

For the year ended 31st August, 2003

截至二零零三年八月三十一日止年度

## 1. GENERAL

The Company is a public limited company incorporated in Hong Kong and its shares are listed on The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

The Company is an investment holding company. The principal activities of its principal subsidiaries and jointly controlled entities are set out in notes 14 and 15, respectively.

## 2. ADOPTION OF NEW AND REVISED STATEMENTS OF STANDARD ACCOUNTING PRACTICE

In the current year, the Group adopted, for the first time, a number of new and revised Statements of Standard Accounting Practice ("SSAP(s)") issued by the Hong Kong Society of Accountants, which has resulted in the adoption of the following new and revised accounting policies. In addition, the adoption of these SSAPs has resulted in a change in the format of the presentation of the cash flow statement and the inclusion of a statement of changes in equity, but has had no material effect on the results for the current or prior accounting periods. Accordingly, no prior year adjustment is required.

### Cash Flow Statements

In the current year, the Group has adopted SSAP 15 (Revised) "Cash Flow Statements". Under SSAP 15 (Revised), cash flows are classified under three headings - operating, investing and financing, rather than the previous five headings. Interest and dividends, which were previously presented under a separate heading, are classified as investing/financing cash flows. Cash flows arising from taxes on income are classified as operating activities, unless they can be separately identified with investing or financing activities. In addition, the amounts presented for cash and cash equivalents have been amended to exclude short-term loans that are financing in nature. The re-definition of cash and cash equivalents has resulted in a restatement of the comparative amounts shown in the cash flow statement.

## 1. 簡介

本公司為在香港註冊成立之公眾有限公司，其股份於香港聯合交易所有限公司（「聯交所」）上市。

本公司乃一間投資控股公司。其主要附屬公司及共同控制機構之主要業務分別載列於附註14及15內。

## 2. 採納新訂立及經修訂之會計實務準則

本年度本集團首次採納若干由香港會計師公會頒佈之新訂立及經修訂之會計實務準則（「會計實務準則」），故此需要採納下列新訂立及經修訂之會計政策。再者，採納此等會計實務準則引致現金流量報表的呈報方式有所改變及需加入權益變動報表，但對本會計期間或過往會計期間的業績並無重大影響。據此，無須作出過往期間之調整。

### 現金流量報表

本年度本集團已採納會計實務準則第15條（經修訂）「現金流量報表」。根據會計實務準則第15條（經修訂），現金流量被區分為三個標題—營運、投資及融資，而非以往的五個標題。以往在一獨立標題內分別呈列之利息及股息，現已被區分至投資／融資現金流量內。由收益而產生的稅項現金流量如未能獨立地被確認為投資或融資項目，則會被區分至營運項目內。再者，現金及等同現金項目之金額已作修改，將不再包含融資性質的短期借貸。重新定義現金及等同現金項目引致現金流量報表之比較數字需要重列。

## 財務報表附註

For the year ended 31st August, 2003

截至二零零三年八月三十一日止年度

## 2. ADOPTION OF NEW AND REVISED STATEMENTS OF STANDARD ACCOUNTING PRACTICE - Continued

### Employee Benefits

In the current year, the Group has adopted SSAP 34 "Employee Benefits", which introduces measurement rules for employee benefits, including retirement benefit plans. Because the Group's participates only in defined contribution retirement benefit schemes, the adoption of SSAP 34 has not had any material impact on the financial statements.

## 3. SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared under the historical cost convention, as modified for the revaluation of certain properties, and are in accordance with accounting principles generally accepted in Hong Kong. The principal accounting policies adopted are set out below:

### Basis of consolidation

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

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

### Goodwill

Goodwill arising on consolidation represents the excess of the cost of acquisition over the Group's interest in the fair value of the identifiable assets and liabilities of a subsidiary at the date of acquisition.

Goodwill arising on acquisition prior to 1st January, 2001 which had been eliminated against reserves continues to be held in reserves and will be charged to the income statement at the time of disposal of the relevant subsidiary or at such time as the goodwill is determined to be impaired.

## 2. 採納新訂立及經修訂之會計實務準則 – 續

### 僱員福利

本年度本集團已採納會計實務準則第34條「僱員福利」，並引入僱員福利(包括退休福利計劃)之計算方法。由於集團僅參與定額供款退休福利計劃，故此採納會計實務準則第34條對財務報表並無重大影響。

## 3. 主要會計政策

本財務報表(除部份物業以重估值列出外)乃按歷史成本及根據香港普遍採納之會計準則而編製，所採用之主要會計政策如下：

### 綜合基準

綜合財務報表包括本公司及其附屬公司每年截至八月三十一日止之財務報表。

於是年度內收購及出售之附屬公司之業績已根據其收購或出售生效日期(如適用)包括在綜合收益賬內。

### 商譽

綜合時產生之商譽乃指收購附屬公司之代價超出本集團於收購日佔所收購附屬公司可確定資產及負債之公平價值的差額。

於二零零一年一月一日前因收購而產生之商譽已在儲備賬中抵銷並續存於儲備賬內，並將於出售有關附屬公司或於商譽被確定需減值時在收益賬內扣除。

For the year ended 31st August, 2003

截至二零零三年八月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES - Continued

#### Goodwill - Continued

Goodwill arising on acquisition on or after 1st January, 2001 is capitalised and amortised on a straight line basis over its estimated useful life. Goodwill arising on the acquisition of subsidiaries is presented separately in the balance sheet.

#### Negative goodwill

Negative goodwill represents the excess of the Group's interest in the fair value of the identifiable assets and liabilities of a subsidiary at the date of acquisition over the cost of acquisition.

Negative goodwill arising on acquisition prior to 1st January, 2001 continues to be held in reserves and will be credited to the income statement at the time of disposal of the relevant subsidiary.

Negative goodwill arising on acquisition on or after 1st January, 2001 is presented as a deduction from assets. To the extent that the negative goodwill is attributable to losses or expenses anticipated at the date of acquisition, it is released to income in the period in which those losses or expenses arise. The remaining negative goodwill is recognised as income on a straight line basis over the remaining average useful life of the identifiable acquired depreciable assets. To the extent that such negative goodwill exceeds the aggregate fair value of the acquired identifiable non-monetary assets, it is recognised as income immediately.

#### Turnover

Turnover represents the net amounts received and receivable for goods sold and services rendered by the Group to outside customers during the year.

### 3. 主要會計政策－續

#### 商譽－續

於二零零一年一月一日或以後因收購而產生之商譽會化作資產，並按其估計可使用年期以直線法攤銷。因收購附屬公司而產生之商譽將在資產負債表內獨立列出。

#### 負商譽

負商譽乃指收購附屬公司之代價低於本集團於收購日估所收購附屬公司可確定資產及負債之公平價值的差額。

於二零零一年一月一日前因收購而產生之負商譽會續存於儲備賬內，並將於出售有關附屬公司時在收益賬內計入。

於二零零一年一月一日或以後因收購而產生之負商譽會以資產扣除項呈列。倘負商譽乃因收購日所預計之虧損或支出而產生，此項負商譽則會於有關虧損或支出產生之期間撥作收入。而餘下之負商譽則以直線法按收購之可確定折舊資產之剩餘平均可使用年期確認為收入。倘此負商譽超出收購之可確定非貨幣資產之公平價值總額時，則會即時確認為收入。

#### 營業額

營業額乃指本集團於是年度內向外界銷售貨品及提供服務所得取之已收及應收金額淨值。

**3. SIGNIFICANT ACCOUNTING POLICIES - Continued****Revenue recognition**

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

Service income is recognised when services are provided.

Rental income from operating leases is recognised on a straight line basis over the term of the relevant lease.

Interest income is accrued on a time basis by reference to the principal outstanding and at the interest rates applicable.

**Investment properties**

Investment properties are completed properties which are held for their investment potential, any rental income being negotiated at arm's length.

Investment properties are stated at their open market values based on independent professional valuations at 31st August each year. Any surplus or deficit arising on the valuation of investment properties is credited or charged to the asset revaluation reserve unless the balance on this reserve is insufficient to cover a deficit, in which case the excess of deficit over the balance of the asset revaluation reserve is charged to the income statement. Where a deficit has previously been charged to the income statement and a revaluation surplus subsequently arises, this surplus is credited to the income statement to the extent of the deficit previously charged.

On the disposal of an investment property, the balance on the asset revaluation reserve attributable to that property is transferred to the income statement.

No depreciation is provided on investment properties except where the unexpired term of the relevant lease is 20 years or less.

**3. 主要會計政策－續****收入確認**

銷售貨品之收入於貨品付運及擁有權移交後確認。

服務收入於服務提供後確認。

營運租賃之租金收入乃按有關租賃之年期以直線法確認。

利息收入乃按時間基準以本金結餘金額及有關利率計入。

**投資物業**

投資物業乃指具投資潛力之已建成物業，其租金收入按公平交易原則而釐定。

投資物業於每年八月三十一日以獨立專業估值之公開市值列出。因估值而產生之損益先在資產重估儲備中計入或扣除，不足之數則在收益賬內扣除。如物業日後產生重估盈餘時，其過往於收益賬內已扣除之數可先撥回收益賬內。

當投資物業出售時，其剩餘之資產重估儲備撥入收益賬內。

除非投資物業之剩餘租賃年期為二十年或以下，否則投資物業是不用作折舊準備。

For the year ended 31st August, 2003

截至二零零三年八月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES - Continued

Property, plant and equipment

Property, plant and equipment, other than construction in progress, are stated at cost or valuation less depreciation, amortisation and any identified impairment loss.

Certain of the Group's leasehold land and buildings were previously revalued. Advantage has been taken of the transitional relief provided by paragraph 80 of SSAP 17 "Property, Plant and Equipment" from the requirement to make regular revaluations of the Group's land and buildings which had been carried at revalued amounts prior to 30th September, 1995, and accordingly no further revaluation of land and buildings is carried out.

The surplus arising on revaluation of these properties in previous years was credited to the asset revaluation reserve. Any future decrease in value of that property will be dealt with as an expense to the extent that it exceeds the balance, if any, on the asset revaluation reserve relating to a previous revaluation of that particular property. On the subsequent disposal of a revalued asset, the attributable revaluation surplus not yet transferred to retained profits in previous years is transferred to retained profits.

Depreciation and amortisation is provided to write off the cost or valuation of property, plant and equipment, other than construction in progress, over their estimated useful lives, using the straight line method, at the following rates per annum:

Freehold land	Nil
Leasehold land	Over the term of the lease
Buildings	2% - 4.5%
Furniture, fixtures and equipment	10% - 20%
Plant and machinery	10% - 20%
Motor vehicles	20% - 25%

3. 主要會計政策－續

物業、機器及設備

物業、機器及設備(興建中物業除外)以成本或估值扣除折舊、攤銷及任何已確定之減值損失後列出。

本集團部份按租賃持有之土地及樓宇曾作估值。但本集團已採納會計實務準則第17條「物業、機器及設備」第80段所訂之過渡安排，將不會對在一九九五年九月三十日前本集團已重估的土地及樓宇定期作出重估。據此，並沒有再進行土地及樓宇之重估。

該等物業在過往年度因重估而產生之盈餘已在資產重估儲備賬內計入。如該物業在將來發生跌值時，此差額可先在其資產重估儲備賬中抵扣，不足之數則視為費用。當重估物業往後出售時，其剩餘之重估盈餘將撥入滾存盈利賬內。

物業、機器及設備(興建中物業除外)之折舊及攤銷乃根據其估計可使用年期以直線法撇銷其成本或估值，每年比率如下：

永久持有之土地	無
按租賃而持有之土地	按租賃年期
樓宇	2% - 4.5%
傢俬、裝置及設備	10% - 20%
廠房機器	10% - 20%
車輛	20% - 25%

**3. SIGNIFICANT ACCOUNTING POLICIES - Continued****Property, plant and equipment - Continued**

The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognised in the income statement.

**Construction in progress**

Construction in progress is stated at cost, less any identified impairment loss, which includes land cost and the related construction and borrowing costs, as appropriate.

No depreciation or amortisation is provided for construction in progress until the construction is completed and the assets are ready for their intended use. The cost of completed construction works is transferred to the appropriate category of property, plant and equipment.

**Investments in subsidiaries**

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

**Jointly controlled entities**

Joint venture arrangements which involve the establishment of a separate entity in which each venturer has an interest are referred to as jointly controlled entities.

The Group's interests in jointly controlled entities are included in the consolidated balance sheet at the Group's share of the net assets of the jointly controlled entities less any identified impairment loss. The Group's share of the post-acquisition results of its jointly controlled entities is included in the consolidated income statement.

**3. 主要會計政策－續****物業、機器及設備－續**

當資產出售或廢置時，其所得款項與其賬面值差異之損益在收益賬內確認。

**興建中物業**

興建中物業以成本扣除任何已確定之減值損失後列出。成本包括土地成本及有關之建築及借貸成本(如適用)。

對正在興建中之物業，並無作出折舊或攤銷之準備。折舊及攤銷將於該物業建成及可供使用後開始計算。興建中物業之成本在物業建成後將撥入適當之物業、機器及設備項目內。

**附屬公司之投資**

附屬公司之投資以成本扣除已確定之減值損失後在本公司資產負債表內列出。

**共同控制機構**

共同控制機構乃每位合營者共同組織以代表其權益而成立之獨立機構。

本集團應佔共同控制機構權益以本集團應佔共同控制機構之資產淨值扣除任何已確定之減值損失後，在綜合資產負債表內列出。而本集團應佔共同控制機構收購後之業績則在綜合收益賬內列出。

For the year ended 31st August, 2003

截至二零零三年八月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES - Continued

#### Impairment

At each balance sheet date, the Group reviews the carrying amounts of its assets to determine whether there is any indication that those assets have suffered an impairment loss. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised as income immediately, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

#### Inventories

Inventories are stated at the lower of cost and net realisable value. Cost, which comprises all costs of purchase and, where applicable, costs of conversion and other costs that have been incurred in bringing the inventories to their present location and condition, is calculated using the first-in, first-out method. Net realisable value represents the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

### 3. 主要會計政策－續

#### 減值

於每個結算日，本集團會檢討其資產之賬面值，以判斷該等資產是否出現減值損失之顯示。若一項資產之可收回金額低於其賬面值時，該資產之賬面值會減至其可收回金額。如該資產以重估值記賬，減值損失可作減低重估處理，否則此項減值損失會立即確認為支出。

倘減值損失其後出現逆轉，則該資產之賬面值可增加至其經修訂之預計可收回金額，惟增加後之賬面值不得超過該資產於過往年度並未確認減值損失時之賬面值。如該資產以重估值記賬，減值逆轉可作增加重估處理，否則此項減值逆轉立即確認為收入。

#### 存貨

存貨乃以成本或可變現淨值兩者之較低值列出。成本包括購入價及轉換價(如適用)以及將存貨運至現址及處於現況所需之費用，並按最先存入則最先報銷之基準計算。可變現淨值乃按正常商業情況下之預計售價扣除貨品製成時之預計成本及預計銷售分發開支後之金額。

## 3. SIGNIFICANT ACCOUNTING POLICIES - Continued

**Leases**

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership of the assets concerned to the lessee. Assets held under finance leases are capitalised at their fair value at the date of acquisition or, if lower, the present value of the minimum lease payments. The corresponding liability to the lessor, net of interest charges, is included in the balance sheet as a finance lease obligation. Finance costs, which represent the difference between the total leasing commitments and the fair value of the assets acquired, are charged to the income statement over the term of the relevant lease so as to produce a constant periodic rate of charge on the remaining balance of the obligations for each accounting period.

All other leases are classified as operating leases and the annual rentals are charged to the income statement on a straight line basis over the term of the relevant lease.

**Foreign currencies**

Transactions in foreign currencies are initially recorded at the rates of exchange prevailing on the dates of the transactions. Monetary assets and liabilities denominated in such foreign currencies are re-translated at the rates prevailing on the balance sheet date. Profits and losses arising on exchange are included in the income statement.

On consolidation, the assets and liabilities of the Group's overseas operations are translated at exchange rates prevailing on the balance sheet date. Income and expense items are translated at the average rates for the period. Exchange differences arising, if any, are classified as equity and transferred to the Group's translation reserve. Such translation differences are recognised as income or as expenses in the period in which the operation is disposed of.

## 3. 主要會計政策－續

**租賃**

如租賃條款將有關資產之絕大部份危機及主權收益轉嫁給承租人，則該等租賃被視為財務租賃。按財務租賃持有之資產，以購買日之公平價值或最低租賃支出之現有價值之較低者化作資產。而相對欠出租人之負債（減去利息費用）則在資產負債表上以財務租賃應付賬款列出。從財務租賃合共承擔之總數減去資產購買日之公平價值而得出之借貸成本按有關租賃之年期，以固定比率將承擔之餘額在每個財政年度之收益賬內扣除。

所有其他租賃則被列為營運租賃，而其每年之租金支出乃按有關租賃之年期以直線法在收益賬內扣除。

**外幣**

以外幣為本位之交易最初乃按交易當日之匯率換算。以此等外幣為本位之貨幣資產及負債均以結算日之匯率重新換算。匯兌所產生之損益均撥入收益賬內。

本集團海外營運之資產及負債於編製綜合財務報表時以結算日之匯率作換算。收入及支出項目均以該期內之平均匯率折算。由此而產生之匯兌差額（如有）會被區分為權益，並調撥至集團之匯兌儲備內。當出售該營運業務時，此匯兌差額會在該期間被確認為收入或支出。



For the year ended 31st August, 2003

截至二零零三年八月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES - Continued

#### Taxation

The charge for taxation is based on the results for the year as adjusted for items which are non-assessable or disallowed. Timing differences arise from the recognition for tax purposes of certain items of income and expense in a different accounting period from that in which they are recognised in the financial statements. The tax effect of the resulting timing differences, computed under the liability method, is recognised as deferred taxation in the financial statements to the extent that it is probable that a liability or an asset will crystallise in the foreseeable future.

#### Capitalisation of borrowing costs

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

All other borrowing costs are recognised as expenses in the period in which they are incurred.

#### Retirement benefits scheme

Payments to defined contribution retirement benefit plan are charged as an expense as they fall due.

### 4. SEGMENTAL INFORMATION

Turnover and contribution to operating results and assets and liabilities by business segment has not been prepared as over 92% (2002: 95%) of the Group's turnover was derived from the production and sales of dyed fabrics, sewing threads and yarns.

### 3. 主要會計政策－續

#### 稅項

稅項支出是以每年度就非課稅或不作減免項目等調整後之業績計算。部份收支項目由於在稅務上及財務報表上之確認時間不同而產生之稅務影響以負債法計算，並在財務報表以遞延稅項列出。而金額以可見將來可能出現之負債或資產為限。

#### 借貸成本化作資產

當借貸成本直接關連於購買、興建或生產合資格資產時，則此等借貸成本會化作該資產之部份成本。該項化作資產措施在資產大致可供使用或出售時停止。

所有其他借貸成本於其發生時被確認為支出。

#### 退休福利計劃

支付定額供款計劃之款項於到期日作支出扣除。

### 4. 分類分析

由於生產及銷售色布、縫紉線及紗之業務超逾本集團營業額之92% (二零零二年度：95%)，故此本集團並沒有將營業額及營運業績貢獻與資產及負債按營業分類作出分析。

## 財務報表附註

For the year ended 31st August, 2003

截至二零零三年八月三十一日止年度

## 4. SEGMENTAL INFORMATION - Continued

An analysis of the Group's turnover and contribution to operating results by geographical markets (primary segment) is as follows:

2003

	Hong Kong	The PRC	Taiwan	Rest of Asia 其他	America	Europe	Elimination	Consolidated
	香港	中國	台灣	亞洲地區	美洲	歐洲	對銷	綜合
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
<b>TURNOVER</b>								
營業額								
External sales								
對外銷售	2,653,256	72,810	557,065	1,312,917	854,843	95,556	—	5,546,447
Inter-segment sales								
分類間銷售	5,532,954	3,904,279	—	265,565	63,539	—	(9,766,337)	—
Total turnover								
營業額總值	8,186,210	3,977,089	557,065	1,578,482	918,382	95,556	(9,766,337)	5,546,447
<b>RESULT</b>								
業績								
Segment result								
分類業績	250,208	2,990	51,002	122,473	50,215	11,034	—	487,922
Interest income								
利息收入								2,677
Unallocated corporate income								
不可分拆之企業收入								5,494
Profit from operations								
營運盈利								496,093
Finance costs								
借貸成本								(39,094)
Share of results of jointly controlled entities								
應佔共同控制機構業績								456
Profit before taxation								
除稅前盈利								457,455
Taxation								
稅項								(67,742)
Profit before minority interests								
除少數股東權益前盈利								389,713

## 4. 分類分析－續

本集團之營業額及營運業績貢獻按地域市場(主要分類)分析如下：

二零零三年

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 31st August, 2003

截至二零零三年八月三十一日止年度

### 4. SEGMENTAL INFORMATION - Continued

2002

	Hong Kong	The PRC	Taiwan	Rest of Asia 其他 亞洲地區	America 美洲	Europe 歐洲	Elimination 對銷	Consolidated 綜合
	香港	中國	台灣	亞洲地區	美洲	歐洲	對銷	綜合
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
<b>TURNOVER</b>								
營業額								
External sales								
對外銷售	2,526,526	62,192	547,207	1,029,740	545,779	196,728	—	4,908,172
Inter-segment sales								
分類間銷售	4,497,597	3,185,445	—	242,292	56,494	—	(7,981,828)	—
Total turnover								
營業額總值	<u>7,024,123</u>	<u>3,247,637</u>	<u>547,207</u>	<u>1,272,032</u>	<u>602,273</u>	<u>196,728</u>	<u>(7,981,828)</u>	<u>4,908,172</u>
<b>RESULT</b>								
業績								
Segment result								
分類業績	<u>269,927</u>	<u>3,166</u>	<u>58,252</u>	<u>82,308</u>	<u>4,316</u>	<u>22,154</u>		<u>440,123</u>
Interest income								
利息收入								2,909
Unallocated corporate expense								
不可分拆之企業支出								(6,242)
Profit from operations								
營運盈利								436,790
Finance costs								
借貸成本								(47,586)
Share of results of jointly controlled entities								
應佔共同控制機構業績								(5,903)
Impairment losses recognised in respect of interests in jointly controlled entities								
應佔共同控制機構權益之減值損失確認								(26,850)
Profit before taxation								
除稅前盈利								356,451
Taxation								
稅項								(54,544)
Profit before minority interests								
除少數股東權益前盈利								<u>301,907</u>

### 4. 分類分析 – 續

二零零二年

For the year ended 31st August, 2003

截至二零零三年八月三十一日止年度

## 4. SEGMENTAL INFORMATION - Continued

An analysis of the Group's segmental assets and liabilities attributable to geographical markets for both years is not presented as it is not practicable to allocate the amounts of the respective assets and liabilities to geographical markets.

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

## 4. 分類分析－續

由於將資產及負債按地域市場分配是不適宜的，故本集團在這兩個年度並沒有將分類資產及負債按地域市場作出分析。

將分類資產之賬面值與物業、機器及設備和商譽之增加按資產所在地域分析如下：

		Carrying amount of segment assets 分類資產之賬面值		Additions to property, plant and equipment and goodwill 物業、機器及 設備和商譽之增加	
		2003 HK\$'000 千港元	2002 HK\$'000 千港元	2003 HK\$'000 千港元	2002 HK\$'000 千港元
The PRC	中國	3,128,654	2,308,757	471,891	257,529
Hong Kong	香港	1,658,415	1,610,117	8,335	3,790
Taiwan	台灣	159,913	155,428	—	—
Rest of Asia	其他亞洲地區	393,998	362,825	15,346	9,380
America	美洲	99,383	72,380	810	526
Europe	歐洲	7,070	11,332	—	—
		<u>5,447,433</u>	<u>4,520,839</u>	<u>496,382</u>	<u>271,225</u>

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 31st August, 2003

截至二零零三年八月三十一日止年度

### 5. PROFIT FROM OPERATIONS

### 5. 營運盈利

		2003	2002
		HK\$'000	HK\$'000
		千港元	千港元
Profit from operations has been arrived at after charging:	營運盈利已扣減 下列項目：		
Amortisation of goodwill included in administrative expenses	包括在行政費用內 之商譽攤銷	646	84
Auditors' remuneration	核數師酬金	2,826	2,605
Deficit arising on revaluation of investment properties	投資物業之重估虧損	5,741	5,997
Depreciation and amortisation of property, plant and equipment:	物業、機器及設備之 折舊及攤銷：		
Assets owned by the Group	本集團擁有之資產	156,092	143,778
Assets held under finance leases	按財務租賃而持有之資產	16,725	16,792
Loss on disposal of property, plant and equipment	出售物業、機器及設備 之虧損	3,451	9,003
Loss on disposal of an investment property	出售一項投資物業之虧損	187	—
Staff costs (including directors' emoluments set out in note 6)	僱員成本（包括載列 於附註6內之董事酬金）	596,072	474,516
and after crediting:	已計入：		
Interest income	利息收入	<u>2,677</u>	<u>2,909</u>

For the year ended 31st August, 2003

截至二零零三年八月三十一日止年度

## 6. INFORMATION REGARDING DIRECTORS' AND EMPLOYEES' EMOLUMENTS

## 6. 董事及僱員酬金資料

## (a) Directors' emoluments

## (a) 董事酬金

		2003	2002
		HK\$'000	HK\$'000
		千港元	千港元
Fees:	袍金：		
Executive directors	執行董事	—	—
Non-executive directors	非執行董事	295	90
Independent non-executive directors	獨立非執行董事	350	180
Other emoluments paid or payable to executive directors:	已付及應付執行董事之其他酬金：		
Salaries and other benefits	薪金及其他福利	27,852	25,609
Performance related incentive payments	服務表現獎金	16,949	14,266
Retirement benefits scheme contributions	退休福利計劃供款	474	494
Other emoluments paid or payable to non-executive directors:	已付及應付非執行董事之其他酬金：		
Salaries and other benefits	薪金及其他福利	313	163
		<u>46,233</u>	<u>40,802</u>

Emoluments of the directors were within the following bands:

董事酬金在下列範圍之內：

		Number of directors	
		董事數目	
		2003	2002
Nil to HK\$1,000,000	無至 1,000,000 港元	5	5
HK\$1,500,001 to HK\$2,000,000	1,500,001 港元至 2,000,000 港元	—	1
HK\$3,000,001 to HK\$3,500,000	3,000,001 港元至 3,500,000 港元	—	1
HK\$4,000,001 to HK\$4,500,000	4,000,001 港元至 4,500,000 港元	1	—
HK\$4,500,001 to HK\$5,000,000	4,500,001 港元至 5,000,000 港元	—	1
HK\$5,500,001 to HK\$6,000,000	5,500,001 港元至 6,000,000 港元	1	—
HK\$30,000,001 to HK\$30,500,000	30,000,001 港元至 30,500,000 港元	—	1
HK\$35,000,001 to HK\$35,500,000	35,000,001 港元至 35,500,000 港元	1	—
		<u>8</u>	<u>9</u>

For the year ended 31st August, 2003

截至二零零三年八月三十一日止年度

6. INFORMATION REGARDING DIRECTORS' AND EMPLOYEES' EMOLUMENTS - Continued

(b) Employees' emoluments

The five highest paid employees included three (2002: three) directors, details of whose emoluments are set out above. Emoluments of the remaining two (2002: two) employees are as follows:

Salaries and other benefits	薪金及其他福利
Performance related incentive payments	服務表現獎金
Retirement benefits scheme contributions	退休福利計劃供款

Emoluments of the two (2002: two) highest paid employees were within the following bands:

HK\$3,500,001 to HK\$4,000,000	3,500,001 港元至 4,000,000 港元
HK\$4,500,001 to HK\$5,000,000	4,500,001 港元至 5,000,000 港元
HK\$6,500,001 to HK\$7,000,000	6,500,001 港元至 7,000,000 港元
HK\$7,000,001 to HK\$7,500,000	7,000,001 港元至 7,500,000 港元

6. 董事及僱員酬金資料—續

(b) 僱員酬金

最高薪酬的五名僱員包括三位(二零零二年度：三位)董事，其酬金的詳情已於以上披露。剩餘兩位(二零零二年度：兩位)僱員之薪酬資料如下：

2003	2002
HK\$'000	HK\$'000
千港元	千港元
6,641	5,603
3,998	5,522
411	392
<u>11,050</u>	<u>11,517</u>

最高薪酬的兩位(二零零二年度：兩位)僱員的酬金在下列範圍之內：

Number of individuals	
僱員數目	
2003	2002
1	—
—	1
—	1
1	—
<u>2</u>	<u>2</u>

For the year ended 31st August, 2003

截至二零零三年八月三十一日止年度

## 7. FINANCE COSTS

## 7. 借貸成本

		2003 HK\$'000 千港元	2002 HK\$'000 千港元
Interest on:	利息：		
Bank borrowings wholly repayable within five years	於五年內付款 之銀行借貸	36,260	41,870
Finance leases wholly repayable within five years	於五年內付款 之財務租賃	3,181	4,167
Total borrowing costs	借貸成本總值	39,441	46,037
Less: amounts capitalised	減：化作資產金額	(2,881)	—
		36,560	46,037
Bank facilities arrangement fees	銀行貸款安排費用	2,534	1,549
		<u>39,094</u>	<u>47,586</u>

Borrowing costs capitalised during the year arose on the general borrowing pool and are calculated by applying a capitalisation rate of 2.4% per annum (2002: Nil) to expenditure on qualifying assets.

本年度化作資產之借貸成本乃由一般借貸項目產生，並以年息率2.4% (二零零二年度：無) 計算，轉至合資格資產內。



For the year ended 31st August, 2003

截至二零零三年八月三十一日止年度

8. TAXATION

8. 稅項

		2003 HK\$'000 千港元	2002 HK\$'000 千港元
The charge comprises:	稅項包括：		
Hong Kong Profits Tax	香港盈利稅		
Current year	是年度	47,825	48,907
(Over)underprovision in previous years	過往年度準備 (多計)少計	(1,346)	40
		<u>46,479</u>	<u>48,947</u>
Overseas taxation	海外稅項	18,891	10,178
		<u>65,370</u>	<u>59,125</u>
Deferred taxation	遞延稅項		
Current year (note 21)	是年度 (附註 21)	1,027	(4,621)
Effect of change in tax rate (note 21)	稅率變動之影響 (附註 21)	1,298	—
		<u>2,325</u>	<u>(4,621)</u>
		67,695	54,504
Share of taxation attributable to jointly controlled entities	應佔共同控制機構 稅項	47	40
		<u>67,742</u>	<u>54,544</u>

Hong Kong Profits Tax is calculated at 17.5% (2002: 16%) of the estimated assessable profit for the year.

香港盈利稅是以是年度預算應評估盈利之百分十七點五(二零零二年度：百分之十六)計算。

Overseas taxation is calculated at the rates prevailing in the respective jurisdictions.

海外稅項是以有關個別司法地區現行之稅率計算。

Details of deferred taxation are set out in note 21.

遞延稅項之詳情載列於附註21內。

For the year ended 31st August, 2003

截至二零零三年八月三十一日止年度

## 9. DIVIDENDS PAID

		2003 HK\$'000 千港元	2002 HK\$'000 千港元
Final, paid - HK11.0 cents for 2002 (2001: HK5.5 cents) per share	已付末期：二零零二年度 每股 11.0 港仙 (二零零一年度：5.5 港仙)	86,378	42,722
Interim, paid - HK12.0 cents (2002: HK6.0 cents) per share	已付中期：每股 12.0 港仙 (二零零二年度：6.0 港仙)	<u>94,232</u>	<u>46,607</u>
		<u>180,610</u>	<u>89,329</u>

A final dividend of HK10.0 cents (2002: HK11.0 cents) per share has been proposed by the directors and is subject to approval by the shareholders in the annual general meeting.

董事會已建議派發末期股息每股 10.0 港仙 (二零零二年度：11.0 港仙)，惟須待股東於週年股東大會上批准。

## 10. EARNINGS PER SHARE

The calculation of the basic and diluted earnings per share for the year is based on the following data:

Profit for the year

		2003 HK\$'000 千港元	2002 HK\$'000 千港元
Earnings for the purpose of basic and diluted earnings per share	用以計算每股基本 及攤薄盈利之盈利	<u>350,539</u>	<u>271,366</u>

## 10. 每股盈利

是年度每股基本及攤薄盈利乃根據下列數據計算：

是年度盈利

	2003 HK\$'000 千港元	2002 HK\$'000 千港元
	<u>350,539</u>	<u>271,366</u>

For the year ended 31st August, 2003

截至二零零三年八月三十一日止年度

10. EARNINGS PER SHARE - Continued

Number of shares

Weighted average number of ordinary shares for the purpose of basic earnings per share	用以計算每股基本盈利之加權平均普通股份數目
Effect of dilutive potential ordinary shares in respect of share options	認股權對普通股份攤薄之影響
Weighted average number of ordinary shares for the purpose of diluted earnings per share	用以計算每股攤薄盈利之加權平均普通股份數目

10. 每股盈利 – 續

股份數目

	2003	2002
	784,732,730	776,812,193
	2,785,513	5,972,516
	<u>787,518,243</u>	<u>782,784,709</u>

11. INVESTMENT PROPERTIES

At 1st September, 2002
Reclassification from leasehold land and buildings
Reclassification to leasehold land and buildings
Disposal
Deficit arising on revaluation

At 31st August, 2003

於二零零二年九月一日
由租賃持有之土地及樓宇調入
調撥至租賃持有之土地及樓宇內
出售
重估虧損

於二零零三年八月三十一日

THE GROUP  
本集團  
HK\$'000  
千港元

150,602
13,525
(31,700)
(1,210)
(5,741)
<u>125,476</u>

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

The investment properties of the Group were revalued at 31st August, 2003 on an open market value basis by B.I. Appraisals Limited, a firm of independent property valuers. The deficit arising on revaluation has been charged to the consolidated income statement.

本集團之所有投資物業乃位於香港並按中期租賃持有及按營運租賃賺取租金收入。

本集團之投資物業於二零零三年八月三十一日由一獨立之物業測量行保柏國際評估有限公司根據公開市值基準而重估。重估所得之虧損已在綜合收益賬內扣除。

## 財務報表附註

For the year ended 31st August, 2003

截至二零零三年八月三十一日止年度

## 12. PROPERTY, PLANT AND EQUIPMENT

## 12. 物業、機器及設備

## THE GROUP

## 本集團

	Land	Buildings	Furniture, fixtures and equipment 傢俬、 裝置 及設備	Plant and machinery 廠房 機器	Motor vehicles 車輛	Construction in progress 興建中 物業	Total 總值
	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
<b>COST OR VALUATION</b> 成本或估值							
At 1st September, 2002 於二零零二年九月一日	313,507	962,724	295,324	1,755,303	25,368	60,146	3,412,372
Currency realignment 外幣換算差額	(14)	(271)	60	(745)	62	(55)	(963)
Additions 增加	—	61	36,465	269,765	3,748	183,381	493,420
Interest capitalised 利息化作資產	—	—	—	—	—	2,881	2,881
Acquisition of subsidiaries 購買附屬公司	—	—	1,424	5,411	306	—	7,141
Reclassifications: 調撥：							
- from investment properties - 由投資物業	13,970	17,730	—	—	—	—	31,700
- to investment properties - 至投資物業	(5,318)	(17,399)	—	—	—	—	(22,717)
- others - 其他	325	12,480	20,351	41,080	152	(74,388)	—
Disposals 出售	—	—	(378)	(26,077)	(1,706)	—	(28,161)
<b>At 31st August, 2003</b> 於二零零三年八月三十一日	<b>322,470</b>	<b>975,325</b>	<b>353,246</b>	<b>2,044,737</b>	<b>27,930</b>	<b>171,965</b>	<b>3,895,673</b>
Comprising: 包括：							
At cost 成本	45,330	470,899	353,246	2,044,737	27,930	171,965	3,114,107
At 1995 valuation 於一九九五年估值	277,140	504,426	—	—	—	—	781,566
	<u>322,470</u>	<u>975,325</u>	<u>353,246</u>	<u>2,044,737</u>	<u>27,930</u>	<u>171,965</u>	<u>3,895,673</u>

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 31st August, 2003

截至二零零三年八月三十一日止年度

### 12. PROPERTY, PLANT AND EQUIPMENT - Continued

### 12. 物業、機器及設備—續

	Land	Buildings	Furniture, fixtures and equipment 傢俬、 裝置 及設備	Plant and machinery 廠房 機器	Motor vehicles 車輛	Construction in progress 興建中 物業	Total 總值
	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
<b>DEPRECIATION, AMORTISATION AND IMPAIRMENT</b>							
<b>折舊、攤銷及減值</b>							
At 1st September, 2002 於二零零二年九月一日	121,193	321,971	153,077	1,047,812	18,590	—	1,662,643
Currency realignment 外幣換算差額	(2)	(27)	—	(403)	33	—	(399)
Provided for the year 是年度準備	4,460	27,579	25,808	113,015	1,955	—	172,817
Reclassification to investment properties 調撥至投資物業內	(2,137)	(7,055)	—	—	—	—	(9,192)
Eliminated on disposals 出售時撇銷	—	—	(343)	(20,934)	(1,643)	—	(22,920)
<b>At 31st August, 2003 於二零零三年八月三十一日</b>	<b>123,514</b>	<b>342,468</b>	<b>178,542</b>	<b>1,139,490</b>	<b>18,935</b>	<b>—</b>	<b>1,802,949</b>
<b>NET BOOK VALUES</b>							
<b>賬面淨值</b>							
At 31st August, 2003 於二零零三年八月三十一日	198,956	632,857	174,704	905,247	8,995	171,965	2,092,724
At 31st August, 2002 於二零零二年八月三十一日	192,314	640,753	142,247	707,491	6,778	60,146	1,749,729

## 財務報表附註

For the year ended 31st August, 2003

截至二零零三年八月三十一日止年度

## 12. PROPERTY, PLANT AND EQUIPMENT - Continued

During the year ended 31st August, 2002, the directors conducted a review of the Group's land and buildings and determined that a number of those assets were impaired in light of the prevailing market condition. Accordingly, impairment losses of approximately HK\$102,079,000 had been recognised in respect of the land and buildings.

The net book value of properties shown above comprises:

		Land and buildings		Construction in progress	
		土地及樓宇	興建中物業	土地及樓宇	興建中物業
		2003	2002	2003	2002
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Properties situated in Hong Kong under medium-term leases	在香港以中期租賃持有的物業	486,127	480,065	—	—
Properties situated outside Hong Kong:	香港以外的物業：				
Freehold	永久持有	216	216	—	—
Long leases and long-term land use rights	長期租賃及長期土地使用權	37,750	63,801	—	—
Medium-term land use rights	中期土地使用權	307,720	288,985	171,965	60,146
		<u>831,813</u>	<u>833,067</u>	<u>171,965</u>	<u>60,146</u>

Certain leasehold land and buildings of the Group are stated at 1995 valuation less subsequent depreciation, amortisation and impairment. The valuation was carried out by Brooke International, a firm of independent property valuers, at 31st August, 1995 on an open market value basis.

The aggregate amount of properties stated at cost or valuation has been apportioned between land and buildings on the basis of an estimate made by the directors.

## 12. 物業、機器及設備－續

於截至二零零二年八月三十一日止年度，董事就本集團之土地及樓宇作出檢討，並根據當時市場情況確定若干資產已減值。據此，就土地及樓宇之已確認減值損失約為102,079,000港元。

以上物業賬面淨值包括：

本集團部份按租賃持有之土地及樓宇以一九九五年估值扣除往後的折舊、攤銷及減值後列出，估值乃由一獨立之物業測量行保柏國際物業顧問於一九九五年八月三十一日根據公開市值基準而進行。

物業以成本或估值列出之總值乃根據董事之評估分為土地及樓宇兩類。

For the year ended 31st August, 2003

截至二零零三年八月三十一日止年度

12. PROPERTY, PLANT AND EQUIPMENT - Continued

If land and buildings of the Group had not been revalued, they would have been included in the financial statements at historical cost less accumulated depreciation, amortisation and impairment of approximately HK\$402,603,000 (2002: HK\$402,099,000).

The net book value of property, plant and equipment of the Group includes an amount of approximately HK\$159,646,000 (2002: HK\$183,897,000) in respect of assets held under finance leases.

THE COMPANY

COST

At 1st September, 2002  
Additions  
Disposals

At 31st August, 2003

DEPRECIATION

At 1st September, 2002  
Provided for the year  
Eliminated on disposals

At 31st August, 2003

NET BOOK VALUES

At 31st August, 2003

At 31st August, 2002

成本

於二零零二年九月一日  
增加  
出售

於二零零三年八月三十一日

折舊

於二零零二年九月一日  
是年度準備  
出售時撇銷

於二零零三年八月三十一日

賬面淨值

於二零零三年八月三十一日

於二零零二年八月三十一日

12. 物業、機器及設備－續

如本集團之土地及樓宇不作重估，應以其歷史成本扣除累積折舊、攤銷及減值後之淨值約402,603,000港元（二零零二年度：402,099,000港元）載列於財務報表內。

本集團之物業、機器及設備賬面淨值中按財務租賃而持有的資產約為159,646,000港元（二零零二年度：183,897,000港元）。

本公司

Furniture, fixtures and equipment 傢俬、裝置 及設備 HK\$'000 千港元	Motor vehicles 車輛 HK\$'000 千港元	Total 總值 HK\$'000 千港元
--	--	--------------------------------

27,078	3,793	30,871
2,673	—	2,673
(142)	(219)	(361)

29,609	3,574	33,183
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23,835	3,793	27,628
1,391	—	1,391
(128)	(219)	(347)

25,098	3,574	28,672
--------	-------	--------

4,511	—	4,511
-------	---	-------

3,243	—	3,243
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For the year ended 31st August, 2003

截至二零零三年八月三十一日止年度

## 13. GOODWILL

## 13. 商譽

		THE GROUP
		本集團
		HK\$'000
		千港元
<b>COST</b>	<b>成本</b>	
At 1st September, 2002	於二零零二年九月一日	1,257
Arising on acquisition of subsidiaries (note 33)	購買附屬公司所產生 (附註 33)	2,962
		<hr/>
At 31st August, 2003	於二零零三年八月三十一日	4,219
		<hr/>
<b>AMORTISATION</b>	<b>攤銷</b>	
At 1st September, 2002	於二零零二年九月一日	84
Charge for the year	是年度扣除	646
		<hr/>
At 31st August, 2003	於二零零三年八月三十一日	730
		<hr/>
<b>CARRYING AMOUNT</b>	<b>賬面值</b>	
At 31st August, 2003	於二零零三年八月三十一日	3,489
		<hr/> <hr/>
At 31st August, 2002	於二零零二年八月三十一日	1,173
		<hr/> <hr/>

The amortisation period adopted for goodwill is 5 years.

商譽所採納之攤銷年期為五年。

## 14. INTERESTS IN SUBSIDIARIES

## 14. 應佔附屬公司權益

		2003	2002
		HK\$'000	HK\$'000
		千港元	千港元
Unlisted shares, at cost	非上市股份，以成本列出	24,862	46,909
Amounts due from subsidiaries	附屬公司所欠款項	2,862,015	2,514,397
		<hr/>	<hr/>
		2,886,877	2,561,306
Less: Impairment losses recognised	減：減值損失確認	(136,720)	(142,671)
		<hr/>	<hr/>
		2,750,157	2,418,635
		<hr/> <hr/>	<hr/> <hr/>
Amounts due to subsidiaries	欠附屬公司款項	1,540,756	1,351,477
		<hr/> <hr/>	<hr/> <hr/>



For the year ended 31st August, 2003

截至二零零三年八月三十一日止年度

14. INTERESTS IN SUBSIDIARIES - Continued

During the year, the Group reviewed the carrying amounts of interests in subsidiaries and identified that the estimated net future cash flows from certain subsidiaries are less than the carrying amounts. Accordingly, the carrying amounts of these subsidiaries are reduced to their respective recoverable amounts.

In the opinion of the directors, the amounts due from and the amounts due to subsidiaries will not be repayable within one year of the balance sheet date and, accordingly, such amounts have been classified as non-current.

Particulars of the principal subsidiaries of the Company at 31st August, 2003 are as follows:

Name of subsidiary 附屬公司名稱	Place/ country of incorporation/ registration and operation 註冊成立 /登記及 營業所在地 /國家	Issued and fully paid share capital/ registered capital 已發行及 繳足之股本 /登記股本	Proportion of nominal value of issued share capital/ registered capital held by the Company 本公司所持 已發行股本 /登記股本 面值之比率		Principal activities 主要業務
			Directly 直接 %	Indirectly 間接 %	
Dongguan Fuan Textiles Limited ("Dongguan Fuan") 東莞福安紡織印染有限公司 (「福安」)	The PRC 中國	HK\$436,980,000 <i>(note)</i> 436,980,000 港元 <i>(附註)</i>	—	51	Knitting, dyeing and sales of dyed fabrics and yarns 針織、染色和銷售 色布及色紗
Dong Guan Hai Xing Apparel Co., Ltd. 東莞海星服裝有限公司	The PRC 中國	HK\$7,500,000 7,500,000 港元	—	100	Production and sales of garments 製造及銷售成衣

14. 應估附屬公司權益－續

本年度本集團檢討應估附屬公司權益之賬面值，並確定部份附屬公司之預計未來現金流量淨值低於賬面值。據此，該等附屬公司之賬面值已被減至其可收回金額。

根據董事之意見，附屬公司所欠款項或欠附屬公司款項不會於結算日後之一年內償還。據此，此等款項被列為非流動項目。

於二零零三年八月三十一日本公司之主要附屬公司詳情如下：

## 財務報表附註

For the year ended 31st August, 2003

截至二零零三年八月三十一日止年度

## 14. INTERESTS IN SUBSIDIARIES - Continued

## 14. 應佔附屬公司權益 – 續

Name of subsidiary 附屬公司名稱	Place/ country of incorporation/ registration and operation 註冊成立 /登記及 營業所在地 /國家	Issued and fully paid share capital/ registered capital 已發行及 繳足之股本 /登記股本	Proportion of nominal value of issued share capital/ registered capital held by the Company 本公司所持 已發行股本 /登記股本 面值之比率		Principal activities 主要業務
			Directly 直接 %	Indirectly 間接 %	
Dongguan Shatin Lake Side Textiles Printing & Dyeing Co., Ltd. ("Dongguan Shatin Lake Side") 東莞沙田麗海紡織印染 有限公司(「沙田麗海」)	The PRC 中國	HK\$102,000,000 (note) 102,000,000 港元 (附註)	—	95	Dyeing, printing and sales of dyed fabrics 染色、印花和銷售 色布
Faun Industries Limited 福力實業有限公司	Hong Kong 香港	HK\$2 2 港元	100	—	Trading of dyed fabrics and yarns 色布及色紗貿易
Folktune Limited 福津有限公司	Hong Kong 香港	HK\$2 2 港元	100	—	Investment holding 投資控股
Fountain Set Chemicals Limited 福田化工貿易有限公司	Hong Kong 香港	HK\$2 2 港元	100	—	Trading of dyestuffs and chemicals 顏化料貿易
Fountain Set Limited 福田實業有限公司	Hong Kong 香港	HK\$3,000,000 3,000,000 港元	100	—	Trading of dyed fabrics and yarns 色布及色紗貿易
Fountain Set Textiles (B.C.) Limited	Canada 加拿大	C\$500,000 (Common shares) 500,000 加元 (普通股)	80	—	Trading of fabrics, yarns and threads 布、紗及線貿易

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 31st August, 2003

截至二零零三年八月三十一日止年度

### 14. INTERESTS IN SUBSIDIARIES - Continued

### 14. 應估附屬公司權益－續

Name of subsidiary 附屬公司名稱	Place/ country of incorporation/ registration and operation 註冊成立 ／登記及 營業所在地 ／國家	Issued and fully paid share capital/ registered capital 已發行及 繳足之股本 ／登記股本	Proportion of nominal value of issued share capital/ registered capital held by the Company 本公司所持 已發行股本 ／登記股本 面值之比率		Principal activities 主要業務
			Directly 直接 %	Indirectly 間接 %	
Fountain Set Textiles (Ontario) Limited	Canada 加拿大	C\$300,100 (Common shares) 300,100 加元 (普通股)	51	—	Trading of fabrics, yarns and threads 布、紗及線貿易
Fountain Set Worldwide Sdn. Bhd.	Malaysia 馬來西亞	RM2 2 馬元	—	100	Trading of dyed fabrics and yarns 色布及色紗貿易
Gold Wheat Investment Limited 金穗投資有限公司	Hong Kong 香港	HK\$2 2 港元	100	—	Property holding 持有物業
Goldlink Thread Limited 金菱線廠有限公司	Hong Kong 香港	HK\$5,000,000 5,000,000 港元	60	—	Trading of sewing threads 縫紉線貿易
Highscene Limited 漢盛有限公司	Hong Kong 香港	HK\$3,000,000 3,000,000 港元	—	100	Trading of yarns 胚紗貿易
Hiway Textiles Limited (formerly Ambler House Development Limited) 海匯紡織有限公司 (前為 Ambler House Development Limited)	Hong Kong 香港	HK\$2 2 港元	—	100	Trading of garments 成衣貿易
Jiangyin Fuhui Textiles Limited 江陰福匯紡織有限公司	The PRC 中國	US\$35,500,000 35,500,000 美元	—	100	Knitting, dyeing and sales of dyed fabrics and yarns 針織、染色和銷售 色布及色紗

## 財務報表附註

For the year ended 31st August, 2003

截至二零零三年八月三十一日止年度

## 14. INTERESTS IN SUBSIDIARIES - Continued

## 14. 應佔附屬公司權益 - 續

Name of subsidiary 附屬公司名稱	Place/ country of incorporation/ registration and operation 註冊成立 /登記及 營業所在地 /國家	Issued and fully paid share capital/ registered capital 已發行及 繳足之股本 /登記股本	Proportion of nominal value of issued share capital/ registered capital held by the Company 本公司所持 已發行股本 /登記股本 面值之比率		Principal activities 主要業務
			Directly 直接 %	Indirectly 間接 %	
Jinyue Industrial Limited 精裕實業有限公司	Hong Kong 香港	HK\$100 100 港元	—	100	Trading of dyed yarns 色紗貿易
Lake Side Printing Factory Limited 麗海印花廠有限公司	Hong Kong 香港	HK\$2 2 港元	100	—	Trading of fabrics and investment holding 布匹貿易及投資控股
Ocean Lanka (Private) Limited	Democratic Socialist Republic of Sri Lanka 斯里蘭卡民主 社會主義共和國	RS985,000,000 985,000,000 盧比	—	60	Knitting, dyeing and sales of dyed fabrics 針織、染色和銷售 色布
Ocean Yarn Dyeing Factory Limited 海洋染紗廠有限公司	Hong Kong 香港	HK\$2 2 港元	100	—	Investment holding 投資控股
Prosperlink (Macao Commercial Offshore) Limited 匯漢 (澳門離岸商業服務) 有限公司	Macao 澳門	MOP100,000 100,000 葡幣	—	100	Trading of yarns, dyestuffs and chemicals 胚紗及顏化料貿易
Xin Hui Hui Lian Textile Company Limited 新會匯聯紡織有限公司	The PRC 中國	HK\$20,000,000 20,000,000 港元	—	100	Production and sales of yarns 製造及銷售胚紗
Dongguan Fuyuen Garment Limited 東莞福源制衣有限公司	The PRC 中國	HK\$7,500,000 7,500,000 港元	—	95	Production and sales of garments 製造及銷售成衣

For the year ended 31st August, 2003

截至二零零三年八月三十一日止年度

#### 14. INTERESTS IN SUBSIDIARIES - Continued

Note:

Dongguan Fuan and Dongguan Shatin Lake Side were established by the Group with certain independent third parties. Since the signing of various agreements in previous years, the Group has been entitled to all of the net profits arising from the operations of Dongguan Fuan and Dongguan Shatin Lake Side after the payment of certain fixed amounts to the above independent third parties each year for a term of 10 years up to 31st December, 2010 for Dongguan Fuan and for a term of 25 years up to 1st December, 2021 for Dongguan Shatin Lake Side, and the Group is also entitled to and responsible for all of the assets and liabilities of Dongguan Fuan and Dongguan Shatin Lake Side other than any amounts contributed by the above independent third parties.

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

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

#### 15. INTERESTS IN JOINTLY CONTROLLED ENTITIES

Share of net assets of jointly controlled entities  
Amounts due from jointly controlled entities  
  
Less: Impairment losses recognised

應佔共同控制機構之資產淨值  
共同控制機構所欠款項  
  
減：減值損失確認

#### 14. 應佔附屬公司權益－續

附註：

福安及沙田麗海乃由本集團與多個獨立第三者成立。自若干合同於多年前簽署後，本集團可享有福安及沙田麗海扣除每年給予獨立第三者固定費用後之淨盈利，同時亦擁有其資產（非由上述獨立第三者所投資）及需要負擔有關之負債。福安之合同為期十年至二零一零年十二月三十一日止；而沙田麗海之合同為期二十五年至二零二一年十二月一日止。

以上本公司之附屬公司乃基於本公司董事認為其對本年度業績及本集團於結算日之資產及負債有重要影響性而表列。本公司董事認為併列其他附屬公司詳情會引致篇幅冗長。

於本年度終結時或在本年度任何時間，附屬公司並無任何債務證券結餘。

#### 15. 應佔共同控制機構權益

THE GROUP		本集團	
2003	2002	2003	2002
HK\$'000	HK\$'000	千港元	千港元
		409	—
		39,447	40,507
		39,856	40,507
		(26,850)	(26,850)
		<u>13,006</u>	<u>13,657</u>

## 財務報表附註

For the year ended 31st August, 2003

截至二零零三年八月三十一日止年度

## 15. INTERESTS IN JOINTLY CONTROLLED ENTITIES -

Continued

In the opinion of the directors, the amounts due from jointly controlled entities will not be repayable within one year of the balance sheet date and, accordingly, such amounts have been classified as non-current.

Particulars of jointly controlled entities of the Group at 31st August, 2003 are as follows:

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

## 15. 應佔共同控制機構權益—續

根據董事之意見，共同控制機構所欠款項不會於結算日後之一年內償還。據此，此等款項被列為非流動項目。

於二零零三年八月三十一日，本集團之共同控制機構詳情如下：

For the year ended 31st August, 2003

截至二零零三年八月三十一日止年度

## 16. INVENTORIES

Raw materials	原料
Work in progress	半製品
Finished goods	製成品

All inventories are stated at cost at 31st August, 2003. Raw materials of HK\$2,775,000 were carried at net realisable value at 31st August, 2002.

## 17. TRADE AND OTHER RECEIVABLES

The Group allows an average credit period of 75 days to its trade customers.

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

Not yet due	未到期
Overdue 1 - 30 days	過期 1 - 30 天
Overdue 31 - 60 days	過期 31 - 60 天
Overdue > 60 days	過期超過 60 天

## 16. 存貨

THE GROUP	
本集團	
2003	2002
HK\$'000	HK\$'000
千港元	千港元
815,935	578,317
363,370	238,247
243,406	191,020
<u>1,422,711</u>	<u>1,007,584</u>

於二零零三年八月三十一日，所有存貨均以成本價列出。於二零零二年八月三十一日，2,775,000港元之原料以可變現值列出。

## 17. 營業及其他應收款項

本集團提供平均75天數期予營業客戶。

於結算日，營業應收款項之賬齡分析如下：

THE GROUP	
本集團	
2003	2002
HK\$'000	HK\$'000
千港元	千港元
543,156	510,016
177,285	158,909
137,974	108,133
23,886	80,928
<u>882,301</u>	<u>857,986</u>

## 財務報表附註

For the year ended 31st August, 2003

截至二零零三年八月三十一日止年度

## 18. TRADE AND OTHER PAYABLES

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

Not yet due	未到期
Overdue 1 - 30 days	過期 1 - 30 天
Overdue 31 - 60 days	過期 31 - 60 天
Overdue > 60 days	過期超過 60 天

## 18. 營業及其他應付款項

於結算日，營業應付款項之賬齡分析如下：

THE GROUP	
本集團	
2003	2002
HK\$'000	HK\$'000
千港元	千港元
363,126	213,801
74,638	17,833
22,811	4,746
13,700	5,538
<u>474,275</u>	<u>241,918</u>



# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 31st August, 2003

截至二零零三年八月三十一日止年度

### 19. BANK BORROWINGS

### 19. 銀行借貸

		THE GROUP		THE COMPANY	
		本集團		本公司	
		2003	2002	2003	2002
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Bank loans	銀行借款	1,138,469	769,291	798,500	673,000
Import bills loans	進口借款	466,670	258,771	—	—
Bank overdrafts	銀行透支	2,577	2,221	—	—
		<u>1,607,716</u>	<u>1,030,283</u>	<u>798,500</u>	<u>673,000</u>
Analysed as:	分析：				
Secured	有抵押	—	288,833	—	—
Unsecured	無抵押	<u>1,607,716</u>	<u>741,450</u>	<u>798,500</u>	<u>673,000</u>
		<u>1,607,716</u>	<u>1,030,283</u>	<u>798,500</u>	<u>673,000</u>
Repayable as follows:	須於下列期間償還：				
Within one year or on demand	一年內或立即清償	548,237	313,794	72,000	14,980
More than one year, but not exceeding two years	一年以上但不超過兩年	312,990	295,470	236,000	253,980
More than two years, but not exceeding five years	兩年以上但不超過五年	746,489	421,019	490,500	404,040
		<u>1,607,716</u>	<u>1,030,283</u>	<u>798,500</u>	<u>673,000</u>
Less: Amount due within one year or on demand shown under current liabilities	減：一年內到期或立即清償金額轉入流動負債項目	(548,237)	(313,794)	(72,000)	(14,980)
Amount due after one year	一年後到期金額	<u>1,059,479</u>	<u>716,489</u>	<u>726,500</u>	<u>658,020</u>

## 20. OBLIGATIONS UNDER FINANCE LEASES

## 20. 財務租賃應付賬款

		THE GROUP 本集團			
		Minimum lease payments 最低租賃支出		Present value of minimum lease payments 最低租賃支出 之現有價值	
		2003 HK\$'000 千港元	2002 HK\$'000 千港元	2003 HK\$'000 千港元	2002 HK\$'000 千港元
Repayable as follows:	須於下列期間償還：				
Within one year	一年內	29,366	33,368	27,031	30,272
More than one year, but not exceeding two years	一年以上但 不超過兩年	25,775	27,871	24,410	25,828
More than two years, but not exceeding five years	兩年以上但 不超過五年	27,213	46,674	26,507	45,052
		82,354	107,913		
Less: Future finance charges	減：未來之財務費用	(4,406)	(6,761)		
Present value of lease obligations	租賃承擔之現有價值	<u>77,948</u>	<u>101,152</u>	77,948	101,152
Less: Amount due within one year shown under current liabilities	減：一年內到期金額 轉入流動負債 項目			(27,031)	(30,272)
Amount due after one year	一年後到期金額			<u>50,917</u>	<u>70,880</u>

For the year ended 31st August, 2003

截至二零零三年八月三十一日止年度

## 21. DEFERRED TAXATION

At beginning of the year	於是年度開始時
Acquisition of subsidiaries	購買附屬公司
Charge (credit) for the year (note 8)	是年度扣除 (計入) (附註 8)
Effect of change in tax rate (note 8)	稅率變動之影響 (附註 8)
At end of the year	於是年度終結時

At the balance sheet date, the major components of the deferred tax liabilities (assets) are as follows:

Tax effect of timing differences attributable to:	時間差距所引致之稅項影響：
Excess of tax allowances over depreciation	稅務折舊超過會計折舊
Tax losses	稅務虧損
Other timing differences	其他時間差距
At end of the year	於是年度終結時

Deferred taxation has not been provided on the accumulated surplus arising on the valuation of properties as profits arising on future disposals of these assets would not be subject to taxation. Accordingly, the surplus arising on revaluation does not constitute a timing difference for tax purposes.

Neither the Group nor the Company had any significant unprovided deferred taxation for the year or at the balance sheet date.

## 21. 遞延稅項

THE GROUP		THE COMPANY	
本集團		本公司	
2003	2002	2003	2002
HK\$'000	HK\$'000	HK\$'000	HK\$'000
千港元	千港元	千港元	千港元
14,055	18,676	374	1,579
4	—	—	—
1,027	(4,621)	82	(1,205)
1,298	—	35	—
<u>16,384</u>	<u>14,055</u>	<u>491</u>	<u>374</u>

於結算日，遞延稅項負債(資產)之主要項目如下：

THE GROUP		THE COMPANY	
本集團		本公司	
2003	2002	2003	2002
HK\$'000	HK\$'000	HK\$'000	HK\$'000
千港元	千港元	千港元	千港元
16,596	13,918	610	374
(160)	—	(119)	—
(52)	137	—	—
<u>16,384</u>	<u>14,055</u>	<u>491</u>	<u>374</u>

本欄並無對物業估值所產生之累計盈餘作出遞延稅項準備，因出售此類資產所得利潤不會課稅。據此，該等盈餘並無構成稅項計算上之時間差距。

於是年度及結算日，本集團及本公司並無任何重大的未作準備遞延稅項。

## 財務報表附註

For the year ended 31st August, 2003

截至二零零三年八月三十一日止年度

## 22. SHARE CAPITAL

## 22. 股本

		Number of ordinary shares of HK\$0.20 each 每股面值0.20港元之普通股份數目		Amount 金額	
		2003	2002	2003	2002
				HK\$'000 千港元	HK\$'000 千港元
Authorised:	法定股本：				
At beginning and end of the year	於是年度開始及終結時	1,400,000,000	1,400,000,000	280,000	280,000
Issued and fully paid:	已發行及繳足股本：				
At beginning of the year	於是年度開始時	776,764,960	777,116,960	155,353	155,423
Shares repurchased (note (i))	購回股份 (附註(i))	—	(512,000)	—	(102)
Exercise of share options (note (ii))	行使認股權 (附註(ii))	8,494,000	160,000	1,699	32
At end of the year	於是年度終結時	785,258,960	776,764,960	157,052	155,353

## Notes:

## 附註：

- (i) During the year ended 31st August, 2002, the Company repurchased its own shares through the Stock Exchange as follows:

- (i) 於截至二零零二年八月三十一日止年度，本公司經聯交所購回本身之股份如下：

Month of repurchase 購回月份	Number of ordinary shares of HK\$0.20 each 每股面值0.20港元之普通股份數目	Price per share 每股價值		Aggregate consideration paid 已支付代價總額 HK\$'000 千港元
		Highest 最高 HK\$ 港元	Lowest 最低 HK\$ 港元	
September 2001 二零零一年九月	512,000	0.86	0.81	426

All of the repurchased shares were subsequently cancelled.

所有購回之股份已隨之註銷。

- (ii) During the year, 8,494,000 (2002: 160,000) shares in the Company of HK\$0.20 each were issued upon the exercise of 8,494,000 (2002: 160,000) share options at a subscription price of HK\$0.72 (2002: HK\$0.62) per share.

- (ii) 本年度因行使8,494,000(二零零二年度：160,000)股認股權而發行8,494,000(二零零二年度：160,000)股每股面值0.2港元之本公司股份。有關之認購價為每股0.72港元(二零零二年度：0.62港元)。

All the shares issued during the year rank pari passu with the then existing shares in all aspects.

本年度已發行之所有股份與現有股份在各方面均享同等權益。

For the year ended 31st August, 2003

截至二零零三年八月三十一日止年度

### 23. SHARE OPTIONS

Pursuant to the share option scheme adopted on 2nd March, 1999 (the "Old Option Scheme"), the board of directors of the Company may offer to full time employees, including full time executive directors, of the Company and/or its subsidiaries who have completed the probation period options to subscribe for shares in the Company in accordance with the terms of the Old Option Scheme for the consideration of HK\$1 for each lot of share options granted. The primary purpose of the Old Option Scheme is to provide incentives to the employees of the Group. The total number of shares in respect of which options may be granted under the Old Option Scheme is not permitted to exceed 10% of the shares of the Company in issue from time to time excluding any shares issued under the Old Option Scheme. The number of shares in respect of which options may be granted to any employee, if exercised in full and when aggregated with the total number of shares already issued upon the exercise of options previously granted to an employee, is not permitted to exceed 25% of the aggregate number of shares for the time being issued and issuable under the Old Option Scheme. Options granted must be taken up within 28 days of the date of grant or such longer or shorter period as the board of directors of the Company may think fit. Options may be exercised at any time within six months commencing on the expiry of one year after an option is accepted by an employee. The exercise price is determined by the board of directors of the Company, and shall be the higher of a price being not less than 80% of the average closing prices of the shares for the five business days immediately preceding the date of grant and the nominal value of a share.

Due to changes in the Rules Governing the Listing of Securities on the Stock Exchange, the Old Option Scheme was terminated at the Extraordinary General Meeting held on 25th January, 2002. As a result, no further options will be granted under the Old Option Scheme. However, the options previously granted under the Old Option Scheme shall remain in full force and effect.

### 23. 認股權

根據於一九九九年三月二日採納之認股權計劃（「舊認股權計劃」），本公司董事會可按舊認股權計劃之條款授予本公司及／或其附屬公司已通過試用期的全職僱員（包括全職執行董事）認股權以認購本公司的股份，每次接受認股權之代價為1港元。舊認股權計劃的主要目的為向集團僱員給予鼓勵。根據舊認股權計劃所授出的認股權而發行之股份總數，最多不得超過扣除根據舊認股權計劃而發行之股份數日後之本公司不時發行股份總數之10%。任何一位僱員根據將獲授認股權全部行使後而得到的股份連同之前已行使認股權而獲得的股份的總數，最多不得超過根據舊認股權計劃而已發行或可發行的股份總數之25%。僱員必須在認股權授出日之28日或本公司董事會另訂的其他期間內接納所獲授予的認股權。僱員可在其接納認股權當日之一年後之六個月內之任何時間行使認股權。認購價由本公司董事會議定，但必須為股份於認股權授出日之前五個營業日之平均收市價的80%或股份之每股面值，二者中最高價者。

由於聯交所證券上市規則的轉變，舊認股權計劃已於二零零二年一月二十五日舉行之特別股東大會上被終止。據此，將不可再根據舊認股權計劃授出認股權。但過往根據舊認股權計劃而已授出的認股權則仍具十足效力。

**23. SHARE OPTIONS - Continued**

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

**23. 認股權 – 續**

一項將於二零一二年一月二十四日到期的新認股權計劃（「新認股權計劃」）已於二零零二年一月二十五日舉行的特別股東大會上被採納。新認股權計劃之主要目的為本公司可向僱員給予鼓勵、獎賞、報酬、補償及／或提供福利及就本公司董事會不時批准之其他目的而言提供一個靈活方式。根據新認股權計劃，本公司董事會可按新認股權計劃之條款授予本公司及／或其附屬公司已通過試用期的全職僱員（包括全職執行董事）認股權以認購本公司股份，每次接受認股權之代價為1港元。根據新認股權計劃所授出之認股權而發行之股份總數，最多不得超過新認股權計劃獲批准當日之已發行股份總數之10%。本公司可在股東大會上尋求股東批准，更新此10%之上限。惟根據新認股權計劃及本公司任何其他認股權計劃已授出但尚未行使之認股權獲行使而發行之股份總數，最多不得超過本公司不時已發行股份總數之30%（或根據上市規則容許之較高上限）。除已獲股東批准外，任何一位僱員於任何十二個月期間內，其因行使將獲授認股權之股份總數，最多不得超過本公司已發行股份總數之1%。僱員必須在認股權授出日之28日或本公司董事會另訂的其他期間內接納所獲授予的認股權。僱員必須最少於授出日起計一年或本公司董事會另訂的其他期間（「持有期」）持有認股權後，才可作出認購。認購期由

For the year ended 31st August, 2003

截至二零零三年八月三十一日止年度

23. SHARE OPTIONS - Continued

the board of directors of the Company, shall commence on the expiry of the Hold-up period and expire no later than the 10th anniversary of the date of grant. The exercise price is determined by the board of directors of the Company and will be at least the highest of the followings:

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

The following tables disclose details of the Company's share options held by employees and movements in such during the year ended 31st August, 2003 and 2002:

23. 認股權 – 續

本公司董事會按絕對酌情權釐定，將由持有期屆滿後開始計算及不遲於授出日後十週年屆滿。認購價由本公司董事會議定，但必須為以下三者中最高價者：

- a) 股份於認股權授出日的收市價；
- b) 股份於認股權授出日之前五個營業日之平均收市價；及
- c) 股份之每股面值。

於截至二零零二年八月三十一日年度及二零零三年八月三十一日年度內，僱員持有本公司認股權之詳情及變動如下表所披露：

		Number of share options					
		認股權數目					
Share option type		Outstanding at 1.9.2002	Granted during the year	Exercised during the year	Cancelled during the year	Outstanding at 31.8.2003	
認股權類別		於二零零二年九月一日結餘	本年度授出	本年度行使	本年度註銷	於二零零三年八月三十一日結餘	
Directors	董事	2001	560,000	—	(560,000)	—	
		2002	—	560,000	—	560,000	
			560,000	560,000	(560,000)	—	560,000
Employees	僱員	2001	7,934,000	—	(7,934,000)	—	
		2002	—	8,392,000	—	(120,000)	8,272,000
			7,934,000	8,392,000	(7,934,000)	(120,000)	8,272,000
Total	總值		8,494,000	8,952,000	(8,494,000)	(120,000)	8,832,000

For the year ended 31st August, 2003

截至二零零三年八月三十一日止年度

## 23. SHARE OPTIONS - Continued

## 23. 認股權－續

		Number of share options 認股權數目				
Share option type 認股權類別		Outstanding at 1.9.2001 於二零零一年九月一日結餘	Exercised during the year 本年度行使	Cancelled during the year 本年度註銷	Outstanding at 31.8.2002 於二零零二年八月三十一日結餘	
Directors 董事	2000	280,000	—	(280,000)	—	
	2001	840,000	—	(280,000)	560,000	
		1,120,000	—	(560,000)	560,000	
Employees 僱員	2000	650,000	(160,000)	(490,000)	—	
	2001	8,174,000	—	(240,000)	7,934,000	
		8,824,000	(160,000)	(730,000)	7,934,000	
Total 總值		9,944,000	(160,000)	(1,290,000)	8,494,000	

Details of each type of share options are as follows:

每類認股權之詳情如下：

Share option type 認股權類別	Date of grant 授出日期	Hold-up period 持有期	Option period 認購期限	Exercise price 認購價 HK\$ 港元
2000	1.6.2000	2.6.2000 - 28.6.2001	2.6.2001 - 27.12.2001	0.62
2001	30.8.2001	30.8.2001 - 29.8.2002	30.8.2002 - 28.2.2003	0.72
2002	25.10.2002	25.10.2002 - 24.10.2003	25.10.2003 - 24.4.2004	3.825

No charge is recognised in the income statement in respect of the value of options granted in the year (2002: Nil).

本年度並無就授出之認權股價值於收益賬內作出任何支出之確認(二零零二年度：無)。



For the year ended 31st August, 2003

截至二零零三年八月三十一日止年度

24. RESERVES

At 1st September, 2001	於二零零一年九月一日
Shares repurchased	購回股份
Exercise of share options	行使認股權
Transfer of reserve on shares repurchased and cancelled	購回及註銷股份之儲備調撥
Profit for the year	是年度盈利
Dividends paid (note 9)	已付股息 (附註9)
At 1st September, 2002	於二零零二年九月一日
Exercise of share options	行使認股權
Profit for the year	是年度盈利
Dividends paid (note 9)	已付股息 (附註9)
At 31st August, 2003	於二零零三年八月三十一日

The Company's reserves available for distribution to shareholders as dividends at 31st August, 2003 represented the retained profits of approximately HK\$99,943,000 (2002: HK\$96,012,000).

25. MAJOR NON-CASH TRANSACTIONS

During the year, the Group entered into finance leases in respect of the acquisition of plant and equipment with a total capital value at the inception of the leases of approximately HK\$8,120,000 (2002: HK\$41,222,000).

24. 儲備

THE COMPANY			
本公司			
Capital			
Share premium	Share redemption reserve	Retained profits	Total
股份溢價	資本贖回儲備	滾存盈利	總值
HK\$'000	HK\$'000	HK\$'000	HK\$'000
千港元	千港元	千港元	千港元
160,913	108	112,257	273,278
—	—	(324)	(324)
68	—	—	68
—	102	(102)	—
—	—	73,510	73,510
—	—	(89,329)	(89,329)
160,981	210	96,012	257,203
4,417	—	—	4,417
—	—	184,541	184,541
—	—	(180,610)	(180,610)
165,398	210	99,943	265,551

於二零零三年八月三十一日，可分配為股東股息之本公司儲備(乃指滾存盈利)約為99,943,000港元(二零零二年度：96,012,000港元)。

25. 主要非現金交易

本年度本集團所訂立之財務租賃以用作購買機器及設備之資本總值約為8,120,000港元(二零零二年度：41,222,000港元)。

## 26. CAPITAL COMMITMENTS

## 26. 資本承擔

		THE GROUP	
		本集團	
		2003	2002
		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	就有關購買物業、機器及設備之已簽約但在財務報表未有載列之資本開支	<u>110,984</u>	<u>136,770</u>
Capital expenditure in respect of the acquisition of property, plant and equipment authorised but not contracted for	就有關購買物業、機器及設備之已批准但未簽約之資本開支	<u>4,351</u>	<u>3,587</u>

At the balance sheet date, a subsidiary of the Company had commitments amounting to approximately HK\$50,700,000 (2002: HK\$278,460,000) in respect of the capital contribution to its subsidiary contracted for but not provided in the financial statements.

於結算日，本公司之一間附屬公司對其一間附屬公司作出承擔，有關之已簽約但在財務報表未有載列之資本開支約為50,700,000港元。(二零零二年度：278,460,000港元)。

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

於結算日，本公司並無任何重大的資本承擔。

## 27. OTHER COMMITMENT

## 27. 其他承擔

At 31st August, 2003, the Group had a commitment under foreign currency forward contracts with a principal amount of approximately HK\$15,157,000 (2002: Nil).

於二零零三年八月三十一日，本集團就一項本金約15,157,000港元之遠期外幣合約作出承擔(二零零二年度：無)。

For the year ended 31st August, 2003

截至二零零三年八月三十一日止年度

28. OPERATING LEASES

The Group as lessee:

Minimum lease payments paid under operating leases during the year:

Land and buildings

Plant and machinery

是年度就營運租賃而支付的最低租賃支出：

土地及樓宇

廠房機器

28. 營運租賃

本集團作為承租人：

THE GROUP	
本集團	
2003	2002
HK\$'000	HK\$'000
千港元	千港元
13,857	5,592
37,082	39,755
<u>50,939</u>	<u>45,347</u>

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

於結算日，本集團就不可取消之營運租賃的未來最低租賃支出於下列到期日支付：

		THE GROUP			
		本集團			
		2003		2002	
		Land and buildings	Plant and machinery	Land and buildings	Plant and machinery
		土地及樓宇	廠房機器	土地及樓宇	廠房機器
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Within one year	一年內	26,635	41,329	10,192	45,431
In the second to fifth year inclusive	二年至五年內（首尾兩年包括在內）	95,175	158,789	12,867	156,184
Over five years	五年後	159,841	170,872	17	198,767
		<u>281,651</u>	<u>370,990</u>	<u>23,076</u>	<u>400,382</u>

For the year ended 31st August, 2003

截至二零零三年八月三十一日止年度

**28. OPERATING LEASES - Continued**

The Group as lessor:

Gross rental income earned from investment properties of the Group during the year was approximately HK\$9,148,000 (2002: HK\$14,161,000) less outgoings of approximately HK\$586,000 (2002: HK\$797,000).

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

Within one year	一年內
In the second to fifth year inclusive	二年至五年內 (首尾兩年包括在內)

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

**28. 營運租賃－續**

本集團作為出租人：

本年度本集團就投資物業所賺得之租金收入總值約為9,148,000港元，(二零零二年度：14,161,000港元) 扣除的支出約為586,000港元(二零零二年度：797,000港元)。

於結算日，本集團已與租戶訂立合約的未來最低租賃收入如下：

THE GROUP	
本集團	
2003	2002
HK\$'000	HK\$'000
千港元	千港元
4,037	7,661
4,083	1,456
<u>8,120</u>	<u>9,117</u>

於結算日，本公司並無任何重大的營運租賃承擔或安排。

For the year ended 31st August, 2003

截至二零零三年八月三十一日止年度

29. CONTINGENT LIABILITIES

29. 或然負債

		THE GROUP	
		本集團	
		2003	2002
		HK\$'000	HK\$'000
		千港元	千港元
Discounted bills with recourse	附追索權之出口貼現票據	41,266	41,725
Invoices factored with recourse	附追索權之發票讓售	17,240	37,414
		58,506	79,139

THE COMPANY

本公司

- (a) The Company has given limited guarantees to various banks to secure general banking and loan facilities granted to certain subsidiaries. At the balance sheet date, the aggregate amounts utilised by these subsidiaries amounted to approximately HK\$1,103,539,000 (2002: HK\$711,231,000).
- (a) 本公司已向多間銀行給予有限制之擔保，作為該等銀行給予部份附屬公司一般貸款及借款之抵押。於結算日，該等附屬公司已運用之總額約為1,103,539,000港元（二零零二年度：711,231,000港元）。
- (b) The Company has given limited guarantees to various banks and finance companies to secure finance leases obligations of certain subsidiaries. At the balance sheet date, the aggregate obligations of the subsidiaries under these leases amounted to approximately HK\$77,948,000 (2002: HK\$101,152,000).
- (b) 本公司已向多間銀行及財務公司給予有限制之擔保，作為該等銀行及財務公司給予部份附屬公司財務租賃借貸之抵押。於結算日，該等附屬公司之財務租賃應付賬款總額約為77,948,000港元（二零零二年度：101,152,000港元）。
- (c) The Company has given a limited guarantee to the lessor of a subsidiary for rental payment in respect of plant and machinery under a non-cancellable operating lease which expires in February 2005.
- (c) 本公司已向一附屬公司之出租人給予有限制之擔保，作為一項不可取消之廠房機器營運租賃之租金擔保。營運租賃將於二零零五年二月到期。

## 財務報表附註

For the year ended 31st August, 2003

截至二零零三年八月三十一日止年度

**30. RETIREMENT BENEFITS SCHEMES**

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

Employees of the Group in the PRC are members of the state-sponsored pension scheme operated by the PRC government. The Group are required to contribute a certain percentage of their payroll to the pension scheme to fund the benefits. The only obligation of the Group with respect to the pension scheme is to make the required contributions.

At the balance sheet date, there was no significant forfeited contribution, which arose upon employees leaving the retirement benefits schemes, available to reduce the contribution payable in the future years.

The retirement benefits scheme contributions, net of forfeited contributions of approximately HK\$381,000 (2002: HK\$1,239,000), amounted to approximately HK\$16,070,000 (2002: HK\$13,437,000) has been charged to the consolidated income statement.

**31. PLEDGE OF ASSETS**

At 31st August, 2002, properties and plant and machinery of the Company's subsidiaries with an aggregate carrying value of approximately HK\$490,967,000 were pledged to various banks under fixed charges to secure loan facilities granted to the Group. All pledges were released during the year.

**30. 退休福利計劃**

本集團營運根據職業退休計劃條例註冊成立的定額供款計劃(「職業退休計劃」)及根據強制性公積金計劃條例設立的強制性公積金計劃(「強積金計劃」)予所有合資格之本集團香港僱員。這兩個計劃的資產乃由信託人獨立持有及管理。在收益賬內扣除之退休福利計劃成本乃本集團根據計劃既定比率計算之應付供款。

本集團國內僱員乃中國政府營運之國家退休福利計劃成員。本集團須將僱員薪酬之指定百分比供款予該退休計劃作為福利基金。本集團對該退休計劃之唯一責任是按規定作出供款。

於結算日，因僱員退出退休福利計劃而沒收之供款並不重大，此款項並可用作扣減未來年度之應付供款。

已在綜合收益賬扣除之退休福利計劃供款金額淨值約為16,070,000港元(二零零二年度：13,437,000港元)，當中已扣減沒收之供款約381,000港元(二零零二年度：1,239,000港元)。

**31. 資產按揭**

於二零零二年八月三十一日，本公司附屬公司之物業和廠房機器賬面總值約490,967,000港元已按揭予多間銀行作為該等銀行給予本集團借款之抵押。所有抵押已於本年度內取消。

For the year ended 31st August, 2003

截至二零零三年八月三十一日止年度

### 32. RELATED PARTY TRANSACTIONS

- (a) During the year, the Group paid rental expenses amounting to approximately HK\$888,000 (2002: HK\$897,000) to a company controlled by Centre Trustees (C. I.) Limited. Centre Trustees (C. I.) Limited is the trustee of the Ha Trust, a discretionary trust set up by Mr. Ha Chung Fong for the benefit of his family. Mr. Ha Chung Fong is the Chairman and Managing Director of the Company. The rentals were charged in accordance with the terms of the tenancy agreements entered into between the Group and that company.
- (b) On 20th December, 2002, Hiway Textiles Limited (formerly Ambler House Development Limited) ("Hiway"), a wholly-owned subsidiary of the Company, entered into a Sale and Purchase Agreement (the "Agreement") with Harmony Corp. ("Harmony"). Pursuant to the Agreement, Hiway agreed to acquire from Harmony the entire issued and paid up share capital of Higon Enterprises Limited, Richlink (HK) Limited and Karlson Industrial Limited (collectively the "Higon Group"), for a cash consideration of HK\$12,000,000. Harmony is beneficially owned by Mr. Ha Kam On, Victor, who is the son of Mr. Ha Chung Fong. The consideration has been arrived at based on normal commercial terms and in accordance with the Agreement with reference to a combination of factors, namely, the net asset value and goodwill of the Higon Group.

### 32. 有關連人士交易

- (a) 本年度本集團支付租金約888,000港元(二零零二年度: 897,000港元)予一間由Centre Trustees (C.I.) Limited所控制之公司。Centre Trustees (C.I.) Limited為the Ha Trust之受託人,而the Ha Trust為一項由夏松芳先生為其家族利益而成立之酌情信託。夏松芳先生為本公司主席兼董事總經理。租金乃依據本集團與該公司訂立之租約條款而支付。
- (b) 於二零零二年十二月二十日,本公司之全資附屬公司海匯紡織有限公司(前為Ambler House Development Limited)〔海匯〕與Harmony Corp.〔Harmony〕簽訂一份買賣合約〔合約〕。根據合約,海匯同意以12,000,000港元之現金代價向Harmony購入海高有限公司、富僑(香港)有限公司及加信有限公司(合稱「海高集團」)之所有已發行及已支付股本。Harmony為夏錦安先生實益擁有,而夏錦安先生為夏松芳先生的兒子。代價乃按一般商業條款及根據合約內容和考慮各方面因素,當中包括海高集團之資產淨值及商譽,而釐定的。

## 財務報表附註

For the year ended 31st August, 2003

截至二零零三年八月三十一日止年度

## 33. ACQUISITION OF SUBSIDIARIES

On 20th December, 2002, the Group acquired the entire issued and paid up share capital of the Higon Group for a cash consideration of HK\$12,000,000 as described in note 32. This transaction has been accounted for using the purchase method of accounting.

The effect of the acquisition is summarised as follows:

		HK\$'000 千港元
Net assets acquired	購入之資產淨值	
Property, plant and equipment	物業、機器及設備	7,141
Trade and other receivables	營業及其他應收款項	27,644
Inventories	存貨	12,089
Bank balances and cash	銀行結存及現金	2,468
Trade and other payables	營業及其他應付款項	(33,037)
Taxation payable	應付稅項	(915)
Deferred taxation	遞延稅項	(4)
Short-term bank borrowings and overdraft	短期銀行借貸 及透支	(6,348)
		<hr/> 9,038
Goodwill arising on acquisition ( <i>note 13</i> )	購買時所產生之商譽 ( <i>附註 13</i> )	2,962
		<hr/> 12,000
Cash consideration	現金代價	<hr/> <hr/> 12,000
Net cash outflow arising on acquisition	購買時所產生之現金流出淨值	
Cash consideration	現金代價	12,000
Bank balances and cash acquired	購入之銀行結存及現金	(2,468)
Short-term bank borrowings and overdraft acquired	購入之短期銀行借貸 及透支	6,348
		<hr/> 15,880

The Higon Group did not make any significant contribution to the results of the Group for the year.

## 33. 購買附屬公司

於二零零二年十二月二十日，本集團如附註32所述以12,000,000港元之現金代價購入海高集團之所有已發行及已支付股本。此項交易以購入法入賬。

購買之影響撮要如下：

	HK\$'000 千港元
Net assets acquired	
Property, plant and equipment	7,141
Trade and other receivables	27,644
Inventories	12,089
Bank balances and cash	2,468
Trade and other payables	(33,037)
Taxation payable	(915)
Deferred taxation	(4)
Short-term bank borrowings and overdraft	(6,348)
	<hr/> 9,038
Goodwill arising on acquisition ( <i>note 13</i> )	2,962
	<hr/> 12,000
Cash consideration	<hr/> <hr/> 12,000
Net cash outflow arising on acquisition	
Cash consideration	12,000
Bank balances and cash acquired	(2,468)
Short-term bank borrowings and overdraft acquired	6,348
	<hr/> 15,880

海高集團對本集團的本年度業績並無重大貢獻。