



 **TEXWINCA**

holdings limited 德永佳集團有限公司

Stock code 股份代號 : 321

ANNUAL **20**
REPORT
年報

10

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公司資料

DIRECTORS

Poon Bun Chak
(Chairman and Chief Executive Officer)

Poon Kai Chak
Poon Kei Chak
Poon Kwan Chak
Ting Kit Chung
Au Son Yiu*
Cheng Shu Wing*
Wong Tze Kin, David*

* Independent Non-executive Directors

NOMINATION COMMITTEE

Cheng Shu Wing (Chairman)
Au Son Yiu
Wong Tze Kin, David
Ting Kit Chung

REMUNERATION COMMITTEE

Au Son Yiu (Chairman)
Cheng Shu Wing
Wong Tze Kin, David
Ting Kit Chung

AUDIT COMMITTEE

Wong Tze Kin, David (Chairman)
Au Son Yiu
Cheng Shu Wing

COMPANY SECRETARY

Chan Chi Hon

REGISTERED OFFICE

Clarendon House,
2 Church Street,
Hamilton HM 11,
Bermuda

董事

潘彬澤
(主席兼董事總經理)

潘佳澤
潘機澤
潘鈞澤
丁傑忠
區樂耀*
鄭樹榮*
黃自建*
* 獨立非執行董事

提名委員會

鄭樹榮(主席)
區樂耀
黃自建
丁傑忠

薪酬委員會

區樂耀(主席)
鄭樹榮
黃自建
丁傑忠

審核委員會

黃自建(主席)
區樂耀
鄭樹榮

公司秘書

陳志漢

註冊辦事處

Clarendon House,
2 Church Street,
Hamilton HM 11,
Bermuda

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS

16th Floor, Metroplaza, Tower II,
223 Hing Fong Road, Kwai Chung,
New Territories, Hong Kong

總辦事處及主要營業地點

香港新界
葵涌興芳路223號
新都會廣場第二座十六樓

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Butterfield Fulcrum Group (Bermuda) Limited
Rosebank Centre,
11 Bermudiana Road, Pembroke HM08,
Bermuda

主要股份登記及過戶處

Butterfield Fulcrum Group (Bermuda) Limited
Rosebank Centre,
11 Bermudiana Road, Pembroke HM08,
Bermuda

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

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

香港股份登記及過戶分處

卓佳登捷時有限公司
香港灣仔
皇后大道東二十八號
金鐘匯中心二十六樓

AUDITORS

Ernst & Young
Certified Public Accountants

核數師

安永會計師事務所
執業會計師

LEGAL ADVISORS

Jennifer Cheung & Co.
Wilkinson & Grist

法律顧問

張美霞律師行
高露雲律師行

PRINCIPAL BANKERS

Bank of China (Hong Kong) Ltd.
BNP Paribas
Citibank, N.A.
The Hongkong and Shanghai Banking Corporation Ltd.
Hang Seng Bank
Mizuho Corporate Bank, Ltd.
The Bank of East Asia, Ltd.

主要往來銀行

中國銀行(香港)有限公司
法國巴黎銀行
花旗銀行
香港上海滙豐銀行有限公司
恒生銀行
瑞穗實業銀行
東亞銀行有限公司

WEBSITES

<http://www.texwinca.com/>
<http://www.baleno.com.hk/>
<http://www.irasia.com/listco/hk/texwinca/>

網址

<http://www.texwinca.com/>
<http://www.baleno.com.hk/>
<http://www.irasia.com/listco/hk/texwinca/>

FINANCIAL AND OPERATIONAL HIGHLIGHTS

財務與業務摘要

| (Amounts expressed in HK\$ million, unless specified) (以港幣百萬元為單位，除特別註明外) | | Notes 附註 | 2010 | 2009 | 2008 | 2007 | 2006 |
|--|-------------------------|-------------|---------------|-------|-------|-------|-------|
| | | | 二零一零年 | 二零零九年 | 二零零八年 | 二零零七年 | 二零零六年 |
| Turnover | 營業額 | | 10,538 | 9,998 | 9,669 | 8,299 | 7,749 |
| Profit for the year attributable to equity holders of the Company | 本公司權益 所有者應佔 本年度溢利 | | 1,007 | 860 | 926 | 625 | 480 |
| Total equity | 總權益 | | 4,793 | 4,275 | 3,916 | 3,315 | 2,930 |
| Total assets | 總資產 | | 8,255 | 6,792 | 6,890 | 5,842 | 5,266 |
| Total liabilities to total equity ratio | 總負債與總權益比率 | | 0.7 | 0.6 | 0.8 | 0.8 | 0.8 |
| Total interest-bearing debts to total equity ratio | 總付息債務與 總權益比率 | | 0.4 | 0.2 | 0.3 | 0.3 | 0.3 |
| Current ratio | 流動比率 | | 1.9 | 2.0 | 1.9 | 1.6 | 1.5 |
| Trade and bills receivables to turnover (days) | 應收賬款及應收票據 比營業額(日) | | 35 | 34 | 39 | 48 | 41 |
| Inventory to turnover (days) | 存貨比營業額(日) | | 75 | 60 | 60 | 57 | 61 |
| Net assets per share (HK cents) | 每股資產淨值 (港幣仙) | | 359 | 322 | 295 | 250 | 221 |
| Return on total assets (%) | 總資產回報率(%) | | 12.2 | 12.7 | 13.4 | 10.7 | 9.1 |
| Return on turnover (%) | 營業額回報率(%) | | 9.6 | 8.6 | 9.6 | 7.5 | 6.2 |
| Interest cover (times) | 利息保障比率(倍數) | 1 | 118 | 26 | 29 | 16 | 14 |
| EBITDA | 息、稅、折舊及 攤銷前利潤 | 2 | 1,549 | 1,389 | 1,578 | 1,076 | 826 |
| EBITDA on turnover (%) | 息、稅、折舊及攤銷 前利潤比營業額(%) | | 14.7 | 13.9 | 16.3 | 13.0 | 10.7 |

FINANCIAL AND OPERATIONAL HIGHLIGHTS

財務與業務摘要

| | | | 2010 二零一零年 | 2009 二零零九年 | 2008 二零零八年 | 2007 二零零七年 | 2006 二零零六年 |
|--|-----------------|-------------|---------------|---------------|---------------|---------------|---------------|
| (Amounts expressed in HK\$'million, unless specified) (以港幣百萬元為單位，除特別註明外) | | Notes 附註 | | | | | |
| Basic earnings per share (HK cents) | 基本每股盈利 (港幣仙) | 3 | 75.8 | 64.8 | 69.8 | 47.1 | 36.2 |
| Dividends per share (HK cents) | 每股股息 (港幣仙) | | 48 | 40 | 43 | 27 | 22 |
| Dividend yield (%) | 股息回報率(%) | 4 | 5.6 | 10.0 | 7.7 | 5.1 | 3.7 |
| Number of issued shares (million) | 已發行股份數目 (百萬) | | 1,335 | 1,327 | 1,327 | 1,326 | 1,326 |
| Number of employees | 僱員人數 | | | | | | |
| Hong Kong and Macau | 香港及澳門 | | 728 | 704 | 716 | 682 | 1,007 |
| Taiwan | 台灣 | | 466 | 538 | 587 | 640 | 737 |
| Mainland China | 中國大陸 | | 22,620 | 22,254 | 23,372 | 21,300 | 20,249 |
| Singapore | 新加坡 | | — | 197 | 369 | 522 | 464 |
| Malaysia | 馬來西亞 | | — | 160 | 185 | 256 | 343 |
| Total | 總數 | | 23,814 | 23,853 | 25,229 | 23,400 | 22,800 |

Notes:

- Interest cover was calculated by dividing the profit before interest and tax by the interest expenses.
- EBITDA is the earnings before interest, tax, depreciation and amortisation expenses.
- Number of shares was on weighted average basis.
- Dividend yield was calculated by dividing the dividends per share by the closing market price per share as at the end of the respective reporting periods.
- The financial results of the above refer to the results of the Group for each financial year. And, the other figures used were the position of the Group as at the end of the respective reporting periods.

附註：

- 利息保障比率之計算為稅項及利息前之溢利與利息費用之比率。
- 息、稅、折舊及攤銷前利潤為未計利息、稅項、折舊及攤銷費用前利潤。
- 股份數目按加權平均基準計算。
- 股息回報率之計算為每股股息與本公司於相關報告期末每股收市價之比率。
- 以上業績乃指本集團於每個財政年度的業績，而其他數字則指本集團於相關報告期末之情況。

CHAIRMAN'S STATEMENT

主席報告書

For this year, the Group's consolidated revenue and profit attributable to equity holders of the Company both hit record highs at HK\$10,538 million and HK\$1,007 million respectively. More information regarding the Group's operating performance can be found in the Management's Discussion and Analysis section in this report.

Following an uneasy year for the textile business in 2009, the operating environment was more favourable this year. Order flow was uninterruptedly strong throughout the period. Raw material prices started to surge in the second half year, creating a greater challenging situation to the Group. Nevertheless, the Group was able to raise product prices to protect profit margins.

The retail business also achieved improved results this year. With stabilized consumer sentiment, retail operation in the mainland China had a remarkable performance in the second half year. At the year end, all the Singapore and Malaysia stores were closed. The Group will focus its retail expansion solely in the mainland China market.

I believe business prospects of the Group remain positive. For the textile business, the Group will continue its capacity expansion to capture further market share. The retail business has a solid foundation in the mainland China market and profit margin enhancement is expected in the coming year. Financially, the Group will continue to implement prudent policies to strengthen business capability. The Group has strong competitiveness in all aspects and I am confident to report another progressive results in the coming year.

This year the Group is celebrating its 35th anniversary. It has been due to the devotedness of our colleagues, great support of our business partners and shareholders that the Group has been able to grow continuously. On behalf of the Board, I would like to thank them all.

Poon Bun Chak
Chairman

Hong Kong, 28 June 2010

本年度本集團之總收入及本公司權益所有者應佔溢利均創新高，分別達港幣10,538百萬元及港幣1,007百萬元。有關本集團更多之經營表現資料，可見於本年報管理層之論述及分析一欄。

經歷並不容易之二零零九年，本年之經營環境較為理想。訂單在全期均持續地強勁。原料價格在下半年開始上升，帶給本集團更具挑戰性之境況。然而，本集團仍能提高產品價格以保護邊際利潤。

零售業務於本年亦取得進步之業績。在消費信心穩定情況下，零售業務於下半年在中國大陸有顯著之表現。於期末，所有新加坡及馬來西亞店舖均已全數結業。本集團將集中在中國大陸市場作零售之擴展。

本人相信本集團之經營前景仍然正面。紡織業務方面，本集團將繼續增加產能以奪取更多市場佔有率。零售業務在中國大陸已有穩固根基，來年邊際利潤預料將能更有進步。財務方面，本集團將繼續制訂穩健財務策略以加強業務能力。本集團在各方面均具強大競爭力，而本人對來年能報告另一進步之業績深具信心。

本年為本集團三十五週年誌慶。本集團之不斷成長，全賴各同事之努力貢獻及業務夥伴及股東們之鼎力支持。本人謹代表董事會向他們作衷心致謝。

主席
潘彬澤

香港，二零一零年六月二十八日

BUSINESS REVIEW

For this fiscal year ended 31 March 2010, the Group's total revenue increased by 5.4% to HK\$10,538 million (2009: HK\$9,998 million). Profit for the year attributable to the equity holders of the Company amounted to HK\$1,007 million (2009: HK\$860 million), an increase of 17.1%. The Group's gross profit margin was 33.4% (2009: 33.0%), a slight improvement of 0.4% from last year. The Board has recommended a final dividend of HK26.0 cents (2009: HK22.0 cents) per ordinary share. Including interim dividend, total dividend per ordinary share would be HK48.0 cents, an increase of 20.0% from last year's HK40.0 cents.

Textile business

Turnover of the fabric business grew by 9.5% to HK\$5,540 million (2009: HK\$5,058 million). The sum represented 52.6% of the Group's total revenue. Business conditions were more favourable compared with the previous year and orders from customers were stable throughout the whole period. Raw material prices started to rise at the beginning of the second half year. From October 2009 to March 2010, raw material prices had increased by over 20%. The Group was generally able to pass the cost increase to the customers by raising product prices. However, due to the volatility of raw material prices, the proportion of rush orders was less in the second half year. In this year, average selling prices still dropped by 6.4% compared with last year. Production capacity grew by about 15% and sales volume increased by 17.6%. The performance and the key financial ratios of the business were as below:

業務回顧

截至二零一零年三月三十一日止之本財政年度，本集團之總收入上升5.4%至港幣10,538百萬元(二零零九年：港幣9,998百萬元)。本公司權益所有者應佔本年度溢利為港幣1,007百萬元(二零零九年：港幣860百萬元)，增長17.1%。本集團之毛利率為33.4%(二零零九年：33.0%)，較去年輕微增加0.4%。董事會建議派發末期股息每普通股港幣26.0仙(二零零九年：港幣22.0仙)。連同中期股息，每普通股股息總額為港幣48.0仙，較去年之港幣40.0仙增加20.0%。

紡織業務

紡織業務營業額增加9.5%至港幣5,540百萬元(二零零九年：港幣5,058百萬元)。此數目為本集團總營業額之52.6%。業務情況較上年理想而顧客訂單於整年皆平穩。原料價格於下半年初開始上升。由二零零九年十月至二零一零年三月，原料價格上升超過20%。本集團基本上均能提高產品價格將上升成本轉嫁給客戶。可是，由於原料價格波動，於下本年急單之比例較低。本年之平均產品價格仍較去年下跌6.4%。產能增加約15%而銷貨量則上升17.6%。此業務之表現及主要財務比率現列於下：

| (HK\$'million) (港幣百萬元) | | 2010 二零一零年 | 2009 二零零九年 | 2008 二零零八年 | 2007 二零零七年 | 2006 二零零六年 |
|--------------------------------------|----------------------|---------------|---------------|---------------|---------------|---------------|
| Net sales | 銷售淨額 | 5,540 | 5,058 | 5,386 | 4,627 | 4,258 |
| Gross profit margin (%) | 毛利率(%) | 21.6 | 21.2 | 21.3 | 19.1 | 18.0 |
| Operating profit (note) | 營業利潤(附註) | 853 | 776 | 910 | 664 | 503 |
| EBITDA (note) | 息、稅、折舊及 攤銷前利潤(附註) | 1,074 | 992 | 1,108 | 837 | 665 |
| Return on total assets (%) (note) | 總資產收益率(%) (附註) | 12.6 | 13.7 | 14.8 | 13.7 | 11.0 |
| Return on sales (%) (note) | 銷售收益率(%) (附註) | 14.9 | 15.1 | 15.4 | 14.5 | 12.2 |
| Return on equity (%) (note) | 權益收益率(%) (附註) | 18.8 | 18.9 | 22.5 | 20.5 | 18.1 |
| Capital expenditure | 資本性支出 | 121 | 104 | 216 | 468 | 148 |

Note: Exclude interest income and rental income.

附註：不包括利息收入及租金收入。

管理層之論述及分析

BUSINESS REVIEW (continued)**Retail and distribution business**

Sales of the business amounted to HK\$4,960 million (2009: HK\$4,900 million), a rise of 1.2%, and accounted for 47.1% of the Group's total turnover. With restoration of consumer confidence, the operating environment was more promising in the second half year. Gross profit margin improved to 46.4% from last year's 45.3%. The mainland China was still the best performing market, and will remain the focus of expansion. At the end of the year, the Singapore and Malaysia operations were completely closed. In the period, the Group had continued to dispose of those non-performing stores. At the year end,

(a) the business performance and the key financial ratios were as follows:

| (HK\$ million) (港幣百萬元) | | 2010 二零一零年 | 2009 二零零九年 | 2008 二零零八年 | 2007 二零零七年 | 2006 二零零六年 |
|---|---------------------|---------------|---------------|---------------|---------------|---------------|
| Net sales | 銷售淨額 | 4,960 | 4,900 | 4,239 | 3,625 | 3,444 |
| Gross profit margin (%) | 毛利率(%) | 46.4 | 45.3 | 49.1 | 47.8 | 46.5 |
| Sales growth of comparable shops (%) (note 1) | 可比店舖銷售增長比率(%) (附註1) | 3.7 | 6.5 | 21.4 | 2.9 | (7.0) |
| Operating profit (note 2) | 營業利潤(附註2) | 253 | 160 | 242 | 21 | (55) |
| EBITDA (note 2) | 息、稅、折舊及攤銷前利潤(附註2) | 351 | 279 | 364 | 147 | 62 |
| Return on total assets (%) (note 2) | 總資產收益率(%) (附註2) | 9.7 | 5.5 | 2.1 | (0.4) | (3.6) |
| Return on sales (%) (note 2) | 銷售收益率(%) (附註2) | 3.7 | 1.3 | 0.8 | (0.4) | (2.8) |
| Return on equity (%) (note 2) | 權益收益率(%) (附註2) | 40.0 | 23.5 | 26.2 | (9.1) | (77.5) |
| Capital expenditure | 資本性支出 | 53 | 107 | 76 | 141 | 203 |

Notes:

- (1) Comparable shops of a year include shops with full year operation during the year and the preceding year.
- (2) Exclude interest income and rental income.

附註：

- (1) 可比店舖指於該年及其前一年均有全年營運的店舖。
- (2) 不包括利息收入及租金收入。

業務回顧 (續)**零售及分銷業務**

此業務銷貨額達港幣4,960百萬元(二零零九年：港幣4,900百萬元)，上升1.2%，而佔本集團總營業額47.1%。隨著消費信心回復，經營環境於下半年較佳。毛利率由去年之45.3%進步至46.4%。中國大陸仍為表現最好市場，亦將繼續為發展重點。於年末，業務在新加坡及馬來西亞已全部結束。期內，本集團繼續淘汰表現不佳之店舖。於本年末：

(a) 業務表現及主要財務比率現列如下：

BUSINESS REVIEW (continued)

Retail and distribution business (continued)

(b) the analysis of turnover by major brand was as follows:

| (HK\$'million) (港幣百萬元) | | 2010 二零一零年 | 2009 二零零九年 | 2008 二零零八年 | 2007 二零零七年 | 2006 二零零六年 |
|---------------------------|-----------|---------------|---------------|---------------|---------------|---------------|
| Baleno | 班尼路 | 2,463 | 2,311 | 1,589 | 1,584 | 1,596 |
| S&K | S&K | 757 | 809 | 826 | 601 | 563 |
| I.P. Zone | I.P. Zone | 601 | 639 | 528 | 441 | 361 |
| ebase | ebase | 326 | 383 | 462 | 398 | 399 |
| Others | 其他 | 813 | 758 | 834 | 601 | 525 |
| Total | 合計 | 4,960 | 4,900 | 4,239 | 3,625 | 3,444 |

業務回顧(續)

零售及分銷業務(續)

(b) 按主要品牌銷售分析如下：

(c) the development in different markets was as follows:

(c) 各地市場發展情況如下：

Mainland China

中國大陸

| | | 2010 二零一零年 | 2009 二零零九年 | 2008 二零零八年 | 2007 二零零七年 | 2006 二零零六年 |
|------------------------------|----------------|---------------|---------------|---------------|---------------|---------------|
| Net sales (HK\$'million) | 銷售淨額(港幣百萬元) | 4,097 | 3,834 | 3,124 | 2,431 | 2,219 |
| Increase in net sales (%) | 銷售淨額之增加(%) | 7 | 23 | 29 | 10 | 13 |
| Retail floor area (sq.ft.)** | 零售樓面面積(平方呎)** | 1,748,531 | 1,866,008 | 1,692,967 | 1,672,807 | 1,601,473 |
| Number of sales associates** | 售貨員數目** | 9,957 | 10,701 | 10,442 | 11,089 | 10,119 |
| Number of outlets* Δ | 店舖數目* Δ | 3,639 | 3,828 | 3,477 | 3,347 | 3,143 |

Hong Kong and Macau

香港及澳門

| | | 2010 二零一零年 | 2009 二零零九年 | 2008 二零零八年 | 2007 二零零七年 | 2006 二零零六年 |
|---|---------------------|---------------|---------------|---------------|---------------|---------------|
| Net sales (HK\$'million) | 銷售淨額(港幣百萬元) | 416 | 402 | 404 | 476 | 496 |
| Increase/(decrease) in net sales (%) | 銷售淨額之增加/ (減少)(%) | 3 | (1) | (15) | (4) | 7 |
| Retail floor area (sq.ft.)** | 零售樓面面積(平方呎)** | 52,555 | 56,131 | 63,957 | 74,907 | 78,285 |
| Number of sales associates** | 售貨員數目** | 422 | 398 | 396 | 447 | 624 |
| Number of outlets** | 店舖數目** | 62 | 65 | 70 | 87 | 94 |

Taiwan

台灣

| | | 2010 二零一零年 | 2009 二零零九年 | 2008 二零零八年 | 2007 二零零七年 | 2006 二零零六年 |
|---|---------------------|---------------|---------------|---------------|---------------|---------------|
| Net sales (HK\$'million) | 銷售淨額(港幣百萬元) | 375 | 426 | 397 | 427 | 513 |
| Increase/(decrease) in net sales (%) | 銷售淨額之增加/ (減少)(%) | (12) | 7 | (7) | (17) | (8) |
| Retail floor area (sq.ft.)** | 零售樓面面積(平方呎)** | 125,497 | 187,230 | 199,443 | 202,080 | 208,925 |
| Number of sales associates** | 售貨員數目** | 372 | 438 | 474 | 528 | 603 |
| Number of outlets* Δ | 店舖數目* Δ | 154 | 194 | 217 | 259 | 266 |

MANAGEMENT'S DISCUSSION AND ANALYSIS

管理層之論述及分析

BUSINESS REVIEW (continued)

Retail and distribution business (continued)

(c) the development in different markets was as follows:
(continued)

Singapore

| | | 新加坡 | | | | |
|------------------------------|---------------|-------|--------|--------|--------|--------|
| | | 2010 | 2009 | 2008 | 2007 | 2006 |
| | | 二零一零年 | 二零零九年 | 二零零八年 | 二零零七年 | 二零零六年 |
| Net sales (HK\$ million) | 銷售淨額(港幣百萬元) | 48 | 166 | 233 | 221 | 175 |
| Increase/(decrease) | 銷售淨額之增加/ | | | | | |
| in net sales (%) | (減少)(%) | (71) | (29) | 5 | 26 | 14 |
| Retail floor area (sq.ft.)** | 零售樓面面積(平方呎)** | — | 24,877 | 43,149 | 61,601 | 55,781 |
| Number of sales associates** | 售貨員數目** | — | 157 | 318 | 456 | 408 |
| Number of outlets** | 店舖數目** | — | 23 | 44 | 64 | 56 |

Malaysia

| | | 馬來西亞 | | | | |
|------------------------------|---------------|-------|--------|--------|--------|--------|
| | | 2010 | 2009 | 2008 | 2007 | 2006 |
| | | 二零一零年 | 二零零九年 | 二零零八年 | 二零零七年 | 二零零六年 |
| Net sales (HK\$ million) | 銷售淨額(港幣百萬元) | 24 | 72 | 81 | 70 | 41 |
| Increase/(decrease) | 銷售淨額之增加/ | | | | | |
| in net sales (%) | (減少)(%) | (67) | (11) | 16 | 71 | 356 |
| Retail floor area (sq.ft.)** | 零售樓面面積(平方呎)** | — | 33,185 | 44,630 | 59,170 | 36,681 |
| Number of sales associates** | 售貨員數目** | — | 134 | 149 | 243 | 155 |
| Number of outlets** | 店舖數目** | — | 16 | 20 | 30 | 20 |

* At the end of the reporting period
For self-managed stores
△ Including self-managed and franchise stores

業務回顧(續)

零售及分銷業務(續)

(c) 各地市場發展情況如下:(續)

製衣業務

Garment manufacturing business

Revenue of this associate decreased 11.5% to HK\$1,277 million (2009: HK\$1,443 million). Net profit contribution to the Group amounted to HK\$42 million (2009: HK\$53 million), a drop of 21.0%. In the year, 80.7% (2009: 67.7%) of the fabric consumed was supplied by the Group's textile division and sales to the retail division accounted for 20.9% (2009: 23.6%) of its revenue. Gross profit margin dropped to 10.9% from last year's 13.3%. Business environment was more challenging in the year due to cost increase driven by inflation in wages and material prices.

此聯營業務收入下跌11.5%至港幣1,277百萬元(二零零九年:港幣1,443百萬元)。對本集團淨溢利貢獻為港幣42百萬元(二零零九年:港幣53百萬元),減少21.0%。此年內,80.7%(二零零九年:67.7%)耗用布料由本集團紡織部供應,而銷貨予本集團零售部門則佔其收入額20.9%(二零零九年:23.6%)。毛利率由去年之13.3%下跌至10.9%。由於原料及工資成本上升,經營環境於年內較具挑戰性。

FINANCIAL CONDITION**Liquidity and financial resources**

The Group continued to maintain a strong financial position. The current ratio, the total bank debts and the gearing ratio as at the year end were 1.9, HK\$1,713 million and 0.0 (2009: 2.0, HK\$906 million and 0.0) respectively. The gearing ratio refers to the ratio of the total interest-bearing debts, less of cash and cash equivalents, divided by total equity. The increase in bank borrowings was mainly for financing short term held-to-maturity investments and bank deposits. The net cash inflow from operating activities for the year was HK\$797 million (2009: HK\$1,052 million). The drop in net cash inflow from operating activities was mainly due to the increase in inventory level for the hedge of the surge in cotton price during the year.

During the year, the interest cover, the trade and bills receivables to turnover and the inventory to turnover for the year under review were 118 times, 35 days and 75 days (2009: 26 times, 34 days and 60 days) respectively. The increase in inventory turnover days was mainly due to the increase in inventory level during the year for the reason stated above. The Group mainly satisfied its funding requirements with cash inflow from its operating activities and bank borrowings. At the year end, the cash and cash equivalents, the equity attributable to equity holders of the Company and the unutilized banking facilities were HK\$1,526 million, HK\$4,573 million and HK\$3,074 million (2009: HK\$801 million, HK\$4,138 million and HK\$3,417 million) respectively. To maintain high liquidity and improve the yield from its investment, the Group increased its short term held-to-maturity investments to HK\$273 million (2009: HK\$21 million) as at the year end. The counterparties of the investments are all well established corporations.

Capital expenditure

As the global economic recovery was still moderate during the year, the Group remained cautious with its capital expenditure spending strategy. For the year under review, the total capital expenditure incurred by the Group was HK\$174 million (2009: HK\$216 million). HK\$121 million (2009: HK\$104 million) was incurred by the textile business for the expansion of its manufacturing plant and the addition of machinery. And, HK\$53 million (2009: HK\$107 million) was incurred by the retail and distribution business mainly for the expansion of its retail network in the PRC and the refurbishment of its existing outlets.

Pledge of assets

No significant assets were pledged as at 31 March 2010 and 31 March 2009.

財務狀況**流動資金及財務資源**

本集團繼續維持強勁的財務狀況。於本年末，流動比率、銀行貸款總額及資本負債比率分別為1.9、港幣1,713百萬元及0.0(二零零九年：2.0、港幣906百萬元及0.0)。資本負債比率乃指扣除現金及現金等價物的總付息債務除以總權益之計算。增加銀行貸款主要為提供資金給短期的持至到期的投資及銀行存款。本年度經營所得的現金流入淨額為港幣797百萬元(二零零九年：港幣1,052百萬元)。經營所得現金流入淨額的減少，主要由於年內集團增加存貨水平以對沖急速上升的棉花價格。

於本年，利息保障比率、應收賬款及應收票據與營業額周轉天數及存貨與營業額周轉天數分別為118倍、35天及75天(二零零九年：26倍、34天及60天)。存貨周轉天數上升，主要由於年內存貨水平因上述原因而上升。本集團主要以經營所得現金流入及銀行貸款滿足其營運資金的需求。於本年末，現金及現金等價物、本公司權益所有者應佔權益及未動用銀行信貸額分別為港幣1,526百萬元、港幣4,573百萬元及港幣3,074百萬元(二零零九年：港幣801百萬元、港幣4,138百萬元及港幣3,417百萬元)。為保持高流動性及增加投資回報，本集團將短期持至到期的投資增加至本年末的港幣273百萬元(二零零九年：港幣21百萬元)，該等投資交易對手均為有良好基礎的機構。

資本性支出

由於本年內全球經濟復甦溫和，本集團維持對資本性支出審慎的策略。於本年內，本集團資本性支出為港幣174百萬元(二零零九年：港幣216百萬元)。紡織業務資本性支出為港幣121百萬元(二零零九年：港幣104百萬元)，主要用以擴建廠房及增加機器設備。零售及分銷業務資本性支出為港幣53百萬元(二零零九年：港幣107百萬元)，主要用於擴充中國零售網點及現時店舖的更新。

資產抵押

於二零一零年三月三十一日及二零零九年三月三十一日，並無重大資產已作抵押。

管理層之論述及分析

FINANCIAL CONDITION (continued)**Contingent liabilities**

Details of the contingent liabilities as at 31 March 2010 and 31 March 2009 have been set out in note 33.

Foreign exchange and interest rate risks

The Group continued to adopt a strict and prudent policy in managing its interest rate and currency exchange risks. The major interest-bearing bank borrowings of the Group were HKD floating rate borrowings with maturity due within four years. As the economic conditions continue to improve, the interest rate is expected to rise steadily in the coming year. To reduce the interest rate risk, the Group will arrange financial instruments to hedge the risk whenever appropriate.

During the year under review, the major assets, liabilities, revenue, expenses and procurements of the Group were denominated in HKD, USD, Renminbi, YEN, NTD and EURO and the Group had arranged foreign exchange forward contracts to reduce its currency exchange risk.

HUMAN RESOURCES

As at 31 March 2010, the Group had about 23,800 employees in the Greater China (2009: 23,900 employees in the Greater China, Singapore and Malaysia). The remuneration of the employees was largely based on industry practice and the performance of individual employee.

OUTLOOK

In view of global economic conditions have been turning good, the Group will exercise a more aggressive business approach in the coming year. The total capital expenditure is budgeted at about HK\$260 million, out of which 70% will be for the textile capacity growth and 30% will be for the retail outlets expansion.

The Group's major going forward strategies are:

1. Continue to grow manufacturing capacity of the fabric operation to enlarge market share. This would improve the Group's economy of scale and profit margins; and
2. Concentrate the retail expansion in the mainland China market. This would enhance overall operating performance of the business.

In healthy financial position, the Group has strong competitiveness for continuous business development. The management is quite optimistic to attain improved results in the next year.

財務狀況(續)**或有負債**

於二零一零年三月三十一日及二零零九年三月三十一日的或有負債明細已載於附註33。

匯兌及利率風險

本集團維持嚴格及審慎政策管理利率與匯率風險。本集團主要附息銀行貸款為浮息的港元貸款，並於四年內到期。隨着經濟情況繼續改善，預期利率於來年逐漸上升。為減少利息風險，本集團將於適當時候安排金融工具以對沖該風險。

於本年內，本集團主要資產、負債、收入、支出及採購皆為港元、美元、人民幣、日元、新台幣及歐羅，本集團已安排遠期外匯合約以減低匯率風險。

人力資源

於二零一零年三月三十一日，本集團約有僱員23,800人於大中華(二零零九年：23,900人於大中華、新加坡及馬來西亞)。員工薪酬之釐定主要基於行業之情況及員工個人之表現。

展望

在全球經濟情況好轉下，本集團於來年將採取較具野心之業務發展方向。總資本性支出預算約為港幣260百萬元，其中七成將用於增加紡織產量，而三成將用於零售店舖之擴展。

本集團未來主要策略為：

1. 繼續增加紡織業務產能以加大市場佔有率。此舉將能改善本集團之規模效益及邊際利潤；及
2. 將零售擴展集中於中國大陸市場。此舉將令此業務表現有整體之提升。

在健康財務狀況下，本集團有強大之競爭力作持續之業務發展。管理層對來年取得進步之業績深表樂觀。

The board of directors (the “Board”) have pleasure in presenting their report and the audited financial statements of Texwinca Holdings Limited (the “Company”) and its subsidiaries (collectively referred to as the “Group”) for the year ended 31 March 2010.

PRINCIPAL ACTIVITIES

The Group’s principal activities during the year consisted of the production, dyeing and sale of knitted fabric and yarn, the retailing and distribution of casual apparel and accessory, the provision of franchise services and the provision of repair and maintenance services for motor vehicles. There were no significant changes in the nature of the Group’s principal activities during the year.

The principal activity of the Company is investment holding.

RESULTS AND DIVIDENDS

The Group’s profit for the year ended 31 March 2010 and the state of affairs of the Company and the Group at that date are set out in the financial statements on pages 36 to 128.

An interim dividend of HK22.0 cents per ordinary share was paid on 20 January 2010. The directors recommend the payment of a final dividend of HK26.0 cents per ordinary share in respect of the year, to shareholders on the Register of Members on 10 August 2010. This recommendation has been incorporated in the financial statements as an allocation of retained profits within the equity section of the statement of financial position.

董事會欣然呈奉德永佳集團有限公司(「本公司」)與其附屬公司(合稱「本集團」)截至二零一零年三月三十一日止年度之報告及經審核財務報表。

主要業務

本年度本集團之主要業務包括針織布及棉紗之產銷及整染、便服及飾物之零售及分銷、提供特許經營服務及提供汽車維修及保養服務。本集團之業務性質在本年度並無重大轉變。

本公司之主要業務為投資控股。

業績與股息

本集團於截至二零一零年三月三十一日止年度之溢利及本公司與本集團截至該日期之業務狀況列載於財務報表第36至128頁。

中期股息每股普通股港幣22.0仙已於二零一零年一月二十日派發。董事會茲建議派發本年度末期股息每股普通股港幣26.0仙予二零一零年八月十日名列股東名冊之股東，是項建議股息已列入本財務報表，亦即於財務狀況表的權益中由保留溢利撥出。

REPORT OF THE DIRECTORS

董事會報告

SUMMARY FINANCIAL INFORMATION

A summary of the results and of the assets, liabilities and minority interests of the Group for the last five financial years, as extracted from the published audited financial statements and restated/reclassified as appropriate, is set out below. This summary does not form part of the audited financial statements.

財務資料概要

下表為本集團於過往五個財政年度之業績及資產、負債與少數股東權益之概要，乃摘自已公佈之經審核財務報表及按需要重新修訂／分類。此概要並不構成經審核財務報表之部分。

RESULTS

業績

| | | Year ended 31 March 截至三月三十一日止年度 | | | | |
|-------------------------------|----------|------------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|
| | | 2010 二零一零年 HK\$'000 港幣千元 | 2009 二零零九年 HK\$'000 港幣千元 | 2008 二零零八年 HK\$'000 港幣千元 | 2007 二零零七年 HK\$'000 港幣千元 | 2006 二零零六年 HK\$'000 港幣千元 |
| REVENUE | 收入 | 10,537,966 | 9,997,737 | 9,669,206 | 8,298,552 | 7,749,112 |
| PROFIT BEFORE TAX | 除稅前溢利 | 1,217,351 | 1,012,572 | 1,213,975 | 732,868 | 505,690 |
| Income tax expense | 稅項 | (116,607) | (121,448) | (254,843) | (107,047) | (70,473) |
| PROFIT FOR THE YEAR | 本年度溢利 | 1,100,744 | 891,124 | 959,132 | 625,821 | 435,217 |
| Attributable to: | 歸屬： | | | | | |
| Equity holders of the Company | 本公司權益所有者 | 1,007,213 | 860,357 | 926,351 | 625,148 | 480,253 |
| Minority interests | 少數股東權益 | 93,531 | 30,767 | 32,781 | 673 | (45,036) |
| | | 1,100,744 | 891,124 | 959,132 | 625,821 | 435,217 |

ASSETS, LIABILITIES AND MINORITY INTERESTS

資產、負債與少數股東權益

| | | As at 31 March 於三月三十一日 | | | | |
|--------------------|--------|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|
| | | 2010 二零一零年 HK\$'000 港幣千元 | 2009 二零零九年 HK\$'000 港幣千元 | 2008 二零零八年 HK\$'000 港幣千元 | 2007 二零零七年 HK\$'000 港幣千元 | 2006 二零零六年 HK\$'000 港幣千元 |
| TOTAL ASSETS | 資產總值 | 8,255,487 | 6,791,954 | 6,890,097 | 5,842,399 | 5,265,840 |
| TOTAL LIABILITIES | 負債總值 | (3,462,791) | (2,517,166) | (2,973,812) | (2,527,376) | (2,335,891) |
| MINORITY INTERESTS | 少數股東權益 | (219,840) | (136,825) | (96,933) | (66,943) | (58,148) |
| | | 4,572,856 | 4,137,963 | 3,819,352 | 3,248,080 | 2,871,801 |

PROPERTY, PLANT AND EQUIPMENT AND INVESTMENT PROPERTIES

Details of movements in the property, plant and equipment and investment properties of the Group during the year are set out in notes 13 and 14 to the financial statements, respectively.

物業、廠房及設備與投資物業

本集團於本年度之物業、廠房及設備與投資物業之變動詳情分別列載於財務報表附註13及14。

SHARE CAPITAL AND SHARE OPTIONS

Details of movements in the Company's share capital and share options during the year, together with the reasons therefor, are set out in notes 29 and 30 to the financial statements, respectively.

PRE-EMPTIVE RIGHTS

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

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY

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

RESERVES

Details of movements in the reserves of the Company and the Group during the year are set out in note 31(b) to the financial statements and in the consolidated statement of changes in equity, respectively.

DISTRIBUTABLE RESERVES

At 31 March 2010, the Company's reserves available for cash distribution and/or distribution in specie amounted to HK\$400,729,000, of which HK\$347,042,000 has been proposed as a final dividend for the year. In addition, the Company's share premium account and the capital redemption reserve, in the amount of HK\$393,895,000, may be distributed in the form of fully paid bonus shares.

MAJOR CUSTOMERS AND SUPPLIERS

In the year under review, sales to the Group's five largest customers accounted for less than 30% of the total sales for the year. Purchases from the Group's five largest suppliers accounted for less than 30% of the total purchases for the year.

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

股本及購股權

本公司於年內股本及購股權變動之詳情及有關原因已分別列載於財務報表附註29及30。

優先認購權

本公司之組織細則及百慕達之法例概無優先認購權條文要求本公司須按比例向現有股東發行新股。

購入、贖回或出售本公司上市證券

於年內，本公司及其任何附屬公司並無購入、贖回或出售本公司任何上市證券。

儲備

本公司及本集團於本年度之儲備變動詳情分別列載於財務表附註31(b)及綜合權益變動表。

可供分派儲備

於二零一零年三月三十一日，本公司可供作現金及／或實物分派之儲備為港幣400,729,000元，其中將擬派發本年度末期股息為港幣347,042,000元。此外，本公司股本溢價賬及股本贖回儲備，合共港幣393,895,000元亦可以繳足紅股方式予以分派。

主要客戶及供應商

於本年度，售予本集團最大五個客戶之金額佔全年總銷售少於30%。本集團從最大五個供應商之採購佔全年之總採購少於30%。

並無任何本公司董事或其聯繫人士或任何股東(按董事知悉佔本公司已發行股本5%以上)對本集團最大五個供應商有任何實際利益。

REPORT OF THE DIRECTORS

董事會報告

DIRECTORS

The directors of the Company during the year were:

Executive directors:

Poon Bun Chak (*Chairman and Chief Executive Officer*)
Poon Kai Chak
Poon Kei Chak
Poon Kwan Chak
Ting Kit Chung

Independent non-executive directors:

Au Son Yiu
Cheng Shu Wing
Wong Tze Kin, David

In accordance with the Company's bye-laws, all the existing directors will retire and, being eligible, will offer themselves for re-election at the forthcoming annual general meeting.

The Company has received annual confirmations of independence from Mr. Au Son Yiu, Mr. Cheng Shu Wing and Mr. Wong Tze Kin, David, and as at the date of this report still considers them to be independent.

DIRECTORS' SERVICE CONTRACTS

The service contracts entered into between the Company and each of the executive directors as listed above may be terminated by either party by giving not less than three months' written notice or compensation in lieu.

Save as disclosed above, no director proposed for re-election at the forthcoming annual general meeting has a service contract with the Company which is not determinable by the Company within one year without payment of compensation, other than statutory compensation.

DIRECTORS' REMUNERATION

The directors' fees are subject to shareholders' approval at general meetings. Other emoluments are determined by the Company's board of directors with reference to directors' duties, responsibilities and performance and the results of the Group.

DIRECTORS' INTERESTS IN CONTRACTS

Save as disclosed in note 36 to the financial statements, no director had a material interest, either directly or indirectly, in any contract of significance to the business of the Group to which the Company or any of its subsidiaries was a party during the year.

董事

本年內本公司董事如下：

執行董事：

潘彬澤(*主席兼董事總經理*)
潘佳澤
潘機澤
潘鈞澤
丁傑忠

獨立非執行董事：

區樂耀
鄭樹榮
黃自建

根據本公司組織細則，所有現任董事將於即將舉行之股東週年大會上退任，惟彼等符合資格並願膺選連任。

本公司已接獲區樂耀先生、鄭樹榮先生及黃自建先生之每年作出之獨立確認書，於本報告書日期，仍然視該等獨立非執行董事為獨立。

董事服務合約

本公司與上列每位執行董事簽訂之服務合約要求雙方於終止服務合約時，任何一方均須給予不少於三個月之書面通知或代通知補償。

除上文所披露者外，本公司並無與建議在即將舉行之股東週年大會上重選連任之董事簽訂本公司於一年內不作補償，法定賠償除外，則不可終止之服務合約。

董事酬金

董事袍金須待股東於股東大會上通過。其他酬金則由公司之董事會根據董事之職務、責任及表現與集團之業績而釐定。

董事合約權益

除於財務報表附註36披露外，各董事於年內概無於本公司或其任何附屬公司所簽訂之任何重大合約中，直接或間接擁有重大權益。

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

Executive directors

Mr. Poon Bun Chak, aged 62, is the chairman and the chief executive officer overseeing the planning and development of the Group. He founded the Group in 1975 and has more than 35 years' experience in the textile field.

Mr. Poon Kai Chak, aged 60, is a younger brother of Mr. Poon Bun Chak. He joined the Group in 1980 and has more than 30 years' experience in the Industry. He is responsible for the management of the manufacturing operations of the Group.

Mr. Poon Kei Chak, aged 58, is a younger brother of Mr. Poon Bun Chak. He joined the Group on its establishment in 1975 and has more than 35 years' experience in the field. He is responsible for the purchases, sales and the overall management of the Group.

Mr. Poon Kwan Chak, aged 64, is the elder brother of Mr. Poon Bun Chak. He joined the Group in 1976 and has more than 34 years' related experience. He is responsible for the Group's merchandising and sales management.

Mr. Ting Kit Chung, aged 54, is responsible for the general administration and financial management of the Group. He joined the Group in 1991 and has more than 10 years' banking experience. He holds a Bachelor of Arts degree from The University of Hong Kong.

Independent non-executive directors

Mr. Au Son Yiu, aged 65, has extensive experience in the securities industry. He is a director of The Association of Former Council Members of The Stock Exchange of Hong Kong Limited (the "Stock Exchange"), a consultant to Dao Heng Securities Limited (1989–2008) and a member of the Election Committee for the financial services subsector election for the 1998 Legislative Council. He is also an independent non-executive director for several public companies listed on the Stock Exchange. In addition, he is the ex-deputy chairman of The Hong Kong Securities Clearing Company Limited (1992–1994) and ex-council member of the Stock Exchange (1988–1994). He was appointed as an independent non-executive director of the Company in July 1995.

董事及高級管理人員履歷

執行董事

潘彬澤先生，六十二歲，主席兼董事總經理，負責監督本集團之規劃及發展。彼於一九七五年創辦本集團並擁有逾三十五年紡織業經驗。

潘佳澤先生，六十歲，潘彬澤先生之胞弟。彼於一九八零年加入本集團，擁有逾三十年本行業經驗，負責本集團的生產管理。

潘機澤先生，五十八歲，潘彬澤先生之胞弟。彼於一九七五年本集團創立時加入本集團，擁有逾三十五年紡織業經驗，負責採購、銷售及協助管理本集團一般業務。

潘鈞澤先生，六十四歲，潘彬澤先生之胞兄。彼於一九七六年加入本集團，擁有逾三十四年有關業務經驗，負責管理本集團之採購及銷售。

丁傑忠先生，五十四歲，負責本集團行政及財務管理。彼於一九九一年加入本集團，擁有逾十年銀行業經驗。彼持有香港大學文學士學位。

獨立非執行董事

區樂耀先生，六十五歲，於證券界積累廣泛經驗。彼為香港聯合交易所有限公司(「聯交所」)歷屆理事聯誼會有限公司董事，道亨證券有限公司顧問(一九八九年至二零零八年)，以及一九九八年立法會選舉委員會金融服務界別分組之選舉委員。彼亦為多間在聯交所上市之公眾公司之獨立非執行董事。此外，彼亦為香港中央結算有限公司前任副主席(一九九二年至一九九四年)及聯交所前任理事會成員(一九八八年至一九九四年)。彼於一九九五年七月獲委任為本公司之獨立非執行董事。

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT *(continued)***Independent non-executive directors** *(continued)*

Mr. Cheng Shu Wing, aged 60, is a director of Techlux Investments Limited. He holds a Bachelor of Business Administration degree from The Chinese University of Hong Kong and has more than 30 years' experience in the banking and securities industries in Hong Kong. He was appointed as an independent non-executive director of the Company in July 1992.

Mr. Wong Tze Kin, David, aged 47, is a director of CFL Anchor Limited. He is also the founder and president of Berkeley Club of Hong Kong Limited. Mr. Wong holds a Bachelor of Science degree from the University of California at Berkeley and is a member of the American Institute of Certified Public Accountants and a fellow member of the Hong Kong Institute of Certified Public Accountants. He has over 25 years' experience in accounting, corporate finance, stockbroking and fund management. He was appointed as an independent non-executive director of the Company in March 2004.

Senior management

Mr. Chan Min, Samuel, aged 55, is a director of the Group's retail operations. He holds a Master's degree in business administration from the Northwestern University and The Hong Kong University of Science and Technology. He is a member of the British Computer Society. Prior to joining the Group in 1996, Mr. Chan had over 15 years' experience in retail operations and MIS management.

Mr. Chan Chi Hon, aged 48, joined the Group in 1997 and is the Group's financial controller and company secretary. Mr. Chan holds a Master's degree in commerce from The University of New South Wales, Australia, and is a fellow member of the Hong Kong Institute of Certified Public Accountants and is a certified practising accountant of the CPA Australia. He has more than 23 years' experience in auditing and accounting.

Mr. Fung Wai Lun, Daniel, aged 53, is a director of the Group's retail operations. Before joining the Group in 1996, Mr. Fung had more than 20 years' experience in the retailing industry.

Mr. Wong Tung Yiu, aged 55, is the director and general manager of Nice Dyeing Factory Limited, a subsidiary of the Group engaged in the sale of finished knitted fabric and dyed yarn. He joined the Group in 1994 and has more than 36 years' experience in the textile industry.

董事及高級管理人員履歷(續)**獨立非執行董事(續)**

鄭樹榮先生，六十歲，統立投資有限公司董事。彼持有香港中文大學工商管理學士學位，並有逾三十年香港銀行業及證券業經驗。彼於一九九二年七月獲委任為本公司之獨立非執行董事。

黃自建先生，四十七歲，現為安格爾有限公司董事及Berkeley Club of Hong Kong Limited之創辦人及總裁。黃先生持有加州大學柏克萊分校理學士學位並為美國會計師協會會員及香港會計師公會之資深會員。彼於會計、企業融資、證券經紀及基金管理業務擁有逾二十五年經驗。彼於二零零四年三月獲委任為本公司之獨立非執行董事。

高級管理人員

陳勉先生，五十五歲，本集團零售業務之董事。彼持有美國西北大學及香港科技大學合作的工商管理碩士學位。彼為英國電腦學會會員。於一九九六年加入本集團前，陳先生曾從事零售業及資訊科技管理逾十五年。

陳志漢先生，四十八歲，本集團財務總監兼公司秘書。彼於一九九七年加入本集團。陳先生持有澳洲新南威爾斯大學商科碩士學位，並為香港會計師公會資深會員及澳洲會計師公會會員。彼具有逾二十三年的審計與會計經驗。

封偉倫先生，五十三歲，本集團零售業務董事。於一九九六年加入本集團之前，封先生已具有逾二十年零售業經驗。

王東耀先生，五十五歲，本集團從事針織布及色紗銷售之附屬公司永佳染廠有限公司董事兼總經理。彼於一九九四年加入本集團，擁有逾三十六年紡織業經驗。

DIRECTORS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

At 31 March 2010, the interests and short positions of the directors in the share capital and underlying shares of the Company or its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")), as recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code"), were as follows:

Long positions in ordinary shares of the Company:

董事於股份及相關股份之權益及淡倉

於二零一零年三月三十一日，根據《證券及期貨條例》第352條而備存的登記冊，或根據《上市公司董事進行證券交易的標準守則》（「標準守則」）通知本公司及聯交所，各董事在本公司及其聯繫法團（定義見《證券及期貨條例》第XV部）的股本權益及淡倉如下：

於本公司普通股之好倉：

| | | Number of shares held and capacity 持股數量及身份 | | | Percentage of the Company's issued share capital 佔本公司 已發行 股本百分率 | |
|--|-----|---|--|--|--|------|
| | | Directly or beneficially owned 直接或 實益擁有 | Through spouse or minor children 藉配偶或 未成年子女 | Through controlled corporation 藉受控制公司 | Total 合計 | |
| Executive directors: 執行董事： | | | | | | |
| Poon Bun Chak | 潘彬澤 | 32,888,000 | 168,800,104 ⁽¹⁾ | 456,450,000 ⁽²⁾ | 658,138,104 | 49.3 |
| Poon Kai Chak | 潘佳澤 | 8,202,800 | — | — | 8,202,800 | 0.6 |
| Poon Kei Chak | 潘機澤 | 22,977,200 | — | 41,922,000 ⁽³⁾ | 64,899,200 | 4.9 |
| Poon Kwan Chak | 潘鈞澤 | 14,270,800 | — | — | 14,270,800 | 1.1 |
| Ting Kit Chung | 丁傑忠 | 2,600,000 | — | — | 2,600,000 | 0.2 |
| Independent non-executive director: 獨立非執行董事： | | | | | | |
| Au Son Yiu | 區樂耀 | 50,000 ⁽⁴⁾ | — | — | 50,000 | 0.0 |
| | | 80,988,800 | 168,800,104 | 498,372,000 | 748,160,904 | 56.1 |

Notes:

- (1) The 168,800,104 shares are owned by Farrow Star Limited, which is wholly-owned by Perfection (PTC) Inc. as a trustee for The Evergreen Trust, a discretionary trust, the beneficiaries of which include the family members of Mr. Poon Bun Chak. These shares are held through his spouse or minor children in accordance with the SFO.
- (2) The 456,450,000 shares are owned by Giant Wizard Corporation in which Farrow Star Limited has an 97.15% equity interest. A 2.85% interest in Giant Wizard Corporation is owned by Mr. Poon Bun Chak.
- (3) The 41,922,000 shares are held by Treasure Link International Holdings Limited, in which Mr. Poon Kei Chak and his spouse each owned 50% equity interests.
- (4) Subsequent to the end of the reporting period, Mr. Au Son Yiu increased his shareholding in the Company by 50,000 shares to 100,000 shares. This represents 0.0% of the Company's issued share capital as at the date of this report.

附註：

- (1) 168,800,104 股股份由 Farrow Star Limited 持有，而該公司則由 Perfection (PTC) Inc. 以 The Evergreen Trust 之信託人身份全資擁有，該全權信託之受益人包括潘彬澤先生之家族成員。根據《證券及期貨條例》，該等股份屬於以配偶及未成年子女持有。
- (2) 456,450,000 股股份由 Farrow Star Limited 擁有 97.15% 股本權益之 Giant Wizard Corporation 擁有。Giant Wizard Corporation 之 2.85% 權益由潘彬澤先生擁有。
- (3) 該 41,922,000 股股份由潘機澤先生及其配偶各擁有 50% 權益之 Treasure Link International Holdings Limited 持有。
- (4) 於本報告期末後，區樂耀先生增加其於本公司股權 50,000 股至 100,000 股，此即佔本公司於本報告日已發行股本 0.0%。

REPORT OF THE DIRECTORS

董事會報告

DIRECTORS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES (continued)

Long positions in share options of the Company:

董事於股份及相關股份之權益及淡倉 (續)

於本公司購股權之好倉：

| | | Number of options directly or beneficially owned |
|---|-----------------|--|
| | | 直接持有或實益擁有購股權數目 |
| Executive directors: | 執行董事： | |
| Poon Bun Chak | 潘彬澤 | — |
| Poon Kai Chak | 潘佳澤 | 9,500,000 |
| Poon Kei Chak | 潘機澤 | 9,000,000 |
| Poon Kwan Chak | 潘鈞澤 | 9,000,000 |
| Ting Kit Chung | 丁傑忠 | 9,000,000 |
| Independent non-executive directors: | 獨立非執行董事： | |
| Au Son Yiu | 區樂耀 | 400,000 |
| Cheng Shu Wing | 鄭樹榮 | 400,000 |
| Wong Tze Kin, David | 黃自建 | 200,000 |
| | | <hr/> |
| | | 37,500,000 |

Save as disclosed above, as at 31 March 2010, none of the directors had registered an interest or short position in the shares, underlying shares of the Company or any of its associated corporations that was required to be recorded pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

除上文所述外，於二零一零年三月三十一日，董事概無於本公司或其任何聯繫法團之股份、相關股份中，擁有須遵照《證券及期貨條例》第352條予以記錄之權益或淡倉，或根據標準守則須知會本公司及聯交所。

DIRECTORS' RIGHTS TO ACQUIRE SHARES

Save as disclosed in the section "Directors' interests and short positions in shares and underlying shares" above and in the section "Share option scheme" below, at no time during the year were rights to acquire benefits by means of the acquisition of shares in the Company granted to any director or their respective spouses or minor children, or were any such rights exercised by them; or was the Company or any of its subsidiaries a party to any arrangement to enable the directors to acquire such rights in any other body corporate.

董事之購股權利

除於上述「董事於股份及相關股份之權益及淡倉」及以下「購股權計劃」披露以外，於年內任何時間，概無任何董事或彼等各自的配偶或未成年子女獲授可藉購入本公司的股份而獲益的權利，或彼等概無行使此等權利；或本公司或其任何附屬公司概無參與任何安排，致令董事可於任何其他法人團體獲得此等權利。

SHARE OPTION SCHEME

The Company operates a share option scheme (the "Scheme") for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's operations. Further details of the Scheme are disclosed in note 30 to the financial statements.

購股權計劃

本公司採納一個購股權計劃（「該計劃」），主要目的是向符合資格及對本集團作出貢獻的參與者給予獎勵及報酬。該計劃的詳情已於財務報表附註30中披露。

SHARE OPTION SCHEME (continued)**購股權計劃**(續)

The following table discloses movements in the Company's share options outstanding during the year:

下表披露於年內本公司未行使之購股權的變動：

| Name or category of participant 參與者 名稱或類別 | Date of grant of share options* 購股權 頒授日期* | Exercise price of share options** 購股權 行使價格** HK\$ per share 每股港幣元 | Number of share options 購股權數目 | | | | At 31 March 2010 於二零一零年 三月三十一日 | Exercise period of share options 購股權行使期限 |
|---|---|---|-----------------------------------|--|--|-----------|--|---|
| | | | At 1 April 2009 於二零零九年 四月一日 | Exercised during the year 年內 已行使 | Forfeited during the year 年內 已取消 | | | |
| Executive directors 執行董事 | | | | | | | | |
| Poon Bun Chak 潘彬澤 | 11 September 2002 二零零二年九月十一日 | 4.97 | 1,000,000 | (1,000,000) | — | — | 11 September 2002 to 10 September 2012 二零零二年九月十一日至二零零二年九月十日 | |
| Poon Kai Chak 潘佳澤 | 11 September 2002 二零零二年九月十一日 | 4.97 | 7,500,000 | (1,000,000) | — | 6,500,000 | 11 September 2002 to 10 September 2012 二零零二年九月十一日至二零零二年九月十日 | |
| | 26 March 2004 二零零四年三月二十六日 | 5.60 | 3,000,000 | — | — | 3,000,000 | 26 March 2004 to 25 March 2014 二零零四年三月二十六日至二零零四年三月二十五日 | |
| | | | 10,500,000 | (1,000,000) | — | 9,500,000 | | |
| Poon Kei Chak 潘機澤 | 11 September 2002 二零零二年九月十一日 | 4.97 | 7,500,000 | (1,500,000) | — | 6,000,000 | 11 September 2002 to 10 September 2012 二零零二年九月十一日至二零零二年九月十日 | |
| | 26 March 2004 二零零四年三月二十六日 | 5.60 | 3,000,000 | — | — | 3,000,000 | 26 March 2004 to 25 March 2014 二零零四年三月二十六日至二零零四年三月二十五日 | |
| | | | 10,500,000 | (1,500,000) | — | 9,000,000 | | |
| Poon Kwan Chak 潘鈞澤 | 11 September 2002 二零零二年九月十一日 | 4.97 | 4,000,000 | (1,000,000) | — | 3,000,000 | 11 September 2002 to 10 September 2012 二零零二年九月十一日至二零零二年九月十日 | |
| | 26 March 2004 二零零四年三月二十六日 | 5.60 | 6,000,000 | — | — | 6,000,000 | 26 March 2004 to 25 March 2014 二零零四年三月二十六日至二零零四年三月二十五日 | |
| | | | 10,000,000 | (1,000,000) | — | 9,000,000 | | |

REPORT OF THE DIRECTORS

董事會報告

SHARE OPTION SCHEME (continued)

購股權計劃(續)

| Name or category of participant | Date of grant of share options* | Exercise price of share options** | At 1 April 2009 | Number of share options | | At 31 March 2010 | Exercise period of share options |
|--|---------------------------------|-----------------------------------|-----------------|---------------------------|---------------------------|------------------|--|
| | | | | Exercised during the year | Forfeited during the year | | |
| 參與者名稱或類別 | 頒授日期* | 行使價格** | 於二零零九年四月一日 | 年內已行使 | 年內已取消 | 於二零一零年三月三十一日 | 購股權行使期限 |
| | | HK\$ per share 每股港幣元 | | | | | |
| Executive directors (continued) | | | | | | | |
| 執行董事(續) | | | | | | | |
| Ting Kit Chung | 11 September 2002 | 4.97 | 4,000,000 | (1,000,000) | — | 3,000,000 | 11 September 2002 to 10 September 2012 |
| 丁傑忠 | 二零零二年九月十一日 | | | | | | 二零零二年九月十一日至二零零二年九月十日 |
| | 26 March 2004 | 5.60 | 6,000,000 | — | — | 6,000,000 | 26 March 2004 to 25 March 2014 |
| | 二零零四年三月二十六日 | | | | | | 二零零四年三月二十六日至二零零四年三月二十五日 |
| | | | 10,000,000 | (1,000,000) | — | 9,000,000 | |
| | | | 42,000,000 | (5,500,000) | — | 36,500,000 | |
| Independent non-executive directors | | | | | | | |
| 獨立非執行董事 | | | | | | | |
| Au Son Yiu | 11 September 2002 | 4.97 | 200,000 | — | — | 200,000 | 11 September 2002 to 10 September 2012 |
| 區榮耀 | 二零零二年九月十一日 | | | | | | 二零零二年九月十一日至二零零二年九月十日 |
| | 26 March 2004 | 5.60 | 200,000 | — | — | 200,000 | 26 March 2004 to 25 March 2014 |
| | 二零零四年三月二十六日 | | | | | | 二零零四年三月二十六日至二零零四年三月二十五日 |
| | | | 400,000 | — | — | 400,000 | |
| Cheng Shu Wing | 11 September 2002 | 4.97 | 200,000 | — | — | 200,000 | 11 September 2002 to 10 September 2012 |
| 鄭樹榮 | 二零零二年九月十一日 | | | | | | 二零零二年九月十一日至二零零二年九月十日 |
| | 26 March 2004 | 5.60 | 200,000 | — | — | 200,000 | 26 March 2004 to 25 March 2014 |
| | 二零零四年三月二十六日 | | | | | | 二零零四年三月二十六日至二零零四年三月二十五日 |
| | | | 400,000 | — | — | 400,000 | |

SHARE OPTION SCHEME (continued)

購股權計劃(續)

| Name or category of participant | Date of grant of share options* | Exercise price of share options** 行使價格** HK\$ per share 每股港幣元 | Number of share options 購股權數目 | | | | Exercise period of share options 購股權行使期限 |
|--|---------------------------------|--|-----------------------------------|--|--|--------------------------------------|---|
| | | | At 1 April 2009 於二零零九年 四月一日 | Exercised during the year 年內 已行使 | Forfeited during the year 年內 已取消 | At 31 March 2010 於二零一零年 三月三十一日 | |
| Independent non-executive directors (continued) 獨立非執行董事(續) | | | | | | | |
| Wong Tze Kin, David 黃自建 | 26 March 2004 二零零四年三月二十六日 | 5.60 | 200,000 | — | — | 200,000 | 26 March 2004 to 25 March 2014 二零零四年三月二十六日至 二零一四年三月二十五日 |
| | | | 1,000,000 | — | — | 1,000,000 | |
| Other employees 其他僱員 | | | | | | | |
| In aggregate 合計 | 11 September 2002 二零零二年九月十一日 | 4.97 | 550,000 | (300,000) | — | 250,000 | 11 September 2002 to 10 September 2012 二零零二年九月十一日至 二零一二年九月十日 |
| | 26 March 2004 二零零四年三月二十六日 | 5.60 | 4,387,000 | (1,597,000) | (50,000) | 2,740,000 | 1 April 2006 to 25 March 2014 二零零六年四月一日至 二零一四年三月二十五日 |
| | | | 4,937,000 | (1,897,000) | (50,000) | 2,990,000 | |
| | | | 47,937,000 | (7,397,000) | (50,000) | 40,490,000 | |

Notes:

附註:

* The vesting period of the share options is from the date of the grant until the commencement of the exercise period.

* 購股權賦權日期乃由頒授購股權日起至行使期開始止。

** The exercise price of the share options is subject to adjustment in the case of rights or bonus issues, or other similar changes in the Company's share capital.

** 購股權的行使價格於本公司配股或派發紅股或在其股本中有其他類似轉變時可予調整。

The weighted average closing price of the Company's shares immediately before the exercise dates of the share options was HK\$7.31 per share.

於緊接購股權行使日期前的本公司加權平均收市價為每股港幣7.31元。

REPORT OF THE DIRECTORS

董事會報告

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSON'S INTERESTS IN SHARES AND UNDERLYING SHARES

At 31 March 2010, the following interests of 5% or more of the issued share capital of the Company were recorded in the register of interests required to be kept by the Company pursuant to Section 336 of the SFO:

Long positions in ordinary shares of the Company:

主要股東及其他人士於股份及相關股份權益

於二零一零年三月三十一日，以下擁有本公司已發行股本5%或以上之權益，已根據《證券及期貨條例》第336條規定記載於權益登記冊內：

於本公司普通股之好倉：

| Name | Capacity | Notes | Number of ordinary shares held | Percentage of the Company's issued share capital |
|------------------------------|--|-------|--------------------------------|--|
| 名稱 | 身份 | 附註 | 持有普通股數目 | 佔本公司已發行股本百分率 |
| Perfection (PTC) Inc. | Trustee 受託人 | 2, 3 | 625,250,104 | 46.8 |
| Farrow Star Limited | Through controlled corporation 藉受控制公司 | 1 | 456,450,000 | 34.2 |
| | Directly owned 直接擁有 | | 168,800,104 | 12.6 |
| | | 3 | 625,250,104 | 46.8 |
| Giant Wizard Corporation | Directly owned 直接擁有 | 1, 2 | 456,450,000 | 34.2 |
| FMR LLC | Through controlled corporation 藉受控制公司 | 5 | 67,060,000 | 5.0 |
| Heung Mi Kuen Miraner 香美娟 | Through spouse 藉配偶 | 4 | 22,977,200 | 1.7 |
| | Through controlled corporation 藉受控制公司 | 4 | 41,922,000 | 3.1 |
| | | | 64,899,200 | 4.8 |

Long positions in share options of the Company:

於本公司購股權之好倉：

| Name | Capacity | Notes | Number of share options held | Percentage of the Company's issued share capital |
|------------------------------|-----------------------|-------|------------------------------|--|
| 名稱 | 身份 | 附註 | 持有購股權數目 | 佔本公司已發行股本百分率 |
| Heung Mi Kuen Miraner 香美娟 | Through spouse 藉配偶 | 4 | 9,000,000 | 0.7 |

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSON'S INTERESTS IN SHARES AND UNDERLYING SHARES (continued)

Notes:

1. The interests of Giant Wizard Corporation in the Company were duplicated by the indirect interests in the Company held by Farrow Star Limited.
2. The interests of Giant Wizard Corporation in the Company were duplicated by the indirect interests in the Company held by Perfection (PTC) Inc..
3. The interests of Farrow Star Limited in the Company were duplicated by the indirect interests in the Company held by Perfection (PTC) Inc..
4. The interests of Ms. Heung Mi Kuen Miraner in the Company were duplicated by the interests in the Company held by Mr. Poon Kei Chak, whose interests are set out in "Directors' interests and short positions in shares and underlying shares" above.
5. Subsequent to the end of the reporting period, FMR LLC, through controlled corporation, increased its shareholding in the Company to 80,600,001 shares. This represents 6.0% of the Company's issued share capital as at the date of this report.

Save as disclosed above, as at 31 March 2010, no person, other than the directors of the Company, whose interests are set out in the section "Directors' interests and short positions in shares and underlying shares" above, had registered an interest and short position in the shares or underlying shares of the Company that was required to be recorded pursuant to Section 336 of the SFO.

主要股東及其他人士於股份及相關股份權益(續)

附註：

1. Giant Wizard Corporation持有本公司之權益與Farrow Star Limited間接持有本公司之權益互相重疊。
2. Giant Wizard Corporation持有本公司之權益與Perfection (PTC) Inc.間接持有本公司之權益互相重疊。
3. Farrow Star Limited持有本公司之權益與Perfection (PTC) Inc.間接持有本公司之權益互相重疊。
4. 香美娟女士持有本公司之權益與潘機澤先生持有本公司之權益互相重疊。潘機澤先生之權益已詳述於以上之「董事於股份及相關股份之權益及淡倉」。
5. 於報告期末後，FMR LLC藉受控制公司增加其於本公司股權至80,600,001股，此即佔本公司於本報告日已發行股本6.0%。

除上文所披露者外，於二零一零年三月三十一日，概無人士，除本公司董事權益已詳述於「董事於股份及相關股份之權益及淡倉」外，根據《證券及期貨條例》第336條須登記其於本公司股份或相關股份之權益及淡倉。

CONTINUING CONNECTED TRANSACTIONS

The independent non-executive directors of the Company have reviewed the continuing connected transactions set out in note 36(a)(iii) to the financial statements, disclosed in compliance with the requirements of Chapter 14A of the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules"), and have confirmed that these continuing connected transactions were entered into:

- (i) in the ordinary and usual course of business of the Group;
- (ii) on normal commercial terms or on terms no less favourable to the Group than terms available to or from independent third parties; and
- (iii) in accordance with the relevant agreements governing them on terms that are fair and reasonable and in the interests of the shareholders of the Company as a whole.

Details of non-exempt continuing connected transactions

In accordance with Rules 14A.35 and 14A.45 of the Listing Rules, the Group is required to disclose certain details of its non-exempt continuing connected transactions in compliance with Rule 14A.45.

(1) Lease of a property as a retail outlet from a connected person:

On 25 March 2009, the Group entered into a lease agreement with Mountain Rich Limited ("MRL"), a company wholly-owned by Mr. Poon Bun Chak, an executive director and controlling shareholder of the Company, to lease Tianjin Bin Jiang Fu Shi Commercial Building at Tianjin City, He Ping Qu, Bin Jiang Road 282-286, Tianjin, China from MRL as a retail outlet for the retail division of the Group for a term of three years commencing from 1 April 2009 at the monthly rent of RMB748,000 per month for the first year, RMB785,000 per month for the second year and RMB824,000 per month for the third year.

(2) Lease of a property as a director's quarter from a connected person:

On 25 March 2009, the Group entered into a lease agreement with Latex (Hong Kong) Limited ("Latex"), a company wholly-owned by Mr. Poon Bun Chak, an executive director and controlling shareholder of the Company, to lease 22 Perkin's Road, Jardine's Lookout, Hong Kong from Latex as a director's quarter of the Group for a term of three years commencing from 1 April 2009 at the monthly rent of HK\$360,000 per month.

持續關連交易

本公司之獨立非執行董事已按《香港聯合交易所有限公司證券上市規則》(「上市規則」)第14A章披露要求審閱載於財務報表附註36(a)(iii)的持續關連交易，並確認該等持續關連交易按以下進行：

- (i) 屬本集團的日常業務；
- (ii) 按照一般商業條款進行，或對本集團而言，該等交易的條款不遜於給予或取得自獨立第三者的條款；及
- (iii) 該等交易是根據有關交易的協議條款進行，交易條款公平合理，並且符合本公司股東的整體利益。

不獲豁免的持續關連交易詳情

按上市規則第14A.35及14A.45條規定，本集團須符合第14A.45條披露不獲豁免的持續關連交易的部份細節。

(1) 向一關連人士承租一物業作為零售店舖：

於二零零九年三月二十五日，本集團與山富國際有限公司(「山富」)(由本公司的執行董事及控股股東潘彬澤先生全資擁有)簽訂租賃合約，向山富承租位於中國天津市和平區濱江道282號-286號的天津濱江服飾商廈，作為本集團零售及分銷業務的零售店舖，由二零零九年四月一日起為期三年，第一年之每月租金為人民幣748,000元、第二年之每月租金為人民幣785,000元及第三年之每月租金為人民幣824,000元。

(2) 向一關連人士承租一物業作為董事宿舍：

於二零零九年三月二十五日，本集團與立德有限公司(「立德」)(由本公司的執行董事及控股股東潘彬澤先生全資擁有)簽訂租賃合約，向立德承租香港渣甸山白建時道22號作為本集團一董事宿舍之用。由二零零九年四月一日起為期三年，每月租金為港幣360,000元。

CONTINUING CONNECTED TRANSACTIONS (continued)**Details of non-exempt continuing connected transactions** (continued)**(3) Lease of a property as a training center from a connected person:**

On 25 March 2009, the Group entered into a lease agreement with Winson Link Enterprises Limited ("WLEL"), a company wholly-owned by Mr. Poon Bun Chak, an executive director and controlling shareholder of the Company, to lease Room 4207B, 42nd Floor, Metroplaza, Tower II, 223 Hing Fong Road, Kwai Chung, New Territories, Hong Kong from WLEL as a training center of the Group for a term of three years commencing from 1 April 2009 at the monthly rent of HK\$38,000 per month.

The Company has also received a letter from the auditors in respect of the continuing connected transactions mentioned above stating that:

- (1) the transactions have received the approval of the boards of directors of respective subsidiaries of the Group;
- (2) the transactions for the leasing of the retail outlet, the director's quarter and the training center for the year ended 31 March 2010 agree with the terms of the respective signed agreements; and
- (3) the annual amounts of the transactions have not exceeded the cap disclosed in the announcements of continuing connected transactions.

SUFFICIENCY OF PUBLIC FLOAT

Based on information that is publicly available to the Company and within the knowledge of the directors, at least 25% of the Company's total issued share capital was held by the public as at the date of this report.

AUDITORS

Ernst & Young retire and a resolution for their re-appointment as auditors of the Company will be proposed at the forthcoming annual general meeting.

ON BEHALF OF THE BOARD

POON BUN CHAK

Chairman

Hong Kong, 28 June 2010

持續關連交易 (續)**不獲豁免的持續關連交易詳情** (續)**(3) 向一關連人士承租一物業作為培訓中心：**

於二零零九年三月二十五日，本集團與永信興企業有限公司(「永信興」)(由本公司執行董事及控股股東潘彬澤先生全資擁有)簽訂租賃合約，向永信興承租香港新界葵涌興芳路223號新都會廣場第二座四十二樓4207B室，作為本集團的培訓中心。由二零零九年四月一日起，為期三年，每月租金為港幣38,000元。

本公司亦收到核數師一信函就上述持續關連交易說明：

- (1) 該等交易已獲得本集團相關附屬公司的董事會批准；
- (2) 截至二零一零年三月三十一日止年度內，有關承租零售店舖、董事宿舍及培訓中心的交易，與相關簽訂合約條款一致；及
- (3) 該等交易的年度金額並未超過持續關連交易公告披露的最大限額。

足夠之公眾持股量

按本公司獲得之公開資料及董事會之理解，於本報告日，公眾已持有本公司不少於合計已發行股本之25%。

核數師

安永會計師事務所任滿告退，惟本公司將於即將舉行之股東週年大會上提呈續聘該核數師之決議案。

承董事會命

主席

潘彬澤

香港，二零一零年六月二十八日

The Group is committed to maintaining high standards of corporate governance and enhancing corporate value and accountability.

BOARD STRUCTURE AND BOARD PROCESS

The overall management of the Group is vested with the Board and the day-to-day management of the business is delegated to the executive management.

The principal roles of the Board are:

- (1) to lay down the Group's objectives, strategies, policies and business plan;
- (2) to monitor the performance of each operating segment; and
- (3) to set appropriate policies to manage risks in pursuit of the Group's strategic objectives.

The Board comprises of eight members. The five executive directors include Mr. Poon Bun Chak, Mr. Poon Kai Chak, Mr. Poon Kei Chak, Mr. Poon Kwan Chak and Mr. Ting Kit Chung. The three independent non-executive directors include Mr. Au Son Yiu, Mr. Cheng Shu Wing and Mr. Wong Tze Kin, David. Mr. Poon Bun Chak is the chairman and the chief executive officer ("CEO") of the Company.

The Company has in place clear Board process. Regular Board meetings are scheduled at least four times per year. Agendas and accompanying Board papers are served to all directors at least 14 days in advance of each Board meeting to facilitate informed discussion and decision-making. Directors may include any matters they wish to discuss in the meeting in the agendas. Draft minutes of the Board and committee meetings are prepared by the company secretary of the Company. The Board and committee minutes are kept by the company secretary and are open for inspection by directors upon request. All directors have access to the advice and services of the company secretary, and are allowed to seek external professional advice if needed. All directors are kept informed of the latest update of the Listing Rules and other applicable regulatory requirements.

Newly appointed directors will receive a comprehensive, formal and tailored induction on the first occasion of their appointment so as to ensure that they have appropriate understanding of the business of the Company and the obligation and responsibility of being a director.

本集團積極維持高標準的企業管治及提升企業價值和問責性。

董事會架構及會議程序

董事會負責本集團整體的管治，負責執行的管理層則獲授權負責日常業務上的管理。

董事會的主要職能：

- (1) 釐定本集團目標、策略、制度及業務計劃；
- (2) 監察每個營運分類的表現；及
- (3) 按本集團策略性目標制訂合適的政策以管理風險。

董事會包括八名成員。五位執行董事包括潘彬澤先生、潘佳澤先生、潘機澤先生、潘鈞澤先生及丁傑忠先生。三位獨立非執行董事包括區樂耀先生、鄭樹榮先生及黃自建先生。潘彬澤先生為本公司主席兼董事總經理。

本公司已有清晰的董事會會議程序。每年常規董事會會議不少於四次。為促進深入討論及進行決議，每次董事會舉行前不少於十四天所有董事皆收到會議議程及會議資料。董事亦可要求於會議議程中增加任何他希望討論的事項。本公司公司秘書負責草擬及存放董事會及委員會的會議記錄，董事有權要求審閱有關的董事會及委員會會議記錄。所有董事有權要求公司秘書提供意見及服務，並在有需要時要求獲得外部的專業意見。所有董事一直保持對最新的上市規則及其他相關法例的認識。

獲新委聘的董事，在其第一次獲委聘時，也會接受一全面性的、正規的及特別制訂的介紹，以確保其對本公司業務的認識及瞭解作為一個董事的責任。

INDEPENDENCE AND QUALIFICATION OF INDEPENDENT NON-EXECUTIVE DIRECTORS

The Company has three independent non-executive directors on its Board in compliance with Rule 3.10(1) of the Listing Rules. All the independent non-executive directors possess a wide range of business and financial experience. One of the independent non-executive directors, Mr. Wong Tze Kin, David, possesses professional accounting qualification in full compliance with Rule 3.10(2) of the Listing Rules. In accordance with Rule 3.13 of the Listing Rules, all the independent non-executive directors have confirmed their independence for the year ended 31 March 2010.

BOARD AND COMMITTEE MEETINGS

Attendance of Board and committee meetings during the year:

| Directors 董事 | | Number of meetings attended/held during the year 本年內參與／舉行會議次數 | | | |
|---|-------------------|--|-----------------------------|------------------------------------|----------------------------------|
| | | Board 董事會 | Audit Committee 審核委員會 | Remuneration Committee 薪酬委員會 | Nomination Committee 提名委員會 |
| Executive directors 執行董事 | | | | | |
| Poon Bun Chak (Chairman and CEO) | 潘彬澤 (主席兼董事總經理) | 4/4 | N/A不適用 | N/A不適用 | N/A不適用 |
| Poon Kai Chak | 潘佳澤 | 4/4 | N/A不適用 | N/A不適用 | N/A不適用 |
| Poon Kei Chak | 潘機澤 | 4/4 | N/A不適用 | N/A不適用 | N/A不適用 |
| Poon Kwan Chak | 潘鈞澤 | 4/4 | N/A不適用 | N/A不適用 | N/A不適用 |
| Ting Kit Chung | 丁傑忠 | 4/4 | N/A不適用 | 2/2 | 0/0 |
| Independent non-executive directors 獨立非執行董事 | | | | | |
| Au Son Yiu | 區樂耀 | 4/4 | 3/3 | 2/2 | 0/0 |
| Cheng Shu Wing | 鄭樹榮 | 4/4 | 3/3 | 2/2 | 0/0 |
| Wong Tze Kin, David | 黃自建 | 4/4 | 3/3 | 2/2 | 0/0 |

BOARD COMMITTEES

The Board has established several board committees to oversee certain aspects of the Company's affairs.

獨立非執行董事的獨立性及資歷

本公司符合上市規則第3.10(1)條的要求，其董事會現有三名獨立非執行董事，所有獨立非執行董事皆擁有廣闊的業務及財務經驗。其中一位獨立非執行董事黃自建先生擁有專業會計資格，並完全符合上市規則第3.10(2)條的要求。於截至二零一零年三月三十一日止年度，所有獨立非執行董事已按上市規則第3.13條確認其獨立性。

董事會及委員會會議

年內參與董事會及委員會會議次數：

董事委員會

董事會已成立數個董事委員會以監察本公司個別方面事項。

AUDIT COMMITTEE

The Audit Committee consists of the three independent non-executive directors namely Mr. Wong Tze Kin, David, Mr. Au Son Yiu and Mr. Cheng Shu Wing. The committee is chaired by Mr. Wong Tze Kin, David, a qualified accounting professional. At the time of establishment, the terms of reference and duties have been laid down as a guideline for the committee. The principal duties of the committee include:

- (a) monitoring the preparation of the financial statements;
- (b) monitoring and assessing the internal controls system of the Group;
- (c) monitoring the performance of Group's internal audit team;
- (d) considering the appointment and removal of the external auditors, the audit fee and the terms of engagement; and
- (e) reviewing and commenting on the connected transactions of the Group.

The committee held three meetings during the year to review the followings:

- (a) the internal controls and risk management of the Group; and
- (b) the financial reporting process and the financial statements of the Group.

REMUNERATION COMMITTEE

The Remuneration Committee consists of three independent non-executive directors and one executive director namely Mr. Au Son Yiu, Mr. Cheng Shu Wing, Mr. Wong Tze Kin, David and Mr. Ting Kit Chung, respectively. The committee is chaired by Mr. Au Son Yiu. At the time of establishment, terms of reference and duties have been laid down as a guideline for the committee. The committee is responsible for making recommendation on the Company's policy and structure for all the remuneration of directors and other senior management, and reviewing and approving compensations payable to directors. The remuneration of the directors and other senior management is determined with reference to the performance of each individual and the Company, the market conditions and the industry practice. Besides, the committee will ensure that no director or any of his/her associate may be involved in the determination of his/her own remuneration. During the year, the committee held two meetings to review and approve the remuneration adjustment and performance bonus of executive directors and other senior management.

審核委員會

審核委員會包括三名獨立非執行董事，分別為黃自建先生、區樂耀先生及鄭樹榮先生。黃自建先生為委員會的主席，擁有專業會計資格。於成立時，委員會備有明確之條文及職責細則作指引。委員會主要職責包括：

- (a) 監察財務報表的製訂；
- (b) 監察及評估本集團內部監控系統；
- (c) 監察本集團內部審計組之表現；
- (d) 考慮外部核數師的聘用及辭退、審計費用及委聘條款；及
- (e) 審核本集團之關連交易，並提出意見。

於年內，委員會曾舉行三次會議以審核以下：

- (a) 本集團的內部監控制度及風險管理；及
- (b) 本集團財務匯報程序及財務報告。

薪酬委員會

薪酬委員會包括三位獨立非執行董事及一位執行董事，分別為區樂耀先生、鄭樹榮先生、黃自建先生及丁傑忠先生。區樂耀先生為委員會的主席。於成立的時候，委員會備有明確的條文及職責細則作指引。委員會主要負責就本公司董事及其他高層管理人員的薪酬制度及架構提供意見，並審批應付董事的補償。於釐訂董事及其他高層管理人員的薪酬，委員會參考該人員的表現、本公司表現、市場情況及行業的慣例。此外，委員會亦會確保並無任何董事及其聯繫人士參與釐訂該董事的薪酬。於年內，委員會曾舉行會議兩次，以審批執行董事及其他高層人員的薪酬調整及按表現發放的花紅。

NOMINATION COMMITTEE

The Nomination Committee consists of three independent non-executive directors and one executive director namely Mr. Cheng Shu Wing, Mr. Au Son Yiu, Mr. Wong Tze Kin, David and Mr. Ting Kit Chung, respectively. The committee is chaired by Mr. Cheng Shu Wing. The Nomination Committee is responsible for the recommendation of candidates with appropriate experience and qualification to become members of the Board.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the Model Code of the Listing Rules as the Company's code of conduct for dealings in securities of the Company by the directors. Based on specific enquiry of the Company's directors, they have all complied with the required standard set out in the Model Code throughout the accounting period covered by the annual report.

COMPLIANCE WITH THE CODE PROVISIONS SET OUT IN THE CODE ON CORPORATE GOVERNANCE PRACTICES (THE "CODE")

In the opinion of the directors, the Company complied with the code provisions of the Code contained in Appendix 14 of the Listing Rules throughout the financial year, except for the following deviations:

- (1) Under code provision A.4.1 of the Code, non-executive directors should be appointed for a specific term and be subject to re-election.

All the existing non-executive directors of the Company are not appointed for a specific term, but are subject to retirement and re-election at the Company's annual general meeting in accordance with Clause 86(1) of the bye-laws of the Company.

- (2) Under code provision A.2.1 of the Code, the roles of chairman and chief executive officer should be separate and should not be performed by the same individual.

The Company does not have a policy of separating the roles of chairman and chief executive officer of the Board. The Board considers the current arrangement can help maintaining a strong management position and at the same time improving the communication efficiency. The Board may consider the separation of the roles of chairman and chief executive officer upon the then circumstances.

提名委員會

提名委員會包括三位獨立非執行董事及一位執行董事，分別為鄭樹榮先生、區樂耀先生、黃自建先生及丁傑忠先生。鄭樹榮先生為委員會之主席。提名委員會負責提名擁有適合經驗及學歷之人士作為董事會成員。

董事進行之證券交易

本公司已採納上市規則之標準守則，作為本公司董事進行本公司證券交易之守則。按本公司向各董事之查詢，各董事均於本年報所述之會計期間遵守標準守則之規定。

符合企業管治常規守則(「守則」)

按董事的意見，本公司於本財務年度一直符合上市規則附錄十四所載之守則，惟下列條文除外：

- (1) 守則A.4.1條規定非執行董事應獲委任指定任期，及須膺選連任。

目前，本公司所有非執行董事並非獲委任指定任期，而是根據公司之細則第86(1)條於本公司之股東週年大會上膺選連任。

- (2) 守則A.2.1條規定主席及董事總經理之角色應區別，並不應由同一人擔任。

目前，本公司並沒有制度區別董事會之主席及董事總經理之角色。董事會認為現時的安排有助保持強勢的管治，並能同時提升溝通效率。董事會會視乎情況考慮區別主席及董事總經理之角色。

COMPLIANCE WITH THE CODE PROVISIONS SET OUT IN THE CODE ON CORPORATE GOVERNANCE PRACTICES (THE “CODE”) (continued)

- (3) Under code provision E.1.2 of the Code, the chairman of the Board should attend the annual general meeting of the Company.

The chairman of the Board of the Company has delegated the duty of attending the annual general meeting to an executive director of the Company. The chairman considers the executive director a suitable person for taking up such duty as the executive director has been serving for similar duties for many years and he has good understanding of each operating segment of the Group.

AUDITORS’ REMUNERATION

During the year, fees paid for audit and non-audit services by the Company were as follows:

| Services 服務 | | Fee paid/payable 已付／應付費用 HK\$'000 港幣千元 |
|-----------------------------|----------|---|
| Audit services rendered | 已提供審計服務 | 2,470 |
| Non-audit services rendered | 已提供非審計服務 | — |
| | | 2,470 |

DIRECTORS’ AND AUDITORS’ RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS

The Board is responsible for preparing the financial statements of the Company. The statement from the external auditors of the Company about their responsibilities has been set out in the Independent Auditors’ Report on page 34.

REVIEW OF THE INTERNAL CONTROLS

The system of internal controls is defined as the internal control procedures with which the Company uses to ensure the accuracy of its accounting records, safeguard the assets of the Company and ensure the compliance with the relevant rules and regulations. The Board is responsible for maintaining efficient and effective internal controls of the Company. During the year, the internal audit team, which reports directly to the Audit Committee, has reviewed the internal controls of each major operating segment of the Company and has reported its findings to the Audit Committee. The Audit Committee is satisfied with the effective internal controls of the Company.

符合企業管治常規守則(「守則」)(續)

- (3) 守則E.1.2條規定董事會之主席須出席本公司之股東週年大會。

本公司董事會主席將出席股東週年大會之職務委任本公司一執行董事執行。主席認為該執行董事處理該職務是合適人選，因該董事對本集團各營運分類也十分瞭解，並且該董事已有多年執行同類職務的經驗。

核數師酬金

於年內，本公司支付的審計與非審計服務費為：

董事會及核數師對財務報表之責任

董事會負責編製本公司財務報表。本公司外部核數師有關其對財務報表之責任聲明已載於第34頁之獨立核數師報告。

內部監控之審核

內部監控系統乃指本公司採用之內部監控制度，以保障本公司會計記錄的準確性、保衛本公司資產及確保本公司符合有關的規則及法例。董事會負責維持本公司有效率及效益的內部監控制度。於年內，直接向審核委員會負責的內部審計組，已審核本公司每個主要營運分類的內部監控制度，並將其結果向審核委員會匯報。審核委員會對本公司有效的內部監控制度表示滿意。

INVESTOR RELATIONS AND COMMUNICATION WITH SHAREHOLDERS**投資者關係及與股東溝通**

To enhance the communications with shareholders and investors, the Company has adopted the following communication channels:

為加強與股東及投資者的溝通，本公司已採用以下溝通渠道：

- | | |
|---|-------------------------------------|
| (1) meeting shareholders in the annual general meetings to explain the results of the Company and answer the questions of shareholders; | (1) 於股東週年大會與股東會面，向其解釋本公司業績及解答股東的問題； |
| (2) disseminating corporate information to shareholders according to the rules and regulations; | (2) 按有關規則及條例，向股東發放公司資料； |
| (3) meeting fund managers to promote the business of the Company; and | (3) 與基金經理會面，以推廣本公司業務；及 |
| (4) publishing the background, the latest development and the results of the Group on the Company's website. | (4) 於本公司網站公佈本集團背景、最新發展及業績資料。 |



To the shareholders of

Texwinca Holdings Limited

(Incorporated in Bermuda with limited liability)

We have audited the financial statements of Texwinca Holdings Limited set out on pages 36 to 128, which comprise the consolidated and company statements of financial position as at 31 March 2010, and the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

DIRECTORS' RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The directors of the Company are responsible for the preparation and the true and fair presentation of these financial statements in accordance with Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants and the disclosure requirements of the Hong Kong Companies Ordinance. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and the true and fair presentation of 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.

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on these financial statements based on our audit. Our report is made solely to you, as a body, in accordance with Section 90 of the Bermuda Companies Act 1981, 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 financial statements are free from material misstatement.

致德永佳集團有限公司

(於百慕達註冊成立之有限公司)

列位股東

本核數師(以下簡稱「我們」)已審核列載於第36至128頁德永佳集團有限公司的財務報表，此財務報表包括於二零一零年三月三十一日的綜合及公司財務狀況表與截至該日止年度的綜合利潤表、綜合全面利潤表、綜合權益變動表和綜合現金流量表，以及主要會計政策概要及其他解釋性附註。

董事就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報告準則及香港公司條例編製，並真實而公允地列報該等財務報表。該責任包括設計、實施及維護與編製及真實而公允地列報財務報表相關的內部控制，以使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

我們的責任是根據我們的審核對該等財務報表發表意見。我們是按照百慕達1981年《公司法》第90條的規定，僅向整體股東報告。除此以外，我們的報告書不可用作其他用途。我們概不就本報告書的內容，對任何其他人士負責或承擔法律責任。

我們已根據香港會計師公會頒佈的香港審計準則進行審核。這些準則要求我們遵守道德規範，並規劃及執行審核，以合理確定該等財務報表是否不存有任何重大錯誤陳述。

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and true and fair presentation of the 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 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 financial statements give a true and fair view of the state of affairs of the Company and of the Group as at 31 March 2010 and of the Group's profit and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.

Ernst & Young

Certified Public Accountants
18/F, Two International Finance Centre,
8 Finance Street, Central,
Hong Kong
28 June 2010

審核涉及執程序以獲取有關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，核數師考慮與該公司編製及真實而公允地列報財務報表相關的內部控制，以設計適當的審核程序，但並非為對公司的內部控制的效能發表意見。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，以及評價財務報表的整體列報方式。

我們相信，我們所獲得之審核憑證充足和適當地為我們的審核意見提供基礎。

意見

我們認為，該等財務報表已根據香港財務報告準則真實而公允地反映貴公司及貴集團於二零一零年三月三十一日的財務狀況及貴集團截至該日止年度的溢利及現金流量，並已按照香港公司條例妥為編製。

安永會計師事務所

執業會計師
香港
中環金融街8號
國際金融中心二期18樓
二零一零年六月二十八日

CONSOLIDATED INCOME STATEMENT

綜合利潤表

Year ended 31 March 2010 截至二零一零年三月三十一日止年度

| | | | 2010 二零一零年 HK\$'000 港幣千元 | 2009 二零零九年 HK\$'000 港幣千元 |
|---|-------------------------------|----|-----------------------------------|-----------------------------------|
| | Notes 附註 | | | |
| REVENUE | 收入 | 5 | 10,537,966 | 9,997,737 |
| Cost of sales | 銷售成本 | | (7,016,829) | (6,701,346) |
| Gross profit | 毛利 | | 3,521,137 | 3,296,391 |
| Other income and gains | 其他收入及收益 | 5 | 166,624 | 187,064 |
| Selling and distribution costs | 銷售及分銷費用 | | (1,811,477) | (1,787,389) |
| Administrative expenses | 行政費用 | | (685,172) | (692,059) |
| Other operating expenses, net | 其他營運費用，淨額 | | (5,637) | (4,079) |
| Finance costs | 財務費用 | 8 | (10,394) | (40,855) |
| Share of profit of an associate, net of tax | 應佔聯營公司溢利， 除稅後淨額 | | 42,270 | 53,499 |
| PROFIT BEFORE TAX | 除稅前溢利 | 6 | 1,217,351 | 1,012,572 |
| Income tax expense | 稅項 | 9 | (116,607) | (121,448) |
| PROFIT FOR THE YEAR | 本年度溢利 | | 1,100,744 | 891,124 |
| Attributable to: | 歸屬： | | | |
| Equity holders of the Company | 本公司權益所有者 | 10 | 1,007,213 | 860,357 |
| Minority interests | 少數股東權益 | | 93,531 | 30,767 |
| | | | 1,100,744 | 891,124 |
| EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY (HK cents) | 歸屬本公司普通權益 所有者每股盈利 (港幣仙) | 12 | | |
| Basic | 基本 | | 75.8 | 64.8 |
| Diluted | 攤薄後 | | 75.3 | N/A 不適用 |

Details of the dividends for the year are disclosed in note 11 to the financial statements. 本年度股息詳情載於財務報表附註11內。

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

綜合全面利潤表

Year ended 31 March 2010 截至二零一零年三月三十一日止年度

TEWNING HOLDINGS LIMITED 德永佳集團有限公司

ANNUAL REPORT 2010 二零一零年年報

| | | | 2010 二零一零年 HK\$'000 港幣千元 | 2009 二零零九年 HK\$'000 港幣千元 |
|---|-----------------|-------------|-----------------------------------|-----------------------------------|
| | | Notes 附註 | | |
| PROFIT FOR THE YEAR | 本年度溢利 | | 1,100,744 | 891,124 |
| OTHER COMPREHENSIVE INCOME | 其他全面收入 | | | |
| Exchange differences on translation of foreign operations | 換算海外經營業務產生之匯兌差額 | | (33,846) | 37,425 |
| TOTAL COMPREHENSIVE INCOME FOR THE YEAR | 本年度全面收入總額 | | 1,066,898 | 928,549 |
| Attributable to: | 歸屬： | | | |
| Equity holders of the Company | 本公司權益所有者 | 10 | 979,883 | 888,657 |
| Minority interests | 少數股東權益 | | 87,015 | 39,892 |
| | | | 1,066,898 | 928,549 |

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

31 March 2010 二零一零年三月三十一日

| | | | 2010 二零一零年 HK\$'000 港幣千元 | 2009 二零零九年 HK\$'000 港幣千元 |
|---|-------------|----------------|-----------------------------------|-----------------------------------|
| | Notes 附註 | | | |
| NON-CURRENT ASSETS | | 非流動資產 | | |
| Property, plant and equipment | 13 | 物業、廠房及設備 | 2,218,268 | 2,308,792 |
| Investment properties | 14 | 投資物業 | 155,170 | 120,199 |
| Prepaid land lease payments | 15 | 預付土地租賃款 | 23,755 | 24,422 |
| Construction in progress | 16 | 在建工程 | 55,303 | 119,283 |
| Trademarks | 17 | 商標 | 33,293 | 33,293 |
| Interest in an associate | 18 | 於聯營公司之權益 | 120,349 | 111,271 |
| Held-to-maturity investments | 20 | 持至到期的投資 | - | 70,056 |
| Long term rental deposits | | 長期租金按金 | 109,864 | 93,979 |
| Total non-current assets | | 總非流動資產 | 2,716,002 | 2,881,295 |
| CURRENT ASSETS | | 流動資產 | | |
| Inventories | 21 | 存貨 | 2,163,787 | 1,656,095 |
| Trade and bills receivables | 22 | 應收賬款及應收票據 | 1,020,513 | 919,511 |
| Prepayments, deposits and other receivables | | 預付款項、訂金及其他應收賬款 | 538,101 | 471,346 |
| Held-to-maturity investments | 20 | 持至到期的投資 | 272,888 | 20,987 |
| Derivative financial assets | 23 | 衍生金融資產 | 17,731 | 41,920 |
| Cash and cash equivalents | 24 | 現金及現金等價物 | 1,526,465 | 800,800 |
| Total current assets | | 總流動資產 | 5,539,485 | 3,910,659 |
| CURRENT LIABILITIES | | 流動負債 | | |
| Due to an associate | 19 | 應付聯營公司 | 42,633 | 11,231 |
| Trade and bills payables | 25 | 應付賬款及應付票據 | 1,035,660 | 958,516 |
| Other payables and accrued liabilities | 26 | 其他應付賬款及應計負債 | 359,288 | 303,073 |
| Derivative financial liabilities | 23 | 衍生金融負債 | 3,194 | 12,188 |
| Tax payable | | 應付稅項 | 252,770 | 300,084 |
| Interest-bearing bank borrowings | 27 | 付息銀行貸款 | 1,223,044 | 398,930 |
| Total current liabilities | | 總流動負債 | 2,916,589 | 1,984,022 |
| Net current assets | | 流動資產淨額 | 2,622,896 | 1,926,637 |
| Total assets less current liabilities | | 總資產減流動負債 | 5,338,898 | 4,807,932 |

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

31 March 2010 二零一零年三月三十一日

| | | | 2010 二零一零年 | 2009 二零零九年 |
|---|---------------------|-------------|------------------|------------------|
| | | Notes 附註 | HK\$'000 港幣千元 | HK\$'000 港幣千元 |
| NON-CURRENT LIABILITIES | 非流動負債 | | | |
| Interest-bearing bank borrowings | 付息銀行貸款 | 27 | 489,744 | 506,914 |
| Deferred tax | 遞延稅項 | 28 | 56,458 | 26,230 |
| Total non-current liabilities | 總非流動負債 | | 546,202 | 533,144 |
| Net assets | 淨資產 | | 4,792,696 | 4,274,788 |
| EQUITY | 權益 | | | |
| Equity attributable to equity holders of the Company | 本公司權益所有者應佔權益 | | | |
| Issued capital | 已發行股本 | 29 | 66,730 | 66,360 |
| Reserves | 儲備 | 31(a) | 4,159,084 | 3,779,617 |
| Proposed final dividend | 擬派末期股息 | 11 | 347,042 | 291,986 |
| | | | 4,572,856 | 4,137,963 |
| Minority interests | 少數股東權益 | | 219,840 | 136,825 |
| Total equity | 總權益 | | 4,792,696 | 4,274,788 |

Poon Bun Chak
Director

Ting Kit Chung
Director

董事
潘彬澤

董事
丁傑忠

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

Year ended 31 March 2010 截至二零一零年三月三十一日止年度

| | Attributable to equity holders of the Company 本公司權益所有者應佔 | | | | | | | | | | Total equity 總權益 HK\$'000 港幣千元 | | |
|--|---|--|--|---|--|---|--|--|---|---|---|---------------------------------|--|
| | Issued capital 已發行股本 HK\$'000 港幣千元 | Share premium account* 股本溢價 HK\$'000 港幣千元 | Share option reserve* 購股權儲備 HK\$'000 港幣千元 | Capital redemption reserve* 股本贖回儲備 HK\$'000 港幣千元 | Contributed surplus* 實繳盈餘 HK\$'000 港幣千元 | Exchange fluctuation reserve* 外匯波動儲備 HK\$'000 港幣千元 | Asset revaluation reserve* 資產重估儲備 HK\$'000 港幣千元 | Legal reserve* 法定儲備 HK\$'000 港幣千元 | Retained profits* 保留溢利 HK\$'000 港幣千元 | Proposed final dividend 擬派末期股息 HK\$'000 港幣千元 | | Total 總額 HK\$'000 港幣千元 | Minority interests 少數股東權益 HK\$'000 港幣千元 |
| At 1 April 2009 | 66,360 | 352,413 | 6,581 | 1,687 | 3,986 | 172,912 | 23,920 | 49 | 3,218,069 | 291,986 | 4,437,963 | 136,825 | 4,274,788 |
| Exchange realignment | - | - | - | - | - | (27,330) | - | - | - | - | (27,330) | (6,516) | (33,846) |
| Profit for the year | - | - | - | - | - | - | - | - | 1,007,213 | - | 1,007,213 | 93,531 | 1,100,744 |
| Total comprehensive income for the year | - | - | - | - | - | - | - | - | 1,007,213 | - | 979,883 | 87,015 | 1,066,898 |
| 2008/2009 final dividend declared | - | - | - | - | - | - | - | - | - | (291,986) | (291,986) | - | (291,986) |
| Exercise of share options (note 29) | 370 | 39,795 | (2,396) | - | - | - | - | - | - | - | 37,769 | - | 37,769 |
| Forfeiture of share options (note 30) | - | - | (75) | - | - | - | - | - | 75 | - | - | - | - |
| Surplus on revaluation upon transfer of leasehold land and buildings | - | - | - | - | - | - | 1,469 | - | - | - | 1,469 | - | 1,469 |
| 2009/2010 interim dividend (note 11) | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 2009/2010 proposed final dividend (note 11) | - | - | - | - | - | - | - | - | (292,242) | - | (292,242) | - | (292,242) |
| Dividend paid to minority shareholders | - | - | - | - | - | - | - | - | (347,042) | 347,042 | - | - | - |
| Dividend paid to minority shareholders | - | - | - | - | - | - | - | - | - | - | - | (4,000) | (4,000) |
| At 31 March 2010 | 66,730 | 392,208 | 4,110 | 1,687 | 3,986 | 145,582 | 25,389 | 49 | 3,586,073 | 347,042 | 4,572,856 | 219,840 | 4,792,696 |

* These reserve accounts comprise the consolidated reserves of HK\$4,159,084,000 (2009: HK\$3,779,617,000) in the consolidated statement of financial position.
此等儲備賬項構成列於綜合財務狀況表內之綜合儲備港幣4,159,084,000元 (二零零九年：港幣3,779,617,000元)。

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

Year ended 31 March 2010 截至二零一零年三月三十一日止年度

| Attributable to equity holders of the Company 本公司權益所有者應佔 | | | | | | | | | | | | | |
|---|---|--|---|--|---|--|---|---|--|---|---------------------------------|--|---|
| | Issued capital 已發行股本 HK\$'000 港幣千元 | Share premium account* 股本溢價賬* HK\$'000 港幣千元 | Share option reserve* 購股權儲備* HK\$'000 港幣千元 | Capital redemption reserve* 股本贖回儲備* HK\$'000 港幣千元 | Contributed surplus* 實繳盈餘* HK\$'000 港幣千元 | Exchange fluctuation reserve* 外匯變動儲備* HK\$'000 港幣千元 | Asset revaluation reserve* 資產重估儲備* HK\$'000 港幣千元 | Legal reserve* 法定儲備* HK\$'000 港幣千元 | Retained profits* 保留溢利* HK\$'000 港幣千元 | Proposed final dividend 擬派末期股息 HK\$'000 港幣千元 | Total 總額 HK\$'000 港幣千元 | Minority interests 少數股東權益 HK\$'000 港幣千元 | Total equity 總權益 HK\$'000 港幣千元 |
| At 1 April 2008 | 66,356 | 350,598 | 7,756 | 1,649 | 3,986 | 144,612 | 23,920 | 49 | 2,888,676 | 331,750 | 3,819,352 | 96,933 | 3,916,285 |
| Exchange realignment | - | - | - | - | - | 28,300 | - | - | - | - | 28,300 | 9,125 | 37,425 |
| Profit for the year | - | - | - | - | - | - | - | 860,357 | - | - | 860,357 | 30,767 | 891,124 |
| Total comprehensive income for the year | - | - | - | - | - | 28,300 | - | 860,357 | - | - | 888,657 | 39,892 | 928,549 |
| 2007/2008 final dividend declared | - | - | - | - | - | - | - | - | (331,750) | (331,750) | - | - | (331,750) |
| Exercise of share options (note 29) | 42 | 5,766 | (1,175) | - | - | - | - | - | - | - | 4,633 | - | 4,633 |
| Repurchase of shares (note 29) | (38) | (3,951) | - | 38 | - | - | - | (38) | - | - | (3,989) | - | (3,989) |
| 2008/2009 interim dividend (note 11) | - | - | - | - | - | - | - | (238,940) | - | - | (238,940) | - | (238,940) |
| 2008/2009 proposed final dividend (note 11) | - | - | - | - | - | - | - | (291,986) | 291,986 | - | - | - | - |
| At 31 March 2009 | 66,360 | 352,413 | 6,581 | 1,687 | 3,986 | 172,912 | 23,920 | 49 | 3,218,069 | 291,986 | 4,137,963 | 136,825 | 4,274,788 |

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

Year ended 31 March 2010 截至二零一零年三月三十一日止年度

| | | | 2010 二零一零年 HK\$'000 港幣千元 | 2009 二零零九年 HK\$'000 港幣千元 |
|---|---------------------------|----|-----------------------------------|-----------------------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | 經營所得現金流量 | | | |
| Profit before tax | 除稅前溢利 | | 1,217,351 | 1,012,572 |
| Adjustments for: | 調整： | | | |
| Finance costs | 財務費用 | 8 | 10,394 | 40,855 |
| Share of profit of an associate, net of tax | 應佔聯營公司溢利， 除稅後淨額 | | (42,270) | (53,499) |
| Interest income | 利息收入 | 5 | (25,670) | (55,051) |
| Net fair value gains on foreign exchange derivative financial instruments | 外匯衍生金融工具 公允值收益 淨額 | 5 | (19,886) | (42,049) |
| Net fair value gains on investment properties | 投資物業公允值收益 淨額 | 14 | (27,252) | (2,873) |
| Depreciation | 折舊 | 6 | 320,988 | 335,878 |
| Recognition of prepaid land lease payments | 預付土地租賃款之 確認 | 6 | 665 | 664 |
| Loss on disposal of items of property, plant and equipment | 出售物業、廠房及 設備項目虧損 | 6 | 1,688 | 2,600 |
| (Write-back of provision)/provision for slow-moving inventories | 呆滯存貨準備(撥回)/ 提撥 | 6 | (8,047) | 13,735 |
| Write-back of impairment of trade receivables | 應收賬款減值 撥回 | 6 | (1,693) | (1,109) |
| | | | 1,426,268 | 1,251,723 |
| Increase in inventories | 存貨增加 | | (499,645) | (82,755) |
| Decrease/(increase) in trade and bills receivables | 應收賬款及應收票據 減少/(增加) | | (99,309) | 99,483 |
| Decrease/(increase) in prepayments, deposits and other receivables | 預付款項、訂金及其他 應收賬款減少/(增加) | | (66,755) | 12,247 |
| Increase/(decrease) in an amount due to an associate | 應付聯營公司增加/ (減少) | | 27,402 | (8,910) |
| Increase/(decrease) in trade and bills payables | 應付賬款及應付票據增加/ (減少) | | 77,144 | (35,345) |
| Increase/(decrease) in other payables and accrued liabilities | 其他應付賬款及 應計負債增加/(減少) | | 56,215 | (60,479) |
| Cash generated from operations | 經營所得現金 | | 921,320 | 1,175,964 |
| Profits taxes paid | 已付所得稅 | | (124,386) | (124,404) |
| Net cash inflow from operating activities | 經營所得現金流入 淨額 | | 796,934 | 1,051,560 |

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

Year ended 31 March 2010 截至二零一零年三月三十一日止年度

TEMWINCA HOLDINGS LIMITED 德永佳集團有限公司

ANNUAL REPORT 2010 二零一零年年報

| | | | 2010 二零一零年 HK\$'000 港幣千元 | 2009 二零零九年 HK\$'000 港幣千元 |
|---|---------------------------------|----|-----------------------------------|-----------------------------------|
| CASH FLOWS FROM INVESTING ACTIVITIES | 投資活動現金流量 | | | |
| Interest received | 已收利息 | | 25,670 | 55,051 |
| Proceeds from disposal of derivative financial instruments | 出售衍生金融工具 收入 | | 35,081 | 55,214 |
| Dividends received from an associate | 已收聯營公司股息 | | 38,000 | 48,000 |
| Purchases of items of property, plant and equipment | 購置物業、廠房及 設備項目 | 13 | (142,907) | (163,407) |
| Additions to construction in progress | 在建工程之添置 | 16 | (31,074) | (52,722) |
| Purchases of held-to-maturity investments | 購買持至到期的 投資 | | (481,780) | (91,043) |
| Redemption of held-to-maturity investments | 贖回持至到期的 投資 | | 299,935 | - |
| Proceeds from disposal of items of property, plant and equipment | 出售物業、廠房及 設備項目收入 | | 16,981 | 6,403 |
| Decrease/(increase) in long term rental deposits | 長期租金按金減少/ (增加) | | (15,885) | 25,379 |
| Decrease/(increase) in time deposits with original maturity over three months when acquired | 於訂立日三個月以上到期 之定期存款減少/ (增加) | | (252,076) | 496,086 |
| Net cash flows from/(used in) investing activities | 投資活動現金流入/ (流出)淨額 | | (508,055) | 378,961 |
| CASH FLOWS FROM FINANCING ACTIVITIES | 融資活動現金流量 | | | |
| Issue of new shares | 發行新股 | 29 | 37,769 | 4,633 |
| Repurchase of shares | 購回股份 | 29 | - | (3,989) |
| New interest-bearing bank borrowings | 新附息銀行貸款 | | 6,652,521 | 3,512,560 |
| Repayment of interest-bearing bank borrowings | 償還附息銀行 貸款 | | (5,845,577) | (3,854,266) |
| Interest paid | 已付利息 | | (10,394) | (40,855) |
| Dividends paid | 已付股息 | | (588,228) | (570,690) |
| Net cash flows from/(used in) financing activities | 融資活動現金流入/ (流出)淨額 | | 246,091 | (952,607) |
| NET INCREASE IN CASH AND CASH EQUIVALENTS | 現金及現金等價物之 增加淨額 | | 534,970 | 477,914 |
| Cash and cash equivalents at beginning of year | 於年初之現金及現金 等價物 | | 800,800 | 321,531 |
| Foreign exchange adjustments | 外匯調整 | | (61,381) | 1,355 |
| CASH AND CASH EQUIVALENTS AT END OF YEAR | 於年末之現金及 現金等價物 | | 1,274,389 | 800,800 |

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

Year ended 31 March 2010 截至二零一零年三月三十一日止年度

| | | 2010 二零一零年 HK\$'000 港幣千元 | 2009 二零零九年 HK\$'000 港幣千元 |
|---|-------------|-----------------------------------|-----------------------------------|
| | Notes 附註 | | |
| ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS | | | |
| Cash and bank balances | 24 | 438,010 | 196,582 |
| Non-pledged time deposits with original maturity within three months when acquired | 24 | 836,379 | 604,218 |
| Non-pledged time deposits with original maturity over three months when acquired | 24 | 252,076 | - |
| Cash and cash equivalents as stated in the consolidated statement of financial position | | 1,526,465 | 800,800 |
| Less: Non-pledged time deposits with original maturity over three months when acquired | | (252,076) | - |
| Cash and cash equivalents as stated in the consolidated statement of cash flows | | 1,274,389 | 800,800 |

COMPANY STATEMENT OF FINANCIAL POSITION

公司財務狀況表

31 March 2010 二零一零年三月三十一日

TEMWINCA HOLDINGS LIMITED 德永生集團有限公司

| | | | 2010 二零一零年 HK\$'000 港幣千元 | 2009 二零零九年 HK\$'000 港幣千元 |
|---------------------------------------|-------------|--------------|-----------------------------------|-----------------------------------|
| | Notes 附註 | | | |
| NON-CURRENT ASSETS | | 非流動資產 | | |
| Interests in subsidiaries | 32 | 於附屬公司之權益 | 899,977 | 1,411,287 |
| CURRENT ASSETS | | 流動資產 | | |
| Prepayments | | 預付款項 | 397 | 148 |
| Dividends receivable | | 應收股息 | 200,000 | 200,000 |
| Cash and cash equivalents | 24 | 現金及現金等價物 | 951 | 128 |
| Total current assets | | 總流動資產 | 201,348 | 200,276 |
| CURRENT LIABILITIES | | 流動負債 | | |
| Accrued liabilities | | 應計負債 | 1,971 | 720 |
| Interest-bearing bank borrowings | 27 | 付息銀行貸款 | 161,333 | 161,333 |
| Total current liabilities | | 總流動負債 | 163,304 | 162,053 |
| Net current assets | | 流動資產淨額 | 38,044 | 38,223 |
| Total assets less current liabilities | | 總資產減流動負債 | 938,021 | 1,449,510 |
| NON-CURRENT LIABILITIES | | 非流動負債 | | |
| Interest-bearing bank borrowings | 27 | 付息銀行貸款 | 76,667 | 238,000 |
| Net assets | | 淨資產 | 861,354 | 1,211,510 |
| EQUITY | | 權益 | | |
| Issued capital | 29 | 已發行股本 | 66,730 | 66,360 |
| Reserves | 31(b) | 儲備 | 447,582 | 853,164 |
| Proposed final dividend | 11 | 擬派末期股息 | 347,042 | 291,986 |
| Total equity | | 總權益 | 861,354 | 1,211,510 |

Poon Bun Chak
Director

Ting Kit Chung
Director

董事
潘彬澤

董事
丁傑忠

ANNUAL REPORT 2010 二零一零年年報

1. CORPORATE INFORMATION

Texwinca Holdings Limited is a limited liability company incorporated in Bermuda. The registered office of the Company is located at Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda. The principal place of business of Texwinca Holdings Limited is located at 16th Floor, Metroplaza, Tower II, 223 Hing Fong Road, Kwai Chung, New Territories, Hong Kong.

During the year, the Group was involved in the following principal activities:

- Production, dyeing and sale of knitted fabric and yarn;
- Retailing and distribution of casual apparel and accessory;
- Provision of franchise services; and
- Provision of repair and maintenance services for motor vehicles.

These financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”) (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (“HKASs”) and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants, accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for investment properties, certain leasehold land and buildings included in property, plant and equipment, and derivative financial instruments, which have been measured at fair value. These financial statements are presented in Hong Kong dollars (“HK\$”) and all values are rounded to the nearest thousand except when otherwise indicated.

Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries for the year ended 31 March 2010. Adjustments are made to bring into line any dissimilar accounting policies that may exist. The results of subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases. All income, expenses and unrealised gains and losses resulting from intercompany transactions and intercompany balances within the Group are eliminated on consolidation in full.

1. 公司資料

德永佳集團有限公司為百慕達註冊成立之有限公司，本公司之註冊辦事處為Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda。德永佳集團有限公司主要營業地址為香港新界葵涌興芳路223號新都會廣場第二座十六樓。

於本年度，本集團主要經營以下業務：

- 針織布及棉紗之產銷及整染；
- 便服及飾物之零售及分銷；
- 提供特許經營服務；及
- 提供汽車維修及保養服務。

本財務報表乃根據香港會計師公會頒佈之香港財務報告準則(包括所有香港財務報告準則、香港會計準則及詮釋)、香港一般公認會計原則及香港公司條例之披露要求所編製而成。除投資物業、部份包括在物業、廠房及設備內的租賃土地及樓宇及衍生金融工具按公允值計算外，本財務報表乃依照原始成本會計慣例所編製。除另有註明外，本財務報表乃以港幣(「港幣」)呈列，所有數值均四捨五入至千位數。

綜合基準

綜合財務報表包括本公司及其附屬公司截至二零一零年三月三十一日止年度之財務報表。經已作出調整以使任何可能存在之不同會計政策一致。附屬公司之業績由收購日，即本集團獲得控制權之日起綜合，直至有關控制權終止之日為止。所有本集團公司之間交易引致的收入、支出及未實現損益及本集團公司之間結餘均在綜合時全數對銷。

2.1 BASIS OF PREPARATION (continued)

Minority interests represent the interests of outside shareholders not held by the Group in the results and net assets of the Company's subsidiaries.

2.2 CHANGES IN ACCOUNTING POLICY AND DISCLOSURES

The Group has adopted the following new and revised HKFRSs for the first time for the current year's financial statements.

| | |
|--------------------------------|--|
| HKFRS 1 and HKAS 27 Amendments | Amendments to HKFRS 1 First-time Adoption of HKFRSs and HKAS 27 Consolidated and Separate Financial Statements – Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate |
| HKFRS 2 Amendments | Amendments to HKFRS 2 Share-based Payment – Vesting Conditions and Cancellations |
| HKFRS 7 Amendments | Amendments to HKFRS 7 Financial Instruments: Disclosures – Improving Disclosures about Financial Instruments |
| HKFRS 8 | Operating Segments |
| HKAS 1 (Revised) | Presentation of Financial Statements |
| HKAS 18 Amendment* | Amendment to Appendix to HKAS 18 Revenue – Determining whether an entity is acting as a principal or as an agent |
| HKAS 23 (Revised) | Borrowing Costs |
| HKAS 32 and HKAS 1 Amendments | Amendments to HKAS 32 Financial Instruments: Presentation and HKAS 1 Presentation of Financial Statements – Puttable Financial Instruments and Obligations Arising on Liquidation |

2.1 編製基準 (續)

少數股東權益指非本集團持有之外界股東佔本公司附屬公司業績及淨資產之權益。

2.2 會計政策及披露之變動

本集團已就本年度之財務報表首次採納下列新訂及經修訂香港財務報告準則。

| | |
|------------------------------|---|
| 香港財務報告準則第1號及香港會計準則第27號 (修訂本) | 香港財務報告準則第1號首次採納香港財務報告準則及香港會計準則第27號綜合及獨立財務報表 – 於一間附屬公司、共同控權實體或聯營公司之投資成本之修訂 |
| 香港財務報告準則第2號 (修訂本) | 香港財務報告準則第2號以股份支付之付款 – 歸屬條件及註銷之修訂 |
| 香港財務報告準則第7號 (修訂本) | 香港財務報告準則第7號金融工具：披露 – 對金融工具披露之改進之修訂 |
| 香港財務報告準則第8號 | 營運分類 |
| 香港會計準則第1號 (經修訂) | 財務報表之呈列 |
| 香港會計準則第18號 (修訂本)* | 香港會計準則第18號附錄收入 – 釐定實體是否擔任當事人或代理之修訂 |
| 香港會計準則第23號 (經修訂) | 借貸成本 |
| 香港會計準則第32號及香港會計準則第1號 (修訂本) | 香港會計準則第32號金融工具：呈列及香港會計準則第1號財務報表呈列 – 可認沽金融工具及清盤時產生的責任之修訂 |

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2.2 CHANGES IN ACCOUNTING POLICY AND DISCLOSURES (continued)

HK(IFRIC)-Int 9 and HKAS 39 Amendments
Amendments to HK(IFRIC)-Int 9 Reassessment of Embedded Derivatives and HKAS 39 Financial Instruments: Recognition and Measurement – Embedded Derivatives

HK(IFRIC)-Int 13 Customer Loyalty Programmes

HK(IFRIC)-Int 15 Agreements for the Construction of Real Estate

HK(IFRIC)-Int 16 Hedges of a Net Investment in a Foreign Operation

HK(IFRIC)-Int 18 Transfers of Assets from Customers (adopted from 1 July 2009)

Improvements to HKFRSs (October 2008)** Amendments to a number of HKFRSs

* Included in Improvements to HKFRSs 2009 (as issued in May 2009).

** The Group adopted all the improvements to HKFRSs issued in October 2008 except for the amendments to HKFRS 5 Non-current Assets Held for Sale and Discontinued Operations – Plan to sell the controlling interest in a subsidiary as they are effective for annual periods beginning on or after 1 July 2009.

Other than as further explained below regarding the impact of HKAS 1 (Revised) and HKFRS 8, the adoption of these new and revised HKFRSs has had no significant financial effect on these financial statements and there have been no significant changes to the accounting policies applied in these financial statements.

2.2 會計政策及披露之變動(續)

香港(國際財務報告詮釋委員會)– 詮釋第9號及香港會計準則第39號(修訂本) 香港(國際財務報告詮釋委員會)– 詮釋第9號 重新評估嵌入式衍生工具及香港會計準則第39號金融工具：確認及計量– 嵌入式衍生工具之修訂

香港(國際財務報告詮釋委員會)– 詮釋第13號 客戶忠誠計劃

香港(國際財務報告詮釋委員會)– 詮釋第15號 房地產建造協議

香港(國際財務報告詮釋委員會)– 詮釋第16號 於海外業務的投資淨額對沖

香港(國際財務報告詮釋委員會)– 詮釋第18號 自客戶轉入資產(自二零零九年七月一日起採納)

香港財務報告準則之改進(二零零八年十月)** 若干香港財務報告準則之修訂

* 包含於二零零九年香港財務報告準則之改進(如二零零九年五月所頒佈)。

** 本集團採納於二零零八年十月頒佈之所有香港財務報告準則改進，惟香港財務報告準則第5號「持作可供出售之非流動資產及已終止業務– 計劃出售於附屬公司之控股權益」之修訂，該修訂於二零零九年七月一日或之後開始之年度期間生效。

除如下文所進一步闡釋有關香港會計準則第1號(經修訂)及香港財務報告準則第8號外，採納該等新訂及經修訂香港財務報告準則並無對本財務報表產生重大財務影響，而於本財務報表內採納之會計政策並無重大變動。

2.2 CHANGES IN ACCOUNTING POLICY AND DISCLOSURES (continued)

HKAS 1 (Revised) introduces changes in the presentation and disclosures of financial statements. The revised standard separates owner and non-owner changes in equity. The statement of changes in equity includes only details of transactions with owners, with all non-owner changes in equity presented as a single line. In addition, this standard introduces the statement of comprehensive income, with all items of income and expense recognised in profit or loss, together with all other items of recognised income and expense recognised directly in equity, either in one single statement, or in two linked statements. The Group has elected to present two statements.

HKFRS 8, which replaces HKAS 14 *Segment Reporting*, specifies how an entity should report information about its operating segments, based on information about the components of the entity that is available to the chief operating decision maker for the purposes of allocating resources to the segments and assessing their performance. The standard also requires the disclosure of information about the products and services provided by the segments, the geographical areas in which the Group operates, and revenue from the Group's major customers. The Group concluded that the operating segments determined in accordance with HKFRS 8 are the same as the business segments previously identified under HKAS 14.

2.2 會計政策及披露之變動(續)

香港會計準則第1號(經修訂)引入呈列及披露財務報表之改變。該經修訂準則分開呈列擁有人與非擁有人之權益變動。權益變動表將僅載入與擁有人交易之詳情，而所有非擁有人權益變動作為一項獨立項目呈列。此外，該經修訂準則新增全面利潤表，可於單一報表或兩份相關連報表呈報於損益內確認之所有收支項目及直接於權益內確認之所有已確認其他收支項目。本集團選擇呈列兩份報表。

香港財務報告準則第8號取代香港會計準則第14號分類呈報，闡明實體應如何呈報營運分類資料，即根據主要經營決策者分配資源及評估各分類之表現時使用之組成部份之資料呈報。該準則亦規定須披露有關分類所提供產品及服務、本集團經營地區及來自本集團主要客戶收入之資料。本集團認為按香港財務報告準則第8號釐定的營運分類與原先根據香港會計準則第14號所劃分之業務分類一致。

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2.3 ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS

The Group has not applied the following new and revised HKFRSs, that have been issued but are not yet effective, in these financial statements.

| | |
|-----------------------------|---|
| HKFRS 1 (Revised) | First-time Adoption of Hong Kong Financial Reporting Standards ¹ |
| HKFRS 1 Amendments | Amendments to HKFRS 1 First-time Adoption of Hong Kong Financial Reporting Standards – Additional Exemptions for First-time Adopters ² |
| HKFRS 1 Amendment | Amendment to HKFRS 1 First-time Adoption of Hong Kong Financial Reporting Standards – Limited Exemption from Comparative HKFRS 7 Disclosures for the First-time Adopters ⁴ |
| HKFRS 2 Amendments | Amendments to HKFRS 2 Share-based Payment – Group Cash-settled Share-based Payment Transactions ² |
| HKFRS 3 (Revised) | Business Combinations ¹ |
| HKFRS 9 | Financial Instruments ⁶ |
| HKAS 24 (Revised) | Related Party Disclosures ⁵ |
| HKAS 27 (Revised) | Consolidated and Separate Financial Statements ¹ |
| HKAS 32 Amendment | Amendment to HKAS 32 Financial Instruments: Presentation – Classification of Rights Issues ³ |
| HKAS 39 Amendment | Amendment to HKAS 39 Financial Instruments: Recognition and Measurement – Eligible Hedged Items ⁴ |
| HK(IFRIC)-Int 14 Amendments | Amendments to HK(IFRIC)-Int 14 Prepayments of a Minimum Funding Requirement ⁵ |

2.3 已頒佈但尚未生效之香港財務報告準則

本集團並無於本財務報表中應用下列已頒佈，但尚未生效之新訂及經修訂香港財務報告準則。

| | |
|-----------------------------|---|
| 香港財務報告準則第1號(經修訂) | 首次採納香港財務報告準則 ¹ |
| 香港財務報告準則第1號(修訂本) | 香港財務報告準則第1號首次採納香港財務報告準則—首次採用者之額外豁免之修訂 ² |
| 香港財務報告準則第1號(修訂本) | 香港財務報告準則第1號首次採納香港財務報告準則—首次採納香港財務報告準則第7號之披露對比較數字之有限度豁免之修訂 ⁴ |
| 香港財務報告準則第2號(修訂本) | 香港財務報告準則第2號基於股權之支付—集團以現金結算之基於股權支付之交易之修訂 ² |
| 香港財務報告準則第3號(經修訂) | 業務合併 ¹ |
| 香港財務報告準則第9號 | 金融工具 ⁶ |
| 香港會計準則第24號(經修訂) | 關連人士披露 ⁵ |
| 香港會計準則第27號(經修訂) | 綜合及獨立財務報表 ¹ |
| 香港會計準則第32號(修訂本) | 香港會計準則第32號金融工具：呈列—供股分類之修訂 ³ |
| 香港會計準則第39號(修訂本) | 香港會計準則第39號金融工具：確認及計量—合資格對沖工具之修訂 ⁴ |
| 香港(國際財務報告詮釋委員會)—詮釋第14號(修訂本) | 香港(國際財務報告詮釋委員會)詮釋第14號預先支付最低資金要求之修訂 ⁵ |

2.3 ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS*(continued)*

| | |
|---|---|
| HK(IFRIC)-Int 17 | Distributions of Non-cash Assets to Owners ¹ |
| HK(IFRIC)-Int 19 | Extinguishing Financial Liabilities with Equity Instruments ⁴ |
| Amendments to HKFRS 5 included in Improvements to HKFRSs issued in October 2008 | Amendments to HKFRS 5 Non-current Assets Held for Sale and Discontinued Operations – Plan to sell the controlling interest in a subsidiary ¹ |
| HK Interpretation 4 (Revised in December 2009) | Leases – Determination of the Length of Lease Term in respect of Hong Kong Land Leases ² |

Apart from the above, the HKICPA has issued Improvements to HKFRSs 2009 and 2010 which sets out amendments to a number of HKFRSs primarily with a view to removing inconsistencies and clarifying wording. The amendments to HKFRS 2, HKAS 38, HK(IFRIC)-Int 9 and HK(IFRIC)-Int 16 are effective for annual periods beginning on or after 1 July 2009 while the amendments to HKFRS 5, HKFRS 8, HKAS 1, HKAS 7, HKAS 17, HKAS 36 and HKAS 39 are effective for annual periods beginning on or after 1 January 2010 although there are separate transitional provisions for each standard or interpretation. The amendments to HKFRS 3 and transition requirements for amendments arising as a result of HKAS 27 are effective for annual periods beginning on or after 1 July 2010 while the amendments to HKFRS 1, HKFRS 7, HKAS 1, HKAS 34 and HK(IFRIC)-Int 13 are effective for annual periods beginning on or after 1 January 2011.

2.3 已頒佈但尚未生效之香港財務報告準則(續)

| | |
|--|--|
| 香港(國際財務報告 詮釋委員會)– 詮釋第17號 | 向擁有人分派非現金 資產 ¹ |
| 香港(國際財務報告 詮釋委員會)– 詮釋第19號 | 以權益工具抵銷金融 負債 ⁴ |
| 香港財務報告準則 第5號(修訂本) (包括在二零零八年 十月頒佈之香港 財務報告準則之 改進) | 香港財務報告準則第5號 持作出售之非流動資產 及已終止業務–計劃出 售於一間附屬公司之控 股權益之修訂 ¹ |
| 香港詮釋第4號 (於二零零九年 十二月經修訂) | 租賃–釐定香港土地 租賃之租賃年期 ² |

除了上述披露者外，香港會計師公會已頒佈香港財務報告準則二零零九年及二零一零年之改進，其中載有對多條香港財務報告準則之修訂，主要旨在消除不一致及澄清措詞。香港財務報告準則第2號、香港會計準則第38號、香港(國際財務報告詮釋委員會)–詮釋第9號及香港(國際財務報告詮釋委員會)–詮釋第16號之修訂於二零零九年七月一日或之後開始之年度期間生效，而香港財務報告準則第5號、香港財務報告準則第8號、香港會計準則第1號、香港會計準則第7號、香港會計準則第17號、香港會計準則第36號及香港會計準則第39號之修訂於二零一零年一月一日或之後開始之年度期間生效，惟各準則或詮釋均有其個別過渡性條文。香港財務報告準則第3號之修訂及因香港會計準則第27號而產生修訂之過渡性要求於二零一零年七月一日或之後開始年度期間生效，而香港財務報告準則第1號、香港財務報告準則第7號、香港會計準則第1號、香港會計準則第34號及香港(國際財務報告詮釋委員會)–詮釋第13號之修訂則於二零一一年一月一日或之後開始年度期間生效。

2.3 ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS

(continued)

- ¹ Effective for annual periods beginning on or after 1 July 2009
- ² Effective for annual periods beginning on or after 1 January 2010
- ³ Effective for annual periods beginning on or after 1 February 2010
- ⁴ Effective for annual periods beginning on or after 1 July 2010
- ⁵ Effective for annual periods beginning on or after 1 January 2011
- ⁶ Effective for annual periods beginning on or after 1 January 2013

The Group is in the process of making an assessment of the impact of these new and revised HKFRSs upon initial application. So far, the Group considers that these new and revised HKFRSs are unlikely to have a significant impact on the Group's results of operations and financial position.

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Subsidiaries

A subsidiary is an entity whose financial and operating policies the Company controls, directly or indirectly, so as to obtain benefits from its activities.

The results of subsidiaries are included in the Company's income statement to the extent of dividends received and receivable. The Company's interests in subsidiaries are stated at cost less any impairment losses.

Associates

An associate is an entity, not being a subsidiary, in which the Group has a long term interest of generally not less than 20% of the equity voting rights and over which it is in a position to exercise significant influence.

The Group's share of the post-acquisition results and reserves of an associate is included in the consolidated income statement and consolidated reserves, respectively. The Group's interest in an associate is stated in the consolidated statement of financial position at the Group's share of net assets under the equity method of accounting, less any impairment losses. Unrealised gains and losses resulting from transactions between the Group and its associate is eliminated to the extent of the Group's interests in the associate, except where unrealised losses provide evidence of an impairment of the asset transferred. Adjustments are made to bring into line any dissimilar accounting policies that may exist.

2.3 已頒佈但尚未生效之香港財務報告準則(續)

- ¹ 於二零零九年七月一日或之後開始之年度期間生效
- ² 於二零一零年一月一日或之後開始之年度期間生效
- ³ 於二零一零年二月一日或之後開始之年度期間生效
- ⁴ 於二零一零年七月一日或之後開始之年度期間生效
- ⁵ 於二零一一年一月一日或之後開始之年度期間生效
- ⁶ 於二零一三年一月一日或之後開始之年度期間生效

本集團正在評估首次採納該等新訂及經修訂香港財務報告準則之影響。至今，本集團認為該等新訂及經修訂香港財務報告準則不大可能對本集團之經營業績及財務狀況有重大影響。

2.4 主要會計政策的概要

附屬公司

附屬公司乃本公司直接或間接地控制其財務及營運政策之實體，藉以從其業務得益。

附屬公司之業績計入本公司利潤表內，以已收及應收股息為限。本公司於附屬公司權益按原值入賬，撇減任何減值損失。

聯營公司

聯營公司乃附屬公司以外之實體，本集團長期持有其實質擁有投票權一般不少於20%及足以對其行使重大影響力之公司。

本集團應佔聯營公司收購日後之業績及儲備，已分別列入綜合利潤表及綜合儲備內。而本集團於聯營公司權益則按本集團應佔之淨資產按權益法計算減去任何減值損失，列入綜合財務狀況表內。本集團與其聯營公司之間的交易而產生的未實現損益在本集團的聯營公司權益中對銷，除非有未實現虧損證明所轉讓資產出現減值。本報表經已作出調整以使任何可能存在之不同會計政策一致。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Goodwill

Goodwill arising on the acquisition of subsidiaries and an associate represents the excess of the cost of the business combination over the Group's interest in the net fair value of the acquirees' identifiable assets acquired, and liabilities and contingent liabilities assumed as at the date of acquisition.

Goodwill previously eliminated against the consolidated retained profits

Prior to the adoption of HKICPA's Statement of Standard Accounting Practice 30 "Business Combinations" ("SSAP 30") in 2001, goodwill arising on acquisition was eliminated against consolidated retained profits in the year of acquisition. On the adoption of HKFRS 3, such goodwill remains eliminated against the consolidated retained profits and is not recognised in the income statement when all or part of the business to which the goodwill relates is disposed of or when a cash-generating unit to which the goodwill relates becomes impaired.

Impairment of non-financial assets other than goodwill

Where an indication of impairment exists, or when annual impairment testing for an asset is required (other than inventories, financial assets, investment properties and goodwill), the asset's recoverable amount is estimated. An asset's recoverable amount is the higher of the asset's or cash-generating unit's value in use and its fair value less costs to sell, and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case the recoverable amount is determined for the cash-generating unit to which the asset belongs.

An impairment loss is recognised only if the carrying amount of an asset exceeds its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. An impairment loss is charged to the income statement in the period in which it arises, unless the asset is carried at a revalued amount, in which case the impairment loss is accounted for in accordance with the relevant accounting policy for that revalued asset.

2.4 主要會計政策的概要(續)

商譽

收購附屬公司及聯營公司所產生之商譽指業務合併成本超逾本集團所佔於收購日期所接收之可識別資產與承擔的負債和或有負債之公允值淨額之差額。

過往於綜合保留溢利中撇銷之商譽

於二零零一年採納香港會計師公會之會計實務準則第30號「企業合併」前，因收購所產生之商譽乃於收購年度與綜合保留溢利撇銷。於採納香港財務報告準則第3號後，該等商譽仍於綜合保留溢利撇銷，且於與商譽有關之全部或部分業務被出售或與商譽有關之現金產生單位出現減值時亦不會於利潤表中確認。

除商譽外非金融資產減值

倘有跡象顯示出現減值或須就資產進行年度減值測試(存貨、金融資產、投資物業及商譽除外)，則會估計資產之可收回金額。資產之可收回金額按資產或產生現金單位的使用價值或公允值減出售成本的較高者而計算，並就個別資產而釐定，除非有關資產並無產生大致上獨立於其他資產或資產組別之現金流量，在此情況下，可收回金額就資產所屬的現金產生單位而釐定。

只有當資產之賬面值超逾其可收回金額時始會確認減值虧損。於評估使用價值時，估計未來現金流量按可反映現時市場評估之貨幣時間價值及資產特定風險之稅前貼現率貼現至現值。減值虧損乃於產生期內從利潤表中扣除，惟倘資產乃按重估金額入賬，則須按照重估資產所適用之有關會計政策處理減值虧損。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Impairment of non-financial assets other than goodwill (continued)

An assessment is made at the end of each reporting period as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such an indication exists, the recoverable amount is estimated. A previously recognised impairment loss of an asset other than goodwill and certain financial assets is reversed only if there has been a change in the estimates used to determine the recoverable amount of that asset, but not to an amount higher than the carrying amount that would have been determined (net of any depreciation/amortisation) had no impairment loss been recognised for the asset in prior years. A reversal of such an impairment loss is credited to the income statement in the period in which it arises, unless the asset is carried at a revalued amount, in which case the reversal of the impairment loss is accounted for in accordance with the relevant accounting policy for that revalued asset.

Related parties

A party is considered to be related to the Group if:

- (a) the party, directly or indirectly through one or more intermediaries, (i) controls, is controlled by, or is under common control with, the Group; (ii) has an interest in the Group that gives it significant influence over the Group; or (iii) has joint control over the Group;
- (b) the party is an associate;
- (c) the party is a member of the key management personnel of the Group or the Company;
- (d) the party is a close member of the family of any individual referred to in (a) or (c);
- (e) the party is an entity that is controlled, jointly controlled or significantly influenced by or for which significant voting power in such entity resides with, directly or indirectly, any individual referred to in (c) or (d); or
- (f) the party is a post-employment benefit plan for the benefit of the employees of the Group, or of any entity that is a related party of the Group.

2.4 主要會計政策的概要(續)

除商譽外非金融資產減值(續)

於各報告期末均評估有否跡象顯示以往確認之減值虧損可能不再存在或已減少。如存在該等跡象，則須估計可收回金額。過往已獲確認，除(商譽及某些金融資產除外)之資產減值虧損僅會於可收回金額釐定基準出現變動時方予撥回過去已確認的減值虧損。撥回之結果不會令該金額高於倘該資產往年並無確認減值虧損，惟扣除任何折舊／攤銷後而釐訂之賬面值。獲撤銷之減值虧損乃於產生期內貸記於利潤表內，惟倘有關資產乃按重估金額列賬，則須按照以往重估資產所適用之有關會計政策處理獲撤銷之減值虧損。

關連人士

在下列情況下，有關人士將視為本集團之關連人士：

- (a) 有關人士直接或透過一名或多名中介人間接：(i)控制本集團、受控於本集團或與本集團共同受控制；(ii)其於本集團之權益使其得以對本集團發揮重大影響力；或(iii)與他人共同擁有本集團之控制權；
- (b) 有關人士為一間聯營公司；
- (c) 有關人士為本集團或本公司之主要管理人員；
- (d) 有關人士為(a)或(c)項所述人士之家庭成員；
- (e) 有關人士為(c)或(d)所指之任何人士所直接或間接控制、與他人共同控制或能對其發揮影響力或於當中行使重大投票權之實體；或
- (f) 有關人士為就本集團或屬於本集團關連人士的任何實體為僱員利益而設立的受僱後福利計劃。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Property, plant and equipment and depreciation

Property, plant and equipment, other than investment properties and construction in progress, are stated at cost or valuation less accumulated depreciation and any impairment losses. The cost of an item of property, plant and equipment comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use. Expenditure incurred after items of property, plant and equipment have been put into operation, such as repairs and maintenance, is normally charged to the income statement in the period in which it is incurred. In situations where the recognition criteria are satisfied, the expenditure for a major inspection is capitalised in the carrying amount of the asset as a replacement. Where significant parts of property, plant and equipment are required to be replaced at intervals, the Group recognises such parts as individual assets with specific useful lives and depreciation.

Changes in the values of property, plant and equipment are dealt with as movements in the asset revaluation reserve. If the total of this reserve is insufficient to cover a deficit, on an individual asset basis, the excess of the deficit is charged to the income statement. Any subsequent revaluation surplus is credited to the income statement to the extent of the deficit previously charged. On disposal of a revalued asset, the relevant portion of the asset revaluation reserve realised in respect of previous valuations is transferred to retained profits as a movement in reserves.

2.4 主要會計政策的概要(續)

物業、廠房及設備與折舊

除投資物業及在建工程外，物業、廠房及設備均按成本或估值減累計折舊及減值虧損入賬。物業、廠房及設備之成本包括其購入價及將資產達至運作狀況及地點以作其計劃用途所產生之任何直接應計成本。物業、廠房及設備投入運作後之開支，如維修及保養之費用，一般在產生期間於利潤表中扣除。倘確認條件達標，相關主要檢查費用可按撥充資本計入作為重置之資產賬面值。倘大部份物業、廠房及設備須不時重置，本集團確認該部份為個別具有特定使用年期及折舊之資產。

物業、廠房及設備價值之變動計入資產重估儲備。如儲備總額不足以抵銷(按個別資產為基準的)減值，則該差額會於利潤表內扣除。之後任何估值溢價也直接貸記於利潤表內，直至完全抵銷以往反映於利潤表的不足額為止。於出售已重估之資產時，過往估值列入資產重估儲備賬內之相關部份須變現及轉撥至保留溢利作儲備變動。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Property, plant and equipment and depreciation (continued)

Depreciation is calculated on the straight-line basis to write off the cost or valuation of each item of property, plant and equipment to its residual value over its estimated useful life. The estimated useful lives used for this purpose are as follows:

| | |
|--|--|
| Leasehold land and buildings | 25 years or over the remaining lease terms, whichever is shorter |
| Leasehold improvements | Over the remaining lease terms |
| Plant and machinery | 10-20 years |
| Furniture, fixtures and office equipment | 5 years |
| Motor vehicles | 5 years |
| Yacht | 5 years |

Where parts of an item of property, plant and equipment have different useful lives, the cost or valuation of that item is allocated on a reasonable basis among the parts and each part is depreciated separately.

Residual values, useful lives and the depreciation method are reviewed, and adjusted if appropriate, at least at each financial year end.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on disposal or retirement recognised in the income statement in the year the asset is derecognised is the difference between the net sales proceeds and the carrying amount of the relevant asset.

Construction in progress

Construction in progress represents a building under construction, which is stated at cost less any impairment losses, and is not depreciated. Cost comprises the direct costs of construction. Construction in progress is reclassified to the appropriate category of property, plant and equipment when completed and ready for use.

2.4 主要會計政策的概要(續)

物業、廠房及設備與折舊(續)

折舊之計算方法乃按個別物業、廠房及設備之估計可使用年期以直線法撇銷其成本或估值至剩餘價值。就此目的而估計之可使用年期如下：

| | |
|-------------|---------------------|
| 租賃土地及樓宇 | 25年或按餘下之租賃年期，按其中較短者 |
| 租賃樓宇裝修 | 按餘下之租賃年期 |
| 廠房及機械 | 10-20年 |
| 傢俬、裝置及辦公室設備 | 5年 |
| 汽車 | 5年 |
| 遊艇 | 5年 |

倘一項物業、廠房及設備之不同部份擁有不同之可使用年期，該項目之成本或估值按合理基準分配於其各部份，並單獨計提其折舊。

剩餘價值、可使用年期和折舊方法最少於每個財政年度末進行檢討和適當修正。

物業、廠房及設備項目於出售或預期使用或出售該項目將不會帶來未來經濟利益時終止確認。於資產終止確認之年度於利潤表確認之任何出售或報廢之損益，為銷售所得款項淨額與相關資產賬面值之差額。

在建工程

在建工程指興建中之樓宇，乃按成本減任何減值虧損列賬，且不予折舊。成本為直接建築成本。當在建工程完工及可作使用時會重新分類至適當之物業、廠房及設備類別。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investment properties

Investment properties are interests in land and buildings (including the leasehold interest under an operating lease for property which would otherwise meet the definition of an investment property) held to earn rental income and/or for capital appreciation, rather than for use in the production or supply of goods or services or for administrative purposes; or for sale in the ordinary course of business. Such properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at fair value, which reflects market conditions at the end of the reporting period.

Gains or losses arising from changes in the fair values of investment properties are included in the income statement in the year in which they arise.

Any gains or losses on the retirement or disposal of an investment property are recognised in the income statement in the year of the retirement or disposal.

For a transfer from investment properties to owner-occupied properties, the deemed cost of property for subsequent accounting is its fair value at the date of change in use. If the property occupied by the Group as an owner-occupied property becomes an investment property, the Group accounts for such property in accordance with the policy stated under "Property, plant and equipment and depreciation" up to the date of change in use, and any difference at that date between the carrying amount and the fair value of the property is accounted for as a revaluation in accordance with the policy stated under "Property, plant and equipment and depreciation" above.

Trademarks

The useful lives of trademarks are assessed to be indefinite. Trademarks with indefinite useful lives are tested for impairment annually either individually or at the cash-generating unit level and are not amortised. The useful life of trademark with an indefinite life is reviewed annually to determine whether indefinite life assessment continues to be supportable. If not, the change in the useful life assessment from indefinite to finite is accounted for on a prospective basis.

2.4 主要會計政策的概要(續)

投資物業

投資物業指持有土地及樓宇權益作賺取租金收入及／或資本增值用途，而非用於生產或供應貨物或服務或作行政用途；或作一般業務過程中出售用途（包括在此情況以外符合投資物業定義之物業經營租賃項下之租賃權益）。該等物業初步按成本，包括交易成本，列賬。於初步確認後，投資物業乃按反映於報告期末之市場狀況之公允值列賬。

因投資物業公允值變更產生之損益於其產生年度計入利潤表。

投資物業報廢或出售產生之損益於其報廢或出售年度於利潤表確認。

當投資物業轉撥為業主佔用之物業時，改變用途當日之公允值視作為於期後會計時所用之物業成本。倘本集團以業主佔用物業成為投資物業，則本集團將根據「物業、廠房及設備與折舊」所述之政策將該物業入賬，直至更改用途日為止，而該物業當日之賬面值與公允值之差額，則根據上述「物業、廠房及設備與折舊」所述之政策重估入帳。

商標

商標的可用年限已評估為無盡。無盡年限的商標每年以個別或產生現金流的單位層面作減值測試，並無須作出攤銷。無盡年限的商標每年作出檢討，以確定有關無盡年限的評估是否繼續成立。否則，由無盡年限改作有盡年限的變更，將影響未來的會計處理。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Operating leases

Leases where substantially all the rewards and risks of ownership of assets remain with the lessor are accounted for as operating leases. Where the Group is the lessor, assets leased by the Group under operating leases are included in non-current assets, and rentals receivable under the operating leases are credited to the income statement on the straight-line basis over the lease terms. Where the Group is the lessee, rentals payable under the operating leases are charged to the income statement on the straight-line basis over the lease terms.

Prepaid land lease payments under operating leases are initially stated at cost and subsequently recognised on the straight-line basis over the lease terms. When the lease payments cannot be allocated reliably between the land and buildings elements, the entire lease payments are included in the cost of the land and buildings as a finance lease in property, plant and equipment.

Inventories

Inventories are stated at the lower of cost and net realisable value. For fabric and yarn, cost is determined on a weighted average basis and, for work in progress and finished goods, cost comprises direct materials, direct labour and an appropriate proportion of overheads. For casual apparel and accessory, cost is determined on a weighted average basis and includes all costs of purchases and other costs incurred in bringing the inventories to their present location and condition. Net realisable value is based on estimated selling prices less further costs expected to be incurred to completion and disposal or to make the sale.

Derivative financial instruments

The Group uses derivative financial instruments to hedge its foreign currency risk. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as assets when the fair value is positive and as liabilities when the fair value is negative.

Any gains or losses arising from changes in fair value of derivatives are taken directly to the income statement.

2.4 主要會計政策的概要(續)

經營租賃

凡出租人仍保留資產擁有權之絕大部分收益及風險之租賃，均以經營租賃入賬。倘本集團為出租人，本集團按經營租賃出租之資產列作非流動資產及該等經營租賃之應收租金乃按租賃年期，以直線法貸記於利潤表內。倘本集團為承租人，則按經營租賃應付之租金按租賃年期以直線法於利潤表中扣除。

經營租賃項下之預付土地租賃款初步按成本列賬，期後按直線法於租賃期內確認。倘租賃款項不能可靠地分配至土地及樓宇部份，則所有租賃款項均計入土地及樓宇成本作為物業、廠房及設備之融資租賃。

存貨

存貨乃按成本或可變現淨值兩者之較低者入賬。布和紗方面，成本乃按加權平均法計算，而半成品及成品之成本則包括直接材料、直接工資及適當比例之間接費用。便服及飾物之成本則以加權平均法計算，並包括所有購進費用及其他將存貨送達至目前地點及狀況之成本。可變現淨值乃根據估計售價減去預計完成及出售所需之額外成本計算。

衍生金融工具

本集團運用衍生金融工具，以對沖其外匯風險。該等衍生金融工具原初按安排合約日期的公允值確認入賬，之後按其後的公允值重新計量。當衍生工具的公允值為正數，則計入資產，若其公允值為負數，則計入負債。

任何公允值轉變引致的損益，須直接計入於利潤表中。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investments and other financial assets Initial recognition and measurement

The Group determines the classification of its financial assets at initial recognition when financial assets are recognised initially, they are measured at fair value, plus, in the case of investments not at fair value through profit or loss, directly attributable transaction costs.

All regular way purchases and sales of financial assets are recognised on the trade date, that is, the date that the Group commits to purchase or sell the asset. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace.

The Group's financial assets include cash and cash equivalents, trade and bills receivables, held-to-maturity investments, other receivables, long term rental deposits and derivative financial instruments.

Subsequent measurement

The subsequent measurement of financial assets depends on their classification as follows:

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial measurement, such assets are subsequently measured at amortised cost using the effective interest rate method less any allowance for impairment. Amortised cost is calculated taking into account any discount or premium on acquisition and includes fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included in the income statement. The loss arising from impairment is recognised in the income statement.

2.4 主要會計政策的概要(續)

投資及其他金融資產 首次確認及計量

本集團於首次確認金融資產時將金融資產初始分類，以公允值計量，如非為按公允值列賬及變動計入損益之投資，則須另加直接應佔之交易成本。

所有常規買賣之金融資產概於交易日，即本集團承諾購買或出售該資產之日，確認。常規買賣乃指按市場規定或慣例普遍確立之期間內交收資產之金融資產買賣。

本集團之金融資產包括現金及現金等價物、應收賬款及應收票據、持至到期的投資、其他應收賬款、長期租金按金及衍生金融工具。

其後計量

金融資產按分類之其後計量如下：

貸款和應收款項

貸款和應收款項為具固定或可予釐定付款金額的非衍生工具金融資產，在活躍市場中並無報價。該等資產按實際利率法計算已攤銷成本，並扣除任何減值準備。已攤銷成本的計算已考慮購入時的折讓或溢價及包括構成實際利率不可或缺之部份的費用或成本。實際利率之攤銷將計入利潤表。減值所產生之虧損於利潤表確認。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investments and other financial assets (continued)

Held-to-maturity investments

Non-derivative financial assets with fixed or determinable payments and fixed maturity are classified as held-to-maturity investments when the Group has the positive intention and ability to hold to maturity. Held-to-maturity investments are subsequently measured at amortised cost less any allowance for impairment. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included in the income statement.

Impairment of financial assets

The Group assesses at the end of each reporting period whether there is any objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or a group of financial assets is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset (an incurred "loss event") and that loss event has an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated. Evidence of impairment may include indications that a debtor or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation and observable data indicating that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

2.4 主要會計政策的概要(續)

投資及其他金融資產(續)

持至到期的投資

當本集團有持至到期的意圖和能力，則具有固定或可釐定付款金額以及固定到期日的非衍生金融資產分類為持至到期的投資。持至到期的投資其後按已攤銷成本扣除任何減值準備計量。計算攤銷成本乃經計入收購時產生之任何折讓或溢價並加上(構成有效利率不可或缺之部份的)費用或成本。有效利率攤銷呈列於利潤表之內。

金融資產減值

本集團於各報告期末評估是否有客觀證據顯示一項金融資產或一組金融資產出現減值。一項金融資產或一組金融資產僅於有客觀證據顯示資產初步確認後，發生一件或多件事項(已發生的「虧損事項」)，且該虧損事項已對金融資產或一組金融資產能可靠估計之估計未來現金流量產生影響時，方被視作減值。減值之證據可包括一名債務人或一組債務人出現重大財政困難、怠慢或拖欠利息或本金付款、彼等可能面臨破產或其他財務重組，以及有可觀數據顯示估計未來現金流量出現可計量之減少，例如欠款之變動或與拖欠有關之經濟狀況。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Impairment of financial assets (continued)

Financial assets carried at amortised cost

For financial assets carried at amortised cost, the Group first assesses individually whether objective evidence of impairment exists for financial assets that are individually significant, or collectively for financial assets that are not individually significant. If the Group determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is, or continues to be, recognised are not included in a collective assessment of impairment.

If there is objective evidence that an impairment loss has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred). The present value of the estimated future cash flows is discounted at the financial asset's original effective interest rate (i.e., the effective interest rate computed at initial recognition). If a loan has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate.

The carrying amount of the asset is reduced either directly or through the use of an allowance account and the amount of the loss is recognised in the income statement. Interest income continues to be accrued on the reduced carrying amount and is accrued using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss. Loans and receivables together with any associated allowance are written off when there is no realistic prospect of future recovery.

If, in a subsequent period, the amount of the estimated loss increases or decreases because of an event occurring after the impairment was recognised, the previously recognised impairment loss is increased or reduced by adjusting the allowance account.

2.4 主要會計政策的概要(續)

金融資產減值(續)

按已攤銷成本入賬之資產

就按已攤銷成本列賬的金融資產而言，本集團首先會按個別基準就個別重大金融資產或按組合基準就個別非重大金融資產，評估是否存在客觀減值證據。倘本集團認定按個別基準經評估的金融資產(無論重大與否)並無客觀證據顯示存在減值，則該項資產會歸入一組具有相似信貸風險特性的金融資產內，並共同評估該組金融資產是否存在減值。經個別評估減值且其減值虧損已予確認或繼續確認入賬的資產不會納入集體減值評估之內。

倘有客觀證據顯示出現減值虧損，則虧損金額按該資產賬面值與估計未來現金流量(不包括未來出現的信貸虧損)現值的差額計量。估計未來現金流量的現值以金融資產的原始實際利率(即首次確認時計算的實際利率)貼現。倘貸款按浮動利率計息，則計量任何減值虧損的貼現率為現有實際利率。

資產賬面值直接或通過使用備抵賬目沖減，而虧損金額在利潤表中確認。利息收入按經沖減的賬面值持續累計，且採用計量減值虧損時用以貼現未來現金流量的利率累計。當未來可收回的實際機會不大，貸款及應收款項連同任何相關準備會被撇銷。

倘於以後期間，估計減值虧損的金額乃因減值確認後發生的事項增加或減少，則先前確認的減值虧損可通過調整備抵賬目而增減。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when:

- the rights to receive cash flows from the asset have expired; or
- the Group has transferred its rights to receive cash flows from the asset, or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a “pass-through” arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognised to the extent of the Group’s continuing involvement in the asset. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

2.4 主要會計政策的概要(續)

終止確認金融資產

在下列情況下，金融資產(或，如適用，一項金融資產之某一部份或一組類似金融資產之某一部份)將予終止確認：

- 自資產取得現金流量之權利已屆滿；或
- 本集團已轉讓自該資產取得現金流量之權利，或須遵守「轉付」安排於無重大延誤之情況下將有關現金流量全額付予第三方；並且(a)本集團已轉讓該資產之絕大部份風險及回報；或(b)本集團並無實質轉讓或保留該資產之所有風險及回報，但已轉讓該資產之控制權。

如本集團已轉讓自一項資產收取現金流量之權利或已訂立「轉付」安排，但並無轉讓或保留該資產之絕大部份風險及回報，亦無轉讓該資產之控制權，則該資產將按本集團繼續參與有關資產之程度確認。在該情況下，本集團亦確認相關負債。已轉讓資產及相關負債按反映本集團已保留之責任及負債之基準計量。以擔保方式繼續參與已轉讓資產之參與程度，按該資產之原賬面值或本集團可能被要求償還之代價之最高金額之較低者計量。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial liabilities

Initial recognition and measurement

Financial liabilities within the scope of HKAS 39 are classified as financial liabilities at fair value through profit or loss or loans and borrowings, as appropriate. The Group determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value and in the case of loans and borrowings, plus directly attributable transaction costs.

The Group's financial liabilities include trade and bills payables, due to an associate, other payables, derivative financial instruments and interest-bearing bank borrowings.

Subsequent measurement

The measurement of financial liabilities depends on their classification as follows:

Loans and borrowings

After initial recognition, interest-bearing bank borrowings are subsequently measured at amortised cost, using the effective interest method unless the effect of discounting would be immaterial, in which case they are stated at cost. Gains and losses are recognised in the income statement when the liabilities are derecognised as well as through the effective interest rate method amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included in finance costs in the income statement.

2.4 主要會計政策的概要(續)

金融負債

首次確認及計量

香港會計準則第39號所界定的金融負債可分類為以公允值於損益列賬的金融負債或貸款及借貸(視情況而定)。本集團於首次確認金融負債時釐定其分類。

所有金融負債於首次確認時以公允值計算，而貸款及借貸則另加直接應佔交易成本。

本集團的金融負債包括應付賬款及應付票據、其他應付賬款、衍生金融工具及附息銀行貸款。

其後計量

金融負債的計量視其分類如下：

貸款及借貸

於首次確認後，附息銀行貸款其後以實際利率法按攤銷成本計量，倘貼現的影響微不足道，在此情況下則按成本列賬。終止確認負債及透過實際利率法攤銷過程中產生的損益於利潤表中確認。

計算攤銷成本時會考慮收購所產生的任何折讓或溢價，亦包括構成實際利率不可或缺部份的費用或成本。實際利率攤銷計入利潤表中的財務費用。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled, or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and a recognition of a new liability, and the difference between the respective carrying amounts is recognised in the income statement.

Fair value of financial instruments

The fair value of financial instruments that are traded in active markets is determined by reference to quoted market prices or dealer price quotations (bid price for long positions and ask price for short positions), without any deduction for transaction costs. For financial instruments where there is no active market, the fair value is determined using appropriate valuation techniques. Such techniques include using recent arm's length market transactions; reference to the current market value of another instrument which is substantially the same; a discounted cash flow analysis; and other valuation models.

Income tax

Income tax comprises current and deferred tax. Income tax relating to items recognised outside profit or loss is recognised outside profit or loss, either in other comprehensive income or directly in equity.

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period, taking into consideration interpretations and practices prevailing in the countries in which the Group operates.

2.4 主要會計政策的概要(續)

終止確認金融負債

當負債責任獲解除或註銷或屆滿時，即終止確認金融負債。

倘現有金融負債由來自同一借方之另一筆金融負債替代，而其條款不大相同或現有負債之條款大幅修訂，則該變動或修訂被視作終止確認原有負債並確認新負債，而各賬面值間之差異則於利潤表中確認。

金融工具的公允值

在活躍市場中交易的金融工具的公允值參照市場報價或交易商報價(好倉買入價及淡倉賣出價)釐定，當中不扣除交易成本。就並無形成活躍市場的金融工具而言，其公允值乃運用合適估值方法釐定。該等方法包括利用近期的公平市場交易；參照其他大致相同的工具的現行市值；以及貼現現金流量分析及其他定價模式。

所得稅

所得稅包括當期及遞延稅項。與於損益以外確認之項目有關之所得稅，須於損益以外確認之其他全面利潤或直接於權益內確認。

本期或以往期間之即期稅項資產及負債，乃按預期可自稅務機關收回或須支付予稅務機關之金額，根據於報告期末當時已頒佈或實質上已頒佈之稅率(及稅務法律)計算，並會考慮本集團經營所在之國家當時之詮釋及守則。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Income tax (continued)

Deferred tax is provided, using the liability method, on all temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, except

- where the deferred tax liability arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of taxable temporary differences associated with investments in subsidiaries and associates, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, carryforward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carryforward of unused tax credits and unused tax losses can be utilised, except:

- where the deferred tax asset relating to the deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of deductible temporary differences associated with investments in subsidiaries and associates, deferred tax assets are only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

2.4 主要會計政策的概要(續)

所得稅(續)

遞延稅項乃以負債法計算，就於報告期末之資產及負債之稅項基礎及其用作財務報告用途之賬面值兩者間之所有暫時性差額計算撥備。

遞延稅項負債就所有應課稅暫時性差額予以確認入賬，惟下列者除外：

- 源於初次確認一項交易(並非一項業務合併)之資產或負債產生之遞延稅項負債，而於該項交易進行時概不影響會計溢利或應課稅損益者；及
- 源於投資於附屬公司及聯營公司所產生之應課稅暫時性差額，該暫時性差額之撥回可予控制，並可確定暫時性差額於可見之未來不會撥回者。

遞延稅項資產就所有可扣減暫時性差異，未使用稅項抵免及未使用稅項虧損予以確認，惟僅限於可確定有應課稅溢利以對銷可扣減暫時性差異，未使用稅項抵免及未使用稅項虧損時才予確認，惟下列者除外：

- 有關可扣減暫時性差異之遞延稅項資產源於初次確認一項交易(並非一項業務合併)之資產或負債，而於該項交易進行時概不影響會計溢利或應課稅溢利或虧損者；及
- 遞延稅項資產源於投資於附屬公司及聯營公司之可扣減暫時性差額，惟僅限於在可確定於可見之未來可撥回暫時性差額及可能有應課稅溢利以對銷暫時性差額時才予以確認。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Income tax (continued)

The carrying amount of deferred tax assets is reviewed at the end of each reporting period 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 deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at the end of each reporting period and are recognised to the extent that it has become probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be recovered.

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

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Government subsidies

Government subsidies are recognised at their fair values where there is reasonable assurance that the subsidy will be received and all attaching conditions will be complied with. When the subsidy relates to an expenses item, it is recognised as income over the periods necessary to match the subsidy on a systematic basis to costs that it is intended to compensate.

2.4 主要會計政策的概要(續)

所得稅(續)

遞延稅項資產之賬面值乃於每個報告期末進行檢討。倘並無足夠應課稅溢利可供全部或部分遞延稅項資產予以應用之部份則須予扣減。未予確認之遞延稅項資產須於每個報告期末進行檢討。倘有足夠應課稅溢利可供全部或部分遞延稅項資產予以扣減，則可收回之部份須予確認。

遞延稅項資產及負債以預期適用於資產變現及負債清償期間之稅率計算，並以報告期末已頒佈或實質上已頒佈之稅率(及稅務法例)計算。

倘於法律上有可執行權利將本期稅項資產與本期稅項負債抵銷而遞延稅項乃與相同之應課稅企業及相同之稅務機關有關時，遞延稅項資產及遞延稅項負債將予以抵銷。

政府補助款

政府補助款乃於合理確定將會取得該筆補助款及符合所有附帶條件時按公允值確認。當該補助款與開支項目有關時，補助款須有系統地與其擬補償之成本配合之期間確認為收入。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Cash and cash equivalents

For the purpose of the consolidated statement of cash flows, cash and cash equivalents comprise cash and bank balances and time deposits, and short term highly liquid investments that are readily convertible into known amounts of cash, are subject to an insignificant risk of changes in value, and have a short maturity of generally within three months when acquired, less bank overdrafts which are repayable on demand and form an integral part of the Group's cash management.

For the purpose of the statement of financial position, cash and cash equivalents comprise cash and bank balances, time deposits, and short term highly liquid investments which are not restricted as to use.

Revenue recognition

Revenue is recognised when it is probable that the economic benefits will flow to the Group and when the revenue can be measured reliably, on the following bases:

- (a) from the sale of goods, when the significant risks and rewards of ownership have been transferred to the buyer, provided that the Group maintains neither managerial involvement to the degree usually associated with ownership, nor effective control over the goods sold;
- (b) from the rendering of services, when the services have been provided;
- (c) rental income, on a time proportion basis over the lease terms;
- (d) franchise and royalty income, on a time proportion basis, over the franchise periods; and
- (e) interest income, on an accrual basis using the effective interest rate method by applying the rate that discounts the estimated future cash receipts through the expected life of the financial instrument to the net carrying amount of the financial asset.

2.4 主要會計政策的概要(續)

現金及現金等價物

就綜合現金流量表而言，現金及現金等價物包括現金及銀行結餘及定期存款，以及可隨時轉換為可知數額的現金而價值變動風險不大，且一般於購入後三個月內到期之短期高流通性投資，減除須應銀行要求償還及構成本集團整體現金管理的一部份之銀行透支。

就財務狀況表而言，現金及現金等價物包括現金及銀行結餘、定期存款及並無限制用途之短期高流通性投資。

收益確認

倘本集團可能獲得經濟利益及當收益可按下列基準作可靠計量時，則收益確認入賬：

- (a) 於銷售貨品時，當擁有權之重大風險及收益已轉移至買方，並且本集團並不對所出售貨品保持與擁有權相若之管理參與，亦無實際控制該等貨品；
- (b) 於提供服務時，當已提供該等服務時；
- (c) 租金收入，以租賃期內時間的比例為基準；
- (d) 特許經營及專利收入，於特許經營期內時間的比例為基準；及
- (e) 利息收入，以累計基準按實際利率法於財務工具之預計可用年期，將估計未來可收取現金貼現至金融資產之賬面值確認入賬。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Dividends

Final dividends proposed by the directors are classified as a separate allocation of retained profits within the equity section of the statement of financial position, until they have been approved by the shareholders in a general meeting. When these dividends have been approved by the shareholders and declared, they are recognised as a liability.

Interim dividends are simultaneously proposed and declared, because the Company's bye-laws grant the directors the authority to declare interim dividends. Consequently, interim dividends are recognised immediately as a liability when they are proposed and declared.

Employee benefits

Share-based payment transactions

The Company operates a share option scheme for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's operations. Employees (including directors) of the Group receive remuneration in the form of share-based payment transactions, whereby employees render services as consideration for equity instruments ("equity-settled transactions").

The cost of equity-settled transactions with employees is measured by reference to the fair value at the date at which they are granted. In valuing equity-settled transactions, no account is taken of any performance conditions, other than conditions linked to the price of the shares of the Company ("market conditions"), if applicable.

The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled. The cumulative expense recognised for equity-settled transactions at the end of each reporting period until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The charge or credit to the income statement for a period represents the movement in the cumulative expense recognised as at the beginning and end of that period.

2.4 主要會計政策的概要(續)

股息

董事建議派發之末期股息於財務狀況表之權益項下分類為保留溢利之獨立分配，直至股東於股東大會批准派發該等股息。倘該等股息獲股東批准，並予以宣派，則確認為負債入賬。

中期股息於建議時同時宣派，因本公司組織細則授權董事有宣派中期股息之權力。故此，中期股息於建議及宣派時隨即確認為負債。

僱員福利

基於股權支付的交易

本公司設有購股權計劃，為對本集團業務營運成功有所貢獻之合資格參與者提供獎勵及回報。本集團僱員(包括董事)以基於股權支付的交易之方式收取酬金，並據此提供服務作為取得權益工具的代價(「權益結算交易」)。

與僱員進行權益結算交易之成本乃參照其於授出日期之公允值計算。於釐定權益結算交易之價值時，除了考慮與本公司股份價格有關之條件(「市場條件」)外，如適用，其他關於表現的條件概不考慮。

股權結算交易之成本，在表現及／或服務條件得到履行期間內分期確認，並相應記錄股權之增加。在歸屬日之前每個報告期末對於股權結算交易所確認之累計開支，乃反映歸屬期屆滿之程度及本集團對於最後歸屬之股權工具數量之最佳估計。期內利潤表扣除或貸入之金額乃代表該期期初及期末所確認累計費用之變動。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Employee benefits (continued)

Share-based payment transactions (continued)

No expense is recognised for awards that do not ultimately vest, except for equity-settled transactions where vesting is conditional upon a market or non-vesting condition, which are treated as vesting irrespective of whether or not the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

Where the terms of an equity-settled award are modified, as a minimum an expense is recognised as if the terms had not been modified, if the original terms of the award are met. In addition, an expense is recognised for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee as measured at the date of modification.

Where an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. This includes any award where non-vesting conditions within the control of either the Group or the employee are met. However, if a new award is substituted for the cancelled award, and is designated as a replacement award on the date that it is granted, the cancelled and new awards are treated as if they were a modification of the original award, as described in the previous paragraph. All cancellations of equity-settled transaction awards are treated equally.

The dilutive effect of outstanding share options is reflected as additional share dilution in the computation of earnings per share.

The Group has adopted the transitional provisions of HKFRS 2 in respect of equity-settled awards and has applied HKFRS 2 only to equity-settled awards granted after 7 November 2002 that had not vested by 1 April 2005 and to those granted on or after 1 April 2005.

2.4 主要會計政策的概要(續)

僱員福利(續)

基於股權支付的交易(續)

對於最後未予歸屬之權利，不會確認為開支，惟歸屬條件按市場情況或並無歸屬條件之股權結算交易除外。該等股權結算交易在其他表現及／或服務條件都符合之情況下，不管市場條件或非歸屬條件是否達到要求，都視作已歸屬。

股權結算交易條款經修訂時，需視同條款未修改及已達到原有條款之情況確認為開支。另外，對任何增加基於股權之支付交易之公允值，或在變更之日有利於僱員之修改，都應確認為開支。

當股權結算交易取消，當視為在取消日已賦權並立即確認任何未確認之開支，包括本集團或僱員可控制之非歸屬條件並無達成之交易。然而，若被取消之條款由新之結算條款替代，則視為對舊條款之修改並遵照上段規定處理。所有股權結算交易之取消均同樣處理。

尚未行使購股權之攤薄影響乃於計算每股盈利時反映為額外股份攤薄。

本集團對權益結算獎賞已採納香港財務報告準則第2號過渡性條文，及只應用香港財務報告準則第2號於二零零二年十一月七日後授出，但於二零零五年四月一日仍未歸屬，及於二零零五年四月一日或以後授出之權益結算獎賞。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Employee benefits (continued)

Retirement benefits schemes

The Group operates a defined contribution Mandatory Provident Fund retirement benefits scheme (the "MPF Scheme") under the Mandatory Provident Fund Schemes Ordinance for all of its employees in Hong Kong. Contributions are made based on a percentage of the employees' basic salaries and are charged to the income statement as they become payable in accordance with the rules of the MPF Scheme. The assets of the MPF Scheme are held separately from those of the Group in an independently administered fund. The Group's employer contributions vest fully with the employees when contributed into the MPF Scheme.

The employees of the Group's subsidiaries which operate overseas are required to participate in central pension schemes operated by the local municipal governments. These subsidiaries are required to contribute a certain percentage of their payroll costs to the central pension schemes. The contributions are charged to the income statement as they become payable in accordance with the rules of the central pension schemes.

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, i.e., assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets. The capitalisation of such borrowing costs ceases when the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs capitalised. All other borrowing costs are expensed in the period in which they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

2.4 主要會計政策的概要(續)

僱員福利(續)

退休福利計劃

本集團根據強制性公積金計劃條例，為所有在香港僱員設立一項定額供款強制性退休福利計劃(「強積金計劃」)。按照強積金計劃之規則，供款乃按僱員基本薪金之若干百分比作出，並於應付時計入利潤表。強積金計劃的資產由獨立管理之基金持有，並與本集團之資產分開。本集團作出之僱主供款繳入計劃後即全數歸僱員。

本集團於海外營運之附屬公司的僱員均須參加由地方市政府設立之中央退休保障計劃。該等附屬公司須按其工資成本之若干百分比向該中央退休保障計劃作出供款。根據該中央退休保障計劃的規定，供款於應付時在利潤表內扣除。

借貸成本

收購、興建或生產合資格資產(即需要較長時間準備以作擬定用途或銷售的資產)應佔的直接借貸成本將會被資本化作為該等資產的部份成本。倘資產大致可作擬定用途或出售，則該等借貸成本將會停止資本化。特定借貸於撥作合資格資產的支出前用作短暫投資所賺取的收入，會資本化的借貸成本中扣除。所有其他借貸成本均於產生期間支銷。借貸成本包括利息及實體因借入資金而產生的其他成本。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Foreign currencies

These financial statements are presented in Hong Kong dollars, which is the Company's functional and presentation currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency. Foreign currency transactions recorded by the entities in the Group are initially recorded using their respective functional currency rates ruling at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency rates of exchange ruling at the end of the reporting period. All differences are taken to the income statement. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

The functional currencies of certain overseas subsidiaries and associates are currencies other than Hong Kong dollar. As at the end of the reporting period, the assets and liabilities of these entities are translated into the presentation currency of the Company at the exchange rates ruling at the end of the reporting period and their income statements are translated into Hong Kong dollars at the weighted average exchange rates for the year. The resulting exchange differences are recognised in other comprehensive income and accumulated in the exchange fluctuation reserve. On disposal of a foreign operation, the component of other comprehensive income relating to that particular foreign operation is recognised in the income statement.

For the purpose of the consolidated statement of cash flows, the cash flows of overseas subsidiaries are translated into Hong Kong dollars at the exchange rates ruling at the dates of the cash flows. Frequently recurring cash flows of overseas subsidiaries which arise throughout the year are translated into Hong Kong dollars at the weighted average exchange rates for the year.

2.4 主要會計政策的概要(續)

外幣

本財務報表乃以港幣呈報，港幣為本公司之功能及呈報貨幣。本集團各實體決定其本身之功能貨幣，而各實體之財務報表所載之項目均以該功能貨幣計算。本集團旗下實體所記錄以外幣進行之交易初步以交易當日之各個功能貨幣匯率記錄。以外幣計算之貨幣資產及負債於報告期末以功能貨幣匯率重新換算。所有差額均計入利潤表。非貨幣項目以歷史成本計算換算外幣，並按初始交易當日之匯率換算。以公允值計算之外幣非貨幣項目會按釐定公允值當日之匯率換算。

若干海外附屬公司及聯營公司之功能貨幣為港幣以外之貨幣。於報告期末，該等實體之資產及負債按報告期末之匯率換算為本公司之呈報貨幣，而利潤表則按年內之加權平均匯率換算為港幣。換算產生之匯兌差額於其他全面利潤確認，並累計於匯兌變動儲備內。於出售海外業務時，與該項海外業務相關之其他全面利潤部份須於利潤表內確認。

就綜合現金流量表而言，海外附屬公司之現金流量按現金流當日適用之匯率換算為港幣。海外附屬公司於年內經常產生之現金流量，則按該年度之加權平均匯率換算為港幣。

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the end of the reporting period. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amounts of the assets or liabilities affected in the future.

Judgements

In the process of applying the Group's accounting policies, management has made the following judgements, apart from those involving estimations, which have the most significant effect on the amounts recognised in the financial statements:

Classification between investment properties and owner-occupied properties

The Group determines whether a property qualifies as an investment property and has developed criteria in making that judgement. Investment property is a property held to earn rentals or for capital appreciation or both. Therefore, the Group considers whether a property generates cash flows largely independently of the other assets held by the Group.

Some properties comprise a portion that is held to earn rentals or for capital appreciation and another portion that is held for use in the production or supply of goods or services or for administrative purposes. If these portions could be sold separately (or leased out separately under a finance lease), the Group accounts for the portions separately. If the portions could not be sold separately, the property is an investment property only if an insignificant portion is held for use in the production or supply of goods or services or for administrative purposes.

Judgement is made on an individual property basis to determine whether ancillary services are so significant that a property does not qualify as an investment property.

3. 主要會計判斷及估計

編製本集團之財務報表時，管理層須就影響滙報的收入、開支、報告期末之資產及負債及須作披露之或有負債作出判斷、估算及假設。然而，有關該等假設及估算之不確性，可導致須對未來受影響之資產或負債的賬面值作出重大調整。

判斷

於應用本集團之會計政策之過程中，管理層已作出以下判斷，除涉及估計外，該等判斷對於財務報表中確認之金額有最重大影響：

投資物業及業主佔用物業之分類

本集團釐定一項物業是否符合投資物業資格，並已就判斷訂出標準。投資物業為持有以賺取租金或資本增值或兩者兼備之物業。因此，本集團在考慮一個物業能否很大程度上獨立於本集團持有之其他資產產生現金流量。

一些物業包括部份用以賺取租金或資本增值，其餘部份則持有作生產或供應貨物或提供服務或作行政用途。倘該等部份能分別作獨立出售(或以融資租賃分別獨立出租)，則本集團將該等部份作獨立會計處理。如該部份不能作獨立出售，則僅當該物業之小部份為持作生產或供應貨物或服務或作行政用途之情況下，該物業方屬於投資物業。

判斷乃按個別物業為基準以釐定輔助服務是否重大，致使該物業不符合投資物業資格。

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (continued)

Judgements (continued)

Impairment of assets

The Group has to exercise judgement in determining whether an asset is impaired or the event previously causing the asset impairment no longer exists, particularly in assessing: (1) whether an event has occurred that may affect the asset value or such event affecting the asset value has not been in existence; (2) whether the carrying value of an asset can be supported by the net present value of future cash flows which are estimated based upon the continued use of the asset or derecognition; and (3) the appropriate key assumptions to be applied in preparing cash flow projections including whether these cash flow projections are discounted using an appropriate rate. Changing the assumptions selected by management to determine the level of impairment, including the discount rates or the growth rate assumptions in the cash flow projections, could material affect the net present value used in the impairment test.

Income taxes

The Group is subject to income taxes in numerous jurisdictions. Significant judgement is required in determining the provision for income taxes worldwide. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

3. 主要會計判斷及估計(續)

判斷(續)

資產的減值

本集團須行使判斷以釐定資產有否減值或先前導致資產減值之事件是否不再存在，尤其在評估：(1)有否發生可能影響資產值之事件，或該影響資產值之事件是否已不存在；(2)資產之賬面值是否可由未來現金流量之現值支持，該現值乃根據持續使用該資產或終止確認之基礎進行估計；及(3)編製現金流量估計將予應用之合適主要假設包括該等現金流量估計是否以合適利率貼現。改變管理層選定以釐定減值程度之假設，包括現金流量估計之貼現率或增長率假設，可能嚴重影響用於減值測試之現值淨額。

所得稅

本集團須繳納多個司法權區之所得稅。在釐定世界各地所得稅的撥備時，本集團須作出重大判斷。在一般業務過程中，有許多交易及計算均難以明確釐定最終稅項。本集團須估計未來會否繳納額外稅項，從而確認對預期稅務審核事宜之責任。倘該等事宜之最終稅務結果與起初入賬之金額不同，該等差額將影響稅務釐定期內之所得稅及遞延稅項撥備。

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (continued)

Estimation uncertainty

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

Impairment of trademarks

In accordance with HKAS 36 “Impairment of Assets”, the Group determines whether trademarks are impaired at least on an annual basis. This requires an estimation of the value in use of the cash-generating units to which the trademarks are related. Estimating the value in use requires the Group to make an estimate of the expected future cash flows from the cash-generating unit and also to choose a suitable discount rate in order to calculate the present value of those cash flows.

Estimation of useful lives of trademarks

The Group assessed the useful lives of previously recognised trademarks. As a result of this assessment, the trademarks were classified as intangible assets with indefinite useful lives. This conclusion is supported by the fact that the Group’s trademark legal rights are capable of being renewed indefinitely at insignificant cost and therefore are perpetual in duration, related to well known and long established fashion brands, and based on future financial performance of the Group, they are expected to generate positive cash flows indefinitely. Under HKAS 38 “Intangible Assets” the Group re-evaluates the useful lives of the trademarks each year to determine whether events or circumstances continue to support the view of the indefinite useful lives of the trademarks.

Estimation of fair value of investment properties

The Group considers information from a variety of sources, including (i) by reference to current prices in an active market for properties of a different nature, condition and location (or subject to different leases or other contracts), adjusted to reflect those differences; (ii) recent prices of similar properties in less active markets, with adjustments to reflect any changes in economic conditions since the date of the transactions that occurred at those prices; and (iii) independent valuations.

3. 主要會計判斷及估計(續)

估計之不確定性

有關於報告期末之未來及其他不確定性估計的主要來源之主要假設，而於下一個財政年度對資產及負債之賬面值會造成重大調整之風險者論述如下。

商譽的減值

按香港會計準則第36號「資產的減值」，本集團至少每年檢訂一次商標是否須作減值，此須估計有關商標的現金產生單位之使用價值。為估計使用價值，本集團須估計現金產生單位預期將來產生的現金流量，及選擇一個合適貼現率以計算該現金流量的現值。

商標可使用年期之估計

本集團已評估以往確認的商標的可用年限。基於該評估結果，該等商標被分類作無盡使用年限的無形資產。由於本集團無需重大成本可不斷的更新對商標的合法權益，因此年期屬無盡。此等商標是知名及長久建立的時裝品牌，加上本集團未來的財務表現，預期這些商標能不斷產生正現金流量。根據香港會計準則第38號「無形資產」，本集團每年重新評估商標的可用年限，以決定有關事件或情況能否繼續支持商標為無盡使用年限的看法。

投資物業公允值估計

本集團考慮不同來源的資料，其中包括(i)參考活躍市場中不同性質、狀況及地點之物業(或存在不同租約或其他合約)現時價格；(ii)於較不活躍市場相類似物業最近成交價，並從交易發生日起，就任何經濟情況轉變對價格作調整；及(iii)獨立估值。

4. OPERATING SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on their products and services and has three reportable operating segments as follows:

- (a) the production, dyeing and sale of knitted fabric and yarn segment;
- (b) the retailing and distribution of casual apparel and accessory segment; and
- (c) the “others” segment principally comprises the provision of motor vehicles repair and maintenance services and the provision of franchise services.

Management monitors the results of its operating segments separately for the purpose of making decisions about resources allocation and performance assessment. Segment performance is evaluated based on reportable segment profit, which is a measure of adjusted profit before tax. The adjusted profit before tax is measured consistently with the Group’s profit before tax except that interest income and finance costs are excluded from such measurement.

Segment assets exclude time deposits and interest in associate as these assets are managed on a group basis.

Segment liabilities exclude interest-bearing bank borrowings, tax payable and deferred tax liabilities as these liabilities are managed on a group basis.

Intersegment sales and transfers are transacted with reference to the selling prices used for sales made to third parties at the then prevailing market prices.

4. 營運分類資料

就管理而言，本集團根據所提供產品及服務將業務單位分類，三個可匯報營運分類如下：

- (a) 針織布及棉紗之產銷及整染分類；
- (b) 便服及飾物之零售及分銷分類；及
- (c) 「其他」分類主要包含提供汽車維修及保養服務和提供特許經營服務。

管理層獨立監察營運分類業績以作出資源分配及表現評估的決定。分類表現乃按可匯報分類溢利(即以經調整稅前溢利計量)予以評估。經調整稅前溢利與本集團的稅前溢利的計量一致，惟利息收入及財務費用均不計入該計量內。

分類資產不包括定期存款及於聯營公司之權益，因該等資產乃按集團整體基準管理。

分類負債不包括附息銀行貸款、應付稅項及遞延稅項負債，因該等負債乃按集團整體基準管理。

業務分類間之銷售及轉撥交易之售價乃參照售予第三者之當時市場價格訂定。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

31 March 2010 二零一零年三月三十一日

4. OPERATING SEGMENT INFORMATION

(continued)

(a) The following tables present revenue, profit and certain assets, liabilities and expenditures information of the Group for the years ended 31 March 2010 and 31 March 2009:

Group

4. 營運分類資料(續)

(a) 下表為本集團截至二零一零年三月三十一日及二零零九年三月三十一日止年度之收入、溢利及部份資產、負債及支出資料：

集團

| | Production, dyeing and sale of knitted fabric and yarn | | Retailing and distribution of casual apparel and accessory | | Others | | Eliminations | | Consolidated | |
|---|--|-----------|--|-----------|----------|----------|--------------|----------|--------------|------------|
| | 針織布及棉紗之產銷及整染 | | 便服及飾物之零售及分銷 | | 其他 | | 對銷 | | 綜合 | |
| | 2010 | 2009 | 2010 | 2009 | 2010 | 2009 | 2010 | 2009 | 2010 | 2009 |
| | 二零一零年 | 二零零九年 | 二零一零年 | 二零零九年 | 二零一零年 | 二零零九年 | 二零一零年 | 二零零九年 | 二零一零年 | 二零零九年 |
| | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 |
| | 港幣千元 | 港幣千元 | 港幣千元 | 港幣千元 | 港幣千元 | 港幣千元 | 港幣千元 | 港幣千元 | 港幣千元 | 港幣千元 |
| Segment revenue: | 分類收入： | | | | | | | | | |
| Sales to external customers | 售予外界客戶 | | | | | | | | | |
| | 5,539,504 | 5,058,110 | 4,959,742 | 4,900,311 | 38,720 | 39,316 | - | - | 10,537,966 | 9,997,737 |
| Intersegment sales | 分類間之銷售 | | | | | | | | | |
| | - | - | - | - | 4,788 | 4,744 | (4,788) | (4,744) | - | - |
| Other revenue | 其他收入 | | | | | | | | | |
| | 62,369 | 66,125 | 39,623 | 56,439 | 48,546 | 9,449 | (9,584) | - | 140,954 | 132,013 |
| Total | 合計 | | | | | | | | | |
| | 5,601,873 | 5,124,235 | 4,999,365 | 4,956,750 | 92,054 | 53,509 | (14,372) | (4,744) | 10,678,920 | 10,129,750 |
| Segment results | 分類業績 | | | | | | | | | |
| | 852,824 | 775,955 | 253,080 | 160,057 | 58,590 | 9,467 | (4,689) | (602) | 1,159,805 | 944,877 |
| Interest income | 利息收入 | | | | | | | | | |
| | | | | | | | | | 25,670 | 55,051 |
| Finance costs | 財務費用 | | | | | | | | | |
| | | | | | | | | | (10,394) | (40,855) |
| Share of profit of an associate, net of tax | 應佔聯營公司溢利，除稅後淨額 | | | | | | | | | |
| | | | | | | | | | 42,270 | 53,499 |
| Profit before tax | 除稅前溢利 | | | | | | | | | |
| | | | | | | | | | 1,217,351 | 1,012,572 |
| Income tax expense | 稅項 | | | | | | | | | |
| | | | | | | | | | (116,607) | (121,448) |
| Profit for the year | 本年度溢利 | | | | | | | | | |
| | | | | | | | | | 1,100,744 | 891,124 |

4. OPERATING SEGMENT INFORMATION (continued)

(a) The following tables present revenue, profit and certain assets, liabilities and expenditures information of the Group for the years ended 31 March 2010 and 31 March 2009: (continued)

Group (continued)

| | Production, dyeing and sale of knitted fabric and yarn | | Retailing and distribution of casual apparel and accessory | | Others | | Eliminations | | Consolidated | | | |
|---|--|----------|--|-----------|-----------|-----------|--------------|----------|--------------|-----------|-----------|-----------|
| | 針織布及棉紗之產銷及整染 | | 便服及飾物之零售及分銷 | | 其他 | | 對銷 | | 綜合 | | | |
| | 2010 | 2009 | 2010 | 2009 | 2010 | 2009 | 2010 | 2009 | 2010 | 2009 | | |
| | 二零一零年 | 二零零九年 | 二零一零年 | 二零零九年 | 二零一零年 | 二零零九年 | 二零一零年 | 二零零九年 | 二零一零年 | 二零零九年 | | |
| | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | | |
| | 港幣千元 | 港幣千元 | 港幣千元 | 港幣千元 | 港幣千元 | 港幣千元 | 港幣千元 | 港幣千元 | 港幣千元 | 港幣千元 | | |
| Assets and liabilities: | 資產及負債： | | | | | | | | | | | |
| Segment assets | 分類資產 | | 5,465,324 | 4,763,420 | 1,721,423 | 1,658,060 | 212,580 | 178,805 | (352,644) | (523,820) | 7,046,683 | 6,076,465 |
| Interest in an associate | 於聯營公司之權益 | | | | | | | | | | 120,349 | 111,271 |
| Unallocated assets | 未分配資產 | | | | | | | | | | 1,088,455 | 604,218 |
| Total assets | 總資產 | | | | | | | | | | 8,255,487 | 6,791,954 |
| Segment liabilities | 分類負債 | | 729,794 | 565,173 | 1,008,065 | 1,162,637 | 71,159 | 73,834 | (368,243) | (516,635) | 1,440,775 | 1,285,009 |
| Unallocated liabilities | 未分配負債 | | | | | | | | | | 2,022,016 | 1,232,157 |
| Total liabilities | 總負債 | | | | | | | | | | 3,462,791 | 2,517,166 |
| Other segment information: | 其他分類資料： | | | | | | | | | | | |
| Depreciation and amortisation | 折舊及攤銷 | | 221,415 | 215,974 | 98,569 | 118,847 | 1,669 | 1,721 | - | - | 321,653 | 336,542 |
| Capital expenditure | 資本性支出 | | 120,536 | 104,362 | 53,445 | 107,346 | - | 4,421 | - | - | 173,981 | 216,129 |
| Other non-cash expenses/(income) | 其他非現金支出 / (收入) | | (22,600) | 12,834 | 14,205 | 2,214 | 343 | 178 | - | - | (8,052) | 15,226 |
| Fair value (gain)/loss on investment properties | 投資物業公允價值 (收益) / 虧損 | | - | (5,028) | - | 2,155 | (27,252) | - | - | - | (27,252) | (2,873) |

集團(續)

4. 營運分類資料(續)

(a) 下表為本集團截至二零一零年三月三十一日及二零零九年三月三十一日止年度之收入、溢利及部份資產、負債及支出資料：(續)

(b) Geographical information

The following table presents geographical revenue and non-current assets information of the Group for the years ended 31 March 2010 and 31 March 2009:

Group

| | USA | | Mainland China | | Japan | | Hong Kong | | Others | | Eliminations | | Consolidated | | | |
|-------------------------------------|----------|----------|----------------|-----------|-----------|-----------|-----------|----------|----------|----------|--------------|----------|--------------|-----------|------------|-----------|
| | 美國 | | 中國大陸 | | 日本 | | 香港 | | 其他 | | 對銷 | | 綜合 | | | |
| | 2010 | 2009 | 2010 | 2009 | 2010 | 2009 | 2010 | 2009 | 2010 | 2009 | 2010 | 2009 | 2010 | 2009 | | |
| | 二零一零年 | 二零零九年 | 二零一零年 | 二零零九年 | 二零一零年 | 二零零九年 | 二零一零年 | 二零零九年 | 二零一零年 | 二零零九年 | 二零一零年 | 二零零九年 | 二零一零年 | 二零零九年 | | |
| | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | | |
| | 港幣千元 | 港幣千元 | 港幣千元 | 港幣千元 | 港幣千元 | 港幣千元 | 港幣千元 | 港幣千元 | 港幣千元 | 港幣千元 | 港幣千元 | 港幣千元 | 港幣千元 | 港幣千元 | | |
| (i) Revenue from external customers | 外昇客戶收入 | | | | | | | | | | | | | | | |
| Segment revenue: | 分類收入： | | | | | | | | | | | | | | | |
| Sales to external customers | 售予外昇客戶 | | 4,039,293 | 3,633,173 | 4,223,709 | 3,931,690 | 819,049 | 855,595 | 625,766 | 590,247 | 830,149 | 987,032 | - | - | 10,537,966 | 9,997,737 |
| (ii) Non-current assets: | 非流動資產： | | | | | | | | | | | | | | | |
| Non-current assets | 非流動資產 | | - | - | 2,377,921 | 2,387,481 | - | - | 410,611 | 541,803 | 89,011 | 127,763 | (161,541) | (175,752) | 2,716,002 | 2,881,295 |

(b) 地域分類

下表為本集團截至二零一零年三月三十一日及二零零九年三月三十一日止年度之地域收入及非流動資產資料：

集團

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4. OPERATING SEGMENT INFORMATION (continued)

(b) Geographical information (continued)

The Group's geographical revenue and non-current assets information are classified based on the locations of the markets and assets, respectively.

(c) Information about a major customer

No single external customer contributes more than 10% to the Group's revenue during the year.

5. REVENUE, OTHER INCOME AND GAINS

Revenue, which is also the Group's turnover, represents the net invoiced value of goods sold, after allowances for returns and trade discounts; the value of services rendered and franchise and royalty income.

An analysis of the revenue, other income and gains is as follows:

4. 營運分類資料(續)

(b) 地域分類(續)

集團地域收入及非流動資產資料乃分別根據市場及資產之所在地分類。

(c) 一名主要客戶之資料

本年內，概無單一外界客戶的收入佔本集團的收入10%以上。

5. 收入、其他收入及收益

收入，亦為本集團營業額，指扣除退貨及貿易折扣後之銷貨發票淨值、所提供服務的價值和特許經營及專利收入。

收入、其他收入及收益分析如下：

| | | Group 集團 | |
|---|------------------|-----------------------------------|-----------------------------------|
| | | 2010 二零一零年 HK\$'000 港幣千元 | 2009 二零零九年 HK\$'000 港幣千元 |
| Revenue: | 收入： | | |
| Sale of goods | 銷售貨品 | 10,439,321 | 9,906,399 |
| Rendering of services | 提供服務 | 83,610 | 77,417 |
| Franchise and royalty income | 特許經營及專利收入 | 15,035 | 13,921 |
| | | 10,537,966 | 9,997,737 |
| Other income and gains: | 其他收入及收益： | | |
| Interest income | 利息收入 | 25,670 | 55,051 |
| Net fair value gains on foreign exchange derivative financial instruments | 外匯衍生金融工具公允價值收益淨額 | 19,886 | 42,049 |
| Gross rental income on investment properties (note 14) | 投資物業租金收入總額(附註14) | 8,707 | 8,944 |
| Compensation from landlord for early termination of leasing agreements | 因業主提早終止租約而獲得賠償 | 9,260 | 12,943 |
| Compensation from supplier for defective goods | 就次貨獲得供應商賠償 | 9,362 | 10,713 |
| Net fair value gains on investment properties | 投資物業公允價值收益淨額 | 27,252 | 2,873 |
| Scrap sales | 餘料銷售 | 1,262 | 2,695 |
| Government subsidies | 政府補助款 | 19,287 | 2,472 |
| Sundry income | 雜項收入 | 45,938 | 49,324 |
| | | 166,624 | 187,064 |

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6. PROFIT BEFORE TAX

The Group's profit before tax is arrived at after charging/
(crediting):

6. 除稅前溢利

本集團之除稅前溢利已扣除／(加上)：

| | | Group 集團 | |
|---|--|------------------|------------------|
| | | 2010 二零一零年 | 2009 二零零九年 |
| | | HK\$'000 港幣千元 | HK\$'000 港幣千元 |
| | Notes 附註 | | |
| Cost of inventories sold# | 已售貨物之成本# | 7,016,829 | 6,701,346 |
| Depreciation | 折舊 | 320,988 | 335,878 |
| Recognition of prepaid land lease payments | 預付土地租賃款之 確認 | 665 | 664 |
| Employee benefits expenses, including directors' remuneration (note 7): | 僱員福利開支，包括 董事酬金(附註7)： | | |
| Wages, salaries and other allowances | 工資、薪金及其他 津貼 | 1,216,212 | 1,172,645 |
| Retirement benefits schemes contributions | 退休福利計劃 供款 | 10,589 | 8,503 |
| | | 1,226,801 | 1,181,148 |
| Minimum lease payments under operating leases in respect of land and buildings | 經營租賃下之土地及 樓宇最低租金 費用 | 564,462 | 640,493 |
| Contingent rents under operating leases | 經營租賃下之或然 租金 | 454,358 | 357,246 |
| Minimum lease payments under operating leases in respect of plant and machinery | 經營租賃下之廠房及機械 最低租金 費用 | 7,685 | 4,248 |
| Auditors' remuneration | 核數師酬金 | 2,470 | 2,861 |
| Loss on disposal of items of property, plant and equipment | 出售物業、廠房及設備 項目虧損 | 1,688 | 2,600 |
| Net foreign exchange gains, excluding net fair value gains on foreign exchange derivative financial instruments | 匯兌收益淨額，不包括 外匯衍生金融 工具公允價值收益 淨額 | (57,333) | (931) |
| Net rental income on investment properties | 投資物業租金收入 淨額 | (7,587) | (7,947) |
| (Write-back of provision)/provision for slow-moving inventories | 呆滯存貨準備(撥回) ／提撥 | (8,047) | 13,735 |
| Net fair value gain on investment properties | 投資物業公允價值 收益淨額 | (27,252) | (2,873) |
| Write-back of impairment of trade receivables | 應收賬款減值 撥回 | (1,693) | (1,109) |

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6. PROFIT BEFORE TAX (continued)

Cost of inventories sold includes HK\$522,830,000 (2009: HK\$483,919,000) relating to staff costs, depreciation, minimum lease payments under operating leases and write-back of provision for slow-moving inventories which are also included in the respective total amounts disclosed above for each of these types of expenses.

7. DIRECTORS' REMUNERATION AND FIVE HIGHEST PAID EMPLOYEES

Directors' remuneration for the year, disclosed pursuant to the Listing Rules on the Stock Exchange and Section 161 of the Hong Kong Companies Ordinance, is as follows:

6. 除稅前溢利(續)

已售貨物之成本中包括有關員工成本、折舊、經營租賃下之最低租金費用及呆滯存貨準備撥回港幣522,830,000元(二零零九年：港幣483,919,000元)，該等金額亦於以上各相關費用的總額中披露。

7. 董事酬金及五位最高薪酬僱員

按聯交所上市規則及香港公司法第161條，本年度董事酬金之披露如下：

| | | Group 集團 | |
|---|-------------|-----------------------------------|-----------------------------------|
| | | 2010 二零一零年 HK\$'000 港幣千元 | 2009 二零零九年 HK\$'000 港幣千元 |
| Fees: | 袍金： | | |
| Executive directors | 執行董事 | 50 | 50 |
| Independent non-executive directors | 獨立非執行董事 | 870 | 810 |
| | | 920 | 860 |
| Other emoluments: | 其他酬金： | | |
| Executive directors: | 執行董事： | | |
| Salaries, allowances and benefits in kind | 薪金、津貼及非現金福利 | 36,369 | 36,150 |
| Performance related bonuses* | 表現掛鈎花紅* | 71,200 | 57,810 |
| Retirement benefits schemes contributions | 退休福利計劃供款 | 60 | 60 |
| | | 107,629 | 94,020 |
| | | 108,549 | 94,880 |

* The executive directors of the Company are entitled to discretionary performance payments not exceeding a certain percentage of the profit after tax of the Group.

* 本公司執行董事享有不超過本集團某個百分比的除稅後溢利作為酌情支付表現掛鈎花紅。

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7. DIRECTORS' REMUNERATION AND FIVE HIGHEST PAID EMPLOYEES (continued)

(a) Independent non-executive directors

The fees paid to independent non-executive directors during the year were as follows:

| | | 2010 二零一零年 HK\$'000 港幣千元 | 2009 二零零九年 HK\$'000 港幣千元 |
|---------------------|-----|-----------------------------------|-----------------------------------|
| Au Son Yiu | 區樂耀 | 290 | 270 |
| Cheng Shu Wing | 鄭樹榮 | 290 | 270 |
| Wong Tze Kin, David | 黃自建 | 290 | 270 |
| | | 870 | 810 |

There were no other emoluments payable to the independent non-executive directors during the year (2009: Nil).

(a) 獨立非執行董事

於年內已支付予獨立非執行董事之袍金如下：

於年內，並無(二零零九年：無)向獨立非執行董事支付其他酬金。

(b) Executive directors

(b) 執行董事

| | | Fees | Salaries, allowances and benefits in kind | Performances related bonuses | Retirement benefits schemes contributions | Total remuneration |
|----------------|--------------|------------------|---|------------------------------|---|--------------------|
| | | 袍金 | 薪金、津貼及非現金福利 | 表現掛鈎花紅 | 退休福利計劃供款 | 酬金總額 |
| | | HK\$'000 港幣千元 | HK\$'000 港幣千元 | HK\$'000 港幣千元 | HK\$'000 港幣千元 | HK\$'000 港幣千元 |
| 2010 | 二零一零年 | | | | | |
| Poon Bun Chak | 潘彬澤 | 10 | 11,684 | 35,600 | 12 | 47,306 |
| Poon Kai Chak | 潘佳澤 | 10 | 5,818 | 8,900 | 12 | 14,740 |
| Poon Kei Chak | 潘機澤 | 10 | 8,061 | 8,900 | 12 | 16,983 |
| Poon Kwan Chak | 潘鈞澤 | 10 | 5,064 | 8,900 | 12 | 13,986 |
| Ting Kit Chung | 丁傑忠 | 10 | 5,742 | 8,900 | 12 | 14,664 |
| | | 50 | 36,369 | 71,200 | 60 | 107,679 |
| 2009 | 二零零九年 | | | | | |
| Poon Bun Chak | 潘彬澤 | 10 | 11,556 | 28,180 | 12 | 39,758 |
| Poon Kai Chak | 潘佳澤 | 10 | 5,798 | 7,515 | 12 | 13,335 |
| Poon Kei Chak | 潘機澤 | 10 | 7,981 | 7,515 | 12 | 15,518 |
| Poon Kwan Chak | 潘鈞澤 | 10 | 5,093 | 7,515 | 12 | 12,630 |
| Ting Kit Chung | 丁傑忠 | 10 | 5,722 | 7,085 | 12 | 12,829 |
| | | 50 | 36,150 | 57,810 | 60 | 94,070 |

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7. DIRECTORS' REMUNERATION AND FIVE HIGHEST PAID EMPLOYEES (continued)

(b) Executive directors (continued)

There was no arrangement under which a director waived or agreed to waive any remuneration during the year.

The five highest paid individuals employed by the Group during the year were all directors, details of whose remuneration are set out above.

7. 董事酬金及五位最高薪酬僱員(續)

(b) 執行董事(續)

並無董事於年內放棄或同意放棄任何酬金的安排。

五位本集團最高薪酬人士於年內全為董事，其薪酬明細已呈列如上。

8. FINANCE COSTS

8. 財務費用

| | | Group 集團 | |
|--|---------------------|-----------------------------------|-----------------------------------|
| | | 2010 二零一零年 HK\$'000 港幣千元 | 2009 二零零九年 HK\$'000 港幣千元 |
| Interest on bank loans and overdrafts wholly repayable within five years | 須於五年內全部清還的銀行貸款及透支利息 | 10,394 | 40,855 |

9. INCOME TAX EXPENSE

Hong Kong profits tax has been provided at the rate of 16.5% (2009: 16.5%) on the estimated assessable profits arising in Hong Kong during the year. Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the locations in which the Group operates.

9. 稅項

香港利得稅已按年內於香港賺取之估計應課稅溢利以稅率16.5%(二零零九年: 16.5%)提撥準備。在其他地區的應課利得稅項，乃根據本集團業務經營所在地區之現行稅率計算。

| | | 2010 二零一零年 HK\$'000 港幣千元 | 2009 二零零九年 HK\$'000 港幣千元 |
|------------------------------|------------|-----------------------------------|-----------------------------------|
| Group: | 集團: | | |
| Hong Kong and the Mainland | 香港及中國大陸稅項: | | |
| China taxes: | | | |
| Current year provision | 本年度準備 | 87,969 | 112,354 |
| Overprovision in prior years | 往年度超額 | (1,590) | (522) |
| Deferred tax (note 28) | 遞延稅項(附註28) | 30,228 | 9,616 |
| Tax charge for the year | 本年度稅項 | 116,607 | 121,448 |

9. INCOME TAX EXPENSE (continued)

A reconciliation of the tax expense applicable to profit before tax using the statutory rates for the countries in which the Company and its subsidiaries are domiciled to the tax charge for the year is as follows:

| | | 2010 二零一零年 HK\$'000 港幣千元 | 2009 二零零九年 HK\$'000 港幣千元 |
|---|-----------------------------------|-----------------------------------|-----------------------------------|
| Group: | 集團： | | |
| Profit before tax | 除稅前溢利 | 1,217,351 | 1,012,572 |
| Tax at the domestic tax rates applicable to profits in the countries concerned | 按有關當地國家適用於溢利之稅率計算的稅項 | 65,424 | 50,561 |
| Adjustments in respect of current tax of previous years | 就往年度的當期稅項調整 | (1,590) | (522) |
| Profits attributable to an associate | 應佔聯營公司溢利 | (8,509) | (10,780) |
| Income not subject to tax | 毋須繳稅之收入 | (5,177) | (1,899) |
| Expenses not deductible for tax | 不可作稅項扣減之費用 | 27,304 | 40,029 |
| Effect of withholding tax at 10% on the distributable profits of the Group's PRC subsidiaries (note 28) | 就本集團中國附屬公司可供分派溢利的10%預扣稅項的影響(附註28) | 24,393 | 21,579 |
| Unrecognised deferred tax assets on tax losses | 稅項虧損之未確認遞延稅項資產 | 17,514 | 28,378 |
| Tax losses utilised from previous periods | 已動用過往期間之稅項虧損 | (892) | (3,924) |
| Others | 其他 | (1,860) | (1,974) |
| Tax charge for the year | 本年度稅項 | 116,607 | 121,448 |

The share of tax attributable to an associate amounting to HK\$9,307,000 (2009: HK\$11,833,000) is included in "Share of profit of an associate, net of tax" on the face of the consolidated income statement.

9. 稅項(續)

按採用本公司及其附屬公司所在國家之除稅前溢利及其法定稅率計算之稅項開支與本年度稅項調節如下：

應佔聯營公司稅項為港幣9,307,000元(二零零九年：港幣11,833,000元)已計入綜合利潤表之「應佔聯營公司溢利，除稅後淨額」中。

10. PROFIT ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY

The consolidated profit attributable to equity holders of the Company for the year ended 31 March 2010 includes a profit of HK\$196,303,000 (2009: HK\$189,607,000) which has been dealt with in the financial statements of the Company (note 31(b)).

10. 本公司權益所有者應佔溢利

截至二零一零年三月三十一日止年度，本公司權益所有者應佔綜合溢利包括列入於本公司之財務報表內之溢利港幣196,303,000元(二零零九年：港幣189,607,000元)(附註31(b))。

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11. DIVIDENDS

| | | 2010 | 2009 |
|--|----------------------------------|----------------|----------|
| | | 二零一零年 | 二零零九年 |
| | | HK\$'000 | HK\$'000 |
| | | 港幣千元 | 港幣千元 |
| Interim of HK22.0 cents (2009: HK18.0 cents) per share | 中期每股港幣22.0仙 (二零零九年：港幣18.0仙) | 292,242 | 238,940 |
| Proposed final of HK26.0 cents (2009: HK22.0 cents) per share | 擬派末期每股港幣26.0仙 (二零零九年：港幣22.0仙) | 347,042 | 291,986 |
| | | 639,284 | 530,926 |

The proposed final dividend for the year is subject to the approval of the Company's shareholders at the forthcoming annual general meeting.

12. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY

The basic and diluted earnings per share for the years ended 31 March 2010 and 31 March 2009 have been calculated as follows:

(a) Basic earnings per share

The calculation of the basic earnings per share is based on the profit for the year attributable to ordinary equity holders of the Company and the weighted average number of ordinary shares in issue during the year.

(b) Diluted earnings per share

The calculation of the diluted earnings per share amount for the year ended 31 March 2010 is based on the profit for that year attributable to ordinary equity holders of the Company. The weighted average number of ordinary shares used in the calculation is the number of ordinary shares in issue during that year, as used in the basic earnings per share calculation, and the weighted average number of ordinary shares assumed to have been issued at no consideration on the deemed exercise of all share options into ordinary shares during that year.

11. 股息

本年度擬派之末期股息須待本公司股東於即將舉行的股東週年大會上通過。

12. 歸屬本公司普通權益所有者每股盈利

二零一零年三月三十一日及二零零九年三月三十一日止年度之基本及攤薄後之每股盈利計算如下：

(a) 基本每股盈利

基本每股盈利乃按本公司普通權益所有者應佔該年度溢利及於年內已發行普通股之加權平均股數計算。

(b) 攤薄後每股盈利

截至二零一零年三月三十一日止年度的攤薄後每股盈利乃按該年度之本公司普通權益所有者應佔該年度溢利計算。用於計算年內已發行普通股之加權平均股數乃用於計算基本每股盈利之股數，及被視作於該年內以無償行使所有購股權為普通股的加權平均股數。

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財務報表附註

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12. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY (continued)

The calculation of basic and diluted earnings per share are based on the followings:

12. 歸屬本公司普通權益所有者每股盈利(續)

基本及攤薄後之每股盈利計算如下：

| | | 2010 二零一零年 HK\$'000 港幣千元 | 2009 二零零九年 HK\$'000 港幣千元 |
|---|---------------------------|-----------------------------------|-----------------------------------|
| Earnings | 盈利 | | |
| Profit attributable to ordinary equity holders of the Company, used in the basic earnings per share calculation | 本公司普通權益所有者應佔溢利，用作計算基本每股盈利 | 1,007,213 | 860,357 |

| | | Number of shares 股份數目 | |
|---|--------------------------|--------------------------|---------------|
| | | 2010 二零一零年 | 2009 二零零九年 |
| Shares | 股份 | | |
| Weighted average number of shares in issue during the year used in the basic earnings per share calculation | 用作計算基本每股盈利之年內已發行股份加權平均股數 | 1,328,681,142 | 1,327,029,255 |
| Effect of dilution – weighted average number of ordinary shares: | 攤薄之影響 – 加權平均普通股股數： | | |
| Share options | 購股權 | 8,866,502 | N/A* 不適用* |
| | | 1,337,547,644 | N/A* 不適用* |

* No diluted earnings per ordinary share is presented for the year ended 31 March 2009 since the exercise prices of the share options of the Company outstanding during the year are higher than the average market price of the Company's ordinary shares and, accordingly, they have no dilutive effect on the basic earnings per ordinary share.

* 二零零九年三月三十一日止年度並無列報攤薄後每股普通股盈利，因為本公司於該年內未行使購股權的行使價格高於本公司普通股的平均市場價，故此對基本每股普通股盈利無攤薄效果。

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13. PROPERTY, PLANT AND EQUIPMENT Group

13. 物業、廠房及設備 集團

| | | Leasehold land and buildings | Leasehold improvements | Plant and machinery | Furniture, fixtures and office equipment 傢私、裝置 及辦公室 設備 | Motor vehicles and yacht 汽車及 遊艇 | Total 合計 |
|--|--------------------------|------------------------------------|--------------------------------|-------------------------------|--|---|------------------------|
| | | 租賃土地 及樓宇 HK\$'000 港幣千元 | 租賃 樓宇裝修 HK\$'000 港幣千元 | 廠房 及機械 HK\$'000 港幣千元 | 傢私、裝置 及辦公室 設備 HK\$'000 港幣千元 | 汽車及 遊艇 HK\$'000 港幣千元 | 合計 HK\$'000 港幣千元 |
| 31 March 2010 | 二零一零年三月三十一日 | | | | | | |
| At 1 April 2009: | 於二零零九年四月一日： | | | | | | |
| Cost or valuation | 成本或估值 | 1,218,961 | 580,316 | 2,579,013 | 220,686 | 85,019 | 4,683,995 |
| Accumulated depreciation | 累計折舊 | (339,359) | (445,009) | (1,370,969) | (164,887) | (54,979) | (2,375,203) |
| Net carrying amount | 賬面淨值 | 879,602 | 135,307 | 1,208,044 | 55,799 | 30,040 | 2,308,792 |
| At 1 April 2009, net of accumulated depreciation | 於二零零九年四月一日， 已扣除累計折舊 | 879,602 | 135,307 | 1,208,044 | 55,799 | 30,040 | 2,308,792 |
| Additions | 添置 | 5,380 | 40,683 | 77,869 | 10,624 | 8,351 | 142,907 |
| Disposals | 出售 | (3,848) | (2,210) | (6,183) | (1,745) | (835) | (14,821) |
| Depreciation provided during the year | 年內折舊 準備 | (50,290) | (71,822) | (164,790) | (23,345) | (10,741) | (320,988) |
| Transfers from construction in progress (note 16) | 從在建工程轉入 (附註16) | 86,731 | - | 8,574 | - | - | 95,305 |
| Transfer to investment properties (note 14) | 撥往投資物業 (附註14) | (2,948) | - | - | - | - | (2,948) |
| Foreign exchange adjustments | 外匯調整 | 4,454 | 1,507 | 3,665 | 318 | 77 | 10,021 |
| At 31 March 2010, net of accumulated depreciation | 於二零一零年三月三十一日， 已扣除累計折舊 | 919,081 | 103,465 | 1,127,179 | 41,651 | 26,892 | 2,218,268 |
| At 31 March 2010: | 於二零一零年三月三十一日： | | | | | | |
| Cost or valuation | 成本或估值 | 1,306,198 | 398,236 | 2,668,273 | 220,277 | 93,416 | 4,686,400 |
| Accumulated depreciation | 累計折舊 | (387,117) | (294,771) | (1,541,094) | (178,626) | (66,524) | (2,468,132) |
| Net carrying amount | 賬面淨值 | 919,081 | 103,465 | 1,127,179 | 41,651 | 26,892 | 2,218,268 |
| Analysis of cost or valuation: | 成本或估值分析： | | | | | | |
| At cost | 成本 | 1,292,596 | 398,236 | 2,668,273 | 220,277 | 93,416 | 4,672,798 |
| At 31 March 1992 valuation | 於一九九二年三月三十一日 估值 | 13,602 | - | - | - | - | 13,602 |
| | | 1,306,198 | 398,236 | 2,668,273 | 220,277 | 93,416 | 4,686,400 |

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13. PROPERTY, PLANT AND EQUIPMENT (continued) Group

13. 物業、廠房及設備(續) 集團

| | | Leasehold land and buildings | Leasehold improvements | Plant and machinery | Furniture, fixtures and office equipment | Motor vehicles and yacht | Total |
|--|--------------------------|------------------------------------|---------------------------|------------------------|---|--------------------------------|-------------|
| | | 租賃土地 及樓宇 | 租賃 樓宇裝修 | 廠房 及機械 | 傢俬、裝置 及辦公室 設備 | 汽車及 遊艇 | 合計 |
| | | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 |
| | | 港幣千元 | 港幣千元 | 港幣千元 | 港幣千元 | 港幣千元 | 港幣千元 |
| 31 March 2009 | 二零零九年三月三十一日 | | | | | | |
| At 1 April 2008: | 於二零零八年四月一日: | | | | | | |
| Cost or valuation | 成本或估值 | 1,118,318 | 593,994 | 2,501,484 | 211,726 | 82,558 | 4,508,080 |
| Accumulated depreciation | 累計折舊 | (288,884) | (451,843) | (1,202,474) | (146,199) | (51,222) | (2,140,622) |
| Net carrying amount | 賬面淨值 | 829,434 | 142,151 | 1,299,010 | 65,527 | 31,336 | 2,367,458 |
| At 1 April 2008, net of accumulated depreciation | 於二零零八年四月一日， 已扣除累計折舊 | 829,434 | 142,151 | 1,299,010 | 65,527 | 31,336 | 2,367,458 |
| Additions | 添置 | 854 | 89,919 | 42,606 | 19,889 | 10,139 | 163,407 |
| Disposals | 出售 | - | (4,224) | (1,900) | (1,626) | (1,253) | (9,003) |
| Depreciation provided during the year | 年內折舊 準備 | (46,118) | (91,137) | (162,394) | (25,851) | (10,378) | (335,878) |
| Transfers from construction in progress (note 16) | 從在建工程轉入 (附註16) | 83,942 | - | 1,493 | 183 | - | 85,618 |
| Foreign exchange adjustments | 外匯調整 | 11,490 | (1,402) | 29,229 | (2,323) | 196 | 37,190 |
| At 31 March 2009, net of accumulated depreciation | 於二零零九年三月三十一日， 已扣除累計折舊 | 879,602 | 135,307 | 1,208,044 | 55,799 | 30,040 | 2,308,792 |
| At 31 March 2009: | 於二零零九年三月三十一日: | | | | | | |
| Cost or valuation | 成本或估值 | 1,218,961 | 580,316 | 2,579,013 | 220,686 | 85,019 | 4,683,995 |
| Accumulated depreciation | 累計折舊 | (339,359) | (445,009) | (1,370,969) | (164,887) | (54,979) | (2,375,203) |
| Net carrying amount | 賬面淨值 | 879,602 | 135,307 | 1,208,044 | 55,799 | 30,040 | 2,308,792 |
| Analysis of cost or valuation: | 成本或估值分析: | | | | | | |
| At cost | 成本 | 1,199,285 | 580,316 | 2,579,013 | 220,686 | 85,019 | 4,664,319 |
| At 31 March 1992 valuation | 於一九九二年三月三十一日 估值 | 19,676 | - | - | - | - | 19,676 |
| | | 1,218,961 | 580,316 | 2,579,013 | 220,686 | 85,019 | 4,683,995 |

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13. PROPERTY, PLANT AND EQUIPMENT (continued)

An analysis of the leasehold land and buildings at 31 March 2010 is as follows:

| | 2010 二零一零年 | | | 2009 二零零九年 | | |
|---|--|--------------------------------|---------------------------------|--|--------------------------------|---------------------------------|
| | 1992 Professional valuation 一九九二年 專業估值 HK\$'000 港幣千元 | Cost 成本 HK\$'000 港幣千元 | Total 合計 HK\$'000 港幣千元 | 1992 Professional valuation 一九九二年 專業估值 HK\$'000 港幣千元 | Cost 成本 HK\$'000 港幣千元 | Total 合計 HK\$'000 港幣千元 |
| Medium term leasehold land and buildings situated in Hong Kong 位於香港之中期租賃土地及樓宇 | 13,602 | 98,853 | 112,455 | 19,676 | 101,443 | 121,119 |
| Medium term leasehold land and buildings situated outside Hong Kong 位於香港以外之中期租賃土地及樓宇 | - | 1,193,743 | 1,193,743 | - | 1,097,842 | 1,097,842 |
| | 13,602 | 1,292,596 | 1,306,198 | 19,676 | 1,199,285 | 1,218,961 |

Certain medium term leasehold land and buildings were revalued in 1992 by independent professionally qualified valuers. Since 1993, no further revaluation of the Group's leasehold land and buildings has been carried out as the Group has relied upon the exemption granted under the transitional provisions in paragraph 80A of HKAS 16 "Property, plant and equipment", from the requirement to carry out future revaluations of its property, plant and equipment which were stated at valuation at that time. Had such leasehold land and buildings been carried at historical cost less accumulated depreciation, their carrying amount would have been approximately HK\$6,203,000 (2009: HK\$7,191,000).

Certain leasehold land and building situated in Hong Kong occupied by the Group as an owner-occupied property became an investment property during the year. The difference at the date of transfer between the carrying value and the fair value of the property of HK\$1,469,000 is accounted for as a revaluation and has been credited to the asset revaluation reserve.

13. 物業、廠房及設備(續)

於二零一零年三月三十一日之租賃土地及樓宇分析如下：

部份中期租賃土地及樓宇曾於一九九二年經獨立專業評估師進行重估。本集團自一九九三年起，並無對其租賃土地及樓宇作進一步重新估值，因按香港會計準則第16號「物業、廠房及設備」第80A段過渡性條文，豁免為其曾以當時估值入賬的物業、廠房及設備重新於將來再作重估。倘該等租賃土地及樓宇按歷史成本減累計折舊列賬，其賬面值應約為港幣6,203,000元(二零零九年：港幣7,191,000元)。

部份位於香港由本集團以業主佔用形式持有的租賃土地及樓宇於年內轉撥至投資物業。該等物業於轉撥日的賬面值與公允值的港幣1,469,000元差額，已作為重估入賬，並貸記於資產重估儲備中。

14. INVESTMENT PROPERTIES

14. 投資物業

| | | Group 集團 | |
|---|-----------------------|------------------|------------------|
| | | 2010 二零一零年 | 2009 二零零九年 |
| | | HK\$'000 港幣千元 | HK\$'000 港幣千元 |
| Carrying amount at beginning of year | 於年初賬面值 | 120,199 | 123,208 |
| Net gain from fair value adjustments | 公允值調整的收益淨額 | 27,252 | 2,873 |
| Transfer from property, plant and equipment (note 13) | 自物業、廠房及設備轉入 (附註13) | 4,417 | - |
| Foreign exchange adjustments | 匯兌調整 | 3,302 | (5,882) |
| Carrying amount at end of year | 於年末賬面值 | 155,170 | 120,199 |

The investment properties with carrying value of HK\$104,700,000 (2009: HK\$72,310,000) and HK\$50,470,000 (2009: HK\$47,889,000) are situated in Hong Kong and Taiwan, respectively. All investment properties are held under medium term leases. The investment properties with carrying value of HK\$104,700,000 were revalued on 31 March 2010 by the directors with reference to the current prices of similar properties in an active market at nearby locations adjusted to reflect those differences; as well as recent prices of similar properties in less active markets, with adjustments to reflect any changes in economic conditions since the date of the transactions that occurred at those prices. The investment properties with carrying value of HK\$50,470,000 were revalued on 31 March 2010 by Colliers Internationals, independent professionally qualified valuers, on an open market, existing use basis. The investment properties are leased to third parties under operating leases, further summary details of which are included in note 34(a) to the financial statements.

The gross rental income earned from the investment properties during the year amounted to HK\$8,707,000 (2009: HK\$8,944,000) (note 5).

賬面值為港幣104,700,000元(二零零九年:港幣72,310,000元)及港幣50,470,000元(二零零九年:港幣47,889,000元)的投資物業分別位於香港及台灣。投資物業全部按中期租約持有。賬面值為港幣104,700,000元之投資物業乃由董事參考目前活躍市場中附近地點類似物業的現價於二零一零年三月三十一日作出重估以反映其差異;同樣地就較不活躍市場中同類物業的最近成交價,作出調整以反映任何由交易日期起經濟狀況轉變發生。於二零一零年三月三十一日,賬面值為港幣50,470,000元的投資物業由擁有專業資格之獨立測量師高力國際不動產估價師聯合事務所,按公開市場及現有用途基準進行重估。投資物業乃以經營租約租予第三者,詳細資料載於財務表附註34(a)。

年內源於投資物業之租金收入總額為港幣8,707,000元(二零零九年:港幣8,944,000元)(附註5)。

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15. PREPAID LAND LEASE PAYMENTS

15. 預付土地租賃款

| | | Group 集團 | |
|---|------------------------|-------------|----------|
| | | 2010 | 2009 |
| | | 二零一零年 | 二零零九年 |
| | | HK\$'000 | HK\$'000 |
| | | 港幣千元 | 港幣千元 |
| Carrying amount at beginning of year | 於年初賬面值 | 25,086 | 25,471 |
| Recognised during the year | 年內確認 | (665) | (664) |
| Exchange realignment | 匯兌調整 | (1) | 279 |
| Carrying amount at end of year | 於年末賬面值 | 24,420 | 25,086 |
| Current portion included in prepayments, deposits and other receivables | 流動部份包括於預付款項、訂金及其他應收賬款內 | (665) | (664) |
| Non-current portion | 非流動部份 | 23,755 | 24,422 |

The above leasehold lands are all held under medium term leases and are situated outside Hong Kong.

以上之租賃土地均以中期租約持有及位於香港以外地方。

16. CONSTRUCTION IN PROGRESS

16. 在建工程

| | | Group 集團 | |
|---|----------------------|-------------|----------|
| | | 2010 | 2009 |
| | | 二零一零年 | 二零零九年 |
| | | HK\$'000 | HK\$'000 |
| | | 港幣千元 | 港幣千元 |
| At beginning of year | 於年初 | 119,283 | 148,701 |
| Additions | 添置 | 31,074 | 52,722 |
| Transfer to property, plant and equipment (note 13) | 撥往物業、廠房及設備 (附註13) | (95,305) | (85,618) |
| Foreign exchange adjustments | 外匯調整 | 251 | 3,478 |
| At end of year | 於年末 | 55,303 | 119,283 |

17. TRADEMARKS

17. 商標

| | | Group 集團 | |
|---|-----------|------------------|------------------|
| | | 2010 二零一零年 | 2009 二零零九年 |
| | | HK\$'000 港幣千元 | HK\$'000 港幣千元 |
| Cost and carrying amount at end of year | 於年末成本及賬面值 | 33,293 | 33,293 |

18. INTEREST IN AN ASSOCIATE

18. 於聯營公司之權益

| | | Group 集團 | |
|---------------------|--------|------------------|------------------|
| | | 2010 二零一零年 | 2009 二零零九年 |
| | | HK\$'000 港幣千元 | HK\$'000 港幣千元 |
| Share of net assets | 應佔資產淨值 | 120,349 | 111,271 |

Particulars of the associate are as follows:

聯營公司之資料如下：

| Name 名稱 | Particulars of issued shares held 持有已發行股本的資料 | Place of incorporation and operations 註冊成立及營業地點 | Percentage of ownership interest attributable to the Group 本集團應佔權益百分比 | Principal activity 主要業務 |
|---|---|--|--|---------------------------------|
| Megawell Industrial Limited ("Megawell") 偉佳針織有限公司 〔偉佳〕 | Ordinary shares of HK\$1 each 每股普通股港幣1元 | Hong Kong/Mainland China and Vietnam 香港／中國大陸及越南 | 50 | Manufacture of garments 成衣生產 |

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18. INTEREST IN AN ASSOCIATE (continued)

The following table illustrates the summarised financial information of Megawell extracted from its financial statements:

| | | 2010 二零一零年 HK\$'000 港幣千元 | 2009 二零零九年 HK\$'000 港幣千元 |
|------------------|-------|-----------------------------------|-----------------------------------|
| Assets | 資產 | 575,319 | 529,856 |
| Liabilities | 負債 | 315,172 | 276,434 |
| Revenues | 收入 | 1,277,204 | 1,443,156 |
| Profit after tax | 除稅後溢利 | 75,045 | 116,241 |

19. DUE TO AN ASSOCIATE

The amount due to an associate is unsecured, interest-free and repayable on agreed credit terms.

20. HELD-TO-MATURITY INVESTMENTS

The investments have an aggregate nominal value of HK\$272,079,000 (2009: HK\$90,816,000), bear interest ranging from 0.35% to 4.70% (2009: 1.20% to 5.45%) per annum and will mature within one year. The amortised cost of the held-to-maturity investments have been computed as the amount initially recognised minus principal repayments, plus or minus the cumulative amortisation using the effective interest rate method of any difference between the initially recognised amount and the maturity amount. At the end of the reporting period, the fair values of the held-to-maturity investments are not materially different from their carrying amounts.

18. 於聯營公司之權益(續)

下表載列摘自偉佳財務報表之財務資料概要：

19. 應付聯營公司

應付聯營公司欠款乃無抵押、無利息及須按協訂賬期還款。

20. 持至到期的投資

| | | Group 集團 | |
|--|-------------------|-----------------------------------|-----------------------------------|
| | | 2010 二零一零年 HK\$'000 港幣千元 | 2009 二零零九年 HK\$'000 港幣千元 |
| Listed investments in elsewhere, at amortised cost | 於其他地區上市的投資，按已攤銷成本 | 174,614 | 37,043 |
| Unlisted investments, at amortised cost | 非上市投資，按已攤銷成本 | 98,274 | 54,000 |
| | | 272,888 | 91,043 |
| Non-current portion | 非流動部份 | - | (70,056) |
| Current portion | 流動部份 | 272,888 | 20,987 |

該投資的合計面值為港幣272,079,000元(二零零九年：港幣90,816,000元)，年息率介乎0.35%至4.70%(二零零九年：1.20%至5.45%)之間，並將於一年內到期。持至到期的投資之已攤銷成本的計算乃按初始確認的金額減去已償還的本金，再加上或減去使用實際利率法對初始確認金額與到期日金額之差額的累計攤銷額計算。於報告期末，持至到期的投資的公允值與其賬面值並無重大差異。

20. HELD-TO-MATURITY INVESTMENTS (continued)

None of the held-to-maturity investments are either past due or impaired. The financial assets included in held-to-maturity investments relate to receivables for which there was no recent history of default.

20. 持至到期的投資(續)

該持至到期的投資概無逾期或減值。包括於持至到期的投資中的金融資產，與並無拒付記錄的應收款項有關。

21. INVENTORIES**21. 存貨**

| | | Group 集團 | |
|------------------|-----|------------------|-----------|
| | | 2010 | 2009 |
| | | 二零一零年 | 二零零九年 |
| | | HK\$'000 | HK\$'000 |
| | | 港幣千元 | 港幣千元 |
| Raw materials | 原料 | 1,225,712 | 799,843 |
| Work in progress | 在製品 | 87,818 | 95,371 |
| Finished goods | 製成品 | 850,257 | 760,881 |
| | | 2,163,787 | 1,656,095 |

22. TRADE AND BILLS RECEIVABLES**22. 應收賬款及應收票據**

| | | Group 集團 | |
|-------------------|------|------------------|----------|
| | | 2010 | 2009 |
| | | 二零一零年 | 二零零九年 |
| | | HK\$'000 | HK\$'000 |
| | | 港幣千元 | 港幣千元 |
| Trade receivables | 應收賬款 | 582,876 | 561,142 |
| Bills receivable | 應收票據 | 437,649 | 360,074 |
| | | 1,020,525 | 921,216 |
| Impairment | 減值 | (12) | (1,705) |
| | | 1,020,513 | 919,511 |

Payment terms of the Group's customers mainly range from "cash before delivery" to "within 90 days from the date of invoice". A significant portion of the customers trade with the Group under documentary credit terms. The Group seeks to maintain strict credit control on its outstanding receivables and has a policy to manage its credit risk. Since the Group's trade receivables relate to a large number of customers, there is no significant concentration of credit risk. Trade receivables are non-interest-bearing.

本集團客戶主要賬期由「先款後貨」至「發票日起的90天內」，其中有重大部份是以信用狀與本集團進行交易。本集團對應收款項實施一套嚴謹監察制度以管理信貸風險。由於本集團應收賬款包括眾多客戶，因此本集團並無重大的信貸集中風險。應收賬款為非附息。

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22. TRADE AND BILLS RECEIVABLES (continued)

An aged analysis of the trade and bills receivables as at the end of the reporting period, based on the invoice date and net of impairment, is as follows:

| | | Group 集團 | |
|----------------|-------|------------------|------------------|
| | | 2010 二零一零年 | 2009 二零零九年 |
| | | HK\$'000 港幣千元 | HK\$'000 港幣千元 |
| Within 90 days | 90日內 | 986,109 | 899,897 |
| Over 90 days | 90日以上 | 34,404 | 19,614 |
| | | 1,020,513 | 919,511 |

The movements in provision for impairment of trade receivables are as follows:

| | | Group 集團 | |
|--|---------------|------------------|------------------|
| | | 2010 二零一零年 | 2009 二零零九年 |
| | | HK\$'000 港幣千元 | HK\$'000 港幣千元 |
| At beginning of year | 於年初 | 1,705 | 2,814 |
| Write-back of impairment of trade receivables (note 6) | 應收賬款減值撥回(附註6) | (1,693) | (1,109) |
| At end of year | 於年末 | 12 | 1,705 |

Included in the above provision for impairment of trade receivables is a provision for individually impaired trade receivables of HK\$12,000 (2009: HK\$1,705,000) with a carrying amount of HK\$12,000 (2009: HK\$1,705,000). The individually impaired trade receivables relate to customers that were in default or delinquency in payments. The Group does not hold any collateral or credit enhancements over these balances.

22. 應收賬款及應收票據(續)

於報告期末，按發票日期及扣除減值後之應收賬款及應收票據賬齡分析如下：

應收賬款減值撥備的變動如下：

在上述應收賬款減值撥備中包括對個別已減值應收賬款撥備港幣12,000元(二零零九年：港幣1,705,000元)，該些應收賬款的賬面值為港幣12,000元(二零零九年：港幣1,705,000元)。該些個別已減值應收賬款涉及不履行付款及拖欠的客戶。本集團並無就該等結餘持有任何抵押品或其他信貸提升物。

22. TRADE AND BILLS RECEIVABLES (continued)

The aged analysis of the trade and bills receivables that are not considered to be impaired is as follows:

| | | Group 集團 | |
|-------------------------------|-----------|------------------|------------------|
| | | 2010 二零一零年 | 2009 二零零九年 |
| | | HK\$'000 港幣千元 | HK\$'000 港幣千元 |
| Neither past due nor impaired | 並非逾期亦無需減值 | 859,289 | 792,925 |
| Within 90 days past due | 逾期90日內 | 154,030 | 123,133 |
| Over 90 days past due | 逾期90日以上 | 7,194 | 3,453 |
| | | 1,020,513 | 919,511 |

Receivables that were neither past due nor impaired relate to a large number of diversified customers for whom there was no recent history of default.

Receivables that were past due but not impaired relate to a number of customers that have a good payment record with the Group. Based on past experience, the directors of the Company are of the opinion that no provision for impairment is necessary in respect of these balances as there has not been a significant change in credit quality and the balances are still considered fully recoverable. The Group does not hold any collateral or other credit enhancements over these balances.

22. 應收賬款及應收票據(續)

被視為無需減值之應收賬款及應收票據之賬齡分析如下：

並無逾期，且無需減值之應收款項涉及大批不同客戶，該等客戶並無不履行付款情況。

已逾期，但無需減值之應收款項與本集團多名有良好還款記錄之客戶有關。按過往經驗，本公司董事認為由於信貸質素未有重大轉變，該等結餘仍然可全數收回，因此無需作出減值撥備。本集團並無就該等結餘持有任何抵押品或其他信貸提升物。

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23. DERIVATIVE FINANCIAL INSTRUMENTS

23. 衍生金融工具

| | | Group 本集團 | |
|-----------------------------|---------|------------------|------------------|
| | | 2010 二零一零年 | 2009 二零零九年 |
| | | HK\$'000 港幣千元 | HK\$'000 港幣千元 |
| Forward currency contracts: | 遠期外匯合約： | | |
| Assets | 資產 | 17,731 | 41,920 |
| Liabilities | 負債 | 3,194 | 12,188 |

The Group has entered into various forward currency contracts to manage its exchange rate exposures which did not meet the criteria for hedge accounting. Changes in the fair value of non-hedging currency derivatives amounting to HK\$15,195,000 (2009: HK\$13,165,000) were charged to the income statement during the year.

本集團已簽訂多項不符合對沖會計要求的遠期外匯合約以管理其匯率風險。於年內，從利潤表中扣除的非對沖外匯衍生項目的公允價值轉變為港幣15,195,000元(二零零九年：港幣13,165,000元)。

24. CASH AND CASH EQUIVALENTS

24. 現金及現金等價物

| | | Group 本集團 | | Company 本公司 | |
|---|------------------|------------------|------------------|------------------|------------------|
| | | 2010 二零一零年 | 2009 二零零九年 | 2010 二零一零年 | 2009 二零零九年 |
| | | HK\$'000 港幣千元 | HK\$'000 港幣千元 | HK\$'000 港幣千元 | HK\$'000 港幣千元 |
| Cash and bank balances | 現金及銀行結餘 | 438,010 | 196,582 | 951 | 128 |
| Time deposits with original maturity less than three months when acquired | 於訂立日三個月內到期之定期存款 | 836,379 | 604,218 | - | - |
| Time deposits with original maturity of over three months when acquired | 於訂立日三個月以上到期之定期存款 | 252,076 | - | - | - |
| | | 1,526,465 | 800,800 | 951 | 128 |

24. CASH AND CASH EQUIVALENTS (continued)

At the end of the reporting period, the cash and bank balances and the time deposits of the Group denominated in Renminbi (“RMB”) amounted to HK\$364,890,000 (2009: HK\$120,907,000) and HK\$969,455,000 (2009: HK\$110,552,000), respectively. RMB is not freely convertible into other currencies, however, under Mainland China’s Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for other currencies through banks authorised to conduct foreign exchange business.

Cash at banks earns interest at floating rates based on daily bank deposit rates. Short term time deposits are made for period less or equal to one year depending on the immediate cash requirements of the Group, and earn interest at the respective short term time deposit rates. The bank balances and time deposits are placed with creditworthy banks.

25. TRADE AND BILLS PAYABLES

| | | Group 本集團 | |
|----------------|------|------------------|------------------|
| | | 2010 二零一零年 | 2009 二零零九年 |
| | | HK\$'000 港幣千元 | HK\$'000 港幣千元 |
| Trade payables | 應付賬款 | 40,858 | 916,686 |
| Bills payable | 應付票據 | 994,802 | 41,830 |
| | | 1,035,660 | 958,516 |

24. 現金及現金等價物(續)

於報告期末，本集團以人民幣結算之現金及銀行結餘及定期存款分別為港幣364,890,000元(二零零九年：港幣120,907,000元)及港幣969,455,000元(二零零九年：港幣110,552,000元)。人民幣不能自由兌換其他貨幣，惟根據中國大陸的結匯、售匯及付匯管理規定，本集團獲准透過獲授權進行外匯業務之銀行將人民幣兌換為其他貨幣。

銀行存款根據每日銀行存款利率賺取浮動息率利息。短期定期存款之存款期為一年或以下，視乎本集團之即時現金需求而定，並按各短期定期存款利率賺取利息。銀行結餘及定期存款存於信譽良好的銀行。

25. 應付賬款及應付票據

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25. TRADE AND BILLS PAYABLES (continued)

An aged analysis of the trade and bills payables as at the end of the reporting period, based on the invoice date, is as follows:

| | | Group 本集團 | |
|----------------|-------|------------------|------------------|
| | | 2010 二零一零年 | 2009 二零零九年 |
| | | HK\$'000 港幣千元 | HK\$'000 港幣千元 |
| Within 90 days | 90日內 | 1,018,179 | 883,876 |
| Over 90 days | 90日以上 | 17,481 | 74,640 |
| | | 1,035,660 | 958,516 |

At the end of the reporting period, the trade payables are non-interest-bearing and are normally settled on 90-day terms.

25. 應付賬款及應付票據(續)

於報告期末，按發票日期之應付賬款及應付票據賬齡分析如下：

於報告期末，應付賬款為非附息及一般為90天的賬期。

26. OTHER PAYABLES AND ACCRUED LIABILITIES

| | | Group 本集團 | |
|---------------------|--------|------------------|------------------|
| | | 2010 二零一零年 | 2009 二零零九年 |
| | | HK\$'000 港幣千元 | HK\$'000 港幣千元 |
| Other payables | 其他應付賬款 | 130,284 | 107,050 |
| Accrued liabilities | 應計負債 | 229,004 | 196,023 |
| | | 359,288 | 303,073 |

Other payables are non-interest-bearing and have an average term of three months.

26. 其他應付賬款及應計負債

其他應付賬款為無利息，且平均賬期為三個月。

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27. INTEREST-BEARING BANK BORROWINGS

27. 附息銀行貸款

| | | 2010 二零一零年 | | | 2009 二零零九年 | | |
|--------------------|------------|---|----------------------|------------------|---|----------------------|------------------|
| | | Effective annual interest rate (%) 實際年利率 (%) | Maturity 到期 | HK\$'000 港幣千元 | Effective annual interest rate (%) 實際年利率 (%) | Maturity 到期 | HK\$'000 港幣千元 |
| Group 集團 | | | | | | | |
| Current | 流動 | | | | | | |
| Bank loans | 銀行貸款 | | within 1 year | | | within 1 year | |
| – unsecured | – 無抵押 | 0.45-1.50 | 於一年內 | 1,223,044 | 0.75-4.73 | 於一年內 | 398,930 |
| Non-current | 非流動 | | | | | | |
| Bank loans | 銀行貸款 | | 2011-2014 | | | 2010-2012 | |
| – unsecured | – 無抵押 | 0.65-1.50 | 二零一一年至 二零一四年 | 489,744 | 0.75-4.73 | 二零一零年至 二零一二年 | 506,914 |
| | | | | 1,712,788 | | | 905,844 |

| | | 2010 二零一零年 | | | 2009 二零零九年 | | |
|--------------------|------------|---|----------------------|------------------|---|----------------------|------------------|
| | | Effective annual interest rate (%) 實際年利率 (%) | Maturity 到期 | HK\$'000 港幣千元 | Effective annual interest rate (%) 實際年利率 (%) | Maturity 到期 | HK\$'000 港幣千元 |
| Company 公司 | | | | | | | |
| Current | 流動 | | | | | | |
| Bank loans | 銀行貸款 | | within 1 year | | | within 1 year | |
| – unsecured | – 無抵押 | 0.65-0.75 | 於一年內 | 161,333 | 0.97-0.99 | 於一年內 | 161,333 |
| Non-current | 非流動 | | | | | | |
| Bank loans | 銀行貸款 | | 2011 | | | 2010-2011 | |
| – unsecured | – 無抵押 | 0.65-0.75 | 二零一一年 | 76,667 | 0.97-0.99 | 二零一零年至 二零一一年 | 238,000 |
| | | | | 238,000 | | | 399,333 |

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27. INTEREST-BEARING BANK BORROWINGS

(continued)

27. 附息銀行貸款(續)

| | | Group 本集團 | | Company 本公司 | |
|------------------------------|----------|------------------|----------|----------------|----------|
| | | 2010 | 2009 | 2010 | 2009 |
| | | 二零一零年 | 二零零九年 | 二零一零年 | 二零零九年 |
| | | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 |
| | | 港幣千元 | 港幣千元 | 港幣千元 | 港幣千元 |
| Analysed into: | 分析： | | | | |
| Bank loans repayable: | 銀行貸款還款期： | | | | |
| Within one year or | 於一年內或 | | | | |
| on demand | 按要求 | 1,223,044 | 398,930 | 161,333 | 161,333 |
| In the second year | 第二年 | 260,204 | 337,222 | 76,667 | 161,333 |
| In the third to fifth years, | 第三至第五年， | | | | |
| inclusive | 包括首尾兩年 | 229,540 | 169,692 | - | 76,667 |
| | | 1,712,788 | 905,844 | 238,000 | 399,333 |

As at 31 March 2010, the Group's bank borrowings in Hong Kong dollars and New Taiwanese dollars amounted to HK\$1,706,680,000 (2009: HK\$872,710,000) and HK\$6,108,000 (2009: HK\$33,134,000), respectively.

於二零一零年三月三十一日，本集團之港幣及新台幣銀行貸款分別為港幣1,706,680,000元（二零零九年：港幣872,710,000元）及港幣6,108,000元（二零零九年：港幣33,134,000元）。

As at 31 March 2010, the Group's banking facilities were supported by corporate guarantees from the Company and certain of its subsidiaries.

於二零一零年三月三十一日，本集團的銀行信貸乃由本公司及其部份附屬公司作出企業擔保。

28. DEFERRED TAX

28. 遞延稅項

| | Withholding tax on the distributable profits of the Group's PRC subsidiaries 本集團的中國附屬公司可供分派溢利的預扣稅項 | | Depreciation allowance in excess of related depreciation 超出相關折舊費用的折舊免稅額 | | Revaluation of properties 物業重估 | | Fair values of derivative financial instruments 衍生金融工具公允值 | | Others 其他 | | Group 集團 | |
|---|---|----------|--|----------|-----------------------------------|----------|--|----------|--------------|----------|-------------|----------|
| | 2010 | 2009 | 2010 | 2009 | 2010 | 2009 | 2010 | 2009 | 2010 | 2009 | 2010 | 2009 |
| | 二零一零年 | 二零零九年 | 二零一零年 | 二零零九年 | 二零一零年 | 二零零九年 | 二零一零年 | 二零零九年 | 二零一零年 | 二零零九年 | 二零一零年 | 二零零九年 |
| | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 |
| | 港幣千元 | 港幣千元 | 港幣千元 | 港幣千元 | 港幣千元 | 港幣千元 | 港幣千元 | 港幣千元 | 港幣千元 | 港幣千元 | 港幣千元 | 港幣千元 |
| At beginning of year 於年初 | 21,579 | - | (721) | (721) | 2,753 | 1,886 | - | 11,000 | 2,619 | 4,449 | 26,230 | 16,614 |
| Deferred tax charged/ (credited) to the income statement 遞延稅項準備/ (回撥) | 24,393 | 21,579 | - | - | 4,497 | 867 | - | (11,000) | 1,338 | (1,830) | 30,228 | 9,616 |
| during the year (note 9) (附註9) | | | | | | | | | | | | |
| At end of year 於年末 | 45,972 | 21,579 | (721) | (721) | 7,250 | 2,753 | - | - | 3,957 | 2,619 | 56,458 | 26,230 |

The Group has tax losses arising in Hong Kong of HK\$670,203,000 (2009: HK\$607,704,000) that are available indefinitely for offsetting against future taxable profits of the companies in which the losses arose. Deferred tax assets have not been recognised in respect of these losses as they have arisen in subsidiaries of which no assessable profits are expected to generate in the foreseeable future.

Pursuant to the New Corporate Income Tax Law, a 10% withholding tax is levied on dividends declared to foreign investors from the foreign investment enterprises established in Mainland China. The requirement is effective from 1 January 2008 and applies to earnings generated after 31 December 2007. A lower withholding tax rate may be applied if there is a tax treaty between China and jurisdiction of the foreign investors. For the Group, the applicable rate is 10%. The Group is therefore liable to withholding taxes on dividends distributed by those subsidiaries established in Mainland China in respect of earnings generated from 1 January 2008.

There are no income tax consequences attaching to the payment of dividends by the Company to its shareholders.

At 31 March 2010, the Company has no significant unrecognised deferred tax asset/liability (2009: Nil).

本集團於香港產生之稅項虧損為港幣670,203,000元(二零零九年:港幣607,704,000元),該些產生稅項虧損的公司可無限期使用該虧損用作抵銷日後之應課稅溢利。由於未能確定產生有關虧損之附屬公司於可見將來會否產生應課稅溢利,遞延稅項資產並無就該等虧損進行確認。

根據新企業所得稅法,中國大陸的外資企業須就向外方投資者宣派的股息提撥10%預扣稅項。該要求由二零零八年一月一日起生效,並應用於二零零七年十二月三十一日後產生的利潤。外方投資者可申請一較低預扣稅率,若其所在地與中國有稅務協定。適用於本集團的稅率為10%。因此本集團就該等於中國大陸成立的附屬公司自二零零八年一月一日起的盈利有關的股息分派有預扣稅項的責任。

本公司向其股東派發之股息,並無導致任何須繳納所得稅之後果。

於二零一零年三月三十一日,本公司未有重大未確認遞延稅項資產/負債(二零零九年:無)。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

31 March 2010 二零一零年三月三十一日

29. SHARE CAPITAL Shares

29. 股本 股份

| | | 2010 二零一零年 HK\$'000 港幣千元 | 2009 二零零九年 HK\$'000 港幣千元 |
|---|--|-----------------------------------|-----------------------------------|
| Authorised: | 法定： | | |
| 2,000,000,000 shares of HK\$0.05 each in nominal value | 2,000,000,000股 每股面值港幣0.05元 | 100,000 | 100,000 |
| Issued and fully paid: | 已發行及繳足： | | |
| 1,334,608,104 (2009: 1,327,211,104) shares of HK\$0.05 each in nominal value | 1,334,608,104 (二零零九年： 1,327,211,104)股 每股面值港幣0.05元 | 66,730 | 66,360 |

A summary of the movements in the Company's share capital during the year is as follows:

本公司股本於本年內之變動簡述如下：

| | Notes 附註 | Number of shares in issue 已發行 股份數量 | Issued share capital 已發行 股本 HK\$'000 港幣千元 | Share premium account 股本 溢價賬 HK\$'000 港幣千元 | Total 總額 HK\$'000 港幣千元 |
|---------------------------------------|----------------------------|---|---|--|---------------------------------|
| At 1 April 2008 | 於二零零八年四月一日 | 1,327,132,104 | 66,356 | 350,598 | 416,954 |
| Exercise of share options | 購股權之行使 (a) | 833,000 | 42 | 4,591 | 4,633 |
| Transfer from share option reserve | 自購股權儲備 轉入 | - | - | 1,175 | 1,175 |
| Repurchase of shares | 回購股本 (b) | (754,000) | (38) | (3,951) | (3,989) |
| At 31 March 2009 and 1 April 2009 | 於二零零九年三月三十一日 及二零零九年四月一日 | 1,327,211,104 | 66,360 | 352,413 | 418,773 |
| Exercise of share options | 購股權之行使 (c) | 7,397,000 | 370 | 37,399 | 37,769 |
| Transfer from share option reserve | 自購股權儲備 轉入 | - | - | 2,396 | 2,396 |
| At 31 March 2010 | 於二零一零年三月三十一日 | 1,334,608,104 | 66,730 | 392,208 | 458,938 |

Notes:

附註：

(a) The subscription rights attaching to 50,000 share options and 783,000 share options were exercised at the subscription price of HK\$4.97 per share and HK\$5.60 per share (note 30), respectively, resulting in the issue of 833,000 ordinary shares of HK\$0.05 each in nominal value each for a total cash consideration, before expenses, of approximately HK\$4,633,000.

(a) 50,000份及783,000份附有認購權之購股權分別以每股港幣4.97元及港幣5.60元之認購價獲行使(附註30)，因此，833,000股每股面值港幣0.05元之普通股以未扣除費用之總現金代價約港幣4,633,000元予以發行。

29. SHARE CAPITAL (continued)**Shares (continued)**

Notes: (continued)

- (b) During the year ended 31 March 2009, the Company repurchased 754,000 of its ordinary shares HK\$0.05 each in nominal value from the market at a total consideration of approximately HK\$3,989,000 (including expenses of HK\$14,000). These repurchased ordinary shares were subsequently cancelled by the Company and the share premium of HK\$3,951,000 has been debited to the share premium account of the Company. In addition, the Company also transferred HK\$38,000, which is equivalent to the nominal value of these repurchased shares, from retained profits to the capital redemption reserve as set out in note 31(b) to the financial statements.
- (c) The subscription rights attaching to 5,800,000 share options and 1,597,000 share options were exercised at the subscription price of HK\$4.97 per share and HK\$5.60 per share (note 30), respectively, resulting in the issue of 7,397,000 ordinary shares of HK\$0.05 each in nominal value each for a total cash consideration, before expenses, of approximately HK\$37,769,000.

Share options

Details of the Company's share option scheme and the share options issued under the scheme are included in note 30 to the financial statements.

30. SHARE OPTION SCHEME

The Company operates a share option scheme (the "Scheme"), in compliance with the requirements of Chapter 17 of the Listing Rules, for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's operations. Eligible participants of the Scheme include the Company's directors, including independent non-executive directors, and other employees of the Group. The Scheme became effective on 28 August 2002 and will remain in force for 10 years from that date.

The maximum number of share options permitted to be granted under the Scheme was an amount equivalent, upon their exercise, to 10% of the shares of the Company in issue at any time. The maximum number of shares issuable under share options to each eligible participant in the Scheme within any 12-month period is limited to 1% of the shares of the Company in issue at any time. Any further grant of share options in excess of this limit is subject to shareholders' approval in a general meeting.

29. 股本(續)**股份(續)**

附註：(續)

- (b) 於二零零九年三月三十一日止年度內，本公司以代價約港幣3,989,000元(包括費用港幣14,000元)於市場回購其每股面值港幣0.05元之普通股754,000股。其後，本公司註銷已回購普通股，港幣3,951,000元已從股份溢價賬中扣除。此外，本公司由保留溢利轉撥港幣38,000元至股本贖回儲備，相等於其回購股份之面值，有關資料載於財務報表附註31(b)。
- (c) 5,800,000份及1,597,000份附有認購權之購股權分別以每股港幣4.97元及港幣5.60元之認購價獲行使(附註30)，因此，7,397,000股每股面值港幣0.05元之普通股以未扣除費用之總現金代價約港幣37,769,000元予以發行。

購股權

本公司之購股權計劃及根據該計劃發行之購股權之詳細資料已載於財務報表附註30。

30. 購股權計劃

本公司採納一個符合上市規則第17章要求的購股權計劃(「該計劃」)，主要目的是向符合資格及曾對本集團作出貢獻的參與者給與獎勵及報酬。該計劃符合資格參與者包括本公司董事(包括獨立非執行董事)及本集團其他僱員。該計劃由二零零二年八月二十八日起計之十年內有效。

該計劃允許之最多可授予之購股權為相等於本公司任何時間之10%已發行股份。於任何十二個月期間內根據該計劃可向每名合資格參與人士發行之股份數目，最多不得超逾任何時間之本公司已發行股份1%。任何進一步授出超過該限額之購股權必須獲股東於股東大會批准。

30. SHARE OPTION SCHEME (continued)

Share options granted to a director, chief executive or substantial shareholder of the Company, or to any of their associates, are subject to approval in advance by the independent non-executive directors. In addition, any share options granted to a substantial shareholder or an independent non-executive director of the Company, or to any of their associates, in excess of 0.1% of the shares of the Company in issue at any time or with an aggregate value (based on the price of the Company's shares at the date of the grant) in excess of HK\$5,000,000, within any 12-month period, are subject to shareholders' approval in advance in a general meeting.

The offer of a grant of share options may be accepted within 28 days from the date of the offer upon payment of a nominal consideration of HK\$1 in total by the grantee. The exercise period of the share options granted is determinable by the directors but is not more than ten years from the date of grant.

The exercise price of share options is determinable by the directors, but may not be less than the highest of (i) the Stock Exchange closing price of the Company's shares on the date of the offer of the share options; (ii) the average Stock Exchange closing price of the Company's shares for the five trading days immediately preceding the date of offer; and (iii) the nominal value of a share.

Share options do not confer rights on the holders to dividends or to vote at shareholders' meetings.

The following share options were outstanding under the Scheme at the end of the reporting period:

30. 購股權計劃(續)

向董事、主要行政人員或主要股東，或彼等任何聯繫人士授出購股權必須獲獨立非執行董事預先批准。此外，於任何十二個月期間內，任何購股權授予本公司的主要股東或獨立非執行董事，或彼等聯繫人士超過本公司在任何時間已發行股本0.1%或總值(按本公司股份於該授予日期之價格)超過港幣5,000,000元，必須預先獲股東於股東大會批准。

購股權之被授予人必須於頒授日起之28日內支付名義代價港幣1元。購股權之行使限期由董事決定，但最長不超過頒授日起計之十年。

購股權之行使價格由董事釐定，惟不得低於以下之較高者：(i)本公司股份於頒授購股權日期在聯交所之收市價；(ii)本公司股份於緊接頒授日期前五個交易日在聯交所之平均收市價；及(iii)股份票面值。

購股權並無賦予持有者享有股息的權利或於股東會投票的權利。

於報告期末，該計劃下未行使之購股權如下：

| | | 2010 二零一零年 | | 2009 二零零九年 | |
|---------------------------|-------|---------------------------------------|----------------------|---------------------------------------|----------------------|
| | | Weighted average exercise price | Number of options | Weighted average exercise price | Number of options |
| | | 加權平均 行使價格 HK\$ per share | 購股權數目 '000 千 | 加權平均 行使價格 HK\$ per share | 購股權數目 '000 千 |
| At beginning of year | 於年初 | 5.27 | 47,937 | 5.28 | 48,770 |
| Exercised during the year | 年內已行使 | 5.11 | (7,397) | 5.56 | (833) |
| Forfeited during the year | 年內已取消 | 5.60 | (50) | - | - |
| At end of year | 於年末 | 5.30 | 40,490 | 5.27 | 47,937 |

30. SHARE OPTION SCHEME (continued)

The weighted average closing price per share at the date of exercise for share options exercised during the year was HK\$6.83.

The exercise prices and exercise periods of the share options outstanding at the end of the reporting period are as follows:

| Exercise price* | Exercise period | Number of options | |
|-----------------|--|-------------------|---------------|
| | | 2010 | 2009 |
| 行使價格* | 行使期限 | 二零一零年 | 二零零九年 |
| HK\$ per share | | '000 | '000 |
| 每股港幣元 | | 千 | 千 |
| 4.97 | 11 September 2002 to 10 September 2012 二零零二年九月十一日至二零一二年九月十日 | 19,150 | 24,950 |
| 5.60 | 26 March 2004 to 25 March 2014 二零零四年三月二十六日至二零一四年三月二十五日 | 18,600 | 18,600 |
| 5.60 | 1 April 2006 to 25 March 2014 二零零六年四月一日至二零一四年三月二十五日 | 2,740 | 4,387 |
| | | 40,490 | 47,937 |

* The exercise price of the share options is subject to adjustment in case of rights or bonus issues, or other similar changes in the Company's share capital.

During the year, 7,397,000 (2009: 833,000) share options exercised resulted in the issue of 7,397,000 (2009: 833,000) ordinary shares of the Company and new share capital of HK\$370,000 (2009: HK\$42,000) and share premium of HK\$37,399,000 (2009: HK\$4,591,000), as further detailed in note 29 to the financial statements.

During the year, 50,000 share options were forfeited upon resignation of an employee, resulting in a reduction in the share option reserve which was transferred to retained profits of HK\$75,000 (2009: Nil).

30. 購股權計劃(續)

於年內行使購股權當日的加權平均每股收市價為港幣6.83元。

於報告期末，未行使購股權之行使價格及行使期限如下：

* 購股權的行使價格於本公司配股或派發紅股或在其股本中有其他類似轉變時可予調整。

於年內，7,397,000份(二零零九年：833,000份)購股權被行使，導致本公司發行普通股7,397,000股(二零零九年：833,000股)，及增加新股本港幣370,000元(二零零九年：港幣42,000元)和股本溢價港幣37,399,000元(二零零九年：港幣4,591,000元)，詳細資料載於財務表附註29。

於年內，一位僱員離職及放棄50,000份購股權，導致本公司的購股權儲備因轉撥到保留溢利而減少港幣75,000元(二零零九年：無)。

30. SHARE OPTION SCHEME (continued)

At 31 March 2010, the Company had 40,490,000 share options outstanding under the Scheme. The exercise in full of the outstanding share options would, under the present capital structure of the Company, result in the issue of 40,490,000 additional ordinary shares of the Company and additional share capital of HK\$2,025,000 and share premium of HK\$212,655,000 (before issue expenses).

Subsequent to the end of the reporting period, 70,000 share options and 100,000 share options were exercised by the employees of the Company on 7 April 2010 and 9 April 2010, respectively, resulting in the issue of 170,000 ordinary shares of the Company with new share capital of HK\$8,500 and share premium of HK\$943,500.

At the date of approval of these financial statements, the Company had 40,320,000 share options outstanding under the Scheme, which represented approximately 3.0% of the Company's shares in issue as at that date.

31. RESERVES**(a) Group**

The amounts of the Group's reserves and the movements therein for the current and prior years are presented in the consolidated statement of changes in equity.

The Group's contributed surplus represents the difference between the nominal value of the issued share capital of the Company and the then nominal value of the issued share capital of the subsidiaries acquired at the date of acquisition, as a result of the reorganisation which occurred before the listing of the Company's shares in 1992.

As further detailed in note 2.4 to the financial statements, the Group applied the transitional provisions of HKFRS 3 that permitted goodwill in respect of business combinations which occurred prior to 2001, to remain eliminated against consolidated retained profits. The amounts of goodwill remaining in consolidated retained profits, arising from the acquisition of an associate prior to the adoption of SSAP 30 in 2001, was HK\$110,648,000 as at 31 March 2010 and 31 March 2009.

30. 購股權計劃(續)

於二零一零年三月三十一日，本公司在該計劃下尚有40,490,000份購股權未獲行使。根據本公司之現有資本架構，全面行使餘下之購股權將導致額外發行40,490,000股本公司之普通股，並額外產生股本港幣2,025,000元及股份溢價港幣212,655,000元(發行費用前)。

報告期末後，本公司的僱員分別於二零一零年四月七日及二零一零年四月九日行使其70,000及100,000份購股權，導至本公司發行普通股170,000股，及增加新股本港幣8,500元和股本溢價港幣943,500元。

於財務報表之核准日，本公司在該計劃下尚有40,320,000份購股權未獲行使，相當於該日本公司已發行股份約3.0%。

31. 儲備**(a) 集團**

本年度及以往年度本集團儲備金額及其中之變動呈列於綜合權益變動表內。

因應本公司在一九九二年上市前的重組，本集團之實繳盈餘為本公司已發行股本之面值與所收購附屬公司於收購日期之已發行股本面值之差額。

詳載於財務報表附註2.4，本集團已引用香港財務報告準則第3號過渡性條文，允許於二零零一年前發生的業務合併產生的商譽繼續與綜合保留溢利撇銷。於二零零一年採納會計實務準則第30號前，因收購一聯營公司產生的商譽，仍留於綜合保留溢利中，其金額於二零一零年三月三十一日及二零零九年三月三十一日為港幣110,648,000元。

31. RESERVES (continued)**(a) Group** (continued)

In accordance with the Macau Commercial Codes, Nice Dyeing Factory (Macao Commercial Office) Limited, a wholly-owned subsidiary of the Company, whose principal operation is conducted in Macau, is required to appropriate annually not less than 25% of its profit after tax to a legal reserve, until the balance of the reserve reaches 50% of the entity's capital fund.

(b) Company**31. 儲備** (續)**(a) 集團** (續)

根據澳門商法典，本公司一全資擁有附屬公司，永佳染廠(澳門離岸商業服務)有限公司，其主要營運於澳門進行，需每年分配其不少於25%的除稅後溢利至法定儲備，直至該儲備結餘達至該公司資本金的50%。

(b) 公司

| | | Share premium account | Share option reserve | Capital redemption reserve | Contributed surplus | Retained profits | Total |
|-----------------------------------|------------------------|-----------------------|----------------------|----------------------------|---------------------|------------------|-----------|
| | Notes | 股本溢價賬 | 購股權儲備 | 贖回儲備 | 實繳盈餘 | 保留溢利 | 總額 |
| | 附註 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 |
| | | 港幣千元 | 港幣千元 | 港幣千元 | 港幣千元 | 港幣千元 | 港幣千元 |
| At 1 April 2008 | 於二零零八年四月一日 | 350,598 | 7,756 | 1,649 | 48,708 | 785,132 | 1,193,843 |
| Exercise of share options | 行使購股權 | 29 | (1,175) | - | - | - | 4,591 |
| Repurchase of shares | 回購股份 | 29 | (3,951) | 38 | - | (38) | (3,951) |
| Profit for the year | 本年度溢利 | - | - | - | - | 189,607 | 189,607 |
| 2008/2009 interim dividend | 二零零八/二零零九年度中期股息 | 11 | - | - | - | (238,940) | (238,940) |
| 2008/2009 proposed final dividend | 二零零八/二零零九年度擬派末期股息 | 11 | - | - | - | (291,986) | (291,986) |
| At 31 March 2009 and 1 April 2009 | 於二零零九年三月三十一日及二零零九年四月一日 | 352,413 | 6,581 | 1,687 | 48,708 | 443,775 | 853,164 |
| Exercise of share options | 行使購股權 | 29 | (2,396) | - | - | - | 37,399 |
| Forfeiture of share option | 購股權取消 | 30 | (75) | - | - | 75 | - |
| Profit for the year | 本年度溢利 | - | - | - | - | 196,303 | 196,303 |
| 2009/2010 interim dividend | 二零零九/二零一零年度中期股息 | 11 | - | - | - | (292,242) | (292,242) |
| 2009/2010 proposed final dividend | 二零零九/二零一零年度擬派末期股息 | 11 | - | - | - | (347,042) | (347,042) |
| At 31 March 2010 | 於二零一零年三月三十一日 | 392,208 | 4,110 | 1,687 | 48,708 | 869 | 447,582 |

The Company's contributed surplus represents the difference between the nominal value of the issued share capital of the Company and the then combined net assets of the subsidiaries acquired on the date of acquisition, as a result of the reorganisation which occurred before the listing of the Company's shares in 1992. Under the Companies Act 1981 of Bermuda (as amended), a distribution may be made out of the contributed surplus under certain circumstances.

因應本公司在一九九二年上市前的重組，本公司之實繳盈餘為本公司已發行股本之面值與所收購附屬公司於收購日之合併資產淨值之差額。根據百慕達一九八一年公司法(經修改)，可於若干情況下派發實繳盈餘。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

31 March 2010 二零一零年三月三十一日

32. INTERESTS IN SUBSIDIARIES

32. 於附屬公司之權益

| | | Company 公司 | |
|--------------------------|----------|------------------|------------------|
| | | 2010 二零一零年 | 2009 二零零九年 |
| | | HK\$'000 港幣千元 | HK\$'000 港幣千元 |
| Unlisted shares, at cost | 非上市股份·成本 | 48,908 | 48,908 |
| Due from subsidiaries | 應收附屬公司賬款 | 851,069 | 1,362,379 |
| | | 899,977 | 1,411,287 |

The balances with subsidiaries are unsecured, interest-free and are not repayable within one year.

與附屬公司之賬款結餘，乃無抵押、無利息及無須於一年內償還。

All subsidiaries, other than Trustland Inc., are indirectly held by the Company. Particulars of the principal subsidiaries are as follows:

除Trustland Inc.外，所有附屬公司均由本公司間接持有。主要附屬公司詳情如下：

| Name 名稱 | Place of incorporation/ registration and operations 註冊成立/登記 及營業地點 | Nominal value of issued ordinary/ registered share capital 已發行普通股/ 已登記股本面值 | Percentage of equity attributable to the Company 本公司應佔權益之百分率 | | Principal activities 主要業務 |
|---|---|--|---|---------------|---|
| | | | 2010 二零一零年 | 2009 二零零九年 | |
| Trustland Inc.* | British Virgin Islands/ Hong Kong 英屬處女群島/香港 | US\$18,000 18,000美元 | 100 | 100 | Investment holding 投資控股 |
| Nice Dyeing Factory Limited 永佳染廠有限公司 | Hong Kong 香港 | Ordinary HK\$1,000 non-voting deferred HK\$3,125,000 普通股本港幣1,000元 無投票權遞延股本 港幣3,125,000元 | 100 | 100 | Sale of finished knitted fabric and dyed yarn 銷售針織布及色紗 |
| Texwinca Enterprises (China) Limited* 德永佳(中國)發展有限 公司* | British Virgin Islands/PRC 英屬處女群島/中國 | US\$1 1美元 | 100 | 100 | Investment holding 投資控股 |
| Dongguan Texwinca Textile & Garment Limited* 東莞德永佳紡織製衣有限 公司* | PRC/Mainland China 中國/中國大陸 | HK\$2,523,950,000 港幣2,523,950,000元 | 100 | 100 | Production of finished knitted fabric and dyed yarn 生產染整針織布及色紗 |
| Nice Dyeing Factory (Macao Commercial Offshore) Limited* 永佳染廠(澳門離岸商業 服務)有限公司* | Macau 澳門 | MOP100,000 澳門幣100,000元 | 100 | 100 | Procurement of raw materials and sale of finished knitted fabric and dyed yarn 採購原材料及銷售針織布 及色紗 |

32. INTERESTS IN SUBSIDIARIES (continued)

32. 於附屬公司之權益(續)

| Name 名稱 | Place of incorporation/ registration and operations 註冊成立/登記 及營業地點 | Nominal value of issued ordinary/ registered share capital 已發行普通股/ 已登記股本面值 | Percentage of equity attributable to the Company 本公司應佔權益之百分率 | | Principal activities 主要業務 |
|---|--|--|---|---------------|---|
| | | | 2010 二零一零年 | 2009 二零零九年 | |
| Texwinca Enterprises Limited 德永生實業有限公司 | Hong Kong 香港 | HK\$2 港幣2元 | 100 | 100 | Provision of management services 提供管理服務 |
| Win Ready Industrial Limited 永備實業有限公司 | Hong Kong 香港 | Ordinary HK\$10 non-voting deferred HK\$2 普通股本港幣10元 無投票權遞延股本 港幣2元 | 100 | 100 | Property holding 持有物業 |
| Winlife Trading Limited 永生行有限公司 | Hong Kong 香港 | HK\$15,903,100 港幣15,903,100元 | 100 | 100 | Property holding 持有物業 |
| Baleno Holdings Limited 班尼路集團有限公司 | British Virgin Islands 英屬處女群島 | US\$10,000 10,000美元 | 54 | 54 | Investment holding 投資控股 |
| Baleno Kingdom Limited 班尼路有限公司 | Hong Kong 香港 | HK\$10,000 港幣10,000元 | 54 | 54 | Retailing and distribution of casual apparel and accessory 便服及飾物之零售及分銷 |
| Guangzhou Friendship Baleno Company Limited* | PRC/Mainland China 中國/中國大陸 | HK\$48,800,000 港幣48,800,000元 | 54 | 54 | Retailing and distribution of casual apparel and accessory 便服及飾物之零售及分銷 |
| 廣州友誼班尼路服飾有限 公司* | 中國/中國大陸 | 港幣48,800,000元 | | | |
| Shanghai Haiwen Baleno Garment Company Limited* | PRC/Mainland China 中國/中國大陸 | US\$210,000 210,000美元 | 51.4 | 51.4 | Retailing and distribution of casual apparel and accessory 便服及飾物之零售及分銷 |
| 上海海文班尼路服飾有限公司* | 中國/中國大陸 | 210,000美元 | | | |
| Beijing Xingyu Baleno Garment & Decoration Company Limited* | PRC/Mainland China 中國/中國大陸 | US\$500,000 500,000美元 | 54 | 54 | Retailing and distribution of casual apparel and accessory 便服及飾物之零售及分銷 |
| 北京興宇班尼路服裝服飾 有限公司* | 中國/中國大陸 | 500,000美元 | | | |
| Chongqing Dasheng Baleno Fashion Company Limited* | PRC/Mainland China 中國/中國大陸 | HK\$3,880,000 港幣3,880,000元 | 54 | 54 | Retailing and distribution of casual apparel and accessory 便服及飾物之零售及分銷 |
| 重慶大生班尼路服飾有限 公司* | 中國/中國大陸 | 港幣3,880,000元 | | | |
| 天津市班尼路服飾有限公司* | PRC/Mainland China 中國/中國大陸 | RMB500,000 人民幣500,000元 | 54 | 54 | Retailing and distribution of casual apparel and accessory 便服及飾物之零售及分銷 |
| 天津班尼路服飾有限公司* | 中國/中國大陸 | 人民幣500,000元 | | | |
| Silver Kingdom Limited* | British Virgin Islands/Taiwan 英屬處女群島/台灣 | US\$1 1美元 | 54 | 54 | Retailing and distribution of casual apparel and accessory 便服及飾物之零售及分銷 |
| 銀鯨有限公司* | 英屬處女群島/台灣 | 1美元 | | | |

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32. INTERESTS IN SUBSIDIARIES (continued)

32. 於附屬公司之權益(續)

| Name 名稱 | Place of incorporation/ registration and operations 註冊成立/登記 及營業地點 | Nominal value of issued ordinary/ registered share capital 已發行普通股/ 已登記股本面值 | Percentage of equity attributable to the Company 本公司應佔權益之百分率 | | Principal activities 主要業務 |
|---|--|--|---|---------------|---|
| | | | 2010 二零一零年 | 2009 二零零九年 | |
| Bigpoint Limited | British Virgin Islands/Mainland China | US\$1 | 100 | 100 | Holding of trademarks and provision of franchise services |
| 大班有限公司 | 英屬處女群島/ 中國大陸 | 1美元 | | | 持有商標及提供特許經營 服務 |
| Highrich Corporation* | British Virgin Islands/Mainland China | US\$1 | 54 | 54 | Provision of management services and sub-licensing of trademarks |
| 大富有限公司* | 英屬處女群島/ 中國大陸 | 1美元 | | | 提供管理服務及代理 版權服務 |
| Winca (Dongguan) Motor Service Limited* | PRC/Mainland China | HK\$28,460,000 | 100 | 100 | Provision of repair and maintenance services for motor vehicles |
| 永佳(東莞)汽車 維修服務有限公司* | 中國/中國大陸 | 港幣28,460,000元 | | | 提供汽車之維修及保養服務 |
| Successful Channel Corporation* | British Virgin Islands/Mainland China | US\$1 | 54 | 54 | Property holding |
| | 英屬處女群島/ 中國大陸 | 1美元 | | | 持有物業 |
| Billion Global Limited* | British Virgin Islands/Taiwan | US\$1 | 54 | 54 | Retailing and distribution of casual apparel and accessory |
| 億皓股份有限公司* | 英屬處女群島/台灣 | 1美元 | | | 便服及飾物之零售及分銷 |
| 南京班尼路服飾 有限公司* | PRC/Mainland China | RMB1,010,000 | 54 | 54 | Retailing and distribution of casual apparel and accessory |
| | 中國/中國大陸 | 人民幣1,010,000元 | | | 便服及飾物之零售及分銷 |
| 武漢班尼路商貿有限公司* | PRC/Mainland China | RMB5,880,000 | 54 | 54 | Retailing and distribution of casual apparel and accessory |
| | 中國/中國大陸 | 人民幣5,880,000元 | | | 便服及飾物之零售及分銷 |
| 長沙班尼路服飾 有限公司* | PRC/Mainland China | RMB500,000 | 54 | 54 | Retailing and distribution of casual apparel and accessory |
| | 中國/中國大陸 | 人民幣500,000元 | | | 便服及飾物之零售及分銷 |
| 陝西班尼路服飾 有限公司* | PRC/Mainland China | RMB600,000 | 54 | 54 | Retailing and distribution of casual apparel and accessory |
| | 中國/中國大陸 | 人民幣600,000元 | | | 便服及飾物之零售及分銷 |
| Excel Billion Inc.* | British Virgin Islands/Taiwan | US\$1 | 54 | 54 | Property holding |
| 永億國際有限公司* | 英屬處女群島/台灣 | 1美元 | | | 持有物業 |

32. INTERESTS IN SUBSIDIARIES (continued)

32. 於附屬公司之權益(續)

| Name 名稱 | Place of incorporation/ registration and operations 註冊成立/登記 及營業地點 | Nominal value of issued ordinary/ registered share capital 已發行普通股/ 已登記股本面值 | Percentage of equity attributable to the Company 本公司應佔權益之百分率 | | Principal activities 主要業務 |
|------------------|--|--|---|---------------|--|
| | | | 2010 二零一零年 | 2009 二零零九年 | |
| 大連班尼路服飾 有限公司* | PRC/Mainland China 中國/中國大陸 | HK\$2,100,000 港幣2,100,000元 | 54 | | 54 Retailing and distribution of casual apparel and accessory 便服及飾物之零售及分銷 |

* Not audited by Ernst & Young Hong Kong or other member firm of the Ernst & Young global network.

* 並非由安永會計師事務所香港或其他安永會計師事務所國際成員審核。

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

上表僅列出本公司之主要附屬公司，董事認為彼等對本集團本年之業績構成主要影響或組成本集團淨資產之主要部份。董事認為詳列所有附屬公司會令篇幅過於冗長。

33 CONTINGENT LIABILITIES

33. 或有負債

(a) At the end of the reporting period, contingent liabilities not provided for in the financial statements were as follows:

(a) 於報告期末，以下或有負債未於財務報表撥備：

| | | Group 集團 | | Company 公司 | |
|---|------------------------|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|
| | | 2010 二零一零年 HK\$'000 港幣千元 | 2009 二零零九年 HK\$'000 港幣千元 | 2010 二零一零年 HK\$'000 港幣千元 | 2009 二零零九年 HK\$'000 港幣千元 |
| Bank guarantees given in lieu of property rental deposits | 代替租用物業按金 之銀行 擔保 | 4,517 | 2,567 | - | - |
| Guarantees of banking facilities granted to an associate | 為聯營公司銀行 信貸所作之 擔保 | 12,500 | 12,500 | 12,500 | 12,500 |
| Guarantees of banking facilities granted to subsidiaries | 為附屬公司銀行 信貸所作之 擔保 | - | - | 4,786,830 | 4,322,470 |

33 CONTINGENT LIABILITIES (continued)

- (a) At the end of the reporting period, contingent liabilities not provided for in the financial statements were as follows: (continued)

As at 31 March 2010, the banking facilities granted to subsidiaries with guarantees given to the banks by the Company were utilised to the extent of approximately HK\$1,474,788,000 (2009: HK\$506,511,000) and the banking facilities granted to an associate with guarantees given to the banks by the Company was not utilised (2009: Nil).

- (b) A subsidiary of the Group in Taiwan is currently subject to a claim from the National Tax Authority of Taiwan for the underpayment of business tax on sales made through certain local stores in Taiwan during the period from November 1998 to December 2002 together with penalties, of NTD50,219,000 in aggregate (equivalent to HK\$11,840,000). Further to the appeal made by the subsidiary in July 2009, the Supreme Administrative Court of Taiwan turned down the appeal from the subsidiary in November 2009. Based on the result of the appeal, the subsidiary has made a provision of HK\$11,840,000 (2009: Nil) for the claim during the year.
- (c) During the year ended 31 March 2007, the Hong Kong Inland Revenue Department (the "IRD") initiated a review on the tax affairs for the past years of certain subsidiaries of the Group. In March 2007, protective tax assessments totalling HK\$322,038,000 for the year of assessment 2000/2001 have been issued by the IRD. In March 2008, February 2009 and January 2010, protective tax assessments totalling HK\$224,000,000, HK\$275,000,000 and HK\$578,000,000 for the years of assessment 2001/2002, 2002/2003 and 2003/2004, respectively, have been issued by the IRD. Objections have been raised by the Group against the protective tax assessments. The directors of the subsidiaries believe that there are valid grounds to object the tax claimed. Subsequent to the objections, the IRD agreed to hold over the tax claimed completely subject to the purchase of tax reserve certificates in the sum of HK\$40,000,000, HK\$35,000,000, HK\$25,000,000 and HK\$25,000,000 for the years of assessment 2000/2001, 2001/2002, 2002/2003 and 2003/2004, respectively. In view that the tax review is in progress, the outcome of the case is still uncertain. Up to the date of approval of these financial statements, the directors of the subsidiaries consider that adequate tax provisions have been made in the financial statements.

33. 或有負債(續)

- (a) 於報告期末，以下或有負債未於財務報表撥備：(續)

於二零一零年三月三十一日，附屬公司已動用本公司已作擔保之銀行額度約為港幣1,474,788,000元(二零零九年：港幣506,511,000元)，而聯營公司並無動用本公司已作擔保之銀行額度(二零零九年：無)。

- (b) 本集團於台灣之一附屬公司受到台灣國稅局追繳有關透過部份當地店舖於一九九八年十一月至二零零二年十二月期間銷售之少付營業稅及罰款，總額共新台幣50,219,000元(相等於港幣11,840,000元)。就二零零九年七月該附屬公司的上訴，台灣最高行政法院於二零零九年十一月駁回該附屬公司的上訴。該附屬公司已就上訴的結果，於本年內就該追討撥備港幣11,840,000元(二零零九年：無)。
- (c) 於截至二零零七年三月三十一日止年度，香港稅務局(「稅局」)向本集團部份附屬公司提出就以往年度稅務事項進行復核。於二零零七年三月，稅局已就二零零零／二零零一課稅年度發出保障性稅務評估共港幣322,038,000元。於二零零八年三月、二零零九年二月及二零一零年一月，稅局就二零零一／二零零二、二零零二／二零零三及二零零三／二零零四課稅年度分別發出保障性稅務評估共港幣224,000,000元、港幣275,000,000元及港幣578,000,000元，本集團已就該等保障性稅務評估作出反對。該等附屬公司董事相信有充份理據就追討的稅款提出反對。於反對後，稅局同意暫緩所徵的全部稅款，惟必須就二零零零／二零零一、二零零一／二零零二、二零零二／二零零三及二零零三／二零零四課稅年度分別購買儲稅券金額共港幣40,000,000元、港幣35,000,000元、港幣25,000,000元及港幣25,000,000元。由於有關復核在進行中，這事件的結果仍然不明朗。截至本財務報表批核日，有關附屬公司董事認為財務報表中之稅項撥備已足夠。

34. OPERATING LEASE ARRANGEMENTS**(a) As lessor**

The Group leases its investment properties (note 14) under operating lease arrangements, with leases negotiated for terms ranging from one to thirteen years. The terms of the leases generally also require the tenants to pay security deposits and provide for periodic rent adjustments according to the then prevailing market conditions.

At the end of the reporting period, the Group had total future minimum lease receivables under non-cancellable operating leases with its tenants falling due as follows:

| | | Group 集團 | |
|--|---------------------|-----------------------------------|-----------------------------------|
| | | 2010 二零一零年 HK\$'000 港幣千元 | 2009 二零零九年 HK\$'000 港幣千元 |
| Within one year | 於一年內 | 16,879 | 20,388 |
| In the second to fifth years, inclusive | 第二年至第五年 (包括首尾兩年) | 34,798 | 34,913 |
| After five years | 於五年後 | 3,689 | 7,034 |
| | | 55,366 | 62,335 |

(b) As lessee

The Group leases certain pieces of its land for factories, retail outlets, plant and machinery, training center, and staff and directors' quarters under operating lease arrangements. Such leases are negotiated for terms of not more than 50 years.

At the end of the reporting period, the Group had total future minimum lease payments under non-cancellable operating leases with its landlords falling due as follows:

| | | Group 集團 | |
|--|---------------------|-----------------------------------|-----------------------------------|
| | | 2010 二零一零年 HK\$'000 港幣千元 | 2009 二零零九年 HK\$'000 港幣千元 |
| Within one year | 於一年內 | 556,949 | 475,565 |
| In the second to fifth years, inclusive | 第二年至第五年 (包括首尾兩年) | 1,020,380 | 848,305 |
| After five years | 於五年後 | 627,723 | 609,186 |
| | | 2,205,052 | 1,933,056 |

34. 經營租賃安排**(a) 作為出租人**

本集團根據經營租賃安排出租旗下投資物業(附註14)，議訂租期一年至十三年。租約條款一般規定租戶須繳付保證按金及訂明可根據當時市場情況定期作出租金調整。

於報告期末，本集團根據與租客訂立之不可撤銷經營租賃合約，未來最低應收租金總額到期情況如下：

(b) 作為承租人

本集團根據經營租賃安排租用若干土地用作廠房、零售店舖、廠房及機械、培訓中心及員工及董事宿舍。該等租約議訂租期不超過五十年。

於報告期末，本集團根據與業主訂立之不可撤銷經營租賃合約，未來最低應付租金總額到期情況如下：

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34. OPERATING LEASE ARRANGEMENTS (continued)

(b) As lessee (continued)

The operating lease rentals of certain retail shops are based on the higher of a fixed rental or contingent rent based on the sales of the retail outlets pursuant to the terms and conditions as set out in the respective rental agreements. As the future sales of these retail outlets could not be estimated reliably, the relevant contingent rent has not been included above and only the minimum lease commitment has been included in the above table.

At the end of the reporting period, the Company had no commitments under operating lease arrangements (2009: Nil).

34. 經營租賃安排(續)

(b) 作為承租人(續)

若干商舖之經營租約租金，乃根據有關租約所載之條款及條件，以固定租金，或按零售店鋪銷售額而釐訂之或然租金，以兩者中較高的作準。由於無法準確估計此等零售店鋪未來之銷售額，故上表未計入相關或然租金，而只計入最低租金承擔。

於報告期末，本公司並無經營租賃安排承擔(二零零九年：無)。

35. CAPITAL COMMITMENTS

The commitments for capital expenditure of the Group at the end of the reporting period were as follows:

35. 資本性承擔

本集團於報告期末有以下資本性支出承擔：

| | | Group 集團 | |
|--|--------------------|-----------------------------------|-----------------------------------|
| | | 2010 二零一零年 HK\$'000 港幣千元 | 2009 二零零九年 HK\$'000 港幣千元 |
| In respect of property, plant and equipment, contracted but not provided for | 就物業、廠房及設備，已訂約但未提撥備 | 41,011 | 1,167 |
| In respect of property, plant and equipment, authorised but not contracted for | 就物業、廠房及設備，已核准但沒有訂約 | 330,331 | 330,331 |
| In respect of an investment in a subsidiary | 就投資於一附屬公司 | 34,000 | 87,005 |
| | | 405,342 | 418,503 |

At the end of the reporting period, the Company had no capital commitments (2009: Nil).

於報告期末，本公司並無資本性承擔(二零零九年：無)。

36. RELATED PARTY TRANSACTIONS

- (a) During the year, the Group had the following related party transactions:

| | | | 2010 二零一零年 | 2009 二零零九年 |
|---|-------------|-------------|------------------|------------------|
| | | Notes 附註 | HK\$'000 港幣千元 | HK\$'000 港幣千元 |
| Sales to Megawell | 銷售予偉佳 | (i) | 507,931 | 468,386 |
| Purchases from Megawell | 向偉佳採購 | (ii) | 266,871 | 339,838 |
| Rental expenses paid to related companies | 向關連公司支付租金費用 | (iii) | 23,469 | 17,372 |

Notes:

- (i) The sales to Megawell, an associate of the Group, were made according to the prices and conditions offered to the major customers of the Group.
- (ii) The directors considered that the purchases from Megawell were made according to the prices and conditions similar to those offered to other customers of the Megawell.
- (iii) The rental expenses were paid to related companies, of which certain directors of the Company are also the directors and beneficial shareholders, for the provision of directors' quarters, retail outlet and training center for certain subsidiaries in Hong Kong and Mainland China. The directors considered that the monthly rentals were charged based on the prevailing market rates at the dates of the tenancy agreements. The rental expenses of the directors' quarters were included in the directors' remuneration as detailed in note 7 to the financial statements.

In addition, the Company and the Group have provided certain guarantees for banking facilities granted to Megawell, as detailed in note 33(a) to the financial statements.

36. 關連人士交易

- (a) 於年內，本集團曾進行以下關連人士交易：

附註：

- (i) 向偉佳(本集團的聯營公司)之銷售乃根據本集團向主要客戶提供之價格及條件訂立。
- (ii) 董事認為向偉佳採購之價格及條件，與偉佳向其客戶所提供之價格及條件相若。
- (iii) 租金費用是支付予關連公司作為部份香港及中國大陸之附屬公司的董事宿舍、零售店舖及培訓中心，該等公司之董事及實益股東亦為本公司之董事。董事認為每月之租金乃根據租賃合同簽訂日之市場價格釐定。付出之董事宿舍租金費用已包括於董事酬金，並詳列於財務報表附註7。

此外，本公司及本集團為偉佳作出若干銀行信貸擔保，詳細資料載於財務報表附註33(a)。

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36. RELATED PARTY TRANSACTIONS (continued)

- (b) As at 31 March 2010, Nice Dyeing Factory Limited, a wholly-owned subsidiary of the Company, has provided advances of HK\$19,736,000 (2009: HK\$12,984,000) to Baleno Kingdom Limited, a non-wholly-owned subsidiary of the Company, at Hong Kong Interbank Offered Rate (“HIBOR”) plus 3% (2009: HIBOR plus 2%) per annum.

In addition, as at 31 March 2010, Nice Dyeing Factory (Macao Commercial Offshore) Limited, a wholly-owned subsidiary of the Company, has provided advances of HK\$268,297,000 (2009: HK\$443,847,000) to Baleno Holdings Limited, a non-wholly-owned subsidiary of the Company, at 83% of HIBOR plus 3% (2009: 83% of HIBOR plus 2%) per annum.

The principal purpose of these advances is to finance the operations of Baleno Holdings Limited and its subsidiaries. The advances are unsecured and have no fixed terms of repayment.

- (c) A minority shareholder of the Group’s 54%-owned subsidiary had provided an unconditional guarantee to indemnify the Group from any loss arising from the recoverability of prepayments made to a supplier of the Group of HK\$24,178,000 (2009: HK\$25,029,000) as included in the balance of the prepayments, deposits and other receivables of the Group as at the end of the reporting period.
- (d) Compensation of key management personnel of the Group:

| | | 2010 二零一零年 HK\$'000 港幣千元 | 2009 二零零九年 HK\$'000 港幣千元 |
|---|------------|-----------------------------------|-----------------------------------|
| Short term employee benefits | 短期僱員福利 | 107,619 | 94,010 |
| Post-employment benefits | 離職後福利 | 60 | 60 |
| Total compensation paid to key management personnel | 主要管理人員薪酬總額 | 107,679 | 94,070 |

36. 關連人士交易(續)

- (b) 於二零一零年三月三十一日，本公司之全資擁有附屬公司永佳染廠有限公司向本公司之非全資擁有附屬公司班尼路有限公司提供之貸款為港幣19,736,000元(二零零九年：港幣12,984,000元)，年利率為香港銀行同業拆息加3%(二零零九年：香港銀行同業拆息加2%)。

此外，於二零一零年三月三十一日，本公司全資擁有附屬公司永佳染廠(澳門離岸商業服務)有限公司向本公司非全資擁有附屬公司班尼路集團有限公司提供貸款港幣268,297,000元(二零零九年：港幣443,847,000元)，年利率為香港銀行同業拆息加3%的83%(二零零九年：香港銀行同業拆息加2%的83%)。

該等貸款主要用作班尼路集團有限公司及其附屬公司之營運資金。上述貸款並無抵押及無協定還款日期。

- (c) 本集團擁有54%權益附屬公司之一少數股東就本集團預付一供應商貨款港幣24,178,000元(二零零九年：港幣25,029,000元)提供無條件擔保以補償任何本集團回收上之損失。於報告期末，該款已包括於預付款項、訂金及其他應收賬款結餘中。
- (d) 本集團主要管理人員薪酬：

36. RELATED PARTY TRANSACTIONS (continued)

- (d) Compensation of key management personnel of the Group: (continued)

Further details of directors' remuneration are included in note 7 to the financial statements.

Save as disclosed under "Details of non-exempt continuing connected transactions" of the Report of the Directors, the related party transactions in respect of items (a)(iii) above constitute continuing connected transactions which are exempted from the reporting, announcement and independent shareholders' approval requirements as defined in Chapter 14A Rule 65(4) of the Listing Rules.

36. 關連人士交易 (續)

- (d) 本集團主要管理人員薪酬：(續)

董事酬金詳情載於財務報表附註7。

除披露於董事會報告內「不獲豁免的持續關連交易詳情」外，上述關連人士交易中第(a)(iii)項為按上市規則第14A章第65(4)條規定豁免有關申報、公告及獨立股東批准的持續關連交易。

37. FINANCIAL INSTRUMENTS BY CATEGORY

The carrying amounts of each of the categories of financial instruments as at the end of the reporting period are as follows:

37. 按種類劃分的金融工具

於報告期末，各種金融工具賬面值如下：

Group**Financial assets****集團****金融資產**

| 2010 | Held to maturity investments | Financial assets at fair value through profit or loss | | Loans and receivables | Total |
|--|------------------------------|---|---------------------|-----------------------|-----------|
| | | – held for trading | – held for trading | | |
| 二零一零年 | 持至到期的投資 | 以公允值計量且其變動計入損益的金融資產 | 以公允值計量且其變動計入損益的金融資產 | 貸款及應收款項 | 合計 |
| | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 |
| | 港幣千元 | 港幣千元 | 港幣千元 | 港幣千元 | 港幣千元 |
| Trade and bills receivables | 應收賬款及應收票據 | - | - | 1,020,513 | 1,020,513 |
| Financial assets included in prepayments, deposits and other receivables | 包括於預付款項、訂金及其他應收賬款內之金融資產 | - | - | 222,673 | 222,673 |
| Held-to-maturity investments | 持至到期的投資 | 272,888 | - | - | 272,888 |
| Long term rental deposits | 長期租金按金 | - | - | 109,864 | 109,864 |
| Derivative financial assets | 衍生金融資產 | - | 17,731 | - | 17,731 |
| Cash and cash equivalents | 現金及現金等價物 | - | - | 1,526,465 | 1,526,465 |

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37. FINANCIAL INSTRUMENTS BY CATEGORY

(continued)

Group

Financial liabilities

37. 按種類劃分的金融工具(續)

集團

金融負債

| 2010 | Financial liabilities at fair value through profit or loss – held for trading 以公允價值計量且其變動計入損益的金融負債 — 持作買賣 | Financial liabilities at amortised cost 按攤銷成本入賬的金融負債 | Total 合計 |
|--|---|---|------------------|
| 二零一零年 | HK\$'000 港幣千元 | HK\$'000 港幣千元 | HK\$'000 港幣千元 |
| Due to an associate 應付聯營公司 | – | 42,633 | 42,633 |
| Trade and bills payables 應付賬款及應付票據 | – | 1,035,660 | 1,035,660 |
| Financial liabilities included in other payables and accrued liabilities 包括於其他應付賬款及應計負債內之金融負債 | – | 130,284 | 130,284 |
| Derivative financial liabilities 衍生金融負債 | 3,194 | – | 3,194 |
| Interest-bearing bank borrowings 附息銀行貸款 | – | 1,712,788 | 1,712,788 |
| | | | |

37. FINANCIAL INSTRUMENTS BY CATEGORY

(continued)

Group

Financial assets

37. 按種類劃分的金融工具(續)

集團

金融資產

| 2009 | | Held to maturity investments | Financial assets at fair value through profit or loss – held for trading 以公允價值計量且其變動計入損益的 金融資產 — 持作買賣 | Loans and receivables | Total |
|--|-----------------------------|------------------------------|--|-----------------------|------------------|
| 二零零九年 | | 持至到期的投資 | 金融資產 — 持作買賣 | 貸款及 應收款項 | 合計 |
| | | HK\$'000 港幣千元 | HK\$'000 港幣千元 | HK\$'000 港幣千元 | HK\$'000 港幣千元 |
| Trade and bills receivables | 應收賬款及應收票據 | - | - | 919,511 | 919,511 |
| Held-to-maturity investments | 持至到期的投資 | 91,043 | - | - | 91,043 |
| Long term rental deposits | 長期租金按金 | - | - | 93,979 | 93,979 |
| Financial assets included in prepayments, deposits and other receivables | 包括於預付款項、訂金及其他應收賬款內之 金融資產 | - | - | 303,679 | 303,679 |
| Derivative financial assets | 衍生金融資產 | - | 41,920 | - | 41,920 |
| Cash and cash equivalents | 現金及現金等價物 | - | - | 800,800 | 800,800 |

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37. FINANCIAL INSTRUMENTS BY CATEGORY

(continued)

Group

Financial liabilities

37. 按種類劃分的金融工具(續)

集團

金融負債

| 2009 | Financial liabilities at fair value through profit or loss – held for trading 以公允價值計量且其變動計入損益的金融負債 – 持作買賣 | Financial liabilities at amortised cost 按攤銷成本入賬的金融負債 | Total 合計 |
|--|--|---|------------------|
| 二零零九年 | HK\$'000 港幣千元 | HK\$'000 港幣千元 | HK\$'000 港幣千元 |
| Due to an associate 應付聯營公司 | – | 11,231 | 11,231 |
| Trade and bills payables 應付賬款及應付票據 | – | 958,516 | 958,516 |
| Financial liabilities included in other payables and accrued liabilities 包括於其他應付賬款及應計負債內之金融負債 | – | 107,050 | 107,050 |
| Derivative financial liabilities 衍生金融負債 | 12,188 | – | 12,188 |
| Interest-bearing bank borrowings 附息銀行貸款 | – | 905,844 | 905,844 |

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37. FINANCIAL INSTRUMENTS BY CATEGORY

(continued)

Company

Financial assets

37. 按種類劃分的金融工具(續)

公司

金融資產

| | | 2010 二零一零年 | 2009 二零零九年 |
|---------------------------|----------|---|---|
| | | Loans and receivables 貸款及 應收款項 | Loans and receivables 貸款及 應收款項 |
| | | HK\$'000 港幣千元 | HK\$'000 港幣千元 |
| Due from subsidiaries | 應收附屬公司賬款 | 851,069 | 1,362,379 |
| Dividend receivable | 應收股息 | 200,000 | 200,000 |
| Cash and cash equivalents | 現金及現金等價物 | 951 | 128 |

Financial liabilities

金融負債

| | | 2010 二零一零年 | 2009 二零零九年 |
|---|---------------|---|---|
| | | Financial liabilities at amortised cost 按攤銷成本 入賬的金融負債 | Financial liabilities at amortised cost 按攤銷成本 入賬的金融負債 |
| | | HK\$'000 港幣千元 | HK\$'000 港幣千元 |
| Interest-bearing bank borrowings | 付息銀行貸款 | 238,000 | 399,333 |
| Financial liabilities included in accrued liabilities | 包括於應計負債內之金融負債 | 561 | 303 |

38. FAIR VALUE HIERARCHY

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments:

Level 1: fair values measured based on quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: fair values measured based on valuation techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly;

Level 3: fair values measured based on valuation techniques for which all inputs which have a significant effect on the recorded fair value are not based on observable market data (unobservable inputs).

As at 31 March 2010, the financial instruments measured at fair value held by the Group comprised of equity investments at fair value through profit or loss and was classified as Level 1.

During the year ended 31 March 2010, there were no transfers of fair value measurements between Level 1 and Level 2 and no transfers into or out of Level 3.

39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's principal financial instruments, other than derivatives, comprise bank loans and overdrafts, and cash and short term deposits. The main purpose of these financial instruments is to raise finance for the Group's operations. The Group has various other financial assets and liabilities such as trade receivables and trade payables, which arise directly from its operations.

The Group also enters into derivative transactions, including principally forward currency contracts. The purpose is to manage currency risks arising from the Group's operations and its sources of finance.

The main risks arising from the Group's financial instruments are interest rate risk, foreign currency risk, credit risk and liquidity risk. The Board reviews and agrees policies for managing each of these risks and they are summarised below. The Group's accounting policies in relation to derivatives are set out in note 2.4 to the financial statements.

38. 公允值等級

本集團採用以下等級釐定及披露金融工具之公允值：

第一級：以相同之資產或負債於活躍市場之報價(未經調整)計量之公允值；

第二級：根據估值法計量之公允值，而全部對所已記錄公允值有重大影響之輸入資料均可直接或間接觀察得到；

第三級：根據估值法計量之公允值，而全部對所已記錄公允值有重大影響之輸入資料均並非來自可觀察之市場數據(不能觀察之輸入資料)。

於二零一零年三月三十一日，本集團持有按公允值計量之金融工具包括以公允值列賬及變動計入損益之股權投資，並歸類為第一級。

於截至二零一零年三月三十一日止年度，概無第一級與第二級之間之公允值計量之轉移，及無自第三級轉入或轉出。

39. 財務風險管理目標及政策

本集團之主要金融工具(除衍生工具外)包括銀行貸款及透支、及現金及短期存款。該等金融工具之主要目的是為本集團籌集營運資金。本集團有其他不同的金融資產及負債，如應收賬款及應付賬款，乃源自其營運。

本集團亦會簽訂衍生工具交易，主要包括遠期外匯合約，旨在管理本集團營運及融資所產生之貨幣風險。

本集團金融工具所產生之主要風險為利率風險、外幣風險、信貸風險及流動性風險。董事會審閱並確認政策以管理此等風險之政策，該等政策概述如下。本集團有關衍生工具之會計政策載於財務報表附註2.4。

39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)**Interest rate risk**

The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long term debt obligations with floating interest rates.

The Group's policy is to manage its interest cost using an appropriate mix of fixed and variable rate debts. To manage this mix in a cost-effective manner, the Group may enter into interest rate swap contracts to reduce its exposure to interest rate fluctuations.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates, with all other variables held constant, of the Group's profit before tax (through the impact on floating rate borrowings) and the Group's and the Company's equity.

39. 財務風險管理目標及政策 (續)**利率風險**

本集團面對市場利率變動風險主要與本集團之浮息長期債務責任有關。

本集團的政策是利用合適的定息及浮息貸款組合以管理其利息成本。為以具成本效益管理該組合，本集團可安排利率掉期合約以減低其面對利率波動之風險。

下表反映了在固定所有其他變量的情況下，本集團的除稅前溢利(藉對浮息貸款的影響)和本集團及本公司的權益，對合理及可能的利率變動的敏感性。

| | | Group 集團 | Company 公司 |
|------------------|--------------|---|---|
| | | Increase/ (decrease) in interest rate | Increase/ (decrease) in profit before tax and equity |
| | | 利率增加/ (減少) % | 除稅前溢利及 權益增加/ (減少) HK\$'000 港幣千元 |
| 2010 | 二零一零年 | | |
| Hong Kong dollar | 港幣 | 1 | (11,794) |
| Hong Kong dollar | 港幣 | (1) | 11,794 |
| | | | |
| 2009 | 二零零九年 | | |
| Hong Kong dollar | 港幣 | 1 | (11,777) |
| Hong Kong dollar | 港幣 | (1) | 11,777 |

39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)**Foreign currency risk**

The Group has transactional currency exposures. Such exposures arise from sales or purchases by operating units in currencies other than the units' functional currency. Approximately 28% (2009: 28%) of the Group's sales are denominated in currencies other than the functional currency of the operating units making the sale, whilst almost 54% (2009: 55%) of costs are denominated in currencies other than the units' functional currency.

The following table demonstrates the sensitivity at the end of the reporting period to a reasonably possible change in the RMB exchange rate, with all other variables held constant, of the Group's profit before tax (due to changes in the fair value of monetary assets and liabilities) and the Group's equity.

| | | Increase/ (decrease) in exchange rate 匯率增加/ (減少) % | Increase/ (decrease) in profit before tax and equity 除稅前溢利及 權益增加/ (減少) HK\$'000 港幣千元 |
|---|--------------|--|--|
| 2010 | 二零一零年 | | |
| If Hong Kong dollar weakens against RMB | 倘港幣兌人民幣貶值 | 1 | 3,850 |
| If Hong Kong dollar strengthens against RMB | 倘港幣兌人民幣升值 | (1) | (3,850) |
| 2009 | 二零零九年 | | |
| If Hong Kong dollar weakens against RMB | 倘港幣兌人民幣貶值 | 1 | 1,545 |
| If Hong Kong dollar strengthens against RMB | 倘港幣兌人民幣升值 | (1) | (1,545) |

39. 財務風險管理目標及政策(續)**外幣風險**

本集團存在交易貨幣風險，該風險源自經營單位以該單位功能貨幣以外之貨幣進行銷售或採購。本集團約28%(二零零九年：28%)之銷售乃以經營單位功能貨幣以外之貨幣計值，同時約54%(二零零九年：55%)之成本乃以經營單位功能貨幣以外之貨幣計值。

下表反映了於報告期末在固定所有其他變量的情況下，本集團的除稅前溢利(由於貨幣性資產和負債公允值的變動)及本集團的權益對合理及可能的人民幣匯率變動的敏感性。

39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES *(continued)***Credit risk**

The Group trades only with recognised and creditworthy third parties. It is the Group's policy that only well-established customers will be considered for open account terms and the approval of credit terms is subject to stringent credit check procedures. In addition, receivable balances are monitored on an ongoing basis and the Group's exposure to bad debts is not significant.

The credit risk of the Group's other financial assets, which comprise cash and cash equivalents, and derivative financial instruments, arises from default of the counterparties, with a maximum exposure equal to the carrying amount of these instruments, which is considered by the directors as not significant as the counterparties of these other financial assets are mainly well-recognised corporations.

The held-to-maturity investments are interest-bearing notes. At 31 March 2010, all issuers of held-to-maturity investments are well established corporations. The Group's exposure to impairment is not significant.

Since the Group trades only with recognised and creditworthy third parties, there is no requirement for collateral.

Further quantitative data in respect of the Group's exposure to credit risk arising from trade and bills receivables are disclosed in note 22 to the financial statements.

39. 財務風險管理目標及政策 *(續)***信貸風險**

本集團僅與被確認為信譽良好之第三者交易。本集團之政策為只考慮為良好基礎之客戶開立除銷賬戶，而賬期之審批須經過嚴格之信貸審查程序。此外，本集團持續的監察應收款項結餘，而本集團並無重大之壞賬風險。

本集團其他金融資產(包括現金及現金等價物及衍生金融工具)之信貸風險源自交易對手違約而產生，最高風險相等於該等工具之賬面值。由於此其他金融資產交易對手主要為有良好基礎的機構，因此董事認為該等風險並不重大。

於二零一零年三月三十一日，所有持至到期的投資為附息債券，其發行商均為穩健的機構。本集團面對的減值風險不高。

由於本集團僅與被確認信譽良好之第三者交易，故並無要求提供抵押品。

其他有關本集團面對由應收賬款及應收票據產生的信貸風險之量化資料已於財務報表附註22中披露。

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39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Liquidity risk

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts and bank loans. As at 31 March 2010, 29% (2009: 56%) and 71% (2009: 44%) of the Group's total borrowings will mature over one year and in less than one year, respectively.

The maturity profile of the Group's financial liabilities as at the end of the reporting period, based on the contractual undiscounted payments, was as follows:

Group

| | | On demand | Less than 3 months | 3 to less than 12 months | 1 to 5 years | Total |
|--|----------------|---------------|--------------------|--------------------------|----------------|------------------|
| | | 按要求 | 三個月以內 | 十二個月內 | 一至五年 | 合計 |
| | | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 |
| | | 港幣千元 | 港幣千元 | 港幣千元 | 港幣千元 | 港幣千元 |
| 2010 | 二零一零年 | | | | | |
| Due to an associate | 應付聯營公司 | - | 42,633 | - | - | 42,633 |
| Interest-bearing bank borrowings | 附息銀行貸款 | - | 806,753 | 416,291 | 489,744 | 1,712,788 |
| Trade and bills payables | 應付賬款及應付票據 | - | 1,007,417 | 28,243 | - | 1,035,660 |
| Other payables | 其他應付賬款 | 13,196 | 117,088 | - | - | 130,284 |
| Derivative financial liabilities | 衍生金融負債 | - | 888 | 2,306 | - | 3,194 |
| Guarantees of banking facilities granted to an associate | 為聯營公司銀行信貸所作之擔保 | 12,500 | - | - | - | 12,500 |
| | | 25,696 | 1,974,779 | 446,840 | 489,744 | 2,937,059 |
| 2009 | 二零零九年 | | | | | |
| Due to an associate | 應付聯營公司 | - | 11,231 | - | - | 11,231 |
| Interest-bearing bank borrowings | 附息銀行貸款 | - | 108,301 | 290,629 | 506,914 | 905,844 |
| Trade and bills payables | 應付賬款及應付票據 | - | 939,596 | 18,920 | - | 958,516 |
| Other payables | 其他應付賬款 | 303 | 106,747 | - | - | 107,050 |
| Derivative financial liabilities | 衍生金融負債 | - | 2,546 | 9,642 | - | 12,188 |
| Guarantees of banking facilities granted to an associate | 為聯營公司銀行信貸所作之擔保 | 12,500 | - | - | - | 12,500 |
| | | 12,803 | 1,168,421 | 319,191 | 506,914 | 2,007,329 |

39. 財務風險管理目標及政策(續)

流動性風險

本集團的目標是利用銀行透支及銀行貸款以使運用資金的連續性及靈活性取得平衡。於二零一零年三月三十一日，本集團總貸款，將於一年後及一年內到期的，分別佔29%（二零零九年：56%）及71%（二零零九年：44%）。

本集團於報告期末的金融負債到期情況，按合同未貼現的支付，總結如下：

集團

39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)**Liquidity risk** (continued)**Company****39. 財務風險管理目標及政策** (續)**流動性風險** (續)**公司**

| | | On demand | Less than 3 months | 3 to less than 12 months | 1 to 5 years | Total |
|--|----------------|------------------|--------------------|--------------------------|---------------|------------------|
| | | 按要求 | 三個月以內 | 三至十二個月內 | 一至五年 | 合計 |
| | | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 |
| | | 港幣千元 | 港幣千元 | 港幣千元 | 港幣千元 | 港幣千元 |
| 2010 | 二零一零年 | | | | | |
| Financial liabilities included in accrued liabilities | 包括於應計負債內之金融負債 | 561 | - | - | - | 561 |
| Interest-bearing bank borrowings | 附息銀行貸款 | - | 40,333 | 121,000 | 76,667 | 238,000 |
| Guarantees of banking facilities granted to subsidiaries | 為附屬公司銀行信貸所作之擔保 | 4,786,830 | - | - | - | 4,786,830 |
| | | 4,787,391 | 40,333 | 121,000 | 76,667 | 5,025,391 |
| 2009 | 二零零九年 | | | | | |
| Financial liabilities included in accrued liabilities | 包括於應計負債內之金融負債 | 303 | - | - | - | 303 |
| Interest-bearing bank borrowings | 附息銀行貸款 | - | - | 161,333 | 238,000 | 399,333 |
| Guarantees of banking facilities granted to subsidiaries | 為附屬公司銀行信貸所作之擔保 | 4,322,470 | - | - | - | 4,322,470 |
| | | 4,322,773 | - | 161,333 | 238,000 | 4,722,106 |

Capital management

The Group manages its capital to ensure that the Group will be able to continue as a going concern while maximising the return to the equity holders through the optimisation of the debt and equity balance.

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholder, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2010 and 31 March 2009.

資本管理

本集團管理其資本以確保本集團能有持續的經營能力，同時通過最佳的債務及權益組合，以使權益所有者得到最大回報。

本集團管理其資本結構，並因應經濟情況的轉變而作出調整。本集團可以通過調整對股東派發的股息、向股東發還資本或發行新股以保持或調整資本結構。於截至二零一零年三月三十一日及二零零九年三月三十一日止年度內，資本管理的目標、政策或程序並無轉變。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

31 March 2010 二零一零年三月三十一日

39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Capital management (continued)

The Group monitors capital using gearing ratio, which is total interest-bearing debts, less cash and cash equivalents, divided by total equity. The Group's policy is to maintain the gearing ratio at an appropriate level.

Group

| | | 2010 二零一零年 HK\$'000 港幣千元 | 2009 二零零九年 HK\$'000 港幣千元 |
|---------------------------------|-------------|-----------------------------------|-----------------------------------|
| Total Interest-bearing debts | 總付息債務 | 1,712,788 | 905,844 |
| Less: Cash and cash equivalents | 扣除：現金及現金等價物 | (1,526,465) | (800,800) |
| | | 186,323 | 105,044 |
| Total equity | 總權益 | 4,792,696 | 4,274,788 |
| Gearing ratio | 資本負債比率 | 0.04 | 0.02 |

40. APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the board of directors on 28 June 2010.

39. 財務風險管理目標及政策(續)

資本管理(續)

本集團運用資本負債比率監控資本，資本負債比率按扣除現金及現金等價物後的總付息債務，除以總權益計算。本集團的政策旨在維持資本負債比率於合適水平。

集團

40. 財務報表之核准

本財務報表已於二零一零年六月二十八日由董事會核准及授權刊發。

