



福田實業(集團)有限公司

Fountain Set (Holdings) Limited

The World's Finest Circular Knits. Since 1969.
世界優質圓筒針織，始於1969

Annual Report | 年報



2008



編織創意，活出新意
Knit Different. Live Different.

GROUP PROFILE

Fountain Set (Holdings) Limited and its subsidiaries are recognised in the industry as one of the world's largest circular knitted fabric manufacturers and has long been a driving force in the global market through its vertically integrated operations in spinning, knitting, dyeing, printing and finishing. The Group's product range also includes dyed yarns, sewing threads and garments. As a major fabric supplier to garment manufacturers in over 40 countries that supply to internationally renowned retail brands, Fountain Set's worldwide sales reached HK\$6.1 billion (US\$782 million) in the financial year 2008.

Headquartered in Hong Kong and listed on The Stock Exchange of Hong Kong Limited, Fountain Set (Holdings) Limited (SEHK: 420) has production facilities in the PRC, Sri Lanka and Indonesia, with marketing and representative offices in 8 countries and a global staff force of approximately 18,200.

To learn more about Fountain Set, please visit www.fshl.com

集團簡介

福田實業(集團)有限公司及其附屬公司被業界譽為世界最大的圓筒針織面料生產商之一，並一直通過提供紡紗、針織、染色、印花及整理等高度垂直之綜合服務而成為環球紡織行業的翹楚。集團產品亦包括色紗、縫紉線及成衣。福田實業向超過40個國家的成衣製造商提供面料，以製成國際知名品牌的成衣。福田實業於2008年財政年度的環球銷售額達61億港元(7.82億美元)。

福田實業(集團)有限公司之總部位於香港，並於香港聯合交易所有限公司上市(香港聯交所編號：420)，在中國、斯里蘭卡及印尼設有生產設施；海外市場推廣辦事處/代表處分佈8個國家，全球共聘用僱員約18,200人。

欲知更多福田實業資料，請瀏覽 www.fshl.com

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CORPORATE INFORMATION • 公司資料

Directors

Executive Directors

Mr. HA Chung Fong (*Chairman*)

Mr. LAU Hong Yon

Mr. HA Kam On, Victor

Dr. YEN Gordon

Mr. WAI Yick Man

Non-executive Directors

Mr. HA Hon Kuen

Mrs. FUNG YEH Yi Hao, Yvette

Independent Non-executive Directors

Mr. NG Kwok Tung

Mr. WONG Kwong Chi

Mr. CHOW Wing Kin, Anthony, SBS, JP

Company Secretary

Mr. WONG Kin Man

Qualified Accountant

Mr. CHUI Pak Shing

Registered Office & Principal Place of Business

Block A, 7/F, Eastern Sea Industrial Building

29-39 Kwai Cheong Road, Kwai Chung, New Territories, Hong Kong

Website

www.fshl.com

Principal Bankers

Standard Chartered Bank (HK) Limited

The Hongkong and Shanghai Banking Corporation Limited

Bank of China (Hong Kong) Limited

Solicitors

Vivien Chan & Co.

Auditor

Deloitte Touche Tohmatsu

Certified Public Accountants

Share Registrar

Tricor Secretaries Limited

26/F, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong

董事

執行董事

夏松芳先生 (主席)

柳康遠先生

夏錦安先生

嚴震銘博士

衛億民先生

非執行董事

夏漢權先生

馮葉儀皓女士

獨立非執行董事

伍國棟先生

王幹芝先生

周永健先生，銀紫荊星章，太平紳士

公司秘書

黃建文先生

合資格會計師

崔伯勝先生

註冊辦事處及主要營業地點

香港新界葵涌葵昌路29-39號

東海工業大廈A座7字樓

網址

www.fshl.com

主要往來銀行

渣打銀行(香港)有限公司

香港上海滙豐銀行有限公司

中國銀行(香港)有限公司

律師

陳韻雲律師行

核數師

德勤·關黃陳方會計師行

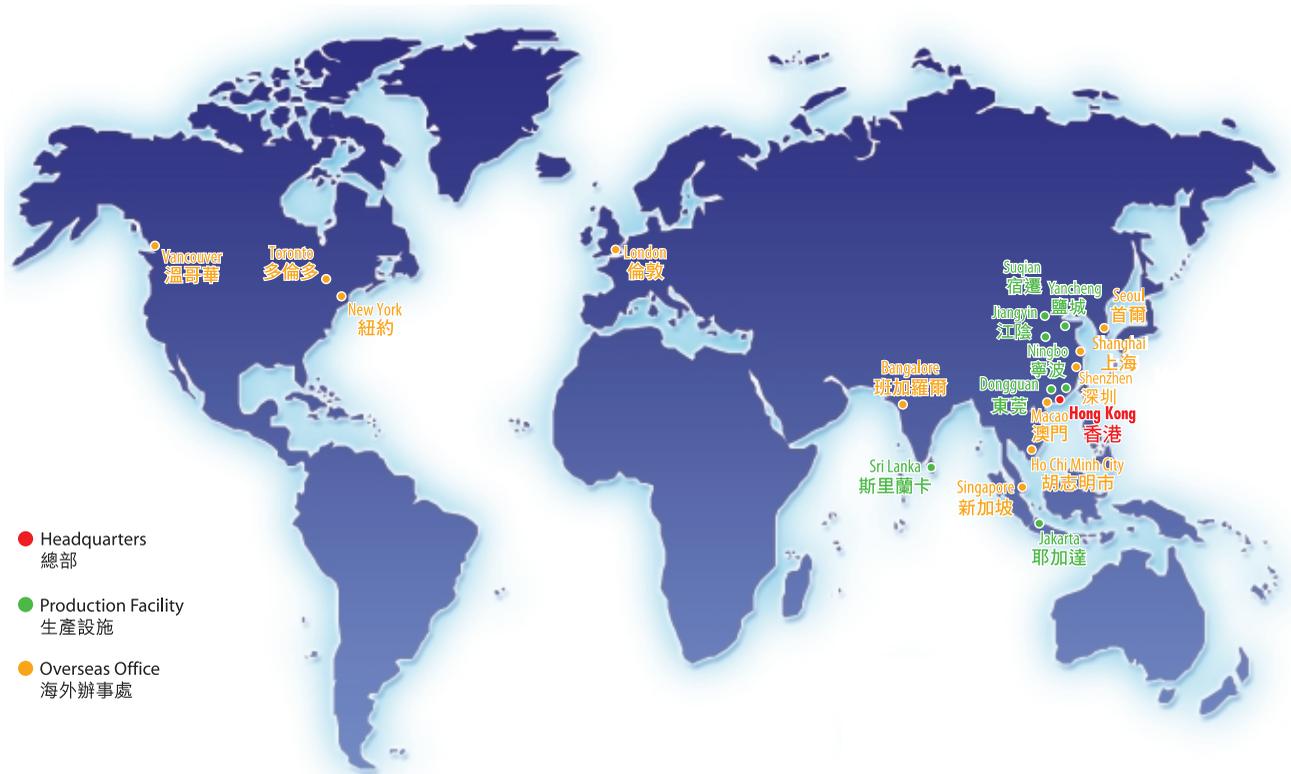
執業會計師

股份登記處

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

EXTENSIVE WORLDWIDE NETWORK • 強大環球網絡



- Headquarters
總部
- Production Facility
生產設施
- Overseas Office
海外辦事處

HEADQUARTERS • 總部

HONG KONG 香港

Fountain Set (Holdings) Limited
福田實業(集團)有限公司

PRODUCTION FACILITY • 生產設施

CHINA 中國

COTTON SPINNING 棉紡

Jiangmen Huilian Textile Company Limited
江門市匯聯紡織有限公司

Kaiping Hui Hua Textiles Limited
開平匯華紡織有限公司

Shaoguan City Huiye Textiles Limited
韶關市匯業紡織有限公司

KNITTING & DYEING 針織及染色

Jiangyin Fuhui Textiles Limited
江陰福匯紡織有限公司

Yancheng Fuhui Textiles Limited
鹽城福匯紡織有限公司

KNITTING, DYEING & PRINTING 針織染色及印花

Dongguan Shatin Lake Side Textiles
Printing & Dyeing Co., Ltd.
東莞沙田麗海紡織印染有限公司

GARMENT MANUFACTURING 製衣

Dongguan Fuyuen Garment Limited
東莞福源製衣有限公司

Dong Guan Hai Xing Apparel Co., Ltd.
東莞海星服裝有限公司

Dongguan Fuquan Garment Co., Ltd.
東莞福泉製衣有限公司

Dongguan Fu Yi Apparel Co., Ltd.
東莞福怡服裝有限公司

Ningbo Young Top Garments Co., Ltd.
寧波創裕製衣有限公司

Jiangyin Fuhui Textiles Limited
江陰福匯紡織有限公司

Suzhou Young Top Garments Co., Ltd.
蘇州創裕製衣有限公司

SEWING THREADS MANUFACTURING 縫紉線生產

Dongguan Goldlink Thread Factory Co., Ltd.
東莞金菱線廠有限公司

TEXTILE MACHINERY MANUFACTURING 紡織機械生產

Jiangyin Jintian Machinery Limited
江陰金田機械有限公司

JAKARTA 耶加達

GARMENT MANUFACTURING 製衣

P.T. Sandang Mutiara Cemerlang
P.T. Higon International

SRI LANKA 斯里蘭卡

KNITTING & DYEING 針織及染色

Ocean Lanka (Private) Limited
海洋蘭卡(私人)有限公司

TRADING OFFICE • 辦事處

CHINA 中國

SALES OF DYED FABRICS & YARNS 色布及紗銷售

Shenzhen Faun Textiles Limited
深圳福力紡織品有限公司

Shanghai Fuhui Textiles Trading Co., Ltd.
上海福匯紡織貿易有限公司

HONG KONG 香港

RAW MATERIALS SOURCING 原料採購

Highscene Limited
漢盛有限公司

SALES OF DYED FABRICS & YARNS 色布及紗銷售

Fountain Set Limited
福田實業有限公司

SALES OF SEWING THREADS 縫紉線銷售

Goldlink Thread Limited
金菱線廠有限公司

SALES OF GARMENTS 成衣銷售

Hiway Textiles Limited
海匯紡織有限公司

OceanStar Textiles International Limited
海星紡織國際有限公司

Triumph Luck Limited
凱福有限公司

MACAO 澳門

RAW MATERIALS SOURCING 原料採購

Prosperlink (Macao Commercial Offshore) Limited
匯漢(澳門離岸商業服務)有限公司

TORONTO 多倫多

SALES OF DYED FABRICS & GARMENTS 色布及成衣銷售

Fountain Set Textiles (Ontario) Limited
福田紡織(安省)有限公司

VANCOUVER 溫哥華

SALES OF DYED FABRICS & GARMENTS 色布及成衣銷售

Fountain Set Textiles (B.C.) Limited
福田紡織(B.C.)有限公司

MARKETING / REPRESENTATIVE OFFICE • 市場推廣辦事處 / 代表處

LONDON 倫敦

Fountain Set (UK) Limited
福田實業(UK)有限公司

NEW YORK 紐約

Fountain Set (U.S.A.) Inc.
福田實業(U.S.A.)有限公司

BANGALORE 班加羅爾

Fountain Set Limited - Indian Liaison Office
福田實業有限公司 - 印度代表處

HO CHI MINH CITY 胡志明市

Fountain Set (Singapore) Pte. Limited
- Vietnam Representative Office
福田實業(新加坡)私人有限公司
- 越南代表處

SEOUL 首爾

Fountain Set Limited
- Korean Liaison Office
福田實業有限公司 - 韓國代表處

SINGAPORE 新加坡

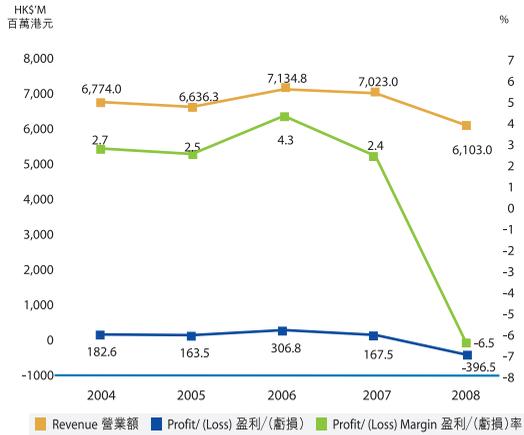
Fountain Set (Singapore) Pte. Limited
福田實業(新加坡)私人有限公司

FINANCIAL AND STATISTICAL HIGHLIGHTS • 財務及統計摘要

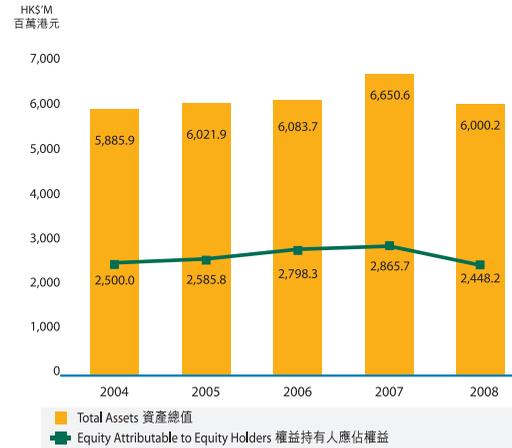
		2008 HK\$Mil 百萬港元	2007 HK\$Mil 百萬港元	Changes 變動
Operating Results	營運業績			
Revenue	營業額	6,103.0	7,023.0	-13.1%
(Loss) Profit	(虧損) 盈利			
Total	總值	(396.5)	167.5	-336.7%
(Loss) Profit margin	(虧損) 盈利率	(6.5%)	2.4%	
(Loss) Profit per share (cents)	每股(虧損) 盈利(仙)			
– Basic	– 基本	(49.9)	21.1	-336.7%
Dividends	股息			
(after inclusion of proposed final dividend)	(已包括擬付之末期股息在內)			
Per share (cents)	每股(仙)	1.0	8.0	-87.5%
Dividend payout ratio	派息比率	N/A	37.9%	
Financial Position at Year End	於年度終結時之財務狀況			
(after inclusion of proposed final dividend)	(已包括擬付之末期股息在內)			
Net current assets	流動資產淨值	2,173.8	2,490.0	-12.7%
Total assets	資產總值	6,000.2	6,650.6	-9.8%
Long-term bank borrowings	長期銀行借貸	1,732.1	1,776.8	-2.5%
Bank borrowings	銀行借貸	2,283.9	2,186.1	4.5%
Net bank borrowings	銀行借貸淨值	1,598.4	1,394.9	14.6%
Total liabilities	負債總值	3,552.1	3,816.7	-6.9%
Tangible net worth	有形淨值	2,448.2	2,833.9	-13.6%
Net asset value per share (HK\$)	每股資產淨值(港元)	3.08	3.57	-13.6%
Capital expenditure	資本開支	524.6	354.8	47.9%
(after inclusion of interest capitalised)	(已包括化作資產之利息在內)			
Financial Statistics	財務統計			
(after inclusion of proposed final dividend)	(已包括擬付之末期股息在內)			
Current ratio	流動比率	2.46	2.37	
Long-term bank borrowings ratio	長期銀行借貸比率	0.71	0.63	
Bank borrowings ratio	銀行借貸比率	0.93	0.77	
Net bank borrowings ratio	銀行借貸淨值比率	0.65	0.49	
Gearing ratio	資本負債比率	1.45	1.35	
Return before tax on average equity	除稅前之平均股東基金回報率	(15.0%)	6.6%	
Interest cover ratio	利息比率	(3.61)	2.76	

FINANCIAL AND STATISTICAL HIGHLIGHTS • 財務及統計摘要

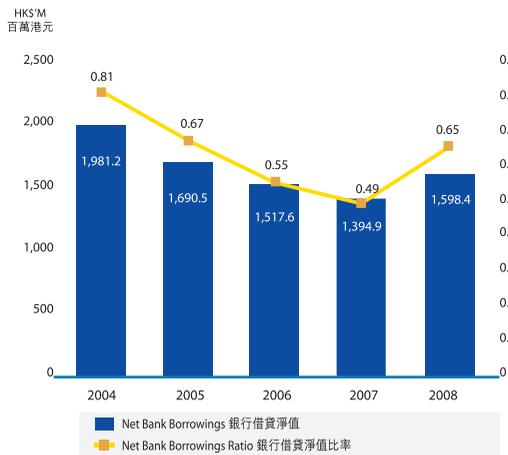
Revenue, Profit/ (Loss) and Profit/ (Loss) Margin
營業額、盈利/(虧損)及盈利/(虧損)率



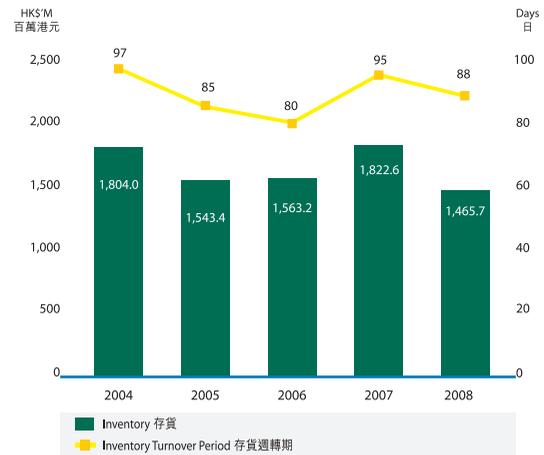
Total Assets and Equity Attributable to Equity Holders
資產總值及權益持有人應佔權益



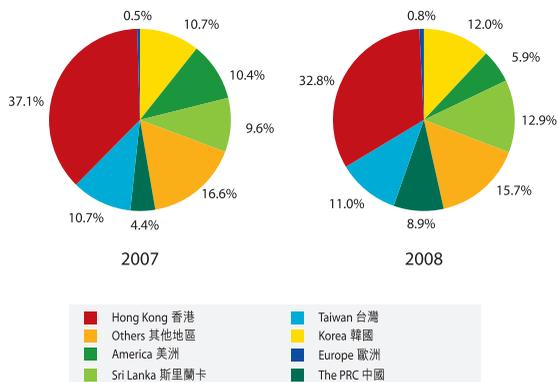
Net Bank Borrowings and Net Bank Borrowings Ratio
(after inclusion of proposed final dividend)
銀行借貸淨值及銀行借貸淨值比率 (已包括擬付之末期股息在內)



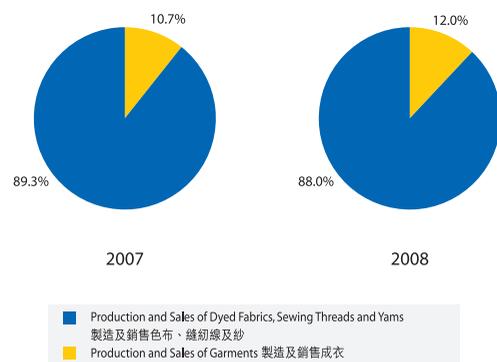
Inventory and Inventory Turnover Period
存貨及存貨週轉期



Source of Revenue by Geographical Segments
(billing addresses of customers)
營業額—按地域分類 (按客戶帳單地址)



Source of Revenue by Business Segments
營業額—按業務分類



FINANCIAL SUMMARY • 財務概要

CONSOLIDATED INCOME STATEMENT

綜合收益賬

		Year ended 31st August, 截至八月三十一日止年度				
		2004	2005	2006	2007	2008
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
Revenue	營業額	6,773,986	6,636,298	7,134,788	7,022,991	6,103,045
Profit (loss) from ordinary activities	日常業務盈利(虧損)	250,654	224,440	387,193	228,010	(371,125)
Share of results of jointly controlled entities	應佔共同控制機構業績	—	(409)	—	—	—
Reversal of impairment loss on amounts due from jointly controlled entities	共同控制機構所欠款項的減值損失撥回	—	2,163	1,040	540	21,907
Profit (loss) before taxation	除稅前盈利(虧損)	250,654	226,194	388,233	228,550	(349,218)
Income tax charge	所得稅支出	(32,961)	(26,107)	(41,145)	(16,240)	(9,179)
Profit (loss) for the year	是年度盈利(虧損)	217,693	200,087	347,088	212,310	(358,397)
Attributable to:	應佔：					
Equity holders of the Company	本公司權益持有人	182,631	163,490	306,772	167,481	(396,451)
Minority interests	少數股東權益	35,062	36,597	40,316	44,829	38,054
		217,693	200,087	347,088	212,310	(358,397)

FINANCIAL SUMMARY • 財務概要

CONSOLIDATED BALANCE SHEET

綜合資產負債表

		At 31st August, 於八月三十一日				
		2004	2005	2006	2007	2008
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
Non-current assets	非流動資產	2,178,269	2,364,403	2,263,256	2,347,435	2,337,638
Current assets	流動資產	3,707,615	3,657,541	3,820,430	4,303,204	3,662,577
Current liabilities	流動負債	1,435,503	1,298,030	1,248,522	1,781,472	1,488,830
Net current assets	流動資產淨值	2,272,112	2,359,511	2,571,908	2,521,732	2,173,747
Total assets less current liabilities	資產總值減流動負債	4,450,381	4,723,914	4,835,164	4,869,167	4,511,385
Non-current liabilities	非流動負債	1,756,776	1,944,698	1,835,514	1,784,711	1,812,191
Net assets	資產淨值	2,693,605	2,779,216	2,999,650	3,084,456	2,699,194
Capital and reserves	資本及儲備					
Share capital	股本	158,802	158,802	158,802	158,802	158,802
Reserves	儲備	2,341,169	2,427,001	2,639,513	2,706,858	2,289,353
Equity attributable to equity holders of the Company	本公司權益持有人應佔權益	2,499,971	2,585,803	2,798,315	2,865,660	2,448,155
Minority interests	少數股東權益	193,634	193,413	201,335	218,796	251,039
Total equity	權益總值	2,693,605	2,779,216	2,999,650	3,084,456	2,699,194

CHAIRMAN'S STATEMENT • 主席報告

FELLOW SHAREHOLDERS

On behalf of the Board, I would like to report to shareholders the results of the Group for the year ended 31st August, 2008. The revenue was approximately HK\$6,103,045,000, a decrease of 13.1% over last year. Loss attributable to shareholders amounted to approximately HK\$396,451,000; if excluding the total costs of HK\$220,238,000 (net of tax) in relation to the reduction of production capacity of Dongguan Fuan Textiles Limited ("Dongguan Fuan"), one of the Group's jointly owned subsidiaries located in Dongguan, Guangdong province, China, loss attributable to shareholders was approximately HK\$176,213,000. Net loss margin after excluding the aforesaid total costs for the period under review was 2.9%, a decrease of 5.3 percentage point over the same period last year. Basic loss per share was HK49.9 cents, compared to basic earnings per share of HK21.1 cents in 2007.

DIVIDEND

The Board has resolved not to pay any final dividend for the year ended 31st August, 2008. The total dividend for the year will be HK1 cent per share, compared to HK8 cents per share of last year.

BUSINESS OUTLOOK

The year ended 31st August, 2008 was one of the most difficult in Fountain Set's history. It was the first time the Group registered a loss in our financial performance. However, through appropriate actions to overcome upcoming challenges and a cash on hand of approximately HK\$680,800,000 as of end of August 2008, the management believes that we have the ability to improve the Group's performance within the near future.

During the year under review, global economies and consumer confidence, in particular those of the United States ("US") and Europe which are major ultimate markets for our products, were impacted by a sharp rise in commodity prices including chemicals and oil which are important cost components in the Group's production. At the same time, manufacturers in China, including the Group, were experiencing rampant inflation in employment and operating costs. In addition, the Chinese government continued to implement new policies to cool an overheated domestic economy as well as to reduce trade surplus.

致各股東

本人謹代表董事會向各股東匯報本集團截至二零零八年八月三十一日止年度之業績。營業額約6,103,045,000港元，與去年比較下跌13.1%。倘若撇除東莞福安紡織印染有限公司（「東莞福安」），一間集團位於中國廣東省東莞的合資子公司，縮減生產能力造成的總支出（除稅後）220,238,000港元後，股東應佔虧損約為176,213,000港元；否則，股東應佔虧損約為396,451,000港元。回顧期內扣除上述總支出的淨虧損率為2.9%，與去年同期相比下跌5.3個百分點。每股基本虧損為49.9港仙，相對於二零零七年每股基本盈利為21.1港仙。

股息

董事會決定就截至二零零八年八月三十一日止年度不派發任何末期股息。全年股息合共為每股1港仙，相對去年的為每股8港仙。

業務展望

截至二零零八年八月三十一日止年度是福田集團歷史上最為困難的一個年度。集團首次在財務表現上錄得虧損。然而，藉著適當的行動以克服未來挑戰以及所持現金約680,800,000港元，管理層相信有能力在短期內可改善集團的表現。

在回顧年度內，包括構成集團生產重要成本的化工及原油等商品價格飆升，對全球經濟及消費者信心造成影響，尤以作為集團產品主要終端市場的美國及歐洲地區為甚。同時，包括集團在內的中國製造商在勞工和營運成本方面經歷著嚴重的通脹。再則，中國政府繼續推行新的政策，以為過熱的國內經濟降溫並減少貿易順差。

CHAIRMAN'S STATEMENT • 主席報告

Under such environment, the management of the Group made a rapid but difficult decision, for reasons stated in the interim report, to significantly reduce the production capacity of Dongguan Fuan and gradually transferred part of the production capacity to other facilities of the Group. The Group's decision was an important initiative that will enable the Group to more efficiently allocate resources in the future to ensure long term sustainability and competitiveness.

The overall market has undergone drastic changes since the second quarter of calendar 2008. It is marked by the outbreak of the US sub-prime mortgage crisis which has since grown into a global financial crisis which has had highly negative impact on the global economy and the consumer markets, especially those in the US and Europe. On the back of disappointing sales results coupled with uncertain outlook for the year 2009, many retailers and brands have announced plans for store closure. The volatile market conditions and changing operating environment have created utmost challenges for all players in the textiles and apparel industry. Looking forward, the macro uncertainty triggered by the global financial crisis continues to cloud market transparency. In spite of the recent downward adjustments in material and international fuel prices, manufacturers in China will continue to face cost pressure resulting from domestic cost issues as well as the reduction in export order volume due to weakness in overseas markets. The Group is implementing various measures, as mentioned below, to tackle the challenges ahead. Nevertheless, we believe the overall market will continue to be difficult for the coming year which will further dwindle the room for survival of smaller and weaker competitors.

Following significant reduction in Dongguan Fuan's production capacity, the Group had to limit sales volume of fabrics in the second half of the year under review to accommodate the lower capacity. Some of the reduced capacity has been gradually restored over the past few months and the fabrics sales volume of the Group has recently started increasing. It is anticipated that the total fabrics sales volume for the first half of the next financial year will still be lower compared to the same period of the year under review due to overall lower capacity and weaker market demand. However, recovery can be expected during the second half of the next financial year through regaining market share. Moreover, Dongguan Fuan has entered into a non-legally binding letter of intent with an independent third party in China for the proposed disposal of Dongguan Fuan's total land and property interests in Dongguan, Guangdong province, China. Since the negotiations relating to this proposed disposal is still on going, the management believes it is appropriate to reduce the amount of impairment relating to the reduction of capacity at Dongguan Fuan from the amount stated in the interim report to the level stated in this report.

面對如此環境，集團管理層基於中期報告已指出的原因做出了迅速然而艱難的決定，大幅縮減了東莞福安的生產能力，並將部分生產設施逐步轉移至集團的其它廠房。集團此決定是一項長遠確保業務持續性及競爭力的重要措施，得以令集團在未來更加有效的配置資源。

踏入二零零八年第二季後，市場環境出現重大變化。期內，美國爆發次按危機並演變為全球金融危機，對世界經濟和消費者市場尤其是美國及歐洲地區造成沉重打擊。鑒於銷售業績欠佳並二零零九年前景不為明朗，眾多零售商及品牌已宣佈關閉店舖之計劃。此波動市況及經營環境轉變為紡織服裝行業全體企業營造重重挑戰。展望未來，全球金融危機引發的宏觀不明朗因素繼續為前景增添陰霾。儘管近期原料和國際能源價格出現向下調整，中國製造商仍將繼續面對由國內問題引致的成本壓力及海外市場疲弱導致出口訂單量下降。集團正推行多項下列措施以應付未來挑戰，但我們相信未來一年的整體市場仍將困難重重，較弱小競爭對手的生存空間將進一步收窄。

繼大幅縮減東莞福安的生產能力後，於回顧年度的下半年度，集團不得限制布料銷售量，以配合較低的生產能力。過去數月，部分縮減的產能已經逐步恢復，集團最近的布料銷售量亦因而開始回升。預期在下一年度的首半年度，整體的布料銷售量將因為整體產能較低及市場需求疲弱較回顧年度的同一時期為低。然而在下一年度的後半年預期會可藉著恢復市場份額而出現恢復。此外，東莞福安已與一中國的獨立第三方訂立一不具法律約束力的意向書，以出售其位於中國廣東省東莞的全部土地及物業權益。由於相關的建議出售談判仍處於進行當中，管理層認為把東莞福安減產相關的減值金額由中期報告提及之金額降低至此報告中的水平是恰當的。

CHAIRMAN'S STATEMENT • 主席報告

We believe that China's economic fundamentals appear to remain sound in spite of the global financial crisis with many factors that support economic growth remaining intact. These include high savings rate, availability of work force, quality of education, improving infrastructure and rapid urbanization. In addition, China's fiscal position is one of the best in the world. Therefore, the Group will continue to strategically target new clients in China as the local consumer preference shift towards better product quality, safety and innovations. Our domestic sales have shown continuous improvement since the launch of the "fabric by Fountain Set™" brand which was actively showcased in various trade shows in China over the past few years. We anticipate that our domestic sales for textiles and apparel in China will continue to increase over the next few years.

Based on the maturity of the textiles and apparel supply chain in China coupled with the anticipated growth of domestic demand for better quality products, China will continue to be the hub of the Group's manufacturing operations. Nevertheless, for better geographical diversification, the Group has been operating major textiles production facilities in Dongguan of the Pearl River Delta as well as Jiangyin in the Southern part of Jiangsu province of the Yangtze River Delta. In early 2008, the Group started construction of a new fabric mill in Yancheng in the Northern part of Jiangsu province. The latest target for commencement of production in Yancheng is around the middle of year 2009. Many of the machineries to be installed at this facility will be supplied by the Group's subsidiary Jiangyin Jintian Machinery Limited. During the first six months of operation, dyed fabrics production capacity will gradually increase to around 2-3 million pounds per month. The potential for future expansion of this plant would give the Group ample opportunity for growth as domestic consumption in China increases.

With the joint venture investment in a new garment production business last year, it is anticipated that the overall production capacity of the Group's garment business will continue to gradually increase in the next financial year. Apart from the existing garment production sites in Ningbo and Dongguan of China as well as Jakarta of Indonesia; the Group has further expanded production sites to Jiangyin and Suqian in Jiangsu province of China during the year under review. Besides servicing customers in the US and the Europe, it is also the strategy of our garment business to expand into the domestic market to capture the increasing demand from the growing retail market in China.

我們相信儘管發生全球金融危機，中國經濟的基本層面仍然保持健康，眾多支持經濟增長的因素依舊存在。這些因素包括：較高的儲蓄率、充足的勞動力、教育質量、基礎設施不斷改善以及城市化進程加速。此外，中國的財政狀況在世界上屬於最佳之列。因此，因應本土消費者轉向選擇較優質、安全及創新的產品，集團將繼續策略性地以位於中國的新客戶為銷售目標。「紡特適™面料」品牌發佈以來，過往年間在中國積極參與多個貿易展覽會，本土銷售自此亦持續呈現出改善。預期集團在中國的布料及成衣銷售將繼續在未來年間錄得增長。

依據中國紡織服裝供應鏈條的成熟，兼之預期的國內對更優質產品需求的增長，中國將繼續作為集團生產運作的中心。然而，為達致更佳的地域分散，集團已於珠江三角洲的東莞和長江三角洲的江蘇省南部江陰營運其主要紡織設施。在二零零八上半年度，集團已開始在江蘇省北部的鹽城建設一所全新的布料廠房。最新的投產目標約在二零零九年中。廠房安裝的許多機械將由集團的子公司，江陰金田機械有限公司提供。於投產後的首六個月間，色布生產能力將逐漸增加到每月約2-3百萬磅。隨著中國國內消費的增長，這廠房未來擴張的潛能將為集團提供充份的發展機會。

隨著上一年度在一新成衣合資公司上的投資，集團預期成衣業務的整體生產能力將於下一財政年度繼續逐漸增長。除了現於中國寧波和東莞、印尼耶加達設有若干成衣生產廠房，回顧期內集團更擴展生產場所至中國江蘇省的江陰及宿遷。除繼續服務美國及歐洲客戶，拓展國內市場亦成為集團的成衣業務戰略，以捕捉來自中國零售市場持續增長的需求。

CHAIRMAN'S STATEMENT • 主席報告

In addition, the Group will continue to implement cost savings and sustainability initiatives such as installation of energy saving devices and increase in recycling of water for industrial production. The Group will also further optimize its operations and infrastructure to cope with the current market conditions while maintaining a solid foundation to support future growth. These initiatives include the ongoing review of management functions such as cost and performance measurement, risk management and corporate governance. The Group will also focus on reducing the net gearing ratio to a more sustainable level over the next few years by improving profitability, seeking disposal of non-core properties as well as implementation of tighter control over cost, working capital and capital expenditure.

Based on the current assessment, the Group expects the industry environment in the coming financial year to remain challenging and maintains a conservative view on the Group's performance. However, with our strategically located fabric mills in Dongguan, Jiangsu and Sri Lanka, the expansion in garment business as well as the growth in domestic sales in China, we are well positioned to increase our market share following consolidation of the supply chain and when market demand gradually recovers in the future. Therefore, we are relatively more optimistic on the business outlook for the longer term.

ACKNOWLEDGEMENT

Finally, I would like to thank our employees around the world for their dedicated efforts throughout the year. I am grateful to my fellow directors for their countless contribution and support. On behalf of the Group, I express my sincere appreciation to our shareholders, customers, partners and vendors for their continuous support.

On behalf of the Board

HA Chung Fong
Chairman

Hong Kong
12th December, 2008

此外，集團將繼續推行成本節約和可持續發展措施，例如安裝節能設備並增加工業用水回收。集團亦將深入優化其經營活動與基礎設施，以配合當前的市場狀況並維持支持長遠發展的堅實基礎。這些措施包括正在檢視當中的成本和績效考核、風險管理及企業管治等管理功能。集團還將專注於在未來數年內，通過改善盈利能力，尋求出售非核心資產以及實施從緊的成本、營運資本和資本開支之控制，以降低淨資本負債比率至更具持續性的水平。

按現狀估計，集團預期下一財政年度的行業環境仍將充滿挑戰並對集團表現維持保守的展望。然而，隨著集團在東莞、江蘇及斯里蘭卡間戰略性的分配布料廠房、擴充成衣業務以及於中國國內銷售的增長，集團正處於有利位置，在供應鏈整合及未來市場需求逐漸復蘇後增加市場佔有率。因此，集團對長期的業務展望感到較為樂觀。

鳴謝

最後，本人感謝環球僱員在全年的專注努力。本人感激各位董事的無數貢獻及支持。本人謹代表集團對股東、客戶、業界友好及供應商的長期支持，致以真誠感激。

代董事會

主席
夏松芳

香港
二零零八年十二月十二日

MANAGEMENT DISCUSSION AND ANALYSIS • 管理層討論及分析

BUSINESS REVIEW

During the year under review, the loss of the Group was approximately HK\$396,451,000, if excluding the total costs of HK\$220,238,000 (net of tax) in relation to the reduction of production capacity of Dongguan Fuan, loss margin was 2.9%, a drop of 5.3 percentage point. The Gross Profit margin also decreased due to increases in significant cost items such as material, energy, wages as well as the reduction in rebate of export related value added tax. Moreover, significant reduction in the capacity of Dongguan Fuan lead to a short term disruption in overall production allocation and planning of the fabric sector, thus resulting in an increase in manufacturing cost of the Group.

Production and Sales of Dyed Fabrics, Sewing Threads and Yarns

During the year under review, revenue from the production and sales of dyed fabrics, sewing threads and yarns reached approximately HK\$ 5,373,062,000, a decrease of 14.3% as compared with last year, and accounted for 88.0% of the Group's total revenue.

Production and Sales of Garments

Annual revenue from the production and sales of garments was approximately HK\$729,983,000, a decrease of 2.9% as compared with last year, and accounted for 12.0% of the Group's total revenue.

Analysis by Customer Geographical Regions

The Group's major customers were garment manufacturers located in Asia and accounted for approximately 93.3% of the Group's total revenue, a slight increase of 4.1 percentage points when compared with 89.2% of last year. The remaining 6.7% was generated from sales to customers based in America and Europe. A more substantial growth was achieved in business with customers based in China where the Group has established local marketing offices and fabric mills.

業務回顧

在回顧年度內，集團的虧損約為396,451,000港元。倘若撇除東莞福安縮減生產能力造成的總支出(除稅後)220,238,000港元後，淨虧損率為2.9%，與去年同期相比下跌5.3個百分點。毛利率亦因主要成本要素如原料、能源、人工的增加以及出口退稅下調而減少。此外，大幅縮減東莞福安的生產能力引致布料部整體生產調配和計劃上有所短暫擾亂，因此生產成本亦有所增加。

製造及銷售色布、縫紉線及紗

在回顧年度內，製造及銷售色布、縫紉線及紗的營業額達到5,373,062,000港元，與去年相比下跌14.3%，佔集團營業額總值的88.0%。

製造及銷售成衣

製造及銷售成衣的全年營業額約729,983,000港元，比去年減少2.9%，佔集團營業額總值的12.0%。

客戶所屬地域分析

集團之主要客戶為位於亞洲的成衣製造商，佔集團營業額總值約93.3%，與去年的89.2%相比輕微上升4.1個百分點。而餘下的6.7%則來自銷售予位於美洲及歐洲的客戶。其中位於中國的客戶的業務錄得較為顯著的增長，而集團在當地設有市場推廣辦事處及布料廠房。

MANAGEMENT DISCUSSION AND ANALYSIS • 管理層討論及分析

FINANCIAL REVIEW

Liquidity and Financial Information

At 31st August, 2008, the Group's total assets amounted to approximately HK\$6,000,215,000, representing an decrease of approximately HK\$650,424,000 over last year. Total assets included non-current assets of approximately HK\$2,337,638,000 and current assets of approximately HK\$3,662,577,000. The above assets were financed by current liabilities of approximately HK\$1,488,830,000, non-current liabilities of approximately HK\$1,812,191,000, minority interests of approximately HK\$251,039,000 and equity attributable to shareholders of approximately HK\$2,448,155,000.

The Group met its funding requirements in its usual course of operation by cash flows from operations, as well as long-term and short-term borrowings. The capital expenditure was mainly financed by long-term borrowings.

Bank borrowings and obligations under finance leases totally increased by approximately HK\$97,792,000 and the total amount of short-term bank deposits, bank balances and cash decreased by approximately HK\$108,000,000.

At 31st August, 2008, the principal financial ratios were as follows:

Gearing ratio	資本負債比率	1.45	1.35
Bank borrowings ratio	銀行借貸比率	0.93	0.77
Net bank borrowings ratio	銀行借貸淨值比率	0.65	0.49

The sales of the Group are mainly denominated in Hong Kong dollars and US dollars and the purchase of raw materials is mainly made in Hong Kong dollars, US dollars and Renminbi. Bank borrowings are also denominated in Hong Kong dollars, US dollars and Renminbi and interests are mainly charged on a floating rate basis. In addition, the Group mainly operates in China and is exposed to foreign exchange risk arising from Renminbi exposure. The fluctuations in the US dollars and Renminbi have always been the concern of the Group. In order to mitigate the foreign currency risk and interest rate risk, the Group will enter into appropriate hedging arrangements in accordance with the Group's risk management policies.

財務回顧

流動資金及財務資料

於二零零八年八月三十一日，集團資產總值約6,000,215,000港元，比去年減少約650,424,000港元。資產總值包括非流動資產約2,337,638,000港元及流動資產約3,662,577,000港元。上述資產由流動負債約1,488,830,000港元、非流動負債約1,812,191,000港元、少數股東權益約251,039,000港元及股東應佔權益約2,448,155,000港元提供融資。

集團以營運所得現金流量及銀行的長短期貸款應付日常資金需要，而資本開支則主要由長期貸款撥付。

銀行借貸及財務租賃應付賬款合共增加約97,792,000港元，短期銀行存款、銀行結存及現金總值下跌約108,000,000港元。

於二零零八年八月三十一日，主要的財務比率如下：

	2008 二零零八年	2007 二零零七年
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本集團之銷售以港元及美元為主，原料採購則以港元、美元及人民幣為主。銀行借貸亦以港元、美元及人民幣為單位，利息主要以浮動利率計算。此外，本集團主要於中國經營業務，故涉及人民幣所產生之外匯風險。本集團一直關注美元與人民幣匯率之波動。為降低外匯及利率風險，本集團會依據風險管理政策作出合適的對沖安排。

MANAGEMENT DISCUSSION AND ANALYSIS • 管理層討論及分析

Capital Expenditure

During the year, the Group invested approximately HK\$520,586,000 (2007: HK\$350,073,000) in property, plant and equipment and prepaid lease payments, which includes the impact from increases in buildings material costs during construction of the new Yancheng fabric mill. The Group expects that capital expenditure for the next financial year will be approximately HK\$175 million.

Charge over Assets

The Group's obligations under finance leases are secured by the lessor's charge over the lease assets. At 31st August, 2008, the carrying value of those plant and machinery held under finance leases was nil (2007: HK\$30,526,000) and the amount of obligations under finance leases was nil (2007: HK\$439,000).

Inventory

The Group's inventory approximately amounted to HK\$1,465,681,000 as of 31st August, 2008 (2007: HK\$1,822,633,000), representing inventory turnover period of 88 days (2007: 95 days). Subsequently, the inventory balance has started to decrease and the Group will continue to actively monitor and control the inventory level.

Employees and Emolument Policies

At 31st August, 2008, the Group had approximately 18,200 full time employees. The Group's emolument policies are formulated on the performance of individual employee and on the basis of the salary trends in the various regions, and will be reviewed regularly. Subject to the Group's profitability, the Group may also distribute discretionary bonus to its employees as an incentive for their contribution to the Group.

The Group has established a share option scheme for its employees, and also provides regular training courses and subsidies for continuing education so as to improve the skills of its employees with respect to production, selling and management.

資本開支

於本年間，本集團已投資520,586,000港元(二零零七年度：350,073,000港元)於物業、機器及設備和預付租賃款項，其中包含於鹽城布料廠房建設期間之建築材料成本上升的影響。集團預期下一財政年度的資本開支約175,000,000港元。

資產抵押

本集團之財務租賃應付賬款乃以出租人之租賃資產作抵押。於二零零八年八月三十一日，該等租賃資產之賬面值為零港元(二零零七年度：30,526,000港元)及財務租賃應付賬款的金額為零港元(二零零七年度：439,000港元)。

存貨

本集團於二零零八年八月三十一日之存貨約為1,465,681,000港元(二零零七年度：1,822,633,000港元)，代表存貨週轉期為88日(二零零七年度：95日)。隨後，存貨結餘開始減少，而集團將繼續積極監察及控制存貨量。

僱員及酬金政策

集團於二零零八年八月三十一日之全職僱員人數約為18,200人，而集團的僱員酬金政策是根據個別僱員的工作表現及各地區薪酬趨勢而定期作出檢討。集團亦會因應集團之盈利情況，酌情發放花紅予僱員以鼓勵他們對集團之貢獻。

集團為僱員設有一項認股權計劃，亦會提供定期培訓課程及資助進修計劃，以提高僱員之生產、銷售及管理技能。

CORPORATE GOVERNANCE REPORT • 企業管治報告

The Company has consistently adopted the Code of Corporate Governance (the “Code”) promulgated by The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) as guidelines to reinforce our corporate governance principles during the year. This report describes how the Company has applied the principles.

The Company has complied throughout the year with the Code provisions except that, with respect to the Code provision A.2.1, the roles of chairman and chief executive officer (“CEO”) were performed by the same individual. Considered reasons are provided in the section of Chairman and Chief Executive Officer.

BOARD OF DIRECTORS

The overall management of the Company’s business is vested in the board of directors (the “Board”). The Board has delegated the day-to-day management of the Company’s business to the executive management team, and focus its attention on matters affecting the Company’s overall strategic policies, finances and shareholders. At 31st August, 2008, the Board comprised ten members, consisting of five executive directors, two non-executive directors and three independent non-executive directors. The profile of all directors, including chairman, executive directors, non-executive directors and independent non-executive directors are set out on pages 21 to 25. The relationship among members of the Board (including financial, business, family or other material or relevant relationships, if any) are also disclosed.

The Company has received from each independent non-executive director an annual confirmation of his independence pursuant to the Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”), and considers all of the independent non-executive directors to be independent.

Five Board meetings were held during the financial year. Directors actively participate in each meeting in person, via telephone or video-conferencing. Directors give and receive reports on the activities of the operating divisions and present papers supporting decisions which require the Board approval. The Board consents are given by-vote at the Board meetings.

The dates of the 2008 regular Board meetings were determined in 2007 and any amendments to this schedule were notified to all directors at least 14 days before the meeting. Suitable arrangements are in place to allow directors to include items in the agenda for regular Board meetings.

本公司於本年度一貫地採納香港聯合交易所有限公司（「聯交所」）頒佈的《企業管治常規守則》（「企業管治守則」）作為強化本公司企業管治原則之方針。本報告說明本公司如何應用該等原則。

本公司全年均有遵守企業管治守則的所有守則條文，惟有關企業管治守則條文A.2.1的規定除外，即主席與行政總裁的角色由一人同時兼任。經深思熟慮的理由列於「主席與行政總裁」章節內。

董事會

公司整體業務由董事會負責管理。董事會將公司日常事務的管理授權與公司的行政管理層處理，而董事會本身則專注處理可影響公司整體策略方針、財務及股東的事項。於二零零八年八月三十一日，董事會由十名成員組成，包括五名執行董事、兩名非執行董事及三名獨立非執行董事。所有董事的個人簡介，包括主席、執行董事、非執行董事及獨立非執行董事，均載列於第21至25頁。董事會成員之間的關係（包括財務、業務、家屬或其他重大或相關的關係（如有））亦已作出披露。

公司已獲得每名獨立非執行董事按聯交所證券上市規則（「上市規則」）每年書面聲明以確認其相對於公司的獨立性，並認為所有獨立非執行董事均獨立於公司。

本年度董事會進行了五次會議。各董事親身出席、透過電話或視像會議積極參與每次會議。董事在會上發表及省覽各營運部門的業務報告及提呈須經董事會批准的決策文件。董事在董事會會議上以投票表決方式取得共識。

本公司在二零零七年內已定下二零零八年董事會定期會議的舉行日期，所有日期改動均在最少十四天前通知各董事。公司備有適當安排，讓董事提出商討事項以納入董事會定期會議議程內。

CORPORATE GOVERNANCE REPORT • 企業管治報告

If a director has a conflict of interest in a transaction or proposal to be considered by the Board and which the Board has determined to be material, the individual director declares his interest and is required to abstain from voting. The matter is considered at a Board meeting attended by independent non-executive directors who have no material interest in the transaction.

Details of the attendance of directors at these Board meetings and at two other Board committees (the Audit Committee and the Remuneration Committee) are set out in the following table :

若有董事在董事會將予考慮的交易或建議中存有董事會認為重大利益衝突時，涉及的個別董事須申報利益，並須放棄投票。有關事項須經董事會會議考慮，而該會議須有於交易中不存在重大利益的獨立非執行董事出席。

董事於董事會會議及另外兩個董事委員會（審核委員會及薪酬委員會）的出席詳情列載於下表：

Name of director 董事姓名		Meetings Attended/Meetings Held 出席次數/會議次數		
		Board 董事會	Audit Committee 審核委員會	Remuneration Committee 薪酬委員會
<i>Executive directors</i> 執行董事				
Mr. HA Chung Fong	夏松芳先生	5/5		
Mr. LAU Hong Yon	柳康遠先生	5/5		
Mr. HA Kam On, Victor	夏錦安先生	5/5		
Dr. YEN Gordon	嚴震銘博士	5/5		
Mr. WAI Yick Man	衛億民先生	5/5		1/1
<i>Non-executive directors</i> 非執行董事				
Mr. HA Hon Kuen	夏漢權先生	5/5		
Mrs. FUNG YEH Yi Hao, Yvette	馮葉儀皓女士	5/5		1/1
<i>Independent non-executive directors</i> 獨立非執行董事				
Mr. NG Kwok Tung	伍國棟先生	5/5	3/3	1/1
Mr. WONG Kwong Chi	王幹芝先生	5/5	3/3	1/1
Mr. CHOW Wing Kin, Anthony, SBS, JP	周永健先生， 銀紫荊星章，太平紳士	5/5	3/3	1/1

CORPORATE GOVERNANCE REPORT • 企業管治報告

All directors have access to the services of the company secretary who regularly updates the Board on governance and regulatory matters. Any director, wishing to do so in the furtherance of his or her duties, may take independent professional advice (through the Chairman) at the Company's expense. The availability of professional advice extends to the Audit Committee and the Remuneration Committee.

Minutes of Board meetings are taken by the company secretary and, together with any supporting documents, are available to all directors. Draft and final versions of the minutes are sent to all directors for their comment and record respectively.

BOARD COMMITTEES

The Board has established two committees, the Audit Committee and the Remuneration Committee, which adhere to the principles, procedures and arrangements set out above. Their terms of reference were approved by the Board. The respective Committee secretary takes full minutes of the meetings of these committees and the work of these committees is reported to the Board regularly.

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Under the Code provision A.2.1, the roles of chairman and CEO should be separate and should not be performed by the same individual. The division of responsibilities between the chairman and CEO should be clearly established and set out in writing. Mr. HA Chung Fong is presently the Chairman and Managing Director of the Company. Having considered the current business operation and nature of the Company, the Board is of the view that Mr. HA acting as both the roles of chairman and CEO is in the best interest of the Company. The Board will review this situation periodically.

NON-EXECUTIVE DIRECTORS

All the existing non-executive directors, including independent non-executive directors, were previously appointed with specific terms, and the terms were extended for one year up to 31st August, 2009. They are subject to retirement by rotation and re-election at the annual general meetings of the Company in accordance with the Articles of Association of the Company (the "Articles").

所有董事均可運用公司秘書所提供的服務，公司秘書會定期向董事會提供管治及規管事宜的最新資料。任何董事可就履行職責而(透過主席)尋求獨立專業意見，費用由本公司支付。審核委員會及薪酬委員會亦可尋求專業意見。

董事會會議記錄由公司秘書負責撰寫，會議記錄連同任何有關的文件均可提供予所有董事。初稿供所有董事審閱，而最後定稿供其作記錄之用。

董事委員會

董事會已成立兩個委員會，為審核委員會及薪酬委員會。兩個委員會的運作遵循上述各項原則、程序及安排。其職權範圍書已經董事會批核。委員會相關秘書負責為這兩個委員會撰寫完整的會議記錄，而委員會則定期向董事會作出工作匯報。

主席與行政總裁

按企業管治守則條文A.2.1的規定，主席與行政總裁的角色應有區分，不應由一人同時兼任。主席與行政總裁之間之職責分工應清楚界定並以書面列載。夏松芳先生現為本公司之主席兼董事總經理。經考慮本公司之現有業務運作及特性，董事會認為夏先生同時擔任主席及行政總裁之角色乃最符合本公司利益。董事會將定期檢討此情況。

非執行董事

所有現任非執行董事，包括獨立非執行董事，均在以前以特定年期被委任，並已續約一年至二零零九年八月三十一日止。彼等均需根據本公司章程細則(「公司章程」)在本公司股東週年大會上輪席告退及膺選連任。

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DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as its own code of conduct regarding directors' securities transactions. Having made specific enquiry of all directors, the Company confirms that all directors have complied with the required standards set out in the Model Code throughout the year ended 31st August, 2008.

REMUNERATION OF DIRECTORS

The Company has established a Remuneration Committee for the purposes of making recommendations to the Board on the Company's remuneration policy and structure for directors and senior management. The terms of reference of the Remuneration Committee have been reviewed by the Board with reference to the Code and are posted on the Company's website.

The Remuneration Committee presently comprises five directors, including the three independent non-executive directors, Mrs. FUNG YEH Yi Hao, Yvette (non-executive director) and Mr. WAI Yick Man (executive director). The Committee is chaired by Mr. WONG Kwong Chi.

The Remuneration Committee held one meeting during the year and all the Committee members have attended the meeting. The work of the Remuneration Committee during the year included the following matters:

- make recommendations to the Board of the remuneration of non-executive directors for the year ended 31st August, 2008. The Remuneration Committee has considered factors such as salaries paid by comparable companies, time commitment and responsibilities of the directors, employment conditions elsewhere in the Group and desirability of performance-based remuneration;
- review and approve remuneration and performance-based remuneration scheme of executive directors from time to time by reference to corporate goals and objectives resolved by the Board from time to time; and
- ensure that no director or any of his associates is involved in deciding his own remuneration.

董事進行證券交易

本公司已採納上市公司董事進行證券交易的標準守則(「標準守則」)為其有關董事進行證券交易之守則。經向本公司所有董事作出查詢後,本公司認為所有董事於截至二零零八年八月三十一日止年度內均已遵守標準守則所要求的標準。

董事之薪酬

本公司已成立薪酬委員會,藉以向董事會就董事及高級管理人員的薪酬政策及架構提供建議。薪酬委員會的職權範圍書已由董事會參照企業管治守則作出檢閱及已刊載於本公司之網頁內。

薪酬委員會現由五位董事組成,包括三位獨立非執行董事、馮葉儀皓女士(非執行董事)及衛億民先生(執行董事)。王幹芝先生為該委員會主席。

薪酬委員會於本年度內舉行了一次會議,所有委員會成員均有出席會議。薪酬委員會於本年度內的工作包括如下事項:

- 就非執行董事截至二零零八年八月三十一日止年度之薪酬向董事會提出建議。薪酬委員會已考慮包括同類公司所支付的薪酬、董事須付出的時間及職責、集團內其他職位的僱用條件及按合理表現釐訂的薪酬等因素;
- 透過參照董事會不時通過的公司目標及目的,檢討及批准執行董事的薪酬及按表現而釐訂的薪酬方案;及
- 確保任何董事或其任何聯繫人不可參與決定其薪酬。

CORPORATE GOVERNANCE REPORT • 企業管治報告

NOMINATION OF DIRECTORS

According to the Articles, the Board shall have power from time to time and at any time to appoint any person as a director either to fill a casual vacancy or as an addition to the Board. A director appointed by the Board is subject to re-election by shareholders at the next following general meeting of the Company. The nomination should be taken into consideration of the nominee's skills and experience appropriate for the requirements of the Company's business.

AUDITORS' REMUNERATION

For the year ended 31st August, 2008, the fees charged by the Company's auditors in respect of audit and non-audit services amounted to approximately HK\$4,850,000 and HK\$1,304,000 respectively.

AUDIT COMMITTEE

The Company has established an Audit Committee for the purposes of reviewing and providing supervision over the Company's financial reporting process and internal controls. The terms of reference of the Audit Committee have been reviewed by the Board with reference to the Code and are posted on the Company's website.

The Audit Committee presently comprises the three independent non-executive directors of the Company and is chaired by Mr. NG Kwok Tung.

The Audit Committee held three meetings during the year and all the Committee members have attended the meetings. The work of the Audit Committee during the year included of the following matters:

- provide recommendation to the Board on the reappointment of the external auditors, and to approve the audit fee and terms of engagement of the external auditors;
- review and monitor the external auditors' independence and objectivity and the effectiveness of the audit process in accordance with applicable standard, and discuss with the external auditors before the audit commences, the nature and scope of the audit and reporting obligations;
- monitor integrity of financial statements, interim report and annual report, and to review significant financial reporting judgments contained in them;

董事之提名

根據公司章程，董事會有權不時及隨時委任任何人士成為董事，以填補董事會空缺或增加董事。被委任的董事將於本公司隨後之股東大會上被股東膺選重任。董事的提名需考慮被提名人的能力及經驗是否合乎公司業務的要求。

核數師酬金

於截至二零零八年八月三十一日止年度內，本公司核數師就提供審核及非審核服務所得的酬金分別約為4,850,000港元及1,304,000港元。

審核委員會

本公司已成立審核委員會，藉以檢討及監察本公司之財務申報程序及內部監控制度。審核委員會的職權範圍書已由董事會參照企業管治守則作出檢閱及已刊載於本公司之網頁內。

審核委員會現由三位獨立非執行董事組成，而伍國棟先生為主席。

審核委員會於本年度內舉行了三次會議，所有委員會成員均有出席會議。審核委員會於本年度內的工作包括如下事項：

- 就外聘核數師的重新委任向董事會提供建議，及核准外聘核數師酬金及聘用條款；
- 按適用的標準檢討及監察外聘核數師的獨立性及客觀性，以及核數程序的有效性；並與外聘核數師在審核工作開始前預先討論審核工作的性質和範圍及有關申報責任；
- 監察財務報表、中期報告及年度報告的完整性，並檢閱其所載有關財務申報的重大判斷；

CORPORATE GOVERNANCE REPORT • 企業管治報告

- review financial controls, internal controls and risk management systems;
 - discuss with the management the system of internal controls and ensure that the management has discharged its duty to have an effective internal control system;
 - ensure co-ordination between the internal and external auditors, and to ensure that the internal audit function is adequately resourced and has appropriate standing within the Company, and to review and monitor the effectiveness of the internal audit function;
 - review financial and accounting policies and practices; and
 - review the external auditors' management letter, any material queries raised by the auditors to management in respect of the accounting records, financial accounts or systems of control and management's response.
- 檢閱財務監控、內部監控及風險管理制度；
 - 與管理層討論內部監控系統，並確保管理層已履行職責建立有效的內部監控系統；
 - 確保內部和外聘核數師的工作得到協調；及確保內部審核功能在公司內部有足夠資源運作，並且有適當的地位；以及檢討及監察內部審核功能的有效性；
 - 檢閱財務及會計政策及實務；及
 - 檢閱外聘核數師致管理層的審核情況說明函件、外聘核數師就會計記錄、財務賬目或監控系統向管理層提出的任何重大疑問及管理層的回應。

DIRECTORS' AND AUDITORS' RESPONSIBILITIES FOR ACCOUNTS

The directors acknowledge the responsibilities for preparing the accounts of the Company and the external auditors' statement about their reporting responsibilities is set out on pages 34 and 35.

INTERNAL CONTROL

The Board has kept the Company's system of internal controls under review to ensure its effectiveness and convened meetings regularly to discuss financial, operational and risk management control.

董事及核數師對賬目的責任

董事知悉其有編製賬目的責任，而外聘核數師發表有關其申報責任的聲明載列於第34及35頁。

內部監控

董事會已持續檢討本公司之內部監控制度以確保其有效性。董事會會定期召開會議，討論財務、營運及風險管理控制事宜。

PROFILE OF DIRECTORS AND SENIOR MANAGEMENT • 董事及高級管理人員簡介

DIRECTORS

Mr. HA Chung Fong

Chairman and Managing Director, Founder of the Group,

Director of various subsidiaries of the Group

Chairman of the Board

Aged 70, has extensive experience in the dyeing and knitting industries. Mr. HA is Honorary Life Chairman of Textiles and Clothing Industry Association of Kai Ping City and Honourable Chairman of The Hong Kong General Chamber of Textiles Limited. He has been accredited as Honourary Citizen of Dongguan City, Kai Ping City, Enping City and Xinhui City in the PRC. In 2004, Mr. HA was named as Honourable Professor by Xi'an University of Engineering Science & Technology, the PRC. He also served on various trade, industrial and educational advisory panels in Hong Kong. Mr. HA is the father of Mr. HA Hon Kuen, Mr. HA Kam On, Victor and Ms. HA Kam Yee and is the father-in-law of Dr. YEN Gordon.

Mr. LAU Hong Yon

Executive Director, Director of various subsidiaries of the Group

Board Member

Aged 59, is responsible for the overall management and development of Ocean Lanka (Private) Limited, a non wholly-owned subsidiary of the Company. Mr. LAU joined the Group's accounting department in 1984 and was promoted to Group Financial Controller in 1990. He was then promoted to his current position in 1996, responsible for the Group's financial management and general planning before taking up his current responsibility in 2006. Mr. LAU holds a Master degree in Business Analysis and a Bachelor of Science Degree in Economics from Lancaster University, UK and University of Salford, UK respectively. Mr. LAU held senior information technology and accounting positions in various companies in Hong Kong prior to joining the Group.

Mr. HA Kam On, Victor

Executive Director, Director of various subsidiaries of the Group

Board Member

Aged 43, is responsible for the management and development of the Group's garment business. Mr. HA joined the Group in 2002 and was promoted to his current position in 2004. He possesses a degree in Production Engineering from Coventry University, UK. Prior to joining the Group, Mr. HA has over 10 years of operations and management experience in the garment trading and manufacturing industry. Mr. HA is the son of Mr. HA Chung Fong.

董事

夏松芳先生

主席兼董事總經理，集團創辦人，

集團數間附屬公司之董事

董事會主席

現年七十歲，在漂染及針織業有豐富經驗。夏先生為開平市紡織服裝行業協會永遠名譽會長及香港紡織商會名譽會長。彼榮獲中國東莞市、開平市、恩平市及新會市的榮譽市民。於二零零四年，夏先生獲委任為中國西安工程科技學院榮譽教授。他曾參與香港多個商貿、工業及教育顧問小組。夏先生為夏漢權先生、夏錦安先生及夏錦兒小姐之父親，也是嚴震銘博士之岳父。

柳康遠先生

執行董事，集團數間附屬公司之董事

董事會成員

現年五十九歲，現負責海洋蘭卡(私人)有限公司(一間本公司非全資擁有之附屬公司)之整體管理及發展。柳先生於一九八四年加入集團之會計部門並於一九九零年晉升為集團財務總監。彼於一九九六年晉升至現職位，負責集團財政管理及整體策劃至二零零六年履行其現職務為止。柳先生分別於英國Lancaster University及英國University of Salford獲得商業分析碩士學位及經濟理學士學位。在加入集團之前，柳先生曾在香港數間公司擔任資訊科技及會計之高級職位。

夏錦安先生

執行董事，集團數間附屬公司之董事

董事會成員

現年四十三歲，現負責集團製衣業務之管理及發展。夏先生於二零零二年加入集團，並於二零零四年晉升至現職位。彼於英國高雲地利大學獲得生產工程學士學位。在加入集團之前，夏先生在成衣貿易及製造行業有十年以上的營運及管理經驗。夏先生為夏松芳先生之兒子。

PROFILE OF DIRECTORS AND SENIOR MANAGEMENT • 董事及高級管理人員簡介

Dr. YEN Gordon

Executive Director, Director of various subsidiaries of the Group

Board Member

Aged 38, is responsible for business development and corporate planning of the Group. He is also responsible for managing several subsidiaries and corporate functions departments of the Group. Dr. YEN joined the Group in 1999 as the Assistant to Chairman and was promoted to his current position in 2004. He serves as a Member of the Henan Province Committee of the Chinese People's Political Consultative Conference of the People's Republic of China. He is also the Chairman of The Hong Kong Association of Textile Bleachers, Dyers, Printers and Finishers; an Executive Vice Chairman of The Hong Kong General Chamber of Textiles; a Vice Chairman of Textile Council of Hong Kong; a Vice Director General of China Knitting Industry Association; a Director of The Hong Kong Research Institute of Textiles and Apparel Limited; a Director of GS1 HK Limited; a Director of the Hong Kong Chiu Chow Chamber of Commerce; a General Committee member of the Chamber of Hong Kong Listed Companies and an Honorary Advisor of The Vocational Training Council. Dr. YEN also serves as an Independent Non-executive Director of Hopewell Highway Infrastructure Limited, a Hong Kong listed company. He holds a Bachelor degree in Manufacturing Engineering from Boston University, USA; a Master degree in Business Administration from McGill University, Canada and a Doctorate degree in Business Administration from The Hong Kong Polytechnic University. Prior to joining the Group, Dr. YEN has extensive experience in the infrastructure sector. Dr. YEN is the son-in-law of Mr. HA Chung Fong and is the spouse of Ms. HA Kam Yee.

Mr. WAI Yick Man

Executive Director, Director of various subsidiaries of the Group

Board Member, Member of Remuneration Committee

Aged 52, is responsible for the general administration and financial management of the Group. He joined the Group in 1996 as an Independent Non-executive Director and was appointed as the Assistant to Chairman in 1998, responsible for the general administration and financial management of the Group's PRC dyeing and knitting factories. Mr. WAI was then promoted to his current position in 2006. He holds a Bachelor degree in Business Administration from California State University, USA. Prior to joining the Group, Mr. WAI has over 10 years extensive experience in the investment banking industry.

嚴震銘博士

執行董事，集團數間附屬公司之董事

董事會成員

現年三十八歲，現負責集團之業務發展及企業策劃。彼亦負責管理集團數間附屬公司及企業功能部門。嚴博士於一九九九年加入集團為主席助理，並於二零零四年晉升至現職位。彼為中國人民政治協商會議河南省委員。彼亦為香港漂染印整理業總會會長、香港紡織商會常務副會長、香港紡織業聯會副會長、中國針織工業協會副理事長、香港紡織及成衣研發中心董事、香港貨品編碼協會董事、香港潮州商會會董、香港上市公司商會常務委員會委員及職業訓練局榮譽顧問。嚴博士亦為香港上市公司合和公路基建有限公司之獨立非執行董事。彼持有美國波士頓大學生產工程學士學位、加拿大麥基爾大學工商管理碩士學位及香港理工大學工商管理博士學位。在加入集團之前，嚴博士在基礎建設行業擁有豐富經驗。嚴博士為夏松芳先生之女婿及夏錦兒小姐之配偶。

衛億民先生

執行董事，集團數間附屬公司之董事

董事會成員，薪酬委員會成員

現年五十二歲，現負責集團整體之行政及財務管理。彼於一九九六年加入本集團為獨立非執行董事，並於一九九八年被委任為主席助理，負責集團於國內漂染及針織布廠整體之行政及財務管理。衛先生於二零零六年晉升至現職位。彼持有美國加州州立大學頒發之工商管理學士學位。在加入集團之前，衛先生在投資銀行界有十年以上豐富經驗。

PROFILE OF DIRECTORS AND SENIOR MANAGEMENT • 董事及高級管理人員簡介

Mr. HA Hon Kuen

*Non-executive Director, Director of two subsidiaries of the Group
Board Member*

Aged 44, joined the Group in 1993 and joined the Group's Board in 1996 as a Non-executive Director. Prior to joining the Group, Mr. HA had several years' working experience in the securities and finance field. He holds a Bachelor degree in Science from the University College of Swansea, UK. Mr. HA is the son of Mr. HA Chung Fong.

Mrs. FUNG YEY Yi Hao, Yvette

*Non-executive Director
Board Member, Member of Remuneration Committee*

Aged 47, joined the Group's Board in 2000 as a Non-executive Director. Mrs. FUNG is a Director of Hsin Chong International Holdings Ltd. She also serves as an Independent Non-executive Director of Hong Kong Catering Management Limited and Tai Ping Carpets International Limited, both of them are listed company in Hong Kong. From September 2003 to September 2008, she was the Deputy Chairman and Executive Director of Synergis Holdings Limited, a Hong Kong listed company. She holds a B.A. Degree in Psychology from Stanford University, USA, a M.B.A. from University of California, Los Angeles, USA and a J.D. from Stanford Law School, USA. Mrs. FUNG has over 10 years experience in legal practice in both international law firms and corporations. She is a Member of the Court of The Hong Kong University of Science and Technology, a Member of the Board of Managers at Hong Kong International School, and a Council Member of the Hong Kong Society for the Deaf.

Mr. NG Kwok Tung

*Independent Non-executive Director
Board Member, Chairman of Audit Committee,
Member of Remuneration Committee*

Aged 58, joined the Group's Board in 1993 as an Independent Non-executive Director. Mr. NG is a practising accountant and also sits on the boards of several Hong Kong listed companies. He holds a Bachelor of Commerce Degree and a Licentiate in Accountancy from McGill University, Canada and a Diploma in Chinese Law from the University of East Asia, Macao. Mr. NG is a Member of Hong Kong Institute of Certified Public Accountants, Institute of Chartered Accountants of British Columbia, Order of Chartered Accountants of Quebec, The Canadian Institute of Chartered Accountants, The Taxation Institute of Hong Kong, The Society of Chinese Accountants and Auditors and the Society of Registered Financial Planners.

夏漢權先生

*非執行董事，集團兩間附屬公司之董事
董事會成員*

現年四十四歲，於一九九三年加入集團並於一九九六年加入集團董事會為非執行董事。在加入集團之前，夏先生在證券及財經界有數年工作經驗。彼持有英國 University College of Swansea 理學士學位。夏先生為夏松芳先生之兒子。

馮葉儀皓女士

*非執行董事
董事會成員，薪酬委員會成員*

現年四十七歲，於二零零零年加入集團董事會為非執行董事。馮女士現為新昌國際集團有限公司之董事。彼亦為香港飲食管理有限公司及太平地氈國際有限公司之獨立非執行董事(兩間均為香港上市公司)。於二零零三年九月至二零零八年九月期間，彼為香港上市公司新昌管理集團有限公司之副主席兼執行董事。彼持有美國史丹福大學心理學文學士學位、美國洛杉磯加州大學工商管理碩士學位及美國史丹福大學法學院法學博士學位。馮女士曾在國際性律師行及機構有十年以上的法律工作經驗。彼為香港科技大學顧問委員會成員、香港國際學校管理委員會委員及為香港聾人福利促進會之執行委員會成員。

伍國棟先生

*獨立非執行董事
董事會成員，審核委員會主席，
薪酬委員會成員*

現年五十八歲，於一九九三年加入集團董事會為獨立非執行董事。伍先生現為執業會計師，並為數間香港上市公司董事會成員。彼持有加拿大麥基爾大學商學院商科學士學位及高級會計文憑及澳門東亞大學中國法律文憑。伍先生為香港會計師公會、加拿大英屬哥倫比亞特許會計師公會、加拿大魁北克省特許會計師公會、加拿大特許會計師公會、香港稅務學會、香港華人會計師公會及註冊財務策劃師協會會員。

PROFILE OF DIRECTORS AND SENIOR MANAGEMENT • 董事及高級管理人員簡介

Mr. WONG Kwong Chi

Independent Non-executive Director

Board Member, Member of Audit Committee,

Chairman of Remuneration Committee

Aged 57, joined the Group's Board in 1998 as an Independent Non-executive Director. Mr. WONG is the Managing Partner of Asian Global Capital and also sits on the boards of several Hong Kong listed companies. He has extensive experience in the capital investment market. Mr. WONG holds a Bachelor degree in Science and a Master degree in Business Administration from The Chinese University of Hong Kong. Mr. WONG served as the Chairman of Hong Kong Venture Capital And Private Equity Association, the Vice Chairman of The Hong Kong Electronic Industries Association and the Vice President of Hong Kong Auto Parts Industry Association. He is also a Member of Hong Kong Young Industrialists Council and the Honorary Treasurer of Hong Kong Critical Components Manufacturers Association.

Mr. CHOW Wing Kin, Anthony, SBS, JP

Independent Non-executive Director

Board Member, Member of Audit Committee,

Member of Remuneration Committee

Aged 58, joined the Group's Board in 2004 as an Independent Non-executive Director. Mr. CHOW has been practicing as a solicitor in Hong Kong for the past 28 years and is a partner in the law firm, Peter C. Wong, Chow & Chow. He also sits on the boards of two other Hong Kong listed companies as well as the board of The Link Management Limited which manages The Link Real Estate Investment Trust. Mr. CHOW is the Chairman of the Process Review Panel for the Securities and Futures Commission, a member of Personal Data (Privacy) Advisory Committee and a Council Member of The Hong Kong Institute of Education. He is also a Member of National Committee of the Chinese People's Political Consultative Conference and a Member of the Board of Stewards of The Hong Kong Jockey Club.

王幹芝先生

獨立非執行董事

董事會成員，審核委員會成員，

薪酬委員會主席

現年五十七歲，於一九九八年加入集團董事會為獨立非執行董事。王先生現為亞洲環球基金之首席合伙人，並為數間香港上市公司董事會成員。彼在資本投資市場上有豐富經驗。王先生持有香港中文大學頒發之物理學士及工商管理學碩士學位。王先生為香港創業及私募投資協會前任主席、香港電子業商會前任副會長及香港汽車零部件工業協會前任副會長。彼亦為香港青年工業家協會會員及香港關鍵性零部件製造業協會名譽司庫。

周永健先生，銀紫荊星章，太平紳士

獨立非執行董事

董事會成員，審核委員會成員，

薪酬委員會成員

現年五十八歲，於二零零四年加入集團董事會為獨立非執行董事。周先生在過去二十八年來一直為香港執業律師，乃王澤長、周淑嫻、周永健律師行之合夥人。彼亦為另外兩間香港上市公司董事會成員以及為管理領匯房地產投資信託基金之領匯管理有限公司之董事會成員。周先生為證券及期貨事務監察委員會程序覆檢委員會主席、個人資料(私隱)諮詢委員會委員及香港教育學院校董會成員。彼亦為中國人民政治協商會議全國委員會委員及香港賽馬會董事。

PROFILE OF DIRECTORS AND SENIOR MANAGEMENT • 董事及高級管理人員簡介

SENIOR MANAGEMENT

Mr. YIM To Hung

Director and General Manager of the Group's PRC dyeing and knitting factories,

Director of various subsidiaries of the Group

Aged 45, joined the Group in 1982 and since then, he has dedicated his entire career in the textile production and management. Mr. YIM is responsible for the overall production management of our PRC dyeing and knitting factories. He has over 25 years of solid experience in the operations and management of textiles mills in which over 15 years' experience from the PRC.

Mr. CHAN Yuk Yin

Director and General Manager of the Group's Sales Department,

Director of various subsidiaries of the Group

Aged 45, joined the Group in 1990. Between 1990 and 1997, Mr. CHAN served in the Group's sales department and was promoted to his current position in 1997. Mr. CHAN is responsible for the management of the Group's global sales and marketing activities for dyed fabrics and dyed yarns. He has over 20 years' experience in the textile industry and holds a Higher Diploma in Textile Technology from the Hong Kong Polytechnic.

Ms. HA Kam Yee

Sourcing Director of the Group's Sourcing Department

Aged 38, joined the Group in 1994 and became the head of the Group's Sourcing Department since 2002. Ms. HA is responsible for the Group's material sourcing. She holds a Bachelor degree of Science in Computer Science from the University of British Columbia, Canada. Prior to joining the Group, Ms. HA has experience in the information technology field. Ms. HA is the daughter of Mr. HA Chung Fong and is the spouse of Dr. YEN Gordon.

高級管理人員

嚴道雄先生

集團國內漂染及針織布廠之董事兼總經理，

集團數間附屬公司之董事

現年四十五歲，於一九八二年加入集團，自此專注於紡織生產及管理事業上。嚴先生現負責集團國內漂染及針織廠之整體生產管理。彼在紡織廠的營運及管理已有二十五年以上豐富經驗，當中有十五年以上為在中國獲取的經驗。

陳旭賢先生

集團營業部之董事兼總經理，

集團數間附屬公司之董事

現年四十五歲，於一九九零年加入集團。在一九九零年至一九九七年期間，陳先生任職集團營業部，並自一九九七年起晉升至現職位，現負責管理集團色布及色紗產品之環球銷售及市場推廣工作。彼在紡織業已有二十年以上經驗，並持有香港理工學院紡織技術高級文憑。

夏錦兒小姐

集團採購部之採購總監

現年三十八歲，於一九九四年加入集團，並於二零零二年成為集團採購部主管。夏小姐現負責集團整體原料採購工作。彼持有加拿大卑詩省大學電腦科學士學位。在加入集團之前，夏小姐從事資訊科技工作。夏小姐為夏松芳先生之女兒及嚴震銘博士之配偶。

DIRECTORS' REPORT • 董事會報告

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

PRINCIPAL ACTIVITIES

The Company acts as an investment holding company. The principal activities of its principal subsidiaries are set out in note 17 to the consolidated financial statements.

RESULTS AND APPROPRIATIONS

The results of the Group and appropriations of the Company for the year ended 31st August, 2008 are set out in the consolidated income statement on page 36 and in the accompanying notes to the consolidated financial statements.

An interim dividend of HK1.0 cent per share amounting to HK\$7,940,000 was paid during the year. The directors do not recommend the payment of a final dividend.

INVESTMENT PROPERTIES

Details of movements in the investment properties of the Group during the year are set out in note 13 to the consolidated financial statements. Particulars of the Group's investment properties are set out on page 33.

PROPERTY, PLANT AND EQUIPMENT

During the year, the Group had additions of HK\$176,422,000 and HK\$322,579,000 to plant and machinery and construction in progress, respectively, to expand and upgrade the Group's manufacturing facilities.

Details of these and other movements in the property, plant and equipment of the Group and of the Company during the year are set out in note 14 to the consolidated financial statements.

SHARE CAPITAL

Details of movements in the share capital during the year are set out in note 30 to the consolidated financial statements.

董事提呈截至二零零八年八月三十一日止年度之年報及經審核之綜合財務報表。

主要業務

本公司作為一間投資控股公司。其主要附屬公司之主要業務載列於綜合財務報表附註17內。

業績及備撥

截至二零零八年八月三十一日止年度之本集團業績及本公司備撥詳情載列於第36頁之綜合收益賬及其有關之綜合財務報表附註內。

在本年度已付的中期股息每股1.0港仙，合共為7,940,000港元。董事不建議派發末期股息。

投資物業

本年度本集團之投資物業變動詳情載列於綜合財務報表附註13內。本集團之投資物業詳情載列於第33頁。

物業、機器及設備

本年度本集團為擴大及增強本集團生產設備而用於廠房機器及興建中物業的增加分別為176,422,000港元及322,579,000港元。

本年度本集團及本公司之物業、機器及設備連上述及其他變動詳情載列於綜合財務報表附註14內。

股本

本年度股本之變動詳情載列於綜合財務報表附註30內。

DIRECTORS' REPORT • 董事會報告

DISTRIBUTABLE RESERVES OF THE COMPANY

The Company's reserve available for distribution to shareholders as at 31st August, 2008 comprised the retained profits of HK\$529,624,000 (2007: HK\$544,115,000).

DIRECTORS

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

Executive directors:

Mr. HA Chung Fong (*Chairman*)
 Mr. LAU Hong Yon
 Mr. HA Kam On, Victor
 Dr. YEN Gordon
 Mr. WAI Yick Man

Non-executive directors:

Mr. HA Hon Kuen
 Mrs. FUNG YEH Yi Hao, Yvette

Independent non-executive directors:

Mr. NG Kwok Tung
 Mr. WONG Kwong Chi
 Mr. CHOW Wing Kin, Anthony, SBS, JP

Pursuant to Article 102 of the Company's Articles of Association, Mr. LAU Hong Yon, Mrs. FUNG YEH Yi Hao, Yvette and Mr. HA Hon Kuen shall retire by rotation at the forthcoming annual general meeting ("AGM"). All retiring directors, being eligible, offer themselves for re-election.

No director proposed for re-election at the forthcoming AGM has a service contract which is not determinable by the Group within one year without payment of compensation other than statutory compensation.

本公司之可供分派儲備

於二零零八年八月三十一日，本公司可供分派予股東之儲備包括滾存溢利為529,624,000港元(二零零七年：544,115,000港元)。

董事

於本年度及截至本年報日，本公司董事名單如下：

執行董事：

夏松芳先生 (主席)
 柳康遠先生
 夏錦安先生
 嚴震銘博士
 衛億民先生

非執行董事：

夏漢權先生
 馮葉儀皓女士

獨立非執行董事：

伍國棟先生
 王幹芝先生
 周永健先生，銀紫荊星章，太平紳士

根據本公司組織章程細則第102條，柳康遠先生、馮葉儀皓女士及夏漢權先生需於即將舉行之股東週年大會(「週年大會」)輪值告退，惟所有告退之董事均合資格及願膺選連任。

董事概無訂立任何於一年內非由本集團決定終止而無須支付賠償(一般法定責任除外)之服務合約。

DIRECTORS' REPORT • 董事會報告

DIRECTORS' INTERESTS IN SECURITIES

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

Long positions in shares and underlying shares of the Company:

Name of director 董事名稱	Beneficial owner 實益擁有人	Number of shares held as 擁有股份數目		Total 總數	Approximate % of the issued share capital 約佔已發行 股本比率
		Other interests 其他權益			
Mr. HA Chung Fong 夏松芳先生	42,084,000	280,082,044 (note) (附註)		322,166,044	40.57
Mr. HA Kam On, Victor 夏錦安先生	798,000	—		798,000	0.10
Mr. LAU Hong Yon 柳康遠先生	280,000	—		280,000	0.04
Mrs. FUNG YE H Yi Hao, Yvette 馮葉儀皓女士	70,000	—		70,000	0.01

Note:

Mr. HA Chung Fong was deemed to be interested in 280,082,044 shares in the Company by virtue of the set up of a discretionary trust, the Ha Trust, for the benefit of his family and Trustcorp Limited ("Trustcorp") is the trustee of the Ha Trust. Trustcorp is the wholly-owned subsidiary of Newcorp Holdings Limited ("Newcorp").

Other than as disclosed above, none of the directors of the Company nor their associates had any interests or short positions in any shares and underlying shares of the Company or any of its associated corporations, which were recorded in the register as required to be kept by the Company under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

董事之證券權益

於二零零八年八月三十一日，根據本公司按證券及期貨條例第352條設置之名冊所記錄或按上市規則內上市公司董事進行證券交易之標準守則（「標準守則」）須通知本公司及聯交所之資料，本公司各董事及其聯繫人於本公司及其聯營公司所擁有之股份及相關股份權益如下：

於本公司股份及相關股份的好倉情況：

Name of director 董事名稱	Beneficial owner 實益擁有人	Number of shares held as 擁有股份數目		Total 總數	Approximate % of the issued share capital 約佔已發行 股本比率
		Other interests 其他權益			
Mr. HA Chung Fong 夏松芳先生	42,084,000	280,082,044 (note) (附註)		322,166,044	40.57
Mr. HA Kam On, Victor 夏錦安先生	798,000	—		798,000	0.10
Mr. LAU Hong Yon 柳康遠先生	280,000	—		280,000	0.04
Mrs. FUNG YE H Yi Hao, Yvette 馮葉儀皓女士	70,000	—		70,000	0.01

附註：

由於夏松芳先生為其家族利益成立一項酌情信託the Ha Trust，因此被當作擁有280,082,044股本公司股份權益。Trustcorp Limited（「Trustcorp」）為the Ha Trust之受託人。Trustcorp為Newcorp Holdings Limited（「Newcorp」）之全資附屬公司。

除上述披露外，根據本公司按證券及期貨條例第352條設置之名冊所記錄或按標準守則須通知本公司及聯交所之資料，本公司董事及其聯繫人並無擁有本公司或本公司任何聯營公司任何股份及相關股份權益或淡倉。

DIRECTORS' REPORT • 董事會報告

SHARE OPTIONS

Particulars of the Company's share option scheme are set out in note 31 to the consolidated financial statements.

No share option has been granted to or exercised by the directors of the Company during the year.

ARRANGEMENTS TO PURCHASE SHARES OR DEBT SECURITIES

Save as disclosed above, at no time during the year was the 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 debt securities, including debentures, of the Company or any other body corporate and none of the directors nor any of their spouses or children under the age of 18 had any rights to subscribe for the securities of the Company, or had exercised any such rights during the year.

DIRECTORS' INTERESTS IN CONTRACTS OF SIGNIFICANCE AND CONNECTED TRANSACTIONS

No contracts of significance, to which the 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, subsisted at the end of the year or at any time during the year.

PURCHASE, SALE AND 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.

認股權

本公司認股權計劃之詳情載列於綜合財務報表附註31內。

本年度本公司董事並無被授出及行使認股權。

購買股份或債務證券安排

除上述披露外，本公司或其任何附屬公司在本年度內任何時間均無任何安排，使本公司董事藉購買本公司或任何其他公司之股份或債務證券(包括債券)而獲益，本年度各董事或任何其配偶及其子女(年齡少於十八歲)並無授權可認購本公司證券或並無行使該權利。

董事擁有之重要合約權益及關連交易

本公司董事並無在本公司及其任何附屬公司所訂立，且於年結日或本年度內任何時間仍然生效之任何重大合約上，直接或間接擁有任何重大權益。

購買、出售及贖回本公司之上市證券

本年度本公司及其任何附屬公司並無購買、出售或贖回本公司之上市證券。

DIRECTORS' REPORT • 董事會報告

SUBSTANTIAL SHAREHOLDERS' AND OTHER SHAREHOLDERS' INTERESTS

At 31st August, 2008, the register of substantial shareholders maintained by the Company pursuant to Section 336 of the SFO shows that other than the interests disclosed above in respect of certain directors, the following shareholders had notified the Company of relevant interests in the issued share capital of the Company.

Long positions in shares and underlying shares of the Company:

主要股東及其他股東權益

於二零零八年八月三十一日，根據本公司按證券及期貨條例第336條所設置的主要股東名冊顯示，除上述部份董事已披露之權益外，以下股東已通知本公司其擁有本公司已發行股本的有關權益。

於本公司股份及相關股份的好倉情況：

Name of substantial shareholder 主要股東名稱	Number of shares 股份數目	Capacity 身份	Approximate % of the issued share capital 約佔已發行 股本比率
Ms. TANG Kuen Mui 鄧娟妹女士	322,166,044 (notes 1 and 3) (附註1及3)	Spouse interest 配偶權益	40.57
Newcorp	282,014,044 (notes 2 and 3) (附註2及3)	Interest of corporation controlled 所控制的法團的權益	35.52
Templeton Investment Counsel, LLC	50,030,566	Investment manager 投資經理	6.30
Brandes Investment Partners, L.P.	152,341,000	Investment manager 投資經理	19.19
The Bank of New York Mellon Corporation	60,253,900 (note 4) (附註4)	Interest of corporation controlled 所控制的法團的權益	7.59
Franklin Templeton Investments Corp.	77,465,989	Investment manager 投資經理	9.76

DIRECTORS' REPORT • 董事會報告

Notes:

1. Ms. TANG Kuen Mui, spouse of Mr. HA Chung Fong, was deemed to be interested in the shares.
2. Newcorp is the ultimate controlling shareholder of Trustcorp and Trustcorp is the trustee of the Ha Trust, a discretionary trust set up by Mr. HA Chung Fong for the benefit of his family.
3. The interests of Mr. HA Chung Fong, Ms. TANG Kuen Mui and Newcorp were duplicated.
4. The 60,253,900 shares included a lending pool of 44,971,900 shares.

Other than as disclosed above, the Company has not been notified of any other relevant interests or short position in the issued share capital of the Company as at 31st August, 2008.

MAJOR CUSTOMERS AND SUPPLIERS

The aggregate turnover attributable to the Group's five largest customers was less than 30.0% of the total turnover for the year.

The aggregate purchases attributable to the Group's largest supplier and five largest suppliers taken together accounted for approximately, 16.4% and 31.7%, respectively.

At no time during the year did a director, an associate of a director or a shareholder of the Company have an interest in any of the Group's five largest suppliers or customers.

DONATIONS

During the year, the Group made charitable and other donations totalling HK\$752,000.

SUFFICIENCY OF PUBLIC FLOAT

From information publicly available to the Company and within the knowledge of the directors of the Company, the Company has maintained a sufficient public float throughout the year ended 31st August, 2008.

附註：

1. 鄧娟妹女士為夏松芳先生之配偶，因而被當作擁有該等股份權益。
2. Newcorp乃Trustcorp之最終控股股東，而Trustcorp為the Ha Trust之受託人，the Ha Trust為夏松芳先生為其家族利益而成立的一項酌情信託。
3. 夏松芳先生、鄧娟妹女士及Newcorp之權益是重複的。
4. 於60,253,900股內包括44,971,900股可供借出的股份。

除上述披露外，於二零零八年八月三十一日，本公司並無收到任何其他擁有本公司已發行股本的有關權益或淡倉通知。

主要客戶及供應商

本年度本集團前五大客戶共佔營業總額少於30.0%。

本集團最大供應商及五大供應商約佔總採購額分別為16.4%及31.7%。

本年度本公司之董事及彼等之關連人士或股東，並無在五大供應商或客戶中擁有任何權益。

捐款

本年度本集團作出之慈善及其他捐款共752,000港元。

足夠公眾持股量

從本公司可獲得之公開資料顯示及就本公司董事所知，本公司於截至二零零八年八月三十一日止年度內一直維持足夠公眾持股量。

DIRECTORS' REPORT • 董事會報告

AUDITOR

A resolution will be submitted to the forthcoming AGM to re-appoint Messrs. Deloitte Touche Tohmatsu as auditor of the Company.

On behalf of the Board

HA Chung Fong

Director

Hong Kong,

12th December, 2008

核數師

本公司將於即將舉行之股東週年大會上提呈決議案，續聘德勤•關黃陳方會計師行為本公司之核數師。

代董事會

董事

夏松芳

香港

二零零八年十二月十二日

PARTICULARS OF INVESTMENT PROPERTIES • 投資物業詳情

Particulars of investment properties held by the Group at 31st August, 2008 are as follows:

於二零零八年八月三十一日，本集團投資物業的詳情如下：

Location	Lease terms	Use	The Group's effective interest
地點	租賃年期	用途	本集團 有效權益
Factory 1A&C, 2A&B, 4C&D, 6A&B, 7B-D, 8A-D, 9A-D, 10B-D, 11A, 12A&C and portion of roof, car parking spaces 15, 18, 20, 21, 23, 25, 26, 27, 28, 29, 30, 31 & 32, lorry parking spaces 4, 6, 7 & 17 of Block No. 9 Tin's Centre 3B Hung Cheung Road Section A of T.M.T.L. 74 Tuen Mun, New Territories Hong Kong 香港新界屯門地段74號A段 洪祥路3B號田氏中心第9座 1樓A及C室、2樓A及B室、4樓C及D室、6樓A及B室 7樓B至D室、8樓A至D室、9樓A至D室、 10樓B至D室、11樓A室、12樓A及C室及 部份天台、私家車車位15, 18, 20, 21, 23, 25, 26, 27, 28, 29, 30, 31及32號和貨車車位4, 6, 7及17號	Medium-term lease 中期租賃	Warehouse and workshop 貨倉及工場	100%

INDEPENDENT AUDITOR'S REPORT • 獨立核數師報告

Deloitte.

德勤

TO THE SHAREHOLDERS OF FOUNTAIN SET (HOLDINGS) LIMITED
(incorporated in Hong Kong with limited liability)

We have audited the consolidated financial statements of Fountain Set (Holdings) Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 36 to 132, which comprise the consolidated and Company balance sheets as at 31st August, 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 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, in accordance with section 141 of the Hong Kong Companies Ordinance 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.

致福田實業(集團)有限公司全體股東
(於香港註冊成立的有限公司)

本核數師行已審核載於第36頁至第132頁內的福田實業(集團)有限公司(「貴公司」)及其附屬公司(以下統稱為「貴集團」)的綜合財務報表,此等財務報表包括於二零零八年八月三十一日的綜合及公司資產負債表,與截至該日止年度的綜合收益賬、綜合權益變動報表及綜合現金流量報表,以及主要會計政策概要及其他附註解釋。

董事就綜合財務報表須承擔的責任

貴公司董事須負責根據香港會計師公會頒佈的香港財務申報準則及香港公司條例,編製及真實而公平地呈列該等綜合財務報表。這責任包括:設計、實施及維護與編製及真實而公平地呈列綜合財務報表相關的內部監控,以使綜合財務報表不存在由於欺詐或錯誤而導致的重大錯誤陳述;選擇和應用適當的會計政策;及按情況作出合理的會計估計。

核數師的責任

本核數師行的責任是根據本核數師行的審核對該等綜合財務報表作出意見,並根據香港公司條例第141條向整體股東作出報告,而非作其他用途。本核數師行不會就本報告內容向任何其他人士承擔任何責任及債務。本核數師行已根據香港會計師公會頒佈的香港審計準則進行審核工作。此等準則要求本核數師行遵守道德規範,並規劃及執行審核,藉以合理確定此等綜合財務報表是否存有任何重大錯誤陳述。

INDEPENDENT AUDITOR'S REPORT • 獨立核數師報告

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 Company and of the Group as at 31st August, 2008 and of the Group's loss 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 Hong Kong Companies Ordinance.

Deloitte Touche Tohmatsu
Certified Public Accountants

Hong Kong
12th December, 2008

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

本行相信，本行所獲得的審核憑證乃充足及適當地為本行的審核意見提供基礎。

意見

本行認為，該等綜合財務報表已根據香港財務申報準則真實而公平地反映 貴公司及 貴集團於二零零八年八月三十一日的財務狀況及 貴集團截至該日止年度的虧損及現金流量，並已按照香港公司條例而妥善編製。

德勤•關黃陳方會計師行
執業會計師

香港
二零零八年十二月十二日

CONSOLIDATED INCOME STATEMENT • 綜合收益賬

For the year ended 31st August, 2008

截至二零零八年八月三十一日止年度

		Notes 附註	2008 HK\$'000 千港元	2007 HK\$'000 千港元
Revenue	營業額	5	6,103,045	7,022,991
Cost of sales	銷售成本		(5,169,704)	(5,784,001)
			933,341	1,238,990
Other income	其他收入		71,341	118,359
Reversal of impairment loss on amounts due from jointly controlled entities	共同控制機構 所欠款項的減值損失撥回	18	21,907	540
Distribution and selling expenses	分銷及銷售費用		(359,929)	(362,424)
Administrative expenses	行政費用		(702,595)	(641,848)
Other expenses	其他費用		(22,654)	(27,037)
Finance costs	融資成本	6	(83,780)	(98,030)
Impairment losses on property, plant and equipment	物業、機器及設備的減值 損失	8, 14	(150,449)	—
Employee termination benefits	終止僱員的福利支出	8, 25	(54,270)	—
Relocation cost of plant and equipment	機器及設備的遷移成本	8, 25	(2,130)	—
(Loss) profit before taxation	除稅前(虧損)盈利		(349,218)	228,550
Income tax charge	所得稅支出	7	(9,179)	(16,240)
(Loss) profit for the year	是年度(虧損)盈利	9	(358,397)	212,310
Attributable to:	應佔：			
Equity holders of the Company	本公司權益持有人		(396,451)	167,481
Minority interests	少數股東權益		38,054	44,829
			(358,397)	212,310
Dividends paid	已付股息	11	39,700	83,371
Basic (loss) earnings per share	每股基本(虧損)盈利	12	(HK49.9 cents港仙)	HK21.1 cents港仙

CONSOLIDATED BALANCE SHEET • 綜合資產負債表

At 31st August, 2008

於二零零八年八月三十一日

		Notes	2008	2007
		附註	HK\$'000	HK\$'000
			千港元	千港元
Non-current assets	非流動資產			
Investment properties	投資物業	13	12,680	11,634
Property, plant and equipment	物業、機器及設備	14	2,152,310	2,247,306
Prepaid lease payments – non-current portion	預付租賃款項 – 非流動部份	15	146,588	72,606
Interests in jointly controlled entities	應佔共同控制機構權益	18	—	—
Derivative financial instruments	衍生金融工具	28	7,175	—
Deferred tax assets	遞延稅項資產	29	18,885	15,889
			<u>2,337,638</u>	<u>2,347,435</u>
Current assets	流動資產			
Inventories	存貨	19	1,465,681	1,822,633
Prepaid lease payments – current portion	預付租賃款項 – 流動部份	15	3,237	1,905
Trade and other receivables	營業及其他應收款項	20	1,205,659	1,654,461
Amounts due from jointly controlled entities	共同控制機構所欠款項	18	—	12,429
Derivative financial instruments	衍生金融工具	28	15,876	12,272
Tax recoverable	可收回稅項		31,404	8,219
Bank deposits with restricted use	有限制用途的銀行存款	21	4,698	2,485
Short-term bank deposits	短期銀行存款	21	394,092	443,735
Bank balances and cash	銀行結存及現金	21	286,708	345,065
			<u>3,407,355</u>	<u>4,303,204</u>
Assets classified as held for sale	分類為持作出售的資產	8	<u>255,222</u>	—
			<u>3,662,577</u>	<u>4,303,204</u>
Current liabilities	流動負債			
Trade and other payables	營業及其他應付款項	22	657,657	781,097
Bills payable	應付票據	22	162,703	499,530
Amounts due to minority shareholders	欠少數股東款項	23	76,214	40,050
Deferred income	遞延收入	24	1,458	—
Derivative financial instruments	衍生金融工具	28	9,921	496
Tax payable	應付稅項		17,333	50,981
Restructuring provisions	重組撥備	25	11,695	—
Bank borrowings – due within one year	銀行借貸 – 一年內到期	26	547,763	406,318
Bank overdrafts	銀行透支	26	4,086	2,561
Obligations under finance leases – due within one year	財務租賃應付賬款 – 一年內到期	27	—	439
			<u>1,488,830</u>	<u>1,781,472</u>
Net current assets	流動資產淨值		<u>2,173,747</u>	<u>2,521,732</u>
Total assets less current liabilities	資產總值減流動負債		<u>4,511,385</u>	<u>4,869,167</u>

CONSOLIDATED BALANCE SHEET • 綜合資產負債表

At 31st August, 2008
於二零零八年八月三十一日

		Notes	2008 HK\$'000 千港元	2007 HK\$'000 千港元
		附註		
Non-current liabilities	非流動負債			
Deferred income	遞延收入	24	71,454	—
Derivative financial instruments	衍生金融工具	28	2,309	—
Bank borrowings - due after one year	銀行借貸 — 一年後到期	26	1,732,084	1,776,823
Deferred tax liabilities	遞延稅項負債	29	6,344	7,888
			<u>1,812,191</u>	<u>1,784,711</u>
Net assets	資產淨值		<u>2,699,194</u>	<u>3,084,456</u>
Capital and reserves	資本及儲備			
Share capital	股本	30	158,802	158,802
Reserves	儲備		<u>2,289,353</u>	<u>2,706,858</u>
Equity attributable to equity holders of the Company	本公司權益持有人應佔 權益		<u>2,448,155</u>	<u>2,865,660</u>
Minority interests	少數股東權益		<u>251,039</u>	<u>218,796</u>
Total equity	權益總值		<u>2,699,194</u>	<u>3,084,456</u>

The consolidated financial statements on pages 36 to 132 were approved and authorised for issue by the Board of Directors on 12th December, 2008 and are signed on its behalf by:

第36至132頁的綜合財務報表已於二零零八年十二月十二日由董事會通過及核准發放，並由下列董事代表簽署。

HA Chung Fong
夏松芳
Director
董事

WAI Yick Man
衛億民
Director
董事

BALANCE SHEET • 資產負債表

At 31st August, 2008
於二零零八年八月三十一日

			2008	2007
		Notes	HK\$'000	HK\$'000
		附註	千港元	千港元
Non-current assets	非流動資產			
Property, plant and equipment	物業、機器及設備	14	6,214	7,231
Investments in subsidiaries	附屬公司投資	17	33,856	33,856
Derivative financial instruments	衍生金融工具	28	7,175	—
			<u>47,245</u>	<u>41,087</u>
Current assets	流動資產			
Other receivables	其他應收款項		1,566	2,155
Amounts due from subsidiaries	附屬公司所欠款項	17	2,989,478	2,602,204
Derivative financial instruments	衍生金融工具	28	15,876	3,145
Tax recoverable	可收回稅項		314	314
Short-term bank deposits	短期銀行存款	21	50,714	93,515
Bank balances and cash	銀行結存及現金	21	4,541	4,338
			<u>3,062,489</u>	<u>2,705,671</u>
Current liabilities	流動負債			
Other payables	其他應付款項		12,117	11,855
Derivative financial instruments	衍生金融工具	28	—	496
Amounts due to subsidiaries	欠附屬公司款項	17	350,109	74,930
Bank borrowings - due within one year	銀行借貸—一年內到期	26	277,355	132,107
			<u>639,581</u>	<u>219,388</u>
Net current assets	流動資產淨值		<u>2,422,908</u>	<u>2,486,283</u>
Total assets less current liabilities	資產總值減流動負債		<u>2,470,153</u>	<u>2,527,370</u>

BALANCE SHEET • 資產負債表

At 31st August, 2008
於二零零八年八月三十一日

		Notes	2008 HK\$'000 千港元	2007 HK\$'000 千港元
		附註		
Non-current liabilities	非流動負債			
Derivative financial instruments	衍生金融工具	28	2,309	—
Bank borrowings – due after one year	銀行借貸—一年後到期	26	1,582,084	1,626,823
Deferred tax liabilities	遞延稅項負債	29	—	296
			<u>1,584,393</u>	<u>1,627,119</u>
Net assets	資產淨值		<u>885,760</u>	<u>900,251</u>
Capital and reserves	資本及儲備			
Share capital	股本	30	158,802	158,802
Reserves	儲備	32	<u>726,958</u>	<u>741,449</u>
Total equity	權益總值		<u>885,760</u>	<u>900,251</u>

HA Chung Fong
夏松芳
Director
董事

WAI Yick Man
衛億民
Director
董事

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY • 綜合權益變動報表

For the year ended 31st August, 2008
截至二零零八年八月三十一日止年度

		Attributable to equity holders of the Company 本公司權益持有人應佔								
		Share capital	Share premium	Capital redemption reserve	Translation reserve	Statutory reserves	Retained profits	Total	Minority interests	Total equity
		股本	股份溢價	贖回儲備	匯兌儲備	法定儲備	滾存盈利	總值	權益	權益總值
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
						(note)				
						(附註)				
At 1st September, 2006	於二零零六年 九月一日	158,802	197,124	210	(47,319)	18,000	2,471,498	2,798,315	201,335	2,999,650
Exchange differences arising on translation of foreign operations recognised directly in equity	直接在權益內確認的 海外業務匯兌差額	—	—	—	(16,765)	—	—	(16,765)	(12,005)	(28,770)
Profit for the year	是年度盈利	—	—	—	—	—	167,481	167,481	44,829	212,310
Total recognised income and expense for the year	是年度確認的收入 及支出總值	—	—	—	(16,765)	—	167,481	150,716	32,824	183,540
Dividends paid to equity holders of the Company	已付股息予本公司 權益持有人	—	—	—	—	—	(83,371)	(83,371)	—	(83,371)
Dividends paid to minority shareholders	已付股息予少數股東	—	—	—	—	—	—	—	(15,363)	(15,363)
At 1st September, 2007	於二零零七年 九月一日	158,802	197,124	210	(64,084)	18,000	2,555,608	2,865,660	218,796	3,084,456
Exchange differences arising on translation of foreign operations recognised directly in equity	直接在權益內確認的 海外業務匯兌差額	—	—	—	18,646	—	—	18,646	11,081	29,727
(Loss) profit for the year	是年度(虧損)盈利	—	—	—	—	—	(396,451)	(396,451)	38,054	(358,397)
Total recognised income and expense for the year	是年度確認的收入 及支出總值	—	—	—	18,646	—	(396,451)	(377,805)	49,135	(328,670)
Dividends paid to equity holders of the Company	已付股息予本公司 權益持有人	—	—	—	—	—	(39,700)	(39,700)	—	(39,700)
Dividends paid to minority shareholders	已付股息予少數股東	—	—	—	—	—	—	—	(16,892)	(16,892)
Transfer	調撥	—	—	—	—	19,785	(19,785)	—	—	—
At 31st August, 2008	於二零零八年 八月三十一日	158,802	197,124	210	(45,438)	37,785	2,099,672	2,448,155	251,039	2,699,194

Note:

The statutory reserves represent the appropriation of certain percentages of profit after taxation of certain subsidiaries in the People's Republic of China (the "PRC") as recommended by the directors of those subsidiaries as reported under the PRC statutory financial statements. According to the provision of the articles of association of the subsidiaries, the statutory reserves shall only be used for making up losses, capitalisation into share capital, expansion of the relevant subsidiary's operation and for the welfare of the subsidiary's staff and workers.

附註：

法定儲備指若干在中華人民共和國(「中國」)的附屬公司的董事按中國法定財務報表的呈報要求建議將該等附屬公司若干比率的稅後盈利撥備的金額。根據附屬公司組織章程細則的條款，法定儲備僅可用於彌補虧損、撥充股本、擴充相關附屬公司的業務及附屬公司員工及工人的福利。

CONSOLIDATED CASH FLOW STATEMENT • 綜合現金流量報表

For the year ended 31st August, 2008

截至二零零八年八月三十一日止年度

		2008 HK\$'000 千港元	2007 HK\$'000 千港元
OPERATING ACTIVITIES	營運項目		
(Loss) profit before taxation	除稅前(虧損)盈利	(349,218)	228,550
Adjustments for:	調整：		
Depreciation of property, plant and equipment	物業、機器及設備的折舊	249,340	248,705
Impairment losses on property, plant and equipment	物業、機器及設備的減值損失	150,449	—
Finance costs	融資成本	83,780	98,030
Impairment on trade receivables, net	營業應收款項減值，淨值	32,879	11,348
Loss on disposal of property, plant and equipment	出售物業、機器及設備的虧損	2,157	2,753
Release of prepaid lease payments	預付租賃款項之轉出	1,941	1,769
Depreciation of investment properties	投資物業的折舊	435	387
Reversal of impairment loss on amounts due from jointly controlled entities	共同控制機構所欠款項的減值損失撥回	(21,907)	(540)
Interest income	利息收入	(12,348)	(23,611)
Gain on disposal of jointly controlled entities	出售共同控制機構所得收益	(10,865)	—
Gain on disposal of a subsidiary	出售一間附屬公司所得收益	(224)	—
Operating cash flows before movements in working capital	流動資金變動前的營運現金流量	126,419	567,391
Decrease (increase) in inventories	存貨的減少(增加)	356,952	(247,247)
Decrease (increase) in trade and other receivables	營業及其他應收款項的減少(增加)	419,076	(99,050)
Decrease (increase) in derivative financial instruments	衍生金融工具的減少(增加)	955	(12,949)
(Decrease) increase in trade and other payables	營業及其他應付款項的(減少)增加	(123,324)	128,229
(Decrease) increase in bills payable	應付票據的(減少)增加	(336,827)	332,814
Increase in restructuring provisions	重組撥備增加	11,695	—
Net cash generated from operations	營運所得的現金淨值	454,946	669,188
Hong Kong Profits Tax paid	已付香港利得稅	(71,321)	(10,379)
Overseas taxation refunded (paid)	海外稅項退回(已付)	810	(8,560)
NET CASH FROM OPERATING ACTIVITIES	營運項目所得的現金淨值	384,435	650,249

CONSOLIDATED CASH FLOW STATEMENT • 綜合現金流量報表

For the year ended 31st August, 2008
截至二零零八年八月三十一日止年度

	Notes 附註	2008 HK\$'000 千港元	2007 HK\$'000 千港元
INVESTING ACTIVITIES	投資項目		
Purchases of property, plant and equipment	購買物業、機器及設備	(556,044)	(345,651)
Additions of prepaid lease payments	預付租賃款項的增加	(78,710)	(4,422)
(Increase) decrease in bank deposits with restricted use	有限制用途的銀行存款 的(增加)減少	(2,213)	1,494
Government grants received	已收政府補貼	24	—
Repayment from jointly controlled entities	共同控制機構償還的款項	34,336	1,280
Proceeds from disposal of property, plant and equipment	出售物業、機器及 設備所得款項	12,324	10,808
Interest received	已收利息	12,316	23,605
Proceeds from disposal of jointly controlled entities	出售共同控制機構所得款項	10,865	—
Proceeds from disposal of a subsidiary	出售一間附屬公司所得款項	39	—
Acquisition of a subsidiary	收購一間附屬公司	38	(34,771)
NET CASH USED IN INVESTING ACTIVITIES	投資項目所用的現金淨值	(493,304)	(347,657)
FINANCING ACTIVITIES	融資項目		
New borrowings raised	新籌集的銀行借貸	1,813,737	757,192
Advance from minority shareholders	少數股東的墊款	36,164	26,700
Repayment of bank borrowings	償還銀行借貸	(1,717,320)	(747,624)
Interest paid	已付利息	(87,611)	(105,325)
Dividends paid to equity holders of the Company	已付股息予本公司權益持有人	(39,700)	(83,371)
Dividends paid to minority shareholders	已付股息予少數股東	(16,892)	(15,363)
Repayment of obligations under finance leases	償還財務租賃應付賬款	(439)	(5,050)
NET CASH USED IN FINANCING ACTIVITIES	融資項目所用的現金淨值	(12,061)	(172,841)
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	現金及等同現金項目的 (減少)增加淨值	(120,930)	129,751
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR	於是年度開始時的現金及 等同現金項目	786,239	656,296
EFFECT OF FOREIGN EXCHANGE RATE CHANGES	匯率變動的影響	11,405	192
CASH AND CASH EQUIVALENTS AT END OF THE YEAR	於是年度終結時的現金及 等同現金項目	676,714	786,239
ANALYSIS OF THE BALANCES OF CASH AND CASH EQUIVALENTS	現金及等同現金項目結存 的分析		
Being:	作為：		
Short-term bank deposits	短期銀行存款	394,092	443,735
Bank balances and cash	銀行結存及現金	286,708	345,065
Bank overdrafts	銀行透支	(4,086)	(2,561)
		676,714	786,239

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS • 綜合財務報表附註

For the year ended 31st August, 2008

截至二零零八年八月三十一日止年度

1. General

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

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

The Company acts as an investment holding company. The principal activities of its principal subsidiaries are set out in note 17.

2. Application of New and Revised Hong Kong Financial Reporting Standards

In the current year, the Group has applied, for the first time, the following new or amended standards and interpretations (the "new HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"), which are effective for the Group's financial year beginning on 1st September, 2007.

HKAS 1 (Amendment)
香港會計準則第1條(修正)

HKAS 39 & HKFRS 7 (Amendments)
香港會計準則第39條及
香港財務申報準則第7條(修正)

HKFRS 7
香港財務申報準則第7條

HK(IFRIC) – INT 10
香港(國際財務申報詮釋委員會) – 詮釋第10條

HK(IFRIC) – INT 11
香港(國際財務申報詮釋委員會) – 詮釋第11條

Capital Disclosures
股本披露

Reclassification of Financial Assets
金融資產的重新分類

Financial Instruments: Disclosures
金融工具：披露

Interim Financial Reporting and Impairment
中期財務申報及減值

HKFRS 2 – Group and Treasury Share Transactions
香港財務申報準則第2條 – 集團及庫存股份交易

1. 簡介

本公司為在香港註冊成立的公眾有限公司而其股份於香港聯合交易所有限公司(「聯交所」)上市。本公司的註冊辦事處地址及主要營業地點於本年報公司資料內披露。

綜合財務報表乃以港元(「港元」)呈列，港元亦為本公司的功能貨幣。

本公司乃一間投資控股公司。其主要附屬公司的主要業務載列於附註17內。

2. 應用新訂及修訂香港財務申報準則

於本年度，本集團已首次應用香港會計師公會(「香港會計師公會」)頒佈以下之新訂或修正準則及詮釋(「新香港財務申報準則」)，並於本集團財政年度二零零七年九月一日開始時生效。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS • 綜合財務報表附註

For the year ended 31st August, 2008
截至二零零八年八月三十一日止年度

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

The Group has applied the disclosure requirements under HKAS 1 (Amendment) and HKFRS 7 retrospectively. Certain information presented in the 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.

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

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

HKFRSs (Amendment)
香港財務申報準則(修正)

Improvements to HKFRSs¹
香港財務申報準則的改進¹

HKAS 1 (Revised)
香港會計準則第1條(修訂)

Presentation of Financial Statements²
財務報表的呈列²

HKAS 23 (Revised)
香港會計準則第23條(修訂)

Borrowing Costs²
借貸成本²

HKAS 27 (Revised)
香港會計準則第27條(修訂)

Consolidated and Separate Financial Statements³
綜合及個別財務報表³

HKAS 32 & 1 (Amendments)
香港會計準則第32條及第1條(修正)

Puttable Financial Instruments and Obligations Arising on Liquidation²
可認沽金融工具及清盤時產生的責任²

HKAS 39 (Amendment)
香港會計準則第39條(修正)

Eligible Hedged Items³
合資格對沖項目³

HKFRS 1 & HKAS 27 (Amendments)
香港財務申報準則第1條及
香港會計準則第27條(修正)

Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate²
於附屬公司、共同控制機構或聯營公司的投資成本²

HKFRS 2 (Amendment)
香港財務申報準則第2條(修正)

Vesting Conditions and Cancellations²
歸屬條件及註銷²

2. 應用新訂及修訂香港財務申報準則(續)

本集團已追溯應用香港會計準則第1條(修正)及香港財務申報準則第7條的披露規定。於過往年度根據香港會計準則第32條呈列的若干資料已作刪除，而根據香港會計準則第1條(修正)及香港財務申報準則第7條規定編製的相關比較資料已於本年度首次呈列。

除上文所述者之外，採納新香港財務申報準則對本會計年度或過往會計年度的業績及財務狀況的編製及呈報方式並無重大影響。據此，毋須就過往年度作出調整。

本集團並無提早應用以下已頒佈但尚未生效的新訂、修正或修訂的準則及詮釋。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS • 綜合財務報表附註

For the year ended 31st August, 2008
截至二零零八年八月三十一日止年度

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

HKFRS 3 (Revised) 香港財務申報準則第3條 (修訂)	Business Combination ³ 業務合併 ³
HKFRS 8 香港財務申報準則第8條	Operating Segments ² 營運分類 ²
HK(IFRIC) – INT 12 香港 (國際財務申報詮釋委員會) – 詮釋第12條	Service Concession Arrangements ⁴ 服務特許權安排 ⁴
HK(IFRIC) – INT 13 香港 (國際財務申報詮釋委員會) – 詮釋第13條	Customer Loyalty Programmes ⁵ 客戶忠誠計劃 ⁵
HK(IFRIC) – INT 14 香港 (國際財務申報詮釋委員會) – 詮釋第14條	HKAS 19 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction ⁴ 香港會計準則第19條 – 既定利益資產的界限、最低撥資的規定及其相互關係 ⁴
HK(IFRIC) – INT 15 香港 (國際財務申報詮釋委員會) – 詮釋第15條	Agreements for the Construction of Real Estate ² 房地產建築協議 ²
HK(IFRIC) – INT 16 香港 (國際財務申報詮釋委員會) – 詮釋第16條	Hedges of a Net Investment in a Foreign Operation ⁶ 海外業務投資淨額對沖 ⁶

- ¹ Effective for annual periods beginning on or after 1st January, 2009 except the amendments to HKFRS 5, effective for annual periods beginning on or after 1st July, 2009.
- ² Effective for annual periods beginning on or after 1st January, 2009
- ³ Effective for annual periods beginning on or after 1st July, 2009
- ⁴ Effective for annual periods beginning on or after 1st January, 2008
- ⁵ Effective for annual periods beginning on or after 1st July, 2008
- ⁶ Effective for annual periods beginning on or after 1st October, 2008

2. 應用新訂及修訂香港財務申報準則 (續)

Business Combination ³ 業務合併 ³
Operating Segments ² 營運分類 ²
Service Concession Arrangements ⁴ 服務特許權安排 ⁴
Customer Loyalty Programmes ⁵ 客戶忠誠計劃 ⁵
HKAS 19 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction ⁴ 香港會計準則第19條 – 既定利益資產的界限、最低撥資的規定及其相互關係 ⁴
Agreements for the Construction of Real Estate ² 房地產建築協議 ²
Hedges of a Net Investment in a Foreign Operation ⁶ 海外業務投資淨額對沖 ⁶

- ¹ 於二零零九年一月一日或其後開始的年度期間生效，而香港財務申報準則第5條的修正除外，其於二零零九年七月一日或其後開始的年度期間生效。
- ² 於二零零九年一月一日或其後開始的年度期間生效
- ³ 於二零零九年七月一日或其後開始的年度期間生效
- ⁴ 於二零零八年一月一日或其後開始的年度期間生效
- ⁵ 於二零零八年七月一日或其後開始的年度期間生效
- ⁶ 於二零零八年十月一日或其後開始的年度期間生效

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS • 綜合財務報表附註

For the year ended 31st August, 2008
截至二零零八年八月三十一日止年度

2. Application of New and Revised Hong Kong Financial Reporting Standards (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 Group has commenced considering the potential impact of these new HKFRSs but is not yet in a position to determine whether these new HKFRSs would have a significant impact on its results and financial position are prepared and presented.

3. Significant Accounting Policies

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

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

2. 應用新訂及修訂香港財務申報準則 (續)

採納香港財務申報準則第3條(修訂)可能影響收購日期在二零零九年七月一日或之後開始的首個週年報告期間的業務合併會計。香港會計準則第27條(修訂)將對每當母公司在其附屬公司的應佔權益有所變動而不導致失去對其控制權時的會計處理有所影響，這將被計入為權益交易。本集團已開始考慮該等新香港財務申報準則的潛在影響，惟目前仍未能確定該等新香港財務申報準則會否對所編製及呈報的業績及財務狀況有重大之影響。

3. 主要會計政策

綜合財務報表(除部份金融工具以公平價值列出外)乃按歷史成本基準編製，所採用的主要會計政策解說如下：

綜合財務報表已按香港會計師公會頒佈的香港財務申報準則編製。此外，綜合財務報表包括聯交所證券上市規則(「上市規則」)及香港公司條例規定的適用披露。

綜合基準

綜合財務報表包括本公司及受本公司控制的機構(其附屬公司)的財務報表。倘本公司有權管治機構的財務及營運政策，從而在其業務中獲得利益，即取得控制權。

是年度收購或出售的附屬公司的業績已根據其收購或出售生效日期(如適用)包括在綜合收益賬內。

如有需要，附屬公司的財務報表會作出調整，使其會計政策與本集團其他成員公司所採用者一致。

所有集團間的交易、結餘、收入及支出均於綜合賬目時對銷。

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3. Significant Accounting Policies (Continued)

Basis of consolidation (Continued)

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

Business combinations

The acquisition of business is accounted for using the purchase method. The cost of the acquisition is measured at the aggregate of the fair values, at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued by the Group in exchange for control of the acquiree, plus any costs directly attributable to the business combination. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition under HKFRS 3 Business Combinations are recognised at their fair values at the acquisition date, except for non-current assets that are classified as held for sale in accordance with HKFRS 5 Non-Current Assets Held for Sale and Discontinued Operations, which are recognised and measured at fair value less costs to sell.

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

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

3. 主要會計政策 (續)

綜合基準 (續)

綜合附屬公司資產淨值內的少數股東權益與本集團的權益分開呈列。於資產淨值內的少數股東權益包括在原有業務合併日期的有關權益金額及自合併日期起計少數股東的應佔權益的變動。適用於少數股東的虧損超出少數股東應佔附屬公司權益的金額在本集團應佔權益作出對沖分配，惟少數股東有具約束責任及有能力作額外投資以彌補該等虧損的範圍內除外。

業務合併

收購業務乃採用購買法入賬。收購成本按於交易日本集團為換取被收購方控制權所給予的資產、所產生或承擔的負債及所發行的股本工具的總公平價值計量，再計入業務合併的任何直接應佔成本。被收購方的可識別資產、負債及或然負債如符合香港財務申報準則第3條業務合併的確認條件，則於收購日按其公平價值確認，惟根據香港財務申報準則第5條持作出售的非流動資產及終止經營業務而分類為持作出售的非流動資產除外，其乃按公平價值減銷售成本確認及計量。

收購時所產生的商譽會確認為一項資產，並初步以成本計量。成本即業務合併成本超出本集團所佔已確認可識別資產、負債及或然負債的公平價值淨值的權益的金額。如於重新評估後，本集團所佔被收購方可識別資產、負債及或然負債淨公平價值的權益超出業務合併成本，超出的金額會即時在損益賬內確認。

被收購方的少數股東權益初步會以少數股東所佔已確認資產、負債及或然負債公平價值的淨值的比例計量。

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3. Significant Accounting Policies (Continued)

Goodwill

Goodwill arising on acquisitions prior to 1st September, 2004

Goodwill arising on an acquisition of net assets and operations of another entity for which the agreement date is before 1st September, 2004 represents the excess of the cost of acquisition over the Group's interest in the fair value of the identifiable assets and liabilities of the relevant acquiree at the date of acquisition.

For previously capitalised goodwill arising on acquisitions net assets and operations of another entity after 1st January, 2001, the Group has discontinued amortisation from 1st September, 2004 onwards, and such goodwill is tested for impairment annually, and whenever there is an indication that the cash-generating unit (the "CGU") to which the goodwill relates may be impaired (see the accounting policy below).

Goodwill arising on acquisitions on or after 1st September, 2004

Goodwill arising on an acquisition of a business for which the agreement date is on or after 1st September, 2004 represents the excess of the cost of acquisition over the Group's interest in the fair value of the identifiable assets, liabilities and contingent liabilities of the relevant business at the date of acquisition. Such goodwill is carried at cost less any accumulated impairment loss.

Capitalised goodwill arising on an acquisition of a business is presented separately in the consolidated balance sheet.

3. 主要會計政策 (續)

商譽

於二零零四年九月一日前因收購而產生的商譽

協議日期為二零零四年九月一日前因收購其他實體的資產淨值及業務而產生的商譽乃指收購成本超出本集團於收購日應佔有關被收購方的可識別資產及負債權益的公平價值的金額。

對於二零零一年一月一日後因收購其他實體的資產淨值及業務而產生並於過往已化作資產的商譽，本集團已於二零零四年九月一日起停止該商譽的攤銷，並會每年及當與此商譽有關的現金產生單位（「現金產生單位」）有跡象可能減值時對此項商譽進行減值測試（見下述會計政策）。

於二零零四年九月一日或以後因收購而產生的商譽

協議日期為二零零四年九月一日或之後因收購業務而產生的商譽乃指收購成本超出本集團於收購日應佔有關業務的可識別資產、負債及或然負債權益的公平價值的金額。此項商譽會以成本減去任何累積減值損失列賬。

收購業務所產生並化作資產的商譽會在綜合資產負債表內分開呈列。

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3. Significant Accounting Policies (Continued)

Goodwill (Continued)

Goodwill arising on acquisitions on or after 1st September, 2004 (Continued)

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

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

Investment properties

Investment properties are properties held to earn rentals 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 stated at cost less subsequent accumulated depreciation and any accumulated impairment loss. Depreciation is charged so as to write off the cost of investment properties using the straight-line method.

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 disposal. 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.

3. 主要會計政策 (續)

商譽 (續)

於二零零四年九月一日前因收購而產生的商譽 (續)
就減值測試而言，因收購而產生的商譽會被分攤至預期可從收購的協同效益中獲益的每一個有關現金產生單位，或每一組的現金產生單位。被分攤商譽的現金產生單位會每年及當此單位有跡象可能減值時作減值測試。就一個財務年度內因收購而產生的商譽，被分攤商譽的現金產生單位會於財務年度終結時作減值測試。當現金產生單位的可收回金額低於其賬面值時，其減值損失會首先被分攤至該單位以減低該單位任何已分攤的商譽的賬面值，然後再根據該單位內每項資產的賬面值按比例分攤至該單位的其他資產。任何商譽的減值損失會直接在綜合收益賬內確認。商譽的減值損失不會在往後期間撥回。

於往後出售相關現金產生單位時，有關化作資產的商譽會包括在計算出售時的損益金額內。

投資物業

投資物業指持作賺取租金及／或資本增值的物業。

於初步確認時，投資物業以成本計算。成本包括任何關連的直接開支。於初步確認後，投資物業以成本扣除往後累積折舊及任何累積減值損失列出。投資物業的折舊乃以直線法將成本撇銷。

投資物業於出售或當投資物業永久不再使用時或預期不會藉其出售而產生未來經濟效益時，則不作確認。不作確認該資產所產生的任何損益 (以該資產的出售款項淨值與賬面值的差額來計算) 會在該項目不作確認的年度包括在綜合收益賬內。

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3. Significant Accounting Policies (Continued)

Property, plant and equipment

Property, plant and equipment including land and building 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 less subsequent accumulated depreciation and accumulated impairment loss.

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

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

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

Investments in subsidiaries

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

3. 主要會計政策(續)

物業、機器及設備

物業、機器及設備包括持作生產或供應貨物或提供服務或行政用途的土地及樓宇(惟在建工程除外)，以成本扣除往後累積折舊及累積減值損失後列出。

物業、機器及設備(在建工程除外)的折舊乃按其估計可使用年期及考慮其估計剩餘價值，以直線法將成本撇銷。

在建工程乃指在建築過程中供生產或作自用的物業、機器及設備。在建工程以成本減任何已確認的減值損失列出。在建工程於完成後及可供擬定使用時分類為物業、機器及設備的適當類別。此等資產的折舊基準與其他資產相同，乃於可供其擬定使用時開始計算。

以財務租賃持有的資產的折舊與自置資產的基準相同，乃按其估計可使用年期或相關租期(以較短者為準)作出折舊。

物業、機器及設備項目於出售或當預期不會藉持續使用該項資產而產生未來經濟效益時不作確認。不作確認該項資產所產生的任何損益(以該項目的出售款項淨值與賬面值的差額來計算)會在該項目不作確認的年度包括在綜合收益賬內。

附屬公司的投資

附屬公司的投資以成本扣除任何已確定的減值損失後包括在本公司資產負債表內。

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3. Significant Accounting Policies (Continued)

Jointly controlled entities

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

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

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 instruments. 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 liabilities at fair value through profit or loss ("FVTPL")) 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 FVTPL are recognised immediately in profit or loss.

3. 主要會計政策 (續)

共同控制機構

合資經營安排乃涉及合營者共同控制機構的經濟活動而成立的獨立機構。

共同控制機構的業績、資產及負債按權益法計入綜合財務報表內。按照權益法，於共同控制機構的投資乃以成本及於收購後集團應佔共同控制機構的資產淨值扣除任何已確定的減值損失在綜合資產負債表內列賬。當本集團應佔共同控制機構的虧損等於或超出集團於該共同控制機構的權益時(包括實質構成本集團在共同控制機構的部份投資淨值的長期權益)，本集團會不再繼續確認其應佔的額外虧損。本集團僅於已發生法定或推定責任或已代該共同控制機構支付的款項為限情況下，為額外應佔虧損作出撥備及確認負債。

存貨

存貨乃以成本或可變現淨值兩者中的較低值列出。成本按最先存入則最先報銷的方法計算。

金融工具

當集團機構成為金融工具合約條文的訂約方，金融資產及金融負債會在資產負債表上確認。金融資產及金融負債初步以公平價值計算。收購或發行金融資產及金融負債(按公平價值計入損益賬(「按公平價值計入損益賬」)的金融資產及金融負債除外)的直接關連交易成本(如適用)會在初步確認時在金融資產或金融負債的公平價值中計入或扣除。收購時按公平價值計入損益賬的金融資產或金融負債直接產生的交易成本會即時在損益賬內確認。

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3. Significant Accounting Policies (Continued)

Financial instruments (Continued)

Financial assets

The Group's financial assets are classified as financial assets at FVTPL and loans and receivables. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

Effective interest method

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

Interest income is recognised on an effective interest basis for debt instruments other than those financial assets designated as at FVTPL.

Financial assets at fair value through profit or loss

The Group's financial assets classified as financial assets at FVTPL are financial assets held for trading as they are derivatives that are not designated and effective as a hedging instrument.

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

3. 主要會計政策 (續)

金融工具 (續)

金融資產

本集團的金融資產分類為按公平價值計入損益賬的金融資產及貸款及應收款項。一般買賣的金融資產乃於交易日予以確認及不作確認。一般買賣乃指按照市場規則或慣例確立之時間內交付資產的金融資產買賣。

有效利率方法

有效利率方法是一種計算金融資產的攤銷成本以及按有關期間攤分利息收入的方法。有效利率是將估計未來現金收入(包括所有構成有效利率整體部分已支付或已收的費用、交易成本及其他溢價或折價)透過金融資產的預期年期或更短期間(倘適用)準確貼現的利率。

債務工具(按公平價值計入損益賬的金融資產除外)的利息收入按有效利率方法確認。

按公平價值計入損益賬的金融資產

本集團的金融資產分類為按公平價值計入損益賬的金融資產，指持作買賣的金融資產，因為該等金融資產為衍生工具，並非指定及有效作為對沖工具。

於初步確認後的各結算日，按公平價值計入損益賬的金融資產按公平價值計量，公平價值的變動直接於產生期間的損益賬內確認。於損益賬內確認的收益或虧損淨值不包括金融資產所賺取的任何股息或利息。

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3. Significant Accounting Policies (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Loans and receivables

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

Impairment of financial assets

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

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

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

貸款及應收款項為在活躍市場非報價的附帶固定或可釐定付款的非衍生金融資產。於初步確認後的各結算日，貸款及應收款項 (包括營業及其他應收款項、附屬公司／共同控制機構所欠款項、銀行存款及結存及現金) 均按有效利率方法，扣除任何已確認的減值損失後的已攤銷成本列賬 (見下述金融資產減值的會計政策)。

金融資產減值

在每個結算日會評估金融資產 (按公平價值計入損益賬的金融資產除外) 是否有任何減值跡象。倘有客觀證據證明，於初步確認金融資產後發生一項或多項的事件，令金融資產的估計未來現金流量受到影響，則金融資產會予以減值。

就貸款及應收款項而言，減值的客觀證據可能包括：

- 發行人或對手方出現嚴重財務困難；或
- 欠繳或拖欠利息或本金付款；或
- 借款人很有可能將宣告破產或進行財務重組。

就若干類別的金融資產 (如營業應收款項) 不會單獨作出減值評估的資產會於日後彙集一併評估減值。應收款項組合出現的減值客觀證據可包括本集團的過往收款經驗及國家或地區經濟狀況出現明顯變動導致應收款項未能償還。

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3. Significant Accounting Policies (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets (Continued)

For financial assets carried at amortised cost, 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.

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

For financial assets measured at amortised cost, if, in a subsequent period, the amount of impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment loss 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.

3. 主要會計政策 (續)

金融工具 (續)

金融資產 (續)

金融資產減值 (續)

就按攤銷成本列賬的金融資產而言，減值損失乃於有客觀證據證明資產出現減值時於損益賬內確認，並按該資產的賬面值與按原先有效利率貼現的估計未來現金流量現值的差額計量。

就所有金融資產而言，金融資產的賬面值直接按減值損失調低，惟營業應收款項除外，其賬面值乃透過使用撥備賬目而調低。撥備賬目的賬面值變動於損益賬內確認。倘營業應收款項被視為無法收回，則於撥備賬內撇銷。其後收回過往撇銷的款項計入損益賬內。

就按攤銷成本計量的金融資產而言，倘於往後期間，減值損失金額減少，而該減少可客觀地與減值損失確認後發生的事件有關，則先前確認的減值損失透過損益賬撥回，惟該資產於撥回減值當日的賬面值不得超過在並無確認減值的情況下應有的已攤銷成本。

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3. Significant Accounting Policies (Continued)

Financial instruments (Continued)

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 entity after deducting all of its liabilities. The Group's financial liabilities are generally classified as FVTPL and other financial liabilities. The accounting policies adopted in respect of financial liabilities and equity instruments are set out below.

Effective interest method

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

Interest expense is recognised on an effective interest basis other than those financial liability designated as at FVTPL.

Financial liabilities at fair value through profit or loss

The Group's financial liabilities classified as financial liabilities at FVTPL are financial liabilities held for trading as they are derivatives that are not designated and effective as a hedging instrument.

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

3. 主要會計政策 (續)

金融工具 (續)

金融負債及權益

集團機構發行的金融負債及權益工具乃按所訂立的合約安排實質及金融負債及權益工具的定義而分類。

權益工具乃證實集團機構在扣除所有其負債後在資產內剩餘權益的任何合約。本集團的金融負債一般分類為按公平價值計入損益賬的金融負債及其他金融負債。就金融負債及權益工具所採納的會計政策載列如下。

有效利率方法

有效利率方法是一種計算金融負債的攤銷成本以及按有關期間攤分利息費用的方法。有效利率是將估計未來現金付款透過金融負債的預期年期或更短期間(倘適用)準確貼現的利率。

利息費用按有效利率方法確認，惟按公平價值計入損益賬的金融負債除外。

按公平價值計入損益賬的金融負債

本集團的金融負債分類為按公平價值計入損益賬的金融負債，指持作買賣的金融負債，因為該等金融負債為衍生工具，並非指定及有效作為對沖工具。

於初步確認後的各結算日，按公平價值計入損益賬的金融負債按公平價值計量，公平價值的變動直接於產生期間的損益賬內確認。於損益賬內確認的收益或虧損淨值不包括就金融負債已付的任何利息。

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3. Significant Accounting Policies (Continued)

Financial instruments (Continued)

Financial liabilities and equity (Continued)

Other financial liabilities

Other financial liabilities including trade and other payables, bills payable, amounts due to subsidiaries/minority shareholders and bank borrowings are initially measured at fair value, and subsequently measured at amortised cost, using the effective interest method.

Equity instruments

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

Derivative financial instruments

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at each balance sheet date. The resulting gain or loss is recognised in profit or loss immediately. The fair values of derivatives are classified as non-current assets or liabilities when the remaining maturity of the items are more than one year and current assets or liabilities when the remaining maturity are less than one year.

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 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.

3. 主要會計政策 (續)

金融工具 (續)

金融負債及權益 (續)

其他金融負債

其他金融負債包括初步按公平價值計量的營業及其他應付款項、應付票據、欠附屬公司／少數股東款項及銀行借貸，其後乃按有效利率方法以攤銷成本計量。

權益工具

本公司發行的權益工具乃以所收款項，扣除直接發行成本後記賬。

衍生金融工具

衍生工具於衍生工具合約簽訂當日初步按公平價值確認，其後於各結算日按照公平價值重新計量。由此產生的損益即時於損益賬內確認。倘有關項目的餘下到期時間長逾一年，則衍生工具的公平價值分類為非流動資產或負債；而若餘下到期時間不足一年，則分類為流動資產或負債。

不作確認

當從資產收取現金流量的權利屆滿或此類金融資產已轉讓及本集團已將其於金融資產擁有權的絕大部份風險及回報轉移，則金融資產將不作確認。不作確認金融資產時，該資產的賬面值與已收取和應收代價的總和的差額會在損益賬內確認。

金融負債會在有關合約訂明的責任獲解除、取消或屆滿時不作確認。不作確認的金融負債的賬面值與已付和應付的代價的差額會在損益賬內確認。

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3. Significant Accounting Policies (Continued)

Non-current assets held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset is available for immediate sale in its present condition.

Non-current assets classified as held for sale are measured at the lower of the assets' previous carrying amount and fair value less costs to sell.

Government grants

Government grants are recognised as income over the periods necessary to match them with the related costs. Grants related to depreciable assets are presented as deferred income and are released to income over the useful lives of the assets. Grants related to expense items are recognised in the same period as those expenses are charged in the consolidated income statement and are reported separately as other income. Government grants shall not be recognised until there is reasonable assurance that the entity will comply with the conditions attaching to them.

Provisions

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

A provision for restructuring is recognised in the consolidated balance sheet on conditions that the Group has a detailed formal plan and has raised a valid expectation in those affected that the plan will be carried out, by starting to implement that plan or by announcing its main features to those affected by it.

For provision in relation to employee termination benefits where the Group has a detailed formal plan and is without realistic possibility of withdrawal, the liability and expenses are recognised when the Group is committed to terminate the employment of an employee or group of employees before their normal retirement date or provide termination benefits as a result of an offer made in order to encourage voluntary redundancy.

3. 主要會計政策 (續)

持作出售的非流動資產

倘非流動資產賬面值將主要透過銷售交易而非透過持續使用收回，則該非流動資產須分類為持作出售項目。僅於出售機會相當高及資產可於現況下即時出售時，本條件方被視為達成。

被分類為持作出售的非流動資產按過往的賬面值或公平價值減銷售成本，兩者之中較低者計量。

政府補貼

政府補貼按與有關成本配對期間確認為收入。有關可折舊資產的補貼乃呈列為遞延收入並於資產使用年期內轉為收入。有關開支項目的補貼按該等開支自綜合收益賬扣除的相同期間確認，並獨立呈報為其他收入。政府補貼於可合理確保該實體符合補貼所附帶條件時方可予以確認。

撥備

當本集團因過往事件而需承擔現有責任及有可能需履行有關責任時，確認有關撥備。撥備乃按董事於結算日就需履行責任所作的最佳估計計量，於有重大影響時貼現為現值。

倘本集團持有一個正式詳細計劃，並在開始實施該項計劃或公佈受影響的主要情況下進行此項計劃時對受影響的情況作出有效預測，則會在綜合資產負債表內確認一項重組撥備。

就有關終止僱員的福利撥備，本集團設有一個正式詳細計劃，並且無實際撤消的可能性，負債及費用會在本集團承諾一位僱員或一組僱員在其正常退休日前終止僱用或在鼓勵自願性離職而終止福利時，予以確認。

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3. Significant Accounting Policies (Continued)

Impairment (other than goodwill)

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 (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately.

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

Revenue recognition

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

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

Service income is recognised when services are provided.

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.

Retirement benefit schemes

Payments to defined contribution retirement benefit plan are charged as an expense when employees have rendered service entitling them to the contributions.

3. 主要會計政策 (續)

減值 (商譽除外)

於每個結算日，本集團會檢討其資產的賬面值，以判斷該等資產是否出現減值損失的任何跡象。若估計一項資產 (或現金產生單位) 的可收回金額低於其賬面值時，該資產的賬面值會減至其可收回金額。此項減值損失會立即確認為支出。

倘減值損失其後出現逆轉，則該資產 (或現金產生單位) 的賬面值可增加至其經修訂的預計可收回金額，惟增加後的賬面值不得超過該資產 (或現金產生單位) 於過往年度並未確認減值損失時的賬面值。此項減值損失撥回會立即確認為收入。

收入確認

收入按已收及應收代價的公平價值計量，乃指於日常業務過程中售出貨品及提供服務應收的款項，扣除折讓及銷售有關稅項。

貨品銷售收入於貨品付運及擁有權移交後確認。

服務收入於服務提供後確認。

金融資產的利息收入乃按時間基準以本金結餘金額及適用的有效利率計入。此利率乃按金融資產的預計年期準確地折算估計未來的現金收款至該項資產的賬面淨值的利率。

退休福利計劃

支付定額供款退休福利計劃的款項於賦予提供服務的僱員獲取供款的權利時作支出扣除。

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3. Significant Accounting Policies (Continued)

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets are capitalised as part of the cost of those assets. Capitalisation of such borrowing costs ceases when the assets are substantially ready for their intended use or sale.

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

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

Assets held under finance leases are recognised as assets of the Group at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the consolidated balance sheet as a finance lease obligation. Lease payments are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly to profit or loss, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the Group's general policy on borrowing costs (see above).

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.

3. 主要會計政策 (續)

借貸成本

購買、興建或生產合資格資產直接應佔的借貸成本會化作該資產的部份成本。該項借貸成本化作資產將於資產大致可供擬作使用或出售時停止。

所有其他借貸成本在其發生期間的損益賬內確認。

租賃

如租賃條款將絕大部份風險及主權收益轉嫁給承租人，則該等租賃被視為財務租賃。所有其他租賃則被視為營運租賃。

本集團作為出租人

營運租賃的租金收入乃按有關租賃年期以直線法在綜合收益賬內確認。磋商及安排營運租約的初步直接成本會加入該租賃資產的賬面值內及按租賃年期以直線法確認為支出。

本集團作為承租人

按財務租賃持有的資產，以其在訂立租賃時的公平價值或最低租賃支出的現值兩者的較低者確認為本集團資產。而相對欠出租人的負債則以財務租賃應付賬款包括在綜合資產負債表內。租賃款項攤分為財務費用及租賃應付賬款扣減，使負債餘額以固定息率計算利息。財務費用直接在損益賬內扣除，除非該費用直接與合資格資產關連，則會根據集團用於借貸成本的一般政策化作資產(見上)。

營運租賃的應付租金會按有關租賃年期以直線法在損益賬內扣除。作為訂立營運租賃獎勵的已收及應收利益則會按租賃年期以直線法確認為扣減租金支出。

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3. Significant Accounting Policies (Continued)

Leasing (Continued)

The Group as lessee (Continued)

Leasehold land

Interest in leasehold land is accounted for as operating leases and amortised over the lease term on a straight line basis.

Taxation

Income tax charge 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 bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences, and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries and interests in joint ventures, 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.

3. 主要會計政策 (續)

租賃 (續)

本集團作為承租人 (續)

租賃土地

租賃土地的權益按營運租賃入賬，並按直線法於租期內攤銷。

稅項

所得稅支出乃指是年度應付稅項及遞延稅項的總和。

是年度應付稅項是以是年度的應課稅盈利作基準。應課稅盈利與綜合收益賬內呈報的盈利並不相等，乃基於其並無計入應在其他年度課稅或扣減的收入或費用項目，亦無計入毋須課稅及不獲扣減的項目所致。本集團是年度稅項的負債乃按照結算日已頒佈或實質上已頒佈的稅率計算。

遞延稅項乃綜合財務報表內資產及負債的賬面值與計算應課稅盈利所用的相關稅基的差異的確認，並採用資產負債表負債法記賬。遞延稅項負債一般按所有應課稅暫時差異確認，而遞延稅項資產的確認則以可用作抵銷可能會產生應課稅盈利的可扣減暫時差異為限。倘若暫時差異是由於商譽或一項不影響應課稅盈利或會計盈利的交易於最初確認為其他資產及負債(業務合併除外)所引致，則此項資產及負債不予確認。

就附屬公司的投資及應佔共同經營權益所產生的應課稅暫時差異會被確認為遞延稅項負債，惟若本集團可控制暫時差異的撥回及於可見將來不會將暫時差異撥回則除外。

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3. Significant Accounting Policies (Continued)

Taxation (Continued)

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

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

Foreign currencies

In preparing the financial statements of each individual group entity, transactions in currencies other than the functional currency of that entity (foreign currencies) are recorded in the respective functional currency (i.e. the currency of the primary economic environment in which the entity operates) at the rates of exchanges prevailing on the dates of the transactions. At 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 re-translated.

Exchange differences arising on the settlement of monetary items, and on the translation of monetary items, are recognised in the consolidated income statement 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. HK\$) at the rate of exchange prevailing at the balance sheet date, and their income and expenses are translated at the average exchange rates for the year, unless exchange rates fluctuate significantly during the year, 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 consolidated income statement in the period in which the foreign operation is disposed of.

3. 主要會計政策 (續)

稅項 (續)

遞延稅項資產的賬面值於每個結算日作出檢討，並在預期不再有足夠應課稅盈利以收回全部或部份資產的情況下作出相應扣減。

遞延稅項按預期償還負債或變現資產期間的稅率計算。遞延稅項於損益賬內扣除或計入，惟如涉及直接於權益內扣除或計入的項目，則遞延稅項亦會在權益內處理。

外幣

於編製各個別集團實體的財務報表時，以該實體的功能貨幣以外的貨幣(外幣)進行的交易乃按於交易日期當時的匯率換算為其個別功能貨幣(即該實體經營所在的主要經濟環境貨幣)。於每個結算日，以外幣定值的貨幣項目乃按結算日當時的匯率重新換算。按外幣的歷史成本計算的非貨幣項目毋須重新換算。

於結算及換算貨幣項目時產生的匯兌差額乃於其產生的期間於綜合收益賬內確認。

就綜合財務報表的呈列而言，本集團境外業務的資產及負債乃按結算日當時的匯率換算為本公司的呈列貨幣(即港元)，而其收入及支出乃按該年度的平均匯率換算，除非匯率於該年度內出現大幅波動則除外，在此情況下則會採用交易日當時的匯率換算。所產生的匯兌差額(如有)確認為權益的獨立部份(匯兌儲備)。該等匯兌差額乃於出售境外業務的期間內於綜合收益賬內確認。

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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 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.

Estimated impairment on property, plant and equipment

When there is objective evidence of impairment losses on property, plant and equipment, which is in relation to the closure plan of Dongguan Fuan Textiles Limited ("Dongguan Fuan"), a PRC subsidiary of the Company, disclosed in Note 8, the Group considers the recoverable amount of the CGU which comprises property, plant and equipment of Dongguan Fuan based on fair value less costs to sell calculation by reference to the offer from potential buyers who are independent third parties. The eventual consideration of proposed disposal of assets may differ from that estimated by management.

4. 不確定性估計的主要來源

於應用本集團的會計政策(載於附註3)時,本公司董事須對未能透過其他來源直接確定的資產及負債的賬面值作出估計及假設。此等估計及假設乃基於過往經驗及其他被視為相關的因素。實際結果可能有別於此等估計。

物業、機器及設備的估計減值

倘有客觀證據證明與本公司的中國附屬公司東莞福安紡織印染有限公司(「東莞福安」)的關閉計劃(於附註8內披露)有關的物業、機器及設備出現減值損失,則本集團會參考由獨立第三者為準買家的報價,以公平價值減銷售成本為基準考慮現金產生單位(包括東莞福安的物業、機器及設備)的可收回金額。建議出售資產的最終代價可能有別於管理層的估計。

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5. Segment Information

Revenue represents the amounts received and receivable mainly for goods sold by the Group, net of returns, to outside customers during the year.

The Group's primary format for reporting segment information is geographical segments (based on location of customers). Others mainly represent Singapore and Macao.

2008

5. 分類資料

營業額乃指本集團於是年度內主要向外間銷售貨品，經扣除退貨後，所取得的已收及應收金額。

本集團呈報分類資料的主要格式為地域分類（按客戶所在地區為基準）。其他地區主要指新加坡及澳門。

二零零八年

		Hong Kong	The PRC	Taiwan	Korea	Sri Lanka	America	Europe	Others	Eliminations	Consolidated
		香港	中國	台灣	韓國	斯里蘭卡	美洲	歐洲	其他地區	對銷	綜合
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
REVENUE	營業額										
External sales	對外銷售	1,999,424	541,828	674,045	731,374	788,126	358,625	50,378	959,245	—	6,103,045
Inter-segment sales (note)	分類間銷售 (附註)	4,853,015	2,771,696	—	—	434,225	33,663	—	69,662	(8,162,261)	—
Total revenue	營業額總值	<u>6,852,439</u>	<u>3,313,524</u>	<u>674,045</u>	<u>731,374</u>	<u>1,222,351</u>	<u>392,288</u>	<u>50,378</u>	<u>1,028,907</u>	<u>(8,162,261)</u>	<u>6,103,045</u>
RESULTS	業績										
Segment results	分類業績	<u>192,363</u>	<u>41,884</u>	<u>54,943</u>	<u>65,921</u>	<u>138,019</u>	<u>31,113</u>	<u>5,142</u>	<u>87,589</u>		<u>616,974</u>
Interest income	利息收入										12,348
Unallocated income	不可分拆的收入										11,089
Unallocated expenses	不可分拆的支出										(927,756)
Finance costs	融資成本										(83,780)
Reversal of impairment	共同控制機構										
loss on amounts due	所欠款項										
from jointly controlled	的減值損失撥回										
entities											21,907
Loss before taxation	除稅前虧損										(349,218)
Income tax charge	所得稅支出										(9,179)
Loss for the year	是年度虧損										<u>(358,397)</u>

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5. Segment Information (Continued)

2007

5. 分類資料(續)

二零零七年

		Hong Kong	The PRC	Taiwan	Korea	Sri Lanka	America	Europe	Others	Eliminations	Consolidated
		香港	中國	台灣	韓國	斯里蘭卡	美洲	歐洲	其他地區	對銷	綜合
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
REVENUE	營業額										
External sales	對外銷售	2,608,021	306,333	752,572	751,948	676,568	728,405	33,660	1,165,484	—	7,022,991
Inter-segment sales (note)	分類間銷售(附註)	5,864,277	3,833,465	—	—	452,798	45,053	—	64,863	(10,260,456)	—
Total revenue	營業額總值	<u>8,472,298</u>	<u>4,139,798</u>	<u>752,572</u>	<u>751,948</u>	<u>1,129,366</u>	<u>773,458</u>	<u>33,660</u>	<u>1,230,347</u>	<u>(10,260,456)</u>	<u>7,022,991</u>
RESULTS	業績										
Segment results	分類業績	<u>338,055</u>	<u>38,778</u>	<u>96,058</u>	<u>93,522</u>	<u>151,753</u>	<u>74,122</u>	<u>4,179</u>	<u>146,664</u>		943,131
Interest income	利息收入										23,611
Unallocated income	不可分拆的收入										20,445
Unallocated expenses	不可分拆的支出										(661,147)
Finance costs	融資成本										(98,030)
Reversal of impairment loss on amounts due from jointly controlled entities	共同控制機構所欠款項的減值損失撥回										540
Profit before taxation	除稅前盈利										228,550
Income tax charge	所得稅支出										(16,240)
Profit for the year	是年度盈利										<u>212,310</u>

Note: Inter-segment sales are charged at prices with reference to the prevailing market rates.

附註：分類間銷售的價格乃參照當時的市場價格而釐定。

An analysis of the Group's segment assets and liabilities, expenditure on property, plant and equipment as well as depreciation thereon attributable to geographical markets by location of customer for both years is not presented as it is impracticable to allocate the amounts of the respective assets and liabilities to geographical markets.

由於將各自分類資產及負債的金額按地域市場分配乃屬不切實際，故本集團在這兩個年度並無將分類資產及負債，物業、機器及設備的開支與及折舊以客戶所在地區按地域市場作出分析。

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5. Segment Information (Continued)

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

5. 分類資料 (續)

將分類資產的賬面值與物業、機器及設備的開支按資產所在地域分析如下：

		Carrying amount of segment assets 分類資產的賬面值		Expenditure on property, plant and equipment 物業、機器及 設備的開支	
		2008 HK\$'000 千港元	2007 HK\$'000 千港元	2008 HK\$'000 千港元	2007 HK\$'000 千港元
The PRC	中國	3,882,162	4,084,507	525,689	288,282
Hong Kong	香港	1,066,365	1,329,953	2,585	7,538
Taiwan	台灣	214,131	264,645	—	—
Korea	韓國	45,411	47,972	—	—
America	美洲	62,891	129,708	266	84
Europe	歐洲	6,705	12,826	12	25
Sri Lanka	斯里蘭卡	459,991	433,482	30,402	52,978
Others	其他地區	212,270	311,009	1,093	1,462
		<u>5,949,926</u>	<u>6,614,102</u>	<u>560,047</u>	<u>350,369</u>

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5. Segment Information (Continued)

The following table provides an analysis of the Group's revenue, carrying amount of segment assets, and expenditure on property, plant and equipment, analysed by the business operating divisions.

5. 分類資料(續)

將本集團的營業額、分類資產的賬面值以及物業、機器及設備的開支按業務營運部門分析如下：

		Revenue	Carrying amount of segment assets	Expenditure on property, plant and equipment
		營業額	分類資產的賬面值	物業、機器及設備的開支
		HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元
2008	二零零八年			
Production and sales of dyed fabrics, sewing threads and yarns	製造及銷售色布、縫紉線及紗	5,373,062	5,281,521	476,690
Production and sales of garments	製造及銷售成衣	729,983	509,845	81,816
		<u>6,103,045</u>	<u>5,791,366</u>	<u>558,506</u>
2007	二零零七年			
Production and sales of dyed fabrics, sewing threads and yarns	製造及銷售色布、縫紉線及紗	6,271,544	5,998,888	323,930
Production and sales of garments	製造及銷售成衣	751,447	388,356	22,689
		<u>7,022,991</u>	<u>6,387,244</u>	<u>346,619</u>

Other Information

其他資料

		Hong Kong	The PRC	Taiwan	Korea	Sri Lanka	America	Europe	Others	Consolidated
		香港	中國	台灣	韓國	斯里蘭卡	美洲	歐洲	其他地區	綜合
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
2008	二零零八年									
Impairment on trade receivables, net	營業應收款項減值淨值	8,918	1,298	—	—	38	11,726	18	10,881	32,879
		<u>8,918</u>	<u>1,298</u>	<u>—</u>	<u>—</u>	<u>38</u>	<u>11,726</u>	<u>18</u>	<u>10,881</u>	<u>32,879</u>
2007	二零零七年									
Impairment on trade receivables, net	營業應收款項減值淨值	4,788	583	2,022	828	3	1,046	37	2,041	11,348
		<u>4,788</u>	<u>583</u>	<u>2,022</u>	<u>828</u>	<u>3</u>	<u>1,046</u>	<u>37</u>	<u>2,041</u>	<u>11,348</u>

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6. Finance Costs

6. 融資成本

		2008 HK\$'000 千港元	2007 HK\$'000 千港元
Finance costs on:	融資成本：		
Bank borrowings wholly repayable within five years	須於五年內全部償還的 銀行借貸	87,779	102,615
Finance leases wholly repayable within five years	須於五年內全部償還的 財務租賃	4	133
Total finance costs	融資成本總值	87,783	102,748
Less: amounts capitalised	減：化作資產金額	(4,003)	(4,718)
		<u>83,780</u>	<u>98,030</u>

Finance costs capitalised during the year arose on the general borrowing pool and has been calculated by applying a capitalisation rate of 3.70% (2007:4.87%) per annum to expenditure on qualifying assets.

本年度化作資產的融資成本乃由一般借貸項目產生，並經以年息率3.70% (二零零七年：4.87%) 計算，轉至合資格資產內。

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7. Income Tax Charge

Current tax:	是年度稅項：
Hong Kong	香港
Other jurisdictions	其他司法地區
(Over)underprovision in prior years:	過往年度(超額撥備)撥備不足：
Hong Kong	香港
Other jurisdictions	其他司法地區
Deferred tax:	遞延稅項：
Current year (note 29)	是年度(附註29)
Taxation attributable to the Group	本集團應佔稅項

7. 所得稅支出

	2008 HK\$'000 千港元	2007 HK\$'000 千港元
Current tax:		
Hong Kong	1,647	1,166
Other jurisdictions	202	8,520
	<u>1,849</u>	<u>9,686</u>
(Over)underprovision in prior years:		
Hong Kong	(208)	(735)
Other jurisdictions	(6,150)	540
	<u>(4,509)</u>	<u>9,491</u>
Deferred tax:		
Current year (note 29)	13,688	6,749
Taxation attributable to the Group	<u>9,179</u>	<u>16,240</u>

On 26th June 2008, the Hong Kong Legislative Council passed the Revenue Bill 2008 which includes the reduction in corporate profit tax rate by 1% to 16.5% effective from the year of assessment 2008/09. The effect of such decrease has been reflected in measuring the current and deferred tax for the year ended 31st August, 2008. Hong Kong Profits Tax is calculated at 16.5% (2007: 17.5%) of the estimated assessable profit for the year.

Pursuant to the relevant laws and regulations in the PRC, certain of the Company's PRC subsidiaries were entitled to a 50% reduction in tax rate in the calendar year as over 70% of their revenue were for export purposes. The reduced tax rate was 12% and this tax reduction expired on 31st December, 2007.

In addition, certain of the Company's PRC subsidiaries are entitled to exemption from the PRC enterprise income tax for two calendar 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 following three calendar years (the "Tax Holiday"). The reduced tax rate for the relief period is 12.5%. The Tax Holiday will be expired by 31st December, 2012 for certain of the Company's PRC subsidiaries.

於二零零八年六月二十六日，香港立法會通過《2008年收入條例草案》，當中包括將企業利得稅稅率降低1%至16.5%，由二零零八／零九課稅年度生效。有關稅率下調的影響已於計算本期及截至二零零八年八月三十一日止年度之遞延稅項中予以反映。本年度之估計應課稅盈利按香港利得稅稅率16.5%（二零零七年：17.5%）計算。

根據中國有關法律及法規，本公司若干中國附屬公司於其出口營業額佔營業額70%以上比例的曆年享有減免50%稅率的優惠。經調低稅率為12%，而此項減稅優惠已於二零零七年十二月三十一日屆滿。

此外，本公司若干中國附屬公司可於首個業務獲利年度起兩個曆年內，獲豁免繳納中國企業所得稅，及於其後三個曆年獲減免50%的中國企業所得稅（「稅務假期」）。減稅期的經調低稅率為12.5%。而本公司若干中國附屬公司的稅務假期將於二零一二年十二月三十一日屆滿。

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7. Income Tax Charge (Continued)

The newly promulgated Enterprise Income Tax Law ("Tax Law") of the PRC is effective on 1st January, 2008. In February 2008, the Ministry of Finance and the State Administration of Taxation issued several important tax circulars which clarify the implementation of the Tax Law and have an impact on certain of the Company's PRC subsidiaries. The PRC enterprise income tax rates for certain of the Company's PRC subsidiaries are unified at 25% effective from 1st January, 2008, while certain of the Company's PRC subsidiaries will continue to enjoy the preferential tax rate of 12.5% until 31st December, 2012.

Pursuant to the relevant laws and regulations in Sri Lanka, the profit generated from a subsidiary of the Company is entitled to exemption from the Sri Lanka income tax until 31st August, 2015. Accordingly, no provision for the income tax was made on the profit for the current year.

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

In February 2008, the Hong Kong Inland Revenue Department ("IRD") initiated a tax audit on the Company and its subsidiaries of the Company for the years of assessment from 2001/02 onwards. In March 2008, notices of estimated additional assessment (the "Assessments") for the year of assessment 2001/02 in an aggregate amount of HK\$14,352,000 were issued to the Company and certain of the Company's subsidiaries. Objections against the Assessments were lodged and the whole amount was held over. The IRD has commenced to obtain information and documents from the Group for the purpose of this tax audit. The scope and outcome of the tax audit cannot be readily ascertained at this stage. The directors of the Company believe that no significant amount of profits tax is payable by the Group in respect of the Company and relevant subsidiaries and no provision for Hong Kong profits tax in respect of the protective assessment is necessary.

Details of the deferred tax are set out in note 29.

7. 所得稅支出(續)

中國新頒佈的企業所得稅法(「稅法」)自二零零八年一月一日起生效。於二零零八年二月，財政部及國家稅務總局頒佈若干重要稅函以闡明稅法的實施事宜，本公司若干中國附屬公司受到影響。本公司若干中國附屬公司統一按25%繳納中國企業所得稅並自二零零八年一月一日起生效。而本公司亦有若干中國附屬公司將繼續享有優惠稅率12.5%，直至二零一二年十二月三十一日為止。

根據斯里蘭卡有關的法律及法規，由本公司一間附屬公司所產生的盈利可獲豁免斯里蘭卡所得稅，直至二零一五年八月三十一日為止。據此，本年度並無就盈利作出所得稅撥備。

其他司法地區的稅項是以有關各自司法地區當時的稅率計算。

於二零零八年二月，香港稅務局(「稅務局」)就本公司及其附屬公司由二零零一／零二及其後的課稅年度進行一項稅務審查。於二零零八年三月，並就二零零一／零二課稅年度發出合共14,352,000港元金額的估計補加評稅通知(「評稅」)予本公司及本公司若干附屬公司。就此項評稅已提出反對及全數金額已獲緩繳。稅務局就此項稅務審查已開始向本集團搜集資料及文件。此項稅務審查的範圍及結果於現階段還未能確定。本公司董事相信本集團就本公司及有關附屬公司需償付利得稅金額並不重大及無需就此項保障性評稅作出香港利得稅的撥備。

遞延稅項的詳情載列於附註29內。

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7. Income Tax Charge (Continued)

The tax charge for the year can be reconciled to the (loss) profit before taxation as follows:

		2008 HK\$'000 千港元	2007 HK\$'000 千港元
(Loss) profit before taxation	除稅前(虧損)盈利	(349,218)	228,550
Tax at weighted average applicable rate of 28.58% (2007: 6.42%)	按加權平均適用稅率28.58% (二零零七年: 6.42%)		
	計算的稅項	(99,805)	14,673
Tax effect of expenses not deductible for tax purpose	費用不獲扣稅的稅務影響	39,590	12,662
Tax effect of income not taxable for tax purpose	收入毋須課稅的稅務影響	(9,054)	(8,602)
Overprovision in prior years	過往年度超額撥備	(208)	(735)
Tax effect of tax losses not recognised	稅項虧損未被確認的稅務影響	64,634	7,958
Tax effect of other deferred tax assets not recognised	其他遞延稅項資產未被確認的稅務影響	16,287	(194)
Income tax at concessionary rate	按優惠稅率計算的所得稅	(575)	(8,328)
Utilisation of tax losses previously not recognised	運用過往未被確認的稅項虧損	(2,714)	(1,784)
Decrease in opening deferred tax liabilities resulting from a change of tax rate	稅率變動引致期初遞延稅項負債減少	(143)	—
Charge of deferred tax provided on withholding tax on PRC and overseas subsidiaries	中國及海外附屬公司預扣稅的遞延稅項扣除	1,024	445
Others	其他	143	145
Tax charge for the year	是年度稅項支出	9,179	16,240

The weighted average applicable tax rate for the year ended 31st August, 2008 represents the weighted average tax rate of the operations in different jurisdictions on the basis of the relative amounts of (loss) profit before taxation and the relevant statutory rates. The increase was caused by the change in profitability of Group's subsidiaries in the respective jurisdictions.

7. 所得稅支出(續)

是年度的稅項支出與除稅前(虧損)盈利的對賬如下:

		2008 HK\$'000 千港元	2007 HK\$'000 千港元
(Loss) profit before taxation	除稅前(虧損)盈利	(349,218)	228,550
Tax at weighted average applicable rate of 28.58% (2007: 6.42%)	按加權平均適用稅率28.58% (二零零七年: 6.42%)		
	計算的稅項	(99,805)	14,673
Tax effect of expenses not deductible for tax purpose	費用不獲扣稅的稅務影響	39,590	12,662
Tax effect of income not taxable for tax purpose	收入毋須課稅的稅務影響	(9,054)	(8,602)
Overprovision in prior years	過往年度超額撥備	(208)	(735)
Tax effect of tax losses not recognised	稅項虧損未被確認的稅務影響	64,634	7,958
Tax effect of other deferred tax assets not recognised	其他遞延稅項資產未被確認的稅務影響	16,287	(194)
Income tax at concessionary rate	按優惠稅率計算的所得稅	(575)	(8,328)
Utilisation of tax losses previously not recognised	運用過往未被確認的稅項虧損	(2,714)	(1,784)
Decrease in opening deferred tax liabilities resulting from a change of tax rate	稅率變動引致期初遞延稅項負債減少	(143)	—
Charge of deferred tax provided on withholding tax on PRC and overseas subsidiaries	中國及海外附屬公司預扣稅的遞延稅項扣除	1,024	445
Others	其他	143	145
Tax charge for the year	是年度稅項支出	9,179	16,240

截至二零零八年八月三十一日止年度的加權平均適用稅率乃在不同司法地區營運的相關除稅前(虧損)盈利金額及其法定稅率的加權平均稅率。由於本集團在個別司法地區的附屬公司的盈利有所變動而引致此稅率增加。

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8. Assets Classified as Held for Sale

During the year, due to significant costs of replacement and continuous maintenance on existing facilities and infrastructure including electricity generators and effluent treatment facilities, which were outmoded and aged, of Dongguan Fuan, management of the Group decided to close down certain divisions of Dongguan Fuan which was engaged in the manufacture of particular products. A detailed plan for closing down these divisions was agreed by the board of directors. Certain assets of Dongguan Fuan relating to manufacturing specific products are to be disposal of. The Group started to implement this closure plan during the year. Negotiations with several interested parties have subsequently taken place. The assets with an aggregate amount of approximately HK\$255,222,000, which are expected to be sold within one year after the balance sheet date, have been classified as assets held for sale at 31st August, 2008 and are presented separately in the consolidated balance sheet. The assets of Dongguan Fuan classified as held for sale mainly comprise property, plant and equipment.

As at 31st August, 2008, this closure plan is still in the progress of being implemented and management determined that the fair value less costs to sell of the relevant CGU which comprises mainly property, plant and equipment of Dongguan Fuan is less than its carrying amount. Accordingly, an impairment loss of HK\$150,449,000 was recognised by the Group for the year in the consolidated income statement. The estimated fair value less costs to sell is determined by reference to the fee quotations from independent third parties or recent market prices for similar assets.

Under this closure plan, management of the Group decided to terminate employments of a significant number of employees of Dongguan Fuan. Letters of employment termination were sent to these employees of Dongguan Fuan during the year. Accordingly, employee termination benefits in the aggregate amount of approximately HK\$54,270,000 was recognised by the Group for the year.

In addition, under the closure plan, certain plant and equipment of Dongguan Fuan was identified for relocation to other factories of the Group. Accordingly, a restructuring cost in relation to relocation of plant and equipment of Dongguan Fuan amounting to HK\$2,130,000 was recognised by the Group during the year.

8. 分類為持作出售的資產

於年內，由於東莞福安的現有設備及基礎設施包括發電及污水處理設備均已過時及老化，而涉及更換及持續性維修的成本龐大，故本集團管理層決定將東莞福安若干從事製造特定產品的部門關閉。關閉此等部門的詳細計劃經由董事會同意。東莞福安將出售用於生產特定產品的若干資產。本年度本集團已開始實施此項關閉計劃。其後，與若干感興趣人士進行多次磋商。該等資產合共約255,222,000港元，預期將於結算日後一年內售出並已於二零零八年八月三十一日分類為持作出售的資產，於綜合資產負債表內個別地呈列。東莞福安的分類為持作出售的資產主要包括物業、機器及設備。

於二零零八年八月三十一日，此項關閉計劃仍在進行中，管理層已確定有關現金產生單位所包括的主要為東莞福安之物業、機器及設備的公平價值減銷售成本乃低於其賬面金額。據此，本年度本集團已確認150,449,000港元之減值損失並於綜合收益賬內呈列。估計公平價值減銷售成本乃參考獨立第三者之報價或同類資產的近期市場價格而釐定。

在此項關閉計劃下，本集團管理層決定終止僱用大量東莞福安之僱員，並已於年內向東莞福安該等僱員發出終止僱用信函。據此，本集團已於年內確認合共約54,270,000港元的終止僱員之福利支出。

此外，在此根據關閉計劃下，已確定東莞福安之若干機器及設備將遷移至本集團其他廠房。據此，本集團已於年內就有關遷移東莞福安的機器及設備確認2,130,000港元為重組成本。

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8. Assets Classified as Held for Sale (Continued)

The restructuring provisions of HK\$11,695,000 at 31st August, 2008 is expected to be utilised within one year after the balance sheet date. Details of the movement in restructuring provisions of the Group during the year are disclosed in note 25.

The division closure costs in relation to the closure plan of Dongguan Fuan amounting to HK\$220,238,000 was recognised by the Group for the year and its impact on the Group is as follows:

8. 分類為持作出售的資產(續)

於二零零八年八月三十一日，此項重組撥備為11,695,000港元，預期在結算日後一年內運用。有關本集團於年內的重組撥備變動詳情，乃於附註25內披露。

本集團已於年內就東莞福安關閉計劃確認約220,238,000港元的部門關閉成本，有關其對本集團的影響如下：

		2008 HK\$'000 千港元	2007 HK\$'000 千港元
(Loss) profit of the Group for the year before division closure costs of Dongguan Fuan	東莞福安之部門關閉成本前的是年度本集團(虧損)盈利	(138,159)	212,310
Division closure costs of Dongguan Fuan (net of tax), including impairment losses on property, plant and equipment (note 14), employee termination benefits, relocation cost of plant and equipment (note 25) and reversal of deferred tax assets of HK\$13,389,000 (included in the unallocated expenses stated in note 5)	東莞福安的部門關閉成本(除稅後)，包括物業、機器及設備的減值損失(附註14)、終止僱員的福利支出、機器及設備的遷移成本(附註25)及遞延稅項資產之撥回13,389,000港元(包括在載於附註5的不可分拆的支出中)	(220,238)	—
(Loss) profit of the Group for the year	是年度本集團(虧損)盈利	(358,397)	212,310

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9. (Loss) Profit for the Year

9. 是年度(虧損)盈利

		2008 HK\$'000 千港元	2007 HK\$'000 千港元
(Loss) profit for the year has been arrived at after charging:	是年度(虧損)盈利 已扣減下列：		
Auditors' remuneration	核數師之薪酬	5,489	4,406
Cost of inventories recognised as expenses	確認為費用的存貨成本	5,169,704	5,784,001
Depreciation of investment properties	投資物業的折舊	435	387
Depreciation of property, plant and equipment	物業、機器及設備的折舊	249,340	248,705
Employee benefits expense excluding employee termination benefits (including directors' emoluments set out in note 10)	僱員福利支出 不包括終止僱員的福利支出， (包括載列於附註10內之董事酬金)	778,457	769,026
Impairment on trade receivables, net	營業應收款項減值淨值	32,879	11,348
Net exchange losses	匯兌虧損淨值	19,542	24,284
Net loss from fair value changes of derivative financial instruments	衍生金融工具的公平價值變動 所產生之虧損淨值	955	—
Loss on disposal of property, plant and equipment	出售物業、機器及 設備的虧損	2,157	2,753
Release of prepaid lease payments included in	包括在以下項目內的預付租賃款項轉出		
– administrative expenses	– 行政費用	602	610
– cost of sales	– 銷售成本	1,339	1,159
and after crediting (included in other income):	及已計入(包括在其他收入中)：		
Gain on disposal of a subsidiary	出售一間附屬公司所得收益	224	—
Gain on disposal of jointly controlled entities	出售共同控制機構所得收益	10,865	—
Interest income	利息收入	12,348	23,611
Net gain from fair value changes of derivative financial instruments	衍生金融工具的公平價值變動 所產生之盈利淨值	—	12,949
Net rental income from investment properties	投資物業的租金收入淨值	3,648	2,789

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10. Information Regarding Directors' and Employees' Emoluments

(a) Directors' emoluments

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

2008

		Ha	Lau	Ha		Wai	Ha	Fung	Ng	Wong	Chow	
		Chung	Hong	Kam On,	Yen	Yick	Hon	Yeh	Kwok	Kwong	Wing	Total
		Fong	Yon	Victor	Gordon	Man	Kuen	Yvette	Tung	Chi	Anthony	
		夏松芳	柳康遠	夏錦安	嚴震銘	衛億民	夏漢權	馮葉儀皓	伍國棟	王幹芝	周永健	總值
		HK\$'000										
		千港元										
Fees	袍金	—	—	—	—	—	150	150	250	200	200	950
Other emoluments	其他酬金											
Salaries and other benefits	薪金及其他福利	14,277	3,178	2,726	2,180	2,466	462	—	—	—	—	25,289
Retirement benefits scheme contributions	退休福利計劃供款	—	183	205	151	171	—	—	—	—	—	710
		14,277	3,361	2,931	2,331	2,637	612	150	250	200	200	26,949

10. 董事及僱員酬金資料

(a) 董事酬金

已付及應付給十位(二零零七年:十位)中每一位董事的酬金如下:

二零零八年

		Ha	Lau	Ha		Wai	Ha	Fung	Ng	Wong	Chow	
		Chung	Hong	Kam On,	Yen	Yick	Hon	Yeh	Kwok	Kwong	Wing	Total
		Fong	Yon	Victor	Gordon	Man	Kuen	Yvette	Tung	Chi	Anthony	
		夏松芳	柳康遠	夏錦安	嚴震銘	衛億民	夏漢權	馮葉儀皓	伍國棟	王幹芝	周永健	總值
		HK\$'000										
		千港元										
Fees	袍金	—	—	—	—	—	150	150	250	200	200	950
Other emoluments	其他酬金											
Salaries and other benefits	薪金及其他福利	14,277	3,178	2,726	2,180	2,466	462	—	—	—	—	25,289
Retirement benefits scheme contributions	退休福利計劃供款	—	183	205	151	171	—	—	—	—	—	710
		14,277	3,361	2,931	2,331	2,637	612	150	250	200	200	26,949

2007

二零零七年

		Ha	Lau	Ha		Wai	Ha	Fung	Ng	Wong	Chow	
		Chung	Hong	Kam On,	Yen	Yick	Hon	Yeh	Kwok	Kwong	Wing	Total
		Fong	Yon	Victor	Gordon	Man	Kuen	Yvette	Tung	Chi	Anthony	
		夏松芳	柳康遠	夏錦安	嚴震銘	衛億民	夏漢權	馮葉儀皓	伍國棟	王幹芝	周永健	總值
		HK\$'000										
		千港元										
Fees	袍金	—	—	—	—	—	150	150	250	200	200	950
Other emoluments	其他酬金											
Salaries and other benefits	薪金及其他福利	13,812	3,231	2,638	2,109	2,386	420	—	—	—	—	24,596
Retirement benefits scheme contributions	退休福利計劃供款	—	178	198	146	165	—	—	—	—	—	687
		13,812	3,409	2,836	2,255	2,551	570	150	250	200	200	26,233

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10. Information Regarding Directors' and Employees' Emoluments (Continued)

(a) Directors' emoluments (Continued)

During the year, no emoluments were paid by the Group to any director as an inducement to join or upon joining the Group or as compensation for loss of office. No directors waived any emoluments in the year.

(b) Employees' emoluments

The five highest paid employees included four (2007: four) directors, details of whose emoluments are set out in note (a) above. Emoluments of the remaining one (2007: one) employee is as follows:

		2008 HK\$'000 千港元	2007 HK\$'000 千港元
Salaries and other benefits	薪金及其他福利	2,467	2,387
Retirement benefits scheme contributions	退休福利計劃供款	171	165
		<u>2,638</u>	<u>2,552</u>

Emoluments of the highest paid employee was within the band HK\$2,500,001 to HK\$3,000,000.

10. 董事及僱員酬金資料(續)

(a) 董事酬金(續)

於本年度，本集團並無向任何董事支付酬金，以作為加盟本集團或於加入本集團時的獎勵或離職補償。本年度概無董事放棄任何酬金。

(b) 僱員酬金

最高酬金的五名僱員包括四位(二零零七年：四位)董事，其酬金詳情載於上述附註(a)。餘下一位(二零零七年：一位)僱員的酬金如下：

		2008 HK\$'000 千港元	2007 HK\$'000 千港元
Salaries and other benefits	薪金及其他福利	2,467	2,387
Retirement benefits scheme contributions	退休福利計劃供款	171	165
		<u>2,638</u>	<u>2,552</u>

最高酬金的僱員的酬金在2,500,001港元至3,000,000港元範圍之內。

11. Dividends Paid

		2008 HK\$'000 千港元	2007 HK\$'000 千港元
Final, paid – HK4.0 cents for the year ended 31st August, 2007 (year ended 31st August, 2006: HK6.5 cents) per share	已付末期：截至二零零七年八月三十一日止年度 每股4.0港仙(截至二零零六年八月三十一日止年度：6.5港仙)	31,760	51,611
Interim, paid – HK1.0 cent for the year ended 31st August, 2008 (year ended 31st August, 2007: HK4.0 cents) per share	已付中期：截至二零零八年八月三十一日止年度 每股1.0港仙(截至二零零七年八月三十一日止年度：4.0港仙)	7,940	31,760
		<u>39,700</u>	<u>83,371</u>

No final dividend was proposed during 2008, nor has any final dividend been proposed since the balance sheet date (2007: HK4.0 cents).

11. 已付股息

		2008 HK\$'000 千港元	2007 HK\$'000 千港元
Final, paid – HK4.0 cents for the year ended 31st August, 2007 (year ended 31st August, 2006: HK6.5 cents) per share	已付末期：截至二零零七年八月三十一日止年度 每股4.0港仙(截至二零零六年八月三十一日止年度：6.5港仙)	31,760	51,611
Interim, paid – HK1.0 cent for the year ended 31st August, 2008 (year ended 31st August, 2007: HK4.0 cents) per share	已付中期：截至二零零八年八月三十一日止年度 每股1.0港仙(截至二零零七年八月三十一日止年度：4.0港仙)	7,940	31,760
		<u>39,700</u>	<u>83,371</u>

於二零零八年內，概無建議派發末期股息，自結算日起亦無建議派發任何末期股息(二零零七年：4.0港仙)。

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12. Basic (Loss) Earnings Per Share

The calculation of the basic (loss) earnings per share attributable to the equity holders of the Company is based on the loss for the year attributable to equity holders of the Company of HK\$396,451,000 (2007: profit of HK\$167,481,000) and on 794,010,960 (2007: 794,010,960) ordinary shares in issue during the year.

Diluted (loss) earnings per share is not presented as there were no dilutive potential ordinary shares outstanding for both years.

12. 每股基本(虧損)盈利

本公司權益持有人應佔每股基本(虧損)盈利乃根據本公司權益持有人應佔是年度虧損396,451,000港元(二零零七年盈利: 167,481,000港元)及按是年度內發行的普通股794,010,960股(二零零七年: 794,010,960)計算。

由於兩個年度均沒有具潛在攤薄影響的普通股, 因此並無呈列每股攤薄(虧損)盈利。

13. Investment Properties

13. 投資物業

THE GROUP
本集團
HK\$'000
千港元

COST	成本	
At 1st September, 2006	於二零零六年九月一日	10,459
Reclassification from buildings	由樓宇調入	1,791
		<hr/>
At 31st August, 2007	於二零零七年八月三十一日	12,250
Reclassification from buildings	由樓宇調入	1,481
		<hr/>
At 31st August, 2008	於二零零八年八月三十一日	13,731
		<hr/>
DEPRECIATION AND IMPAIRMENT	折舊及減值	
At 1st September, 2006	於二零零六年九月一日	229
Provided for the year	是年度撥備	387
		<hr/>
At 31st August, 2007	於二零零七年八月三十一日	616
Provided for the year	是年度撥備	435
		<hr/>
At 31st August, 2008	於二零零八年八月三十一日	1,051
		<hr/>
CARRYING VALUES	賬面值	
At 31st August, 2008	於二零零八年八月三十一日	12,680
		<hr/>
At 31st August, 2007	於二零零七年八月三十一日	11,634
		<hr/>

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13. Investment Properties (Continued)

The fair value of the Group's investment properties at 31st August, 2008 was HK\$39,440,000 (31st August, 2007: HK\$23,178,000). The fair value has been arrived at based on a valuation carried out by Centaline Surveyors Limited, a firm of independent property valuers. The valuation was determined using direct comparison approach with reference to comparable transaction available in the relevant market.

The above investment properties are depreciated on a straight-line basis over the shorter of the term of the lease or 50 years.

All of the investment properties of the Group are situated in Hong Kong and are held under medium-term leases.

13. 投資物業(續)

本集團投資物業於二零零八年八月三十一日的公平價值為39,440,000港元(二零零七年八月三十一日：23,178,000港元)。此公平價值乃按一獨立的物業測量行中原測量師行有限公司按估值基準進行估值而達致，此項估值乃以直接比較法經參考相關市場上可供比較之交易而釐定。

上述投資物業以直線法按租賃年期或50年(以較短者為準)折舊。

本集團的所有投資物業乃位於香港並按中期租賃持有。

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14. Property, Plant and Equipment

THE GROUP

14. 物業、機器及設備

本集團

		Freehold land 永久持有 的土地 HK\$'000 千港元	Buildings 樓宇 HK\$'000 千港元	Furniture, fixtures and equipment 傢俬、裝置 及設備 HK\$'000 千港元	Plant and machinery 廠房機器 HK\$'000 千港元	Motor vehicles 車輛 HK\$'000 千港元	Construction in progress 在建工程 HK\$'000 千港元	Total 總值 HK\$'000 千港元
COST	成本							
At 1st September, 2006	於二零零六年 九月一日	1,995	718,375	616,119	2,617,704	33,957	153,306	4,141,456
Currency realignment	外幣換算差額	(195)	(3,905)	(1,734)	(10,974)	(327)	(3,162)	(20,297)
Additions	增加	166	2,320	27,232	159,873	8,207	147,853	345,651
Interest capitalised	利息化作資產	—	—	—	—	—	4,718	4,718
Addition arise from acquisition of a subsidiary	因收購一間附屬公司 而增加	—	174	1,196	5,192	299	655	7,516
Reclassifications:	調撥：							
– to investment properties	– 至投資物業	—	(3,411)	—	—	—	—	(3,411)
– others	– 其他	—	84,251	39,064	62,044	297	(185,656)	—
Disposals	出售	—	(535)	(724)	(85,691)	(2,019)	—	(88,969)
At 31st August, 2007	於二零零七年 八月三十一日	1,966	797,269	681,153	2,748,148	40,414	117,714	4,386,664
Currency realignment	外幣換算差額	93	5,008	2,263	10,637	879	2,087	20,967
Additions	增加	—	12,507	45,393	176,422	3,146	318,576	556,044
Interest capitalised	利息化作資產	—	—	—	—	—	4,003	4,003
Reclassifications:	調撥：							
– to investment properties	– 至投資物業	—	(2,642)	—	—	—	—	(2,642)
– others	– 其他	—	95,854	45,475	85	—	(141,414)	—
Transfer to asset classified as held for sale	轉撥至分類為持作 出售的資產	—	(261,629)	(119,884)	(605,826)	(7,792)	—	(995,131)
Disposals	出售	—	—	(5,981)	(134,913)	(2,182)	—	(143,076)
At 31st August, 2008	於二零零八年 八月三十一日	2,059	646,367	648,419	2,194,553	34,465	300,966	3,826,829

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14. Property, Plant and Equipment (Continued)

14. 物業、機器及設備(續)

		Freehold land 永久持有 之土地 HK\$'000 千港元	Buildings 樓宇 HK\$'000 千港元	Furniture, fixtures and equipment 傢俬、裝置 及設備 HK\$'000 千港元	Plant and machinery 廠房機器 HK\$'000 千港元	Motor vehicles 車輛 HK\$'000 千港元	Construction in progress 在建工程 HK\$'000 千港元	Total 總值 HK\$'000 千港元
DEPRECIATION AND IMPAIRMENT	折舊及減值							
At 1st September, 2006	於二零零六年 九月一日	—	223,660	304,506	1,423,728	24,235	—	1,976,129
Currency realignment	外幣換算差額	—	(443)	(1,404)	(6,443)	(158)	—	(8,448)
Provided for the year	是年度撥備	—	29,862	67,884	146,674	4,285	—	248,705
Eliminated on reclassification to investment properties	調撥至投資 物業內的撇銷	—	(1,620)	—	—	—	—	(1,620)
Eliminated on disposals	出售時撇銷	—	(150)	(689)	(72,938)	(1,631)	—	(75,408)
At 31st August, 2007	於二零零七年 八月三十一日	—	251,309	370,297	1,491,021	26,731	—	2,139,358
Currency realignment	外幣換算差額	—	247	812	4,850	472	—	6,381
Provided for the year	是年度撥備	—	29,671	70,402	144,718	4,549	—	249,340
Impairment loss recognised in the consolidated income statement	於綜合收益 賬內確認的 減值損失	—	4,832	9,867	132,095	1,132	2,523	150,449
Eliminated on reclassification to investment properties	調撥至投資 物業內的撇銷	—	(1,161)	—	—	—	—	(1,161)
Eliminated on classification to assets held for sale	調撥至分類為持作 出售的資產的撇銷	—	(165,334)	(59,396)	(508,821)	(7,702)	—	(741,253)
Eliminated on disposals	出售時撇銷	—	—	(4,415)	(122,199)	(1,981)	—	(128,595)
At 31st August, 2008	於二零零八年 八月三十一日	—	119,564	387,567	1,141,664	23,201	2,523	1,674,519
CARRYING VALUES	賬面值							
At 31st August, 2008	於二零零八年 八月三十一日	2,059	526,803	260,852	1,052,889	11,264	298,443	2,152,310
At 31st August, 2007	於二零零七年 八月三十一日	1,966	545,960	310,856	1,257,127	13,683	117,714	2,247,306

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14. Property, Plant and Equipment (Continued)

THE COMPANY

14. 物業、機器及設備(續)

本公司

		Furniture, fixtures and equipment 傢俬、裝置 及設備 HK\$'000 千港元	Motor vehicles 車輛 HK\$'000 千港元	Total 總值 HK\$'000 千港元
COST	成本			
At 1st September, 2006	於二零零六年九月一日	33,898	3,154	37,052
Additions	增加	3,180	—	3,180
Disposals	出售	(96)	(872)	(968)
		<hr/>	<hr/>	<hr/>
At 31st August, 2007	於二零零七年八月三十一日	36,982	2,282	39,264
Additions	增加	1,541	—	1,541
Disposals	出售	(10)	—	(10)
		<hr/>	<hr/>	<hr/>
At 31st August, 2008	於二零零八年八月三十一日	38,513	2,282	40,795
		<hr/>	<hr/>	<hr/>
DEPRECIATION	折舊			
At 1st September, 2006	於二零零六年九月一日	28,150	2,441	30,591
Provided for the year	是年度撥備	2,147	263	2,410
Eliminated on disposals	出售時撇銷	(96)	(872)	(968)
		<hr/>	<hr/>	<hr/>
At 31st August, 2007	於二零零七年八月三十一日	30,201	1,832	32,033
Provided for the year	是年度撥備	2,348	210	2,558
Eliminated on disposals	出售時撇銷	(10)	—	(10)
		<hr/>	<hr/>	<hr/>
At 31st August, 2008	於二零零八年八月三十一日	32,539	2,042	34,581
		<hr/>	<hr/>	<hr/>
CARRYING VALUES	賬面值			
At 31st August, 2008	於二零零八年八月三十一日	5,974	240	6,214
		<hr/>	<hr/>	<hr/>
At 31st August, 2007	於二零零七年八月三十一日	6,781	450	7,231
		<hr/>	<hr/>	<hr/>

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14. 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:

Freehold land	Nil
Buildings	2% - 4.5%
Furniture, fixtures and equipment	10% - 33%
Plant and machinery	10% - 20%
Motor vehicles	20% - 30%

The carrying value of properties shown above comprises:

		Freehold land and buildings 永久持有的土地及樓宇		Construction in progress 在建工程	
		2008 HK\$'000 千港元	2007 HK\$'000 千港元	2008 HK\$'000 千港元	2007 HK\$'000 千港元
Properties situated in Hong Kong under medium-term leases	位於香港以中期租賃持有的物業	22,680	24,970	—	—
Properties situated outside Hong Kong:	位於香港以外的物業：				
Freehold	永久持有	2,059	1,966	—	—
Medium-term leases	中期租賃	504,123	520,990	298,443	117,714
		<u>528,862</u>	<u>547,926</u>	<u>298,443</u>	<u>117,714</u>

As at 31st August, 2007, the carrying value of property, plant and equipment of the Group included an amount of HK\$30,526,000 in respect of plant and machinery held under finance leases.

Due to significant costs of replacement and continuous maintenance on existing facilities and infrastructure, which were outmoded and aged, of Dongguan Fuan, management of the Group decided to close down certain divisions of Dongguan Fuan which was engaged in the manufacture of particular products and accordingly, production capacity of Dongguan Fuan was significantly narrowed down during the year. As at 31st August, 2008, this closure plan is still in progress of being implemented and management determined that the fair value less costs to sell of the relevant CGU which comprises mainly property, plant and equipment of Dongguan Fuan is less than its carrying amount. Accordingly, an impairment loss of HK\$150,449,000 was recognised by the Group for the year in the consolidated income statement. The estimated fair value less costs to sell is determined by reference to the fee quotations from independent third parties or recent market prices for similar assets.

14. 物業、機器及設備(續)

上述物業、機器及設備以直線法按下列年率折舊：

永久持有的土地	無
樓宇	2% - 4.5%
傢俬、裝置及設備	10% - 33%
廠房機器	10% - 20%
車輛	20% - 30%

以上物業賬面值包括：

		Freehold land and buildings 永久持有的土地及樓宇		Construction in progress 在建工程	
		2008 HK\$'000 千港元	2007 HK\$'000 千港元	2008 HK\$'000 千港元	2007 HK\$'000 千港元
Properties situated in Hong Kong under medium-term leases	位於香港以中期租賃持有的物業	22,680	24,970	—	—
Properties situated outside Hong Kong:	位於香港以外的物業：				
Freehold	永久持有	2,059	1,966	—	—
Medium-term leases	中期租賃	504,123	520,990	298,443	117,714
		<u>528,862</u>	<u>547,926</u>	<u>298,443</u>	<u>117,714</u>

於二零零七年八月三十一日，本集團的物業、機器及設備賬面值中以財務租賃而持有的廠房機器為30,526,000港元。

由於東莞福安的現有設備及基礎設施均已過時及老化，而涉及更換及持續性維修的成本龐大，故本集團管理層決定將東莞福安若干從事製造特定產品的部門關閉，因此本年度東莞福安的生產能力大幅縮減。於二零零八年八月三十一日，此項關閉計劃仍在進行中及管理層已確定有關現金產生單位所包括東莞福安的物業、機器及設備的公平價值減銷售成本乃低於其賬面值。因此，本集團已於年內在綜合收益賬確認150,449,000港元的減值損失。估計公平價值減銷售成本乃參考獨立第三者之報價或同類資產的近期市場價格而釐定。

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15. Prepaid Lease Payments

15. 預付租賃款項

		THE GROUP 本集團	
		2008 HK\$'000 千港元	2007 HK\$'000 千港元
The Group's prepaid lease payments comprise:	本集團的預付租賃款項包括：		
Leasehold land situated in Hong Kong under medium-term leases	位於香港以中期租賃持有的土地	19,172	19,665
Leasehold land situated outside Hong Kong under medium-term leases and medium-term land use rights	位於香港以外以中期租賃持有的土地及中期土地使用權	130,653	54,846
		<u>149,825</u>	<u>74,511</u>
Analysed for reporting purposes as:	就呈報而言的分析：		
Current assets	流動資產	3,237	1,905
Non-current assets	非流動資產	146,588	72,606
		<u>149,825</u>	<u>74,511</u>

16. Goodwill

16. 商譽

		THE GROUP 本集團 HK\$'000 千港元
COST	成本	
At 1st September, 2006, 31st August, 2007 and 31st August, 2008	於二零零六年九月一日、二零零七年八月三十一日及二零零八年八月三十一日	<u>2,503</u>
IMPAIRMENT	減值	
At 1st September, 2006, 31st August, 2007 and 31st August, 2008	於二零零六年九月一日、二零零七年八月三十一日及二零零八年八月三十一日	<u>2,503</u>
CARRYING AMOUNT	賬面值	
At 1st September, 2006, 31st August, 2007 and 31st August, 2008	於二零零六年九月一日、二零零七年八月三十一日及二零零八年八月三十一日	<u>—</u>

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17. Interests in Subsidiaries

		2008	2007
		HK\$'000	HK\$'000
		千港元	千港元
Unlisted shares, at cost	非上市股份，以成本列出	33,856	33,856
Amounts due from subsidiaries	附屬公司所欠款項	3,549,521	3,249,651
Less: Impairment loss recognised	減：減值損失確認	(560,043)	(647,447)
		<u>2,989,478</u>	<u>2,602,204</u>
Amounts due to subsidiaries	欠附屬公司款項	350,109	74,930

The amounts due from subsidiaries are repayable on demand. Except for amounts of HK\$663,705,000 (2007: HK\$492,428,000) which bear interest rate with reference to the average effective interest rate in the bank borrowings of the Group, the remaining balances are interest-free. In the opinion of the directors, the amounts are expected to be realised within one year after the balance sheet date and accordingly, such amounts have been classified as current assets.

The amounts due to subsidiaries are repayable on demand. Except for amounts of HK\$Nil (2007: HK\$26,789,000) which bear interest with reference to the average interest rate in the bank borrowings of the Group, the remaining balances are interest-free. In the opinion of the directors, such amounts have been classified as current liabilities.

17. 應佔附屬公司權益

附屬公司所欠款項是應要求償還，當中之金額663,705,000港元則除外(二零零七年：492,428,000港元)，此等金額參考本集團銀行借貸的平均有效利率計息，餘下結餘則為免息。根據董事的意見，該等款項預期於結算日後一年內可變現，據此，該等款項被列為流動資產。

欠附屬公司款項是應要求償還，當中之金額零港元則除外(二零零七年：26,789,000港元)，此等金額參考本集團銀行借貸的平均有效利率計息，餘下結餘則為免息。根據董事的意見，該等款項被列為流動負債。

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17. Interests in Subsidiaries (Continued)

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

17. 應佔附屬公司權益(續)

於二零零七年八月三十一日及二零零八年八月三十一日本公司的主要附屬公司詳情如下：

Name of subsidiary 附屬公司名稱	Place/country of incorporation/ registration and operation 註冊成立/ 登記及營業 所在地/國家	Issued and fully paid share capital/ registered capital 已發行及 繳足的 股本/登記股本	Proportion of nominal value of issued share capital/ registered capital held by the Company 本公司所持 已發行股本/ 登記股本面值的比率				Principal activities 主要業務	
			Directly 直接		Indirectly 間接			
			2008 %	2007 %	2008 %	2007 %		
Dongguan Fuan (note a) 東莞福安(附註a)	The PRC 中國	HK\$586,980,000 586,980,000港元	—	—	51	51	Knitting, dyeing and sales of dyed fabrics and yarns 針織、染色和銷售 色布及色紗	
Dongguan Fuquan Garment Co., Ltd. (note b) 東莞福泉製衣有限公司 (附註b)	The PRC 中國	United States Dollar ("USD")3,499,352 (2007: USD1,478,900) 3,499,352美元 (2007: 1,478,900美元)	—	—	55.5	55.5	Production and sales of garments 製造及銷售成衣	
Dongguan Fuyuen Garment Limited (note a) 東莞福源製衣有限公司 (附註a)	The PRC 中國	HK\$7,500,000 7,500,000港元	—	—	95	95	Production and sales of garments 製造及銷售成衣	
東莞海星服裝有限公司 (note b) (附註b)	The PRC 中國	HK\$15,000,000 15,000,000港元	—	—	100	100	Production and sales of garments 製造及銷售成衣	
Dong Guan FuYi Apparel Co., Ltd. (note b) 東莞福怡服裝有限公司(附註b)	The PRC 中國	HK\$12,800,000 (2007: HK\$Nil) 12,800,000港元 (2007 : 零港元)	—	—	100	—	Production and sales of garments 製造及銷售成衣	

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17. Interests in Subsidiaries (Continued)

17. 應佔附屬公司權益(續)

Name of subsidiary 附屬公司名稱	Place/country of incorporation/ registration and operation 註冊成立/ 登記及營業 所在地/國家	Issued and fully paid share capital/ registered capital 已發行及 繳足的 股本/登記股本	Proportion of nominal value of issued share capital/ registered capital held by the Company 本公司所持 已發行股本/ 登記股本面值的比率				Principal activities 主要業務
			Directly 直接		Indirectly 間接		
			2008 %	2007 %	2008 %	2007 %	
Dongguan Shatin Lake Side Textiles Printing & Dyeing Co., Ltd. ("Dongguan Shatin Lake Side") (note a) 東莞沙田麗海紡織 印染有限公司 (「東莞沙田麗海」)(附註a)	The PRC 中國	HK\$257,500,000 257,500,000港元	—	—	95	95	Dyeing, printing and sales of dyed fabrics 染色、印花和銷售色布
恩平滙華紡織有限公司 (note b)(附註b)	The PRC 中國	USD5,100,000 5,100,000港元	—	—	100	100	Production and sales of yarns 製造及銷售胚紗
Folktune Limited 福津有限公司	Hong Kong 香港	HK\$2 2港元	100	100	—	—	Investment holding 投資控股
Fountain Set Limited 福田實業有限公司	Hong Kong 香港	HK\$3,000,000 3,000,000港元	100	100	—	—	Trading of dyed fabrics and yarns 色布及色紗貿易
Fountain Set Textiles (B.C.) Limited	Canada 加拿大	Canadian Dollar ("CAD") 500,000 (Common shares) 500,000加元 (普通股)	80	80	—	—	Trading of fabrics and garments 布及成衣貿易
Fountain Set Textiles (Ontario) Limited	Canada 加拿大	CAD 300,100 (Common shares) 300,100加元 (普通股)	51	51	—	—	Trading of fabrics and garments 布及成衣貿易

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17. Interests in Subsidiaries (Continued)

17. 應佔附屬公司權益(續)

Name of subsidiary 附屬公司名稱	Place/country of incorporation/ registration and operation 註冊成立/ 登記及營業 所在地/國家	Issued and fully paid share capital/ registered capital 已發行及 繳足的 股本/登記股本	Proportion of nominal value of issued share capital/ registered capital held by the Company 本公司所持 已發行股本/ 登記股本面值的比率				Principal activities 主要業務
			Directly 直接		Indirectly 間接		
			2008 %	2007 %	2008 %	2007 %	
Goldlink Thread Limited 金菱線廠有限公司	Hong Kong 香港	HK\$5,000,000 5,000,000港元	100	100	—	—	Trading of sewing threads 縫紉線貿易
Highscene Limited 漢盛有限公司	Hong Kong 香港	HK\$3,000,000 3,000,000港元	—	—	100	100	Trading of yarns 胚紗貿易
Hiway Textiles Limited 海匯紡織有限公司	Hong Kong 香港	HK\$2 2港元	—	—	100	100	Trading of garments 成衣貿易
Jiangyin Jintian Machinery Limited (note b) 江陰金田機械有限公司 (附註b)	The PRC 中國	USD12,000,000 12,000,000美元	—	—	100	100	Manufacturing of machineries 製造機械
Jiangyin Fuhui Textiles Limited (note b) 江陰福匯紡織有限公司 (附註b)	The PRC 中國	USD78,000,000 (2007: USD67,000,000) 78,000,000美元 (2007 : 67,000,000美元)	—	—	100	100	Knitting, dyeing and sales of dyed fabrics and yarns 針織、染色和銷售 色布及色紗
江門市新會匯聯紡織有限公司 (note b) (附註b)	The PRC 中國	HK\$28,000,000 28,000,000港元	—	—	100	100	Production and sales of yarns 製造及銷售胚紗
Kaiping Hui Hua Textiles Limited (note b) 開平匯華紡織有限公司 (附註b)	The PRC 中國	USD615,414 615,414美元	—	—	100	100	Production and sales of yarns 製造及銷售胚紗

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17. Interests in Subsidiaries (Continued)

17. 應佔附屬公司權益 (續)

Name of subsidiary 附屬公司名稱	Place/country of incorporation/ registration and operation 註冊成立/ 登記及營業 所在地/國家	Issued and fully paid share capital/ registered capital 已發行及 繳足的 股本/登記股本	Proportion of nominal value of issued share capital/ registered capital held by the Company 本公司所持 已發行股本/ 登記股本面值的比率				Principal activities 主要業務
			Directly 直接		Indirectly 間接		
			2008 %	2007 %	2008 %	2007 %	
Lake Side Printing Factory Limited 麗海印花廠有限公司	Hong Kong 香港	HK\$2 2港元	100	100	—	—	Trading of fabrics and investment holding 布疋貿易及投資控股
Ningbo Young Top Garments Co., Ltd ("Ningbo Young Top") (note b) 寧波創裕製衣有限公司 (「寧波創裕」) (附註b)	The PRC 中國	USD12,999,990 (2007: USD8,000,000) 12,999,990美元 (2007 : 8,000,000美元)	—	—	55.5	55.5	Production and sales of garments 製造及銷售成衣
Ocean Lanka (Private) Limited	Democratic Socialist Republic of Sri Lanka 斯里蘭卡民主 社會主義共和國	Sri Lanka Rupee ("LKR") 985,000,000 985,000,000盧比	—	—	60	60	Knitting, dyeing and sales of dyed fabrics 針織、染色和銷售 色布
Ocean Yarn Dyeing Factory Limited 海洋染紗廠有限公司	Hong Kong 香港	HK\$2 2港元	100	100	—	—	Investment holding 投資控股
Prosperlink (Macao Commercial Offshore) Limited 匯漢(澳門離岸商業服務) 有限公司	Macao 澳門	Macau Pataca ("MOP") MOP100,000 100,000葡幣	—	—	100	100	Trading of yarns, dyestuffs and chemicals 胚紗及顏化料貿易

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17. Interests in Subsidiaries (Continued)

17. 應佔附屬公司權益(續)

Name of subsidiary 附屬公司名稱	Place/country of incorporation/ registration and operation 註冊成立/ 登記及營業 所在地/國家	Issued and fully paid share capital/ registered capital 已發行及 繳足的 股本/登記股本	Proportion of nominal value of issued share capital/ registered capital held by the Company 本公司所持 已發行股本/ 登記股本面值的比率				Principal activities 主要業務
			Directly 直接		Indirectly 間接		
			2008 %	2007 %	2008 %	2007 %	
韶關市匯業紡織有限公司 (note b) (附註b)	The PRC 中國	HK\$1,000,000 1,000,000港元	—	—	100	100	Production and sales of yarns 製造及銷售胚紗
Triumph Luck Limited 凱福有限公司	Hong Kong 香港	HK\$1,000,000 1,000,000港元	—	—	55.5	55.5	Trading of garments 成衣貿易
Yancheng Fuhui Textiles Limited ("Yancheng Fuhui") (note b) 鹽城福匯紡織有限公司 (「鹽城福匯」) (附註b)	The PRC 中國	USD25,250,000 (2007: USD5,250,000) 25,250,000美元 (2007 : 5,250,000美元)	—	—	100	100	Knitting dyeing and sales of dyed fabrics and yarns 針織、染色和 銷售色布及色紗

Notes:

- Companies are established as cooperative joint ventures in the PRC.
- Companies are established as wholly foreign owned enterprises in the PRC.

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

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

附註：

- 於中國以合資經營的合作形式成立的公司。
- 於中國以外商獨資企業成立的公司。

以上本公司的附屬公司乃基於本公司董事認為其對本年度業績及本集團於結算日的資產及負債有重要影響性而表列。本公司董事認為併列其他附屬公司的詳情會引致篇幅過於冗長。

於本年度終結時或在本年度任何時間，附屬公司並無任何債務證券結餘。

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18. Interests in Jointly Controlled Entities

		THE GROUP 本集團	
		2008 HK\$'000 千港元	2007 HK\$'000 千港元
Share of net assets of jointly controlled entities	應佔共同控制機構的資產淨值	—	—
Amounts due from jointly controlled entities	共同控制機構所欠款項	—	34,336
Less: Impairment loss recognised	減：減值損失確認	—	(21,907)
		—	12,429

On 11th April, 2008 and 30th May, 2008, the Group disposed of its entire interest in the issued share capital of the jointly controlled entities, Simking Development Limited and Hoopeston Limited, to independent third parties at consideration of HK\$2,060,000 and HK\$8,805,000, respectively. During the year, amounts due from jointly controlled entities were fully repaid. Accordingly, accumulated impairment loss on the amounts due from jointly controlled entities of HK\$21,907,000 made in prior years, in relation to Simking Development Limited and Hoopeston Limited was reversed and recognised as income during the year.

During the year ended 31st August, 2007, the amounts due from jointly controlled entities were repayable on demand and in the opinion of the directors, the amounts were expected to be realised within one year after the balance sheet date and accordingly, such amounts had been classified as current assets.

18. 應佔共同控制機構權益

		THE GROUP 本集團	
		2008 HK\$'000 千港元	2007 HK\$'000 千港元
Share of net assets of jointly controlled entities	應佔共同控制機構的資產淨值	—	—
Amounts due from jointly controlled entities	共同控制機構所欠款項	—	34,336
Less: Impairment loss recognised	減：減值損失確認	—	(21,907)
		—	12,429

於二零零八年四月十一日及二零零八年五月三十日，本集團將其於共同控制機構：盛境發展有限公司及Hoopeston Limited已發行股本的全部權益出售予獨立第三方，代價分別為2,060,000港元及8,805,000港元。年內，共同控制機構所欠款項已全額償還。據此，於過往年度有關盛境發展有限公司及Hoopeston Limited的共同控制機構所欠款項的累計減值損失21,907,000港元，已於年內撥回並確認為收入。

於截至二零零七年八月三十一日止年度，共同控制機構所欠款項是應要求償還，並根據董事的意見，該等款項預期於結算日後一年內可變現，據此，該等款項被列為流動資產。

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18. Interests in Jointly Controlled Entities (Continued)

The summarised financial information in respect of the Group's jointly controlled entities, extracted from the relevant unaudited financial information, which were accounted for using the equity method is set out below:

		2008 HK\$'000 千港元	2007 HK\$'000 千港元
Non-current assets	非流動資產	—	21,921
Current assets	流動資產	—	1,498
Current liabilities	流動負債	—	(69,560)
Net current liabilities	流動負債淨值	—	(68,062)
Non-current liabilities	非流動負債	—	(1,045)
Net liabilities	負債淨值	—	(47,186)
Income	收入	—	3,369
Expenses	支出	—	1,404

The Group had discontinued recognition of its share of (gain) losses of its jointly controlled entities. The amounts of unrecognised share of those jointly controlled entities, extracted from the relevant unaudited financial information, both for the year and cumulatively, are as follows:

		2008 HK\$'000 千港元	2007 HK\$'000 千港元
Unrecognised share of gain of jointly controlled entities for the year	是年度尚未確認應佔共同控制機構的盈利	—	(785)
Accumulated unrecognised share of losses of jointly controlled entities	累計尚未確認應佔共同控制機構的虧損	—	23,593

18. 應佔共同控制機構權益(續)

本集團的共同控制機構以權益法入賬，摘錄自相關未經審核的財務資料，其財務資料概要如下：

本集團已終止確認其應佔共同控制機構的(盈利)虧損。摘錄自相關未經審核的財務資料，是年度及累計的尚未確認應佔共同控制機構的金額如下：

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18. Interests in Jointly Controlled Entities (Continued)

Particulars of the jointly controlled entities of the Group at 31st August, 2007 were as follows:

Name of entity	Form of business structure	Place of incorporation and operation	Proportion of nominal value of issued ordinary share capital indirectly held by the Company 本公司間接所持 已發行股本面值的比率 %	Principal activity
機構名稱	企業結構形式	註冊成立及營業所在地		主要業務
Hoopeston Limited	Incorporated 公司組織	Hong Kong 香港	50	Property holding 持有物業
Simking Development Limited 盛境發展有限公司	Incorporated 公司組織	Hong Kong 香港	50	Property holding 持有物業

18. 應佔共同控制機構權益 (續)

於二零零七年八月三十一日，本集團的共同控制機構詳情如下：

19. Inventories

19. 存貨

		THE GROUP 本集團	
		2008 HK\$'000 千港元	2007 HK\$'000 千港元
Spare parts	備件	165,561	194,515
Raw materials	原料	714,273	981,959
Work in progress	半製品	311,010	334,467
Finished goods	製成品	274,837	311,692
		<u>1,465,681</u>	<u>1,822,633</u>

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20. Trade and Other Receivables

20. 營業及其他應收款項

		THE GROUP 本集團	
		2008 HK\$'000 千港元	2007 HK\$'000 千港元
Trade receivables	營業應收款項	1,101,330	1,465,186
Less: allowance for doubtful debts	減：呆賬撥備	(52,132)	(19,740)
		<u>1,049,198</u>	<u>1,445,446</u>
Value-added-tax recoverable	可收回增值稅	43,118	77,020
Deposits, prepayments and other receivables	存出按金、預付款項及其他應收款項	<u>113,343</u>	<u>131,995</u>
		<u>1,205,659</u>	<u>1,654,461</u>

The Group allows an average credit period from 30 days to 90 days to its customers. The following is an aged analysis of trade receivables net of allowance for doubtful debts:

本集團提供平均30至90天數期予其客戶。營業應收款項(經扣除呆賬撥備)的賬齡分析如下：

		THE GROUP 本集團	
		2008 HK\$'000 千港元	2007 HK\$'000 千港元
Trade receivables	營業應收款項		
Not yet due	未到期	566,719	799,187
Overdue 1 - 30 days	過期1 - 30天	246,935	312,492
Overdue 31 - 60 days	過期31 - 60天	128,256	205,387
Overdue > 60 days	過期超過60天	<u>107,288</u>	<u>128,380</u>
		<u>1,049,198</u>	<u>1,445,446</u>

Before accepting any new customer, the Group will assess the potential customer's credit quality and defines its credit limits. Credit sales are made to customers with a satisfactory trustworthy credit history. Credit limits attributed to customers are reviewed regularly. Trade receivables that are neither past due nor impaired have good track records with the Group.

本集團於接納任何新客戶前，將會評估該潛在客戶的信貨質素及界定其信貸限額。信貸銷售將會給予信貸記錄良好的客戶。客戶信貸限額定期予以檢討。本集團既無逾期亦無減值的營業應收款項均擁有良好往績記錄。

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20. Trade and Other Receivables (Continued)

Included in the Group's trade receivables balance are debtors with an aggregate carrying amount of HK\$482,479,000 (2007: HK\$646,259,000) which were past due at the balance sheet date for which the Group has not provided for impairment loss, as there has not been a significant change in credit quality and the amounts are still considered recoverable based on the historical experience. The Group does not hold any collateral over these balances.

Ageing of trade receivables which are past due but not impaired:

		2008 HK\$'000 千港元	2007 HK\$'000 千港元
1 - 30 days	1 - 30天	246,935	312,492
31 - 60 days	31 - 60天	128,256	205,387
> 60 days	超過60天	107,288	128,380
		<u>482,479</u>	<u>646,259</u>

No interest is charged on the trade debtors. The Group has provided fully for all trade receivables over 360 days because historical experience is such that trade receivables that are past due beyond 360 days are generally not recoverable. Trade receivables between 60 days and 360 days have been provided for based on estimated irrecoverable amounts from the sale of goods, determined by reference to past default experience.

Movement in the allowance for doubtful debts are as follows:

		2008 HK\$'000 千港元	2007 HK\$'000 千港元
Balance at beginning of the year	年初結餘	19,740	18,380
Impairment loss recognised on trade receivables, net	已確認營業應收款項的減值損失淨值	32,879	11,348
Amounts written off as uncollectible	撇銷的不可收回金額	(515)	(9,766)
Currency realignment	匯兌調整	28	(222)
Balance at end of the year	年終結餘	<u>52,132</u>	<u>19,740</u>

20. 營業及其他應收款項 (續)

包括在本集團營業應收款項結餘內的應收賬合共賬面值為482,479,000港元(二零零七年: 646,259,000港元), 其於結算日已過期。由於信貸質素並無重大變動且根據過往經驗該等金額仍視為可予收回, 本集團並無就此作出減值損失撥備。本集團並無就該等結餘持有任何抵押品。

過期但未予減值的營業應收款項的賬齡:

營業應收賬款不計入利息。本集團已就超過360天的所有營業應收款項全數計提撥備, 此乃由於過往經驗顯示過期超過360天的營業應收款項一般是無法收回。60天至360天之間的營業應收款項乃按出售貨品的估計無法收回金額並參考過往欠款經驗所釐定而計提撥備。

呆賬撥備的變動如下:

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20. Trade and Other Receivables (Continued)

Included in the allowance for doubtful debts are individually impaired trade receivables with an aggregate balance of HK\$52,132,000 (2007: HK\$19,740,000) that are considered irrecoverable by management after consideration on the credit quality of those individual customers, the ongoing relationship with the Group and the ageing of these receivables. The Group does not hold any collateral over these balances.

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

		2008 HK\$'000 千港元	2007 HK\$'000 千港元
Renminbi ("RMB")	人民幣	90,710	38,162
USD	美元	466,451	701,987

21. Bank Deposits with Restricted Use/Short-Term Bank Deposits/Bank Balances and Cash

The bank deposits with restricted use represent deposits placed by the Group that are with restricted use for tax and custom duties to be incurred by the Group which will expire within one year from the balance sheet date and are therefore classified as current assets.

The restricted bank deposits carried market interest rate ranging from 0.72% to 0.81% (2007: 0.72% to 0.81%) per annum. Bank balances and short term bank deposits carried market interest rates ranging from 0.15% to 4.80% (2007: 0.72% to 4.90%) per annum.

20. 營業及其他應收款項(續)

呆賬撥備包括合共結餘52,132,000港元(二零零七年: 19,740,000港元)的個別減值營業應收款項,管理層經考慮該等個別客戶的信貨質素、與本集團持續關係及該等應收款項的賬齡後,認為該等應收款項無法收回。本集團並無就該等結餘持有任何抵押。

本集團以相關集團實體功能貨幣以外貨幣計值的營業及其他應收款項載列如下:

21. 有限制用途的銀行存款/短期銀行存款/銀行結存及現金

有限制用途的銀行存款乃指本集團的銀行存款為有限制用途的,用於本集團在稅項及關稅上的承擔。該等有限制用途的銀行存款,於結算日起計一年內到期,因此該等存款被列為流動資產。

有限制的銀行存款乃按市場年利率介乎0.72%至0.81%(二零零七年: 0.72%至0.81%)計息。銀行結存及短期銀行存款按市場年利率介乎0.15%至4.80%(二零零七年: 0.72%至4.90%)計息。

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21. Bank Deposits with Restricted Use/Short-Term Bank Deposits/Bank Balances and Cash (Continued)

The Group's and the Company's bank deposits with restricted use, short-term bank deposits and bank balances and cash that are denominated in currencies other than functional currencies of the relevant group entities are set out below:

		THE GROUP 本集團		THE COMPANY 本公司	
		2008	2007	2008	2007
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
RMB	人民幣	84,507	53,900	—	—
USD	美元	287,483	326,348	20,887	16,002

22. Trade and Other Payables/Bills Payable

		THE GROUP 本集團	
		2008	2007
		HK\$'000	HK\$'000
		千港元	千港元
Trade and bills payables	營業應付款項及應付票據	521,154	983,440
Accruals	應計款項	160,313	174,864
Other payables	其他應付款項	138,893	122,323
		820,360	1,280,627

21. 有限制用途的銀行存款/短期銀行存款/銀行結存及現金(續)

本集團及本公司以相關集團實體功能貨幣以外貨幣計值的有限制用途的銀行存款、短期銀行存款及銀行結存及現金載列如下：

22. 營業及其他應付款項/應付票據

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22. Trade and Other Payables/Bills Payable (Continued)

The following is an aged analysis of trade payables at the balance sheet date:

		THE GROUP 本集團	
		2008 HK\$'000 千港元	2007 HK\$'000 千港元
Not yet due	未到期	278,030	415,778
Overdue 1 - 30 days	過期1 - 30天	38,443	39,463
Overdue 31 - 60 days	過期31 - 60天	26,550	17,609
Overdue > 60 days	過期超過60天	15,428	11,060
		<u>358,451</u>	<u>483,910</u>

All bills payable of the Group are not yet due at the balance sheet dates.

The average credit period on purchase of goods is range from 30 days to 120 days. The Group has financial risk management policies in place to ensure that all payables within the credit time frame.

The Group's trade and other payables and bills payable that are denominated in currencies other than functional currencies of the relevant group entities are set out below:

		2008 HK\$'000 千港元	2007 HK\$'000 千港元
RMB	人民幣	210,091	258,945
USD	美元	<u>285,704</u>	<u>614,174</u>

23. Amounts Due to Minority Shareholders

The amounts are unsecured, interest-free and repayable on demand.

22. 營業及其他應付款項/應付票據(續)

於結算日，營業應付款項的賬齡分析如下：

		THE GROUP 本集團	
		2008 HK\$'000 千港元	2007 HK\$'000 千港元
Not yet due	未到期	278,030	415,778
Overdue 1 - 30 days	過期1 - 30天	38,443	39,463
Overdue 31 - 60 days	過期31 - 60天	26,550	17,609
Overdue > 60 days	過期超過60天	15,428	11,060
		<u>358,451</u>	<u>483,910</u>

於結算日，本集團所有應付票據均未到期。

購貨的平均信貸期為30天至120天。本集團已設有財務風險管理政策，以確保所有應付賬款均處於信貸期限內。

本集團以相關集團實體功能貨幣以外貨幣計值的營業及其他應付款項及應付票據載列如下：

		2008 HK\$'000 千港元	2007 HK\$'000 千港元
RMB	人民幣	210,091	258,945
USD	美元	<u>285,704</u>	<u>614,174</u>

23. 欠少數股東款項

該等款項並無抵押，免息及應要求償還。

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24. Deferred Income

During the year, the Group received a government subsidy of HK\$72,912,000 for purchase of certain assets, which has been deferred to recognise as income over the useful lives of the relevant assets. The government grant can be recognised upon the fulfillment of condition that the Group would have invested certain amount in a PRC subsidiary on or before the stipulate date. The directors of the Company are in the opinion that the Group is able to fulfill this condition. Deferred tax assets of HK\$18,228,000 have been recognised in respect of such deferred income during the year.

25. Restructuring Provisions

At 1st September, 2007
Provided for the year
Utilisation of provision

於二零零七年九月一日
年內撥備
運用撥備

THE GROUP
本集團
2008
HK\$'000
千港元

At 31st August, 2008

於二零零八年八月三十一日

11,695

The provision is expected to be utilised within one year after the balance sheet date.

During the year, due to the closure plan of certain divisions of Dongguan Fuan, management of the Group decided to terminate employments of a significant number of employees. Accordingly, employee termination benefits in the aggregate amount of approximately HK\$54,270,000 was recognised by the Group for the year.

In addition, under the closure plan, certain plant and equipment of Dongguan Fuan was identified for relocation to other factories of the Group. Accordingly, a restructuring cost in relation to relocation of plant and equipment of Dongguan Fuan amounting to HK2,130,000 was recognised by the Group during the year.

Details of the closure plan are disclosed in note 8.

24. 遞延收入

於年內，本集團已收一項政府補貼72,912,000港元，用於購買若干資產，補貼按有關資產使用年期確認為收入。政府補貼可於本集團於規定日期或之前達成對中國附屬公司投資若干款額的條件後確認。本公司董事認為本集團有能力達成條件。年內，已就該等遞延收入確認遞延稅項資產18,228,000港元。

25. 重組撥備

此項撥備預期於結算日後一年內運用。

於年內，由於東莞福安若干部門的關閉計劃，本集團管理層決定終止僱用大量僱員。據此，本集團已於年內確認總額約54,270,000港元的終止僱員之福利支出。

此外，在關閉計劃下，已確定東莞福安的若干機器及設備將遷移至本集團其他廠房。據此，本集團已於年內就有關遷移東莞福安的機器及設備確認2,130,000港元為重組成本。

關閉計劃的詳情乃於附註8內披露。

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26. Bank Borrowings/Bank Overdrafts

26. 銀行借貸／銀行透支

		THE GROUP 本集團		THE COMPANY 本公司	
		2008	2007	2008	2007
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Bank loans	銀行借貸	2,191,911	2,091,050	1,859,439	1,758,930
Import bills loans	進口借款	87,936	92,091	—	—
Bank overdrafts	銀行透支	4,086	2,561	—	—
		<u>2,283,933</u>	<u>2,185,702</u>	<u>1,859,439</u>	<u>1,758,930</u>
Repayable as follows:	須於下列期間償還：				
On demand or within one year	應要求償還或一年內	551,849	408,879	277,355	132,107
More than one year, but not exceeding two years	一年以上但不超過兩年	572,568	462,830	422,568	462,830
More than two years, but not exceeding five years	兩年以上但不超過五年	1,159,516	1,313,993	1,159,516	1,163,993
		<u>2,283,933</u>	<u>2,185,702</u>	<u>1,859,439</u>	<u>1,758,930</u>
Less: Amount due on demand or within one year shown under current liabilities	減：應要求償還或一年內到期金額轉入流動負債項目				
– bank borrowings	– 銀行借貸				
– due within one year	– 一年內到期	(547,763)	(406,318)	(277,355)	(132,107)
– bank overdrafts	– 銀行透支	(4,086)	(2,561)	—	—
Amount due after one year	一年後到期金額	<u>1,732,084</u>	<u>1,776,823</u>	<u>1,582,084</u>	<u>1,626,823</u>

The above bank borrowings are unsecured at the balance sheet dates.

於結算日，上述的銀行借貸並無抵押。

The bank and other borrowings of the Group and the Company are variable rate borrowings which carry interest rates ranging from Hong Kong Interbank Offered Rate (“HIBOR”) plus 0.4% to HIBOR plus 1.5% (2007: ranging from HIBOR plus 0.45% to HIBOR plus 1.5%) and HIBOR plus 0.4% to HIBOR plus 1.5% (2007: ranging from HIBOR plus 0.45% to HIBOR plus 1.5%), respectively.

本集團及本公司的銀行及其他借貸為浮息借貸，分別介乎按香港銀行同業拆息（「香港銀行同業拆息」）加上0.4%至香港銀行同業拆息加上1.5%（二零零七年：介乎香港銀行同業拆息加上0.45%至香港銀行同業拆息加上1.5%）及按香港銀行同業拆息加上0.4%至香港銀行同業拆息加上1.5%（二零零七年：介乎香港銀行同業拆息加上0.45%至香港銀行同業拆息加上1.5%）計息。

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26. Bank Borrowings/Bank Overdrafts (Continued)

The average effective interest rate on the bank borrowings of the Group and the Company is 3.74% and 3.42% (2007: 4.92% and 4.69%) per annum, respectively. In addition, the average effective interest rate on the bank overdrafts of the Group is 3.07% (2007: 3.83%).

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

26. 銀行借貸／銀行透支(續)

本集團及本公司銀行借貸的平均有效年利率分別為3.74%及3.42%(二零零七年:4.92%及4.69%)。此外,本集團銀行透支的平均有效利率為3.07%(二零零七年:3.83%)。

本集團以相關集團實體功能貨幣以外貨幣計值的銀行借貸及銀行透支載列如下:

		THE GROUP 本集團	
		2008	2007
		HK\$'000	HK\$'000
		千港元	千港元
RMB	人民幣	22,472	—
USD	美元	62,601	16,415

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27. Obligations under Finance Leases

27. 財務租賃應付賬款

		THE GROUP 本集團			
		Minimum lease payments		Present value of minimum lease payments	
		最低租賃支出		最低租賃支出 的現有價值	
		2008	2007	2008	2007
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Repayable as follows:	須於下列期間償還：				
Within one year	一年內	—	444	—	439
More than one year, but not exceeding two years	一年以上但 不超過兩年	—	—	—	—
		—	444	—	—
Less: Future finance charges	減：未來的財務費用	—	(5)	—	—
Present value of lease obligations	租賃應付賬款的現值	—	439	—	439
Less: Amount due within one year shown under current liabilities	減：一年內到期金額 轉入流動負債 項目			—	439
Amount due after one year	一年後到期金額			—	—

The Group's obligations under finance leases are secured by the lessors' charge over the leased assets.

本集團的財務租賃應付賬款乃以出租人的租賃資產作抵押。

It is the Group's policy to lease certain of its plant and machinery under finance leases. The lease term is five years. The average effective interest rate (which is also equal to contracted variable interest rate) of the Group's obligations under finance leases is 5.44% (2007: 7.80%) per annum. No arrangements have been entered into for contingent rental payments.

本集團的政策乃以財務租賃方式租賃其若干廠房機器。租賃年期為五年，本集團財務租賃應付賬款的平均有效年利率(此亦等同已訂立的浮動利率)為5.44%(二零零七年：7.80%)。並無或然租金付還的安排。

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28. Derivative Financial Instruments

Derivatives not under hedge accounting:

28. 衍生金融工具

不列為對沖入賬的衍生工具：

		THE GROUP 本集團			
		Current 流動		Non-current 非流動	
		2008	2007	2008	2007
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Derivative financial assets	衍生金融資產				
Foreign currency forward contracts	遠期外匯合約	15,876	12,272	—	—
Interest rate swap	利率掉期	—	—	7,175	—
		<u>15,876</u>	<u>12,272</u>	<u>7,175</u>	<u>—</u>
Derivative financial liabilities	衍生金融負債				
Foreign currency forward contracts	遠期外匯合約	9,921	—	—	—
Interest rate swap	利率掉期	—	496	2,309	—
		<u>9,921</u>	<u>496</u>	<u>2,309</u>	<u>—</u>

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28. Derivative Financial Instruments (Continued)

The principal terms of the foreign currency forward contracts outstanding at the balance sheet date are as follows:

Notional amount 面值金額	Currency conversion 貨幣轉換
31st August, 2008: 二零零八年八月三十一日：	
28 contracts to sell USD61,000,000 in total 28份賣出合共61,000,000美元的合約	USD1:RMB6.4240 to 6.8553 1美元兌6.4240至6.8553人民幣
28 contracts to buy USD61,000,000 in total 28份買入合共61,000,000美元的合約	USD1:RMB6.3194 to 6.7947 1美元兌6.3194至6.7947人民幣

31st August, 2007: 二零零七年八月三十一日：	
5 contracts to buy USD6,000,000 in total 5份買入合共6,000,000美元的合約	HK\$1: USD7.6950 to 7.6998 1港元兌7.6950至7.6998美元
26 contracts to sell USD106,000,000 in total 26份賣出合共106,000,000美元的合約	USD1 :RMB7.3993 to 7.6280 1美元兌7.3993至7.6280人民幣
26 contracts to buy USD106,000,000 in total 26份買入合共106,000,000美元的合約	USD1 :RMB7.2730 to 7.5518 1美元兌7.2730至7.5518人民幣

The above contracts will mature within one year (2007: one year) after the balance sheet date.

上述合約將自結算日起計一年(二零零七年：一年)內到期。

The principal terms of the interest rate swap outstanding at the balance sheet date are as follows:

於結算日，尚未到期的利率掉期之主要條款如下：

Notional amount 面值金額	Interest rate swaps 利率掉期
31st August, 2008: 二零零八年八月三十一日：	
4 contracts with HK\$800,000,000 in total 4份合共800,000,000港元的合約	From HIBOR to fixed rate ranging from 2.40% to 4.07% 由香港銀行同業拆息轉至定息介乎2.40%至4.07%
31st August, 2007: 二零零七年八月三十一日：	
A contract with HK\$72,000,000 一份合共72,000,000港元的合約	From HIBOR to London Interbank Offered Rate ("LIBOR") 由香港銀行同業拆息轉至倫敦銀行同業拆息(「倫敦銀行同業拆息」)

The above contracts will mature within five years (2007: one year) after the balance sheet date.

上述合約將自結算日起計五年(二零零七年：一年)內到期。

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28. Derivative Financial Instruments (Continued)

Derivatives not under hedge accounting:

28. 衍生金融工具 (續)

不列為對沖入賬的衍生工具：

		THE COMPANY 本公司			
		Current 流動		Non-current 非流動	
		2008	2007	2008	2007
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Derivative financial assets	衍生金融資產				
Foreign currency forward contracts	遠期外匯合約	15,876	3,145	—	—
Interest rate swap	利率掉期	—	—	7,175	—
		<u>15,876</u>	<u>3,145</u>	<u>7,175</u>	<u>—</u>
Derivative financial liabilities	衍生金融負債				
Interest rate swap	利率掉期	—	496	2,309	—
		<u>—</u>	<u>496</u>	<u>2,309</u>	<u>—</u>

The fair values of the above derivative instruments are calculated in accordance with generally accepted pricing models based on quoted forward exchange rates and discounted cash flow analysis based on the applicable yield curves of interest rates which were provided by counterparty financial institution.

上述衍生工具的公平價值乃根據公認定價模式，並以對手方財務機構提供的適用利率收益曲線所釐定的市場遠期匯率及貼現現金流量分析基準而計算。

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28. Derivative Financial Instruments (Continued)

The principal terms of the foreign currency forward contracts outstanding at the balance sheet date are as follows:

Notional amount 面值金額	Currency conversion 貨幣轉換
31st August, 2008: 二零零八年八月三十一日：	
28 contracts to buy USD61,000,000 in total 28份買入合共61,000,000美元的合約	USD1 : RMB6.3194 to 6.7947 1美元兌6.3194至6.7947人民幣
31st August, 2007: 二零零七年八月三十一日：	
5 contracts to buy USD6,000,000 in total 5份買入合共6,000,000美元的合約	HK\$1 : USD7.6950 to 7.6998 1港元兌7.6950至7.6998美元
26 contracts to buy USD106,000,000 in total 26份買入合共106,000,000美元的合約	USD1 : RMB7.2730 to 7.5518 1美元兌7.2730至7.5518人民幣

The above contracts will mature within one year (2007: one year) after the balance sheet date.

上述合約將自結算日起計一年(二零零七年：一年)內到期。

The principal terms of the interest rate swap outstanding at the balance sheet date are as follows:

於結算日，尚未到期的利率掉期之主要條款如下：

Notional amount 面值金額	Interest rate swaps 利率掉期
31st August, 2008: 二零零八年八月三十一日：	
4 contracts with HK\$800,000,000 in total 4份合共800,000,000港元的合約	From HIBOR to fixed rates ranging from 2.40% to 4.07% 由香港銀行同業拆息轉至定息介乎2.40%至4.07%
31st August, 2007: 二零零七年八月三十一日：	
A contract with HK\$72,000,000 一份合共72,000,000港元的合約	From HIBOR to LIBOR 由香港銀行同業拆息轉至倫敦銀行同業拆息

The above contracts will mature within five years (2007: one year) after the balance sheet date.

上述合約將自結算日起計五年(二零零七年：一年)內到期。

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29. Deferred Tax

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

29. 遞延稅項

本集團及本公司於本報告期間及過往報告期間確認的主要遞延稅項負債(資產)及其變動如下:

		THE GROUP 本集團			
		Accelerated tax depreciation 提前稅項折舊	Tax losses 稅項虧損	Others 其他	Total 總值
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元 (note a) (附註a)	HK\$'000 千港元
At 1st September, 2006	於二零零六年九月一日	2,298	(10,158)	(6,890)	(14,750)
Charge to the consolidated income statement	於綜合收益賬內 扣除	210	5,694	845	6,749
At 31st August, 2007	於二零零七年八月三十一日	2,508	(4,464)	(6,045)	(8,001)
(Credit) charge to the consolidated income statement	於綜合收益賬內 扣除(計入)	(226)	3,079	10,978	13,831
Arising from deferred income (note 24)	由遞延收入引起(附註24)	—	—	(18,228)	(18,228)
Effect of change in tax rate (note b)	稅率變動的影響(附註b)	(143)	—	—	(143)
At 31st August, 2008	於二零零八年八月三十一日	2,139	(1,385)	(13,295)	(12,541)

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29. Deferred Tax (Continued)

As at 31st August, 2008, the Group had unused tax losses of approximately HK\$334,000,000 (2007: HK\$133,000,000) available for offset against future profits. A deferred tax asset has been recognised in respect of approximately HK\$8,000,000 (2007: HK\$37,000,000) of such losses, which represent tax losses generated by certain of the Company's subsidiaries as it is expected that future taxable profits will be available against which the tax losses can be utilised after management had considered the future profitability of these subsidiaries. No deferred tax asset has been recognised in respect of the remaining HK\$326,000,000 (2007: HK\$96,000,000) due to the unpredictability of future profit streams. As at 31st August, 2008, of the above tax losses, amounts of approximately HK\$181,000,000 (2007: HK\$61,000,000) can be carried forward for five years following the loss year. The other tax losses may be carried forward indefinitely.

In addition, at 31st August, 2008, the Group had other deductible temporary differences of approximately HK\$61,000,000 (2007: HK\$2,000,000) in respect of accelerated accounting depreciation, unrealised loss on transfer to plant and equipment between subsidiaries, unrealised profit on inventories and bad debt provision. No deferred tax asset has been recognised in relation to such deductible temporary differences as it is not certain that taxable profits will be available against which the deductible temporary differences can be utilised.

According to the Tax Law, starting from 1st January, 2008, 10% withholding income tax will be imposed on dividends relating to profits earned in the calendar year 2008 onwards to foreign investors for the companies established in the PRC. For investors incorporated in Hong Kong and holds at least 25% of equity interest of PRC company, preferential rate of 5% will be applied. Deferred tax has been provided for in the consolidated financial statements in respect of the temporary differences attributable to such profits amounting to HK\$18,455,000.

29. 遞延稅項(續)

於二零零八年八月三十一日，本集團可用作抵銷未來盈利的未運用稅項虧損約為334,000,000港元(二零零七年：133,000,000港元)。而此項虧損中約8,000,000港元(二零零七年：37,000,000港元)已確認為一項遞延稅項資產，此乃本公司若干附屬公司所產生的稅項虧損，經由管理層考慮該等附屬公司的未來盈利能力後，預計未來的應課稅盈利將可抵銷此稅項虧損。餘下的稅項虧損為326,000,000港元(二零零七年：96,000,000港元)因未能預測將來的盈利來源而未有確認為遞延稅項資產。於二零零八年八月三十一日，上述稅項虧損中金額約181,000,000港元(二零零七年：61,000,000港元)可於虧損年度後轉存五年。其他稅項虧損可能無限期地轉存。

此外，於二零零八年八月三十一日，本集團就提前會計折舊、附屬公司之間機器及設備調撥的未變現虧損、存貨的未變現利益及壞賬撥備的其他可扣減暫時差異約為61,000,000港元(二零零七年：2,000,000港元)。因未能確定應課稅盈利將可作抵銷此可扣減暫時差異，故未有確認該可扣減暫時差異為遞延稅項資產。

根據稅法，由二零零八年一月一日起，於中國成立的公司向境外投資者派發與於二零零八年及以後年度的盈利有關的股息須繳納10%預扣所得稅。於香港註冊成立且持有中國公司最少25%權益的投資者，將應用優惠稅率5%。就該等盈利應佔的暫時差異已於綜合財務報表作出遞延稅項撥備18,455,000港元。

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29. Deferred Tax (Continued)

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

		2008 HK\$'000 千港元	2007 HK\$'000 千港元
Deferred tax liabilities	遞延稅項負債	6,344	7,888
Deferred tax assets	遞延稅項資產	(18,885)	(15,889)
		<u>(12,541)</u>	<u>(8,001)</u>

THE COMPANY

本公司

		Tax losses 稅項虧損 HK\$'000 千港元	Accelerated tax depreciation 提前稅項折舊 HK\$'000 千港元	Total 總值 HK\$'000 千港元
At 1st September, 2006	於二零零六年九月一日	—	136	136
Charge to the income statement	於收益賬內扣除	—	160	160
At 31st August, 2007	於二零零七年八月三十一日	—	296	296
Credit to the income statement	於收益賬內計入	(211)	(68)	(279)
Effect of change in tax rate (note b)	稅率變動的影響 (附註b)	—	(17)	(17)
At 31st August, 2008	於二零零八年八月三十一日	<u>(211)</u>	<u>211</u>	<u>—</u>

As at 31st August, 2008, the Company had unused tax losses of HK\$3,100,000 (2007: HK\$3,502,000) available for offset against future profits. A deferred tax has been recognised in respect of HK\$1,290,000 (2007: Nil) of such losses, which represent tax losses. No deferred tax assets have been recognised in respect of the remaining HK\$1,810,000 (2007: HK\$3,502,000) due to the unpredictability of future profit streams. The tax losses may be carried forward indefinitely.

29. 遞延稅項 (續)

就資產負債表的呈列而言，若干遞延稅項資產及負債已抵銷。以下是就呈報而言的遞延稅項結餘分析：

		2008 HK\$'000 千港元	2007 HK\$'000 千港元
Deferred tax liabilities	遞延稅項負債	6,344	7,888
Deferred tax assets	遞延稅項資產	(18,885)	(15,889)
		<u>(12,541)</u>	<u>(8,001)</u>

THE COMPANY

本公司

		Tax losses 稅項虧損 HK\$'000 千港元	Accelerated tax depreciation 提前稅項折舊 HK\$'000 千港元	Total 總值 HK\$'000 千港元
At 1st September, 2006	於二零零六年九月一日	—	136	136
Charge to the income statement	於收益賬內扣除	—	160	160
At 31st August, 2007	於二零零七年八月三十一日	—	296	296
Credit to the income statement	於收益賬內計入	(211)	(68)	(279)
Effect of change in tax rate (note b)	稅率變動的影響 (附註b)	—	(17)	(17)
At 31st August, 2008	於二零零八年八月三十一日	<u>(211)</u>	<u>211</u>	<u>—</u>

於二零零八年八月三十一日，本公司可用作抵銷未來盈利的未運用稅項虧損約為3,100,000港元（二零零七年：3,502,000港元）。就此項虧損中的1,290,000港元（二零零七年：無）乃指稅項虧損，已確認為一項遞延稅項。餘下的稅項虧損1,810,000港元（二零零七年：3,502,000港元）因未能預測將來的盈利來源而未有確認為遞延稅項資產。稅項虧損可能無限期地轉存。

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29. Deferred Tax (Continued)

Notes:

- a. These represent mainly deferred tax assets arising from unrealised profit on inventories, unrealised loss on transfer of plant and equipment between subsidiaries, deferred tax liabilities arising from withholding tax charged on certain PRC and overseas subsidiaries and interest capitalisation at the amount of HK\$1,008,000 (2007: HK\$2,400,000), HK\$1,556,000 (2007: unrealised profit of HK\$1,833,000), HK\$4,563,000 (2007: HK\$3,538,000) and HK\$1,510,000 (2007: HK\$3,360,000), respectively.
- b. On 26th June 2008, the Hong Kong Legislative Council passed the Revenue Bill 2008 which includes the reduction in corporate profit tax rate by 1% to 16.5% effective from the year of assessment 2008/09. The effect of such decrease has been reflected in measuring the current and deferred tax for the year ended 31st August, 2008.

30. Share Capital

Authorised:

At beginning and end of the year

法定股本：

於是年度開始及終結時

1,400,000,000

280,000

Issued and fully paid:

At beginning and end of the year

已發行及繳足股本：

於是年度開始及終結時

794,010,960

158,802

29. 遞延稅項(續)

附註：

- a. 此乃主要為存貨的未變現利益和附屬公司之間機器及設備調撥的未變現虧損所產生的遞延稅項資產，以及由若干中國及海外附屬公司扣除的預扣稅及利息化作資產所產生的遞延稅項負債，分別為1,008,000港元(二零零七年：2,400,000港元)、1,556,000港元(二零零七年：未變現利益1,833,000港元)、4,563,000港元(二零零七年：3,538,000港元)及1,510,000港元(二零零七年：3,360,000港元)。
- b. 於二零零八年六月二十六日，香港立法會通過《2008年收入條例草案》，當中包括將企業利得稅稅率降低1%至16.5%，由二零零八/零九課稅年度生效。有關稅率下調的影響已於計算本期及截至二零零八年八月三十一日止年度的遞延稅項中予以反映。

30. 股本

Number of ordinary
shares of HK\$0.20 each

每股面值0.20港元
的普通股份數目

2008 & 2007

Amount
金額

2008 & 2007

HK\$'000

千港元

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31. Share Options

A share option scheme (the "Option Scheme"), which will expire on 24th January, 2012, was adopted by the Company at the Extraordinary General Meeting held on 25th January, 2002. The primary purpose of the Option Scheme is to provide the Company with a flexible mean of giving incentives to, rewarding, remunerating, compensating and/or providing benefits to the employees and for such other purposes as the board of directors of the Company may approve from time to time. Under the Option Scheme, the board of directors of the Company may offer to full time employees, including full time executive directors, of the Company and/or its subsidiaries who have completed the probation period options to subscribe for shares in the Company in accordance with the terms of the Option Scheme for the consideration of HK\$1 for each lot of share options granted. The total number of shares in respect of which options may be granted under the Option Scheme is not permitted to exceed 10% of the shares of the Company in issue at the date of approval of the Option Scheme. The Company may seek approval from shareholders of the Company in general meeting to refresh the 10% limit. In addition, the maximum number of shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Option Scheme and any other share option schemes of the Company shall not exceed 30% (or such higher percentage as may be allowed under the Listing Rules) of the total number of shares in issue from time to time. The number of shares in respect of which options may be granted to any employee in any 12-month period is not permitted to exceed 1% of the total number of shares of the Company in issue, subject to approval from shareholders of the Company. Options granted must be taken within 28 days of the date of grant or such longer or shorter period as the board of directors of the Company may think fit. The minimum period for which an option must be held before it can be exercised is one year or such other period as the board of directors of the Company may think fit commencing from the date of grant ("Hold-up period"). An option period, at the absolute discretion of the board of directors of the Company, shall commence on the expiry of the Hold-up period

31. 認股權

一項將於二零一二年一月二十四日屆滿的認股權計劃(「認股權計劃」)已獲本公司於二零零二年一月二十五日舉行的特別股東大會上採納。認股權計劃的主要目的為本公司可向僱員給予鼓勵、獎賞、報酬、補償及/或提供福利及就本公司董事會不時批准的其他目的而言提供一個靈活方式。根據認股權的計劃，本公司董事會可按認股權計劃的條款授予本公司及/或其附屬公司已通過試用期的全職僱員(包括全職執行董事)認股權以認購本公司股份，每次接受認股權的代價為1港元。根據認股權計劃所授出的認股權而發行的股份總數，最多不得超過認股權計劃獲批准當日的已發行股份總數的10%。本公司可在股東大會上尋求股東批准，更新此10%的上限。此外，根據認股權計劃及本公司任何其他認股權計劃已授出但尚未行使的認股權獲行使而發行的股份總數，最多不得超過本公司不時已發行股份總數的30%(或根據上市規則容許的較高上限)。除已獲股東批准外，任何一位僱員於任何十二個月期間內，其因行使將獲授認股權的股份總數，最多不得超過本公司已發行股份總數的1%。僱員必須在認股權授出日起28日內或本公司董事會可能認為適當的其他較長或較短期間內接納所獲授予的認股權。僱員必須最少於授出日起計一年或本公司董事會可能認為適當的其他期間(「持有期」)持有認股權後，才可作出認購。認購期由本公司董事會按絕對酌情權釐定，將由持有期屆滿後開始計

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31. Share Options (Continued)

and expire no later than the 10th anniversary of the date of grant. The exercise price is determined by the board of directors of the Company and will be at least the highest of the followings:

- the closing price of shares at the date of grant of a share option;
- the average closing price of the shares for the five business days immediately preceding the date of grant; and
- the nominal value of a share.

No share options were granted or exercised during the year and no share options were outstanding during the year or at the balance sheet date.

32. Reserves

31. 認股權(續)

算及不遲於授出日後十週年屆滿。認購價由本公司董事會議定，但必須為以下三者中的最高者：

- 股份於認股權授出日的收市價；
- 股份於認股權授出日之前五個營業日的平均收市價；及
- 股份的每股面值。

本年度內並無認股權被授出或行使及於本年內或結算日亦無認股權結餘。

32. 儲備

		THE COMPANY 本公司			
		Share premium 股份 溢價 HK\$'000 千港元	Capital redemption reserve 資本 贖回儲備 HK\$'000 千港元	Retained profits 滾存 盈利 HK\$'000 千港元	Total 總值 HK\$'000 千港元
At 1st September, 2006	於二零零六年九月一日	197,124	210	456,449	653,783
Profit for the year	是年度盈利	—	—	171,037	171,037
Dividends paid	已付股息	—	—	(83,371)	(83,371)
At 31st August, 2007	於二零零七年八月三十一日	197,124	210	544,115	741,449
Profit for the year	是年度盈利	—	—	25,209	25,209
Dividends paid	已付股息	—	—	(39,700)	(39,700)
At 31st August, 2008	於二零零八年八月三十一日	197,124	210	529,624	726,958

The Company's reserves available for distribution to equity holders as dividends at 31st August, 2008 represented the retained profits of HK\$529,624,000 (2007: HK\$544,115,000).

於二零零八年八月三十一日，可分配為權益持有人股息的本公司儲備(乃指滾存盈利)為529,624,000港元(二零零七年：544,115,000港元)。

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33. 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 years.

The capital structure of the Group consists of debt, which includes the borrowings disclosed in note 26, equity attributable to equity holders of the Company, comprising issued share capital and various reserves.

The directors of the Company review the capital structure on an on-going 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 and share buy-backs as well as the issue of new debt or the redemption of existing debt.

34. Financial Instruments

(a) Categories of financial instruments

		THE GROUP		THE COMPANY	
		本集團		本公司	
		2008	2007	2008	2007
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Financial assets	金融資產				
Loans and receivables (including cash and cash equivalents)	貸款及應收款項(包括現金及等同現金項目)	1,766,320	2,254,135	3,044,734	2,700,057
Fair value through profit or loss	以公平價值計入損益賬	23,051	12,272	23,051	3,145
Financial liabilities	金融負債				
Amortised cost	攤銷成本	2,987,242	3,306,948	2,209,733	1,834,109
Fair value through profit or loss	以公平價值計入損益賬	12,230	496	2,309	496

33. 資本風險管理

本集團管理資本之目的，在於確保本集團各實體得以持續經營，同時透過取得債務與權益之間的最佳平衡，為股權持有人爭取最大回報。本集團的整體策略與往年一致。

本集團的資本架構包括債務(當中包括附註26所披露的借貸)及本公司權益持有人應佔權益(包括已發行股本及多項儲備)。

本公司董事按持續基準檢討資本架構。作為檢討一部分，董事會考慮資本的成本與各類資本的相關風險。根據董事的建議，本集團將透過派發股息、發行新股及購回股份與及發行新債務或贖回現有債務以平衡整體資本架構。

34. 金融工具

(a) 金融工具類別

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34. Financial Instruments (Continued)

(b) Financial risk management objectives and policies

The major financial instruments of the Group and Company include trade and other receivables, amounts due from/to subsidiaries/jointly controlled entities/minority shareholders, bank deposits, bank balances and cash, derivative financial instruments, trade and other payables, bills payable and bank borrowings. The risks associated with these financial instruments include market risk (currency risk and interest rate risk), credit risk and liquidity risk. The policies on how to mitigate these risks are set out below. Management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

Market risk

(i) Currency risk

Certain entities in the Group have foreign currency transactions, which expose the Group to foreign currency risk.

The Group manages and monitors foreign exchange exposures to ensure appropriate measures are implemented on a timely and effective manner. The Group has entered into foreign currency forward contracts to mitigate the risks.

At balance sheet date, the carrying amounts of foreign currency denominated monetary assets and monetary liabilities and derivative financial instruments of the Group and the Company that are considered significant by management are as follows:

34. 金融工具(續)

(b) 財務風險管理目標及政策

本集團及本公司的主要金融工具包括營業及其他應收款項、附屬公司所欠/欠附屬公司的款項、共同控制機構所欠/欠共同控制機構的款項、少數股東所欠/欠少數股東的款項、銀行存款、銀行結存及現金、衍生金融工具、營業及其他應付款項、應付票據及銀行借貸。與該等金融工具有關的風險包括市場風險(貨幣風險及利率風險)、信貸風險及流動資金風險。下文載列有關如何降低該等風險的政策。管理層管理及監控該等風險，以確保及時和有效地採取適當措施。

市場風險

(i) 貨幣風險

本集團若干實體有外幣交易，故本集團涉及外幣風險。

本集團管理及監控外匯風險，以確保及時和有效地採取適當措施。本集團已簽訂遠期外匯合約，以降低該等風險。

於結算日，管理層認為屬重大的本集團及本公司以外幣列值的貨幣資產及貨幣負債及衍生金融工具的賬面值如下：

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34. Financial Instruments (Continued)

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

Market risk (Continued)

(i) Currency risk (Continued)

Monetary assets and liabilities:

		THE GROUP 本集團			
		Assets 資產		Liabilities 負債	
		2008	2007	2008	2007
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
USD	美元	753,934	1,028,335	348,305	630,589
RMB	人民幣	175,217	92,062	232,563	258,945

		THE COMPANY 本公司			
		Assets 資產		Liabilities 負債	
		2008	2007	2008	2007
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
USD	美元	20,887	16,002	—	—

		THE GROUP 本集團		THE COMPANY 本公司	
		2008	2007	2008	2007
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Derivative financial assets	衍生金融資產				
Contracts to sell RMB	賣出人民幣的合約	15,876	3,145	15,876	3,145
Contracts to sell USD	賣出美元的合約	—	9,127	—	—
Derivative financial liabilities	衍生金融負債				
Contracts to sell USD	賣出美元的合約	9,921	—	—	—

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34. Financial Instruments (Continued)

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

Market risk (Continued)

(i) Currency risk (Continued)

Sensitivity analysis

As HK\$ is pegged with USD, currency risk in relation to HK\$ denominated monetary assets/liabilities is expected to be minimal. The Group is mainly exposed to the risk of fluctuation of RMB.

The following table details the sensitivity of the Group and the Company to a 5% increase and decrease in HK\$ against RMB. 5% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and derivative financial instruments and adjusts their translation or fair value in the case of the derivative financial instruments at the year end for a 5% change in foreign currency rates. On this basis, there will be a increase in loss where HK\$ weakens against RMB by 5%, and vice versa.

Monetary assets and liabilities:

34. 金融工具(續)

(b) 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

由於港元與美元掛鈎，預期有關以港元列值的貨幣資產／負債的貨幣風險極微。本集團主要涉及人民幣波動風險。

下表詳細載列本集團及本公司就港元兌人民幣升值及減值5%的敏感度。5%為向主要管理人員內部呈報外匯風險及管理層對匯率可能合理變動的評估所採用的敏感度比率。敏感度分析僅包括尚未結算以外幣列值的貨幣項目及衍生金融工具，並於年底按5%的外匯率變動調整其換算或衍生金融工具之公平價值。按此基準，當港元兌人民幣轉弱5%，虧損將會增加，反之亦然。

貨幣資產及負債：

		THE GROUP RMB Impact 本集團 人民幣影響	
		2008	2007
		HK\$'000	HK\$'000
		千港元	千港元
Increase in loss (2007: decrease in profit)	虧損增加(二零零七年：盈利減少)	2,147	6,240

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34. Financial Instruments (Continued)

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

Market risk (Continued)

(i) Currency risk (Continued)

For the outstanding foreign currency forward contracts, if the forward foreign exchange rate of RMB against USD had been 5% higher/lower, loss/profit would increase/decrease by:

Derivative financial instruments:

34. 金融工具 (續)

(b) 財務風險管理目標及政策 (續)

市場風險 (續)

(i) 貨幣風險 (續)

就尚未到期的遠期外匯合約而言，倘人民幣兌美元的遠期外匯匯率上升/下跌5%，則虧損/盈利將增加/減少：

衍生金融工具：

		THE GROUP 本集團		THE COMPANY 本公司	
		Decrease (increase) in loss 虧損 減少 (增加) 2008 HK\$'000 千港元	Increase (decrease) in profit 盈利 增加 (減少) 2007 HK\$'000 千港元	Increase (decrease) in profit 盈利 增加 (減少) 2008 HK\$'000 千港元	Increase (decrease) in profit 盈利 增加 (減少) 2007 HK\$'000 千港元
Contracts to sell RMB	賣出人民幣的合約	19,824	35,587	19,824	35,587
Contracts to sell USD	賣出美元的合約	(17,642)	(30,898)	—	—

(ii) Interest rate risk

The Group and the Company are exposed to cash flow interest rate risk primarily in relation to variable-rate bank balances and borrowings. It is the Group's policy to keep its bank balances and borrowings at floating rate of interests so as to minimise the fair value interest rate risk. The Group cash flow interest rate risk is mainly concentrated on the fluctuation of HIBOR arising from the Group's Hong Kong dollar denominated borrowings. In order to minimise the risk, the Group entered into certain interest rate swaps to partially hedge against its exposure to variable-rate bank balances and borrowings.

(ii) 利率風險

本集團及本公司的現金流量利率風險主要與浮息銀行結存及借貸有關。本集團的政策是維持其銀行結存及借貸於浮動利率以減低公平價值利率風險。本集團的現金流量利率風險主要集中於香港銀行同業拆息波動所引致本集團以港元例值的借貸。為降低風險，本集團簽訂若干利率掉期，以就浮息銀行結存及借貸的利率風險進行部份對沖。

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34. Financial Instruments (Continued)

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

Market risk (Continued)

(ii) Interest rate risk (Continued)

Sensitivity analysis

The sensitivity analysis below has been determined based on the exposure to interest rates for both non-derivative (including variable-rate bank balances and borrowings) and derivative instruments at the balance sheet date. The analysis is prepared assuming the amount of asset and liability outstanding at the balance sheet date was outstanding for the whole year. A 50 basis points increase or decrease in interest rate is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

For non-derivative financial instruments, if interest rate had been 50 basis points higher/lower and all other variables were held constant, the Group's loss and the Company's profit would increase/decrease and decrease/increase by HK\$6,869,000 and HK\$7,544,000 (2007: decrease/increase in profits by HK\$6,264,000 and HK\$6,865,000), respectively.

For derivative financial instruments, if HIBOR had been 50 basis points higher and all other variables were held constant, the Group's loss and the Company's profit would decrease and increase by HK\$6,897,000 (2007: increase in profits by HK\$147,000), respectively.

Credit risk

As at 31st August, 2008, the maximum exposure to credit risk by the Group and the Company which will cause a financial loss due to failure to discharge an obligation by the counterparties and financial guarantees provided is arising from:

- the carrying amounts of the recognised financial assets as stated in the balance sheet; and
- the amount of contingent liabilities in relation to financial guarantee issued by the Company as disclosed in note 37.

34. 金融工具(續)

(b) 財務風險管理目標及政策(續)

市場風險(續)

(ii) 利率風險(續)

敏感度分析

下列敏感度分析根據非衍生工具(包括浮息銀行結存及借貸)及衍生工具於結算日的利率風險釐定。有關分析乃假設於結算日尚未償還的資產及負債數額在本年整個年度內均為未償還。向主要管理人員內部呈報利率風險乃採用50個基點的升降，代表管理層對利率可能合理變動的評估。

就非衍生金融工具而言，倘利率上升/下跌50個基點，而所有其他變數維持不變，則本集團的虧損及本公司的盈利將分別增加/減少及減少/增加6,869,000港元及7,544,000港元(二零零七年：盈利減少/增加6,264,000港元及6,865,000港元)。

就衍生金融工具而言，倘香港銀行同業拆息上升50個基點，而所有其他變數維持不變，則本集團的虧損及本公司的盈利將分別減少及增加6,897,000港元(二零零七年：盈利增加147,000港元)。

信貸風險

於二零零八年八月三十一日，本集團及本公司因對手方未能履行責任及提供財務擔保而導致財務損失的最高信貸風險乃因以下各項產生：

- 資產負債表所呈列已確認金融資產的賬面值；及
- 附註37所披露有關本公司所發出財務擔保之或然負債的款額。

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34. Financial Instruments (Continued)

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

Credit risk (Continued)

In order to manage its credit risk, management of the Group has delegated a team responsible for determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. Credit sales of products are only made to customers with good repayment history. In addition, the Group reviews the recoverable amount of debt on a collective and on-going basis to ensure that adequate impairment losses are made for irrecoverable amounts. A net impairment loss of HK\$32,879,000 (2007: HK\$11,348,000) in respect of the net trade receivables was recognised by the Group for the year. Furthermore, the Company only provided financial guarantees to its subsidiaries after a careful consideration of its subsidiaries' financial conditions. In this regard, the directors of the Company consider that the Group's and the Company's credit risk is significantly reduced.

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

Other than concentration of credit risk on liquid funds which are deposited with several banks with high credit rating, the Group has no significant concentration of credit risk on trade and other receivables, with exposure spread over a number of counterparties and customers.

34. 金融工具 (續)

(b) 財務風險管理目標及政策 (續)

信貸風險 (續)

為管理其信貸風險，本集團的管理層已委派一組人員負責釐定信貸限額、信貸審批及其他監控程序，以確保採取跟進行動收回逾期債項。產品信貸銷售僅提供予具有良好還款紀錄的客戶。此外，本集團會按集體及持續基準檢討債項的可收回款額，以確保就無法收回款額作出足夠的減值損失。年內，本集團已就營業應收款項淨值確認減值損失淨值32,879,000港元(二零零七年：11,348,000港元)。此外，本公司僅於審慎考慮其附屬公司的財務狀況後方向其附屬公司提供財務擔保。就此而言，本公司董事認為本集團及本公司的信貸風險已大幅減低。

本集團及本公司的流動資金信貸風險有限，因對手方均為國際信貸評級機構給予高信貸評級的銀行。

除存放於若干高信貸評級銀行的流動資金存在集中信貸風險外，本集團並無在營業及其他應收款項上面對重大集中信貸風險情況，因風險分散於多個對手方及客戶。

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34. Financial Instruments (Continued)

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

Liquidity risk

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

Other than equity, the Group and the Company rely on bank borrowings as a significant source of liquidity. As at 31st August, 2008, the available unutilised banking facilities of the Group and the Company are approximately HK\$2,310 million and HK\$126 million (2007: HK\$2,241 million and HK\$75 million), respectively.

The following table details the Group's and the Company's remaining contractual maturity for its financial liabilities and derivatives financial assets (including foreign currency forward contracts only). For non-derivative financial liabilities, the table has been drawn up based on the undiscounted cash flows of the financial liabilities based on the earliest date on which the Group and the Company can be required to pay. The table includes both interest and principal cash flows.

For derivative instruments settle on a net basis, undiscounted net cash flows are presented. Whereas they require gross settlement, the undiscounted gross outflow (inflow) on these derivatives are shown on the table.

34. 金融工具(續)

(b) 財務風險管理目標及政策(續)

流動資金風險

於管理流動資金風險時，本集團與本公司會監察及維持管理層視為足夠水平的現金及等同現金項目，以撥付本集團及本公司營運所需及減低現金流量波動的影響。管理層會監察銀行借貸的運用情況，並確保遵守相關貸款契諾。

除股本外，本集團及本公司倚賴銀行借貸作為主要流動資金來源。於二零零八年八月三十一日，本集團的可動用但未運用的銀行信貸額分別約為2,310,000,000港元及126,000,000港元(二零零七年：2,241,000,000港元及75,000,000港元)。

下表詳列本集團及本公司金融負債及衍生金融資產(僅包括遠期外匯合約)的餘下合同到期情況。就非衍生金融負債，該表乃按照本集團及本公司可能被要求付款的最早日期根據金融負債的未貼現現金流量編製。該表包括利息及本金現金流量。

淨額結算的衍生工具，以未貼現現金流量淨值呈列。如需以總額結算，該等衍生工具的未貼現流出(流入)總額載列於下表。

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34. Financial Instruments (Continued)

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

Liquidity risk (Continued)

THE GROUP

本集團

34. 金融工具(續)

(b) 財務風險管理目標及政策(續)

流動資金風險(續)

		Weighted average effective interest rate 加權平均 有效利率	Less than 1 month 少於 一個月	1-3 months 一至三個月	3 months to 1 year 三個月 至一年	Over 1 year 超過一年	Total undiscounted cash flows 未貼現現金 流量總額	Carrying amount at 31st August, 2008 於二零零八年 八月三十一日 的賬面值
		%	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
2008								
二零零八年								
Non-derivative financial liabilities	非衍生金融負債							
Trade and other payables	營業及其他應付款項	—	209,749	230,177	24,466	—	464,392	464,392
Bills payable	應付票據	—	68,540	85,182	8,981	—	162,703	162,703
Amounts due to minority shareholders	欠少數股東款項	—	76,214	—	—	—	76,214	76,214
Bank borrowings	銀行借貸	2.48	118,432	211,498	270,029	1,796,452	2,396,411	2,279,847
Bank overdrafts	銀行透支	3.07	4,096	—	—	—	4,096	4,086
			<u>477,031</u>	<u>526,857</u>	<u>303,476</u>	<u>1,796,452</u>	<u>3,103,816</u>	<u>2,987,242</u>
Derivatives - net settlement	衍生工具-以淨額結算							
Interest rate swaps	利率掉期	2.17	214	—	939	1,399	2,552	2,309
Foreign currency forward contracts	遠期外匯合約	—	(1,067)	(2,939)	(11,870)	—	(15,876)	(15,876)
			<u>(853)</u>	<u>(2,939)</u>	<u>(10,931)</u>	<u>1,399</u>	<u>(13,324)</u>	<u>(13,567)</u>
Derivatives - gross settlement	衍生工具-以總額結算							
Foreign currency forward contracts	遠期外匯合約							
- outflow	- 流出	—	50,737	101,474	323,937	—	476,148	N/A 不適用
- inflow	- 流入	—	(50,273)	(99,917)	(316,037)	—	(466,227)	N/A 不適用
			<u>464</u>	<u>1,557</u>	<u>7,900</u>	<u>—</u>	<u>9,921</u>	<u>9,921</u>

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34. Financial Instruments (Continued)

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

THE GROUP
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34. 金融工具(續)

(b) 財務風險管理目標及政策(續)
流動資金風險(續)

		Weighted average effective interest rate 加權平均 有效利率	Less than 1 month 少於 一個月 HK\$'000 千港元	1-3 months 一至三個月 HK\$'000 千港元	3 months to 1 year 三個月 至一年 HK\$'000 千港元	Over 1 year 超過一年 HK\$'000 千港元	Total undiscounted cash flows 未貼現現金 流量總額 HK\$'000 千港元	Carrying amount at 31st August, 2007 於二零零七年 八月三十一日 的賬面值 HK\$'000 千港元
2007 二零零七年								
Non-derivative financial liabilities	非衍生金融負債							
Trade and other payables	營業及其他應付款項	—	277,292	248,919	55,455	—	581,666	581,666
Bills payable	應付票據	—	186,786	292,541	20,203	—	499,530	499,530
Amounts due to minority shareholders	欠少數股東款項	—	40,050	—	—	—	40,050	40,050
Bank borrowings	銀行借貸	5.18	209,840	107,812	192,148	1,938,634	2,448,434	2,183,141
Bank overdrafts	銀行透支	3.83	2,569	—	—	—	2,569	2,561
Obligation under finance leases	財務租賃應付賬款	7.80	444	—	—	—	444	439
			<u>716,981</u>	<u>649,272</u>	<u>267,806</u>	<u>1,938,634</u>	<u>3,572,693</u>	<u>3,307,387</u>
Derivatives - net settlement	衍生工具—以淨額結算							
Interest rate swaps	利率掉期	4.03	—	—	506	—	506	496
Foreign currency forward contracts	遠期外匯合約	—	(234)	(739)	(2,172)	—	(3,145)	(3,145)
			<u>(234)</u>	<u>(739)</u>	<u>(1,666)</u>	<u>—</u>	<u>(2,639)</u>	<u>(2,649)</u>
Derivatives - gross settlement	衍生工具—以總額結算							
Foreign currency forward contracts	遠期外匯合約							
- outflow	- 流出	—	99,028	198,057	534,129	—	831,214	N/A 不適用
- inflow	- 流入	—	(99,821)	(199,828)	(540,692)	—	(840,341)	N/A 不適用
			<u>(793)</u>	<u>(1,771)</u>	<u>(6,563)</u>	<u>—</u>	<u>(9,127)</u>	<u>(9,127)</u>

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34. Financial Instruments (Continued)

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

Liquidity risk (Continued)

THE COMPANY

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34. 金融工具(續)

(b) 財務風險管理目標及政策(續)

流動資金風險(續)

		Weighted average effective interest rate 加權平均 有效利率	Less than 1 month 少於 一個月	1-3 months 一至三個月	3 months to 1 year 三個月 至一年	Over 1 year 超過一年	Total undiscounted cash flows 未貼現現金 流量總額	Carrying amount at 31st August, 2008 於二零零八年 八月三十一日 的賬面值
		%	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
2008								
二零零八年								
Non-derivative financial liabilities	非衍生金融負債							
Other payables	其他應付款項	—	154	31	—	—	185	185
Amounts due to subsidiaries	欠附屬公司款項	—	350,109	—	—	—	350,109	350,109
Bank borrowings	銀行借貸	2.39	3,683	90,030	226,085	1,644,571	1,964,369	1,859,439
			<u>353,946</u>	<u>90,061</u>	<u>226,085</u>	<u>1,644,571</u>	<u>2,314,663</u>	<u>2,209,733</u>
Derivatives - net settlement	衍生工具 - 以淨額結算							
Interest rate swaps	利率掉期	2.17	214	—	939	1,399	2,552	2,309
Foreign currency forward contracts	遠期外匯合約	—	(1,067)	(2,939)	(11,870)	—	(15,876)	(15,876)
			<u>(853)</u>	<u>(2,939)</u>	<u>(10,931)</u>	<u>1,399</u>	<u>(13,324)</u>	<u>(13,567)</u>

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截至二零零八年八月三十一日止年度

34. Financial Instruments (Continued)

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

THE COMPANY
本公司

34. 金融工具(續)

(b) 財務風險管理目標及政策(續)
流動資金風險(續)

		Weighted average effective interest rate 加權平均 有效利率	Less than 1 month 少於 一個月	1-3 months 一至三個月	3 months to 1 year 三個月 至一年	Over 1 year 超過一年	Total undiscounted cash flows 未貼現現金 流量總額	Carrying amount at 31st August, 2007 於二零零七年 八月三十一日 的賬面值
		%	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
2007 二零零七年								
Non-derivative financial liabilities	非衍生金融負債							
Other payables	其他應付款項	—	232	17	—	—	249	249
Amounts due to subsidiaries	欠附屬公司款項	5.70	75,057	—	—	—	75,057	74,930
Bank borrowings	銀行借貸	5.28	27,259	23,526	174,517	1,779,868	2,005,170	1,758,930
			102,548	23,543	174,517	1,779,868	2,080,476	1,834,109
Derivatives - net settlement	衍生工具 - 以淨額結算							
Interest rate swaps	利率掉期	4.03	—	—	506	—	506	496
Foreign currency forward contracts	遠期外匯合約	—	(234)	(739)	(2,172)	—	(3,145)	(3,145)
			(234)	(739)	(1,666)	—	(2,639)	(2,649)

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34. Financial Instruments (Continued)

(c) Fair value

The fair value of financial assets and financial liabilities are determined as follows:

- the fair value of derivative financial instruments are calculated using generally accepted pricing models based on quoted forward exchange rates and discounted cash flow analysis based on the applicable yield curves of interest rates provided by counterparty financial institution.
- the fair value of other financial assets and financial liabilities (excluding derivative instrument) 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 consider that the carrying amount of financial assets and financial liabilities recorded at amortised cost in the consolidated financial statements approximate their fair values.

34. 金融工具 (續)

(c) 公平價值

金融資產及金融負債的公平價值乃按以下釐定：

- 衍生金融工具的公平價值乃按公認定價模式，並以對手財務機構提供的適用利率收益曲線所釐定的市場遠期匯率及貼現現金流量分析基準而計算。
- 其他金融資產及金融負債 (衍生工具除外) 的公平價值乃根據公認定價模式以可觀察的當前市場交易價格或利率按貼現現金流量分析而釐定。

董事認為在綜合財務報表內以攤銷成本入賬的金融資產及金融負債的賬面值與彼等的公平價值相若。

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35. Capital Commitments

		THE GROUP 本集團	
		2008	2007
		HK\$'000	HK\$'000
		千港元	千港元
Capital expenditure in respect of the acquisition of property, plant and equipment contracted for but not provided in the consolidated financial statements	就有關購買物業、機器及設備的已簽約但在綜合財務報表未有作出撥備的資本開支	143,516	83,501
Capital expenditure in respect of the acquisition of property, plant and equipment authorised but not contracted for	就有關購買物業、機器及設備的已批准但未簽約的資本開支	19,037	45,617

The Company had no significant capital commitments at the balance sheet dates.

於結算日，本公司並無重大的資本承擔。

36. Operating Leases

The Group as lessee:

		THE GROUP 本集團	
		2008	2007
		HK\$'000	HK\$'000
		千港元	千港元
Minimum lease payments paid under operating leases during the year:	是年度就營運租賃而支付的最低租賃支出：		
Land and buildings	土地及樓宇	44,244	40,934
Plant and machinery	廠房機器	23,201	23,924
		67,445	64,858

36. 營運租賃

本集團作為承租人：

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36. Operating Leases (Continued)

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

		THE GROUP 本集團			
		2008		2007	
		Land and buildings 土地及 樓宇 HK\$'000 千港元	Plant and machinery 廠房機器 HK\$'000 千港元	Land and buildings 土地及 樓宇 HK\$'000 千港元	Plant and machinery 廠房機器 HK\$'000 千港元
Within one year	一年內	53,697	15,238	52,730	23,145
In the second to fifth year inclusive	第二年至第五年內(首尾 兩年包括在內)	164,005	41,072	158,170	46,240
Over five years	五年以上	46,694	21,344	56,811	27,653
		<u>264,396</u>	<u>77,654</u>	<u>267,711</u>	<u>97,038</u>

Operating lease payments represent rentals payable by the Group for certain of its office premises and factories. Leases are negotiated for terms ranging from one to twenty five years for land and buildings and from one to ten years for plant and machinery. There is no contingent rental arrangement.

The Group as lessor:

Gross rental income earned from investment properties of the Group during the year was HK\$4,305,000 (2007: HK\$3,346,000). The related outgoings amounted to HK\$657,000 (2007: HK\$557,000).

36. 營運租賃(續)

於結算日，本集團就不可取消營運租賃的未來最低租賃支出承擔於下列到期日支付：

營運租賃支出乃本集團就其若干辦公室及工廠的應付租金。經磋商的租賃年期就土地及樓宇乃介乎一至二十五年之間，就廠房機器則介乎一至十年之間。並未有或然租金安排。

本集團作為出租人：

本年度本集團就投資物業所賺得的租金收入總值為4,305,000港元(二零零七年：3,346,000港元)。其有關的支出為657,000港元(二零零七年：557,000港元)。

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截至二零零八年八月三十一日止年度

36. Operating Leases (Continued)

At the balance sheet date, the Group had contracted with tenants, in respect of rented premises, for the following future minimum lease payments:

		THE GROUP 本集團	
		2008 HK\$'000 千港元	2007 HK\$'000 千港元
Within one year	一年內	3,744	2,760
In the second to fifth year inclusive	第二年至第五年內(首尾兩年包括在內)	1,845	2,408
		<u>5,589</u>	<u>5,168</u>

The Company had no significant operating lease commitments or arrangements at the balance sheet dates.

37. Contingent Liabilities

THE COMPANY

- (a) The Company has given limited guarantees to various banks to secure general banking and loan facilities granted to certain subsidiaries to the extent of HK\$3,274,450,000 (2007: HK\$3,177,500,000). As at 31st August, 2008, the aggregate amounts utilised by these subsidiaries amounted to HK\$812,934,000 (2007: HK\$1,011,083,000).
- (b) As at 31st August, 2007 the Company had given limited guarantees to various banks and finance companies to secure finance lease obligations of certain subsidiaries to the extent of HK\$439,000. The aggregate obligations of the subsidiaries under these leases at 31st August, 2007 amounted to HK\$439,000. The relevant liabilities have been fully settled during the current year.

36. 營運租賃(續)

於結算日，本集團就出租物業已與租戶訂立合約的未來最低租賃收入如下：

		THE GROUP 本集團	
		2008 HK\$'000 千港元	2007 HK\$'000 千港元
Within one year	一年內	3,744	2,760
In the second to fifth year inclusive	第二年至第五年內(首尾兩年包括在內)	1,845	2,408
		<u>5,589</u>	<u>5,168</u>

於結算日，本公司並無重大的營運租賃承擔或安排。

37. 或然負債

本公司

- (a) 本公司已向多間銀行給予有限制的擔保至為3,274,450,000港元(二零零七年：3,177,500,000港元)，作為該等銀行給予若干附屬公司一般貸款及借款的抵押。於二零零八年八月三十一日，該等附屬公司已運用的總額為812,934,000港元(二零零七年：1,011,083,000港元)。
- (b) 於二零零七年八月三十一日，本公司已向多間銀行及財務公司給予有限制的擔保至為439,000港元，作為該等銀行及財務公司給予若干附屬公司財務租賃借貸的抵押。於二零零七年八月三十一日，該等附屬公司的財務租賃應付賬款總額為439,000港元。有關負債已於本年度全額結清。

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38. Acquisition of a Subsidiary

On 1st November, 2006, the Group acquired the entire interest in the issued and paid up share capital of Ningbo Young Top for a cash consideration of HK\$49,000,000. This transaction had been accounted for using the purchase method of accounting.

The fair value of the identifiable assets and liabilities of the subsidiary acquired at its date of acquisition, which had no significant differences from their respective carrying amounts, was as follows:

		HK\$'000 千港元
Net assets acquired:	收購的資產淨值：	
Property, plant and equipment	物業、機器及設備	7,516
Prepaid lease payments	預付租賃款項	4,318
Inventories	存貨	12,210
Trade and other receivables	營業及其他應收款項	15,293
Bank balances and cash	銀行結存及現金	14,229
Trade and other payables	營業及其他應付款項	(4,566)
		<hr/>
Cash consideration	現金代價	49,000
		<hr/>
Net cash outflow arising on acquisition:	收購時所產生的現金流出淨值：	
Cash consideration	現金代價	49,000
Bank balances and cash acquired	收購的銀行結存及現金	(14,229)
		<hr/>
		34,771
		<hr/>

Ningbo Young Top did not make any significant contribution to the turnover and results of the Group for the year ended 31st August, 2007.

38. 收購一間附屬公司

於二零零六年十一月一日，本集團以49,000,000港元的現金代價收購寧波創裕已發行及繳足股本的全部權益。此項交易已以購買法入賬。

於收購日期收購該附屬公司的可識別資產及負債的公平價值與其個別賬面值並無重大差別及如下：

寧波創裕對本集團於截至二零零七年八月三十一日止年度的營業額及業績並無重大貢獻。

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39. Disposal of a Subsidiary

On 11th January, 2008, the Group disposed of its entire interest in the issued share capital of a subsidiary, Folklore Industries Limited. The net assets of Folklore Industries Limited at the date of disposal were as follows:

39. 出售一間附屬公司

於二零零八年一月十一日，本集團出售其一間附屬公司Folklore Industries Limited已發行股本的全部權益。Folklore Industries Limited於出售日的資產淨值如下：

		11th January, 2008 二零零八年 一月十一日 HK\$'000 千港元
Net assets disposed of:	出售的資產淨值：	
Prepaid lease payments	預付租賃款項	686
Gain on disposal	出售所得收益	224
		<hr/>
Total consideration	代價總額	910
		<hr/> <hr/>
Satisfied by:		
Cash	以現金支付	910
		<hr/> <hr/>
Net cash inflow arising on disposal:	出售引致的現金流入淨值：	
Cash consideration	現金代價	910
		<hr/> <hr/>

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截至二零零八年八月三十一日止年度

40. Retirement Benefit Schemes

The Group operates a defined contribution scheme registered under the Occupational Retirement Schemes Ordinance (the "ORSO Scheme") and a Mandatory Provident Fund Scheme (the "MPF Scheme") established under the Mandatory Provident Fund Scheme Ordinance for all the eligible employees of the Group in Hong Kong. The assets of both schemes are held separately from those of the Group in funds under the control of trustees. The retirement benefits cost charged to the consolidated income statement represents the contributions payable to the funds by the Group at rates specified in the rules of the schemes.

Employees of the Group in other jurisdictions currently participate in state-sponsored pension scheme or defined contribution schemes operated by the Government of such jurisdictions. The Group are required to contribute a certain percentage of their payroll to the schemes to fund the benefits. The only obligation of the Group with respect to the schemes is to make the required contributions.

As at 31 August, 2008, there was no significant forfeited contribution (2007: Nil), which arose upon employees leaving the retirement benefits schemes, available to reduce the contribution payable in the future years.

The retirement benefits scheme contributions, net of forfeited contributions of HK\$521,000 (2007: HK\$722,000), amounting to HK\$27,381,000 (2007: HK\$21,894,000) has been charged to the consolidated income statement.

40. 退休福利計劃

本集團根據職業退休計劃條例註冊成立一項定額供款計劃(「職業退休計劃」)及根據強制性公積金計劃條例設立一項強制性公積金計劃(「強積金計劃」)予所有合資格的本集團香港僱員。這兩個計劃的資產乃由信託人獨立持有及管理。在綜合收益賬內扣除的退休福利計劃成本乃本集團根據計劃既定比率計算的應付供款。

本集團其他司法地區的僱員現正參與該司法地區政府營運的國家退休福利計劃或定額供款計劃。本集團須將僱員薪酬的若干百分比供款予該等計劃作為福利基金。本集團對該等計劃的唯一責任是按規定作出供款。

於二零零八年八月三十一日，因僱員退出退休福利計劃而沒收的供款並不重大(二零零七年：無)，此款項並可用作扣減未來年度的應付供款。

已在綜合收益賬扣除的退休福利計劃供款金額淨值為27,381,000港元(二零零七年：21,894,000港元)，當中已扣減沒收的供款約521,000港元(二零零七年：722,000港元)。

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41. Related Party Disclosures

(a) Related party balances

Details of the Group's outstanding balances with related parties are set out in the consolidated balance sheet and in notes 18 and 23.

Details of the Company's outstanding balances with related parties are set out in the balance sheet and in note 17.

(b) Compensation of key management personnel

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

41. 相關人士的披露

(a) 相關人士的結餘

本集團與相關人士的結餘詳情載列於綜合資產負債表及附註18及23內。

本公司與相關人士的結餘詳情載列於綜合資產負債表及附註17內。

(b) 主要管理人員的補償

本年度董事及其他主要管理人員的薪酬如下：

		THE GROUP 本集團	
		2008	2007
		HK\$'000	HK\$'000
		千港元	千港元
Short-term benefits	短期福利	33,017	33,321
Post-employment benefits	受僱後福利	1,179	1,203
		<u>34,196</u>	<u>34,524</u>

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

董事及主要管理人員的薪酬乃由董事會按個別表現及市場趨勢而釐定。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS • 綜合財務報表附註

For the year ended 31st August, 2008

截至二零零八年八月三十一日止年度

42. Post Balance Sheet Event

Recently, the financial crisis has wide spread and has an impact on the general economy, with widespread expectation of significant economic slowdowns in all countries (including the PRC and Hong Kong), tighter credit markets and large scale loss of assets value across all sections.

The Group is also exposed to the risk of uncertainties in relation to the direct write-offs of assets such as investment property, prepaid lease payment, property, plant and equipment, receivables and inventories and the future ability of the Group to utilise deferred tax assets.

The directors of the Company believe that the risk in certain assets is minimal as the Group has implemented specific procedures in addressing the risk of uncertainties.

42. 結算日後事項

近期金融危機範圍擴大並影響整體經濟，預期各國及地區(包括中國及香港)經濟將大幅放緩，信貸市場收緊，各行業出現大規模資產價值虧損。

本集團亦面對不確定因素風險，而該風險可引致直接撇銷資產(如投資物業、預付租賃款項、物業、機器及設備、應收款項及存貨)及本集團於未來運用遞延稅項資產的能力。

由於本集團已實施特別程序應對不確定因素的風險，故本公司董事認為若干資產的風險極小。

SHAREHOLDER INFORMATION • 股東資料

Listing : Listed on the Main Board of The Stock Exchange of Hong Kong Limited since 20th April, 1988

Stock Code : 420

Board Lot : 2,000

Par Value : HK\$0.20

Shares Issued : 794,010,960

上市 : 自一九八八年四月二十日起於香港聯合交易所有限公司主板上市

股份代號 : 420

買賣單位 : 2,000

面值 : 0.20港元

已發行股票 : 794,010,960

Financial Calendar 2008/2009

Financial year ended 31st August, 2008

Full year results announced 12th December, 2008

Register of members closed 14th-20th January, 2009

Annual general meeting 21st January, 2009

2009 Interim results to be announced Mid-May 2009

二零零八/二零零九年財務日誌

財政年度結算 二零零八年八月三十一日

全年業績公佈 二零零八年十二月十二日

股份暫停登記 二零零九年一月十四日至二十日

股東週年大會 二零零九年一月二十一日

二零零九年 二零零九年五月中旬
中期業績公佈

Closure of the Register of Members

The register of members of the Company will be closed from Wednesday, 14th January, 2009 to Tuesday, 20th January, 2009, both days inclusive, during which period no transfer of shares will be registered.

暫停辦理股份過戶登記手續

本公司將於二零零九年一月十四日(星期三)至二零零九年一月二十日(星期二)止(首尾兩天包括在內), 暫停辦理股份過戶登記手續。

Shareholder Services

For enquiries about share transfer and registration, please contact the Company's share registrar:

Tricor Secretaries Limited
26/F, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong
Tel +852 2980 1766
Fax +852 2861 1465

股東服務

任何有關股份過戶及登記的查詢, 請聯絡本公司股份過戶登記處:

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
電話 +852 2980 1766
傳真 +852 2861 1465

Investor Relations

Ms Charmaine CHENG
Corporate Communications & Investor Relations Manager
Block A, 6/F, Eastern Sea Industrial Building
29-39 Kwai Cheong Road, Kwai Chung, New Territories, Hong Kong
Tel +852 3478 7017
Email pr@fshl.com

投資者關係

鄭惠嫻小姐
企業傳訊及投資者關係經理
香港新界葵涌葵昌路29-39號
東海工業大廈A座6字樓
電話 +852 3478 7017
電郵 pr@fshl.com

Global Network | 環球網絡

FOUNTAIN SET (HOLDINGS) LIMITED
福田實業（集團）有限公司

Block A, 7/F, Eastern Sea Industrial Building,
29-39 Kwai Cheong Road, Kwai Chung,
New Territories, Hong Kong
香港新界葵涌葵昌路29-39號
東海工業大廈A座7字樓

Tel 電話 +852 2485 1881

Fountain Set has overseas marketing/representative offices in the following locations. Addresses, phone numbers and fax numbers are listed at www.fshl.com

福田實業於下列地區設有海外市場推廣辦事處 / 代表處，地址、電話號碼及傳真號碼均列明在www.fshl.com內

London ● New York ● Toronto ● Vancouver ● Bangalore ● Ho Chi Minh City ● Seoul ● Shanghai ● Shenzhen ● Singapore
倫敦 ● 紐約 ● 多倫多 ● 溫哥華 ● 班加羅爾 ● 胡志明市 ● 首爾 ● 上海 ● 深圳 ● 新加坡

Production facilities are set up in the following countries:

於以下國家設有生產設施：

The PRC ● Indonesia ● Sri Lanka
中國 ● 印尼 ● 斯里蘭卡