



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

2011/12 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

產品

Pulp	木漿
Kraft Linerboard	牛咭紙
Test Linerboard	掛面牛咭紙
White Top Linerboard	白面牛咭紙
High Strength Corrugating Medium	高強瓦楞芯紙

Guangdong Lee & Man Paper 廣東理文造紙

Planned annual capacity: 2.95 million tons of paper
計劃年產能：295萬噸紙



Guangdong Lee & Man Paper

Jiangsu Lee & Man Paper 江蘇理文造紙

Existing annual capacity: 1.57 million tons of paper
現存年產能：157萬噸紙



Jiangsu Lee & Man Paper

Dongguan Lee & Man Paper 東莞理文造紙

Existing annual capacity: 730,000 tons of paper
現存年產能：73萬噸紙



Dongguan Lee & Man Paper

Chongqing Lee & Man Paper 重慶理文造紙

Planned annual capacity: 800,000 tons of paper and 180,000 tons of pulp
計劃年產能：80萬噸紙及18萬噸漿



Chongqing Lee & Man Paper

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 Kunihiko Kashima

Non-executive director

Professor Poon Chung Kwong *GBS JP*
Mr Yoshio Haga (*Vice Chairman*)

Independent non-executive director

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

AUDIT COMMITTEE

Mr Chau Shing Yim David (*Chairman*)
Mr Wong Kai Tung Tony
Mr Peter A Davies
Mr Yoshio Haga

REMUNERATION COMMITTEE

Mr Chau Shing Yim David (*Chairman*)
Mr Wong Kai Tung Tony
Mr Peter A Davies
Mr Kunihiko Kashima

NOMINATION COMMITTEE

Mr Lee Wan Keung Patrick (*Chairman*)
Mr Kunihiko Kashima
Mr Chau Shing Yim David
Mr Wong Kai Tung Tony
Mr Peter A Davies

AUTHORISED REPRESENTATIVES

Mr Lee Man Chun Raymond *BBS JP*
Mr Cheung Kwok Keung

COMPANY SECRETARY

Mr Cheung Kwok Keung

董事會

執行董事

李運強先生(主席)
李文俊先生銅紫荊星章 太平紳士(首席執行官)
李文斌先生
鹿島久仁彥先生

非執行董事

潘宗光教授金紫荊星章 太平紳士
芳賀義雄先生(副主席)

獨立非執行董事

王啟東先生
Peter A Davies先生
周承炎先生

審核委員會

周承炎先生(主席)
王啟東先生
Peter A Davies先生
芳賀義雄先生

薪酬委員會

周承炎先生(主席)
王啟東先生
Peter A Davies先生
鹿島久仁彥先生

提名委員會

李運強先生(主席)
鹿島久仁彥先生
周承炎先生
王啟東先生
Peter A Davies先生

授權代表

李文俊先生銅紫荊星章 太平紳士
張國強先生

公司秘書

張國強先生



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

PRINCIPAL BANKERS

In Hong Kong:

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

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>

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

主要往來銀行

香港：

恒生銀行
渣打銀行
花旗銀行
滙豐銀行
星展銀行

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
Butterfield 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
金鐘滙中心26樓

網址

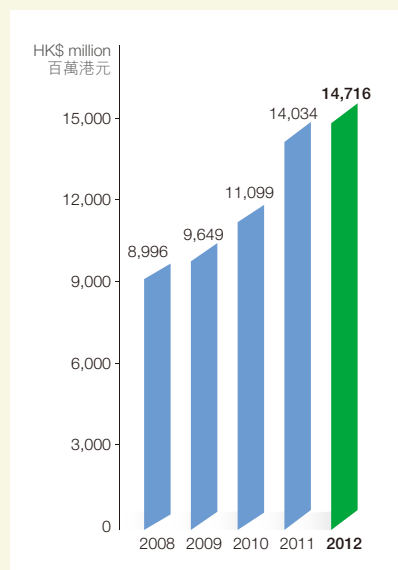
<http://www.leemanpaper.com>



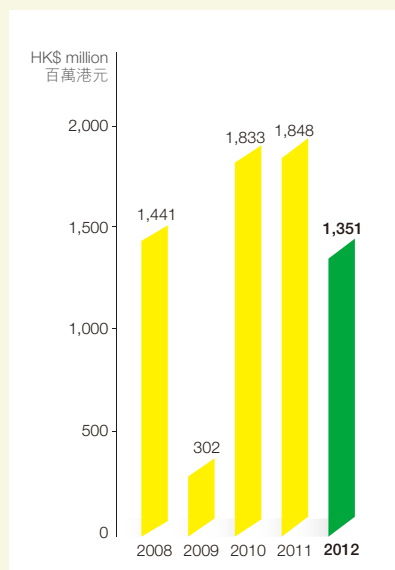
FINANCIAL HIGHLIGHTS

財務摘要

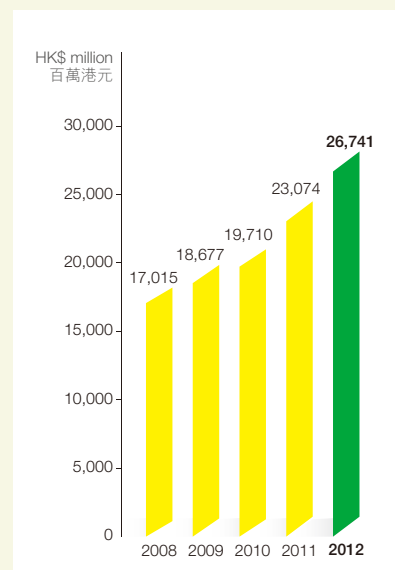
Revenue 收入



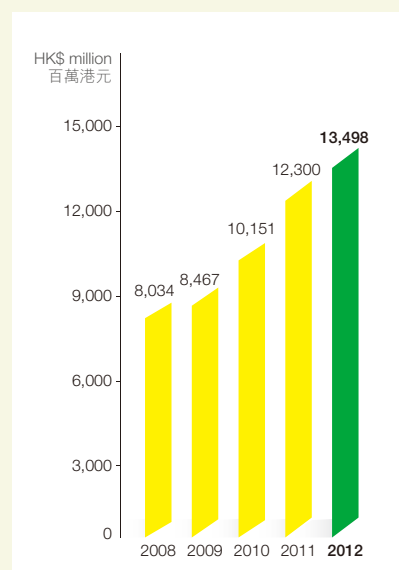
Profit Attributable to Owners of the Company 公司擁有人應佔盈利



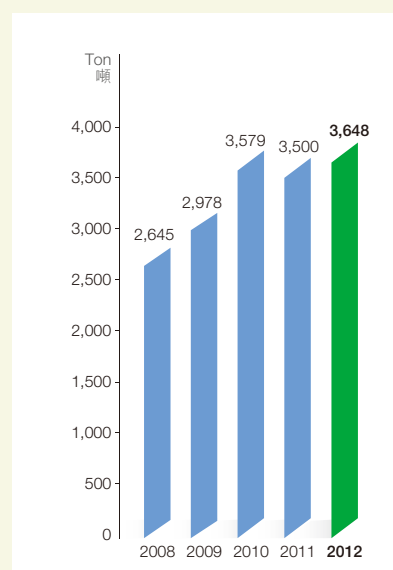
Total Assets 資產總值



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				2012
		2008	2009	2010	2011	2012
		二零零八年	二零零九年	二零一零年	二零一一年	二零一二年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
RESULTS	業績					
Revenue	收入	8,996,113	9,649,365	11,099,263	14,034,285	14,715,553
Profit before tax	除稅前盈利	1,499,146	337,470	2,070,198	1,984,126	1,536,751
Income tax expense	利得稅支出	(68,026)	(37,111)	(236,893)	(136,147)	(185,302)
Profit for the year	年度盈利	1,431,120	300,359	1,833,305	1,847,979	1,351,449
Attributable to:	應佔：					
Owners of the Company	本公司擁有人	1,441,329	302,117	1,833,305	1,847,979	1,351,449
Non-controlling interests	非控股權益	(10,209)	(1,758)	—	—	—
		1,431,120	300,359	1,833,305	1,847,979	1,351,449

		At 31 March 於三月三十一日				2012
		2008	2009	2010	2011	2012
		二零零八年	二零零九年	二零一零年	二零一一年	二零一二年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
ASSETS, LIABILITIES AND EQUITY	資產、負債及權益					
Total assets	資產總值	17,014,989	18,676,559	19,710,472	23,074,465	26,741,033
Total liabilities	負債總值	(8,980,680)	(10,209,714)	(9,559,626)	(10,774,652)	(13,242,820)
		8,034,309	8,466,845	10,150,846	12,299,813	13,498,213
Equity attributable to owners of the Company	本公司擁有人應佔權益	8,044,611	8,466,845	10,150,846	12,299,813	13,498,213
Non-controlling interests	非控股權益	(10,302)	—	—	—	—
Total equity	權益總值	8,034,309	8,466,845	10,150,846	12,299,813	13,498,213



BUSINESS REVIEW AND OUTLOOK

Business Review

We are very pleased to share with you that the Group achieved revenue of HK\$14,716 million for the year ended 31 March 2012 which was slightly increased by 4.9% as compared to last year. The net profit for the year was HK\$1,351 million and was decreased by 26.9% as compared to last year. At as 31 March 2012, the Group's net gearing ratio was 65% as a result of the capacity expansion. The Board considers this to be a healthy and reasonable debt level.

Our new production lines, PM 15 and PM 16 have been started in August 2011 and November 2011 respectively; PM 17 (the production line of coated duplex board) will commission production in July 2012. The Group has begun construction of its fifth paper production industrial park located at Ruichang City of Jiangxi Province, which will allow it to capture the demand for quality containerboard in the central and western part of China. PM18, our production machine at Jiangxi plant, is under construction and is expected to begin operation by March 2013. Within the responsible debt level, the Group will constructively expand its production capacity in order to create favorable conditions in future development.

業務回顧及展望

業務回顧

本集團截至二零一二年三月三十一日止年度之收入為147.16億港元，較去年輕微增長4.9%。全年淨利潤為13.51億港元，比去年下跌26.9%。由於擴大產能，於二零一二年三月三十一日，集團淨負債率為65%，董事會認為該債務水平可承擔。

PM15及PM16造紙機已於二零一一年八月及十一月正式投產，PM17塗布白板紙生產線也將於本年七月投產。集團現正積極興建位於江西省瑞昌市的第五間造紙工業園，以配合國內中西部省份對優質箱板原紙之需求。江西廠房的PM18造紙機正在建造中，預期將於二零一三年三月前投產。在可承受的債務水平下，集團積極擴大產能，為將來發展創造有利條件。

Outlook

Impacted by external whirlwinds, such as the faltering US and Europe economy and the sovereign debt crisis in Europe; both the performance of the domestic and export market are unsatisfied. Though the Group has been expanding its production capacity, its average selling price has been decreased. The Group was not fully able to pass through the increase in salaries and corresponding production cost to its customers. Hence the existing business environment is still difficult. The Group will continually control costs closely, spreading our production plants in China and expanding its production capacity. When the economy of the global market improves, the Group will be able to deliver better returns to the shareholders.

On behalf of the Board

Lee Wan Keung Patrick

Chairman

Hong Kong

12 June 2012

展望

受到歐美疲弱經濟和歐洲主權債務危機等外圍因素影響，中國的內銷及出口市場均未如理想。雖然集團擴大產能但銷售價格下跌、工資和增加的成本未能全數轉嫁予客戶，目前經營環境仍然困難。集團將繼續嚴控成本；在全國佈置好生產基地，擴大產能；當市場情況轉好，應會為股東爭取更好的回報。

代表董事會

李運強

主席

香港

二零一二年六月十二日



RESULTS OF OPERATION

Revenue and net profit attributable to owners of the Company for the year ended 31 March 2012 was HK\$14,716 million and HK\$1,351 million, representing an increase of 4.9% and a decrease of 26.9% respectively, as compared to HK\$14,034 million and HK\$1,848 million, respectively, for last year. The basic earnings per share for the year was HK28.82 cents when compared with HK40.13 cents for last year.

Paper machines PM15 & PM16 were commissioned during the year. The Group's containerboard sales volume was slightly increased while the average selling price was comparable to last year. The substantial increase in the price of waste paper, coal and other raw materials has boosted the operating costs and therefore lowered net margin per tonne.

DISTRIBUTION AND SELLING EXPENSES

The Group's distribution and selling expenses was HK\$236 million for the year ended 31 March 2012 as compared to HK\$209 million for the year ended 31 March 2011. It represented about 1.6% of the revenue for the year ended 31 March 2012 and was slightly increased as compared to that of 1.5% for the year ended 31 March 2011.

ADMINISTRATIVE EXPENSES

The Group's administrative expenses increased by approximately 16.5% from HK\$520 million for the year ended 31 March 2011 to HK\$606 million for the year ended 31 March 2012 as a result of the expansion in the operation of the Group and the increase of the staff costs during the year.

經營業績

截至二零一二年三月三十一日止年度的收入及本公司擁有人應佔純利分別為147.16億港元及13.51億港元，較去年的140.34億港元及18.48億港元，分別上升4.9%及下跌26.9%。本年度的每股基本盈利為28.82港仙，去年則為40.13港仙。

年內PM15及PM16造紙機相繼投產，本集團箱板原紙之銷售量輕微上升，平均銷售價格則與上年度相若。由於廢紙、煤及其他原材料價格大幅攀升，令經營成本上漲，因此拉低每噸純利。

分銷及銷售費用

本集團截至二零一二年三月三十一日止年度的分銷及銷售費用為2.36億港元，而截至二零一一年三月三十一日止年度為2.09億港元。截至二零一二年三月三十一日止年度的分銷及銷售費用佔收入輕微上升至1.6%，而截至二零一一年三月三十一日止年度則為1.5%。

行政費用

本集團的行政費用由截至二零一一年三月三十一日止年度的5.20億港元，上升至截至二零一二年三月三十一日止年度的6.06億港元，增加約16.5%。行政費用有所增加，在於本集團於年內擴充營運及員工成本上漲。



FINANCE COSTS

The Group's finance costs was HK\$100 million for the year ended 31 March 2012 as compared to HK\$207 million for the year ended 31 March 2011. The average interest rate on bank borrowings of the Group decreased during the year, and also the Group monitored the discounting of bills closely in order to reduce the finance costs.

INVENTORIES, DEBTORS' AND CREDITORS' TURNOVER

The inventory turnover of the Group's raw materials and finished products were 80 days and 17 days, respectively, for the year ended 31 March 2012 as compared to 82 days and 16 days, respectively, for the year ended 31 March 2011.

The Group's debtors' turnover days were 52 days for the year ended 31 March 2012 as compared to 49 days for the year ended 31 March 2011. This is in line with the credit terms of 45 days to 90 days granted by the Group to its customers.

The Group's creditors' turnover days were 78 days for the year ended 31 March 2012 as compared to 61 days for the year ended 31 March 2011. 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

截至二零一二年三月三十一日止年度，本集團的財務成本為1.00億港元，而於截至二零一一年三月三十一日止年度則為2.07億港元。年內集團的平均銀行借貸利率下降，且嚴控應收票據貼現，以減低財務成本開支。

存貨、應收賬款及應付賬款周轉期

本集團於截至二零一二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80日及17日，而於截至二零一一年三月三十一日止年度則分別為82日及16日。

本集團於截至二零一二年三月三十一日止年度的應收賬款周轉期為52日，而於截至二零一一年三月三十一日止年度則為49日。此符合本集團給予客戶45日至90日的信貸期。

本集團於截至二零一二年三月三十一日止年度的應付賬款周轉期為78日，而於截至二零一一年三月三十一日止年度則為61日。由於行業整合關係，本集團將有更佳議價能力，因此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 2012 was HK\$13,498 million (31 March 2011: HK\$12,300 million). As at 31 March 2012, the Group had current assets of HK\$9,130 million (31 March 2011: HK\$8,384 million) and current liabilities of HK\$6,106 million (31 March 2011: HK\$5,120 million). The current ratio was 1.50 as at 31 March 2012 as compared to 1.64 at 31 March 2011.

The Group generally finances its operations with internally generated cash flow and credit facilities provided by its principal bankers in Hong Kong, Macau and the PRC. As at 31 March 2012, the Group had outstanding bank borrowings of HK\$9,559 million (31 March 2011: HK\$7,989 million). These bank loans were secured by corporate guarantees provided by certain subsidiaries of the Company. As at 31 March 2012, the Group maintained bank balances and cash of HK\$731 million (31 March 2011: HK\$1,228 million). The Group's net debt-to-equity ratio (total borrowings net of cash and cash equivalents over shareholders' equity) increased from 0.55 as at 31 March 2011 to 0.65 as at 31 March 2012.

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 2012. 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

於二零一二年三月三十一日，本集團的股東資金總額為134.98億港元(二零一一年三月三十一日: 123.00億港元)。於二零一二年三月三十一日，本集團的流動資產達91.30億港元(二零一一年三月三十一日: 83.84億港元)，而流動負債則為61.06億港元(二零一一年三月三十一日: 51.20億港元)。於二零一二年三月三十一日的流動比率為1.50，而於二零一一年三月三十一日則為1.64。

本集團一般以內部產生的現金流量，以及中港澳主要往來銀行提供的信貸備用額作為業務的營運資金。於二零一二年三月三十一日，本集團的未償還銀行貸款為95.59億港元(二零一一年三月三十一日: 79.89億港元)。該等銀行貸款由本公司若干附屬公司提供的公司擔保作為抵押。於二零一二年三月三十一日，本集團持有銀行結餘及現金7.31億港元(二零一一年三月三十一日: 12.28億港元)。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)由二零一一年三月三十一日的0.55上升至二零一二年三月三十一日的0.65。

本集團具備充裕現金及可供動用的銀行備用額以應付本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。截至二零一二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。截至二零一二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，作外幣風險對沖之用。



EMPLOYEES

As at 31 March 2012, the Group had a workforce of about 7,700 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

於二零一二年三月三十一日，本集團有約7,700名員工。僱員薪酬維持於具競爭力水平，並會每年評估，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。

本集團並無遭遇任何重大僱員問題，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方面亦不曾出現困難。本集團與僱員的關係良好。

本集團設有購股權計劃，本集團僱員可據此獲授購股權，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 the Company believes that sound and reasonable corporate governance practices are essential for the growth of the Group and for safeguarding and maximising 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 "Stock Exchange").

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.

AUDIT COMMITTEE

The Audit Committee has reviewed with management, the Group's consolidated financial statements for the year ended 31 March 2012, the accounting principles and practices adopted and discussed auditing, internal controls, and financial reporting matters.

企業管治常規

本公司致力保持高水準之企業管治。本公司董事會相信，對本集團增長及對保障及提高股東權益而言，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（「聯交所」）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」）。

本集團內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。

主席負責領導並監督董事會，使其得以有效發揮功能。在首席執行官及本公司秘書的支援下，主席批准董事會會議議程，並確保董事獲給予恰當簡報，且及時就一切有關董事會的事宜發放充足可靠的資料。

主席與首席執行官的職務明確劃分，並由不同人士擔任。首席執行官負責領導管理層，專門負責本集團的日常營運。

審核委員會

審核委員會與管理層已審閱本集團截至二零一二年三月三十一日止年度之綜合財務報表、所採納之會計原則及慣例，並已討論核數、內部監控及財務報告事宜。



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 2012. The Model Code also applies to other specified senior management of the Group.

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 Kunihiko Kashima

Non-executive directors:

Professor Poon Chung Kwong *GBS JP*

Mr Yoshio Haga (*Vice Chairman*)

Independent Non-executive directors:

Mr Wong Kai Tung Tony

Mr Peter A Davies

Mr Chau Shing Yim David

Mr Lee Man Chun Raymond and Mr Lee Man Bun are the son of Mr Lee Wan Keung Patrick.

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。經本公司向所有董事作出具體查詢後，全體董事皆確認於截至二零一二年三月三十一日止年度已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其他特定高級管理層。

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 *銅紫荊星章 太平紳士*

李文斌先生

鹿島久仁彥先生

非執行董事：

潘宗光教授 *金紫荊星章 太平紳士*

芳賀義雄先生(副主席)

獨立非執行董事：

王啟東先生

Peter A Davies先生

周承炎先生

李文俊先生及李文斌先生均為李運強先生之兒子。



During the year, the Board comprises of four executive directors (one of whom is the Chairman), two non-executive directors and three independent non-executive directors. 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.

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.

年內，董事會包括四位執行董事(其中一位為主席)、兩位非執行董事及三位獨立非執行董事。此外，三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。

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十四天前發送予各董事，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。



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.

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。

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

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 meetings attended/Total 出席會議／會議總次數
Mr Lee Wan Keung Patrick	李運強先生	4/6
Mr Lee Man Chun Raymond <i>BBS JP</i>	李文俊先生 <i>銅紫荊星章 太平紳士</i>	6/6
Mr Lee Man Bun	李文斌先生	6/6
Mr Kunihiko Kashima	鹿島久仁彥先生	6/6
Professor Poon Chung Kwong <i>GBS JP</i>	潘宗光教授 <i>金紫荊星章 太平紳士</i>	6/6
Mr Yoshio Haga	芳賀義雄先生	2/6
Mr Wong Kai Tung Tony	王啟東先生	6/6
Mr Peter A Davies	Peter A Davies先生	6/6
Mr Chau Shing Yim David	周承炎先生	6/6

Each newly appointed director receives formal, comprehensive and tailored induction on the first occasion of his/her appointment to ensure proper understanding of the business and operations of the Company and full awareness of director's responsibilities and obligations under the Listing Rules and relevant statutory requirements.

每位新委任董事均將於首次接受委任時獲得全面、正式及專門為其設計之入職培訓，以確保該董事對本公司之業務及運作均有適當之理解，並充分知悉彼於上市規則及相關監管規定下之責任及義務。

Directors are continually updated on the statutory and regulatory regime and the business environment to facilitate the discharge of their responsibilities. Continuing briefing and professional development for directors will be arranged where necessary.

董事將持續獲提供有關法律與法規及經營環境的最新資料，以便其履行職責。本公司會於需要時為董事提供持續簡報及專業發展。



AUDIT COMMITTEE

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

Mr Chau Shing Yim David (*Chairman*)
Mr Wong Kai Tung Tony
Mr Peter A Davies
Mr Yoshio Haga

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 approved and adopted on 28 March 2012 to conform to the provisions of the Code and the Listing Rules, 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 2012.

審核委員會

審核委員會於二零零三年成立，現時成員包括：

周承炎先生(主席)
王啟東先生
Peter A Davies先生
芳賀義雄先生

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。為符合守則條文及上市規則，描述審核委員會權限及職責之職權範圍已於二零一二年三月二十八日批准及被採納，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，其中包括審閱截止二零一二年三月三十一日止年度的會計賬目。



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

年內，共召開四次審核委員會會議，個別成員的出席情況詳列如下：

Name of member	成員姓名	Number of attendance	出席次數
Mr Chau Shing Yim David	周承炎先生	4/4	4/4
Mr Wong Kai Tung Tony	王啟東先生	4/4	4/4
Mr Peter A Davies	Peter A Davies 先生	4/4	4/4
Mr Yoshio Haga	芳賀義雄先生	1/4	1/4

REMUNERATION COMMITTEE

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

Mr Chau Shing Yim David (*Chairman*)
 Mr Wong Kai Tung Tony
 Mr Peter A Davies
 Mr Kunihiko Kashima

薪酬委員會

薪酬委員會於二零零五年成立，現時成員包括：

周承炎先生(主席)
 王啟東先生
 Peter A Davies先生
 鹿島久仁彥先生

The Remuneration Committee has adopted the approach under paragraph B.1.2(c)(ii) of the Code and advises and makes recommendations to 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 approved and adopted on 28 March 2012 to conform to the provisions of the Code, a copy of which is posted on the Company's website.

薪酬委員會已採納守則規條之B.1.2(c)(ii)，向董事會就本集團董事及高級管理層之薪酬之整體政策及架構作出建議。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二零一二年三月二十八日批准及被採納，並已刊載於本公司網頁內。

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.

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。

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

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。年內召開會議一次，所有成員均有出席會議。



NOMINATION COMMITTEE

The Nomination Committee was established on 28 March 2012 and meetings have not yet been held during the year.

The Nomination Committee comprises five members include:

Mr Lee Wan Keung Patrick (*Chairman*)
Mr Kunihiko Kashima
Mr Chau Shing Yim David
Mr Wong Kai Tung Tony
Mr Peter A Davies

The principal duties of the Nomination Committee include reviewing the Board composition, developing and formulating relevant procedures for nomination and appointment of directors, making recommendations to the Board on the appointment and succession planning of directors, and assessing the independence of the independent non-executive directors.

The Nomination Committee reviewed the structure, size and composition of the Board to ensure that it has a balance of expertise, skills and experience appropriate for the requirements of the business of the Company.

In accordance with the Articles of Association, Mr Chau Shing Yim David, Mr Peter A Davies and Mr Wong Kai Tung Tony, shall retire by rotation and being eligible, offer themselves for re-election at the next forthcoming annual general meeting.

The Nomination Committee recommended the re-appointment of the directors standing for re-election at the next forthcoming annual general meeting of the Company.

提名委員會

提名委員會於二零一二年三月二十八日成立，年內並未有會議舉行。

提名委員會包括五位成員：

李運強先生(主席)
鹿島久仁彥先生
周承炎先生
王啟東先生
Peter A Davies先生

提名委員會主要負責考慮及提名合適人選成為董事會成員，並負責定期檢討董事會構成，及制訂提名及委任董事之有關程序，就董事之委任及繼任計劃向董事會提供推薦意見，以及評估獨立非執行董事之獨立性。

提名委員會已檢討董事會目前之架構、規模及構成，以保證各董事具有適合本公司業務要求的均衡知識、技能及經驗。

根據組織章程細則，周承炎先生、Peter A Davies先生及王啟東先生將於應屆股東週年大會上輪值告退，惟符合資格並願意膺選連任。

提名委員會建議重新委任願意於本公司應屆股東週年大會上膺選連任之董事。



AUDITORS' REMUNERATION

For the year ended 31 March 2012, 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 2012, 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.

核數師薪酬

截止二零一二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。在編製截止二零一二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，及在持續經營基礎上編製。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。



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.

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.

SHAREHOLDERS' RIGHTS

To safeguard shareholders' interests and rights, a separate resolution is proposed for each substantially separate issue at shareholder meetings, including the election of individual directors.

All resolutions put forward at shareholder meetings will be voted on by poll pursuant to the Listing Rules and poll results will be posted on the websites of the Company and of the Stock Exchange after each shareholder meeting.

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。

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。

股東權利

為保障股東權益及權利，包括選舉各董事在內之各項重大事宜均會於股東大會上提呈獨立決議案。

股東大會上提呈之所有決議案將根據上市規則投票表決，投票結果將於股東大會結束後於本公司及聯交所網頁公布。



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 and 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 globally and we have also sponsored a number of partners in China 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以減少原木漿使用量。現時，集團生產紙張的廢紙使用率達97%（即97%原材料為可循環再用的紙張纖維），乃全球箱板原紙生產商中最高循環再用率的企業之一。為確保廢紙供應穩定，集團於全球設有多個採購隊伍，並資助一些國內商業夥伴回收當地的廢紙，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 effectiveness of the wastewater treatment processes and the amount of global change water reclaimed in the production process. To minimise water pollution in the production process, the Group currently employs the world's most effective wastewater treatment technology for paper industries, namely a two stage anaerobic/aerobic bio-treatment and a flotation process, which results in wastewater discharged at its highest standards set by the national environment bureau. Our COD ("Chemical Oxygen Demand") discharge is at or below 80mg/l, while the national discharge standard is at 100mg/l. More importantly, by recycling wastewater in our production process, we reduce significantly the water consumption to less than 10m³ per ton of paper produced and this is approximately one-eighth of the national average.

Energy Consumption

Another long term objective of the Group in environmental protection is to reduce the energy consumption. The Group has arranged to replace high energy consumption motors batch by batch to frequency controlled type. Investment will usually be paid back in about 3 years, and after that even more remarkable savings in energy and cost will be achieved. In addition, we make use of the methane generated in the anaerobic treatment of waste water and some solid waste to help combustion in the coal-fired power plants and save fuel consumption. Better management is another important element in generating power more efficiently and consume less energy in the paper making process. Currently, we operate at 0.42 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 ton of paper produced in the next five years. This level is substantially less than the national average of 0.68 ton of standard coal per ton of paper produced.

耗水量及廢水處理廠

耗水量的多少取決於廢水處理工藝的效率及在生產過程對循環水的回收使用。為減低生產過程中對水源的污染，集團引進全球造紙工業最有效的廢水處理技術－厭氧／好氧兩級生化處理及氣浮處理工序，令廢水排放優於國家環保局最高排放標準。現時COD(「化學需氧量」)排放為每公升80毫克或以下，優於國家每公升100毫克的排放標準。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，約為國家平均數八分之一。

能源耗用量

集團在環保方面另一長遠目標為節約能源。為此，集團已在分階段進行把一些大能耗的電動機改造為變頻控制，改造費用一般在3年內能收回，並在其後帶來可觀的節能效應及減省成本。另外，回收在厭氧性細菌處理廢水過程中產生的甲烷及部分固體廢物可以幫助燃煤鍋爐節省耗煤量。此外，良好的管理為另一重要元素，令發電更加有效率及在造紙生產過程中減低能耗。現時，集團每生產一噸紙耗用0.42噸標煤，集團的目標是在未來五年內做到每生產一噸紙只耗用少於0.40噸標煤，相比國家每生產一噸紙耗用0.68噸標煤平均數大幅度為低。



Emission Control

Reducing energy consumption leads to less emission. All our coal-fired power plants are installed with particulate filtration and desulphurisation equipment and the discharge emission is always monitored on-line, ensuring the emission levels are met with the national regulatory requirements. For instance, the sulphur dioxide (SO₂) emission in our plants is less than 200mg/m³, well below the national standard of 400mg/m³. Moreover, we are setting up the most advanced Wet Scrubbing desulphurisation systems in Guangdong and Jiangsu plants which will further reduce sulphur dioxide emission to about 100mg/m³.

HUMAN RESOURCES STRATEGY

At Lee & Man Paper, we believe that our staff 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 review and improve policies and facilities continuously. 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 staff 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.

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，確保排放水準完全符合國家規定要求。舉例，廠房的二氧化硫排放量為每立方米200毫克以下，遠低於國家標準每立方米400毫克。此外，集團正在廣東和江蘇廠房建設現今最高效的濕法脫硫設施，投用後將再進一步把二氧化硫排放量降至每立方米約100毫克。

人力資源策略

理文造紙相信，員工乃公司最重要的資產，員工的健康、成長及表現與集團的成功密切相關。為建立一個舒適的工作及生活環境，集團會一直致力改善政策及設施。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。



Caring Our Staff

With staff well-being as one of our core values in managing human resources, Lee & Man Paper is committed to providing employees with pleasant work environment and rich personal lives. We believe that only through building a satisfied 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 suggestions.

The Group always reviews and improves catering, residence and recreational facilities and services to provide a pleasant living environment to the staff. The Group also devotes lots of effort in organising cultural events and recreational activities to enrich the lives of its staff and their families. 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.

Career Development

As Lee & Man Paper understands that the growth of its staff equals the growth of the Group, we pay great 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 organised a series of internal training programs as well as subsidising staff to study further. With the Lee & Man Paper's performance management system, together with the Group's continuous effort in identifying talents, capable staff are selected to enter our management trainee programme global changes 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.

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意見及建議持開放態度。

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。集團亦定期舉辦文娛康樂活動，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。

在職發展機會

理文造紙深知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能以配合集團發展策略。擁有多方面技能的人材乃大勢所趨，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。



AWARDS AND CERTIFICATIONS

Lee & Man Paper has always been committed to being a model enterprise with a keen sense of social responsibility, consecutively received government environmental protection awards and accolades, gaining the recognition and endorsement from the community. To demonstrate our past efforts in protecting the environment, all of our existing plants in Hongmei, Jiangsu, Huangyong and Chongqing have been awarded the ISO14001 certification for environmental management. In addition to the ISO14001 certification, our plants have also been granted the ISO9001 certification for quality management and Chain of Custody Certificate by Forest Stewardship Council (FSC-COC), it proved that we have been committed to the exploration of mutual development between paper making and protecting the forests. In November 2009, we were awarded the Hong Kong-Guangdong Cleaner Production Partner (Manufacturing). Since 2009, the Group is certified as the "Top 10 Enterprises of Paper Industry in China light Industries" by China Paper Association for 3 years. Nowadays, our Hongmei, Jiangsu and Huangyong plants have been accredited as High and New Technology Enterprises, Cleaner Production Enterprise, Harmonious Labour Relations Enterprise in paper industry by the respective province. Besides, Hongmei plant has been recognised by Guangdong Province as Provincial-level Enterprise Technology Centre, it fully embodies our investment in research and development and technology. Our Chongqing plant has been accredited as Ecological Improvement and Environmental Protection, "Top 10 Strong Business Enterprises" and "Top 10 Enterprise of Excellent Economic & Export Performance" by Chongqing City.

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，屢次獲得政府環保獎項及獎勵，得到社會各界的認可和肯定。集團現時所有運作中的廠房包括洪梅、江蘇、潢涌及重慶廠房均已取得ISO 14001環境管理國際認證，證明集團過去對環保作出的努力。此外，集團廠房亦取得ISO 9001質量管理認證和森林認證系統產銷監管鏈認證(FSC-COC)，證明集團對於維護森林的可持續經營的重視。二零零九年十一月，集團獲頒粵港清潔生產伙伴(製造業)；集團自二零零九年，連續三年獲中國造紙協會評為「中國輕工業造紙行業十強企業」。現時，洪梅、江蘇及潢涌廠房分別獲得其所屬省政府頒發高新技術企業、清潔生產企業、造紙行業勞動關係和諧企業等一系列榮譽稱號；洪梅廠房還取得了廣東省級企業技術中心稱號，充分體現了集團強大的研發與技術能力；重慶廠房亦獲得重慶市頒發為環境保護先進單位，「工業十強企業」及「外經貿十強企業」等榮譽。



To provide a safety working place is very crucial to us. Our Hongmei, Jiangsu and Huangyong plants 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.

Furthermore, our plants in Hongmei, Jiangsu and Huangyong 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.

安全的工作環境於集團至為重要。集團非常關注員工的安全及工作環境質素，洪梅、江蘇及潢涌廠房已分別取得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。

此外，洪梅、江蘇及潢涌廠房亦取得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。

理文造紙歷年來多次參與多項慈善捐獻，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 DIRECTORS

Mr Lee Wan Keung Patrick, aged 68, 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 48 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. He was conferred the Degree of Doctor in Business Administration, *honoris causa*, by Lingnan University in October 2011.

Mr Lee Man Chun Raymond, aged 41, CPPCC National Committee, BBS JP, Chief Executive Officer, as well as founder of the Group, is primarily in charge of corporate planning, investment projects and acquisition of heavy production machines. Mr Lee has over 18 years of experience in operation paper manufacturing, professional formula of paper making and product development. Mr Lee holds a Bachelor's Degree in Applied Science in Electrical Engineering from the University of British Columbia in Canada. He is currently involved in a number of public engagements and has been awarded honorary citizenship of Dongguan and reputational citizenship of Changshu. Mr Lee was the "Young Industrialist Award of Hong Kong 2002" and "2003 Hong Kong Ten Outstanding Young Persons Selection Awardees". He is an independent non-executive director of the listed company, Bossini International Holdings Limited, He is the eldest son of Mr Lee Wan Keung Patrick, the Chairman of the Company.

執行董事

李運強先生，68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。李先生擁有逾四十八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。於二零一一年十月，李先生獲嶺南大學頒授榮譽工商管理學博士學位。

李文俊先生，41歲，全國政協委員，銅紫荊星章 太平紳士，本公司首席執行官，亦為本集團創辦人，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十八年營運經驗，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電機工程學士學位。彼現擔任多項公職，並獲頒授東莞市及常熟市榮譽市民。李先生獲頒為「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」。彼亦為上市公司堡獅龍國際集團有限公司獨立非執行董事。李先生為本公司主席李運強先生之長子。



EXECUTIVE DIRECTORS (CONTINUED)

Mr Lee Man Bun, aged 31, the member of the Political Consultative Committee of Guangdong Province and also the Chairman of the 44th terms of Yan Chai Hospital Board of Directors, is an Executive Director and General Manager of the Company, is responsible for assisting the Chairman in production management, sales, daily operation, 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 youngest son of Mr Lee Wan Keung Patrick, the Chairman of the Company.

Mr Kashima Kunihiko, aged 52, an Executive Director of the Company. He was the General Manager of corporate planning at Nippon Paper Group Inc, ("Nippon Paper", the shares of which are listed on the Tokyo Stock Exchange, Osaka Securities Exchange and Nagoya Stock Exchange) and has over 30 years of experience in corporate planning, human resources, and accounting and finance in the paper industry. He has experience in various roles within Nippon Paper, including corporate planning, human resources, and accounting and finance. He has been involved in most major merger and acquisition transactions and post merger restructuring projects within the Nippon Paper, including the merger between Jujo Paper Co Ltd and Sanyo Kokusaku Pulp Co Ltd, the merger between Jujo Paper Co Ltd and Daishowa Paper Manufacturing Co Ltd, the acquisition of Australian Paper by Nippon Paper and the business collaboration with the Company.

NON-EXECUTIVE DIRECTORS

Professor Poon Chung Kwong, aged 72, GBS JP, a Non-executive Director of the Company, is the Chairman of Virya Foundation Limited (a registered non-profit charitable organisation). He is the President Emeritus of the Hong Kong Polytechnic University and has over 41 years of experience in the 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 and the Honorary Doctorate Degree in Humanities by The Hong Kong Polytechnic University in 2009.

執行董事(續)

李文斌先生，31歲，廣東省政協委員及第四十四屆仁濟醫院董事局主席，本公司董事總經理，負責生產管理、銷售、日常運作、品質改進、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。李先生為本公司主席李運強先生之幼子。

鹿島久仁彥先生，52歲，本公司執行董事。彼曾擔任日本製紙集團(「日本製紙」，其股份於東京證券交易所、大阪證券交易所及名古屋證券交易所上市)企劃本部經營企劃部長，在造紙業界擁有逾三十年企劃部、人力資源部及會計及財務等工作經驗。彼有日本製紙多個職務經驗，包括企劃部、人力資源部及會計及財務。彼亦曾參與多項日本製紙重大合併及收購交易及合併後重組項目，包括Jujo Paper Co Ltd 與 Sanyo Kokusaku Pulp Co Ltd 的合併、Jujo Paper Co Ltd 與 Daishowa Paper Manufacturing Co Ltd 的合併、日本製紙收購Australian Paper及與本公司之商業合作。

非執行董事

潘宗光教授，72歲，金紫荊星章 太平紳士，本公司非執行董事，精進慈善基金有限公司(註冊非牟利慈善組織)會長、香港理工大學榮休校長，於教育界擁有逾四十一年工作經驗。彼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、二零零二年獲香港特別行政區政府頒授金紫荊星(GBS)及於二零零九年獲香港理工大學頒發榮譽人文學博士學位。



NON-EXECUTIVE DIRECTORS (CONTINUED)

Mr Haga Yoshio, aged 62, Vice Chairman and a Non-executive Director of the Company, has over 38 years of experience in the paper industry and was the Chairman of the Japan Paper Association between May 2008 and May 2010. He is the President and the Chief Executive Officer of Nippon Paper. He has spent the majority of his time in production management, with experience in research and development, as well as corporate planning. As the head of the corporate planning division of Nippon Paper, he led the "Group Vision 2015" initiative in cost reduction activities and large scale capital expenditure projects and has focused on the business expansion of Nippon Paper both domestically and overseas. The overseas expansion projects he has led for Nippon Paper include the alliance with SCG Paper Public Company Limited, the alliance with Yuen Foong Yu Paper Mfg, Co Ltd, the acquisition of Australian Paper and the business collaboration with the Company.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr Wong Kai Tung Tony, aged 69, an Independent Non-executive Director of the Company, 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 69, an Independent Non-executive Director of the Company, is a retired lawyer. He has over 41 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.

非執行董事(續)

芳賀義雄先生，62歲，本公司副主席及非執行董事，擁有逾三十八年造紙業工作經驗，曾於二零零八年五月至二零一零年五月期間出任日本造紙協會主席。彼亦為日本製紙的行政總裁，大部份時間用於生產管理，擁有研發及企業策劃經驗。在主管日本製紙企劃部期間，彼主導策劃了「Group Vision2015」實行節省成本及大型資本性開支項目，集中拓展日本製紙的本地及海外業務。彼在日本製紙曾領導的海外拓展項目包括與SCG Paper Public Company Limited 聯盟、與 Yuen Foong Yu Paper Mfg Co Ltd 聯盟、收購 Australian Paper 及與本公司之商業合作。

獨立非執行董事

王啟東先生，69歲，本公司獨立非執行董事，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，69歲，本公司獨立非執行董事，為退休律師。彼在法律界擁有逾41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。



INDEPENDENT NON-EXECUTIVE DIRECTORS

(CONTINUED)

Mr Chau Shing Yim David, aged 48, an Independent Non-executive Director of the Company. He has over 20 years of experience in corporate finance. 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 Ocean Grand Holdings Limited, a non-executive director of Up Energy Development Group Limited and an independent non-executive director of Shandong Molong Petroleum Machinery Company Limited, Varitronix International Limited, Evergrande Real Estate Group Limited and Man Wah Holdings Limited, all of which are listed on the Main Board of The Stock Exchange of Hong Kong Limited.

SENIOR MANAGEMENT

Mr Cheung Kwok Keung, aged 45, is the Chief Financial Officer of the Group and Company Secretary of the Company, is responsible for the internal supervision, management of the Group's financial matters and investor relationship. 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 23 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. He is also an independent non-executive director of Sheng Yuan Holdings Limited and China Aoyuan Property Group Limited; both are listed on the main board of the Stock Exchange of Hong Kong Limited. He joined the Group in August 2002.

獨立非執行董事(續)

周承炎先生，48歲，本公司獨立非執行董事。彼擁有逾二十年企業融資經驗，曾任香港四大會計師事務所之一的合夥人，主管收購及合併組與企業諮詢組。彼為香港證券專業學會會員以及英格蘭及威爾斯特許會計師公會會員，具備英格蘭及威爾斯特許會計師公會賦予之企業融資資格，亦為香港會計師公會會員。周先生曾為香港會計師公會紀律委員會委員。彼為海城集團有限公司之執行董事、優派能源發展集團有限公司之非執行董事、山東墨龍石油機械股份有限公司、精電國際有限公司、恆大地產集團有限公司及敏華控股有限公司之獨立非執行董事，所有該等公司均於香港聯合交易所有限公司主板上市。

高級管理層

張國強先生，45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、管理及投資者關係。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，擁有逾二十三年核數、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。張先生亦為香港聯合交易所有限公司主板上市公司盛源控股有限公司及中國奧園地產集團股份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。



SENIOR MANAGEMENT (CONTINUED)

Mr Li King Wai Ross, aged 37, is the Deputy General Manager of the Group, is responsible for the global procurement of recovered paper businesses as well as maintaining relationship of various government departments in Dongguan. He holds a Master's Degree in Science in Electrical Engineering from Stanford University in USA and a Bachelor's Degree in Applied Science in Computer Engineering from University of British Columbia in Canada. He has over 9 years of experience in production management and in technological research & development. He was the Assistant General Manager of the Group during December 2002 to January 2010; he rejoined the Group in September 2010.

Mr Lee Ho Chung Jude, aged 37, is the Senior IT Manager of the Group, is responsible for developing and executing the corporate IT strategy. He holds a Bachelor's Degree in Applied Science in Mechanical Engineering from University of Toronto in Canada and has over 12 years of experience in IT supervision of multinational companies. He joined the Group in October 2011.

Mr Yan Jean Goo, aged 46, is the General Manager of Guangxi Lee & Man Paper, is responsible for the business development of the Group. He holds a Bachelor's Degree in Economics from the University of Xiamen and has over 24 years of experience in production and operation management. He joined the Group in November 2006.

Mr Chan Kong Sang, aged 52, is the Manager of power stations of the Group, is responsible for the set up and operation of various power plants. He holds a Bachelor's Degree of Science in Engineering from the University of Hong Kong and has over 29 years of experience in operation and managing production and engineering aspects of manufacturing businesses. He joined the Group in January 2001.

高級管理層(續)

李經緯先生，37歲，本集團副總經理，負責本集團的全球廢紙採購業務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至二零一零年一月期間曾任本集團副總經理，於二零一零年九月重新加入本集團。

李浩中先生，37歲，本集團資訊科技部高級經理，負責制定和執行企業的資訊科技策略。彼持有加拿大多倫多大學應用科學機械工程學士學位，擁有逾十二年跨國企業資訊科技經驗。彼於二零一一年十月加入本集團。

顏建國先生，46歲，廣西理文總經理，負責業務拓展工作。彼持有中國廈門大學經濟學學士學位，擁有二十四年的生產、經營及管理經驗。彼於二零零六年十一月加入本集團。

陳江生先生，52歲，本集團熱電站部長，負責各熱電站的建設及運行。彼持有香港大學工程理學士學位，擁有逾二十九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。



SENIOR MANAGEMENT (CONTINUED)

Mr Yip Heong Kan, aged 41, is the Deputy General Manager of the Group, is responsible for cost controlling, corporate management and Vietnam project. He holds a Master's Degree in Business Administration from Open University of Hong Kong, is a fellow member of the Association of Chartered Certified Accountants and an associate member of Hong Kong Institute of Certified Public Accountants. He has over 18 years of experience in auditing & accounting and corporate financial management. He joined the Group in June 2008.

Mr Chu Kwok Lung, aged 50, is the Administration Manager of Dongguan Lee & Man Paper, is responsible for the daily operation and management of Dongguan Lee & Man Paper and has over 27 years of experience in manufacturing. He joined the Group in June 2006.

Ms Lam Sau Ping, aged 43, is the Sales Manager of the Group, is responsible for sales and marketing. She holds a Higher Certificate in Marketing and Sales Management from the Hong Kong Polytechnic University and has over 22 years of experience in sales and marketing. She joined the Group in March 1996.

Mr Tse Pak Kong, aged 49, is the Senior Manager of the Group, is responsible for the global procurement of recovered paper businesses. He holds a Bachelor's Degree of Science in Electrical Engineering from the University of Hong Kong and has over 25 years of experience in the management of both multinational and local companies in China. He joined the Group in December 2005.

高級管理層(續)

葉向勤先生，41歲，本集團副總經理，負責本集團成本控制、企業管理及越南項目。彼持有香港公開大學工商管理碩士學位，彼為英國公認會計師公會資深會員及香港會計師公會會員，擁有逾十八年核數及會計、企業財務管理經驗。彼於二零零八年六月加入本集團。

朱國龍先生，50歲，東莞理文行政經理，負責東莞理文日常運作，擁有逾二十七年製造業經驗。彼於二零零六年六月加入本集團。

藍秀萍女士，43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，並擁有逾二十二年銷售及市場推廣經驗。彼於一九九六年三月加入本集團。

謝柏剛先生，49歲，本集團高級經理，負責本集團的全球廢紙採購業務。彼持有香港大學電機工程理學士學位，擁有逾二十五年管理跨國和中國內地公司經驗。彼於二零零五年十二月加入本集團。



The directors present their annual report and the audited financial statements of the Group for the year ended 31 March 2012.

PRINCIPAL ACTIVITIES

The Company acts as an investment holding company. The principal activities of its principal subsidiaries are set out in note 37 to the consolidated financial statements.

RESULTS AND APPROPRIATIONS

The results of the Group for the year ended 31 March 2012 are set out in the consolidated statement of comprehensive income on page 47.

The directors of the Company recommend the payment of a final dividend of HK5.2 cents per share for the year ended 31 March 2012 to the shareholders on the register of members on 9 August 2012, amounting to approximately HK\$244 million in aggregate, subject to the approval of the shareholders at the forthcoming annual general meeting.

SHARE CAPITAL

Details of movements during the year in the share capital of the Company are set out in note 27 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\$3,257 million for the purpose of expanding its business. Details of the movements in the property, plant and equipment of the Group during the year are set out in note 14 to the consolidated financial statements respectively.

董事謹此提呈本集團於截至二零一二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37。

業績及分配

本集團截至二零一二年三月三十一日止年度的業績載於第47頁的綜合全面收益表。

本公司董事建議向於二零一二年八月九日名列股東名冊之股東派發截至二零一二年三月三十一日止年度之末期股息每股5.2港仙，合共約244百萬港元。末期股息須待股東於應屆股東週年大會上批准方可作實。

股本

本公司股本的變動詳情載於綜合財務報表附註27。

物業、廠房及設備

年內，本集團購置物業、廠房及設備之成本約3,257百萬港元，以擴展業務。物業、廠房及設備於年內的變動詳情載於綜合財務報表附註14。



DIRECTORS AND DIRECTORS' SERVICE CONTRACTS

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

Executive directors

Mr Lee Wan Keung Patrick (*Chairman*)
Mr Lee Man Chun Raymond *BBS JP (Chief Executive Officer)*
Mr Lee Man Bun
Mr Kunihiko Kashima

Non-executive directors

Professor Poon Chung Kwong *GBS JP*
Mr Yoshio Haga (*Vice Chairman*)

Independent non-executive directors

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

In accordance with the Company's Articles of Association, Mr Wong Kai Tung Tony, Mr Peter A Davies and 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 a service agreement with the Company for an initial period of three years commencing 1 September 2010, 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 2010, which will continue thereafter unless and until terminated by either party by three months' prior written notice.

Mr Kunihiko Kashima was appointed for an initial period of three years commencing on 30 June 2010, which will continue thereafter unless and until terminated by either party by three months' prior written notice.

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

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

李運強先生(主席)
李文俊先生銅紫荊星章 太平紳士(首席執行官)
李文斌先生
鹿島久仁彥先生

非執行董事

潘宗光教授金紫荊星章 太平紳士
芳賀義雄先生(副主席)

獨立非執行董事

王啟東先生
Peter A Davies先生
周承炎先生

根據本公司組織章程細則，王啟東先生、Peter A Davies先生及周承炎先生將退任，惟彼等合符資格並將膺選連任。

李運強先生及李文俊先生各自與本公司訂立服務合約，年期由二零一零年九月一日起計，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，年期由二零一零年八月十六日起計，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。

鹿島久仁彥先生於二零一零年六月三十日起獲委任，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。

各非執行董事及獨立非執行董事的任期，直至其須根據本公司組織章程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 2012, the interests of the directors and the chief executives and their associates in the shares, underlying shares and debentures of the Company and its associated corporations, as recorded in the register maintained by the Company pursuant to section 352 of the Securities and Futures Ordinance ("SFO"), or as otherwise notified to the Company and pursuant to the model Code for Securities Transactions by Directors of Listed Issuers, the Stock Exchange of Hong Kong Limited (the "Stock Exchange") were as follows:

Long positions

(a) Ordinary shares of HK\$0.025 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)	2,536,710,000	—	54.09%
Lee Man Chun Raymond 李文俊	Beneficial owner 實益擁有人	—	40,000,000	0.85%
Lee Man Bun 李文斌	Beneficial owner 實益擁有人	—	26,666,668	0.57%
Poon Chung Kwong 潘宗光	Beneficial owner 實益擁有人	586,000	—	0.01%
Wong Kai Tung Tony 王啟東	Beneficial owner 實益擁有人	600,000	—	0.01%

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, who is also a director of Gold Best.

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 之全部已發行股本由李運強先生持有，彼亦為 Gold Best 之董事。

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

於二零一二年三月三十一日，董事及主要行政人員及彼等之聯繫人士在本公司及其相聯法團(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，擁有本公司根據證券及期貨條例第352條存置之登記冊所記錄之權益，或根據香港聯合交易所有限公司(「聯交所」)有關上市發行人董事進行證券交易的標準守則已知會本公司及聯交所的權益如下：

好倉

(a) 本公司每股0.025港元的普通股

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	100	100%

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 2012.

除上文所披露者外及除了若干董事以信託形式代本公司持有附屬公司的若干提名人股份外，於二零一二年三月三十一日，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 28 to the consolidated financial statements.

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

Name 姓名	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 in 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 2011 and 31 March 2012 二零一一年四月一日及 二零一二年 三月三十一日尚未行使
Directors 董事				
Lee Man Chun Raymond 李文俊	5.9.2008	1.872	1.9.2010 to 31.8.2013	40,000,000
Lee Man Bun 李文斌	5.9.2008	1.872	1.9.2010 to 31.8.2013	26,666,668
				66,666,668

The closing prices of the Company's shares on the dates of grant of 5 September 2008 was HK\$1.67.

ARRANGEMENTS TO PURCHASE SHARES OR DEBENTURES

Other than as disclosed under the heading "Share Options" above, at no time during the year was the Company, its holding company, or any of its subsidiaries or fellow 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.

購股權

本公司購股權計劃的詳情載於財務報表附註28。

下表披露本公司購股權計劃於年內之變動：

Exercisable period 行使期	Number of shares in 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 2011 and 31 March 2012 二零一一年四月一日及 二零一二年 三月三十一日尚未行使
Directors 董事	
1.9.2010 to 31.8.2013	40,000,000
1.9.2010 to 31.8.2013	26,666,668
66,666,668	

於二零零八年九月五日授出日期當日本公司股份之收市價為1.67港元。

購買股份或債券之安排

除上文「購股權」一節所披露者外，本公司、其控股公司、或其任何附屬公司或同系附屬公司於年內任何時間概無參與訂立任何安排，致使董事可藉購入本公司或任何其他法人團體之股份或債券(包括債權證)而獲益。



SUBSTANTIAL SHAREHOLDERS

The register of substantial shareholders maintained by the Company pursuant to Section 336 of the SFO shows that, at 31 March 2012, other than directors and chief executives, the following shareholders had notified the Company of the relevant interests in the issued share capital of the Company.

Long positions

Ordinary shares of HK\$0.025 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	2,536,710,000	54.09%
Lee Wong Wai Kuen 李黃惠娟	Held by spouse (note i) 由配偶持有(附註i)	2,536,710,000	54.09%
Nippon Paper Group Inc 日本製紙集團	Held by controlled corporation (note ii) 由受控制法團持有(附註ii)	718,515,679	15.32%
Dyna Wave Holding Asia	Beneficial owner (note ii) 實益擁有人(附註ii)	718,515,679	15.32%

notes:

- (i) Under the SFO, Lee Wong Wai Kuen is deemed to be interested in these 2,536,710,000 ordinary shares as she is the spouse of Lee Wan Keung Patrick, a beneficial owner of Gold Best.
- (ii) Dyna Wave Holding Asia is wholly owned by Nippon Paper Group Inc.

主要股東

根據本公司按證券及期貨條例第336條須存置之主要股東登記冊所記錄，於二零一二年三月三十一日，下列股東(董事及主要行政人員除外)已知會本公司彼等於本公司已發行股本中擁有之相關權益。

好倉

本公司每股0.025港元的普通股

附註：

- (i) 根據證券及期貨條例，由於李黃惠娟是李運強(Gold Best實益擁有人)的配偶，故被視為擁有該2,536,710,000股普通股的權益。
- (ii) Dyna Wave Holding Asia為日本製紙集團全資擁有。

Other than as disclosed above, the Company had not been notified of any other relevant interests or short positions in the shares or underlying shares of the Company as at 31 March 2012.

除上述披露者外，本公司概無獲知會於二零一二年三月三十一日本公司股份或相關股份之任何其他相關權益或短倉。



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 ("Listing Rules"). 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 report on the Group's continuing connected transactions in accordance with Hong Kong Standard on Assurance Engagements 3000 "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information" and with reference to Practice Note 740 "Auditor's Letter on Continuing Connected Transactions under the Hong Kong Listing Rules" issued by the Hong Kong Institute of Certified Public Accountants. The auditor has issued an unqualified letter containing their findings and conclusions in respect of the continuing connected transactions in accordance with Listing Rules. The independent non-executive directors have reviewed the continuing connected transactions and the unqualified letter from the auditor and have confirmed that the continuing connected transactions entered into by the Group 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.

獨立非執行董事

根據聯交所證券上市規則(「上市規則」)第3.13條之指引，每位獨立非執行董事已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，按照香港會計師公會頒布的香港鑒證業務準則第3000號下之「非審核或審閱過往財務資料之鑒證工作」規定，並參照實務說明第740號「關於香港上市規則所述持續關連交易的核數師函件」就本集團的持續關連交易作出報告。根據上市規則，核數師已對本集團的持續關連交易所作的審查結果及結論，發出載有其無保留意見的函件。獨立非執行董事已審閱持續關連交易及核數師報告，並已確認本集團所進行持續關連交易乃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。



CONNECTED TRANSACTIONS (CONTINUED)

Details of the discloseable connected transactions for the year are set out in note 35 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;
- (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 OF SIGNIFICANCE

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

關連交易 (續)

本年度的須予披露之關連交易詳情載於綜合財務報表附註35。獨立非執行董事認為，本集團進行該等交易乃：

- (i) 在本集團日常及一般業務中進行；
- (ii) (a)按正常商業條款；或(b)當無可比較例子，其條款對本公司股東而言屬公平合理；
- (iii) (a)按協議條款；或(b)倘無此等協議，則按不遜於給予或自獨立第三者所得之條款；及
- (iv) 所涉及金額不超逾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上市規則的規定須予披露為關連交易。

董事於重大合約中之權益

除「關連交易」一節所披露者外，本公司、其控股公司、附屬公司或同系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。



MAJOR CUSTOMERS AND SUPPLIERS

During the year, the aggregate purchases attributable to the Group's five largest suppliers were approximately 71% of the Group's total purchases and the purchases attributable to the Group's largest supplier were approximately 27% of the Group's total purchases.

The aggregate sales during the year attributable to the Group's five largest customers were less than 5% 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 Group's five largest suppliers.

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 2012.

PRE-EMPTIVE RIGHTS

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

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71%，而本集團最大供應商則佔本集團總採購額約27%。

年內，本集團五大客戶的總銷售額佔本集團總銷售額少於5%。

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

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，本公司於截至二零一二年三月三十一日止整個年度內皆保持足夠公眾持股量。

優先購股權

本公司之組織章程細則或開曼群島法例均無有關優先購股權之條文，規定本公司須按持股比例向現有股東發售新股份。



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\$400,000.

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

12 June 2012

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400,000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。

代表董事會

李運強

主席

香港

二零一二年六月十二日



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 47 to 148, which comprise the consolidated statement of financial position as at 31 March 2012, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

DIRECTORS' RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors of the Company are responsible for the preparation of consolidated financial statements that give a true and fair view 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, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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47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二零一二年三月三十一日之綜合財務狀況表，與載至該日止年度之綜合全面收益表、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的香港財務申報準則及香港公司條例披露規定編製及真實而公平地列報該等綜合財務報表，以及董事釐為必須的內部控制，以使編製的綜合財務報表不存在由於欺詐或錯誤而導致的重大錯誤陳述。



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 of the consolidated financial statements that give a true and fair view 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 2012 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

12 June 2012

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，並根據協定的聘用條款向整體股東作出報告而非用作其他用途。本行概不會就本報告書的內容，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布的香港審計準則進行審核。這些準則要求吾等遵守道德規範，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何重大錯誤陳述。

審核涉及執行程序以獲取有關綜合財務報表所載金額及披露資料的審核憑證。所選定的程序取決於核數師的判斷，包括評估由於欺詐或錯誤而導致綜合財務報表存有重大錯誤陳述的風險。在評估該等風險時，核數師考慮與該實體編製及真實而公平地列報綜合財務報表相關的內部監控，以設計在該等情況下適當的審核程序，但並非為對實體的內部監控的效能發表意見。審核亦包括評價董事所採用的會計政策的合適性及所作出的會計估計的合理性，以及評價綜合財務報表的整體列報方式。

本行相信，吾等所獲得的審核憑證是充足和適當地為本行的審核意見提供基礎。

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 貴集團於二零一二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

二零一二年六月十二日



CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

綜合全面收益表

For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

		Notes 附註	2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Revenue	收入	5	14,715,553	14,034,285
Cost of sales	銷售成本		(12,652,109)	(11,452,435)
Gross profit	毛利		2,063,444	2,581,850
Other income	其他收入	6	429,827	335,883
Share of profit of a jointly controlled entity ("JCE")	應佔共同控制實體 (「共同控制實體」) 盈利		6	—
Reclassification of cumulative loss from hedging reserve upon early repayment of hedged item	於對沖項目提早還款時將對沖儲備重新分類之累計虧損		(15,981)	—
Net gain from fair value changes of derivative financial instruments	衍生金融工具公平值變動淨收益		1,630	3,138
Distribution and selling expenses	分銷及銷售費用		(236,405)	(209,429)
Administrative expenses	行政費用		(605,869)	(519,991)
Finance costs	財務成本	7	(99,901)	(207,325)
Profit before tax	除稅前盈利		1,536,751	1,984,126
Income tax expense	利得稅支出	8	(185,302)	(136,147)
Profit for the year	年度盈利	9	1,351,449	1,847,979
Other comprehensive income	其他全面收益			
Exchange differences arising on translation of foreign operations	換算境外經營產生之匯兌差額		388,750	582,506
Net adjustment of hedging reserve reclassified to profit or loss	從對沖儲備重新分類至損益之淨調整		52,361	61,611
Other comprehensive income for the year	年度其他全面收益		441,111	644,117
Total comprehensive income for the year	年度總全面收益		1,792,560	2,492,096
Profit for the year attributable to: Owners of the Company	應佔年度盈利：本公司擁有人		1,351,449	1,847,979
Total Comprehensive income attributable to: Owners of the Company	應佔總全面收益：本公司擁有人		1,792,560	2,492,096
			HK cents 港仙	HK cents 港仙
Earnings per share	每股盈利	13		
– Basic	– 基本		28.82	40.13
– Diluted	– 攤薄		28.61	39.25



CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

At 31 March 2012 於二零一二年三月三十一日

		Notes 附註	2012 二零一二年 HK\$'000 千港元	2011 二零一一年 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	16,923,134	13,953,105
Prepaid lease payments	預付租賃款項	15	494,704	471,121
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	143,213	225,237
Interest in a JCE	共同控制實體權益	17	25	—
Loan to a JCE	共同控制實體貸款	17	9,400	—
Tax recoverable	可收回稅項		39,670	39,670
Retirement benefit assets	退休福利資產	26	988	914
			17,611,134	14,690,047
CURRENT ASSETS	流動資產			
Inventories	存貨	18	3,124,245	2,966,738
Prepaid lease payments	預付租賃款項	15	10,956	9,873
Trade and other receivables	應收貿易及其他賬款	19	5,241,830	4,075,048
Amounts due from related companies	應收關連公司款項	20	19,531	22,271
Derivative financial instruments	衍生金融工具	24	867	809
Tax recoverable	可收回稅項		—	80,614
Restricted bank deposits	受限制銀行存款	21	972	949
Bank balances and cash	銀行結餘及現金	21	731,498	1,228,116
			9,129,899	8,384,418
CURRENT LIABILITIES	流動負債			
Derivative financial instruments	衍生金融工具	24	9,434	46,530
Trade and other payables	應付貿易及其他賬款	22	3,127,287	2,315,304
Amount due to a substantial shareholder	應付主要股東款項	20	7,626	—
Tax payable	應付稅項		66,159	54,393
Bank borrowings	銀行借貸	23	2,895,518	2,703,696
			6,106,024	5,119,923
NET CURRENT ASSETS	流動資產淨值		3,023,875	3,264,495
TOTAL ASSETS LESS CURRENT LIABILITIES	資產總值減流動負債		20,635,009	17,954,542



CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)
綜合財務狀況表(續)

At 31 March 2012 於二零一二年三月三十一日

		Notes 附註	2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
NON-CURRENT LIABILITIES	非流動負債			
Derivative financial instruments	衍生金融工具	24	—	9,456
Bank borrowings	銀行借貸	23	6,663,795	5,284,910
Deferred tax liabilities	遞延稅項負債	25	473,001	360,363
			7,136,796	5,654,729
			13,498,213	12,299,813
CAPITAL AND RESERVES	股本及儲備			
Share capital	股本	27	117,241	117,241
Reserves	儲備		13,380,972	12,182,572
			13,498,213	12,299,813

The consolidated financial statements on pages 47 to 148 were approved and authorised for issue by the Board of Directors on 12 June 2012 and are signed on its behalf by:

第47至第148頁所載的綜合財務報表已於二零一二年六月十二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 2012 截至二零一二年三月三十一日止年度

		Attributable to owners of the Company 本公司擁有人應佔										
		Share capital	Share premium	Share options reserve	Translation reserve	Hedging reserve	Capital contribution	Legal reserve	Special reserve	Other reserve	Retained profits	Total equity
		股本	股份溢價	購股權儲備	匯兌儲備	對沖儲備	資金貢獻	法定公積金	特別儲備	其他儲備	留存盈利	權益總值
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
						(note v) (附註v)	(note i) (附註i)	(note ii) (附註ii)	(note iii) (附註iii)	(note iv) (附註iv)		
At 1 April 2010	二零一零年四月一日	113,770	4,357,745	62,581	846,196	(113,972)	12,552	97	(2,999)	(12,060)	4,886,936	10,150,846
Exchange differences arising on translation of foreign operations	海外業務轉移時所產生之匯兌差額	—	—	—	582,506	—	—	—	—	—	—	582,506
Net adjustment on hedging instruments in cash flow hedges	對沖工具中現金流量對沖淨調整	—	—	—	—	61,611	—	—	—	—	—	61,611
Other comprehensive income for the year	年度其他全面收益	—	—	—	582,506	61,611	—	—	—	—	—	644,117
Profit for the year	年度盈利	—	—	—	—	—	—	—	—	—	1,847,979	1,847,979
Total comprehensive income for the year	年度總全面收益	—	—	—	582,506	61,611	—	—	—	—	1,847,979	2,492,096
Exercise of share options	行使購股權	3,471	266,847	(65,289)	—	—	—	—	—	—	65,289	270,318
Recognition of equity-settled share based payments	股結算股權支付款項確認	—	—	32,046	—	—	—	—	—	—	—	32,046
Dividends paid (note 12)	派息(附註12)	—	—	—	—	—	—	—	—	—	(645,493)	(645,493)
At 31 March 2011	二零一一年三月三十一日	117,241	4,624,592	29,338	1,428,702	(52,361)	12,552	97	(2,999)	(12,060)	6,154,711	12,299,813
Exchange differences arising on translation of foreign operations	海外業務轉移時所產生之匯兌差額	—	—	—	388,750	—	—	—	—	—	—	388,750
Net adjustment of hedging reserve reclassified to profit or loss	從對沖儲備重新分類至損益之淨調整	—	—	—	—	52,361	—	—	—	—	—	52,361
Other comprehensive income for the year	年度其他全面收益	—	—	—	388,750	52,361	—	—	—	—	—	441,111
Profit for the year	年度盈利	—	—	—	—	—	—	—	—	—	1,351,449	1,351,449
Total comprehensive income for the year	年度總全面收益	—	—	—	388,750	52,361	—	—	—	—	1,351,449	1,792,560
Recognition of equity-settled share based payments	股結算股權支付款項確認	—	—	6,112	—	—	—	—	—	—	—	6,112
Dividends paid (note 12)	派息(附註12)	—	—	—	—	—	—	—	—	—	(600,272)	(600,272)
At 31 March 2012	二零一二年三月三十一日	117,241	4,624,592	35,450	1,817,452	—	12,552	97	(2,999)	(12,060)	6,905,888	13,498,213



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

For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

notes:

- (i) The capital contribution arose from the disposal of subsidiaries in a prior period to a wholly owned subsidiary of the Group's ultimate holding company.
- (ii) In accordance with the provisions of the Macao Commercial Code, the Company's subsidiaries in Macau are required to transfer a minimum of 25% of the annual net profit to a legal reserve, whenever dividend is declared by the subsidiaries, until the reserve reaches half of the capital of the subsidiaries. This reserve is not distributable to the shareholders.
- (iii) The special reserve 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 non-controlling shareholders at an aggregate consideration of US\$35. The excess of the carrying amount of the net liabilities acquired over the fair value of the consideration paid has been debited directly to equity.
- (v) During the year, the hedge accounting was discontinued due to early repayment of the underlying bank borrowings. Accordingly, the relevant cumulative balance of the hedging reserve were reclassified to profit or loss.

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較早期間出售附屬公司所得。
- (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股本的一半為止，該等公積金不得分派予股東。
- (iii) 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非控股股東收購該兩間附屬公司各餘下10%股益，總代價為35美元。所收購負債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。
- (v) 年內，由於提早償還相關銀行借貸，已停止對沖會計入賬。據此，對沖儲備之有關結餘已重新分類至損益賬。



CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

	Note	2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
	附註		
OPERATING ACTIVITIES			
Profit before tax		1,536,751	1,984,126
Adjustments for:			
Amortisation of prepaid lease payments		9,081	8,485
Depreciation of property, plant and equipment		556,765	544,096
Finance costs		99,901	207,325
Gain on disposal of an associate	31	—	(21,731)
Interest income		(14,168)	(12,501)
Loss on disposal of property, plant and equipment		4,785	1,169
Net gain from fair value changes of derivative financial instruments		(1,630)	(3,138)
Return on retirement plan assets		(74)	(72)
Share-based payments expense		6,112	32,046
Reclassification from hedging reserve upon early repayment of hedged item		15,981	—
Share of profit of a JCE		(6)	—
Allowance for doubtful debts		14,849	—
Operating cash flows before movements in working capital		2,228,347	2,739,805
Increase in inventories		(28,951)	(674,472)
Increase in trade and other receivables		(1,018,198)	(697,899)
Decrease in amounts due from related companies		2,740	36,412
Increase in amount due to a substantial shareholder		7,626	—
Increase in trade and other payables		596,622	550,179
Decrease in derivative financial instruments		(8,600)	(22,386)
Cash generated from operations		1,779,586	1,931,639
Interest paid		(192,746)	(215,060)
PRC Enterprise Income Tax paid		(74,436)	(195,736)
Settlement of derivative financial instruments under hedge accounting		(39,610)	(79,076)
PRC Enterprise Income Tax refund		93,145	30,590
Purchase of tax reserve certificates		—	(39,670)
NET CASH FROM OPERATING ACTIVITIES		1,565,939	1,432,687



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

For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

	Note 附註	2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
INVESTING ACTIVITIES	投資業務		
Purchases of property, plant and equipment	購置物業、廠房及設備	(2,879,388)	(1,808,169)
Prepaid lease payments	預付租賃款項	(22,931)	(92,566)
Loan to a JCE	共同控制實體貸款	(9,400)	—
Proceeds on disposal of property, plant and equipment	出售物業、廠房及設備所得款項	53,144	11,864
Interest received	已收利息	14,168	12,501
Proceeds from assignment of amount due from an associate	轉讓聯營公司欠款所得款項	—	400,112
Deferred consideration received from disposal of subsidiaries	已收出售附屬公司遞延代價	—	58,139
Repayment from an associate	聯營公司還款	—	37,641
Proceeds from disposal of an associate	出售聯營公司所得款項	—	21,731
Increase in restricted bank deposits	受限制銀行存款增加	—	1,039
NET CASH USED IN INVESTING ACTIVITIES	投資業務所用現金淨額	(2,844,407)	(1,357,708)
FINANCING ACTIVITIES	融資活動		
Repayment of bank borrowings	償還銀行借貸	(12,183,763)	(10,365,792)
Dividends paid	已付股息	(600,272)	(645,493)
Loan arrangement fee paid	已付貸款手續費	(74,400)	—
New bank borrowings raised	新籌集銀行借貸	13,627,317	11,254,412
Net proceeds from issue of shares through exercises of share options	透過行使購股權而發行股份所得款項淨額	—	270,318
NET CASH FROM FINANCING ACTIVITIES	融資活動所得現金淨額	768,882	513,445
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS BROUGHT FORWARD	現金及現金等價物淨(減少)增加額	(509,586)	588,424
EFFECT OF EXCHANGE RATE CHANGES	匯率變動之影響	1,228,116	625,244
		12,968	14,448
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	731,498	1,228,116



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2012 截至二零一二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 (2011 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 ultimate controlling shareholder of Gold Best is Mr Lee Wan Keung Patrick. 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 Company acts as an investment holding company. The principal activities of its principal subsidiaries and JCE are set out in notes 37 and 17, respectively.

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

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(二零一一年修訂版)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。Gold Best 之最終控股股東為李運強先生。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。

本公司是一間投資控股公司，各主要附屬公司及共同控制實體的主要業務分別載於財務報表附註37及17。

綜合財務報表以港元(「港元」)列示，為本公司之功能貨幣。



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

New and revised Standards, Amendments and Interpretations applied in the current year

In the current year, the Group has applied the following new and revised Standards, Amendments and Interpretations issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”).

Amendments to HKFRSs	Improvements to HKFRSs issued in 2010
HKAS 24 (as revised in 2010)	Related Party Disclosures
Amendments to HK(IFRIC) - Int 14	Prepayments of a Minimum Funding Requirement
HK(IFRIC) - Int 19	Extinguishing Financial Liabilities with Equity Instruments

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」)

於本年度內應用之新訂及經修訂準則、修訂及詮釋

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」)頒布之新訂及經修訂準則、修訂及詮釋。

香港財務報告準則之修訂	2010年頒布的香港財務報告準則的改進
香港會計準則第24號(2010年經修訂)	關連人士披露
香港(國際財務報告詮釋委員會)－詮釋第14號之修訂	最低資金要求之預付款項
香港(國際財務報告詮釋委員會)－詮釋第19號	以權益工具抵銷金融負債



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

Amendments to HK (IFRIC) - Int 14 Prepayments of a Minimum Funding Requirement

The Interpretation addresses when refunds or reductions in future contributions should be regarded as available in accordance with paragraph 58 of HKAS 19; how minimum funding requirements might affect the availability of reductions in future contributions; and when minimum funding requirements might give rise to a liability. The amendments now allow recognition of an asset in the form of prepaid minimum funding contributions. The application of the amendments has not had material effect on the Group’s consolidated financial statements.

The application of other new and revised HKFRSs in the current year also has had no material effect on the amounts reported in these consolidated financial statement.

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(國際財務報告詮釋委員會)－詮釋第14號之修訂「最低資金要求之預付款項」

該詮釋說明未來供款之退款或扣減何時可根據香港會計準則第19號第58段被視為可動用；最低資金要求如何影響可供扣減之未來供款；及最低資金要求何時會產生負債。該等修訂現時容許以預付最低資金供款之方式確認資產。應用此等修訂對本集團綜合財務報表並無重大影響。

本年度應用其他新訂及經修訂之香港財務報告準則對綜合財務報表呈報之金額並無重大影響。



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

New and revised Standards, Amendments and Interpretations issued but not yet effective

The Group has not early applied the following new and revised Standards, Amendments and Interpretations that have been issued but are not yet effective:

Amendments to HKFRSs	Annual Improvement 2009-2011 Cycle ²
Amendments to HKFRS 7	Disclosures – Transfers of Financial Assets ¹ Disclosures – Offsetting Financial Assets and Financial Liabilities ²
Amendments to HKFRS 9 and HKFRS 7	Mandatory Effective Date of HKFRS 9 and Transition Disclosures ³
HKFRS 9	Financial Instruments ³
HKFRS 10	Consolidated Financial Statements ²
HKFRS 11	Joint Arrangements ²
HKFRS 12	Disclosure of Interests in Other Entities ²
HKFRS 13	Fair Value Measurement ²
Amendments to HKAS 1	Presentation of Items of Other Comprehensive Income ⁵
Amendments to HKAS 12	Deferred Tax – Recovery of Underlying Assets ⁴
HKAS 19 (as revised in 2011)	Employee Benefits ²

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)

已頒布但尚未生效之新訂及經修訂準則、修訂及詮釋

本集團並未提早應用下列已頒布但尚未生效之新訂及經修訂準則、修訂及詮釋：

香港財務報告準則之修訂	二零零九年至二零一一年周期之年度改進 ²
香港財務報告準則第7號之修訂	披露－轉讓金融資產 ¹ 披露－抵銷金融資產及金融負債 ²
香港財務報告準則第9號之修訂及香港財務報告準則第7號	香港財務報告準則第9號及過渡性披露的強制生效日期 ³
香港財務報告準則第9號	金融工具 ³
香港財務報告準則第10號	綜合財務報表 ²
香港財務報告準則第11號	共同安排 ²
香港財務報告準則第12號	披露於其他實體的權益 ²
香港財務報告準則第13號	公平值計量 ²
香港會計準則第1號之修訂	其他全面收益項目的列示 ⁵
香港會計準則第12號之修訂	遞延稅項－收回相關資產 ⁴
香港會計準則第19號(2011年經修訂)	僱員福利 ²



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

New and revised Standards, Amendments and Interpretations issued but not yet effective (Continued)

HKAS 27 (as revised in 2011)	Separate Financial Statements ²
HKAS 28 (as revised in 2011)	Investments in Associates and Joint Ventures ²
Amendments to HKAS 32	Offsetting Financial Assets and Financial Liabilities ⁶
HK(IFRIC) - Int 20	Stripping Costs in the Production Phase of a Surface Mine ²

- 1 Effective for annual periods beginning on or after 1 July 2011.
- 2 Effective for annual periods beginning on or after 1 January 2013.
- 3 Effective for annual periods beginning on or after 1 January 2015.
- 4 Effective for annual periods beginning on or after 1 January 2012.
- 5 Effective for annual periods beginning on or after 1 July 2012.
- 6 Effective for annual periods beginning on or after 1 January 2014.

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)

已頒布但尚未生效之新訂及經修訂準則、修訂及詮釋(續)

香港會計準則第27號(2011年經修訂)	獨立財務報表 ²
香港會計準則第28號(2011年經修訂)	於聯營公司及合營公司的投資 ²
香港會計準則第32號之修訂	抵銷金融資產及金融負債 ⁶
香港(國際財務報告詮釋委員會)－詮釋第20號	露天礦場生產階段的剝採成本 ²

- 1 於2011年7月1日或之後開始之年度期間生效。
- 2 於2013年1月1日或之後開始之年度期間生效。
- 3 於2015年1月1日或之後開始之年度期間生效。
- 4 於2012年1月1日或之後開始之年度期間生效。
- 5 於2012年7月1日或之後開始之年度期間生效。
- 6 於2014年1月1日或之後開始之年度期間生效。



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

Amendments to HKAS 32 Offsetting Financial Assets and Financial Liabilities and amendments to HKFRS 7 Disclosures – Offsetting Financial Assets and Financial Liabilities

The amendments to HKAS 32 clarify existing application issues relating to the offsetting requirements. Specifically, the amendments clarify the meaning of “currently has a legally enforceable right of set-off” and “simultaneous realisation and settlement”.

The amendments to HKFRS 7 require entities to disclose information about rights of offset and related arrangements (such as collateral posting requirements) for financial instruments under an enforceable master netting agreement or similar arrangement.

The amended offsetting disclosures are required for the Group’s annual period beginning on 1 April 2013 and interim periods within those annual periods. The disclosures should also be provided retrospectively for all comparative periods. However, the amendments to HKAS 32 are not effective until annual periods beginning on or after 1 April 2014, with retrospective application required. The directors anticipate that the amendment will have no material impact on the amounts reported but result in more extensive disclosures in the consolidated financial statements.

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)

香港會計準則第32號之修訂「抵銷金融資產及金融負債」及香港財務報告準則第7號之修訂「披露－抵銷金融資產及金融負債」

香港會計準則第32號之修訂釐清有關抵銷規定的現有應用問題。特別是，該等修訂釐清「目前有法律權利可抵銷」及「同時變現及清償」的涵義。

香港財務報告準則第7號之修訂規定實體須就可執行的總淨額結算協議或同類安排下的金融工具披露有關抵銷權利及相關安排(如抵押過賬規定)的資料。

經修訂的抵銷披露規定本集團於二零一三年四月一日開始的年度期間及該等年度期間內的中期期間應用。所有可資比較期間的資料亦須追溯披露。然而，香港會計準則第32號之修訂將於二零一四年四月一日或以後開始的年度期間生效，並須追溯應用。董事預期此修訂對報告金額並無重大影響惟須於綜合財務報表作出廣泛披露。



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

Amendments to HKAS 1 Presentation of Items of Other Comprehensive Income

The amendments to HKAS 1 retain the option to present profit or loss and other comprehensive income in either a single statement or in two separate but consecutive statements. However, the amendments to HKAS 1 require additional disclosures to be made in the other comprehensive income section such that items of other comprehensive income are grouped into two categories: (a) items that will not be reclassified subsequently to profit or loss; and (b) items that may be reclassified subsequently to profit or loss when specific conditions are met. Income tax on items of other comprehensive income is required to be allocated on the same basis.

The amendments to HKAS 1 are effective for the Group’s annual periods beginning on 1 April 2013. The presentation of items of other comprehensive income will be modified accordingly when the amendments are applied in the future accounting periods.

HKAS 19 (as revised in 2011) Employee Benefits

The amendments to HKAS 19 change the accounting for defined benefit plans and termination benefits. The most significant change relates to the accounting for changes in defined benefit obligations and plan assets. The amendments require the recognition of changes in defined benefit obligations and in the fair value of plan assets when they occur, and hence eliminate the “corridor approach” permitted under the previous version of HKAS 19. The amendments require all actuarial gains and losses to be recognised immediately through other comprehensive income in order for the net pension asset or liability recognised in the consolidated statement of financial position to reflect the full value of the plan deficit or surplus.

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)

香港會計準則第1號之修訂「其他全面收益項目的列示」

香港會計準則第1號之修訂保留以單一報表或兩個分開但連續之報表的方式以呈列損益及其他全面收益的選擇權。然而，香港會計準則第1號之修訂要求於其他全面收益部分中作出額外披露，以使其他全面收益內的項目分為兩類：(a)不會於其後重新分類至損益的項目；及(b)於符合特定條件時可能於其後重新分類至損益的項目。其他全面收益項目的所得稅須按相同基準分配。

香港會計準則第1號之修訂於本集團二零一三年四月一日開始的年度期間生效。當於未來會計期間應用該等修訂時，其他全面收益項目的呈報將予相應修訂。

香港會計準則第19號(2011年經修訂)「僱員福利」

香港會計準則第19號之修訂改變界定利益計劃及終止福利之會計處理方式。最重大的轉變與界定利益承擔及計劃資產的會計處理方式有關。該修訂規定於界定利益承擔及計劃資產的公平值出現轉變時予以確認，及因此取消香港會計準則第19號過往版本允許的「緩衝區法」。此修訂規定所有精算估值盈虧須即時透過其他全面收益確認，以令於綜合財務狀況表確認之淨退休金資產或負債可反映計劃虧絀或盈餘之全面價值。



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

HKAS 19 (as revised in 2011) Employee Benefits (Continued)

The amendments to HKAS 19 are effective for the Group’s annual periods beginning on 1 April 2013 and require retrospective application with certain exceptions. The directors anticipate that the amendments to HKAS 19 will be adopted in the Group’s consolidated financial statements for the annual period beginning 1 April 2013. The application of the amendments to HKAS 19 will result in a change in the Group’s accounting policies in respect of the Group’s defined benefit plans on the recognition of actuarial gains and losses and past service costs. However, the directors anticipate that the application of the amendments will have no material impact on the consolidated financial statements.

The directors of the Company anticipate that the application of the other new or revised HKFRSs will have no material impact on the consolidated financial statements.

3. SIGNIFICANT ACCOUNTING POLICIES

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 Listing Rules and by the Hong Kong Companies Ordinance.

The consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values, as explained in the accounting policies set out below. Historical cost is generally based on the fair value of the consideration given in exchange for goods.

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)

香港會計準則第19號(2011年經修訂)「僱員福利」(續)

香港會計準則第19號之修訂於本集團二零一三年四月一日開始之年度期間生效，除若干例外情況外須追溯應用。董事預期，香港會計準則第19號之修訂將於本集團於二零一三年四月一日開始之年度期間之綜合財務報表中採納。應用香港會計準則第19號之修訂將令本集團就精算估值盈虧及過往服務成本的確認更改會計政策。然而，董事預期應用此等修訂對本集團綜合財務報表將無重大影響。

本公司董事預期應用其他新訂或經修訂香港財務報告準則對本集團綜合財務報表將無重大影響。

3. 主要會計政策

綜合財務報表乃根據香港會計師公會頒布之香港財務報告準則編製。此外，綜合財務報表包括上市規則及香港公司條例規定之適用披露資料。

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。歷史成本一般按照交換貨物所付代價之公平值。



3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The principal accounting policies are set out below.

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 statement of comprehensive Income from the effective date of acquisition and 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 into line with those used by other members of the Group.

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

Property, plant and equipment

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

Depreciation is recognised so as to write off the cost of items of property, plant and equipment other than construction in progress less their residual values over their estimated useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

3. 主要會計政策(續)

主要會計政策載列如下：

綜合賬目基準

綜合財務報表包括本公司及本公司控制之實體(附屬公司)的財務報表。當本公司有權力操縱某實體之財政及經營政策以藉其業務之中獲益，將視為擁有控制權。

於年內收購或出售之附屬公司之業績，自實際收購日期起及實際出售日期止(視適用情況而定)已列入綜合全面收益表內。

倘需要，將會就附屬公司之財務報表作出調整，致使其會計政策與本集團其他成員公司所採用者貫徹一致。

所有集團內交易及結餘已於綜合賬目時全部對銷。

物業、廠房及設備

除在建工程外，物業、廠房及設備(包括持有作貨物生產或行政用途的樓宇)乃按成本減累計折舊及累計減值虧損(如有)入賬。

物業、廠房及設備(在建中除外)之折舊乃按其估計可使用年期，於計及其估計剩餘價值後，以直線法撇銷其成本。估計可使用年期、剩餘價值及折舊方法於各報告期間結束當日予以檢討，估計如有任何變動，在日後入賬。



3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Property, plant and equipment (Continued)

Properties in the course of construction for production or administrative purposes are carried at cost, less any recognised impairment loss. Costs include professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Group's accounting policy. Such properties are 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 the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

Jointly controlled entity

Joint venture arrangements that involve the establishment of a separate entity in which venturers have joint control over the economic activity of the entity are referred to as jointly controlled entities.

3. 主要會計政策(續)

物業、廠房及設備(續)

為生產或行政用途之在建中物業，按成本減任何已確認之減值虧損列賬。成本包括專業費用及合資格資產之借貸成本，按照本集團的會計政策進行資本化。該等資產完工並可投入擬定用途時，則會分類至合適的物業、廠房及設備類別。該等資產計提折舊的基準與其他物業資產相同，即在資產可投入擬定用途時開始計提折舊。

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。出售或報廢一項物業、廠房及設備，按其出售所得款項與該資產賬面值間之差額計算盈虧，並計入損益。

共同控制實體

合營企業安排涉及成立獨立實體，而當中各經營方對該實體之經濟活動擁有共同控制權者乃列作共同控制實體。



3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Jointly controlled entity (Continued)

The results and assets and liabilities of jointly controlled entities are incorporated in the consolidated financial statements using the equity method of accounting. Under the equity method, investments in jointly controlled entities are initially recognised in the consolidated statement of financial position at cost and thereafter to recognise in the Group's share of the profit or loss and other comprehensive income of the jointly controlled entities. When the Group's share of losses of a jointly controlled entity equals or exceeds its interest in that jointly controlled entity (which includes any long-term interests that, in substance, form part of the Group's net investment in the jointly controlled entity), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of that jointly controlled entity.

The requirements of HKAS 39 are applied to determine whether it is necessary to recognise any impairment loss with respect to the Group's investment in a jointly controlled entity. When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with HKAS 36 Impairment of Assets as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs to sell) with its carrying amount. Any impairment loss recognised forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with HKAS 36 to the extent that the recoverable amount of the investment subsequently increases.

3. 主要會計政策(續)

共同控制實體(續)

共同控制實體之業績及資產與負債乃按權益會計法列入綜合財務報表內。根據權益法，於共同控制實體之投資乃初步按成本於綜合財務狀況表列賬，就本集團應佔該共同控制實體之損益及其他全面收益後調整，於綜合財務狀況表確認。當本集團應佔共同控制實體之虧損相等於或超出其於該共同控制實體之權益(即包括任何長期權益，實質上為部分本集團於該共同控制實體之投資淨額)，則本集團不再確認其應佔之進一步虧損。僅會於本集團已產生法定或推定責任或代表該共同控制實體支付款項之情況下，方會確認額外虧損。

應用香港會計準則第39號的規定，以釐定本集團於共同控制實體之投資確認任何減值虧損。如需要，投資全數賬面值(包括商譽)根據香港會計準則第36號「資產減值」作為單一資產作減值測試，方法為將賬面值與可收回金額(使用價值及公平值之較高者減出售成本)加以比較。任何已確認之減值虧損構成該投資賬面值的一部分。倘該投資之可收回金額其後增加，則根據香港會計準則第36號確認該減值虧損之撥回。



3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Jointly controlled entity (Continued)

When a group entity transacts with its jointly controlled entity, profits and losses resulting from the transactions with the jointly controlled entity are recognised in the Group's consolidated financial statements only to the extent of interests in the jointly controlled entity that are not related to the Group.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is calculated using the weighted average method. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sales.

Financial instruments

Financial assets and financial liabilities are recognised in the consolidated statement of financial position 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.

3. 主要會計政策(續)

共同控制實體(續)

當集團實體與其共同控制實體進行交易時，與共同控制實體交易中的損益會在集團之綜合財務報表確認，但僅限於共同控制實體之權益與本集團無關。

存貨

存貨按成本或可變現淨值兩者中之較低者入賬。成本按加權平均法計算。可變現淨值指存貨估計售價減估計完成所需之全部成本以及銷售所需之成本。

金融工具

當集團實體成為工具訂約條文之訂約方時，財務資產及財務負債於綜合財務狀況表確認。

財務資產及財務負債初步按公平值計算。因收購或發行財務資產及財務負債(按公平值計入損益之財務資產及財務負債除外)而直接應佔之交易成本於初步確認時，按適用情況加入或扣自該項財務資產或財務負債之公平值。因收購按公平值計入損益之財務資產及財務負債而直接應佔之交易成本即時於損益確認。



3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial instruments (Continued)

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. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

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 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 to the net carrying amount on initial recognition.

Interest income is recognised on an effective interest basis for debt instruments.

Loans and receivables

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

3. 主要會計政策(續)

金融工具(續)

財務資產

本集團之財務資產分為兩個類別其中之一：包括貸款及應收賬款和按公平值列賬及計入損益之財務資產。分類視乎財務資產性質及目的而定，在初始確定時釐定。

實際利率法

實際利率法是一種計算財務資產攤銷成本與分派利息收入到相關期間之方法。實際利率是以精確將財務資產可使用年期或(如適用)更短期間估計未來現金收入(包括所有已付或已收並構成實際利率整體之費用、交易成本及其他溢價或折價)折現至初步確認時之賬面淨值之折現比率。

債務工具之利息收入按實際利率基準確認。

貸款及應收款項

貸款及應收款項為在活躍市場上並無報價而具有固定或待定付款之非衍生財務資產。於初次確認後，貸款及應收賬款(包括共同控制實體貸款、應收貿易及其他賬款、應收關連公司款項、受限制銀行存款以及銀行結餘及現金)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之會計政策)。



3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial instruments (Continued)

Financial assets (Continued)

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 as hedging instruments.

Financial assets at fair value through profit or loss are measured at fair value, with changes in fair value arising from remeasurement recognised directly in profit or loss in the period in which they arise.

Impairment of financial assets

Financial assets, other than those at fair value through profit or loss, are assessed for indicators of impairment at the end of the reporting period. Financial assets are considered to be 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.

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

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

3. 主要會計政策(續)

金融工具(續)

財務資產(續)

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對沖工具之衍生工具。

按公平值列賬及計入損益之財務資產以公平值計量，因重新計量而產生的公平值變動在出現期間直接在損益確認。

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)於報告期末評估是否有減值跡象。倘出現客觀證據，即財務資產初步確認後產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，則財務資產被視為減值。

就貸款及應收賬款而言，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
- 違反合約，如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。



3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets (Continued)

For certain categories of financial asset, such as trade receivables, assets that are assessed not to be impaired individually are, in addition, 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, an increase in the number of delayed payments in the portfolio past the average credit period of 45 to 90 days, 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 recognised is the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the financial asset's original effective interest rate.

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.

For financial assets measured at amortised cost, 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.

3. 主要會計政策(續)

金融工具(續)

財務資產(續)

財務資產減值(續)

就若干類別的財務資產(如貿易應收賬款)而言,經評估不會單獨作出減值並會彙集一併評估減值。應收賬款組合出現減值的客觀證據包括本集團過往收款經驗、組合內逾期還款超過平均信貸期45至90天之數目上升、國家或地區經濟狀況出現明顯變動導致應收賬款未能償還。

就按攤銷成本計值之財務資產而言,減值虧損金額乃按資產賬面值與按原有實際利率貼現之估計未來現金流量現值之差額確認。

所有財務資產的減值虧損會直接於財務資產的賬面值中作出扣減,惟貿易應收賬款除外,其賬面值會透過撥備賬作出扣減。撥備賬內的賬面值變動會於損益中確認。當貿易應收賬款被視為不可收回時,其將於撥備賬內撇銷。於其後收回先前已撇銷的款項將計入損益。

就以攤銷成本計值的財務資產而言,倘於隨後期間減值虧損的數額減少,而此項減少可客觀地與確認減值虧損後的某一事件聯繫,則先前確認的減值虧損於損益中予以撥回,惟於撥回減值當日的資產賬面值不得超逾未確認減值時的攤銷成本。



3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial instruments (Continued)

Financial liabilities and equity instruments

Financial liabilities and equity instruments issued by a group entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instrument

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

The Group's financial liabilities are classified into financial liabilities at fair value through profit or loss and other financial liabilities.

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 (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Interest expense is recognised on an effective interest basis.

3. 主要會計政策(續)

金融工具(續)

財務負債及股本權益工具

集團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。

權益工具

權益工具為證明本集團資產剩餘權益(經扣除其所有負債)之任何合約。本公司發行的權益工具按所收取所得款項減直接發行成本確認。

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及其他財務負債。

實際利率法

實際利率法是一種計算財務負債攤銷成本與分派利息支出到相關期間之方法。實際利率為透過財務負債之預測使用年期，或較短期間(如適用)將估計日後現金支出(包括所有已付或已收構成實際利率之費用及點子、交易成本及其他溢價或折讓)實際貼現至初始確認時的賬面淨值。

利息支出乃按實際利率基準確認。



3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial instruments (Continued)

Financial liabilities and equity instruments (Continued)

Financial liabilities at fair value through profit or loss

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

Financial liabilities at fair value through profit or loss are measured at fair value, with changes in fair value arising on remeasurement recognised directly in profit or loss in the period in which they arise.

Other financial liabilities

Other financial liabilities including trade and other payables, amount due to a substantial shareholder and bank borrowings are subsequently measured at amortised cost, using the effective interest rate method.

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 the end of the reporting period. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

3. 主要會計政策(續)

金融工具(續)

財務負債及股本權益工具(續)

按公平值列賬及計入損益之財務負債

本集團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對沖工具之衍生工具。

按公平值列賬及計入損益之財務負債以公平值計量，因重新計量之公平值變動在出現期間直接在損益確認。

其他財務負債

其他財務負債包括其後以實際利率法按攤銷成本計量之應付貿易及其他賬款、應付主要股東款項及銀行借貸。

衍生金融工具及對沖

衍生工具以衍生工具合約簽訂日之公平值作初次確認及其後以報告期間結束當日之公平值重新計量。所產生的收益或虧損將即時於損益內確認。除非該衍生工具是指定而有效之對沖工具，在此情況下，於損益內確認的時間視乎對沖關係的性質而定。



3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial instruments (Continued)

Derivative financial instruments and hedging (Continued) Hedge accounting

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

At the inception of the hedging relationship the Group 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 cash flows of the hedged item.

Cash flow hedges

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

Amounts previously recognised in other comprehensive income and accumulated in equity (hedging reserve) are reclassified to profit or loss in the periods when the hedged item is recognised in profit or loss, in the same line of the consolidated statement of comprehensive income as the recognised hedged item.

Hedge accounting is discontinued when the Group revokes the hedging relationship, the hedging instrument expires or is sold, terminated, exercised, or when it no longer qualifies for hedge accounting. Any gain or loss recognised in other comprehensive income and accumulated 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 gain or loss accumulated in equity is recognised immediately in profit or loss.

3. 主要會計政策(續)

金融工具(續)

衍生金融工具及對沖(續) 對沖會計法

本集團指定若干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，本集團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現金流量變動。

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，其有效部分於其他全面收益確認，並在對沖儲備累計。其無效部分之收益或虧損，即時於損益內確認為其他收益或虧損。

當對沖項目於損益內確認之期間，其先前於其他全面收益確認及於權益(對沖儲備)累計之金額，將重新分類撥回損益，一併列於綜合全面收益表確認之對沖項目內。

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。當時於其他全面收益確認並於權益累計之任何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，於權益累計之累計盈虧即時於損益內確認。



3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial instruments (Continued)

Derecognition

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or expire. 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 assets

At the end of the reporting period, the Group reviews the carrying amounts of its assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

3. 主要會計政策(續)

金融工具(續)

剔除確認

若從資產收取現金流量之合約權利已到期，或本集團轉讓財務資產及已將其於財務資產擁有權之絕大部份風險及回報轉移予另一實體，本集團方會剔除確認財務資產。

於剔除確認一項財務資產之全數時，資產賬面值與已收及應收代價之差額，將於損益中確認。

倘於有關合約之責任獲解除、註銷或到期時，本集團方會剔除確認財務負債。剔除確認之財務負債賬面值與已付及應付代價之差額於損益中確認。

資產減值虧損

於報告期間結束當日，本集團須審閱其資產之賬面值，以確定是否有任何跡象顯示該等資產出現減值虧損。倘出現任何有關跡象，則估計資產可收回金額，以釐定減值虧損的幅度(如有)。倘不能估計單一資產的可收回金額，則本集團會估計其資產所屬現金產生單位的可收回金額。於可識別合理和一貫分配基準的情況下，企業資產亦會被分配到個別的現金產生單位，否則或會被分配到可合理地及按一貫分配基準而識別的最小的現金產生單位中。



3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Impairment losses on assets (Continued)

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or a cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or a cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

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 (or a cash-generating unit) in prior years. A reversal of an impairment loss is recognised as income immediately.

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 titles have passed, at which time all the following conditions are satisfied.

- the Group has transferred to the buyer the significant risks and rewards of ownership of the goods;

3. 主要會計政策(續)

資產減值虧損(續)

可收回金額為公平值減銷售成本或使用價值之較高者。評估使用價值時，估計未來現金流量乃使用稅前貼現率折現至其貼現值，該貼現率反映目前市場對資金時間值之評估以及估計未來現金流量未經調整之資產的獨立風險。

倘某項資產(或現金產生單位)之可收回金額估計低於其賬面值，則該項資產(或現金產生單位)之賬面值須削減至其可收回金額。減值虧損即時在損益中確認。

倘日後撥回減值虧損，有關資產之賬面值須增至其經重新估計之可收回金額，惟增加之賬面值不得超出倘有關資產(或現金產生單位)並無於過往年度確認任何減值虧損所應釐定之賬面值。撥回之減值虧損即時確認為收益。

收入確認

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

銷售貨品收入於貨品交付、所有權轉移並達致以下全部條件時確認：

- 本集團將商品所有重大風險或回報之擁有權已轉讓予買方；



3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue recognition (Continued)

- the Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the Group; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. 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 on initial recognition.

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

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

3. 主要會計政策(續)

收入確認(續)

- 本集團既沒有保留通常與所有權相聯系的繼續管理權，也沒有對已出售貨品實施有效控制；
- 營業額金額能可靠地計量；
- 相關的經濟利益很可能流入本集團；及
- 相關的已發生或將發生的成本能夠可靠地計量。

財務資產之利息收入於其經濟效益將可能流入本集團而其收入金額能可靠地計量時確認。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所收現金實際折讓至該資產於初始確認時之賬面淨值之比率。

供應蒸汽及電力之收入於提供蒸汽及電力時確認。

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。



3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

Leasehold land and buildings

When a lease includes both land and building elements, the Group assesses the classification of each element as a finance or an operating lease separately based on the assessment as to whether substantially all the risks and rewards incidental to ownership of each element have been transferred to the Group, unless it is clear that both elements are operating leases, in which case the entire lease is classified as an operating lease. Specifically, the minimum lease payments (including any lump-sum upfront payments) are allocated between the land and the building elements in proportion to the relative fair values of the leasehold interests in the land element and building element of the lease at the inception of the lease.

3. 主要會計政策(續)

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。

集團作為承租人

經營租賃款項乃按租賃年期以直線法確認，除有其他系統化基準更能反映租賃資產所產生的經濟利益則除外。經營租賃的或然租金於所產生之期間內列作費用。

當訂立經營租賃時收到租賃優惠，該等優惠被確認為負債。各項優惠以直線法確認為抵減租金開支，除有其他系統化基準更能反映租賃資產所產生的經濟利益除外。

租賃土地及樓宇

當租賃包括土地及樓宇部份時，本集團以評估與各部份擁有權有關的絕大部份風險及回報是否已轉移至本集團為基礎，評估如何將各部份分類為融資或經營租賃，除非肯定兩部份均為經營租賃，則於該情況下，整項租賃乃分類為經營租賃。尤其，最低租賃款項(包括任何一次性預付款項)乃以租約開始時，於土地及樓宇部份之間進行分配，比例為以租賃權益於土地部份及樓宇部份的相對公平值而定。



3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Leasing (Continued)

Leasehold land and buildings (Continued)

To the extent the allocation of the lease payments can be made reliably, interest in leasehold land that is accounted for as an operating lease is presented as “prepaid lease payments” in the consolidated statement of financial position and is amortised over the lease term on a straight-line basis. When the lease payments cannot be allocated reliably between the land and building elements, the entire lease is generally classified as a finance lease and accounted for as property, plant and equipment.

Prepaid lease payments

Prepaid lease payments represent the up-front operating lease payments to lease medium-term leasehold land interests in the People’s Republic of China (the “PRC”) and Vietnam and are charged to the profit or loss in the consolidated statement of comprehensive income on a straight-line basis over the term of the relevant leases.

Government grants

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in profit or loss in the period in which they become receivable.

3. 主要會計政策(續)

租賃(續)

租賃土地及樓宇(續)

倘租賃款項能夠可靠分配時，則入賬列作經營租賃的租賃土地權益乃於綜合財務狀況表列作「預付租賃款項」，並以直線法於租期內攤銷。當租賃款項無法於土地及樓宇部份之間可靠分配時，則整份租賃一般分類為融資租賃及入賬列作物業、廠房及設備。

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」)及越南以中期租賃所持土地權益而需預付之經營租賃款項，並於相關租賃期內以直線法計入綜合全面收益表損益內。

政府資助

本集團在獲得合理保證將遵守政府資助附帶的條件及將會收到政府資助前，不會確認政府資助。

政府資助乃就集團確認的有關支出(預期補助可抵銷成本的支出)期間按系統化的基準在損益中確認。

應收之政府補助乃作為已產生開支或虧損之補助或對本集團的實時財政資助而並無日後相關成本，應收補助於其產生期間在損益中確認。



3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 recognised as an expense when the employees have rendered the services entitling them to the contributions.

For defined benefit retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of the reporting period. All actuarial gains and losses of the defined benefit plans are recognised as profit or loss in 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 retirement benefit assets recognised in the consolidated statement of financial position represent the 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.

3. 主要會計政策(續)

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確認為費用。

於報告期末，對界定退休福利計劃而言，提供福利的成本會使用預估單位利益法計算，並每年進行精算估值。界定利益計劃所有精算得益及虧損於其產生期間在損益中確認。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。

在綜合財務狀況表確認的退休福利資產指計劃資產的公平值，並就未確認精算盈虧作出調整及減去界定利益承擔現值。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。



3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Equity-settled share based payment transactions

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 options reserve).

At the end of the reporting period, the Group revises its estimates of the number of options that are expected to ultimately vest. The impact of the revision of the original estimates during the vesting period, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to share options reserve.

When the share options are exercised, the amount previously recognised in share options 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 options reserve will be transferred to retained profits.

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets until such time as 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.

3. 主要會計政策(續)

以股結算股權支付之交易

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)。

於報告期末，本集團修訂預期最終歸屬之購股權數目估計。在歸屬期內修訂原先估計之影響(如有)，其反映修訂估計之累計費用於損益確認，並對購股權儲備作出相應調整。

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盈利內。

借貸成本

與購置、建造或生產合資格資產(需一段長時間方可作擬定用途或可供銷售的資產)直接有關之借貸成本均加至該等資產之成本，直至該等資產大致可作其擬定用途或可供銷售為止。特定借貸中，在其應用於合資格的資產之前所作的臨時投資所賺取的投資收入，須於資本化的借貸成本中扣除。

所有其他借貸成本均於產生期間於損益中確認。



3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Taxation

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

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the consolidated statement of comprehensive income 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 end of the reporting period.

Deferred tax is recognised on temporary 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. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those 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 associated with investments in subsidiaries and JCE, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

3. 主要會計政策(續)

稅項

利得稅支出指現時應付稅項及遞延稅項的總和。

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盈利不同，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報告期末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之資產及負債賬面值與計算應課稅盈利所採用相應稅基的暫時差額而確認。遞延稅項負債一般就所有應課稅暫時差額予以確認。遞延稅項資產一般就所有可扣稅暫時差額確認，惟可能出現可動用可扣稅暫時差額之應課稅盈利者除外。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。

遞延稅項負債一般就與附屬公司及共同控制實體權益而引致之應課稅臨時差額而確認，惟若本集團可控制臨時差額之撥回及臨時差額有可能不會於可見將來之撥回之情況則除外。與該等投資及權益相關的可扣減臨時差額所產生的遞延稅項資產，僅在按可能出現可利用臨時差額扣稅之應課稅盈利時，並預期於可見將來回撥。



3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Taxation (Continued)

The carrying amount of deferred tax assets is reviewed at the end of the reporting period 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.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realised, based on tax rate (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax is recognised in profit or loss, except when it relates to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax is also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

3. 主要會計政策(續)

稅項(續)

遞延稅項資產之賬面值於各報告期間結束當日作檢討，並在沒可能會有足夠應課稅盈利收回全部或部分資產時加以遞減。

根據報告期間結束當日已頒布或實際已頒布之稅率(及稅法)，遞延稅項資產及負債按負債清償或資產變現期間預期適用之稅率計量。

遞延稅項負債及資產之計量反映本集團預期於報告期間結束當日將出現的稅務後果，以收回資產或清償負債之賬面值。

即期及遞延稅項於損益確認，惟當其與於其他全面收益確認或直接於權益確認之項目有關時，在此情況下，即期及遞延稅項亦會分別於其他全面收益確認或直接於權益確認。當業務合併初始會計處理時產生即期或遞延稅項，稅項影響計入該業務合併的會計處理中。



3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 the respective 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 the end of the reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that 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 retranslation 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\$) using exchange rates prevailing at the end of each reporting period. Income and expenses items 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 in other comprehensive income and accumulated in equity under the heading of translation reserve.

3. 主要會計政策(續)

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相關功能貨幣(即該實體經營所在主要經濟活動之貨幣)記賬。於報告期末，以外幣定值之貨幣項目均按結算日之適用匯率重新換算。非貨幣項目按外幣過往成本計量而無須重新換算。

結算貨幣項目及重新換算貨幣項目所產生之匯兌差額於其產生期間於損益內確認。

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採用報告期末當日之匯率換算為本集團之列賬貨幣(即港元)，而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匯率。所產生之匯兌差額(如有)乃於其他全面收益確認及於匯兌儲備項下累計權益。



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 end of reporting period, 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 and foreign currency forward contracts are carried in the consolidated statement of financial position at fair values, as disclosed in note 24. 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 applied the valuation techniques commonly used by the market practitioners. 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. 估計不明朗因素之主要來源

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報告期末之估計不明朗因素之其他主要來源,該等假設及不明朗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。

衍生金融工具公平值

衍生金融工具(如利率掉期及外幣遠期合約)乃按公平值計入綜合財務狀況表,誠如附註24所披露。公平值之最佳憑證為於活躍市場中之報價。倘某一項金融工具未能取得報價,本集團將採用市場從業者慣常用之評估技術。就該等金融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。



4. KEY SOURCES OF ESTIMATION UNCERTAINTY (CONTINUED)

Recognition of deferred tax

As at 31 March 2012, no deferred tax liabilities have been recognised on the distributable profits of the group companies in the PRC as the Group plans to retain those profits in the respective entities for their daily operations and future developments. In case there is change in such plan, additional tax liabilities will arise, which will be recognised in the profit or loss for the period in which the management intends to declare such profits in the foreseeable future or the Group's future development plan is amended, whichever is earlier.

5. REVENUE AND SEGMENT INFORMATION

Information reported to the Company's executive directors (the "CODM"), being the chief operating decision maker, for the purposes of resource allocation and assessment of segment performance focuses on types of goods delivered. The Group's reportable segments under "HKFRS 8 – Operating Segments" are as follows:

- (i) Packaging paper – Kraft linerboard, test linerboard, white top linerboard and high strength corrugating medium; and
- (ii) Pulp

4. 估計不明朗因素之主要來源 (續)

遞延稅項確認

於二零一二年三月三十一日，由於本集團計劃保留相關公司的盈利以供日常經營及將來發展，概無遞延稅項負債於本集團於中國之公司可供分配盈利中確認。倘此計劃有變，將產生額外稅項負債，其將於將來可預見管理層擬宣派該等盈利或本集團之未來發展計劃修訂時(以較早者為準)之期間，於損益中確認。

5. 收入及分部資料

向本公司執行董事(「執行董事」，即主要經營決策者)作為資源分配及評估分部表現而呈報之資料，集中於所交付貨物之類別。本集團於「香港財務報告準則第8號－經營分部」項下之可報告分部載列如下：

- (i) 包裝紙－牛咭紙、掛面牛咭紙、白面牛咭紙及高強瓦楞芯紙；及
- (ii) 木漿



For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

5. REVENUE AND SEGMENT INFORMATION (CONTINUED)

Segment revenues and results

The following is an analysis of the Group's revenue and results by reportable segments:

For the year ended 31 March 2012

5. 收入及分部資料(續)

分部收入及業績

以下為按可報告分部劃分之本集團收入及業績分析：

截至二零一二年三月三十一日止年度

		Packaging paper 包裝紙 HK\$'000 千港元	Pulp 木漿 HK\$'000 千港元	Segment total 分部合計 HK\$'000 千港元	Eliminations 對銷 HK\$'000 千港元	Consolidated 綜合 HK\$'000 千港元
REVENUE	收入					
External sales	對外銷售	14,336,951	378,602	14,715,553	—	14,715,553
Inter-segment sales	分部之間銷售	—	124,451	124,451	(124,451)	—
		14,336,951	503,053	14,840,004	(124,451)	14,715,553
SEGMENT PROFIT	分部盈利	1,579,801	25,576	1,605,377	—	1,605,377
Net gain from fair value changes of derivative financial instruments	衍生金融工具公平值變動淨收益					1,630
Reclassification of cumulative loss from hedging reserve upon early repayment of hedged item	於對沖項目提早還款時將對沖儲備重新分類之累計虧損					(15,981)
Share of profit of a JCE	應佔共同控制實體盈利					6
Unallocated income	未分類之收入					51,480
Unallocated expenses	未分類之支出					(5,860)
Finance costs	財務成本					(99,901)
Profit before tax	除稅前盈利					1,536,751



5. REVENUE AND SEGMENT INFORMATION
(CONTINUED)

Segment revenues and results (Continued)

For the year ended 31 March 2011

		Packaging paper 包裝紙 HK\$'000 千港元	Pulp 木漿 HK\$'000 千港元	Segment total 分部合計 HK\$'000 千港元	Eliminations 對銷 HK\$'000 千港元	Consolidated 綜合 HK\$'000 千港元
REVENUE	收入					
External sales	對外銷售	13,341,879	692,406	14,034,285	—	14,034,285
Inter-segment sales	分部之間銷售	—	100,589	100,589	(100,589)	—
		13,341,879	792,995	14,134,874	(100,589)	14,034,285
SEGMENT PROFIT	分部盈利	2,056,733	82,508	2,139,241	—	2,139,241
Net gain from fair value changes of derivative financial instruments	衍生金融工具 公平值變動 淨收益					3,138
Unallocated income	未分類之收入					54,183
Unallocated expenses	未分類之支出					(5,111)
Finance costs	財務成本					(207,325)
Profit before tax	除稅前盈利					1,984,126

The accounting policies of the operating segments are the same as the Group's accounting policies described in note 3. Segment profit represents the profit earned by each segment without allocation of net gain from fair value changes of derivative financial instruments, reclassification of cumulative loss from hedging reserve upon early repayment of hedged item, share of profit of a JCE, interest income, net exchange gain, gain on disposal of interest in an associate, finance costs and other unallocated income and expenses. This is the measure reported to the CODM for the purpose of resource allocation and performance assessment.

Inter-segment sales are charged at prevailing market rates.

5. 收入及分部資料(續)

分部收入及業績(續)

截至二零一一年三月三十一日止年度

可報告分部之會計政策乃與附註3所述本集團之會計政策相同。分部盈利指各分部所賺取盈利，而並無分配來自衍生金融工具公平值變動淨收益、於對沖項目提早還款時將對沖儲備重新分類之累計虧損、應佔共同控制實體盈利、利息收入、匯兌淨收益、出售聯營公司收益、財務成本及其他未分配收入及開支。此乃滙報予執行董事以作資源分配及表現評估之計量。

分部間銷售乃按現行市場價格計算。



5. REVENUE AND SEGMENT INFORMATION
(CONTINUED)

Segment assets and liabilities

The following is an analysis of the Group's assets and liabilities by reportable segments:

5. 收入及分部資料(續)

分部資產及負債

以下為按可報告分部劃分之本集團資產及負債分析：

		Packaging paper 包裝紙 HK\$'000 千港元	Pulp 木漿 HK\$'000 千港元	Consolidated 綜合 HK\$'000 千港元
2012	二零一二年			
Segment assets	分部資產	23,932,759	1,883,543	25,816,302
Unallocated assets	未分類資產			924,731
Consolidated total assets	綜合總資產			26,741,033
Segment liabilities	分部負債	2,424,285	38,256	2,462,541
Unallocated liabilities	未分類負債			10,780,279
Consolidated total liabilities	綜合總負債			13,242,820
2011	二零一一年			
Segment assets	分部資產	20,247,579	1,274,007	21,521,586
Unallocated assets	未分類資產			1,552,879
Consolidated total assets	綜合總資產			23,074,465
Segment liabilities	分部負債	1,795,889	29,351	1,825,240
Unallocated liabilities	未分類負債			8,949,412
Consolidated total liabilities	綜合總負債			10,774,652



5. REVENUE AND SEGMENT INFORMATION (CONTINUED)

Segment assets and liabilities (Continued)

For the purposes of monitoring segment performance and allocating resources between segments, all assets are allocated to operating segments other than retirement benefit assets, derivative financial instruments, tax recoverable, restricted bank deposits, bank balances and cash and other assets used jointly by reportable segments, and all liabilities are allocated to operating segments other than derivative financial instruments, tax payable, bank borrowings and deferred tax liabilities and other liabilities for which reportable segments are jointly liable.

Revenue from major products

The following is an analysis of the Group's revenue from its major products:

5. 收入及分部資料(續)

分部資產及負債(續)

為作監督分部表現及於分部間分配資源，所有資產均分配予經營分部(退休福利資產、衍生金融工具、可收回稅項、受限制銀行存款、銀行結餘及現金以及由可報告分部共同所用的其他資產除外)以及所有負債均分配予經營分部(衍生金融工具、應付稅項、銀行借貸及遞延稅項負債及可報告分部共同應付的其他負債除外)。

來自主要產品的收入

下表為本集團來自主要產品的收入分析：

	2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Packaging paper (including linerboard and corrugating medium) 包裝紙(包括牛咭紙及瓦楞芯紙)	14,336,951	13,341,879
Pulp 木漿	378,602	692,406
	14,715,553	14,034,285



5. REVENUE AND SEGMENT INFORMATION (CONTINUED)

Geographical information

Over 95% (2011: 95%) of the Group's revenue from external customers are in the PRC.

Information about the Group's non-current assets is presented based on the geographical location of the assets.

5. 收入及分部資料(續)

地域資料

本集團外部客戶之收入超過95%(二零一一年: 95%)來自中國。

本集團非流動資產資料乃按資產所在地域呈列。

		Non-current assets	
		非流動資產	
		2012	2011
		二零一二年	二零一一年
		HK\$'000	HK\$'000
		千港元	千港元
PRC other than Hong Kong	中國，香港除外	17,308,399	14,238,759
Vietnam	越南	259,068	407,776
Hong Kong	香港	42,679	42,598
		17,610,146	14,689,133

Note: Non-current assets exclude retirement benefit assets.

附註：非流動資產不包括退休福利資產。

Information about major customers

None of the Group's customers contributed over 10% of the Group's total revenue for the current year or the prior year.

主要客戶資料

於本年度或上年度並無本集團客戶佔本集團總收入超過10%。



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6. OTHER INCOME

6. 其他收入

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 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	11,320	13,084
Gain on disposal of interest in an associate	出售聯營公司權益收益	—	21,731
Income from supply of steam and electricity	供應蒸氣及電力收入	110,249	84,261
Income from wharf cargo handling	經營碼頭貨運收入	52,021	42,049
Interest from an associate	聯營公司利息	—	6,691
Interest income from banks	銀行利息收入	14,168	5,810
Net foreign exchange gains	淨滙兌得益	37,312	19,951
Sales of scrap materials and waste paper	廢料及廢紙銷售	28,927	12,986
Value added tax and other tax refund	增值稅退款及其他退稅	125,118	93,068
Others	其他	50,712	36,252
		429,827	335,883



7. FINANCE COSTS

7. 財務成本

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 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	196,983	215,060
Net interest on interest rate swaps	利率掉期淨利息	39,610	79,076
Less: amounts capitalised to property, plant and equipment	減去：物業、廠房及設備之資本化金額	(136,692)	(86,811)
		99,901	207,325

Borrowing costs capitalised during the year arose on the general borrowing pool and are calculated by applying a capitalisation rate of 4% (2011: 5%) per annum to expenditures on qualifying assets. The capitalisation rate takes into account interest rate swap used to hedge the cash flow exposure on variability in cash flows.

年內之資本化借貸成本乃於一般借貸中產生，以合資格資產開支之資本化年利率4%(二零一一年：5%)計算。資本化利率計及用作對沖可變性現金流量之現金流量風險之利率掉期。



8. INCOME TAX EXPENSE

8. 利得稅支出

	2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Income tax recognised in profit or loss: 於損益內確認之利得稅:		
Current tax 現有稅項		
– PRC Enterprise Income Tax – 中國企業所得稅	76,054	95,268
– Overseas income tax – 海外所得稅	52	55
Overprovision in previous year 去年超額撥備		
– PRC Enterprise Income Tax – 中國企業所得稅	(3,442)	—
Deferred tax (note 25) 遞延稅項(附註25)		
– Charge to profit or loss – 於損益賬扣除	127,454	69,850
– Change in tax rate of certain subsidiaries – 若干附屬公司稅率變動	(14,816)	(29,026)
Total income tax recognised in profit or loss 於損益賬內確認之總利得稅	185,302	136,147

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

PRC

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

本集團之盈利須於其盈利賺取的營運地方繳納稅項。稅項按個別司法管轄區適用之稅率計算。

中國

於中國的若干附屬公司於各自首個獲利年度起，免繳中國企業所得稅(「企業所得稅」)兩年，其後三年減半徵收(「稅務優惠」)。



8. INCOME TAX EXPENSE (CONTINUED)

PRC (Continued)

Under the Law of the PRC on EIT and its Implementation Regulations (the "EIT Law"), the statutory tax rate of the PRC subsidiaries is 25% from 1 January 2008 onwards. Those subsidiaries which are entitled to Tax Holidays will be subject to the statutory tax rate of 25% upon expiry of the Tax Holidays except as follows:

The tax exemption period of Tax Holidays of Jiangsu Lee & Man (as defined in note 37) expired on 31 December 2006 and it was subject to a reduced tax rate of 10%, 22% and 24% for the calendar years of 2009, 2010 and 2011, respectively. However, subsequently, on 2 August 2011, Jiangsu Lee & Man was qualified as a Jiangsu Province New and High Technical Enterprise (江蘇省高新技術企業) and is therefore entitled to a concessionary EIT rate of 15% for three calendar years starting 1 January 2011.

The tax exemption period of Tax Holidays of Guangdong Lee & Man (as defined in note 37) expired on 31 December 2008 and its applicable preferential tax rate for the three calendar years ended 31 December 2011, i.e. 12.5%. In addition, (i) during the calendar year ended 31 December 2010, Guangdong Lee & Man was entitled to tax credits calculated at 40% of the relevant costs of qualified plant and equipment acquired in the PRC and as approved by the relevant tax authority; and (ii) for the calendar year ending 31 December 2012, Guangdong Lee & Man is entitled to a concessionary EIT rate of 15% as it has been qualified as a Guangdong Province New and High Technical Enterprise (廣東省高新技術企業).

8. 利得稅支出(續)

中國(續)

根據中國企業所得稅法及企業所得稅實施條例(「企業所得稅法」)，由二零零八年一月一日起，中國附屬公司的法定稅率為25%。該等享有稅務優惠之中國附屬公司於稅務優惠期滿後，將按法定稅率25%繳稅，惟以下除外：

江蘇理文(定義見附註37)稅務優惠之稅項豁免期已於二零零六年十二月三十一日屆滿，而其於二零零九年、二零一零年及二零一一年曆年須分別按已減免稅率10%、22%及24%繳稅。然而，江蘇理文隨後於二零一一年八月二日獲得江蘇省高新技術企業稱號，因此江蘇理文由二零一一年一月一日起可享有三個曆年優惠企業所得稅稅率15%。

廣東理文(定義見附註37)稅務優惠之稅項豁免期已於二零零八年十二月三十一日屆滿，而其於截至二零一一年十二月三十一日止三個曆年之適用優惠稅率為12.5%。此外，(i)於二零一零年十二月三十一日止曆年，廣東理文於中國購置之合資格廠房及設備，經相關稅務機關批准，其40%相關成本可用作抵扣稅款；及(ii)由於廣東理文獲得廣東省高新技術企業稱號，其於截至二零一二年十二月三十一日止曆年可享有優惠企業所得稅稅率15%。



8. INCOME TAX EXPENSE (CONTINUED)

PRC (Continued)

The tax exemption period of Tax Holidays of Chongqing Lee & Man (as defined in note 37) expired on 31 December 2009 and it is entitled to be taxed at 50% of the applicable rate for the three calendar years ending 31 December 2012 of which, in the calendar years of 2011 and 2012, Chongqing Lee & Man's taxable profit is to be taxed at half of the concessionary EIT rate of 15%, i.e. 7.5%, as part of the China Western Development (西部大開發) tax concessions. In addition, during the calendar year ended 31 December 2011, Chongqing Lee & Man was entitled to tax credits calculated at 40% of the relevant costs of qualified plant and equipment acquired in the PRC and as approved by the relevant tax authority.

On 14 December 2009, Dongguan Lee & Man (as defined in note 37) was qualified as a Guangdong Province New and High Technical Enterprise (廣東省高新技術企業) and was therefore entitled to a concessionary EIT rate of 15% for three calendar years ended 31 December 2011. Dongguan Lee & Man is subject to EIT at 25% starting 1 January 2012.

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.

8. 利得稅支出(續)

中國(續)

重慶理文(定義見附註37)稅務優惠之稅項豁免期已於二零零九年十二月三十一日屆滿,而其於截至二零一二年十二月三十一日止三個曆年按適用稅率減半繳稅,其中於二零一一年及二零一二年兩個曆年,重慶理文應繳稅盈利按優惠企業所得稅稅率15%折半繳稅,即7.5%,此為中國西部大開發之稅項優惠政策之一。此外,於二零一一年十二月三十一日止曆年,重慶理文於中國購置之合資格廠房及設備,經相關稅務機關批准,其40%相關成本可用作抵扣稅款。

於二零零九年十二月十四日,東莞理文(定義見附註37)獲得廣省高新技術企業稱號,據此其於二零一一年十二月三十一日止三個曆年可享優惠企業所得稅稅率15%。東莞理文由二零一二年一月一日起按企業所得稅稅率25%繳稅。

澳門

澳門附屬公司根據第58/99/M號法令註冊成立,均獲豁免繳納澳門補充稅(澳門所得稅),前提為其須遵守相關法規且不得向澳門本土公司出售產品。



8. INCOME TAX EXPENSE (CONTINUED)

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 both years as the Vietnam subsidiaries incurred losses for both years.

Hong Kong

During the year ended 31 March 2010, the Hong Kong Inland Revenue Department ("IRD") commenced a field audit on the Hong Kong tax affairs of certain subsidiaries of the Company. Since then the IRD has issued protective profits tax assessments against these subsidiaries in the aggregate amount of HK\$257,075,000 for the years of assessment 2003/2004, 2004/2005, and 2005/2006 (i.e. the three financial years ended 31 March 2006). These protective profits tax assessments were subsequently held over by the IRD completely after the Group purchased tax reserve certificates of HK\$52,670,000 of which HK\$39,670,000 were purchased up to 31 March 2012 and HK\$13,000,000 were purchased subsequent to 31 March 2012.

The directors believe that no provision for Hong Kong Profits Tax in respect of the above mentioned protective assessments is necessary. In addition, as far as the directors are aware, the inquiries from the IRD are still at a fact-finding stage and the IRD has not yet expressed any formal opinion on the potential tax liability, if any, because the tax investigation has not completed.

Other

Taxation arising in other jurisdictions is calculated at the rates prevailing in the relevant jurisdictions.

8. 利得稅支出(續)

越南

越南附屬公司須按不多於25%稅率繳納越南企業所得稅。由於越南附屬公司於兩個報告期間均錄得虧損，故並無計提越南企業所得稅撥備。

香港

於截至二零一零年三月三十一日止年度，香港稅務局(「稅務局」)展開關於本公司若干附屬公司香港稅務事宜的實地審計。其後，稅務局就二零零三／二零零四、二零零四／二零零五、及二零零五／二零零六之課稅年度(即截至二零零六年三月三十一日止三個財政年度)，向該等附屬公司發出保障性利得稅評稅合共金額257,075,000港元。經本集團購買52,670,000港元(當中截至二零一二年三月三十一日已購買39,670,000港元，而13,000,000港元於二零一二年三月三十一日後購買)之儲稅券後，該等保障性利得稅項獲稅務局同意全數緩繳。

董事相信，毋須就上述保障性評稅為香港利得稅作出撥備。此外，據董事現時所知，稅務局仍在實證搜集階段，因為稅務調查仍未完成，所以稅務局並未就潛在稅務負債(如有)發表任何正式意見。

其他

其他司法管轄區產生的稅項則按個別司法管轄區適用之稅率計算。



8. INCOME TAX EXPENSE (CONTINUED)

Other (Continued)

The tax charge for the year can be reconciled to the profit per the consolidated statement of comprehensive Income as follows:

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Profit before tax	除稅前盈利	1,536,751	1,984,126
Tax at the applicable tax rate of 25% (2011: 24%) (note i)	按適用稅率25%(二零一一年: 24%)計算的稅項(附註i)	384,188	476,190
Tax effect of expenses not deductible for tax purpose	不可扣稅的支出的稅務影響	29,590	43,266
Tax effect of income not taxable for tax purpose	無須課稅的收入的稅務影響	(3,988)	(14,561)
Tax effect of tax losses not recognised	未確認稅務虧損的稅務影響	2,604	4,975
Utilisation of tax losses not recognised	動用未確認稅項虧損	(3,078)	—
Effect of tax exemption granted to Macau subsidiaries	澳門附屬公司獲豁免繳稅的影響	(110,945)	(127,791)
Effect of concessionary rates granted to PRC subsidiaries	中國附屬公司獲優惠稅率的影響	(78,305)	(166,571)
Effect of different tax rates of subsidiaries operating in other jurisdictions	於其他司法權區營運的附屬公司的不同稅率的影響	(756)	(1,671)
Tax credits (note ii)	稅項抵扣(附註ii)	(15,750)	(48,664)
Change in tax rate of certain subsidiaries	若干附屬公司稅率變動	(14,816)	(29,026)
Overprovision in previous year	去年超額撥備	(3,442)	—
Tax charge for the year	年度稅務開支	185,302	136,147

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 are calculated with reference to 40% of the cost of the purchase of qualified plant and equipment manufactured in the PRC by certain subsidiaries of the Company.

附註:

- (i) 已採用本集團絕大部份業務營運所在之司法權區之當地所得稅率。
- (ii) 稅務抵扣乃按本公司之若干附屬公司購置在中國製造之合資格廠房及設備之成本的40%計算。



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9. PROFIT FOR THE YEAR

9. 年度盈利

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Profit for the year has been arrived at after charging:	年度盈利經扣除：		
Directors' emoluments	董事酬金	12,240	38,190
Staff salaries and other benefits, excluding those of directors	職員薪金及其他福利，不包括董事	497,342	418,265
Contributions to retirement benefit schemes, excluding those of directors	退休福利計劃供款，不包括董事	41,159	30,591
Total employee benefit expense	僱員成本總額	550,741	487,046
Amortisation of prepaid lease payments	預付租賃款項攤銷	9,081	8,485
Auditor's remuneration	核數師酬金	4,660	4,294
Cost of inventories recognised as expense	存貨成本確認為費用	12,652,109	11,452,435
Depreciation of property, plant and equipment	物業、廠房及設備折舊	556,765	544,096
Loss on disposal of property, plant and equipment	出售物業、廠房及設備之虧損	4,785	1,169
Operating lease rentals in respect of land and buildings	土地及樓宇的經營租賃租金	5,315	4,437
Allowance for doubtful debts	呆壞賬撥備	14,849	—



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10. DIRECTORS' EMOLUMENTS

The emoluments paid or payable to each of the nine (2011: nine) directors were as follows:

10. 董事酬金

已付或應付予九位董事(二零一一年:九)的酬金如下:

		Other emoluments 其他酬金				Total 合計
		Fees 袍金	Salaries and other benefits 薪金及其他福利	Contributions to retirement benefit schemes 退休福利計劃供款	Share based payments 股權支付款項	
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Year ended 31 March 2012	二零一二年三月三十一日止年度					
<i>Executive directors</i>	<i>執行董事</i>					
Lee Wan Keung Patrick	李運強	—	—	—	—	—
Lee Man Chun Raymond	李文俊	1,487	1,873	4	3,667	7,031
Lee Man Bun	李文斌	687	1,473	4	2,445	4,609
Kunihiko Kashima	鹿島久仁彥	—	—	—	—	—
<i>Non-executive directors</i>	<i>非執行董事</i>					
Poon Chung Kwong	潘宗光	—	—	—	—	—
Yoshio Haga	芳賀義雄	—	—	—	—	—
<i>Independent non-executive directors</i>	<i>獨立非執行董事</i>					
Wong Kai Tung Tony	王啟東	200	—	—	—	200
Peter A Davies	Peter A Davies	200	—	—	—	200
Chau Shing Yim David	周承炎	200	—	—	—	200
		2,774	3,346	8	6,112	12,240
Year ended 31 March 2011	二零一一年三月三十一日止年度					
<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	19,228	22,600
Lee Man Bun	李文斌	—	2,160	12	12,818	14,990
Kunihiko Kashima	鹿島久仁彥	—	—	—	—	—
<i>Non-executive directors</i>	<i>非執行董事</i>					
Poon Chung Kwong	潘宗光	—	—	—	—	—
Yoshio Haga	芳賀義雄	—	—	—	—	—
<i>Independent non-executive directors</i>	<i>獨立非執行董事</i>					
Wong Kai Tung Tony	王啟東	200	—	—	—	200
Peter A Davies	Peter A Davies	200	—	—	—	200
Chau Shing Yim David	周承炎	200	—	—	—	200
		600	5,520	24	32,046	38,190



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10. DIRECTORS' EMOLUMENTS (CONTINUED)

For each of the two years ended 31 March 2012, 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. No directors waived any emoluments during these two years.

11. EMPLOYEES' EMOLUMENTS

Of the five individuals with the highest emoluments in the Group, two (2011: two) were directors of the Company whose emoluments are included in the disclosures in note 10 above. The emoluments of the remaining three (2011: three) individuals were as follows:

10. 董事酬金(續)

截至二零一二年三月三十一日止兩年內，本集團並無支付任何酬金予董事作為誘使其加入或加入本集團後或失去其辦公室之補償。這兩年內無任何董事放棄酬金。

11. 僱員酬金

本集團最高酬金之五位人士，其中兩位(二零一一年：兩位)為本公司董事而其酬金已於上述附註10披露。其餘三位人士(二零一一年：三位)之酬金如下：

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Salaries and other benefits	薪金及其他福利	6,986	6,002
Contributions to retirement benefit schemes	退休福利計劃供款	26	36
		7,012	6,038

The emoluments were within the following bands:

董事的酬金介乎下列組別：

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
HK\$1,000,001 to HK\$1,500,000	1,000,001港元－1,500,000港元	—	1
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	2	—
HK\$2,500,001 to HK\$3,000,000	2,500,001港元－3,000,000港元	1	1
		3	3



12. DIVIDENDS

12. 股息

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Dividends recognised as distribution:	確認為分派之股息：		
2011 final dividend of HK\$0.080 (2010 final dividend of HK\$0.080) per share	二零一一年末期股息每股 0.080港元(二零一零年末期 股息每股0.080港元)	375,170	364,115
2012 interim dividend of HK\$0.048 (2011 interim dividend of HK\$0.060) per share	二零一二年中期股息每股0.048 港元(二零一一年中期股息 每股0.060港元)	225,102	281,378
		600,272	645,493

A final dividend of HK\$0.052 per share in respect of the year ended 31 March 2012 (2011: final dividend of HK\$0.080 per share in respect of the year ended 31 March 2011) has been proposed by the directors and is subject to approval by shareholders at the forthcoming annual general meeting.

董事建議派付截至二零一二年三月三十一日止年度末期股息每股0.052港元(二零一一年：截至二零一一年三月三十一日止年度末期股息每股0.080港元)，惟須待股東在應屆股東大會批准。



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13. EARNINGS PER SHARE

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

13. 每股盈利

本公司擁有人的每股基本及攤薄盈利乃以下列數據為基準計算：

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Earnings for the purpose of basic and diluted earnings per share	用以計算每股基本及攤薄盈利之盈利	1,351,449	1,847,979
		2012 二零一二年 Number of Shares 股份數目	2011 二零一一年 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	4,689,622,980	4,605,481,669
Effect of dilutive potential ordinary shares: Share options	普通股潛在攤薄影響： 購股權	33,722,957	103,335,070
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	4,723,345,937	4,708,816,739



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14. PROPERTY, PLANT AND EQUIPMENT

14. 物業、廠房及設備

		Buildings	Computer System	Furniture fixtures and equipment	Leasehold improvements	Motor vehicles	Plant and machinery	Construction in progress	Total
		樓宇	電腦系統	傢俬、固定裝置及設備	租賃物業裝修	汽車	廠房及機器	在建工程	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
COST	成本								
At 1 April 2010	二零一零年四月一日	2,672,723	23,072	332,398	405,951	46,189	9,711,334	939,423	14,131,090
Exchange realignment	匯兌重新組合	106,372	—	11,182	17,303	1,705	395,631	15,903	548,096
Additions	添置	70,805	1,232	7,450	16,864	3,285	38,906	1,505,483	1,644,025
Transfers	轉讓	30,759	—	422	1,145	—	93,770	(126,096)	—
Disposals/written off	出售/撇賬	—	—	(1,404)	(564)	(73)	(11,754)	—	(13,795)
At 31 March 2011	二零一一年 三月三十一日	2,880,659	24,304	350,048	440,699	51,106	10,227,887	2,334,713	16,309,416
Exchange realignment	匯兌重新組合	72,192	2	9,979	10,117	1,141	254,603	41,162	389,196
Additions	添置	17,113	995	12,492	9,944	10,480	63,085	3,142,539	3,256,648
Transfers	轉讓	258,610	—	69,466	18,523	—	1,454,687	(1,801,286)	—
Disposals/written off	出售/撇賬	—	—	(1,961)	(115)	(3,558)	(55,708)	(2,931)	(64,273)
At 31 March 2012	二零一二年 三月三十一日	3,228,574	25,301	440,024	479,168	59,169	11,944,554	3,714,197	19,890,987
DEPRECIATION	折舊								
At 1 April 2010	二零一零年四月一日	392,886	7,502	74,094	76,322	30,266	1,148,574	—	1,729,644
Exchange realignment	匯兌重新組合	19,515	—	4,292	3,608	976	54,942	—	83,333
Provided for the year	年內撥備	124,385	2,430	56,653	21,309	4,819	334,500	—	544,096
Eliminated on disposals/ written off	出售時對銷/撇賬	—	—	(290)	—	(44)	(428)	—	(762)
At 31 March 2011	二零一一年 三月三十一日	536,786	9,932	134,749	101,239	36,017	1,537,588	—	2,356,311
Exchange realignment	匯兌重新組合	13,727	2	3,741	2,565	734	40,352	—	61,121
Provided for the year	年內撥備	133,290	2,533	58,739	22,631	5,278	334,294	—	556,765
Eliminated on disposals/ written off	出售時對銷/撇賬	—	—	(1,720)	(115)	(3,196)	(1,313)	—	(6,344)
At 31 March 2012	二零一二年 三月三十一日	683,803	12,467	195,509	126,320	38,833	1,910,921	—	2,967,853
CARRYING VALUE	賬面值								
At 31 March 2012	二零一二年 三月三十一日	2,544,771	12,834	244,515	352,848	20,336	10,033,633	3,714,197	16,923,134
At 31 March 2011	二零一一年 三月三十一日	2,343,873	14,372	215,299	339,460	15,089	8,690,299	2,334,713	13,953,105



14. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Depreciation is provided to write off the cost of property, plant and equipment other than construction in progress over their estimated useful lives and after taking into account of their estimated residual values, 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%

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

14. 物業、廠房及設備(續)

除在建工程外，物業、廠房及設備在計及其預計剩餘價值後，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%

本集團之土地及樓宇賬面值包括：

	2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Buildings on lands under medium-term lease in the PRC 於中國以中期租賃租約土地上之樓宇	2,544,771	2,343,873

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 2012, the carrying value of such buildings was HK\$962,252,000 (2011: HK\$993,057,000). In the opinion of directors, the absence of formal title to these buildings does not impair the value of the relevant buildings to the Group as the Group has paid substantially the full purchase consideration of these land rights and the probability of being evicted on the ground of an absence of formal title is remote. 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正式擁有權之中國土地上。於二零一二年三月三十一日，該等樓宇之賬面值為962,252,000港元(二零一一年：993,057,000港元)。董事認為欠缺該等樓宇正式擁有權並不會損害集團相應樓宇價值，因為本集團已支付大部份購買該等土地權之代價及以欠缺正式擁有權的理由而收回土地的機會是微乎其微。董事亦相信在不久將來集團會獲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:

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
PRC	中國	459,933	435,302
Vietnam	越南	45,727	45,692
		505,660	480,994

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 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	494,704	471,121
Current asset	流動資產	10,956	9,873
		505,660	480,994

As at 31 March 2012, the carrying value of land use rights in respect of which the Group had not been granted formal title of ownership was HK\$87,622,000 (2011: HK\$62,411,000). 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 as the Group has paid substantially the full purchase consideration of these land rights and the probability of being evicted on the ground of an absence of formal title is remote. 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賃項下之租賃土地位於：

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
PRC	中國	459,933	435,302
Vietnam	越南	45,727	45,692
		505,660	480,994

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 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	494,704	471,121
Current asset	流動資產	10,956	9,873
		505,660	480,994

於二零一二年三月三十一日，集團並未授予正式擁有權之土地使用權之賬面值為87,622,000港元(二零一一年：62,411,000港元)。董事認為欠缺此等土地使用權正式擁有權並不會損害集團相應物業價值，因為本集團已支付大部份購買該土地權之代價及以欠缺正式擁有權的理由而收回土地的機會是微乎其微。董事亦相信在不久將來集團會獲授予該等土地使用權正式擁有權。



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 33.

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已於附註33披露。

17. INTEREST IN A JCE

17. 共同控制實體權益

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Cost of investments	投資成本	—	—
Share of profit	應佔盈利	6	—
Translation of a JCE	共同控制實體換算	19	—
		25	—
Loan to a JCE (note)	共同控制實體貸款(附註)	9,400	—

note: The amount is unsecured, interest-free and expected to be repaid after five years from the end of reporting period subject to management review. It is provided to a JCE in the form of shareholder's loan.

附註：該數額乃無抵押、免息及預期將於報告期末五年後償還(須經管理層審閱)。該款以股東貸款方式提供予共同控制實體。



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17. INTEREST IN A JCE (CONTINUED)

Details of the Group's JCE and its subsidiary at 31 March 2012 are as follows:

17. 共同控制實體權益(續)

於二零一二年三月三十一日本集團之共同控制實體及其附屬公司詳情如下：

Name of JCE and its subsidiary 共同控制實體及其附屬公司名稱	Place of Incorporation and operations 成立及營運地點	Issued and fully paid share capital/ registered capital 已發行及繳足股本 ／註冊資本	Proportion of issued and fully paid up capital held 持有已發行及繳足股本比例		Principal Activity 主要業務
			Directly 直接	Indirectly 間接	
JCE:					
共同控制實體：					
Southern Hill Company Limited 南峰有限公司	Hong Kong 香港	Ordinary shares – HK\$2 普通股 – 2港元	50%	—	Investment holdings 投資控股
Its subsidiary:					
其附屬公司：					
瑞昌理文物流有限公司(附註) (Ruichang Lee & Man Logistics Company Limited) (note)	PRC 中國	Registered capital US\$12,000,000 註冊資本 12,000,000美元	—	50%	Provision of port facilities 提供港口服務

note: The company is the wholly-owned subsidiary of Southern Hill Company Limited.

附註：該公司為南峰有限公司之全資附屬公司。



17. INTEREST IN A JCE (CONTINUED)

The summarised consolidated financial information in respect of the Group's interest in the JCE which are accounted for using the equity method is set out below:

		2012 二零一二年 HK\$'000 千港元
Non-current assets	非流動資產	3,855
Current assets	流動資產	6,216
Non-current liabilities	非流動負債	(9,400)
Current liabilities	流動負債	(646)
Net assets of the JCE	共同控制實體淨資產	25
Other income	其他收入	16
Expenses	費用	(10)
Profit for the year	年度盈利	6

17. 共同控制實體權益(續)

有關本集團共同控制實體之綜合財務資料乃採用權益法入賬，概括如下：

18. INVENTORIES

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Raw materials	原料	2,518,015	2,459,146
Finished goods	製成品	606,230	507,592
		3,124,245	2,966,738

18. 存貨



19. TRADE AND OTHER RECEIVABLES

19. 應收貿易及其他賬款

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Trade receivables	應收貿易賬款	2,102,577	1,880,295
Less : allowance for doubtful debt	減：呆壞賬撥備	(14,849)	—
		2,087,728	1,880,295
Bills receivables	應收票款	1,944,808	1,146,969
		4,032,536	3,027,264
Prepayments and deposits for purchase of raw materials	購買原料預付款項及訂金	559,515	568,241
Other deposits and prepayments	其他訂金及預付款項	115,533	119,026
VAT receivables	應收增值稅款項	426,565	247,816
Other receivables	其他應收款項	107,681	112,701
		5,241,830	4,075,048

The Group allows its customers an average credit period of 45 to 90 days. The following is an aged analysis of trade and bills receivables presented based on the invoice date at the end of the reporting period.

本集團給予客戶的平均信貸期為45日至90日。下表為根據報告期末發票日期之應收貿易賬款及票款的賬齡分析。



19. TRADE AND OTHER RECEIVABLES (CONTINUED)

19. 應收貿易及其他賬款(續)

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Aged:	賬齡：		
Less than 30 days	少於30日	3,345,194	2,458,746
31 – 60 days	31日 – 60日	563,536	422,295
61 – 90 days	61日 – 90日	81,818	128,562
91 – 120 days	91日 – 120日	23,194	13,473
Over 120 days	120日以上	18,794	4,188
		4,032,536	3,027,264

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 and trustworthy credit history. Credit limits attributed to customers are reviewed regularly. The directors consider all trade receivables (other than those for which impairment losses have been recognised) at the reporting 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\$41,988,000 (2011: HK\$17,661,000) which were past due at the reporting 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.

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。在本集團根據該等客戶的往績紀錄作出的內部評估，董事認為在報告日期所有應收貿易賬款(該等已確認減值虧損的除外)均具備良好信貸質量。

本集團應收貿易賬款結餘中包括賬面值合共41,988,000港元(二零一一年：17,661,000港元)的應收貿易賬款於報告期末已告逾期，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。



19. TRADE AND OTHER RECEIVABLES (CONTINUED)

Ageing of trade receivables which are past due but not impaired

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
91 – 120 days	91日 – 120日	23,194	13,473
Over 120 days	120日以上	18,794	4,188
		41,988	17,661

19. 應收貿易及其他賬款(續)

逾期但尚未減值的應收貿易賬款的賬齡

Movement in the allowance for doubtful debts

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
At 1 April	於四月一日	—	—
Impairment losses recognised on receivables	已於應收賬款確認之減值虧損	14,849	—
At 31 March	於三月三十一日	14,849	—

呆壞賬撥備變動

Included in the allowance for doubtful debts are individually impaired trade receivables with an aggregate balance of HK\$14,849,000 (31 March 2011: HK\$nil) which have either been placed under liquidation or in severe financial difficulties.

呆壞賬撥備包括向個別面臨清盤或嚴重財政困難的應收貿易賬款減值，合共金額14,849,000港元(二零一一年三月三十一日：無)。



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:

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
HK\$	港元	234,863	370,648
United States dollars ("US\$")	美元(「US\$」)	29,512	240,248

20. AMOUNTS DUE FROM (TO) RELATED COMPANIES AND A SUBSTANTIAL SHAREHOLDER

The amounts due from related companies represent trade balances due from Jiangsu Lee & Man Chemical Limited ("Jiangsu Chemical") and Lee & Man Industrial Manufacturing Limited ("LMIML"), both of which are beneficially owned and controlled by Mr Lee Wan Keung Patrick, a director and the ultimate controlling shareholder of the Company and his daughter, respectively.

The amount due to a substantial shareholder represent trade balance due to Nippon Paper Group Inc. ("Nippon Paper"), a substantial shareholder of the Company.

The amounts are unsecured and interest-free. The Group generally allows related companies an average credit period of 30 days and the amounts for both years were aged less than 30 days. As at the end of the reporting period, the balances were neither impaired nor past due. The credit period granted by a substantial shareholder is 30 days and the amount was aged less than 30 days.

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(付)關連公司及主要股東款項

應收關連公司款項乃江蘇理文化工有限公司(「江蘇化工」)及Lee & Man Industrial Manufacturing Limited (「理文實業」)的貿易結餘，兩間公司分別由本公司董事及最終控股股東李運強先生及其女兒實益擁有及控制。

應付主要股東款項乃應付本公司主要股東日本製紙集團(「日本製紙」)之貿易結餘。

該等款項為無抵押及免息。本集團一般給予關連公司平均信貸期30日及該款項於兩個年度的賬齡均少於30日。於報告期末，該等結餘概無減值或逾期。主要股東給予之信貸期為30日及該款項賬齡少於30日。



21. RESTRICTED BANK DEPOSITS AND BANK BALANCES AND CASH

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 of HK\$972,000 (2011: HK\$949,000) represent monies secured by the PRC government for certain commercial purposes of which the security period will expire within one year from the end of the reporting period and are therefore classified as current assets.

The restricted bank deposits carried market interest rate of 0.50% (2011: 0.36%) per annum. Bank balances carried market interest rates ranging from 0.01% to 1.49% (2011: 0.01% to 2.20%) per annum.

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

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
HK\$	港元	129,958	57,461
US\$	美元	13,788	13,009

22. TRADE AND OTHER PAYABLES

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Trade and bills payables	應付貿易賬款及票款	2,454,913	1,825,240
Construction fee payable	應付工程款	286,405	127,861
Accruals	應計費用	160,614	152,283
Receipt in advance	預收款項	132,120	132,539
Other payables	其他應付款項	93,235	77,381
		3,127,287	2,315,304

21. 受限制銀行存款及銀行結餘及現金

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。

為數972,000港元(二零一一年: 949,000港元)之受限制銀行存款指為若干商業目的而存放作為中國政府的保證金, 而該保障期將自報告期末起計一年內屆滿, 故該等款項已分類為流動資產。

受限制銀行存款帶有市場年息率0.50%(二零一一年: 0.36%)。而銀行結餘帶有市場年息率由0.01%至1.49%(二零一一年: 0.01%至2.20%)。

並非以有關集團實體功能貨幣計值的銀行結餘載列如下:

22. 應付貿易及其他賬款



22. TRADE AND OTHER PAYABLES (CONTINUED)

The average credit period taken for trade purchases ranges from 30 to 120 days. The following is an aged analysis of the trade and bills payables presented based on the invoice date at the end of the reporting period.

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Aged:	賬齡：		
Less than 30 days	少於30日	893,370	862,978
31 – 60 days	31日 – 60日	668,137	390,059
61 – 90 days	61日 – 90日	583,127	554,281
91 – 120 days	91日 – 120日	292,963	14,238
Over 120 days	120日以上	17,317	3,684
		2,454,914	1,825,240

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

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
US\$	美元	2,140,587	1,533,693
HK\$	港元	370	87

22. 應付貿易及其他賬款(續)

貿易購貨之平均賒賬期由30至120日不等。下表為於報告期末發票日期之應付賬款及票款之賬齡分析。

並非以有關集團實體功能貨幣計值的應付貿易及其他賬款如下：



23. BANK BORROWINGS

The Group's bank borrowings, all of which are unsecured, comprised:

23. 銀行借貸

本集團之銀行借貸(全部均為無抵押)包括：

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Bank loans	銀行貸款	8,895,198	7,829,054
Bank import loans	銀行進口貸款	664,115	159,552
		9,559,313	7,988,606
The bank borrowings are repayable as follows:			
Within one year	一年內	1,390,545	2,068,222
More than one year, but not exceeding two years	超過一年但少於兩年	1,572,878	2,058,959
More than two years, but not exceeding five years	超過兩年但少於五年	5,090,917	3,224,665
More than five years	超過五年	—	1,286
		8,054,340	7,353,132
Carrying amount of bank loans that are repayable within one year from the end of the reporting period but contain a repayment on demand clause	須於報告期結束當日起計一年內償還但載有應要求還款條款之銀行貸款賬面值	1,504,973	635,474
		9,559,313	7,988,606
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	(2,895,518)	(2,703,696)
Amount due after one year	一年後到期款項	6,663,795	5,284,910



23. BANK BORROWINGS (CONTINUED)

All the above bank borrowings carry variable interest rates ranging from Hong Kong Interbanks Offered Rate ("HIBOR") plus 1.10% to HIBOR plus 2.95% or London Interbanks Offered Rate ("LIBOR") plus 2.55% to LIBOR plus 5.00% (2011: ranging from HIBOR plus 0.90% to HIBOR plus 3.50%) per annum.

The weighted average effective interest rate of the Group's bank borrowings are as follows:

		2012 二零一二年	2011 二零一一年
Variable-rate borrowings	浮息借貸	2.21%	2.59%

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

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
US\$	美元	1,493,917	16,908
HK\$	港元	870,000	1,820,000

23. 銀行借貸(續)

上述所有銀行借貸均為浮息借貸，年息率由香港銀行同業拆息加1.10%至2.95%或倫敦銀行同業拆息加2.55%至5.00%不等(二零一一年：香港銀行同業拆息加0.90%至3.50%不等)。

本集團銀行借貸之實際利率加權平均數如下：

並非以有關集團實體功能貨幣計值之本集團銀行借貸如下：



24. DERIVATIVE FINANCIAL INSTRUMENTS

24. 衍生金融工具

		Current 流動		Non-current 非流動	
		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元	2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Derivative financial liabilities – net settlement	衍生金融負債 – 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)	—	(46,193)	—	(9,456)
Other derivatives (not under hedge accounting)	其他衍生工具 (非按對沖會計法入賬)				
Interest rate swaps (note ii)	利率掉期(附註ii)	(9,434)	—	—	—
Foreign currency forward contracts (note iii)	外幣遠期合約 (附註iii)	—	(337)	—	—
		(9,434)	(337)	—	—
		(9,434)	(46,530)	—	(9,456)
Derivative financial assets – net settlement	衍生金融資產 – 淨額交收				
Other derivatives (not under hedge accounting)	其他衍生工具 (非按對沖會計法入賬)				
Foreign currency forward contracts (note iii)	外幣遠期合約 (附註iii)	867	809	—	—

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 foreign exchange rates as determined by the counterparties.

上述衍生金融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。



24. DERIVATIVE FINANCIAL INSTRUMENTS (CONTINUED)

notes:

(i) Interest rate swaps ("swap") – hedge accounting

In prior year, the Group entered into swaps to minimise its exposure to cash flow interest rate risk of its variable-rate HK\$ bank borrowings (see note 23) by swapping a proportion of the variable-rate bank borrowings from variable interest rates to fixed interest rates. The swaps and the corresponding bank borrowings had substantially the same terms and the directors of the Company consider that the swaps were highly effective hedging instruments. Due to early repayment of the relevant bank borrowings in January 2012 ("Date of Termination"), the hedge accounting was discontinued and the interest rate swaps are ceased to be derivatives under hedge accounting ("Termination"). Major terms of these swaps are set out below:

Notional amount 概念金額	Swap 掉期
3 contracts with amortising principal sum of HK\$1,340,000,000 as at 31 March 2011	From 4.65% to 5.50%
於二零一一年三月三十一日，3份合約遞減本金合共1,340,000,000港元	由4.65%至5.50%

The above contracts will mature in September 2012.

For the year ended 31 March 2011, net adjustment of hedging reserve of HK\$61,611,000, arising from the effective portion of the swaps, were recognised in other comprehensive income and accumulated in equity and were expected to be released to the consolidated statement of comprehensive income at various dates in line with the interest and principal payments schedule of the corresponding bank borrowings over their maturity periods. A loss from fair value changes of HK\$33,000, arising from the ineffective portion of the swaps was recognised in profit or loss.

Net adjustment of hedging reserve of HK\$52,361,000, arising from the effective portion of the swaps for the period from 1 April 2011 to the Date of Termination were recognised in other comprehensive income including HK\$15,981,000, which was reclassified and recognised in profit and loss upon Termination. Furthermore, a gain from fair value changes of HK\$1,411,000 arising from the ineffective portion of the swaps was recognised in profit or loss upon the Date of Termination. In addition, losses from fair value changes of HK\$176,000 after the Termination was recognised in profit or loss for the year ended 31 March 2012.

24. 衍生金融工具(續)

附註：

(i) 利率掉期(「掉期」)－對沖會計入賬

上年度，本集團採用掉期，通過將部分浮息銀行借貸由浮息利率換轉成固定利率，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23)。掉期及相應之銀行借貸條款大致相同，本公司董事認為掉期乃非常有效之對沖工具。由於有關銀行借貸於二零一二年一月(「終止日」)提早償還，已停止對沖會計入賬及利率掉期不再屬於對沖會計之衍生工具(「終止」)。此等掉期的主要條款載列如下：

上述合約將於二零一二年九月期滿。

於截至二零一一年三月三十一日止年度，由掉期之有效部份產生的對沖儲備淨調整61,611,000港元已於其他全面收益內確認及於權益中累計處理，預期將於未來配合相應銀行借貸之利率及本金支付期於不同日子轉至綜合收益表。掉期無效部份所產生之公平值變動虧損33,000港元已於損益表中確認。

對沖儲備之淨調整52,361,000港元乃自二零一一年四月一日至終止日期間掉期之有效部份產生，並已於其他全面收益確認，當中包括15,981,000港元已重新分類並於終止時在損益中確認。此外，自掉期之無效部份公平值變動產生之收益1,411,000港元已於終止日於損益賬確認。再者，終止後之公平值變動虧損176,000港元已於截至二零一二年三月三十一日止年度在損益賬確認。



For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

24. DERIVATIVE FINANCIAL INSTRUMENTS (CONTINUED)

notes: (Continued)

(ii) Interest rate swaps – not under hedge accounting

Major terms of outstanding contracts as at 31 March 2012 in which hedge accounting has been terminated in note (i) above and reclassified as interest rate swaps not under hedge accounting since Termination were as follows:

Notional amount 概念金額	Interest rate swap 利率掉期
3 contracts with amortising principal sum of HK\$580,000,000 as at 31 March 2012 於二零一二年三月三十一日，3份合約遞減本金合共580,000,000港元	From 4.65% to 5.50% 由4.65%至5.50%

The above contracts will mature in September 2012.

(iii) Foreign currency forward contracts – not under hedge accounting

Major terms of the foreign currency forward contracts outstanding as at 31 March 2012 are as follows:

Notional amount 概念金額	Currency conversion 貨幣轉換
2 contracts to buy GBP3,820,000 in total 2份合約共買3,820,000英鎊	GBP1: US\$1.5720 to 1.5752 1英鎊兌1.5720至1.5752美元
1 contract to buy USD11,010,000 in total 1份合約共買11,010,000美元	USD1: HK\$7.7563 1美元兌7.7563港元

Major terms of the foreign currency forward contracts outstanding as at 31 March 2011 were as follows:

Notional amount 概念金額	Currency conversion 貨幣轉換
4 contracts to buy GBP14,600,000 in total 4份合約共買14,600,000英鎊	GBP1: US\$1.5883 to 1.6183 1英鎊兌1.5883至1.6183美元

The above contracts will mature within one to two months (2011: one to two months) after the end of the reporting period.

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

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Derivative financial assets	衍生金融資產		
GBP	英鎊	801	809
Derivative financial liabilities	衍生金融負債		
GBP	英鎊	—	337

24. 衍生金融工具(續)

附註：(續)

(ii) 利率掉期 – 非按對沖會計入賬

於二零一二年三月三十一日，上述附註(i)所述已終止對沖會計入賬及自終止起重新分類為非對沖會計之利率掉期，未完結合約之主要條款如下：

上述合約將於二零一二年九月期滿。

(iii) 外幣遠期合約 – 非按對沖會計入賬

於二零一二年三月三十一日未完結外幣遠期合約之主要條款如下：

於二零一一年三月三十一日未完結外幣遠期合約之主要條款如下：

上述合約將由報告期末起一至兩個月(二零一一年：一至兩個月)內到期。

並非以相關集團實體功能貨幣計值之衍生金融工具載列如下：



25. DEFERRED TAX

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

25. 遞延稅項

下表為主要遞延稅項負債於現行及過往期間之變動。

		Accelerated tax depreciation	Undistributed Earnings of PRC subsidiaries 中國附屬 公司之 未分配盈利	Total 合計
		加速稅項 折舊 HK\$'000 千港元	中國附屬 公司之 未分配盈利 HK\$'000 千港元	合計 HK\$'000 千港元
At 1 April 2010	二零一零年四月一日	315,394	4,145	319,539
Change in tax rate of certain subsidiaries	若干附屬公司稅率變動	(29,026)	—	(29,026)
Charge to profit or loss	計入損益賬	69,850	—	69,850
At 31 March 2011	二零一一年三月三十一日	356,218	4,145	360,363
Change in tax rate of certain subsidiaries	若干附屬公司稅率變動	(14,816)	—	(14,816)
Charge to profit or loss	計入損益賬	127,454	—	127,454
At 31 March 2012	二零一二年三月三十一日	468,856	4,145	473,001



25. DEFERRED TAX (CONTINUED)

At 31 March 2012, the Group had unused tax losses of approximately HK\$31,000,000 (2011: HK\$33,000,000) available for offset against future profits. No deferred tax asset has been recognised in respect of such losses for both years due to unpredictability of future profit streams. As at 31 March 2012, the tax losses of approximately HK\$31,000,000 (2011: HK\$33,000,000) from the PRC subsidiary which will expire at various dates up to and including 2017 (2011: 2016).

According to the EIT Law, dividend paid to foreign investors out of profit earned by entities established in the PRC from 1 January 2008 onwards is subject to withholding tax at 10%. For investors incorporated in Hong Kong and holding at least 25% of equity interest in a PRC company, a preferential rate of 5% can be applied. The Group has not provided for deferred tax liability in respect of the relevant undistributed profits of its PRC subsidiaries because the directors believe that the Company is able to control the timing of the distribution by its subsidiaries such that no withholding tax will be payable in the foreseeable future. As at the end of the reporting period, the aggregate amount of temporary differences associated with undistributed profits of the PRC subsidiaries for which deferred tax liabilities have not been recognised were approximately HK\$132.7 million (2011: approximately HK\$62.4 million).

The tax rates of certain subsidiaries were changed when these subsidiaries became entitled to concessionary tax rates pursuant to relevant incentive tax rules as detailed in note 8.

25. 遞延稅項(續)

於二零一二年三月三十一日，本集團尚未動用但可用作抵扣未來盈利之稅項虧損約為31,000,000港元(二零一一年：33,000,000港元)。由於無法預計未來盈利來源，兩個年度並未就該等虧損確認為遞延稅項資產。於二零一二年三月三十一日，稅項虧損約31,000,000港元(二零一一年：33,000,000港元)來自中國附屬公司並將於直至並包括二零一七年(二零一一年：二零一六年)之多個不同日期到期。

根據企業所得稅法，自二零零八年一月一日起，從於中國註冊成立的實體的盈利中派息予海外投資者，須繳交預提所得稅10%。香港註冊成立且於中國公司持有最少25%權益的投資者，適用優惠稅率5%。由於董事相信本公司可控制其附屬公司進行派付之時間，且於可見的將來不會繳交預提所得稅，故本集團無就其中國附屬公司相關未分配盈利計提遞延稅項負債撥備。於報告期末，就中國附屬公司未分配盈利相關之暫時性差額總額(未就此確認遞延稅項負債)約達132.7百萬港元(二零一一年：約62.4百萬港元)。

若干附屬公司之稅率於其按照有關稅務優惠政策享有優惠稅率時變更，詳情載於附註8。



26. 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") which is beneficially owned and controlled by Mr Lee Wan Keung Patrick, a director and the controlling shareholder 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 2011 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.

26. 退休福利計劃

(a) 為香港僱員而設的計劃

界定利益計劃

本集團是一個界定利益計劃的成員，該計劃受 Fortune Star Tradings Ltd (「Fortune Star」) 管理，供本集團的香港附屬公司之合資格僱員參與。Fortune Star 的實益擁有人為本公司董事及控股股東李運強先生。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，界定利益計劃不再提供予新僱員選擇。

根據界定利益計劃，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。

界定利益計劃資產及界定利益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，於二零一一年十二月三十一日作出評估。界定利益承擔現值、相關之現時服務成本及過去服務成本乃採用預估單位利益法計算。



26. RETIREMENT BENEFITS PLANS (CONTINUED)

(a) Plans for Hong Kong employees (Continued)

Defined benefit plan (Continued)

The principal actuarial assumptions used were as follows:

		31 December 2011 二零一一年 十二月三十一日	31 December 2010 二零一零年 十二月三十一日
Discount rate	貼現率	0%	0%
Expected return on plan assets	計劃資產預期回報	3%	3%

The actuarial valuation shows that the market value of plan assets at 31 December 2011 was HK\$1,560,000 (31 December 2010: HK\$1,486,000) and that the actuarial value of these assets represented 273% (31 December 2010: 260%) of the benefits that were accrued to members.

Amounts recognised in profit or loss in respect of the defined benefit plan are as follows:

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Expected return on plan assets	計劃資產預期回報	(45)	(43)
Actuarial gain recognised in the year	年內精算得益確認	(29)	(29)
Total, included in other income	合計，已計入其他收入	(74)	(72)

The actual return on plan assets for the year was HK\$74,000 (2011: HK\$72,000).

26. 退休福利計劃(續)

(a) 為香港僱員而設的計劃(續)

界定利益計劃(續)

所用的主要精算假設如下：

精算估值顯示計劃資產於二零一一年十二月三十一日之市價為1,560,000港元(二零一零年十二月三十一日：1,486,000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273%(二零一零年十二月三十一日：260%)。

於損益表就界定利益計劃確認的金額如下：

計劃資產於本年度的實際回報為74,000港元(二零一一年：72,000港元)。



26. RETIREMENT BENEFITS PLANS (CONTINUED)

(a) Plans for Hong Kong employees (Continued)

Defined benefit plan (Continued)

The amounts included in the consolidated statement of financial position in respect of the Group's retirement benefit assets are as follows:

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Fair value of plan assets	計劃資產公平值	1,560	1,486
Present value of funded obligations	承擔款項的現值	(572)	(572)
At end of the year	年終	988	914

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

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
At beginning of the year	年初	1,486	1,479
Expected return of plan assets	資產計劃預期回報	45	43
Actuarial gains	精算得益	29	29
Benefits paid	已付福利	—	(65)
At end of the year	年終	1,560	1,486

26. 退休福利計劃(續)

(a) 為香港僱員而設的計劃(續)

界定利益計劃(續)

本集團的退休福利資產已列入綜合財務狀況表的數額如下：

計劃資產公平值的變動如下：



26. RETIREMENT BENEFITS PLANS (CONTINUED)

(a) Plans for Hong Kong employees (Continued)

Defined benefit plan (Continued)

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

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
At beginning of the year	年初	572	637
Benefits paid	已付福利	—	(65)
At end of the year	年終	572	572

The major categories of plan assets, and the expected rate of return at the end of reporting period for each category, are as follows:

		Expected return 預期回報		Fair value of plan assets 計劃資產公平值	
		2012 二零一二年 %	2011 二零一一年 %	2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
		百分比	百分比	千港元	千港元
Debt instruments	債務工具	4	4	1,388	1,437
Cash and cash equivalents	現金及現金等價物	1	1	172	49
Weighted average expected return	加權平均預計回報	3	3	1,560	1,486

26. 退休福利計劃(續)

(a) 為香港僱員而設的計劃(續)

界定利益計劃(續)

承擔現值的變動如下：

計劃資產之主要類別，以及各類別於報告期末之預期回報率如下：



26. 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, which contribution is matched by employees.

(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.

26. 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，與僱員之供款一致。

(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。



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

For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

27. SHARE CAPITAL

27. 股本

		Ordinary shares 普通股數目	Amount 金額 HK\$'000 千港元
Authorised:	法定:		
Ordinary shares of HK\$0.025 each at 1 April 2010, 31 March 2011 and 31 March 2012	於二零一零年四月一日， 二零一一年三月三十一日及 二零一二年三月三十一日 每股0.025港元的普通股	8,000,000,000	200,000
Issued and fully paid:	已發行及繳足:		
Ordinary shares of HK\$0.025 each at 1 April 2010	於二零一零年四月一日 每股0.025港元的普通股	4,550,801,648	113,770
Exercise of share options (note)	行使購股權(附註)	138,821,332	3,471
Ordinary shares of HK\$0.025 each at 31 March 2011 and 31 March 2012	於二零一一年三月三十一日及 二零一二年三月三十一日 每股0.025港元的普通股	4,689,622,980	117,241

note: During the year ended 31 March 2011, 5,488,000 and 133,333,332 share options under the Scheme (as defined in note 29) were exercised at a subscription price of HK\$3.775 and HK\$1.872 per share respectively, resulting in the issue of 138,821,332 ordinary shares of HK\$0.025 each in the company.

附註：截至二零一一年三月三十一日止年度內，根據購股權計劃(定義見附註29)下，5,488,000及133,333,332股購股權分別按每股認購價3.775港元及1.872港元獲行使，據此本公司發行138,821,332股每股0.025港元之普通股股份。

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

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。



28. SHARE-BASED PAYMENT TRANSACTIONS

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

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 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.

28. 以股權支付交易

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。該計劃的有效有效期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，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)及於本集團持有權益的公司或該公司的附屬公司之本集團僱員；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(可經董事會不時釐定)，以認購本公司股份(「股份」)。

授出之購股權必須於授出日期起計二十八日內接納。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%。



28. SHARE-BASED PAYMENT TRANSACTIONS (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.

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

28. 以股權支付交易(續)

購股權可於董事會釐定的期間(包括購股權行使前必須持有的最短期限(如有))行使(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始付款的情況下授出。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。

下表披露年內僱員(包括董事)持有根據該計劃授出的本公司購股權詳情及其變動:

Category	Date of grant	Exercise price HK\$	Number of share options 購股權數目		
			Outstanding at 1 April 2010 於二零一零年 四月一日 尚未行使數目	Exercised during the year 年內 行使數目	Outstanding at 31 March 2011 and 2012 於二零一一年 及二零一二年 三月三十一日 尚未行使數目
Director 董事	3 October 2006 二零零六年十月三日	3.775	3,808,000	(3,808,000)	—
Other employees 其他僱員	3 October 2006 二零零六年十月三日	3.775	1,680,000	(1,680,000)	—
Exercisable at the end of year 於年末可行使數目			5,488,000	(5,488,000)	—



28. SHARE-BASED PAYMENT TRANSACTIONS (CONTINUED)

28. 以股權支付交易(續)

Category	Date of grant	Exercise price HK\$ 行使價 港元	Number of share options 購股權數目				
			Outstanding at 1 April 2010 於二零一零年 四月一日 尚未行使	Exercised during the year 年內行使	Outstanding at 31 March 2011 於二零一一年 三月三十一日 尚未行使	Exercised during the year 年內行使	Outstanding at 31 March 2012 於二零一二年 三月三十一日 尚未行使
Director 董事	5 September 2008 二零零八年九月五日	1.872	200,000,000	(133,333,332)	66,666,668	—	66,666,668
Exercisable at the end of year 於年末可行使數目					—		66,666,668

The options granted on 3 October 2006 were exercisable in accordance with the following terms of the Scheme as to:

- (i) up to 6,704,000 of the options exercisable 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\$1.0325;
- (ii) up to 14,008,000 of the options exercisable 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\$1.1175; and
- (iii) up to 21,312,000 of the options exercisable 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\$1.1725.

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如下：

- (i) 由二零零八年一月一日至二零一零年十二月三十一日可行使最多6,704,000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，每股購股權在授出日當日之公平值約為1.0325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可行使最多14,008,000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，每股購股權在授出日當日之公平值約為1.1175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可行使最多21,312,000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，每股購股權在授出日當日之公平值約為1.1725港元。



28. SHARE-BASED PAYMENT TRANSACTIONS (CONTINUED)

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

- (i) up to 66,666,668 of the options exercisable 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\$0.4075;
- (ii) up to 133,333,332 of the options exercisable 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\$0.48; and
- (iii) up to 200,000,000 of the options exercisable 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\$0.5325.

The exercise of the options during the exercise periods described in (i), (ii) and (iii) above, commencing from 1 September 2009 to 31 August 2013, are subject to achievement of pre-determined and specific profit targets for the Group for each of the years ended 31 March 2009, 2010 and 2011, respectively.

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

An amount of HK\$6,112,000 was recognised in administrative expenses as share-based payment expense for the year ended 31 March 2012 (2011: HK\$32,046,000).

28. 以股權支付交易(續)

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如下：

- (i) 由二零零九年九月一日至二零一三年八月三十一日可行使最多66,666,668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，每股購股權在授出日當日之公平值約為0.4075港元；
- (ii) 由二零一零年九月一日至二零一三年八月三十一日可行使最多133,333,332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，每股購股權在授出日當日之公平值約為0.48港元；及
- (iii) 由二零一一年九月一日至二零一三年八月三十一日可行使最多200,000,000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，每股購股權在授出日當日之公平值約為0.5325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上述(i)、(ii)及(iii)購股權時，須達致本集團就分別截至二零零九年、二零一零年及二零一一年三月三十一日止年度各年之預定及特定盈利目標。

就二零零六年十月三日及二零零八年九月五日授出之購股權予董事及僱員，其估計總公平值分別為23,653,000港元及94,530,000港元。

為數6,112,000港元(二零一一年：32,046,000港元)股權支付費用已於截至二零一二年三月三十一日止年度以行政費用確認入賬。



29. 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 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.

30. FINANCIAL INSTRUMENTS

(a) Categories of financial instruments

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Financial assets	財務資產		
Fair value through profit or loss	公平值計入損益		
– derivative financial instruments	– 衍生金融工具	867	809
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)	5,351,987	4,779,249
Financial liabilities	財務負債		
Fair value through profit or loss	公平值計入損益		
– derivative financial instruments	– 衍生金融工具	9,434	337
Derivatives under hedge accounting	對沖會計下之衍生工具	—	55,649
Amortised cost	攤銷成本	12,529,938	10,079,502

29. 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債務，當中包括銀行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。

30. 金融工具

(a) 金融工具種類



30. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management objectives and policies

The Group's major financial instruments include loan to a JCE, trade and other receivables, amounts due from (to) related companies, derivative financial instruments, restricted bank deposits, bank balances and cash, trade and other payables, amount due to a substantial shareholder, and bank 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. In order to mitigate the foreign currency risk, foreign currency forward contracts are entered into by the Group for certain material foreign currency transactions. Management monitor other foreign currency exposure closely and will consider the use of hedging instruments when the need arises.

30. 金融工具(續)

(b) 財務風險管理目的及政策

本集團的主要金融工具包括共同控制實體貸款、應收貿易及其他賬款、應收(付)關連公司款項、衍生金融工具、受限制銀行存款、銀行結餘及現金、應付貿易及其他賬款、應付主要股東款項及銀行借貸。金融工具的詳情於相關附註披露。與該等金融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。為了降低外幣風險，本集團就若干重大外幣交易訂立外幣遠期合同。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。



30. FINANCIAL INSTRUMENTS (CONTINUED)

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

Market risk (Continued)

(i) Currency risk (Continued)

The carrying amounts of the Group's significant monetary assets and monetary liabilities, excluding intercompany balances and derivative financial instruments, that are denominated in currencies other than the functional currency of the relevant group entities at the reporting dates are as follows:

Monetary assets (note):

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
HK\$	港元	375,997	428,889
US\$	美元	22,129	25,531

Monetary liabilities (note):

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
HK\$	港元	877,996	1,828,062
US\$	美元	51,317	35,032

note: The above amounts exclude HK\$/US\$ amounts where the functional currency of the relevant group entities is US\$/HK\$ because HK\$ is pegged to the US\$, as a result of which the exchange exposure is not significant.

Sensitivity analysis

The Group is primarily exposed to the fluctuation of HK\$ and US\$ against RMB.

30. 金融工具(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)

本集團於報告日並非以有關集團實體功能貨幣計值之主要貨幣資產及貨幣負債(內部公司往來及衍生金融工具除外)的賬面值如下:

金融資產(附註):

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
HK\$	港元	375,997	428,889
US\$	美元	22,129	25,531

負債:

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
HK\$	港元	877,996	1,828,062
US\$	美元	51,317	35,032

附註: 上述金額未包括集團實體功能貨幣為美元/港元的港元/美元金額, 由於港元與美元掛鈎, 因此並無重大滙兌風險。

敏感度分析

本集團主要面對港元及美元兌人民幣的波動影響。



30. FINANCIAL INSTRUMENTS (CONTINUED)

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

Market risk (Continued)

(i) Currency risk (Continued)

Sensitivity analysis (Continued)

The following tables detail the Group's sensitivity to a 5% (2011: 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% (2011: 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 (including intercompany balances denominated in foreign currencies) 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 strengthens against the foreign currencies by 5%, and vice versa.

		Increase (decrease) in post-tax profit	
		稅後盈利增加(減少)	
		2012	2011
		二零一二年	二零一一年
		HK\$'000	HK\$'000
		千港元	千港元
HK\$	港元	28,675	72,889
US\$	美元	1,267	386

30. 金融工具(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，有關集團實體之功能貨幣兌其有關外幣上升及下降5% (二零一一年：5%) 的敏感度。5% (二零一一年：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(包括以外幣定值之內部公司往來)及衍生金融工具，並於結算日調整匯率或公平值(如為衍生金融工具)，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升值5%，稅後盈利將增加/減少，反之亦然。



30. FINANCIAL INSTRUMENTS (CONTINUED)

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

Market risk (Continued)

(i) Currency risk (Continued)

In addition, intercompany balances denominated in foreign currencies are as follows:

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Assets	資產		
US\$	美元	1,886,439	2,371,605
HK\$	港元	239,077	269,718
RMB	人民幣	45,803	49,906
Liabilities	負債		
US\$	美元	1,886,439	2,371,605
HK\$	港元	412,669	595,224

(ii) Interest rate risk

The Group's bank balances carry floating-rate of interests and have exposure to cash flow interest rate risk due to the fluctuation of the prevailing market interest rates.

The Group is exposed to cash flow interest rate risk in relation to variable-rate bank borrowings. In order to minimise the cash flow interest rate risk, the Group entered into certain interest rate swaps to partially hedge against its exposures to variable interest-rate of bank borrowings in prior years. The critical terms of these interest rate swaps were similar to those of hedged borrowings. These interest rate swaps were designated as effective hedging instruments and hedge accounting was used.

30. 金融工具(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)

此外，內部公司往來結餘以外幣計值如下：

(ii) 利率風險

本集團銀行結餘乃浮息，由於現行市場利率波動，銀行結餘承受現金流量利率風險。

本集團亦須承受有關浮息銀行借貸的現金流量利率風險。為將現金流量利率風險減至最低，本集團在過往年度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。該等利率掉期的主要條款與對沖借貸的條款大致相同。該等利率掉期被界定為有效對沖工具，並使用對沖會計法。



30. 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 non-derivative instruments at the end of the reporting period. For variable-rate bank borrowings, to the extent that they were not hedged by effective instruments, the analysis is prepared assuming the amount of liability outstanding at the end of the reporting period 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 at variable-rate without hedge accounting of HK\$9,559,313,000 (2011: HK\$6,648,606,000), 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 2012 would decrease/increase by HK\$33,792,000 (2011: decrease/increase by HK\$23,916,000).

No sensitivity analysis for derivative financial instruments has been presented because the expected impact is insignificant.

30. 金融工具(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工具的利率風險釐定。就浮息銀行借貸，當該等借貸並非由有效工具對沖，分析乃假設於報告期末未償付負債於全年均為未償付而編製。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。

就為數9,559,313,000港元(二零一一年：6,648,606,000港元)之無對沖會計之浮息銀行借貸而言，倘利率上升/下跌50基點，而所有其他變數維持不變，本集團截至二零一二年三月三十一日止年度的稅後盈利將減少/增加33,792,000港元(二零一一年：減少/增加23,916,000港元)。

衍生金融工具之敏感度分析並無呈列，因預期其影響並不重大。



30. FINANCIAL INSTRUMENTS (CONTINUED)

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

Credit risk

As at 31 March 2012, 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 statement of financial position.

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 the end of the reporting period 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.

The credit risk on liquid funds is limited because the counterparties are banks with good reputation.

Trade receivables consist of a large number of customers, spread across diverse industries and geographical areas. Accordingly, the Group's concentration of credit risk is considered minimal.

30. 金融工具(續)

(b) 財務風險管理目的及政策(續)

信貸風險

於二零一二年三月三十一日，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財務狀況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，本集團管理層會於報告期末審閱各個別債務之可收回金額，以確保就無法收回金額確認足夠減值虧損。就此，董事認為本集團之信貸風險已大大減少。

由於交易方均為信譽評級良好之銀行，故流動資金之信貸風險有限。

本集團的應收貿易賬款包括大量客戶，涵蓋多個行業及地理區域。因此，本集團集中信貸風險極低。



30. FINANCIAL INSTRUMENTS (CONTINUED)

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

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 based on the agreed repayment terms. 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. Specifically, bank loans with a repayment on demand clause are included in the earliest time band regardless of the probability of the banks choosing to exercise their rights. The maturity dates for other non-derivative financial liabilities are based on the agreed repayment dates. The table includes both interest and principal cash flows. To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curve at the end of the reporting period.

In addition, the following table details the Group's liquidity analysis for its derivative financial instruments. The tables have been drawn up based on the undiscounted contractual net cash flows on derivative instruments that settle on a net basis. When the amount payable is not fixed, the amount disclosed has been determined by reference to the projected interest rates as illustrated by the yield curves existing at the end of the reporting period. The liquidity analysis for the Group's derivative financial instruments are prepared based on the contractual maturities as the management consider that the contractual maturities are essential for an understanding of the timing of the cash flows of derivatives.

30. 金融工具(續)

(b) 財務風險管理目的及政策(續)

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價物水平。

下表詳述依據經協定還款條款本集團財務負債的餘下合約到期日。就非衍生財務負債而言，下表乃根據本集團須還款最早日期當日之財務負債未貼現現金流量作出。具體而言，附帶應要求還款條款之銀行借貸，被包括在最早時限之內，不論銀行是否選擇行使其權利。其他非衍生財務負債之到期日根據議定的還款日期計算。下表已包括利息及本金現金流量。在某種程度上，利息流是浮動利率，未貼現金額來自報告期末的利率曲線。

另外，下表詳述本集團衍生金融工具之流動性分析。該表乃根據按淨額結算的衍生工具以未折現合約淨現金流量列示。倘應付款項不固定，則所披露款項乃參照於報告日末現行利率收益曲線所示預測利率釐定。本集團根據合約到期日編製衍生金融工具的流動性分析，因管理層認為合約到期日乃了解衍生工具現金流之時間的重要因素。



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

For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

30. FINANCIAL INSTRUMENTS (CONTINUED)

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

Liquidity risk (Continued)
Liquidity tables

30. 金融工具(續)

(b) 財務風險管理目的及政策(續)

流動資金風險(續)
流動資金表

		Weighted average effective interest rate	Repayable on demand or less than 1 month	1-3 months	3 months to 1 year	1-5 years	Total undiscounted cash flows Over 5 years	Carrying amount at 31 March
		實際利率加權平均數	應要求還款或少於一個月	一至三個月	三個月至一年	一至五年	未折現金流量合計	三月三十一日之賬面值
		%	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
2012	二零一二年							
Non-derivative financial liabilities	非衍生財務負債							
Trade and other payables	應付貿易及其他賬款							
- current	- 流動	—	1,256,002	1,173,978	533,016	3	—	2,962,999
Amount due to a substantial shareholders	應付主要股東款項	—	7,626	—	—	—	—	7,626
Bank borrowings	銀行借貸							
- variable rate	- 浮息	2.21	1,574,055	733,518	644,139	6,983,178	—	9,934,890
			2,837,683	1,907,496	1,177,155	6,983,181	—	12,905,515
Derivatives - net settlement	衍生工具 - 淨額交收							
Interest rate swaps	利率掉期	4.76	—	6,398	3,186	—	—	9,584
			—	6,398	3,186	—	—	9,584
2011	二零一一年							
Non-derivative financial liabilities	非衍生財務負債							
Trade and other payables	應付貿易及其他賬款							
- current	- 流動	—	1,532,375	548,055	10,466	—	—	2,090,896
Bank borrowings	銀行借貸							
- variable rate	- 浮息	2.59	746,831	589,054	1,301,836	5,666,573	1,552	8,305,846
			2,279,206	1,137,109	1,312,302	5,666,573	1,552	10,396,742
Derivatives - net settlement	衍生工具 - 淨額交收							
Interest rate swaps	利率掉期	4.94	—	9,924	29,375	18,731	—	58,030
Foreign currency forward contracts	外幣遠期合約	—	119	218	—	—	—	337
			119	10,142	29,375	18,731	—	58,367



30. FINANCIAL INSTRUMENTS (CONTINUED)

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

Liquidity risk (Continued)

Liquidity tables (Continued)

Bank borrowings subject to repayment on demand clause based on scheduled repayments:

Bank borrowings with a repayment on demand clause are included in the "on demand or less than 1 month" time band in the above maturity analysis. As at 31 March 2012 and 31 March 2011, the aggregate carrying amounts of these bank loans amounted to HK\$1,504,973,000 and HK\$635,474,000 respectively. Taking into account the Group's financial position, the directors do not believe that it is probable that the banks will exercise their discretionary rights to demand immediate repayment. The directors believe that such bank loans will be repaid in accordance with the following scheduled repayment dates set out in the loan agreements:

		Weighted average effective interest rate 實際利率 加權平均數 %	Less than 1 month 少於一個月 HK\$'000 千港元	1-3 months 一至三個月 HK\$'000 千港元	3 months to 1 year 三個月 至一年 HK\$'000 千港元	Total undiscounted cash flows 未折現 現金流量合計 HK\$'000 千港元	Carrying amount 賬面值 HK\$'000 千港元
As at 31 March 2012	於二零一二年 三月三十一日	2.21	850,520	417,992	269,722	1,538,234	1,504,973
As at 31 March 2011	於二零一一年 三月三十一日	2.59	216,157	348,613	87,163	651,933	635,474

30. 金融工具(續)

(b) 財務風險管理目的及政策 (續)

流動資金風險(續)

流動資金表(續)

附帶應要求還款條款之銀行借貸按其既定還款期：

附帶應要求還款條款之銀行借貸按上述到期日分析計入「應要求還款或少於一個月」之期間。於二零一二年三月三十一日及二零一一年三月三十一日，該等銀行貸款之賬面總額分別為1,504,973,000港元及635,474,000港元。考慮到本集團之財務狀況，董事相信，銀行不大可能行使酌情權，要求本集團即時還款。董事相信，該等銀行借貸將根據貸款協議所載之既定還款日期償還如下：



30. 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.

The directors consider the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the consolidated financial statements approximate to their fair values.

Fair value measurements recognised in the statement of financial position

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Level 2 based on the degree to which the fair value is observable.

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active market for identical assets or liabilities.
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

30. 金融工具(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：

- 衍生金融工具之公平值乃根據對手方財務機構釐訂之利率及外幣匯率之適用回報曲線，按折現現金流量分析釐定。
- 財務資產及財務負債(不包括衍生金融工具)之公平值根據公認定價模式按折現現金流量分析釐定。

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。

在財務狀況表確認之公平值計量

下表載列於初步確認後以公平值計量之金融工具，按照其公平值可予觀察之程度歸類為第二級之分析：

- 第一級公平值計量指以在活躍市場就相同資產或負債取得之報價(未經調整)進行之計量。
- 第二級公平值計量指以第一級所包括之報價以外之資產或負債可觀察變數(無論是直接(即價格)或間接(即按價格推算))進行之計量。



30. FINANCIAL INSTRUMENTS (CONTINUED)

(c) Fair value (Continued)

Fair value measurements recognised in the statement of financial position (Continued)

- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

30. 金融工具(續)

(c) 公平值(續)

在財務狀況表確認之公平值計量(續)

- 第三級公平值計量指透過運用並非基於可觀察市場資料之資產或負債變數(不可觀察之變數)之估值方法進行之計量。

		31 March 2012 Level 2 二零一二年 三月三十一日 第二級 HK\$'000 千港元	31 March 2011 Level 2 二零一一年 三月三十一日 第二級 HK\$'000 千港元
Financial assets at fair value through profit or loss	公平值計入損益之財務資產		
Derivative financial instruments	衍生金融工具	867	809
Financial liabilities at fair value through profit or loss	公平值計入損益之財務負債		
Derivative under hedge accounting	對沖會計下的衍生工具	—	55,649
Other derivatives not under hedge accounting	非對沖會計的其他衍生工具	9,434	337

There were no transfer between the 3 levels during the year.

年內，三個級別並無轉移。



31. DISPOSAL OF AN ASSOCIATE

On 7 June 2010, the Group entered into agreements with Resource Management Service, LLC ("RMS"), an independent third party, whereby the Group's entire investment in, and an amount of HK\$400,112,000 due from, Fortune Sight Group Limited ("FSGL"), would be disposed to RMS, for a consideration of approximately HK\$421,843,000. The disposal was completed on 29 October 2010 and a gain on disposal of approximately HK\$21,731,000 was recognised during year ended 31 March 2011.

32. OPERATING LEASES

The Group as lessee

At the end of the reporting period, 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:

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Within one year	一年內	10,024	5,879
In the second to fifth year inclusive	第二年至第五年內	23,965	20,486
After five years	第五年後	243,698	239,430
		277,687	265,795

Operating lease payments represent rentals payable by the Group for lands and certain of its office properties. For lands, leases are negotiated for terms ranged from one year to fifty years with fixed rentals. For office properties, leases are negotiated for terms ranged from 6 months to 1 year with fixed rentals.

31. 出售聯營公司

於二零一零年六月七日，本集團與獨立第三方 Resource Management Service, LLC (「RMS」) 簽訂協議，以約 421,843,000 港元代價出售本公司於富望集團有限公司(「富望」)之全部投資及富望所欠款項 400,112,000 港元予 RMS。出售交易於二零一零年十月二十九日完成，出售收益約 21,731,000 港元已於截至二零一一年三月三十一日止年度內確認。

32. 經營租約

集團作為承租人

於報告期末，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。土地的租期由一年至五十年，期內租金不變。辦公室物業的租期由六個月至一年，期內租金不變。



33. CAPITAL COMMITMENTS

33. 資本承擔

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Capital expenditures contracted for but not provided in the consolidated financial statements in respect of acquisition of:	就已訂約但未於綜合財務報表中撥備有關下列購置的資本開支：		
– property, plant and equipment	– 物業、廠房及設備	1,629,568	2,326,221
– land use rights	– 土地使用權	173,937	169,771
		1,803,505	2,495,992

In addition, for the year ended 31 March 2012, the Group had a commitment to provide a loan of HK\$37,400,000 to a jointly controlled entity.

此外，於截至二零一二年三月三十一日止年度，本集團承諾給予37,400,000港元之貸款予一共同控制實體。

34. NON-CASH TRANSACTION

For the year ended 31 March 2012, the Group's acquisition of property, plant and equipment was settled through transfer of deposits paid in the prior years to the extent of HK\$82,024,000 (2011: HK\$20,690,000).

34. 非現金交易

於截至二零一二年三月三十一日止年度，本集團購置物業、廠房及設備之82,024,000港元(二零一一年：20,690,000港元)乃從過往年度的已付訂金轉入。



35. CONNECTED AND RELATED PARTY DISCLOSURES

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 these parties during the year are as follows:

(a) Connected and related party transactions

Name of party 關連人士名稱	Nature of transactions 交易性質	2012	2011
		二零一二年 HK\$'000 千港元	二零一一年 HK\$'000 千港元
LMIML (as defined in note 20) 理文實業(定義見附註20)	Finished goods sold by the Group 集團出售製成品	139,473	126,781
	Income from steam and electricity 提供蒸氣及電力之收入	4,075	3,039
	Raw material purchased by the Group 集團購買原料	2,405	1,742
Lee & Man Paper Products Limited (note) 理文紙品有限公司(附註)	Licence fee expenses 集團許可權費支出	1,750	980
Jiangsu Chemical (as defined in note 20) 江蘇化工(定義見附註20)	Income from steam and electricity 提供蒸氣及電力之收入	86,770	59,615
	Raw materials purchased by the Group 集團購買原料	7,312	15,502
	Rental income 租金收入	1,175	—

note: The company is indirectly wholly owned by a daughter of Mr Lee Wan Keung Patrick, a director and the ultimate controlling shareholder of the Company.

附註：該公司為本公司董事及最終控股股東李運強先生之女兒間接全資擁有。

35. 關連及相關人士披露

年內，本集團與相關人士(若干人士亦同時根據上市規則被視作為關連人士)進行重大交易。年內，與該等人士進行的重大交易如下：

(a) 關連及相關人士交易



35. CONNECTED AND RELATED PARTY DISCLOSURES (CONTINUED)

35. 關連及相關人士披露(續)

(b) Related party transactions

Name of party 相關人士名稱	Nature of transaction 交易性質		2012	2011
			二零一二年	二零一一年
			HK\$'000	HK\$'000
			千港元	千港元
FSGI (as defined in note 31) 富望(定義見附註31)	Interest income 利息收入		—	6,691

(b) 相關人士交易

Compensation of key management personnel

The remunerations of the directors and other members of key management during the year were as follows:

			2012	2011
			二零一二年	二零一一年
			HK\$'000	HK\$'000
			千港元	千港元
Short-term benefits	短期福利		12,506	11,522
Post-employment benefits	退休福利		34	60
Share based payments	股權支付款項		6,112	32,046
			18,652	43,628

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：

(c) Related party balances

Details of the Group's outstanding balances with related parties are set out in the consolidated statement of financial position and note 20.

(c) 相關人士結餘

本集團與相關人士之未償還結餘詳情已載列於綜合財務狀況表及附註20。

(d) Connected party transaction and balance

Name of party 相關人士名稱	Nature of transaction 交易性質		2012	2011
			二零一二年	二零一一年
			HK\$'000	HK\$'000
			千港元	千港元
Nippon Paper 日本製紙	Technical assistance fee expense by the Group	集團技術顧問費 支出	17,065	—

(d) 關連人士交易及結餘

Details of the Group's outstanding balance with the connected party are set out in the consolidated statement of financial position and note 20.

本集團與關連人士之未償還結餘詳情載列於綜合財務狀況表及附註20。



36. STATEMENT OF FINANCIAL POSITION OF THE COMPANY 36. 本公司財務狀況表

A condensed statement of financial position of the Company as at 31 March 2012 and 31 March 2011 is as follows:

以下為本公司於二零一二年三月三十一日及二零一一年三月三十一日之簡明財務狀況表：

		2012 二零一二年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
Investment in subsidiaries	附屬公司投資	637,977	637,977
Other receivables	應收其他賬款	—	14,137
Amounts due from subsidiaries	附屬公司欠款	8,329,716	6,771,718
Bank balances	銀行結餘	338	230
Total assets	資產總值	8,968,031	7,424,062
Derivative financial instruments	衍生金融工具	9,434	55,649
Amount due to a subsidiary	應欠一間附屬公司款項	278	502,576
Other payables	應付其他賬款	8,955	7,069
Unsecured bank borrowings	無抵押銀行借貸	3,439,888	1,340,000
Total liabilities	負債總值	3,458,555	1,905,294
		5,509,476	5,518,768
Share capital	股本	117,241	117,241
Reserves	儲備	5,392,235	5,401,527
Total equity	總權益	5,509,476	5,518,768



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

For the year ended 31 March 2012 截至二零一二年三月三十一日止年度

37. PARTICULARS OF PRINCIPAL SUBSIDIARIES
OF THE COMPANY

Details of the Company's principal subsidiaries at 31 March 2012 and 31 March 2011 are as follows:

37. 本公司主要附屬公司詳情

本公司主要附屬公司於二零一二年三月三十一日及二零一一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/ 登記及營運地點	Nominal value of issued and fully paid share capital/ registered capital 已發行及繳足股本面值/ 註冊資本	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		
			2012 二零一二年	2011 二零一一年	2012 二零一二年	2011 二零一一年	
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
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 原紙出口貿易
東莞理文造紙廠有限公司 (Dongguan Lee & Man Paper Factory Co., Ltd.) ("Dongguan Lee & Man") (「東莞理文」)	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 原紙生產及貿易
廣東理文造紙有限公司 (Guangdong Lee & Man Paper Manufacturing Limited) ("Guangdong Lee & Man") (「廣東理文」)	PRC (note ii) 中國(附註ii)	Registered capital — US\$530,000,000 註冊資本 — 530,000,000美元	—	—	100%	100%	Manufacturing and trading of paper 原紙生產及貿易
江蘇理文造紙有限公司 (Jiangsu Lee & Man Paper Manufacturing Company Limited) ("Jiangsu Lee & Man") (「江蘇理文」)	PRC (note ii) 中國(附註ii)	Registered capital — US\$363,000,000 註冊資本 — 363,000,000美元	—	—	100%	100%	Manufacturing and trading of paper 原紙生產及貿易



37. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY (CONTINUED)

37. 本公司主要附屬公司詳情(續)

Name of subsidiary 附屬公司名稱	Place of incorporation/ establishment/registration and operations 註冊成立/成立/ 登記及營運地點	Nominal value of issued and fully paid share capital/ registered capital 已發行及繳足股本面值/ 註冊資本	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		
			2012 二零一二年	2011 二零一一年	2012 二零一二年	2011 二零一一年	
重慶理文造紙有限公司 (Chongqing Lee & Man Paper Manufacturing Limited) ("Chongqing Lee & Man") (「重慶理文」)	PRC (note ii) 中國(附註ii)	Registered capital — US\$420,260,000 註冊資本 — 420,260,000美元	—	—	100%	100%	Manufacturing and trading of paper 原紙生產及貿易
江西理文造紙有限公司 (Jiangxi Lee & Man Paper Manufacturing Company Limited)	PRC (note ii) 中國(附註ii)	Registered capital — US\$100,000,000 註冊資本 — 100,000,000美元	—	—	100%	100%	Manufacturing and trading of paper 原紙生產及貿易
九江市利龍諮詢服務有限公司 (Jiujiang Vantage Dragon Consulting Service Limited)	PRC (note ii) 中國(附註ii)	Registered capital — HK\$2,400,000 註冊資本 — 2,400,000港元	—	—	100%	100%	Consulting service 顧問服務
Vietnam Lee & Man Paper Manufacturing Limited	Vietnam 越南	US\$64,478,874 64,478,874美元	—	—	100%	100%	Manufacturing and trading of paper 原紙生產及貿易
Vietnam Lee & Man Pulp Manufacturing Limited	Vietnam 越南	US\$13,910,561 13,910,561美元	—	—	100%	100%	Manufacturing and trading of pulp 木漿生產及貿易

Notes:

- (i) These companies operate in Hong Kong.
- (ii) These companies are foreign investment enterprises established in the PRC.

附註:

- (i) 該等公司在香港運作。
- (ii) 該等公司為在中國成立之外商投資企業。

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.

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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