



理文造紙有限公司*

Lee & Man Paper Manufacturing Limited

(Incorporated in the Cayman Islands with limited liability) Stock Code: 2314

(於開曼群島註冊成立之有限公司) 股份代號: 2314

2008/09 年報
ANNUAL REPORT



* 僅供識別

* For identification purposes only

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ABOUT LEE & MAN PAPER
關於理文造紙



PRODUCTS

Kraft Linerboard
Test Linerboard
Light Weight Kraftliner
White Top Linerboard
High Strength Corrugating Medium
Core Board
Pulp

產品

牛咭紙
掛面牛咭紙
紙袋紙
白面牛咭紙
高強瓦楞芯紙
紙管原紙
木漿





● **Guangdong Lee & Man Paper**
Annual capacity: 1.53 million tons of paper

廣東理文造紙
年產能：153萬噸紙

● **Dongguan Lee & Man Paper**
Annual capacity: 650,000 tons of paper

東莞理文造紙
年產能：65萬噸紙

● **Jiangsu Lee & Man Paper**
Annual capacity: 1.28 million tons of paper

江蘇理文造紙
年產能：128萬噸紙

● **Chongqing Lee & Man Paper**
Annual capacity: 300,000 tons of paper and 165,000 tons of pulp

重慶理文造紙
年產能：30萬噸紙及16.5萬噸漿

● **Vietnam Lee & Man Paper**
Under construction

越南理文造紙
在建中

BOARD OF DIRECTORS

Executive director

Mr Lee Wan Keung Patrick (*Chairman*)
Mr Lee Man Chun Raymond *BBS JP (Chief Executive Officer)*
Mr Lee Man Bun
Mr Li King Wai Ross

Non-executive director

Professor Poon Chung Kwong *GBS JP*

Independent non-executive director

Mr Wong Kai Tung Tony
Mr Peter A Davies
Mr Chau Shing Yim David

COMPANY SECRETARY

Mr Cheung Kwok Keung

REGISTERED OFFICE

Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

PRINCIPAL OFFICE

5th Floor, Liven House
61-63 King Yip Street
Kwun Tong
Kowloon
Hong Kong

董事會

執行董事

李運強先生 (主席)
李文俊先生 *BBS 太平紳士 (首席執行官)*
李文斌先生
李經緯先生

非執行董事

潘宗光教授 *GBS 太平紳士*

獨立非執行董事

王啟東先生
Peter A Davies 先生
周承炎先生

公司秘書

張國強先生

註冊辦事處

Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

總辦事處

香港
九龍觀塘
敬業街61-63號
利維大廈5樓



PRINCIPAL BANKERS

In Hong Kong:

Hang Seng Bank
Standard Chartered Bank
Citibank, N.A.
HSBC

In the PRC:

China Construction Bank
Bank of China
Agricultural Bank of China

AUDITOR

Deloitte Touche Tohmatsu
Certified Public Accountants

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Butterfield Fulcrum Group (Cayman) Limited
Butterfield House
68 Fort Street
P.O. Box 705
George Town
Grand Cayman
Cayman Islands

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

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

WEBSITE

<http://www.leemanpaper.com>

主要往來銀行

香港：

恒生銀行
渣打銀行
花旗銀行
滙豐銀行

中國：

中國建設銀行
中國銀行
中國農業銀行

核數師

德勤•關黃陳方會計師行
執業會計師

主要股份過戶登記處

Butterfield Fulcrum Group (Cayman) Limited
Buterfield House
68 Fort Street
P.O. Box 705
George Town
Grand Cayman
Cayman Islands

香港股份過戶登記分處

卓佳證券登記有限公司
香港
皇后大道東28號
金鐘匯中心26樓

網址

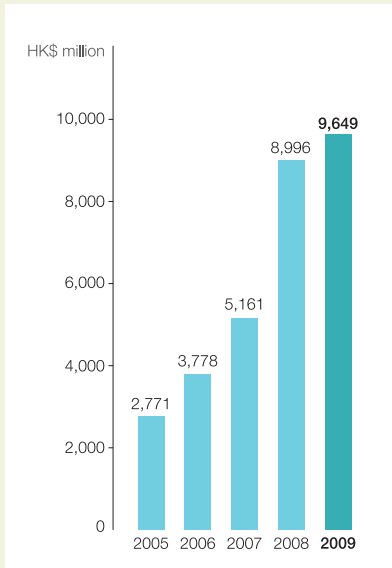
<http://www.leemanpaper.com>



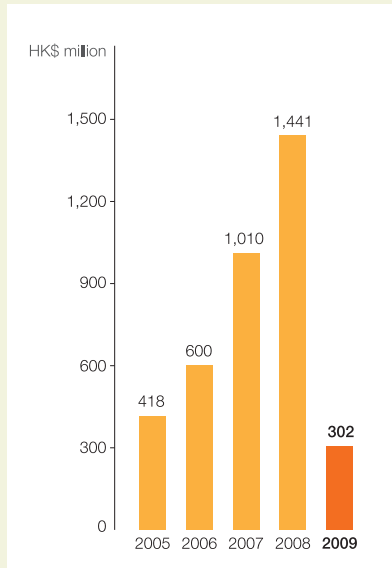
FINANCIAL HIGHLIGHTS

財務摘要

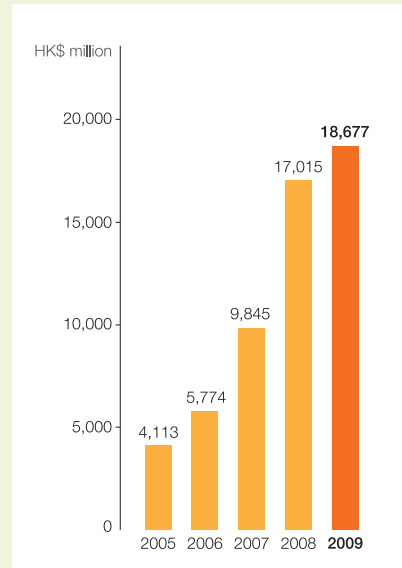
Revenue 收入



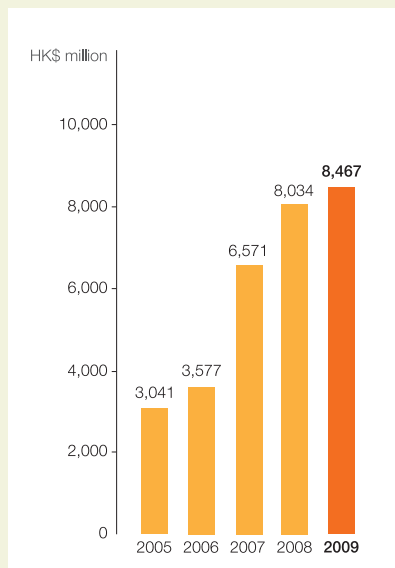
Profit Attributable to shareholders 股東應佔盈利



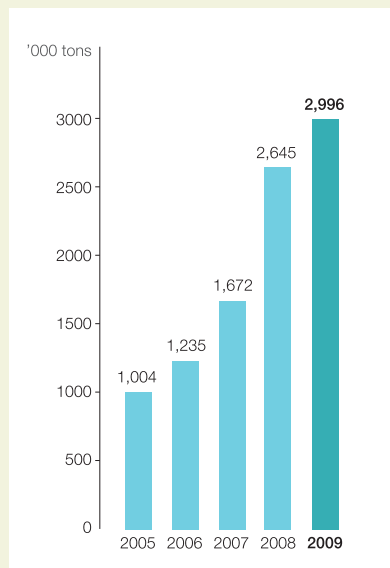
Total Assets 資產總值



Total Equity 權益總值



Sales Volume (containerboard) 銷售量 (箱板原紙)



5-YEAR FINANCIAL SUMMARY 五年財務概要

		Year ended 31 March 截至三月三十一日止年度				2009
		2005 二零零五年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元	二零零九年 HK\$'000 千港元
RESULTS	業績					
Revenue	收入	2,771,423	3,778,054	5,160,552	8,996,113	9,649,365
Profit before tax	除稅前盈利	423,436	625,586	1,041,005	1,499,146	337,470
Income tax expense	利得稅開支	(5,693)	(25,558)	(30,894)	(68,026)	(37,111)
Profit for the year	年度盈利	417,743	600,028	1,010,111	1,431,120	300,359
Attributable to:	應佔:					
Equity holders of the Company	公司權益持有人	417,743	600,028	1,010,204	1,441,329	302,117
Minority interests	少數股益	—	—	(93)	(10,209)	(1,758)
		417,743	600,028	1,010,111	1,431,120	300,359

		At 31 March 於三月三十一日				2009
		2005 二零零五年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元	二零零九年 HK\$'000 千港元
ASSETS, LIABILITIES AND EQUITY	資產、負債及權益					
Total assets	資產總值	4,113,393	5,774,016	9,845,200	17,014,989	18,676,559
Total liabilities	負債總值	(1,071,932)	(2,196,972)	(3,274,499)	(8,980,680)	(10,209,714)
		3,041,461	3,577,044	6,570,701	8,034,309	8,466,845
Equity attributable to equity holders of the Company	公司權益持有人應佔權益	3,041,461	3,577,044	6,570,794	8,044,611	8,466,845
Minority interests	少數股益	—	—	(93)	(10,302)	—
Total equity	權益總值	3,041,461	3,577,044	6,570,701	8,034,309	8,466,845

The Company was incorporated and registered as an exempted company in the Cayman Islands on 21 May 2003 and became the holding company of the Group as a result of a group reorganisation in September 2003. The financial summary has been presented on the basis that the Company had been the holding company of the Group from the beginning of the earliest period presented.

本公司於二零零三年五月二十一日於開曼群島註冊成立及登記為獲豁免公司，並因為集團重組而於二零零三年九月成為本集團的控股公司。財務摘要乃按本公司自最早呈報期間開始一直是本集團控股公司的基準而呈報。



MAJOR EVENTS OF THE YEAR 全年大事

2008

June 6月

The Group's twelfth production line (PM12) commenced operation at Hongmei plant, with an annual capacity of 350,000 tons of containerboard.

Received the Green Medal of the "One Factory-One Year-One Environmental Project" of the Federation of Hong Kong Industries.

集團的第十二條生產線(PM12)在洪梅廠房投產，年產能350,000噸箱板原紙。

獲香港工業總會頒授「一年一廠一環保」計劃一綠色獎章公司。



August 8月

Jiangsu Lee & Man received OHSAS 18001 certification and IECQ QC080000 on Hazardous Substance Process Management certification.

江蘇理文獲得OHSAS 18001職業健康與安全管理體系認證及IECQ QC080000有害物質過程管理體系認證。



October 10月

The Group's thirteenth production line (PM13) commenced operation at Chongqing plant, with an annual capacity of 300,000 tons of containerboard.

The Group disposed Evergreen Pulp at a consideration of HK\$200 million.

集團第十三條生產線(PM13)在重慶廠投產，年產能300,000噸箱板原紙。

集團以2億港元出售美國木漿生產業務。



2009

April 4月

Awarded "2009全球最具成長性華商上市公司" by World Eminence Chinese Business Association.

Received "2008 The Best 30 Pulp and Paper Making Enterprises in China" award from China Paper Association.

獲世界傑出華商協會選為「2009全球最具成長性華商上市公司」
中國造紙協會評選為「2008年度全國制漿造紙30強企業」

June 6月

Received "The 4th Capital Outstanding China Enterprise Award — Outstanding Paper Manufacturing Corporation" from Capital Magazine.

獲資本雜誌頒授「第四屆資本中國傑出企業成就獎——傑出原紙製造企業」獎項。



BUSINESS REVIEW

For the fiscal year of 2008/2009, the Group achieved a turnover of HK\$9,649 million and has recorded a profit attributable to equity holders of the Company of HK\$302 million. During the year, the Group recorded unprecedented losses in the third quarter due to global financial tsunami resulting in a sharp contraction of the market and drop in our selling prices which greatly impacted on the full year's results of the Group.

During the year, our PM12 in Hongmei plant and PM13 in Chongqing plant commenced production, and thereby boosting the Group's total annual containerboard capacity to 3.76 million tons. As the global economic situation slowly improves, our fourth quarter's performance was back within normal range in terms of sales volume and profitability. The management remains optimistic about the future.

OUTLOOK

The management believes that the worst is definitely over. Our 165,000 tons per annum pulp production line at Chongqing plant is now in trial production phase. While not increasing the debt level, we are now planning to start PM16 to meeting the growing demands of containerboard. Further, the Group will start the production of fine paper to take full advantage of our own forest and pulp resources.

In the meantime, the management will focus on cost control, sales network expansion, more value-added services to our customers, and products diversification. Financially, the management will focus on improvement of cash flow and debt reduction, which includes the postponement of our Vietnam expansion plans and the reduction of working capital needs in order to increase our competitiveness. When the global economic situation improves, we expect to generate higher profits and a better return for our shareholders and potential investors.

On behalf of the Board

Lee Wan Keung Patrick
Chairman

Hong Kong
20 July 2009

業務回顧

於2008/09年財政年度，本集團錄得營業額96.49億港元及股東應佔盈利3.02億港元。期內，受全球金融海嘯之影響，市場急劇萎縮，銷售價格驟降，令集團在第三季度遭遇了前所未有的虧損，以致影響全年業績。

廣東洪梅工廠的第十二號造紙機及重慶廠的第十三號造紙機於本年度投產，使集團的年總產能達至376萬噸。現時全球經濟已逐步好轉，集團業務在董事局領導和全體職員的共同努力下於第四季度已經恢復正常，相信前景樂觀。

展望

本集團最艱難的時段已逐步過去，重慶工廠年產16.5萬噸的木漿生產線已進入試產階段。在不增加負債率的前提下，將積極規劃設計第十六號造紙機，以滿足市場需求，並充分利用集團的林漿資源優勢，加速推進文化紙項目的發展。

在此期間，集團工作重點以降低經營成本、拓展銷售網絡、完善和增值服務體系及開發新產品為主，並更加注重改善現金流量及降低負債，妥善處理暫時擱置越南的擴展計劃及減少日常營運資金需求等，以提升集團的綜合競爭力。在順應市場需求及經濟環境的同時，為股東及潛在投資者帶來更豐厚的回報。

承董事命

李運強
主席

香港
二零零九年七月二十日



RESULTS OF OPERATION

Turnover and net profit attributable to equity holders of the Company for the year ended 31 March 2009 was HK\$9,649 million and HK\$302 million, representing an increase of 7.3% and a decrease of 79.0%, as compared to HK\$8,996 million and HK\$1,441 million, respectively, for last year. The basic earnings per share for the year was HK26.56 cents when compared with HK127.22 cents for last year.

The increase in turnover was mainly attributable to the increase in the Group's sales of containerboard due to the result of the full year commercial operation of PM9, PM10 and PM11 and commercial operation of PM12 and PM13 during the year.

As a result of financial tsunami causing a sharp contraction of the market which in turn led to the decline in customer orders and drop in selling price during the third quarter of the financial year, the Group recorded a significant decrease in net profit for the year ended 31 March 2009.

DISTRIBUTION AND SELLING EXPENSES

The Group's distribution and selling expenses was HK\$253 million for the year ended 31 March 2009 as compared to HK\$272 million for the year ended 31 March 2008. It represented about 2.6% of the turnover for the year ended 31 March 2009 and was slightly decreased as compared to that of 3.0% for the year ended 31 March 2008.

ADMINISTRATIVE EXPENSES

The Group's administrative expenses increased by approximately 22% from HK\$338 million for the year ended 31 March 2008 to HK\$411 million for the year ended 31 March 2009 as a result of the expansion in the operation of the Group and the increase in the Group's turnover during the year.

經營業績

截至二零零九年三月三十一日止年度的營業額及股東應佔純利分別為96.49億港元及3.02億港元，較去年的89.96億港元及14.41億港元，分別增加7.3%及下跌79.0%。本年度的每股盈利為26.56港仙，去年則為127.22港仙。

營業額上升主要歸因於本集團第九號、第十號及第十一號造紙機已全年生產及第十二號及第十三號造紙機於本年度投產，帶動本集團箱板原紙銷量上升所致。

由於金融海嘯，市場因此急劇收縮，令集團第三季度客戶訂單驟降及加上銷售價格下跌，令集團截至二零零九年三月三十一日止純利錄得重大跌幅。

分銷及銷售費用

本集團截至二零零九年三月三十一日止年度的分銷及銷售費用為2.53億港元，而截至二零零八年三月三十一日止年度為2.72億港元。截至二零零九年三月三十一日止年度的分銷及銷售費佔營業額輕微下跌至2.6%，而截至二零零八年三月三十一日止年度則為3.0%。

行政費用

本集團的行政費用分別由截至二零零八年三月三十一日止年度的3.38億港元，上升至截至二零零九年三月三十一日止年度的4.11億港元，增加約22%。行政費用有所增加，原因是本集團於年內擴充營運，以及本集團的營業額增加所致。



FINANCE COSTS

The Group's finance costs was HK\$219 million for the year ended 31 March 2009 as compared to HK\$86 million for the year ended 31 March 2008. The increase was mainly due to the increase in average amount of outstanding bank borrowings during the year.

INVENTORIES, DEBTORS' AND CREDITORS' TURNOVER

The inventory turnover of the Group's raw materials and finished products were 66 days and 20 days, respectively, for the year ended 31 March 2009 as compared to 105 days and 11 days, respectively, for the year ended 31 March 2008. The significantly improved inventory turnover days was due to the reduced raw material costs and the reduction of stock up period.

The Group's debtors' turnover days were 41 days for the year ended 31 March 2009 as compared to 69 days for the year ended 31 March 2008. The debtors' turnover days shortened significantly due to tighter controls and better receivables management.

The Group's creditors' turnover days were 19 days for the year ended 31 March 2009 as compared to 37 days for the year ended 31 March 2008 as the Group settled much of its creditors' balances near year end. The creditors' turnover days were expected to improve going forward given the Group's higher bargaining power in light of the industry consolidation.

財務成本

截至二零零九年三月三十一日止年度，本集團的財務成本為2.19億港元，而於截至二零零八年三月三十一日止年度則為86.4百萬港元。財務成本上升主要由於年內未償還平均銀行貸款增加所致。

存貨、應收賬款及應付賬款周轉期

本集團於截至二零零九年三月三十一日止年度的原料及製成品存貨周轉期分別為66日及20日，而於截至二零零八年三月三十一日止年度則分別為105日及11日。存貨周轉期大幅改善主要由於原材料及存倉期減少。

本集團於截至二零零九年三月三十一日止年度的應收賬款周轉期為41日，而於截至二零零八年三月三十一日止年度則為69日。應收賬款周轉期大幅縮短主要由於更嚴謹的監控及更有效管理應收賬款。

因本集團於年度末期時支付大部份應付賬款，所以本集團於截至二零零九年三月三十一日止年度的應付賬款周轉期為19日，而於截至二零零八年三月三十一日止年度則為37日。由於行業整合關係，本集團將有更佳議價能力，因此集團預期應付賬款周轉期亦會有所改善。



LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

The total shareholders' fund of the Group as at 31 March 2009 was HK\$8,467 million (31 March 2008: HK\$8,034 million). As at 31 March 2009, the Group had current assets of HK\$5,747 million (31 March 2008: HK\$5,736 million) and current liabilities of HK\$5,690 million (31 March 2008: HK\$4,371 million). The current ratio was 1.01 as at 31 March 2009 as compared to 1.31 at 31 March 2008.

The Group generally finances its operations with internally generated cash flow and credit facilities provided by its principal bankers in Hong Kong and the PRC. As at 31 March 2009, the Group had outstanding bank borrowings of HK\$8,542 million (31 March 2008: HK\$7,101 million). These bank loans were secured by corporate guarantees provided by certain subsidiaries of the Company. As at 31 March 2009, the Group maintained bank balances and cash of HK\$1,659 million (31 March 2008: HK\$318 million). The Group's net debt-to-equity ratio (total borrowings net of cash and cash equivalents over shareholders' equity) decreased from 0.84 as at 31 March 2008 to 0.81 as at 31 March 2009.

The Group possesses sufficient cash and available banking facilities to meet its commitments and working capital requirements.

The Group's transactions and the monetary assets are principally denominated in Hong Kong dollars, Renminbi or United States dollars. The Group has not experienced any material difficulties or effects on its operations or liquidity as a result of fluctuations in currency exchange rates during the year ended 31 March 2009. During the year ended 31 March 2009, the Group has used currency structured instruments, foreign currency borrowings or other means to hedge its foreign currency exposure.

流動資金、財務資源及資本結構

於二零零九年三月三十一日，本集團的股東資金總額為84.67億港元(二零零八年三月三十一日：80.34億港元)。於二零零九年三月三十一日，本集團的流動資產達57.47億港元(二零零八年三月三十一日：57.36億港元)，而流動負債則為56.90億港元(二零零八年三月三十一日：43.71億港元)。二零零九年三月三十一日的流動比率為1.01，二零零八年三月三十一日則為1.31。

本集團一般以內部產生的現金流量，以及中港兩地主要往來銀行提供的信貸備用額作為業務的營運資金。於二零零九年三月三十一日，本集團的未償還銀行貸款為85.42億港元(二零零八年三月三十一日：71.01億港元)。該筆銀行借貸由本公司若干附屬公司提供的公司擔保作為抵押。於二零零九年三月三十一日，本集團銀行結餘及現金為16.59億港元(二零零八年三月三十一日：3.18億港元)。本集團的淨資本負債比率(借貸總額減現金及現金等價物除以股東權益)由二零零八年三月三十一日的0.84減少至二零零九年三月三十一日的0.81。

本集團具備充裕的現金及可供動用的銀行備用額以應付集團的承擔及營運資金需要。

本集團的交易及貨幣資產主要以港元、人民幣或美元計值。截至二零零九年三月三十一日止年度，本集團的營運或流動資金未曾因匯率波動而面臨任何重大困難或影響。截至二零零九年三月三十一日止年度，本集團採用貨幣結構工具、外幣借貸或其他途徑作外幣對沖方法。



EMPLOYEES

As at 31 March 2009, the Group had a workforce of more than 7,000 people. Salaries of employees are maintained at competitive level and are reviewed annually, with close reference to the relevant labour market and economic situation. The Group also provides internal training to staff and provides bonuses based upon staff performance and profits of the Group.

The Group has not experienced any significant problems with its employees or disruption to its operations due to labour disputes nor has it experienced any difficulty in the recruitment and retention of experienced staff. The Group maintains a good relationship with its employees.

The Group has a Share Option Scheme whereby employees of the Group are granted options to acquire shares in the Company.

僱員

於二零零九年三月三十一日，本集團擁有逾7,000名員工。僱員薪酬維持於具競爭力水平，並會每年審閱，且密切留意有關勞工市場及經濟市況趨勢。本集團亦為僱員提供內部培訓，並按員工表現及本集團盈利發放花紅。

本集團並無出現任何重大僱員問題，亦未曾因勞資糾紛令營運中斷，在招聘及挽留經驗豐富的員工時亦不曾出現困難。本集團與僱員的關係良好。

本集團設有購股權計劃，本集團僱員可據此授購股權，以認購本公司股份。



CORPORATE GOVERNANCE PRACTICES

The Company is committed to maintaining high standards of corporate governance. The board of directors (the “Board”) of the Company believes that sound and reasonable corporate governance practices are essential for the growth of the Group and for safeguarding and maximizing shareholders’ interests. During the year under review, the Company has complied with the Code on Corporate Governance Practices (the “Code”) as set out in Appendix 14 of the Rules Governing the Listing of Securities (“Listing Rules”) on The Stock Exchange of Hong Kong Limited.

The objectives of the management structures within the Group, headed by the Board and led by the Chairman, are to deliver sustainable value to Shareholders.

The Chairman provides leadership to and oversees the effective functioning of the Board. With support of the Chief Executive Officer and the Company Secretary, the Chairman approves Board meeting agenda, and ensures Directors have proper briefing, and timely receive adequate and reliable information, on all Board matters.

The role of the Chairman is separate from that of the Chief Executive Officer, and different persons hold the separate offices. Chief Executive Officer heads the management and focuses on the day-to-day operations of the Group.

DIRECTORS’ SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (“Model Code”) as set out in Appendix 10 of the Listing Rules as a code of conduct regarding directors’ securities transactions in 2004. All the members of the Board have confirmed, following specific enquiry by the Company that they have complied with the required standard as set out in the Model Code throughout the year ended 31 March 2009. The Model Code also applies to other specified senior management of the Group.

企業管治常規

本公司致力保持高水準之企業管治。本公司董事會(「董事會」)相信，對本集團成長及對保障及提高股東權益，完善及合理的企業管治常規實在不可或缺。本公司於回顧年內一直遵守香港聯合交易所有限公司證券上市規則(「上市規則」)附錄14所載之企業管治常規守則(「守則」)。

本集團管理架構以主席領導的董事會為首，其目標是持續不斷為股東創造價值。

主席負責領導董事會並監督董事會，使其得以有效發揮功能。在行政總裁及公司秘書的支持下，主席批准董事會議程，並確保妥善向董事作出簡報，且及時就一切有關董事會的事宜向董事發放充足可靠的資料。

主席與行政總裁的職務明確劃分，職務由不同人士分別擔任。行政總裁負責領導管理層，專門負責本集團的日常營運。

董事之證券交易

本公司已於二零零四年採納上市規則附錄10所載之上市發行人董事進行證券交易的標準守則(「標準守則」)作為董事進行證券交易之行為守則。本公司經向所有董事作出具體查詢後，全體董事皆確認於截至二零零九年三月三十一日止年度均遵守標準守則所載之規定標準。標準守則亦適用於本集團之特定高級管理層。



BOARD OF DIRECTORS

Composition and Role

The Board comprises:

Executive Directors:

Mr Lee Wan Keung Patrick (*Chairman*)

Mr Lee Man Chun Raymond *BBS JP*

Mr Lee Man Bun

Mr Li King Wai Ross

Non-executive Director:

Professor Poon Chung Kwong *GBS JP*

Independent Non-executive Director:

Mr Wong Kai Tung Tony

Mr Peter A Davies

Mr Chau Shing Yim David

During the year, the Board comprises of four executive directors (one of whom is the Chairman), one non-executive director and three independent non-executive directors. The three independent non-executive directors represent one-third of the Board. In addition, three of the independent non-executive directors possess appropriate legal, professional accounting qualifications and financial management expertise.

The principal focus of the Board is on the overall strategic development of the Group. The Board also monitors the financial performance and the internal controls of the Group's business operations.

The independent non-executive directors also serve the important function of ensuring and monitoring the basis for an effective corporate governance framework. The Board considers that each independent non-executive director is independent in character and judgment and that they all meet the specific independence criteria as required by the Listing Rules. The Company has received from each independent non-executive director an annual confirmation or confirmation of his independence pursuant to Rule 3.13 of the Listing Rules. The independent non-executive directors are explicitly identified in all of the Company's corporate communications.

董事會

架構及角色

董事會包括：

執行董事：

李運強先生(主席)

李文俊先生*BBS 太平紳士*

李文斌先生

李經緯先生

非執行董事：

潘宗光教授*GBS 太平紳士*

獨立非執行董事：

王啓東先生

Peter A Davies先生

周承炎先生

年內，董事會包括4位執行董事(其中1位為主席)、1位非執行董事及3位獨立非執行董事。3位獨立非執行董事佔董事會成員三分之一。此外，3位獨立非執行董事分別具適當之法律、專業會計師資格及財務管理經驗。

董事會主要著眼於本集團之整體策略及發展。董事會亦監察本集團經營業務之財務表現及內部監控。

獨立非執行董事亦在確保及監察有效企業管治之架構中擔當非常重要的角色。董事會相信每一位獨立非執行董事均有其獨立性及判斷力，彼等均合乎上市規則規定之特定獨立準則。本公司已接獲各獨立非執行董事根據上市規則第3.13條規定所作出之年度獨立性確認函。而獨立非執行董事均可在本公司所有企業通訊內明確識別。



The Chairman is primarily responsible for drawing up and approving the agenda for each board meeting in consultation with all directors. Notice of at least 14 days have been given to all directors for all regular board meetings and the directors can include matters for discussion in the agenda if necessary. Agenda and accompanying board papers in respect of regular board meetings are sent out in full to all directors within reasonable time before the meeting. Draft minutes of all board meetings are circulated to directors for comment within a reasonable time prior to confirmation.

Minutes of board meetings and meetings of board committees are kept by duly appointed secretaries of the respective meetings and all directors have access to board papers and related materials, and are provided with adequate information on a timely manner, which enable the Board to make an informed decision on matters placed before it.

During the year, full board meetings were held and the individual attendance of each director is set out below:

主席經徵詢全體董事，首要負責草擬及審批每次董事會會議之議程。開會通知最少於常務會議14天前發送予各董事，如需要，董事可要求在議程內加插討論事項。召開常務會議時，一套完整議程連同開會文件會在開會前之合理時間內發送予各董事。草擬的會議紀錄亦會於合理時間內送交各董事省閱，方予確認。

董事會及董事委員會之會議紀錄由相關會議所委任之秘書保存，所有董事均有權查閱董事會文件及相關資料及適時地獲提供足夠資料，使董事會可於決策事項前作出有根據的判斷。

年內，已召開全體董事會，各董事出席情況詳列如下：

Name of director	董事姓名	Number of board meetings attended/Total 出席／可出席董事會 會議次數
Mr Lee Wan Keung Patrick	李運強先生	3/4
Mr Lee Man Chun Raymond <i>BBS JP</i>	李文俊先生 <i>BBS 太平紳士</i>	4/4
Mr Lee Man Bun	李文斌先生	2/4
Mr Li King Wai Ross	李經緯先生	1/4
Prof Poon Chung Kwong <i>GBS JP</i>	潘宗光教授 <i>GBS 太平紳士</i>	3/4
Mr Wong Kai Tung Tony	王啓東先生	4/4
Mr Peter A Davies	Peter A Davies先生	3/3
Mr Chau Shing Yim David	周承炎先生	2/2
Ms Law Kar Shui Elizabeth (resigned on 1 January 2009)	羅嘉穗小姐(於2009年1月1日辭任)	3/4
Mr Heng Kwoo Seng (resigned on 30 April 2008)	邢詒春先生(於2008年4月30日辭任)	N/A



AUDIT COMMITTEE

The Audit Committee was established in 2003 and its current members include:

Mr Wong Kai Tung Tony
Mr Peter A Davies
Mr Chau Shing Yim David

The Board considers that each Audit Committee member has broad commercial experience and there is a suitable mix of expertise in legal, business and accounting on the Audit Committee. The composition and members of the Audit Committee complies with the requirements under Rule 3.21 of the Listing Rules. The written terms of reference which describe the authority and duties of the Audit Committee were adopted in 2003 to conform to the provisions of the Code, a copy of which is posted on the Company's website.

The Audit Committee meets regularly to review the Group's financial reporting and other information to shareholders, the system of internal controls, risk management and the effectiveness and objectivity of the audit process. The Audit Committee also provides an important link between the Board and the Company's auditors in matters coming within the scope of its terms of reference and keeps under review the independence and objectivity of the auditors.

The Audit Committee has reviewed with the management the accounting principles and practices adopted by the Group and discussed internal controls and financial reporting matters including a review of the accounts for the year ended 31 March 2009.

審核委員會

審核委員會於二零零三年成立，現時成員包括：

王啟東先生
Peter A Davies 先生
周承炎先生

董事會認為各審核委員會成員均具備廣泛營商經驗，審核委員會當中兼備合適之法律、商業及會計專業。審核委員會之架構及成員符合上市規則第3.21條之規定。為符合守則條文，描述審核委員會權限及職責之職權範圍已於二零零三年被採納，職權範圍全文已刊載於本公司網頁內。

審核委員會定期開會以檢討本集團之財務匯報及給予股東之其他資料、內部監控系統、風險管理及審核過程之有效性及效能。審核委員會並為董事會及公司核數師之間之重要橋樑，在其職權範圍內持續檢討核數師之獨立性及效能。

審核委員會已與管理層檢討本集團所採納之會計原則及慣例，並已就內部監控及財務匯報等事項進行討論，其中包括審閱截止二零零九年三月三十一日止年度的會計賬目。



During the year, three Audit Committee meetings were held and the individual attendance of each member is set out below:

年內，共召開三次審核委員會會議，個別成員的出席情況詳列如下：

Name of member	成員姓名	Number of meetings attended/Total 出席／可出席會議次數
Mr Wong Kai Tung Tony	王啓東先生	3/3
Mr Peter A Davies (appointed on 21 July 2008)	Peter A Davies先生 (於2008年7月21日獲委任)	1/1
Mr Chau Shing Yim David (appointed on 1 October 2008)	周承炎先生 (於2008年10月1日獲委任)	1/1
Ms Law Kar Shui Elizabeth (resigned on 1 January 2009)	羅嘉穗小姐(於2009年1月1日辭任)	2/3
Mr Heng Kwoo Seng (resigned on 30 April 2008)	邢詒春先生(於2008年4月30日辭任)	1/1

REMUNERATION COMMITTEE

The Remuneration Committee was established in 2005 and the current members include:

Mr Wong Kai Tung Tony
Mr Peter A Davies
Mr Chau Shing Yim David

All members of the Remuneration Committee are independent non-executive directors. The Remuneration Committee advises the Board on the Group's overall policy and structure for the remuneration of directors and senior management. The Remuneration Committee ensures that no director or any of his associate is involved in deciding his own remuneration. The terms of reference of the Remuneration Committee were adopted in 2005 to conform to the provisions of the Code, a copy of which is posted on the Company's website.

In determining the emolument payable to directors, the Remuneration Committee takes into consideration factors such as salaries paid by comparable companies, time commitment and responsibilities of the directors, employment conditions elsewhere in the Group and the desirability of performance-based remuneration.

The Remuneration Committee meets regularly to determine the policy for the remuneration of directors and assess performance of executive directors and certain senior management. Two Remuneration Committee meetings were held during the year and all members have attended in the meeting.

薪酬委員會

薪酬委員會於二零零五年成立，現時成員包括：

王啟東先生
Peter A Davies先生
周承炎先生

所有薪酬委員會成員均為獨立非執行董事。薪酬委員會為本集團董事及高級管理層之薪酬之整體政策及架構向董事會作出建議。薪酬委員會確保概無董事或其任何聯繫人參與釐定其本身之薪酬。為符合守則條文，薪酬委員會的職權範圍已於二零零五年被採納，並已刊載於本公司網頁內。

在釐定應付予董事之酬金時，薪酬委員會乃考慮各項因素，包括同業薪金水平，董事所奉獻之時間及其職責，集團內部的僱傭情況及與表現掛鈎之酬金。

薪酬委員會定期開會以釐定董事之酬金政策及評估執行董事及若干高級管理層之表現。年內召開會議兩次，所有成員均有出席會議。



AUDITORS' REMUNERATION

For the year ended 31 March 2009, the auditor of the Company only provided audit services to the Company.

INTERNAL CONTROLS

The Board has overall responsibility for the system of internal controls of the Group and for reviewing its effectiveness. The Board is committed to implementing an effective and sound internal controls system to safeguard the interest of shareholders and the Group's assets. The Board has delegated to executive management the implementation of the system of internal controls and reviewing of all relevant financial, operational, compliance controls and risk management function within an established framework.

DIRECTORS' RESPONSIBILITY STATEMENT

The directors are responsible for the preparation of accounts for each financial period which gives a true and fair view of the state of affairs of the Group and of the results and cash flow for that period. In preparing the accounts for the year ended 31 March 2009, the directors have selected suitable accounting policies and applied them consistently; adopted appropriate Hong Kong Financial Reporting Standards and Hong Kong Accounting Standards; made adjustments and estimates that are prudent and reasonable; and have prepared the accounts on the going concern basis. The directors are also responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Group.

INVESTOR RELATIONS AND COMMUNICATION

The Board is committed to providing clear and full information about the Group's performance to shareholders through the publication of interim results and annual results in a timely manner. In addition to dispatching circulars, notices and financial reports to shareholders, additional information is also available to shareholders on the website of the Company.

核數師薪酬

截止二零零九年三月三十一日止年度，本公司的核數師只向本公司提供核數服務。

內部監控

董事會全面負責本集團之內部監控系統及檢討其是否有效。董事會致力實行有效及完善之內部監控系統以保障股東利益及本集團資產。董事會已指派執行管理層在設定之範疇內實行內部監控系統及檢討所有相關財政、營運、遵守法則監控及風險管理功能。

董事的職責

董事須負責編製各財政期間能真實與公正地反映本集團之財政狀況及該期間之業績及現金流量之賬目。在編製截止二零零九年三月三十一日止年度之賬目時，董事已貫徹採用合適之會計政策，採納合適的香港財務報告準則及香港會計準則，作出審慎及合理的調整及評估，及在持續進行有關業務之基準而編製。董事並須負責保存適當之會計紀錄，以能合理準確地披露本集團任何時候之財務狀況。

與投資者交流及溝通

董事會致力透過刊發中期業績及年度業績，適時地將本集團之表現清晰及全面地提供予股東。除發送通函、通告及財務報告予股東，股東亦可透過本公司網頁獲取額外資訊。



The annual general meeting provides a useful forum for shareholders to raise comments and exchange views with the Board. Shareholders are encouraged to attend annual general meetings for which the Company gives at least 21 days' notice. The Chairman and Directors and external auditors are available to answer questions on the Company's businesses at the meeting.

Separate resolutions are proposed at the general meetings on each substantially separate issue, including the election of individual directors. In addition, procedures for demanding a poll are included in the circular to shareholders dispatched together with the annual report.

股東週年大會提供一個良好的平台讓股東向董事會發表及交流意見。本公司發出不少於21天之通告以鼓勵股東出席股東週年大會。主席、董事及外聘核數師均會列席會議以便回答本公司業務上之提問。

各重大獨立事項(包括個別董事之選任)均會於股東週年大會上單獨提呈決議案。此外，載有投票表決程序之通函與年報會一併寄發予股東。



ENVIRONMENTAL PROTECTION

Over the years, the Group has been fully committed to environmental protection. The management implemented various measures and controls to ensure that our duties to the environment have been fulfilled. Our production plants are built in compliance with all the international environment management standards and we have employed the most effective form of technology to ensure the Group to be one of the most environmentally friendly companies in the world. To ensure all the measures are carried out properly, the management has set up an Environmental Protection Division personally led by the Chief Executive Officer and a team of qualified professionals. Periodic internal control meetings are held to review the environmental issues in the production plants, to update any environmental laws or regulations and to make valuable suggestions and recommendations for improvement. In the next five years, the Environmental Protection Division will put more effort to ensure high environmental standards are persistently met in the key areas of production process, waste water treatment, water and energy consumption and emission control.

Environmentally-Friendly Production Process

The Group's advanced production machines are designed to enable high usage of recovered paper during the production process. One of the Group's long term objectives is to increase the usage of waste paper and to decrease the usage of virgin pulp. Currently, our paper is produced at 97% recycling rate (i.e. 97% of paper fibers are recyclable materials) and we have one of the highest recycling rates among all containerboard manufacturers globally. To ensure a stable supply of recovered paper, we have several sourcing teams over the world and we have also sponsored several local companies to collect waste paper, which not only create jobs locally but also make the surrounding area more environmentally friendly.

環境保護

過去數年，集團一直致力環境保護，並採取多項適用的措施及監控方法確保已履行對保護環境的責任。集團廠房乃根據國際環境管理標準建造，且運用最有效的科技以確保集團成為全球最符合環保原則的公司之一。為保證措施確實執行，管理層成立了環保小組，由首席執行官親自帶領，小組成員乃合資格專材。小組定期召開內部監控會議，旨在審閱有關廠房內的環保事項，通知各成員任何環保法律及規定的更新條文及對需要作出改善的地方提供適當意見及建議。未來五年，環保小組將投放更多時間在環保生產過程、廢水處理、耗水量、能源耗用量及排放監控等主要範疇，確保可持續達到高環保標準。

環保生產過程

集團生產機器設計先進，可在造紙生產過程中使用大量廢紙作為原料。本集團長遠目標之一是增加廢紙用量，減少使用原木漿。現時，集團生產的紙張使用97%廢紙來生產（即紙張纖維97%為可循環再用物料），令集團成為全球箱板原紙生產商中有著最高廢紙再用比率的企業之一。為確保廢紙供應穩定，集團於全球設有多個採購隊伍，並資助一些國內企業回收當地的廢紙，一方面可以創造就業機會，另一方面可以更加環保。



Water Consumption and Waste Water Treatment Plant

Water consumption is highly dependent on the quality of the waste water treatment and the amount of water reused in the production process. To minimize water pollution in the production process, the Group currently employs the world's most advanced waste water treatment technology, the two stage aerobic anaerobic treatment, which results in waste water discharged to adhere to the highest standards set by the national environment bureau. Our current COD discharge is at 80mg/ml, while the national discharge standard is at 100mg/ml. More importantly, by reusing waste water in our production process, we can significantly reduce the water consumption to less than 10m³/ton of paper produced and this is more than ten times the national average.

Energy Consumption

Another long term objective of the Group in environmental protection is to reduce the energy consumption. It can be achieved by generating power more efficiently and to use less energy in the paper making process. The Group aims to achieve these goals by using better technology (such as changing our existing motors to frequency-controlled motors) and simply by managing better. Currently, we operate at 0.43 ton of standard coal per ton of paper produced and our target is to reduce to less than 0.40 ton of standard coal per a ton of paper produced in the next five year. This level is substantially less than the national average of 1.3 ton of standard coal per ton of paper produced.

Emission Control

Reduce energy consumption leading to less emission. All our coal-fired power plants are installed with particulate filtration and desulphurization equipments and the discharge emission are always monitored on-lined ensuring the emission levels are met with the national regulatory requirements.

耗水量及廢水處理廠

耗水量高度取決於廢水處理質素及生產過程中可循環再用廢水量。為減低在生產過程中對水源的污染，集團引進全球最先進的廢水處理技術——好氧厭氧性細菌兩級處理技術，令廢水遵照國家環保局最高標準排放。現時COD排放達每公升80毫克，優於國家排放標準每公升100毫克。更重要的是，於造紙過程中產生的廢水可循環再用，大大減低耗水量，令生產一噸紙的耗水量少於10立方米，優於國家平均數達10倍以上。

能源耗用量

集團在環保方面另一長遠目標為節約能源。為求達到目的，集團將運用更好的技術（如更換原有的發動機為頻控式發動機）及更良好的管理，令發電更加有效率及能在造紙生產中更加節約能源。現時，每生產一噸紙須用0.43噸標煤，集團的目標是在未來五年內做到每生產一噸紙只用少於0.40噸標煤，相比國家每生產一噸紙須用1.3噸標煤平均數大幅度為低。

廢氣排放監控

節約能源可減少廢氣排放。集團的燃煤發電廠均設有微粒過濾及脫硫設備，且能即時透過電腦在線監察廢氣排放量，確保排放水平完全符合國家規定要求。



HUMAN RESOURCES STRATEGY

At Lee & Man Paper, we believe that our staffs are the most important resources and their well-being, growth and performance are tied tightly to the group's success. To create a pleasant working and living environment, the Group has carried out various actions to continuously reviewing and improving policies and facilities. Moreover, the Group also pays high concern on its staff's career development. Through a carefully designed internal training system and continuous effort in identifying potential talents, the Group aims to help its staffs develop multi-skills capability, enrich knowledge, and craft a career path that can unleash their potentials and elevate their values to satisfy their growth needs and to better align with the Group's strategy and growth.

Caring Our Staff

With staff well-being as one of our core values in managing human resource, Lee & Man is committed to provide employees with pleasant work environment and rich personal lives. We believe that only through building a satisfying and committed workforce we can, as a team, achieve sustainable development and success. Our management is open to listen to our staff's voice and advice.

The Group always review and improve catering, residence and recreational facilities and services to provide a pleasant living environment to the staff. The Group also devotes much effort in organizing cultural events and recreational activities to enrich its staffs and their families' lives. Being in the Lee & Man Paper big family, we have set up a financial aid scheme helping staff and their families directly during the rough times such as sicknesses and accidents.

人力資源策略

理文造紙相信，員工乃公司最重要的財產，員工的健康、成長及表現與集團的成功連成一線。為建立一個舒適的工作及生活環境，集團會不斷檢討及改善政策及設施。此外，集團亦非常注意員工的工作發展前景。透過精心設計的內部培訓計劃及不斷發掘有潛質的人材，集團期望可以提升員工的工作知識及培養員工發展多方面技能，令他們可以盡情發揮所長，自我增值，配合集團的整體策略一起成長。

關懷員工

關懷員工乃人力資源管理的重要一環，理文造紙一直致力為員工提供優質的工作環境及豐富的生活。我們相信只有建立一個肯承擔的團隊才能不斷發展，邁向成功之路。集團管理層對於員工的聲音及意見持開放態度。

集團不時檢討及改善膳食、住宿環境、娛樂設施及服務，為員工提供舒適的生活環境。集團亦定期舉辦文化娛樂節目，讓員工及其家屬有一個豐富的業餘生活。生活在理文造紙大家庭裏，當員工及其家屬遇到危疾或意外等，集團設立的福利基金會直接給予援助，幫助他們渡過困境。



Career Development

As Lee & Man Paper understands that the growth of its staff equals the growth of the Group, we pay extremely attention in helping staff to acquire new skills and knowledge to better fit with the Group's strategy. To meet with the global trend for multi-skills talent and to encourage lifelong learning, every year the Group has organized a series of internal training programs as well as subsidizing staff to study further. With the Lee & Man's performance management system, together with the Group's continuous effort in identifying talents, capable staffs are selected to enter our management trainee program that aims to set new heights to their career path. The Group has also sent students to Guangzhou's South China University of Technology for a two-year diploma course on paper making technology that are fully funded by the Group and students are placed into various positions after graduation.

AWARDS AND CERTIFICATIONS

Lee & Man Paper has always been committed to being a model enterprise with a keen sense of social responsibility. To demonstrate our past efforts in protecting the environment, each of the Huangyong plant and Jiangsu plant have been awarded the ISO 14001 certification for environmental management. During the year, Lee & Man Paper was awarded the "Green Medalist" by The Federation of Hong Kong Industries to cite our successful and completion of environmental projects in air emission control, water consumption and energy consumption that were continuously carried out in the plant. In addition to the ISO 14001 certification, our plants have also been granted the ISO 9001 certification for quality management.

To provide a safety working place is very crucial to us. Our Huangyong plant and Jiangsu plant were granted with OHSAS 18001 certification for Occupational Health & Safety, demonstrating our commitment in caring about employee safety and quality of working environment. The certifications ensure that we have taken various measures to improve efficiency of internal operations and consequently reduce accidents, danger and downtime as well as ensuring our compliance with current legal requirements.

在職發展機會

理文造紙深明員工及公司的成長同樣重要，所以集團非常注重培養員工學習新技術以配合集團商業策略。擁有多方面技能的人材乃大勢所趨及為鼓勵終身學習，集團每年都舉辦一系列內部培訓課程及資助員工繼續進修。集團不時根據員工表現，挑選有潛質及有能力的員工，接受管理培訓課程，給予員工另一個晉升機會。集團亦會選派學生到廣州華南理工大學修讀為期兩年的造紙技術文憑課程，所有費用由集團資助，學生畢業後將安排到集團擔任不同職位的工作。

獎項及認證

理文造紙一向致力做個有高度社會責任的模範企業。集團的潢涌廠房及江蘇廠房已取得ISO 14001環境管理國際認證，證明集團過去對環保作出的努力。年內，理文造紙獲得香港工業總會頒發「綠色獎章」公司，表揚集團廠房持續在有關廢氣排放、水及能源資源管理等環保項目上取得滿意成績。另外，集團廠房亦取得ISO 9001質量管理認證。

安全的工作環境是非常重要的。集團非常關注員工的安全及工作環境質素，潢涌廠房及江蘇廠房已分別取得OHSAS 18001職業健康及安全認證，證明廠房已採取有效措施改善內部運作效率，旨在減少意外發生、危險物及停工期，同時確保符合現行相關法律規定。



Furthermore, our plants in Hongmei, Huangyong and Jiangsu have also been awarded IECQ QC080000 certification for Hazardous Substance Process Management. This certification provides confidence to our customers that our products are compliant, and that do not contain prohibited substances.

Over the years Lee & Man Paper have made numerous donations and we have received many awards from governmental authorities to confirm our past contribution towards the industry and the society as a whole.

此外，洪梅廠房、潢涌廠房及江蘇廠房亦取得IECQ QC080000有害物質過程管理認證。此認證可以大大提高客戶對集團的信心，證明集團的產品是合規生產，並無含有被禁的有害物質。

理文造紙經常參與多項慈善捐獻，幫助他人，所以屢獲政府機構表揚集團對造紙行業及整體社會所作出的貢獻。



EXECUTIVE DIRECTOR

Mr Lee Wan Keung Patrick, aged 66, Chairman of the Company and founder of the Group, is in charge of senior staff recruitment, staff management, corporate strategy, building construction and public relations for the Group in the PRC. He has over 46 years of experience in manufacturing and international trade. Mr Lee is the former standing member of the Political Consultative Committee of Guangdong Province and former chairman of Hong Kong Hainan Commercial Association. He is now the honorary principal of the Qionghai Jiayi Secondary School and Hainan Guoxing Secondary School. He has also been awarded honorary citizenship of Dongguan.

Mr Lee Man Chun Raymond, *BBS, JP*, aged 38, Chief Executive Officer as well as founder of the Company, is primarily in charge of corporate planning, investment projects and acquisition of heavy production machines. Mr Lee has over fifteen years of operational experience in paper manufacturing and is experienced in professional formula of paper making and product development. He holds a bachelor's degree in applied science from the University of British Columbia. Mr Lee is currently involved in a number of public engagements. Mr Lee has been awarded honorary citizenship of Dongguan and reputational citizenship of Changshu. Mr Lee was the "Young Industrialist Award of HongKong 2002" and "2003 Hong Kong Ten Outstanding Young Persons Selection Awardees". In 2005, Mr Lee received the "Bronze Bauhinia Star" (BBS) from the Government of the Hong Kong Special Administrative Region and in 2007, he was appointed non-official Justice of the Peace (JP). In 2008, Mr Lee was also appointed the CPPCC National Committee. He is also an independent non-executive director of the listed company, Bossini International Holdings Limited. Mr Lee is the eldest son of Mr Lee Wan Keung Patrick.

執行董事

李運強先生，66歲，本公司主席及本集團創辦人，負責高級職員任聘、管理、參與制定本集團之策略、基建工程及維繫與中國相關政府機構關係。李先生擁有逾四十六年製造業及國際貿易經驗。彼為前廣東省政協常委及前海南商會會長，現任海南省嘉積中學榮譽校長及海南省國興中學名譽校長，並為東莞市榮譽市民。

李文俊先生*BBS 太平紳士*，38歲，本集團首席執行官，亦為本公司創辦人，負責本集團整體策劃、投資項目及重型機器購置。李先生在造紙業擁有逾十五年營運經驗，對造紙業的專業程式及產品開發擁有豐富經驗。李先生持有加拿大英屬哥倫比亞大學應用科學學士學位。彼現擔任多項公職，並獲頒授東莞市及常熟市榮譽市民。李先生為「二零零二香港青年工業家」及「二零零三年香港十大傑出青年」。於二零零五年李先生獲香港特別行政區政府頒發銅紫荊星章及於二零零七年獲委任為非官守太平紳士(JP)。於二零零八年李先生再獲委任為全國政協委員。彼亦為上市公司堡獅龍國際集團有限公司之獨立非執行董事。李先生為本集團主席李運強先生之長子。



EXECUTIVE DIRECTOR (CONTINUED)

Mr Lee Man Bun, aged 28, Executive Director and Assistant General Manager of the Company, is responsible for production management, research & development, repair and maintenance of production machines and factory staff management. Mr Lee holds a bachelor's degree of Applied Science in Chemical Engineering from the University of British Columbia in Canada. He is the member of the Political Consultative Committee of Guangdong Province and also the Vice Chairman of Yan Chai Hospital Board of Directors. He joined the Group in July 2003. Mr Lee is the youngest son of Mr Lee Wan Keung Patrick.

Mr Li King Wai Ross, aged 34, Executive Director and Assistant General Manager of the Company, is responsible for the daily factory management of Hangmen factory, purchasing of recovered paper as well as maintaining relationship of various government departments in Don guan. Mr Li holds a Masters Degree in Science (Electrical Engineering) from Stanford University in U.S.A. and a bachelor's degree of Applied Science (Computer Engineering) from University of British Columbia in Canada. Mr Li has over 9 years of experience in production management and in technological research & development. He joined the Group in December 2002.

NON-EXECUTIVE DIRECTORS

Professor Poon Chung Kwong, *GBS JP*, aged 69, the non-executive director of the Group, is the former President of the Hong Kong Polytechnic University and has over 40 years working experience in educational sector. He was appointed Non-official Justice of the Peace (JP) in 1989; received the OBE in 1991 and the Gold Bauhinia Star (GBS) in 2002.

執行董事(續)

李文斌先生，28歲，本集團董事副總經理，負責生產管理、品質研究、機械維修和工廠員工管理，彼持有加拿大英屬哥倫比亞大學應用科學化學工程學士學位。彼為廣東省政協委員及仁濟醫院董事局副主席。彼於二零零三年七月加入本集團。李文斌先生為本集團主席李運強先生之幼子。

李經緯先生，34歲，本集團董事副總經理，負責洪梅廠房日常廠務管理、廢紙採購及維繫與東莞市各政府部門的關係。彼持有美國史丹福大學科學(電子工程)碩士學位及加拿大英屬哥倫比亞大學應用科學(電腦工程)學士學位，擁有逾九年生產管理及技術研究開發經驗。彼於二零零二年十二月加入本集團。

非執行董事

潘宗光教授*GBS 太平紳士*，69歲，本集團非執行董事，為前香港理工大學校長，於教育界具有逾四十年工作經驗。潘教授於一九八九年獲委任為非官守太平紳士(JP)、一九九一年獲頒英國官佐勳章(OBE)勳銜及於二零零二年獲香港特別行政區政府頒授金紫荊星章(GBS)。



INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr Wong Kai Tung Tony, aged 66, an independent non-executive Director of the Group, has been a practicing lawyer in Hong Kong since 1968 and has also been admitted as a solicitor in England and Wales. He is currently a consultant at Messrs. Hastings & Co., Solicitors and Notaries.

Mr Peter A Davies, aged 66, an independent non-executive Director of the Group, is a retired lawyer. He has over 40 years of experience in the legal field, practising both as a solicitor and a barrister in England and Hong Kong. Over the years, he has been a partner of Messrs. Deacons, Solicitors, and a Directorate Officer and the head of the Insider Dealing Unit with the Department of Justice of Hong Kong. He was appointed to be a notary public in Hong Kong in 1974.

Mr Chau Shing Yim David, aged 45, an independent non-executive Director of the Group, has over 20 years' experience in corporate finance, working on projects ranging from initial public offerings and restructuring of PRC enterprises for cross-border and domestic takeovers. He was formerly a partner of one of the big four accounting firms in Hong Kong, heading the Merger and Acquisition and Corporate Advisory Services. He is a member of the Hong Kong Securities Institute, the Institute of Chartered Accountants of England and Wales ("ICAEW") with the Corporate Finance Qualification granted by ICAEW, and the Hong Kong Institute of Certified Public Accountants ("HKICPA"). Mr. Chau was an ex-committee member of the Disciplinary Panel of HKICPA. He is an executive director of Tidetime Sun Holdings Limited and a non-executive director of Shandong Molong Petroleum Machinery Company Limited and Varitronix International Limited, both are listed on the main board of the Stock Exchange of Hong Kong Limited.

獨立非執行董事

王啟東先生，66歲，本集團獨立非執行董事。王先生自一九六八年以來為香港之執業律師，亦為英格蘭及威爾斯執業事務律師。彼現任希士廷律師行之顧問。

Peter A Davies先生，66歲，為退休律師。Davies先生在法律界擁有逾四十年經驗，曾於英國及香港任執業律師及大律師。過往曾擔任的近律師行合夥人以及香港律政司首長級職位，並曾出任內幕交易小組主管。彼於一九七四年獲委任為香港公證人。

周承炎先生，45歲，本集團獨立非執行董事，擁有逾二十年企業財務經驗，曾參與多個首次公開發售新股、中國企業重組及國內外合併等項目。周先生過往曾任香港四大會計師行之一的合夥人，並為該行收購合併及企業諮詢部門主管。彼為香港證券專業學會會員、英格蘭及威爾斯特許會計師公會會員及持該會頒授之企業財務資歷、香港會計師公會(「香港會計師公會」)會員。彼亦曾為香港會計師公會紀律委員會會員。周先生為香港聯合交易所有限公司主板上市公司泰德陽光(集團)有限公司之執行董事、山東墨龍石油機械股份有限公司及精電國際有限公司之獨立非執行董事。



SENIOR MANAGEMENT

Mr Chan Kong Sang, aged 49, is the project manager (power station and piers) of the Group, responsible for all the mechanical and electrical engineering projects. Mr Chan holds a bachelor's degree of science in engineering from the University of Hong Kong. Mr Chan has over 26 years of operational experience in managing production and engineering aspects of manufacturing businesses and joined the Group in January 2001.

Mr Cheung Kwok Keung, aged 42, is the Chief Financial Officer of the Group responsible for the internal supervision and management of the Group's financial matters and company secretary of the Company. Mr Cheung is a fellow member of the Association of Chartered Certified Accountants and an associate member of the Hong Kong Institute of Certified Public Accountants and has over 20 years of experience in the field of auditing, accounting and financial management. Mr Cheung holds a professional diploma in accountancy from the Hong Kong Polytechnic University. Mr Cheung is also an independent non-executive director of the listed company, MAE Holdings Limited (to be named Sheng Yuan Holdings Limited). He joined the Group in August 2002.

Mr Yan Jean Goo, aged 43, is the general manager of Guangxi Lee & Man Forestry responsible for plantation management. Mr Yan holds a bachelor's degree in economics from the University of Xiamen and has over 21 years of experience in production and operation management. He joined the Group in November 2006.

Mr Chan Chi Ho, aged 41, is an assistant general manager, responsible for industrial paper production management of the Group. Mr Chan has over 20 years of experience in overseeing production matters in the paper manufacturing business. Mr Chan was former production manager of Jiangsu plant and rejoined the Group in February 2009.

高級管理層

陳江生先生，49歲，本集團熱電站及碼頭項目經理，負責各項機電工程。陳先生持有香港大學工程理學士學位，擁有逾二十六年管理製造業業務的生產和工程營運經驗。彼於二零零一年一月加入本集團。

張國強先生，42歲，本集團財務總監兼本公司之公司秘書，負責本集團之內部財政監督及管理。張先生為英國公認會計師公會資深會員及香港會計師公會會員，擁有逾二十年核數、會計及財務管理經驗。彼持有香港理工大學之會計專業文憑。張先生亦為上市公司建美集團有限公司(公司名稱將更改為盛源控股有限公司)之獨立非執行董事。彼於二零零二年八月加入本集團。

顏建國先生，43歲，本集團廣西理文林業總經理，負責植林管理工作。顏先生持有中國廈門大學經濟學學士學位，擁有二十一年的生產、經營及管理經驗。彼於二零零六年十一月加入本集團。

陳智豪先生，41歲，本集團副部長，負責工業紙生產管理。陳先生擁有逾二十年造紙生產及機械工程經驗。彼曾任本集團江蘇廠房生產經理，於二零零九年二月再次加入本集團。



SENIOR MANAGEMENT (CONTINUED)

Mr Wu Pak Ping, aged 43, is the general manager of the Chongqing Lee & Man and is responsible for the construction of Chongqing industrial park. Mr Wu holds a bachelor's degree in civil engineering from the University of Hunan is awarded the professional title of "Senior Engineer" in 2008 and has over 23 years of experience in planning and managing infrastructure. He joined the Group in April 1997.

Mr Lau Kwok Keung, aged 52, is the executive manager of Jiangsu Lee & Man responsible for the daily operation and management of Jiangsu Lee & Man. Mr Lau holds a bachelor's degree of science (engineering) from Imperial College of Science and Technology, University of London. He has over 21 years of factory operation and management experience. He joined the Group in July 2003.

Mr Tse Pak Kong, aged 46, is the senior manager of the Company, responsible for the global procurement of recovered paper businesses. Mr Tse holds a bachelor's degree of science in electrical engineering from the University of Hong Kong. He has over 22 years of experience in the management of both multinational and local companies in China. Mr Tse joined the Group in December 2005.

Ms Lam Sau Ping, aged 40, is the sales manager of the Group responsible for sales and marketing. Ms Lam holds a higher certificate in marketing and sales management from the Hong Kong Polytechnic University. Ms Lam has over 19 years of work experience in sales and marketing. She joined the Group in March 1996.

Mr Luk Wai Keung Philip, aged 39, Senior Production Manager of the Group, is responsible for the quality control management and product development. Mr Luk holds a Master of Science in Engineering Business Management from The University of Warwick in United Kingdom. He has more than 17 years of working experience in the manufacturing industry. He joined the Group in May 2007.

高級管理層(續)

吳柏平先生，43歲，本集團重慶工廠總經理，負責建立重慶工業園。吳先生執有中國湖南大學土木工程「工業與民用建築」學士學位，二零零八年獲「高級工程師」職稱，擁有逾二十三年基建籌建、規劃及管理經驗。彼於一九九七年四月加入本集團。

婁國強先生，52歲，本集團江蘇工廠行政經理，負責江蘇工廠日常廠務營運及管理。彼持有英國倫敦大學帝國學院冶金科學及工程學士學位，擁有逾二十一年的工廠營運及管理經驗。彼於二零零三年七月加入本集團。

謝柏剛先生，46歲，本集團高級經理，負責本集團的全球廢紙採購業務。謝先生持有香港大學電機工程理學士學位，擁有逾二十二年管理跨國和中國本地公司經驗。謝先生於二零零五年十二月加入本集團。

藍秀萍女士，40歲，本集團銷售經理，負責本集團原紙銷售業務及市場推廣事宜。彼持有香港理工大學銷售及市場管理高級證書，並擁有逾十九年銷售及市場推廣經驗。彼於一九九六年三月加入本集團。

陸偉強先生，39歲，本集團生產副部長，負責品質監控管理及產品開發工作。陸先生持有英國The University of Warwick工程商業管理科學碩士學位，擁有逾十七年製造業工作經驗。彼於二零零七年五月加入本集團。



The directors present their annual report and the audited financial statements of the Group for the year ended 31 March 2009.

PRINCIPAL ACTIVITIES

The Company acts as an investment holding company. The principal activities of its principal subsidiaries are set out in note 39 to the consolidated financial statements.

RESULTS AND APPROPRIATIONS

The results of the Group for the year ended 31 March 2009 are set out in the consolidated income statement on page 42.

The directors do not recommend the payment of a final dividend.

SHARE CAPITAL

Details of movements in the share capital of the Company are set out in note 29 to the consolidated financial statements.

PROPERTY, PLANT AND EQUIPMENT

During the year, the Group acquired property, plant and equipment at a cost of approximately HK\$2,459 million for the purpose of expanding its business. Details of this and other movements in the property, plant and equipment of the Group during the year are set out in note 14 to the consolidated financial statements.

DIRECTORS AND DIRECTORS' SERVICE CONTRACTS

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

Executive directors

Lee Wan Keung Patrick (*Chairman*)
Lee Man Chun Raymond, *BBS JP* (*Chief executive officer*)
Lee Man Bun
Li King Wai Ross

董事謹此提呈本集團於截至二零零九年三月三十一日止年度之年報及經審核財務報表。

主要業務

本公司是一間投資控股公司，各主要附屬公司的主要業務載於綜合財務報表附註39。

業績及分配

本集團截至二零零九年三月三十一日止年度的業績載於第42頁的綜合收益表。

本公司董事建議不派發末期股息。

股本

本公司股本的變動詳情載於綜合財務報表附註29。

物業、廠房及設備

年內，本集團以約2,459百萬港元的成本收購物業、廠房及設備，以作拓展業務之用。上述及物業、廠房及設備於年內的其他變動詳情載於綜合財務報表附註14。

董事及董事的服務合約

年內及截至本報告刊發日期，本公司的董事如下：

執行董事

李運強 (主席)
李文俊 *BBS 太平紳士* (首席執行官)
李文斌
李經緯



DIRECTORS AND DIRECTORS' SERVICE CONTRACTS (CONTINUED)

Non-executive director

Professor Poon Chung Kwong, *GBS JP*

Independent non-executive directors

Wong Kai Tung Tony

Peter A Davies (appointed on 21 July 2008)

Chau Shing Yim David (appointed on 1 October 2008)

Law Kar Shui Elizabeth (resigned on 1 January 2009)

Heng Kwoo Seng (resigned on 30 April 2008)

In accordance with Articles 86(3) and 87(1) of the Company's Articles of Association, Mr Lee Man Chun Raymond, Mr Lee Man Bun, Mr Li King Wai Ross and Mr Chau Shing Yim David retire and, being eligible, offer themselves for re-election.

Mr Lee Wan Keung Patrick and Mr Lee Man Chun Raymond have each entered into service agreements with the Company for an initial period of three years commencing 1 September 2007, which will continue thereafter unless and until terminated by either party by three months' prior written notice.

Mr Lee Man Bun has entered into a service agreement with the Company for an initial period of three years commencing 16 August 2007, which will continue thereafter unless and until terminated by either party by three months' prior written notice.

Mr Li King Wai Ross has entered into a service agreement with the Company for an initial period of three years commencing 12 August 2008, which will continue thereafter unless and until terminated by either party by three months' prior written notice.

The term of office of each of the independent non-executive directors is the period up to his/her retirement as required by the Company's Articles of Association.

董事及董事的服務合約 (續)

非執行董事

潘宗光教授 *GBS 太平紳士*

獨立非執行董事

王啟東

Peter A Davies (於2008年7月21日獲委任)

周承炎 (於2008年10月1日獲委任)

羅嘉穗 (於2009年1月1日辭任)

邢詒春 (於2008年4月30日辭任)

根據本公司的公司細則第86(3)及87(1)條的規定，李文俊先生、李文斌先生、李經緯先生及周承炎先生將退任，惟彼等符合資格並將膺選連任。

李運強先生及李文俊先生各自與本公司訂立服務合約，年期由二零零七年九月一日起計，初步為期三年，此後一直存續，直至任何一方向另一方發出三個月事前書面通知予以終止為止。

李文斌先生已與本公司訂立服務合約，年期由二零零七年八月十六日起計，初步為期三年，此後一直存續，直至任何一方向另一方發出三個月事前書面通知予以終止為止。

李經緯先生已與本公司訂立服務合約，年期由二零零八年八月十二日起計，初步為期三年，此後一直存續，直至任何一方向另一方發出三個月事前書面通知予以終止為止。

各獨立非執行董事的任期直至其須根據本公司的公司細則的規定退任為止。



DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN EQUITY OR DEBT SECURITIES

As at 31 March 2009, the relevant interests or short positions of the directors or chief executives of the Company in the shares, underlying shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO") which are required to be notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they have taken or deemed to have taken under such provisions of the SFO) or were required pursuant to section 352 of the SFO, to be entered in the register referred to therein or were required, pursuant to the relevant provisions of the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules") relating to securities transactions by directors to be notified to the Company and the Stock Exchange were as follows:

Long positions

(a) Ordinary shares of HK\$0.10 each of the Company

Name of director 董事姓名	Capacity 身份	Number of ordinary shares 普通股數目	Number of options granted 授出的購股權所 涉及的普通股數目	Percentage of the issued share capital of the Company 佔本公司已發行 股本百分比
Lee Wan Keung Patrick 李運強	Held by controlled corporation (Note) 由受控制法團持有(附註)	716,847,200	—	63.03%
Lee Man Chun Raymond 李文俊	Beneficial owner 實益擁有人	—	30,492,000	2.68%
Lee Man Bun 李文斌	Beneficial owner 實益擁有人	—	20,300,000	1.78%
Poon Chung Kwong 潘宗光	Beneficial owner 實益擁有人	150,000	480,000	0.06%
Wong Kai Tung Tony 王啟東	Beneficial owner 實益擁有人	400,000	—	0.04%

Note: These shares were held by Gold Best Holdings Ltd. ("Gold Best"). Gold Best is a controlled corporation of Mr Lee Wan Keung Patrick under the SFO. The entire issued share capital of Gold Best is owned by Mr Lee Wan Keung Patrick, Mr Lee Man Chun Raymond and Mr Lee Man Bun (all of them are directors of the Company). Mr Lee Wan Keung Patrick and Mr Lee Man Chun Raymond, both of whom are directors of the Company, are directors of Gold Best.

董事及主要行政人員於股本或債務證券中擁有的權益及淡倉

於二零零九年三月三十一日，本公司各董事或主要行政人員在本公司或其相聯法團(定義見證券及期貨條例(「證券及期貨條例」)第十五部)的股份、相關股份及債券中，擁有並須根據證券及期貨條例第十五部第7及第8分部規定知會本公司及香港聯合交易所有限公司(「聯交所」)的有關權益或淡倉(包括其根據證券及期貨條例的有關條文被視作或當作擁有的權益或淡倉)或根據證券及期貨條例第352條須記錄於該條所指的登記冊內的權益或淡倉或根據聯交所證券上市規則(「上市規則」)有關董事進行證券交易的有關條文須知會本公司及聯交所的權益或淡倉如下：

好倉

(a) 本公司每股面值0.10港元的普通股

附註：該等股份由Gold Best Holdings Ltd.(「Gold Best」)持有。根據證券及期貨條例，Gold Best為李運強先生之受控制法團。Gold Best的全部已發行股本由李運強先生、李文俊先生及李文斌先生(全部均為本公司董事)持有。李運強先生及李文俊先生(二人均為本公司董事)為Gold Best之董事。



DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS
AND SHORT POSITIONS IN EQUITY OR DEBT
SECURITIES (CONTINUED)

董事及主要行政人員於股本或債
務證券中擁有的權益及淡倉 (續)

Long positions (Continued)

好倉 (續)

(b) Ordinary shares of the associated corporation of the
Company

(b) 本公司相聯法團的普通股

Name of director 董事姓名	Capacity 身份	Name of associated corporation 相聯法團名稱	Number of ordinary shares 普通股數目	Percentage of the issued share capital of the associated corporation 佔相聯法團已 發行股本百分比
Lee Wan Keung Patrick 李運強	Beneficial owner 實益擁有人	Gold Best (Note) (附註)	51	51%
Lee Man Chun Raymond 李文俊	Beneficial owner 實益擁有人	Gold Best (Note) (附註)	29	29%
Lee Man Bun 李文斌	Beneficial owner 實益擁有人	Gold Best (Note) (附註)	20	20%

Note: Gold Best is an associated corporation of Mr Lee Wan Keung Patrick under the SFO. The entire issued share capital of Gold Best is owned by Mr Lee Wan Keung Patrick, Mr Lee Man Chun Raymond and Mr Lee Man Bun (all of them are directors of the Company). Mr Lee Wan Keung Patrick and Mr Lee Man Chun Raymond, both of whom are directors of the Company, are directors of Gold Best.

附註：根據證券及期貨條例，Gold Best為李運強先生的相聯法團。Gold Best的全部已發行股本由李運強先生、李文俊先生及李文斌先生(全部均為本公司董事)持有。李運強先生及李文俊先生(二人均為本公司董事)為Gold Best之董事。

Save as disclosed above and other than certain nominee shares in subsidiaries held by certain directors in trust for the Company, none of the directors or chief executives or their associates had any interests or short positions in any shares, underlying shares or debentures of the Company or any of its associated corporations as at 31 March 2009.

除上文所披露者外及除了若干董事作為提名人以信託形式代本公司持有若干附屬公司的若干股份外，於二零零九年三月三十一日，各董事、主要行政人員及彼等的聯繫人士概無在本公司或其任何相聯法團的股份、相關股份或債券中，擁有任何權益或淡倉。



SHARE OPTIONS

Particulars of the Company's share option scheme are set out in note 30 to the financial statements.

The following table discloses movements in the Company's share option scheme during the year:

購股權

本公司購股權計劃的詳情載於財務報表附註30。

下列表格披露本公司於年內購股權計劃下之變動：

Name 名稱	Date of grant 授出日期	Exercise price per share 每股 行使價 HK\$ 港元	Exercisable period 行使期	Number of shares of the Company to be issued upon exercise of the share options 於購股權獲行使時將予 發行的本公司股份數目					
				Outstanding at 1 April 2008 二零零八年 四月一日 尚未行使	Granted during the year 年內授出	Cancelled during the year 年內註銷 數目	Lapsed during the year 年內失效 數目	Outstanding at 31 March 2009 二零零九年 三月三十一日 尚未行使	
Category I: Directors 第一類：董事									
Li King Wai Ross	李經緯	23.12.2005	8.50	23.12.2005 to 22.12.2008	600,000	—	—	(600,000)	—
Lee Man Chun Raymond	李文俊	3.10.2006	15.10	1.1.2008 to 31.12.2010	492,000	—	—	—	492,000
		5.09.2008	7.488	1.09.2009 to 31.08.2013	—	30,000,000	—	—	30,000,000
Lee Man Bun	李文斌	3.10.2006	15.10	1.1.2008 to 31.12.2010	300,000	—	—	—	300,000
		5.09.2008	7.488	1.09.2009 to 31.08.2013	—	20,000,000	—	—	20,000,000
Poon Chung Kwong	潘宗光	3.10.2006	15.10	1.1.2008 to 31.12.2010	480,000	—	—	—	480,000
Category II: Other employees 第二類：僱員									
Employees	僱員	3.10.2006	15.10	1.1.2008 to 31.12.2010	3,396,000	—	(2,676,000)	—	720,000
Employees	僱員	3.10.2006	15.10	1.1.2009 to 31.12.2010	300,000	—	(300,000)	—	—
Total	總數				5,568,000	50,000,000	(2,976,000)	(600,000)	51,992,000

The closing prices of the Company's shares on the dates of grant of 23 December 2005, 3 October 2006 and 5 September 2008 were HK\$8.50, HK\$15.10 and HK\$6.70, respectively.

於二零零五年十二月二十三日、二零零六年十月三日及二零零八年九月五日授出日期當日本公司股票之收市價分別為8.50港元、15.10港元及6.70港元。



DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed under the heading "Share Options" above, at no time during the year was the Company, its holding company or any of its fellow subsidiaries and subsidiaries a party to any arrangements to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debts securities (including debentures) of, the Company or any other body corporate and none of the directors, their spouses or children under the age of 18, had any rights to subscribe for securities of the Company, or had exercised any such rights.

SUBSTANTIAL SHAREHOLDERS

As at 31 March 2009, the following persons (other than directors or chief executives of the Company) had interests or short positions in the ordinary shares of the Company which fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under section 336 of the SFO:

Long positions

Ordinary shares of HK\$0.10 each of the Company

Name of shareholder 股東姓名	Capacity 身份	Number of issued ordinary shares held 持有已發行 普通股數目	Percentage of the issued share capital of the Company 佔本公司已發行 股本百分比
Gold Best	Beneficial owner 實益擁有人	716,847,200	63.03%
Lee Wong Wai Kuen 李黃惠娟	Held by spouse (Note) 由配偶持有(附註)	716,847,200	63.03%

Note: Under the SFO, Lee Wong Wai Kuen is deemed to be interested in these 716,847,200 ordinary shares as she is the spouse of Lee Wan Keung Patrick, a beneficial owner of the Company.

董事購買股份或債券的權力

除上文「購股權」一節所披露者外，本公司、其控股公司、其任何同系附屬公司及附屬公司於期內任何時間概無訂立任何安排，致使本公司董事可透過收購本公司或任何其他法人團體的股份或債務證券(包括債權證)而獲取利益，而各董事或彼等的配偶或18歲以下的子女亦無可認購本公司證券的任何權利，亦無行使任何該等權利。

主要股東

於二零零九年三月三十一日，下列人(本公司董事或主要行政人員除外)在本公司的普通股中擁有根據證券及期貨條例第十五部第2及第3分部的規定須向本公司披露的權益或淡倉，或根據證券及期貨條例第336條的規定已記錄於本公司按該條存置的登記冊內的權益或淡倉：

好倉

本公司每股面值0.10港元的普通股

附註：根據證券及期貨條例，由於李黃惠娟是李運強(本公司實益擁有人)的配偶，故被視為擁有該716,847,200股普通股的權益。



SUBSTANTIAL SHAREHOLDERS (CONTINUED)

Long positions (Continued)

Save as disclosed above, as at 31 March 2009, the Company had not been notified by any persons (other than directors or chief executives of the Company) who had interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of the Part XV of the SFO, or which were recorded in the register required to be kept by the Company under section 336 of the SFO.

APPOINTMENT OF INDEPENDENT NON-EXECUTIVE DIRECTORS

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

CONNECTED TRANSACTIONS

Pursuant to Rule 14A.38 of the Listing Rules, the board of directors engaged the auditor of the Company to perform certain agreed-upon procedures in respect of the continuing connected transactions of the Group. The auditor has reported to the board of directors the factual findings arising on these procedures. The independent non-executive directors have reviewed the continuing connected transactions and the report of the auditor and have confirmed that the continuing connected transactions entered into by the Company were in the ordinary and usual course of its business, on normal commercial terms, or on terms no less favorable than terms available to or from independent third parties, and in accordance with the terms of the agreement governing such transactions that are fair and reasonable and in the interests of the shareholders of the Company as a whole.

Details of the discloseable connected transactions for the year are set out in note 37 to the consolidated financial statements. In the opinion of the independent non-executive directors, these transactions entered into by the Group were:

- (i) in the ordinary and usual course of business of the Group;

主要股東 (續)

好倉 (續)

除上文所披露者外，於二零零九年三月三十一日，概無任何人士(本公司董事或主要行政人員除外)知會本公司，彼等在本公司的股份或相關股份中擁有根據證券及期貨條例第十五部第2及第3分部的規定須向本公司披露的權益或淡倉，或根據證券及期貨條例第336條的規定已記錄於本公司按該條存置的登記冊內的權益或淡倉。

獨立非執行董事

根據香港聯合交易所有限公司上市規則第3.13條，本公司收到每位獨立非執行董事向本公司確認其年度之獨立性，本公司認為所有獨立非執行董事確屬獨立人士。

關連交易

根據上市規則第14A.38條，董事會委聘本公司核數師，就本集團之持續關連交易進行若干經協定程序。核數師已向董事會匯報在進行該等程序時產生之事實結果。獨立非執行董事已審閱持續關連交易及核數師報告，並已確認本公司所進行持續關連交易乃於其日常及一般業務中按正常商業條款進行，或按照不遜於向或自獨立第三方給予之條款進行，且遵照管轄該等交易之協議條款，乃屬公平合理及符合本公司股東整體利益。

本年度的須予披露關連交易詳情載於綜合財務報表附註37。獨立非執行董事認為，由本集團訂立的上述交易：

- (i) 乃於本集團的日常及一般業務過程中訂立；



CONNECTED TRANSACTIONS (CONTINUED)

- (ii) either (a) on normal commercial terms; or (b) where there is no available comparison, on terms that were fair and reasonable so far as the shareholders of the Company are concerned;
- (iii) either (a) in accordance with the terms of the agreements; or (b) where there are no such agreements, on terms no less favourable than those available to or from independent third parties; and
- (iv) within the relevant cap amounts as agreed by the Stock Exchange.

Save as disclosed above, there were no other transactions which are required to be disclosed as connected transactions in accordance with the requirements of the Listing Rules.

DIRECTORS' INTEREST IN CONTRACTS

Save as disclosed under the heading "Connected Transactions", there were no contracts of significance to which the Company, its holding company or any of its fellow subsidiaries and subsidiaries was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisting at the end of the year or at any time during the year.

MAJOR CUSTOMERS AND SUPPLIERS

During the year, the aggregate purchases attributable to the Group's five largest suppliers were approximately 84% of the Group's total purchases and the purchases attributable to the Group's largest supplier were approximately 30% of the Group's total purchases.

The aggregate sales during the year attributable to the Group's five largest customers were less than 10% of the Group's total sales.

None of the directors, their associates or any shareholder which, to the knowledge of the directors, owned more than 5% of the Company's issued share capital had any interest in the share capital of any of the five largest suppliers of the Group.

關連交易 (續)

- (ii) 乃(a)按一般商業條款進行；或(b)倘並無任何可供比較者，則按對本公司股東而言屬公平合理的條款訂立；
- (iii) 乃(a)按協議條款訂立；或(b)倘無該等協議，則按不遜於給予獨立第三者或獨立第三者提供的條款訂立；及
- (iv) 所涉及金額並無超出與聯交所議定的有關上限金額。

除上文所披露者外，並無任何其他交易須按照上市規則的規定作為關連交易披露詳情。

董事的合約權益

除「關連交易」一節所披露者外，本公司、其控股公司、其任何同系附屬公司及附屬公司概無訂立於年結日或年內任何時間仍然生效，且本公司董事直接或間接在其中擁有重大利益的重大合約。

主要客戶及供應商

年內，本集團五大供應商佔本集團總採購額約84%，而本集團最大供應商則佔本集團總採購額約30%。

年內，本集團五大客戶的總銷售額佔本集團總銷售額少於10%。

概無任何董事、彼等的聯繫人士或任何股東（就董事所知擁有本公司已發行股本5%以上）於上述本集團五大供應商的股本中擁有任何權益。



PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

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

SUFFICIENCY OF PUBLIC FLOAT

According to the information that is publicly available to the Company and within the knowledge of the directors, the Company has maintained a sufficient public float throughout the year ended 31 March 2009.

PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the Company's bye-laws, or the laws of Cayman Islands, which would oblige the Company to offer new shares on a pro-rata basis to existing shareholders.

EMOLUMENT POLICY

The Group remunerates its employees based on their performance, experience and prevailing market rate. Other employee benefits including insurance and medical cover and share options are also provided.

The determination of emoluments of the directors of the Company has taken into consideration their expertise and job specifications.

DONATIONS

During the year, the Group made charitable and other donations amounting to HK\$4,010,000.

AUDITOR

A resolution will be submitted to the annual general meeting of the Company to re-appoint Messrs. Deloitte Touche Tohmatsu as auditor of the Company.

On behalf of the Board

Lee Wan Keung Patrick
Chairman
Hong Kong
20 July 2009

買賣或贖回本公司上市證券

年內，本公司或其任何附屬公司概無買賣或贖回本公司任何上市證券。

足夠之公眾持股量

按本公司可以得悉之公開資料所示及就董事所知悉，本公司截至二零零九年三月三十一日之年度內已維持足夠公眾持股量。

優先購買權

本公司的公司細則或開曼群島法例均無有關優先購買權之條文，規定本公司須按持股比例向現有股東發售新股份。

薪酬政策

本集團根據員工表現、經驗及市場價格釐定其薪酬。其他員工福利包括保險、醫療保障及購股權。

本公司董事之薪酬釐定已考慮其專業及工作範圍。

捐款

年內，本公司作出的慈善及其他捐款合共4,010,000港元。

核數師

本公司將於股東週年大會上提呈決議案，續聘德勤•關黃陳方會計師行為核數師。

承董事會命

李運強
主席
香港
二零零九年七月二十日



Deloitte.

德勤

TO THE MEMBERS OF LEE & MAN PAPER MANUFACTURING LIMITED

(incorporated in the Cayman Islands with limited liability)

We have audited the consolidated financial statements of Lee & Man Paper Manufacturing Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 42 to 148, which comprise the consolidated balance sheet as at 31 March 2009, and the consolidated income statement, the consolidated statement of changes in equity and the consolidated cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

DIRECTORS' RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

致理文造紙有限公司股東

(於開曼群島註冊成立的有限公司)

本核數師行已審核列載於第42至第148頁內之理文造紙有限公司(「貴公司」)及其附屬公司(以下合稱為「貴集團」)之綜合財務報表包括於二零零九年三月三十一日之綜合資產負債表，與載至該日止年度之綜合收益表、綜合權益變動表及綜合現金流量表，以及主要會計政策概要及其他附註解釋。

董事就綜合財務報表須承擔的 責任

貴公司董事須負責根據香港會計師公會頒布之香港財務報告準則及《香港公司條例》的披露規定編製及真實而公平地列報該等綜合財務報表。該等責任包括設計、實施及維護與編製及真實而公平地列報綜合財務報表相關之內部監控，以使綜合財務報表不存在由於欺詐或錯誤而導致之重大錯誤陳述；選擇及應用適當之會計政策；及按情況下作出合理的會計估計。



AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these consolidated financial statements based on our audit and to report our opinion solely to you, as a body, in accordance with our agreed terms of engagement and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. We conducted our audit in accordance with Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance as to whether the consolidated financial statements are free from material misstatement.

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

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

OPINION

In our opinion, the consolidated financial statements give a true and fair view of the state of affairs of the Group as at 31 March 2009 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.

DELOITTE TOUCHE TOHMATSU

Certified Public Accountants

Hong Kong
20 July 2009

核數師的責任

本行之責任是根據本行的審核對該等綜合財務報表作出意見，並根據協定委聘條款向整體股東作出報告而非作其他用途。本行不會就本報告之內容向任何其他人士承擔任何責任及債務。本行已根據香港會計師公會頒佈的香港審計準則進行審核工作。此等準則要求本行遵守道德規範，並規劃及執行審核，藉以合理確定此等綜合財務報表是否不存有任任何重大錯誤陳述。

審核涉及執行情序以獲取有關綜合財務報表所載金額及披露資料之審核憑證。所選定之程序取決於核數師之判斷，包括評估由於欺詐或錯誤而導致綜合財務報表存有重大錯誤陳述之風險。在評估該等風險時，核數師考慮與該實體編製及真實而公平地列報綜合財務報表相關之內部監控，以設計適當之審核程序，但並非為對實體之內部監控效能發表意見。審核亦包括評價董事所採用之會計政策之合適性及所作出之會計估計之合理性，以及評價綜合財務報表的整體列報方式。

本行相信，我們所獲得之審核憑證乃充足及適當地為本行之審核意見提供基礎。

意見

本行認為，該等綜合財務報表已根據香港財務報告準則真實而公平地反映貴集團於二零零九年三月三十一日的財政狀況及貴集團於截至該日止年度的盈利及現金流量，並已按照《香港公司條例》的披露規定妥善編製。

德勤•關黃陳方會計師行

執業會計師

香港

二零零九年七月二十日



CONSOLIDATED INCOME STATEMENT

綜合收益表

For the year ended 31 March 2009 截至二零零九年三月三十一日止年度

		Notes 附註	2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Revenue	收入		9,649,365	8,996,113
Cost of sales	銷售成本		(8,606,348)	(6,843,488)
Gross profit	毛利		1,043,017	2,152,625
Other income	其他收入	6	190,422	221,099
Net loss from fair value changes of derivative financial instruments	因衍生財務工具公平值 變動產生的淨虧損		(10,919)	(177,552)
Loss on disposal of subsidiaries	出售附屬公司虧損	34(a)	(1,820)	—
Distribution and selling expenses	分銷及銷售費用		(253,244)	(272,326)
Administrative expenses	行政費用		(411,143)	(338,313)
Share of loss of an associate	應佔聯營公司虧損		—	(1)
Finance costs	財務成本	7	(218,843)	(86,386)
Profit before tax	除稅前盈利		337,470	1,499,146
Income tax expense	利得稅支出	8	(37,111)	(68,026)
Profit for the year	年度盈利	9	300,359	1,431,120
Attributable to:	應佔：			
Equity holders of the Company	公司股益持有人		302,117	1,441,329
Minority interests	少數股益		(1,758)	(10,209)
			300,359	1,431,120
Dividends	股息	12	170,607	409,233
			HK cents 港仙	HK cents 港仙
Earnings per share	每股盈利	13		
— Basic	— 基本		26.56	127.22
— Diluted	— 攤薄		26.56	126.66



CONSOLIDATED BALANCE SHEET

綜合資產負債表

At 31 March 2009 二零零九年三月三十一日

		Notes 附註	2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
NON-CURRENT ASSETS	非流動資產			
Property, plant and equipment	物業、廠房及設備	14	12,222,870	10,005,464
Prepaid lease payments	預付租賃款項	15	336,513	323,705
Deposits paid for acquisition of property, plant and equipment and land use rights	購置物業、廠房及設備及土地使用權所付訂金	16	314,951	918,844
Interests in an associate	聯營公司權益	17	—	—
Deferred tax assets	遞延稅項資產	26	55,000	29,796
Retirement benefit assets	退休福利資產	27	202	728
			12,929,536	11,278,537
CURRENT ASSETS	流動資產			
Inventories	存貨	18	1,635,918	2,499,167
Prepaid lease payments	預付租賃款項	15	14,018	17,045
Trade and other receivables	應收貿易及其他賬款	19	2,146,879	2,727,887
Amounts due from an associate	應收聯營公司款項	20	253,999	141,936
Amounts due from related companies	應收有關連公司款項	21	22,129	6,516
Derivative financial instruments	衍生財務工具	25	5,064	25,224
Tax recoverable	可退回稅項		7,664	—
Restricted bank deposits	有限制銀行存款	22	1,908	489
Bank balances and cash	銀行結餘及現金	22	1,659,444	318,188
			5,747,023	5,736,452
CURRENT LIABILITIES	流動負債			
Derivative financial instruments	衍生財務工具	25	97,854	192,544
Trade and other payables	應付貿易及其他賬款	23	848,933	1,391,649
Tax payable	應付稅項		5,259	5,452
Bank and other borrowings	銀行及其他借貸	24	4,738,379	2,781,310
			5,690,425	4,370,955
NET CURRENT ASSETS	流動資產淨值		56,598	1,365,497
TOTAL ASSETS LESS CURRENT LIABILITIES	資產總值減流動負債		12,986,134	12,644,034



CONSOLIDATED BALANCE SHEET (CONTINUED)
綜合資產負債表(續)

At 31 March 2009 二零零九年三月三十一日

		Notes 附註	2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
NON-CURRENT LIABILITIES	非流動負債			
Derivative financial instruments	衍生財務工具	25	139,347	162,307
Other payables	其他賬款	23	364,042	—
Bank and other borrowings	銀行及其他借貸	24	3,803,321	4,319,534
Deferred tax liabilities	遞延稅項負債	26	212,579	108,470
Retirement benefit liabilities	退休福利負債	27	—	19,414
			4,519,289	4,609,725
			8,466,845	8,034,309
CAPITAL AND RESERVES	股本及儲備			
Share capital	股本	29	113,738	113,738
Reserves	儲備		8,353,107	7,930,873
Equity attributable to equity holders of the Company	股益歸屬於公司股益 持有人		8,466,845	8,044,611
Minority interests	少數股益		—	(10,302)
Total equity	總權益		8,466,845	8,034,309

The consolidated financial statements on pages 42 to 148 were approved and authorised for issue by the Board of Directors on 20 July 2009 and are signed on its behalf by:

第42至第148頁所載的綜合財務報表已於二零零九年七月二十日經董事會批准及授權刊發，並由下列董事代表簽署：

Lee Wan Keung Patrick 李運強
Chairman 主席

Lee Man Chun Raymond 李文俊
Director 董事



CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

For the year ended 31 March 2009 截止二零零九年三月三十一日止年度

		Attributable to equity holders of the Company 本公司權益持有人應佔												
		Share capital 股本 HK\$'000 千港元	Share premium 股份溢價 HK\$'000 千港元	Convertible bonds equity reserve 可換股債券權益儲備 HK\$'000 千港元	Share options reserve 購股權儲備 HK\$'000 千港元	Translation reserve 匯兌儲備 HK\$'000 千港元	Hedging reserve 對沖儲備 HK\$'000 千港元	Capital contribution 資金貢獻 HK\$'000 千港元 (note i) (附註i)	Legal reserve 法定公積金 HK\$'000 千港元 (note ii) (附註ii)	Special reserve 特別儲備 HK\$'000 千港元 (note iii) (附註iii)	Other reserve 其他儲備 HK\$'000 千港元	Retained profits 留存盈利 HK\$'000 千港元	Total 總計 HK\$'000 千港元	Minority interests 少數股東 HK\$'000 千港元
At 1 April 2007 二零七年四月一日		111,948	4,123,902	12,335	8,424	193,871	—	—	(2,999)	—	2,123,313	6,570,794	(93)	6,570,701
Exchange differences arising on translation of foreign operations 海外業務轉移時所產生之匯兌差額		—	—	—	—	386,254	—	—	—	—	—	386,254	—	386,254
Loss on cash flow hedges 現金流量對沖虧損		—	—	—	—	—	(183,067)	—	—	—	—	(183,067)	—	(183,067)
Net income/expenses recognised directly in equity 權益內直接確認之淨收入/開支		—	—	—	—	386,254	(183,067)	—	—	—	1,441,329	203,187	(10,209)	203,187
Profit for the year 年度盈利		—	—	—	—	—	—	—	—	—	1,441,329	1,441,329	(10,209)	1,431,120
Total recognised income and expenses for the year 年度已確認之收入及開支總計		—	—	—	—	386,254	(183,067)	—	—	—	1,441,329	1,644,516	(10,209)	1,634,307
Exercise of share options 購股權行使		90	10,962	—	(3,402)	—	—	—	—	—	—	7,650	—	7,650
Conversion of convertible bonds 可換股債券兌換		1,700	218,081	(12,335)	—	—	—	—	—	—	—	207,446	—	207,446
Transfer to legal reserve 轉移至法定公積金		—	—	—	—	—	—	49	—	—	(49)	—	—	—
Equity-settled share based payments 以權益結算股權支付款項		—	—	—	10,886	—	—	—	—	—	—	10,886	—	10,886
Capital contribution from ultimate holding company (note 34) 最終控股公司的資金 (附註34)		—	—	—	—	12,552	—	—	—	—	(409,233)	12,552	—	12,552
Dividends paid (note 12) 派息 (附註12)		—	—	—	—	—	—	—	—	—	—	(409,233)	—	(409,233)
At 31 March 2008 二零零八年三月三十一日		113,738	4,352,945	—	15,908	580,125	(183,067)	12,552	49	(2,999)	3,155,360	8,044,611	(10,302)	8,034,309
Exchange differences arising on translation of foreign operations 海外業務轉移時所產生之匯兌差額		—	—	—	—	301,093	—	—	—	—	—	301,093	—	301,093
Loss on cash flow hedges 現金流量對沖虧損		—	—	—	—	—	(4,794)	—	—	—	—	(4,794)	—	(4,794)
Net income/expenses recognised directly in equity 權益內直接確認之淨收入/開支		—	—	—	—	301,093	(4,794)	—	—	—	302,117	296,299	(1,758)	296,299
Profit for the year 年度盈利		—	—	—	—	—	—	—	—	—	302,117	302,117	(1,758)	300,359
Total recognised income and expenses for the year 年度已確認之收入及開支總計		—	—	—	—	301,093	(4,794)	—	—	—	302,117	598,416	(1,758)	596,658
Lapse/cancellation of share options 購股權失效/註銷		—	—	—	(14,286)	—	—	—	—	—	14,286	—	—	—
Equity-settled share based payments 以權益結算股權支付款項		—	—	—	6,485	—	—	—	—	—	—	6,485	—	6,485
Acquisition of additional interests in subsidiaries (note iv) 獲取附屬公司之額外權益 (附註iv)		—	—	—	—	—	—	—	—	(12,060)	—	(12,060)	12,060	—
Dividends paid (note 12) 派息 (附註12)		—	—	—	—	—	—	—	—	—	(170,607)	(170,607)	—	(170,607)
At 31 March 2009 二零零九年三月三十一日		113,738	4,352,945	—	8,107	881,218	(187,861)	12,552	49	(2,999)	3,301,156	8,466,845	—	8,466,845



CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (CONTINUED) 綜合權益變動表(續)

For the year ended 31 March 2009 截止二零零九三月三十一日止年度

notes:

- (i) The capital contribution was arisen from the disposal of subsidiaries to a wholly owned subsidiary of the Group's ultimate holding company. Details of the disposal of subsidiaries are set out in note 34.
- (ii) In accordance with the provisions of the Macao Commercial Code, the Company's subsidiary in Macau is required to transfer a minimum of 25% of the annual net profit to a legal reserve, whenever dividend is declared by the subsidiary, until the reserve reaches half of the capital of the subsidiary. This reserve is not distributable to the shareholders.
- (iii) The special reserve of the Group represents the difference between the nominal value of the aggregate share capital of the subsidiaries acquired by the Group pursuant to the corporate reorganisation in September 2003, and the nominal value of the Company's shares issued for the acquisition.
- (iv) In October 2008, the Group acquired the remaining 10% equity interests in each of two subsidiaries from their minority shareholders at an aggregate consideration of US\$35. The excess of the carrying amount of the net assets acquired over the fair value of the consideration paid has been debited directly to equity.

附註：

- (i) 資金貢獻乃向本集團最終控股公司一家全資附屬公司出售附屬公司所得。出售附屬公司詳情載於附註 34。
- (ii) 根據澳門商法典的條文，本公司位於澳門的附屬公司於分配盈利作股息分派時，應轉撥不少於年度純利 25% 的金額作為法定公積金，直至公積金達附屬公司註冊資本的一半為止，該等公積金不得分派予股東。
- (iii) 本團的特別儲備指根據本集團於二零零三年九月為重組收購所得的附屬公司的股本面值總額與本公司就收購事項而發行的股份面值的差額。
- (iv) 於二零零八年十月，本集團向兩家附屬公司之少數股東收購該兩間附屬公司各餘下 10% 股益，總代價為 35 美元。所收購資產淨值之賬面金額超出所付代價之公平值之數額已直接於權益中扣除。



CONSOLIDATED CASH FLOW STATEMENT

綜合現金流量表

For the year ended 31 March 2009 截止二零零九年三月三十一日止年度

	Note 附註	2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
OPERATING ACTIVITIES			
Profit before tax	經營業務 稅前盈利	337,470	1,499,146
Adjustments for:	為以下各項調整:		
Amortization of prepaid lease payments	預付租賃款項攤銷	21,590	19,139
Depreciation of property, plant and equipment	物業、廠房及設備之折舊	405,571	268,086
Finance costs	財務成本	218,843	86,386
Imputed interest income on deferred consideration	遞延代價產生的利息收入	(1,070)	—
Interest income	利息收入	(19,298)	(6,609)
Loss on disposal of property, plant and equipment	出售物業、廠房及設備產生之虧損	8,293	166
Loss on disposal of subsidiaries	出售附屬公司之虧損	1,820	—
Net loss from fair value changes of derivative financial instruments	因衍生財務工具公平值變動產生的淨虧損	10,919	177,552
Retirement benefit expense	退休福利開支	526	832
Share of loss of an associate	聯營公司虧損分配	—	1
Share-based payments	股權支付款項	6,485	10,886
Write-down on inventories	存貨撇賬	42,000	—
Operating cash flows before movements in working capital	營運資金變動前的經營現金流量	1,033,149	2,055,585
Decrease (increase) in inventories	存貨減少(增加)	668,615	(1,075,168)
Decrease (increase) in trade and other receivables	應收貿易賬款及其他賬款減少(增加)	527,731	(1,467,679)
(Increase) decrease in amounts due from related companies	應收有關連公司款項(增加)減少	(15,613)	6,227
Decrease in derivative financial instruments	衍生財務工具減少	(113,203)	(786)
(Decrease) increase in trade and other payables	應付賬款及其他賬款(減少)增加	(62,313)	424,185
Cash generated from (used in) operations	經營業務產生(動用)的現金	2,038,366	(57,636)
PRC Enterprise Income Tax paid	已付中國企業所得稅	(15,979)	(28,344)
Overseas income tax paid	支付海外入息稅	(41)	(61)
Interest paid	已付利息	(350,986)	(231,357)
NET CASH FROM (USED IN) OPERATING ACTIVITIES	經營業務所得(動用)的現金淨額	1,671,360	(317,398)



CONSOLIDATED CASH FLOW STATEMENT (CONTINUED)
綜合現金流量表(續)

For the year ended 31 March 2009 截止二零零九年三月三十一日止年度

	Note 附註	2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
INVESTING ACTIVITIES			
Purchases of property, plant and equipment	投資活動 購置物業、廠房及設備	(1,407,856)	(3,239,714)
Deposits paid for acquisition of property, plant and equipment and land use rights	購置物業、廠房及設備及土地使用權所付訂金	(314,951)	(918,844)
(Advance to) repayment from an associate	(向)聯營公司(墊款)還款	(112,063)	47,591
Prepaid lease payments	預付租賃款項	(17,578)	(80,816)
(Increase) decrease in restricted bank deposits	有限制銀行存款(增加)減少	(1,395)	1,634
Proceeds on disposal of property, plant and equipment	出售物業、廠房及設備所得款項	154,178	66
Interest received	已收利息	19,298	6,609
Proceeds from disposal of subsidiaries	出售附屬公司所得款項	14,055	(29,862)
	34		
NET CASH USED IN INVESTING ACTIVITIES	投資活動動用的現金淨額	(1,666,312)	(4,213,336)
FINANCING ACTIVITIES			
New bank and other borrowings raised	融資活動 新籌集銀行及其他貸款	6,966,510	9,688,177
Net proceeds from issue of shares	發行股份所得款項淨額	—	7,650
Repayment of bank and other borrowings	償還銀行及其他貸款	(5,454,404)	(4,648,151)
Dividends paid	已付股息	(170,607)	(409,233)
Decrease in bank overdrafts	銀行透支減少	—	(12,045)
NET CASH FROM FINANCING ACTIVITIES	融資活動所得現金淨額	1,341,499	4,626,398
NET INCREASE IN CASH AND CASH EQUIVALENTS	現金及現金等價物淨增加額	1,346,547	95,664
CASH AND CASH EQUIVALENTS BROUGHT FORWARD	現金及現金等價物承前結餘	318,188	214,985
EFFECT OF EXCHANGE RATE CHANGES	匯率變動之影響	(5,291)	7,539
CASH AND CASH EQUIVALENTS CARRIED FORWARD	現金及現金等價物結轉		
represented by bank balances and cash	銀行結餘及現金	1,659,444	318,188



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2009 截至二零零九年三月三十一日止年度

1. GENERAL

The Company is a public limited company incorporated and registered as an exempted company with limited liability in the Cayman Islands under the Companies Law (2009 Revision) of the Cayman Islands on 21 May 2003 and its shares are listed on The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). Its parent and ultimate holding company is Gold Best Holdings Ltd. ("Gold Best"), a private company incorporated in the British Virgin Islands. The address of the registered office and the principal place of business of the Company is disclosed in the Corporate Information section of the annual report.

The consolidated financial statements are presented in Hong Kong dollars ("HK\$"), which is also the functional currency of the Company.

The Company acts as an investment holding company. The principal activities of its principal subsidiaries are set out in note 39.

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

In the current year, the Group has applied the following amendments and interpretations ("new HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA"), which are or have become effective.

HKAS 39 & HKFRS 7 (Amendments)	Reclassification of Financial Assets
HK(IFRIC)-Int 12	Service Concession Arrangements
HK(IFRIC)-Int 14	HKAS19 — The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction

1. 一般資料

本公司是上市有限公司，於二零零三年五月二十一日根據開曼群島公司法（二零零九年版）於開曼群島成立及登記為獲豁免有限公司，股份並於香港聯合交易所有限公司（「聯交所」）上市。母公司及最終控股公司是Gold Best Holdings Ltd.（「Gold Best」），為一間於英屬處女群島註冊成立的私人公司。本公司註冊辦事處及總辦事處之地址於本年報公司資料內披露。

本綜合財務報表以港元列示，港元亦為本公司之功能貨幣。

本公司是一間投資控股公司，各主要附屬公司的主要業務載於財務報表附註39。

2. 應用新及經修訂之香港財務報告準則（「香港財務報告準則」）

於本年度，本集團應用下列由香港會計師公會（「香港會計師公會」）頒佈於現時或已經生效之修訂及詮釋（「新香港財務報告準則」）。

香港會計準則第39號及香港財務報告準則第7號（修訂）	重新分類財務資產
香港（國際財務報告詮釋委員會）— 詮釋第12號	服務經營權安排
香港（國際財務報告詮釋委員會）— 詮釋第14號	香港會計準則第19號 — 界定利益資產的限額、最低資金規定及其相互關係



2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (CONTINUED)

The adoption of the new HKFRSs had no material effect on how the results and financial position for the current or prior accounting years have been prepared and presented. Accordingly, no prior year adjustment has been required.

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

HKFRSs (Amendments)	Improvements to HKFRSs ¹
HKFRSs (Amendments)	Improvements to HKFRSs 2009 ²
HKAS 1 (Revised)	Presentation of Financial Statements ³
HKAS 23 (Revised)	Borrowing Costs ³
HKAS 27 (Revised)	Consolidated and Separate Financial Statements ⁴
HKAS 32 & 1 (Amendments)	Puttable Financial Instruments and Obligations Arising on Liquidation ³
HKAS 39 (Amendment)	Eligible hedged items ⁴
HKFRS 1 & HKAS 27 (Amendments)	Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate ³
HKFRS 2 (Amendment)	Vesting Conditions and Cancellations ³
HKFRS 3 (Revised)	Business Combination ⁴

2. 應用新及經修訂之香港財務報告準則(「香港財務報告準則」)(續)

採納新香港財務報告準則並無對現行或過往會計年度之業績及財務狀況之編製及呈報方式造成重大影響。因此，毋須對過往年度作出任何調整。

本集團並無提早應用下列已頒佈但未生效之新訂及經修訂準則、修訂或詮釋。

香港財務報告準則(修訂)	香港財務報告準則之改進 ¹
香港財務報告準則(修訂)	二零零九年香港財務報告準則之改進 ²
香港會計準則第1號(經修訂)	呈列財務報表 ³
香港會計準則第23號(經修訂)	借款成本 ³
香港會計準則第27號(經修訂)	綜合及獨立財務報表 ⁴
香港會計準則第32號及第1號(修訂)	可沽售財務工具及清盤時產生的責任 ³
香港會計準則第39號(修訂)	合資格對沖項目 ⁴
香港財務報告準則第1號及香港會計準則第27號(修訂)	投資於附屬公司、共同控制實體或聯營公司之成本 ³
香港財務報告準則第2號(修訂)	歸屬條件及註銷 ³
香港財務報告準則第3號(修訂)	業務合併 ⁴



2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (CONTINUED)

HKFRS 7 (Amendment)	Improving Disclosures about Financial Instruments ³
HKFRS 8	Operating Segments ³
HK(IFRIC)-Int 9 & HKAS 39 (Amendments)	Embedded Derivatives ⁵
HK(IFRIC)-Int 13	Customer Loyalty Programmes ⁶
HK(IFRIC)-Int 15	Agreements for the Construction of Real Estate ³
HK(IFRIC)-Int 16	Hedges of a Net Investment in a Foreign Operation ⁷
HK(IFRIC)-Int 17	Distribution of Non-cash Assets to Owners ⁴
HK(IFRIC)-Int 18	Transfer of Assets from Customers ⁸

2. 應用新及經修訂之香港財務報告準則(「香港財務報告準則」)(續)

香港財務報告準則第7號(經修訂)	財務工具披露之改進 ³
香港財務報告準則第8號	營運分部 ³
香港(國際財務報告詮釋委員會)－詮釋第9號及香港會計準則第39號(修訂)	內含衍生工具 ⁵
香港(國際財務報告詮釋委員會)－詮釋第13號	客戶長期支持計劃 ⁶
香港(國際財務報告詮釋委員會)－詮釋第15號	房地產建造協議 ³
香港(國際財務報告詮釋委員會)－詮釋第16號	對沖海外業務投資淨額 ⁷
香港(國際財務報告詮釋委員會)－詮釋第17號	向擁有人分派非現金資產 ⁴
香港(國際財務報告詮釋委員會)－詮釋第18號	來自客戶之資產轉讓 ⁸



2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (CONTINUED)

- ¹ Effective for annual periods beginning on or after 1 January 2009 except for the amendments to HKFRS 5, effective for annual periods beginning on or after 1 July 2009
- ² Effective for annual periods beginning on or after 1 January 2009, 1 July 2009 and 1 January 2010, as appropriate
- ³ Effective for annual periods beginning on or after 1 January 2009
- ⁴ Effective for annual periods beginning on or after 1 July 2009
- ⁵ Effective for annual periods ending on or after 30 June 2009
- ⁶ Effective for annual periods beginning on or after 1 July 2008
- ⁷ Effective for annual periods beginning on or after 1 October 2008
- ⁸ Effective for transfer on or after 1 July 2009

The adoption of HKFRS 3 (Revised) may affect the Group's accounting for business combination for which the acquisition date is on or after 1 January 2010, HKAS 27 (Revised) will affect the accounting treatment for changes in a Group's ownership interest in a subsidiary other than as disclosed above and HKAS 23 (Revised), the directors of the Company anticipate that the application of the other new and revised standards, amendments or interpretations will have no material impact on the results and the financial position of the Group.

2. 應用新及經修訂之香港財務報告準則(「香港財務報告準則」)(續)

- ¹ 由二零零九年一月一日或以後開始年度期間生效，惟香港財務報告準則第5號之修訂由二零零九年七月一日或以後開始年度期間生效
- ² 由二零零九年一月一日、二零零九年七月一日及二零一零年一月一日(按適用情況)或以後開始年度期間生效
- ³ 由二零零九年一月一日或以後開始年度期間生效
- ⁴ 由二零零九年七月一日或以後開始年度期間生效
- ⁵ 於二零零九年六月三十日或以後結束年度期間生效
- ⁶ 由二零零八年七月一日或以後開始年度期間生效
- ⁷ 由二零零八年十月一日或以後開始年度期間生效
- ⁸ 於二零零九年七月一日或以後有效轉讓

除上文及香港會計準則第23號(經修訂)所披露者外，採納香港財務報告準則第3號(經修訂)可能影響本集團對收購日期為二零一零年一月一日或以後之業務合併之會計方法，而香港會計準則第27號(經修訂)將影響本集團於附屬公司擁有權權益變動之會計處理方法，故本公司董事預期，應用其他新訂及經修訂準則、修訂或詮釋不會對本集團之業績及財務狀況構成重大影響。



3. SIGNIFICANT ACCOUNTING POLICIES

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

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

Basis of consolidation

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

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

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

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

3. 主要會計政策

綜合財務報表按歷史成本法編製，惟按公平值計量之若干財務工具除外，詳見下文之會計政策。

綜合財務報表乃根據香港會計師公會發出之香港財務準則編製。另外，綜合財務報表已包括聯交所上市規則「上市規則」及香港公司條例所監管下須予披露資料。

綜合基準

綜合財務報表載列本公司及受本公司控制之實體(其附屬公司)的財務報表。控制是本公司有權管轄一家企業的財務及經營政策以從其經營活動中獲得收益。

年內收購或出售的附屬公司的業績由收購生效日起，計入綜合收益表內或計至出售生效日期止，視何者適用。

倘需要，本集團會對附屬公司之財務報表作出調整，使其會計政策與本集團其他成員公司所採用者保持一致。

所有集團內交易及結餘已於綜合賬目時對銷。



3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of consolidation (Continued)

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

Business combinations

The acquisition of businesses is accounted for using the purchase method. The cost of the acquisition is measured at the aggregate of the fair values, at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued by the Group in exchange for control of the acquiree, plus any costs directly attributable to the business combination. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition under HKFRS 3 Business Combinations are recognised at their fair values at the acquisition date.

3. 主要會計政策(續)

綜合基準(續)

少數股東所佔綜合附屬公司資產淨值與本集團於其中的股本權益分開呈列。少數股東所佔資產淨值包括於原來業務合併日期的該等權益數額及少數股東所佔合併日期以來的股本權益變動。超逾少數股東所佔附屬公司股本權益的少數股東所佔虧損按本集團權益分配，惟少數股東具有約束力責任，並可作出額外投資以補償虧損則除外。

業務合併

收購業務乃以購買法列賬。收購成本乃按本集團就換取被收購公司控制權而給予之資產、產生或承擔之負債及所發行股本權益工具三者於交換日期之公平值總和，另加業務合併直接應佔之任何成本計量。被收購公司符合香港財務報告準則第3號「業務合併」項下確認條件之可識別資產、負債及或然負債乃按其於收購日期之公平值確認。



3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Business combinations (Continued)

Goodwill

Goodwill arising on acquisition is recognised as an asset and initially measured at cost, being the excess of the cost of the business combination over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities recognised. If, after reassessment, the Group's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities exceeds the cost of the business combination, the excess is recognised immediately in profit or loss.

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

Capitalised goodwill arising on an acquisition of a business is carried at cost less any accumulated impairment losses and is presented separately in the consolidated balance sheet.

For the purposes of impairment testing, goodwill arising from an acquisition is allocated to each of the relevant cash-generating units, or groups of cash-generating units, that are expected to benefit from the synergies of the acquisition. A cash-generating unit to which goodwill has been allocated is tested for impairment annually, and whenever there is an indication that the unit may be impaired. For goodwill arising on an acquisition in a financial year, the cash-generating unit to which goodwill has been allocated is tested for impairment before the end of that financial year. When the recoverable amount of the cash generating unit is less than the carrying amount of the unit, the impairment loss is allocated to reduce the carrying amount of any goodwill allocated to the unit first, and then to the other assets of the unit pro rata on the basis of the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in the consolidated income statement. An impairment loss for goodwill is not reversed in subsequent periods.

3. 主要會計政策(續)

業務合併(續)

商譽

收購所產生商譽確認為資產，並初步以成本計量。商譽指業務合併之成本超出本集團於已確認可識別資產、負債及或然負債公平淨值所佔權益之數額。倘於重新評估後本集團於被收購公司之可識別資產、負債及或然負債公平淨值所佔權益超出業務合併之成本，則超出數額即時於損益中確認。

被收購公司之少數股東權益初步以少數股東於已確認資產、負債及或然負債公平淨值所佔比例計量。

收購業務所產生已撥充資本之商譽乃以成本減累計減值虧損列賬，並於綜合資產負債表獨立呈報。

就減值測試而言，收購所產生商譽分配至預期從該項收購之協同效應中獲利之各有關現金產生單位或現金產生單位組別。獲分配商譽之現金產生單位按年進行減值測試，並於當有跡象顯示該單位可能出現減值時進行減值測試。於某個財政年度因收購產生之商譽，獲分配商譽之現金產生單位會於該財政年度完結前進行減值測試。當現金產生單位之可收回金額少於該單位之賬面值，則首先將減值虧損分配，以扣減首先分配至該單位之任何商譽之賬面值，其後則按該單位內各資產之賬面值按比例分配至該單位內其他資產。商譽之任何減值虧損會直接於綜合收益表確認。商譽之減值虧損於其後期間不予撥回。



3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Business combinations (Continued)

Goodwill (Continued)

On subsequent disposal of a subsidiary, the attributable amount of goodwill capitalised is included in the determination of the amount of profit or loss on disposal.

Additional acquisition in subsidiaries

The Group regards the acquisition of partial equity interest of subsidiaries from minority shareholders without loss in control as transactions with equity owners of the Group. When additional equity interest in a subsidiary is acquired, any difference between the fair value of consideration paid and the relevant share of the carrying value of the subsidiary's net assets acquired is recorded in equity (other reserve).

Property, plant and equipment

Property, plant and equipment, including buildings, held for use in the production of goods or for administrative purposes, other than freehold land and construction in progress, are stated at cost less subsequent accumulated depreciation and accumulated impairment losses.

Depreciation is provided to write off the cost of items of property, plant and equipment other than freehold land and construction in progress over their estimated useful lives, and after taking into account their estimated residual value, using the straight-line method.

Freehold land is stated at cost less accumulated impairment losses and is not depreciated.

3. 主要會計政策(續)

業務合併(續)

商譽(續)

於其後出售附屬公司時，已撥充資本商譽之應佔金額會於納入出售損益金額之計算內。

附屬公司新增之收購

本集團視向少數股東收購附屬公司部分股益(而當中並無涉及失去控制權)為向本集團股益擁有人進行之交易。當收購附屬公司額外股益時，所收購附屬公司資產淨值之已付代價公平值與其賬面值有關應佔部分間之差額會記入權益(其他儲備)。

物業、廠房及設備

除在建工程及永久業權之土地外，物業、廠房及設備(包括持有作貨品生產用途或行政用途的樓宇)按成本減累計折舊及累計減值虧損入賬。

除永久業權之土及在建工程地外，物業、廠房及設備在其估計可使用年期內及其估計餘額後，按直線法計算折舊撥備，以撇銷成本。

永久業權之土地按成本減累計減值虧損入賬，並無折舊。



3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Property, plant and equipment (Continued)

Construction in progress includes property, plant and equipment in the course of construction for production or for its own use purposes. Construction in progress is carried at cost less any recognised impairment loss. Construction in progress is classified to the appropriate category of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in the consolidated income statement in the year in which the item is derecognised.

Investments in associates

An associate is an entity over which the investor has significant influence and that is neither a subsidiary nor an interest in a joint venture.

3. 主要會計政策(續)

物業、廠房及設備(續)

在建工程包括用作生產或供其自有用途之在建中物業、廠房及設備。在建工程按成本減任何已確認之減值虧損列賬。當在建工程完工及可供其擬定用途，則歸入適當之物業、廠房及設備類別。該等資產於資產可供其擬定用途時開始折舊，折舊基準與其他物業資產相同。

物業、廠房及設備項目於出售時或當繼續使用該資產預期不會產生任何日後經濟效益時取消確認。資產取消確認產生之任何收益或虧損(按該項目之出售所得款項淨額與賬面值間之差額計算)於該項目取消確認之年度計入綜合收益表。

於聯營公司之投資

聯營公司為投資者具有重大影響而並非附屬公司或於合營企業之權益之實體。



3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Investments in associates (Continued)

The results and assets and liabilities of associates are incorporated in these consolidated financial statements using the equity method of accounting. Under the equity method, investments in associates are carried in the consolidated balance sheet at cost as adjusted for post-acquisition changes in the Group's share of the net assets of the associates, less any identified impairment loss. When the Group's share of losses of an associate equals or exceeds its interest in that associate (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate), the Group discontinues recognising its share of further losses. An additional share of losses is provided for and a liability is recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of that associate.

Any excess of the Group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities over the cost of acquisition, after reassessment, is recognised immediately in profit or loss.

Where a group entity transacts with an associate of the Group, profits and losses are eliminated to the extent of the Group's interest in the relevant associate.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is calculated using the weighted average method.

3. 主要會計政策(續)

於聯營公司之投資(續)

聯營公司之業績及資產與負債以權益會計法計入此等綜合財務報表內。根據權益法，於聯營公司之投資乃按成本(並就本集團於收購後應佔聯營公司資產淨值作出調整)減任何已識別減值虧損計入綜合資產負債表。當本集團應佔聯營公司虧損相當於或超出其於該聯營公司之權益(包括任何本質上組成本集團於該聯營公司投資淨額部分之長期權益)時，本集團終止確認其應佔進一步虧損。本集團會就應佔額外虧損提供撥備，並僅就本集團代表該聯營公司所產生法定或推定責任或所作付款確認負債。

本集團於可識別資產、負債及或然負債公平淨值之應佔部分超出經重估收購成本之數額，會即時於損益確認。

當一間集團實體與本集團一間聯營公司進行交易時，損益會以本集團於相關聯營公司之權益為限予以撇銷。

存貨

存貨按成本或可變現淨值兩者之較低者入賬。成本以加權平均法計算。



3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial instruments

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

Financial assets

The Group's financial assets are classified into one of the two categories, including loans and receivables and financial assets at fair value through profit or loss. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

Effective interest method

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

Interest income is recognised on an effective interest basis.

3. 主要會計政策(續)

財務工具

財務資產及財務負債乃當某集團實體為工具合同條文之訂約方時在資產負債表上確認。財務資產及財務負債按公平值初步計量。收購或發行財務資產及財務負債直接應佔之交易成本(於損益表按公平值計算之財務資產及財務負債除外)乃於初步確認時加入財務資產或財務負債之公平值或自財務資產或財務負債之公平值內扣除(如合適)。收購透過損益以公平值列賬之財務資產或財務負債直接應佔之交易成本即時於損益賬內確認。

財務資產

本集團之財務資產分為兩個類別其中之一：包括透過損益按公平值計算之貸款及應收賬款和財務資產。所有日常買賣之財務資產於交易日確認及不再確認。日常買賣指須根據市場規則或慣例訂立之時間內交收資產之財務資產買賣。

實際利率法

實際利率法乃計算財務資產之攤銷成本以及分配相關期間之利息收入之方法。實際利率乃按財務資產之預計年期或適用的較短期間內準確貼現估計未來收取之現金(包括構成實際利率一部份之所有已付或已收之費用及利率差價、交易成本及其他溢價或折讓)之利率。

利息收入按實際利率基準確認。



3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial instruments (Continued)

Financial assets (Continued)

Loans and receivables

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

Financial assets at fair value through profit or loss

The Group's financial assets classified as financial assets at fair value through profit or loss are derivatives that are not designated and effective as hedging instruments.

At each balance sheet date subsequent to initial recognition, financial assets at fair value through profit or loss are measured at fair value, with changes in fair value recognised directly in profit or loss in the period in which they arise. The net gain or loss recognised in profit or loss excludes any dividend or interest earned on the financial assets.

Impairment of financial assets

Financial assets other than those at fair value through profit or loss, are assessed for indicators of impairment at each balance sheet date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the financial assets have been affected.

3. 主要會計政策(續)

財務工具(續)

財務資產(續)

貸款及應收款項

貸款及應收款項乃並無於活躍市場報價之固定或待定金額付款之非衍生財務資產。於初步確認後各結算日，貸款及應收款項(包括應收賬款及其他應收款項、應收聯營公司款項、應收關連公司款項、受限制銀行存款以及銀行結餘及現金)均以實際利率法，按攤銷成本減任何已識別減值虧損入賬。(請參閱下文有關財務資產減值虧損之會計政策)

按公平值列賬及計入損益之財務資產本集團分類為按公平值列賬及計入損益之財務資產為一種並不能作為指定及有效對沖工具之衍生工具。

於初始確認後之各結算日，按公平值列賬及計入損益之財務資產以公平值計量，公平值變動在出現期間直接在損益確認。於損益表中確認之盈虧淨額不包括該財務資產所賺取之所有股息及利息。

財務資產減值

財務資產(按公平值列賬及計入損益之財務資產除外)於每個結算日評估是否有減值跡象。倘有客觀證據證明初步確認財務資產後發生之一項或多項事件令財務資產之估計未來現金流量受到影響，則財務資產屬已減值。



3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets (Continued)

For loans and receivables, objective evidence of impairment could include:

- significant financial difficulty of the issuer or counterparty; or
- default or delinquency in interest or principal payments; or
- it becoming probable that the borrower will enter bankruptcy or financial re-organisation.

For certain categories of financial asset, such as trade receivables, assets that are assessed not to be impaired individually are subsequently assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the Group's past experience of collecting payments and observable changes in national or local economic conditions that correlate with default on receivables.

For financial assets carried at amortised cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the current market rate of return for a similar financial asset.

3. 主要會計政策(續)

財務工具(續)

財務資產(續)

財務資產減值(續)

就貸款及應收款項而言，減值之客觀證據可能包括：

- 發行人或對手方存在嚴重財政困難；或
- 拒付或拖欠支付利息或本金；或
- 借款人有可能破產或進行財務重組。

應收貿易賬款等被評估為非個別減值之若干財務資產類別，其後按整體基準進行減值評估。應收賬款組合之客觀減值證據可包括本集團之過往收款經驗以及與應收賬款逾期有關之全國或地方經濟狀況明顯改變。

就按攤銷成本列賬之財務資產而言，減值虧損金額乃按該資產根據現時類似財務資產之市場回報率所計算貼現估計未來現金流量之現值與其賬面值間的差額計量。



3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets (Continued)

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss. When a trade receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited to profit or loss.

If, in a subsequent period, the amount of impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment losses was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the asset at the date of the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

Financial liabilities and equity instruments

Financial liabilities and equity instruments issued by a group entity are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

3. 主要會計政策(續)

財務工具(續)

財務資產(續)

財務資產減值(續)

就所有財務資產而言，財務資產之賬面值直接按減值虧損減少，惟應收貿易賬款除外，其賬面值乃透過使用撥備賬目而減少。撥備賬目之賬面值變動於損益內確認。倘應收貿易賬款被視為無法收回，則與撥備賬目撇銷。其後收回過往撇銷之款項計入損益內。

倘若隨後期間減值虧損數額減少，而該減少乃客觀地與減值虧損確認後發生之事項聯繫，則先前確認之減值虧損於損益撥回，惟撥回減值當日資產之賬面值不得超過倘若並無確認減值原有之攤銷成本。

財務負債及股本權益工具

由一組實體發行之財務負債及股本權益工具按所訂立之合約安排性質，以及財務負債及股本權益工具之定義而分類。



3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial instruments (Continued)

Financial liabilities and equity instruments (Continued)

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. The accounting policies adopted in respect of financial liabilities and equity instruments are set out below:

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability or, where appropriate, a shorter period.

Interest expense is recognised on an effective interest basis.

Financial liabilities at fair value through profit or loss

The Group's financial liabilities classified as financial liabilities at fair value through profit or loss are derivatives that are not designated and effective as hedging instruments.

At each balance sheet date subsequent to initial recognition, financial liabilities at fair value through profit or loss are measured at fair value, with changes in fair value recognised directly in profit or loss in the period in which they arise. The net gain or loss recognised in profit or loss excludes any interest paid on the financial liabilities.

3. 主要會計政策(續)

財務工具(續)

財務負債及股本權益工具(續)

股本權益工具為帶有集團資產剩餘權益(經扣除其所有負債)之任何合約。財務負債及股本權益工具採納之會計政策如下：

實際利率法

實際利率法乃計算財務負債之攤銷成本以及分配相關期間之利息開支之方法。實際利率乃按財務負債之預計年期或適用的較短期間內準確貼現估計未來之現金付款之利率。

利息收入按實際利率基準確認。

按公平值列賬及計入損益之財務負債本集團之財務負債分類為按公平值列賬及計入損益之財務負債，為一種並不能作為指定及有效對沖工具之衍生工具。

於初始確認後之各結算日，按公平值列賬及計入損益之財務負債以公平值計量，公平值變動在出現期間直接在損益確認。於損益表中確認之盈虧淨額不包括該財務負債獲派付之所有利息。



3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial instruments (Continued)

Financial liabilities and equity instruments (Continued)

Other financial liabilities

Other financial liabilities (including trade and other payables, and bank and other borrowings) are subsequently measured at amortised cost, using the effective interest rate method.

Equity instruments

Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

Derivative financial instruments and hedging

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at each balance sheet date. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

Hedge accounting

The Group designates certain derivatives as hedging instruments for cash flow hedges.

At the inception of the hedging relationship the entity documents the relationship between the hedging instrument and hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Group documents whether the hedging instrument that is used in a hedging relationship is highly effective in offsetting changes in fair values or cash flows of the hedged item.

3. 主要會計政策(續)

財務工具(續)

財務負債及股本權益工具(續)

其他財務負債

其他財務負債(包括應付貿易及其他款項及銀行及其他借貸)其後採用實際利率按攤銷成本計算。

股本權益工具

本公司所發行之股本權益工具乃按已收取之所得款項減直接發行成本記賬。

衍生財務工具及對沖

衍生工具於衍生合約訂立日期初步按公平值確認，其後於各結算日重新計量至其公平值。所產生之盈虧即時於損益中確認，除非衍生工具是作為指定及有效對沖工具，則於損益確認的時間視乎對沖關係的性質而定。

對沖會計法

本集團指定某些衍生工具為對沖工具，用作現金流量對沖。

於對沖關係之開始，實體記錄對沖工具和被對沖項目的關係，及進行各類對沖交易之風險管理目標及其策略。此外，於對沖開始和按持續基準進行期間，本集團記錄用於對沖關係之對沖工具是否能高度有效地抵銷被對沖項目的公平值或現金流量變動。



3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial instruments (Continued)

Derivative financial instruments and hedging (Continued)

Cash flow hedge

The effective portion of changes in the fair value of derivatives that are designated and qualified as cash flow hedges are deferred in equity (hedging reserve). The gain or loss relating to the ineffective portion is recognised immediately in profit or loss.

Amount deferred in equity are recycled in profit or loss in the periods when the hedged item is recognised in profit or loss.

Hedge accounting is discontinued when the Group revokes the hedging relationship, the hedging instrument expires or is sold, terminated, exercised, or no longer qualified for hedge accounting. Any cumulative gain or loss deferred in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in profit or loss. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was deferred in equity is recognised immediately in profit or loss.

3. 主要會計政策(續)

財務工具(續)

衍生財務工具及對沖(續)

現金流量對沖

指定和符合資格作現金流量對沖之衍生工具公平值變動，其有效部分遞延於權益(對沖儲備)，其無效部分之盈虧即時於損益內確認。

當被對沖項目於損益內確認時，遞延於權益之金額則在該期間之損益內重新確認。

當本集團解除對沖關係、對沖工具已屆滿、售出、終止、行使或不再符合對沖會計法，對沖會計法將被終止。當時遞延於權益之任何累計盈虧將保留於權益內，並在預測交易最終於損益內確認時確認。倘預測交易預期不再進行，遞延於權益之累計盈虧即時於損益內確認。



3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial instruments (Continued)

Derecognition

Financial assets are derecognised when the rights to receive cash flows from the assets expire or, the financial assets are transferred and the Group has transferred substantially all the risks and rewards of ownership of the financial assets. On derecognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised directly in equity is recognised in profit or loss.

Financial liabilities are derecognised when the obligation specified in the relevant contract is discharged, cancelled or expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

Impairment losses on tangible assets

At each balance sheet date, the Group reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised as income immediately.

3. 主要會計政策(續)

財務工具(續)

取消確認

若從資產收取現金流之權利已到期，或財務資產已轉讓及本集團已將其於財務資產擁有權之絕大部份風險及回報轉移，則財務資產將取消確認。於取消確認財務資產時，資產賬面值與已代及應收代價及已直接於股本權益確認之累計損益之總差額，將於損益中確認。

倘於有關合約之特定責任獲解除、取消或到期，則取消確認財務負債。取消確認之財務負債賬面值與已付及應付代價之差額將於損益中確認。

有形資產減值虧損

本集團會於各結算日檢討有形資產的賬面值，確定是否出現任何減值虧損跡象。倘若估計資產的可收回額低於賬面值，則該資產的賬面值將調減至可收回額，並即時將減值虧損確認為開支。

倘若有關的減值虧損其後撥回，有關資產的賬面值將調升至估計可收回額，但調升後的賬面值不得超過過往年度並無確認減值虧損時的賬面值。撥回的減值虧損即時確認為收入。



3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods sold in the normal course of business, net of discounts and sales related taxes.

Revenue from sales of goods are recognised when goods are delivered and title has passed.

Interest income from a financial asset is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount.

Income from sale of steam and electricity is recognised upon the provision of the steam and electricity.

Income from the rendering of services in wharf cargo handling is recognised in the financial period in which the services are rendered.

Leasing

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

The Group as lessor

Rental income from operating leases is recognised in the consolidated income statement on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised as an expense on a straight-line basis over the lease term.

3. 主要會計政策(續)

收入確認

收入乃按已收或應收代價之公平值計算，並指於一般業務過程中銷售貨品之應收金額，減折扣及銷售相關稅項後計算。

銷售貨品收入於貨品付運及擁有權移交時確認。

財務資產之利息收入乃以時間為基準按未償還本金及適用實際利率累計，而實際利率為透過財務資產之預期可用年期將估計日後現金收據折讓至該資產之賬面淨值之比率。

出售蒸汽及電力之收入於提供蒸汽及電力時確認。

來自提供處理碼頭貨物服務之收入於提供該服務之財政期間確認。

租賃

凡租賃之條款規定擁有權所附帶之一切風險及回報實質上轉移至承租人者，該租賃即歸類為融資租賃。其他租賃全部列作經營租賃。

集團作為出租人

經營租賃之租金收入乃按相關租賃年期以直線法於綜合收益表確認。在磋商及安排經營租賃時招致之初步直接成本與出租資產之賬面值相加，並於相關租賃年期以直線法確認為開支。



3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Leasing (Continued)

The Group as lessee

Rentals payable under operating leases are charged to profit or loss on a straight-line basis over the term of the relevant lease. Benefits received and receivable as an incentive to enter into an operating lease are recognised as a reduction of rental expense over the lease term on a straight-line basis.

Leasehold land and buildings

The land and building elements of a lease of land and building are considered separately for the purpose of lease classification, unless the lease payments cannot be allocated reliably between the land and building elements, in which case, the entire lease is generally treated as a finance lease and accounted for as property, plant and equipment. To the extent the allocation of the lease payments can be made reliably, leasehold interests in land are accounted for as operating leases.

Prepaid lease payments

Prepaid lease payments represent the up-front payments to lease medium-term leasehold land interests in the People's Republic of China (the "PRC") are charged to the consolidated income statement on a straight-line basis over the term of the relevant leases.

Retirement benefit costs

Payments to defined contribution retirement benefit plans, state-managed retirement benefit scheme and the Mandatory Provident Fund Scheme (the "MPF Scheme") are charged as an expense when the employees have rendered the services entitling them to the contributions.

3. 主要會計政策(續)

租賃(續)

集團作為承租人

根據經營租賃之應付租金乃按相關租賃年期以直線法於損益表扣除。因訂立一項經營租賃作為獎勵之已收及應收福利乃以直線法按租賃年期確認作租金支出減少。

租賃土地及樓宇

就租賃分類而言，土地及樓宇租賃中土地及樓宇部分乃分開考慮，惟租金款項無法可靠地在土地及樓宇部分之間作出分配則除外，而在該情況下，整份租賃一般以融資租賃處理，並以物業、廠房及設備入賬。倘租金款項能可靠地作出分配，則土地之租賃權益會以經營租約入賬。

預付租賃款項

預付租賃款項指租用位於中華人民共和國(「中國」)以中期租約所持土地權益而需預付之款項，並於相關租賃期內以直線法在綜合收益表扣除。

退休福利成本

界定供款退休福利計劃、國家管理的退休福利計劃及強制性公積金計劃(「強積金計劃」)的供款於僱員提供可使其享有供款之服務時支銷。



3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Retirement benefit costs (Continued)

For defined retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out annually. All actuarial gains and losses of defined benefit plans are recognised immediately in retained profits in the period in which they occur. Past service cost is recognised immediately to the extent that the benefits are already vested, and otherwise is amortised on a straight-line basis over the average period until the amended benefits become vested.

The amount recognised in the consolidated balance sheet represents fair value of the plan assets as adjusted for unrecognised actuarial gains and losses, and as reduced by the present value of the defined benefit obligation. Any asset resulting from this calculation is limited to unrecognised actuarial losses and past service cost, plus the present value of available refunds and reductions in future contributions to the plan.

Equity-settled share based payment transactions

The Group has applied HKFRS 2 Share-based Payment to share options granted on or after 1 January 2005.

Share options granted and vested on or after 1 January 2005

The fair value of services received determined by reference to the fair value of share options granted at the grant date is expensed on a straight-line basis over the vesting period, with a corresponding increase in equity (share option reserve).

3. 主要會計政策(續)

退休福利成本(續)

對界定退休福利計程劃而言，提供福利的成本會使用預估單位利益法計算，並於每年進行精算估值。界定退休福利計劃的全部精算盈虧於產生時直接在保留盈利中確認。若退休福利已成為僱員的既得利益，過往服務年期的成本將即時予以確認，否則將會採用直線法按平均年期攤銷，直至經修訂的退休福利成為僱員的既得利益為止。

在綜合資產負債表確認的數額指福利債務的現值，並就未確認精算盈虧及未確認過往服務成本作出調整及減去計劃資產的公平值。據此計算之任何資產乃受限於未確認精算虧損及過往服務成本，加上計劃之可退回現金值及未來供款之削減。

以股結算股權支付之交易

本集團已對二零零五年一月一日或之後授出之購股權應用香港財務報告準則第2號股權支付款。

二零零五年一月一日或以後授出及歸屬之購股權

所獲服務之公平值乃參考購股權於授出當日之公平值釐定，於歸屬期間以直線法支銷，並於股本權益中作相應增加(購股權儲備)。



3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Equity-settled share based payment transactions (Continued)

At each balance sheet date, the Group revises its estimates of the number of options that are expected to ultimately vest. The impact of the revision of the estimates during the vesting period, if any, is recognised in profit or loss, with a corresponding adjustment to share option reserve.

At the time when the share options are exercised, the amount previously recognised in share option reserve will be transferred to share premium. When the share options are forfeited after the vesting date or are still not exercised at the expiry date, the amount previously recognised in share option reserve will be transferred to retained profits.

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, are capitalised as part of the cost of those assets. 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 eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

3. 主要會計政策(續)

以股結算股權支付之交易(續)

於各結算日，本集團修訂預期最終歸屬之購股權數目估計。在歸屬期內該等估計修訂之影響(如有)於損益確認，並對購股權儲備作出相應整。

購股權獲行使時，過往於購股權儲備中確認之數額將轉移至股本溢價賬。當購股權於有效期間後被註銷或於屆滿日仍未獲行使，過往於購股權儲備中確認之數額將轉移至留存溢利內。

借貸成本

收購、建設或生產合資格資產之直接應佔借貸成本乃資本化作為該等資產成本之一部份。倘有關資產大致可供其擬定用途或銷售，該等借貸成本則不用撥充資本。暫時投資特定借貸以等應用於合資格資產所得之投資收入，從合資格資本化之借貸成本中扣除。

所有其他借貸成本於產生期間在損益中確認。

稅項

所得稅支出指現時應付稅項及遞延稅項的總和。



3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Taxation (Continued)

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the consolidated income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries and associates, except where the Group is able to control the reversal of the temporary difference and it is probable the temporary difference will not reverse in the foreseeable future.

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 profits will be available to allow all or part of the asset to be recovered.

3. 主要會計政策(續)

稅項(續)

現時應付稅項乃按本年度應課稅盈利計算。應課稅盈利與綜合收益表中所報溢利不同，因為應課稅盈利不包括在其他年度應課稅或可扣稅的收入或開支項目，並且不包括從未課稅及扣稅的項目。本集團之即期稅項負債乃按結算日已實行或大致上已實行之稅率計算。

遞延稅項乃根據綜合財務報表資產及負債賬面值與計算應課稅盈利所採用相應稅基的差額而確認，並採用資產負債表負債法入賬。遞延稅項負債一般就所有應課稅暫時差額予以確認，而遞延稅項資產則於可能會出現可用以抵銷可扣稅暫時差額的應課盈利時予以確認。倘若暫時差額乃由初次確認一項不影響應課稅盈利或會計盈利的交易的其他資產及負債所引起，則有關資產及負債不予確認。

遞延稅項負債乃按於附屬公司及聯營公司之投資所產生之應課稅暫時差額確認，惟若本集團可控制撥回暫時差額之時間及暫時差額有可能於可見將來不會撥回之情況除外。

遞延稅項資產賬面值於各個結算日審核，並予以相應扣減，直至並無足夠應課盈利可供所有或部份遞延稅項資產應用為止。



3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Taxation (Continued)

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Foreign currencies

In preparing the financial statements of each individual group entity, transactions in currencies other than the functional currency of that entity ("foreign currencies") are recorded in its functional currency (i.e. the currency of the primary economic environment in which the entity operates) at the rates of exchanges prevailing on the dates of the transactions. At each balance sheet date, monetary items denominated in foreign currencies are retranslated at the rates prevailing on the balance sheet date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on the translation of monetary items, are recognised in profit or loss in the period in which they arise.

For the purposes of presenting the consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated into the presentation currency of the Group (i.e. HK\$) at the rate of exchange prevailing at the balance sheet date, and their income and expenses are translated at the average exchange rates for the year, unless exchange rates fluctuate significantly during the period, in which case, the exchange rates prevailing at the dates of transactions are used. Exchange differences arising, if any, are recognised as a separate component of equity (the translation reserve). Such exchange differences are recognised in profit or loss in the period in which the foreign operation is disposed of.

3. 主要會計政策(續)

稅項(續)

遞延稅項按預計按償還負債或變現資產的期間內適用的稅率計算。遞延稅項自損益表中扣除或計入其中，惟與直接扣自或計入股本的項目有關者除外，在此情況下，遞延稅項在股本權益處理。

外幣

於編製各個別集團實體之財務報表時，以該實體功能貨幣以外之貨幣(「外幣」)進行之交易均按交易日期之適用匯率換算為功能貨幣(即該實體經營所在主要經濟活動之貨幣)記賬。於各結算日，以外幣定值之貨幣項目均按結算日之適用匯率重新換算。按公平值以外幣定值之非貨幣項目乃按於公平值釐定當日之適用匯率重新換算。按外幣過往成本計量非貨幣項目無須重新換算。

於結算及換算貨幣項目時產生之匯兌差額均於彼等產生期間內於損益表中確認。

就呈列綜合財務報表而言，本集團海外經營業務之資產及負債乃按於結算日之適用匯率換算為本集團之列賬貨幣(即港元)，而其他收入及支出乃按該年度之平均匯率進行換算，除非匯率於該期間內出現大幅波動則作別論，於此情況下，則採用於交易當日之適用匯率。所產生之匯兌差額(如有)乃確認作權益獨立部份(匯兌儲備)。該等匯兌差額乃於海外業務被出售之期間內於損益表內確認。



4. KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies which are described in note 3, the directors of the Company are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The following are 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.

Fair values of derivative financial instruments

Derivative financial instruments, such as interest rate swaps, cross currency interest rate swaps, currency structured instruments are carried in the balance sheet at fair values, as disclosed in note 25. The best evidence of fair value is quoted prices in an active market, where quoted prices are not available for a particular financial instrument, the Group uses the market values determined by counterparty financial institutions to estimate the fair value. The use of methodologies, models and assumptions in pricing and valuing these financial assets and liabilities is subjective and requires varying degrees of judgement by management, which may result in significantly different fair values and results.

4. 估計不確定因素之主要來源

於應用本集團之會計政策(載列於附註3)時,本公司之董事須對未能透過其他來源直接確定之資產及負債之賬面值作出判斷、估計及假設。該等估計及相關假設乃建基於過往經驗及其他被視為相關之因素。實際業績可能有別於該等估計。

估計及相關假設乃按持續基準被審閱。如對會計估計之修訂僅影響進行修訂之期間,則於該期間確認修訂,或如修訂同時影響目前及未來期間,則於修訂及未來期間確認。

下文是有關未來期間的主要假設以及結算日之估計不確定因素之其他主要來源,該等假設及不確定因素具有會造成在下一個財政年度對資產以及負債的賬面值作出重大調整的重大風險。

衍生財務工具公平值

衍生財務工具(如利率掉期、交叉貨幣利率掉期、貨幣結構工具)乃按公平值計入資產負債表,誠如附註25所披露。公平值之最佳憑證為於活躍市場中之報價,倘某一項財務工具未能取得報價,本集團將採用由對手方金融機構釐訂之市值估計其公平值。就該等財務資產及負債定價及估值時所採用之方法、模式及假設乃屬主觀性,並需管理層作出若干程度之判斷,而有關判斷或會導致出現截然不同之公平值及結果。



5. BUSINESS AND GEOGRAPHICAL SEGMENTS

Business segments

For management purposes, the Group is currently organised into two operating businesses — manufacture and sales of paper, and manufacture and sales of pulp. These businesses are the basis on which the Group reports its primary segment information.

Segment information about these businesses where inter-segment sales are charged at prices with reference to the prevailing market rates is presented below:

2009

Income statement

		Paper 紙張 HK\$'000 千港元	Pulp 木漿 HK\$'000 千港元	Eliminations 刪除 HK\$'000 千港元	Consolidated 綜合 HK\$'000 千港元
REVENUE	收入				
External sales	對外銷售	9,280,495	368,870	—	9,649,365
Inter-segment sales	業務之間銷售	—	138,237	(138,237)	—
		9,280,495	507,107	(138,237)	9,649,365
SEGMENT RESULTS	分類業績	534,036	(52,468)	—	481,568
Net loss from fair value changes of derivative financial instruments	因衍生財務工具公平值變動產生的淨虧損				(10,919)
Unallocated corporate income	未分類之公司收入				91,708
Unallocated corporate expenses	未分類之公司支出				(6,044)
Finance costs	財務成本				(218,843)
Profit before tax	稅前溢利				337,470
Income tax expense	利得稅開支				(37,111)
Profit for the year	本年度溢利				300,359

5. 業務及地域分部

業務分部

就管理而言，本集團現經營兩個業務：生產及銷售紙張、生產及銷售木漿。該等業務為本集團申報其主要分類資料之基準。

該等商業分類資料(業務之間銷售是參考普遍市場價格收取)呈報如下：

二零零九年

收益表



5. BUSINESS AND GEOGRAPHICAL SEGMENTS
(CONTINUED)

2009 (Continued)
Assets and liabilities

5. 業務及地域分部(續)

二零零九年(續)
資產及負債

		Paper 紙張 HK\$'000 千港元	Pulp 木漿 HK\$'000 千港元	Consolidated 綜合 HK\$'000 千港元
ASSETS	資產			
Segment assets	分類資產	15,859,474	582,539	16,442,013
Unallocated corporate assets	未分類之公司資產			2,234,546
Consolidated total assets	綜合總資產			18,676,559
LIABILITIES	負債			
Segment liabilities	分類負債	329,975	8,246	338,221
Unallocated corporate liabilities	未分類之公司負債			9,871,493
Consolidated total liabilities	綜合總負債			10,209,714

Other information

其他資料

		Paper 紙張 HK\$'000 千港元	Pulp 木漿 HK\$'000 千港元	Consolidated 綜合 HK\$'000 千港元
Additions to prepaid lease payments	新添預付租賃款項	17,578	—	17,578
Amortisation of prepaid lease payments	預付租賃款項攤銷	21,590	—	21,590
Capital expenditure	資本性支出	2,021,729	437,113	2,458,842
Deposits paid for acquisition of property, plant and equipment and land use rights	購買物業、廠房及設備及土地使用權所付訂金	314,951	—	314,951
Depreciation of property, plant and equipment	物業、廠房及設備折舊	398,040	7,531	405,571
Loss on disposal of property, plant and equipment	出售物業、廠房及設備產生的虧損	8,293	—	8,293



5. BUSINESS AND GEOGRAPHICAL SEGMENTS 5. 業務及地域分部(續)
(CONTINUED)

2008

二零零八年

Income statement

收益表

		Paper 紙張 HK\$'000 千港元	Pulp 木漿 HK\$'000 千港元	Eliminations 刪除 HK\$'000 千港元	Consolidated 綜合 HK\$'000 千港元
REVENUE	收入				
External sales	對外銷售	8,403,963	592,150	—	8,996,113
Inter-segment sales	業務之間銷售	—	382,002	(382,002)	—
		8,403,963	974,152	(382,002)	8,996,113
SEGMENT RESULTS	分類業績	1,611,009	74,147	—	1,685,156
Net loss from fair value changes of derivative financial instruments	因衍生財務工具公平值變動產生的淨虧損				(177,552)
Unallocated corporate income	未分類之公司收入				81,280
Unallocated corporate expenses	未分類之公司支出				(3,351)
Share of loss of an associate	應佔聯營公司虧損				(1)
Finance costs	財務成本				(86,386)
Profit before tax	稅前溢利				1,499,146
Income tax expense	利得稅開支				(68,026)
Profit for the year	本年度溢利				1,431,120



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
綜合財務報表附註(續)

For the year ended 31 March 2009 截至二零零九年三月三十一日止年度

5. BUSINESS AND GEOGRAPHICAL SEGMENTS 5. 業務及地域分部(續)
(CONTINUED)

2008 (Continued)

Assets and liabilities

二零零八年(續)

資產及負債

		Paper 紙張 HK\$'000 千港元	Pulp 木漿 HK\$'000 千港元	Consolidated 綜合 HK\$'000 千港元
ASSETS	資產			
Segment assets	分類資產	15,672,449	333,074	16,005,523
Unallocated corporate assets	未分類之公司資產			1,009,466
				17,014,989
Consolidated total assets	綜合總資產			17,014,989
LIABILITIES	負債			
Segment liabilities	分類負債	700,024	47,719	747,743
Unallocated corporate liabilities	未分類之公司負債			8,232,937
				8,980,680
Consolidated total liabilities	綜合總負債			8,980,680

Other information

其他資料

		Paper 紙張 HK\$'000 千港元	Pulp 木漿 HK\$'000 千港元	Consolidated 綜合 HK\$'000 千港元
Additions to prepaid lease payments	新添預付租賃款項	80,816	—	80,816
Amortisation of prepaid lease payments	預付租賃款項攤銷	19,139	—	19,139
Capital expenditure	資本性支出	4,240,308	77,995	4,318,303
Deposits paid for acquisition of property, plant and equipment and land use rights	購買物業、廠房及 設備及土地使用權 所付訂金	918,844	—	918,844
Depreciation of property, plant and equipment	物業、廠房及 設備折舊	256,816	11,270	268,086
Loss on disposal of property, plant and equipment	出售物業、廠房及 設備產生的虧損	166	—	166



5. BUSINESS AND GEOGRAPHICAL SEGMENTS (CONTINUED)

Geographical segments

The following table provides an analysis of the Group's sales by geographical market based on location of customers, others mainly include countries in Asia other than PRC.

5. 業務及地域分部(續)

地域分部

下表是按地區市場根據客戶所在地區(其他主要包括中國以外的亞洲國家)劃分本集團銷售的分析。

		Sales revenue by geographical market 按地區市場 劃分的銷售收入	
		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
PRC other than Hong Kong	中國，香港除外	9,243,796	7,686,882
Iran	伊朗	14,361	88,947
United Arab Emirates	阿拉伯聯合酋長國	3,283	48,880
United States of America	美國	3,032	84,597
Europe	歐洲	—	188,822
Others	其他	384,893	897,985
		9,649,365	8,996,113

The following is an analysis of the carrying amount of segment assets and capital expenditure, analysed by the geographical area in which the assets are located:

按資產所在地區分析的分類資產賬面值及資本性開支如下：

		Carrying amount of segment assets 分部資產賬面值		Capital expenditure 資本性開支	
		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
PRC other than Hong Kong	中國，香港 除外	14,731,650	15,242,809	2,068,782	4,178,226
Vietnam	越南	484,207	424,154	389,811	62,068
United States of America	美國	—	333,075	—	77,995
Hong Kong	香港	1,226,156	5,485	249	14
		16,442,013	16,005,523	2,458,842	4,318,303



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
綜合財務報表附註(續)

For the year ended 31 March 2009 截至二零零九年三月三十一日止年度

6. OTHER INCOME

6. 其他收入

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Compensation income from suppliers for damaged goods	供應商就損毀貨品所作之賠償收入	4,818	22,049
Imputed interest income on deferred consideration	遞延代價產生之利息收入	1,070	—
Income from sales of steam and electricity	出售蒸氣及電力收入	16,982	6,217
Income from wharf cargo handling	經營碼頭貨物收入	38,493	21,301
Interest income from an associate	聯營公司利息收入	16,004	—
Interest income from banks	銀行利息收入	3,294	6,609
Net foreign exchange gains	淨匯兌得益	71,290	74,671
Rental income, net of direct outgoings	租金收入，除直接支出	—	390
Sales of scrap materials and waste paper	廢料及廢紙銷售	11,179	28,910
Gain from fair value change of derivative embedded in the convertible bonds	可換股債券內含衍生工具公平值變動產生之得益	—	3
Tax credits (note)	稅務抵免(附註)	—	37,826
Others	其他	27,292	23,123
		190,422	221,099

note: Tax credits were granted to Dongguan Lee & Man Paper Factory Co., Ltd. ("Dongguan Lee & Man") during the year ended 31 March 2008 as the Group reinvested directly the profits generated from Dongguan Lee & Man into it by increasing its registered capital.

附註：由於本集團透過增加註冊資本，將東莞理文造紙廠有限公司(「東莞理文」)產生的利潤直接再投資至東莞理文，東莞理文於截至二零零八年三月三十一日止年度內獲授予稅務抵免。



7. FINANCE COSTS

7. 財務成本

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Interest on bank borrowings wholly repayable within five years	於五年內悉數償還之銀行借貸利息	299,033	220,742
Interest on convertible bonds	可換股債券產生之利息	—	2,082
Interest on notes payable	應付票據之利息	51,953	10,615
Total borrowing costs		350,986	233,439
Less: Amounts capitalised in property, plant and equipment	減去：物業、廠房及設備之資本化金額	(132,143)	(147,053)
		218,843	86,386

Borrowing costs capitalised during the year are calculated by applying a capitalisation rate of 6% (2008: 5%) of expenditures on qualifying assets.

年內資本化之借貸成本以合資格資產開支之資本化比率6%(二零零八年：5%)計算。

8. INCOME TAX EXPENSE

8. 利得稅開支

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
The charge comprises:	稅項開支包括：		
Current tax	現有稅項		
— PRC Enterprise Income Tax	— 中國企業所得稅	7,850	14,997
— Overseas income tax	— 海外所得稅	41	61
Overprovision in previous year	去年過度撥備		
— PRC Enterprise Income Tax	— 中國企業所得稅	—	(3,721)
Deferred tax (note 26)	遞延稅項(附註26)	29,220	56,689
		37,111	68,026

The Group's profit is subject to taxation from the place of its operations where its profit is generated. Taxation arising in other jurisdictions is calculated at the rates prevailing in the relevant jurisdictions.

集團之利潤乃根據其利潤產生的營運地方繳納稅項。其他管轄地區的稅項按個別管轄地區之課稅率計算如下。



8. INCOME TAX EXPENSE (CONTINUED)

PRC

The subsidiaries in the PRC are entitled to exemption from PRC Enterprise Income Tax for two years starting from their respective first profit-making year, followed by a 50% relief for the three years thereafter ("Tax Holiday").

All the Group's PRC subsidiaries were within the tax exemption period during the year ended 31 March 2009 and were therefore not subject to PRC Enterprise Income Tax for the year, except the following:

The tax exemption period of a subsidiary, Guangdong Lee & Man Paper Manufacturing Limited ("Guangdong Lee & Man") expired on 31 December 2008 and its applicable preferential tax rate is 12.5% for the period from 1 January 2009 to 31 December 2011. Beside, pursuant to approvals granted by the PRC tax authority, Guangdong Lee & Man was granted tax credits that resulted from the purchase of plant and equipment manufactured in the PRC by Guangdong Lee & Man. Current year's tax charge of Guangdong Lee & Man was fully offset by such credits.

The tax exemption period of a subsidiary, Jiangsu Lee & Man Paper Manufacturing Company Limited ("Jiangsu Lee & Man") expired on 31 December 2006 and it is subject to a reduced tax rate of 9% and 10% for the calendar years of 2008 and 2009, respectively.

The Tax Holiday of a subsidiary, Dongguan Lee & Man expired on 31 December 2005 and it is subject to a preferential tax rate of 18% and 20% for the calendar years of 2008 and 2009 respectively. Based on the Guofa [2007] No. 39 released by the State Council of the PRC, Dongguan Lee & Man is entitled to such preferential treatment as its investment exceeds US\$30,000,000 with a long position of recovering investment.

8. 利得稅開支(續)

中國

位於中國的附屬公司於各自首個獲利年度起，免繳中國企業所得稅兩年，其後三年半免(「稅務優惠」)。

截至二零零九年三月三十一日止年度內，本集團其餘的中國附屬公司均全部處於稅務豁免期，因此毋須繳納中國企業所得稅，除下列例外：

附屬公司廣東理文造紙有限公司(「廣東理文」)之稅項豁免期已於二零零八年十二月三十一日屆滿，而其由二零零九年一月一日至二零一一年十二月三十一日期間之適用優惠稅率為12.5%。此外，根據中國稅務機關之批准，廣東理文因購買中國所製造機器及設備獲授稅項抵免。廣東理文於本年度須繳納稅款已藉該等稅項抵免全數抵銷。

附屬公司江蘇理文造紙有限公司(「江蘇理文」)之稅項豁免期已於二零零六年十二月三十一日屆滿，而其於二零零八年及二零零九曆年須分別按已減免稅率9%及10%繳稅。

附屬公司東莞理文稅務優惠期已於二零零五年十二月三十一日屆滿，故須就二零零八及二零零九曆年分別按優惠稅率18%及20%繳稅。根據中國國務院所批出國法[2007] 39號，由於東莞理文之投資超過三千萬美元，可收回投資屬長倉，故其有權享有該稅務優惠。



8. INCOME TAX EXPENSE (CONTINUED)

PRC (Continued)

On 16 March 2007, the PRC promulgated the Law of the PRC on Enterprise Income Tax (the "Tax Law") by Order No. 63 of the President of the PRC. On 6 December 2007, the State Council of the PRC issued Implementation Regulations of the Tax Law. The Tax Law and Implementation Regulations increase the tax rate for the Group's PRC subsidiaries to 25% with effect from the expiry of the Tax Holiday and in the case of Jiangsu Lee & Man and Dongguan Lee & Man, they are on a progressive basis over a period of five years.

Malaysia

The subsidiary in Malaysia carries on offshore trading activities in Labuan, with other group companies which are non-residents of Malaysia. As such, it is qualified as an offshore trading company in Labuan and is charged at a fixed annual rate of Malaysian RM20,000.

Macau

The Macau subsidiaries incorporated under Decree-Law no. 58/99/M are exempted from Macau complementary tax (Macau income tax) as long as they comply with the relevant regulations and do not sell their products to a Macau resident.

United States

The subsidiary in the United States is subject to Federal Income Tax and California State Income Tax (collectively refer to as "US Income Tax") at rates of 35% and 8.84%, respectively. No provision for US Income Tax has been made for the year.

Vietnam

The Vietnam subsidiaries are subjected to Vietnam Corporate Income Tax at a maximum rate of 25%. No provision for Vietnam Corporate Income Tax has been made for the year as the Vietnam subsidiaries incurred losses for the year.

8. 利得稅開支(續)

中國(續)

於二零零七年三月十六日，中國就中國國家主席第63號命令，頒佈企業所得稅法(「稅法」)。於二零零七年十二月六日，中國國務院頒佈稅法執行規例。稅法及執行規例將統一本集團之中國附屬公司之稅率為25%，於稅務優惠期屆滿後開始，而江蘇理文及東莞理文之稅率將以五年逐漸遞增為基礎。

馬來西亞

馬來西亞的附屬公司與集團內其他非馬來西亞公司進行離岸貿易業務。所以，附屬公司為拉布安合資格的離岸貿易公司，需每年繳納20,000馬幣的定額稅。

澳門

澳門附屬公司根據第58/99/M號法令註冊，均可免繳澳門補充稅(澳門所得稅)，前提是不得向澳門本土公司出售產品。

美國

美國的附屬公司須分別按35%及8.84%繳納聯邦所得稅及加利福尼亞州所得稅(統稱「美國所得稅」)。本年度並無計提美國所得稅撥備。

越南

越南附屬公司須按不多於25%繳納越南企業所得稅。由於越南附屬公司於本年度產生虧損，故並無計提越南企業所得稅撥備。



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8. INCOME TAX EXPENSE (CONTINUED)

The income tax expense can be reconciled to the profit before tax per the consolidated income statement as follows:

8. 利得稅開支(續)

利得稅開支與根據損益表的盈利對賬如下：

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Profit before tax	除稅前盈利	337,470	1,499,146
Tax at the applicable tax rate of 20% (2008: 18%) (note i)	按適用稅率20%(二零零八年：18%)計算的稅項(附註i)	67,494	269,846
Tax effect of expenses not deductible for tax purpose	不可扣稅的支出稅務影響	53,521	53,694
Tax effect of income not taxable for tax purpose	無須課稅的收入的稅務影響	(30,091)	(18,772)
Tax effect of tax losses not recognised	未確認稅務虧損的稅務影響	95,200	31,639
Effect of tax exemption granted to certain subsidiaries	若干附屬公司獲豁免繳稅的影響	(120,912)	(215,473)
Effect of different tax rates of subsidiaries operating in other jurisdictions	在不同司法權區營運的附屬公司使用不同稅率的影響	(4,562)	(594)
Deferred tax on PRC dividend withholding tax	中國股息預繳所得稅之遞延稅項	4,145	—
Tax credits granted to PRC subsidiaries (note ii)	授予中國附屬公司之稅務抵免(附註ii)	(27,684)	(48,593)
Overprovision in previous year	去年過度撥備	—	(3,721)
Income tax expense	利得稅開支	37,111	68,026

notes:

- (i) The domestic income tax rate in the jurisdiction where a substantial portion of the Group's operation is based is used.
- (ii) Tax credits resulted from the purchase of plant and equipment manufactured in the PRC by certain subsidiaries of the Company in the PRC.

附註：

- (i) 已採用本集團絕大部分業務所在之司法權區之當地所得稅率。
- (ii) 稅務抵免乃因本公司位於中國之若干附屬公司購置在中國製造之廠房及設備而產生。



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
綜合財務報表附註(續)

For the year ended 31 March 2009 截至二零零九年三月三十一日止年度

9. PROFIT FOR THE YEAR

9. 年度盈利

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Profit for the year has been arrived at after charging:	年度溢利經扣除：		
Directors' emoluments (note 10)	董事酬金(附註10)	9,022	8,265
Staff salaries and other benefits, excluding those of directors	員工薪金及其他福利，不包括董事	360,811	314,612
Share-based payments, excluding those of directors	以股權支付款項，不包括董事	4,800	8,224
Contributions to retirement benefit schemes, excluding those of directors	退休福利計劃供款，不包括董事	17,045	14,070
Total employee benefit expense	員工成本總額	391,678	345,171
Amortisation of prepaid lease payments	預付租賃款項攤銷	21,590	19,139
Auditors' remuneration	核數師酬金	3,752	2,953
Cost of inventories recognised as expenses (note)	存貨成本確認為支出(註)	8,606,348	6,843,488
Depreciation of property, plant and equipment	物業、廠房及設備折舊	405,571	268,086
Loss on disposal of property, plant and equipment	出售物業、廠房及設備產生的虧損	8,293	166
Operating lease rentals in respect of land and buildings	土地及樓宇的經營租賃租金	6,768	8,535

note: Included in cost of sales is a write-down of inventories amounting to HK\$42,000,000 (2008: nil).

註：銷售成本已計入42,000,000港元(二零零八年：無)之存貨撇減金額。



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綜合財務報表附註(續)

For the year ended 31 March 2009 截至二零零九年三月三十一日止年度

10. DIRECTORS' EMOLUMENTS

The emoluments paid or payable to each of the ten (2008: nine) directors were as follows:

10. 董事酬金

需要支付或應付給10位董事(二零零八年:9)的酬金如下:

		Fees 袍金 HK\$'000 千港元	Salaries and other benefits 薪金及 其他福利 HK\$'000 千港元	Other emoluments 其他酬金 Contributions to retirement benefit schemes 退休福利 計劃供款 HK\$'000 千港元	Share-based payments 股權支付款項 HK\$'000 千港元	Total 合計 HK\$'000 千港元
Year ended 31 March 2009	二零零九年三月 三十一日之年度					
<i>Executive directors</i>	<i>執行董事</i>					
Lee Wan Keung Patrick	李運強	—	—	—	—	—
Lee Man Chun Raymond	李文俊	—	3,360	12	707	4,079
Lee Man Bun	李文斌	—	2,160	12	440	2,612
Li King Wai Ross	李經緯	—	1,452	12	—	1,464
<i>Non-executive director</i>	<i>非執行董事</i>					
Poon Chung Kwong	潘宗光	—	—	—	538	538
<i>Independent non-executive directors</i>	<i>獨立非執行董事</i>					
Wong Kai Tung Tony	王啓東	80	—	—	—	80
Peter A Davies (note i)	Peter A Davies(附註i)	139	—	—	—	139
Chau Shing Yim David (note ii)	周承炎(附註ii)	100	—	—	—	100
Heng Kwoo Seng (note iii)	邢詒春(附註iii)	10	—	—	—	10
Law Kar Shui Elizabeth (note iv)	羅嘉穗(附註iv)	—	—	—	—	—
		329	6,972	36	1,685	9,022
Year ended 31 March 2008	二零零八年三月 三十一日之年度					
<i>Executive directors</i>	<i>執行董事</i>					
Lee Wan Keung Patrick	李運強	—	—	—	—	—
Lee Man Chun Raymond	李文俊	—	2,800	12	969	3,781
Lee Man Bun	李文斌	—	1,727	12	591	2,330
Tan Siak Him Alexander (note v)	陳錫鑫(附註v)	—	—	—	—	—
Li King Wai Ross	李經緯	—	840	12	156	1,008
<i>Non-executive director</i>	<i>非執行董事</i>					
Poon Chung Kwong	潘宗光	—	—	—	946	946
<i>Independent non-executive directors</i>	<i>獨立非執行董事</i>					
Wong Kai Tung Tony	王啓東	80	—	—	—	80
Heng Kwoo Seng (note iii)	邢詒春(附註iii)	120	—	—	—	120
Law Kar Shui Elizabeth (note iv)	羅嘉穗(附註iv)	—	—	—	—	—
		200	5,367	36	2,662	8,265



10. DIRECTORS' EMOLUMENTS (CONTINUED)

For the two years ended 31 March 2009, no emoluments were paid by the Group to the directors as an inducement to join or upon joining the Group or as a compensation for loss of office. None of the directors has waived any emoluments during the two years.

notes:

- (i) Mr Peter A Davies was appointed on 21 July 2008.
- (ii) Mr Chau Sing Yim David was appointed on 1 October 2008.
- (iii) Mr Heng Kwoo Seng resigned on 30 April 2008.
- (iv) Ms Law Kar Shui Elizabeth resigned on 1 January 2009.
- (v) Mr Tan Siak Him Alexander resigned on 1 September 2007.

11. EMPLOYEES' EMOLUMENTS

Of the five individuals with the highest emoluments in the Group, three (2008: two) were directors of the Company whose emoluments are disclosed in note 10 above. The emoluments of the remaining two (2008: three) individuals were as follows:

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Salaries and other benefits	薪金及其他福利	4,120	4,923
Contributions to retirement benefit schemes	退休福利計劃供款	24	36
Share-based payments	股權付款	—	312
		4,144	5,271

10. 董事酬金(續)

截至二零零九年三月三十一日之兩年內，本集團並無支付任何酬金予董事引誘其加入的或加入集團後或作為失去其辦公室之補償。這兩年內無任何董事放棄酬金。

附註：

- (i) Peter A Davies 先生於二零零八年七月二十一日委任。
- (ii) 周承炎先生於二零零八年十月一日獲委任。
- (iii) 邢詒春先生已於二零零八年四月三十日辭任。
- (iv) 羅嘉穗小姐已於二零零九年一月一日辭任。
- (v) 陳錫鑫先生已於二零零七年九月一日辭任。

11. 僱員酬金

本集團最高酬金之五位人士，其中三位(二零零八年：兩位)為本公司董事而其酬金已於上述附註10披露。其餘兩位人士(二零零八年：三位)之酬金如下：



11. EMPLOYEES' EMOLUMENTS (CONTINUED)

The emoluments were within the following bands:

		Number 人數	
		2009 二零零九年	2008 二零零八年
HK\$1,000,001 to HK\$1,500,000	1,000,001港元–1,500,000港元	—	2
HK\$1,500,001 to HK\$2,000,000	1,500,001港元–2,000,000港元	1	—
HK\$2,000,001 to HK\$2,500,000	2,000,001港元–2,500,000港元	—	1
HK\$2,500,001 to HK\$3,000,000	2,500,001港元–3,000,000港元	1	—
		2	3

11. 僱員酬金(續)

董事的酬金介乎下列組別：

12. DIVIDENDS

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Dividends recognised as distribution: 認可之股息分配如下：			
2008 final dividend of HK\$0.10 (2008: 2007 final dividend of HK\$0.20) per share	二零零八年派發末期股息 每股0.10港元(二零零八年： 二零零七年末期股息0.20港元)	113,738	227,316
2009 interim dividend of HK\$0.05 (2008: 2008 interim dividend of HK\$0.16) per share	二零零九年派發中期股息 每股0.05港元(二零零八年： 二零零八年中期股息0.16港元)	56,869	181,917
		170,607	409,233

12. 股息

No final dividend was proposed for the year ended 31 March 2009, nor has any dividend been proposed since the balance sheet date (2008: 2008 final dividend of HK\$0.10 per share proposed).

截至二零零九年三月三十一日止或自結算日起董事會不建議派付末期股息(二零零八年：建議二零零八年末期股息0.10港元)。



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13. EARNINGS PER SHARE

The calculation of the basic and diluted earnings per share attributable to the equity holders of the Company is based on the following data:

13. 每股盈利

年內公司權益持有人的每股基本及攤薄盈利乃以下列數據為基準計算：

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Earnings for the purpose of basic earnings per share	用以計算每股基本盈利的盈利	302,117	1,441,329
Effect of dilutive potential ordinary shares:	普通股潛在的攤薄影響：		
Interest on convertible bonds	可換股債券利息	—	2,082
Gain from fair value change of derivative embedded in the convertible bonds	可換股債券內含衍生工具公平值變動而產生的得益	—	(3)
Earnings for the purpose of diluted earnings per share	用以計算每股攤薄盈利的盈利	302,117	1,443,408

		2009 二零零九年 Number of Shares 股份數目	2008 二零零八年 Number of Shares 股份數目
Weighted average number of ordinary shares for the purpose of basic earnings per share	用以計算每股基本盈利的普通股加權平均數	1,137,380,412	1,132,949,789
Effect of dilutive potential ordinary shares:	普通股潛在攤薄影響：		
Share options	購股權	—	2,655,629
Convertible bonds	可換股債券	—	3,949,263
Weighted average number of ordinary shares for the purpose of diluted earnings per share	用以計算每股攤薄盈利的普通股加權平均數	1,137,380,412	1,139,554,681



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綜合財務報表附註(續)

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13. EARNINGS PER SHARE (CONTINUED)

The computation of diluted earnings per share for the year ended 31 March 2009 does not assume the exercise of the Group's outstanding share options as the exercise prices of those options are higher than the average market price.

13. 每股盈利(續)

截至二零零九年三月三十一日止年度之每股攤薄盈利計算並無估計集團尚未行使之購股權會獲行使，因為該購股權之行使價比市場平均價格為高。

14. PROPERTY, PLANT AND EQUIPMENT

14. 物業、廠房及設備

		Freehold Land 以永久業權 持有之土地 HK\$'000 千港元	Buildings 樓宇 HK\$'000 千港元	Construction in progress 在建工程 HK\$'000 千港元	Computer System 電腦系統 HK\$'000 千港元	Furniture fixtures and equipment 傢俬、 固定裝置 及設備 HK\$'000 千港元	Leasehold improvements 租賃物業 裝修 HK\$'000 千港元	Motor vehicles 汽車 HK\$'000 千港元	Plant and machinery 廠房及 機器 HK\$'000 千港元	Total 總計 HK\$'000 千港元
COST	成本									
At 1 April 2007	二零零七年四月一日	10,309	984,800	730,714	14,853	43,874	202,520	30,755	4,004,141	6,021,966
Exchange realignment	匯兌重新組合	—	83,703	56,688	—	3,108	16,885	1,763	344,044	506,191
Additions	添置	—	60,081	3,559,577	—	15,721	14,344	9,792	658,788	4,318,303
Transfers	轉讓	—	361,251	(2,236,184)	4,085	4,347	95,354	2,288	1,768,859	—
Disposals	出售	—	—	—	—	(342)	—	—	(161)	(503)
Disposal of subsidiaries	出售附屬公司	—	—	(10,546)	—	(3,103)	—	(5,025)	(3,534)	(22,208)
At 31 March 2008	二零零八年 三月三十一日	10,309	1,489,835	2,100,249	18,938	63,605	329,103	39,573	6,772,137	10,823,749
Exchange realignment	匯兌重新組合	—	82,885	101,864	—	3,158	18,413	1,774	380,170	588,264
Additions	添置	—	124,798	1,913,479	3,040	73,417	8,547	3,267	332,294	2,458,842
Transfers	轉讓	—	645,291	(2,427,616)	—	14,451	34,763	—	1,733,111	—
Disposals/written off	出售/撇賬	—	—	(7,906)	—	(251)	—	(297)	(154,625)	(163,079)
Disposal of subsidiaries	出售附屬公司	(10,309)	(18,667)	(95,607)	—	(2,489)	(6,114)	(1,241)	(102,684)	(237,111)
At 31 March 2009	二零零九年 三月三十一日	—	2,324,142	1,584,463	21,978	151,891	384,712	43,076	8,960,403	13,470,665
DEPRECIATION	折舊									
At 1 April 2007	二零零七年四月一日	—	116,860	—	1,609	15,077	17,718	12,836	333,246	497,346
Exchange realignment	匯兌重新組合	—	12,679	—	—	1,277	2,137	988	37,112	54,193
Provided for the year	年內撥備	—	53,160	—	1,485	8,577	14,531	5,558	184,775	268,086
Eliminated on disposals	出售時對銷	—	—	—	—	(235)	—	—	(36)	(271)
Eliminated on disposal of subsidiaries	出售附屬公司時對銷	—	—	—	—	(223)	—	(520)	(326)	(1,069)
At 31 March 2008	二零零八年 三月三十一日	—	182,699	—	3,094	24,473	34,386	18,862	554,771	818,285
Exchange realignment	匯兌重新組合	—	11,428	—	—	1,284	2,079	847	34,018	49,656
Provided for the year	年內撥備	—	86,945	—	2,129	18,189	20,925	6,336	271,047	405,571
Eliminated on disposals	出售時對銷	—	—	—	—	(172)	—	(267)	(169)	(608)
Eliminated on disposal of subsidiaries	出售附屬公司時對銷	—	(1,422)	—	—	(1,691)	(987)	(425)	(20,584)	(25,109)
At 31 March 2009	二零零九年 三月三十一日	—	279,650	—	5,223	42,083	56,403	25,353	839,083	1,247,795
CARRYING VALUES	賬面值									
At 31 March 2009	二零零九年 三月三十一日	—	2,044,492	1,584,463	16,755	109,808	328,309	17,723	8,121,320	12,222,870
At 31 March 2008	二零零八年 三月三十一日	10,309	1,307,136	2,100,249	15,844	39,132	294,717	20,711	6,217,366	10,005,464



14. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Depreciation is provided to write off the cost of property, plant and equipment other than freehold land and construction in progress over their estimated useful lives and after taking into account of their estimated residual value, using the straight-line method, at the following rates per annum:

Buildings	5%
Computer System	10%
Furniture, fixtures and equipment	20%
Leasehold improvements	5%–15%
Motor vehicles	20%
Plant and machinery	3 $\frac{1}{3}$ %–20%

Freehold land is not depreciated.

The carrying values of land and buildings of the Group comprises:

14. 物業、廠房及設備(續)

除永久業權土地及在建工程外，物業、廠房及設備及預計剩餘價值後，於預計可用年期以直線法計提折舊以撇銷成本，年率如下：

樓宇	5%
電腦系統	10%
傢俬、固定裝置及設備	20%
租賃物業裝修	5%–15%
汽車	20%
廠房及機器	3 $\frac{1}{3}$ %–20%

以永久業權持有之土地不作折舊。

本集團之土地及建築物賬面值包括：

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Freehold land in the United States of America	於美國之永久業權持有土地	—	10,309
Buildings on freehold land in the United States of America	於美國以永久業權持有土地上之樓宇	—	17,250
Buildings on lands under medium-term lease in the PRC	於中國以一項中期租賃租約土地上之樓宇	2,044,492	1,289,886
		2,044,492	1,317,445

Certain buildings of the Group are erected on lands in the PRC with respect to which the Group has not been granted formal title of ownership. At 31 March 2009, the carrying value of such buildings amounted to HK\$1,181,583,000 (2008: HK\$370,501,000). In the opinion of directors, the absence of formal title to these buildings does not impair the value of the relevant buildings of the Group. The directors also believe that formal title of these buildings will be granted to the Group in due course.

集團有若干樓宇建於仍未授予集團土地使用權正式擁有權之中國土地上。於二零零九年三月三十一日，該等樓宇之賬面值為1,181,583,000港元(二零零八年：370,501,000港元)。董事認為缺乏該等樓宇正式擁有權並不會損害集團相應樓宇價值。董事亦相信在不久將來集團會被授予該等樓宇之正式擁有權。



15. PREPAID LEASE PAYMENTS

The Group's prepaid lease payments comprise leasehold lands held under medium-term leases located in:

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
PRC	中國	311,984	304,926
Vietnam	越南	38,547	35,824
		350,531	340,750

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Analysed for reporting purposes as:	因報告用途而作之分析：		
Non-current asset	非流動資產	336,513	323,705
Current asset	流動資產	14,018	17,045
		350,531	340,750

As at 31 March 2009, the carrying value of land use rights in respect of which the Group had not been granted formal title of ownership amounted to approximately HK\$171,522,000 (2008: HK\$164,622,000). In the opinion of the directors, the absence of formal title to these land use rights does not impair the value of the relevant properties to the Group. The directors also believe that formal title to these land use rights will be granted to the Group in due course.

15. 預付租賃款項

本集團預付租賃款項包括中期租約下之土地租賃位於：

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
PRC	中國	311,984	304,926
Vietnam	越南	38,547	35,824
		350,531	340,750

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Analysed for reporting purposes as:	因報告用途而作之分析：		
Non-current asset	非流動資產	336,513	323,705
Current asset	流動資產	14,018	17,045
		350,531	340,750

於二零零九年三月三十一日，集團並未授予正式擁有權之土地使用權之賬面值約為171,522,000港元(二零零八年：164,622,000港元)。董事認為缺乏某些土地使用權正式擁有權並不會損害集團相應物業價值。董事亦相信在不久將來集團會授予該等土地使用權正式擁有權。



For the year ended 31 March 2009 截至二零零九年三月三十一日止年度

16. DEPOSITS PAID FOR ACQUISITION OF PROPERTY, PLANT AND EQUIPMENT AND LAND USE RIGHTS

The deposits were paid by the Group in connection with the acquisition of property, plant and equipment and land use rights for new production facilities. The related commitments for acquisition of property, plant and equipment and land use rights are disclosed in note 36.

16. 購置物業、廠房及設備及土地使用權所付訂金

所付訂金是本集團為了新生產設施而購置的物業、廠房及設備及土地使用權的訂金。購置物業、廠房及設備以及土地使用權的有關承擔分別於附註36披露。

17. INTERESTS IN AN ASSOCIATE

17. 於聯營公司之權益

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Cost of unlisted investment	非上市投資成本	1	1
Share of post-acquisition results	應佔收購後業績	(1)	(1)
		—	—

Details of the Group's associate at 31 March 2009 and 31 March 2008 are as follows:

於二零零九年三月三十一日及二零零八年三月三十一日本集團聯營公司詳情如下：

Name of associate 聯營公司名稱	Form of business structure 業務架構形式	Place of Incorporation and operations 成立及營運地點	Issued and fully paid share capital 已發行及繳足股本	Effective interest in the issued share capital held indirectly 間接持有已發行股本實際利率	Principal Activity 主要活動
Fortune Sight Group Limited ("FSG")	Incorporated 成立	British Virgin Islands 英屬處女群島	Ordinary shares — US\$1,000 普通股 — 1,000美元	19% (note 註)	Investment holding in a PRC subsidiary engaging in producing raw materials for manufacturing of paper and pulp 中國附屬公司的投資控股公司，主要從事生產用以製造紙張及木漿的原材料

note: The Group is able to exercise significant influence over FSG because it has the power to appoint one out of the three directors of that company.

註：本集團在FSG有相當影響力，因為本集團有權委任該公司三位董事中的一位董事。



17. INTERESTS IN AN ASSOCIATE (CONTINUED)

The summarised consolidated financial information of FSGL is set out below:

17. 於聯營公司之權益(續)

FSGL的綜合財務資料總括如下：

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Total assets	總資產	812,708	686,920
Total liabilities	總負債	(857,307)	(702,804)
Net liabilities	淨負債	(44,599)	(15,884)
The Group's share of net liabilities of FSGL	本集團應佔FSGL淨負債	—	—
Revenue	收入	—	—
Losses for the year	本年虧損	(27,953)	(23,053)
The Group's share of losses of FSGL for the year	本年度本集團應佔FSGL虧損	—	(1)

The Group has discontinued recognition of its share of losses in FSGL because its cumulative share of losses in FSGL has exceeded its investment cost. The Group will not resume recognition of its share of any future profits in FSGL until its share of such profits equals the share of losses not recognised.

由於本集團於FSGL的累計應佔虧損已超越其投資成本，故本集團已終止確認其應佔FSGL虧損。本集團將不會再行確認其應佔的FSGL任何日後盈利，直至其應佔之該等盈利相等於尚未確認的應佔虧損為止。



17. INTERESTS IN AN ASSOCIATE (CONTINUED)

The amounts of unrecognised share of losses in FSGL, extracted from the relevant unaudited management accounts of FSGL, both for the year and cumulatively from the date that FSGL became an associate of the Group, are as follows:

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Unrecognised share of losses of FSGL for the year	本年度尚未確認應佔FSGL虧損	(5,311)	(1,870)
Accumulated unrecognised share of losses of FSGL	累計尚未確認應佔FSGL虧損	(7,181)	(1,870)

17. 於聯營公司之權益(續)

尚未確認的應佔FSGL虧損額(摘錄自相關FSGL未經審核管理賬目,包括本年度及自FSGL成為本集團聯營公司日期起計的累計數額)如下:

18. INVENTORIES

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Raw materials	原料	1,156,853	2,131,577
Finished goods	製成品	479,065	367,590
		1,635,918	2,499,167

18. 存貨



19. TRADE AND OTHER RECEIVABLES

19. 應收貿易及其他賬款

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Trade receivables	應收貿易賬款	1,080,864	1,708,040
Bills receivables	應收票款	306,648	526,742
		1,387,512	2,234,782
Deposits and prepayments	訂金及預付款項	285,072	199,017
Deferred consideration receivables for disposal of subsidiaries	應收出售附屬公司遞延代價	118,135	—
Other receivables	其他應收款項	356,160	294,088
		2,146,879	2,727,887

The Group generally allows an average credit period from 60 to 90 days to its customers. An ageing analysis of the trade and bills receivables is as follows:

本集團一般給予客戶的平均信貸期為60日至90日。應收貿易賬款及票款的賬齡分析如下：

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Aged:	賬齡：		
Less than 30 days	少於30日	990,808	1,257,486
31-60 days	31日-60日	316,046	545,117
61-90 days	61日-90日	54,140	286,433
91-120 days	91日-120日	13,779	73,753
Over 120 days	120日以上	12,739	71,993
		1,387,512	2,234,782



19. TRADE AND OTHER RECEIVABLES (CONTINUED)

Before accepting any new customer, the Group assesses the potential customer's credit quality and defines its credit limits. Credit sales are made to customers with a satisfactory trustworthy credit history. Credit limits attributed to customers are reviewed regularly. The directors considered all trade receivables at the balance sheet date are of good credit quality with reference to the track records of these customers under internal assessment by the Group.

Included in the Group's trade receivables balances are debtors with an aggregate carrying amount of HK\$26,518,000 (2008: HK\$145,746,000) which were past due at the balance sheet date but for which the Group has not provided for impairment loss as the Group considered such balances could be recovered based on historical experience. The Group does not hold any collateral over these balances. The Group takes into consideration the estimated cash flows when determining evidence of impairment loss.

Ageing of trade receivables which are past due but not impaired

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
91-120 days	91日-120日	13,779	73,753
Over 120 days	120日以上	12,739	71,993
		26,518	145,746

No allowance for doubtful receivables has been recognised for both years as the directors considered these trade receivables balances could be recovered based on historical experience.

19. 應收貿易及其他賬款(續)

本集團於接納任何新客戶前，會評估該潛在客戶的信貨質量及界定其信貸限額。信貸銷售將會給予信貸記錄良好的客戶。客戶信貸限額定期予以檢討。在本集團的內部評估下，根據該等客戶的往績紀錄，董事認為在結算日所有應收貿易賬款均具備良好信貸質量。

本集團應收貿易賬款結餘中包括總賬面值為26,518,000港元(二零零八年：145,746,000港元)的應收貿易賬款，該等款項於結算日已告逾期，惟本集團認為根據過往經驗，該等結餘應可予以收回，故並無計提減值虧損撥備。本集團並無就該等結餘持有任何抵押品。本集團於釐定減值虧損憑證時已計及估計現金流量。

逾期但尚未減值的應收貿易賬款的賬齡

這兩年並無確認任何應收款項呆賬備抵，蓋因董事認為根據過往經驗，該等應收貿易賬款結餘可予收回。



19. TRADE AND OTHER RECEIVABLES (CONTINUED)

Trade and other receivables that are denominated in currencies other than the functional currency of the relevant group entities are set out below:

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Renminbi ("RMB")	人民幣("RMB")	371,830	868,970
United States dollars ("US\$")	美元("US\$")	166,298	390,477
Euro ("EUR")	歐元("EUR")	49	3,637

20. AMOUNTS DUE FROM AN ASSOCIATE

The amounts represent non-trade balances due from FSGL and its subsidiary. The amounts are unsecured, repayable on demand and bear interest at 6.50% (2008: nil) per annum. In the opinion of the directors, the amounts are expected to be repaid within one year from the balance sheet date.

21. AMOUNTS DUE FROM RELATED COMPANIES

The amounts represent trading balances due from Lee & Man Industrial Manufacturing Limited ("Lee & Man Industrial Manufacturing") and Jiangsu Lee & Man Chemical Limited ("Jiangsu Chemical") which are beneficially owned by Mr. Lee Wan Keung, Patrick, a director of the Company.

The amounts are unsecured and interest-free. The Group generally allows an average credit period of 30 days to related companies and the amounts for both years were aged less than 30 days. As at the respective balance sheet dates, the balances were neither impaired nor past due.

19. 應收貿易及其他賬款(續)

並非以有關集團實體功能貨幣計值的應收貿易及其他賬款如下：

20. 應收聯營公司款項

該款項指應收FSGL及其附屬公司的非貿易結餘。該款項為無抵押、須應要求償還及按年利率6.50厘(二零零八年：無)計息。董事認為，款項預計可於結算日後一年內償還。

21. 應收有關連公司款項

有關款項是Lee & Man Industrial Manufacturing Limited(「理文實業」)及江蘇理文化工有限公司(「江蘇化工」)的貿易結餘，兩間公司的實益持有人為本公司董事李運強先生。

款項為無抵押及無利息。本集團一般給予30日信貸期給有關連公司，該款項在這兩年的賬齡少於30日。於各結算日，結餘概無減值或逾期。



22. RESTRICTED BANK DEPOSITS AND BANK BALANCES AND CASH

The restricted bank deposits of HK\$1,908,000 (2008: HK\$489,000) represent monies secured by the PRC government for certain commercial purposes which security period will expire within one year from the balance sheet date and are therefore classified as current assets.

Bank balances and cash comprise cash held by the Group and short-term bank deposits with an original maturity of three months or less.

The restricted bank deposits carried market interest rate of 0.36% (2008: 0.72%) per annum. Bank balances carried market interest rates ranging from 0.36% to 2.20% (2008: 3.30% to 4.45%) per annum.

Bank balances that are denominated in currencies other than the functional currency of the relevant group entities are set out below:

22. 有限制銀行存款及銀行結餘及現金

為數1,908,000港元(二零零八年: 489,000港元)之有限制銀行存款指為若干商業目的而支付予中國政府並存放在銀行戶口的款項,而該保障期將自結算日起計一年內屆滿,故該等款項已分類為流動資產。

銀行結餘及現金包括本集團持有的現金及原到期日為三個月或以內的短期銀行存款。

有限制銀行存款帶有市場年息率0.36%(二零零八年:0.72%)。而銀行結餘帶有市場年息率由0.36%至2.20%(二零零八年:3.30%至4.45%)。

並非以有關集團實體財務貨幣計值的銀行結餘載列如下:

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
RMB	人民幣	280,778	68,373
US\$	美元	154,482	92,328
EUR	歐元	49,001	47,991
Great British Pound ("GBP")	英鎊	64,306	13,966
Japanese Yen ("JPY")	日元	13	12,280



23. TRADE AND OTHER PAYABLES

23. 應付貿易及其他賬款

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
<u>Current</u>	<u>流動</u>		
Trade and bills payables	應付貿易賬款及票款	338,221	747,743
Accruals	應計費用	147,927	198,298
Other payables	其他應付款項	362,785	445,608
		848,933	1,391,649
<u>Non-current</u>	<u>非流動</u>		
Other payables	其他應付款項	364,042	—

The average credit period taken for trade purchases range from 30 to 60 days. An ageing analysis of the trade and bills payables is as follows:

貿易購買之平均賒賬期由30至60日不等。應付賬款及票款之賬齡分析如下：

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
<u>Aged:</u>	<u>賬齡：</u>		
Less than 30 days	少於30日	232,636	665,148
31-60 days	31日-60日	44,888	48,584
61-90 days	61日-90日	15,041	17,161
Over 90 days	90日以上	45,656	16,850
		338,221	747,743



23. TRADE AND OTHER PAYABLES (CONTINUED)

During the year ended 31 March 2009, the Group agreed with certain independent constructors to extend the repayment date of the construction payables to two years from the original due date without consideration. The amount was recognised at fair value of HK\$364,042,000 at the date of the settlement deed, determined using cash flows discounted at an effective interest rate of 3.9% per annum. The difference of HK\$28,721,000 between the carrying value and the fair value of the construction payables as at date of settlement deed was capitalised to construction in progress. As 31 March 2009, such construction payables were classified as non-current other payables in the consolidated financial statements.

Trade and other payables that are denominated in currencies other than the functional currency of the relevant group entities are set out below:

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
RMB	人民幣	494,051	523,202
US\$	美元	143,516	182,227
EUR	歐元	30,121	33,223
JPY	日元	4,137	85,681

23. 應付貿易及其他賬款(續)

於截至二零零九年三月三十一日止年度，本集團與若干獨立建築商協定無償將應付建築款項之償還日期延長至原到期日起計兩年。有關金額按於清償契據日期之公平值364,042,000港元確認入賬，該金額乃以實際年息率3.9厘貼現金流量釐定。應付建築款項於清償契據日期之賬面值與公平值間之差額28,721,000港元已資本化為在建工程。於二零零九年三月三十一日，該應付建築款項於綜合財務報表分類為非流動其他應付款項。

除有關本集團之功能貨幣外，本集團之應付貿易及其他賬款如下：



24. BANK AND OTHER BORROWINGS

The Group's bank and other borrowings which are unsecured are comprised of:

24. 銀行及其他借貸

無抵押銀行及其他借貸包括：

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Bank loans	銀行貸款	7,671,102	6,251,891
Bank import loans	銀行進口貸款	93,798	72,153
		7,764,900	6,324,044
Notes payable	應付票據	776,800	776,800
		8,541,700	7,100,844
The bank and other borrowings are repayable as follows:	銀行及其他借貸的還款期如下：		
Within one year or on demand	一年內或應要求償還	4,738,379	2,781,310
More than one year, but not exceeding two years	超過一年但少於兩年	1,184,152	370,000
More than two years, but not exceeding five years	超過兩年但少於五年	1,842,369	3,172,734
More than five years	超過五年	776,800	776,800
		8,541,700	7,100,844
Less: Amount due within one year shown under current liabilities	減：入賬列為流動負債的一年內到期款項	(4,738,379)	(2,781,310)
Amount due after one year	一年後到期款項	3,803,321	4,319,534



24. BANK AND OTHER BORROWINGS (CONTINUED)

The Group's bank and other borrowings include HK\$1,528,168,000 (2008: HK\$776,800,000) fixed-rate borrowings which carried interest rates ranging from 2.98% to 6.81% (2008: 6.43% to 6.81%) per annum and HK\$7,013,532,000 (2008: HK\$6,324,044,000) variable-rate borrowings which carry interest rates ranging from HIBOR plus 0.405% to HIBOR plus 3.50% (2008: ranging from HIBOR plus 0.405% to HIBOR plus 0.80%) per annum.

On 15 January 2008, the Company entered into an agreement with independent third parties, pursuant to which, the Company agreed to issue notes with an aggregate principal amount of US\$100,000,000 (equivalent to HK\$776,800,000) to these independent third parties. The notes comprised two series, series A and series B, with an aggregate principal amount of US\$35,000,000 (equivalent to HK\$271,880,000) and US\$65,000,000 (equivalent to HK\$504,920,000), respectively. Series A notes carry interest at a fixed-rate of 6.43% per annum and will mature on 15 January 2015, whereas series B notes carry interest at a fixed rate of 6.81% per annum and will mature on 15 January 2018.

The effective interest rates on the Group's bank and other borrowings are as follows:

		2009 二零零九年	2008 二零零八年
Fixed-rate borrowings	定息借貸	6.01%	6.68%
Variable-rate borrowings	浮息借貸	2.61%	3.50%

24. 銀行及其他借貸(續)

本集團銀行及其他借貸包括1,528,168,000港元(二零零八年: 776,800,000港元)年息率2.98%至6.81%之定息借貸(二零零八年: 年息率6.43%至6.81%)及7,013,532,000港元(二零零八年: 6,324,044,000港元)之不定息借貸,年息率由港元利率加上0.405%至3.50%不等(二零零八年: 由港元利率加上0.405%至0.80%不等)。

於二零零八年一月十五日,本公司與獨立第三方訂立票據購買合同。據此,本公司同意發行本金總額為100,000,000美元(相當於776,800,000港元)的票據予獨立第三方。票據包括兩類,A類及B類,票據的本金分別為總額為35,000,000美元(相當於271,880,000港元)及65,000,000美元(相當於504,920,000港元)。A類票據按每年定息6.43%計息,將於二零一五年一月十五日到期。B類票據按每年定息6.81%計息,將於二零一八年一月十五日到期。

本集團銀行及其他借貸之實際利率如下:



24. BANK AND OTHER BORROWINGS (CONTINUED)

The Group's bank and other borrowings that are denominated in currencies other than the functional currency of the relevant group entities are set out below:

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
RMB	人民幣	721,840	139,826
US\$	美元	821,576	836,725

During the year, the Group anticipated potential non-compliance with certain financial covenants attached to certain of the Group's borrowings in the aggregate amount of approximately HK\$4,732 million, primarily in relation to interest coverage and gearing ratios as measured with reference to the Group's budgeted financial results and position for the year ended 31 March 2009. The Group informed the relevant lenders of these potential non-compliances and by 31 March 2009 obtained the consent from each of the relevant lenders agreement to waive the potential breach as a result of such potential non-compliance and also to amend the relevant facilities with revised financial covenants, terms and/or repayment schedule. In the opinion of the directors of the Company, the Group does not anticipate potential non-compliance with financial covenants within next twelve months.

24. 銀行及其他借貸(續)

除有關本集團之功能貨幣外，本集團之銀行及其他借貸貨幣面值如下：

年內，本集團預期可能未能遵守若干本集團總額約4,732,000,000港元之借貸所附若干財務契諾，該等借貸主要有關參考截至二零零九年三月三十一日止年度本集團預算財務業績所計算之利息覆蓋率及負債比率。本集團已知會有關放款人該等可能未能遵守財務契諾之事宜，並於二零零九年三月三十一日前已獲自各有關放款人協議之同意，豁免因有關可能未能遵守契諾而可能構成之違反事宜，同時亦修改有關融資額的修訂財務契約、條款及／或償還時間表。本公司董事認為，本集團預期於未來十二個月不會發生可能未能遵守財務契諾之事宜。



25. DERIVATIVE FINANCIAL INSTRUMENTS

25. 衍生財務工具

		Current 流動		Non-current 非流動	
		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
<u>Derivative financial liabilities</u> — net settlement	<u>衍生財務負債</u> — 淨額交收				
Derivatives under hedge accounting	按對沖會計法入賬之 衍生工具				
Interest rate swaps (note i)	利率掉期(附註i)	(78,807)	(63,840)	(77,485)	(77,052)
Cross currency interest rate swaps (note ii)	交叉貨幣利率掉期 (附註ii)	(934)	(955)	(45,492)	(65,902)
		(79,741)	(64,795)	(122,977)	(142,954)
Other derivatives (not under hedge accounting)	其他衍生工具 (並非按對沖 會計法入賬)				
Interest rate swaps (note iii)	利率掉期(附註iii)	(17,764)	(14,022)	(16,370)	(19,353)
Currency structured instruments (note iv)	結構性貨幣工具 (附註iv)	(349)	(113,727)	—	—
		(18,113)	(127,749)	(16,370)	(19,353)
		(97,854)	(192,544)	(139,347)	(162,307)
<u>Derivative financial assets</u> — net settlement	<u>衍生財務資產</u> — 淨額交收				
Other derivatives (not under hedge accounting)	其他衍生工具 (並非根據對沖 會計法入賬)				
Interest rate swaps (note iii)	利率掉期(附註iii)	283	3,656	—	—
Currency structured instruments (note iv)	結構性貨幣工具 (附註iv)	4,781	20,707	—	—
Commodity swaps (note v)	商品掉期(附註v)	—	861	—	—
		5,064	25,224	—	—



25. DERIVATIVE FINANCIAL INSTRUMENTS (CONTINUED)

The fair values of the above derivative financial instruments are calculated using discounted cash flow analysis based on the applicable yield curves of interest rates and volatility of foreign exchange rates as determined by the counterparties.

notes:

(i) Interest rate swaps

The Group uses interest rate swaps to minimise its exposure to cash flow interest rate risk of its variable-rate HK\$ bank borrowings (see note 24) by swapping a proportion of the variable-rate bank borrowings from variable interest rates to fixed interest rates of 4.75% and 5.00%, and interest rate floored at 4.65% and capped at 5.50%. The interest rate swaps and the corresponding bank borrowings have the same terms and the directors of the Company consider that the interest rate swaps are highly effective hedging instruments. Major terms of the interest rate swaps for the years ended 31 March 2009 and 31 March 2008 are set out below:

Notional amount

概念金額

2 contracts with HK\$1,000,000,000 in total
2份合約共1,000,000,000港元

1 contract with HK\$1,000,000,000
1份合約1,000,000,000港元

The above contracts will mature within four years (2008: five years) from the balance sheet date.

During the year, losses from fair value changes of HK\$21,357,000 (2008: HK\$129,162,000) were deferred in equity and are expected to be released to the consolidated income statement at various dates in line with the interest and principal payments schedule of the corresponding bank borrowings in the coming four years (2008: five years). The gains from fair value changes of HK\$5,957,000 (2008: losses from fair value change of HK\$11,730,000) were recognised in the consolidated income statement as they represented the ineffective portion of the gains/losses on the hedging instruments.

25. 衍生財務工具(續)

上述衍生財務工具之公平值乃根據對手方財務機構釐訂之利率及外幣流動匯率之適用回報率，按折現現金流量分析為基準計算。

附註：

(i) 利率掉期

本集團採用利率掉期，通過將部分浮息銀行借貸由浮息利率換轉成固定利率4.75%及5.00%，並將利率下限訂於4.65%，利率上限則訂於5.50%，藉此盡量減低浮息港幣銀行貸款所承擔之現金流量利率風險(見附註24)。利率掉期及相應之銀行借貸具有相同條款，董事認為利率掉期乃非常有效之對沖工具。截至二零零九年三月三十一日止年度及二零零八年三月三十一日止年度利率掉期的主要條款載列如下：

Interest rate swap

利率掉期

From HIBOR to fixed rates of 4.75% and 5.00%
由香港銀行同業拆息掉至定息4.75%及5.00%

From HIBOR to rate floored at 4.65% and capped at 5.50%
由香港銀行同業拆息掉至最低4.65%至最高5.50%

上述合約將由結算日起四年內(二零零八年：五年)到期。

年內，由公平值變動產生之虧損21,357,000港元(二零零八年：129,162,000港元)已於股本權益中遞延處理，預期將於未來四年(二零零八年：五年)配合相應銀行借貸之利率及本金支付期於不同日子轉回綜合收益表。由公平值變動產生的得益為5,957,000港元(二零零八年：由公平值變動產生的虧損為11,730,000港元)，由於該等得益/虧損相當於對沖工具無效之得益/虧損部分，因此於綜合收益表中確認。



25. DERIVATIVE FINANCIAL INSTRUMENTS (CONTINUED)

notes: (Continued)

(ii) Cross currency interest rate swaps

At balance sheet date, the Group had the following cross currency interest rate swaps designated as highly effective hedging instruments in order to manage the Group's foreign currency exposure in relation to the foreign currency coupon and principal payments of its fixed-rate US\$ notes payable (see note 24). The terms of the cross currency interest rate swaps were negotiated to match the terms of the corresponding notes payable. Major terms of these contracts for the years ended 31 March 2009 and 31 March 2008 are as follows:

Notional amount 概念金額	Currency swap 貨幣掉期
2 contracts with US\$100,000,000 in total 2份合約共100,000,000美元	2 contracts with HK\$776,800,000 in total 2份合約共776,800,000港元

The above contracts will mature within six to nine years (2008: seven to ten years) from the balance sheet date.

During the year, gains from fair value changes of HK\$16,563,000 (2008: losses from fair value changes of HK\$53,905,000) were deferred in equity and are expected to be released to the consolidated income statement at various dates in line with the coupon and principal payments schedule of the corresponding notes payable in the coming nine years (2008: ten years). The remaining gains from fair value changes of HK\$3,868,000 (2008: losses from fair value changes of HK\$12,952,000) were recognised in the consolidated income statement as they represented the ineffective portion of the gains/losses on the hedging instruments.

(iii) Interest rate swaps

Major terms of the interest rate swaps as at 31 March 2009 are as follows:

Notional amount 概念金額	Interest rate swap 利率掉期
2 contracts with HK\$700,000,000 in total 2份合約共700,000,000港元	From range of HIBOR to HIBOR plus 1.00% to range of 4.80% to HIBOR (maximum at 7.00%) 由香港銀行同業拆息至香港銀行同業拆息加1.00%範圍內掉至4.80%至香港銀行同業拆息(最高計至7.00%)範圍內

Major terms of these contracts as at 31 March 2008 were as follows:

Notional amount 概念金額	Interest rate swap 利率掉期
3 contracts with HK\$900,000,000 in total 3份合約共900,000,000港元	From range of HIBOR to HIBOR plus 1.00% to range of 4.80% to HIBOR (maximum at 7.00%) 由香港銀行同業拆息至香港銀行同業拆息加1.00%範圍內掉至4.80%至香港銀行同業拆息(最高計至7.00%)範圍內

The above contracts will mature within one to two years (2008: one to three years) from the balance sheet date.

25. 衍生財務工具(續)

附註:(續)

(ii) 交叉貨幣利率掉期

於結算日,本集團擁有下列被指定為高效對沖工具之交叉貨幣利率掉期以管理本集團有關計息外幣及固定利率之應付美元票據之本金支付之外幣風險(見附註24)。交叉貨幣利率掉期之年期可予磋商,以配合相應應付票據之年期。截至二零零九年三月三十一日止年度及二零零八年三月三十一日止年度該等合約之主要條款如下:

Interest rate swap 利率掉期
From range of 6.43% to 6.81% to range of 6.41% to 6.64% 由6.43%至6.81%範圍內至6.41%至6.64%範圍內

上述合約將由結算日起六至九年(二零零八年:七至十年)內到期。

年內,由公平值變動產生之虧損16,563,000港元(二零零八年:53,905,000港元)已於股本權益中遞延處理,預期將於未來九年(二零零八年:十年)配合相應之應付票據及本金支付期於不同日子轉回綜合收益表。由公平值變動產生的餘下得益為3,868,000港元(二零零八年:由公平值變動產生的虧損為12,952,000港元),由於該等得益/虧損相當於對沖工具無效之得益/虧損部分,因此於綜合收益表中確認。

(iii) 利率掉期

於二零零九年三月三十一日利率掉期之主要條款載列如下:

Interest rate swap 利率掉期
From range of HIBOR to HIBOR plus 1.00% to range of 4.80% to HIBOR (maximum at 7.00%) 由香港銀行同業拆息至香港銀行同業拆息加1.00%範圍內掉至4.80%至香港銀行同業拆息(最高計至7.00%)範圍內

於二零零八年三月三十一日該等合約之主要條款載列如下:

Interest rate swap 利率掉期
From range of HIBOR to HIBOR plus 1.00% to range of 4.80% to HIBOR (maximum at 7.00%) 由香港銀行同業拆息至香港銀行同業拆息加1.00%範圍內掉至4.80%至香港銀行同業拆息(最高計至7.00%)範圍內

上述合約將由結算日起一至兩年(二零零八年:一至三年)內到期。



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
綜合財務報表附註(續)

For the year ended 31 March 2009 截至二零零九年三月三十一日止年度

25. DERIVATIVE FINANCIAL INSTRUMENTS (CONTINUED) 25. 衍生財務工具(續)

notes: (Continued)

(iv) Currency structured instruments

(a) Foreign currency forward contracts

Major terms of the foreign currency forward contracts as at 31 March 2009 are as follows:

Notional amount 概念金額	Currency conversion 貨幣轉換
9 contracts to buy US\$37,000,000 in total 9份合約共買37,000,000美元	US\$1: HK\$7.6980 to 7.7486 1美元兌7.6980至7.7486港元
3 contract to buy EUR10,000,000 in total 3份合約共買10,000,000歐元	EUR1: US\$1.2578 to 1.3350 1歐元兌1.2578至1.3350美元

Major terms of the foreign currency forward contracts as at 31 March 2008 were as follows:

Notional amount 概念金額	Currency conversion 貨幣轉換
20 contracts to buy US\$102,000,000 in total 20份合約共買102,000,000美元	US\$1: HK\$7.6670 to 7.7789 1美元兌7.6670至7.7789港元
10 contracts to buy US\$16,000,000 in total 10份合約共買16,000,000美元	US\$1: RMB7.2739 to 7.5240 1美元兌7.2739至7.5240人民幣
6 contracts to sell GBP3,700,000 in total 6份合約共賣3,700,000英鎊	GBP1: US\$2.0022 to 2.0450 1英鎊兌2.0022至2.0450美元
4 contracts to buy GBP1,100,000 in total 4份合約共買1,100,000英鎊	GBP1: US\$1.8760 to 1.9780 1英鎊兌1.8760至1.9780美元
1 contract to buy EUR2,000,000 in total 1份合約共買2,000,000歐元	EUR1: US\$1.3530 1歐元兌1.3530美元

The above contracts will mature within one to two months (2008: one to twelve months) from the balance sheet date.

(b) LIBOR range subsidised forward contracts

The Group entered into two LIBOR range subsidised rate foreign currency forward contracts during the year with maturity dates of 2 May 2008 and 9 October 2008 respectively. Their major terms were as follows:

Nominal amount
2 contracts with US\$10,000,000 in total

Payment currency amount
At each settlement date, the Group paid the notional amounts at one plus the number of days within the transaction period (the period from the prior settlement date to the next settlement date) upon which LIBOR below the interest rates ranging from 3.50% to 3.93%, divided by the total number of calendar days within the transaction period.

附註:(續)

(iv) 結構性貨幣工具

(a) 外幣遠期合約

於二零零九年三月三十一日外幣遠期合約之主要條款載列如下:

於二零零八年三月三十一日外幣遠期合約之主要條款載列如下:

(b) 倫敦銀行同業拆息區間貼水遠期合約

本集團於本年度訂立兩份倫敦銀行同業拆息區間貼水外幣遠期合約，分別於二零零八年五月二日及二零零八年十月九日到期。其主要條款如下:

面值
2份合約合計10,000,000美元

支付貨幣金額
於各結算日，本集團支付名義金額，該金額按一加交易期(上一結算日至下一結算日期間)內倫敦銀行同業拆息低於3.50%至3.93%區間的日數，除以交易期內曆日總數計算。



25. DERIVATIVE FINANCIAL INSTRUMENTS (CONTINUED) 25. 衍生財務工具(續)

notes: (Continued)

(iv) **Currency structured instruments (Continued)**

(b) *LIBOR range subsidised forward contracts (Continued)*

Receipt currency amount

At each settlement date, the Group received the notional amounts at subsidised forward rates ranging from 7.51 to 7.55, divided by the amount of RMB that required to buy one US\$ as displayed on Reuter Page at 9:15 a.m. Beijing time on two business days prior to the settlement date.

Both contracts matured and were settled during the year ended 31 March 2009.

(v) **Commodity swaps**

Major terms of the commodity swaps as at 31 March 2008 were as follows:

Notional quantity 概念數量	Commodity 商品	Swap 利率掉期
2 contracts with 6,000 metric tonnes in total 2份合約共6,000公噸	Pulp 木漿	From monthly average market price to a range of US\$865 to US\$870 per metric tonne 由每月平均市價掉至每公噸865美元至870美元範圍內

The above contracts matured and were settled during the year ended 31 March 2009.

Derivative financial instruments that are denominated in currencies other than the functional currency of the relevant group entities are set out below:

附註:(續)

(iv) **結構性貨幣工具(續)**

(b) *倫敦銀行同業拆息區間貼水遠期合約(續)*

收取貨幣金額

於各結算日，本集團將收取名義金額，該金額按7.51至7.55不等的貼水遠期利率，除以上午九時十五分路透社網頁所示購買一美元所需的人民幣金額計算。時間以結算日前兩個營業日的北京時間為準。

兩份合約於截至二零零九年三月三十一日止年度內到期及支付。

(v) **商品掉期**

於二零零八年三月三十一日商品掉期之主要條款載列如下：

上述合約於截至二零零九年三月三十一日止年度內到期及支付。

以相關集團實體功能貨幣以外貨幣定值之衍生財務工具載列如下：

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Derivative financial assets	衍生財務資產		
US\$	美元	1,700	18,791
EUR	歐元	3,081	1,236
GBP	英鎊	—	680
Derivative financial liabilities	衍生財務負債		
US\$	美元	46,426	179,258
EUR	歐元	349	—
GBP	英鎊	—	1,326



26. DEFERRED TAX

The following are the major deferred tax liabilities and assets recognised and movement thereon during the current and prior reporting periods.

26. 遞延稅項

下表為主要遞延稅項負債及資產確認及其在現在及過往報告期內之變動。

		Accelerated tax depreciation	Undistributed earnings of PRC subsidiaries	Tax losses	Total
		遞增稅項折舊	中國附屬公司 未分配之利潤	稅項虧損	總計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
At 1 April 2007	二零零七年四月一日	46,932	—	(31,707)	15,225
Exchange realignment	匯兌重新組合	6,760	—	—	6,760
Charge to consolidated income statement for the year	年內於綜合收益賬扣除	54,778	—	1,911	56,689
At 31 March 2008	二零零八年 三月三十一日	108,470	—	(29,796)	78,674
Exchange realignment	匯兌重新組合	7,524	—	—	7,524
Disposal of a subsidiary	出售一間附屬公司	—	—	42,161	42,161
Charge (credit) to consolidated income statement for the year	年內於綜合收益賬 扣除(計入)	92,440	4,145	(67,365)	29,220
At 31 March 2009	二零零九年三月三十一日	208,434	4,145	(55,000)	157,579



26. DEFERRED TAX (CONTINUED)

For the purpose of balance sheet presentation, certain deferred tax liabilities and assets have been offset. The following is the analysis of the deferred tax balances for financial reporting purposes:

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Deferred tax liabilities	遞延稅項負債	212,579	108,470
Deferred tax assets	遞延稅項資產	(55,000)	(29,796)
		157,579	78,674

At 31 March 2009, the Group had unused tax losses of approximately HK\$594,000,000 (2008: HK\$259,000,000) available for offset against future profits. A deferred tax asset has been recognised in respect of approximately HK\$261,000,000 (2008: HK\$99,000,000) of such losses. No deferred tax asset has been recognised for the remaining losses of approximately HK\$333,000,000 (2008: HK\$160,000,000) due to the unpredictability of future profit streams. During the year ended 31 March 2009, included in the above unused tax losses, amount of HK\$141,000,000 was reversed upon disposal of subsidiaries. At 31 March 2009, HK\$262,000,000 (2008: HK\$127,000,000) can be carried forward for five years following the loss year. The other tax losses may be carried forward indefinitely.

According to the Tax Law, starting from 1 January 2008, 10% withholding income tax will be imposed on dividends relating to profits earned in the calendar year 2008 onwards to foreign investors for the companies established in the PRC. For investors incorporated in Hong Kong and holds at least 25% of equity interest of PRC company, preferential rate of 5% will be applied. The aggregate amount of temporary differences associated with undistributed earnings of PRC subsidiaries for which deferred tax liabilities have been recognised in the consolidated financial statements was HK\$4,145,000 (2008: Nil).

26. 遞延稅項(續)

為用作資產負債表呈報目的，若干遞延稅項負債及資產已抵銷。下表為用作財務報告目的之遞延稅項結餘分析：

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Deferred tax liabilities	遞延稅項負債	212,579	108,470
Deferred tax assets	遞延稅項資產	(55,000)	(29,796)
		157,579	78,674

於二零零九年三月三十一日，本集團尚未動用但可用作抵扣未來盈利之稅務虧損約為594,000,000港元(二零零八年：259,000,000港元)遞延稅項資產。其中就該等虧損確認約261,000,000港元(二零零八年：99,000,000港元)。由於未來盈利之流入不可預測，餘下333,000,000港元(二零零八年：160,000,000港元)之虧損並無確認為遞延稅項資產。於截至二零零九年三月三十一日止年度內，上述約141,000,000港元未用稅務虧損於本年度出售附屬公司時撥回。於二零零九年三月三十一日，262,000,000港元(二零零八年：127,000,000港元)可自虧損年度後結轉五年。其他稅務虧損可無限期結轉。

根據稅法，自二零零八年一月一日起，於中國成立的外商投資企業於二零零八曆年度起賺取的盈利的股息將被施加10%的預繳所得稅。於香港註冊成立的投資者及持有最少中國公司25%權益利益時，可享有優惠稅率5%。與中國附屬公司(而其遞延稅項負債已於綜合財務報表確認)未分配盈利有關之暫時差異總額為4,145,000港元(二零零八年：無)。



27. RETIREMENT BENEFITS PLANS

(a) Plans for Hong Kong employees

Defined benefit plan

The Group is a member of a defined benefit plan which was open to qualified employees of the Group's Hong Kong subsidiary, the plan is managed by Fortune Star Tradings Ltd ("Fortune Star"). Fortune Star is beneficially owned by Mr Lee Wan Keung Patrick, a director of the Company. In December 2000, all the existing members of the defined benefit plan were enrolled into a MPF Scheme and their accrued benefits for the past services under the defined benefit plan were frozen as at 30 November 2000. The defined benefit plan was closed to new employees from December 2000 onwards.

Under the defined benefit plan, employees are entitled to retirement benefits varying between 0% and 100% of their final salary as at 30 November 2000 multiplied by the pensionable service year up to 30 November 2000 on attainment of a retirement age of 55. No other post-retirement benefits are provided.

The most recent actuarial valuation of the defined benefits plan assets and the present value of the defined benefit obligation was carried out at 31 December 2008 by HSBC Life (International) Limited. The present values of the defined benefit obligation, the related current service cost and past service cost were measured using the projected unit credit method.

27. 退休福利計劃

(a) 為香港僱員而設的計劃

界定福利計劃

本集團是一個界定福利計劃的成員，該計劃供Fortune Star Trading Ltd「Fortune Star」控制的本集團的公司附屬公司之合資格僱員參與。Fortune Star的實益擁有人為李運強先生，為本公司董事。於二零零零年十二月，界定利益計劃當時所有成員轉為登記參與一項強積金計劃，而彼等在界定利益計劃內就過往服務所得的累計福利於二零零零年十一月三十日被凍結。自二零零零年十二月起，界定福利計劃不再供新僱員選擇。

根據界定福利計劃，僱員於年屆五十五歲退休之齡時可獲取的退休福利相等於其於二零零零年十一月三十日的最後薪金的零至100%不等，乘以截至二零零零年十一月三十日止的應計退休金的服務年資。本集團並無提供其他退休後福利。

界定福利計劃資產及界定福利承擔現值之最近期精算估值，乃由匯豐人壽保險(國際)有限公司，於二零零八年十二月三十一日作出評估。界定福利承擔現值、相關之現時服務成本及過去的服務成本乃採用預估單位利益法計算。



27. RETIREMENT BENEFITS PLANS (CONTINUED)

(a) Plans for Hong Kong employees (Continued)

Defined benefit plan (Continued)

The main actuarial assumptions used were as follows:

		31 December 2008 二零零八年 十二月三十一日	31 December 2007 二零零七年 十二月三十一日
Discount rate	貼現率	0%	3.45%
Expected return on plan assets	計劃資產預期回報	4%	4%

The actuarial valuation shows that the market value of plan assets at 31 December 2008 was HK\$985,000 (31 December 2007: HK\$938,000) and that the actuarial value of these assets represented 126% (31 December 2007: 447%) of the benefits that were accrued to members.

The debit (credit) recognised in the consolidated income statement in respect of the defined benefit plan was as follows:

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Interest cost	利息成本	—	8
Expected return on plan assets	計劃資產預期回報	(38)	(45)
Actuarial loss (gain) recognised in the year	年內精算虧損(得益) 確認	564	(9)
Total, included in administrative expenses (other income)	總計, 已計入行政支出 (其他收入)	526	(46)

27. 退休福利計劃(續)

(a) 為香港僱員而設的計劃(續)

界定福利計劃(續)

所用的主要精算假設如下:

精算估值顯示計劃資產於二零零八年十二月三十一日之市價為985,000港元(二零零七年十二月三十一日: 938,000港元), 而該等資產之精算價值乃相當於計劃成員應得利益之126%(二零零七年三月三十一日: 447%)。

於綜合收益表就界定福利計劃確認的支出(收入)如下:



27. RETIREMENT BENEFITS PLANS (CONTINUED)

(a) Plans for Hong Kong employees (Continued)

Defined benefit plan (Continued)

The actual return on plan assets for the year was HK\$38,000 (2008: HK\$45,000).

The amount included in the consolidated balance sheet in respect of the Group's retirement benefit assets was as follows:

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Fair value of plan assets	計劃資產公平值	985	938
Present value of funded obligations	供款現值	(783)	(210)
At end of the year	年終	202	728

Movements in the fair value of the plan assets were as follows:

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
At beginning of the year	年初	938	893
Expected return of plan assets	資產計劃預計回報	38	45
Actuarial gains	精算得益	9	—
At end of the year	年終	985	938

27. 退休福利計劃(續)

(a) 為香港僱員而設的計劃(續)

界定福利計劃(續)

計劃資產於本年度的實際回報為38,000港元(二零零八年: 45,000港元)。

本集團的退休福利資產已列入綜合資產負債表的數額如下:

計劃資產公平值的變動如下:



27. RETIREMENT BENEFITS PLANS (CONTINUED)

(a) Plans for Hong Kong employees (Continued)

Defined benefit plan (Continued)

Movements in the present value of the funded obligations were as follows:

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
At beginning of the year	年初	210	211
Interest cost	利息成本	—	8
Actuarial losses (gains)	精算虧損(得益)	573	(9)
At end of the year	年終	783	210

The major categories of plan assets, and the expected rate of return at the balance sheet date for each category, were as follows:

		Expected return 預期回報		Fair value of plan assets 計劃資產公平值	
		2009 二零零九年 % 百分比	2008 二零零八年 % 百分比	2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Debt instruments	債務工具	4	4	956	903
Cash and cash equivalents	現金及現金等價物	2	2	29	35
Weighted average expected return	加權平均預計回報	4	4	985	938

27. 退休福利計劃(續)

(a) 為香港僱員而設的計劃(續)

界定福利計劃(續)

供款現值的變動如下：

計劃資產之主要類別，以及各類別於結算日之預期回報率如下：



27. RETIREMENT BENEFITS PLANS (CONTINUED)

(a) Plans for Hong Kong employees (Continued)

Defined contribution plan

The Group operates a MPF Scheme for all qualifying employees. The assets of the scheme are held separately from those of the Group, in funds under the control of trustees. The Group contributes the lower of HK\$1,000 or 5% of the relevant monthly payroll costs to the MPF Scheme.

(b) Plan for PRC employees

The employees employed in the PRC subsidiaries are members of the state-managed retirement benefit scheme operated by the PRC government. The PRC subsidiaries are required to contribute a certain percentage of their payroll to the retirement benefit scheme to fund the benefits. The only obligation of the Group with respect to the retirement benefit scheme is to make the required contributions under the scheme.

(c) Plan for US employees

Defined benefit plan

The Group operated a defined benefit pension plan for the hourly-paid employees of the United States subsidiary which was disposed of to an independent third party during the year. The adoption date was 30 June 2005. The pension plan was frozen and not accepting new participants. Pension plan benefits were based primarily on participants' compensation and years of credited service.

27. 退休福利計劃(續)

(a) 為香港僱員而設的計劃(續)

界定供款計劃

本集團為所有合資格僱員設立一項強積金計劃。該計劃的資產與本集團的資產分開持有，以及撥入信託人管理的基金。本集團按1,000港元或有關月薪成本的5%，向強積金計劃供款。

(b) 為中國僱員而設的計劃

中國附屬公司聘用的僱員均參與中國政府營辦的國家管理退休福利計劃。中國附屬公司須按僱員薪金的若干百分比，向退休福利計劃供款，作為福利之用。本集團對退休福利計劃的唯一責任就是根據計劃規定供款。

(c) 為美國僱員而設的計劃

界定福利計劃

本集團的美國附屬公司(於年內已出售予獨立第三方)採納界定福利計劃給予時薪僱員。採納日期為二零零五年六月三十日。該退休計劃已被凍結及不接納新參加者。退休計劃利益主要以參加者的報酬及計入的服務年期計算。



27. RETIREMENT BENEFITS PLANS (CONTINUED)

(c) Plan for US employees (Continued)

Defined contribution plan

The Group also sponsors a 401(k) profit sharing plan for monthly-paid employees of the United States subsidiary which was disposed of to an independent third party during the year. The United States subsidiary was required to contribute a certain percentage of its payroll to fund the plan, the maximum allowable contribution by the Group for each employee was 50% of gross wages subject to the limitations set by the Internal Revenue Code in the United States.

The Group no longer has obligation for the US retirement plans following the disposal of the Group's US subsidiary in October 2008. The amount included in retirement benefit liabilities in the year in respect of the retirement benefit pension plan was nil (2008: approximately HK\$19,414,000).

28. CONVERTIBLE BONDS

On 13 January 2006, the Company issued HK\$1,000,000,000 zero coupon convertible bonds due in 2011 (the "2011 Bonds"). All the principal amount of the 2011 Bonds was fully converted into ordinary shares of the Company by end of the financial year of 2008.

The 2011 Bonds were convertible, at the option of the holders thereof, into ordinary shares of HK\$0.10 each in the Company at a conversion price of HK\$12.04 per share at any time on or after 28 January 2006 up to and including 6 January 2011. The 2011 Bonds could be redeemed at the option of the 2011 Bonds holders on 13 January 2008 at 109.31% of the principal amount.

27. 退休福利計劃(續)

(c) 為美國僱員而設的計劃(續)

界定供款計劃

本集團的美國附屬公司(於年內已出售予獨立第三方)亦就月薪僱員贊助401(k)盈利分享計劃。美國附屬公司須就其薪金總額的若干百分比向該計劃供款，根據美國國內收入法所訂限制，本集團獲准為每名僱員供款的上限為薪酬總額的50%。

本集團於二零零八年十月出售美國附屬公司後，本集團對美國退休計劃已無任何責任。本年無就有關退休福利計劃下包括退休福利負債的款項(二零零八年：19,414,000港元)。

28. 可換股債券

於二零零六年一月十三日，本公司發行10億港元之零息可換股債券二零一一年到期(「二零一一年可換股債券」)。於二零零八年財政年度結束時，全部二零一一年可換股債券本金金額已悉數轉換為普通股股份。

二零一一年可換股債券可根據持有人的選擇，以轉換價12.04港元於二零零六年一月二十八日或之後至二零一一年一月六日止任何時間轉換為公司每股0.10港元之普通股。二零一一年可換股債券持有人有權於二零零八年一月十三日以本金金額的109.31%贖回二零一一年可換股債券。



28. CONVERTIBLE BONDS (CONTINUED)

On or after 13 January 2008, the Company had the option to redeem all of the entire remaining amount of the 2011 Bonds, at any time prior to their maturity, at an amount stipulated in the terms of the 2011 Bonds, when any of the following conditions are satisfied (i) the closing market price of the Company's shares for any 30 consecutive trading days, prior to the date on which the notice of redemption is given, was at least 130% of the redemption price of each share; or (ii) at least 90% of the principal amount of the 2011 Bonds were converted, redeemed or purchased and cancelled. The Company could redeem the 2011 Bonds at 124.92% of their principal amount on 13 January 2011 unless conversion or cancellation by the 2011 Bonds holders before maturity.

During the year ended 31 March 2008, all the remaining principal amount of the 2011 Bonds of HK\$204,710,000 were converted into ordinary shares of the Company.

28. 可換股債券(續)

在二零零八年一月十三日或之後，本公司可於到期前，有權按二零一一年可換股債券所列提早贖回所餘款額，惟於以下情況始能贖回：(i) 本公司股份連續30個交易日的收市價，為發出贖回通知前最少為每股股份贖回價格之130%；或(ii) 二零一一年可換股債券本金之最少90%已轉換、贖回、購買或註銷。二零一一年可換股債券可於二零一一年一月十三日以本金之124.92%由本公司贖回，除非在到期日前二零一一年可換股債券持有人已轉換或註銷。

於截至二零零八年三月三十一日止年內，有204,710,000港元本金金額之二零一一年可換股債券被轉為本公司普通股。



29. SHARE CAPITAL

29. 股本

		Number of ordinary shares 普通股數目	Amount 金額 HK\$'000 千港元
Ordinary shares of HK\$0.10 each	每股面值0.10港元的普通股		
Authorised:	法定:		
At 1 April 2007, 31 March 2008 and 31 March 2009	二零零七年四月一日、 二零零八年三月三十一日 及二零零九年三月三十一日	2,000,000,000	200,000
Issued and fully paid:	已發行及繳足:		
At 1 April 2007	二零零七年四月一日	1,119,477,932	111,948
Exercise of share options	行使購股權	900,000	90
Conversion of convertible bonds	兌換可換股債券	17,002,480	1,700
At 31 March 2008 and 31 March 2009	二零零八年三月三十一日 及二零零九年三月三十一日	1,137,380,412	113,738

During the year ended 31 March 2008, 900,000 share options under the Share Option Scheme (as defined in note 30) were exercised at a subscription price of HK\$8.50 per share, resulting in the issue of 900,000 ordinary shares of HK\$0.10 each in the Company. In addition, convertible bonds with a principal amount of HK\$204,710,000 were converted into ordinary shares at an exercise price of HK\$12.04 resulting in the issue of 17,002,480 ordinary shares of HK\$0.10 each in the Company.

All the shares issued rank pari passu with the then existing shares in all respects.

於截至二零零八年三月三十一日止年內，共有900,000股權根據根據購股權計劃(定義見附註30)授出的購股權獲行使，認購價為每股8.05港元，導致發行900,000股本公司每股面值0.10港元的普通股。另外，本金金額204,710,000港元之可換股債券被兌換，行使價為12.04港元，導致發行17,002,480股本公司每股面值0.10港元的普通股。

發行的所有股份在所有方面與當時的現有股份享有同等權益。



30. SHARE OPTION SCHEME

Pursuant to the written resolution of the shareholders of the Company dated 11 September 2003, the share option scheme (the "Scheme") was approved and adopted.

The Scheme was established for the purpose of providing incentives to directors and eligible persons. The Scheme will remain in force for a period of ten years from adoption of the Scheme. The Scheme will expire on 10 September 2013.

Under the Scheme, the board of directors (the "Board") may at their discretion grant options to (i) any director (including executive directors, non-executive directors and independent non-executive directors) and employees of the Group in which the Group holds an equity interest or a subsidiary of such company; or (ii) any advisors, consultants, distributors, contractors, suppliers, agents, customers, business partners, promoters, service providers of any member of the Group may be determined by the Board from time to time to subscribe for the shares of the Company (the "Shares").

Options granted must be taken up within 28 days of the date of grant. The maximum number of Shares in respect of which options may be granted under the Scheme shall not exceed 10% of the issued share capital of the Company at any point in time. The maximum number of Shares in respect of which options may be granted to any individual in any 12-month period shall not exceed 1% of the Shares in issue on the last date of such 12-month period unless approval of the shareholders of the Company has been obtained in accordance with the Listing Rules.

30. 購股權計劃

根據本公司股東於二零零三年九月十一日通過的書面決議案，購股權計劃(「該計劃」)獲批准及採納。

設立該計劃旨在提供獎勵予董事及合資格人士。該計劃的有效期限自採納日期起計十年，將於二零一三年九月十日屆滿。

根據該計劃，本公司董事會(「董事會」)可不時酌情決定授出購股權予(i)本集團的任何董事(包括執行董事、非執行董事及獨立非執行董事)及僱員、本集團持有股權的公司或該公司的附屬公司；或(ii)本集團任何成員公司的任何顧問、專家顧問、分銷商、承包商、供應商、代理人、客戶、業務夥伴、推廣人員及服務供應商，以認購本公司股份(「股份」)。

合資格人士必須於授出日期起計二十八日內接納購股權。根據購股權計劃授出的購股權所涉及的股份數目，在任何時候不得超逾本公司已發行股本10%。除非根據上市規則的規定取得本公司股東的批准，否則任何人士在任何12個月期間內獲授的購股權所涉及的股份最高數目，不得超逾於上述12個月期間最後一日本公司已發行股份的1%。



30. SHARE OPTION SCHEME (CONTINUED)

Options may be exercised during such period (including the minimum period, if any, for which an option must be held before it can be exercised) as may be determined by the Board (which shall be less than ten years from the date of issue of the relevant option). Options may be granted without initial payment except the payment of HK\$1 as consideration for grant of option each time. The exercise price is equal to the highest of (i) nominal value of the Shares; (ii) the closing price of the Shares as stated in the daily quotations sheet issued by the Stock Exchange on the date of the grant; and (iii) the average closing price of the Shares as stated in the daily quotations sheets issued by the Stock Exchange for the five business days immediately preceding the date of the grant.

(a) Share options granted on 23 December 2005

The following table discloses details of the Company's options granted on 23 December 2005 under the Scheme held by employees (including a director) and movement in such holdings during the year:

Category 種類	Date of grant 授出日期	Exercise price 行使價	Number of share options 購股權數目				
			Outstanding at 1 April 2007 於二零零七年 四月一日尚未 行使數目	Exercised during the year 年內行使數目	Outstanding at 31 March 2008 於二零零八年 三月三十一日 尚未行使數目	Lapsed during the year 年內失效數目	Outstanding at 31 March 2009 於二零零九年 三月三十一日 尚未行使數目
Director 董事	23 December 2005 二零零五年 十二月二十三日	8.50	600,000	—	600,000	(600,000)	—
Other employees 其他僱員	23 December 2005 二零零五年 十二月二十三日	8.50	900,000	(900,000)	—	—	—
			1,500,000	(900,000)	600,000	(600,000)	—

30. 購股權計劃(續)

承授人可於董事會決定的期間(包括購股權行使前必須持有的最短期限(如有))行使購股權(該期間由有關購股權發行日期起計不得超逾十年)。除了須支付1港元作為每次獲授購股權的代價外,購股權可在毋須作出初期付款的情況下授出。行使價相等於下列較高者:(i)股份面值;(ii)股份於授出日期在聯交所每日報價表所示的收市價;及(iii)股份在緊接授出日期前五個營業日在聯交所每日報價表所示的平均收市價。

(a) 於二零零五年十二月二十三日授予的購股權

下表披露於二零零五年十二月二十三日授予的購股權計劃下之僱員(包括董事)持有公司購股權詳情及於年內之變動:



30. SHARE OPTION SCHEME (CONTINUED)

(a) Share options granted on 23 December 2005 (Continued)

In respect of the share options exercised during the year ended 31 March 2008, the weighted average share price on the dates of exercise is HK\$21.68.

The options granted on 23 December 2005 may be exercised in accordance with the following terms of the Scheme as to:

- (i) one-third of the options commencing 23 December 2005 to 22 December 2008, the fair value of each option at the date of grant is HK\$1.87;
- (ii) one-third of the options commencing 23 December 2006 to 22 December 2008 with vesting period from 23 December 2005 to 22 December 2006, the fair value of each option at the date of grant is HK\$1.97; and

30. 購股權計劃(續)

(a) 於二零零五年十二月二十三日授予的購股權(續)

就年內截至二零零八年三月三十一日止行使之股權，於行使日期之加權平均股價為21.68港元。

於二零零五年十二月二十三日授出之購股權可根據計劃下的條款行使：

- (i) 由二零零五年十二月二十三日至二零零八年十二月二十二日行使三分之一的購股權，購股權在授出日當日之公平值估計為1.87港元；
- (ii) 由二零零六年十二月二十三日至二零零八年十二月二十二日行使三分之一的購股權及獲准行使期由二零零五年十二月二十三日至二零零六年十二月二十二日，購股權在授出日當日之公平值估計為1.97港元；及



30. SHARE OPTION SCHEME (CONTINUED)

(a) Share options granted on 23 December 2005 (Continued)

- (iii) one-third of the options commencing 23 December 2007 to 22 December 2008 with vesting period from 23 December 2005 to 22 December 2007, the fair value of each option at the date of grant is HK\$2.08.

(b) Share options granted on 3 October 2006

The following table discloses details of the Company's options granted on 3 October 2006 under the Scheme held by employees (including directors) and movement in such holdings during the year:

Category 種類	Date of grant 授出日期	Exercise price 行使價	Number of share options 購股權數目				
			Outstanding at 1 April 2007 於二零零七年 四月一日尚未 行使數目	Exercised during the year 年內行使數目	Outstanding at 31 March 2008 於二零零八年 三月三十一日 尚未行使數目	Cancelled during the year 年內註銷數目	Outstanding at 31 March 2009 於二零零九年 三月三十一日 尚未行使數目
Directors 董事	3 October 2006 二零零六年 十月三日	15.10	1,272,000	—	1,272,000	—	1,272,000
Other employees 其他僱員	3 October 2006 二零零六年 十月三日	15.10	4,056,000	(360,000)	3,696,000	(2,976,000)	720,000
			5,328,000	(360,000)	4,968,000	(2,976,000)	1,992,000

30. 購股權計劃(續)

(a) 於二零零五年十二月二十三日授予的購股權(續)

- (iii) 由二零零七年十二月二十三日至二零零八年十二月二十二日行使三分之一的購股權及獲准行使期由二零零五年十二月二十三日至二零零七年十二月二十二日，購股權在授出日當日之公平值估計為2.08港元。

(b) 於二零零六年十月三日授予的購股權

下表披露於二零零六年十月三日授出之購股權計劃下之僱員(包括董事)持有公司購股權詳情及於年內之變動：



30. SHARE OPTION SCHEME (CONTINUED)

(b) Share options granted on 3 October 2006

(Continued)

The options granted on 3 October 2006 may be exercised in accordance with the following terms of the Scheme as to:

- (i) 1,676,000 of the options commencing 1 January 2008 to 31 December 2010, with vesting period from 3 October 2006 to 31 December 2007, the fair value of each option at the date of grant is approximately HK\$4.13;
- (ii) 1,826,000 of the options commencing 1 January 2009 to 31 December 2010, with vesting period from 3 October 2006 to 31 December 2008, the fair value of each option at the date of grant is approximately HK\$4.47; and
- (iii) 1,826,000 of the options commencing 1 January 2010 to 31 December 2010, with vesting period from 3 October 2006 to 31 December 2009, the fair value of each option at the date of grant is approximately HK\$4.69.

30. 購股權計劃(續)

(b) 於二零零六年十月三日授予的購股權(續)

於二零零六年十月三日授出之購股權可根據計劃下的條款行使：

- (i) 由二零零八年一月一日至二零一零年十二月三十一日行使1,676,000股的購股權及獲准行使期由二零零六年十月三日至二零零七年十二月三十一日，購股權在授出日當日之公平值估計為4.13港元；
- (ii) 由二零零九年一月一日至二零一零年十二月三十一日行使1,826,000股的購股權及獲准行使期由二零零六年十月三日至二零零八年十二月三十一日，購股權在授出日當日之公平值估計為4.47港元；及
- (iii) 由二零一零年一月一日至二零一零年十二月三十一日行使1,826,000股的購股權及獲准行使期由二零零六年十月三日至二零零九年十二月三十一日，購股權在授出日當日之公平值估計為4.69港元。



30. SHARE OPTION SCHEME (CONTINUED)

(c) Share options granted on 5 September 2008

The following table discloses details of the Company's options granted on 5 September 2008 under the Scheme held by directors and movement in such holdings during the year:

Category 種類	Date of grant 授出日期	Exercise price 行使價	Number of share options 購股權數目		
			Outstanding at 1 April 2008 於二零零八年四月一日 尚未行使數目	Granted during the year 年內授予 數目	Outstanding at 31 March 2009 於二零零九年三月三十一日 尚未行使數目
Directors 董事	5 September 2008 二零零八年 九月五日	7.488	—	50,000,000	50,000,000

The options granted on 5 September 2008 may be exercised in accordance with the following terms of the Scheme as to:

- (i) 16,666,667 of the options commencing 1 September 2009 to 31 August 2013, with vesting period from 5 September 2008 to 31 August 2009, the fair value of each option at the date of grant is approximately HK\$1.63;

30. 購股權計劃(續)

(c) 於二零零八年九月五日授予的購股權：

下表披露於二零零八年九月五日授出之購股權計劃下之董事持有公司購股權詳情及於年內之變動：

於二零零八年九月五日授出之購股權可根據計劃下的條款行使：

- (i) 由二零零九年九月一日至二零一三年八月三十一日行使16,666,667股的購股權及獲准行使期由二零零八年九月五日至二零零九年八月三十一日，購股權在授出日當日之公平值估計為1.63港元；



30. SHARE OPTION SCHEME (CONTINUED)

(c) Share options granted on 5 September 2008 (Continued)

- (ii) 16,666,666 of the options commencing 1 September 2010 to 31 August 2013, with vesting period from 5 September 2008 to 31 August 2010, the fair value of each option at the date of grant is approximately HK\$1.92;
- (iii) 16,666,667 of the options commencing 1 September 2011 to 31 August 2013, with vesting period from 5 September 2008 to 31 August 2011, the fair value of each option at the date of grant is approximately HK\$2.13.

The exercise of the options during the exercise periods described above, commencing from 1 September 2009 to 31 August 2013, are subject to meeting the pre-determined and specific profit targets for the Group for each of the years ending 31 March 2009, 2010, 2011 and 2012.

As at 31 March 2009, the performance conditions of the share option were not met in respect of the actual results for the year ended 31 March 2009 and it is not probable that the profit targets for the other years will be met. Accordingly, no share-based payments related to the share option granted on 5 September 2008 have been recognised as expense in the consolidated income statement.

30. 購股權計劃(續)

(c) 於二零零八年九月五日授予的購股權：(續)

- (ii) 由二零一零年九月一日至二零一三年八月三十一日行使16,666,666股的購股權及獲准行使期由二零零八年九月五日至二零一零年八月三十一日，購股權在授出日當日之公平值估計為1.92港元；
- (iii) 由二零一一年九月一日至二零一三年八月三十一日行使16,666,667股的購股權及獲准行使期由二零零八年九月五日至二零一一年八月三十一日，購股權在授出日當日之公平值估計為2.13港元。

自二零零九年九月一日起至二零一三年八月三十一日止，於上述行使期內行使購股權時，須達致本集團就截至二零零九年、二零一零年、二零一一年及二零一二年三月三十一日止年度各年之預定及特定溢利目標。

於二零零九年三月三十一日，購股權之表現條件未能達致截至二零零九年三月三十一日止年度之實際結果，同時其他年度之溢利目標亦難以達致。因此，概無有關於二零零八年九月五日所授出購股權之股權支付款項於綜合收益表內確認為支出。



30. SHARE OPTION SCHEME (CONTINUED)

(c) Share options granted on 5 September 2008 (Continued)

These fair values were calculated using Binominal Model. The valuation as at 5 September 2008 was carried out by Jones Lang LaSalle Sallmanns Limited. The inputs used in the model were as follows:

Closing share price at date of grant	授予日之股份收市價	HK\$ (港元) 6.70
Exercise price	行使價	HK\$ (港元) 7.488
Expected volatility (note i)	預期波幅 (附註 i)	47.40%
Risk-free interest rate (note ii)	無風險利息率 (附註 ii)	2.65%
Expected annual dividend yield	預期每年股息孳息率	1.86%
Expected option life	預計可用年期	4.99 years (年)

notes:

- (i) Expected volatility was determined by using the historical volatility of the price return of the ordinary shares of the Company over the past year from the valuation date.
- (ii) The risk-free rate interest was based on the yield of Exchange Fund Note.

The estimated total fair value with respect to share options granted to directors and employees on 23 December 2005, 3 October 2006 and 5 September 2008 was HK\$3,552,000, HK\$23,653,000 and HK\$94,530,000, respectively.

HK\$6,485,000 (2008: HK\$10,886,000) was charged to the consolidated income statement as administrative expenses for the year ended 31 March 2009.

30. 購股權計劃(續)

(c) 於二零零八年九月五日授予的購股權：(續)

該等公平值以二項式模式計算。截至二零零八年九月五日之估值由仲量聯行西門有限公司完成。用於計算模式之輸入如下：

Closing share price at date of grant	授予日之股份收市價	HK\$ (港元) 6.70
Exercise price	行使價	HK\$ (港元) 7.488
Expected volatility (note i)	預期波幅 (附註 i)	47.40%
Risk-free interest rate (note ii)	無風險利息率 (附註 ii)	2.65%
Expected annual dividend yield	預期每年股息孳息率	1.86%
Expected option life	預計可用年期	4.99 years (年)

附註：

- (i) 預期波幅是由估值日期開始以本公司普通股過往一年的歷史價格回報波幅而釐定。
- (ii) 無風險利息率以外匯基金票據孳息率為基礎。

有關於二零零五年十二月二十三日、二零零六年十月三日及二零零八年九月五日授予董事及僱員之購股權之估計公平值分別為3,552,000港元、23,653,000港元及94,530,000港元。

其中6,485,000港元(二零零八年：10,886,000港元)已在截至二零零九年三月三十一日止年度之綜合收益表內以行政費用入賬。



31. CAPITAL RISK MANAGEMENT

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

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

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

32. FINANCIAL INSTRUMENTS

(a) Categories of financial instruments

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
<i>Financial assets</i> 財務資產			
Fair value through profit or loss — derivative financial instruments	盈利或虧損之公平值 — 衍生 財務工具	5,064	25,224
Loans and receivables (including cash and cash equivalents)	貸款及應收款項(包括現金及 現金等價物)	3,799,287	2,995,999
<i>Financial liabilities</i> 財務負債			
Fair value through profit or loss — derivative financial instruments	盈利或虧損之公平值 — 衍生 財務工具	34,483	147,102
Derivatives under hedge accounting	對沖會計下之衍生工具	202,718	207,749
Amortised cost	攤銷成本	9,606,748	8,294,195

31. 資本風險管理

本集團管理其資本以確保本集團的實體可持續經營業務，並透過最佳資本負債比例為權益持有人提供最高回報。本集團的整體政策維持與去年一致。

本集團的資本結構包括負債，當中包括銀行及其他借貸以及本公司權益持有人應佔權益(包括已發行股本及多項儲備)。

本公司董事不時檢討資本結構。作為檢討的一部份，董事將考慮資本成本以及與各類資本有關的風險。根據董事的建議，本集團將通過派付股息、發行新股及購回股份以及發行新債或贖回現債平衡其整體資本結構。

32. 財務工具

(a) 財務工具種類



32. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management objectives and policies

The Group's major financial instruments include trade and other receivables, amounts due from an associate, amounts due from related companies, derivative financial instruments, restricted bank deposits, bank balances and cash, trade and other payables and bank and other borrowings. Details of the financial instruments are disclosed in the respective notes. The risks associated with these financial instruments include market risk (currency risk and interest rate risk), credit risk and liquidity risk. The policies on how to mitigate these risks are set out below. Management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

Market Risk

(i) Currency risk

The Group has foreign currency transactions, which expose the Group to market risk arising from changes in foreign exchange rates. The Group currently has a policy to hedge its long-term foreign currency exposure on the US\$ borrowings. However, management will monitor other foreign currency exposure closely and consider the use of hedging instruments when the need arises.

32. 財務工具(續)

(b) 財務風險管理目的及政策

本集團的主要財務工具包括應收貿易賬款及其他應收款項、應收聯營公司款項、應收有關連公司款項、衍生財務工具、有限制銀行存款、銀行結餘及現金、應付貿易賬款及其他應付款項及銀行及其他借貸。財務工具的詳情於相關附註披露。與該等財務工具有關的風險包括市場風險(貨幣風險及利率風險)、信貸風險及流動資金風險。如何緩和該等風險的政策載列如下。管理層管理及監控該等風險，以確保及時有效地採用適當的措施。

市場風險

(i) 貨幣風險

本集團存在外幣交易，令本集團須承受外幣匯率變動引起的市場風險。本集團目前採取的政策是只就美元借貸對沖長期外幣風險。然而，管理層將密切監察其他外幣風險，並考慮於必要時運用對沖工具。



32. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management objectives and policies (Continued)

Market Risk (Continued)

(i) Currency risk (Continued)

At the balance sheet dates, the carrying amounts of the Group's significant monetary assets, monetary liabilities and derivative financial instruments denominated in currencies other than the functional currency of the relevant group entities are as follows:

Monetary assets:

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
RMB	人民幣	652,608	937,343
US\$	美元	320,780	482,805
EUR	歐元	49,050	51,628
GBP	英鎊	64,306	13,966
JPY	日元	13	12,280

Monetary liabilities:

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
RMB	人民幣	1,215,891	663,028
US\$	美元	965,092	1,018,952
EUR	歐元	30,121	33,223
JPY	日元	4,137	85,681

32. 財務工具(續)

(b) 財務風險管理目的及政策(續)

市場風險(續)

(i) 貨幣風險(續)

於結算日，本集團以有關集團實體的功能貨幣以外的貨幣計值的重要貨幣資產、貨幣負債及衍生財務工具的賬面值如下：

金融資產：

	2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
RMB	652,608	937,343
US\$	320,780	482,805
EUR	49,050	51,628
GBP	64,306	13,966
JPY	13	12,280

金融負債：

	2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
RMB	1,215,891	663,028
US\$	965,092	1,018,952
EUR	30,121	33,223
JPY	4,137	85,681



32. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management objectives and policies (Continued)

Market Risk (Continued)

(i) Currency risk (Continued)

Derivative financial instruments:

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Assets:	資產：		
US\$	美元	1,700	18,791
EUR	歐元	3,081	1,236
GBP	英鎊	—	680
Liabilities:	負債：		
US\$	美元	46,426	179,258
EUR	歐元	349	—
GBP	英鎊	—	1,326

Sensitivity analysis

The Group is mainly exposed to the fluctuation of RMB, EUR, GBP and JPY. As HK\$, the functional currency of the relevant group entities, is pegged with US\$, the Group's currency risk in relation to the above US\$ monetary assets/liabilities is expected to be minimal.

32. 財務工具(續)

(b) 財務風險管理目的及政策(續)

市場風險(續)

(i) 貨幣風險(續)

衍生財務工具：

敏感度分析

本集團主要受人民幣、歐元、英鎊及日元的波動影響。由於港元(本公司之功能貨幣)與美元掛鈎，預計本集團有關上述美元貨幣資產/負債的貨幣風險極微。



32. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management objectives and policies (Continued)

Market Risk (Continued)

(i) Currency risk (Continued)

Sensitivity analysis (Continued)

The following tables details the Group's sensitivity to a 5% increase and decrease in the functional currency of the relevant group entities against the relevant foreign currencies to the extent that the exposures have not been hedged. 5% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and derivative financial instruments and adjusts their translation or fair value in the case of the derivative financial instruments at the year ended for a 5% change in foreign currency rates. On this basis, there will be an increase/decrease in post-tax profit where the functional currency of the relevant group entities weaken against the foreign currencies by 5%, and vice versa.

32. 財務工具(續)

(b) 財務風險管理目的及政策(續)

市場風險(續)

(i) 貨幣風險(續)

敏感度分析(續)

下表詳述本集團在並無對沖風險的情況下，港元對有關集團實體之功能貨幣上升及下降5%的敏感度。5%為對內向主要管理人員匯報外幣風險時採用的敏感度比率，為管理層就外幣匯率的合理可能變動作出的評估。敏感度分析只包括以外幣計值的未償付貨幣項目及衍生財務工具，並於結算日調整衍生財務工具匯率及公平值，以反映外幣匯率的5%變動。在上述基準下，當有關集團實體之功能貨幣兌外幣貶值5%，稅後盈利將增加／減少，反之亦然。



32. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management objectives and policies (Continued)

Market Risk (Continued)

(i) Currency risk (Continued)

Monetary assets and liabilities:

		2009	2008
		Increase (decrease) in profit	Increase (decrease) in profit
		二零零九年 盈利增加 (減少)	二零零八年 盈利增加 (減少)
		HK\$'000	HK\$'000
		千港元	千港元
RMB	人民幣	(28,011)	11,247
EUR	歐元	946	920
GBP	英鎊	3,215	698
JPY	日元	(206)	(3,670)

Derivative financial instruments:

		2009	2008
		Increase (decrease) in profit	Increase (decrease) in profit
		二零零九年 盈利增加 (減少)	二零零八年 盈利增加 (減少)
		HK\$'000	HK\$'000
		千港元	千港元
EUR	歐元	5,069	1,232
GBP	英鎊	—	(1,616)

32. 財務工具(續)

(b) 財務風險管理目的及政策(續)

市場風險(續)

(i) 貨幣風險(續)

金融資產及負債：

衍生財務工具：



32. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management objectives and policies (Continued)

Market Risk (Continued)

(ii) Interest rate risk

The Group is exposed to fair value interest rate risk in relation to fixed-rate borrowings. The Group currently does not have a fair value interest rate risk hedging policy. However, management monitors fair value interest rate exposure and will consider hedging significant fair value interest rate exposure should the need arise.

The Group is also exposed to cash flow interest rate risk in relation to variable-rate bank borrowings. It is the Group's policy to keep its borrowings at fixed interest rate so as to minimise the cash flow interest rate risk. In order to achieve this result, the Group entered into certain interest rate swaps to partially hedge against its exposures to variable interest-rate of bank borrowings. The critical terms of these interest rate swaps are similar to those of hedged borrowings. These interest rate swaps are designated as effective hedging instruments and hedge accounting is used.

32. 財務工具(續)

(b) 財務風險管理目的及政策(續)

市場風險(續)

(ii) 利率風險

本集團須承擔有關定息借貸的公平值利率風險。本集團目前並無公平值利率風險對沖政策。然而，管理層監察公平值利率風險，並將於必要時考慮對沖重大的公平值利率風險。

本集團亦須承擔有關浮息銀行借貸的現金流量利率風險。本集團的政策為保持其借貸以定息計算，以將現金流量利率風險減至最低。為此，本集團訂立若干利率掉期以就銀行借貸的浮息風險進行部分對沖。該等利率掉期的重大條款與對沖借貸的條款相似。該等利率掉期被定為有效對沖工具，並使用對沖會計法。



32. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management objectives and policies (Continued)

Market Risk (Continued)

(ii) Interest rate risk (Continued)

Sensitivity analysis

The sensitivity analysis below has been determined based on the exposure to interest rates for both non-derivative and derivative instruments at the balance sheet date. For variable-rate bank borrowings, to the extent that they are not hedged by effective instruments, the analysis is prepared assuming the amount of liability outstanding at the balance sheet date was outstanding for the whole year. A 50 basis points increase or decrease in interest rate is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

For bank borrowings, if interest rate had been 50 basis points higher/lower and all other variables were held constant, the Group's post-tax profit for the year ended 31 March 2009 would decrease/increase by HK\$24,568,000 (2008: decrease/increase by HK\$21,575,000).

32. 財務工具(續)

(b) 財務風險管理目的及政策(續)

市場風險(續)

(ii) 利率風險(續)

敏感度分析

下列的敏感度分析根據於結算日非衍生及衍生工具的利率風險釐定。就浮息銀行借貸，當該等結餘及借貸並非由有效工具對沖，分析假設於結算日未償付負債於年內均為未償付而編製。50基點增加或減少為對內向主要管理人員匯報利率風險時採用的敏感度比率，為管理層就利率的合理可能變動的評估。

就銀行借貸而言，倘利率上升/下跌50基點，而所有其他變數維持不變，本集團截至二零零九年三月三十一日止年度的稅後盈利將減少/增加24,568,000港元(二零零八年：減少/增加21,575,000港元)。



32. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management objectives and policies (Continued)

Market Risk (Continued)

(ii) Interest rate risk (Continued)

Sensitivity analysis (Continued)

For derivative financial instruments, the sensitivity analysis below has been determined assuming that interest rate had been 50 basis points higher and all other variables were held constant, the impact on the Group's profit and equity, and vice versa.

		Increase in profit 盈利增加 HK\$'000 千港元	Increase in equity 權益增加 HK\$'000 千港元
At 31 March 2009	二零零九年三月三十一日	856	3,954
At 31 March 2008	二零零八年三月三十一日	5,657	30,417

Credit risk

As at 31 March 2009, the Group's maximum exposure to credit risk which will cause a financial loss to the Group due to failure to discharge an obligation by the counterparties is arising from the carrying amount of the respective recognised financial assets as stated in the consolidated balance sheet.

In order to minimise the credit risk, management of the Group has delegated a team responsible for determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group reviews the recoverable amount of each individual debt at each balance sheet date to ensure that adequate impairment losses are made for irrecoverable amounts. In this regard, the directors consider that the Group's credit risk is significantly reduced.

信貸風險

於二零零九年三月三十一日，本集團因對手方未能履行責任而導致財務損失的最高信貸風險來自綜合資產負債表載列的各已確認財務資產的賬面值。

為盡量減低信貸風險，本集團管理層已委任一組人員釐定信貸限額、信貸審批以及其他監控程序，確保就收回逾期債項採取跟進行動。此外，本集團管理層會定期審閱各個別債務之可收回金額，以確保就無法收回債務確認足夠減值虧損。就此，董事認為本集團之信貸風險已大大減少。

32. 財務工具(續)

(b) 財務風險管理目的及政策(續)

市場風險(續)

(ii) 利率風險(續)

敏感度分析(續)

就衍生財務工具而言，以下敏感度分析乃假設利率上升50個基點而所有其他變數維持不變，其對本集團盈利及權益的影響，以及相反假設的影響。



32. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management objectives and policies (Continued)

Credit risk (Continued)

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

The Group has concentration of credit risk on amounts due from an associate and related companies. Trade receivables consist of a large number of customers, spread across diverse industries and geographical areas.

Liquidity risk

In management of the liquidity risk, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by management to finance the Group's operations and mitigate the effects of fluctuations in cash flows.

The following tables detail the Group's remaining contractual maturity for its financial liabilities. For non-derivative financial liabilities, the tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The table includes both interest and principal cash flows.

For derivative instruments settle on a net basis, undiscounted net cash flows are presented. Whereas they require gross settlement, the undiscounted gross inflow and outflow on these derivatives are shown on the table.

32. 財務工具(續)

(b) 財務風險管理目的及政策(續)

信貸風險(續)

由於交易方均為國際信貸評級機構評為高信貸評級之銀行，故流動資金之信貸風險有限。

本集團的應收聯營公司及有關公司款項存在集中信貸風險。應收貿易賬款包括大量客戶，涵蓋多個行業及地理區域。

流動資金風險

就管理流動資金風險而言，本集團監察及維持其視為足以為本集團營運提供資金，以及減輕現金流量波動影響之現金及現金等值物水平。

下表刊載本集團之金融負債餘下合約到期日。就非衍生金融負債而言，下表乃根據本集團須還款最早日期當日之金融負債未貼現現金流量作出。下表已包括利息及本金現金流量。

按淨額結算的衍生工具以未貼現現金流量淨額呈列。按總額結算的衍生工具的未貼現流入及流出總額於下表載列。



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綜合財務報表附註(續)

For the year ended 31 March 2009 截至二零零九年三月三十一日止年度

32. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management objectives and policies (Continued)

Liquidity and interest risk tables

32. 財務工具(續)

(b) 財務風險管理目的及政策(續)

流動資金及利率風險表

		Weighted average effective interest rate	Less than 1 month	1-3 months	3 months to 1 year	1-5 years	Over 5 years	Total undiscounted cash flows	Carrying amount at 31 March 2009
		實際利率加權平均數	少於一個月	一至三個月	三個月至一年	一至五年	超過五年	未折讓現金流量總計	於二零零九年三月三十一日之賬面值
		%	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		百分比	千港元	千港元	千港元	千港元	千港元	千港元	千港元
2009									
Non-derivative financial liabilities									
Trade and other payables — current	應付賬款及其他款項 — 流動	—	138,565	115,183	447,258	—	—	701,006	701,006
Borrowings	借貸								
— fixed rate	— 定息	6.01	439,736	188,087	185,331	—	1,189,142	2,002,296	1,528,168
— variable rate	— 浮息	2.61	1,712,575	259,960	2,068,759	3,178,027	—	7,219,321	7,013,532
Other payables	其他應付款項								
— non-current	— 非流動	3.87	—	—	—	392,763	—	392,763	364,042
			2,290,876	563,230	2,701,348	3,570,790	1,189,142	10,315,386	9,606,748
Derivatives — net settlement									
Interest rate swaps	衍生工具 — 淨額交收 利率掉期	—	—	26,326	70,246	195,725	—	292,297	190,426
Currency structured instruments	結構性貨幣工具	—	349	—	—	—	—	349	349
			349	26,326	70,246	195,725	—	292,646	190,775
Derivatives — gross settlement									
Cross currency interest rate swaps	衍生工具 — 總額交收 交叉貨幣利率掉期								
— inflow	— 流入	—	—	—	(42,288)	(200,878)	(856,845)	(1,100,011)	(1,004,182)
— outflow	— 流出	—	—	—	43,222	207,468	931,822	1,182,512	1,050,608
			—	—	934	6,590	74,977	82,501	46,426
2008									
Non-derivative financial liabilities									
Trade and other payables	應付賬款及其他款項	—	60,767	976,219	156,365	—	—	1,193,351	1,193,351
Borrowings	借貸								
— fixed rate	— 定息	6.68	—	—	—	—	1,241,009	1,241,009	776,800
— variable rate	— 浮息	3.50	1,831,529	438,436	96,738	4,511,266	—	6,877,969	6,324,044
			1,892,296	1,414,655	253,103	4,511,266	1,241,009	9,312,329	8,294,195
Derivatives — net settlement									
Interest rate swaps	衍生工具 — 淨額交收 利率掉期	—	—	19,558	58,304	208,075	—	285,937	174,267
Currency structured instruments	結構性貨幣工具	—	1,397	65,483	46,847	—	—	113,727	113,727
			1,397	85,041	105,151	208,075	—	399,664	287,994
Derivatives — gross settlement									
Cross currency interest rate swaps	衍生工具 — 總額交收 交叉貨幣利率掉期								
— inflow	— 流入	—	—	—	(42,267)	(194,437)	(873,014)	(1,109,718)	(947,068)
— outflow	— 流出	—	—	—	43,222	207,486	983,689	1,234,397	1,013,925
			—	—	955	13,049	110,675	124,679	66,857



32. FINANCIAL INSTRUMENTS (CONTINUED)

(c) Fair Value

The fair values of financial assets and financial liabilities are determined as follows:

- the fair values of derivative financial instruments are calculated using discounted cash flow analysis based on the applicable yield curves of interest rates and foreign exchange rates as determined by counterparty financial institutions.
- the fair values of financial assets and financial liabilities (excluding derivative financial instruments) are determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices from observable current market transactions.

The directors consider the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the consolidated financial statements approximate their fair values.

33. ACQUISITION OF ADDITIONAL INTERESTS IN SUBSIDIARIES

In October 2008, the Group acquired the remaining 10% equity interests in each of the two subsidiaries from their minority shareholders at an aggregate consideration of US\$35. The excess of the carrying amount of the net assets acquired over the fair value of the consideration paid has been debited directly to equity.

32. 財務工具(續)

(c) 公平值

財務資產及財務負債之公平值按以下方式釐定：

- 衍生財務工具之公平值乃按對手方財務機構釐訂之利率及外幣匯率之適用回報率，根據已折現現金流量分析為基準計算。
- 財務資產及財務負債(不包括衍生財務工具)之公平值根據公認定價模式以採用可觀察的現時市場交易得出之折現現金流量分析為基準計算。

董事認為按攤銷成本於綜合財務報表記賬之財務資產及財務負債之賬面值與其公平值相若。

33. 收購附屬公司額外權益

於二零零八年十月，本集團向兩家附屬公司之少數股東收購該兩間附屬公司各餘下10%股益，總代價為35美元。所收購資產淨值之賬面金額超出所付代價之公平值之數額已直接於權益中扣除。



34. DISPOSAL OF SUBSIDIARIES

- (a) On 15 October 2008, the Group and Worthy Pick Group Limited, an independent third party, entered into a sales and purchase agreement pursuant to which the Group disposed its entire equity interests in two subsidiaries in the United States to Worthy Pick Group Limited. The disposal was approved by shareholders in the extraordinary general meeting on 15 October 2008, and was completed on the same date.

The combined net assets of the subsidiaries on the date of disposal are as follows:

34. 出售附屬公司

- (a) 於二零零八年十月十五日，本集團與獨立第三方Worthy Pick Group Limited訂立買賣協議，據此，本集團向Worthy Pick Group Limited出售其於美國兩家附屬公司全部股益。該項出售已於二零零八年十月十五日舉行之股東特別大會獲股東批准，並於同日完成。

附屬公司於出售日期的綜合資產淨額如下：

		HK\$'000 千港元
NET ASSETS DISPOSED OF	出售資產淨額	
Property, plant and equipment	物業、廠房及設備	212,002
Deferred tax assets	遞延稅項資產	42,161
Inventories	存貨	94,724
Other receivables	其他應收款項	49,414
Bank balances and cash	銀行結餘及現金	5,945
Trade and other payables	應付貿易賬款及其他應付款項	(205,356)
Net assets disposed of	出售資產淨額	198,890
Loss on disposal	出售產生之虧損	(1,820)
Total consideration	總代價	197,070
Satisfied by:	支付：	
Cash	現金	20,000
Deferred consideration	遞延代價	177,070
		197,070
Net cash inflow arising on disposal:	出售產生之現金流入淨額：	
Cash consideration	現金代價	20,000
Bank balances and cash disposed of	出售銀行結餘及現金	(5,945)
		14,055



34. DISPOSAL OF SUBSIDIARIES (CONTINUED)

(a) (Continued)

The deferred consideration will be settled in cash by the purchaser in series of payments as follows:

- (i) HK\$30 million by 31 December 2008;
- (ii) HK\$30 million by 31 March 2009;
- (iii) HK\$30 million by 30 June 2009;
- (iv) HK\$30 million by 30 September 2009;
- (v) HK\$30 million by 31 December 2009 and;
- (vi) HK\$30 million by 31 March 2010.

note: The present value of the deferred consideration as at 15 October 2008 was determined using cash flows discounted at an effective interest rate of 3.71% per annum.

- (b) On 24 August 2007, the Group and Well Boom International Limited ("Well Boom"), a wholly owned subsidiary of Gold Best, entered into a subscription agreement (the "FSGL Agreement") in respect of investment in FSGL by Well Boom. Pursuant to the FSGL Agreement, the Group and Well Boom subscribed for 90 and 810 of new shares in FSGL, respectively. Upon completion, the Group's effective interest in FSGL was diluted from 100% to 19% and FSGL becomes an associate of the Group. The FSGL Agreement was approved by shareholders in the extraordinary general meeting on 28 September 2007, which is also the completion date. As the deemed disposal was made indirectly to the ultimate holding company, the gain arising on the dilution of interest in FSGL was credited to equity as it was regarded as a contribution from equity participant.

34. 出售附屬公司(續)

(a) (續)

買家按下列付款時間以現金支付遞延代價：

- (i) 於二零零八年十二月三十一日支付3,000萬港元；
- (ii) 於二零零九年三月三十一日支付3,000萬港元；
- (iii) 於二零零九年六月三十日支付3,000萬港元；
- (iv) 於二零零九年九月三十日支付3,000萬港元；
- (v) 於二零零九年十二月三十一日支付3,000萬港元；及
- (vi) 於二零一零年三月三十一日支付3,000萬港元。

註：於二零零八年十月十五日，遞延代價之現值以現金流量按每年實際利率3.71%的折讓法釐定。

- (b) 本集團與Gold Best的全資附屬公司佳旺國際有限公司(「佳旺」)於二零零七年八月二十四日就佳旺投資於FSGL訂立認購協議(「FSGL協議」)。根據FSGL協議，本集團及佳旺將分別認購90股及810股FSGL新股。完成後，本集團於FSGL之實際權益自100%攤薄至19%，而FSGL將成為本集團之聯營公司。FSGL協議由股東於二零零七年九月二十八日(亦為完成日期)在股東特別大會上批准。由於與最終控股公司間接進行視為出售事項，而來自權益攤薄的視為出售收益被視為權益參與者的貢獻，故此計入權益。



34. DISPOSAL OF SUBSIDIARIES (CONTINUED)

(b) (Continued)

The consolidated net liabilities of FSGL and its subsidiary at the date of disposal were as follows:

		HK\$'000 千港元
NET LIABILITIES DISPOSED OF	出售負債	
Property, plant and equipment	物業、廠房及設備	21,139
Prepaid lease payments	預付租賃款項	77,758
Inventories	存貨	5,123
Other receivables	其他應收款項	43,546
Amounts due from related companies	應收有關連公司款項	39
Bank balances and cash	銀行結餘及現金	29,862
Other payables	其他應付款項	(452)
Amount due to a related company	應付有關連公司款項	(189,566)
		(12,551)
Transferred to interest in an associate	轉撥至一間聯營公司之權益	(1)
Gain on deemed disposal, accounted for as deemed capital contribution	視作出售之得益，視作注資入賬	(12,552)
Net cash outflow arising on disposal:	出售產生之現金流出淨額：	
Cash consideration	現金代價	—
Bank balances and cash disposed of	出售銀行結餘及現金	29,862
		29,862

34. 出售附屬公司(續)

(b) (續)

FSGL及其附屬公司於出售日期的綜合負債淨額如下：



35. OPERATING LEASE ARRANGEMENTS

The Group as lessee

At the balance sheet date, the Group had commitments for future minimum lease payments under non-cancellable operating leases in respect of land and buildings, which fall due as follows:

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Within one year	一年內	20,242	1,736
In the second to fifth year inclusive	第二年至第五年內(包括首尾兩年)	98,223	109,562
After five years	第五年後	513,685	392,464
		632,150	503,762

Operating lease payments represent rentals payable by the Group for lands and certain of its office properties. For lands, leases are negotiated for an average term of twenty years and rentals are negotiated every year. For office properties, leases are negotiated for an average term of one year with fixed rentals.

The Group as lessor

At the balance sheet date, the Group had contracted with tenants for the use of the Group's pipelines with the following future minimum lease payments:

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Within one year	一年內	—	390
In the second to fifth year inclusive	第二年至第五年內(包括首尾兩年)	—	1,560
After five years	第五年後	—	780
		—	2,730

35. 經營租約安排

集團作為承租人

於結算日，本集團根據不可撤銷的土地及樓宇經營租約於日後應付的最低租金如下：

經營租金指本集團就土地及其若干辦公室物業應付的租金。土地的租期平均二十年，租金則每年商討。辦公室物業的租期平均一年，期內租金不變。

集團作為出租人

於結算日，本集團與租戶為使用導管簽訂日後應付的最低租金如下：



35. OPERATING LEASE ARRANGEMENTS

(CONTINUED)

The Group as lessor (Continued)

Operating lease payments represent rental payable by tenants for the use of the Group's pipelines. Leases are negotiated for an average term of ten years with fixed rentals. The Group no longer has operating lease arrangement for the use of pipelines following the disposal of the Group's US subsidiaries in October 2008.

36. COMMITMENTS

35. 經營租約安排(續)

集團作為出租人(續)

經營租金指租戶為使用本集團的導管應付的租金，租期平均十年，期內租金不變。於二零零八年十月出售美國附屬公司後，本集團已再無經營導管租賃安排。

36. 承擔

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Capital expenditures contracted for but not provided in the consolidated financial statements in respect of:	就已訂約但未於綜合財務報表中撥備的資本開支：		
— property, plant and equipment	— 購置物業、廠房及設備	900,161	2,648,229
— land use rights	— 土地使用權	48,351	21,821
		948,512	2,670,050



37. CONNECTED AND RELATED PARTY TRANSACTIONS

(a) Connected and related party transactions

During the year, the Group had significant transactions with related parties, certain of which are also deemed to be connected parties pursuant to the Listing Rules.

Significant transactions with connected and related parties during the year are as follows:

37. 關連及相關人士交易

(a) 關連及相關人士交易

年內，集團與相關人士有重大交易，其中部份根據上市規則被視作為關連人士。

年內，與關連人士進行的重大交易如下：

Name of party 關連人士名稱	Nature of transactions 交易性質	2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Lee & Man Industrial Manufacturing (note i) 理文實業(附註i)	Finished goods sold by the Group 集團出售製成品	145,958	143,941
	Steam and electricity sold by the Group 集團出售蒸氣及電力	5,580	1,556
	Raw material purchased by the Group 集團購買原材料	1,412	—
Lee & Man Paper Products Limited (note i) 理文紙品有限公司(附註i)	Licence fee paid by the Group 集團已付許可權費	978	586
Jiangsu Chemical (note i) 江蘇化工(附註i)	Steam and electricity sold by the Group 集團出售蒸氣及電力	20,262	—
Well Boom	Capital contribution arising from disposal of subsidiaries (note ii) 因出售附屬公司而產生之資本貢獻(附註ii)	—	12,552
Top Brand Limited and Wise Sense Investments Limited	Acquisition of remaining 10% interest in each of two subsidiaries (note 33) 收購兩間附屬公司各自餘下10%股益	—	—



37. CONNECTED AND RELATED PARTY TRANSACTIONS (CONTINUED)

(a) Connected and related party transactions (Continued)

notes:

- (i) The companies are beneficially owned by Mr Lee Wan Keung Patrick, a director of the Company.
- (ii) Details of the disposal of subsidiaries to Well Boom, a fellow subsidiary of the Company, are set out in note 34.

(b) Related party transaction

Name of party 相關人士名稱	Nature of transaction 交易性質
FSGL	Interest income received by the Group 集團收取之利息收入

(c) Connected and related party balances

Details of outstanding balances with connected and related parties are set out in notes 20 and 21.

(d) Compensation of key management personnel

The remunerations of the directors and other members of key management during the year were as follows:

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Short-term benefits	短期福利	11,091	10,490
Post-employment benefits	退休福利	60	72
Share based payments	股權支付款項	1,147	2,974
		12,298	13,536

37. 關連及相關人士交易(續)

(a) 關連及相關人士交易(續)

附註：

- (i) 該等公司實益擁有人為本公司董事李運強先生。
- (ii) 出售附屬公司予本公司同系附屬公司 Well Boom 之詳情載列於附註 34。

(b) 相關人士交易

	2009 HK\$'000 千港元	2008 HK\$'000 千港元
	16,004	—

(c) 關連及相關人士結餘

關連及相關人士尚欠結餘詳情已載列於附註20及21。

(d) 主要管理層成員薪酬

董事及其他主要管理層成員於年內之酬金如下：



For the year ended 31 March 2009 截至二零零九年三月三十一日止年度

38. BALANCE SHEET OF THE COMPANY

The summarised balance sheet of the Company as at 31 March 2009 and 31 March 2008 are as follows:

38. 本公司資產負債表

截至二零零九年三月三十一日及二零零八年三月三十一日資產負債表總括如下：

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Investments in subsidiaries	於附屬公司的投資	637,977	637,977
Other receivables	其他應收款項	13,946	16,935
Amounts due from an associate	應收聯營公司款項	136	—
Amounts due from subsidiaries	應收附屬公司款項	8,299,448	8,184,065
Bank balances	銀行結餘	224	2,665
Total assets	總資產	8,951,731	8,841,642
Derivative financial instruments	衍生財務工具	202,718	207,749
Amount due to a subsidiary	應付附屬公司款項	350	—
Other payables	其他應付款項	18,303	17,344
Unsecured bank borrowings	無抵押銀行借貸	3,616,800	3,746,800
Total liabilities	總負債	3,838,171	3,971,893
		5,113,560	4,869,749
Share capital	股本	113,738	113,738
Reserves	儲備	4,999,822	4,756,011
Total equity	總權益	5,113,560	4,869,749



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
綜合財務報表附註(續)

For the year ended 31 March 2009 截至二零零九年三月三十一日止年度

39. PRINCIPAL SUBSIDIARIES

Details of the Company's principal subsidiaries, as at 31 March 2009 and 31 March 2008 are as follows:

39. 主要附屬公司

本公司主要附屬公司於二零零九年三月三十一日及二零零八年三月三十一日的詳情如下：

Name of subsidiary 附屬公司名稱	Place of incorporation/ establishment/registration and operations 註冊成立/成立/註冊 及營運地點	Nominal value of issued and fully paid share capital/registered capital 已發行及繳足股本/ 註冊股本面值	Proportion ownership interest held by the Company 本公司持有權益擁有權比例				Principal activities 主要業務
			Directly 直接		Indirectly 間接		
			2009 二零零九年	2008 二零零八年	2009 二零零九年	2008 二零零八年	
Able Advance International Limited	British Virgin Islands (note i) 英屬處女群島 (附註i)	Ordinary shares — US\$4 普通股 — 4美元	100%	100%	—	—	Investment holding 投資控股
Lee & Man Industries Company Limited	British Virgin Islands (note i) 英屬處女群島 (附註i)	Ordinary share — US\$1 普通股 — 1美元	—	—	100%	100%	Investment holding 投資控股
Vantage Dragon Limited 利龍有限公司	Hong Kong 香港	Ordinary share — HK\$2 普通股 — 2港元	—	—	100%	100%	Investment holding 投資控股
Evergreen Trading Company Limited	Malaysia 馬來西亞	Ordinary shares — US\$2 普通股 — 2美元	—	—	100%	100%	Procurement of raw materials 採購原料
Lee Kwok (Macao Commercial Offshore) Trading Limited 利國 (澳門離岸商業服務) 貿易有限公司	Macau 澳門	MOP100,000 澳門幣100,000元	—	—	100%	100%	Procurement of raw materials 採購原料
Wang Kei (Macao Commercial Offshore) Trading Limited 宏基 (澳門離岸商業服務) 貿易有限公司	Macau 澳門	MOP100,000 澳門幣100,000元	—	—	100%	100%	Export trading of paper 紙張出口貿易
東莞理文造紙有限公司 (Dongguan Lee & Man Paper Factory Co., Ltd.)	PRC (note ii) 中國 (附註ii)	Registered capital — US\$156,480,000 註冊資本 — 156,480,000美元	—	—	100%	100%	Manufacturing and trading of paper 造紙生產及貿易
廣東理文造紙有限公司 (Guangdong Lee & Man Paper Manufacturing Limited)	PRC (note ii) 中國 (附註ii)	Registered capital — US\$480,000,000 註冊資本 — 480,000,000美元	—	—	100%	100%	Manufacturing and trading of paper 造紙生產及貿易
江蘇理文造紙有限公司 (Jiangsu Lee & Man Paper Manufacturing Company Limited)	PRC (note ii) 中國 (附註ii)	Registered capital — US\$250,000,000 註冊資本 — 250,000,000美元	—	—	100%	100%	Manufacturing and trading of paper 造紙生產及貿易
重慶理文造紙有限公司 (Chongqing Lee & Man Paper Manufacturing Limited)	PRC (note ii) 中國 (附註ii)	Registered capital — US\$123,180,000 註冊資本 — 123,180,000美元	—	—	100%	100%	Manufacturing and trading of paper 造紙生產及貿易
Vietnam Lee & Man Paper Manufacturing Limited	Vietnam 越南	US\$10,113,794 10,113,794美元	—	—	90%	—	Manufacturing and trading of paper 造紙生產及貿易
Vietnam Lee & Man Pulp Manufacturing Limited	Vietnam 越南	US\$4,250,000 4,250,000美元	—	—	90%	—	Manufacturing and of pulp 木漿生產及貿易



39. PRINCIPAL SUBSIDIARIES (CONTINUED)

notes:

- (i) These companies operate in Hong Kong.
- (ii) These companies are foreign investment enterprises established in the PRC.

The above table lists the subsidiaries of the Company which, in the opinion of the directors, principally affected the results or assets and liabilities of the Group. To give details of other subsidiaries would, in the opinion of the directors, result in particulars of excessive length.

None of the subsidiaries had any debt securities outstanding at the end of the year, or at any time during the year.

39. 主要附屬公司(續)

附註：

- (i) 該等公司於香港營運。
- (ii) 該等公司為於中國成立之外商投資企業。

上表列出據董事認為主要影響本集團業績或資產與負債的本公司附屬公司。董事認為，列出其他附屬公司的詳情會使本附註過於冗長，故未有列載該等資料。

於年結日或年內任何時間，各附屬公司概無任何未償還的債務證券。



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