PROCESS (continued)

The Company has in place clear Board process. Regular Board meetings are scheduled at least four times per year. Agendas and accompanying Board papers are served to all directors at least 14 days in advance of each Board meeting to facilitate informed discussion and decision-making. Directors may include any matters they wish to discuss in the meeting in the agendas. Draft minutes of the Board and committee meetings are prepared by the company secretary of the Company. The Board and committee minutes are kept by the company secretary and are open for inspection by directors upon request. All directors have access to the advice and services of the company secretary, and are allowed to seek external professional advice if needed. All directors are kept informed of the latest update of the Listing Rules and other applicable regulatory requirements.

Newly appointed directors will receive a comprehensive, formal and tailored induction on the first occasion of their appointment so as to ensure that they have appropriate understanding of the business of the Company and the obligation and responsibility of being a director.

INDEPENDENCE AND QUALIFICATION OF INDEPENDENT NON-EXECUTIVE DIRECTORS

The Company has three INEDs on its Board in compliance with Rule 3.10(1) of the Listing Rules. All the INEDs possess a wide range of business and financial experience. One of the INEDs, Mr. Wong Tze Kin, David, possesses professional accounting qualification in full compliance with Rule 3.10(2) of the Listing Rules. In accordance with Rule 3.13 of the Listing Rules, all the INEDs have confirmed their independence for the year ended 31 March 2008.

董事會架構及會議程序 (續)

本公司已有清晰的董事會會議程序。每年常規董事會會議不少於四次。為促進深入討論及進行決議，每次董事會舉行前不少於十四天所有董事皆收到會議議程及會議資料。董事亦可要求於會議議程中增加任何他希望討論的事項。本公司公司秘書負責草擬及存放董事會及委員會的會議記錄，董事有權要求審閱有關的董事會及委員會會議記錄。所有董事有權要求公司秘書提供意見及服務，並在有需要時要求獲得外界的專業意見。所有董事一直保持對最新的上市規則及其他相關法例的認識。

獲新委聘的董事，在其第一次獲委聘時，也會接受一全面性的、正規的及特別制訂的介紹，以確保其對本公司業務的認識及瞭解作為一個董事的責任。

獨立非執行董事的獨立性及資歷

本公司符合上市規則第3.10(1)條的要求，其董事會現有三名獨立非執行董事，所有獨立非執行董事皆擁有廣闊的業務及財務經驗。其中一位獨立非執行董事黃自建先生擁有專業會計資格，並完全符合上市規則第3.10(2)條的要求。於截至二零零八年三月三十一日止年度，所有獨立非執行董事已按上市規則第3.13條確認其獨立性。

Corporate Governance Report 企業管治報告

BOARD AND COMMITTEE MEETINGS

董事會及委員會會議

Attendance of the Board and committee meetings during the year: 年內參與董事會及委員會會議次數：

		Number of meetings attended/held during the year			
		本年內參與／舉行會議次數			
		Audit	Remuneration	Nomination	
Directors		Board	Committee	Committee	Committee
董事		董事會	審核委員會	薪酬委員會	提名委員會
Executive directors	執行董事				
Poon Bun Chak	潘彬澤	2/3	N/A 不適用	N/A 不適用	N/A 不適用
(Chairman & CEO)	(主席兼董事總經理)				
Poon Kai Chak	潘佳澤	2/3	N/A 不適用	N/A 不適用	N/A 不適用
Poon Kei Chak	潘機澤	3/3	N/A 不適用	N/A 不適用	N/A 不適用
Poon Kwan Chak	潘鈞澤	2/3	N/A 不適用	N/A 不適用	N/A 不適用
Ting Kit Chung	丁傑忠	3/3	N/A 不適用	3/3	0/0
Independent non-executive directors	獨立非執行董事				
Au Son Yiu	區榮耀	3/3	2/2	3/3	0/0
Cheng Shu Wing	鄭樹榮	3/3	2/2	3/3	0/0
Wong Tze Kin, David	黃自建	2/3	1/2	2/3	0/0

BOARD COMMITTEES

董事委員會

The Board has established several board committees to oversee certain aspects of the Company's affairs. 董事會已成立數個董事委員會以監察本公司個別方面事項。

Corporate Governance Report 企業管治報告

AUDIT COMMITTEE

The Audit Committee consists of the three independent non-executive directors of the Board namely Messrs. Wong Tze Kin, David, Au Son Yiu and Cheng Shu Wing. The committee is chaired by Mr. Wong Tze Kin, David, a qualified accounting professional. At the time of establishment, the terms of reference and duties have been laid down as a guideline for the committee. The principal duties of the committee include:

- (a) monitoring the preparation of the financial statements;
- (b) monitoring and assessing the internal controls system of the Group;
- (c) monitoring the performance of Group's internal audit team;
- (d) considering the appointment and removal of the external auditors, the audit fee and the terms of engagement; and
- (e) reviewing and commenting on the connected transactions of the Group.

The committee held two meetings during the year to review the followings:

- (a) the internal controls and risk management of the Group; and
- (b) the financial reporting process and the financial statements of the Group.

審核委員會

審核委員會包括董事會的三名獨立非執行董事，分別為黃自建先生、區樂耀先生及鄭樹榮先生。黃自建先生為委員會的主席，擁有專業會計資格。於成立時，委員會備有明確之條文及職責細則作指引。委員會主要職責包括：

- (a) 監察財務報表的製訂；
- (b) 監察及評估本集團內部監控系統；
- (c) 監察本集團內部審計組之表現；
- (d) 考慮外部核數師的聘用及辭退、審計費用及委聘條款；及
- (e) 審核本集團之關連交易，並提出意見。

於年內，委員會曾舉行兩次會議以審核以下：

- (a) 本集團的內部監控制度及風險管理；及
- (b) 本集團財務匯報程序及財務報告。

Corporate Governance Report 企業管治報告

REMUNERATION COMMITTEE

The Remuneration Committee consists of three independent non-executive directors and one executive director namely Messrs. Au Son Yiu, Cheng Shu Wing, Wong Tze Kin, David and Ting Kit Chung, respectively. The committee is chaired by Mr. Au Son Yiu. At the time of establishment, terms of reference and duties have been laid down as a guideline for the committee. The committee is responsible for making recommendation on the Company's policy and structure for all the remuneration of directors and other senior management, and reviewing and approving compensations payable to directors. The remuneration of the directors and other senior management is determined with reference to the performance of each individual and the Company, the market conditions and the industry practice. Besides, the committee will ensure that no director or any of his/her associate may be involved in the determination of his/her own remuneration. During the year, the committee held three meetings to review and approve the remuneration adjustment and performance bonus of executive directors and other senior management.

NOMINATION COMMITTEE

The Nomination Committee consists of three independent non-executive directors and one executive director namely Messrs. Cheng Shu Wing, Au Son Yiu, Wong Tze Kin, David and Ting Kit Chung, respectively. The committee is chaired by Mr. Cheng Shu Wing. The Nomination Committee is responsible for the recommendation of candidates with appropriate experience and qualification to become members of the Board.

薪酬委員會

薪酬委員會包括三位獨立非執行董事及一位執行董事，分別為區樂耀先生、鄭樹榮先生、黃自建先生及丁傑忠先生。區樂耀先生為委員會的主席。於成立的時候，委員會備有明確的條文及職責細則作指引。委員會主要負責就本公司董事及其他高層管理人員的薪酬制度及架構提供意見，並審批應付董事的賠償。於釐訂董事及其他高層管理人員的薪酬，委員會參考該人員的表現、本公司表現、市場情況及行業的慣例。此外，委員會亦會確保並無任何董事及其聯繫人士參與釐訂該董事的薪酬。於年內，委員會曾舉行會議三次，以審批執行董事及其他高層人員的薪酬調整及按表現發放的花紅。

提名委員會

提名委員會包括三位獨立非執行董事及一位執行董事，分別為鄭樹榮先生、區樂耀先生、黃自建先生及丁傑忠先生。鄭樹榮先生為委員會之主席。提名委員會負責提名擁有適合經驗及學歷之人士作為董事會成員。

Corporate Governance Report 企業管治報告

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the Model Code of the Listing Rules 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, they have all complied with the required standard set out in the Model Code throughout the accounting period covered by the annual report.

董事進行之證券交易

本公司已採納上市規則之標準守則，作為本公司董事進行本公司證券交易之守則。按本公司向各董事之查詢，各董事均於本年報所述之會計期間遵守標準守則之規定。

COMPLIANCE WITH THE CODE PROVISIONS SET OUT IN THE CODE ON CORPORATE GOVERNANCE PRACTICES (THE "CODE")

In the opinion of the directors, the Company complied with the code provisions of the Code contained in Appendix 14 of the Listing Rules throughout the accounting period covered by the annual report, except for the following deviations:

符合企業管治常規守則(「守則」)

按董事的意見，本公司於本年報所述之會計期間一直符合上市規則附錄十四所載之守則，惟下列條文除外：

- (1) Under code provision A.1.1 of the Code, board meetings should be held at least four times a year at approximately quarterly intervals.

- (1) 守則 A.1.1條規定董事會會議需每年召開不少於四次，並且會議需約分別於每季期間進行。

As the Board has planned the objectives, strategies, policies and risk management, the Board held three meetings during the year to discuss the dividend declaration, the internal control findings and recommendations of the Audit Committee and the Remuneration Committee.

由於董事會已計劃目標、策略、制度及風險管理，本年內董事會開會三次以討論股息宣派、審核委員會的內部監控報告結果及薪酬委員會的薪酬建議。

- (2) Under code provision A.4.1 of the Code, non-executive directors should be appointed for a specific term and be subject to re-election.

- (2) 守則A.4.1條規定非執行董事應獲委任指定任期，及須膺選連任。

All the existing non-executive directors of the Company are not appointed for specific term, but are subject to retirement and re-election at the Company's annual general meeting in accordance with Clause 86(1) of the bye-laws of the Company.

目前，本公司所有非執行董事並非獲委任指定任期，而是根據公司之細則第86(1)條於本公司之股東週年大會上膺選連任。

Corporate Governance Report 企業管治報告

COMPLIANCE WITH THE CODE PROVISIONS SET OUT IN THE CODE ON CORPORATE GOVERNANCE PRACTICES (THE "CODE") (continued) 符合企業管治常規守則(「守則」)(續)

- (3) Under code provision A.2.1 of the Code, the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. (3) 守則A.2.1條規定主席及董事總經理之角色應區別，並不應由同一人擔任。

The Company does not have a policy of separating the roles of chairman and chief executive officer of the Board. The Board considers the current arrangement can help maintaining a strong management position and at the same time improving the communication efficiency. The Board may consider the separation of the roles of chairman and chief executive officer upon the then circumstances.

目前，本公司並沒有制度區別董事會之主席及董事總經理之角色。董事會認為現時的安排有助保持強勢的管治，並能同時提升溝通效率。董事會會視乎情況考慮區別主席及董事總經理之角色。

- (4) Under code provision E.1.2 of the Code, the chairman of the Board should attend the annual general meeting of the Company. (4) 守則E.1.2條規定董事會之主席須出席本公司之股東週年大會。

The chairman of the Board of the Company has delegated the duty of attending the annual general meeting to an executive director of the Company. The chairman considers the executive director a suitable person for taking up such duty as the executive director has been serving for similar duties for many years and he has good understanding of each business segment of the Group.

本公司董事會主席將出席股東週年大會之職務委任本公司一執行董事執行。主席認為該執行董事處理該職務是合適人選，因該董事對本集團各類業務也十分瞭解，並且該董事已有多年執行同類職務的經驗。

Corporate Governance Report 企業管治報告

AUDITORS' REMUNERATION

核數師酬金

During the year, fees paid for audit and non-audit services by the Company were as follows:

於年內，本公司支付的審計與非審計服務費為：

Services 服務		Fee paid/payable 已付／應付費用 HK\$'000 港幣千元
Audit services rendered	已提供審計服務	3,121
Non-audit services rendered	已提供非審計服務	157
		3,278

DIRECTORS' AND AUDITORS' RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS

董事會及核數師對財務報表之責任

The Board is responsible for preparing the financial statements of the Company. The statement from the external auditors of the Company about their responsibilities has been set out in the Independent Auditors' Report on page 47.

董事會負責編製本公司財務報表。本公司外部核數師有關其對財務報表之責任聲明已載於第47頁之獨立核數師報告。

REVIEW OF THE INTERNAL CONTROLS

內部監控之審核

The system of internal controls is defined as the internal control procedures with which the Company uses to ensure the accuracy of its accounting records, safeguard the assets of the Company and ensure the compliance with the relevant rules and regulations. The Board is responsible for maintaining efficient and effective internal controls of the Company. During the year, the internal audit team, which reports directly to the Audit Committee, has reviewed the internal controls of each major business segment of the Company and has reported its findings to the Audit Committee. The Audit Committee is satisfied with the effective internal controls of the Company.

內部監控系統乃指本公司採用之內部監控制度，以保障本公司會計記錄的準確性、保衛本公司資產及確保本公司符合有關的規則及法例。董事會負責維持本公司有效率及效益的內部監控制度。於年內，直接向審核委員會負責的內部審計組，已審核本公司每個主務的內部監控制度，並將其結果向審核委員會匯報。審核委員會對本公司的內部監控制度表示滿意。

Corporate Governance Report 企業管治報告

INVESTOR RELATIONS AND COMMUNICATION WITH SHAREHOLDERS 投資者關係及與股東溝通

To enhance the communications with shareholders and investors, the Company has adopted the following communication channels:

為加強與股東及投資者的溝通，本公司已採用以下溝通渠道：

- | | |
|--|---|
| <p>(1) meeting shareholders in the annual general meetings to explain the results of the Company and answer the questions of shareholders;</p> | <p>(1) 於股東週年大會與股東會面，向其解釋公司業績及解答股東的問題；</p> |
| <p>(2) disseminating corporate information to shareholders according to the rules and regulations;</p> | <p>(2) 按有關規則及條例，向股東發放公司資料；</p> |
| <p>(3) meeting fund managers to promote the business of the Company; and</p> | <p>(3) 與基金經理會面，並推廣本公司業務；及</p> |
| <p>(4) publishing the background, the latest development and the results of the Group on the Company's website.</p> | <p>(4) 於本公司網站公佈本集團背景、最新發展及業績資料。</p> |

Independent Auditors' Report 獨立核數師報告



To the shareholders of
Texwinca Holdings Limited
(Incorporated in Bermuda with limited liability)

We have audited the financial statements of Texwinca Holdings Limited set out on pages 50 to 164, which comprise the consolidated and 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 FINANCIAL STATEMENTS

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

致德永佳集團有限公司
(於百慕達註冊成立之有限公司)
列位股東

本核數師(以下簡稱「我們」)已審核列載於第50至164頁德永佳集團有限公司的財務報表，此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損益表、綜合股東權益變動表和綜合現金流量表，以及主要會計政策概要及其他解釋性附註。

董事就財務報表須承擔的責任

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

Independent Auditors' Report 獨立核數師報告

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on these financial statements based on our audit. Our report is made 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 financial statements are free from material misstatement.

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

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

核數師的責任

我們的責任是根據我們的審核對該等財務報表發表意見。我們是按照百慕達1981年《公司法》第90條的規定，僅向整體股東報告。除此以外，我們的報告書不可用作其他用途。我們概不就本報告書的內容，對任何其他人士負責或承擔法律責任。

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，以合理確定該等財務報表是否不存有任何重大錯誤陳述。

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

我們相信，我們所獲得之審核憑證充足和適當地為我們的審核意見提供基礎。

Independent Auditors' Report 獨立核數師報告

OPINION

In our opinion, the 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 Group's profit and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.

Ernst & Young

Certified Public Accountants

18/F, Two International Finance Centre,

8 Finance Street, Central,

Hong Kong

18 July 2008

意見

我們認為，該等財務報表已根據香港財務報告準則真實而公允地反映 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溢利及現金流量，並已按照香港公司條例的披露規定妥為編製。

安永會計師事務所

執業會計師

香港

中環金融街8號

國際金融中心二期18樓

二零零八年七月十八日

Consolidated Income Statement 綜合利潤表

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

			2008	2007
			二零零八年	二零零七年
		Notes	HK\$'000	HK\$'000
		附註	港幣千元	港幣千元
REVENUE	收入	5	9,669,206	8,298,552
Cost of sales	銷售成本		(6,429,104)	(5,656,539)
Gross profit	毛利		3,240,102	2,642,013
Other income and gains	其他收入及收益	5	136,714	128,867
Selling and distribution costs	銷售及分銷費用		(1,652,477)	(1,533,792)
Administrative expenses	行政費用		(521,980)	(504,360)
Other operating expenses, net	其他營運費用，淨額		(7,983)	1,730
Finance costs	財務費用	8	(42,884)	(49,801)
Share of profit of an associate, net of tax	應佔聯營公司溢利， 除稅後淨額		62,483	48,211
PROFIT BEFORE TAX	除稅前溢利	6	1,213,975	732,868
Tax	稅項	9	(254,843)	(107,047)
PROFIT FOR THE YEAR	本年度溢利		959,132	625,821
Attributable to:	歸屬：			
Equity holders of the Company	本公司權益所有者	10	926,351	625,148
Minority interests	少數股東權益		32,781	673
			959,132	625,821
DIVIDENDS	股息	11		
Interim	中期		239,132	159,155
Proposed final	擬派末期		331,750	198,913
			570,882	358,068
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY (HK cents)	歸屬本公司普通權益 所有者每股盈利 (港幣仙)	12		
Basic	基本		69.8	47.1
Diluted	攤薄後		69.4	47.1

Consolidated Balance Sheet 綜合資產負債表

31 March 2008 二零零八年三月三十一日

			2008	2007
			二零零八年	二零零七年
		Notes	HK\$'000	HK\$'000
		附註	港幣千元	港幣千元
NON-CURRENT ASSETS				
	非流動資產			
Property, plant and equipment	物業、廠房及設備	13	2,367,458	2,323,532
Investment properties	投資物業	14	123,208	119,682
Prepaid land lease payments	預付土地租賃款	15	24,810	24,773
Construction in progress	在建工程	16	148,701	38,513
Trademarks	商標	17	33,293	33,293
Interest in an associate	於聯營公司之權益	18	104,764	121,464
Long term rental deposits	長期租金按金		119,358	126,148
Total non-current assets	總非流動資產		2,921,592	2,787,405
CURRENT ASSETS				
	流動資產			
Inventories	存貨	20	1,587,075	1,290,340
Trade and bills receivables	應收賬款及應收票據	21	1,017,885	1,090,387
Prepayments, deposits and other receivables	預付款項、訂金及其他應收賬款		483,593	403,850
Derivative financial assets	衍生金融資產	22	62,335	25,588
Cash and cash equivalents	現金及銀行結餘	23	817,617	244,829
Total current assets	總流動資產		3,968,505	3,054,994
CURRENT LIABILITIES				
	流動負債			
Due to an associate	應付聯營公司	19	20,141	15,605
Trade and bills payables	應付賬款及應付票據	24	993,861	950,918
Other payables and accrued liabilities	其他應付賬款及應計負債	25	363,552	248,271
Derivative financial liabilities	衍生金融負債	22	19,438	196
Tax payable	應付稅項		312,656	202,250
Interest-bearing bank borrowings	附息銀行貸款	26	434,781	546,785
Total current liabilities	總流動負債		2,144,429	1,964,025

Consolidated Balance Sheet 綜合資產負債表

31 March 2008 二零零八年三月三十一日

		2008		2007	
		二零零八年		二零零七年	
		<i>HK\$'000</i>		<i>HK\$'000</i>	
		港幣千元		港幣千元	
		<i>Notes</i>			
		<i>附註</i>			
Net current assets	流動資產淨額		1,824,076		1,090,969
<hr/>					
Total assets less current liabilities	總資產減流動負債		4,745,668		3,878,374
<hr/>					
NON-CURRENT LIABILITIES	非流動負債				
Interest-bearing bank borrowings	附息銀行貸款	26	812,769		557,791
Deferred tax	遞延稅項	27	16,614		5,560
<hr/>					
Total non-current liabilities	總非流動負債		829,383		563,351
<hr/>					
Net assets	淨資產		3,916,285		3,315,023
<hr/>					
EQUITY	權益				
Equity attributable to equity holders of the Company	本公司權益所有者應佔權益				
Issued capital	已發行股本	28	66,356		66,314
Reserves	儲備	30(a)	3,421,246		2,982,853
Proposed final dividend	擬派末期股息	11	331,750		198,913
<hr/>					
			3,819,352		3,248,080
Minority interests	少數股東權益		96,933		66,943
<hr/>					
Total equity	總權益		3,916,285		3,315,023
<hr/>					

Poon Bun Chak
Director

Ting Kit Chung
Director

董事
潘彬澤

董事
丁傑忠

Consolidated Statement of Changes in Equity 綜合權益變動表

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

Attributable to equity holders of the Company 本公司權益所有者應佔													
	Issued capital	Share premium account*	Share option reserve*	Share redemption reserve*	Capital contributed surplus*	Exchange fluctuation reserve*	Asset revaluation reserve*	Legal reserve*	Retained profits*	Proposed final dividend	Total	Minority interests	Total equity
	已發行股本	股本溢價賬*	購股權儲備*	股本贖回儲備*	實繳盈餘*	外匯變動儲備*	資產重估儲備*	法定儲備*	保留溢利*	撥派末期股息	總額	少數股東權益	總權益
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
At 1 April 2007	66,314	344,158	9,841	1,587	3,986	66,043	23,920	49	2,533,269	198,913	3,248,080	66,943	3,315,023
Exchange realignment	—	—	—	—	—	78,569	—	—	—	—	78,569	(2,791)	75,778
Total income and expense recognised directly in equity	—	—	—	—	—	78,569	—	—	—	—	78,569	(2,791)	75,778
Profit for the year	—	—	—	—	—	—	—	—	926,351	—	926,351	32,781	959,132
Total income and expense for the year	—	—	—	—	—	78,569	—	—	926,351	—	1,004,920	29,990	1,034,910
2006/2007 final dividend declared	—	—	—	—	—	—	—	—	—	(198,913)	(198,913)	—	(198,913)
Exercise of share options (note 28)	104	13,220	(2,085)	—	—	—	—	—	—	—	11,239	—	11,239
Repurchase of shares (note 28)	(62)	(6,780)	—	62	—	—	—	—	(62)	—	(6,842)	—	(6,842)
2007/2008 interim dividend (note 11)	—	—	—	—	—	—	—	—	(239,132)	—	(239,132)	—	(239,132)
2007/2008 proposed final dividend (note 11)	—	—	—	—	—	—	—	—	(331,750)	331,750	—	—	—
At 31 March 2008	66,356	350,598	7,756	1,649	3,986	144,612	23,920	49	2,888,676	331,750	3,819,352	96,933	3,916,285

* These reserve accounts comprise the consolidated reserves of HK\$3,421,246,000 (2007: HK\$2,982,853,000) in the consolidated balance sheet. 此等儲備賬項構成列於綜合資產負債表內之綜合儲備港幣3,421,246,000元(二零零七年: 港幣2,982,853,000元)。

Consolidated Statement of Changes in Equity 綜合權益變動表

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

	Attributable to equity holders of the Company 本公司權益所有者應佔										Total equity 總權益 HK\$'000 港幣千元		
	Issued capital 已發行股本 HK\$'000 港幣千元	Share premium account* 股本溢價賬* HK\$'000 港幣千元	Share option reserve* 購股權儲備* HK\$'000 港幣千元	Capital redemption reserve* 股本贖回儲備* HK\$'000 港幣千元	Contributed surplus* 實繳盈餘* HK\$'000 港幣千元	Exchange fluctuation reserve* 外匯變動儲備* HK\$'000 港幣千元	Asset revaluation reserve* 資產重估儲備* HK\$'000 港幣千元	Legal reserve* 法定儲備* HK\$'000 港幣千元	Retained profits* 保留溢利* HK\$'000 港幣千元	Proposed final dividend 擬派末期股息 HK\$'000 港幣千元		Total 總額 HK\$'000 港幣千元	Minority interests 少數股東權益 HK\$'000 港幣千元
At 1 April 2006 於二零零六年四月一日	66,314	344,158	10,276	1,587	3,986	20,760	13,493	—	2,265,335	145,892	2,871,801	58,148	2,929,949
Exchange realignment 匯兌調整	—	—	—	—	—	45,283	—	—	—	—	45,283	(1,160)	44,123
Surplus on revaluation upon transfer of leasehold land and buildings to investment properties 由租賃土地及樓宇轉往投資物業之重估盈餘	—	—	—	—	—	—	10,895	—	—	—	10,895	9,282	20,177
Total income and expense recognised directly in equity 總收入及支出直接於權益確認	—	—	—	—	—	45,283	10,895	—	—	—	56,178	8,122	64,300
Profit for the year 本年度溢利	—	—	—	—	—	—	—	—	625,148	—	625,148	673	625,821
Total income and expense for the year 年內總收入及支出	—	—	—	—	—	45,283	10,895	—	625,148	—	681,326	8,795	690,121
Realisation of asset revaluation reserve upon disposal of leasehold land and buildings 而變現的資產重估儲備	—	—	—	—	—	—	(468)	—	468	—	—	—	—
2005/2006 二零零五/二零零六年度	—	—	—	—	—	—	—	—	—	—	—	—	—
final dividend declared 已宣派末期股息	—	—	—	—	—	—	—	—	(145,892)	—	(145,892)	—	(145,892)
Forfeiture of share options (note 29) 購股權取消(附註29)	—	—	(435)	—	—	—	—	—	435	—	—	—	—
Transfer to the legal reserve 轉往法定儲備	—	—	—	—	—	—	49	—	(49)	—	—	—	—
2006/2007 二零零六/二零零七年度	—	—	—	—	—	—	—	—	—	—	—	—	—
interim dividend (note 11) 中期股息(附註11)	—	—	—	—	—	—	—	—	(159,155)	—	(159,155)	—	(159,155)
2006/2007 proposed 二零零六/二零零七年度擬派	—	—	—	—	—	—	—	—	—	—	—	—	—
final dividend (note 11) 末期股息(附註11)	—	—	—	—	—	—	—	—	(198,913)	198,913	—	—	—
At 31 March 2007 於二零零七年三月三十一日	66,314	344,158	9,841	1,587	3,986	66,043	23,920	49	2,533,269	198,913	3,248,080	66,943	3,315,023

Consolidated Cash Flow Statement 綜合現金流量表

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

			2008	2007
			二零零八年	二零零七年
		Notes	HK\$'000	HK\$'000
		附註	港幣千元	港幣千元
CASH FLOWS FROM OPERATING ACTIVITIES	經營所得現金流量			
Profit before tax	除稅前溢利		1,213,975	732,868
Adjustments for:	調整：			
Finance costs	財務費用	8	42,884	49,801
Share of profit of an associate, net of tax	應佔聯營公司溢利，除稅後淨額		(62,483)	(48,211)
Interest income	利息收入	5	(14,957)	(11,728)
Net fair value gains on foreign exchange derivative financial instruments	外匯衍生金融工具公允值收益淨額	5	(56,904)	(51,363)
Fair value loss/(gain) on investment properties	投資物業公允值虧損／(收益)	14	872	(460)
Depreciation	折舊	6	320,949	292,939
Recognition of prepaid land lease payments	預付土地租賃款之確認	6	651	644
Loss/(gain) on disposal of items of property, plant and equipment	出售物業、廠房及設備虧損／(收益)	6	3,912	(4,111)
Provision for slow-moving inventories	呆滯存貨撥備	6	11,188	48,540
Impairment/(write-back of impairment) of trade receivables	應收賬款減值／(減值撥回)	6	(294)	378
Operating profit before working capital changes	營運資金變動前經營溢利		1,459,793	1,009,297
Increase in inventories	存貨增加		(307,923)	(95,312)
Decrease/(increase) in trade and bills receivables	應收賬款及應收票據減少／(增加)		72,796	(216,731)
Increase in prepayments, deposits and other receivables	預付款項、訂金及其他應收賬款增加		(79,728)	(3,801)
Increase/(decrease) in an amount due to an associate	應付聯營公司增加／(減少)		4,536	(67,060)
Increase/(decrease) in trade and bills payables	應付賬款及應付票據增加／(減少)		22,943	(34,074)
Increase in other payables and accrued liabilities	其他應付賬款及應計負債增加		92,317	65,253
Cash generated from operations	經營所得現金		1,264,734	657,572
Profits taxes paid	已付所得稅		(133,383)	(59,097)
Net cash inflow from operating activities	經營所得現金流入淨額		1,131,351	598,475

Consolidated Cash Flow Statement 綜合現金流量表

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

			2008 二零零八年 HK\$'000 港幣千元	2007 二零零七年 HK\$'000 港幣千元
	Notes 附註			
CASH FLOWS FROM INVESTING ACTIVITIES		投資活動現金流量		
Interest received		已收利息	14,957	11,728
Proceeds from derivative financial instruments		衍生金融 工具收入	39,399	34,926
Dividends received from an associate		已收聯營公司股息	48,000	84,000
Purchases of items of property, plant and equipment	13	購置物業、廠房及設備 項目	(186,356)	(512,342)
Additions to construction in progress	16	在建工程之添置	(105,626)	(96,939)
Additions to trademarks	17	商標之添置	—	(66)
Proceeds from disposal of items of property, plant and equipment		出售物業、廠房及設備 項目收入	17,644	31,803
Decrease/(increase) in long term rental deposits		長期租金按金減少/ (增加)	6,790	(18,385)
Decrease/(increase) in non-pledged short term time deposits with original maturity longer than three months when acquired		於訂立日三個月 以上到期之無抵押短 期定期存款 減少/(增加)	(496,086)	15,600
Net cash outflow from investing activities		投資活動現金流出淨額	(661,278)	(449,675)
CASH FLOWS FROM FINANCING ACTIVITIES		融資活動現金流量		
Issue of new shares	28	發行新股	11,239	—
Repurchase of shares	28	購回股份	(6,842)	—
New bank loans and trust receipt loans		新銀行貸款及信託貸款	3,387,461	643,106
Repayment of bank loans and trust receipt loans		償還銀行貸款及 信託貸款	(3,309,544)	(431,824)
Interest paid		已付利息	(42,884)	(49,801)
Dividends paid		已付股息	(438,045)	(305,047)
Net cash outflow from financing activities		融資活動之現金流出淨額	(398,615)	(143,566)
NET INCREASE IN CASH AND CASH EQUIVALENTS		現金及現金等價物之 增加淨額	71,458	5,234
Cash and cash equivalents at beginning of year		年初之現金及 現金等價物	244,827	235,297
Foreign exchange adjustments		外匯調整	5,246	4,296
CASH AND CASH EQUIVALENTS AT END OF YEAR		於年結日之現金及 現金等價物	321,531	244,827
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS		現金及現金等價物 結餘分析		
Cash and bank balances	23	現金及銀行結餘	228,667	165,523
Non-pledged short term time deposits with original maturity within three months when acquired		於訂立日三個月內 到期之無抵押 短期定期存款	92,864	79,306
Bank overdrafts, unsecured	26	銀行透支，無抵押	—	(2)
			321,531	244,827

Company Balance Sheet 公司資產負債表

31 March 2008 二零零八年三月三十一日

		2008		2007
		二零零八年	二零零七年	
		HK\$'000	HK\$'000	
		港幣千元	港幣千元	
Notes				
附註				
NON-CURRENT ASSETS		非流動資產		
Interests in subsidiaries	於附屬公司之權益	31	1,598,978	1,251,829
CURRENT ASSETS		流動資產		
Prepayments	預付款項		212	203
Dividends receivable	應收股息		335,000	200,000
Cash and cash equivalents	現金及現金等價物	23	63	154
Total current assets	總流動資產		335,275	200,357
CURRENT LIABILITIES		流動負債		
Other payables and accrued liabilities	其他應付賬款及應計負債	25	2,304	771
Interest-bearing bank borrowing	付息銀行貸款	26	56,667	—
Total current liabilities	總流動負債		58,971	771
Net current assets	流動資產淨額		276,304	199,586
Total assets less current liabilities	總資產減流動負債		1,875,282	1,451,415
NON-CURRENT LIABILITY		非流動負債		
Interest-bearing bank borrowing	付息銀行貸款	26	283,333	—
Net assets	淨資產		1,591,949	1,451,415
EQUITY		權益		
Issued capital	已發行股本	28	66,356	66,314
Reserves	儲備	30(b)	1,193,843	1,186,188
Proposed final dividend	擬派末期股息	11	331,750	198,913
Total equity	總權益		1,591,949	1,451,415

Poon Bun Chak
Director

Ting Kit Chung
Director

董事
潘彬澤

董事
丁傑忠

Notes to the Financial Statements 財務報表附註

31 March 2008 二零零八年三月三十一日

1. CORPORATE INFORMATION

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

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

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

1. 公司資料

德永佳集團有限公司為百慕達註冊成立之有限公司，本公司之註冊辦事處為 Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda。德永佳集團有限公司主要營業地址為香港新界葵涌興芳路223號新都會廣場第二座十六樓。

於本年度，集團主要經營以下業務：

- 針織布及棉紗之產銷及整染；
- 便服及飾物之零售及分銷；
- 提供特許經營服務；及
- 提供汽車及發電機之維修及保養服務。

Notes to the Financial Statements 財務報表附註

31 March 2008 二零零八年三月三十一日

2.1 BASIS OF PREPARATION

These financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”) (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (“HKASs”) and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants, accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for investment properties, certain leasehold land and buildings included in property, plant and equipment, and derivative financial instruments, which have been measured at fair value. These financial statements are presented in Hong Kong dollars (“HK\$”) and all values are rounded to the nearest thousand except when otherwise indicated.

Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries (collectively referred to as the “Group”) for the year ended 31 March 2008. Adjustments are made to bring into line any dissimilar accounting policies that may exist. The results of subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases. All significant intercompany transactions and balances within the Group are eliminated on consolidation.

Minority interests represent the interests of outside shareholders not held by the Group in the results and net assets of the Company's subsidiaries.

2.1 編製基準

本財務報表乃根據香港會計師公會頒佈之香港財務報告準則(包括所有香港財務報告準則、香港會計準則及詮釋)、香港一般公認會計原則及香港公司條例之披露要求所編製而成。除投資物業、部份包括在物業、廠房及設備內的租賃土地及樓宇及衍生金融工具按公允值計算外，本財務報表乃依照原始成本會計慣例所編製。除另有註明外，本財務報表乃以港元(「港幣」)呈列，所有數值均四捨五入至千位數。

綜合基準

綜合財務報表包括本公司及其附屬公司(合稱「本集團」)截至二零零八年三月三十一日止年度之財務報表。經已作出調整以使任何可能存在之不同會計政策一致。附屬公司之業績由收購日，即本集團獲得控制權之日起計入綜合財務表內，直至有關控制權終止之日為止。本集團公司之間所有重大交易及結餘均在綜合時對銷。

少數股東權益指非本集團持有之外界股東佔本公司附屬公司業績及淨資產之權益。

Notes to the Financial Statements 財務報表附註

31 March 2008 二零零八年三月三十一日

2.2 IMPACT OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS

The Group has adopted the following new and revised HKFRSs for the first time for the current year's financial statements. Except for in certain cases, giving rise to new and revised accounting policies and additional disclosures, the adoption of these new and revised standards and interpretations has had no material effect on these financial statements.

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

The principal effects of adopting these new and revised HKFRSs are as follows:

(a) HKFRS 7 *Financial Instruments: Disclosures*

This standard requires disclosures that enable users of the financial statements to evaluate the significance of the Group's financial instruments and the nature and extent of risks arising from those financial instruments. The new disclosures are included throughout the financial statements. While there has been no effect on the financial position or results of operations of the Group, comparative information has been included/ revised where appropriate.

2.2 新訂及經修訂香港財務報告準則之影響

本集團已於本年度之財務報表內首次採納以下新訂及經修訂香港財務報告準則。除在若干情況下導致新訂及經修訂會計政策及額外披露外，採納該等新訂及經修訂準則及詮釋並無對本財務報表產生重大影響。

香港財務報告準則第7號	金融工具：披露
香港會計準則第1號(修訂本)	資本披露
香港(國際財務報告準則詮釋委員會)－詮釋第8號	香港財務報告準則第2號的範圍
香港(國際財務報告準則詮釋委員會)－詮釋第9號	嵌入式衍生工具重估
香港(國際財務報告準則詮釋委員會)－詮釋第10號	中期財務報告及減值
香港(國際財務報告準則詮釋委員會)－詮釋第11號	香港財務報告準則第2號－集團及庫務股份交易

採納此等新訂及經修訂香港財務報告準則的主要影響如下：

(a) 香港財務報告準則第7號「金融工具：披露」

該準則規定須披露資料以便財務報表使用者能評估本集團金融工具的重要性及該等金融工具所產生風險的性質及範圍。新披露內容將載入財務報表內。該準則對本集團的財務狀況或經營業績並無影響，比較資料已於適當處載入／修訂。

Notes to the Financial Statements 財務報表附註

31 March 2008 二零零八年三月三十一日

2.2 IMPACT OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (continued)

(b) Amendment to HKAS 1 Presentation of Financial Statements — Capital Disclosures

This amendment requires the Group to make disclosures that enable users of the financial statements to evaluate the Group's objectives, policies and processes for managing capital. These new disclosures are shown in note 37 to the financial statements.

(c) HK(IFRIC)-Int 8 Scope of HKFRS 2

This interpretation requires HKFRS 2 to be applied to any arrangement in which the Group cannot identify specifically some or all of the goods or services received, for which equity instruments are granted or liabilities (based on a value of the Group's equity instruments) are incurred by the Group for a consideration, and which appears to be less than the fair value of the equity instruments granted or liabilities incurred. As the Company has only issued equity instruments to its directors or employees in accordance with the Company's share option schemes, the interpretation has had no effect on these financial statements.

(d) HK(IFRIC)-Int 9 Reassessment of Embedded Derivatives

This interpretation requires that the date to assess whether an embedded derivative is required to be separated from the host contract and accounted for as a derivative is the date that the Group first becomes a party to the contract, with reassessment only if there is a change to the contract that significantly modifies the cash flows. As the Group's existing policy of accounting for derivatives complies with the requirements of the interpretation, the interpretation has had no effect on these financial statements.

2.2 新訂及經修訂香港財務報告準則之影響 (續)

(b) 香港會計準則第1號(修訂本)「財務報表的呈報－資本披露」

此修訂規定本集團作出披露以令財務報表的使用者可評估本集團管理資本的目標、政策及程序。該等新披露內容於財務報表附註37呈列。

(c) 香港(國際財務報告準則詮釋委員會)－詮釋第8號「香港財務報告準則第2號的範圍」

此詮釋規定，對於本集團無法具體確定部分或所有已收取貨物或服務的任何安排，而本集團為該項安排而授出權益工具或產生的負債(以本集團於權益工具的價值為準)作為代價，同時該代價看來少於所授予權益工具或所產生的負債的公允值，則須應用香港財務報告準則第2號。由於本公司只向其董事或員工按本公司購股權計劃授出權益工具，故該詮釋對本財務報表並無影響。

(d) 香港(國際財務報告準則詮釋委員會)－詮釋第9號「嵌入式衍生工具重估」

此詮釋規定評估嵌入式衍生工具是否須與主合約分開及以衍生工具入賬的日期為本集團首次成為合約訂約方的日期，而僅於合約出現會令現金流量出現重大修訂的變動時方會進行評估。由於本集團現有對衍生工具的會計政策符合該詮釋的規定，故該詮釋對本財務報表並無影響。

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2.2 IMPACT OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (continued)

(e) HK(IFRIC)-Int 10 *Interim Financial Reporting and Impairment*

The Group has adopted this interpretation as of 1 April 2007, which requires that an impairment loss recognised in a previous interim period in respect of goodwill or an investment in either an equity instrument classified as available-for-sale or a financial asset carried at cost is not subsequently reversed. As the Group had no impairment losses previously reversed in respect of such assets, the interpretation has had no impact on the financial position or results of operations of the Group.

(f) HK(IFRIC)-Int 11 *HKFRS 2 — Group and Treasury Share Transactions*

This interpretation requires arrangements whereby an employee is granted rights to the Group's equity instruments, to be accounted for as an equity-settled scheme, even if the Group acquires the instruments from another party, or the shareholders provide the equity instruments needed. HK(IFRIC)-Int 11 also addresses the accounting for share-based payment transactions involving two or more entities within the Group. The Company grants share options to the employees of its subsidiaries, which may result in a change of accounting policy for share-based payment transactions in the financial statements of the relevant subsidiaries. The interpretation has had no effect on the financial statements of the Group and the Company.

2.2 新訂及經修訂香港財務報告準則之影響 (續)

(e) 香港(國際財務報告準則詮釋委員會) – 詮釋第10號「中期財務報告及減值」

本集團於二零零七年四月一日採納此詮釋，其規定不可於其後撥回於過往中期報告期間就商譽或歸類為可供出售權益工具或以成本列賬的金融資產的投資而已確認的減值虧損。由於本集團並無就該等資產撥回以往的減值虧損，因此該詮釋對本集團的財務狀況或經營業績並無影響。

(f) 香港(國際財務報告準則詮釋委員會) – 詮釋第11號「香港財務報告準則第2號 – 集團及庫務股份交易」

該詮釋規定，向僱員授出本集團股本工具權利之安排須列為股權結算計劃，即使本集團從其他人士購買或由股東提供所需股本工具。香港(國際財務報告準則詮釋委員會) – 詮釋第11號亦闡述了涉及兩個或以上本集團系內實體基於股權的支付之交易的會計處理。本公司向其附屬公司的員工授出購股權，這可能導致該等附屬公司財務報表的基於股權的支付之交易會計政策有所改變。該詮釋不大可能對本集團構成任何財務影響。

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2.3 IMPACT OF ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS

The Group has not applied the following new and revised HKFRSs, which have been issued but are not yet effective, in these financial statements:

HKFRS 2 Amendments	Share-based Payment — Vesting Conditions and Cancellations ¹
HKFRS 3 (Revised)	Business Combinations ²
HKFRS 8	Operating Segments ¹
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 and HKAS 1 Amendments	Puttable Financial Instruments and Obligations Arising on Liquidation 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 Asset, 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

2.3 已頒佈但未生效的香港財務報告準則的影響

本集團尚未在本財務報表採納下列已頒佈但尚未生效的新訂及經修訂香港財務報告準則：

香港財務報告準則第2號 (修訂本)	基於股權的支付 — 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
香港會計準則第1號 (經修訂)	呈列財務報表 ¹
香港會計準則第23號 (經修訂)	借貸成本 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號及香港會計準則第1號 (修訂本)	可沽售金融工具及清盤產生之責任 ¹
香港 (國際財務報告準則詮釋委員會) — 詮釋第12號	服務特許權安排 ³
香港 (國際財務報告準則詮釋委員會) — 詮釋第13號	客戶忠誠計劃 ⁴
香港 (國際財務報告準則詮釋委員會) — 詮釋第14號	香港會計準則第19號 — 既定利益資產的限額、最低資本規定及相互之間的關係 ³

¹ 於二零零九年一月一日或之後開始的年度期間生效

² 於二零零九年七月一日或之後開始的年度期間生效

³ 於二零零八年一月一日或之後開始的年度期間生效

⁴ 於二零零八年七月一日或之後開始的年度期間生效

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2.3 IMPACT OF ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS (continued)

Amendment to HKFRS 2 restricts the definition of “vesting condition” to a condition that includes an explicit or implicit requirement to provide services. Any other conditions are non-vesting conditions, which have to be taken into account to determine the fair value of the equity instruments granted. In the case that the award does not vest as the result of a failure to meet a non-vesting condition that is within the control of either the entity or the counterparty, this must be accounted for as a cancellation. As the Group has no non-vesting conditions at the balance sheet date, this amendment is unlikely to have any impact on the Group.

HKFRS 3 (Revised) introduces a number of changes in the accounting for business combinations that will impact the amount of goodwill recognised, the reported results in the period that an acquisition occurs, and future reported results. As the Group has no such transactions, it is unlikely to have any financial impact on the Group.

HKFRS 8 will replace HKAS 14 *Segment Reporting*, specifies how an entity should report information about its operating segments, based on information about the components of the entity that is available to the chief operating decision maker for the purposes of allocation resources to the segments and assessing their performance. The standard also requires the disclosure of information about the products and services provided by the segments, the geographical areas in which the Group operates, and revenue from the Group’s major customers. The Group expects to adopt HKFRS 8 from 1 April 2009.

2.3 已頒佈但未生效的香港財務報告準則的影響 (續)

香港財務報告準則第2號之修訂將「歸屬條件」之定義限定為包括明確或暗示規定提供服務之條件。任何其他條件均為非歸屬條件，該等條件須在決定所授出股本工具之公允值時予以考慮。若因為未能達到實體或對手方控制範圍內之非歸屬條件，令獎勵未能歸屬，則須視為註銷。本集團並無訂立附有非歸屬條件之以股支付計劃，因此項修訂對其以股支付的會計處理不會有重大影響。

香港財務報告準則第3號引入了多項對業務合併會計處理之變動，將影響確認商譽之金額、發生收購期間之申報業績及未來申報業績。經修訂之香港財務報告準則第3號所推行之變動將於未來應用，並將影響未來收購及與少數股東權益之交易。

香港財務報告準則第8號將取代香港會計準則第14號分類報告。該準則指明實體應如何報告經營分部資料，依據主要經營決策者在各分部間進行資源分配和評估其表現之實體組成部份，報告經營分部資料。該準則亦規定，須披露關於各個分部所供應之產品和服務、本集團營業之地理範圍及本集團來自主要客戶之收入資料。本集團預計從二零零九年四月一日開始採用香港財務報告準則第8號。

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2.3 IMPACT OF ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS (continued)

HKAS 1 (Revised) separates owner and non-owner changes in equity. The statement of changes in equity will include only details of transactions with owners, with all non-owner changes in equity presented as a single line. In addition, this standard introduces the statement of comprehensive income: it presents all items of income and expense recognised in profit or loss, together with all other items of recognised income and expense, either in one single statement, or in two linked statements.

HKAS 23 (Revised) has been revised to require capitalisation of borrowing costs when such costs are directly attributable to the acquisition, construction or production of a qualifying asset. As the Group's current policy for borrowing costs aligns with the requirements of the revised standard, the revised standard is unlikely to have any financial impact on the Group.

HKAS 27 (Revised) requires that a change in the ownership interest of a subsidiary is accounted for as an equity transaction. Therefore, such a change will have no impact on goodwill, nor will it give rise to a gain or loss. Furthermore, the amended standard changes the accounting for losses incurred by the subsidiary as well as the loss of control of a subsidiary. As the Group currently has no change in control of its subsidiaries, the revised standard is unlikely to have any financial impact on the Group.

HKAS 32 and HKAS 1 Amendments permitted a range of entities to recognise their capital as equity rather than as financial liabilities, and required additional disclosures for puttable financial instruments classified as equity. The amendment reinforces that this is a limited scope exception to the definition of a financial liability and no analogies should be made to these requirements.

2.3 已頒佈但未生效的香港財務報告準則的影響 (續)

經修訂之香港會計準則第1號財務報告之呈列分開所有者及非所有者之權益變動。權益變動表只包含所有者之交易詳情，而非所有者之權益變動將一概作為單一項目呈列。此外，該準則引入全面收入報表：於單一報表內，或於兩份有關連的報表內呈列於損益確認之所有收支項目，連同其他已確認收支項目。本集團仍在評估究竟會採用一份或兩份報表。

修訂後之香港會計準則第23號規定將收購、建造或生產合資格資產直接應佔之借貸成本資本化。由於本集團現時有關借貸成本之政策與是項經修訂準則之規定一致，是項經修訂準則應不會對本集團構成任何財務影響。

經修訂之香港會計準則第27號規定擁有附屬公司權益之變動應確認為一項權益交易。因此，該變動將不會對商譽造成影響，亦不會產生盈虧。再者，該項經修訂準則亦改變了附屬公司產生虧損及喪失附屬公司控制權之會計處理。由於本集團現時無附屬公司控制權之變動，是項經修訂準則應不會對本集團構成任何財務影響。

香港會計準則第32號及香港會計準則第1號之修改容許實體將彼等之資本確認為權益而非金融負債，並規定需就分類為權益之可沽售金融工具作出額外披露。是項修改重申金融負債之定義中存在有限範圍之例外情況，且不應就是項規定作出類推。

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2.3 IMPACT OF ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS (continued)

HK(IFRIC)-Int 12 requires an operator under public-to-private service concession arrangements to recognise the consideration received or receivable in exchange for the construction services as a financial asset and/or an intangible asset, based on the terms of the contractual arrangements. HK(IFRIC)-Int 12 also addresses how an operator shall apply existing HKFRSs to account for the obligations and the rights arising from service concession arrangements by which a government or a public sector entity grants a contract for the construction of infrastructure used to provide public services and/or for the supply of public services. As the Group currently has no such arrangements, the interpretation is unlikely to have any financial impact on the Group.

HK(IFRIC)-Int 13 requires that loyalty award credits granted to customers as part of a sales transaction are accounted for as a separate component of the sales transaction. The consideration received in the sales transaction is allocated between the loyalty award credits and the other components of the sale. The amount allocated to the loyalty award credits is determined by reference to their fair value and is deferred until the awards are redeemed or the liability is otherwise extinguished.

HK(IFRIC)-Int 14 addresses how to assess the limit under HKAS 19 *Employee Benefits*, on the amount of a refund or a reduction in future contributions in relation to a defined benefit scheme that can be recognised as an asset, in particular, when a minimum funding requirement exists.

2.3 已頒佈但未生效的香港財務報告準則的影響 (續)

香港(國際財務報告詮釋委員會) – 詮釋第12號規定，公有轉私有服務特許權安排的營運商須根據有關合同安排之條款，對換取建築服務之已收或應收代價確認為金融資產及／或無形資產。香港(國際財務報告詮釋委員會) – 詮釋第12號亦闡述了在政府或公營單位授予興建提供公共服務及／或供應公共服務之基礎設施建設合同時，營運商應如何運用現行的香港財務報告準則將當中由服務特許權安排所產生之責任和權利入賬。由於本集團目前並無此類安排，故該詮釋應不會對本集團構成任何財務影響。

香港(國際財務報告詮釋委員會) – 詮釋第13號規定，銷售交易中向客戶授出忠誠獎勵積分之部份，須作為銷售交易之獨立部份處理。從銷售交易中收到的代價應該在忠誠獎勵積分與銷售之其他組成部份之間分配。分配給忠誠獎勵積分之數額應參照其公平值釐定，並遞延到相關獎勵被贖回或負債消失為止。

香港(國際財務報告詮釋委員會) – 詮釋第14號闡述根據香港會計準則第19號 *僱員福利*，如何評估有關定額福利計劃(特別是存在最低供款規定時)於未來供款中退款或扣減款額時可確認為資產之限額。

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2.3 IMPACT OF ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS (continued)

As the Group currently has no customer loyalty award credits and defined benefit scheme, HK(IFRIC)-Int 13 and HK(IFRIC)-Int 14 are not applicable to the Group and therefore are unlikely to have any financial impact on the Group.

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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 interests in subsidiaries are stated at cost less any impairment losses.

2.3 已頒佈但未生效的香港財務報告準則的影響(續)

由於本集團目前並無客戶忠誠獎勵積分及定額福利計劃，故香港(國際財務報告詮釋委員會)－詮釋第13號及香港(國際財務報告詮釋委員會)－詮釋第14號不適用於本集團亦應不會對本集團構成任何財務影響。

2.4 主要會計政策的概要

附屬公司

附屬公司乃本公司直接或間接地控制其財務及營運政策之實體，藉以從其業務得益。

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

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING

POLICIES (continued)

Associates

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

The Group's share of the post-acquisition results and reserves of an associate is included in the consolidated income statement and consolidated reserves, respectively. The Group's interest in an associate is stated in the consolidated balance sheet at the Group's share of net assets under the equity method of accounting, less any impairment loss. Unrealised gains and losses resulting from transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates, except where unrealised losses provide evidence of an impairment of the asset transferred. Adjustments are made to bring into line any dissimilar accounting policies that may exist.

Goodwill

Goodwill arising on the acquisition of subsidiaries and an associate represents the excess of the cost of the business combination over the Group's interest in the net fair value of the acquirees' identifiable assets acquired, and liabilities and contingent liabilities assumed as at the date of acquisition.

2.4 主要會計政策的概要 (續)

聯營公司

聯營公司乃附屬公司以外之實體，本集團長期持有其實質擁有投票權一般不少於20%及本集團之地位足以對其行使重大影響力之公司。

本集團應佔聯營公司收購日後之業績及儲備，已分別列入綜合利潤表及綜合儲備內。而本集團於聯營公司權益則按本集團應佔之資產淨值按權益法計算減去任何減值損失，列入綜合資產負債表內。本集團與其聯營公司之間的交易而產生的未實現損益在本集團的聯營公司權益中抵銷，除非有未實現虧損證明所轉讓資產出現減值。本報表經已作出調整以使任何可能存在之不同會計政策一致。

商譽

收購附屬公司及聯營公司所產生之商譽指業務合併成本超逾本集團所佔於收購日期所收購之可識別資產與負債和或有負債之公允值淨額之差額。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING

POLICIES (continued)

Goodwill (continued)

Goodwill previously eliminated against the consolidated retained profits

Prior to the adoption of HKICPA's Statement of Standard Accounting Practice 30 "Business Combinations" ("SSAP 30") in 2001, goodwill arising on acquisition was eliminated against consolidated retained profits in the year of acquisition. On the adoption of HKFRS 3, such goodwill remains eliminated against the consolidated retained profits and is not recognised in the income statement when all or part of the business to which the goodwill relates is disposed of or when a cash-generating unit to which the goodwill relates becomes impaired.

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, financial assets, investment properties and goodwill), the asset's recoverable amount is estimated. An asset's recoverable amount is 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.

2.4 主要會計政策的概要 (續)

商譽 (續)

過往於綜合儲備中撇銷之商譽

於二零零一年採納香港會計師公會之會計實務準則第30號「企業合併」前，因收購所產生之商譽乃於收購年度與綜合保留溢利撇銷。於採納香港財務報告準則第3號後，該等商譽仍於綜合保留溢利撇銷，且於與商譽有關之全部或部份業務被出售或與商譽有關之現金產生單位出現減值時亦不會於利潤表中確認。

除商譽外非金融資產減值

倘有跡象顯示出現減值或須就資產進行年度減值測試(存貨、金融資產、投資物業及商譽除外)，則會估計收回金額。資產之可收回金額按資產或產生現金單位的使用價值或公允值減出售成本(以較高者為準)而計算，並就個別資產而釐定，除非有關資產並無產生大致上獨立於其他資產或資產組別之現金流量，在此情況下，可收回金額就資產所屬的現金產生單位而釐定。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING

POLICIES (continued)

Impairment of non-financial assets other than goodwill

(continued)

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.

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 and certain financial assets is reversed only if there has been a change in the estimates used to determine the recoverable amount of that asset, but 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.

2.4 主要會計政策的概要 (續)

除商譽外非金融資產減值 (續)

只有當資產之賬面值超過其可收回金額時始會確認減值虧損。於評估使用價值時，估計日後現金流量按可反映現時市場評估之貨幣時間價值及資產特定風險之稅前貼現率貼現至現值。減值虧損乃於產生期內從利潤表中扣除，惟倘資產乃按重估金額入賬，則須按照重估資產所適用之有關會計政策處理減值虧損。

於各申報日均評估有否跡象顯示以往確認之減值虧損可能不再存在或已減少。如存在該等跡象，則須評估可收回金額。過往已獲確認之資產(商譽及某些金融資產除外)減值虧損僅會於可收回金額釐定基準出現變動時方予撥回過去已確認的減值虧損。撥回之結果不會令該賬面金額高於倘該資產往年並無確認減值虧損，惟扣除任何折舊／攤銷後而釐訂之賬面值。獲撤銷之減值虧損乃於產生期內計入利潤表，惟倘有關資產乃按重估金額列賬，則須按照往重估資產所適用之有關會計政策處理獲撤銷之減值虧損。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING

2.4 主要會計政策的概要(續)

POLICIES (continued)

Related parties

關連人士

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

在下列情況下，有關人士將視為本集團之關連人士：

- (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;
- (a) 有關人士直接或透過一名或多名中介人間接：(i)控制本集團、受控於本集團或與本集團共同受控制；(ii)其於本集團之權益使其得以對本集團發揮重大影響力；或(iii)與他人共同擁有本集團之控制權；
- (b) the party is an associate;
- (b) 有關人士為一間聯營公司；
- (c) the party is a member of the key management personnel of the Group;
- (c) 有關人士為本集團之主要管理人員；
- (d) the party is a close member of the family of any individual referred to in (a) or (c);
- (d) 有關人士為(a)或(c)項所述人士之家庭成員；
- (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
- (e) 有關人士為(c)或(d)所指之任何人士所直接或間接控制、與他人共同控制或能對其發揮影響力或於當中行使重大投票權之實體；或
- (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.
- (f) 有關人士為就本集團或屬於本集團關連人士的任何實體為僱員利益而設立的受僱後福利計劃。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING

POLICIES (continued)

Property, plant and equipment and depreciation

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

Changes in the values of property, plant and equipment are dealt with as movements in the asset revaluation reserve. If the total of this reserve is insufficient to cover a deficit, on an individual asset basis, the excess of the deficit is charged to the income statement. Any subsequent revaluation surplus is credited to the income statement to the extent of the deficit previously charged. On disposal of a revalued asset, the relevant portion of the asset revaluation reserve realised in respect of previous valuations is transferred to retained profits as a movement in reserves.

2.4 主要會計政策的概要 (續)

物業、廠房及設備與折舊

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

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

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2.4 SUMMARY OF 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 estimated useful lives used for this purpose are as follows:

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

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 the 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 sales proceeds and the carrying amount of the relevant asset.

2.4 主要會計政策的概要(續)

物業、廠房及設備與折舊(續)

折舊之計算方法乃按個別物業、廠房及設備之估計可使用年期以直線法撇銷其原值或估值至剩餘價值。就此目的而估計之可使用年期如下：

租賃土地及樓宇	25年或按餘下之租賃年期，按其中較短者
租賃樓宇裝修	按餘下之租賃年期
廠房及機械	10–20年
傢俬、裝置及辦公室設備	5年
汽車	5年
遊艇	5年

倘一項物業、廠房及設備之部份擁有不同之可使用年期，該項目之成本或估值按合理基礎分配於其各部份，並單獨計提其折舊。

剩餘價值、可使用年期和折舊方法於每個結算日進行檢討和適當修正。

物業、廠房及設備項目於出售或預期使用或出售該項目將不會帶來未來經濟利益時終止確認。於資產終止確認之年度於利潤表確認之任何出售或報廢之損益，為銷售所得款項淨額與相關資產賬面金額之差額。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING

POLICIES (continued)

Construction in progress

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

Investment properties

Investment properties are interests in land and buildings (including the leasehold interest under an operating lease for property which would otherwise meet the definition of an investment property) held to earn rental income and/or for capital appreciation, rather than for use in the production or supply of goods or services or for administrative purposes; or for sale in the ordinary course of business. Such properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at fair value, which reflects market conditions at the balance sheet date.

Gains or losses arising from changes in the fair values of investment properties are included in the income statement in the year in which they arise.

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

2.4 主要會計政策的概要 (續)

在建工程

在建工程指興建中之樓宇，其乃按成本值減任何減值虧損列賬，且不予折舊。成本為直接建築成本。當在建工程完工及可作使用會重新分類至適當之物業、廠房及設備類別。

投資物業

投資物業指持有土地及樓宇權益作賺取租金收入及／或資本增值用途，而非用於生產或供應貨物或服務或作行政用途；或作一般業務過程中出售用途之土地及樓宇權益（包括在此情況以外符合投資物業定義之物業經營租賃項下之租賃權益）。該等物業初步按成本，包括交易成本，列賬。於初步確認後，投資物業乃按反映於結算日之市場狀況之公允值列賬。

因投資物業公允值變更產生之損益於其產生年度計入利潤表。

投資物業報廢或出售產生之損益於其報廢或出售年度於利潤表確認。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING

POLICIES (continued)

Investment properties (continued)

For a transfer from investment properties to owner-occupied properties, the deemed cost of property for subsequent accounting is its fair value at the date of change in use. If the property occupied by the Group as an owner-occupied property becomes an investment property, the Group accounts for such property in accordance with the policy stated under "Property, plant and equipment and depreciation" up to the date of change in use, and any difference at that date between the carrying amount and the fair value of the property is accounted for as a revaluation in accordance with the policy stated under "Property, plant and equipment and depreciation" above.

Trademarks

The useful lives of trademarks are assessed to be indefinite. Trademarks with indefinite useful lives are tested for impairment annually either individually or at the cash-generating unit level and are not amortised. The useful life of a trademark with an indefinite life is reviewed annually to determine whether indefinite life assessment continues to be supportable. If not, the change in the useful life assessment from indefinite to finite is accounted for on a prospective basis.

2.4 主要會計政策的概要 (續)

投資物業 (續)

當投資物業轉撥為業主擁有之物業時，改變用途當日之公允值視作為於期後會計時所用之物業成本。倘本集團以業主擁有物業佔用之物業成為投資物業，則本集團將根據「物業、廠房及設備與折舊」所述之政策將該物業入賬，直至更改用途為止，而該物業之賬面價值及公允值間於當日之差額，則根據上述「物業、廠房及設備與折舊」所述之政策列為重估入帳。

商標

商標的可用年限已評估為無盡，本公司每年對無盡年限的商標以個體或產生現金流的單位層面作減值測試及並無作出攤銷。本公司每年對無盡年限的商標作出檢討，以確定有關無盡年限的評估是否繼續成立。否則，則關於由無盡年限改作有盡年限的變更，將影響未來的會計處理。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING

POLICIES (continued)

Operating leases

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

Prepaid land 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.

2.4 主要會計政策的概要 (續)

經營租賃

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

經營租賃項下之預付土地租賃款初步按成本列賬，期後按直線法於租賃期內確認。倘租賃款項不能可靠地分配至土地及樓宇部份，則所有租賃款項均計入土地及樓宇成本作為物業、廠房及設備之融資租賃。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING

POLICIES (continued)

Inventories

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

Derivative financial instruments

The Group uses derivative financial instruments to hedge its risks associated with foreign currency fluctuations. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as assets when the fair value is positive and as liabilities when the fair value is negative.

Any gains or losses arising from changes in fair value on derivatives that do not qualify for hedge accounting are taken directly to the income statement.

The fair value of forward currency contracts is calculated by reference to current forward exchange rates for contracts with similar maturity profiles.

2.4 主要會計政策的概要 (續)

存貨

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

衍生金融工具

本集團運用衍生金融工具，以對沖其外匯波動的風險。該等衍生金融工具原初按安排合約日期的公允價值確認入賬，之後再按其後的公允價值計量。當衍生工具的公允價值為正數，則以資產處理，若其公允價值為負數，則以負債處理。

任何未能符合對沖會計的衍生工具，其公允價值轉變的損益，須確認於損益表中。

外幣期貨合約公允值乃參照同類到期日的現有外匯期貨匯率計算。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING

POLICIES (continued)

Investments and other financial assets

When financial assets are recognised initially, they are measured at fair value, plus, in the case of investments not at fair value through profit or loss, directly attributable transaction costs. The Group assesses whether a contract contains an embedded derivative when the Group first becomes a party to it and assesses whether an embedded derivative is required to be separated from the host contract when the analysis shows that the economic characteristics and risks of the embedded derivative are not closely related to those of the host contract. Reassessment only occurs if there is a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required under the contract.

The Group determines the classification of its financial assets after initial recognition and, where allowed and appropriate, re-evaluates this designation at the balance sheet date.

All regular way purchases and sales of financial assets are recognised on the trade date, that is, the date that the Group commits to purchase or sell the asset. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are subsequently carried at amortised cost using the effective interest method less any allowance for impairment. Amortised cost is calculated taking into account any discount or premium on acquisition and includes fees that are an integral part of the effective interest rate and transaction costs. Gains and losses are recognised in the income statement when the loans and receivables are derecognised or impaired, as well as through the amortisation process.

2.4 主要會計政策的概要 (續)

投資及其他金融資產

金融資產於首次確認時以公允值計算，而並非透過損益以公允值列賬之投資，則按直接應佔交易成本計算。本集團於首次成為一份合約之立約方時，須評估該合約是否包含嵌入式衍生工具，而當分析顯示嵌入式衍生工具之經濟特徵及風險與主合約並無緊密關連時，則評估嵌入式衍生工具是否須與該主合約分開處理。僅於合約條款有變以致大幅修訂該合約所需之現金流量，方會重新進行評估。

本集團於首次確認後釐定其金融資產分類，並在容許及適當時於結算日重新評估有關分類。

所有一般買賣之金融資產概於交易日（即本集團承諾購買或出售該資產之日期）予以確認。一般買賣乃指按照一般市場規定或慣例在一定期間內交付資產之金融資產買賣。

貸款和應收款項

貸款和應收款項為具固定或可予釐定付款金額的非衍生工具金融資產，在活躍市場中並無報價。該等資產按實際利率法計算攤銷成本，並扣除任何減值準備。實際利率應考慮任何交易成本及結算時的折讓或溢價及一切費用。當貸款及應收款項被終止確認、減值或在攤銷過程中，相關盈虧在損益表中確認。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING

POLICIES (continued)

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.

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. Loans and receivables together with any associated allowance are written off when there is no realistic prospect of future recovery.

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 by adjusting the allowance account. 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.

2.4 主要會計政策的概要 (續)

金融資產減值

本集團於各結算日評估是否有客觀證據顯示一項金融資產或一個金融資產組別出現減值。

按已攤銷成本入賬之資產

倘有客觀證據顯示按攤銷成本入賬貸款及應收款項出現減值虧損，則虧損金額之計量為資產之賬面價值與按該金融資產之原來實際利率（即原先確認時計算的實際利率）貼現之估計未來現金流量現值價之差額（不計未產生之未來信貸虧損）。資產之賬面金額將直接或利用準備賬扣減。減值虧損金額於利潤表中確認。貸款與應收款項及相關準備應於沒有任何跡象表明未來可回收該金額時將其沖減。

倘減值虧損金額在期後減少，而該減少可客觀認為與確定減值虧損後之發生之事件有關，則撥回以往確認之減值虧損。減值虧損之任何期後撥回於利潤表確認，惟該資產之賬面價值不得超過於撥回當日之攤銷成本。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING

POLICIES (continued)

Impairment of financial assets (continued)

Assets carried at amortised cost (continued)

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.

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 them 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.

2.4 主要會計政策的概要 (續)

金融資產減值 (續)

按已攤銷成本入賬之資產 (續)

關於應收賬款及其他應收款項，當有客觀證據（例如債務人可能無力償債或面臨重大經濟困難及技術、市場經濟或法律環境有着重大轉變而對債務人有不利的影響）顯示本集團將無法根據發票原有條款收回所有款項時，即就應收貿易款項作出減值撥備。應收款項之賬面值可通過撥備賬目作出扣減。減值債務於被評估為不可收回時終止確認。

終止確認金融資產

金融資產（或如適用，一項或一組類似金融資產之一部分）在以下情況下終止確認：

- 自資產收取現金之權利屆滿；
- 本集團保留自資產收取現金之權利，但承擔責任在沒有重大延誤直接將之交與第三者；或
- 本集團將自資產收取現金之權利轉讓，並(a)將資產之絕大部分風險及回報轉移，或(b)概無轉讓或保留資產之絕大部分風險及回報，但已將資產控制權轉讓。

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2.4 SUMMARY OF 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.

Financial liabilities at amortised cost (including interest-bearing loans and borrowings)

Financial liabilities including trade and other payables and interest-bearing loans and 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.

2.4 主要會計政策的概要 (續)

終止確認金融資產 (續)

倘本集團已將自資產收取現金之權利轉讓，且概無轉讓或保留資產之絕大部分風險及回報，亦無將資產控制權轉讓，則資產將按本集團對該資產之持續參與程度確認。透過對已轉讓資產作出擔保之形式持續參與乃按資產之原來賬面金額與本集團可能須償還之最高代價中之較低者入賬。

按攤銷成本計算之金融負債 (包括附息貸款及借貸)

金融負債包括應付賬款及其他應付款項及附息貸款及借貸，初步以公允值減直接應佔交易成本列賬，其後以實際利率法按攤銷成本計量，惟倘貼現之影響並不重大，則於此情況下，按成本列賬。相關之利息費用已於利潤表中之財務費用內確認。

負債於攤銷過程以及終止確認時之損益，於利潤表中確認。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING

POLICIES (continued)

Derecognition of financial liabilities

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

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 in the respective carrying amounts is recognised in the income statement.

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.

2.4 主要會計政策的概要 (續)

終止確認金融負債

當負債責任獲解除或註銷或屆滿時，即終止確認金融負債。

倘現有金融負債由來自同一借方之另一筆財務負債替代，而其條款不大相同或現有負債之條款大幅修訂，則該變動或修訂被視作終止確認原有負債並確認新負債，而其賬面金額間之差異則於利潤表中確認。

所得稅

所得稅包括本期及遞延稅項。所得稅乃於利潤表確認，倘與在同一或不同時期直接於股本權益確認之項目有關，則於股本權益確認入賬。

本年度及過往年度之本期稅項資產及負債乃以預期可向稅務機關收回或支付金額計量。

就於結算日資產及負債之稅基與彼等就財務申報而言之賬面值間之所有暫時性差額，乃以負債法提撥遞延稅項準備。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING

POLICIES (continued)

Income tax (continued)

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

- where the deferred tax liability arises from 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 taxable temporary differences associated with investments in subsidiaries and an associate, 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.

Deferred tax assets are recognised for all deductible temporary differences, carryforward 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 carryforward 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 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

2.4 主要會計政策的概要 (續)

所得稅 (續)

遞延稅項負債乃就所有應課稅暫時性差額確認入賬，除了：

- 當遞延稅項負債乃因商譽或在一項非業務合併交易時既不影響會計溢利亦不影響應課稅溢利或虧損之交易中初步確認資產或負債而產生；及
- 就關乎投資於附屬公司及聯營公司之應課稅暫時性差額，倘暫時性差額之回撥時間可予控制或暫時性差額於可見將來可能不會回撥則除外。

遞延稅項資產乃於可能有應課稅溢利可用於抵銷可扣減暫時性差額及結轉未動用稅項資產及未動用稅項虧損時，就所有可扣減暫時性差額、結轉未動用稅項資產及未動用稅項虧損確認，除了：

- 當遞延稅項資產乃與在一項非業務合併交易時既不影響會計溢利亦不影響應課稅溢利或虧損之交易中初步確認資產或負債而產生可扣減暫時性差異有關；及

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING

POLICIES (continued)

Income tax (continued)

- in respect of deductible temporary differences associated with investments in subsidiaries and an associate, 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.

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 enforceable 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.

2.4 主要會計政策的概要 (續)

所得稅 (續)

- 就關乎投資於附屬公司及聯營公司之可扣減暫時性差額而言，遞延稅項資產僅會在暫時性差額於可見將來可能會回撥及應課稅溢利可用於抵銷暫時性差額時確認。

遞延稅項資產之賬面值會於每個結算日檢討，倘不再可能有足夠應課稅溢利可用於抵銷全部或部份遞延稅項資產則會予以扣減。相反，倘可能有足夠應課稅溢利可用於抵銷全部或部份遞延稅項資產，則過往未確認之遞延稅項資產將於各結算日期重新評估及予以確認。

遞延稅項資產及負債乃依據於結算日已頒佈或實際實行之稅率（及稅法），按預期於負債獲償還或資產獲變現期間適用之稅率計算。

倘於法律上有可執行權利將本期稅項資產與本期稅項負債抵銷而遞延稅項乃與相同之應課稅企業及相同之稅務機關有關時，遞延稅項資產及遞延稅項負債將予以抵銷。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING

POLICIES (continued)

Cash and cash equivalents

For the purpose of the consolidated cash flow statement, cash and cash equivalents comprise cash on hand and at bank, and short term highly liquid investments that 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 sheets, cash and cash equivalents comprise cash on hand and at bank, including time deposits, and short term highly liquid investments which are not restricted as to use.

Revenue recognition

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

- (a) from the sale of goods, when the significant risks and rewards of ownership have been transferred to the buyer, provided that the Group maintains neither managerial involvement to the degree usually associated with ownership, nor effective control over the goods sold;
- (b) from the rendering of services, when the services have been provided;
- (c) rental income, on a time proportion basis over the lease terms;

2.4 主要會計政策的概要 (續)

現金及現金等價物

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

就資產負債表而言，現金及現金等價物包括手持現金及銀行存款，包括定期存款及並無限制用途之短期高流通性投資。

收益確認

倘本集團可能獲得經濟利益及當收益可按下列基準作可靠計算時，則收益確認入賬：

- (a) 如銷售貨品，則當擁有權之重大風險及收益已轉移至買方，並且本集團並不對所出售貨品保持與擁有權相若之管理參與，亦無實際控制該等貨品；
- (b) 如提供服務，則當已提供該等服務時；
- (c) 租金收入，以租賃期內時間的比例為基礎；

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING

POLICIES (continued)

Revenue recognition (continued)

- (d) franchise income, on a time proportion basis, over the franchise periods; and
- (e) 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 asset.

Dividends

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

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

Employee benefits

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").

2.4 主要會計政策的概要 (續)

收益確認 (續)

- (d) 特許經營收入，於特許經營期內時間的比例為基礎；及
- (e) 利息收入，以累計基準按實際利率法於財務工具之預計可用年期，將估計未來可收取現金折價至金融資產之賬面淨額確認入賬。

股息

董事建議派發之末期股息於資產負債表之權益項下重新分類，列作保留溢利之獨立分配，直至股東於股東大會批准派發該等股息。倘該等股息獲股東批准，並予以宣派，則確認為負債入賬。

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

僱員福利

基於股權的支付交易

本公司設有購股權計劃，為對本集團業務營運成功有所貢獻之合資格參與者提供獎勵及回報。本集團僱員(包括董事)以基於股權的支付交易之方式收取酬金，並據此提供服務作為取得權益工具的代價(「權益結算交易」)。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING

POLICIES (continued)

Employee benefits (continued)

Share-based payment transactions (continued)

The cost of equity-settled transactions with employees is measured by reference to the fair value at the date at which they are granted. 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.

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.

2.4 主要會計政策的概要 (續)

僱員福利 (續)

基於股權的支付交易 (續)

與僱員進行權益結算交易之成本乃參照其於授出日期之公允值計算。於釐定權益結算交易之價值時，除了考慮與本公司股份價格有關之條件(「市場條件」)外，如適用，其他關於表現的條件概不考慮。

權益結算交易之成本，連同權益之相應增加，於達致有關表現及／或服務條件之期間予以確認，直至相關僱員完全獲得獎勵(「賦權日期」)為止。於賦權日期之前各結算日就權益結算交易確認之累計開支，乃反映賦權期間的終結情況及本集團對於最終將予歸屬之權益工具之最佳估計。期內利潤表扣除或撥回的金額乃代表該期間初及期末所確認的累計開支之變動。

除按市場條件歸屬的報酬外，對於最終未予歸屬的報酬，則不予確認費用。而對於按市場條件歸屬的報酬，在滿足所有其他表現條件的情況下，不論市場條件是否達到要求，均視作已歸屬。

倘修訂權益結算獎勵之條款，至少將引致確認開支，猶如有關條款並無修訂。此外，倘任何修訂增加基於股權的支付安排之公允值，或按於修訂日期計算在其他方面對僱員有利，則確認開支。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING

POLICIES (continued)

Employee benefits (continued)

Share-based payment transactions (continued)

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 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 share options is reflected as additional share dilution in the computation of earnings per share.

The Group has adopted the transitional provisions of HKFRS 2 in respect of equity-settled awards and has applied HKFRS 2 only to equity-settled awards granted after 7 November 2002 that had not vested by 1 April 2005 and to those granted on or after 1 April 2005.

2.4 主要會計政策的概要(續)

僱員福利(續)

基於股權的支付交易(續)

倘註銷權益結算之獎勵，則會視作已於註銷日歸屬，而任何未確認之開支將即時確認。然而，倘以新獎勵取代被註銷獎勵，且其於授出日期被指定為替代獎勵，則如前段之描述，該已註銷及新獎勵乃視作猶如其為原先獎勵之修訂。

尚未行使購股權之攤薄影響乃於計算每股盈利時反映為額外股份攤薄。

本集團對權益結算獎賞已採納香港財務報告準則第2號過渡性條文，及已應用香港財務報告準則第2號於二零零二年十一月七日後授出，但於二零零五年四月一日仍未歸屬，及二零零五年四月一日或以後授出之權益結算獎賞。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING

POLICIES (continued)

Employee benefits (continued)

Retirement benefits schemes

The Group operates a defined contribution Mandatory Provident Fund retirement benefits scheme (the "MPF Scheme") under the Mandatory Provident Fund Schemes Ordinance, for all of its employees in Hong Kong. Contributions are made based on a percentage of the employees' basic salaries and are charged to the 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 overseas are required to participate in central pension schemes operated by the local municipal governments. These subsidiaries are required to contribute a certain percentage of their payroll costs to the central pension schemes. The contributions are charged to the income statement as they become payable in accordance with the rules of the central pension schemes.

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, i.e., assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets. The capitalisation of such borrowing costs ceases when the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs capitalised.

2.4 主要會計政策的概要 (續)

僱員福利 (續)

退休福利計劃

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

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

借貸成本

需經一段頗長時間始能投入作擬定用途或出售之合資格資產在購入、建設或生產過程中直接引致之借貸成本，均列入該等資產之成本。借貸成本終止列入該等資產之成本當該等資產大體上可作其擬定用途或出售。特定借貸於等待使用於合資格資產時用作暫時投資所得之投資收入，於合資格撥充資本之借貸成本中扣除。

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2.4 SUMMARY OF 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 the 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 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 the exchange fluctuation reserve. 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.

2.4 主要會計政策的概要 (續)

外幣

本財務報表乃以港幣，即本公司之功能及呈報貨幣呈列。本集團內各企業釐定其本身之功能貨幣，而計入各企業財務報表之項目將用該功能貨幣計算。外幣交易初步以功能貨幣匯率於交易日期入賬。以外幣為單位之貨幣資產及負債乃按結算日之功能貨幣匯款換算。所有差額乃計入損益。非貨幣項目乃以外幣按歷史成本法計算，並以初步交易日期之匯率換算。以外幣按公允值計算之非貨幣項目釐定公允值當日按匯率換算。

若干海外附屬公司之功能貨幣為港幣以外之貨幣。於結算日，該等企業之資產及負債乃按結算日之匯率換算為本公司之呈列貨幣，而其利潤表乃按年內之加權平均匯率換算成港幣。所產生之匯兌差額乃計入匯率波動儲備。於出售海外企業時，與該海外營運相關且確認於權益中之遞延累計金額須於利潤表確認。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING

POLICIES (continued)

Foreign currencies (continued)

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. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

Judgements

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

Classification between investment properties and owner-occupied properties

The Group determines whether a property qualifies as an investment property and has developed criteria in making that judgement. Investment property is a property held to earn rentals or for capital appreciation or both. Therefore, the Group considers whether a property generates cash flows largely independently of the other assets held by the Group.

2.4 主要會計政策的概要(續)

外幣(續)

就綜合現金流量表而言，海外營運之附屬公司之現金流量以現金流量日期之適用匯率換算為港幣。海外營運之附屬公司於年內出現頻繁之現金流量以年內之加權平均匯率換算為港幣。

3. 主要會計判斷及估計

判斷

於應用本集團之會計政策之過程中，管理層已作出以下判斷，除涉及估計外，該等判斷對於財務報表中確認之金額有最大影響：

投資物業及業主佔用物業之分類

本集團釐定一項物業是否符合投資物業資格，並已發展出作出該判斷之標準。投資物業為持有以賺取租金或資本增值或兩者之物業。因此，本集團考慮一個物業能否很大程度上獨立於本集團持有之其他資產產生現金流量。

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3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (continued)

Judgements (continued)

Classification between investment properties and owner-occupied properties (continued)

Some properties comprise a portion that is held to earn rentals or for capital appreciation and another portion that is held for use in the production or supply of goods or services or for administrative purposes. If these portions could be sold separately (or leased out separately under a finance lease), the Group accounts for the portions separately. If the portions could not be sold separately, the property is an investment property only if an insignificant portion is held for use in the production or supply of goods or services or for administrative purposes.

Judgement is made on an individual property basis to determine whether ancillary services are so significant that a property does not qualify as investment property.

Impairment of assets

The Group has to exercise judgement in determining whether an asset is impaired or the event previously causing the asset impairment no longer exists, particularly in assessing: (1) whether an event has occurred that may affect the asset value or such 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 or derecognition; 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 material affect the net present value used in the impairment test.

3. 主要會計判斷及估計 (續)

判斷 (續)

投資物業及業主佔用物業之分類 (續)

一些物業組成以賺取租金或資本增值之部份而另一部份為持有作生產或供應貨物或服務或作行政用途。倘該等部份能作獨立出售(或以融資租賃獨立出租)，則本集團將該部份作獨立處理。如該部份不能作獨立出售，則僅當該物業之重大部份為持作生產或供應貨物或服務或作行政用途之情況下，該物業方屬於投資物業。

判斷乃按個別物業為基準以釐定輔助服務是否重大，致使該物業不符合投資物業資格。

資產的減值

本集團須行使判斷力以釐定資產有否減值或先前導致資產減值之事件是否不再存在，尤其在評估：(1)有否發生可能影響資產值之事件，或該影響資產值之事件是否已存在；(2)資產之賬面值是否可由未來現金流量之現值淨額支持，該現值淨額乃根據持續使用該資產或終止確認之基礎進行估計；及(3)編製現金流量估計將予應用之合適主要假設包括該等現金流量估計是否以合適利率貼現。改變管理層選定以釐定減值程度之假設，包括流動現金估計之貼現率或增長率假設，可能嚴重影響用於減值測試之現值淨額。

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3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (continued)

Judgements (continued)

Income taxes

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

Estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

Impairment of trademarks

In accordance with HKAS 36 "Impairment of Assets", the Group determines whether trademarks are impaired at least on an annual basis. This requires an estimation of the value in use of the cash-generating units to which the trademarks are related. Estimating the value in use requires the Group to make an estimate of the expected future cash flows from the cash-generating unit and also to choose a suitable discount rate in order to calculate the present value of those cash flows.

3. 主要會計判斷及估計 (續)

判斷 (續)

所得稅

本集團須繳納多個司法權區之所得稅。在釐定全球所得稅的撥備時，本集團須作出重大判斷。在一般業務過程中，有許多交易及計算均難以明確釐定最終稅項。本集團須估計未來會否繳納額外稅項，從而確認對預期稅務審核事宜之責任。倘該等事宜之最終稅務結果與起初入賬之金額不同，該等差額將影響稅務釐定期內之所得稅及遞延稅項撥備。

估計不明朗因素

有關於結算日之未來及其他主要不明朗估計的主要來源之主要假設，而於下一個財政年度對資產及負債之賬面金額有造成重大調整之風險者論述如下。

商譽的減值

按香港會計準則第36號「資產的減值」，本集團至少每年檢訂一次商標是否存在減值，此須估計與該商標有關之現金產生單位之使用價值。為估計使用價值，本集團須估計現金產生單位預期將來產生的現金流量，及選擇一個合適貼現率以計算該等現金流量的淨現值。

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3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (continued)

Estimation uncertainty (continued)

Estimation of useful lives of trademarks

The Group assessed the useful lives of previously recognised trademarks. As a result of this assessment, the trademarks were classified as intangible assets with indefinite useful lives. This conclusion is supported by the fact that the Group's trademark legal rights are capable of being renewed indefinitely at insignificant cost and therefore are perpetual in duration, related to well known and long established fashion brands, and based on future financial performance of the Group, they are expected to generate positive cash flows indefinitely. Under HKAS 38, the Group re-evaluates the useful lives of the trademarks each year to determine whether events or circumstances continues to support the view of the indefinite useful lives of the trademarks.

Estimation of fair value of investment properties

The Group considers information from a variety of sources, including (i) by reference to current prices in an active market for properties of a different nature, condition and location (or subject to different leases or other contracts), adjusted to reflect those differences; (ii) recent prices of similar properties on less active markets, with adjustments to reflect any change in economic conditions since the date of the transactions that occurred at those prices; and (iii) independent valuations.

3. 主要會計判斷及估計 (續)

估計不明朗因素 (續)

商標可使用年期之估計

本集團評估以往確認的商標的可用年限。基於該評估，該等商標被分類作無盡使用年限的無形資產。由於本集團可以不重大成本不斷的更新對商標的合法權益，因此年期屬無盡。此等商標為已為人熟識及長久建立的時裝品牌，再基於本集團未來的財務表現，預期能不斷產生正現金流。根據香港會計準則第38號，本集團每年重新測算商標的可用年限，以決定有關事件或情況能否繼續支持商標為無盡使用年限的看法。

投資物業公允值估計

本集團考慮不同來源的資料，其中包括(i)參考活躍市場中不同性質、狀況及地點物業的現時價格；(ii)於較不活躍市場同類物業最近成交價，並從交易發生日始，就任何經濟狀況轉變對價格作調整；及(iii)獨立估值。

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4. SEGMENT INFORMATION

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

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

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

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

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

4. 分類資料

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

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

- (a) 針織布及棉紗之產銷及整染分類；
- (b) 便服及飾物之零售及分銷分類；及
- (c) 「其他」分類主要包含提供汽車及發電機之維修及保養服務和提供特許經營服務。

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

業務分類間之銷售及轉撥交易之售價乃參照售予第三者之當時市場價格訂定。

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4. SEGMENT INFORMATION (continued)

(a) Business segments

The following tables present revenue, profit and certain asset, liability and expenditure information for the Group's business segments for the years ended 31 March 2008 and 31 March 2007:

4. 分類資料(續)

(a) 業務分類

下表為本集團截至二零零八年三月三十一日及二零零七年三月三十一日止年度之業務分類收入、溢利及部份資產、負債及支出資料：

Group		集團									
		Production, dyeing and sale of knitted fabric and yarn 針織布及棉紗 之產銷及整染		Retailing and distribution of casual apparel and accessory 便服及 飾物之零售及分銷		Others 其他		Eliminations 對銷		Consolidated 綜合	
		2008 二零零八年 HK\$'000 港幣千元	2007 二零零七年 HK\$'000 港幣千元	2008 二零零八年 HK\$'000 港幣千元	2007 二零零七年 HK\$'000 港幣千元	2008 二零零八年 HK\$'000 港幣千元	2007 二零零七年 HK\$'000 港幣千元	2008 二零零八年 HK\$'000 港幣千元	2007 二零零七年 HK\$'000 港幣千元	2008 二零零八年 HK\$'000 港幣千元	2007 二零零七年 HK\$'000 港幣千元
Segment revenue:	分類收入：										
Sales to external customers	售予集團外客戶	5,385,818	4,627,285	4,239,115	3,625,217	44,273	46,050	—	—	9,669,206	8,298,552
Intersegment sales	分類間之銷售	200	—	—	—	2,338	2,591	(2,538)	(2,591)	—	—
Other revenue	其他收入	77,092	76,909	21,507	23,049	23,158	17,181	—	—	121,757	117,139
Total	合計	5,463,110	4,704,194	4,260,622	3,648,266	69,769	65,822	(2,538)	(2,591)	9,790,963	8,415,691
Segment results	分類業績	910,191	664,239	241,766	20,819	32,683	34,197	(5,221)	3,475	1,179,419	722,730
Interest income	利息收入									14,957	11,728
Finance costs	財務費用									(42,884)	(49,801)
Share of profit of an associate, net of tax	應佔聯營公司溢利，除稅後淨額									62,483	48,211
Profit before tax	除稅前溢利									1,213,975	732,868
Tax	稅項									(254,843)	(107,047)
Profit for the year	本年度溢利									959,132	625,821

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4. SEGMENT INFORMATION (continued)

4. 分類資料(續)

(a) Business segments (continued)

(a) 業務分類(續)

Group		集團									
		Production, dyeing and sale of knitted fabric and yarn 針織布及棉紗 之產銷及整染		Retailing and distribution of casual apparel and accessory 便服及 飾物之零售及分銷		Others 其他		Eliminations 對銷		Consolidated 綜合	
		2008	2007	2008	2007	2008	2007	2008	2007	2008	2007
		二零零八年	二零零七年	二零零八年	二零零七年	二零零八年	二零零七年	二零零八年	二零零七年	二零零八年	二零零七年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
Assets and liabilities	資產及負債										
Segment assets	分類資產	4,896,238	4,700,738	1,623,903	1,548,541	184,056	78,958	(507,814)	(686,608)	6,196,383	5,641,629
Interest in an associate	於聯營公司之權益									104,764	121,464
Unallocated assets	未分配資產									588,950	79,306
Total assets	總資產									6,890,097	5,842,399
Segment liabilities	分類負債	739,241	657,771	1,082,626	1,137,684	77,372	103,447	(502,247)	(678,351)	1,396,992	1,220,551
Unallocated liabilities	未分配負債									1,576,820	1,306,825
Total liabilities	總負債									2,973,812	2,527,376
Other segment information:	其他分類資料:										
Depreciation and amortisation	折舊及攤銷	197,699	171,618	122,272	120,083	1,629	1,882	—	—	321,600	293,583
Capital expenditure	資本性開支	215,752	467,653	76,180	141,273	50	355	—	—	291,982	609,281
Other non-cash expenses	其他非現金支出	11,066	41,611	3,646	3,151	94	46	—	—	14,806	44,808
Changes in fair value of investment properties	投資物業公允值之變動	—	—	872	—	—	(460)	—	—	872	(460)

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4. SEGMENT INFORMATION (continued)

(b) Geographical segments

The following table presents revenue and certain asset and expenditure information for the Group's geographical segments for the years ended 31 March 2008 and 31 March 2007:

Group		集團													
		USA 美國		Mainland China 中國大陸		Japan 日本		Hong Kong 香港		Others 其他		Eliminations 對銷		Consolidated 綜合	
		2008	2007	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007
		二零零八年	二零零七年	二零零八年	二零零七年	二零零八年	二零零七年	二零零八年	二零零七年	二零零八年	二零零七年	二零零八年	二零零七年	二零零八年	二零零七年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
Segment revenue:	分類收入：														
Sales to external customers	售予集團外客戶	3,992,821	3,622,174	3,194,361	2,489,632	690,033	513,083	564,967	627,887	1,227,024	1,045,776	—	—	9,669,206	8,298,552
Other segment information:	其他分類資料：														
Segment assets	分類資產	—	—	6,199,324	7,162,705	—	—	4,413,964	3,474,714	323,159	396,839	(4,046,350)	(5,191,859)	6,890,097	5,842,399
Capital expenditure	資本開支	—	—	259,519	541,744	—	—	18,356	12,466	14,107	55,071	—	—	291,982	609,281

4. 分類資料(續)

(b) 地域分類

下表為本集團截至二零零八年三月三十一日及二零零七年三月三十一日止年度之地域分類收入及部份資產及支出資料：

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5. REVENUE, OTHER INCOME AND GAINS

Revenue, which is also the Group's turnover, represents the net invoiced value of goods sold, after allowances for returns and trade discounts, the value of services rendered and franchise and royalty income, but excludes intra-group transactions.

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

5. 收入、其他收入及收益

收入，亦為本集團營業額，指扣除退貨及貿易折扣後之銷貨發票淨值，所提供服務的價值和特許經營及專利收入，但不包括集團內部交易。

本集團之收入、其他收入及收益分析如下：

		Group 集團	
		2008 二零零八年	2007 二零零七年
		Notes 附註	Notes 附註
		HK\$'000 千港元	HK\$'000 千港元
Revenue:	收入：		
Sale of goods	銷售貨品	9,604,952	8,246,041
Rendering of services	提供服務	49,604	38,895
Franchise and royalty income	特許經營及專利收入	14,650	13,616
		9,669,206	8,298,552
Other income and gains:	其他收入及收益：		
Interest income	利息收入	14,957	11,728
Gross rental income	總租金收入	21,985	16,385
Net fair value gains on foreign exchange derivative financial instruments	外匯衍生金融 工具公允價值 收益淨額	56,904	51,363
Fair value gains on investment properties	投資物業 公允價值收益	14	460
Scrap sales	餘料銷售	5,946	15,989
Sundry income	雜項收入	36,922	32,942
		136,714	128,867

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6. PROFIT BEFORE TAX

The Group's profit before tax is arrived at after charging/
(crediting):

6. 除稅前溢利

本集團之稅前利潤已扣除／(加上)下列各項：

		Group 集團	
		2008 二零零八年	2007 二零零七年
		Notes 附註	Notes 附註
		HK\$'000 千港元	HK\$'000 千港元
Cost of inventories sold	已售之貨物成本	6,417,916	5,607,999
Depreciation	折舊	13 320,949	292,939
Recognition of prepaid land lease payments	預付土地租賃款之確認	15 651	644
Employee benefits expenses, including directors' remuneration (note 7):	僱員福利開支，包括董事酬金(附註7)：		
Wages, salaries and other allowances	工資、薪金及其他津貼	1,067,574	880,527
Retirement benefits schemes contributions	退休福利計劃供款	8,996	9,575
		1,076,570	890,102
Minimum lease payments under operating leases in respect of land and buildings	經營租賃下之土地及樓宇最低租金費用	700,467	587,077
Contingent rents under operating leases	經營租賃下之或然租金	200,422	266,605
Minimum lease payments under operating leases in respect of plant and machinery	經營租賃下之設備及機械最低租金費用	7,065	6,654
Auditors' remuneration	核數師酬金	3,121	2,774
Loss/(gain) on disposal of items of property, plant and equipment	出售物業、廠房及設備項目虧損／(收益)	3,912	(4,111)
Net foreign exchange gains, excluding net fair value gains on foreign exchange derivative financial instruments	匯兌收益淨額，不包括外匯衍生金融工具收益淨額	(199,973)	(63,537)
Net rental income	租金收入淨額	(19,568)	(15,288)
Provision for slow-moving inventories included in cost of sales	已包括在銷售成本中呆滯存貨撥備	11,188	48,540
Changes in fair value of investment properties	投資物業公允值之變動	14 872	(460)
Impairment/(write-back of impairment) of trade receivables	應收賬款減值／(減值撥回)	21 (294)	378

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7. DIRECTORS' REMUNERATION AND FIVE HIGHEST PAID EMPLOYEES 7. 董事酬金及五位最高薪酬僱員

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

按聯交所之上市規則及香港公司法第161條，本年度董事酬金之披露如下：

		Group 集團	
		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Fees:			
	袍金：		
Executive directors	執行董事	50	50
Independent non-executive directors	獨立非執行董事	810	720
		860	770
Other emoluments:			
	其他酬金：		
Executive directors:			
	執行董事：		
Salaries, allowances and benefits in kind	薪金、津貼及非現金福利	32,408	30,578
Performance related bonuses*	表現掛鈎花紅*	77,204	42,364
Retirement benefits schemes contributions	退休福利計劃供款	60	60
		109,672	73,002
		110,532	73,772

* The executive directors of the Company are entitled to discretionary performance payments not exceeding a certain percentage of the profit after tax of the Group.

* 本公司執行董事享有不超過本集團某個百分比的除稅後溢利作為酌情支付表現掛鈎花紅。

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

(a) Independent non-executive directors

The fees payable to independent non-executive directors during the year were as follows:

		2008	2007
		二零零八年	二零零七年
		HK\$'000	HK\$'000
		千港元	千港元
Au Son Yiu	區樂耀	270	240
Cheng Shu Wing	鄭樹榮	270	240
Wong Tze Kin, David	黃自建	270	240
		810	720

There were no other emoluments payable to the independent non-executive directors during the year (2007: Nil).

7. 董事酬金及五位最高薪酬僱員(續)

(a) 獨立非執行董事

於年內應付予獨立非執行董事之袍金如下：

於年內，並無(二零零七年：無)向獨立非執行董事支付其他酬金。

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7. DIRECTORS' REMUNERATION AND FIVE HIGHEST PAID EMPLOYEES (continued) 7. 董事酬金及五位最高薪酬僱員(續)

PAID EMPLOYEES (continued)

(b) Executive directors

(b) 執行董事

		Fees	Salaries, allowances and benefits in kind	Performance related bonuses	Retirement benefits schemes contributions	Total remuneration
		袍金	薪金、 津貼及非 現金福利	表現 掛鈎花紅	退休福利 計劃供款	酬金總額
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
2008						
Executive directors:	執行董事：					
Poon Bun Chak	潘彬澤	10	10,015	38,647	12	48,684
Poon Kai Chak	潘佳澤	10	5,295	9,682	12	14,999
Poon Kei Chak	潘機澤	10	7,236	9,682	12	16,940
Poon Kwan Chak	潘鈞澤	10	4,670	9,692	12	14,384
Ting Kit Chung	丁傑忠	10	5,192	9,501	12	14,715
		50	32,408	77,204	60	109,722
2007						
Executive directors:	執行董事：					
Poon Bun Chak	潘彬澤	10	9,462	20,979	12	30,463
Poon Kai Chak	潘佳澤	10	4,968	5,449	12	10,439
Poon Kei Chak	潘機澤	10	6,857	5,449	12	12,328
Poon Kwan Chak	潘鈞澤	10	4,386	5,449	12	9,857
Ting Kit Chung	丁傑忠	10	4,905	5,038	12	9,965
		50	30,578	42,364	60	73,052

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

(b) Executive directors (continued)

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

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

7. 董事酬金及五位最高薪酬僱員 (續)

(b) 執行董事 (續)

並無董事於年內放棄或同意放棄任何酬金的安排。

五位本集團最高薪酬人士於年內全為董事，其薪酬明細已呈列如上。

8. FINANCE COSTS

8. 財務費用

		Group 集團	
		2008 二零零八年	2007 二零零七年
		HK\$'000 千港元	HK\$'000 千港元
Interest on bank loans and overdrafts wholly repayable within five year	須於五年內全部清還的 銀行貸款及透支的利息	42,884	49,801

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9. TAX

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

9. 稅項

香港利得稅已按年內於香港賺取之估計應課稅溢利以稅率17.5% (二零零七年：17.5%) 提撥準備。在其他地區的應課利得稅項，乃根據本集團業務經營所在地區之現有法律、詮釋及常規，按其現行稅率計算。

		2008	2007
		二零零八年	二零零七年
		HK\$'000	HK\$'000
		千港元	千港元
Group:	集團：		
Hong Kong and the Mainland China taxes:	香港及中國大陸稅項：		
Current year provision	本年度準備	113,647	76,443
Underprovision in prior years	往年度撥備不足額	130,142	28,632
Deferred tax (note 27)	遞延稅項 (附註27)	11,054	1,972
Tax charge for the year	本年度稅項	254,843	107,047

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9. TAX (continued)

Details of the underprovision of Hong Kong and Mainland China taxes in prior years were set out below and in note 32(c), respectively.

During the year, the Guangzhou Municipal Office of the State Administration of Taxation (the "SAT Guangzhou Office") of the People's Republic of China conducted a review on the transfer pricing policy of a subsidiary of the Group's retail and distribution operation in the Mainland China for the years 1997 to 2005. As a result of the review, the Group was required to pay approximately RMB61,000,000 of additional Foreign Enterprise Income Tax for the years 1997 to 2005. As at 31 March 2008, the directors of the subsidiary believe that appropriate tax provision has been provided.

9. 稅項 (續)

有關香港及中國大陸的往年度稅項撥備不足額的詳情已分別載於下文及附註32(c)。

於本年內，中華人民共和國廣州市國家稅務局(「廣州市國稅局」)就本集團零售及分銷業務的附屬公司在中國境內由一九九七年至二零零五年之間的轉讓定價政策進行審核。根據審核的結果，本集團按要求補繳一九九七年至二零零五年的外商投資企業和外國企業所得稅約人民幣61,000,000元。截至二零零八年三月三十一日止，有關附屬公司董事認為於財務報表中已提撥合適的稅項準備。

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9. TAX (continued)

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

9. 稅項 (續)

按採用本公司及其附屬公司所在國家之除稅前溢利及其適用稅率計算之稅項開支與本年度稅項調節如下：

		Group	
		集團	
		2008	2007
		二零零八年	二零零七年
		HK\$'000	HK\$'000
		千港元	千港元
Profit before tax	除稅前溢利	1,213,975	732,868
Tax at the domestic tax rates applicable to profits in the countries concerned	按有關當地國家適用於溢利之稅率計算的稅項	70,675	60,844
Adjustments in respect of current tax of previous years	就往年度的當期稅項調整	130,142	28,632
Profits and losses attributable to an associate	應佔聯營公司溢利	(12,235)	(9,495)
Income not subject to tax	毋須繳稅之收入	(1,753)	(4,947)
Expenses not deductible for tax	不可作稅項扣減之費用	44,142	15,793
Unrecognised deferred tax assets on tax losses	有關稅項虧損之未確認遞延稅項資產	34,879	34,021
Tax losses utilised from previous periods	已動用過往期間之稅項虧損	(9,711)	(14,310)
Others	其他	(1,296)	(3,491)
Tax charge for the year	本年度稅項	254,843	107,047

The share of tax attributable to an associate amounting to HK\$7,431,000 (2007: HK\$6,043,000) is included in "Share of profit of an associate, net of tax" on the face of the consolidated income statement.

應佔聯營公司稅項為港幣7,431,000元(二零零七年：港幣6,043,000元)已計入綜合利潤表之「應佔聯營公司溢利，除稅後淨額」中。

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10. PROFIT ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY

The consolidated profit attributable to equity holders of the Company for the year ended 31 March 2008 includes a profit of HK\$574,182,000 (2007: HK\$759,075,000) which has been dealt with in the financial statements of the Company (note 30(b)).

10. 本公司權益所有者應佔溢利

於二零零八年三月三十一日止年度，列入本公司之財務報表內之本公司權益所有者應佔綜合溢利為港幣574,182,000元（二零零七年：港幣759,075,000元）（附註30(b)）。

11. DIVIDENDS

11. 股息

		2008	2007
		二零零八年	二零零七年
		HK\$'000	HK\$'000
		千港元	千港元
Interim of HK 18.0 cents	中期每股港幣 18.0仙		
(2007: HK 12.0 cents) per share	(二零零七年：港幣 12.0仙)	239,132	159,155
Proposed final of HK 25.0 cents	擬派末期每股港幣 25.0仙		
(2007: HK 15.0 cents) per share	(二零零七年：港幣 15.0仙)	331,750	198,913
		570,882	358,068

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

本年度擬派之末期股息須待本公司股東於即將舉行的股東週年大會上通過。

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12. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY

The basic and diluted earnings per share for the years ended 31 March 2008 and 31 March 2007 have been calculated as follows:

(a) Basic earnings per share

The calculation of basic earnings per share is based on the profit for the year attributable to ordinary equity holders of the Company and the weighted average number of ordinary shares in issue during the year.

(b) Diluted earnings per share

The calculation of diluted earnings per share is based on the profit for the year attributable to ordinary equity holders of the Company. The weighted average number of ordinary shares used in the calculation is the ordinary shares in issue during the year, as used in the basic earnings per share calculation and the weighted average number of ordinary shares assumed to have been issued at no consideration on the deemed exercise or conversion of all dilutive potential ordinary shares into ordinary shares.

12. 歸屬本公司普通權益所有者每股盈利

二零零八年三月三十一日及二零零七年三月三十一日止年度之基本及攤薄後之每股盈利計算如下：

(a) 基本每股盈利

基本每股盈利乃按本公司普通權益所有者應佔本年度溢利及於年內已發行普通股股份之加權平均數計算。

(b) 攤薄後每股盈利

攤薄後每股盈利乃按本年度之本公司普通權益所有者應佔本年度溢利計算。用於計算年內已發行普通股之加權平均股數乃用於計算基本每股盈利之股數，及被視作以無償行使或轉換所有具攤薄能力的潛在普通股為普通股的加權平均股數。

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13. PROPERTY, PLANT AND EQUIPMENT

13. 物業、廠房及設備

Group		Leasehold land and buildings 租賃土地 及樓宇 HK\$'000 港幣千元	Leasehold improvements 租賃 樓宇裝修 HK\$'000 港幣千元	Plant and machinery 廠房 及機械 HK\$'000 港幣千元	Furniture, fixtures and office equipment 傢俬、裝置及 辦公室設備 HK\$'000 港幣千元	Motor Vehicles and yacht 汽車及 遊艇 HK\$'000 港幣千元	Total 合計 HK\$'000 港幣千元
31 March 2008	二零零八年三月三十一日						
At 31 March 2007 and 1 April 2007:	於二零零七年三月三十一日 及二零零七年四月一日：						
Cost or valuation	成本或估值	1,033,582	570,077	2,193,348	218,165	82,686	4,097,858
Accumulated depreciation	累計折舊	(225,863)	(393,687)	(951,088)	(141,470)	(62,218)	(1,774,326)
Net carrying amount	賬面淨值	807,719	176,390	1,242,260	76,695	20,468	2,323,532
At 1 April 2007, net of accumulated depreciation	於二零零七年四月一日， 已扣除累計折舊	807,719	176,390	1,242,260	76,695	20,468	2,323,532
Additions	添置	—	62,643	87,598	17,760	18,355	186,356
Disposals	出售	—	(10,972)	(158)	(9,867)	(559)	(21,556)
Depreciation provided during the year	年內折舊準備	(41,753)	(96,737)	(149,821)	(24,250)	(8,388)	(320,949)
Transfers from construction in progress (note 16)	在建工程撥入 (附註16)	1,714	—	3,290	—	—	5,004
Foreign exchange adjustments	外匯調整	61,754	10,827	115,841	5,189	1,460	195,071
At 31 March 2008, net of accumulated depreciation	於二零零八年三月三十一日， 已扣除累計折舊	829,434	142,151	1,299,010	65,527	31,336	2,367,458
At 31 March 2008:	於二零零八年三月三十一日：						
Cost or valuation	成本或估值	1,118,318	593,994	2,501,484	211,726	82,558	4,508,080
Accumulated depreciation	累計折舊	(288,884)	(451,843)	(1,202,474)	(146,199)	(51,222)	(2,140,622)
Net carrying amount	賬面淨值	829,434	142,151	1,299,010	65,527	31,336	2,367,458
Analysis of cost or valuation:	成本或估值分析：						
At cost	成本	1,098,642	593,994	2,501,484	211,726	82,558	4,488,404
At 31 March 1992 valuation	於一九九二年三月三十一日 估值	19,676	—	—	—	—	19,676
		1,118,318	593,994	2,501,484	211,726	82,558	4,508,080

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13. PROPERTY, PLANT AND EQUIPMENT (continued)

Group (continued)

13. 物業、廠房及設備(續)

集團(續)

		Leasehold land and buildings	Leasehold improvements	Plant and machinery	Furniture, fixtures and office equipment	Motor Vehicles and yacht	Total
		租賃土地 及樓宇	租賃 樓宇裝修	廠房 及機械	傢俬、裝置及 辦公室設備	汽車及 遊艇	合計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
31 March 2007	二零零七年三月三十一日						
At 31 March 2006 and 1 April 2006:	於二零零六年三月三十一日及 二零零六年四月一日：						
Cost or valuation	成本或估值	960,998	489,920	1,715,255	188,391	74,174	3,428,738
Accumulated depreciation	累計折舊	(187,888)	(341,031)	(781,938)	(119,039)	(62,445)	(1,492,341)
Net carrying amount	賬面淨值	773,110	148,889	933,317	69,352	11,729	1,936,397
At 1 April 2006, net of accumulated depreciation	於二零零六年四月一日， 已扣除累計折舊	773,110	148,889	933,317	69,352	11,729	1,936,397
Additions	添置	—	118,014	350,298	29,140	14,890	512,342
Surplus on revaluation	重估盈餘	20,177	—	—	—	—	20,177
Disposals	出售	(18,048)	(6,534)	(615)	(2,143)	(352)	(27,692)
Depreciation provided during the year	年內折舊準備	(38,006)	(92,674)	(132,304)	(23,671)	(6,284)	(292,939)
Transfers from construction in progress (note 16)	在建工程撥入 (附註16)	105,755	—	40,499	1,804	—	148,058
Transfers to investment properties (note 14)	撥往投資物業 (附註14)	(52,400)	—	—	—	—	(52,400)
Foreign exchange adjustments	外匯調整	17,131	8,695	51,065	2,213	485	79,589
At 31 March 2007, net of accumulated depreciation	於二零零七年三月三十一日， 已扣除累計折舊	807,719	176,390	1,242,260	76,695	20,468	2,323,532
At 31 March 2007:	於二零零七年三月三十一日：						
Cost or valuation	成本或估值	1,033,582	570,077	2,193,348	218,165	82,686	4,097,858
Accumulated depreciation	累計折舊	(225,863)	(393,687)	(951,088)	(141,470)	(62,218)	(1,774,326)
Net carrying amount	賬面淨值	807,719	176,390	1,242,260	76,695	20,468	2,323,532
Analysis of cost or valuation:	成本或估值分析：						
At cost	成本	1,013,906	570,077	2,193,348	218,165	82,686	4,078,182
At 31 March 1992 valuation	於一九九二年三月三十一日 估值	19,676	—	—	—	—	19,676
		1,033,582	570,077	2,193,348	218,165	82,686	4,097,858

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31 March 2008 二零零八年三月三十一日

13. PROPERTY, PLANT AND EQUIPMENT (continued)

An analysis of the leasehold land and buildings at 31 March 2008 is as follows:

13. 物業、廠房及設備(續)

於二零零八年三月三十一日之租賃土地及樓宇分析如下：

		2008 二零零八年			2007 二零零七年		
		1992 Professional valuation 一九九二年 專業估值 HK\$'000 港幣千元	Cost 成本值 HK\$'000 港幣千元	Total 合計 HK\$'000 港幣千元	1992 Professional valuation 一九九二年 專業估值 HK\$'000 港幣千元	Cost 成本值 HK\$'000 港幣千元	Total 合計 HK\$'000 港幣千元
Medium term leasehold land and buildings situated in Hong Kong	位於香港之中期租賃土地及樓宇	19,676	101,443	121,119	19,676	101,443	121,119
Medium term leasehold land and buildings situated outside Hong Kong	位於香港以外之中期租賃土地及樓宇	—	997,199	997,199	—	912,463	912,463
		19,676	1,098,642	1,118,318	19,676	1,013,906	1,033,582

Certain medium term leasehold land and buildings were revalued in 1992 by independent professionally qualified valuers. Since 1993, no further revaluation of the Group's leasehold land and buildings has been carried out as the Group has relied upon the exemption granted under the transitional provisions in paragraph 80A of HKAS 16 "Property, plant and equipment", from the requirement to carry out future revaluations of its property, plant and equipment which were stated at valuation at that time. Had such leasehold land and buildings been carried at historical cost less accumulated depreciation, their carrying amount would have been approximately HK\$7,681,000 (2007: HK\$8,171,000).

部份中期租賃土地及樓宇曾於一九九二年經獨立專業評估師進行重估。本集團自一九九三年起，並無對其租賃土地及樓宇作進一步重新估值，因按香港會計準則第16號「物業、廠房及設備」第80A段過渡性條文，豁免為其曾以當時估值入賬的物業、廠房及設備重新於將來再作重估。倘該等租賃土地及樓宇按歷史成本減累計折舊列賬，其賬面金額應約為港幣7,681,000元（二零零七年：港幣8,171,000元）。

Notes to the Financial Statements 財務報表附註

31 March 2008 二零零八年三月三十一日

13. PROPERTY, PLANT AND EQUIPMENT (continued)

Certain leasehold land and buildings with a total net carrying amount of HK\$52,400,000 were transferred from property, plant and equipment to investment properties (note 14) in the last year. During the year ended 31 March 2007, the surplus on revaluation of these leasehold land and buildings amounted to HK\$20,177,000, of which HK\$10,895,000 and HK\$9,282,000 were credited to the asset revaluation reserve and the minority interests, respectively.

14. INVESTMENT PROPERTIES

13. 物業、廠房及設備(續)

部份租賃土地及樓宇賬面金額港幣52,400,000元於往年由物業、廠及設備轉撥至投資物業(附註14)。於截至二零零七年三月三十一日止年度,該等租賃土地及樓宇重估盈餘港幣20,177,000元,其中港幣10,895,000元及港幣9,282,000元已分別貸記資產重估儲備及少數股東權益中。

14. 投資物業

		Group 集團	
		2008	2007
		二零零八年	二零零七年
		HK\$'000	HK\$'000
		千港元	千港元
Carrying amount at beginning of year	於年初賬面值	119,682	66,822
Transfers from owner-occupied property included in property, plant and equipment (note 13)	轉撥自包括於物業、廠房及設備的自用物業(附註13)	—	52,400
Net profit/(loss) from fair value adjustments	公允值調整的淨利潤/(虧損)	(872)	460
Foreign exchange adjustments	匯兌調整	4,398	—
Carrying amount at 31 March	於三月三十一日賬面值	123,208	119,682

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31 March 2008 二零零八年三月三十一日

14. INVESTMENT PROPERTIES (continued)

The investment properties with carrying value of HK\$67,282,000 (2007: HK\$67,282,000) and HK\$55,926,000 (2007: HK\$52,400,000) are situated in Hong Kong and Taiwan, respectively. All investment properties are held under medium term leases. The investment properties with carrying value of HK\$67,282,000 were revalued on 31 March 2008 by the directors with reference to the current prices of similar properties in an active market at nearby locations adjusted to reflect those differences; as well as recent prices of similar properties or less active markets, with adjustments to reflect any change in economic conditions since the date of the transactions that occurred at those prices. The investment properties with carrying value of HK\$55,926,000 were revalued on 31 March 2008 by Colliers International, independent professionally qualified valuers, on an open market, existing use basis. The investment properties are leased to third parties under operating leases, further summary details of which are included in note 33(a) to the financial statements.

During the year ended 31 March 2007, certain investment properties were transferred from leasehold land and buildings in Hong Kong of property, plant and equipment at their 1992 professional valuation. The related asset revaluation reserve net with its corresponding deferred tax liabilities of HK\$7,470,000 (2007: HK\$7,470,000) was frozen upon the transfer and will be released directly to retained profits upon the disposal of the related investment properties.

The gross rental income earned from the investment properties during the year amounted to HK\$21,985,000 (2007: HK\$16,385,000).

14. 投資物業(續)

賬面值為港幣67,282,000元(二零零七年：港幣67,282,000元)及港幣55,926,000元(二零零七年：52,400,000)的投資物業分別位於香港及台灣。投資物業全部按中期租約持有。賬面值為港幣67,282,000元之投資物業乃由董事參考目前活躍市場中附近地點類似物業的現價於二零零八年三月三十一日作出重估以反映其差異；同樣地就類似物業的目前價格或較不活躍的市場，作出調整以反映任何由交易日期起發生價格的改變。於二零零八年三月三十一日，賬面值為港幣55,926,000元的投資物業由獨立專業評估師、特許測量師高力國際不動產估價師聯合事務所，按公開市場及現有用途基準進行重估。投資物業乃以經營租約租予第三者，詳細資料載於財務報表附註33(a)。

於截至二零零七年三月三十一日止年度，若干投資物業乃轉撥自按一九九二年專業估值的物業、廠房及設備中位於香港的租賃土地及樓宇。有關的資產重估儲備港幣7,470,000元(二零零七年：港幣7,470,000元)，已於轉撥時凍結，並將於出售有關投資物業時直接撥往保留溢利。

年內源於投資物業之總租金收入為港幣21,985,000元(二零零七年：港幣16,385,000元)。

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31 March 2008 二零零八年三月三十一日

15. PREPAID LAND LEASE PAYMENTS

15. 預付土地租賃款

		Group	
		集團	
		2008	2007
		二零零八年	二零零七年
		HK\$'000	HK\$'000
		千港元	千港元
Carrying amount at 1 April	於四月一日賬面值	25,419	25,745
Recognised during the year	年內確認	(651)	(644)
Exchange realignment	匯兌調整	703	318
Carrying amount at 31 March	於三月三十一日賬面值	25,471	25,419
Current portion included in prepayments, deposits and other receivables	流動部份包括於預付款項、訂金及其他應收賬款內	(661)	(646)
Non-current portion	非流動部份	24,810	24,773

The above leasehold lands are all held under medium term leases and are situated outside Hong Kong.

以上之租賃土地均以中期租約持有及位於香港以外地方。

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16. CONSTRUCTION IN PROGRESS

16. 在建工程

		Group 集團	
		2008 二零零八年	2007 二零零七年
		HK\$'000 千港元	HK\$'000 千港元
At 1 April	於四月一日	38,513	83,540
Additions	添置	105,626	96,939
Transfer to property, plant and equipment (note 13)	撥往物業、 廠房及設備(附註13)	(5,004)	(148,058)
Foreign exchange adjustments	外匯調整	9,566	6,092
At 31 March	於三月三十一日	148,701	38,513

17. TRADEMARKS

17. 商標

		Group 集團	
		2008 二零零八年	2007 二零零七年
		HK\$'000 千港元	HK\$'000 千港元
Cost and carrying amount:	成本及賬面值：		
At 1 April	於四月一日	33,293	33,227
Additions	添置	—	66
Cost and carrying amount at 31 March	於三月三十一日成本及賬面值	33,293	33,293

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18. INTEREST IN AN ASSOCIATE

18. 於聯營公司之權益

		Group 集團	
		2008	2007
		二零零八年	二零零七年
		HK\$'000	HK\$'000
		千港元	千港元
Share of net assets	應佔資產淨值	104,764	121,464

Particulars of the associate are as follows:

聯營公司之資料如下：

Name 名稱	Particulars of issued shares held 持有已發行 股本的資料	Place of incorporation and operations 註冊成立及 營業地點	Percentage of ownership interest attributable to the Group 本集團應佔 權益百份比	Principal activity 主要業務
Megawell Industrial Limited	Ordinary shares of HK\$1 each	Hong Kong/ Mainland China and Vietnam	50	Manufacture of garments
偉佳針織有限公司	每股普通股 港幣1元	香港／中國大陸 及越南		成衣生產

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18. INTEREST IN AN ASSOCIATE (continued)

The following table illustrates the summarised financial information of Megawell Industrial Limited extracted from its financial statements:

		2008	2007
		二零零八年	二零零七年
		HK\$'000	HK\$'000
		千港元	千港元
Assets	資產	521,765	449,046
Liabilities	負債	288,904	238,020
Revenues	收入	1,220,994	1,036,465
Profit after tax	除稅後溢利	118,047	100,102

18. 於聯營公司之權益(續)

下表載列摘自偉佳針織有限公司財務報表之財務資料概要：

19. DUE TO AN ASSOCIATE

The amount due to an associate is unsecured, interest-free and repayable on agreed credit terms. The carrying amount of the amount due to the associate approximates to its fair value.

19. 應付聯營公司

應付聯營公司欠款乃無抵押、無利息及須按協訂賬期還款。應付聯營公司賬面值與其公允值相若。

20. INVENTORIES

20. 存貨

		Group	
		集團	
		2008	2007
		二零零八年	二零零七年
		HK\$'000	HK\$'000
		千港元	千港元
Raw materials	原料	888,479	694,681
Work in progress	在製品	94,359	88,697
Finished goods	製成品	604,237	506,962
		1,587,075	1,290,340

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21. TRADE AND BILLS RECEIVABLES

21. 應收賬款及應收票據

		Group	
		集團	
		2008	2007
		二零零八年	二零零七年
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Trade receivables	應收賬款	560,759	617,075
Impairment	減值	(2,814)	(3,108)
		557,945	613,967
Bills receivable	應收票據	459,940	476,420
		1,017,885	1,090,387

Payment terms of the Group's customers mainly range from "cash before delivery" to "within 90 days from the date of invoice". A significant portion of the customers trade with the Group under documentary credit terms. The Group seeks to maintain strict credit control on its outstanding receivables and has a policy to manage its credit risk. Since the Group's trade receivables relate to a large number of customers, there is no significant concentration of credit risk. Trade receivables are non-interest-bearing.

本集團客戶主要賬期由「先款後貨」至「發票日起的90天內」，其中有重大部份是以信用狀進行交易。本集團對應收款項實施一套嚴謹監察制度以管理授信風險。由於本集團應收賬款包括眾多客戶，因此本集團並無重大的信貸集中風險。應收賬款為非附息。

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31 March 2008 二零零八年三月三十一日

21. TRADE AND BILLS RECEIVABLES (continued)

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

		Group 集團	
		2008 二零零八年	2007 二零零七年
		HK\$'000 港幣千元	HK\$'000 港幣千元
Within 90 days	90日內	553,212	592,031
Over 90 days	90日以上	4,733	21,936
		557,945	613,967

21. 應收賬款及應收票據 (續)

於結算日，按發票日期扣除減值後之應收賬款賬齡分析如下：

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

		Group 集團	
		2008 二零零八年	2007 二零零七年
		HK\$'000 港幣千元	HK\$'000 港幣千元
Within 90 days	90日內	452,320	445,012
Over 90 days	90日以上	7,620	31,408
		459,940	476,420

於結算日，按發票日期之應收票據賬齡分析如下：

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31 March 2008 二零零八年三月三十一日

21. TRADE AND BILLS RECEIVABLES (continued)

The movements in provision for impairment of trade receivables are as follows:

21. 應收賬款及應收票據 (續)

應收賬款之減值準備變動如下：

		Group	
		集團	
		2008	2007
		二零零八年	二零零七年
		HK\$'000	HK\$'000
		港幣千元	港幣千元
At 1 April	於四月一日	3,108	2,730
Impairment/(written-back of impairment) of trade receivables (note 6)	應收賬款減值／ (減值回撥) (附註6)	(294)	378
At 31 March	於三月三十一日	2,814	3,108

Included in the above provision for impairment of trade receivables is a provision for individually impaired trade receivables of HK\$2,814,000 (2007: HK\$3,108,000) with a carrying amount of HK\$4,890,000 (2007: HK\$5,963,000). The individually impaired trade receivables relate to customers that were in default or delinquency in payments and only a portion of the receivables is expected to be recovered. The Group does not hold any collateral or credit enhancements over these balances.

在上述應收賬款減值撥備中包括對個別已減值應收賬款撥備港幣2,814,000元(二零零七年：港幣3,108,000元)，該些應收賬款的賬面值為4,890,000元(二零零七年：港幣5,963,000元)。該些個別已減值應收賬款涉及不履行付款及拖欠的客戶，預期該等應收款只有部份能收回。本集團並無就該等餘額持有任何抵押品或其他提升信用的保障。

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21. TRADE AND BILLS RECEIVABLES (continued)

The aged analysis of the trade receivables that are not considered to be impaired is as follows:

21. 應收賬款及應收票據 (續)

被視為無需減值之應收賬款之賬齡分析如下：

		Group	
		集團	
		2008	2007
		二零零八年	二零零七年
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Neither past due nor impaired	並非逾期亦無需減值	401,605	452,644
Within 90 days past due	逾期90日內	154,259	157,870
Over 90 days past due	逾期90日以上	5	598
		555,869	611,112

Bills receivable were neither past due nor impaired at the balance sheet date.

於結算日，應收票據並非逾期，亦無需減值。

Receivables that were neither past due nor impaired relate to a large number of diversified customers for whom there was no history of default.

並非逾期，亦無需減值之應收款項涉及大批客戶，而該等客戶並無不履行付款情況。

Receivables that were past due but not impaired relate to a number of customers that have a good payment record with the Group. Based on past experience, these customers normally settle all the overdue amounts shortly after matters related to their orders are resolved. Besides, a substantial portion of these receivables are covered by documentary credits, thus, the directors consider that no provision for impairment for these receivables is necessary. Save as aforesaid, the Group does not hold any collateral or other credit enhancements over these balances.

已逾期，但無需減值之應收款項與多名與本集團有良好還款記錄之客戶有關。按過往經驗，該等客戶於訂單問題獲解決時，將於極短時間內付清逾期款項。此外，重大部份的應收款項是受信用狀保障，因此，董事認為無需就該等應收款項作出減值的準備。除上述外，本集團並無就該等結餘持有抵押品，或信貸提升物。

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22. DERIVATIVE FINANCIAL INSTRUMENTS

22. 衍生金融工具

		Group 集團	
		2008 二零零八年	2007 二零零七年
		HK\$'000 港幣千元	HK\$'000 港幣千元
Forward currency contracts:	遠期外匯合約：		
Assets	資產	62,335	25,588
Liabilities	負債	19,438	196

The carrying amounts of the forward currency contracts are the same as their fair values. 遠期外匯合約之賬面值與其公允值相同。

23. CASH AND CASH EQUIVALENTS

23. 現金及現金等價物

		Group 集團		Company 公司	
		2008 二零零八年	2007 二零零七年	2008 二零零八年	2007 二零零七年
		HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元
Cash and bank balances	現金及銀行結餘	228,667	165,523	63	154
Time deposits	定期存款	588,950	79,306	—	—
		817,617	244,829	63	154
Less: Time deposits with original maturity of longer than three months when acquired	減：於購入後三個月以上到期之定期存款	(496,086)	—	—	—
Cash and cash equivalents	現金及現金等價物	321,531	244,829	63	154

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23. CASH AND CASH EQUIVALENTS (continued)

At the balance sheet date, the cash and bank balances and the time deposits of the Group denominated in Renminbi ("RMB") amounted to HK\$172,087,000 (2007: HK\$125,038,000) and HK\$573,350,000 (2007: HK\$1,010,000), respectively. RMB is not freely convertible into other currencies, however, under Mainland China's Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for other currencies through banks authorised to conduct foreign exchange business.

Cash at bank earns interest at floating rates based on daily bank deposit rates. Short term time deposits are made for tenors less than or equal to one year depending on the immediate cash requirements of the Group, and earn interest at the respective short term time deposit rates. The bank balances and time deposits are placed with creditworthy banks. The carrying amounts of the cash and cash equivalents approximate to their fair values.

Included in time deposits are structured deposits of HK\$496,086,000 (2007: Nil). The interest rate on these deposits fluctuate based on changes in currency exchange rate. The Group uses structured deposit primarily to enhance the return on investment.

23. 現金及現金等價物 (續)

於結算日，本集團以人民幣結算之現金及銀行結餘及定期存款分別為港幣172,087,000元(二零零七年：港幣125,038,000元)及港幣573,350,000元(二零零七年：港幣1,010,000元)。人民幣不能自由兌換其他貨幣，惟根據中華人民共和國之結匯、售匯及付匯管理規定，本集團獲准透過獲授權進行外匯業務之銀行將人民幣兌換為其他貨幣。

銀行存款根據每日銀行存款利率賺取利息。短期定期存款之存款期為一年或以下，視乎本集團之即時現金需求而定，並按各短期定期存款利率賺取利息。銀行結餘及定期存款存於信譽良好的銀行。現金及現金等價物之賬面值與其公允值相若。

包括於定期存款內有結構性存款港幣496,086,000元(二零零七年：無)，此類存款之息率按貨幣兌換率而轉變，集團運用結構性存款目的為增加投資回報。

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24. TRADE AND BILLS PAYABLES

24. 應付賬款及應付票據

		Group 集團	
		2008	2007
		二零零八年	二零零七年
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Trade payables	應付賬款	972,321	935,474
Bills payable	應付票據	21,540	15,444
		993,861	950,918

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

於結算日，按發票日期之應付賬款賬齡分析如下：

		Group 集團	
		2008	2007
		二零零八年	二零零七年
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Within 90 days	90日內	970,452	905,975
Over 90 days	90日以上	1,869	29,499
		972,321	935,474

At the balance sheet date, the trade payables are non-interest-bearing and are normally settled on 90-day terms. The bills payable of the Group are aged within 90 days, based on the invoice date.

於結算日，應付賬款為非附息及一般為90天的賬期。集團應付票據賬期為按發票日期90天內。

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25. OTHER PAYABLES AND ACCRUED LIABILITIES

25. 其他應付賬款及應計負債

		Group		Company	
		集團	集團	公司	公司
		2008	2007	2008	2007
		二零零八年	二零零七年	二零零八年	二零零七年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元
Other payables (note)	其他應付賬款 (附註)	130,535	104,262	651	222
Accrued liabilities	應計負債	233,017	144,009	1,653	549
		363,552	248,271	2,304	771

Note: Other payables are non-interest-bearing and have an average term of three months.

附註：其他應付賬款為無利息，且平均賬期為三個月。

26. INTEREST-BEARING BANK BORROWINGS

26. 附息銀行貸款

		2008			2007		
		二零零八年	二零零八年	二零零八年	二零零七年	二零零七年	二零零七年
		Effective interest rate (%)	Maturity	HK\$'000	Effective interest rate (%)	Maturity	HK\$'000
		實際年利率 (%)	到期日	港幣千元	實際年利率 (%)	到期日	港幣千元
Current	流動						
Bank overdrafts — unsecured	銀行透支 — 無抵押	—	7.75–8.00	On demand	—	按要求	2
Trust receipt loans	信託貸款	—	4.23	Within 30 days	—	三十日內	1,590
Bank loans — unsecured	銀行貸款 — 無抵押	1.24–4.73	within 1 year	434,781	2.23–4.79	Within 1 year	545,193
			一年內			一年內	
				434,781			546,785
Non-current	非流動						
Bank loans — unsecured	銀行貸款 — 無抵押	2.00–4.73	2009–2012	812,769	2.23–4.65	2008–2012	557,791
				1,247,550			1,104,576

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26. INTEREST-BEARING BANK BORROWINGS

26. 付息銀行貸款(續)

(continued)

Company		2008			2007		
		Effective interest rate (%)	Maturity	HK\$'000	Effective interest rate (%)	Maturity	HK\$'000
公司		實際年利率 (%)	到期日	港幣千元	實際年利率 (%)	到期日	港幣千元
Current	流動						
Bank loans — unsecured	銀行貸款—無抵押	2.29	within 1 year	56,667	—	—	—
			一年內				
Non-current	非流動						
Bank loans — unsecured	銀行貸款—無抵押	2.29	2009–2011	283,333	—	—	—
				340,000			—

Analysed into:	分析:	Group		Company	
		2008	2007	2008	2007
		二零零八年	二零零七年	二零零八年	二零零七年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元
Bank loans repayable:	銀行貸款還款期:				
Within one year or on demand	於一年內或按要求	434,781	546,785	56,667	—
In the second year	第二年	374,231	298,638	113,333	—
In the third to fifth years, inclusive	第三至第五年, 包括首尾兩年	438,538	259,153	170,000	—
		1,247,550	1,104,576	340,000	—

As at 31 March 2008, the Group's bank borrowings in Hong Kong dollars and New Taiwanese dollars amounted to HK\$1,156,664,000 (2007: HK\$1,026,321,000) and HK\$90,886,000 (2007: HK\$78,255,000), respectively. The carrying amounts of the Group's bank borrowings approximate to their fair values.

於二零零八年三月三十一日, 本集團之港幣及新台幣銀行貸款分別為港幣1,156,664,000元(二零零七年: 港幣1,026,321,000元)及港幣90,886,000元(二零零七年: 港幣78,255,000元), 本集團銀行貸款之賬面值與其公允值相若。

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27. DEFERRED TAX

27. 遞延稅項

	Depreciation allowance		Revaluation of		Fair values of derivative		Others		Group		
	in excess of related depreciation		properties		financial instruments						
	超出相關折舊費用的折舊免稅額		物業重估		衍生金融工具公允值		其他		本集團		
	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007	
	二零零八年	二零零七年	二零零八年	二零零七年	二零零八年	二零零七年	二零零八年	二零零七年	二零零八年	二零零七年	
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	
At beginning of year	年初	(721)	(510)	1,886	1,886	—	—	4,395	2,212	5,560	3,588
Deferred tax charge/(credit) to the income statement during the year (note 9)	年內計入利潤表的遞延稅項準備/(回撥)(附註9)	—	(211)	—	—	11,000	—	54	2,183	11,054	1,972
At 31 March	於三月三十一日	(721)	(721)	1,886	1,886	11,000	—	4,449	4,395	16,614	5,560

The Group has tax losses arising in Hong Kong of HK\$507,446,000 (2007: HK\$456,324,000) that are available indefinitely for offsetting against future taxable profits of the companies in which the losses arose. Deferred tax assets have not been recognised in respect of these losses as they have arisen in subsidiaries of which no assessable profits are expected to generate in the foreseeable future.

At 31 March 2008, there was no significant unrecognised deferred tax liability (2007: Nil) for taxes that would be payable on the unremitted earnings of certain of the Group's subsidiaries and associate.

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

本集團於香港產生之稅項虧損為港幣507,446,000元(二零零七年:港幣456,324,000元),該些產生稅項虧損的公司可無限期使用該虧損用作抵銷日後之應課稅溢利。由於未能確定產生有關虧損之附屬公司於可見將來會否產生應課稅溢利,遞延稅項資產並無就該等虧損進行確認。

於二零零八年三月三十一日,稅項中並無因本集團附屬公司及聯營公司之未匯寄盈利有重大未確認遞延稅項負債(二零零七年:無)。

本公司向其股東派發之股息,並無導致任何須繳納所得稅之後果。

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28. SHARE CAPITAL

28. 股本

Shares	股份	2008 二零零八年 HK\$'000 港幣千元	2007 二零零七年 HK\$'000 港幣千元
Authorised:	法定：		
2,000,000,000 shares of HK\$0.05 each in nominal value	2,000,000,000股 每股面值港幣0.05元	100,000	100,000
Issued and fully paid:	已發行及繳足：		
1,327,132,104 (2007: 1,326,288,104) shares of HK\$0.05 each in nominal value	1,327,132,104 (二零零七年： 1,326,288,104) 股每股面值 港幣0.05元	66,356	66,314

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

本公司股本於本年內之變動簡述如下：

		Number of shares in issue 已發行股份數量	Issued share capital 已發行股本 HK\$'000 港幣千元	Share premium account 股本溢價賬 HK\$'000 港幣千元	Total 總額 HK\$'000 港幣千元
At 1 April 2006,	於二零零六年四月一日，				
31 March 2007	二零零七年三月三十一日及				
and 1 April 2007	二零零七年四月一日	1,326,288,104	66,314	344,158	410,472
Exercise of share options	購股權之行使	2,080,000	104	11,135	11,239
Transfer from share option reserve	購股權儲備轉入	—	—	2,085	2,085
Repurchase of shares	回購股份	(1,236,000)	(62)	(6,780)	(6,842)
At 31 March 2008	二零零八年三月三十一日	1,327,132,104	66,356	350,598	416,954

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28. SHARE CAPITAL (continued)

The subscription rights attaching to 650,000 share options and 1,430,000 share options were exercised at the subscription price of HK\$4.97 per share and HK\$5.60 per share (note 29), respectively, resulting in the issue of 2,080,000 shares of HK\$0.05 each in nominal value for a total cash consideration of HK\$11,239,000.

During the year, the Company repurchased 1,236,000 of its ordinary shares of HK\$0.05 each in nominal value from the market at a total consideration of approximately HK\$6,842,000. These repurchased ordinary shares were subsequently cancelled by the Company and the share premium of HK\$6,780,000 has been debited to the share premium account of the Company. In addition, the Company also transferred HK\$62,000, which equivalent to the nominal value of these repurchased shares, from retained profits to the capital redemption reserve as set out in note 30(b) to the financial statements.

Subsequent to the balance sheet date and up to the date of these financial statements, the Company's issued share capital decreased to 1,326,868,104 ordinary shares as a result of:

- (1) the repurchase and cancel by the Company of 704,000 of its ordinary shares of HK\$0.05 each in nominal value from the market at a total consideration of approximately HK\$3,818,000; and
- (2) the exercise of 440,000 share options by some employees of the Company (note 29).

Share options

Details of the Company's share option scheme and the share options issued under the scheme are included in note 29 to the financial statements.

28. 股本(續)

650,000份及1,430,000份附有認購權之購股權分別以每股港幣4.97元及港幣5.60元之認購價獲行使(附註29)，因此，2,080,000股每股面值港幣0.05元之普通股以總現金代價約港幣11,239,000元予以發行。

於本年內，本公司以代價約港幣6,842,000元於市場回購其每股面值港幣0.05元之普通股1,236,000股。其後，本公司取消已回購普通股，港幣6,780,000元已從股份溢價賬中扣除。此外，本公司由保留溢利轉撥港幣62,000元至股本贖回儲備，相等於其回購股份之面值，有關資料載於財務報表附註30(b)。

於結算日後至本財務報表日，本公司已發行股本減少至1,326,868,104股普通股，由於：

- (1) 本公司從市場以代價約港幣3,818,000元回購及取消其每股面值港幣0.05元之普通股共704,000股；及
- (2) 本公司一些僱員行使440,000份購股權(附註29)。

購股權

本公司之購股權計劃及根據該計劃發行之購股權之詳細資料已載於財務報表附註29。

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29. SHARE OPTION SCHEME

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

The maximum number of share options permitted to be granted under the Scheme was an amount equivalent, upon their exercise, to 10% of the shares of the Company in issue at any time. The maximum number of shares issuable to each eligible participant in the Scheme within any 12-month period is limited to 1% of the shares of the Company in issue at any time. Any further grant of share options in excess of this limit is subject to shareholders' approval in a general meeting.

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

The offer of a grant of share options may be accepted within 28 days from the date of the offer upon payment of a nominal consideration of HK\$1 in total by the grantee. The exercise period of the share options granted is determinable by the directors but is not more than 10 years from the date of grant.

29. 購股權計劃

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

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

向董事、董事總經理或主要股東，或彼等任何聯繫人士授出購股權必須獲獨立非執行董事事先批准。此外，於任何十二個月期間內，任何購股權授予主要股東或獨立非執行董事，或彼等聯繫人士超過本公司在任何時間已發行股本0.1%或總值(按本公司股份於該授予日期之價格計算)超逾港幣5,000,000元，必須事先獲股東於股東大會批准。

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

Notes to the Financial Statements 財務報表附註

31 March 2008 二零零八年三月三十一日

29. SHARE OPTION SCHEME (continued)

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

Share options do not confer rights on the holders to dividends or to vote at shareholders' meetings.

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

29. 購股權計劃 (續)

購股權之認購價由董事釐定，惟不得低於以下之較高者：(i)本公司股份於頒授購股權日期在聯交所之收市價；(ii)本公司股份於緊接頒授日期前五個交易日在聯交所之平均收市價；及(iii)股份票面值。

購股權並無賦予持有者享有股息的權利或於股東會的投票的權利。

於結算日，未行使之購股權如下：

		2008 二零零八年		2007 二零零七年	
		Weighted average exercise price	Number of share options	Weighted average exercise price	Number of share options
		加權平均 行使價格	購股權數目	加權平均 行使價格	購股權數目
		HK\$ per share	'000	HK\$ per share	'000
		每股港幣元	千	每股港幣元	千
At 1 April	於四月一日	5.28	50,850	5.28	51,140
Forfeited during the year	年內已取消	—	—	5.51	(290)
Exercised during the year	年內已行使	5.40	(2,080)	—	—
At 31 March	於三月三十一日	5.28	48,770	5.28	50,850

The weighted average closing price of the Company's shares immediately before and at the exercise dates of the share options was HK\$6.34 and HK\$6.28, respectively.

於緊接購股權行使日期前及於行使日的本公司加權平均收市價分別為港幣6.34元及港幣6.28元。

Notes to the Financial Statements 財務報表附註

31 March 2008 二零零八年三月三十一日

29. SHARE OPTION SCHEME (continued)

The exercise prices and exercise periods of the share options outstanding as at that balance sheet date are as follows:

29. 購股權計劃(續)

於結算日，未行使購股權之行使價格及行使期限如下：

Exercise price of share options*	Exercise period of share options	Number of share options	
		2008	2007
購股權行使價格*	購股權行使期限	二零零八年	二零零七年
HK\$ per share		'000	'000
每股港幣元		千	千
4.97	11 September 2002 to 10 September 2012 二零零二年九月十一日至二零一二年九月十日	25,000	25,650
5.60	26 March 2004 to 25 March 2014 二零零四年三月二十六日至二零一四年三月二十五日	18,600	18,600
5.60	1 April 2006 to 25 March 2014 二零零六年四月一日至二零一四年三月二十五日	5,170	6,600
		48,770	50,850

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

* 購股權之行使價格將按供股或紅股派發，或其他相類似之公司股本變動而有所調整。

Notes to the Financial Statements 財務報表附註

31 March 2008 二零零八年三月三十一日

29. SHARE OPTION SCHEME (continued)

The 2,080,000 share options exercised during the year resulted in the issue of 2,080,000 ordinary shares of the Company and new share capital of HK\$104,000 and share premium of HK\$11,135,000, as further detailed in note 28 to the financial statements.

Last year, 290,000 share options were forfeited upon resignation of employees resulting in a reduction of share option reserve which was transferred to retained profits of HK\$435,000.

At 31 March 2008, the Company had 48,770,000 share options outstanding under the Scheme. The exercise in full of the outstanding share options would, under the present capital structure of the Company, result in the issue of 48,770,000 additional ordinary shares of the Company and additional share capital of HK\$2,438,500 and share premium of HK\$254,923,500.

Subsequent to the balance sheet date, a total of 440,000 shares options were exercised by some employees resulted in the issue of 440,000 ordinary shares of the Company with new share capital of HK\$22,000 and share premium of HK\$2,442,000.

At the date of approval of these financial statements, the Company had 48,330,000 share options outstanding under the Scheme, which represented approximately 3.6% of the Company's shares in issue as at that date.

29. 購股權計劃(續)

於年內，2,080,000份購股權被行使，導致本公司發行普通股2,080,000股，及增加新股本港幣104,000元和股本溢價港幣11,135,000元，詳細資料載於財務報表附註28。

於去年，某些僱員離職，290,000份購股權已被取消，引致購股權儲備減少港幣435,000元，並轉撥至保留溢利。

於二零零八年三月三十一日，本公司在該計劃下尚有48,770,000份購股權未獲行使。根據本公司之現有資本架構，全面行使餘下之購股權將導致額外發行48,770,000股本公司之普通股，並額外產生股本港幣2,438,500元及股份溢價港幣254,923,500元。

結算日後，一些僱員行使其440,000份購股權，導至本公司發行普通股440,000股，及增加新股本港幣22,000元和股本溢價港幣2,442,000元。

於財務報表之核准日，本公司在該計劃下尚有48,330,000份購股權未獲行使，相當於該日本公司已發行股份約3.6%。

Notes to the Financial Statements 財務報表附註

31 March 2008 二零零八年三月三十一日

30. 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 of the financial statements.

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

As further detailed in note 2.4 to the financial statements, the Group applied the transitional provisions of HKFRS 3 that permitted goodwill in respect of business combinations which occurred prior to 2001, to remain eliminated against consolidated retained profits. The amounts of goodwill remaining in consolidated retained profits, arising from the acquisitions of an associate prior to the adoption of SSAP 30 in 2001, was HK\$110,648,000 as at 31 March 2007 and 31 March 2008.

In accordance with the Macau Commercial Codes, Nice Dyeing Factory (Macao Commercial Offshore) Limited, a wholly-owned subsidiary of the Company, whose principal operation is conducted in Macau, is required to appropriate annually not less than 25% of its profit after tax to a legal reserve, until the balance of the reserve reaches 50% of the entity's capital fund.

30. 儲備

(a) 集團

本年度及前年度本集團儲備及其間之變動呈列於財務報表的綜合權益變動表內。

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

詳載於財務報表附註2.4，本集團已引用香港財務報告準則第3號過渡性條文，允許於二零零一年前發生的業務合併產生的商譽繼續與綜合保留溢利沖銷。於二零零一年採納會計實務準則第30號前，因收購一聯營公司產生的商譽，仍維持於綜合保留溢利中，其金額於二零零七年三月三十一日及二零零八年三月三十一日為港幣110,648,000元。

根據澳門商法典，本公司一全資擁有附屬公司，永佳染廠（澳門離岸商業服務）有限公司，其主要運作於澳門進行，需每年分配其不少於25%的除稅後溢利至法定儲備，直至該儲備餘額達至該公司資本金的50%。

Notes to the Financial Statements 財務報表附註

31 March 2008 二零零八年三月三十一日

30. RESERVES (continued)

30. 儲備 (續)

(b) Company

(b) 公司

			Share premium account	Share option reserve	Capital redemption reserve	Contributed surplus	Retained profits	Total
		Notes	股本溢價賬 HK\$'000	購股權儲備 HK\$'000	贖回儲備 HK\$'000	實繳盈餘 HK\$'000	保留溢利 HK\$'000	總額 HK\$'000
		附註	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
At 1 April 2006	於二零零六年四月一日		344,158	10,276	1,587	48,708	380,452	785,181
Forfeiture of share options	取消購股權	29	—	(435)	—	—	435	—
Profit for the year	本年度溢利		—	—	—	—	759,075	759,075
2006/2007 interim dividend	二零零六/二零零七年度 中期股息		—	—	—	—	(159,155)	(159,155)
2006/2007 proposed final dividend	二零零六/二零零七年度 擬派末期股息		—	—	—	—	(198,913)	(198,913)
At 31 March 2007 and 1 April 2007	於二零零七年三月三十一日 及二零零七年四月一日		344,158	9,841	1,587	48,708	781,894	1,186,188
Exercise of share options	行使購股權		13,220	(2,085)	—	—	—	11,135
Repurchase of shares	回購股份	28	(6,780)	—	62	—	(62)	(6,780)
Profit for the year	本年度溢利		—	—	—	—	574,182	574,182
2007/2008 interim dividend	二零零七/二零零八年度 中期股息		—	—	—	—	(239,132)	(239,132)
2007/2008 proposed final dividend	二零零七/二零零八年度 擬派末期股息		—	—	—	—	(331,750)	(331,750)
At 31 March 2008	於二零零八年三月三十一日		350,598	7,756	1,649	48,708	785,132	1,193,843

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

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

Notes to the Financial Statements 財務報表附註

31 March 2008 二零零八年三月三十一日

31. INTERESTS IN SUBSIDIARIES

31. 於附屬公司之權益

		Company	
		公司	
		2008	2007
		二零零八年	二零零七年
		HK\$'000	HK\$'000
		千港元	千港元
Unlisted shares, at cost	非上市股份，成本	48,908	48,908
Due from subsidiaries	應收附屬公司賬款	1,645,893	2,443,553
Due to subsidiaries	應付附屬公司賬款	(95,823)	(1,240,632)
		1,598,978	1,251,829

The balances with subsidiaries are unsecured, interest-free and not repayable within one year. The carrying amounts of the balances with subsidiaries approximate to their fair values.

與附屬公司之賬款結餘，乃無抵押、無利息及無須於一年內償還。該與附屬公司之賬款結餘的賬面值與其公允值相若。

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31. INTERESTS IN SUBSIDIARIES (continued)

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

31. 於附屬公司之權益(續)

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

Name 名稱	Place of incorporation/ registration and operations 註冊成立/ 登記及營業地點	Nominal value of issued ordinary/registered share capital 已發行普通股/ 已登記股本面值	Percentage of equity attributable to the Company 本公司應佔權益 之百分率		Principal activities 主要業務
			2008	2007	
Trustland Inc. *	British Virgin Islands/ Hong Kong 英屬處女群島/香港	US\$18,000 18,000美元	100	100	Investment holding 投資控股
Nice Dyeing Factory Limited 永佳染廠有限公司	Hong Kong 香港	Ordinary HK\$1,000 non-voting deferred HK\$3,125,000 普通股本港幣1,000元 無投票權遞延股本 港幣 3,125,000元	100	100	Sale of finished knitted fabric and dyed yarn 銷售針織布及色紗
Texwinca Enterprises (China) Limited* 德永佳(中國)發展有限公司*	British Virgin Islands/ Mainland China 英屬處女群島/ 中國大陸	US\$1 1美元	100	100	Investment holding 投資控股
Dongguan Texwinca Textile & Garment Limited* 東莞德永佳紡織製衣 有限公司*	People's Republic of China ("PRC")/ Mainland China 中華人民共和國 (「中國」)/中國大陸	HK\$2,271,644,503 港幣 2,271,644,503元	100	100	Production of finished knitted fabric and dyed yarn 生產染整針織布及色紗
Texwinca Enterprises Limited 德永佳實業有限公司	Hong Kong 香港	HK\$2 港幣2元	100	100	Provision of management services 提供管理服務

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31. INTERESTS IN SUBSIDIARIES (continued)

31. 於附屬公司之權益(續)

Name 名稱	Place of incorporation/ registration and operations 註冊成立/ 登記及營業地點	Nominal value of issued ordinary/registered share capital 已發行普通股/ 已登記股本面值	Percentage of equity attributable to the Company 本公司應佔權益 之百分率		Principal activities 主要業務
			2008	2007	
Win Ready Industrial Limited 永備實業有限公司	Hong Kong 香港	Ordinary HK\$10 non-voting deferred HK\$2 普通股本港幣10元 無投票權遞延股本 港幣2元	100	100	Property holding 持有物業
Winlife Trading Limited 永生行有限公司	Hong Kong 香港	HK\$15,903,100 港幣15,903,100元	100	100	Property holding 持有物業
Baleno Holdings Limited* 班尼路集團有限公司*	British Virgin Islands 英屬處女群島	US\$10,000 10,000美元	54	54	Investment holding 投資控股
Baleno Kingdom Limited 班尼路有限公司	Hong Kong 香港	HK\$10,000 港幣10,000元	54	54	Retail and distribution of casual apparel and accessory 便服及飾物之零售及分銷
Guangzhou Friendship Baleno Company Limited* 廣州友誼班尼路服飾 有限公司*	PRC/Mainland China 中國/中國大陸	HK\$48,800,000 港幣48,800,000元	54	54	Retail and distribution of casual apparel and accessory 便服及飾物之零售及分銷
Shanghai Haiwen Baleno Garment Company Limited* 上海海文班尼路服飾 有限公司*	PRC/Mainland China 中國/中國大陸	US\$210,000 210,000美元	51.4	51.4	Retail and distribution of casual apparel and accessory 便服及飾物之零售及分銷

Notes to the Financial Statements 財務報表附註

31 March 2008 二零零八年三月三十一日

31. INTERESTS IN SUBSIDIARIES (continued)

31. 於附屬公司之權益(續)

Name 名稱	Place of incorporation/ registration and operations 註冊成立/ 登記及營業地點	Nominal value of issued ordinary/registered share capital 已發行普通股/ 已登記股本面值	Percentage of equity attributable to the Company 本公司應佔權益 之百分率		Principal activities 主要業務
			2008	2007	
Beijing Xingyu Baleno Garment & Decoration Company Limited* 北京興宇班尼路服裝 服飾有限公司*	PRC/Mainland China 中國/中國大陸	US\$500,000 500,000美元	54	54	Retail and distribution of casual apparel and accessory 便服及飾物 之零售及分銷
Chongqing Dasheng Baleno Fashion Company Limited* 重慶大生班尼路服飾 有限公司*	PRC/Mainland China 中國/中國大陸	HK\$3,880,000 港幣3,880,000元	54	54	Retail and distribution of casual apparel and accessory 便服及飾物 之零售及分銷
天津市班尼路服飾有限公司*	PRC/Mainland China 中國/中國大陸	RMB500,000 人民幣500,000元	54	54	Retail and distribution of casual apparel and accessory 便服及飾物 之零售及分銷
Silver Kingdom Limited* 銀鯨有限公司*	British Virgin Islands/ Taiwan 英屬處女群島/台灣	US\$1 1美元	54	54	Retail and distribution of casual apparel and accessory 便服及飾物 之零售及分銷
Bigpoint Limited* 大班有限公司*	British Virgin Islands/ Mainland China 英屬處女群島/ 中國大陸	US\$1 1美元	100	100	Holding of trademarks and provision of franchise services 持有商標及提供 特許經營服務

Notes to the Financial Statements 財務報表附註

31 March 2008 二零零八年三月三十一日

31. INTERESTS IN SUBSIDIARIES (continued)

31. 於附屬公司之權益(續)

Name 名稱	Place of incorporation/ registration and operations 註冊成立/ 登記及營業地點	Nominal value of issued ordinary/registered share capital 已發行普通股/ 已登記股本面值	Percentage of equity attributable to the Company 本公司應佔權益 之百分率		Principal activities 主要業務
			2008	2007	
Highrich Corporation*	British Virgin Islands/ Mainland China	US\$1	54	54	Provision of management services and sub-licensing of trademarks
大富有限公司*	英屬處女群島/ 中國大陸	1美元			提供管理服務 及代理版權服務
Winca Trading Limited	British Virgin Islands/ Mainland China	US\$1	100	100	Provision of repair and maintenance services for generators
永佳貿易有限公司	英屬處女群島/ 中國大陸	1美元			提供發電機之維修及 保養服務
Winca (Dongguan) Motor Service Limited*	PRC/Mainland China	HK\$28,460,000	100	100	Provision of repair and maintenance services for motors
永佳(東莞)汽車維修 服務有限公司*	中國/中國大陸	港幣28,460,000元			提供汽車之維修及 保養服務
Successful Channel Corporation*	British Virgin Islands/ Mainland China 英屬處女群島/中國大陸	US\$1 1美元	54	54	Property holding 持有物業
Billion Global Limited*	British Virgin Islands/ Taiwan	US\$1	54	54	Retail and distribution of casual apparel and accessory
億皓股份有限公司*	英屬處女群島/台灣	1美元			便服及飾物 之零售及分銷
南京班尼路服飾有限公司*	PRC/Mainland China 中國/中國大陸	RMB1,010,000 人民幣1,010,000元	54	54	Retail and distribution of casual apparel and accessory 便服及飾物 之零售及分銷

Notes to the Financial Statements 財務報表附註

31 March 2008 二零零八年三月三十一日

31. INTERESTS IN SUBSIDIARIES (continued)

31. 於附屬公司之權益 (續)

Name 名稱	Place of incorporation/ registration and operations 註冊成立/ 登記及營業地點	Nominal value of issued ordinary/registered share capital 已發行普通股/ 已登記股本面值	Percentage of equity attributable to the Company 本公司應佔權益 之百分率		Principal activities 主要業務
			2008	2007	
武漢班尼路商貿有限公司*	PRC/Mainland China 中國/中國大陸	RMB1,080,000 人民幣1,080,000元	54	54	Retail and distribution of casual apparel and accessory 便服及飾物 之零售及分銷
長沙班尼路服飾有限公司*	PRC/Mainland China 中國/中國大陸	RMB500,000 人民幣500,000元	54	54	Retail and distribution of casual apparel and accessory 便服及飾物 之零售及分銷
陝西班尼路服飾有限公司*	PRC/Mainland China 中國/中國大陸	RMB600,000 人民幣600,000元	54	54	Retail and distribution of casual apparel and accessory 便服及飾物 之零售及分銷
Baleno Kingdom (Singapore) Private Limited	Singapore 新加坡	SG\$2,000,000 坡幣2,000,000元	54	54	Retail and distribution of casual apparel and accessory 便服及飾物 之零售及分銷
Excel Billion Inc.* 永億國際有限公司*	British Virgin Islands/ Taiwan 英屬處女群島/台灣	US\$1 1美元	54	54	Property holding 持有物業

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31. INTERESTS IN SUBSIDIARIES (continued)

31. 於附屬公司之權益(續)

Name 名稱	Place of incorporation/ registration and operations 註冊成立/ 登記及營業地點	Nominal value of issued ordinary/registered share capital 已發行普通股/ 已登記股本面值	Percentage of equity attributable to the Company 本公司應佔權益 之百分率		Principal activities 主要業務
			2008	2007	
大連班尼路服飾有限公司*	PRC/Mainland China 中國/中國大陸	HK\$2,100,000 港幣2,100,000元	54	54	Retail and distribution of casual apparel and accessory 便服及飾物 之零售及分銷
Nice Dyeing Factory (Macao Commercial Offshore) Limited*	Macau	MOP100,000	100	100	Procurement of raw materials and sale of finished knitted fabric and dyed yarn
永佳染廠(澳門離岸商業服務) 有限公司*	澳門	澳門幣100,000元			採購原材料及 銷售針織布及色紗
Baleno (Malaysia) Sdn Bhd	Malaysia 馬來西亞	MYR600,000 馬幣600,000	54	54	Retail and distribution of casual apparel and accessory 便服及飾物 之零售及分銷

* Not audited by Ernst & Young Hong Kong or other member firms of the Ernst & Young global network.

* 並非由安永會計師事務所香港或其他安永會計師事務所國際成員審核。

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

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

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32. CONTINGENT LIABILITIES

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

32. 或有負債

(a) 於結算日，以下或有負債未於財務報表撥備：

	Group		Company	
	2008	2007	2008	2007
	二零零八年	二零零七年	二零零八年	二零零七年
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	千港元	千港元	千港元	千港元
Bank guarantees given in lieu of property rental deposits	3,280	4,823	—	—
Guarantees of banking facilities granted to an associate	12,500	12,500	12,500	12,500
Guarantees of banking facilities granted to subsidiaries	—	—	4,594,050	3,925,050

As at 31 March 2008, the banking facilities granted to an associate and subsidiaries with guarantees given to the banks by the Company were utilised to the extent of approximately HK\$7,000,000 (2007: Nil) and were utilised to the extent of approximately HK\$1,247,550,000 (2007: HK\$1,104,576,000), respectively.

截至二零零八年三月三十一日，聯營公司及附屬公司動用本公司已作擔保之銀行額度分別約為港幣7,000,000元（二零零七年：無）及港幣1,247,550,000元（二零零七年：港幣1,104,576,000元）。

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32. CONTINGENT LIABILITIES (continued)

(b) A subsidiary of the Group in Taiwan is currently subject to a claim from the National Tax Authority (the "NTA") of Taiwan for the underpayment of business tax on sales made through certain local stores in Taiwan during the period from November 1998 to December 2002 together with penalties, of NTD50,219,000 in aggregate (equivalent to HK\$12,857,000). An amendment letter against the claims was filed by the local tax representative of the subsidiary in a prior year. The directors, based on the advice from the local tax representative of the subsidiary, consider that the subsidiary has a valid ground to object the claims from the NTA, and accordingly, the Group has not made any provision for the tax claim as at 31 March 2008 (2007: Nil).

(c) During the year ended 31 March 2007, the Hong Kong Inland Revenue Department (the "IRD") initiated a review on the tax affairs for the past years of certain subsidiaries of the Group. In March 2007, protective tax assessments totalling HK\$322,038,000 for the year of assessment 2000/2001 have been issued by the IRD. In March 2008, protective tax assessments totalling HK\$224,000,000 for the year of assessment 2001/2002 have been issued by the IRD. Objections have been raised by the Group against the protective tax assessments. The directors of the subsidiaries believe that there are valid grounds to object the tax claimed. Subsequent to the objections, the IRD agreed to hold over the tax claimed completely subject to the purchase of tax reserve certificates of HK\$40,000,000 and HK\$35,000,000 for the years of assessment 2000/2001 and 2001/2002, respectively. In view that the tax review is only at the initial stage, there are still certain uncertainty about the outcome of the case. Up to the date of approval of these financial statements, the directors of the subsidiaries consider that adequate tax provision has been made in the financial statements.

32. 或有負債(續)

(b) 本集團於台灣之一附屬公司受到台灣國稅局(「國稅局」)追繳有關透過部份當地店舖於一九九八年十一月至二零零二年十二月期間銷售之少付營業稅及罰款，總額共新台幣50,219,000元(相等於港幣12,857,000元)。於往年，該附屬公司之當地稅務代表已呈更正申請函反對此追繳。按該附屬公司當地稅務代表之意見，董事相信該附屬公司有充份理據反對國稅局之追繳，因此本集團並沒有於二零零八年三月三十一日為此稅務追繳作出撥備(二零零七年：無)。

(c) 於二零零七年三月三十一日止年度，香港稅務局(「稅局」)向本集團部份附屬公司提出就以往年度稅務狀況進行複核。於二零零七年三月，稅局已就二零零零／二零零一課稅年度發出保障性稅務評估共港幣322,038,000元。於二零零八年三月，稅局就二零零一／二零零二課稅年度發出保障性稅務評估共港幣224,000,000元。本集團相信有充份理據就追討的稅款提出反對。於本集團提出反對後，稅局同意暫緩所徵的全部稅款，惟必須就二零零零／二零零一及二零零一／二零零二課稅年度分別購買儲稅券金額港幣40,000,000元及港幣35,000,000元。由於現仍處於開始階段，因此，事件的結果仍有些不明朗。直至本財務報表批核日，有關附屬公司董事認為財務報表中之稅務撥備已足夠。

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33. OPERATING LEASE ARRANGEMENTS

(a) As lessor

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

At 31 March 2008, the Group had total future minimum lease receivables under non-cancellable operating leases with its tenants falling due as follows:

33. 經營租賃安排

(a) 作為出租人

本集團根據經營租賃安排出租旗下投資物業(附註14)，議訂租期兩年至三年不等。租約條款一般規定租戶須繳付保證按金及訂明可根據當時市場情況定期作出租金調整。

於二零零八年三月三十一日，本集團根據有關之不可撤銷經營租賃合約未來最低應收租金總額到期情況如下：

		Group 集團	
		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Within one year	於一年內	11,913	9,395
In the second to fifth years, inclusive	第二年至第五年 (包括首尾兩年)	27,311	25,592
After five years	於五年後	—	6,550
		39,224	41,537

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33. OPERATING LEASE ARRANGEMENTS (continued)

(b) As lessee

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

At 31 March 2008, the Group had total future minimum lease payments under non-cancellable operating leases falling due as follows:

33. 經營租賃安排 (續)

(b) 作為承租人

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

於二零零八年三月三十一日，本集團根據有關之不可撤銷經營租賃合約未來最低應付租金總額到期情況如下：

		Group 集團	
		2008 二零零八年	2007 二零零七年
		HK\$'000 千港元	HK\$'000 千港元
Within one year	於一年內	462,454	537,769
In the second to fifth years, inclusive	第二年至第五年 (包括首尾兩年)	619,175	800,197
After five years	於五年後	663,589	756,857
		1,745,218	2,094,823

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33. OPERATING LEASE ARRANGEMENTS (continued)

(b) As lessee (continued)

The operating lease rentals of certain retail shops are based on the higher of a fixed rental or contingent rent based on the sales of the retail shops pursuant to the terms and conditions as set out in the respective rental agreements. As the future sales of these retail shops could not be estimated reliably, the relevant contingent rent has not been included above and only the minimum lease commitment has been included in the above table.

At the balance sheet date, the Company had no commitments under operating lease arrangements (2007: Nil).

33. 經營租賃安排 (續)

(b) 作為承租人 (續)

若干商舖之經營租約租金乃按固定租金或根據有關租約所載之條款及條件按商舖銷售額而釐定之或然租金兩者中之較高者作準。由於無法準確估計此等商舖未來之銷售額，故上表未計入相關或然租金而只計入最低租金承擔。

於結算日，本公司並無經營租賃安排承擔 (二零零七年：無)。

34. CAPITAL COMMITMENTS

The commitments for capital expenditure of the Group at the balance sheet date were as follows:

34. 資本性承擔

本集團於結算日有以下資本性支出承擔：

		Group	
		集團	
		2008	2007
		二零零八年	二零零七年
		HK\$'000	HK\$'000
		千港元	千港元
In respect of property, plant and equipment, contracted, but not provided for	就物業、廠房及設備，已訂約但未提撥備	35,928	32,624
In respect of property, plant and equipment, authorised, but not contracted for	就物業、廠房及設備，已核准但沒有訂約	330,331	330,331
In respect of investment in a subsidiary	就投資於一附屬公司	43,005	439,360
		409,264	802,315

At the balance sheet date, the Company had no capital commitments (2007: Nil).

於結算日，本公司並無資本性承擔 (二零零七年：無)。

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35. RELATED PARTY TRANSACTIONS

- (a) During the year, the Group had the following related party transactions:

35. 關連人士交易

- (a) 於年內，本集團曾進行以下關連人士交易：

		Group 集團	
		2008 二零零八年	2007 二零零七年
Notes 附註		HK\$'000 千港元	HK\$'000 千港元
Sales to Megawell Industrial Limited ("Megawell")	銷售予偉佳針織有限公司 (「偉佳」)	(i) 463,330	317,820
Purchases from Megawell	向偉佳採購	(ii) 240,684	179,406
Rental expenses paid to related companies	租金費用支付予 關連公司	(iii) 16,190	10,466

Notes:

- (i) The sales to Megawell, an associate of the Group, were made according to the prices and conditions offered to the major customers of the Group.
- (ii) The directors considered that the purchases from Megawell were made according to the prices and conditions similar to those offered to other customers of Megawell.
- (iii) The rental expenses were paid to related companies, of which certain directors of the Company are also the directors and beneficial shareholders, for the provision of directors' quarters and retail outlets for certain subsidiaries. The directors considered that the monthly rentals were charged based on the prevailing market rates at the dates of the tenancy agreements. The rental expenses of the directors' quarters were included in the directors' remuneration as detailed in note 7 to the financial statements.

附註：

- (i) 本集團向偉佳(本集團的聯營公司)之銷售乃根據本集團向主要客戶提供之價格及條件訂立。
- (ii) 董事認為向偉佳採購之價格及條件，與偉佳向其客戶所提供之價格及條件相若。
- (iii) 租金費用是支付予關連公司作為部份附屬公司的董事宿舍及零售門市，該等公司之董事及實益股東亦為本公司之董事。董事認為每月之租金乃根據租賃合同簽訂日之市場價格。付出之董事宿舍租金費用已包括於董事酬金，並詳列於財務報表附註7。

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35. RELATED PARTY TRANSACTIONS (continued)

- (a) During the year, the Group had the following related party transactions: (continued)

In addition, the Company and the Group have provided certain guarantees for banking facilities granted to Megawell, as detailed in note 32(a) to the financial statements.

- (b) As at 31 March 2008, Nice Dyeing Factory Limited, a wholly-owned subsidiary of the Company, has provided advances of HK\$1,823,000 (2007: HK\$47,114,000) to Baleno Kingdom Limited, a non-wholly-owned subsidiary, at HIBOR plus 2% (2007: HIBOR plus 2%) per annum.

In addition, as at 31 March 2008, Nice Dyeing Factory (Macao Commercial Offshore) Limited, a wholly-owned subsidiary of the Company, has provided advances of HK\$411,831,000 (2007: HK\$485,367,000) to Baleno Holdings Limited, a non-wholly-owned subsidiary, at 83% of HIBOR plus 2% (2007: 83% of HIBOR plus 2%) per annum.

The principal purpose of these advances is to finance the operations of Baleno Holdings Limited and its subsidiaries. The advances are unsecured and have no fixed terms of repayment.

35. 關連人士交易 (續)

- (a) 於年內，本集團曾進行以下關連人士交易：(續)

此外，本公司及本集團為偉佳作出若干銀行信貸擔保，詳細資料載於財務報表附註32(a)。

- (b) 於二零零八年三月三十一日，本公司之全資擁有附屬公司永佳染廠有限公司向本公司之非全資擁有附屬公司班尼路有限公司提供之貸款為港幣1,823,000元(二零零七年：港幣47,114,000元)，年利率為香港銀行同業拆息加2%，(二零零七：香港銀行同業拆息加2%)。

此外，於二零零八年三月三十一日，本公司全資擁有附屬公司永佳染廠(澳門離岸商業服務)有限公司向本公司非全資擁有附屬公司班尼路集團有限公司提供貸款港幣411,831,000元(二零零七年：港幣485,367,000元)，年利率為香港銀行同業拆息加2%的83%(二零零七年：銀行同業拆息加2%的83%)。

該等貸款主要用作班尼路集團有限公司及其附屬公司之營運資金。上述貸款並無抵押及無協定還款日期。

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35. RELATED PARTY TRANSACTIONS (continued)

- (c) A minority shareholder of the Group's 54%-owned subsidiary had provided an unconditional guarantee to indemnify the Group from any loss arising from the recoverability of prepayments made to a supplier of the Group of HK\$26,521,000 (2007: HK\$25,143,000) as included in the balance of the prepayments, deposits and other receivables of the Group as at the balance sheet date.
- (d) Compensation of key management personnel of the Group:

		2008	2007
		二零零八年	二零零七年
		HK\$'000	HK\$'000
		千港元	千港元
Short term employee benefits	短期僱員福利	109,662	72,992
Post-employment benefits	離職後福利	60	60
Total compensation paid to key management personnel	主要管理人員薪酬總額	109,722	73,052

Further details of directors' emoluments are included in note 7 to the financial statements.

Save as disclosed under "Details of non-exempt continuing connected transactions" of the Report of the Directors, the related party transactions in respect of items (a)(iii) above constitute continuing connected transactions which are exempted from the independent shareholders approval requirement as defined in Rule 14A.65(4) of the Listing Rules.

35. 關連人士交易 (續)

- (c) 本集團擁有54%權益附屬公司之其中一少數股東就本集團預付一供應商貨款港幣26,521,000元(二零零七年:港幣25,143,000元)擔保以補償任何本集團回收上之損失。於結算日,該款已包括於預付款項、訂金及其他應收賬款結餘中。
- (d) 本集團主要管理人員薪酬:

董事酬金詳情載於財務報表附註7。

除披露於董事會報告中「不獲豁免的關連交易詳情」外,上述關連人士交易中第(a)(iii)項為按上市規則第14A.65(4)條規定為豁免於獨立股東批准的持續關連交易。

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36. FINANCIAL INSTRUMENTS BY CATEGORY

The carrying amounts of each of the categories of financial instruments as at the balance sheet date are as follows:

Group

Financial assets

36. 按種類劃分的金融工具

於結算日，各按種類劃分的金融工具賬面值如下：

集團

金融資產

2008	Financial assets at fair value through profit or loss — held for trading	Loans and receivables	Total	
				— held for trading
二零零八年	以公允價值計量 且其變動計入 當期損益的 金融資產 — 持作買賣	貸款及應收款項	合計	
	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	
Trade and bills receivables	應收賬款及應收票據	—	1,017,885	1,017,885
Financial assets included in prepayments, deposits and other receivables	包括於預付款項、 訂金及其他應收賬款內 之金融資產	—	252,690	252,690
Derivative financial assets	衍生金融資產	62,335	—	62,335
Cash and cash equivalents	現金及現金等價物	—	817,617	817,617

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36. FINANCIAL INSTRUMENTS BY CATEGORY

(continued)

Group

Financial liabilities

集團

金融負債

2008		Financial liabilities at fair value through profit or loss		Total
		— held of trading	Financial liabilities at amortised cost	
二零零八年		以公允價值計量且其變動計入當期損益的金融負債	按攤餘成本入賬的金融負債	合計
		— 持作買賣	入賬的金融負債	
		HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元
Due to an associate	應付聯營公司	—	20,141	20,141
Trade and bills payables	應付賬款及應付票據	—	993,861	993,861
Financial liabilities included in other payables and accrued liabilities	包括於其他應付賬款及應計負債內之金融負債	—	130,535	130,535
Interest-bearing bank borrowings	付息銀行貸款	—	1,247,550	1,247,550
Derivative financial liabilities	衍生金融負債	19,438	—	19,438

Notes to the Financial Statements 財務報表附註

31 March 2008 二零零八年三月三十一日

36. FINANCIAL INSTRUMENTS BY CATEGORY

(continued)

Group

Financial assets

36. 按種類劃分的金融工具(續)

集團

金融資產

2007		Financial assets at fair value through profit or loss — held for trading	Loans and receivables	Total
二零零七年		以公允價值計量 且其變動計入 當期損益的 金融資產 — 持作買賣	貸款及應收款項	合計
		HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元
Trade and bills receivables	應收賬款及應收票據	—	1,090,387	1,090,387
Financial assets included in prepayments, deposits and other receivables	包括於預付款項、 訂金及其他應收賬款內 之金融資產	—	286,804	286,804
Derivative financial assets	衍生金融資產	25,588	—	25,588
Cash and cash equivalents	現金及現金等價物	—	244,829	244,829

Notes to the Financial Statements 財務報表附註

31 March 2008 二零零八年三月三十一日

36. FINANCIAL INSTRUMENTS BY CATEGORY

(continued)

Group

Financial liabilities

36. 按種類劃分的金融工具(續)

集團

金融負債

		Financial liabilities at fair value through profit or loss — held for trading	Financial liabilities at amortised cost	Total
2007		以公允價值計量且其變動計入當期損益的金融負債	按攤餘成本入賬的金融負債	合計
二零零七年		— 持作買賣	入賬的金融負債	合計
		HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元
Due to an associate	應付聯營公司	—	15,605	15,605
Trade and bills payables	應付賬款及應付票據	—	950,918	950,918
Financial liabilities included in other payables and accrued liabilities	包括於其他應付賬款及應計負債內之金融負債	—	104,262	104,262
Interest-bearing bank borrowings	附息銀行貸款	—	1,104,576	1,104,576
Derivative financial liabilities	衍生金融負債	196	—	196

Notes to the Financial Statements 財務報表附註

31 March 2008 二零零八年三月三十一日

36. FINANCIAL INSTRUMENTS BY CATEGORY

(continued)

Company

公司

Financial assets

金融資產

		2008	2007
		二零零八年	二零零七年
		Loans and receivables	Loans and receivables
		貸款及應收款項	貸款及應收款項
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Due from subsidiaries	應收附屬公司賬款	1,645,893	2,443,553
Dividend receivables	應收股息	335,000	200,000
Cash and cash equivalents	現金及現金等價物	63	154

Financial liabilities

金融負債

		2008	2007
		二零零八年	二零零七年
		Financial liabilities at amortised cost	Financial liabilities at amortised cost
		按攤餘成本	按攤餘成本
		入賬的金融負債	入賬的金融負債
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Interest-bearing bank borrowings	付息銀行貸款	340,000	—
Due to subsidiaries	應付附屬公司賬款	95,823	1,240,632
Financial liabilities included in other payables and accrued liabilities	包括於其他應付賬款及應計負債內之金融負債	651	222

Notes to the Financial Statements 財務報表附註

31 March 2008 二零零八年三月三十一日

37. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's principal financial instruments, other than derivatives, comprise bank loans and overdrafts, and cash and short term deposits. The main purpose of these financial instruments is to raise finance for the Group's operations. The Group has various other financial assets and liabilities such as trade receivables and trade payables, which arise directly from its operations.

The Group also enters into derivative transactions, including principally forward currency contracts. The purpose is to manage currency risks arising from the Group's operations and its sources of finance.

The main risks arising from the Group's financial instruments are interest rate risk, foreign currency risk, credit risk and liquidity risk. The board reviews and agrees policies for managing each of these risks and they are summarised below. The Group's accounting policies in relation to derivatives are set out in note 2.4 to the financial statements.

Interest rate risk

The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long term debt obligations with floating interest rates.

The Group's policy is to manage its interest cost using an appropriate mix of fixed and variable rate debts. To manage this mix in a cost-effective manner, the Group may enter into interest rate swap contracts to reduce its exposure to interest rate fluctuations.

37. 財務風險管理目標及政策

本集團之主要金融工具(衍生工具除外)包括銀行借貸及透支、現金及短期存款。該等金融工具之主要目的是為本集團籌集營運資金。本集團有其他不同的金融資產及負債，包括應收賬款及應付賬款等，乃源自其營運。

本集團亦參與衍生工具交易，主要包括遠期外匯合約，旨在管理本集團營運及融資所產生之貨幣風險。

本集團金融工具所產生之主要風險為利率風險、外幣風險、信貸風險及流動性風險。董事會審閱並確認管理此等風險之政策，該等政策概述如下。本集團有關衍生工具之會計政策載於財務報表附註2.4。

利率風險

本集團面對市場利率變動風險主要與本集團之浮息長期債務責任有關。

本集團的政策是利用合適的定息及浮息借貸組合管理其利息成本。為以具成本效益管理該組合，本集團會安排利率掉期合約以減低其面對利率波動之風險。

Notes to the Financial Statements 財務報表附註

31 March 2008 二零零八年三月三十一日

37. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Interest rate risk (continued)

The following table demonstrates the sensitivity to a reasonably possible change in interest rates, with all other variables held constant, of the Group's profit before tax (through the impact on floating rate borrowings) and the Group's and the Company's equity.

利率風險 (續)

下表為利率變動的敏感性分析，反映了在固定其他變量的假設下，利率發生合理及可能的變動時(藉對浮息貸款產生的影響)，將對本集團及本公司除稅前溢利及權益產生影響：

			Group 本集團	Company 本公司
		Increase/ (decrease) in interest rate	Increase/ (decrease) in profit before tax and equity	Increase/ (decrease) in profit before tax and equity
		利率增加/ (減少)	除稅前溢利及權 益增加/(減少)	除稅前溢利及權 益增加/(減少)
			HK\$'000 港幣千元	HK\$'000 港幣千元
2008	二零零八年			
Hong Kong dollar	港幣	1%	(10,819)	(1,133)
Hong Kong dollar	港幣	(1%)	10,819	1,133
2007	二零零七年			
Hong Kong dollar	港幣	1%	(10,057)	—
Hong Kong dollar	港幣	(1%)	10,057	—

Foreign currency risk

The Group has transactional currency exposures. Such exposures arise from sales or purchases by operating units in currencies other than the units' functional currency. Approximately 29% (2007: 27%) of the Group's sales are denominated in currencies other than the functional currency of the operating units making the sale, whilst almost 59% (2007: 31%) of costs are denominated in currencies other than the units' functional currency.

外幣風險

本集團存在交易貨幣風險，該風險源自經營單位以該單位功能貨幣以外之貨幣進行銷售或採購。集團約29% (二零零七年：27%)之銷售乃以經營單位功能貨幣以外之貨幣計值，同時約59% (二零零七年：31%)之成本乃以經營單位功能貨幣以外之貨幣計值。

Notes to the Financial Statements 財務報表附註

31 March 2008 二零零八年三月三十一日

37. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Foreign currency risk (continued)

The following table demonstrates the sensitivity at the balance sheet date to a reasonably possible change in the RMB exchange rate, with all other variables held constant, of the Group's profit before tax (due to changes in the fair value of monetary assets and liabilities) and equity.

外幣風險(續)

下表為人民幣匯率變動的敏感性分析，反映了於結算日在固定其他變量的情況下，人民幣匯率發生合理及可能的變動時，對本集團除稅前溢利及權益(由於貨幣性資產和負債的公允值變動導致的)的影響。

		Changes in exchange rate	Increase/ (decrease) in profit before tax and equity
		匯率轉變	除稅前溢利及 權益增加/ (減少) HK\$'000 港幣千元
2008	二零零八年		
If Hong Kong dollar weakens against RMB	倘港幣兌 人民幣貶值	1%	5,598
If Hong Kong dollar strengthens against RMB	倘港幣兌 人民幣升值	1%	(5,598)
2007	二零零七年		
If Hong Kong dollar weakens against RMB	倘港幣兌 人民幣貶值	1%	(409)
If Hong Kong dollar strengthens against RMB	倘港幣兌 人民幣升值	1%	409

Notes to the Financial Statements 財務報表附註

31 March 2008 二零零八年三月三十一日

37. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued) 37. 財務風險管理目標及政策(續)

Credit risk

The Group trades only with recognised and creditworthy third parties. It is the Group's policy that only well-established customers will be considered for open account terms and the approval of credit terms is subject to stringent credit check procedures. In addition, receivable balances are monitored on an ongoing basis and the Group's exposure to bad debts is not significant.

The credit risk of the Group's other financial assets, which comprise cash and cash equivalents and derivative financial instruments, arises from default of the counterparties, with a maximum exposure equal to the carrying amount of these instruments, which is considered by the directors as not significant as the counterparties of these other financial assets are all well-recognised financial institutions.

Since the Group trades only with recognised and creditworthy third parties, there is no requirement for collateral.

Further quantitative data in respect of the Group's exposure to credit risk arising from trade and bills receivables are disclosed in note 21 to the financial statements.

Liquidity risk

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, and bank loans. As at 31 March 2008, 66% (2007: 50%) and 34% (2007: 50%) of the Group's total borrowings will mature over one year, and in less than one year, respectively.

信貸風險

本集團僅與被確認信譽良好之第三者交易。本集團之政策為只考慮與良好基礎之客戶開立未結平賬戶，及實行嚴格之信貸審核程序。此外，本集團持續的監察應收款項結餘，而本集團並無重大之壞賬風險。

本集團其他金融資產(包括現金及現金等價物、衍生金融工具)之信貸風險源自交易對手違約而產生，最高風險相等於該等工具之賬面值。由於此其他金融資產交易對手為備受公認信譽良好之金融機構，因此董事認為該等風險並不重大。

由於本集團僅與被確認信譽良好之第三者交易，故並無要求提供抵押品。

其他有關本集團面對由應收賬款及應收票據產生的信貸風險之量化披露載於此財務報表附註21。

流動性風險

本集團目標是利用銀行透支及銀行貸款以使資金的連續性及靈活性之間保持平衡。於二零零八年三月三十一日，本集團66%(二零零七年：50%)及34%(二零零七年：50%)的上述總借貸中，分別將於一年後及一年內到期。

Notes to the Financial Statements 財務報表附註

31 March 2008 二零零八年三月三十一日

37. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Liquidity risk (continued)

The maturity profile of the Group's financial liabilities as at the balance sheet date, based on the contracted undiscounted payments, was as follows:

流動性風險(續)

本集團於結算日的金融負債，按合同未折扣的到期情況總結如下：

Group		集團					Total
		On demand	Less than 3 months	3 to less than 12 months	1 to 5 years	Over 5 years	
		按要求	三個月以內	三到十二個月	一至五年	五年以上	合計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
2008	二零零八年						
Due to an associate	應付聯營公司	—	20,141	—	—	—	20,141
Interest-bearing bank borrowings	附息銀行貸款	—	—	434,781	812,769	—	1,247,550
Trade and bills payables	應付賬款及應付票據	—	991,992	1,869	—	—	993,861
Other payables	其他應付賬款	651	129,884	—	—	—	130,535
Derivative financial liabilities	衍生金融負債	—	7,008	12,430	—	—	19,438
		651	1,149,025	449,080	812,769	—	2,411,525
2007	二零零七年						
Due to an associate	應付聯營公司	—	15,605	—	—	—	15,605
Interest-bearing bank borrowings	附息銀行貸款	—	278,674	268,111	515,685	42,106	1,104,576
Trade and bills payables	應付賬款及應付票據	—	921,419	29,499	—	—	950,918
Other payables	其他應付賬款	222	104,040	—	—	—	104,262
Derivative financial liabilities	衍生金融負債	—	98	98	—	—	196
		222	1,319,836	297,708	515,685	42,106	2,175,557

Notes to the Financial Statements 財務報表附註

31 March 2008 二零零八年三月三十一日

37. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Liquidity risk (continued)

流動性風險(續)

Company

公司

	On demand	Less than 3 months	3 to less than 12 months	1 to 5 years	Total
	按要求 HK\$'000 港幣千元	三個月以內 HK\$'000 港幣千元	三到十二個月 HK\$'000 港幣千元	一至五年 HK\$'000 港幣千元	合計 HK\$'000 港幣千元
2008					
Financial liabilities included in other payables and accruals	651	—	—	—	651
Due to subsidiaries	95,823	—	—	—	95,823
Interest-bearing bank borrowings	—	—	56,667	283,333	340,000
	96,474	—	56,667	283,333	436,474
2007					
Financial liabilities included in other payables and accruals	222	—	—	—	222
Due to subsidiaries	1,240,632	—	—	—	1,240,632
	1,240,854	—	—	—	1,240,854

Capital management

The Group manages its capital to ensure that the Group will be able to continue as a going concern while maximising the return to the equity holders through the optimisation of the gearing ratio.

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No change was made in the objectives, policies or processes during the years ended 31 March 2008 and 31 March 2007.

資本管理

本集團資本管理是為保證本集團能有持續的經營能力，同時通過穩健的資本負債比率，以使股東得到最大回報。

本集團管理資本結構以及根據經濟情況的轉變作出調整。本集團可以通過調整對股東派發的股息、向股東發還資本或發行新股以保持或調整資本結構。於截至二零零八年三月三十一日及二零零七年三月三十一日止年度內，資本管理的目標、政策及程序並無轉變。

Notes to the Financial Statements 財務報表附註

31 March 2008 二零零八年三月三十一日

37. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Capital management (continued)

The Group monitors capital using gearing ratio, which is total interest-bearing bank borrowings, net of cash and cash equivalents, divided by the equity attributable to equity holders of the Company. The Group's policy is to maintain the gearing ratio at an appropriate level.

The gearing ratios as at the balance sheet dates were as follows:

Group		集團	
		2008	2007
		二零零八年	二零零七年
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Total interest-bearing bank borrowings	總付息銀行貸款	1,247,550	1,104,576
Less: Cash and cash equivalents	扣除：現金及現金等價物	(817,617)	(244,829)
		429,933	859,747
Equity attributable to equity holders of the Company	本公司權益所有者應佔權益	3,819,352	3,248,080
Gearing ratio	資本負債比率	11.3%	26.5%

38. APPROVAL OF THE FINANCIAL STATEMENTS

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

37. 財務風險管理目標及政策(續)

資本管理(續)

本集團運用資本負債比率監控資本，資本負債比率按扣除現金及現金等價物的總付息銀行貸款除以本公司權益所有者應佔權益計算。本集團的政策旨在維持資本負債比率於合適水平。

所有者應佔權益於結算日資本負債率如下：

38. 財務報表之核准

本財務報表已於二零零八年七月十八日由董事會核准及授權刊發。

