

19. Share Option Scheme

Under the terms of the share option scheme (the "Scheme") which became effective on July 21, 1997, the Board of Directors of the Company may, at its discretion, grant options to eligible employees, including executive directors, of the Company or any of its subsidiaries to subscribe for shares in the Company at a price to be determined by the Board of Directors and which will not be less than 80 per cent. of the average of the closing prices of the shares on the Stock Exchange for the five trading days immediately preceding the date of offer of the options or the nominal value of the shares, whichever is higher.

The maximum number of shares in respect of which options may be granted under the Scheme shall not exceed in nominal value 10 per cent. of the issued share capital of the Company (excluding shares issued pursuant to the Scheme) from time to time and the maximum number of shares in respect of which options may be granted to any one employee shall not exceed 25 per cent. of the aggregate number of shares for the time being issued and issuable under the Scheme.

No share options were granted or exercised during the year and no options were outstanding as at March 31, 2001.

19. 購股權計劃

根據於一九九七年七月二十一日生效之購股權計劃（「該計劃」）之條款，董事會可酌情向本公司及其附屬公司之合資格僱員（包括執行董事在內）授出購股權以認購本公司股份，認購價為董事會所釐定之價格，並將不低於購股權授出日前五個交易日股份在聯交所之平均收市價之80%與股份面值兩者間之較高價格認購股份。

根據該計劃授出之購股權而發行之股份數目，最多不得超逾本公司當時已發行股本（不包括根據計劃而發行之股份）面值之10%。向任何一位員工授出之購股權而發行之股份數目最多不得超過根據該計劃當時已發行及將予發行之股份最高數目之25%。

於二零零一年三月三十一日，於年內概無根據該計劃授出或行使購股權。

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20. Reserves

20. 儲備

		Share premium 股份 溢價帳 HK\$'000 千港元	Contributed surplus 繳入盈餘 HK\$'000 千港元	Special reserve 特別儲備 HK\$'000 千港元	PRC statutory reserve 中國 法定儲備 HK\$'000 千港元	Accumulated profits 累積溢利 HK\$'000 千港元	Total 總計 HK\$'000 千港元
THE GROUP	本集團						
At April 1, 1999	一九九九年四月一日	36,775	—	3,382	—	168,518	208,675
Placement of shares	股票配置	11,363	—	—	—	—	11,363
Exercise of options	行使股權	5,730	—	—	—	—	5,730
Profit for the year	本年度溢利	—	—	—	—	27,192	27,192
Dividends	股息	—	—	—	—	(14,148)	(14,148)
At March 31, 2000	二零零零年三月三十一日	53,868	—	3,382	—	181,562	238,812
Profit for the year	本年度溢利	—	—	—	—	20,315	20,315
Transfer	轉讓	—	—	—	1,259	(1,259)	—
Dividends	股息	—	—	—	—	(9,665)	(9,665)
At March 31, 2001	二零零一年三月三十一日	53,868	—	3,382	1,259	190,953	249,462
THE COMPANY	本公司						
At April 1, 1999	一九九九年四月一日	36,775	146,705	—	—	1,720	185,200
Placement of shares	股票配置	11,363	—	—	—	—	11,363
Exercise of options	行使股權	5,730	—	—	—	—	5,730
Profit for the year	本年度溢利	—	—	—	—	12,462	12,462
Dividends	股息	—	—	—	—	(14,148)	(14,148)
At March 31, 2000	二零零零年三月三十一日	53,868	146,705	—	—	34	200,607
Profit for the year	本年度溢利	—	—	—	—	12,692	12,692
Dividends	股息	—	—	—	—	(9,665)	(9,665)
At March 31, 2001	二零零一年三月三十一日	53,868	146,705	—	—	3,061	203,634

The special reserve of the Group represents the difference between the nominal value of the share capital issued by the Company and the nominal value of the share capital of the companies now forming the Group pursuant to the corporate reorganisation in 1997.

The contributed surplus of the Company represents the difference between the underlying net assets of the subsidiaries acquired by the Company and the nominal amount of the share capital issued by the Company under the corporate reorganisation in 1997.

PRC statutory reserve represents the reserve required by the relevant PRC laws applicable to the Group's PRC subsidiary.

本集團之特別儲備指本公司所發行股本之面值與根據於一九九七年之集團重組現時組成本集團之各公司股本面值之差額。

本公司之繳入盈餘指本公司收購之附屬公司資產淨值之帳面值與本公司根據於一九九七年之集團重組所發行股本面值之溢額。

中國法定儲備代表有關中國法律所要求的儲備，適用本集團於中國的附屬機構。

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20. Reserves (Cont'd)

In addition to the accumulated profits, under The Companies Act 1981 of Bermuda (as amended), the contributed surplus is also available for distribution to shareholders. However, the company cannot declare or pay a dividend, or make a distribution out of contributed surplus if:

- the company is, or would after the payment be, unable to pay its liabilities as they become due; or
- the realisable value of the company's assets would thereby be less than the aggregate of its liabilities and its issued share capital and share premium accounts.

In the opinion of the directors, as at the balance sheet date, the Company's reserves available for distribution to shareholders were as follows:

20. 儲備 (續)

除保留溢利外，根據百慕達一九八一年公司法（經修訂）繳入盈餘帳亦可分派予各股東。然而，一間公司將不可宣派或派發股息或自繳入盈餘中作出分派，倘：

- 該公司當時或於派款後無法償還到期之債務；或
- 該公司資產之可變現值會因而減少至低於其債務與其已發行股本及股份溢價帳之總額。

董事會認為，於結算日可派予各股東之本公司可派發予股東的儲備如下：

		2001 <i>HK\$'000</i> 千港元	2000 <i>HK\$'000</i> 千港元
Contributed surplus	繳入盈餘	146,705	146,705
Accumulated profits	累積溢利	3,061	34
		<u>149,766</u>	<u>146,739</u>

21. Reconciliation of Profit before Taxation to Net Cash (Outflow) Inflow from Operating Activities

21. 稅前溢利與經營業務中現金（流出）流入淨額之調節

		2001 <i>HK\$'000</i> 千港元	2000 <i>HK\$'000</i> 千港元
Profit before taxation	稅前溢利	24,674	30,964
Depreciation and amortisation	拆舊及攤銷	2,499	2,591
Loss on disposal of property, plant and equipment	出售固定資產之虧損	2,522	63
Interest income	利息收入	(915)	(1,028)
Interest expenses	利息支出	1,586	3,125
Decrease (increase) in inventories	存貨之減少（增加）	29,604	(33,436)
(Increase) decrease in trade and other receivables	貿易及其他應收款項之（增加）減少	(87,923)	87,741
(Decrease) increase in trade and other payables	貿易及其他應付費用之（減少）增加	(22,006)	38,517
Net cash (outflow) inflow from operating activities	經營業務中現金（流出）流入淨額	<u>(49,959)</u>	<u>128,537</u>

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22. Analysis of Changes in Financing During the Year 22. 年內融資變動之分析

		Share capital and share premium 股本及 股份溢價帳 HK\$'000 千港元	Trust receipt loans 信託 收據貸款 HK\$'000 千港元	Short term bank loans 短期 銀行貸款 HK\$'000 千港元
Balance at April 1, 1999	一九九九年四月一日之結餘	69,135	114,352	—
Proceeds from issue of shares, net of expenses	配售股票所得的支出淨額	23,393	—	—
Net cash outflow during the year	年內現金流出淨額	—	(103,820)	—
New loan raised during the year	年內新的貸款	—	—	14,019
		<u> </u>	<u> </u>	<u> </u>
Balance at March 31, 2000	二零零零年三月三十一日之結餘	92,528	10,532	14,019
Net cash inflow during the year	年內現金流入淨額	—	24,521	12,151
		<u> </u>	<u> </u>	<u> </u>
Balance at March 31, 2001	二零零一年三月三十一日之結餘	<u>92,528</u>	<u>35,053</u>	<u>26,170</u>

23. Analysis of the Balances of Cash and Cash Equivalents 23. 現金及現金等價物之結餘分析

		2001 HK\$'000 千港元	2000 HK\$'000 千港元
Bank balances and cash	銀行結存及現金	16,211	48,440
Bank overdrafts	銀行透支	(5,716)	(3,811)
		<u> </u>	<u> </u>
		<u>10,495</u>	<u>44,629</u>

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24. Lease Commitments

At the balance sheet date, the Group had outstanding commitments under non-cancellable operating leases in respect of land and buildings as follows:

24. 經營租賃承擔

於結算日，本集團需就土地及樓宇之不可撤銷經營租賃於下列年度內支付未支付之承擔：

		THE GROUP 本集團	
		2001 HK\$'000 千港元	2000 HK\$'000 千港元
Operating leases which are due to expire:	經營租賃之屆滿期：		
Within one year	一年內	662	1,320
In the second to fifth years inclusive	兩年至五年（首尾兩年包括在內）	4,761	948
		5,423	2,268

At the balance sheet date, the Company did not have any lease commitments.

本公司於結算日概無任何租賃承擔。

25. Contingent Liabilities

25. 或有負債

		THE GROUP 本集團		THE COMPANY 本公司	
		2001 HK\$'000 千港元	2000 HK\$'000 千港元	2001 HK\$'000 千港元	2000 HK\$'000 千港元
Guarantee given to bankers in respect of banking facilities granted to a subsidiary	就授予附屬公司之銀行融資向銀行作出之擔保	—	—	257,600	249,400
Guarantee given to a vendor in respect of goods supplied to subsidiaries	就供應予附屬公司之貨物向賣者作出之擔保	—	—	84,112	51,450
		—	—	341,712	300,850

The Company has given guarantees to banks in respect of general facilities granted to its subsidiaries. The extent of such facilities utilised by the subsidiaries at March 31, 2001 amounted to approximately HK\$46,270,000 (2000: HK\$28,362,000).

有關授予附屬公司之一般銀行融資，本公司已向該等銀行作出擔保。於二零零一年三月三十一日，附屬公司已使用之銀行融資約為46,270,000港元（二零零零年：28,362,000港元）。

26. Pension Scheme

The Group has a defined contribution pension scheme for its qualifying employees. The scheme assets are held under a provident fund managed by Manual Life International Limited. The Group and its employees are each required to make contributions to the scheme calculated at 5% to 10% of the employees' basic salaries on a monthly basis. The employees are entitled to 100% of the Group's contribution and the related accrued interest after 10 years' of complete service, or at a reduced scale ranging between 30% to 90% after completion of 3 to 9 years' service. The forfeited contributions and related accrued interest are to be used to reduce the Group's contributions.

The above provident fund scheme was granted an exemption of the Mandatory Provident Fund Schemes. The principal deed and the rules of the above provident fund scheme were amended accordingly to comply with the rules of the Mandatory Provident Fund Schemes Ordinance.

With effect from December 1, 2000, the Group also participated in a mandatory provident fund scheme. The scheme assets are held under a mandatory provident fund operated by Manual Life Provident Fund Trust Company Limited. Under the scheme, the Group is required to make contributions to the scheme calculated at 5% of the employees' relevant income (as defined in the Mandatory Provident Fund Schemes Ordinance) on a monthly basis.

The aggregate contributions, net of forfeited contributions, of the Group which have been dealt with in the income statement of the Group are as follows:

Gross contributions, calculated at 5% to 10% of basic salaries	供款總額按基本薪金之5%至10%計算	1,445	1,386
Less: Forfeited contributions utilised to offset the Group's contributions for the year	減：用作抵銷年內本集團供款之沒收供款	—	—
Net contributions charged to the income statement	計入損益表之供款淨額	1,445	1,386

As at the balance sheet date, there were no forfeited contributions available to offset future contributions of the Group to the above schemes.

26. 退休金計劃安排

本公司已為其合資格之僱員設立一項定額退休金供款計劃。該項計劃之資產由宏利保險國際有限公司所管理之公積金持有。本集團及僱員均須每月按僱員基本薪金5%至10%提供供款。僱員服務滿10年後，可全數收取本集團供款及有關應計利息，或服務滿三至九年後，可按30%至90%之遞減比例收取供款。沒收供款及有關之應計利息將用以扣減本集團供款。

上述之退休金供款計劃已被列入強制性公積金豁免範圍以內。其中主要規條及契約已根據強制性公積金計劃條例作適當修改。

本集團自二零零零年十二月一日亦已參予強制性公積金計劃。該項計劃資產同時由宏利保險國際有限公司所管理之公積金持有。本集團須每月按僱員薪金之5%提供供款（根據強制性公積金條例所規定）。

扣除沒收供款後，本集團之供款總額已計入本集團之損益表中，詳情如下：

	2001 HK\$'000 千港元	2000 HK\$'000 千港元
Gross contributions, calculated at 5% to 10% of basic salaries	1,445	1,386
Less: Forfeited contributions utilised to offset the Group's contributions for the year	—	—
Net contributions charged to the income statement	1,445	1,386

於結算日，概無沒收供款可抵銷本集團就該計劃而需作出之未來供款。

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27. Capital Commitments

27. 資本承擔

		THE GROUP	
		本集團	
		2001	2000
		HK\$'000	HK\$'000
		千港元	千港元
Capital expenditure in respect of the acquisition of property, plant and equipment contracted for but not provided in the financial statements	因收購物業、廠房及設備而訂約但未於財務報表作出撥備之資本開支	—	210

At the balance sheet date, the Company did not have any capital commitments.

於結算日前，本公司並無任何資本支出。

28. Related Party Transactions

During the year, the Group paid office and showroom rentals amounting to HK\$948,000 (2000: HK\$1,804,000) to Napson Trading Limited and godown and carpark rentals amounting to HK\$3,525,000 (2000: HK\$5,280,000) to Grant Return Investments Limited. A director of the Company, Mr. Chu Ka Lok, Peter, has a beneficial interest in both companies. The rentals were determined with reference to prevailing market rents when the relevant rental agreements were entered into.

28. 有關人士之交易

集團於本年度向Napson Trading Limited支付辦公室及陳列室租金為HK\$948,000港元(二零零零年：1,804,000港元)並向宏集投資有限公司支付貨倉及車位租金3,525,000港元(二零零零年：5,280,000港元)。本公司董事朱嘉樂先生於上述兩間公司均擁有實益權益。租金乃按有關之租務合約訂定時之市值租金所釐定。

29. Post Balance Sheet Event

Only July 16, 2001, the Group entered into a conditional agreement to acquire the entire issued share capital of Grant Return Investments Limited, a property investment company, from Napson Trading Limited at a consideration of HK\$31,096,000.

29. 結算日後事項

於二零零一年七月十六日，本集團與Napson Trading Limited訂立了一項有條件協議以31,096,000港元收購宏集投資有限公司的全部已發行股本。

30. Ultimate Holdings Company

In the opinion of the directors, Charmwood Development Limited, a company incorporated in Liberia, is the ultimate holding company of the Group.

30. 最終控股公司

董事會認為，在利比利亞成立之Charmwood Development Limited為本集團之最終控股公司。