Notes to the Financial Statements

For the year ended March 31, 2006

1. GENERAL

The Company is a public limited company incorporated in Hong Kong and its shares are listed on The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). The address of the registered office and principal place of business of the Company is disclosed in the corporate information section to the annual report.

The Company is an investment holding company. The activities of its principal subsidiaries and associates are set out in notes 20 and 21, respectively.

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

2. APPLICATION OF HONG KONG FINANCIAL REPORTING STANDARDS/CHANGES IN ACCOUNTING POLICIES

In the current year, the Group has applied, for the first time, a number of new Hong Kong Financial Reporting Standards ("HKFRSs"), Hong Kong Accounting Standards ("HKASs") and Interpretations ("INTs") (hereinafter collectively referred to as the "new HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA") that are effective for accounting periods beginning on or after January 1, 2005. The application of the new HKFRSs has resulted in a change in the presentation of the consolidated income statement, balance sheets and consolidated statement of changes in equity. In particular, the presentation of minority interests (see note 3 for the financial impact) and share of tax of associates has been changed. The changes in presentation have been applied retrospectively. The adoption of the new HKFRSs has resulted in changes to the Group's accounting policies in the following areas that have a significant effect on how the results for the current and prior accounting years are prepared and presented:

Business Combinations

HKFRS 3 "Business Combinations" is effective for business combinations for which the agreement date is on or after January 1, 2005. The Group has not entered into any agreement between the period from January 1, 2005 to March 31, 2005. On April 1, 2005, the Group has applied the transitional provisions of HKFRS 3. The principal effects of the application of HKFRS 3 to the Group are summarised below:

Goodwill

In previous years, goodwill arising on acquisition prior to April 1, 2001 was held in reserves. The Group has applied the relevant transitional provisions in HKFRS 3 such that goodwill previously recognised in reserves of HK$12,378,000 has been transferred to the Group's retained profits on April 1, 2005 (see note 3 for the financial impact).

Notes to the Financial Statements

For the year ended March 31, 2006

2 APPLICATION OF HONG KONG FINANCIAL REPORTING STANDARDS/CHANGES IN ACCOUNTING POLICIES *(continued)*

Business Combinations *(continued)*

Excess of the Group's interest in the net fair value of acquiree's identifiable assets, liabilities and contingent liabilities over cost (previously known as "negative goodwill")

In accordance with HKFRS 3, any excess of the Group's interest in the net fair value of acquiree's identifiable assets, liabilities and contingent liabilities over the cost of acquisition is recognised immediately in profit or loss in the period in which the acquisition takes place. In previous periods, negative goodwill arising on acquisition prior to April 1, 2001 was held in reserves. In accordance with the relevant transitional provisions in HKFRS 3, the Group derecognised all negative goodwill on April 1, 2005 of HK$19,636,000 previously recorded in reserves. A corresponding adjustment to the Group's retained profits of HK$19,636,000 has been made.

Financial Instruments

In the current year, the Group has applied HKAS 32 "*Financial Instruments: Disclosure and Presentation*" and HKAS 39 "*Financial Instruments: Recognition and Measurement*". HKAS 32 requires retrospective application and the adoption of the standard has had no material effect on the presentation of financial instruments in the financial statements of the Group. HKAS 39 generally does not permit the recognition, derecognition or measurement of financial assets and liabilities on a retrospective basis. The principal effects resulting from the implementation of HKAS 39 are summarised below:

The Group has applied the relevant transitional provisions in HKAS 39 with respect to the classification and measurement of financial assets and financial liabilities that are within the scope of HKAS 39.

Classification and measurement of financial assets

On or before March 31, 2005, the Group classified and measured its debt and equity securities in accordance with the benchmark treatment of Statement of Standard Accounting Practice 24 ("SSAP 24"). Under SSAP 24, investments in debt or equity securities are classified as "investment securities", "other investments" or "held-to-maturity investments" as appropriate. "Investment securities" are carried at cost less impairment losses (if any) while "other investments" are measured at fair value, with unrealised gains or losses included in profit or loss. From April 1, 2005 onwards, the Group has classified and measured its debt and equity securities in accordance with HKAS 39. Under HKAS 39, financial assets are classified as "financial assets at fair value through profit or loss", "available-for-sale financial assets", "loans and receivables", or "held-to-maturity financial assets". "Financial assets at fair value through profit or loss" and "available-for-sale financial assets" are carried at fair value, with changes in fair values recognised in profit or loss and equity respectively. Available-for-sale equity investments that do not have quoted market prices in an active market and whose fair value cannot be reliably measured and derivatives that are linked to and must be settled by delivery of such unquoted equity instruments are measured at cost less impairment after initial recognition. "Loans and receivables" and "held-to-maturity financial assets" are measured at amortised cost using the effective interest method after initial recognition.

Notes to the Financial Statements

For the year ended March 31, 2006

2 APPLICATION OF HONG KONG FINANCIAL REPORTING STANDARDS/CHANGES IN ACCOUNTING POLICIES *(continued)*

Financial Instruments *(continued)*

Classification and measurement of financial assets *(continued)*

From April 1, 2005 onwards, the Group has reclassified its investment securities with carrying amount of HK$2,278,000 to available-for-sale investments. The adoption of HKAS 39 has had no material effect on the Group's financial position as at April 1, 2005 and the result for the current year.

Derecognition

HKAS 39 provides more rigorous criteria for the derecognition of financial assets than the criteria applied in previous periods. Under HKAS 39, a financial asset is derecognised, when and only when, either the contractual rights to the asset's cash flows expire, or the asset is transferred and the transfer qualifies for derecognition in accordance with HKAS 39. The decision as to whether a transfer qualifies for derecognition is made by applying a combination of risks and rewards and control tests. The Group has applied the relevant transitional provisions and applied the revised accounting policy prospectively to transfers of financial assets from April 1, 2005 onwards. As a result, the Group's bills receivable discounted with full recourse which were derecognised prior to April 1, 2005 have not been restated. As at March 31, 2006, the Group's bills receivable discounted with full recourse have not been derecognised. Instead, the related borrowings of HK$45,414,000 have been recognised on the balance sheet date. This change in accounting policy has had no material effect on results for the current year.

Owner-occupied Leasehold Interest in Land

In previous years, owner-occupied leasehold land and buildings were included in property, plant and equipment and measured using the cost model. In the current year, the Group has applied HKAS 17 "*Leases*". Under HKAS 17, the land and buildings elements of a lease of land and buildings are considered separately for the purposes of lease classification, unless the lease payments cannot be allocated reliably between the land and buildings elements, in which case, the entire lease is generally treated as a finance lease. To the extent that the allocation of the lease payments between the land and buildings elements can be made reliably, the leasehold interests in land are reclassified to prepaid lease payments under operating leases, which are carried at cost and amortised over the lease term on a straight-line basis. This change in accounting policy has been applied retrospectively (see note 3 for the financial impact).

Notes to the Financial Statements

For the year ended March 31, 2006

2 APPLICATION OF HONG KONG FINANCIAL REPORTING STANDARDS/CHANGES IN ACCOUNTING POLICIES *(continued)*

Investment Properties

In the current year, the Group has, for the first time, applied HKAS 40 "*Investment Property*". The Group has elected to use the fair value model to account for its investment properties which requires gains or losses arising from changes in the fair value of investment properties to be recognised directly in profit or loss for the year in which they arise. In previous years, investment properties under the predecessor standard were measured at open market values, with revaluation surplus or deficits credited or charged to investment property revaluation reserve unless the balance on this reserve was insufficient to cover a revaluation decrease, in which case the excess of the revaluation decrease over the balance on the investment property revaluation reserve was charged to the income statement. Where a decrease had previously been charged to the income statement and a revaluation surplus subsequently arose, that increase was credited to the income statement to the extent of the decrease previously charged. The Group has applied the relevant transitional provisions in HKAS 40 and elected to apply HKAS 40 from April 1, 2005 onwards. The amount held in investment property revaluation reserve of HK$12,637,000 has been transferred to the Group's retained profits on April 1, 2005.

Deferred Taxes related to Investment Properties

In previous years, deferred tax consequences in respect of revalued investment properties were assessed on the basis of the tax consequence that would follow from recovery of the carrying amount of the properties through sale in accordance with the predecessor Interpretation. In the current year, the Group has applied HK(SIC) INT – 21 "*Income Taxes – Recovery of Revalued Non-Depreciable Assets*" which removes the presumption that the carrying amount of investment properties is to be recovered through sale. Therefore, the deferred tax consequences of the investment properties are now assessed on the basis that reflect the tax consequences that would follow from the manner in which the Group expects to recover the property at each balance sheet date. In the absence of any specific transitional provisions in HK(SIC) – INT 21, this change in accounting policy has been applied retrospectively. Comparative figures for 2005 have been restated (see note 3 for the financial impact).

Notes to the Financial Statements

For the year ended March 31, 2006

3. SUMMARY OF THE EFFECTS OF THE CHANGES IN ACCOUNTING POLICIES

The effects of the changes in the accounting policies described in note 2 on the results for the current and prior years are as follows:

	Effect of adoption	**2006** *HK$'000*	2005 *HK$'000*
Gains arising from changes in fair value of investment properties	HKAS 40	**17,594**	–
(Increase) decrease in deferred tax liabilities	HK(SIC) – INT 21	**(3,032)**	436
Decrease in depreciation and amortisation	HKAS 17	**75**	75
Increase in profit for the year		**14,637**	511

Notes to the Financial Statements

For the year ended March 31, 2006

3. SUMMARY OF THE EFFECTS OF THE CHANGES IN ACCOUNTING POLICIES *(continued)*

The cumulative effects on the Group's balance sheet of the changes in the accounting policies described in note 2 are as follows:

	At March 31, 2005 (as originally stated)	Retrospective adjustments			At March 31, 2005 (as restated)	Prospective adjustments			At April 1, 2005
		HK(SIC) – INT 21	HKAS 1 and 27	HKAS 17		HKFRS 3	HKAS 39	HKAS 40	
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Property, plant and equipment	170,572	–	–	(33,078)	137,494	–	–	–	137,494
Prepaid lease payments – non-current portion	–	–	–	29,540	29,540	–	–	–	29,540
Prepaid lease payments – current portion	–	–	–	750	750	–	–	–	750
Investment in securities	2,278	–	–	–	2,278	–	(2,278)	–	–
Available-for-sale investments	–	–	–	–	–	–	2,278	–	2,278
Trade receivables	220,621	–	–	–	220,621	–	67,315	–	287,936
Bank borrowings	(12,899)	–	–	–	(12,899)	–	(67,315)	–	(80,214)
Deferred tax liabilities	(3,431)	(5,487)	–	–	(8,918)	–	–	–	(8,918)
Total effects on assets and liabilities	377,141	(5,487)	–	(2,788)	368,866	–	–	–	368,866
Investment property revaluation reserve	15,317	(2,680)	–	–	12,637	–	–	(12,637)	–
Goodwill	(12,378)	–	–	–	(12,378)	12,378	–	–	–
Negative goodwill	19,636	–	–	–	19,636	(19,636)	–	–	–
Retained profits	305,903	(2,807)	–	(2,788)	300,308	7,258	–	12,637	320,203
Minority interests	–	–	64,834	–	64,834	–	–	–	64,834
Total effects on equity	328,478	(5,487)	64,834	(2,788)	385,037	–	–	–	385,037
Minority interests	64,834	–	(64,834)	–	–	–	–	–	–

Notes to the Financial Statements

For the year ended March 31, 2006

3. SUMMARY OF THE EFFECTS OF THE CHANGES IN ACCOUNTING POLICIES *(continued)*

The cumulative effects on the Company's balance sheet of the changes on the accounting policies described on note 2 are as follows:

		Prospective adjustments	
	At March 31, 2005 (as restated) *HK$'000*	**HKAS 39** *HK$'000* *(note)*	**At April 1, 2005** *HK$'000*
Investment in securities	2,278	(2,278)	–
Available-for-sale investments	–	2,278	2,278
Total effects on assets	2,278	–	2,278

As a result of implementation of HKAS 17 and HK(SIC) – INT 21, the Group's investment property revaluation reserve and retained profits at April 1, 2004 have been decreased by HK$341,000 and HK$6,106,000 respectively with a corresponding increase in the Group's deferred tax liabilities and accumulated amortisation and depreciation of leasehold land and buildings.

There is no impact on the Company's equity on April 1, 2004 upon the application of the new HKFRSs.

The Group has not early applied the following new standards, amendments and interpretations that have been issued but are not yet effective. The directors of the Company anticipate that the application of these standards, amendments or interpretations, except for HKAS 39 and HKFRS 4 (Amendments) on financial guarantee contracts which require financial guarantees to be initially measured at fair value, will have no material impact on the financial statements of the Group and of the Company.

Notes to the Financial Statements

For the year ended March 31, 2006

3. SUMMARY OF THE EFFECTS OF THE CHANGES IN ACCOUNTING POLICIES *(continued)*

HKAS 1 (Amendment)	Capital disclosures[1]
HKAS 19 (Amendment)	Actuarial gains and losses, group plans and disclosures[2]
HKAS 21 (Amendment)	The effects of change in foreign exchange rates – net investment in a foreign operation[2]
HKAS 39 (Amendment)	Cash flow hedge accounting of forecast intragroup transactions[2]
HKAS 39 (Amendment)	The fair value option[2]
HKAS 39 & HKFRS 4 (Amendments)	Financial guarantee contracts[2]
HKFRS 6	Exploration for and evaluation of mineral resources[2]
HKFRS 7	Financial instruments: Disclosures[1]
HKFRS – INT 4	Determining whether an arrangement contains a lease[2]
HKFRS – INT 5	Rights to interests arising from decommissioning, restoration and environmental rehabilitation funds[2]
HK(IFRIC) – INT 6	Liabilities arising from participating in a specific market – waste electrical and electronic equipment[3]
HK(IFRIC) – INT 7	Applying the restatement approach under HKAS 29 Financial Reporting in Hyperinflationary Economies[4]
HK(IFRIC) – INT 8	Scope of HKFRS 2[5]
HK(IFRIC) – INT 9	Reassessment of embedded derivatives[6]

[1] Effective for annual periods beginning on or after January 1, 2007.
[2] Effective for annual periods beginning on or after January 1, 2006.
[3] Effective for annual periods beginning on or after December 1, 2005.
[4] Effective for annual periods beginning on or after March 1, 2006.
[5] Effective for annual periods beginning on or after May 1, 2006.
[6] Effective for annual periods beginning on or after June 1, 2006.

4. SIGNIFICANT ACCOUNTING POLICIES

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

The financial statements have been prepared in accordance with HKFRSs issued by the HKICPA and included applicable disclosures required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") and by the Companies Ordinance.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and its subsidiaries made up to March 31 each year.

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

Notes to the Financial Statements

For the year ended March 31, 2006

4. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Basis of consolidation *(continued)*

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 on consolidation.

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

Investments in subsidiaries

Investments in subsidiaries are included in the balance sheet of the Company at cost less any identified impairment loss.

Investments in associates

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

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

The results of associates are accounted for by the Company on the basis of dividends received and receivable during the year. In the balance sheet of the Company, investments in associates are stated at cost, as reduced by any identified impairment loss.

Notes to the Financial Statements

For the year ended March 31, 2006

4. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Investment properties

On initial recognition, investment properties are measured at cost, including any directly attributable expenditure. Subsequent to initial recognition, investment properties are measured using the fair value model. Gains or losses arising from changes in the fair value of investment property are included in profit or loss for the period in which they arise.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use or no future economic benefits are expected from its disposals. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement in the year in which the item is derecognised.

Property, plant and equipment

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

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

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets or, where shorter, the term of the relevant lease.

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

Prepaid lease payments

Prepaid lease payments are carried at cost and amortised over the lease term on a straight-line basis.

Notes to the Financial Statements

For the year ended March 31, 2006

4. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Impairment losses

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

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

Leasing

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

The Group as lessor

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

The Group as lessee

Assets held under finance leases are recognised as assets of the Group at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation. Lease payments are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly to profit or loss.

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

Notes to the Financial Statements

For the year ended March 31, 2006

4. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Intangible assets

On initial recognition, intangible assets acquired are recognised at cost. After initial recognition, intangible assets with finite useful lives are carried at costs less accumulated amortisation and any accumulated impairment loss. Amortisation for intangible assets with finite useful lives is provided on a straight-line basis over their estimated useful lives.

Gains or losses arising from derecognition of an intangible asset are measured at the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the income statement when the asset is derecognised.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is calculated using the first-in, first-out method.

Revenue recognition

Sales of goods are recognised when goods are delivered and title has passed.

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

Rental income, including rentals invoiced in advance for properties under operating leases, is recognised on a straight-line basis over the period of the relevant leases.

Dividend income from investments is recognised when the shareholders' rights to receive payment have been established.

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 income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

Notes to the Financial Statements

For the year ended March 31, 2006

4. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Taxation *(continued)*

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

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

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

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

Foreign currencies

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

Exchange differences arising on the settlement of monetary items, and on the translation of monetary items, are recognised in profit or loss in the period in which they arise. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in profit or loss for the period except for differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognised directly in equity, in which cases, the exchange differences are also recognised directly in equity.

Notes to the Financial Statements

For the year ended March 31, 2006

4. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Foreign currencies *(continued)*

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 Company (i.e. Hong Kong dollars) at the rate of exchange prevailing at the balance sheet date, and their income and expenses are translated at the average exchange rates for the year, unless exchange rates fluctuate significantly during the period, in which case, the exchange rates prevailing at the dates of transactions are used. Exchange differences arising, if any, are recognised as a separate component of equity (the "translation reserve"). Such exchange differences are recognised in profit or loss in the period in which the foreign operation is disposed of.

Retirement benefit costs

Payments to defined contribution retirement benefits schemes and the Mandatory Provident Fund Scheme are charged as an expense as they fall due.

Financial instruments

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

Financial assets

Financial assets are classified into one of the four categories, including financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments and available-for-sale financial assets. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace. The accounting policies adopted in respect of the relevant category of financial assets to the Group are set out below.

Notes to the Financial Statements

For the year ended March 31, 2006

4. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Financial instruments *(continued)*

Financial assets *(continued)*

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. At each balance sheet date subsequent to initial recognition, loans and receivables (including trade and other receivables and amount due from an associate) are carried at amortised cost using the effective interest method, less any identified impairment losses. An impairment loss is recognised in profit or loss when there is objective evidence that the asset is impaired, and is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the original effective interest rate. Impairment losses are reversed in subsequent periods when an increase in the asset's recoverable amount can be related objectively to an event occurring after the impairment was recognised, subject to a restriction that the carrying amount of the asset at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated or not classified as any of the other categories (set out above). At each balance sheet date subsequent to initial recognition, available-for-sale financial assets are measured at fair value. Changes in fair value are recognised in equity, until the financial asset is disposed of or is determined to be impaired, at which time, the cumulative gain or loss previously recognised in equity is removed from equity and recognised in profit or loss. Any impairment losses on available-for-sale financial assets are recognised in profit or loss. Impairment losses on available-for-sale equity investments will not reverse in subsequent periods. For available-for-sale debt investments, impairment losses are subsequently reversed if an increase in the fair value of the investment can be objectively related to an event occurring after the recognition of the impairment loss.

For available-for-sale equity investments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured and derivatives that are linked to and must be settled by delivery of such unquoted equity instruments, they are measured at cost less any identified impairment losses at each balance sheet date subsequent to initial recognition. An impairment loss is recognised in profit or loss when there is objective evidence that the asset is impaired. The amount of the impairment loss is measured as the difference between the carrying amount of the asset and the present value of the estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment losses will not reverse in subsequent periods.

Notes to the Financial Statements

For the year ended March 31, 2006

4. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Financial instruments *(continued)*

Financial liabilities

Financial liabilities issued by the Group are classified according to the substance of the contractual arrangements entered into and the definition of a financial liability.

Financial liabilities are generally classified into financial liabilities at fair value through profit or loss and other financial liabilities. The accounting policies adopted in respect of the relevant category of financial liabilities to the Group are set out below.

Other financial liabilities

Other financial liabilities including trading and other payables, amount due to an associate obligations under finance leases and bank borrowings are subsequently measured at amortised cost, using the effective interest rate method.

Derecognition

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

For financial liabilities, they are removed from the Group's balance sheet (i.e. when the obligation specified in the relevant contract is discharged, cancelled or expires). The difference between the carrying amount of the financial liability derecognised and the consideration received or receivable is recognised in profit or loss.

Borrowing costs

All borrowing costs are recognised as and included in finance costs in the income statement in the period in which they are incurred.

Textile quota entitlements

The cost of temporary quota entitlements is charged to the income statement in the year in which they are used.

The cost of permanent quotas entitlements acquired is capitalised and amortised over the estimated useful lives of the quotas.

Provisions

Provisions are recognised when the Group has a present obligation as a result of a past event, and it is probable that the Group will be required to settle that obligation. Provisions are measured at the directors' best estimate of the expenditure required to settle the obligation at the balance sheet date, and are discounted to present value where the effect is material.

Notes to the Financial Statements

For the year ended March 31, 2006

5. KEY SOURCES OF ESTIMATION UNCERTAINTY

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

Depreciation

The Group depreciates the buildings and related improvements on a straight-line basis over their estimated useful life of twenty-five years and depreciates the plant and machinery on a straight-line basis over the estimated useful life of five to eight years, commencing from the date the equipment is placed into productive use. The estimated useful life and dates that the Group places the equipment into productive use reflects management's estimate of the periods that the Group intends to derive economic benefits from the use of the Group's property, plant and equipment.

Fair value estimation

The fair value of financial assets and financial liabilities is estimated by discounting the future contractual cash flows at the current market interest rate available to the Group for similar financial instruments. Such assessment was based on certain assumptions, which are subject to uncertainty and might materially differ from the actual results.

Impairment loss on trade receivables

The provision policy for bad and doubtful debts of the Group is based on the evaluation of collectability and ageng analysis of accounts and on management's judgment. A considerable amount of judgment is required in assessing the ultimate realisation of these receivables, including the current creditworthiness and the past collection history of each customer. If the financial conditions of customers of the Group were to deteriorate, resulting in an impairment of their ability to make payments, additional allowances may be required.

Allowances for inventories

Management of the Group reviews the inventories listing on a product-by-product basis at each balance sheet date, and makes allowance for obsolete and slow-moving inventory items identified that are no longer suitable for use in production. Management estimates the net realisable value for such inventories based primarily on the latest invoice prices and current market conditions.

Notes to the Financial Statements

For the year ended March 31, 2006

6. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's major financial instruments include trade receivables, other receivables, trade payables, bank balances, bank borrowings and amounts due from/to associates. Details of these financial instruments are disclosed in respective notes. The risks associated with certain of these financial instruments and 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.

Credit risk

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

The Group's maximum exposure to credit risk in the event of the counterparties failure to perform their obligations as at March 31, 2006 is the carrying amount of trade receivables as stated in the consolidated balance sheet. In order to minimise the credit risk, management has implemented internal control procedures 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 trade debt at each balance sheet date to ensure that adequate impairment losses are made for irrecoverable amounts. In this regard, the directors of the Company consider that the Group's credit risk is significantly reduced.

Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities. The Group aims at maintaining the flexibility in funding by arranging banking facilities. Therefore, the risk is considered minimal.

Foreign exchange risk

Substantial transactions entered into by the Group are denominated in United States dollar. Hong Kong dollar is pegged to United States dollar at a range between 7.75 to 7.85, the risk of volatility between United States dollar and Hong Kong dollar is limited. Foreign exchange risk arising from sales and purchases transacted in other currencies are managed by the Group treasury with the use of foreign exchange forward contracts or derivatives, provided that the costs involved is not prohibitively expensive in comparison to the underlying exposure.

Interest rate risk

Interest rate risk arises from the potential changes in interest rates that may have adverse effects in the Group's result for the current reporting period and in future years.

The interest rate exposure for the Group is restricted to the financing cost for bank loans and interest bearing cash deposits. The Group will match their tenors for the management of interest rate volatility. The Group's bank borrowings are mostly short-term and subject to floating rate. For long-term funding requirements, if any, the Group would consider adopting fixed-rate basis or interest-rate swap for minimizing the interest rate risk.

Notes to the Financial Statements
For the year ended March 31, 2006

7. SEGMENT INFORMATION

Business segments

The Group is principally engaged in the manufacture and sale of garments. Accordingly, no business segments analysis of financial information is provided.

Geographical segments

The Group's manufacture and sale of garments business is principally located in the United States of America (the "USA"), Canada, Asia and Europe and others.

The Group reports its primary segment information on geographical location of its customers and the segment information about these geographical markets is presented below:

For the year ended March 31, 2006:

	USA *HK$'000*	Canada *HK$'000*	Asia *HK$'000*	Europe and others *HK$'000*	Consolidated *HK$'000*
TURNOVER					
Sales of goods – external	1,723,583	24,395	130,319	96,186	1,974,483
SEGMENT RESULTS	91,132	701	(3,319)	8,906	97,420
Other income					5,999
Increase in fair value of investment properties					17,594
Finance costs					(3,742)
Share of results of associates	673	30	251	21	975
Profit before tax					118,246
Income tax expense					(32,828)
Profit for the year					85,418
OTHER INFORMATION					
Capital expenditure	18,828	521	3,822	946	24,117
Depreciation and amortisation	20,979	585	4,130	1,361	27,055

Notes to the Financial Statements

For the year ended March 31, 2006

7. SEGMENT INFORMATION *(continued)*

Geographical segments *(continued)*

The following is an analysis of the carrying amount of segment assets and segment liabilities, analysed by the geographical location of the Group's customers, as at March 31, 2006:

	USA *HK$'000*	Canada *HK$'000*	Asia *HK$'000*	Europe and others *HK$'000*	Consolidated *HK$'000*
ASSETS					
Segment assets	567,568	11,869	75,957	35,016	690,410
Interests in associates	6,684	65	552	46	7,347
Unallocated corporate assets					229,596
Consolidated total assets					927,353
LIABILITIES					
Segment liabilities	270,208	4,004	19,633	17,954	311,799
Unallocated corporate liabilities					82,453
Consolidated total liabilities					394,252

Notes to the Financial Statements

For the year ended March 31, 2006

7. SEGMENT INFORMATION *(continued)*

Geographical segments *(continued)*

For the year ended March 31, 2005:

	USA *HK$'000*	Canada *HK$'000*	Asia *HK$'000*	Europe and others *HK$'000*	Consolidated *HK$'000* (restated)
TURNOVER					
Sales of goods – external	1,733,850	21,514	136,130	71,104	1,962,598
SEGMENT RESULTS	86,473	835	443	6,506	94,257
Other income					4,827
Finance costs					(1,365)
Share of results of associates	546	10	85	6	647
Loss on disposal of interests in associates					(310)
Profit before tax					98,056
Income tax expense					(17,828)
Profit for the year					80,228
OTHER INFORMATION					
Capital expenditure	31,280	1,689	14,249	1,132	48,350
Depreciation and amortisation	20,873	479	3,436	1,001	25,789

Notes to the Financial Statements

For the year ended March 31, 2006

7. SEGMENT INFORMATION *(continued)*

Geographical segments *(continued)*

The following is an analysis of the carrying amount of segment assets and segment liabilities, analysed by the geographical location of the Group's customers, as at March 31, 2005:

	USA *HK$'000*	Canada *HK$'000*	Asia *HK$'000*	Europe and others *HK$'000*	Consolidated *HK$'000* (restated)
ASSETS					
Segment assets	489,264	10,976	80,819	21,726	602,785
Interests in associates	5,577	58	495	29	6,159
Unallocated corporate assets					246,089
Consolidated total assets					855,033
LIABILITIES					
Segment liabilities	250,948	4,154	28,785	10,729	294,616
Unallocated corporate liabilities					24,770
Consolidated total liabilities					319,386

In addition to the analysis by the geographical location of the Group's customers, the following is an analysis of the carrying amount of assets, and additions to property, plant and equipment and intangible assets, analysed by the geographical area in which the assets are located:

	Carrying amount of segment assets		**Additions to property, plant and equipment and intangible assets**	
	2006 ***HK$'000***	2005 *HK$'000* (restated)	**2006** ***HK$'000***	2005 *HK$'000* (restated)
USA	**100,000**	92,096	**1,836**	740
Hong Kong	**462,582**	411,824	**4,689**	2,236
People's Republic of China, other than Hong Kong (the "PRC")	**316,231**	297,203	**13,808**	38,498
Others	**48,540**	53,910	**3,784**	6,876
	927,353	855,033	**24,117**	48,350

Notes to the Financial Statements

For the year ended March 31, 2006

8. OTHER INCOME

	2006 HK$'000	2005 HK$'000
Bank interest income	**2,692**	1,843
Rental income from properties under operating leases, net of outgoings of HK$135,000 (2005: HK$88,000)	**3,307**	2,897
Unrealised holding gain on other investments	**–**	87
	5,999	4,827

9. FINANCE COSTS

	2006 HK$'000	2005 HK$'000
Interest on borrowings wholly repayable within five years:		
Bank borrowings and bills discounted	**3,726**	1,338
Finance leases	**16**	27
	3,742	1,365

Notes to the Financial Statements

For the year ended March 31, 2006

10. PROFIT BEFORE TAX

	2006 *HK$'000*	2005 *HK$'000* (restated)
Profit before tax has been arrived at after charging (crediting):		
Employee benefits expense, including those of directors:		
Employee benefits expense	**321,580**	297,095
Contribution to retirement benefits scheme	**7,415**	7,205
Total employee benefits expense	**328,995**	304,300
Amortisation of intangible assets:		
Included in administrative expenses	**73**	73
Included in cost of sales	**–**	51
Auditors' remuneration	**1,379**	1,182
Cost of inventories recognised as an expense	**1,501,739**	1,502,632
Depreciation of property, plant and equipment	**26,982**	25,665
Loss on disposal of available-for-sale investments	**16**	–
Loss on disposal of property, plant and equipment	**350**	91
Release of prepaid lease payments	**730**	733
Reversal of impairment of inventories *(note)*	**(802)**	–
Share of tax of associates (included in share of results of associates)	**185**	80
Temporary textile quota expenses	**653**	22,950

Note: A reversal of impairment was recognised as the impaired inventories were sold during the year.

Notes to the Financial Statements

For the year ended March 31, 2006

11. DIRECTORS' EMOLUMENTS

The emoluments paid or payable to each of the nine (2005: nine) directors of the Company were as follows:

2006

	Benson Tung Wah Wing HK$'000	Alan Lam Yiu On HK$'000	Raymond Tung Wai Man HK$'000	Tung Siu Wing HK$'000	Kevin Lee Kwok Bun HK$'000	Johnny Chang Tak Cheung HK$'000	Tony Chang Chung Kay HK$'000	Woo Kwong Hon HK$'000	Joseph Wong King Lam HK$'000	Total HK$'000
Fees	–	–	–	60	60	60	60	60	60	360
Other emoluments:										
Salaries and other benefits	4,751	2,383	1,436	–	936	–	–	–	–	9,506
Contribution to retirement benefits scheme	12	12	12	–	–	–	–	–	–	36
Performance related incentive payments *(note)*	–	731	1,070	–	–	–	–	–	–	1,801
Total emoluments	4,763	3,126	2,518	60	996	60	60	60	60	11,703

2005

	Benson Tung Wah Wing HK$'000	Alan Lam Yiu On HK$'000	Raymond Tung Wai Man HK$'000	Tung Siu Wing HK$'000	Kevin Lee Kwok Bun HK$'000	Johnny Chang Tak Cheung HK$'000	Tony Chang Chung Kay HK$'000	Woo Kwong Hon HK$'000	Joseph Wong King Lam HK$'000	Total HK$'000
Fees	–	–	–	60	60	60	60	60	40	340
Other emoluments:										
Salaries and other benefits	5,008	2,217	1,382	–	936	–	–	–	–	9,543
Contribution to retirement benefits scheme	12	12	12	–	–	–	–	–	–	36
Performance related incentive payments *(note)*	–	714	960	–	–	–	–	–	–	1,674
Total emoluments	5,020	2,943	2,354	60	996	60	60	60	40	11,593

Note: The performance related incentive payment is determined by the Group's operating results, individual performances and prevailing market conditions.

No directors waived any emoluments in the years ended March 31, 2006 and 2005.

Notes to the Financial Statements

For the year ended March 31, 2006

12. EMPLOYEES' EMOLUMENTS

Of the five individuals with the highest emoluments in the Group, three (2005: three) were directors of the Company whose emoluments are included in the disclosures in note 11 above. The emoluments of the remaining two (2005: two) individuals were as follows:

	2006	2005
	HK$'000	*HK$'000*
Salaries and other benefits	**7,099**	9,268
Contribution to retirement benefits scheme	**83**	12
Performance related incentive payments *(note)*	**760**	802
	7,942	10,082

Their emoluments were within the following bands:

	Number of employees	
	2006	2005
HK$2,500,001 to HK$3,000,000	**1**	1
HK$5,000,001 to HK$5,500,000	**1**	–
HK$7,000,001 to HK$7,500,000	**–**	1

Note: The performance related incentive payment is determined by the Group's operating results, individual performances and prevailing market conditions.

Notes to the Financial Statements

For the year ended March 31, 2006

13. INCOME TAX EXPENSE

	2006	2005
	HK$'000	*HK$'000*
		(restated)
Current tax:		
Hong Kong	**15,379**	14,460
PRC	**357**	576
Other jurisdictions	**3,826**	1,763
	19,562	16,799
Underprovision in prior years	**9,952**	516
	29,514	17,315
Deferred tax charge *(note 24)*	**3,314**	513
	32,828	17,828

Hong Kong Profits Tax is calculated at 17.5% (2005: 17.5%) of the estimated assessable profit for the year.

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

Pursuant to the relevant laws and regulations in the PRC, certain of the Group's PRC subsidiaries are exempted from PRC enterprise income tax for two years starting from their first profit-making year, followed by a 50% reduction for the next three years ("Tax Holidays"). One (2005: two) of the subsidiaries of the Company is subject to enterprise income tax in the PRC at rate with a 50% reduction during the year ended March 31, 2006.

During the years ended March 31, 2005 and 2006, two subsidiaries of the Company received protective profits tax assessment from Inland Revenue Department (the "IRD") of approximately HK$0.8 million and HK$20.7 million, respectively, relating to the year of assessment 1998/99 to 2004/05, that is, for the financial years ended March 31, 1999 to 2005. The protective profits tax assessment relates mainly to the subsidiaries' income derived from their manufacturing operations in the PRC. The subsidiaries lodged objections with the IRD and the IRD agreed to holdover the tax claimed subject to tax reserve certificates in the amount of HK$21.5 million being purchased by the subsidiaries.

In the opinion of the directors and the advice from the Group's tax advisors, the subsidiaries' income derived from their manufacturing activities in the PRC is not arising in or derived from Hong Kong, and that sufficient tax provision has been made in the accounts in this regard.

Notes to the Financial Statements

For the year ended March 31, 2006

13. INCOME TAX EXPENSE *(continued)*

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

	2006	2005
	HK$'000	*HK$'000*
Profit before tax	**118,246**	98,056
Tax at the domestic income tax rate of 17.5% (2004: 17.5%)	**20,693**	17,160
Tax effect of share of results of associates	**(171)**	(113)
Tax effect of expenses not deductible for tax purpose	**1,207**	3,896
Tax effect of income not taxable for tax purpose	**(7,476)**	(8,534)
Underprovision in prior years	**9,952**	516
Tax effect of tax losses not recognised	**8,390**	3,615
Utilisation of tax losses previously not recognised	**(716)**	(401)
Effect of different tax rates of subsidiaries operating in other jurisdictions	**949**	1,689
Tax charge for the year	**32,828**	17,828

Details of deferred taxation for the year are set out in note 24.

Notes to the Financial Statements

For the year ended March 31, 2006

14. DIVIDENDS

	2006	2005
	HK$'000	*HK$'000*
Interim dividends paid in respect of year ended:		
– March 31, 2006 (HK5.5 cents per share)	**19,368**	–
– March 31, 2005 (HK6.0 cents per share)	**–**	21,128
Final dividends paid in respect of year ended:		
– March 31, 2005 (HK14.0 cents per share)	**49,299**	–
– March 31, 2004 (HK13.5 cents per share)	**–**	47,539
Special dividends paid in respect of year ended March 31, 2005 (HK33.0 cents per share)	**–**	116,205
	68,667	184,872

The final dividend of HK11.5 cents (2005: HK14.0 cents) per share has been proposed by the directors and is subject to approval by the shareholders in general meeting.

15. EARNINGS PER SHARE

The calculation of the basic earnings per share attributable to the equity holders of the Company is based on the profit for the year of HK$72,393,000 (2005: HK$71,209,000 as restated) and on the number of 352,137,298 shares (2005: 352,137,298 shares) in issue during the year.

The following table summarises the impact on basic earnings per share as a result of:

	Impact on basic earnings per share	
	2006	2005
	HK cents	*HK cents*
Reported figures before adjustments	**20.6**	20.1
Adjustments arising from changes in accounting policies	**–**	0.1
Restated	**20.6**	20.2

There were no potential dilutive ordinary shares for the years presented.

Notes to the Financial Statements

For the year ended March 31, 2006

16. INVESTMENT PROPERTIES

	THE GROUP *HK$'000*
FAIR VALUE	
At April 1, 2004	22,298
Revaluation surplus recognised in equity	13,366
At March 31, 2005	35,664
Transferred from prepaid lease payments and buildings	2,294
Increase in fair value recognised in the income statement	17,594
At March 31, 2006	55,552

The fair value of the Group's investment properties at March 31, 2006 has been arrived at on the basis of a valuation carried out on that date by DTZ Debenham Tie Leung Limited, independent qualified professional valuers not connected with the Group. The valuation, which conforms to International Valuation Standards, was arrived at by reference to market evidence of transaction prices for similar properties.

All of the Group's property interests held under operating leases to earn rentals are measured using the fair value model and are classified and accounted for as investment properties.

The carrying value of investment properties shown above comprises:

	2006 ***HK$'000***	2005 *HK$'000*
Land in Hong Kong held under medium-term leases	**52,992**	35,664
Land in the PRC held under medium-term land use rights	**2,560**	–
	55,552	35,664

Notes to the Financial Statements

For the year ended March 31, 2006

17. PROPERTY, PLANT AND EQUIPMENT

	Freehold land HK$'000	Buildings HK$'000	Leasehold improvements, plant and machinery, furniture and fixtures HK$'000	Motor vehicles HK$'000	Total HK$'000
THE GROUP					
COST					
At April 1, 2004	3,570	81,953	216,977	5,295	307,795
Exchange adjustments	18	55	82	1	156
Additions	–	19,754	27,562	1,034	48,350
Disposals	–	–	(4,647)	(842)	(5,489)
At March 31, 2005	3,588	101,762	239,974	5,488	350,812
Exchange adjustments	18	703	3,037	245	4,003
Additions	–	860	22,632	625	24,117
Transferred to investment properties	–	(1,385)	–	–	(1,385)
Disposals	–	–	(5,262)	(483)	(5,745)
At March 31, 2006	**3,606**	**101,940**	**260,381**	**5,875**	**371,802**
DEPRECIATION					
At April 1, 2004	–	28,929	159,693	3,962	192,584
Exchange adjustments	–	10	59	1	70
Provided for the year	–	3,429	21,586	650	25,665
Eliminated on disposals	–	–	(4,247)	(754)	(5,001)
At March 31, 2005	–	32,368	177,091	3,859	213,318
Exchange adjustments	–	39	1,817	31	1,887
Provided for the year	–	3,899	22,497	586	26,982
Transferred to investment properties	–	(10)	–	–	(10)
Eliminated on disposals	–	–	(4,763)	(469)	(5,232)
At March 31, 2006	**–**	**36,296**	**196,642**	**4,007**	**236,945**
CARRYING VALUES					
At March 31, 2006	**3,606**	**65,644**	**63,739**	**1,868**	**134,857**
At March 31, 2005	3,588	69,394	62,883	1,629	137,494

The carrying value of the Group's property, plant and equipment includes an amount of HK$413,000 (2005: HK$491,000) in respect of assets held under finance leases.

Notes to the Financial Statements

For the year ended March 31, 2006

17. PROPERTY, PLANT AND EQUIPMENT *(continued)*

	Leasehold improvements, plant and machinery, furniture and fixtures HK$'000	Motor vehicles HK$'000	Total HK$'000
THE COMPANY			
COST			
At April 1, 2004	7,624	710	8,334
Additions	86	–	86
At March 31, 2005	7,710	710	8,420
Additions	3,154	–	3,154
Disposals	(77)	(355)	(432)
At March 31, 2006	**10,787**	**355**	**11,142**
DEPRECIATION			
At April 1, 2004	6,732	438	7,170
Provided for the year	257	142	399
At March 31, 2005	6,989	580	7,569
Provided for the year	783	77	860
Eliminated on disposals	(33)	(302)	(335)
At March 31, 2006	**7,739**	**355**	**8,094**
CARRYING VALUES			
At March 31, 2006	**3,048**	**–**	**3,048**
At March 31, 2005	721	130	851

The above items of property, plant and equipment are depreciated on a straight-line basis at the following rates per annum:

Freehold land	Nil
Buildings	4%
Leasehold improvements	Over the shorter of the term of the lease, or five years
Plant and machinery, furniture and fixtures	12.5% - 20%
Motor vehicles	12.5% - 20%

Notes to the Financial Statements

For the year ended March 31, 2006

18. PREPAID LEASE PAYMENTS

	2006	2005
	HK$'000	*HK$'000*
The Group's prepaid lease payments comprise leasehold land held:		
– under medium-term leases in Hong Kong	**13,628**	13,948
– under medium-term leases overseas	**544**	539
– under medium-term land use rights in the PRC	**14,486**	15,803
	28,658	30,290
Analysed for reporting purposes as:		
Current assets	**730**	750
Non-current assets	**27,928**	29,540
	28,658	30,290

Notes to the Financial Statements

For the year ended March 31, 2006

19. INTANGIBLE ASSETS

	Permanent textile quota entitlements *HK$'000*	Trademarks *HK$'000*	Total *HK$'000*
THE GROUP			
COST			
At April 1, 2004, March 31, 2005 and March 31, 2006	255	774	1,029
AMORTISATION			
At April 1, 2004	204	156	360
Provided for the year	51	73	124
At March 31, 2005	255	229	484
Exchange adjustments	–	1	1
Provided for the year	–	73	73
At March 31, 2006	**255**	**303**	**558**
CARRYING VALUES			
At March 31, 2006	**–**	**471**	**471**
At March 31, 2005	–	545	545

All of the Group's intangible assets were acquired from third parties.

The above intangible assets have definite useful lives and are amortised on a straight-line basis over the following periods:

Permanent textile quota entitlements	5 years
Trademarks	10 years

Notes to the Financial Statements

For the year ended March 31, 2006

20. INVESTMENTS IN SUBSIDIARIES

	THE COMPANY	
	2006	2005
	HK$'000	*HK$'000*
Unlisted shares/investments, at cost	**115,332**	90,040

Particulars of the Company's principal subsidiaries at March 31, 2006 are as follows:

Name of subsidiary	Place of incorporation/ registration and operation	Paid up issued share capital/ common stock/ registered capital *(HK$ unless otherwise indicated)*	Class of share held	Proportion of nominal value of issued share capital/ common stock/ registered capital held by the Company Directly %	Indirectly %	Principal activities
Do Do Fashion Limited	Hong Kong *(a)*	720,000	Ordinary	100	–	Garment manufacture
Dorcash Industrial Limited	Hong Kong *(a)*	20	Ordinary	100	–	Property holding
Fashiontex Sdn. Bhd.	Malaysia *(a)*	M$3,000,000	Ordinary	100	–	Garment manufacture
Fortune Side Limited	Hong Kong *(a)*	1	Ordinary	100	–	Garment manufacture
Golden Fountain Industrial Company Limited	Hong Kong *(a)*	500,000	Ordinary	100	–	Property holding
Golden Will Fashions Limited	Hong Kong *(a)*	10,000	Ordinary	–	60	Garment trading
Golden Will Fashions Phils., Inc.	The Philippines *(a)*	P$30,000,000	Ordinary	–	60	Garment manufacture
Sing Yang (Overseas) Limited	Hong Kong* *(a)*	100,000	Ordinary	100	–	Garment manufacture
Sing Yang Services Limited	Hong Kong *(a)*	100,000	Ordinary	100	–	Management services
Sing Yang Trading Limited	Hong Kong *(a)*	100,000	Ordinary	100	–	Garment trading
THL Inc.	USA *(a)*	US$10,000	Ordinary	–	100	Garment trading
Tung Thai Fashions Limited	Thailand *(a)*	Baht100,000,000	Ordinary	100	–	Garment manufacture
Tungtex Trading Company Limited	Hong Kong *(a)*	6,000,000	Ordinary	100	–	Garment manufacture
Tungtex (UK) Limited	United Kingdom *(a)*	£10,000	Ordinary	100	–	Provision of agency services in garments
Tungtex (U.S.A.) Inc.	USA *(a)*	US$838,802	Ordinary	100	–	Investment holding
West Pacific Enterprises Corporation	USA *(a)*	US$3,217,836	Ordinary	–	100	Garment design and trading
Winnertex Fashions Limited	Hong Kong *(a)*	100	Ordinary	–	75	Garment manufacture
Yellow River, Inc.	USA *(a)*	US$80,000	Ordinary	–	51	Garment design and trading
中山同得仕絲綢服裝有限公司	PRC *(b)*	22,800,000	Registered capital	–	90	Garment manufacture
華裳服裝(深圳)有限公司	PRC *(c)*	5,000,000	Registered capital	–	100	Garment manufacture
深圳百多爾時裝有限公司	PRC *(c)*	Rmb2,500,000	Registered capital	–	100	Garment manufacture
同得仕(杭州)時裝有限公司	PRC *(c)*	US$4,710,000	Paid up capital	100	–	Garment manufacture

* Sing Yang (Overseas) Limited operates in the PRC.

Notes to the Financial Statements

For the year ended March 31, 2006

20. INVESTMENTS IN SUBSIDIARIES *(continued)*

Notes:

(a) These companies are private limited companies.

(b) This company is a sino-foreign equity joint venture.

(c) These companies are wholly foreign owned enterprises.

The directors are of the opinion that a complete list of the particulars of all subsidiaries would be of excessive length and therefore the list above contains only the particulars of those subsidiaries which principally affect the results or assets of the Group.

None of the subsidiaries had any debt securities outstanding at the end of the year or at any time during the year.

21. INTERESTS IN ASSOCIATES

	2006	2005
	HK$'000	*HK$'000*
THE GROUP		
Share of net assets	**7,347**	6,159
THE COMPANY		
Capital contribution, at cost	**1,686**	1,686

Particulars of the Group's unlisted associates at March 31, 2006, which are registered and operated in the PRC as sino-foreign equity enterprises, are as follows:

Name of associate	Class of share held	Proportion of registered capital held by the Company Directly %	Proportion of registered capital held by the Company Indirectly %	Principal activities
番禺市金源時裝有限公司	Registered capital	–	30	Garment manufacture
嵊州同泰絲服飾有限公司	Registered capital	30	–	Garment manufacture
德清華高時裝有限公司	Registered capital	–	25	Garment manufacture

Notes to the Financial Statements

For the year ended March 31, 2006

21. INTERESTS IN ASSOCIATES *(continued)*

The summarised financial information in respect of the Group's associates is set out below:

	2006	2005
	HK$'000	*HK$'000*
		(restated)
Total assets	**97,445**	87,898
Total liabilities	**(60,880)**	(56,368)
Net assets	**36,565**	31,530
The Group's share of net assets of associates	**7,347**	6,159
Turnover	**149,121**	89,180
Profit for the year	**4,068**	2,880
The Group's share of results of associates for the year	**975**	647

22. AVAILABLE-FOR-SALE INVESTMENTS

Available-for-sale investments of the Group and of the Company as at March 31, 2006 comprise:

	HK$'000
Non-current equity securities:	
Listed overseas	300
Unlisted	1,130
	1,430

As at the balance sheet date, all available-for-sale investments are stated at fair values. Fair values of these investments have been determined by reference to bid prices quoted in active markets.

Notes to the Financial Statements

For the year ended March 31, 2006

23. INVESTMENTS IN SECURITIES

Investments securities of the Group and of the Company as at March 31, 2005 are set out below. Upon the application of HKAS 39 on April 1, 2005, investment securities were reclassified to available-for-sale investments under HKAS 39 (see note 2 for details).

	HK$'000
Non-current investments:	
Investment securities, being overseas listed shares, at cost	581
Less: Impairment loss	(281)
	300
Other unlisted investments, at fair value	1,978
	2,278
Market value of listed shares	344

24. DEFERRED TAXATION

THE GROUP

The major deferred tax (liabilities) assets recognised and movements thereon during the current and prior reporting years are as follows:

	Revaluation of investment properties *HK$'000*	Accelerated tax depreciation *HK$'000*	Tax losses *HK$'000*	Others *HK$'000*	Total *HK$'000*
At April 1, 2004 as originally stated	–	(3,138)	1,042	707	(1,389)
Effect of HK(SIC) – INT 21	(341)	(3,243)	–	–	(3,584)
At April 1, 2004 as restated	(341)	(6,381)	1,042	707	(4,973)
Charged to income for the year as restated	–	(185)	14	(342)	(513)
Charged to equity for the year	(2,339)	–	–	–	(2,339)
At March 31, 2005 as restated	(2,680)	(6,566)	1,056	365	(7,825)
Charged to income for the year	(3,032)	(1)	(203)	(78)	(3,314)
At March 31, 2006	(5,712)	(6,567)	853	287	(11,139)

Notes to the Financial Statements

For the year ended March 31, 2006

24. DEFERRED TAXATION *(continued)*

THE GROUP *(continued)*

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

	2006	2005
	HK$'000	*HK$'000*
		(restated)
Deferred tax assets	**861**	1,093
Deferred tax liabilities	**(12,000)**	(8,918)
	(11,139)	(7,825)

At the balance sheet date, the Group has unused tax losses of HK$154 million (2005: HK$111 million) available for offset against future profits. A deferred tax asset has been recognised in respect of HK$5 million (2005: HK$6 million) of such losses. No deferred tax asset has been recognised in respect of the remaining HK$149 million (2005: HK$105 million) due to the unpredictability of future profit streams. Included in unrecognised tax losses are losses of HK$84 million (2005: HK$48 million) that can be carried forward for five years and losses of HK$44 million (2005: HK$32 million) that can be carried forward for twenty years. Other losses may be carried forward indefinitely.

No provision for deferred tax has been made for taxes which would arise or the remittance of retained profits of overseas companies to Hong Kong as it is anticipated that these amounts will not be remitted in the near future.

Notes to the Financial Statements

For the year ended March 31, 2006

24. DEFERRED TAXATION *(continued)*

THE COMPANY

	Differences between accounting and tax depreciation *HK$'000*	Tax losses *HK$'000*	Others *HK$'000*	Total *HK$'000*
At April 1, 2004	178	1,158	(11)	1,325
Credited (charged) to income for the year	25	(958)	(15)	(948)
At March 31, 2005	203	200	(26)	377
(Charged) credited to income for the year	(154)	(200)	13	(341)
At March 31, 2006	49	–	(13)	36

At March 31, 2005, the Company had unused tax losses of HK$1,145,000 available for offset against future profits and such tax losses have been fully utilised during the year.

25. INVENTORIES

	THE GROUP	
	2006 ***HK$'000***	2005 *HK$'000*
Raw materials	**76,452**	48,428
Work in progress	**79,996**	68,117
Finished goods	**81,510**	50,549
	237,958	167,094

Notes to the Financial Statements

For the year ended March 31, 2006

26. TRADE AND OTHER RECEIVABLES

The Group allows an average credit period of 30 days to its trade customers. Included in trade and other receivables are trade receivables, mainly denominated in United States Dollars, with the following aged analysis:

	THE GROUP	
	2006	2005
	HK$'000	*HK$'000*
Up to 30 days	**191,863**	180,806
31 – 60 days	**43,201**	32,345
61 – 90 days	**6,853**	7,470
	241,917	220,621

The directors consider that the carrying values of the Group's trade and other receivables and the Company's other receivables at the balance sheet date approximate their fair values.

27. PLEDGED BANK DEPOSITS

The amount represents deposits which have been used as collateral for letter of guarantee issued by an overseas bank for the consumption of electricity by the Group.

The deposits carry fixed interest at prevailing market interest rates. The fair values of the Group's bank deposits at the balance sheet date approximate their carrying values.

28. BANK BALANCES AND CASH

Bank balances and cash of the Group and of the Company comprises bank balances and cash held and short-term bank deposits that are interest-bearing at market interest rate and are with maturity of three months or less. The bank deposits carry fixed interest rates ranged from 4.2% to 4.6% (2005: 2.4% to 2.7%) per annum as at balance sheet date. The fair values of these amounts at the balance sheet date approximate their carrying values.

Notes to the Financial Statements

For the year ended March 31, 2006

29. TRADE AND OTHER PAYABLES

Included in trade and other payables are trade payables with the following aged analysis:

	THE GROUP	
	2006	2005
	HK$'000	*HK$'000*
Up to 30 days	**125,950**	80,649
31 – 60 days	**65,218**	58,167
61 – 90 days	**25,081**	22,675
More than 90 days	**9,536**	7,604
	225,785	169,095

The directors consider that the carrying values of the Group's trade and other payables and the Company's other payables at the balance sheet date approximate their fair values.

Notes to the Financial Statements

For the year ended March 31, 2006

30. OBLIGATIONS UNDER FINANCE LEASES

	THE GROUP			
	Minimum lease payments		Present value of minimum lease payments	
	2006	2005	**2006**	2005
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*
Amounts payable under finance leases:				
Within one year	**169**	207	**147**	186
More than one year but not exceeding two years	**99**	121	**83**	106
More than two years but not exceeding three years	**44**	52	**36**	42
More than three years but not exceeding four years	**–**	30	**–**	24
	312	410		
Less: Future finance charges	**(46)**	(52)		
Present value of lease obligations	**266**	358	**266**	358
Less: Amount due within one year shown under current liabilities			**(147)**	(186)
Amount due after one year			**119**	172

It is the Group's policy to lease certain of its plant and equipment under finance leases. The average lease term is three years. For the year ended March 31, 2006, the effective borrowing rate was 7.7% (2005: 6.2%). Interest rates are fixed at the contract date. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments.

The Group's obligations under finance leases are secured by the lessors' charge over the leased assets. The fair values of the Group's obligations under finance leases, determined based on the present value of the estimated future cash flows discounted using the prevailing market value at the balance sheet date, approximate their carrying values.

Notes to the Financial Statements

For the year ended March 31, 2006

31. BANK BORROWINGS

	THE GROUP		THE COMPANY	
	2006	2005	**2006**	2005
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*
Floating-rate borrowings:				
Bank overdrafts	**5,032**	5,434	**129**	–
Trust receipt loans	**1,321**	3,746	**–**	–
Bills discounted with full recourse	**45,414**	–	**–**	–
Fixed-rate borrowings:				
Bank loan	**2,400**	3,719	**–**	–
	54,167	12,899	**129**	–
Analysed as:				
Secured	**51,767**	9,179	**129**	–
Unsecured	**2,400**	3,720	**–**	–
	54,167	12,899	**129**	–

All the bank borrowings at the balance sheet date are repayable within one year or upon demand and are included under current liabilities. The outstanding floating-rate borrowings as at the balance sheet date bear interest at prevailing market rates, ranging from LIBOR + 0.5% to LIBOR + 0.85% (2005: LIBOR + 0.85% to LIBOR + 1.0%) per annum. The fixed-rate borrowings bear interest at 5.22% (2005: 4.83%) per annum.

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

	US$'000
At March 31, 2006	6,049
At March 31, 2005	510

The fair values of the Group's bank borrowings, estimated by discounting their future cash flows at the prevailing market borrowing rates at the balance sheet date, approximate their carrying values.

Notes to the Financial Statements

For the year ended March 31, 2006

32. SHARE CAPITAL

	Number of shares	Value *HK$'000*
Authorised:		
Ordinary shares of HK$0.20 each		
At April 1, 2004, March 31, 2005 and 2006	500,000,000	100,000
Issued and fully paid:		
Ordinary shares of HK$0.20 each		
At April 1, 2004, March 31, 2005 and 2006	352,137,298	70,428

33. RESERVES

	Share premium account *HK$'000*	Capital redemption reserve *HK$'000*	Retained profits *HK$'000*	Total *HK$'000*
THE COMPANY				
At April 1, 2004	84,880	3,848	144,305	233,033
Profit for the year	–	–	195,225	195,225
Dividends *(note 14)*	–	–	(184,872)	(184,872)
At March 31, 2005	84,880	3,848	154,658	243,386
Profit for the year	–	–	81,352	81,352
Dividends *(note 14)*	–	–	(68,667)	(68,667)
At March 31, 2006	**84,880**	**3,848**	**167,343**	**256,071**

The Company's reserves available for distribution to shareholders as at March 31, 2006 comprise the retained profits of HK$167,343,000 (2005: HK$154,658,000).

34. MAJOR NON-CASH TRANSACTIONS

During the year, the Group entered into finance lease arrangements in respect of assets with a total capital value at the inception of the lease contracts of HK$134,000 (2005: HK$349,000).

Notes to the Financial Statements

For the year ended March 31, 2006

35. OPERATING LEASES

The Group as lessee

During the year, the Group made minimum lease payments under operating leases of HK$20,422,000 (2005: HK$20,700,000) in respect of rented premises.

At the balance sheet date, the Group had commitments for future minimum lease payments under non-cancellable operating leases which fall due as follows:

	THE GROUP	
	2006	2005
	HK$'000	*HK$'000*
Within one year	**16,846**	16,235
In second to fifth year inclusive	**35,438**	29,647
Over five years	**10,556**	15,645
	62,840	61,527

Operating lease payments represent rentals payable by the Group for certain of its office premises, factories and retail shops. Leases are negotiated for an average term of four years and rentals are fixed.

The Group as lessor

Property rental income earned during the year was HK$3,442,000 (2005: HK$2,985,000). The properties held have committed tenants for an average term of two years.

At the balance sheet date, the Group had contracted with tenants for the following future minimum lease payments:

	THE GROUP	
	2006	2005
	HK$'000	*HK$'000*
Within one year	**2,940**	2,142
In second to fifth year inclusive	**2,150**	1,615
	5,090	3,757

Notes to the Financial Statements

For the year ended March 31, 2006

36. CAPITAL COMMITMENTS

At the balance sheet date, the Group and the Company had capital expenditure committed as follows:

	THE GROUP		THE COMPANY	
	2006	2005	**2006**	2005
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*
Contracted but not provided for in the financial statements in respect of acquisition of property, plant and equipment	**221**	1,155	**–**	889
Capital investment in respect of capital contribution in a subsidiary contracted but not provided for in the financial statements	**–**	–	**2,250**	27,477

37. CONTINGENT LIABILITIES

At March 31, 2005, the Group had bills receivable discounted with full recourse from banks amounted to HK$67,315,000. At April 1, 2005, such amount has been recognised as bank borrowings (see note 2) upon the adoption of HKAS 39.

The Company has issued guarantees to banks to secure general banking facilities granted to certain subsidiaries to the extent of HK$158 million (2005: HK$147 million). The Company has also issued unlimited guarantees to banks to secure banking facilities granted to certain subsidiaries. The extent of the above facilities utilised by the subsidiaries at March 31, 2006 amounted to HK$54 million (2005: HK$13 million).

38. PLEDGE OF ASSETS

At the balance sheet date, the following assets have been pledged to banks to secure general banking facilities granted to the Group:

	2006	2005
	HK$'000	*HK$'000* (restated)
Prepaid lease payments	**12,009**	12,261
Investment properties	**11,000**	8,198
Buildings	**4,670**	5,255
Pledged bank deposits	**235**	232

Notes to the Financial Statements

For the year ended March 31, 2006

39. RETIREMENT BENEFITS SCHEMES

The Group operates a Mandatory Provident Fund Scheme (the "Scheme") for all qualifying employees in Hong Kong. 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 5% or HK$1,000 of the relevant payroll costs, for each of the employees every month, to the Scheme, which contribution is matched by employees.

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

In addition, certain subsidiaries of the Group are required to contribute amounts based on employees' salaries to the retirement benefits scheme as stipulated by relevant local authorities. The employees are entitled to the Group's contributions subject to the regulations of the relevant local authorities.

The total cost charged to the consolidated income statement of HK$7,415,000 (2005: HK$7,205,000) represents contributions payable to these schemes by the Group in respect of the current accounting year.

Notes to the Financial Statements

For the year ended March 31, 2006

40. CONNECTED AND RELATED PARTIES DISCLOSURES

(a) During the year, the details of transactions with connected persons, as defined in Rule 14A.11 of the Listing Rules, and related parties are set out as follows:

The Group

(i) Connected transactions

	2006	2005
	HK$'000	*HK$'000*
Fabric print and artwork services from Fine Print Studio Inc. ("Fine Print")	**3,627**	3,514
Rental income received from Fine Print	**293**	292

Fine Print is wholly owned by Mr. Peter Kan Mui, a minority shareholder of a subsidiary, and his associates (as defined in the Rules Governing the Listing of Securities on the Stock Exchange).

(ii) Related party transactions

	2006	2005
	HK$'000	*HK$'000*
Purchase of raw materials and finished goods from the Group's associates	**33,360**	36,884

Notes to the Financial Statements

For the year ended March 31, 2006

40. CONNECTED AND RELATED PARTIES DISCLOSURES *(continued)*

(a) *(continued)*

The Company

(i) Transactions with subsidiaries

	2006 **HK$'000**	2005 *HK$'000*
Dividend income received	**78,460**	193,370
Management commission income received	**35,477**	34,485
Interest income received	**7,133**	6,994
Messenger service income received	**438**	450
Accounting service income received	**132**	132
Promotion expenses paid	**3,231**	3,271
Rental expenses paid	**285**	281
Building management fee paid	**109**	109

(b) The Group and the Company have the following balances with related parties at the balance sheet date:

The Group

(i) Amount due from an associate of HK$735,000 (2005: HK$735,000) which is unsecured, interest-free and repayable on demand.

(ii) Amount due to an associate of HK$3,332,000 (2005: HK$11,699,000) which represents trading balance and is aged within 60 days.

The Company

(i) Amounts due from subsidiaries of HK$242,122,000 (2005: HK$237,107,000) which are unsecured and repayable on demand. Included in the amount is a balance of HK$37,546,000 (2005: HK$37,120,000) which bears interest at Hong Kong Prime Rate and the remaining balances are interest-free.

(ii) Amounts due to subsidiaries of HK$33,032,000 (2005: HK$21,813,000) which are unsecured and repayable on demand. Included in the amount is a balance of HK$6,986,000 (2005: HK$19,035,000) which bears interest at 3% per annum and the remaining balances are interest-free.

The directors consider that the carrying values of the balances at the balance sheet date approximate their fair values.

Notes to the Financial Statements

For the year ended March 31, 2006

40. CONNECTED AND RELATED PARTIES DISCLOSURES *(continued)*

(c) Compensation of key management personnel

Remuneration of key management personnel including amounts paid to the Group's executive directors as disclosed in note 11 and certain highest paid employees as disclosed in note 12, was as follows:

	2006	2005
	HK$'000	*HK$'000*
Short-term benefits	**18,230**	20,351
Post-employment benefits *(note)*	**119**	48
	18,349	20,399

Note: The amount represents contribution to retirement benefits schemes and has been included in the amount disclosed in note 39 to the financial statements.

The emoluments are determined, among other things, by reference to their duties and responsibilities, their experience for the industry prevailing market conditions and the Group's performance.