

Veeko®

威高國際控股有限公司

VEEKO INTERNATIONAL HOLDINGS LIMITED

股份代號 Stock Code : 1173



Annual Report
2008
年度年報

Veeko®

wanko®

colourmix®

A woman with dark hair pulled back, wearing a white short-sleeved top with a sequined bodice, a large ornate necklace, and long black gloves. She is looking slightly to the right. The background is a dark gradient.

wanko®

Wanko 二零零八年春夏季時裝系列
Wanko's Spring/Summer Collection 2008

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Corporate Information 公司資料

董事

執行

鄭鐘文 (主席)

林玉森 (行政總裁)

獨立非執行

鄭宗豪

楊威德

楊永基

法律顧問：開曼群島法律

Conyers Dill & Pearman, Cayman

Zephyr House

George Town

Grand Cayman

British West Indies

法律顧問：香港法律

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香港

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核數師

德勤 • 關黃陳方會計師行

執業會計師

香港

金鐘道88號

太古廣場一期35樓

授權代表

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林玉森

公司秘書

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審核委員會成員

鄭宗豪 (主席)

楊威德

楊永基

薪酬委員會成員

鄭宗豪 (主席)

鄭鐘文

林玉森

楊威德

楊永基

Directors

Executive

CHENG Chung Man, Johnny (Chairman)

LAM Yuk Sum (Chief Executive Officer)

Independent Non-Executive

CHENG Chung Hoo

YANG Wei Tak

YEUNG Wing Kay

Legal Advisers as to Cayman Islands Law

Conyers Dill & Pearman, Cayman

Zephyr House

George Town

Grand Cayman

British West Indies

Legal Advisers as to Hong Kong Law

Chiu & Partners

41st Floor, Jardine House

1 Connaught Place

Hong Kong

Auditors

Deloitte Touche Tohmatsu

Certified Public Accountants

35th Floor, One Pacific Place

88 Queensway

Hong Kong

Authorised Representatives

CHENG Chung Man, Johnny

LAM Yuk Sum

Company Secretary

WONG Chi Ying

Audit Committee Members

CHENG Chung Hoo (Chairman)

YANG Wei Tak

YEUNG Wing Kay

Remuneration Committee Members

CHENG Chung Hoo (Chairman)

CHENG Chung Man, Johnny

LAM Yuk Sum

YANG Wei Tak

YEUNG Wing Kay

Corporate Information 公司資料

註冊辦事處

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

Registered Office

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

總辦事處及主要營業地點

香港
新界葵涌
大連排道192-200號
偉倫中心二期十樓

Head Office and Principal Place of Business

10th Floor, Wyler Centre Phase II
192-200, Tai Lin Pai Road
Kwai Chung, New Territories
Hong Kong

主要股份登記及過戶處

Bank of Bermuda (Cayman) Limited
P.O. Box 513 GT
Strathvale House
North Church Street
George Town
Grand Cayman
Cayman Islands
British West Indies

Principal Share Registrar and Transfer Office

Bank of Bermuda (Cayman) Limited
P.O. Box 513 GT
Strathvale House
North Church Street
George Town
Grand Cayman
Cayman Islands
British West Indies

香港股份登記及過戶分處

卓佳秘書商務有限公司
香港灣仔
皇后大道東28號
金鐘匯中心26樓

Hong Kong Branch Share Registrar and Transfer Office

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

主要往來銀行

中國銀行(香港)有限公司
香港上海滙豐銀行有限公司

Principal Bankers

Bank of China (Hong Kong) Limited
The Hongkong and Shanghai Banking Corporation Limited

網址

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Website Address

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Chairman's Statement 主席報告書

業務回顧及展望

業務回顧

截至二零零八年三月三十一日止，集團錄得營業額達754,224,000港元(二零零七年：642,287,000港元)，較去年同期上升17.4%。營業額中有152,708,000港元(二零零七年：127,774,000港元)是來自化妝品業務，較去年同期上升19.5%，時裝業務之營業額較去年同期上升16.9%。集團整體之毛利率由去年63.1%增加至本年度之65.2%，而本年度溢利則為77,926,000港元(二零零七年：36,961,000港元)，較去年同期大幅上升110.8%，主要是由於集團於回顧期內積極發展國內時裝零售業務，中國區之店舖數目由二零零七年三月三十一日之75間增加至二零零八年三月三十一日之124間，業績反應理想，於本年度為集團帶來不俗之盈利貢獻。此外，本集團之化妝品零售業務，經過數年之經營，於回顧期內轉虧為盈，首次錄得有3,441,000港元之盈利，相比於去年同期之8,647,000港元之虧損，化妝品業務明顯有著很大的改善，亦是致使本年度溢利有大幅增長的原因之一。

時裝業務

截至二零零八年三月三十一日止，時裝業務之營業額達601,516,000港元(二零零七年：514,513,000港元)，較去年上升16.9%，佔集團總營業額79.7%，仍然是本集團之營業額及盈利貢獻之主要來源。至於分類業績方面，時裝業務之分類業績達79,352,000港元，較去年44,071,000港元大幅上升80.1%，除了是因為香港及澳門市場、新加坡市場之業務持續有穩定之增長外，主要是由於新發展之中國市場的業績反應理想，帶來盈利之貢獻。

Business Review and Prospects

Business Review

As of 31st March, 2008, the Group recorded a turnover of HK\$754,224,000 (2007: HK\$642,287,000), representing an increase of 17.4% as compared with the corresponding period of last year. Included in the amount of turnover was HK\$152,708,000 (2007: HK\$127,774,000) generated by the cosmetics business, representing an increase of 19.5% over the same period of last year. Turnover of the fashion business increased by 16.9% as compared with the same period in the previous year. The gross profit ratio of the Group as a whole increased from 63.1% for last year to 65.2% for the current year, while profit for the year was HK\$77,926,000 (2007: HK\$36,961,000), representing a substantial increase of 110.8% over that of the corresponding period of last year. This was mainly due to the reason that the Group has actively developed the fashion retail business in China during the period under review. The number of outlets in the China region increased from 75 as at 31st March, 2007 to 124 as at 31st March, 2008. The results were favourable and the business made significant profit contribution to the Group during the year. Furthermore, for the first time, the cosmetics retail business stopped incurring a loss after several years of operation, and a profit of HK\$3,441,000 was recorded, which compared with a loss of HK\$8,647,000 of the same period in last year, the result of the cosmetics business improved markedly, and was one of the reasons for substantial profit growth for the year.

Fashion Business

As of 31st March, 2008, turnover of the fashion business amounted to HK\$601,516,000, (2007: HK\$514,513,000) being an increase of 16.9% over the previous year, and accounting for 79.7% of the Group's total turnover. The fashion business remained the major source of turnover and profit for the Group. For segment results, that of the fashion business amounted to HK\$79,352,000, representing a surge of 80.1% as compared with HK\$44,071,000 of last year, thanks to the continuous steady growth in its businesses in Hong Kong, Macau and Singapore markets, and especially profit contribution from the outstanding performance of the newly developed China market.

Chairman's Statement 主席報告書

時裝業務 – 香港及澳門市場

截至二零零八年三月三十一日止，集團在香港及澳門共設有63間店舖（二零零七年：59間）。於回顧期內，香港及澳門市場之營業額達364,220,000港元（二零零七年：330,785,000港元），比去年同期有10.1%之增長。而可比較店舖銷售亦較去年同期上升了約15.3%。集團將旗下兩個品牌以嶄新的設計概念融入店舖的裝潢內，提升店舖形象，再配合多元化之貨品組合，引入高檔次之進口配飾產品，此等革新深受顧客歡迎，故營業額較去年同期有不俗之增長。

Fashion Business – Hong Kong and Macau Market

As of 31st March, 2008, the Group had altogether 63 outlets in Hong Kong and Macau (2007: 59 outlets). During the period under review, turnover of the Hong Kong and Macau market amounted to HK\$364,220,000 (2007: HK\$330,785,000), representing an increase of 10.1% over the corresponding period of last year. The sales of comparable outlets also increased by 15.3% over the corresponding period of last year. The remarkable increase in turnover over the corresponding period of last year was attributable to the blend of new design concepts of two brands under the Group and shop decoration for enhancement of store image, coupled with diversified product portfolios and the introduction of high-end imported fashion accessories. These innovative measures were greatly welcomed by the customers.



位於香港之 Veeko 及 Wanko 店舖
Veeko and Wanko outlets in Hong Kong

Chairman's Statement 主席報告書

時裝業務 – 台灣市場

本年度台灣零售業務錄得營業額111,257,000港元(二零零七年:118,952,000港元),較去年同期下跌6.5%,主要是因為回顧期內集團在台灣店舖數目較去年減少,截至二零零八年三月三十一日止,集團在台灣店舖數目有51間店舖(二零零七年:60間),佔集團時裝業務總營業額的18.5%。由於去年台灣經濟疲弱,打擊消費能力及信心,導致市場環境困難,為了減低此等因素對業務之影響,本集團除了控制成本費用、加強貨品質素外,亦結束了一些成本效益低且涉及固定租金費用之門市店舖,集團於回顧期內亦就一些租約期尚未屆滿但要繳付固定租金之店舖,根據租賃合約條款補償給業主後提前結束,雖然此措施無可避免地對本期之業績構成影響,但長遠對集團於台灣之業務仍是健康的,而此成效已令下半年之業績改善,逐漸向好。於回顧期內,雖然台灣店舖數目較去年同期減少,但可比較店舖營業額較去年同期錄得約11.9%之增長,集團對未來台灣之業務仍是充滿信心。

Fashion Business – Taiwan Market

Turnover of the retail business in Taiwan for the year was HK\$111,257,000 (2007: HK\$118,952,000), representing a decrease of 6.5% from the corresponding period of last year, mainly due to a decrease in the number of outlets of the Group in Taiwan during the period under review. As of 31st March, 2008, the Group had 51 outlets in Taiwan (2007: 60 outlets), representing 18.5% in the total turnover of the Group's fashion business. The economic recession in Taiwan in last year weakened its consumption power and confidence and aggravated the market environment. The Group had been positive in undertaking various measures to alleviate the adverse impact of these factors on its business, including strict cost control, improvement in product quality and closing down certain outlets burdened with fixed rental expenses which suffered from low cost efficiency. In addition, during the period under review, the Group had paid compensation to owners in respect of certain retail outlets with fixed rental, in accordance with terms in the lease agreements for the early termination of leases before their expiry. Although this measure inevitably had impact on the results of the current period, it should contribute to the healthy development of the Group's business in Taiwan in the long run. As a matter of fact, such measures improved the results during the second half year, resulting in a positive momentum of the business. During the period under review, despite the number of outlets in Taiwan decreased as compared with the corresponding period of last year, the sales of the comparable outlets recorded a growth of 11.9% accordingly. Therefore, the Group is fully confident in its Taiwan business in the future.



位於新加坡之Veeko店舖
Veeko outlet in Singapore

Chairman's Statement 主席報告書

時裝業務 – 新加坡市場

本年度新加坡零售業務錄得營業額46,267,000港元(二零零七年: 36,664,000港元), 營業額持續上升, 較去年同期錄得26.2%之升幅。截至二零零八年三月三十一日止, 集團在新加坡共設有11間店舖(二零零七年: 12間)。

時裝業務 – 中國市場

本集團自二零零六年底開始直接經營國內之時裝零售業務。本年度中國零售業務錄得營業額79,772,000港元(二零零七年: 28,112,000港元), 較去年同期大幅上升183.8%, 雖然只發展了一年多之時間, 已佔集團時裝業務總營業額的13.3%。至二零零八年三月三十一日止, **Veeko**及**Wanko**品牌在中國之店舖數目已開設至124間(二零零七年: 75間), 主要集中於一線城市, 如北京、上海、廣州、成都、重慶、天津、深圳、武漢、珠海、大連、蘇州等, 此外亦覆蓋至其他地區如廈門、泉州、江門、中山、宜賓、順德、貴陽、唐山、沈陽、蘭州、長春、長沙、無錫、福州、淮南、湛江、海口、包頭、柳州、郴州、臨汾等城市。本集團之時裝品牌在中國市場不論在設計、款式或是定位上均深受顧客歡迎, 故業績反應理想, 截至此年度止已經為集團帶來不俗之盈利貢獻, 業績令人鼓舞。

Fashion Business – Singapore Market

During the year, the retail business in Singapore recorded a turnover of HK\$46,267,000 (2007: HK\$36,664,000), representing an increase of 26.2% over the corresponding period of last year. The turnover had been growing steadily. As of 31st March, 2008, the Group had 11 outlets in Singapore (2007: 12 outlets).

Fashion Business – China Market

Since late 2006, the Group commenced its directly operated fashion retail business in the Mainland China. For the year, retail business in China recorded a turnover of HK\$79,772,000 (2007: HK\$28,112,000), representing a significant increase of 183.8% as compared with the corresponding period of last year. In just over one year of development, it had accounted for 13.3% of the Group's total turnover in fashion business. As of 31st March, 2008, the number of **Veeko** and **Wanko** outlets in China had reached 124 (2007: 75 outlets), mainly covering first tier cities such as Beijing, Shanghai, Guangzhou, Chengdu, Chongqing, Tianjin, Shenzhen, Wuhan, Zhuhai, Dalian, Suzhou. Besides, other cities were also covered which included Xiamen, Quanzhou, Jiangmen, Zhongshan, Yibin, Shunde, Guiyang, Tangshan, Shenyang, Lanzhou, Changchun, Changsha, Wuxi, Fuzhou, Huainan, Zhanjiang, Haikou, Baotou, Liuzhou, Chenzhou and Linfen. The Group's fashion brands were well received by customers in China no matter on designs, styles and positioning resulting in a satisfactory turnover. As of the end of this year, these brands had made encouraging performance by making significant profit contributions.



位於中國之**Wanko**店舖
Wanko outlet in China

Chairman's Statement 主席報告書

化妝品業務

截至二零零八年三月三十一日止，集團共設立有19間店舖（二零零七年：18間），主要位於香港及澳門。本年度集團之化妝品零售業務錄得營業額152,708,000港元（二零零七年：127,774,000），較去年上升了19.5%，而可比較店舖銷售亦較去年同期上升了約7.9%，截至二零零八年三月三十一日止化妝品業務經過數年之經營，首年度錄得有約3,441,000港元之盈利，相比於去年同期之8,647,000港元之虧損，化妝品業績明顯有著很大的改善。



Fantastic Flower SAN GIOVANNI

Cosmetics Business

As of 31st March, 2008, the Group had established 19 outlets (2007: 18 outlets), which were mainly situated in Hong Kong and Macau. For the year, cosmetics retail business of the Group recorded a turnover of HK\$152,708,000 (2007: HK\$127,774,000), representing an increase of 19.5% over last year. The sales of comparable outlets also increased by 7.9% over the corresponding period of last year. After several years of operation, as of 31st March, 2008, for the first time cosmetics business of the Group recorded a profit of approximately HK\$3,441,000, which compared with the loss of HK\$8,647,000 for the same period of last year, proved that significant improvement in the operating results of cosmetics business has been achieved.



位於香港之Colourmix店舖
Colourmix outlet in Hong Kong

展望

時裝業務

在時裝業務發展方面，本集團計劃香港及澳門區未來一年會集中於現有店舖之增長，至於店舖數目方面，則會在現時之基礎上穩步地逐漸增加店舖，本集團亦會繼續直接從海外採購優質之布料，進一步提升貨品之質素以及豐富貨品之組合，有助提高集團之營業額及盈利效益。台灣市場方面，去年由於經濟疲弱，打擊消費能力及信心，導致市場環境困難，對業績有所影響，故集團策略性地關閉一些租金高而效益不大之店舖，截至二零零八年三月三十一日止，

Prospects

Fashion Business

As for its fashion business development, the Group has planned to concentrate on the growth of its existing outlets in Hong Kong and Macau in the coming year. To the number of its outlets, the Group will steadily establish new outlets on its existing foundation. The Group will also continuously purchase high-quality fabrics directly from overseas, further improve product quality and diversify its product portfolios. All these will help the Group to enhance its turnover and profitability. In respect of the Taiwan market, due to the weak economy that weakened its consumption power and confidence and aggravated the market environment, the Group had undertaken strategic measures to close some outlets with high rental and unsatisfactory performance. As of 31st March, 2008, the number of the Group's outlets in Taiwan was 51, a decrease of 9 outlets as compared with 60 outlets of last year.

Chairman's Statement 主席報告書

集團在台灣之店舖數目有51間，與去年同期之60間減少了9間店舖，但可比較店舖之營業額較去年同期卻錄得11.9%之增長，未來集團計劃在百貨公司內開設不需負擔固定租金之專櫃，以減少固定租金帶來之壓力。截至二零零八年六月三十日止，集團在台灣之店舖數目已增至54間，並會繼續以審慎之態度發展當地市場。新加坡市場方面之業務近年一直保持有穩定之增長，未來如果物色有合適之位置，亦會增加店舖數目作穩步之發展，繼續強化當地業務。

中國時裝零售業務會是集團未來數年重點發展之方向，自首間自營分店於二零零六年十二月開業至今發展約一年多之時間，店舖數目已增加至二零零八年三月三十一日之124間。由於內地經濟發展迅速，消費力強勁，再加上本集團之時裝品牌在中國市場不論在設計、款式或是定位上均深受顧客歡迎，故業績反應理想，只是發展一年多之時間已佔集團時裝業務總營業額的13.3%，截至本年度止已經為集團帶來不俗之盈利貢獻，業績令人鼓舞。而總計二零零八年四月至六月，中國時裝零售可比較店舖之營業額較去年同期錄得約23.1%之增長，本集團看好其增長勢頭，計劃未來數年會進一步加快步伐發展中國市場，並集中在一線城市如北京、上海、廣州、成都等地區開設更多新店。集團有信心未來中國時裝零售業務會成為除香港零售業務以外，另一個營業額及盈利貢獻之主要來源。為配合集團未來發展對貨量之需求，集團於二零零七年初在中國內地購買一幢面積約31,355平方米之工業大廈。該廠房已於二零零七年十月份開始陸續投產，雖然此舉令集團之負債比率有暫時性之影響，不過本集團看好內地零售業務之發展，對此市場充滿信心，未來將會為集團帶來可觀之回報。

However, the turnover of the comparable outlets recorded an increase of 11.9% accordingly. In future, the Group plans to set up sales counters in department stores so as to avoid the burden of and reduce the pressure from fixed rental. As of 30th June, 2008, the number of the Group's outlets in Taiwan had increased to 54 outlets, and the Group will continue to develop the local market in a prudent manner. Business in the Singapore market has been growing steadily in recent years. The Group is dedicated to strengthening the business there, so that if outlets in desirable locations are secured, the number of outlets will be increased steadily.

The fashion retail business in China will become the Group's key market for future development in the coming years. The number of outlets increased to 124 as at 31st March, 2008 since the establishment of the first self-operating outlet in December 2006. Due to the rapid economic growth and strong consumption power of the mainland, coupled with the Group's well received fashion brands no matter on designs, styles or positioning, the performance of the business accounted for 13.3% of the Group's total turnover in fashion business in just over one year of development. They have also achieved encouraging performance by making significant profit contributions to the Group as at this year end. The total turnover of the comparable outlets in China from April to June 2008 recorded a remarkable increase of approximately 23.1% as compared with the corresponding period of the previous year. The Group is optimistic towards the growth trend, and plans to develop the China market in fast pace in the coming years, and to establish more outlets in first-tier cities such as Beijing, Shanghai, Guangzhou and Chengdu. The Group is confident that the fashion retail business in China will become another key contributor to the Group's turnover and profit in addition to the retail business in Hong Kong. To satisfy the demand of the Group towards quantity in the future, the Group acquired an industrial building with an area of approximately 31,355 square meters in the mainland China in early 2007. The factory has commenced its production in October 2007. Despite such has a temporary impact on the Group's gearing ratio, the Group is optimistic towards the growth of retail business in China and is highly confident that the China market will bring significant return to the Group in future.

Chairman's Statement 主席報告書

化妝品業務

本集團於二零零四年十月份正式開展以連鎖店式經營的化妝品零售業務，成立化妝品專門店 *Colourmix*。截至二零零八年三月三十一日止，共設立有19間分店，17間設立於香港，2間位於澳門。而回顧期內集團之化妝品零售業務錄得營業額152,708,000港元，較去年上升了19.5%，佔本集團總營業額20.3%，截至二零零八年三月三十一日止化妝品業務經過數年之經營，首年度錄得有約3,441,000港元之盈利，相比於去年同期之8,647,000港元之虧損，化妝品業務明顯有著很大的改善。化妝品業務之轉虧為盈主要原因是本集團不斷豐富產品系列，引入直接從外國進口獨家代理之優質品牌，深受顧客歡迎，反應不俗。而化妝品之零售網絡發展至今已達20間店舖，此網絡規模比去年更具成本效益。再者，集團於本年度結束了兩間效益不大之店舖，而去年新增之店舖表現相當理想，有助提高營業額及盈利，亦是令本年度轉虧為盈的主要因素。未來集團會繼續致力豐富產品系列、增加獨家經銷之美容產品、培訓員工提供優質專業之服務等，亦會繼續擴展有潛力之店舖，預算到二零零九年三月三十一日，會增加店舖數目至25間左右。按目前之走勢，集團有信心化妝品業務於二零零八／二零零九財政年度會為集團帶來進一步之盈利貢獻。而未來一年，除中國時裝零售業務以外，化妝品零售業務會是集團另一發展的重點。

Cosmetics Business

In October 2004, the Group officially launched its cosmetics retail chain business by setting up *Colourmix* outlets. As of 31st March, 2008, the Group had established 19 outlets, of which 17 outlets were situated in Hong Kong, while 2 outlets were situated in Macau. During the period under review, cosmetics retail business of the Group recorded a turnover of HK\$152,708,000, representing 20.3% in the total turnover of the Group, which was an increase of 19.5% as compared with last year. As of 31st March, 2008, after several years of operation, for the first time cosmetics business of the Group recorded a profit of approximately HK\$3,441,000, which compared with the loss of HK\$8,647,000 for the same period of last year, proved that significant improvement in operating results had been achieved. This was primarily due to the Group's continuous efforts in enriching the product portfolio and introduction of quality exclusive brands directly imported from abroad, which were well received by the customers and the response was favourable. At present, the cosmetic retail network has developed to 20 outlets. The current scale of outlet network has brought better cost efficiency as compared with last year. Furthermore, the Group closed down 2 outlets with low cost efficiency, and the outlets established in the last year achieved satisfactory performance, which will contribute higher turnover and profit and become the main reason for turning the Group from red to the black in the year. In future, the Group will keep on enriching the product portfolio, increase the number of cosmetics products with exclusive distributorship, train employees to provide quality and professional services while at the same time continuously achieve an expansion in stores with potential. It is expected that the number of outlets will increase to about 25 by 31st March, 2009. As indicated by the current trend, the Group is confident that cosmetics business will bring increasingly more contribution to the Group in the financial year 2008/2009. The cosmetics retail business will become the Group's another focus for future development in addition to the fashion retail business.

Chairman's Statement 主席報告書

流動資金及財務資源

本年度，集團之營運資金由截至二零零七年三月三十一日止142,624,000港元上升至198,682,000港元，而其流動比率及速動比率則維持於穩健水平，分別為3.04倍及1.04倍。

於年結日，本集團之現金及銀行結存為26,855,000港元（二零零七年：26,429,000港元），及未償還銀行借貸及透支為59,448,000港元（二零零七年：21,099,000），而借款總額為59,448,000港元（二零零七年：21,099,000港元）。借款總額之增加主要是由於中國之零售業務快速增長及於年度內投資於中國生產廠房之資本開支。於中國之店舖數目由二零零七年三月三十一日之75間增加至於二零零八年三月三十一日之124間，致使年度內之資本開支及所需存貨增加。為應付擴充計劃，本集團於去年在中國內地購買一幢工業大廈。此工業大廈於年度內所產生之裝修成本為10,600,000港元。此外，為加強生產效率、減輕勞工成本及提升產品質素，本集團以先進機器取代現有之機器，再加上為新生產廠房所購入之機器，於年度內，購置新機器產生的資本開支為8,872,000港元。

於年結日，本集團之負債比率為0.16（二零零七年：0.07）乃以本集團總借款額59,448,000港元（二零零七年：21,099,000港元）以及總權益372,405,000港元（二零零七年：298,776,000港元）計算。

於二零零八年三月三十一日，本集團之銀行融資設施為108,427,000港元（二零零七年：82,627,000港元），當中本集團已動用之融資金額為65,968,000港元（二零零七年：24,021,000港元）。管理層相信現有之財務資源足以應付日後之擴展計劃。如有需要時，本集團亦可以優惠條款取得額外融資。

Liquidity & Financial Resources

The Group's working capital increased from HK\$142,624,000 at 31st March, 2007 to HK\$198,682,000 for the year while its current ratio and quick ratio were maintained at a healthy level of 3.04 and 1.04 times respectively.

At the balance sheet date, the Group's cash and bank balances amounted to HK\$26,855,000 (2007: HK\$26,429,000) and the outstanding bank borrowings and overdraft amounted to HK\$59,448,000 (2007: HK\$21,099,000) whereas the total borrowings was HK\$59,448,000 (2007: HK\$21,099,000). The increase in total borrowings was mainly attributable to the rapid expansion of retail business in China and the capital expenditure invested in our China production plants during the year. The number of outlets in China was increased from 75 as of 31st March, 2007 to 124 as of 31st March, 2008, which lead to increase in capital expenditure and inventory required during the year. To cope with the expansion plan, the Group acquired an industrial building in the mainland China last year. The renovation cost incurred for this industrial building amounted to HK\$10,600,000 during the year. Besides, in order to strengthen the production efficiency, save-up the labour cost and enhance the quality of products, the Group replaced existing machineries with advanced machineries. Together with the newly acquired machineries for the new production plant, the capital expenditure for the addition of new machineries amounted to HK\$8,872,000 during the year.

At the balance sheet date, the gearing ratio of the Group is 0.16 (2007: 0.07) which is calculated based on the Group's total borrowings of HK\$59,448,000 (2007: HK\$21,099,000) and the total equity of HK\$372,405,000 (2007: HK\$298,776,000).

As of 31st March, 2008, the Group had banking facilities amounting to HK\$108,427,000 (2007: HK\$82,627,000), of which HK\$65,968,000 (2007: HK\$24,021,000) was utilised by the Group. The management believes that existing financial resources will be sufficient to meet future expansion plans and, if necessary, the Group will be able to obtain additional financing on favorable terms.

Chairman's Statement 主席報告書

資產抵押

於年結日，就本集團獲授一般銀行融資而向若干銀行作抵押之資產75,142,000港元(二零零七年：67,098,000港元)。

外匯風險

本集團多家附屬公司均有外幣採購及有抵押銀行借貸，導致本集團須承受外幣風險。約72% (二零零七年：76%) 之採購成本以集團實體之功能貨幣計值。本集團目前並無外幣對沖政策。然而，管理層一直密切監察外匯風險，並會於有需要時考慮對沖重大外幣風險。

員工及薪酬政策

於年結日，本集團僱有4,534名員工(二零零七年：3,567名)，本集團主要根據業內慣例釐定員工薪酬，包括保險及醫療福利。本集團亦已根據個人業績表現採取一套獎勵計劃予員工。除基本薪酬福利外，部份主要員工更獲分配認股權，以作為獎勵及鞏固員工對集團的歸屬感。

致謝

本人謹代表董事會同仁，衷心感謝全體員工之忠誠服務、貢獻及努力，對一直支持本集團之各位股東、客戶、供應商及業務夥伴亦深表感謝，並希望各位繼續為本集團的成功作出貢獻。

主席
鄭鐘文

香港，二零零八年七月二十三日

Pledge of Assets

At the balance sheet date, the amount of assets pledged by the Group to certain banks to secure general banking facilities granted to the Group was HK\$75,142,000 (2007: HK\$67,098,000).

Foreign Exchange Exposure

Several subsidiaries of the Company have foreign currency purchase and secured bank borrowings, which expose the Group to foreign currency risk. Approximately 72% (2007: 76%) of purchase costs are denominated in the group entity's functional currency. The Group currently does not have a foreign currency hedging policy. However, the management closely monitors foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arises.

Staff & Remuneration Policies

At the balance sheet date, the Group had 4,534 employees (2007: 3,567). The Group mainly determines staff remuneration (including insurance and medical benefits) in accordance with the industry's practices. The Group also implemented a reward scheme for its staff based on their individual performances. In addition to their basic remuneration and welfare, some key employees were granted share options as reward and incentive to enhance their loyalty to the Group.

Appreciation

On behalf of the Board, I would like to extend my heartfelt thanks to all the employees for their devotion, contribution and diligence and my deepest gratitude to all the shareholders, customers, suppliers and business partners for their continuous support. I sincerely hope that all of you will continue to contribute to the success of the Group.

Cheng Chung Man, Johnny
Chairman

Hong Kong, 23rd July, 2008

Directors' Report 董事會報告書

董事謹提呈截至二零零八年三月三十一日止年度的年報及經審核財務報表。

主要業務

本公司乃一間投資控股公司。本公司之主要附屬公司的主要業務載於財務報表附註36。

業績及分派

截至二零零八年三月三十一日止年度本集團的業績，載於年報第38頁之綜合收入報表。

於本年度內，本公司以現金股息及以股代息之選擇向股東派付每股0.8港仙之中期股息達4,314,000港元及11,568,000港元。董事現建議向於二零零八年九月五日名列本公司股東登記冊之股東派付每股0.9港仙之末期股息，於本報告書日期達15,958,000港元，並保留本年度尚餘溢利。

產業、廠房及設備

於本年度內，本集團動用39,803,000港元收購產業、廠房及設備，藉以拓展本集團業務。

本集團之租賃樓宇於二零零八年三月三十一日進行重估。重估出現之盈餘為4,636,000港元，已直接計入物業重估儲備。

有關本集團之產業、廠房及設備於年度內之重估及其他變動詳情載於綜合財務報表附註16。

投資物業

本集團之投資物業於二零零八年三月三十一日進行重估。而7,740,000港元之公平價值升幅已直接計入綜合收入報表。

本集團之投資物業於年度內之變動詳情載於綜合財務報表附註15。

本集團之投資物業概要載於本年報第104頁。

The directors present their annual report and the audited financial statements for the year ended 31st March, 2008.

Principal Activities

The Company is an investment holding company. The principal activities of its principal subsidiaries are set out in note 36 to the financial statements.

Results and Appropriations

The results of the Group for the year ended 31st March, 2008 are set out in the consolidated income statement on page 38 of the annual report.

An interim dividend of HK0.8 cent per share amounting to HK\$4,314,000 was paid by way of cash dividends and HK\$11,568,000 by way of scrip options to the shareholders during the year. The directors now recommend the payment of a final dividend of HK0.9 cent per share to the shareholders whose name appeared on the register of members on 5th September, 2008, amounting to HK\$15,958,000 at the date of this report and the retention of the remaining profit for the year.

Property, Plant and Equipment

During the year, the Group spent HK\$39,803,000 on the acquisition of property, plant and equipment for the purpose of expanding the Group's business.

Leasehold buildings of the Group were revalued at 31st March, 2008. The revaluation resulted in a surplus of HK\$4,636,000 which has been credited directly to the property revaluation reserve.

Details of these and other movements during the year in the property, plant and equipment of the Group are set out in note 16 to the consolidated financial statements.

Investment Properties

Investment properties of the Group were revalued at 31st March, 2008. The increase in fair value of HK\$7,740,000 has been credited directly to the consolidated income statement.

Details of this movement in the investment properties of the Group during the year are set out in note 15 to the consolidated financial statements.

A summary of the investment properties of the Group is set out on page 104 of the annual report.

Directors' Report 董事會報告書

股本

本公司之股本於年度內之變動詳情載於綜合財務報表附註25。

本公司之可供分派儲備

董事認為，本公司可供分派予股東之儲備包括繳入盈餘及滾存溢利，兩者於二零零八年三月三十一日分別為53,135,000港元（二零零七年：53,135,000港元）及20,814,000港元（二零零七年：18,601,000港元），惟本公司將須於分派後循正常業務於債務到期時予以償還。

董事

本公司於年內及截至本報告日期的董事為：

執行董事

鄭鐘文先生 (主席)
林玉森女士 (行政總裁)

獨立非執行董事

鄭宗豪先生
楊威德先生
楊永基先生

根據本公司章程細則第108條，楊威德先生及楊永基先生須於即將舉行的股東週年大會輪值告退，惟彼願膺選連任。

獨立非執行董事之任期

各獨立非執行董事的任期，乃直至其根據本公司章程細則輪值退任之期間。

Share Capital

Details of movements during the year in the share capital of the Company are set out in note 25 to the consolidated financial statements.

Distributable Reserves of the Company

In the opinion of the directors, the Company's reserves available for distribution to its shareholders comprise of contributed surplus and retained profits amounting to HK\$53,135,000 (2007: HK\$53,135,000) and HK\$20,814,000 (2007: HK\$18,601,000) respectively as at 31st March, 2008 provided that, after distribution, the Company will be able to pay its debts as they fall due in the ordinary course of business.

Directors

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

Executive directors

Mr. Cheng Chung Man, Johnny (Chairman)
Ms. Lam Yuk Sum (Chief Executive Officer)

Independent non-executive directors

Mr. Cheng Chung Hoo
Mr. Yang Wei Tak
Mr. Yeung Wing Kay

In accordance with clause 108 of the Company's Articles of Association, Mr. Yang Wei Tak and Mr. Yeung Wing Kay retire at the forthcoming annual general meeting and, being eligible, offer themselves for re-election.

Term of Office of Independent Non-executive Directors

The term of office of each of the independent non-executive directors is the period up to his retirement by rotation in accordance with the Company's Articles of Association.

Directors' Report 董事會報告書

董事的服務合約

各執行董事均已和本公司訂立服務合約，由一九九九年四月一日開始，初步為期三年，其後將繼續生效，直至由其中一方向另一方發出三個月的事先書面通知予以終止為止。

除上文所披露者外，擬於即將舉行的股東週年大會上連任的董事，概無與本公司或其任何附屬公司訂立不可由本集團於一年內不付賠償（法定賠償除外）而終止的任何服務合約。

董事及高級管理人員簡歷

執行董事

鄭鐘文先生，51歲，本集團主席。彼於一九八四年成立本集團，負責本集團的整體策劃及制訂公司政策。鄭先生在服裝分銷及生產業務方面擁有逾24年經驗。鄭先生於二零零一年十一月獲頒香港青年工業家獎。彼為林玉森女士之丈夫。

林玉森女士，48歲，本集團行政總裁，負責整體策劃及本集團的採購管理，以及設計與產品發展的工作。彼於一九八七年加入本集團，於時裝設計及製衣業擁有逾20年經驗。彼為鄭鐘文先生的妻子。

獨立非執行董事

鄭宗豪先生，71歲，非執行董事。彼自一九七五年以來一直為一間國際貿易及物業發展公司的董事總經理。彼出任一間物業投資公司的董事總經理一職已有逾16年時間。

楊威德先生，77歲，非執行董事。彼於國際貿易方面擁有逾40年經驗，彼擔任一家出入口公司的董事總經理一職已有逾30年時間。

Directors' Service Contracts

Each of the executive directors has entered into a service agreement with the Company for an initial period of three years, commencing on 1st April, 1999 which will continue thereafter until terminated by either party by three months' prior written notice.

Save as disclosed above, none of the directors being proposed for re-election at the forthcoming annual general meeting has a service contract with the Company or any of its subsidiaries which is not determinable by the Group within one year without payment of compensation, other than statutory compensation.

Directors, Senior Management Biographies

Executive directors

Mr. CHENG Chung Man, Johnny, aged 51, is the chairman of the Group. He established the Group in 1984 and is responsible for the overall strategic planning and formulation of corporate policies of the Group. Mr. Cheng has over 24 years of experience in the apparel distribution and manufacturing business. Mr. Cheng was awarded the Young Industrialist Awards of Hongkong in November 2001. He is the husband of Ms. Lam Yuk Sum.

Ms. LAM Yuk Sum, aged 48, is the chief executive officer of the Group responsible for the overall strategic planning as well as the Group's merchandising management and design and product development. She joined the Group in 1987 and has over 20 years of experience in fashion design and garment industry. She is the wife of Mr. Cheng Chung Man, Johnny.

Independent non-executive directors

Mr. CHENG Chung Hoo, aged 71, is a non-executive director. Since 1975, he has been a managing director of an international trading and property development company. He has also been a managing director of a property investment company over 16 years.

Mr. YANG Wei Tak, aged 77, is a non-executive director. He has over 40 years of experience in international trading and has been a managing director of an import and export company over 30 years.

Directors' Report 董事會報告書

董事及高級管理人員簡歷(續)

獨立非執行董事(續)

楊永基先生，55歲，非執行董事。彼為執業會計師，並為楊卓會計師行（一家香港會計師行）之合夥人，已有15年時間。彼畢業於香港中文大學，持有社會科學學士學位。

高級管理人員

黃智英女士，39歲，本集團財務總監，亦為本公司的秘書。黃女士於一九九六年七月加入本集團前，曾任職於一家國際會計師行約四年時間。彼持有香港城市大學會計學學士學位。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。

購股權計劃

本集團採納之購股權計劃之詳情載於綜合財務報表附註30。

於本年度內，本公司概無向董事或主要股東授出購股權。

Directors, Senior Management Biographies (Continued)

Independent non-executive directors (Continued)

Mr. YEUNG Wing Kay, aged 55, is a non-executive director. He is a Certified Public Accountant (Practising) and has been a partner of Yeung & Cheuk, a firm of Certified Public Accountants in Hong Kong for 15 years. He graduated from the Chinese University of Hong Kong with a degree of Bachelor of Social Sciences.

Senior management

Ms. WONG Chi Ying, aged 39, is the financial controller of the Group and also the secretary of the Company. Prior to joining the Group in July 1996, Ms. Wong worked in an international accounting firm for about four years. She holds a bachelor degree in accountancy from the City University of Hong Kong. She is a fellow member of the Association of Chartered Certified Accountants in the United Kingdom and an associate member of the Hong Kong Institute of Certified Public Accountants.

Share Option Scheme

Particulars of the share option scheme adopted by the Group are set out in note 30 to the consolidated financial statements.

No options were granted to the directors or substantial shareholders of the Company during the year.

Directors' Report 董事會報告書

購股權計劃 (續)

下表披露截至二零零八年三月三十一日止年度，本集團僱員持有之購股權及該等購股權之變動詳情：

Share Option Scheme (Continued)

The following table discloses details of options held by employees of the Group and movements in such holdings during the year ended 31st March, 2008:

授出日期 Date of grant	行使前持有期 Vesting period	行使期間 Exercisable period	每股行使價 Exercise price per share	於二零零七年	於年度內 授出 Granted during the year	於年度內 行使 Exercised during the year	於年度內 註銷 Cancelled during the year	於二零零八年
				四月一日 之結餘 Balance at 1.4.2007				三月三十一日 尚未行使 Outstanding at 31.3.2008
二零零三年十一月十八日 18th November, 2003	二零零三年十一月十八日至 二零零五年十一月十七日 18th November, 2003 to 17th November, 2005	二零零五年十一月十八日至 二零零七年十一月十七日 18th November, 2005 to 17th November, 2007	0.1620港元 HK\$0.1620	10,300,000	-	(10,300,000)	-	-
二零零三年十一月十八日 18th November, 2003	二零零三年十一月十八日至 二零零七年十一月十七日 18th November, 2003 to 17th November, 2007	二零零七年十一月十八日至 二零零九年十一月十七日 18th November, 2007 to 17th November, 2009	0.1620港元 HK\$0.1620	16,500,000	-	(500,000)	(1,000,000)	15,000,000
二零零四年九月二十一日 21st September, 2004	二零零四年九月二十一日至 二零零六年九月二十日 21st September, 2004 to 20th September, 2006	二零零六年九月二十一日至 二零零八年九月二十日 21st September, 2006 to 20th September, 2008	0.2550港元 HK\$0.2550	2,000,000	-	(2,000,000)	-	-
二零零四年九月二十一日 21st September, 2004	二零零四年九月二十一日至 二零零八年九月二十日 21st September, 2004 to 20th September, 2008	二零零八年九月二十一日至 二零一零年九月二十日 21st September, 2008 to 20th September, 2010	0.2550港元 HK\$0.2550	2,000,000	-	-	-	2,000,000
二零零六年八月十六日 16th August, 2006	二零零六年八月十六日至 二零零八年八月十五日 16th August, 2006 to 15th August, 2008	二零零八年八月十六日至 二零一零年八月十五日 16th August, 2008 to 15th August, 2010	0.2052港元 HK\$0.2052	3,600,000	-	-	-	3,600,000
二零零六年八月十六日 16th August, 2006	二零零六年八月十六日至 二零一零年八月十五日 16th August, 2006 to 15th August, 2010	二零一零年八月十六日至 二零一二年八月十五日 16th August, 2010 to 15th August, 2012	0.2052港元 HK\$0.2052	3,600,000	-	-	-	3,600,000
二零零七年六月四日 4th June, 2007	二零零七年六月四日至 二零一零年六月三日 4th June, 2007 to 3rd June, 2010	二零一零年六月四日至 二零一二年六月三日 4th June, 2010 to 3rd June, 2012	0.1860港元 HK\$0.1860	-	18,100,000	-	(1,100,000)	17,000,000
二零零七年六月四日 4th June, 2007	二零零七年六月四日至 二零一二年六月三日 4th June, 2007 to 3rd June, 2012	二零一二年六月四日至 二零一四年六月三日 4th June, 2012 to 3rd June, 2014	0.1860港元 HK\$0.1860	-	18,100,000	-	(1,100,000)	17,000,000
				38,000,000	36,200,000	(12,800,000)	(3,200,000)	58,200,000

Directors' Report 董事會報告書

購股權計劃 (續)

於本報告日期，尚未行使之購股權獲行使時將予發行之股份總數為47,100,000股(已就截至二零零八年三月三十一日止年度後分別授出、行使及註銷之1,000,000、5,500,000及6,600,000購股權作出調整)。尚未行使之購股權佔於本報告日期本公司已發行股本約2.7%。

本公司股份緊隨二零零七年六月四日(即授出日期)前之收市價為0.27港元。

本公司股份緊隨購股權獲行使日期前之加權平均收市價為0.29港元。

董事於股份、相關股份及債券之權益

於二零零八年三月三十一日，根據本公司按證券及期貨條例(「證券及期貨條例」)第352條而存置之登記冊所紀錄，或根據香港聯合交易所有限公司(「聯交所」)證券上市規則(「上市規則」)所載《上市公司董事進行證券交易之標準守則》(「標準守則」)而須知會本公司及聯交所之規定，董事及彼等之聯繫人士於本公司及其相聯法團(見證券及期貨條例第15部之定義)的股份、相關股份及債券中擁有的權益如下：

Share Option Scheme (Continued)

At the date of this report, the total number of shares to be issued upon exercise of the outstanding options is 47,100,000, as adjusted for options granted, exercised and cancelled subsequent to year ended 31st March, 2008 of 1,000,000, 5,500,000 and 6,600,000 respectively. The outstanding options represent approximately 2.7% of the issued share capital of the Company at the date of this report.

The closing price of the Company's shares immediately before 4th June, 2007, the date of grant was HK\$0.27.

The weighted average closing price of the Company's share immediately before the dates on which the share options were exercised was HK\$0.29.

Directors' Interests in Shares, Underlying Shares and Debentures

As at 31st March, 2008, the interests of the directors and their associates in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO")), as recorded in the register maintained by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to the Model Code for Securities Transactions by Directors of Listed Companies (the "Model Code") contained in the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules"), were as follows:

董事姓名	Name of director	身份 Capacity	所持已發行 普通股數目 Number of issued ordinary shares held	本公司已發行 股本百份比 Percentage of the issued share capital of the Company
鄭鐘文先生	Mr. Cheng Chung Man, Johnny	創辦人 Founder	1,073,134,964 (附註) (Note)	60.71%
林玉森女士	Ms. Lam Yuk Sum	信託受益人 Beneficiary of Trust	1,073,134,964 (附註) (Note)	60.71%
		實益擁有人 Beneficial owner	142,255,452	8.05%
			<u>1,215,390,416</u>	<u>68.76%</u>

Directors' Report 董事會報告書

董事於股份、相關股份及債券之權益(續)

附註：該等1,073,134,964股份由Silver Crown Profits Limited (「Silver Crown」) 實益擁有。Silver Crown的股份乃由全權信託J Cheng Family Trust的全權受益人所持有，該全權信託的受益人包括鄭鐘文先生及林玉森女士的家族成員。

除上文所披露者及若干董事以信託形式代本集團持有附屬公司中的若干代名人股份外，於二零零八年三月三十一日，根據本公司按證券及期貨條例第352條而存置之登記冊所紀錄，或標準守則而須知會本公司及聯交所之規定，董事或彼等之聯繫人士概無於本公司及其任何相聯法團（見證券及期貨條例第15部之定義）的股份、相關股份及債券中擁有權益。

董事購入股份或債券的權利

除本公司購股權計劃外，在本年度任何時間內，本公司、其控股公司或其任何附屬公司概無參與任何安排，致令本公司董事可藉購入本公司或任何其他公司的股份或債券而獲得利益。

委任獨立非執行董事

本公司已接獲各獨立非執行董事根據上市規則第3.13條就其獨立性作出之年度確認書。本公司認為所有獨立非執行董事均為獨立人士。

Directors' Interests in Shares, Underlying Shares and Debentures (Continued)

Note: These 1,073,134,964 shares are beneficially owned by Silver Crown Profits Limited ("Silver Crown"). The shares in Silver Crown are in turn held by the trustee of the J Cheng Family Trust, a discretionary trust, the discretionary objects of which include family members of Mr. Cheng Chung Man, Johnny and Ms. Lam Yuk Sum.

Other than disclosed above and certain nominee shares in subsidiaries held by certain directors in trust for the Group, none of the directors nor their associates had any interests or short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of part XV of the SFO) as at 31st March, 2008, as required to be recorded in the register maintained by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

Directors' Rights to Acquire Shares or Debentures

Other than the share option scheme of the Company, at no time during the year was the Company, its holding company or any of its 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 debentures of, the Company or any other body corporate.

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 Listing Rules. The Company considers all of the independent non-executive directors are independent.

Directors' Report 董事會報告書

關連交易及董事的合約權益

於年內進行的須予披露關連交易的詳情，乃載於綜合財務報表附註32。除該附註所披露外：

- (i) 在本年度任何時間內，本公司、其控股公司或其任何附屬公司概無訂立本公司董事直接或間接在其中擁有重大權益的任何重大合約；及
- (ii) 並無任何其他按照上市規則須被視為關連交易而予以披露的交易。

依照就關連交易與聯交所議定的條件，獨立非執行董事已審閱綜合財務報表附註32(i)所載的關連交易，並認為本集團所訂立的此等交易乃：

- (i) 於本集團日常業務中進行；
- (ii) 按照正常商業條款及根據管制該等交易的協議的條款，經公平磋商後而訂立；及
- (iii) 對本公司的股東公平合理。

主要股東

除上文「董事於股份、相關股份及債券之權益」一節中所披露之權益及下表所披露其他主要股東之權益外，於二零零八年三月三十一日，根據本公司按證券及期貨條例第336條而存置之主要股東登記冊所顯示，本公司並未獲知會於本公司的股份或相關股份中之任何有關權益或淡倉。

Connected Transactions and Directors' Interests in Contracts

Details of the discloseable connected transactions for the year are set out in note 32 to the consolidated financial statements. Save as disclosed therein:

- (i) no contracts of significance subsisted at any time during the year to which the Company, its holding company or any of its subsidiaries was a party and in which a director of the Company had a material interest, whether directly or indirectly; and
- (ii) there were no other transactions which need to be disclosed as connected transactions in accordance with the requirements of the Listing Rules.

In accordance with the conditions agreed with the Stock Exchange with respect to the connected transactions, the independent non-executive directors have reviewed the connected transactions set out in note 32(i) to the consolidated financial statements and in their opinion, these transactions entered into by the Group were:

- (i) in the ordinary and usual course of business of the Group;
- (ii) on arm's length basis, on normal commercial terms and in accordance with the terms of the agreement governing such transactions; and
- (iii) fair and reasonable so far as the shareholders of the Company are concerned.

Substantial Shareholders

Other than disclosed above under the section headed "Directors' Interests in Shares, Underlying Shares and Debentures" and other substantial shareholders' interests disclosed in the following table, at 31st March, 2008, the register of substantial shareholders maintained by the Company pursuant to Section 336 of the SFO showed that the Company had not been notified of any other relevant interests or short positions in the shares or underlying shares of the Company.

股東名稱 Name of shareholder	身份 Capacity	所持已發行普通股數目 Number of issued ordinary shares held	本公司已發行 股本百分比 Percentage of the issued share capital of the Company
Silver Crown	實益擁有人 Beneficial owner	1,073,134,964	60.71%
Well Feel Group Limited	控制企業之權益(附註1) Interest of a controlled corporation (note 1)	1,073,134,964	60.71%

Directors' Report 董事會報告書

主要股東 (續)

Substantial Shareholders (Continued)

股東名稱 Name of shareholder	身份 Capacity	所持已發行普通股數目 Number of issued ordinary shares held	本公司已發行 股本百分比 Percentage of the issued share capital of the Company
HSBC International Trustee Limited	信託人 (附註1) Trustee (note 1)	1,073,134,964	60.71%
惠理基金管理公司 (「惠理基金管理」) Value Partners Limited (“Value Partners”)	投資經理 Investment manager	136,460,000	7.72%
惠理集團有限公司 Value Partners Group Limited	控制企業之權益 (附註2) Interest of a controlled corporation (note 2)	136,460,000	7.72%
Cheah Capital Management Limited	控制企業之權益 (附註2) Interest of a controlled corporation (note 2)	136,460,000	7.72%
Cheah Company Limited	控制企業之權益 (附註2) Interest of a controlled corporation (note 2)	136,460,000	7.72%
恒生銀行信託國際 有限公司 Hang Seng Bank Trustee International Limited	信託人 (附註2) Trustee (note 2)	136,460,000	7.72%
謝清海 Cheah Cheng Hye	控制企業之權益 (附註2) Interest of a controlled corporation (note 2)	136,460,000	7.72%
杜巧賢 To Hau Yin	控制企業之權益 (附註2) Interest of a controlled corporation (note 2)	136,460,000	7.72%

Directors' Report 董事會報告書

主要股東 (續)

附註：

1. Silver Crown之全部已發行股本由Well Feel Group Limited持有，而Well Feel Group Limited乃HSBC International Trustee Limited之全資附屬公司。根據證券及期貨條例第XV部之規定，Well Feel Group Limited及HSBC International Trustee Limited各自被視作於該等由Silver Crown擁有權益之所有本公司股份中擁有權益。
2. 於二零零八年三月三十一日，本公司136,460,000股股份由惠理基金管理擁有，惠理基金管理由惠理集團有限公司（「VPGL」）全資擁有。Cheah Capital Management Limited持有VPGL 35.65%權益，而VPGL由Cheah Company Limited（「CCL」）全資擁有。恒生銀行信託國際有限公司為CCL一項全權信託之受託人。根據證券及期貨條例，該全權信託之創辦人謝清海先生及其配偶杜巧賢女士均被視為於惠理基金管理所持有之權益中擁有權益。

主要客戶及供應商

於本年度內，本集團五大供應商所佔的總採購額，為本集團全年總採購額約22%，其中最大供應商所佔的採購額約為本集團全年總採購額6%。本集團五大客戶所佔的總銷售額，少於本集團全年總銷售額的30%。

各董事、彼等的聯繫人士或據董事所知，擁有本公司已發行股本5%以上的任何股東，概無在本集團任何五大供應商的股本中擁有任何權益。

Substantial Shareholders (Continued)

Notes:

1. The entire issued share capital of Silver Crown was held by Well Feel Group Limited which in turn was a wholly owned subsidiary of HSBC International Trustee Limited. By virtue of the provisions of Part XV of the SFO, each of Well Feel Group Limited and HSBC International Trustee Limited was deemed to be interested in all the shares of the Company in which Silver Crown was interested.
2. At 31st March, 2008, 136,460,000 shares of the Company were held by Value Partners which was wholly owned by Value Partners Group Limited ("VPGL"). Cheah Capital Management Limited which holds 35.65% interest in VPGL, which in turn is wholly owned by Cheah Company Limited ("CCL"). Hang Seng Bank Trustee International Limited was the trustee of a discretionary trust of CCL. By virtue of the SFO, each of Mr. Cheah Cheng Hye, being the founder of such discretionary trust, and Ms. To Hau Yin as his spouse is deemed to be interested in the interest held by Value Partners.

Major Customers and Suppliers

During the year, the aggregate purchases attributable to the Group's five largest suppliers accounted for approximately 22% of the Group's total purchases for the year and the purchases attributable to the Group's largest supplier were approximately 6% of the Group's total purchases for the year. The aggregate sales attributable to the Group's five largest customers were less than 30% of the Group's total sales for the year.

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

Directors' Report 董事會報告書

優先購買權

本公司的章程細則或開曼群島法例，均無規定本公司必須按比例向現有股東優先發售新股。

購買、出售或贖回本公司的上市證券

於本年度內，本公司或其任何附屬公司概無購入、出售或贖回任何本公司的上市證券。

酬金政策

本集團僱員之酬金政策由薪酬委員會根據僱員之表現、資歷及能力制訂。

本公司董事之酬金由薪酬委員會參照本公司之經營業績、個別表現及可供比較之市場統計數據釐定。

本公司已採納一項購股權計劃，作為對董事及合資格僱員之鼓勵措施，有關計劃之詳情載於綜合財務報表附註30。

足夠公眾持股量

本公司於截至二零零八年三月三十一日止年度內一直維持足夠之公眾持股量。

結算日後事項

於結算日後出現之重大事項詳情，已載於綜合財務報表附註34。

核數師

本公司將於股東週年大會上提呈決議案，以續聘德勤•關黃陳方會計師行為本公司核數師。

承董事會命
主席
鄭鐘文

香港，二零零八年七月二十三日

Pre-emptive Rights

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

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.

Emolument Policy

The emolument policy of the employees of the Group is set up by the Remuneration Committee on the basis of their merit, qualifications and competence.

The emoluments of the directors of the Company are decided by the Remuneration Committee, having regard to the Company's operating results, individual performance and comparable market statistics.

The Company has adopted a share option scheme as an incentive to directors and eligible employees, details of the scheme is set out in note 30 to the consolidated financial statements.

Sufficiency of Public Float

The Company has maintained a sufficient public float throughout the year ended 31st March, 2008.

Post Balance Sheet Event

Details of significant event occurring after the balance sheet date are set out in note 34 to the consolidated financial statements.

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
Cheng Chung Man, Johnny
Chairman

Hong Kong, 23rd July, 2008

Corporate Governance Report 企業管治報告

本公司董事會（「董事會」）欣然提呈載於本集團截至二零零八年三月三十一日止年度之年報內之企業管治報告。

有關香港聯合交易所有限公司（「聯交所」）證券上市規則（「上市規則」）附錄十四所載之企業管治常規守則（「企業管治守則」）之原則及守則條文之應用及實行方式，乃於本企業管治報告以下各部份予以說明：

企業管治常規

本公司深明高水平之企業管治對維持本公司健康發展非常重要，並已因應本身之業務需要，採取積極進取之方針加強企業管治常規。

於截至二零零八年三月三十一日止年度，除偏離守則條文之若干情況外，本公司一直遵守大部份被視為對本公司行為及需要乃屬合適之守則條文，而上述之偏離情況已於本報告之相關段落詳述。

本公司將繼續不時檢討其企業管治常規及標準，以確保有關常規及標準符合企業管治守則及緊貼最新發展。

The board of directors (“Board”) of the Company is pleased to present this Corporate Governance Report in the Group’s annual report for the year ended 31st March, 2008.

The manner in which the principles and code provisions in the Code on Corporate Governance Practices (“CG Code”) contained in Appendix 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“Stock Exchange”) (“Listing Rules”) are applied and implemented is explained in the following parts of this Corporate Governance Report:

Corporate Governance Practices

The Company recognises the importance of high standards of corporate governance to sustain healthy growth and has taken a proactive approach in strengthening corporate governance practices in accordance with the needs of its business.

Throughout the year ended 31st March, 2008, the Company has complied with most of the Code Provisions that are considered to be appropriate to the conduct and needs of the Company save for certain deviations from the Code Provisions, details of which are explained in the relevant paragraphs in this Report.

The Company will continue to review its corporate governance practices and standards from time to time to ensure that they comply with the CG Code and align with the latest developments.

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董事會

本公司明白其董事會角色之重要性。董事會負責為本公司業務提供有效領導及指引，並確保本公司營運之透明度及問責性。

職責

本公司業務之管理及控制歸其董事會負責。董事會之職責包括制定政策、策略及計劃，並帶領本公司達成提高股東回報之目標。高級管理層獲授予本集團日常管理及運作之權力及責任。

全體董事均客觀地就本公司之利益作出決策，並時刻本著真誠態度為本公司及其股東之利益履行職責。

管理職能轉授

本公司已制訂及採納董事會所承擔及授予管理層之書面職權範圍書。董事會負責就本公司重大事項作出決策，包括批准及監督所有政策事宜、訂立目標及整體策略、內部監控及風險管理制度、重大交易（特別是可能涉及利益衝突者）、董事任命及其他重大財務及營運事宜。董事會將管理及行政職能轉授行政總裁及高級管理人員，以便彼等有效、合法及道德地進行本公司之日常營運，並定期檢討所轉授之職能及工作任務。高級行政人員在訂立任何重大交易前需事先取得董事會批准，而董事會亦全力支持彼等履行其職責。

全體董事均可全面及適時地取得所有相關資料以及公司秘書之意見及服務，以確保董事會議事程序及所有適用規則及法規獲得遵守。各董事向董事會提出要求後，可選擇在適當情況下諮詢獨立專業意見，費用概由本公司承擔。

The Board

The Company acknowledges the important role of its Board in providing effective leadership and direction to Company business, and ensuring transparency and accountability of Company operations.

Responsibilities

The management and control of the business of the Company are vested in its Board. It is the duty of the Board to establish policies, strategies and plans, and to provide leadership in the attainment of the objective of creating value to shareholders. The senior management were delegated with the authority and responsibilities for the day-to-day management and operations of the Group.

All directors take decisions objectively in the interests of the Company and carry out their duties in good faith and act in the interests of the Company and its shareholders at all times.

Delegation of Management Functions

The Company has formalized and adopted written terms on the division of functions reserved to the Board and delegated to the management. The Board takes responsibility for decision making in major Company matters, including: the approval and monitoring of all policy matters, the setting of objectives and overall strategies, internal control and risk management systems, material transactions (in particular those that may involve conflicts of interest), appointment of directors and other significant financial and operational matters. The Board delegates management and administrative functions to the Chief Executive Officer and senior management for their conduct of the day-to-day operations of the Company, effectively, legally and ethically. The delegated functions and work tasks are periodically reviewed. Approval has to be obtained from the Board prior to any significant transactions entered into by these senior executives and the Board has the full support of them to discharge their responsibilities.

All directors have full and timely access to all relevant information as well as the advice and services of the Company Secretary, with a view to ensuring that Board procedures and all applicable rules and regulations are followed. Directors may choose to take independent professional advice in appropriate circumstances at the Company's expense, upon making request to the Board.

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董事會組成

董事會目前由五位成員組成，包括兩位執行董事及三位獨立非執行董事。執行董事因對業務有深入認識，故負起領導本公司之首要職責，而獨立非執行董事則以其更寬廣之視野，為本公司之業務策略、業務表現、資源及行為標準作出獨立判斷及觀察。

本公司董事會由以下董事組成：

執行董事：

鄭鐘文先生 (主席)
林玉森女士 (行政總裁)

獨立非執行董事：

鄭宗豪先生
楊威德先生
楊永基先生

各董事之背景資料簡介載於第14頁至第15頁。

根據上市規則，以類別劃分之董事名單亦於本公司不時發佈之所有公司通訊中披露。亦根據上市規則，於所有公司通訊中清楚列明各獨立非執行董事。除鄭鐘文先生及林玉森女士為夫婦關係外，所有其他董事之間概無財務、業務、家庭或其他重大／相關關係。

於截至二零零八年三月三十一日止年度，本公司一直遵守企業管治守則建議之最佳常規，即董事會最少三分之一成員為獨立非執行董事，其中最少一位獨立非執行董事擁有合適之專業資格，或會計或相關之財務管理專長。

本公司已接獲各獨立非執行董事根據上市規則規定就其獨立性作出之年度確認書。在此基礎上，本公司認為，根據上市規則所載列之獨立性指引，全體獨立非執行董事均為獨立人士。

Board Composition

The Board currently comprises 5 members, consisting of 2 executive directors and 3 independent non-executive directors. The executive directors, with their intimate knowledge of the business, take on the primary responsibility for leadership of the Company whilst the independent non-executive directors bring in independent judgment and insights from a broader perspective to the Company's business in terms of strategy, business performance, resources and standards of conduct.

The Board of the Company comprises the following directors:

Executive directors:

Mr. Cheng Chung Man Johnny (Chairman)
Ms. Lam Yuk Sum (Chief Executive Officer)

Independent non-executive directors:

Mr. Cheng Chung Hoo
Mr. Yang Wei Tak
Mr. Yeung Wing Kay

A brief description of the background of each director is presented on pages 14 to 15.

The list of directors (by category) is also disclosed in all corporate communications issued by the Company from time to time pursuant to the Listing Rules. The independent non-executive directors are expressly identified in all corporate communications pursuant to the Listing Rules. Save that Mr. Cheng Chung Man, Johnny and Ms. Lam Yuk Sum are husband and wife, all other directors have no financial, business, family or other material/relevant relationships with each other.

During the year ended 31st March, 2008, the Company has met the recommended best practice under the CG Code for the Board to have at least one-third of its members comprising independent non-executive directors with at least one independent non-executive director possessing appropriate professional qualifications, or accounting or related financial management expertise.

The Company has received written annual confirmation from each independent non-executive director of his independence pursuant to the requirements of the Listing Rules. On this basis, the Company considers all such directors to be independent in accordance with the independence guidelines set out in the Listing Rules.

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董事之委任及重選連任

董事委任、重選及免任之程序及過程載於本公司之章程細則內。

由於董事會進行甄選時會共同參考候選人之資歷、經驗、誠信及可投入履行職務之時間，故本公司並無設立提名委員會。

董事會定期檢討其架構、規模及組成，務求平衡各方面專業知識、技能及經驗，以符合本公司業務之要求。於截至二零零八年三月三十一日止年度，本公司概無委任新董事填補臨時空缺或出任董事會新增董事。

本公司各獨立非執行董事之任期定為兩年，並須每三年輪值告退一次。

根據本公司之章程細則，本公司所有董事均須最少每三年輪值告退一次，而任何為填補臨時空缺而委任之新董事須於獲委任後之首個股東大會上接受股東重選。因此，楊威德先生及楊永基先生須根據章程細則第108條於二零零八年股東週年大會（「股東週年大會」）上告退。告退之董事有意並合資格於二零零八年股東週年大會上膺選連任。重選連任之告退董事之個人履歷載於本公司於二零零八年七月三十一日刊發之通函內。

Appointment and Re-election of Directors

The procedures and process of appointment, re-election and removal of directors are laid down in the Company's Articles of Association.

Since the Board as a whole will carry out the selection process by making reference to the qualification, experience, integrity and time commitment of the proposed candidates, the Company has not set up a nomination committee.

The Board reviewed its own structure, size and composition regularly to ensure that it has a balance of expertise, skills and experience appropriate for the requirements of the business of the Company. No new director was appointed to fill a casual vacancy or as an addition to the Board during the year ended 31st March, 2008.

Each of the independent non-executive directors of the Company is appointed for specific term for two years and is subject to retirement by rotation once every three years.

In accordance with the Company's Articles of Association, all directors of the Company are subject to retirement by rotation at least once every three years and any new director appointed to fill a casual vacancy shall submit himself for re-election by shareholders at the first general meeting after appointment. Accordingly, Mr. Yang Wei Tak and Mr. Yeung Wing Kay shall retire at the 2008 annual general meeting ("AGM") pursuant to Article 108 of the Articles of Association. The retiring directors, being eligible, offer themselves for re-election at the 2008 AGM. Biographical details of the retiring directors standing for re-election are contained in the Company's circular dated 31st July, 2008.

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董事之委任及重選連任(續)

董事會建議於本公司即將舉行之二零零八年股東週年大會上重新委任重選之董事。

董事之就任需知及持續發展

儘管於截至二零零八年三月三十一日止年度內概無委任新董事，惟新委任之董事將於其首次獲委任時獲得就任需知，以確保彼對本公司之業務及營運有一定了解，並完全清楚其於上市規則及有關監管規定項下之職責及責任。

各董事均持續更新有關法律及監管制度之發展以及業務及市場環境之最新資料，以協助彼等履行職責。

Appointment and Re-election of Directors (Continued)

The Board recommended the re-appointment of directors standing for re-election at the forthcoming 2008 AGM of the Company.

Induction and Continuing Development for Directors

Though no new directors has been appointed during the year ended 31st March, 2008, newly appointed directors will receive induction on the first occasion of his/her appointment, so as to ensure that he/she has appropriate understanding of the business and operations of the Company and that he/she is fully aware of his/her responsibilities and obligations under the Listing Rules and relevant regulatory requirements.

The directors are continually updated with developments in the legal and regulatory regime and the business and market environments to facilitate the discharge of their responsibilities.

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董事會及董事委員會會議

會議舉行次數及董事出席情況

董事會常規會議每年最少須舉行四次，大約每季舉行一次，以審閱及批准財務及營運表現，並考慮及批准本公司之整體策略及政策。於截至二零零八年三月三十一日止年度內共舉行了八次董事會會議，其中兩次會議為常規會議，以批准截至二零零七年三月三十一日止年度之末期業績及截至二零零七年九月三十日止六個月之中期業績。其他會議則因業務或營運之需要而舉行。

各董事於董事會會議、薪酬委員會會議及審核委員會會議之出席紀錄載列如下：

Board and Board Committee Meetings

Number of Meetings and Directors' Attendance

Regular Board meetings should be held at least four times a year at approximately quarterly intervals for reviewing and approving the financial and operating performance, and considering and approving the overall strategies and policies of the Company. There were eight Board meetings held during the year ended 31st March, 2008, two of which were regular meetings held for approving the final results for the year ended 31st March, 2007 and interim results for the six months ended 30th September, 2007. The others were held as and when the business or operational needs arisen.

The attendance records of each director at the meetings of the Board, Remuneration Committee meetings and Audit Committee meetings are set out below:

董事會成員	Members of the Board	出席次數／會議舉行次數 Attendance/Number of Meetings		
		董事會 Board	薪酬委員會 Remuneration Committee	審核委員會 Audit Committee
執行董事：	Executive Directors:			
鄭鐘文 (主席兼薪酬委員會成員)	Cheng Chung Man, Johnny (Chairman and member of Remuneration Committee)	8/8	3/3	不適用 N/A
林玉森 (董事總經理、 行政總裁兼薪酬委員會成員)	Lam Yuk Sum (Managing Director, Chief Executive Officer and member of Remuneration Committee)	8/8	3/3	不適用 N/A
獨立非執行董事：	Independent Non-Executive Directors:			
鄭宗豪 (審核委員會及薪酬委員會主席)	Cheng Chung Hoo (Chairman of Audit Committee and Remuneration Committee)	2/8	3/3	2/2
楊威德 (審核委員會及薪酬委員會成員)	Yang Wei Tak (member of Audit Committee and Remuneration Committee)	1/8	3/3	1/2
楊永基 (審核委員會及薪酬委員會成員)	Yeung Wing Kay (member of Audit Committee and Remuneration Committee)	2/8	3/3	2/2

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常規及會議守則

年度會議時間表及各會議之議程初稿通常提前供董事查閱。

董事會常規會議通告最少於會議舉行前十四天送達所有董事。就其他董事會及委員會會議而言，一般於合理時間內發出通知。

董事會文件連同所有適當、完整及可靠之資料最少於各董事會常規會議前三天寄發予各位董事，以通知董事本公司最新發展及財務狀況，從而令彼等作出知情決定。由於財務報表之最後定案曾出現延誤，董事會文件在批准中期業績及全年業績之會議前少於三天寄發予審核委員會成員。董事會及各董事於有需要時亦可各自及獨立地接觸高級管理人員。

公司秘書負責保存所有董事會會議及委員會會議之會議紀錄。儘管會議紀錄初稿並不供全體董事傳閱以提出意見，惟最終定稿則公開供董事查閱。

本公司章程細則載有條文規定，董事須在有關會議上就批准彼等或任何彼等之聯繫人士擁有重大權益之交易放棄投票權且不計入會議之法定人數內。

主席及行政總裁

董事會主席為鄭鐘文先生，而行政總裁為林玉森女士（彼亦為董事總經理）。主席及行政總裁之職位分別由兩名人士擔任，以保持獨立性及確保意見公正持平。主席之職務包括（但不限於）領導及管理董事會、確保有效執行董事會之功能及鼓勵董事全心全意、積極參與董事會之事務、確保董事會以本公司之最佳利益行事，以及確建立良好之企業管治守則及程序。行政總裁主要執行董事會批准及委派之目標、政策及策略。主席及行政總裁各自之職責已經清楚界定，並以書面列載。

Practices and Conduct of Meetings

Annual meeting schedules and draft agenda of each meeting are normally made available to directors in advance.

Notices of regular Board meetings are served to all directors at least 14 days before the meetings. For other Board and committee meetings, reasonable notice is generally given.

Board papers together with all appropriate, complete and reliable information are sent to all directors at least 3 days before each regular Board meeting to keep the directors apprised of the latest developments and financial position of the Company and to enable them to make informed decisions. As there had been delays on the finalization of the financial statements, board papers were sent to the audit committee members less than 3 days before the meetings for approving interim results and final results. The Board and each director also have separate and independent access to the senior management whenever necessary.

The Company Secretary is responsible to keep minutes of all Board meetings and committee meetings. Despite draft minutes are not circulated to all directors for comment, the final versions are open for directors' inspection.

The Company's Articles of Association contains provisions requiring directors to abstain from voting and not to be counted in the quorum at meetings for approving transactions in which such directors or any of their associates have a material interest.

Chairman and Chief Executive Officer

The Chairman of the Board is Mr. Cheng Chung Man, Johnny, and the Chief Executive Officer is Ms. Lam Yuk Sum (who is also the Managing Director). The positions of the Chairman and Chief Executive Officer are held by separate persons in order to preserve independence and a balanced judgement of views. The duties of the Chairman include (but not limited to) providing leadership for and management of the Board, ensuring the effective functioning of the Board and encouraging directors to make full and active contribution to the Board's affairs, ensuring the Board acts in the best interest of the Company and ensuring good corporate governance practices and procedures are established. The Chief Executive Officer focuses on implementing objectives, policies and strategies approved and delegated by the Board. The respective responsibilities of the Chairman and the Chief Executive Officer are clearly defined and set out in writing.

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由於鄭鐘文先生及林玉森女士之職務及責任已清楚界定，故其夫妻關係並不會損害董事會及管理層之權力平衡。

董事委員會

董事會根據企業管治守則成立之正式董事委員會包括薪酬委員會及審核委員會。該等委員會負責監察本公司特定方面之事務及在書面清晰界定之職權範圍下運作。董事委員會之職權範圍載於本公司網站，並可應要求提供予股東。

各董事委員會大部份成員均為獨立非執行董事，各董事委員會之主席及成員名單載於本報告之「公司資料」項下。

董事委員會均獲提供充足資源以履行其職責，並可於合理要求下，在合適情況下尋求獨立專業意見，費用概由本公司承擔。

薪酬委員會

薪酬委員會成員包括本公司全體董事，鄭宗豪先生為委員會之主席。

薪酬委員會之主要職能，包括就全體董事及高級管理人員之薪酬政策及架構作出建議，惟本委員會之政策將確保各董事或其任何聯繫人士均不能參與制定其本身之薪酬；決定執行董事及高級管理人員之薪酬待遇；並以企業之目標及目的、個人承擔及市場慣例及情況建議非執行董事之薪酬。

於截至二零零八年三月三十一日止年度內，薪酬委員會共舉行會議三次，以檢討本公司薪酬政策及架構，及執行董事和高級管理人員之薪酬待遇。薪酬委員會已採納之薪酬政策是反映個人表現、職務難度及職責，以吸引、鼓勵及挽留優秀員工，並為本公司及其股東增值。

The husband and wife relationship between Mr. Cheng Chung Man, Johnny and Ms. Lam Yuk Sum does not impair the balance of power between the Board and the management as their duties and responsibilities are clearly defined.

Board Committees

Formal Board committees established by the Board in accordance with the CG Code include the Remuneration Committee and Audit Committee. These committees oversee particular aspects of the Company's affairs and operate under clearly defined written terms of reference. The terms of reference of the Board committees are posted on the Company's website and are available to shareholders upon request.

The majority of the members of each Board committee are independent non-executive directors and the list of the chairman and members of each Board committee is set out under "Corporate Information" of this Report.

The Board committees are provided with sufficient resources to discharge their duties and, upon reasonable request, are able to seek independent professional advice in appropriate circumstances, at the Company's expense.

Remuneration Committee

The Remuneration Committee comprises all directors of the Company with Mr. Cheng Chung Hoo as the chairman of the Committee.

The primary function of the Remuneration Committee include making recommendations on the policy and structure for all remuneration of directors and senior management, which policy shall ensure that no director or any of his/her associates will participate in deciding his/her own remuneration, determining the remuneration packages of the executive directors and the senior management and making recommendation on the remuneration of non-executive directors by reference to corporate objectives and goals, individual commitments as well as market practice and conditions.

The Remuneration Committee met three times during the year ended 31st March, 2008 and reviewed the remuneration policy and structure of the Company as well as the remuneration packages of the executive directors and the senior management. The Remuneration Committee has adopted remuneration policy that reflects individual performance, complexity and responsibility with a view to attracting, motivating and retaining high performing individuals and promoting the enhancement of the value of the company and its shareholders.

Corporate Governance Report 企業管治報告

出席記錄載於本報告第29頁之「董事會及董事委員會會議」項下，各董事於回顧年度內之酬金以記名方式載於綜合財務報表附註11。

審核委員會

審核委員會包括全體三名獨立非執行董事，其中一位具備適當專業資格或會計或相關之財務管理專長。鄭宗豪先生為本委員會主席。委員會中並無任何成員為本公司外聘核數師之前度合夥人。

審核委員會之主要職責包括審閱財務報表及報告，及於呈交予董事會前，考慮就合資格會計師、內部核數師或外聘核數師提出之重大或不尋常事項；根據核數師之工作、其費用及聘用條款以檢討與外聘核數師之關係；就外聘核數師之委任、續任及免任向董事會提出建議，並根據適用之標準，就外聘核數師之獨立性及客觀性及其於審核過程之效率作出監察；並監控本公司之財務報告系統、內部監控系統及風險管理系統，以保證該等系統為適當及有效。

於截至二零零八年三月三十一日止年度內，審核委員會共舉行兩次會議，董事會主席及行政總裁獲邀出席審核委員會會議，並於會上參與討論。年內審核委員會進行之工作包括審閱截至二零零七年三月三十一日止年度之經審核全年業績，及截至二零零七年九月三十日止六個月之未經審核半年業績；檢討外聘核數師之酬金，並就其獨立性、審核之本質及範圍與外聘核數師作出討論；並就本公司財務控制、內部監控及風險管理系統作出評估。

審核委員會個別成員之出席紀錄載於本報告第29頁之「董事會及董事委員會會議」項下。

審核委員會已就本公司截至二零零八年三月三十一日止年度之全年業績作出審閱。

The attendance records are set out under "Board and Board Committee Meetings" on page 29 of this report and the emolument of the directors on a named basis for the year under review is set out in note 11 to the consolidated financial statements.

Audit Committee

The Audit Committee comprises all the three independent non-executive directors, one of whom possesses the appropriate professional qualifications or accounting or related financial management expertise. Mr. Cheng Chung Hoo is the chairman of the Committee. None of the committee members is a former partner of the Company's external auditor.

The main duties of the Audit Committee include reviewing the financial statements and reports and considering any significant or unusual items raised by the qualified accountant, internal auditor or external auditor before submission to the Board; reviewing the relationship with the external auditor by reference to the work performed by the auditor, its fees and terms of engagement; making recommendation to the Board on the appointment, re-appointment and removal of external auditor and monitoring the external auditor's independence and objectivity and effectiveness of the audit process in accordance with the applicable standard; and to overseeing the Company's financial reporting system, internal control system and risk management system to ensure that these systems are adequate and effective.

There were two Audit Committee meetings held during the year ended 31st March, 2008 and the Chairman of the Board and Chief Executive Officer were invited to join the discussion of the Audit Committee meetings. The work performed by the Audit Committee during the year include reviewing audited annual results for the year ended 31st March, 2007 and unaudited interim results for the six months ended 30th September, 2007; reviewing the remuneration of external auditors, discussing with the external auditors their independence and the nature and scope of the audit; and evaluating the financial controls, internal controls and risk management systems of the Company.

The attendance of individual members at the Audit Committee meetings is set out under "Board and Board Committee Meetings" on page 29 of this report.

The Company's annual results for the year ended 31st March, 2008 has been reviewed by the Audit Committee.

Corporate Governance Report 企業管治報告

本公司並無可能會嚴重影響公司持續經營之能力的重大不明朗事件或情況。

董事會與審核委員會之間並無就外聘核數師之委任及重選持任何不同意見。

進行證券交易之標準守則

本公司已採納上市規則附錄十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」)。經向所有董事作出具體查詢後，彼等確認其於截至二零零八年三月三十一日止年度內，均遵守標準守則。

為符合企業管治守則之守則條文第A.5.4條，本公司於回顧年度內就可能擁有本公司未公開股價敏感資料之僱員買賣本公司證券制定書面指引(「僱員書面指引」)，且有關指引之條款並不較標準守則寬鬆。本公司並無察覺有任何有關僱員不遵守僱員書面指引之事件。

董事於財務報表中之責任

董事確認其編製本公司截至二零零八年三月三十一日止年度財務報表之責任，以確保該財務報表真實及公平地反映本集團之財務狀況。

本公司投入合適及充足資源以準備財務報表。高級管理層需就對本公司財務狀況及營運有重大影響之財務報告及事項，向審核委員會及董事會提出並作出解釋，並解答審核委員會及董事會提出之疑問以令兩者滿意。

There are no material uncertainties relating to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.

There is no disagreement between the Board and the Audit Committee regarding the appointment and re-election of the external auditor.

Model Code for Securities Transactions

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 to the Listing Rules. Specific enquiry has been made of all the directors and the directors have confirmed that they have complied with the Model Code throughout the year ended 31st March, 2008.

To comply with Code Provision A.5.4. of the CG Code, the Company has during the year under review established written guidelines on no less exacting terms than the Model Code (the "Employees Written Guidelines") for securities transactions by employees who are likely to be in possession of unpublished price-sensitive information of the Company. No incident of non-compliance of the Employees Written Guidelines by these employees was noted by the Company.

Directors' Responsibilities in respect of Financial Statements

The directors acknowledge their responsibility for preparing the financial statements of the Company for the year ended 31st March, 2008 which gives a true and fair view of the financial position of the Group.

The Company deploys appropriate and sufficient resources to prepare financial statements. The senior management is required to present and explain the financial reporting and matters that materially affect or may have material impact on the financial performance and operations of the Company to the Audit Committee and the Board and to answer to queries and concerns raised by them to their satisfaction.

Corporate Governance Report 企業管治報告

外聘核數師及核數師酬金

本公司外聘核數師有關其於財務報表之呈報責任聲明載於第36頁至第37頁之「獨立核數師報告書」中。

於回顧年度內，本公司之外聘核數師德勤•關黃陳方會計師行收取之酬金列載如下：-

服務類別

核數服務
非核數服務
- 稅務服務
- 其他專業服務

合計

External Auditor and Auditor's Remuneration

The statement of the external auditor of the Company about its reporting responsibilities for the financial statements is set out in the "Independent Auditor's Report" on pages 36 to 37.

During the year under review, the remuneration paid to the Company's external auditor, Messrs. Deloitte Touche Tohmatsu, is set out below:-

Category of Services	已付／應付費用 Fee Paid/Payable 千港元 HK\$'000
Audit Service	1,774
Non-audit Services	
- tax services	271
- other professional services	222
	<hr/>
TOTAL	2,267
	<hr/> <hr/>

內部監控

一個完備之內部監控系統乃保障本公司資產之重要一環，並可保證財務報告之可靠性及遵守有關法律及規例，故本公司致力建立及維持一個可行及有效之內部監控系統，以對重大錯誤陳述或損失提供合理（但非絕對）之保障，並管理（而非排除）運作系統失效及未能成功達到預期目標之危機。

在審核委員會支援下，截至二零零八年三月三十一日止年度，董事會經已檢討本集團內部監控系統之成效。有關檢討涵蓋本集團之財務、營運、合規及風險管理事宜。

Internal Controls

Recognising that a well-designed system of internal control is vital to safeguard the assets of the Company and to ensure the reliability of financial reporting as well as compliance with applicable laws and regulations, the Company is committed to establish and retain a sound and effective internal control system which is devised to provide reasonable, but not absolute, assurance against material misstatement or loss and to manage rather than eliminate risks of failure in operational systems and achievements of the Company's objectives.

With the support of the Audit Committee, the Board has conducted a review of the effectiveness of the internal control system of the Group for the year ended 31st March, 2008. The review has covered the financial, operational, compliance and risk management aspects of the Group.

Corporate Governance Report 企業管治報告

股東權利與投資者關係

本公司相信，股東權利及與股東有效之溝通對本公司穩健成長至為重要。

為保障股東之權益及權利，本公司於股東大會上就每項重大事件提呈獨立之決議案，包括選舉個別董事。股東於股東大會上可要求以投票方式表決議案之權利及投票程序已載列於寄發予各股東之所有通函內，並於會上作出解釋。

本公司乃透過年報、中期報告及其他公司公告與股東、投資者及一般大眾進行溝通。

本公司之股東大會亦為董事會及股東提供重要之交流意見渠道。董事會主席、薪酬委員會和審核委員會之主席及在其缺席下，相關委員會其他成員均會出席股東大會，以解答提問。

Shareholder Rights and Investor Relations

The Company believes that shareholders rights and effective communication with shareholders are essential for the healthy growth of the company.

To safeguard the shareholders' interests and rights, separate resolutions are proposed at shareholders' meetings on each substantial issue, including the election of individual directors. The rights of shareholders and the procedures for demanding a poll on resolutions at shareholders' meetings are included in all circulars to shareholders and explained during the proceedings of meetings.

The Company communicates with the shareholders, investors and general public through the annual reports, interim announcements and other corporate announcements.

The general meetings of the Company also provide an important channel for exchange of views between the Board and the shareholders. The Chairman of the Board as well as Chairman of the Remuneration Committee and Audit Committee and, in their absence, other members of the respective committees, are available to answer questions at shareholder meetings.

Independent Auditor's Report 獨立核數師報告書

Deloitte. 德勤

致威高國際控股有限公司股東
(於開曼群島註冊成立之有限公司)

本核數師行已完成審核威高國際控股有限公司(「貴公司」)及其附屬公司(統稱「貴集團」)載於第38頁至第102頁之綜合財務報表,此綜合財務報表包括於二零零八年三月三十一日之綜合資產負債表,及截至該日止年度之綜合收入報表、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之責任

貴公司之董事須負責根據香港會計師公會頒佈之香港財務報告準則及香港公司條例披露規定編製真實及公平地呈列該等綜合財務報表。此責任包括設計、實施及維護與編製真實及公平地呈列綜合財務報表相關之內部監控,以使綜合財務報表不存在由欺詐或錯誤而引致之重大錯誤陳述;選擇並應用適當之會計政策;及按情況作出合理之會計估計。

核數師須承擔之責任

本行之責任乃根據本行之審核對該等綜合財務報表表達意見,並向股東作出報告,除此以外別無其他目的。本行概不就本報告之內容向任何其他人士負上或承擔任何責任。本行已根據香港會計師公會頒佈之香港審計準則進行審核。此等準則要求本行遵守道德規範,並規劃及執行審核,以合理確定此等綜合財務報表是否不存有任何重大錯誤陳述。

TO THE SHAREHOLDERS OF VEEKO INTERNATIONAL HOLDINGS LIMITED
(incorporated in the Cayman Islands with limited liability)

We have audited the consolidated financial statements of Veeko International Holdings Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 38 to 102, which comprise the consolidated balance sheet as at 31st March, 2008, and the consolidated income statement, the consolidated statement of changes in equity and the consolidated cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Directors' Responsibility for the Consolidated Financial Statements

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

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, 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.

Independent Auditor's Report 獨立核數師報告書

審核涉及執程序以獲取有關綜合財務報表所載金額及披露事項之有關審核憑證。所選定之程序取決於核數師之判斷，包括評估由於欺詐或錯誤而導致綜合財務報表存有重大錯誤陳述之風險。在評估該等風險時，核數師考慮與該公司編制及真實公平地呈列綜合財務報表相關之內部控制，以設計適合該具體情況之審核程序，而非為對公司內部控制之效能發表意見。審核亦包括對董事所採用之會計政策之適當性及所作出之會計估計之合理性作出評價，以及評價綜合財務報表之整體呈列方式。

本行相信，本行所獲得之審核憑證已充足，並已適當地為本行之審核意見提供基礎。

意見

本行認為上述的綜合財務報表已根據香港財務報告準則真實及公平地反映 貴集團於二零零八年三月三十一日的財務狀況及 貴集團截至該日止年度的溢利和現金流量，並已按照香港公司條例之披露要求而妥為編製。

德勤•關黃陳方會計師行
執業會計師

香港，二零零八年七月二十三日

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

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

Opinion

In our opinion, the consolidated financial statements give a true and fair view of the state of affairs of the Group as at 31st March, 2008 and of the Group's profit and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.

Deloitte Touche Tohmatsu
Certified Public Accountants

Hong Kong, 23rd July, 2008

Consolidated Income Statement 綜合收入報表

For the year ended 31st March, 2008

截至二零零八年三月三十一日止年度

		附註 Notes	2008 千港元 HK\$'000	2007 千港元 HK\$'000
營業額	Turnover	7	754,224	642,287
銷售成本	Cost of goods sold		(262,835)	(237,219)
毛利	Gross profit		491,389	405,068
銷售及分銷成本	Selling and distribution costs		(297,531)	(278,779)
行政費用	Administrative expenses		(124,405)	(98,135)
其他收入	Other income		12,232	7,649
投資物業公平價值上升	Increase in fair values of investment properties		7,740	5,710
融資成本	Finance costs	8	(3,280)	(651)
除稅前溢利	Profit before taxation		86,145	40,862
稅項	Taxation	9	(8,219)	(3,901)
本年度溢利	Profit for the year	10	77,926	36,961
已付股息	Dividends paid	13	33,627	29,929
每股盈利	Earnings per share	14		
基本	Basic		港仙 HK4.586 cents	港仙 HK2.223 cents
攤薄	Diluted		港仙 HK4.567 cents	港仙 HK2.218 cents

Consolidated Balance Sheet 綜合資產負債表

At 31st March, 2008

二零零八年三月三十一日

		附註 Notes	2008 千港元 HK\$'000	2007 千港元 HK\$'000
非流動資產	Non-current Assets			
投資物業	Investment properties	15	60,000	52,260
產業、廠房及設備	Property, plant and equipment	16	92,164	69,785
購置產業、廠房及設備 之已付按金	Deposits paid for acquisition of property, plant and equipment		486	-
預付租賃款項	Prepaid lease payments	17	9,393	9,154
租金按金	Rental deposits		25,186	25,100
遞延稅項資產	Deferred tax assets	18	7,580	5,046
			194,809	161,345
流動資產	Current Assets			
存貨	Inventories	19	194,566	132,636
應收貿易款項及其他應收款項	Trade and other receivables	20	49,249	30,295
預付租賃款項	Prepaid lease payments	17	254	242
租金及水電按金	Rental and utility deposits		23,726	17,815
可收回之稅項	Tax recoverable		1,433	1,573
作抵押銀行存款	Pledged bank deposit	21	1,000	1,000
銀行結存及現金	Bank balances and cash	22	25,855	25,429
			296,083	208,990
流動負債	Current Liabilities			
應付貿易款項及其他應付款項	Trade and other payables	23	43,113	39,567
有抵押銀行借貸	Secured bank borrowings			
- 一年內到期	- due within one year	24	44,900	20,693
有抵押銀行透支	Secured bank overdrafts	22	1,033	406
應付稅項	Tax payable		8,355	5,700
			97,401	66,366
流動資產淨值	Net Current Assets		198,682	142,624
			393,491	303,969
資本及儲備	Capital and Reserves			
股本	Share capital	25	17,677	16,627
儲備	Reserves		354,728	282,149
			372,405	298,776
非流動負債	Non-current Liabilities			
有抵押銀行借貸	Secured bank borrowings			
- 一年後到期	- due after one year	24	13,515	-
遞延稅項負債	Deferred tax liabilities	18	7,571	5,193
			21,086	5,193
			393,491	303,969

董事會已於二零零八年七月二十三日批准及授權發放第38至102頁的綜合財務報表，並由下列人士代表簽署：

主席
鄭鐘文

董事
林玉森

The consolidated financial statements on pages 38 to 102 were approved and authorised for issue by the Board of Directors on 23rd July, 2008 and are signed on its behalf by:

Cheng Chung Man, Johnny
Chairman

Lam Yuk Sum
Director

Consolidated Statement Of Changes In Equity 綜合權益變動表

For the year ended 31st March, 2008

截至二零零八年三月三十一日止年度

		股本 Share capital 千港元 HK\$'000	股份溢價 Share premium 千港元 HK\$'000	物業 重估儲備 Property revaluation reserve 千港元 HK\$'000	匯兌儲備 Translation reserve 千港元 HK\$'000	特別儲備 Special reserve 千港元 HK\$'000	法定儲備 Statutory reserves 千港元 HK\$'000	購股權儲備 Share options reserve 千港元 HK\$'000	滾存溢利 Retained profits 千港元 HK\$'000	合計 Total 千港元 HK\$'000
於二零零六年四月一日	At 1st April, 2006	16,617	9,933	713	(5,074)	2,266	-	2,075	266,619	293,149
樓宇重估盈餘	Surplus on revaluation of buildings	-	-	2,130	-	-	-	-	-	2,130
樓宇重估產生之遞延稅項負債	Deferred tax liability arising on revaluation of buildings	-	-	(373)	-	-	-	-	-	(373)
換算海外業務之匯兌差額	Exchange differences on translation of foreign operations	-	-	-	(3,842)	-	-	-	-	(3,842)
直接於權益確認之淨收入及費用	Net income and expense recognised directly in equity	-	-	1,757	(3,842)	-	-	-	-	(2,085)
本年度溢利	Profit for the year	-	-	-	-	-	-	-	36,961	36,961
本年度確認的收入及費用總額	Total recognised income and expense for the year	-	-	1,757	(3,842)	-	-	-	36,961	34,876
確認股本結算之以股份為基礎之償付	Recognition of equity-settled share based payments	-	-	-	-	-	-	518	-	518
行使購股權而發行之股份	Shares issued upon exercise of share options	10	152	-	-	-	-	-	-	162
行使購股權而轉撥儲備	Transfer of reserve upon exercise of share options	-	80	-	-	-	-	(80)	-	-
已付股息	Dividends paid	-	-	-	-	-	-	-	(29,929)	(29,929)
小計	Sub-total	10	232	-	-	-	-	438	(29,929)	(29,249)
於二零零七年三月三十一日及二零零七年四月一日	At 31st March, 2007 and 1st April, 2007	16,627	10,165	2,470	(8,916)	2,266	-	2,513	273,651	298,776
樓宇重估盈餘	Surplus on revaluation of buildings	-	-	4,636	-	-	-	-	-	4,636
樓宇重估產生之遞延稅項負債	Deferred tax liability arising on revaluation of buildings	-	-	(1,059)	-	-	-	-	-	(1,059)
換算海外業務之匯兌差額	Exchange differences on translation of foreign operations	-	-	-	(2,206)	-	-	-	-	(2,206)
直接於權益確認之淨收入及費用	Net income and expense recognised directly in equity	-	-	3,577	(2,206)	-	-	-	-	1,371
本年度溢利	Profit for the year	-	-	-	-	-	-	-	77,926	77,926
本年度確認的收入及費用總額	Total recognised income and expense for the year	-	-	3,577	(2,206)	-	-	-	77,926	79,297
確認股本結算之以股份為基礎之償付	Recognition of equity-settled share based payments	-	-	-	-	-	-	1,356	-	1,356
行使購股權而發行之股份	Shares issued upon exercise of share options	128	2,132	-	-	-	-	-	-	2,260
行使購股權而轉撥儲備	Transfer of reserve upon exercise of share options	-	1,124	-	-	-	-	(1,124)	-	-
轉撥	Transfers	-	-	-	-	-	3,409	-	(3,409)	-
股息	Dividends	-	-	-	-	-	-	-	-	-
- 已付	- paid	-	-	-	-	-	-	-	(9,284)	(9,284)
- 代替現金股息之已發行股份	- share issued in lieu of cash dividends	922	23,421	-	-	-	-	-	(24,343)	-
小計	Sub-total	1,050	26,677	-	-	-	3,409	232	(37,036)	(5,668)
於二零零八年三月三十一日	At 31st March, 2008	17,677	36,842	6,047	(11,122)	2,266	3,409	2,745	314,541	372,405

Consolidated Statement Of Changes In Equity 綜合權益變動表

For the year ended 31st March, 2008

截至二零零八年三月三十一日止年度

集團的特別儲備乃指：

- (a) 由於一九九九年集團重組，Veeko Holdings Limited的股本面值與本公司發行作為收購代價的股本面值的差額；及
- (b) Veeko Holdings Limited於集團重組前購入附屬公司時，該等附屬公司股本的總面值與Veeko Holdings Limited發行作為收購代價的股本面值的差額。

集團法定儲備包括：

- (a) 按照適用於本公司中國附屬公司之中華人民共和國（「中國」）相關法律規定作出之儲備，並由董事全權決定分派，可用作彌補中國附屬公司之過往年度虧損（如有）；及
- (b) 澳門附屬公司根據相關法律規定而保留之不可分派儲備。

The special reserve of the Group represents:

- (a) the difference between the nominal value of share capital of Veeko Holdings Limited and the nominal value of the share capital issued by the Company as consideration for the acquisition, arisen from a group reorganisation in 1999; and
- (b) the difference between the aggregate nominal value of the share capital of the subsidiaries when they were acquired by Veeko Holdings Limited prior to the group reorganisation and the nominal value of the share capital issued by Veeko Holdings Limited as consideration for the acquisition.

The statutory reserves of the Group comprise:

- (a) reserves required by the relevant laws of the People's Republic of China (the "PRC") applicable to the Company's PRC subsidiaries and are appropriated at directors' discretion, which can be used to make up prior years' losses of the PRC subsidiaries, if any; and
- (b) non-distributable reserves set aside by the Macau subsidiaries in accordance with relevant statutory requirements.

Consolidated Cash Flow Statement 綜合現金流量表

For the year ended 31st March, 2008

截至二零零八年三月三十一日止年度

		2008 千港元 HK\$'000	2007 千港元 HK\$'000
經營業務	OPERATING ACTIVITIES		
除稅前溢利	Profit before taxation	86,145	40,862
就下列項目作出調整：	Adjustments for:		
利息收入	Interest income	(174)	(348)
投資物業公平價值上升	Increase in fair value of investment properties	(7,740)	(5,710)
預付租賃款項攤銷	Amortisation of prepaid lease payments	246	89
融資成本	Finance costs	3,280	651
出售產業、廠房及設備之損失	Loss on disposal of property, plant and equipment	1,200	950
產業、廠房及設備之折舊	Depreciation of property, plant and equipment	24,688	17,392
以股份為基礎之償付開支	Share-based payment expenses	1,356	518
營運資金變動前之經營業務現金流量	Operating cash flows before movements in working capital	109,001	54,404
存貨增加	Increase in inventories	(54,365)	(9,569)
應收貿易款項及其他應收款項(增加)減少	(Increase) decrease in trade and other receivables	(13,375)	32,009
租金及水電按金增加	Increase in rental and utility deposits	(5,997)	(4,408)
應付貿易款項及其他應付款項減少	Decrease in trade and other payables	(17,996)	(38,249)
經營業務所產生之現金(已付)退回香港利得稅	Cash generated from operations	17,268	34,187
已付海外稅項	Hong Kong Profits Tax (paid) refunded	(4,360)	491
銀行借貸的已付利息	Overseas tax paid	(1,968)	(2,276)
融資租賃承擔的已付利息	Interest paid on bank borrowings	(3,280)	(649)
來自經營業務的現金淨額	Interest paid on obligations under finance leases	-	(2)
	NET CASH FROM OPERATING ACTIVITIES	7,660	31,751
投資業務	INVESTING ACTIVITIES		
購買產業、廠房及設備	Purchase of property, plant and equipment	(39,803)	(44,274)
購置產業、廠房及設備之已付按金	Deposits paid for acquisition of property, plant and equipment	(486)	-
出售產業、廠房及設備所得款項	Proceeds from disposal of property, plant and equipment	258	1
已收利息	Interest received	174	348
預付租賃款項增加	Increase in prepaid lease payments	-	(5,800)
用於投資業務的現金淨額	NET CASH USED IN INVESTING ACTIVITIES	(39,857)	(49,725)
融資業務	FINANCING ACTIVITIES		
新增銀行借貸	New bank borrowings raised	98,681	46,561
發行股份所得款項	Proceeds from issues of shares	2,260	162
償還銀行借貸	Repayment of bank borrowings	(60,959)	(25,868)
已付股息	Dividends paid	(9,284)	(29,929)
償還融資租賃承擔的款項	Repayment of obligations under finance leases	-	(81)
來自(用於)融資業務的現金淨額	NET CASH FROM (USED IN) FINANCING ACTIVITIES	30,698	(9,155)

Consolidated Cash Flow Statement 綜合現金流量表

For the year ended 31st March, 2008

截至二零零八年三月三十一日止年度

		2008 千港元 HK\$'000	2007 千港元 HK\$'000
現金及現金等值項目減少淨值	NET DECREASE IN CASH AND CASH EQUIVALENTS	(1,499)	(27,129)
年初的現金及現金等值項目	CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR	25,023	52,065
外幣匯率變動之影響	EFFECT OF FOREIGN EXCHANGE RATE CHANGES	1,298	87
年終的現金及現金等值項目	CASH AND CASH EQUIVALENTS AT END OF THE YEAR	<u>24,822</u>	<u>25,023</u>
即：	Representing by:		
銀行結存及現金	Bank balances and cash	25,855	25,429
銀行透支	Bank overdrafts	(1,033)	(406)
		<u>24,822</u>	<u>25,023</u>

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31st March, 2008

截至二零零八年三月三十一日止年度

1. 一般資料

本公司於開曼群島註冊成立為受豁免有限公司，其股份在香港聯合交易所有限公司（「聯交所」）上市。董事認為，其母公司及最終控股公司為Silver Crown Profits Limited，該公司為於英屬處女群島註冊成立的公司。本公司之註冊辦事處及主要營業地點於本報告「公司資料」中披露。

綜合財務報表以本公司之功能貨幣港元列值。

本公司為一家投資控股公司，其主要附屬公司之主要業務載於附註36。

2. 應用新訂及經修訂之香港財務報告準則（「香港財務報告準則」）

於本年度，本集團首次應用由香港會計師公會新頒佈之多項新準則、修訂及詮釋（「新香港財務報告準則」），該等準則於二零零七年四月一日開始之本集團財政年度生效。

HKAS 1 (Amendment)
香港會計準則第1號（修訂本）
HKFRS 7
香港財務報告準則第7號
HK(IFRIC) – Int 8
香港（國際財務報告詮釋委員會）
– 詮釋第8號
HK(IFRIC) – Int 9
香港（國際財務報告詮釋委員會）
– 詮釋第9號
HK(IFRIC) – Int 10
香港（國際財務報告詮釋委員會）
– 詮釋第10號
HK(IFRIC) – Int 11
香港（國際財務報告詮釋委員會）
– 詮釋第11號

1. General

The Company was incorporated as an exempted company with limited liability in the Cayman Islands and its shares are listed on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). The directors consider the parent and the ultimate holding company is Silver Crown Profits Limited, a company incorporated in the British Virgin Islands. The addresses of the registered office and principal place of business of the Company are disclosed in “Corporate Information” of the annual report.

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

The Company is an investment holding company. The principal activities of its principal subsidiaries are set out in note 36.

2. Application of New and Revised Hong Kong Financial Reporting Standards (“HKFRSs”)

In the current year, the Group has applied, for the first time, the following new standards, amendments and interpretations (“new HKFRSs”) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”), which are effective for the Group’s financial year beginning 1st April, 2007.

Capital Disclosures
資本披露
Financial Instruments: Disclosures
金融工具：披露
Scope of HKFRS 2
香港財務報告準則第2號之範圍
Reassessment of Embedded Derivatives
重估附帶之衍生工具
Interim Financial Reporting and Impairment
中期財務報告及減值
HKFRS 2: Group and Treasury Share Transaction
香港財務報告準則第2號—集團及庫存股份交易

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31st March, 2008

截至二零零八年三月三十一日止年度

2. 應用新訂及經修訂之香港財務報告準則(「香港財務報告準則」)(續)

採納新香港財務報告準則對本會計期間或以前會計期間之業績及財務狀況之編制及呈列方式並無重大影響。因此，毋須進行過往期間調整。

本集團已追溯採納香港會計準則第1號(修訂本)及香港財務報告準則第7號之披露規定。過往年度根據香港會計準則第32號規定呈列之若干資料已被移除，而基於香港會計準則第1號(修訂本)及香港財務報告準則第7號之相關可比較資料已首次於本年度呈列。

本集團並無提早應用下列已頒布但尚未生效之新訂及經修訂之準則、修訂或詮釋。

HKAS 1 (Revised)
香港會計準則第1號(經修訂)
HKAS 23 (Revised)
香港會計準則第23號(經修訂)
HKAS 27 (Revised)
香港會計準則第27號(經修訂)
HKAS 32 & 1 (Amendments)
香港會計準則第32號及第1號(修訂本)
HKFRS 2 (Amendment)
香港財務報告準則第2號(修訂本)
HKFRS 3 (Revised)
香港財務報告準則第3號(經修訂)
HKFRS 8
香港財務報告準則第8號
HK(IFRIC) – Int 12
香港(國際財務報告詮釋委員會) – 詮釋第12號
HK(IFRIC) – Int 13
香港(國際財務報告詮釋委員會) – 詮釋第13號
HK(IFRIC) – Int 14
香港(國際財務報告詮釋委員會) – 詮釋第14號

- 1 於二零零九年一月一日或之後開始之年度期間生效。
- 2 於二零零九年七月一日或之後開始之年度期間生效。
- 3 於二零零八年一月一日或之後開始之年度期間生效。
- 4 於二零零八年七月一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)

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

The Group has applied the disclosure requirements under HKAS 1 (Amendment) and HKFRS 7 retrospectively. Certain information presented in prior year under the requirements of HKAS 32 has been removed and the relevant comparative information based on the requirements of HKAS 1 (Amendment) and HKFRS 7 has been presented for the first time in the current year.

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

Presentation of Financial Statements ¹
財務報表呈列 ¹
Borrowing Costs ¹
借貸成本 ¹
Consolidated and Separate Financial Statements ²
綜合及個別財務報表 ²
Puttable Financial Instruments and Obligations Arising on Liquidation ¹
可沽售金融工具及清盤產生之責任 ¹
Vesting Conditions and Cancellations ¹
歸屬條件及註銷 ¹
Business Combinations ²
業務合併 ²
Operating Segments ¹
經營分類 ¹
Service Concession Arrangements ³
服務特許權安排 ³
Customer Loyalty Programmes ⁴
客戶忠誠度計劃 ⁴
HKAS 19 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction ³
香港會計準則第19號 – 界定福利資產之限制、最低資金要求及兩者之互動關係 ³

- 1 Effective for annual periods beginning on or after 1st January, 2009.
- 2 Effective for annual periods beginning on or after 1st July, 2009.
- 3 Effective for annual periods beginning on or after 1st January, 2008.
- 4 Effective for annual periods beginning on or after 1st July, 2008.

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31st March, 2008

截至二零零八年三月三十一日止年度

2. 應用新訂及經修訂之香港財務報告準則(「香港財務報告準則」)(續)

若收購日期為二零零九年七月一日或之後開始之首個年度報告期間開始之時或其後，則採納香港財務報告準則第3號(經修訂)可能影響有關業務合併之會計處理。若母公司於附屬公司之擁有權變動並無導致失去控制權，則香港會計準則第27號(經修訂)將影響有關擁有權變動之會計處理並將之以權益交易入賬。

本公司董事預期應用其他新訂及經修訂之準則、修訂或詮釋不會對本集團之業績及財務狀況造成重要影響。

3. 主要會計政策

除若干物業按重估值計算外(如下列會計政策所說明)，綜合財務報表乃按歷史成本基準編製。

綜合財務報表乃依據香港會計師公會編制之香港財務報告準則所編製。另外，綜合財務報表包括聯交所證券上市規則及公司條例所規定之適用披露。

綜合賬目之基準

綜合財務報表包括本公司及本公司所控制公司(其附屬公司)之財務報表。倘本公司有權管理一家公司之財務及經營政策，從而在其業務中獲取利益，即屬取得控制權。

年內收購或出售之附屬公司，其業績由收購日期起計算或計至出售之生效日期為止(以適用者為準)，列入綜合收入報表。

如有需要，附屬公司之財務報表將予以調整，以使其會計政策符合本集團其他成員公司。

所有集團內交易、結餘、收入及開支均於綜合賬目時抵銷。

2. Application of New and Revised Hong Kong Financial Reporting Standards ("HKFRSs") (Continued)

The adoption of HKFRS 3 (Revised) may affect the accounting for business combination for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after 1st July, 2009. HKAS 27 (Revised) will affect the accounting treatment for changes in a parent's ownership interest in a subsidiary that do not result in a loss of control, which will be accounted for as equity transactions.

The directors of the Company anticipate that the application of the other new or revised standards, amendments or interpretations will have no material impact on the results and the financial position of the Group.

3. Significant Accounting Policies

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

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

Basis of consolidation

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

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

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

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

3. 主要會計政策 (續)

收入確認

收入按已收或應收代價之公平價值計算，指於日常業務過程中出售貨品扣減折扣、退貨及補貼之應收金額。

貨品之銷售收入在交付貨品及轉移所有權後予以確認。

來自金融資產之利息收入乃按時間基準計算，並參考尚餘本金額及適用之實際利率（即透過將該項金融資產估計年期預計之未來現金收入折讓至該項資產之賬面淨值之息率）。

投資物業

投資物業乃指持有作出租用途及／或作資本增值的物業。

於首次確認，投資物業乃按成本計算，包括任何直接應計開支。首次確認後，投資物業乃按公平價值模式計值。投資物業公平價值變動所產生之損益均計入其產生期間之綜合收入報表。

投資物業於出售後、永久停用或預期出售將不會帶來未來經濟利益時，將不再確認。資產不被確認後產生之任何損益（出售之所得款項淨額與該項資產賬面值之差額）將計入其不被確認之年度之綜合收入報表。

產業、廠房及設備

產業、廠房及設備（包括持作生產或供應貨品或提供服務或作行政用途之樓宇，惟在建工程除外）按成本或公平值減其後累計折舊及累計減值損失列賬。

持作生產或供應貨品或提供服務或作行政用途之樓宇，乃按重估在綜合資產負債表列賬，即於重估日期之公平價值減任何其後累計折舊及累計減值損失。樓宇將進行足夠次數之定期重估，以致賬面值與採用結算日公平價值釐定之價值不會有重大差距。

3. Significant Accounting Policies (Continued)

Revenue recognition

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

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

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

Investment properties

Investment properties are properties held to earn rental and/or for capital appreciation.

On initial recognition, investment properties are measured at cost, including any directly attributable expenditure. Subsequent to initial recognition, investment properties are measured at their fair values using the fair value model. Gains or losses arising from changes in the fair value of investment property are included in the consolidated income statement 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 consolidated income statement in the year in which the item is derecognised.

Property, plant and equipment

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

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

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3. 主要會計政策 (續)

產業、廠房及設備 (續)

因樓宇重估所產生之任何重估增值，將撥入重估儲備，除非此項增值逆轉了先前列為開支之同一資產之重估減值，在此情況下，該項增值將撥入綜合收入報表，以抵銷先前扣除之減值。因資產重估而產生之賬面減值，若超越該項資產先前重估所產生之重估儲備結餘（如有），則列作開支處理。若經重估之資產其後被出售或報廢，應計之重估盈餘將撥作滾存溢利。

除在建工程外，物業、廠房及設備項目，在其估計可使用年期及計入其估計剩餘價值，以直線法撇銷成本或公平價值，以作出折舊撥備。

在建工程即作生產或自用而在建築過程中的產業、廠房及設備。在建工程按成本減任何已確認減值損失列賬。在建工程在竣工及可作擬定用途時分類為產業、廠房及設備之適當類別。該等資產在可作擬定用途時按其他產業資產之相同基準開始計算折舊。

產業、廠房及設備項目於出售後或預期持續使用該資產將不會帶來未來經濟利益時，將不再確認。資產不被確認所產生之任何損益（出售之所得款項淨額與該項資產賬面值之差額）將計入其不被確認之年度之綜合收入報表。

3. Significant Accounting Policies (Continued)

Property, plant and equipment (Continued)

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

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

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

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

3. 主要會計政策 (續)

減值損失

在每年結算日，本集團審閱其資產之賬面值以決定是否有任何顯示該等資產受到減值損失。倘某資產之可收回金額估計少於其賬面值，該資產賬面值會減至其可收回金額。減值損失隨即確認為開支，惟根據其他會計實務準則有關資產乃按重估金額列賬除外，而在該等情況下根據該項會計實務準則減值損失將會當作重估減值處理。

當減值損失其後撥回，該資產之賬面值增至其可收回金額之修訂估計值，然而，賬面值之增加不超過假若該資產過往年度並無減值損失確認所應釐定之賬面值。減值損失之撥回金額隨即確認為收入，惟根據其他會計實務準則有關資產乃按重估金額列賬除外，而在該等情況下根據該項會計實務準則撥回減值損失將會當作重估增值處理。

租賃

倘租賃條款規定所有權附帶之絕大部份風險及回報均轉移予承租人，則有關租賃列作融資租賃，所有其他租賃均列作經營租賃。

本集團作為出租人

來自經營租賃之租金收入於相關租賃年內以直線法在綜合收入報表中確認。經營租賃磋商及安排引起之初步直接成本乃計入租賃資產之賬面值，並在租賃年內以直線法確認為開支。

本集團作為承租人

經營租賃應付租金乃於相關租賃年內以直線法於收入報表中扣除。作為吸引訂立經營租賃之已收或應收利益，乃於租賃年內以直線法確認為租金開支扣減金額。

租賃土地及樓宇

土地及樓宇租賃之土地及樓宇元素，就租賃分類而言分開計量，除非土地及樓宇元素間之租賃款項不能夠可靠地分配，在此情況下，則全部租賃整體上被視為一項融資租約，並計入物業、廠房及設備之賬目內。倘租賃款項能夠可靠地分配，土地租賃權益則入賬為經營租賃，惟有關分類作投資物業並按公平價值模式計入投資物業之權益則作別論。

3. Significant Accounting Policies (Continued)

Impairment losses

At each balance sheet date, 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 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, unless the relevant asset is carried at a revalued amount under another standard, in which case the impairment loss is treated as revaluation decrease under that standard.

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, unless the relevant asset is carried at a revalued amount under another standard, in which case the reversal of the impairment loss is treated as a revaluation increase under that standard.

Leasing

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

The Group as lessor

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

The Group as lessee

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

Leasehold land and building

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

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3. 主要會計政策 (續)

存貨

存貨乃按成本及可變現淨值兩者中的較低者列賬。成本乃利用先進先出法計算。

金融工具

當集團公司訂立提供金融工具之合約，金融資產及金融負債即於資產負債表中確認。金融資產及金融負債首先以公平價值計算。收購或發行金融資產及金融負債產生之直接交易成本(按公平價值於收入報表列賬之金融資產及金融負債除外)，在首次確認時計入金融資產或金融負債(視乎何者適用)之公平價值或從中扣減。以公平值計入損益表之收購金融資產或金融負債產生之直接交易成本即時在損益表確認。

金融資產

本集團之金融資產分為貸款及應收款項。

3. Significant Accounting Policies (Continued)

Inventories

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

Financial instruments

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

Financial assets

The Group's financial assets are classified as loans and receivables.

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3. 主要會計政策 (續)

金融工具 (續)

金融資產 (續)

實際利息法

實際利息法乃計算金融資產之攤銷成本及按有關期間攤分利息收入之方法。實際利率乃按金融資產之預計可用年期或(倘適用)較短期間精確貼現估計未來現金收入(包括所支付或收取能構成整體實際利率之所有費用、交易成本及其他溢價或折價)之比率。收入按債務工具之實際利率基準確認。

貸款及應收款項

貸款及應收款項為附帶固定或可確定金額付款之非衍生金融資產(並非在交投活躍之市場掛牌)。於首次確認後各個結算日,貸款及應收款項(包括應收貿易款項及其他應收款項、租金及水電按金、作抵押銀行存款及銀行結存及現金)乃以實際利息法按攤銷成本計值,並扣減任何已識別之減值損失列賬(請參看下述之金融資產減值損失之會計政策)。

貸款及應收款項減值

貸款及應收款項於各結算日就出現之減值跡象進行評估。倘有客觀證據顯示因貸款及應收款項初次確認後發生一項或多項事件影響其預期未來現金流量,則貸款及應收款項出現減值。

就貸款及應收款項,減值之客觀證據包括:

- 發行人或對約方出現重大財政困難;或
- 未能繳付或延遲償還利息或本金;或
- 借款人有可能面臨破產或財務重組。

減值損失乃於有客觀證據證明資產出現減值時於收入報表內確認,並按該資產之賬面值與按原先實際利率折現之估計未來現金流量之現值間之差額計算。

3. Significant Accounting Policies (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees on points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset, or, where appropriate, a shorter period. 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. At each balance sheet date subsequent to initial recognition, loans and receivables (including trade and other receivables, rental and utility deposits, pledged 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 loss on financial assets below).

Impairment of loans and receivables

Loans and receivables are assessed for indicators of impairment at each balance sheet date. Loans and receivable are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition, the estimated future cash flows have been impacted.

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

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

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.

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3. 主要會計政策 (續)

金融工具 (續)

金融資產 (續)

貸款及應收款項減值 (續)

貸款及應收款項之賬面值會直接被減值損失扣減。

倘減值損失額於隨後期間有所減少，而有關減少在客觀上與確認減值損失後發生之事件有關，則先前已確認之減值損失將透過損益予以撥回，惟該資產於減值被撥回當日之賬面值不得超過未確認減值時之已攤銷成本。

金融負債及權益

由集團公司發行之金融負債及權益工具，乃根據所訂合約安排之內容以及金融負債與權益工具之定義作出分類。

權益工具乃證明本集團資產扣減其所有負債後之剩餘權益之任何合約。本集團之金融負債乃通常分類作其他金融負債。

以股份清算之分派於股份發行當日按市價紀錄，並分別計入股本及股份溢價中。

實際利息法

實際利息法乃計算金融負債之攤銷成本及按有關期間攤分利息開支之方法。實際利率乃按金融負債的預計可用年期或(倘適用)較短期間精確貼現估計未來現金付款的比率。利息開支按實際利率基準確認。

金融負債

本集團之金融負債(包括應付貿易款項及其他應付款項、銀行借貸及銀行透支)其後以實際利率法按攤銷成本計值。

3. Significant Accounting Policies (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of loans and receivables (Continued)

The carrying amount of the loans and receivables is reduced by the impairment loss directly.

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 the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

Financial liabilities and equity

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

An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities. The Group's financial liabilities are generally classified into other financial liabilities.

Distributions settled in share are recorded at market price at the date of issue, and credited to the share capital and share premium respectively.

Effective interest method

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

Financial liabilities

Financial liabilities of the Group including trade and other payables, secured bank borrowings and secured bank overdrafts are subsequently measured at amortised cost, using the effective interest method.

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3. 主要會計政策 (續)

金融工具 (續)

金融負債及權益 (續)

權益工具

本公司發行之權益工具扣除直接發行成本後入賬為已收所得款項。

解除確認

倘資產收取現金流量之權利屆滿，或已轉讓該金融資產及本集團已轉讓該項金融資產擁有權之絕大部分風險及回報時，則有關金融資產會被解除確認。金融資產被解除確認時，該項資產之賬面值與已收及應收代價和直接在權益確認之累計損益總和之間的差額於收入報表內確認。

如有關合約所訂明之責任獲解除、註銷或屆滿時，則金融負債會被解除確認。被解除確認之金融負債之賬面值與已付及應付代價之間的差額於收入報表內確認。

外幣

在編製各集團公司個別之財務報表時，有關公司功能貨幣以外(外幣)之貨幣交易乃以交易日期適用之匯率換算為其功能貨幣(即該公司主要營運之經濟環境之貨幣)入賬。於各結算日，以外幣列值之貨幣項目按該結算日適用之匯率重新換算。以外幣歷史成本計值之非貨幣項目則不會重新換算。

貨幣項目結算及換算產生之匯兌差額，於產生期間在收入報表中確認。

就呈列綜合財務報表而言，本集團海外業務之資產及負債乃按結算日適用之匯率換算為本公司之呈列貨幣(即港元)，其收入及開支則按全年平均匯率換算，惟不計及匯率於期內出現之大幅波動，在此情況下，則使用交易當日適用之匯率。所產生之匯兌差額(如有)確認為權益獨立部份(匯兌儲備)。該等匯兌差額於海外業務出售期間在收入報表中確認。

3. Significant Accounting Policies (Continued)

Financial instruments (Continued)

Financial liabilities and equity (Continued)

Equity instruments

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

Derecognition

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

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

Foreign currencies

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

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

For the purposes of presenting the consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated into the presentation currency of the 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 the income statement in the period in which the foreign operation is disposed of.

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3. 主要會計政策 (續)

稅項

所得稅開支乃指目前應付之稅項及遞延稅項之總額。

目前應付之稅項乃根據本年度之應課稅溢利計算。應課稅溢利與綜合收入報表所載溢利淨額有所不同，是由於應課稅溢利不包括於其他年度之應課稅或可予扣減之收入或開支項目，同時亦不包括該等永遠毋須課稅或扣減之收入或開支項目。本集團之即期稅項負債乃按結算日已頒佈或實際頒佈之稅率計算。

遞延稅項乃按綜合財務報表資產及負債之賬面值與計算應課稅溢利之相應稅基之差額確認，並以資產負債表負債法作會計處理。遞延稅項負債一般就所有應課稅暫時差額作出確認，遞延稅項資產按應課稅溢利可用以抵銷可扣稅暫時差額之程度確認。如暫時差額乃由於一宗交易之其他資產及負債初次確認而產生，且對應課稅溢利或會計溢利均無影響，則不會確認該等資產及負債。

遞延稅項負債乃按附屬公司之投資所產生之應課稅暫時差額確認，惟倘本集團能夠控制暫時差額撥回，而暫時差額於可見將來撥回之機會不大則另作別論。

遞延稅項資產之賬面值於各結算日審閱，並於不再可能有足夠應課稅溢利以收回全部或部份資產之情況下作出相應扣減。

遞延稅項乃按預期在償還負債或變現資產之期間適用之稅率計算。遞延稅項乃自收入報表中列支或計入，惟倘遞延稅項與直接自權益中列支或計入權益之項目有關，則在該等情況下亦會在權益中處理。

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

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax 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 recognized for taxable temporary differences arising on investments in subsidiaries, 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.

3. 主要會計政策 (續)

借貸成本

所有借貸成本均於產生期間於綜合收入報表確認並列作融資成本。

退休福利計劃供款

國家管理之退休金計劃及強制性公積金計劃之付款在僱員提供令其有權獲取供款之服務時作為開支扣除。

以股份為基礎之償付之交易

授予集團公司僱員之購股權

僱員提供服務之公平價值乃參照授出日期所授出之購股權之公平價值釐定，在歸屬期內以直線法確認為開支，並相應增加權益（購股權儲備）。

在各結算日，本集團修訂對預期最終可歸屬之購股權數目之估計，並將估計修訂之影響（如有）於收入報表確認，購股權儲備亦作相應之調整。

購股權獲行使時，先前在購股權儲備確認之金額將轉撥至股份溢價賬。如購股權於屆滿日期尚未被行使，先前在購股權儲備確認之金額將轉撥至滾存溢利。

3. Significant Accounting Policies (Continued)

Borrowing costs

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

Retirement benefits scheme contributions

Payments to the state-managed retirement benefit schemes and the Mandatory Provident Fund Scheme are charged as an expense when employees have rendered service entitling them to the contributions.

Share-based payment transactions

Share options granted to employees of the group entities

The fair value of services received determined by reference to the fair value of share options granted at the grant date is recognised as an expense over the vesting period with a corresponding increase in equity (share option reserve).

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

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

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4. 估計不確定因素之主要來源

於應用本集團之會計政策時(已於附註3詳述),本公司董事需就不能與其他來源明顯區分之資產及負債之賬面值作出調整、估計及假設。估計及相關假設乃按照過往經驗及其他被認為有關之因素而作出。確實結果可能與此等估計有別。

估計及相關假設均會持續檢討。如該檢討僅影響該期間,會計假設檢討會於該期間確認,或如該檢討影響現在及將來,則於檢討期間及將來期間確認。

下述為就未來作出之主要假設及於結算日之估計不確定因素之其他主要來源,有關假設及不確定因素對下一個財政年度資產及負債之賬面值造成須作出重大調整之重大風險。

遞延稅項

於二零零八年三月三十一日,本集團資產負債表中已就未動用稅項虧損確認2,289,000港元(二零零七年:1,908,000港元)之遞延稅項資產。由於未來溢利來源難以預測,故此並無確認未動用稅項虧損56,625,000港元(二零零七年:47,247,000港元)之遞延稅項。遞延稅項資產能否變現主要視乎未來溢利是否足夠或日後會否出現應課稅暫時差額。倘若未來實際溢利低於或高於預期,則遞延稅項資產可能會出現大量撥回或作出額外確認,並於未來之綜合收入報表中確認。

存貨準備

本集團管理層於各結算日檢討存貨,並根據彼等之估計及經驗為過時及滯銷之存貨作出準備。於二零零八年三月三十一日,存貨賬面值(扣除準備)為194,566,000港元(二零零七年:132,636,000港元)。管理層主要根據最近期發票價格及當時市況,對該等製成品之可變現淨值進行估計。如存貨狀況變壞導致作出可收回金額準備,則或須額外作出準備。

4. Key Sources of Estimation Uncertainty

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

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

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

Deferred taxes

As at 31st March, 2008, a deferred tax asset of HK\$2,289,000 (2007: HK\$1,908,000) in relation to unused tax losses has been recognised in the Group's balance sheet. No deferred tax has been recognised in respect of unused tax losses of HK\$56,625,000 (2007: HK\$47,247,000) due to the unpredictability of future profit streams. The realisability of the deferred tax asset mainly depends on whether sufficient future profits or taxable temporary differences will be available in the future. In cases where the actual future profits generated are less or more than expected, a material reversal or additional recognition of deferred tax assets may arise, which would be recognised in the consolidated income statement in future.

Allowance for inventories

The management of the Group reviews the inventories listing at each balance sheet date, and makes allowance for obsolete and slow-moving inventory items identified based on their estimation and experience. As at 31st March, 2008, the carrying amount of inventories (net of allowances) is HK\$194,566,000 (2007: HK\$132,636,000). The management estimates the net realisable value for such finished goods based primarily on the latest invoice prices and current market conditions. If the conditions of inventories are deteriorated, resulting in an allowance of recoverable amount, additional allowances may be required.

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5. 資本風險管理

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

本集團之資本結構包括債務，其包括於附註24披露之銀行借貸、現金及現金等值項目及本公司權益持有人應佔權益，其包括已發行股本、儲備及保留盈利。

本公司董事定期審閱資本結構。作為此審閱之一環，董事考慮資本成本及與各類別資本相關之風險。本集團將根據董事之意見透過支付股息、發行新股以及新增債務或贖回現有債務以平衡其整體資本結構。

5. 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 secured bank borrowings disclosed in note 24, cash and cash equivalents and equity attributable to equity holders of the Company, comprising issued share capital, reserves and retained profits.

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 associates 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 as well as the issue of new debt or the redemption of existing debt.

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6. 金融工具

6a. 金融工具類別

金融資產
貸款及應收款項
(包括現金及現金等值項目)

金融負債
減值成本

6. Financial Instruments

6a. Categories of financial instruments

	2008 千港元 HK\$'000	2007 千港元 HK\$'000
Financial assets		
Loans and receivables (including cash and cash equivalents)	117,299	94,771
Financial liabilities		
Amortised cost	76,851	37,275

6b. 財務風險管理目標及政策

本集團之主要金融工具包括貿易及其他應收款項、租金及水電按金、作抵押銀行存款、銀行結存及現金、貿易及其他應付款項、有抵押銀行借貸及有抵押銀行透支。金融工具之詳情於各附註中披露。與此等金融工具有關之風險包括市場風險(指貨幣風險及利率風險)、信貸風險及流動資金風險。下述為減低以上各風險之政策。管理層管理及監控此等風險，以保證可及時及以適當方式執行適合方案。

6b. Financial risk management objectives and policies

The Group's major financial instruments include trade and other receivables, rental and utility deposits, pledged bank deposits, bank balances and cash, trade and other payables, secured bank borrowings and secured bank overdrafts. Details of the financial instruments are disclosed in respective notes. The risks associated with these financial instruments include market risk (represented by 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.

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6. 金融工具 (續)

6b. 財務風險管理目標及政策 (續)

市場風險

(i) 貨幣風險

本公司部份附屬公司均持有外幣採購及有抵押銀行借貸，使本集團承受外幣風險。約72% (二零零七年：76%) 之成本以本集團實體之功能貨幣計值。本集團現時並無一套外幣對沖政策。然而，管理層將密切監察外匯風險水平，並在有需要時考慮對重大外匯風險進行對沖。

本集團之外匯風險主要來自未償還應付款項及銀行借貸，該等款項以人民幣及日元列示。於報告日，其賬面值如下：

		資產 Assets		負債 Liabilities	
		2008 千港元 HK\$'000	2007 千港元 HK\$'000	2008 千港元 HK\$'000	2007 千港元 HK\$'000
人民幣	Renminbi ("RMB")	431	509	945	590
日圓	Japanese Yen ("Yen")	6	38	10,397	102

6. Financial Instruments (Continued)

6b. Financial risk management objectives and policies (Continued)

Market risk

(i) Currency risk

Several subsidiaries of the Company have foreign currency purchase and secured bank borrowings, which expose the Group to foreign currency risk. Approximately 72% (2007: 76%) of costs are denominated in the group entity's functional currency. The Group currently does not have a foreign currency hedging policy. However, the management closely monitors foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arises.

The Group's currency risk is mainly attributable to the exposure outstanding on payables and bank borrowings denominated in RMB and Yen. The carrying amounts of at the reporting date are as follows:

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6. 金融工具 (續)

6b. 財務風險管理目標及政策 (續)

市場風險 (續)

(i) 貨幣風險 (續)

敏感度分析

下表詳細載列本集團就集團實體之功能貨幣兌相關外幣匯率上升及下降5%之敏感度。當向主要管理人員報告內部外幣風險時及代表管理層對以外幣匯率可能變動進行評估時採用的敏感度比率為5%。敏感度分析只包括未折算的外幣結算貨幣項目，並已於年末按匯率有5%上升予以調整其換算。下表之正數反映在各集團實體之功能貨幣兌相關外幣呈升值5%之情況下本年度溢利有所增加。至於各集團實體之功能貨幣兌相關外幣貶值5%時，將對溢利及其他權益造成相同程度及相反之影響，而下列結餘將為負數。

6. Financial Instruments (Continued)

6b. Financial risk management objectives and policies (Continued)

Market risk (Continued)

(i) Currency risk (Continued)

Sensitivity analysis

The following table details the Group's sensitivity to a 5% increase and decrease in the functional currency of each group entity against the relevant foreign currency. 5% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the year end for a 5% increase in foreign currency rates. A positive number below indicates an increase in profit for the year where the functional currency of each group entity strengthens 5% against the relevant foreign currency. For a 5% weakening of functional currency of each group entities against the relevant currency, there would be an equal and opposite impact on the profit and other equity, and the balances below would be negative.

	人民幣之影響 RMB impact		日圓之影響 Yen impact	
	2008 千港元 HK\$'000	2007 千港元 HK\$'000	2008 千港元 HK\$'000	2007 千港元 HK\$'000
對本年度溢利之影響 Impact on profit for the year	<u>21</u>	<u>3</u>	<u>429</u>	<u>3</u>

6. 金融工具 (續)

6b. 財務風險管理目標及政策 (續)

市場風險 (續)

(ii) 利率風險

本集團須承受有關固定利率銀行存款(有關結餘之詳情請參閱附註21)之公平值利率風險。管理層認為由於銀行存款之年期較短，因此公平價值利率風險屬有限。

本集團亦面對有關浮息短期銀行存款、銀行透支及銀行借貸之(有關結餘之詳情請參閱附註22及24)現金流利率風險。本集團之政策是維持浮息銀行貸款以減少現金流利率風險。

本集團就金融負債之利率所面對之風險，乃於本附註流動資金風險管理一節詳述。本集團之現金流利率風險，主要來自本集團港元借貸產生之香港銀行同業拆息之波動。

本集團現時並無就公平值及現金流利率風險實行任何利率對沖政策。然而，管理層持續監察利率之變動，並在有需要時考慮對重大利率變動進行對沖。

敏感度分析

以下敏感度分析乃根據利率風險而釐定。對於於結算日浮動利率銀行存款、銀行透支及銀行借貸，該分析乃假設於結算日之負債金額乃全年之餘額而編製。增長或降低50個基點乃向主要管理人員在內部報告利率風險所使用的基點，並代表管理層對利率合理可能變動的評估。

6. Financial Instruments (Continued)

6b. Financial risk management objectives and policies (Continued)

Market risk (Continued)

(ii) Interest rate risk

The Group is exposed to fair value interest rate risk in relation to fixed-rate bank deposits (see note 21 for details of the balance). The management considers the fair value interest rate risk is limited due to the short maturity of the bank deposits.

The Group is also exposed to cash flow interest rate risk in relation to variable-rate short-term bank deposits, bank overdrafts and bank borrowings (see notes 22 and 24 for details of these balances). It is the Group's policy to keep its borrowings at floating rate of interests so as to minimise the fair value interest rate risk.

The Group's exposures to interest rates on financial liabilities are detailed in the liquidity risk management section of this note. The Group cash flow interest rate risk is mainly concentrated on the fluctuation of Hong Kong Interbank Offer Rate ("HIBOR") arising from the Group's HK\$ borrowings.

The Group currently does not have any interest rate hedging policy in relation to fair value and cash flow interest rate risks. However, management monitors interest rate exposure on ongoing basis and will consider hedging significant interest rate change should the need arise.

Sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to interest rates for variable-rate bank deposits, bank overdrafts and bank borrowings at the balance sheet date. The analysis is prepared assuming the amount of liability outstanding at the balance sheet date was outstanding for the whole year. A 50 basis point increase or decrease 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.

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6. 金融工具 (續)

6b. 財務風險管理目標及政策 (續)

市場風險 (續)

(ii) 利率風險 (續)

倘利率提高／降低50個基點且所有其他變量保持不變，本集團截至二零零八年三月三十一日止年度之除稅前溢利可能減少／增加187,000港元 (二零零七年：減少／增加31,000港元)。此乃主要歸因於本集團浮動利率銀行存款、銀行透支及銀行借貸之利率風險。

信貸風險

於二零零八年三月三十一日，由於對方未能履行有關各類已確認金融資產之責任，本集團須承擔並引致本集團出現財務虧損之最大信貸風險為綜合資產負債表內該等資產之賬面值。

為盡量減低信貸風險，本集團管理層已委派團隊負責釐定信貸額度、信貸審批及其他監察程序，以確保採取跟進行動追收逾期債項。此外，本集團於各個結算日審閱個別貿易債項之可收回金額，確保對不可收款項充分計算減值損失。就此而言，本公司董事認為本集團之信貸風險已大幅降低。

流動資金之信貸風險不大，原因是對方乃獲得國際信貸評級機構給予高信貸評級之銀行。

本集團並無信貸風險過度集中情況，且其風險乃分散於多個對手及客戶。

6. Financial Instruments (Continued)

6b. Financial risk management objectives and policies (Continued)

Market risk (Continued)

(ii) Interest rate risk (Continued)

If interest rates had been 50 basis points higher/lower and all other variables were held constant, the Group's profit before taxation for the year ended 31st March, 2008 would decrease/increase by HK\$187,000 (2007: decrease/increase by HK\$31,000). This is mainly attributable to the Group's exposure to interest rates on its variable-rate bank deposits, bank overdrafts and bank borrowings.

Credit risk

As at 31st March, 2008, the Group's maximum exposure to credit risk which will cause a financial loss to the Group due to failure to discharge an obligation by the counterparties is arising from the carrying amount of the respective recognised financial assets as stated in the consolidated balance sheet.

In order to minimise the credit risk, the 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 trade debt at each balance sheet date to ensure that adequate impairment losses are made for irrecoverable amounts. In this regard, the directors of the Company consider that the Group's credit risk is significantly reduced.

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

The Group has no significant concentration of credit risk, with exposure spread over a number of counterparties and customers.

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31st March, 2008

截至二零零八年三月三十一日止年度

6. 金融工具 (續)

6b. 財務風險管理目標及政策 (續)

流動現金風險

本集團監控及維持管理層認為充足之現金及現金等值項目水平，為本集團營運提供資金及減低現金流波動之影響，以管理流動現金風險。管理層監控動用銀行借貸之情況，並確保遵守貸款條款。

下表載列本集團非衍生金融負債之訂約期限之詳情，此基於本集團可能須予償還負債之最早日期計算之未折現金融負債現金流量而編製，並包括利息及本金現金流量。

6. Financial Instruments (Continued)

6b. Financial risk management objectives and policies (Continued)

Liquidity risk

In the management of the liquidity risk, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the Group's operations and mitigate the effects of fluctuations in cash flows. The management monitors the utilisation of bank borrowings and ensures compliance with loan covenants.

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

	加權平均實際利率 Weighted average effective interest rate	一個月以內 Less than 1 month	一至三個月 1-3 months	三個月至一年 3 months to 1 year	一至五年 1-5 years	五年以上 Over 5 years	於二零零八年	
							未折現現金 流量總額 Total undiscounted cash flows	三月三十一日 之賬面值 Carrying amount at 31.3.2008
	百分比 %	千港元 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 HK\$'000	千港元 HK\$'000
二零零八年	2008							
非衍生金融負債								
應付貿易款項及其他								
應付款項	-	14,474	2,923	6	-	-	17,403	17,403
有抵押銀行借貸								
- 浮息	4.0	7,681	21,088	17,579	11,042	3,613	61,003	58,415
有抵押銀行透支	5.5	1,039	-	-	-	-	1,039	1,033
		23,194	24,011	17,585	11,042	3,613	79,445	76,851

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For the year ended 31st March, 2008

截至二零零八年三月三十一日止年度

6. 金融工具 (續)

6b. 財務風險管理目標及政策 (續)

流動現金風險 (續)

	加權平均實際利率 Weighted average effective interest rate						於二零零七年 未折現現金 流量總額 Total undiscounted cash flows	於二零零七年 三月三十一日 之賬面值 Carrying amount at 31.3.2007
		一個月以內 Less than 1 month	一至三個月 1-3 months	三個月至一年 3 months to 1 year	一至五年 1-5 years	五年以上 Over 5 years	千港元 HK\$'000	千港元 HK\$'000
二零零七年 非衍生金融負債 Non-derivative financial liabilities								
應付貿易款項及其他 Trade and other payables								
應付款項	-	12,260	3,901	15	-	16,176	16,176	
有抵押銀行借貸 Secured bank borrowings								
- 浮息 - variable rate	5.5	16,764	-	4,206	-	20,970	20,693	
有抵押銀行透支 Secured bank overdrafts	8.0	409	-	-	-	409	406	
		<u>29,433</u>	<u>3,901</u>	<u>4,221</u>	<u>-</u>	<u>37,555</u>	<u>37,275</u>	

6c. 公平價值

金融資產及金融負債之公平價值乃按根據折現現金流量分析普遍採納之定價模式，使用觀察到之現時市場交易價格或利率釐定。

本公司董事認為，於綜合財務報表列為攤銷成本之金融資產及金融負債之賬面值與其公平價值相若。

6. Financial Instruments (Continued)

6b. Financial risk management objectives and policies (Continued)

Liquidity risk (Continued)

6c. Fair value

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

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

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For the year ended 31st March, 2008

截至二零零八年三月三十一日止年度

7. 業務及地區分類

業務分類

就內部財務報告而言，本集團以策略組織部門形式經營及管理業務分類，並決定以按產品劃分之業務分類作為主要報告分類。因此，本集團之業務分為兩大報告分類，包括製造及銷售女士時裝以及銷售化妝品。該等業務之分類資料呈列如下：

二零零八年

2008

收入報表

INCOME STATEMENT

		時裝 Fashion 千港元 HK\$'000	化妝品 Cosmetics 千港元 HK\$'000	抵銷 Eliminations 千港元 HK\$'000	綜合 Consolidated 千港元 HK\$'000
營業額	TURNOVER				
貨品銷售	Sales of goods	601,516	152,708	-	754,224
分類間之銷售	Inter-segment sales	13	4	(17)	-
		<u>601,529</u>	<u>152,712</u>	<u>(17)</u>	<u>754,224</u>

分類間之銷售乃按現行市場價格計算。

Inter-segment sales are charged at prevailing market rates.

分類業績

SEGMENT RESULT

79,352

3,441

82,793

投資物業公平價值上升

Increase in fair values of investment properties

7,740

未分配公司收入

Unallocated corporate income

4,010

未分配公司費用

Unallocated corporate expenses

(5,118)

融資成本

Finance costs

(3,280)

除稅前溢利

Profit before taxation

86,145

稅項

Taxation

(8,219)

本年度溢利

Profit for the year

77,926

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31st March, 2008

截至二零零八年三月三十一日止年度

7. 業務及地區分類 (續)

業務分類 (續)

資產負債表

資產
分類資產
未分配公司資產
 綜合總資產
負債
分類負債
未分配公司負債
 綜合總負債
 其他資料
資本開支
產業、廠房及設備之折舊
 出售產業、廠房及設備之損失

7. Business and Geographical Segments (Continued)

Business segments (Continued)

BALANCE SHEET

	時裝 Fashion 千港元 HK\$'000	化妝品 Cosmetics 千港元 HK\$'000	綜合 Consolidated 千港元 HK\$'000
ASSETS			
Segment assets	336,389	67,885	404,274
Unallocated corporate assets			86,618
Consolidated total assets			<u>490,892</u>
LIABILITIES			
Segment liabilities	33,010	8,390	41,400
Unallocated corporate liabilities			77,087
Consolidated total liabilities			<u>118,487</u>
OTHER INFORMATION			
Capital expenditure	37,629	2,174	39,803
Depreciation of properties, plant and equipment	19,628	5,060	24,688
Loss on disposal of property, plant and equipment	814	386	1,200

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31st March, 2008

截至二零零八年三月三十一日止年度

7. 業務及地區分類 (續)

7. Business and Geographical Segments (Continued)

業務分類 (續)

Business segments (Continued)

二零零七年

2007

收入報表

INCOME STATEMENT

		時裝 Fashion 千港元 HK\$'000	化妝品 Cosmetics 千港元 HK\$'000	抵銷 Eliminations 千港元 HK\$'000	綜合 Consolidated 千港元 HK\$'000
營業額	TURNOVER				
貨品銷售	Sales of goods	514,513	127,774	–	642,287
分類間之銷售	Inter-segment sales	92	132	(224)	–
		<u>514,605</u>	<u>127,906</u>	<u>(224)</u>	<u>642,287</u>

分類間之銷售乃按現行市場價格計算。

Inter-segment sales are charged at prevailing market rates.

分類業績

SEGMENT RESULT

44,071	(8,647)	35,424
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投資物業公平價值上升

Increase in fair values of investment properties

5,710

未分配公司收入

Unallocated corporate income

5,380

未分配公司費用

Unallocated corporate expenses

(5,001)

融資成本

Finance costs

(651)

除稅前溢利

Profit before taxation

40,862

稅項

Taxation

(3,901)

本年度溢利

Profit for the year

36,961

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31st March, 2008

截至二零零八年三月三十一日止年度

7. 業務及地區分類 (續)

業務分類 (續)

資產負債表

資產
分類資產
未分配公司資產
綜合總資產
負債
分類負債
未分配公司負債
綜合總負債
其他資料
資本開支
產業、廠房及設備之折舊
出售產業、廠房及設備之損失

7. Business and Geographical Segments (Continued)

Business segments (Continued)

BALANCE SHEET

	時裝 Fashion 千港元 HK\$'000	化妝品 Cosmetics 千港元 HK\$'000	綜合 Consolidated 千港元 HK\$'000
ASSETS			
Segment assets	224,901	69,803	294,704
Unallocated corporate assets			75,631
Consolidated total assets			<u>370,335</u>
LIABILITIES			
Segment liabilities	33,565	4,684	38,249
Unallocated corporate liabilities			33,310
Consolidated total liabilities			<u>71,559</u>
OTHER INFORMATION			
Capital expenditure	38,913	5,361	44,274
Depreciation of property, plant and equipment	12,608	4,784	17,392
Loss on disposal of property, plant and equipment	479	471	950

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31st March, 2008

截至二零零八年三月三十一日止年度

7. 業務及地區分類 (續)

地區分類

本集團之業務主要位於香港、澳門、台灣、新加坡及中國之其他地區。本集團按地區市場位置之銷售分析呈列如下：

香港及澳門	Hong Kong and Macau
台灣	Taiwan
新加坡	Singapore
中國之其他地區	Other regions of the PRC

以下乃按資產所在地分析分類資產賬面值及資本開支：

香港及澳門	Hong Kong and Macau
台灣	Taiwan
新加坡	Singapore
中國之其他地區	Other regions of the PRC

7. Business and Geographical Segments (Continued)

Geographical segments

The Group's operations are principally located in Hong Kong, Macau, Taiwan, Singapore and other regions of the PRC. The following is an analysis of the Group's sales by geographical market location:

		營業額 Turnover	
		2008	2007
		千港元 HK\$'000	千港元 HK\$'000
Hong Kong and Macau		516,072	457,929
Taiwan		112,113	119,582
Singapore		46,267	36,664
Other regions of the PRC		79,772	28,112
		754,224	642,287

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

		分類資產賬面值 Carrying amount of segment assets		資本開支 Capital expenditure	
		2008	2007	2008	2007
		千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000
Hong Kong and Macau		157,774	140,582	8,531	13,721
Taiwan		40,369	36,075	2,408	2,237
Singapore		12,608	10,659	1,055	1,524
Other regions of the PRC		193,523	107,388	27,809	26,792
		404,274	294,704	39,803	44,274

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31st March, 2008

截至二零零八年三月三十一日止年度

8. 融資成本

下列各項產生的利息：
 須於五年內悉數償還的
 銀行借貸
 無須於五年內悉數償還的
 銀行借貸
 融資租賃承擔

8. Finance Costs

Interest on:
 Bank borrowings wholly repayable
 within five years
 Bank borrowings not wholly repayable
 within five years
 Obligations under finance leases

2008 千港元 HK\$'000	2007 千港元 HK\$'000
2,908	649
372	-
-	2
3,280	651

9. 稅項

稅項開支包括：
 香港利得稅
 本年度
 過往年度超額撥備

海外稅項

遞延稅項（附註18）：
 本年度

9. Taxation

The charge comprises:
 Hong Kong Profits Tax
 Current year
 Overprovision in prior years

Overseas taxation

Deferred tax (note 18):
 Current year

2008 千港元 HK\$'000	2007 千港元 HK\$'000
4,660	3,549
(462)	(548)
4,198	3,001
4,960	3,668
9,158	6,669
(939)	(2,768)
8,219	3,901

香港利得稅乃按本年度估計應課稅溢利按稅率17.5%（二零零七年：17.5%）計算。

於二零零八年六月二十六日，通過香港利得稅稅率由17.5%減至16.5%，自二零零八/二零零九課稅年度起生效。截至二零零八年三月三十一日止，由於減低利得稅稅率之建議尚未通過，故此於本年度並無任何財務影響。

於其他司法權區產生之稅項乃按於有關司法權區之適用稅率計算。

根據第58/99/M號法令，根據該法令註冊成立之澳門公司（稱為「58/99/M公司」）可免繳澳門補充稅（澳門所得稅），前提為58/99/M公司不得向澳門本土公司銷售其產品。

Hong Kong Profits Tax is calculated at 17.5% (2007: 17.5%) of the estimated assessable profit for the year.

On 26th June, 2008, the Hong Kong Profit Tax rate was enacted to decrease from 17.5% to 16.5% with effect from the year of assessment of 2008/2009. As at 31st March, 2008, as the proposed reduction of profit tax rate has not yet been substantively enacted, there was no financial impact for the current year.

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

Under Decree Law No.58/99/M, a Macau company incorporated under that Law (called "58/99/M company") is exempted from Macau complementary tax (Macau income tax) as long as the 58/99/M company does not sell its products to a Macau resident company.

9. 稅項 (續)

根據中國有關法律及法規之規定，汕頭華南迪高時裝有限公司（「華南迪高」）、汕頭盈高時裝有限公司（「汕頭盈高」）、汕頭韻高時裝有限公司（「汕頭韻高」）及珠海珠澳跨境工業區美高時裝有限公司（「珠海美高」）可自首個獲利經營年度起計兩年獲豁免中國企業所得稅。而此後三年則可獲減免一半中國企業所得稅。汕頭利高服飾有限公司（「汕頭利高」）及東莞迪高時裝有限公司（「東莞迪高」）分別可以享有中國企業所得稅優惠稅率18%及27%。

於本年度內，華南迪高及珠海美高並未開始獲利，而汕頭盈高則可於截至二零零七年十二月三十一日止十二個月期間獲減免一半中國企業所得稅。中國企業所得稅支出乃於計及該等稅務優惠後釐定。

於二零零七年三月十六日，中國根據中國主席令第63號頒佈中國企業所得稅法（「新法例」）。於二零零七年十二月六日，中國國務院頒佈新法例之實施細則。若干根據舊法例及法規享有18%稅惠稅率之公司之稅率，將於二零零八年、二零零九年、二零一零年、二零一一年及二零一二年分別累進增至18%、20%、22%、24%及25%。新法例及實施細則容許於稅務優惠期之公司繼續享有稅務優惠，其後稅率將改為25%。根據新法例及實施細則，須按27%稅率繳稅之公司之稅率將自二零零八年一月一日起改為25%。

9. Taxation (Continued)

Pursuant to the relevant laws and regulations in the PRC, Shantou Huanan Digao Fashion Company Limited ("Huanan Digao"), Shantou Yingko Fashion Company Limited ("Shantou Yingko"), Shantou Yungao Fashion Company Limited ("Shantou Yungao") and Meko Fashion (Zhuhai-Macau Cross Boarder Industrial Zone, Zhuhai) Company Limited ("Zhuhai Meko") are entitled to exemption ("Tax Benefit") from the PRC enterprise income tax for two years commencing from their first profit-making year of operation and thereafter, they are entitled to 50% relief from the PRC enterprise income tax for the next three years, while 汕頭利高服飾有限公司 ("汕頭利高") and Dong Guan Dico Fashion Company Limited ("Dong Guan Dico") are entitled to a preferential PRC enterprise income tax rate of 18% and 27%, respectively.

During the year, Huanan Digao and Zhuhai Meko have not commenced making profit while Shantou Yingko is entitled to 50% relief from the PRC enterprise income tax for the twelve months ended 31st December, 2007. The PRC enterprise income tax charges are arrived at after taking into account these tax incentives.

On 16th March, 2007, the PRC promulgated the Law of the PRC on Enterprise Income Tax (the "New Law") by Order No. 63 of the President of the PRC. On 6th December, 2007, the State Council of the PRC issued Implementation Regulations of the New Law. For companies that were qualified under old law or regulations for incentive tax rate of 18%, the tax rate will progressively increase to 18%, 20%, 22%, 24% and 25% in year 2008, 2009, 2010, 2011 and 2012, respectively. For companies that were still under the Tax Benefit period, the New Law and Implementation Regulations allow the companies to continue to enjoy the Tax Benefit and the tax rate will change to 25% afterwards. For companies that were subject to tax rate of 27%, the New Law and Implementation Regulations will change the tax rate from 27% to 25% from 1st January, 2008.

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31st March, 2008

截至二零零八年三月三十一日止年度

9. 稅項 (續)

本年度之稅項支出與綜合收入報表之除稅前溢利調節如下：

9. Taxation (Continued)

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

		2008 千港元 HK\$'000	2007 千港元 HK\$'000
除稅前溢利	Profit before taxation	86,145	40,862
按香港利得稅稅率17.5% (二零零七年：17.5%) 計算的稅項	Tax at Hong Kong Profits Tax rate of 17.5% (2007: 17.5%)	15,075	7,151
適用於其他司法權區業務之不同稅率之影響	Effect of different tax rate applicable to operations in other jurisdictions	(4,105)	(1,460)
就稅項而言不可扣減開支之稅項影響	Tax effect of expenses not deductible for tax purposes	461	257
就稅項而言毋須課稅收入之稅項影響	Tax effect of income not taxable for tax purposes	(39)	(37)
動用先前尚未確認之稅項虧損	Utilisation of tax losses previously not recognised	(576)	(37)
尚未確認遞延稅項資產所產生之稅項影響	Tax effect of deferred tax assets not recognised	382	80
尚未確認稅項虧損所產生之稅項影響	Tax effect of tax losses not recognised	2,217	2,624
於其他司法權區的業務獲稅項豁免之稅項影響	Tax effect of tax exemption granted to operations in other jurisdictions	(4,734)	(4,119)
過往年度超額撥備	Overprovision in prior years	(462)	(548)
其他	Others	-	(10)
本年度的稅項支出	Tax charge for the year	8,219	3,901

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10. 本年度溢利

10. Profit for the Year

		2008 千港元 HK\$'000	2007 千港元 HK\$'000
本年度溢利已扣除下列各項：	Profit for the year has been arrived at after charging:		
員工福利開支 (包括董事酬金)：	Employee benefits expenses (including directors' emoluments):		
薪酬及其他福利	Salaries and other benefits	187,095	149,086
退休福利計劃供款	Retirement benefits scheme contributions	6,775	5,005
		193,870	154,091
預付租賃款項攤銷	Amortisation of prepaid lease payments	246	89
核數師酬金	Auditors' remuneration	1,882	1,483
確認為開支之存貨成本	Cost of inventories recognised as expenses	262,835	237,219
廠房、產業及設備之折舊	Depreciation of property, plant and equipment	24,688	17,392
出售廠房、產業及設備之損失	Loss on disposal of property, plant and equipment	1,200	950
並已計入：	and after crediting:		
租金收入 (包括可省略之支出)	Rental income, with negligible outgoings	3,392	3,244
淨匯兌收益	Net exchange gain	6,297	3,242
利息收入	Interest income	174	348

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11. 董事酬金

已付或應付五位(二零零七年:五位)董事各人之酬金如下:

11. Directors' Emoluments

The emoluments paid or payable to each of the five (2007: five) directors were as follows:

二零零八年		2008		鄭鐘文先生	林玉森女士	鄭宗豪先生	楊威德先生	楊永基先生	合計
		Mr. Cheng	Ms. Lam	Mr. Cheng	Mr. Yang	Mr. Yeung			
		Chung Man,	Yuk Sum	Chung	Wei Tak	Wing Kay			
		Johnny	Yuk Sum	Hoo	Wei Tak	Wing Kay			
		千港元	千港元	千港元	千港元	千港元			
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000			
袍金	Fees	-	-	100	80	100	280		
其他酬金	Other emoluments								
薪金及津貼	Salaries and allowances	1,560	660	-	-	-	2,220		
退休福利計劃供款	Retirement benefits scheme contributions	12	12	-	-	-	24		
酬金總額	Total emoluments	<u>1,572</u>	<u>672</u>	<u>100</u>	<u>80</u>	<u>100</u>	<u>2,524</u>		
二零零七年		2007		鄭鐘文先生	林玉森女士	鄭宗豪先生	楊威德先生	楊永基先生	合計
		Mr. Cheng	Ms. Lam	Mr. Cheng	Mr. Yang	Mr. Yeung			
		Chung Man,	Yuk Sum	Chung	Wei Tak	Wing Kay			
		Johnny	Yuk Sum	Hoo	Wei Tak	Wing Kay			
		千港元	千港元	千港元	千港元	千港元			
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000			
袍金	Fees	-	-	100	80	100	280		
其他酬金	Other emoluments								
薪金及津貼	Salaries and allowances	1,560	660	-	-	-	2,220		
退休福利計劃供款	Retirement benefits scheme contributions	12	12	-	-	-	24		
酬金總額	Total emoluments	<u>1,572</u>	<u>672</u>	<u>100</u>	<u>80</u>	<u>100</u>	<u>2,524</u>		

概無董事於截至二零零八年及二零零七年三月三十一日止年度放棄任何酬金。

No directors waived any emoluments during the year ended 31st March, 2008 and 2007.

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12. 僱員酬金

於本年度內，五位最高薪人士包括一位（二零零七年：一位董事）本公司董事，有關其酬金的詳情載於上文附註11，餘下四位（二零零七年：四位）人士的酬金如下：

薪金及其他福利
退休福利計劃供款

於該兩個年度，上述每位僱員的酬金均少於1,000,000港元。

13. 已付股息

於本年度內確認為分派之股息：

二零零八年度中期股息每股0.8港仙
（二零零七年：每股0.7港仙）
二零零七年度末期股息每股1.0港仙
（二零零七年：二零零六年度
末期股息每股1.1港仙）

12. Employees' Emoluments

During the year, the five highest paid individuals included one director (2007: one director) of the Company whose emoluments are included in the disclosures in note 11 above. The emoluments of the remaining four (2007: four) highest paid individuals were as follows:

	2008 千港元 HK\$'000	2007 千港元 HK\$'000
Salaries and other benefits	3,450	2,986
Retirement benefits scheme contributions	47	46
	<u>3,497</u>	<u>3,032</u>

The emoluments of each of the above employees were less than HK\$1,000,000 for both years.

13. Dividends Paid

Dividends recognised as distribution during the year:

2008 interim dividend of HK0.8 cent
(2007: HK0.7 cent) per share
2007 final dividend of HK1.0 cent
(2007: 2006 final dividend of
HK1.1 cents) per share

	2008 千港元 HK\$'000	2007 千港元 HK\$'000
Dividends recognised as distribution during the year:		
2008 interim dividend of HK0.8 cent (2007: HK0.7 cent) per share	15,882	11,639
2007 final dividend of HK1.0 cent (2007: 2006 final dividend of HK1.1 cents) per share	17,745	18,290
	<u>33,627</u>	<u>29,929</u>

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13. 已付股息(續)

於本年度內，已就二零零七年末期股息及二零零八年中期股息建議以股代息。該等以股代息已獲大多數股東接納，如下：

13. Dividends Paid (Continued)

During the year, scrip dividends were offered in respect of the 2007 final and 2008 interim dividends. These scrip dividends were accepted by the majority of shareholders, as follows:

		2008 中期 Interim 千港元 HK\$'000	2007 末期 Final 千港元 HK\$'000	2007 中期 Interim 千港元 HK\$'000	2006 末期 Final 千港元 HK\$'000
股息：	Dividends:				
現金	Cash	4,314	4,970	11,639	18,290
以股代息選擇	Scrip alternative	11,568	12,775	-	-
		15,882	17,745	11,639	18,290

董事建議以現金派發二零零八年末期股息每股0.9港仙，而股東亦可選擇收取代息股份，惟須待股東在應屆股東週年大會上批准，方可作實。

The 2008 final dividend of HK0.9 cent per share in cash with a scrip option has been proposed by the directors and is subject to approval by the shareholders in the forthcoming annual general meeting.

14. 每股盈利

14. Earnings Per Share

		2008	2007
盈利：	Earnings:		
本年度溢利及就計算每股基本及攤薄盈利之盈利	Profit for the year and earnings for the purposes of basic and diluted earnings per share	HK\$77,926,000 港元	HK\$36,961,000 港元
股份數目：	Number of shares:		
就計算每股基本盈利之普通股加權平均數	Weighted average number of ordinary shares for the purposes of basic earnings per share	1,699,123,467	1,662,435,616
購股權之攤薄潛在普通股之影響	Effect of dilutive potential ordinary shares in respect of share options	7,289,320	3,636,453
就計算每股攤薄盈利之普通股加權平均數	Weighted average number of ordinary shares for the purposes of diluted earnings per share	1,706,412,787	1,666,072,069

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截至二零零八年三月三十一日止年度

15. 投資物業

15. Investment Properties

千港元
HK\$'000

公平價值

於二零零六年四月一日
年度內公平價值上升

FAIR VALUE

At 1st April, 2006
Increase in fair value during the year

46,550
5,710

於二零零七年三月三十一日
年度內公平價值上升

At 31st March, 2007
Increase in fair value during the year

52,260
7,740

於二零零八年三月三十一日

At 31st March, 2008

60,000

本集團投資物業於二零零八年三月三十一日之公平價值乃根據與本集團並無關連之獨立合資格專業估值師第一太平戴維斯估值及專業顧問有限公司進行之估值計算。第一太平戴維斯估值及專業顧問有限公司為估值師學會會員，並擁有合適資格且最近亦有相關地點同類物業估值之經驗。該估值參考同類物業之市場交易價格編製。該等物業公平價值增加已計入綜合收入報表。

The fair value of the Group's investment properties at 31st March, 2008 have been arrived at on the basis of a valuation carried out on that date by Savills Valuation and Professional Services Limited, independent qualified professional valuers not connected with the Group. Savills Valuation and Professional Services Limited are members of the Institute of Valuers, and have appropriate qualifications and recent experiences in the valuation of similar properties in the relevant locations. The valuation was arrived at by reference to market evidence of transaction prices for similar properties. The increase in fair value of these properties has been credited to the consolidated income statement.

本集團之投資物業位於香港，並以中期經營租賃持有。本集團為賺取租金並根據經營租賃持有之所有物業權益，均利用公平價值模式計值，並分類及列作投資物業。

The investment properties of the Group are situated in Hong Kong and are held under medium-term operating leases. All of the Group's property's interests held under operating leases to earn rental are measured using the fair value model and are classified and accounted for as investment properties.

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16. 產業、廠房及設備

16. Property, Plant and Equipment

		在建工程 Construction in progress 千港元 HK\$'000	租賃樓宇 Leasehold buildings 千港元 HK\$'000	租賃樓宇裝潢 Leasehold improvements 千港元 HK\$'000	廠房及機器 Plant and machinery 千港元 HK\$'000	傢俬及裝置 Furniture and fixtures 千港元 HK\$'000	辦公室設備 Office equipment 千港元 HK\$'000	汽車 Motor vehicles 千港元 HK\$'000	合計 Total 千港元 HK\$'000
成本值或估值	COST OR VALUATION								
於二零零六年四月一日	At 1st April, 2006	-	10,424	72,722	13,769	17,674	9,214	3,452	127,255
滙兌調整	Exchange realignment	-	-	280	588	57	58	53	1,036
添置	Additions	22,171	-	14,362	2,758	3,373	1,352	258	44,274
出售	Disposals	-	-	(7,818)	(274)	(481)	(186)	-	(8,759)
重估產生的盈餘	Surplus arising on revaluation	-	1,366	-	-	-	-	-	1,366
於二零零七年三月三十一日	At 31st March, 2007	22,171	11,790	79,546	16,841	20,623	10,438	3,763	165,172
滙兌調整	Exchange realignment	1,019	1,802	3,251	1,941	328	341	130	8,812
添置	Additions	10,576	-	17,237	8,872	1,357	1,761	-	39,803
出售	Disposals	-	-	(9,229)	(1,133)	(377)	(100)	-	(10,839)
重新分類	Reclassification	(31,105)	30,628	-	90	387	-	-	-
重估產生的盈餘	Surplus arising on revaluation	-	3,327	-	-	-	-	-	3,327
於二零零八年三月三十一日	At 31st March, 2008	2,661	47,547	90,805	26,611	22,318	12,440	3,893	206,275
包括：	Comprising:								
按成本值	At cost	2,661	-	90,805	26,611	22,318	12,440	3,893	158,728
按估值（二零零八年）	At valuation – 2008	-	47,547	-	-	-	-	-	47,547
		2,661	47,547	90,805	26,611	22,318	12,440	3,893	206,275
折舊	DEPRECIATION								
於二零零六年四月一日	At 1st April, 2006	-	-	53,426	11,724	11,807	6,466	2,255	85,678
滙兌調整	Exchange realignment	-	-	200	537	55	59	38	889
年內撥備	Provided for the year	-	764	11,720	1,125	1,905	1,368	510	17,392
出售時撇銷	Eliminated on disposals	-	-	(7,166)	(274)	(188)	(180)	-	(7,808)
重估時回撥	Write back on revaluation	-	(764)	-	-	-	-	-	(764)
於二零零七年三月三十一日	At 31st March, 2007	-	-	58,180	13,112	13,579	7,713	2,803	95,387
滙兌調整	Exchange realignment	-	9	2,870	1,299	221	239	88	4,726
年內撥備	Provided for the year	-	1,300	16,615	2,697	2,154	1,590	332	24,688
出售時撇銷	Eliminated on disposals	-	-	(7,879)	(1,094)	(308)	(100)	-	(9,381)
重估時回撥	Write back on revaluation	-	(1,309)	-	-	-	-	-	(1,309)
於二零零八年三月三十一日	At 31st March, 2008	-	-	69,786	16,014	15,646	9,442	3,223	114,111
賬面值	CARRYING VALUE								
於二零零八年三月三十一日	At 31st March, 2008	2,661	47,547	21,019	10,597	6,672	2,998	670	92,164
於二零零七年三月三十一日	At 31st March, 2007	22,171	11,790	21,366	3,729	7,044	2,725	960	69,785

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16. 產業、廠房及設備 (續)

以上產業、廠房及設備項目均以直線法按以下年折舊率折舊：

租賃樓宇	
Leasehold buildings	
租賃樓宇裝潢	
Leasehold improvements	
廠房及機器	
Plant and machinery	25%
傢俬及裝置	
Furniture and fixtures	20%
辦公室設備	
Office equipment	33 $\frac{1}{3}$ %
汽車	
Motor vehicles	20%

位於上文所示之中期租約持有之租賃土地的租賃樓宇之賬面值包括：

位於
香港
香港境外

16. Property, Plant and Equipment (Continued)

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

按估計餘下使用年期	
Over the remaining term of lease	
20%或按租賃年期 (以較短者為準)	
20% or over the terms of the leases, whichever is shorter	
	25%
	20%
	33 $\frac{1}{3}$ %
	20%

The carrying value of leasehold buildings located on the leasehold land held under medium term lease shown above comprises:

	2008 千港元 HK\$'000	2007 千港元 HK\$'000
Situated		
in Hong Kong	12,210	11,790
outside Hong Kong	35,337	-
	<u>47,547</u>	<u>11,790</u>

本集團的租賃樓宇於二零零八年三月三十一日由獨立專業估值師第一太平戴維斯估值及專業顧問有限公司按公開市值基準進行估值。

The leasehold buildings of the Group were revalued at 31st March, 2008 by Savills Valuation and Professional Services Limited, independent professional valuers, on an open market value basis.

倘租賃樓宇並無進行重估，則租賃樓宇將會按歷史成本法減累計折舊40,233,000港元(二零零七年：8,868,000港元)計入此等綜合財務報表。

If leasehold buildings had not been revalued, they would have been included in these consolidated financial statements at historical cost less accumulated depreciation of HK\$40,233,000 (2007: HK\$8,868,000).

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17. 預付租賃款項

本集團之預付租賃款項包括：

香港租賃土地：
中期租賃
香港境外租賃土地：
中期租賃

就呈報而言之分析：
流動資產
非流動資產

17. Prepaid Lease Payments

The Group's prepaid lease payments comprise:

Leasehold land in Hong Kong:
Medium-term lease
Leasehold land outside Hong Kong:
Medium-term lease

Analysed for reporting purpose as:
Current asset
Non-current asset

	2008 千港元 HK\$'000	2007 千港元 HK\$'000
香港租賃土地： 中期租賃	3,507	3,596
香港境外租賃土地： 中期租賃	6,140	5,800
	<u>9,647</u>	<u>9,396</u>
就呈報而言之分析：		
流動資產	254	242
非流動資產	9,393	9,154
	<u>9,647</u>	<u>9,396</u>

18. 遞延稅項

下文為本集團於現時及過往報告期間確認之主要遞延稅項資產（負債）及有關變動：

18. Deferred Taxation

The following are the major deferred tax assets (liabilities) recognised by the Group and movements thereon during the current and prior reporting periods:

		重估物業 Revaluation of properties 千港元 HK\$'000	加速稅項折舊 Accelerated tax depreciation 千港元 HK\$'000	稅項虧損 Tax losses 千港元 HK\$'000	其他 Others 千港元 HK\$'000	總計 Total 千港元 HK\$'000
本集團	The Group					
於二零零六年四月一日	At 1st April, 2006	(3,829)	1,198	213	(117)	(2,535)
於綜合收入報表中 (列支)計入	(Charge) credit to consolidated income statement	(991)	493	1,695	1,571	2,768
於權益中列支	Charge to equity	(373)	-	-	-	(373)
滙兌差異	Exchange differences	-	(7)	-	-	(7)
		<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
於二零零七年三月三十一日	At 31st March, 2007	(5,193)	1,684	1,908	1,454	(147)
於綜合收入報表中 (列支)計入	(Charge) credit to consolidated income statement	(1,319)	(396)	381	2,273	939
於權益中列支	Charge to equity	(1,059)	-	-	-	(1,059)
滙兌差異	Exchange differences	-	276	-	-	276
		<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
於二零零八年三月三十一日	At 31st March, 2008	(7,571)	1,564	2,289	3,727	9

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18. 遞延稅項 (續)

就呈列資產負債表而言，若干遞延稅項資產及負債已抵銷。下文為就財務報告而言之遞延稅項結餘分析：

遞延稅項資產
遞延稅項負債

於二零零八年三月三十一日，本集團可供抵銷未來溢利的尚未動用稅項虧損為69,705,000港元（二零零七年：58,150,000港元）。本集團已就13,080,000港元（二零零七年：10,903,000港元）之稅項虧損確認遞延稅項資產。由於未能預料未來溢利來源，故此並無就餘下尚未動用稅項虧損56,625,000港元（二零零七年：47,247,000港元）確認遞延稅項資產。未確認稅項虧損包括將於二零零九年至二零一三年（二零零七年：二零零九年至二零一二年）到期之12,705,000港元（二零零七年：2,261,000港元）虧損。其他虧損可無限期結轉。

於二零零八年三月三十一日，本集團之可扣稅暫時差額約為2,635,000港元（二零零七年：455,000港元）。由於不可能產生應課稅溢利以抵扣此可扣稅暫時差額，故並無就該等可扣稅暫時差額確認遞延稅項資產。

自二零零八年一月一日起，中國稅法規定中國附屬公司須於向股東分派獲取之未分派保留溢利時繳付預扣稅。就該等溢利產生暫時之差額約為7,740,000港元（二零零七年：無），由於本集團有能力控制撥回暫時差額之時間及暫時差額不會於可見將來撥回，故並未於綜合財務報表計提遞延稅項準備。

18. Deferred Taxation (Continued)

For the purposes 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:

	2008 千港元 HK\$'000	2007 千港元 HK\$'000
Deferred tax assets	7,580	5,046
Deferred tax liabilities	(7,571)	(5,193)
	<u>9</u>	<u>(147)</u>

At 31st March, 2008, the Group has unused tax losses of HK\$69,705,000 (2007: HK\$58,150,000) available for offset against future profits. A deferred tax asset has been recognised in respect of HK\$13,080,000 (2007: HK\$10,903,000) of such losses. No deferred tax asset has been recognised in respect of the remaining unused tax losses of HK\$56,625,000 (2007: HK\$47,247,000) due to the unpredictability of future profit streams. Included in unrecognised tax losses are losses of HK\$12,705,000 (2007: HK\$2,261,000) that will expire in 2009 to 2013 (2007: 2009 to 2012). Other losses may be carried forward indefinitely.

At 31st March, 2008, the Group has deductible temporary differences of approximately HK\$2,635,000 (2007: HK\$455,000). No deferred tax asset has been recognised in relation to such deductible temporary difference as it is not probable that taxable profit will be available against which the deductible temporary differences can be utilised.

Starting from 1st January, 2008, the Tax Law of the PRC requires withholding Tax upon the distribution of undistributed retained profits earned by the PRC subsidiaries to the shareholders. Deferred tax has not been provided for in the consolidated financial statements in respect of the temporary differences attributable to such profits amounting to approximately HK\$7,740,000 (2007: Nil) as the Group is able to control the timing of the reversal of the temporary differences and hence it is probable that the temporary differences will not reverse in the foreseeable future.

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31st March, 2008

截至二零零八年三月三十一日止年度

19. 存貨

19. Inventories

		2008 千港元 HK\$'000	2007 千港元 HK\$'000
原料	Raw materials	23,542	18,176
在製品	Work in progress	33,925	18,050
製成品	Finished goods	137,099	96,410
		<u>194,566</u>	<u>132,636</u>

20. 應收貿易款項及其他 應收款項

20. Trade and Other Receivables

		2008 千港元 HK\$'000	2007 千港元 HK\$'000
應收貿易款項	Trade receivables	40,149	25,196
其他應收款項	Other receivables	9,100	5,099
應收貿易款項及其他應收款項總額	Total trade and other receivables	<u>49,249</u>	<u>30,295</u>

本集團就其銷售櫃位應收款項而給予30日至60日之信貸期；而給予批發客戶之平均信貸期介乎60日至120日。應收貿易款項之賬齡分析如下：

The Group allows 30 to 60 days credit period for receivables from sales counters and an average credit period of 60 to 120 days to its wholesale customers. The following is an aged analysis of trade receivables at the reporting date:

		2008 千港元 HK\$'000	2007 千港元 HK\$'000
30日內	Within 30 days	27,308	17,521
31-60日	31-60 days	9,845	4,207
61-90日	61-90 days	1,287	571
逾90日	Over 90 days	1,709	2,897
		<u>40,149</u>	<u>25,196</u>

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31st March, 2008

截至二零零八年三月三十一日止年度

20. 應收貿易款項及其他 應收款項(續)

本集團於接納任何新批發客戶前，會先調查客戶之過往信貸記錄，以評估潛在客戶之信貸狀況，並訂定客戶之信貸額度。本集團會為信貸記錄良好且可信之客戶提供信貸銷售，並定期審核授予客戶之信貸額度。於結算日，92% (二零零七年：86%) 之應收貿易賬款並無未能付款記錄，且並非逾期或並無出現減值。

本集團之應收貿易款項包括於本報告日期逾期之應收款項，達2,996,000港元 (二零零七年：3,468,000港元)，本集團並無就此計提減值虧損。本集團並無就該等款項持有任何抵押品。

已逾期但未減值之應收貿易 款項賬齡分析

61-90日
91-120日

合計

20. Trade and Other Receivables (Continued)

Before accepting any new wholesale customers, the Group assesses the potential customer's credit quality by investigating their historical credit record and define credit limits by customer. Credit sales are made to customers with a satisfactory trustworthy credit history. Credit limits attributed to customers are reviewed regularly. At the balance sheet date, 92% (2007: 86%) of the trade receivables that are neither past due nor impaired without default payment history.

Included in the Group's trade receivable balance are debtors with aggregate carrying amount of HK\$2,996,000 (2007: HK\$3,468,000) which are past due at the reporting date for which the Group has not provided for impairment loss. The Group does not hold any collateral over these balances.

Ageing of trade receivables which are past due but not impaired

	2008 千港元 HK\$'000	2007 千港元 HK\$'000
61-90 days	1,287	571
91-120 days	1,709	2,897
Total	<u>2,996</u>	<u>3,468</u>

21. 作抵押銀行存款

該款項為本集團為獲授一般銀行融資之抵押予銀行之款項。該存款已予抵押以獲取短期銀行借貸，故分類為流動資產。於二零零八年三月三十一日之已抵押銀行存款之原定期限為三個月或以下。該存款附帶2.62% (二零零七年：3.6%) 之固定年利率。

21. Pledged Bank Deposit

The amount represents deposit pledged to a bank to secure general banking facilities of the Group. The deposit was pledged to secure short-term bank borrowings and was therefore classified as a current asset. The pledged bank deposit had original maturity of three months or less as at 31st March, 2008. The deposit carried fixed interest rate of 2.62% (2007: 3.6%) per annum.

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31st March, 2008

截至二零零八年三月三十一日止年度

22. 銀行結存及現金／有抵押銀行透支

銀行結存及現金

本集團之銀行結存按現行銀行存款年利率介乎0.01%至2.62% (二零零七年：1.25%至3.6%) 計息，原訂期限為三個月或以下。

有抵押銀行透支

有抵押銀行透支按實際年利率介乎5.25%至7.00% (二零零七年：7.75%至8.50%) 計息。

23. 應付貿易款項及其他應付款項

於二零零八年三月三十一日，本集團之應付貿易款項及其他應付款項包括應付貿易款項為9,006,000港元 (二零零七年：7,814,000港元)。應付貿易款項之賬齡分析詳情如下：

30日內	Within 30 days
31－60日	31－60 days
61－90日	61－90 days
逾90日	Over 90 days

本集團應付貿易款項中以有關集團公司之功能貨幣以外之貨幣計值之金額如下：

於二零零八年三月三十一日
於二零零七年三月三十一日

22. Bank Balances and Cash/Secured Bank Overdrafts

Bank balances and cash

The Group's bank deposits carry interest rate at prevailing bank deposits rates ranging from 0.01% to 2.62% (2007: 1.25% to 3.6%) per annum and have an original maturity of three months or less.

Secured bank overdrafts

The secured bank overdrafts carry effective interest rate ranged from 5.25% to 7.00% (2007: 7.75% to 8.50%) per annum.

23. Trade and Other Payables

At 31st March, 2008, included in the Group's trade and other payables were trade payables of HK\$9,006,000 (2007: HK\$7,814,000). Details of the aged analysis of trade payables are as follows:

	2008 千港元 HK\$'000	2007 千港元 HK\$'000
30日內	7,322	7,466
31－60日	572	271
61－90日	1,034	64
逾90日	78	13
	9,006	7,814

The amount of the Group's trade payables denominated in a currency other than the functional currency of the relevant group entities are set out below:

	以人民幣計值 RMB 千港元 HK\$'000	以日圓計值 Yen 千港元 HK\$'000
於二零零八年三月三十一日	945	176
於二零零七年三月三十一日	590	—

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31st March, 2008

截至二零零八年三月三十一日止年度

24. 有抵押銀行借貸

24. Secured Bank Borrowings

		2008 千港元 HK\$'000	2007 千港元 HK\$'000
銀行貸款	Bank loans	47,102	20,000
進口貸款	Import loans	11,313	693
		<u>58,415</u>	<u>20,693</u>

有抵押銀行借貸之到期情況如下：

The maturity of secured bank borrowings is as follows:

		2008 千港元 HK\$'000	2007 千港元 HK\$'000
應付賬款之賬面值：	Carrying amount repayable:		
按要求或於一年內償還	On demand or within one year	44,900	20,693
一年以上但不超過兩年	More than one year but not exceeding two years	2,686	-
兩年以上但不超過三年	More than two years but not exceeding three years	2,790	-
三年以上但不超過四年	More than three years but not exceeding four years	2,265	-
四年以上但不超過五年	More than four years but not exceeding five years	2,253	-
五年以上	More than five years	3,521	-
		<u>58,415</u>	<u>20,693</u>
減：流動負債項下所示	Less: Amounts due within one year shown		
一年內到期之金額	under current liabilities	(44,900)	(20,693)
		<u>13,515</u>	<u>-</u>

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31st March, 2008

截至二零零八年三月三十一日止年度

24. 有抵押銀行借款(續)

本集團持有實際年利率(與訂約利率相同)介乎2.6%至5.5%(二零零七年:2%至7.5%)之間之浮動利率借貸。

以有關集團公司之功能貨幣以外之貨幣計值之本集團銀行借貸如下:

於二零零八年三月三十一日
於二零零七年三月三十一日

銀行借貸以本集團若干資產為抵押。

24. Secured Bank Borrowings (Continued)

The Group has floating rate borrowings which carry effective interest rates (which are also equal to contracted interest rates) ranging from 2.6% to 5.5% (2007: 2% to 7.5%) per annum.

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

以日圓計值 Denominated in Yen 千港元 HK\$'000
10,221
102

At 31st March, 2008
At 31st March, 2007

The bank borrowings are secured by certain assets of the Group.

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31st March, 2008

截至二零零八年三月三十一日止年度

25. 股本

25. Share Capital

		普通股數目 Number of ordinary shares	價值 Value 千港元 HK\$'000
普通股 (每股面值0.01港元)	Ordinary shares at HK\$0.01 each		
法定:	Authorised:		
於二零零六年四月一日、 二零零七年及二零零八年 三月三十一日	At 1st April, 2006, 31st March, 2007 and 2008	<u>10,000,000,000</u>	<u>100,000</u>
已發行及繳足:	Issued and fully paid:		
於二零零六年四月一日	At 1st April, 2006	1,661,700,000	16,617
因行使購股權而發行股份	Issue of shares upon exercise of share options	<u>1,000,000</u>	<u>10</u>
於二零零七年三月三十一日	At 31st March, 2007	1,662,700,000	16,627
因行使購股權而發行股份 (附註1)	Issue of shares upon exercise of share options (note 1)	12,800,000	128
代替現金股息而發行股份 (附註2)	Issue of shares in lieu of cash dividends (note 2)	<u>92,163,602</u>	<u>922</u>
於二零零八年三月三十一日	At 31st March, 2008	<u>1,767,663,602</u>	<u>17,677</u>

附註:

Notes:

- 於截至二零零八年三月三十一日止年度期間，10,800,000及2,000,000購股權分別按每股0.162港元及0.255港元行使，致使本公司發行合共12,800,000股每股面值0.01港元之普通股。
- 於二零零七年十月九日及二零零八年二月二十九日，本公司分別以每股0.255港元及0.275港元，發行及配發合共50,099,676股及42,063,926股每股面值0.01港元之普通股，以代替二零零七年末期及二零零八年中期現金股息。
- During the year ended 31st March, 2008, 10,800,000 and 2,000,000 share options were exercised at HK\$0.162 and HK\$0.255 per share, respectively, resulting in issue of a total of 12,800,000 ordinary shares of HK\$0.01 each in the Company.
- On 9th October, 2007 and 29th February, 2008, the Company issued and allotted a total of 50,099,676 ordinary shares and 42,063,926 ordinary shares of HK\$0.01 each at HK\$0.255 and HK\$0.275 each, respectively, in lieu of cash for the 2007 final and 2008 interim dividends.

於本年度內發行之股份在各方面與發行當時之現有股份享有同等地位。

The shares issued during the year rank pari passu with the then existing shares in all respects.

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31st March, 2008

截至二零零八年三月三十一日止年度

26. 主要非現金交易

於二零零七年十月九日及二零零八年二月二十九日，本公司分別按每股0.255港元及0.275港元，發行及配發合共50,099,676股及42,063,926股每股面值0.01港元之普通股，以代替二零零七年末期及二零零八年中期現金股息。

27. 經營租賃

本集團作為承租人

於本年度內，本集團根據經營租賃支付之樓宇租金如下：

最低租賃還款
或然租金

於結算日，本集團就不可撤銷的租賃物業經營租賃，於下列期間之未來最低租賃還款承擔如下：

一年內
第二至第五年（包括首尾兩年）
五年以上

除該等承擔外，本集團可能須視乎個別店舖的銷售情況，就若干物業支付額外的租金開支。

經營租賃款項乃本集團就其若干零售店舖及辦公室物業應付之租金。租賃平均每三年議定一次，租金則平均每三年釐定一次。

26. Major Non-cash Transactions

On 9th October, 2007 and 29th February, 2008, the Company issued and allotted a total of 50,099,676 ordinary shares and 42,063,926 ordinary shares of HK\$0.01 each at HK\$0.255 and HK\$0.275 each, respectively, in the Company in lieu of cash for the 2007 final and 2008 interim dividends.

27. Operating Leases

The Group as lessee

During the year, the Group made rental payments for buildings under operating leases as follows:

	2008 千港元 HK\$'000	2007 千港元 HK\$'000
Minimum lease payments	162,017	154,158
Contingent rental payments	14,553	14,378
	<u>176,570</u>	<u>168,536</u>

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

	2008 千港元 HK\$'000	2007 千港元 HK\$'000
Within one year	144,290	145,297
In the second to fifth year inclusive	170,668	95,772
Over five years	325	1,752
	<u>315,283</u>	<u>242,821</u>

In addition to these commitments, the Group may pay additional rental expenses in respect of certain premises which are dependent upon the level of sales achieved by particular outlets.

Operating lease payments represent rental payable by the Group for certain of its retail outlets and office properties. Leases are negotiated for an average of three years and rental are fixed for an average of three years.

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31st March, 2008

截至二零零八年三月三十一日止年度

27. 經營租賃(續)

本集團作為出租人

於本年內，物業租金收入為3,329,000港元(二零零七年：3,244,000港元)。該等物業持續產生6%(二零零七年：6%)租金收益。所有持有物業於未來一年已有承諾租賃之租戶。

於結算日，本集團與租戶訂立合約，以下為日後最低租金：

一年內
第二至第五年(包括首尾兩年)

27. Operating Leases (Continued)

The Group as lessor

Property rental income earned during the year was HK\$3,329,000 (2007: HK\$3,244,000). The properties generated rental yields of 6% (2007: 6%) on an ongoing basis. All of the properties held have committed tenants for one year.

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

	2008 千港元 HK\$'000	2007 千港元 HK\$'000
Within one year	872	2,520
In the second to fifth year inclusive	-	163
	872	2,683

28. 資本承擔

已就購置物業、廠房及設備之
資本開支訂約但未於
綜合財務報表撥備

28. Capital Commitments

Capital expenditure in respect of the acquisition of property, plant and equipment contracted for but not provided in the consolidated financial statements

	2008 千港元 HK\$'000	2007 千港元 HK\$'000
	2,407	-

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31st March, 2008

截至二零零八年三月三十一日止年度

29. 資產抵押

於結算日，本集團抵押予若干銀行以獲得授予本集團的一般銀行融資的資產如下：

投資物業
預付租賃款項
租賃樓宇
短期銀行存款

29. Pledge of Assets

At the balance sheet date, the following assets were pledged by the Group to certain banks to secure general banking facilities granted to the Group:

	2008 千港元 HK\$'000	2007 千港元 HK\$'000
Investment properties	60,000	52,260
Prepaid lease payments	3,128	3,208
Leasehold buildings	11,014	10,630
Short term bank deposits	1,000	1,000
	<hr/>	<hr/>
	75,142	67,098
	<hr/> <hr/>	<hr/> <hr/>

30. 購股權計劃

根據本公司於二零零三年九月十七日舉行之股東週年大會上通過之普通決議案，本公司採納一項購股權計劃（「該計劃」），旨在向合資格參與者提供機會，以取得本公司之獨有權益，並鼓勵參與者為提升本公司及其股份之價值而努力，致使本公司及其股東整體受惠。本公司董事會全權酌情認為曾經或將會對本集團作出貢獻之全體董事、全職僱員及任何其他人士均符合資格參與該計劃。

根據本公司採納該計劃或任何其他購股權計劃，因行使所授出之所有購股權而發行的股份，不得超過於採納日期本公司已發行股份之10%。

本公司在股東批准下可更新此10%限制，惟每次更新則不得超過於股東批准之日本公司已發行股份之10%。

根據本公司採納該計劃或任何其他購股權計劃，因行使及將行使所授出之所有尚未行使購股權而發行的股份總數，不得超過不時已發行股份之30%。

30. Share Option Scheme

Pursuant to ordinary resolutions passed at the annual general meeting of the Company on 17th September, 2003, a share option scheme (the "Scheme") was adopted by the Company for the purpose of providing eligible participants with the opportunity to acquire proprietary interests in the Company and to encourage participants to work towards enhancing the value of the Company and its shares for the benefit of the Company and its shareholders as a whole. All directors, full-time employees and any other persons who, in the sole discretion of the board of directors of the Company, have contributed or will contribute to the Group are eligible to participate in the Scheme.

Shares which may be issued upon exercise of all options to be granted under the Scheme or any other share option scheme adopted by the Company must not in aggregate exceed 10% of the shares of the Company in issue on the date of adoption.

The Company may renew this 10% limit with shareholders' approval provided that each such renewal may not exceed 10% of the shares in the Company in issue as at the date of the shareholders' approval.

The total number of shares of the Company which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Scheme or any other share option scheme adopted by the Company must not exceed 30% of the shares in issue from time to time.

30. 購股權計劃 (續)

除非取得本公司股東批准，否則在任何十二個月期間內，根據本公司採納該計劃或任何其他購股權計劃，因行使向各參與者所授出之購股權（包括已行使及尚未行使購股權）而發行及將予發行的股份總數，不得超過本公司已發行股份之1%。

購股權之行使期間將由本公司於授出時釐定，該期間不得遲於購股權授出日期起計十年後屆滿。於授出購股權時，本公司可釐定在行使前須持有購股權之最低期限。授出購股權之要約須於向該參與者發出載有該要約函件日期起計的二十一日內接納，而於接納購股權時須支付1港元。

行使購股權時將予發行之本公司股份的認購價，不得少於下列三者之較高者：(i)於要約日期，本公司股份於聯交所發出之每日報價表之股份收市價；(ii)緊接要約日期前五個辦公日本公司股份於聯交所發出之每日報價表之股份平均收市價；及(iii)於要約日期之本公司股份面值。本公司董事會向參與者提供購股權時釐定認購價。

在採納該計劃十週年之日期後本公司不得根據該計劃授出購股權。

本公司於本年度及去年度內並無向董事授出購股權。

30. Share Option Scheme (Continued)

Unless approved by shareholders of the Company, the total number of shares of the Company issued and to be issued upon the exercise of the options granted to each participant (including both exercised and unexercised options) under the Scheme or any other share option scheme adopted by the Company in any 12-month period must not exceed 1% of the shares of the Company in issue.

The period within which the options must be exercised will be specified by the Company at the time of grant. This period must expire no later than 10 years from the date of grant of the options. At the time of grant of the options, the Company may specify a minimum period for which an option must be held before it can be exercised. The offer of a grant of share options may be accepted within 21 days from the date on which the letter containing the offer is delivered to that participant and the amount payable on acceptance of an option is HK\$1.

The subscription price for the shares of the Company to be issued upon exercise of the options shall be no less than the highest of (i) the closing price of the shares of the Company as stated in the daily quotations sheets issued by the Stock Exchange on the date of offer; (ii) the average closing price of the shares of the Company as stated in the daily quotations sheets issued by the Stock Exchange for the five business days immediately preceding the date of offer; and (iii) the nominal value of a share of the Company on the date of offer. The subscription price will be established by the board of directors of the Company at the time the option is offered to the participants.

No options may be granted under the Scheme after the date of the tenth anniversary of the adoption of the Scheme.

No options were granted to the directors of the Company during both years.

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截至二零零八年三月三十一日止年度

30. 購股權計劃 (續)

下表披露本集團僱員所持根據該計劃授出之購股權詳情及該等購股權之變動。

於截至二零零八年三月三十一日止年度內：

30. Share Option Scheme (Continued)

The following table discloses details of options granted under the Scheme held by employees of the Group and movements in such holdings.

During the year ended 31st March, 2008:

授出日期 Date of grant	行使前持有期 Vesting period	行使期間 Exercisable period	每股行使價 Exercise price per share	於二零零七年	於年度內 授出 Granted during the year	於年度內 行使 Exercised during the year	於年度內 註銷 Cancelled during the year (附註) (Note)	於二零零八年
				四月一日 之結餘 Balance at 1.4.2007				三月三十一日 尚未行使 Outstanding at 31.3.2008
二零零三年十一月十八日 18th November, 2003	二零零三年十一月十八日至 二零零五年十一月十七日 18th November, 2003 to 17th November, 2005	二零零五年十一月十八日至 二零零七年十一月十七日 18th November, 2005 to 17th November, 2007	0.1620港元 HK\$0.1620	10,300,000	-	(10,300,000)	-	-
二零零三年十一月十八日 18th November, 2003	二零零三年十一月十八日至 二零零七年十一月十七日 18th November, 2003 to 17th November, 2007	二零零七年十一月十八日至 二零零九年十一月十七日 18th November, 2007 to 17th November, 2009	0.1620港元 HK\$0.1620	16,500,000	-	(500,000)	(1,000,000)	15,000,000
二零零四年九月二十一日 21st September, 2004	二零零四年九月二十一日至 二零零六年九月二十日 21st September, 2004 to 20th September, 2006	二零零六年九月二十一日至 二零零八年九月二十日 21st September, 2006 to 20th September, 2008	0.2550港元 HK\$0.2550	2,000,000	-	(2,000,000)	-	-
二零零四年九月二十一日 21st September, 2004	二零零四年九月二十一日至 二零零八年九月二十日 21st September, 2004 to 20th September, 2008	二零零八年九月二十一日至 二零一零年九月二十日 21st September, 2008 to 20th September, 2010	0.2550港元 HK\$0.2550	2,000,000	-	-	-	2,000,000
二零零六年八月十六日 16th August, 2006	二零零六年八月十六日至 二零零八年八月十五日 16th August, 2006 to 15th August, 2008	二零零八年八月十六日至 二零一零年八月十五日 16th August, 2008 to 15th August, 2010	0.2052港元 HK\$0.2052	3,600,000	-	-	-	3,600,000
二零零六年八月十六日 16th August, 2006	二零零六年八月十六日至 二零一零年八月十五日 16th August, 2006 to 15th August, 2010	二零一零年八月十六日至 二零一二年八月十五日 16th August, 2010 to 15th August, 2012	0.2052港元 HK\$0.2052	3,600,000	-	-	-	3,600,000
二零零七年六月四日 4th June, 2007	二零零七年六月四日至 二零一零年六月三日 4th June, 2007 to 3rd June, 2010	二零一零年六月四日至 二零一二年六月三日 4th June, 2010 to 3rd June, 2012	0.1860港元 HK\$0.1860	-	18,100,000	-	(1,100,000)	17,000,000
二零零七年六月四日 4th June, 2007	二零零七年六月四日至 二零一二年六月三日 4th June, 2007 to 3rd June, 2012	二零一二年六月四日至 二零一四年六月三日 4th June, 2012 to 3rd June, 2014	0.1860港元 HK\$0.1860	-	18,100,000	-	(1,100,000)	17,000,000
				<u>38,000,000</u>	<u>36,200,000</u>	<u>(12,800,000)</u>	<u>(3,200,000)</u>	<u>58,200,000</u>
可於年終行使 Exercisable at the end of the year								<u>15,000,000</u>
加權平均行使價 Weighted average exercise price				<u>0.1800</u>	<u>0.1860</u>	<u>0.1765</u>	<u>0.1785</u>	<u>0.1846</u>

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截至二零零八年三月三十一日止年度

30. 購股權計劃 (續)

於截至二零零七年三月三十一日止年度內：

30. Share Option Scheme (Continued)

During the year ended 31st March, 2007:

授出日期 Date of grant	行使前持有期 Vesting period	行使期間 Exercisable period	每股行使價 Exercise price per share	於二零零六年	於年度內 授出 Granted during the year	於年度內 行使 Exercised during the year	於年度內 註銷 Cancelled during the year (附註) (Note)	於二零零七年
				四月一日 之結餘 Balance at 1.4.2006				三月三十一日 尚未行使 Outstanding at 31.3.2007
二零零三年十一月十八日 18th November, 2003	二零零三年十一月十八日至 二零零五年十一月十七日 18th November, 2003 to 17th November, 2005	二零零五年十一月十八日至 二零零七年十一月十七日 18th November, 2005 to 17th November, 2007	0.1620港元 HK\$0.1620	11,800,000	-	(1,000,000)	(500,000)	10,300,000
二零零三年十一月十八日 18th November, 2003	二零零三年十一月十八日至 二零零七年十一月十七日 18th November, 2003 to 17th November, 2007	二零零七年十一月十八日至 二零零九年十一月十七日 18th November, 2007 to 17th November, 2009	0.1620港元 HK\$0.1620	17,500,000	-	-	(1,000,000)	16,500,000
二零零四年九月二十一日 21st September, 2004	二零零四年九月二十一日至 二零零六年九月二十日 21st September, 2004 to 20th September, 2006	二零零六年九月二十一日至 二零零八年九月二十日 21st September, 2006 to 20th September, 2008	0.2550港元 HK\$0.2550	2,000,000	-	-	-	2,000,000
二零零四年九月二十一日 21st September, 2004	二零零四年九月二十一日至 二零零八年九月二十日 21st September, 2004 to 20th September, 2008	二零零八年九月二十一日至 二零一零年九月二十日 21st September, 2008 to 20th September, 2010	0.2550港元 HK\$0.2550	2,000,000	-	-	-	2,000,000
二零零六年八月十六日 16th August, 2006	二零零六年八月十六日至 二零零八年八月十五日 16th August, 2006 to 15th August, 2008	二零零八年八月十六日至 二零一零年八月十五日 16th August, 2008 to 15th August, 2010	0.2052港元 HK\$0.2052	-	3,600,000	-	-	3,600,000
二零零六年八月十六日 16th August, 2006	二零零六年八月十六日至 二零一零年八月十五日 16th August, 2006 to 15th August, 2010	二零一零年八月十六日至 二零一二年八月十五日 16th August, 2010 to 15th August, 2012	0.2052港元 HK\$0.2052	-	3,600,000	-	-	3,600,000
				<u>33,300,000</u>	<u>7,200,000</u>	<u>(1,000,000)</u>	<u>(1,500,000)</u>	<u>38,000,000</u>
可於年終行使 Exercisable at the end of the year								<u>12,300,000</u>
加權平均行使價 Weighted average exercise price				<u>0.1732</u>	<u>0.2052</u>	<u>0.1620</u>	<u>0.1620</u>	<u>0.1800</u>

附註：購股權於年內若干僱員離職時被註銷。

Note: Cancellation of share options upon the termination of certain employees during the year.

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截至二零零八年三月三十一日止年度

30. 購股權計劃 (續)

本公司股份於二零零七年六月四日及二零零六年八月十六日(授出日期)之收市價分別為0.28港元及0.195港元。

就本年度內行使之購股權而言，於行使日期之加權平均股價為0.29港元(二零零七年：0.21港元)。於本年度內，就接納購股權而自僱員收取之總代價為76港元(二零零七年：12港元)。

於二零零七年六月四日(授出日期)所計量於截至二零零八年三月三十一日止年度內授出，而可於二零一零年六月四日至二零一二年六月三日以及可於二零一二年六月四日至二零一四年六月三日行使之購股權之公平價值分別為每份購股權0.12港元及0.13港元。

於二零零六年八月十六日(授出日期)所計量於截至二零零七年三月三十一日止年度內授出，而可於二零零八年八月十六日至二零一零年八月十五日以及可於二零一零年八月十六日至二零一二年八月十五日行使之購股權之公平價值分別為每份購股權0.08港元及0.09港元。

以下為採用「柏力克-舒爾斯」期權訂價模式得出公平價值之重要假設：

30. Share Option Scheme (Continued)

The closing price of the Company's shares at 4th June, 2007 and 16th August, 2006, the date of grant, was HK\$0.28 and HK\$0.195, respectively.

In respect of the share options exercised during the year, the weighted average share price on the dates of exercise is HK\$0.29 (2007: HK\$0.21). During the year, total consideration received from employees for taking up the options amounted to HK\$76 (2007: HK\$12).

The fair value of the options granted during the year ended 31st March, 2008 measured at the date of grant on 4th June, 2007 was HK\$0.12 and HK\$0.13 per option, respectively, for the options exercisable from 4th June, 2010 to 3rd June, 2012 and exercisable from 4th June, 2012 to 3rd June, 2014.

The fair value of the options granted during the year ended 31st March, 2007 measured at the date of grant on 16th August, 2006 was HK\$0.08 and HK\$0.09 per option, respectively, for the options exercisable from 16th August, 2008 to 15th August, 2010 and exercisable from 16th August, 2010 to 15th August, 2012.

The following significant assumptions were used to derive the fair values using the Black-Scholes option pricing model:

	二零一零年六月四日 至二零一二年六月三日 可行使之購股權 Options exercisable from 4th June, 2010 to 3rd June, 2012	二零一二年六月四日 至二零一四年六月三日 可行使之購股權 Options exercisable from 4th June, 2012 to 3rd June, 2014	二零零八年八月十六日 至二零一零年八月十五日 可行使之購股權 Options exercisable from 16th August, 2008 to 15th August, 2010	二零一零年八月十六日 至二零一二年八月十五日 可行使之購股權 Options exercisable from 16th August, 2010 to 15th August, 2012
預期購股權期限	五年	七年	四年	六年
根據股價歷史波幅而計算 之預期波幅	Expected life of options 5 years	Expected volatility based on historical volatility of share prices 60%	Expected volatility based on historical volatility of share prices 69%	Expected volatility based on historical volatility of share prices 67%
預期年度股息率	6%	6%	5.2%	5.2%
無風險利率	Expected annual dividend yield 6%	Risk-free rate 4.6%	Risk-free rate 4.6%	Risk-free rate 4.3%

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截至二零零八年三月三十一日止年度

30. 購股權計劃 (續)

預期波幅乃根據本公司股價於過去四至七年之歷史波幅釐定。

本集團確認於截至二零零八年三月三十一日止年度與本公司授出之購股權有關之總開支為1,356,000港元(二零零七年：518,000港元)。

「柏力克-舒爾斯」期權定價模式已用作估計購股權之公平價值。於計算購股權之公平價值時採用之變數及假設乃根據董事之最佳估計。購股權價值受若干主觀假設之不同變數影響而改變。

30. Share Option Scheme (Continued)

Expected volatility was determined by using the historical volatility of the Company's share price over the previous 4 to 7 years.

The Group recognised the total expense of HK\$1,356,000 for the year ended 31st March, 2008 (2007: HK\$518,000) in relation to share options granted by the Company.

The Black-Scholes option pricing model has been used to estimate the fair value of the options. The variables and assumptions used in computing the fair value of the share options are based on the directors' best estimate. The value of an option varies with different variables of certain subjective assumptions.

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截至二零零八年三月三十一日止年度

31. 退休福利計劃

本集團為本公司及其於香港經營之附屬公司之合資格僱員設立強制性公積金（「強積金」）計劃。強積金計劃資產與本集團由受託人控制之基金分開持有。本集團按1,000港元或有關薪金成本之5%（以較低者為準）作出強積金計劃供款，而僱員亦須作出同等供款。

本公司於新加坡經營之附屬公司須參與中央公積金（「中央公積金」）計劃。在綜合收入報表中扣除了退休福利成本指本集團按中央公積金計劃規例所訂之比率向有關計劃作出之供款。

本集團於中國經營的附屬公司，亦須對中國的國家退休福利計劃作出供款。附屬公司須按僱員月薪之指定百分比向有關計劃作出供款。本集團對該等退休計劃之責任僅為須作出指定供款。

根據勞動基準法（「勞動基準法」），本集團於台灣經營之附屬公司之分公司計提相等於僱員基本薪金3%之退休金。有關退休金存放於中央信託局（政府指定之僱員退休金信託銀行）。自二零零五年七月一日起，該分公司採納一項受勞工退休金條例（「勞工退休金條例」）規管之界定供款計劃（「新計劃」）。

於勞工退休金條例生效前符合勞動基準法規例規定之僱員，可選擇新計劃或繼續選擇勞動基準法規定之退休金計劃。根據新計劃，勞工退休金條例規定，僱主每月向僱員個人退休金賬戶作出之退休金供款比率將不少於每名僱員每月薪金或工資之6%。

31. Retirement Benefits Schemes

The Group operates the Mandatory Provident Fund (“MPF”) scheme for qualifying employees of the Company and its subsidiaries in Hong Kong. The assets of the MPF scheme are held separately from those of the Group in funds under the control of trustees. The Group contributes at the lower of HK\$1,000 or 5% of relevant payroll costs to the MPF scheme, which contribution is matched by employees.

The Company’s subsidiary operating in Singapore is required to participate in the Central Provident Fund (“CPF”) scheme. The retirement benefit costs charged to the consolidated income statement represent contributions to the CPF scheme by the Group at rates specified in the rules of the CPF scheme.

The Group’s subsidiaries operating in the PRC are also required to make contributions to state retirement benefit schemes in the PRC. The subsidiaries are required to contribute a specific percentage of the monthly salaries of the employees to the relevant schemes to fund the benefits. The only obligation of the Group with respect to these pension schemes is to make the specified contributions.

The branch of the Group’s subsidiary operating in Taiwan accrues pension cost equivalent to three percent of employee’s basic salary in accordance with the Labor Standards Law (“LSL”). Pension fund is deposited in the Central Trust of China, a custodian bank for employee pension fund designated by the government. Effective from 1st July, 2005, the branch adopted a defined contribution scheme (“New Scheme”) governed by the Labor Pension Act (“LPA”).

The employees who are subject to the Labor Standards Law regulations prior to the enforcement of LPA may choose to be covered under the New Scheme or may continue being covered under the pension scheme provided under LSL. Under the New Scheme, LPA prescribes that the pension contribution rate by an employer to an employee’s individual pension account per month shall not be less than six percent of each employee’s monthly salary or wage.

32. 關連人士交易

- (i) 截至二零零四年三月三十一日止年度，本集團向東莞市虎門鎮虎門寨居民委員會（「虎門寨居民委員會」，前稱「虎門寨管理區」）（本公司附屬公司東莞迪高一名少數股東之控股公司）支付租金244,000港元。所支付之有關款項乃根據本集團與虎門寨居民委員會於一九九八年十二月三十日及二零零零年七月二十四日訂立的兩份租約協議（統稱「舊協議」）條款，藉以在中國租賃廠房及員工宿舍。於二零零三年五月一日，本集團與虎門寨居民委員會訂立終止協議，即時終止舊協議。

於二零零三年四月二十八日，本集團與東莞市虎門鎮虎門寨經濟聯合社（「虎門寨經濟聯合社」，虎門寨居民委員會全資擁有之企業）訂立租約協議，藉以在中國租賃廠房及員工宿舍（「新協議」）。新協議已於二零零六年四月三十日屆滿。於二零零六年七月二十七日，本集團與東莞市虎門鎮虎門寨股份經濟聯合社（前稱虎門寨經濟聯合社）就租賃上述物業更新租賃協議（「更新協議」）。根據新協議及更新協議之條款，本集團在年度內已向東莞市虎門鎮虎門寨股份經濟聯合社支付租金2,169,000港元（二零零七年：2,043,000港元）。

- (ii) 於二零零零年四月二十六日，Veeko Manufacturing Company Limited（本公司全資擁有之附屬公司）及東莞市虎門企業發展有限公司（東莞迪高之一名少數股東），訂立補充合營企業合約，藉以將東莞迪高之總投資額及註冊股本由15,100,000港元增加至18,200,000港元。於二零零八年三月三十一日，本集團就向東莞迪高注資而擁有之尚未償還承擔為1,310,000港元（二零零七年：1,310,000港元）。

32. Connected Party Transactions

- (i) During the year ended 31st March, 2004, the Group paid rental expenses of HK\$244,000 to 東莞市虎門鎮虎門寨居民委員會 (the “虎門寨居民委員會”, formerly known as “虎門寨管理區”), the holding company of a minority shareholder of Dong Guan Dico, a subsidiary of the Company. The payment was made in accordance with the terms of two tenancy agreements entered into between the Group and 虎門寨居民委員會 on 30th December, 1998 and 24th July, 2000 (collectively the “Old Agreements”) for leasing of factory premises and staff quarters in the PRC. On 1st May, 2003, the Group entered into a termination agreement with 虎門寨居民委員會 to terminate the Old Agreements with immediate effect.

On 28th April, 2003, the Group entered into a tenancy agreement with 東莞市虎門鎮虎門寨經濟聯合社 (“虎門寨經濟聯合社”), an enterprise wholly owned by 虎門寨居民委員會, for leasing of factory premises and staff quarters in the PRC (the “New Agreement”). The New Agreement expired on 30th April, 2006. On 27th July, 2006, the Group renewed the tenancy agreement with 東莞市虎門鎮虎門寨股份經濟聯合社, formerly known as 虎門寨經濟聯合社 (the “Renewed Agreement”) for leasing of same premises. Pursuant to the terms of the New Agreement and the Renewed Agreement, the Group paid rental expenses of HK\$2,169,000 (2007: HK\$2,043,000) to 東莞市虎門鎮虎門寨股份經濟聯合社 during the year.

- (ii) On 26th April, 2000, Veeko Manufacturing Company Limited, a wholly-owned subsidiary of the Company, and 東莞市虎門企業發展有限公司, a minority shareholder of Dong Guan Dico, entered into a supplemental joint venture contract for increasing the total investment and the registered capital of Dong Guan Dico from HK\$15,100,000 to HK\$18,200,000. At 31st March, 2008, the Group had outstanding commitments amounting to HK\$1,310,000 (2007: HK\$1,310,000) in respect of the capital injection to Dong Guan Dico.

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31st March, 2008

截至二零零八年三月三十一日止年度

33. 關連人士披露

主要管理人員之補償

於年度內，董事及其他主要管理人員之薪酬如下：

短期福利
僱用後福利
以股份為基礎之償付

董事及主要行政人員之薪酬乃由薪酬委員會視乎個別表現及市場趨勢而釐定。

34. 結算日後事項

於二零零八年三月三十一日後，本集團已購置一項位於中國之物業，代價為人民幣22,000,000元。

35. 本公司資產負債表資料概要

於年終日，本公司資產負債表資料概要如下：

於非上市附屬公司之投資
應收附屬公司款項
其他流動資產
應付附屬公司款項
其他流動負債

資產淨值

股本
儲備

權益總額

33. Related Party Disclosures

Compensation of key management personnel

The remuneration of directors and other members of key management during the year was as follows:

	2008 千港元 HK\$'000	2007 千港元 HK\$'000
Short-term benefits	4,587	4,996
Post-employment benefits	60	70
Share-based payments	273	145
	<u>4,920</u>	<u>5,211</u>

The remuneration of directors and key executives is determined by the remuneration committee having regard to the performance of individuals and market trends.

34. Post Balance Sheet Events

Subsequent to 31st March, 2008, the Group acquired a property in the PRC for a consideration of RMB22,000,000.

35. Summarised Balance Sheet Information of the Company

The summarised balance sheet information of the Company at the balance sheet date is as follows:

	2008 千港元 HK\$'000	2007 千港元 HK\$'000
Investment in a subsidiary – unlisted	53,630	53,630
Amounts due from subsidiaries	295,336	256,384
Other current assets	876	519
Amounts due to subsidiaries	(218,368)	(209,316)
Other current liabilities	(260)	(175)
	<u>131,214</u>	<u>101,042</u>
Net assets		
Share capital	17,677	16,627
Reserves	113,537	84,415
	<u>131,214</u>	<u>101,042</u>
Total equity		

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31st March, 2008

截至二零零八年三月三十一日止年度

36. 主要附屬公司詳情

本公司於二零零八年及二零零七年三月三十一日的主要附屬公司的詳情如下：

36. Particulars of Principal Subsidiaries

Particulars of the principal subsidiaries of the Company as at 31st March, 2008 and 2007 were as follows:

附屬公司名稱 Name of subsidiary	註冊/ 成立地點 Place of incorporation/ establishment	已發行及 繳足股本/ 註冊資本 Issued and fully paid share capital/ registered capital	本公司所 持有已發行 股本/註冊 資本面值比例 Proportion of nominal value of issued capital/ registered capital held by the Company (附註a) (note a)	主要業務 Principal activities (附註b) (note b)
卡萊美化妝品有限公司 Colourmix Cosmetics Company Limited	香港 Hong Kong	1,000,000港元 HK\$1,000,000	100%	化妝品及護膚品零售 Retailing of cosmetics & skin care products
Colourmix Cosmetics Retail Company Limited	香港 Hong Kong	100,000港元 HK\$100,000	100%	化妝品及護膚品零售 Retailing of cosmetics & skin care products
東莞迪高時裝有限公司 (附註c) Dong Guan Dico Fashion Company Limited (note c)	中國 PRC	18,200,000港元 HK\$18,200,000	75%	成衣製造 Manufacturing of garments
珠海珠澳跨境工業區 美高時裝有限公司 (附註d) Meko Fashion (Zhuhai-Macau Cross Boarder Industrial Zone, Zhuhai) Company Limited (note d)	中國 PRC	13,000,000港元 HK\$13,000,000	100%	成衣製造 Manufacturing of garments
汕頭華南迪高時裝 有限公司 (附註d) Shantou Huanan Digao Fashion Company Limited (note d)	中國 PRC	8,000,000港元 HK\$8,000,000	100%	成衣製造 Manufacturing of garments
汕頭利高服飾 有限公司 (附註d)	中國 PRC	16,600,000港元 HK\$16,600,000	100%	在中國經營成衣零售及批發 Retailing and wholesaling of garments in PRC
汕頭盈高時裝有限公司 (附註d) Shantou Yingko Fashion Company Limited (note d)	中國 PRC	8,000,000港元 HK\$8,000,000	100%	成衣製造 Manufacturing of garments

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31st March, 2008

截至二零零八年三月三十一日止年度

36. 主要附屬公司詳情 (續)

36. Particulars of Principal Subsidiaries (Continued)

附屬公司名稱 Name of subsidiary	註冊/ 成立地點 Place of incorporation/ establishment	已發行及 繳足股本/ 註冊資本 Issued and fully paid share capital/ registered capital	本公司所 持有已發行 股本/註冊 資本面值比例 Proportion of nominal value of issued capital/ registered capital held by the Company (附註a) (note a)	主要業務 Principal activities (附註b) (note b)
汕頭韻高時裝有限公司 (附註d) Shantou Yungao Fashion Company Limited (note d)	中國 PRC	36,000,000港元 HK\$36,000,000	100%	成衣製造 Manufacturing of garments
Veeko Advertising Agency Company Limited	香港 Hong Kong	100港元 HK\$100	100%	提供廣告及宣傳服務 Provision of advertising and promotional services
威高時裝有限公司 Veeko Fashion Company Limited	香港 Hong Kong	2,400,000港元 HK\$2,400,000	100%	成衣零售 Retailing of garments
Veeko Fashion Far East Company Limited	英屬處女群島 British Virgin Islands	1美元 US\$1	100%	在台灣經營成衣零售 Retailing of garments in Taiwan
Veeko Fashion (Singapore) Pte Ltd.	新加坡 Singapore	1,000,000新加坡元 SGD1,000,000	100%	成衣零售 Retailing of garments
Veeko Holdings Limited	英屬處女群島 British Virgin Islands	618.56美元 US\$618.56	100%	投資控股 Investment holding
Veeko Manufacturing Company Limited	英屬處女群島 British Virgin Islands	1美元 US\$1	100%	在澳門經營布料及成衣買賣 Trading of fabrics and garments in Macau
威高貿易時裝有限公司 Veeko Trading Fashion Company Limited	香港 Hong Kong	600,000港元 HK\$600,000	100%	成衣買賣 Trading of garments

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31st March, 2008

截至二零零八年三月三十一日止年度

36. 主要附屬公司詳情 (續)

36. Particulars of Principal Subsidiaries (Continued)

附屬公司名稱 Name of subsidiary	註冊/ 成立地點 Place of incorporation/ establishment	已發行及 繳足股本/ 註冊資本 Issued and fully paid share capital/ registered capital	本公司所 持有已發行 股本/註冊 資本面值比例 Proportion of nominal value of issued capital/ registered capital held by the Company (附註a) (note a)	主要業務 Principal activities (附註b) (note b)
威高貿易(澳門離岸 商業服務)有限公司 Veeko Trading (Macao Commercial Offshore) Limited	澳門 Macau	100,000澳門幣 MOP100,000	100%	成衣買賣 Trading of garments
Wina Success Limited	香港 Hong Kong	100港元 HK\$100	100%	持有物業 Property holding
盈彩澳門有限公司 Ying Choi Macau Company Limited	澳門 Macau	100,000澳門幣 MOP100,000	100%	成衣製造 Manufacturing of garments

附註：

Notes:

- | | |
|--|---|
| <p>a. 本公司直接持有Veeko Holdings Limited的權益，上文所示所有權益由本公司間接持有。</p> | <p>a. The Company directly holds the interest in Veeko Holdings Limited. All other interests shown above are indirectly held by the Company.</p> |
| <p>b. 除上文主要業務一欄另有指明外，所有主要業務均於註冊/成立地點進行。</p> | <p>b. The principal activities are carried out in place of incorporation/establishment except as otherwise stated under principal activities above.</p> |
| <p>c. 本公司以合資企業公司之形式註冊。根據合資企業協議，本集團分佔本公司全數業績。</p> | <p>c. The company is registered in the form of equity joint venture company. Pursuant to the joint venture agreement, the Group is entitled to 100% result of this company.</p> |
| <p>d. 本公司以全資擁有外商投資企業之形式註冊。</p> | <p>d. The companies are registered in the form of wholly foreign owned enterprises.</p> |

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31st March, 2008

截至二零零八年三月三十一日止年度

36. 主要附屬公司詳情 (續)

上述附屬公司於年底或年內任何時間概無任何尚未償還的借貸資本。

上表列出董事認為於本年內主要影響本集團業績或於年終時構成本集團大部分資產淨值之附屬公司。董事認為列出其他附屬公司之詳情會令資料過於冗長。

36. Particulars of Principal Subsidiaries (Continued)

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

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

Financial Summary 財務摘要

業績

RESULTS

		截至三月三十一日止年度 Year ended 31st March,				
		2004	2005	2006	2007	2008
		千港元	千港元	千港元	千港元	千港元
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
營業額	TURNOVER	<u>446,227</u>	<u>509,208</u>	<u>581,315</u>	<u>642,287</u>	<u>754,224</u>
除稅前溢利	PROFIT BEFORE TAXATION	68,051	84,444	57,927	40,862	86,145
稅項	TAXATION	<u>(9,460)</u>	<u>(10,772)</u>	<u>(8,437)</u>	<u>(3,901)</u>	<u>(8,219)</u>
可派發予股東之溢利	PROFIT ATTRIBUTABLE TO SHAREHOLDERS	<u>58,591</u>	<u>73,672</u>	<u>49,490</u>	<u>36,961</u>	<u>77,926</u>

資產與負債

ASSETS AND LIABILITIES

		於三月三十一日 At 31st March,				
		2004	2005	2006	2007	2008
		千港元	千港元	千港元	千港元	千港元
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
總資產	TOTAL ASSETS	269,959	322,326	368,379	370,335	490,892
總負債	TOTAL LIABILITIES	<u>(37,600)</u>	<u>(43,323)</u>	<u>(75,230)</u>	<u>(71,559)</u>	<u>(118,487)</u>
股東資金	SHAREHOLDERS' FUNDS	<u>232,359</u>	<u>279,003</u>	<u>293,149</u>	<u>298,776</u>	<u>372,405</u>

採納新會計準則對二零零四年及二零零五年之金額並無重大影響，因此該等金額並無重列。

There is no material effect of the adoption of new accounting standards on the 2004 and 2005 amounts and therefore these amounts have not been restated.

Summary of Investment Properties 投資物業摘要

本集團於二零零八年三月三十一日的所
有全資擁有的投資物業的詳情如下：

Particulars of the Group's investment properties, all of which are wholly-owned,
at 31st March, 2008 are as follows:

物業	Properties	租賃期 Term of lease	用途 Purpose
香港新界葵涌大連排道 192-200號偉倫中心 二期15樓、1樓貨車位 L24號及2樓車位P65號及P68號	15th Floor, Lorry Space No. L24 on 1st Floor and Parking Spaces No. P65 and No. P68 on 2nd Floor, Wyler Centre Phase II 192 – 200 Tai Lin Pai Road Kwai Chung New Territories Hong Kong	中期 Medium-term	工業 Industrial
香港九龍長沙灣青山道 489-491號香港工業中心A座 3樓A13號及 7樓A8及A13號	A13 on 3rd Floor and A8 and A13 on 7th Floor, Block A, Hong Kong Industrial Centre, 489 – 491 Castle Peak Road Cheung Sha Wan Kowloon Hong Kong	中期 Medium-term	工業 Industrial

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VEEKO INTERNATIONAL HOLDINGS LIMITED

股份代號 Stock Code : 1173



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