

1. 一般資料

申洲國際集團控股有限公司（「本公司」）於二零零五年六月二十三日在開曼群島註冊成立為獲豁免有限公司。註冊辦事處地址為 Century Yard, Cricket Square, Hutchins Drive, P.O. Box 2681 GT, George Town, Grand Cayman, British West Indies。本公司股份於二零零五年十一月二十四日起在香港聯合交易所有限公司主板（「主板」）上市。

本公司及其附屬公司（「本集團」）主要從事製造及銷售針織服裝產品（「針織業務」）。本集團主要附屬公司的詳情載於財務報表附註9。

董事認為，本公司的最終控股公司為一家於香港註冊成立的公司世通（香港）有限公司（「世通」）。

除另有指明外，該等財務報表均以人民幣（「人民幣」）列值。董事會於二零零六年四月十日批准刊發該等財務報表。

1. GENERAL INFORMATION

Shenzhou International Group Holdings Limited (the "Company") was incorporated as an exempted company with limited liability in the Cayman Islands on 23 June 2005. The address of its registered office is Century Yard, Cricket Square, Hutchins Drive, P.O. Box 2681 GT, George Town, Grand Cayman, British West Indies. The Company's shares have been listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Main Board") since 24 November 2005.

The Company and its subsidiaries (the "Group") is principally engaged in the manufacture and sale of knitwear products (the "Knitwear Business"). Details of the principal subsidiaries of the Group are set out in Note 9 to the financial statements.

In the opinion of the directors, the ultimate holding company of the Company is Worldon (Hong Kong) Limited ("Worldon"), a company incorporated in Hong Kong.

These financial statements are presented in Renminbi ("RMB") unless otherwise stated. These financial statements have been approved for issue by the Board of Directors on 10 April 2006.

2. 集團重組及編製基準

2. GROUP REORGANISATION AND BASIS OF PRESENTATION

(a) 集團重組

在組成本集團前，本公司主要股東馬寶興先生、馬建榮先生及黃關林先生（「馬氏家族集團」）從事的針織業務均由世通及寧波榮榮實業投資有限公司（「榮榮實業」）以及彼等的附屬公司進行，其中包括目前組成本集團若干附屬公司以及下文所載若干其他公司（統稱「不轉讓公司」）：

(a) Group reorganisation

Before the formation of the Group, the Knitwear Business carried out by Mr. Ma Baoxing, Mr. Ma Jianrong and Mr. Huang Guanlin (the "Ma Private Group"), substantial shareholders of the Company, was conducted by Worldon and 寧波榮榮實業投資有限公司 (Ningbo Rongrong Industrial Investment Co., Ltd.; "Rongrong Industrial") and their subsidiaries, which include certain subsidiaries now comprising the Group and certain other companies as set out below (the "Non-transferred Companies"):

馬氏家族集團持有的股權

Equity interests hold by
Ma Private Group

截至二零零四年 十二月三十一日 止年度 Year ended	截至二零零五年 五月三十一日 止五個月 Five months ended
--	---

公司名稱	Company name	31 December 2004	31 May 2005
寧波申洲織造集團有限公司 （「寧波織造」）	Ningbo Shenzhou Weaving Group Co., Ltd. ("Ningbo Weaving")	100%	100%
寧波申洲服裝有限公司	Ningbo Shenzhou Garments Co., Ltd.	100%	100%
寧波申洲進出口有限公司 （「申洲進出口」）	Ningbo Shenzhou Import & Export Co., Ltd. ("Shenzhou Import & Export")	100%	100%
寧波經濟技術開發區 申洲製衣有限責任公司	Ningbo Economic and Technical Development Zone Shenzhou Garments Co., Ltd.	100%	100%
寧波申洲大港針織 有限公司（「申洲大港」）	Ningbo Shenzhou Dagang Knitwear Co., Ltd. ("Shenzhou Dagang")	100%	100%
寧波申洲世通針織 有限公司（「申洲世通」）	Ningbo Shenzhou Shitong Knitwear Co., Ltd. ("Shenzhou Shitong")	100%	100%
寧波大樹開發區申洲 服飾有限公司	Ningbo Daxie Development Zone Shenzhou Garments Co., Ltd.	100%	100%
寧波經濟技術開發區 申洲針織服裝有限公司	Ningbo Economic and Technical Development Zone Shenzhou Knitwear and Garments Co., Ltd.	100%	100%
寧波瀨上印花有限公司	Ningbo Laishang Printing Co., Ltd.	100%	100%
寧波清風織物有限公司	Ningbo Qingfeng Weaving Co., Ltd.	100%	100%
寧波五星國際貨運代理 有限公司	Ningbo Wuxing International Freight Agency Co., Ltd.	90%	90%
寧波清風製衣有限公司 （「清風製衣」）	Ningbo Qingfeng Garments Co., Ltd. ("Qingfeng Garments")	100%	100%

2. 集團重組及編製基準 (續)

(a) 集團重組 (續)

為籌備本公司股份上市，已進行下列重組以將針織業務及其相關資產轉讓予本集團中介投資控股公司永泰投資有限公司 (「永泰」)：

- (i) 於二零零五年五月三十一日前，目前組成本集團的各附屬公司已向不轉讓公司收購有關針織業務的若干資產。自二零零五年五月三十一日起，不轉讓公司已終止針織業務的經營。
- (ii) 於截至二零零五年十二月三十一日止年度，永泰向世通發行普通股，藉以換取目前組成本集團若干附屬公司的股權。
- (iii) 於二零零五年五月十八日，永泰旗下一家附屬公司寧波申洲針織有限公司 (「申洲針織」) 以現金代價約人民幣 62,080,000 元取得寧波甬綿時裝有限公司 (「甬綿時裝」) 原由世通及榮榮實業最終持有的 75% 的股權。

由於上述重組，全部針織業務於二零零五年五月三十一日起已轉讓予永泰及其附屬公司。

於二零零五年十月九日，本公司已通過股份置換收購永泰全部已發行股本並成為目前組成本集團其他公司的控股公司。

2. GROUP REORGANISATION AND BASIS OF PRESENTATION (Continued)

(a) Group reorganisation (Continued)

For the preparation of the listing of the shares of the Company, the following reorganisation was carried out to transfer the Knitwear Business and its related assets to Top Always Investments Limited ("Top Always"), an intermediate investment holding company of the Group:

- (i) Prior to 31 May 2005, the subsidiaries now comprising the Group have acquired certain assets in relation to the Knitwear Business from the Non-transferred Companies. Effective 31 May 2005, the Non-transferred Companies ceased their operations in the Knitwear Business.
- (ii) During the year ended 31 December 2005, Top Always issued ordinary shares to Worldon in exchange for the equity interests in certain subsidiaries now comprising the Group.
- (iii) On 18 May 2005, Ningbo Shenzhou Knitwear Co., Ltd. ("Shenzhou Knitwear"), a subsidiary of Top Always, obtained 75% equity interests in Ningbo Yongmian Fashion Garment Co., Ltd. ("Yongmian Fashion"), which were ultimately held by Worldon and Rongrong Industrial, for a cash consideration of approximately RMB 62,080,000.

As a result of the above reorganisation, all the Knitwear Business was transferred to Top Always and its subsidiaries effective 31 May 2005.

On 9 October 2005, the Company acquired the entire issued share capital of Top Always through a share swap and became the holding company of other companies comprising the Group.

2. 集團重組及編製基準 (續)

(b) 呈列基準

誠如香港會計師公會(「香港會計師公會」)頒布的會計實務準則第27號「集團重組會計法」許可，該等交易均採用合併會計法處理，因為該等交易乃關於受共同控制實體，以及緊接重組前及緊隨重組後，馬氏家族集團的擁有權保持不變，而每名股東各自的權利也一直維持不變。

綜合財務報表呈列組成本集團各公司的綜合業績、現金流量及財務狀況，猶如集團架構於截至二零零五年及二零零四年十二月三十一日止兩個年度一直存在，及針織業務已於呈列期間最早時轉讓予本集團。

由於二零零五年五月三十一日前，不轉讓公司屬於整體針織業務的一部份且並非與其餘針織業務獨立管理，因此，不轉讓公司的財務報表已計入直至二零零五年五月三十一日(彼等終止其針織業務經營的生效日期)的綜合財務報表內。除上文(a)所述目前組成本集團各附屬公司所收購的資產外，不轉讓公司於二零零五年五月三十一日保留的資產及負債總值約人民幣516,458,000元已於綜合財務報表內反映為於二零零五年五月三十一日向股權持有人作出的分派。

於截至二零零五及二零零四年十二月三十一日止年度，本集團採用收購會計法為收購附屬公司(包括不轉讓公司)的額外股權入賬。

少數股東權益代表外界股東於各附屬公司的經營業績及資產淨值的權益。

2. GROUP REORGANISATION AND BASIS OF PRESENTATION (Continued)

(b) Basis of presentation

As permitted by the Statement of Standard Accounting Practice No. 27 "Accounting for Group Reconstructions" issued by Hong Kong Institute of Certificated Public Accountants ("HKICPA"), merger accounting is used to account for these transactions as they are related to entities under common control, and the ownership of the Ma Private Group have remained the same, and the respective rights of each shareholder have remained unchanged immediately before and after the reorganisation.

The consolidated financial statements present the consolidated results, cashflows and financial position of the companies comprising the Group as if the group structure had been in existence throughout the years ended 31 December 2005 and 2004 and as if the Knitwear Business were transferred to the Group as of the earliest period presented.

The Non-transferred Companies formed an integral part of the Knitwear Business and were not managed separately from the rest of the Knitwear Business before 31 May 2005. Accordingly, the financial statements of the Non-transferred Companies have been included in the consolidated financial statements up to 31 May 2005, the effective date when they ceased their operations in the Knitwear Business. Except for the assets acquired by the subsidiaries now comprising the Group as described in (a) above, assets and liabilities retained by the Non-transferred Companies as at 31 May 2005, totaling approximately RMB516,458,000, are reflected in the consolidated financial statements as a distribution made to the equity holders on 31 May 2005.

The purchase method of accounting is used to account for the acquisition of additional equity interests in subsidiaries (including the Non-transferred Companies) by the Group during the years ended 31 December 2005 and 2004.

Minority interests represent the interest of outside shareholders in the operating results and net assets of the subsidiaries.

3. 主要會計政策概要

財務報表乃根據香港財務報告準則(香港財務報告準則)編製。財務報表已按歷史成本法編製，並且經按公允值於損益表入賬並以公允值列賬之財務資產及財務負債修訂。

編製該等財務報表所用的主要會計政策載列如下。有關政策已在呈列年度內貫徹運用。

根據香港財務報告準則編製的財務報表須運用若干重要會計估計。管理層在運用本公司會計政策過程中亦須行使其判斷。涉及很大程度的判斷或複雜的範疇，或對財務報表有重大影響的假設及估計範疇於附註5予以披露。

香港會計師公會就現有準則頒佈若干於二零零五年十二月一日或之後開始會計期間或較後期間生效之新訂準則、修訂及釋義(統稱「新準則」)。本集團未於截至二零零五年十二月三十一日止年度財務報表提前採納新準則。本集團經已開始對新準則的影響進行評估，惟目前仍未能確定新準則對其經營業績及財務狀況是否構成重大影響。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards (HKFRS). The financial statements have been prepared under the historical cost convention, as modified by financial assets and financial liabilities at fair value through profit or loss, which are carried at fair value.

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented.

The preparation of the financial statements in conformity with HKFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 5.

Certain new standards, amendments and interpretations to existing standards (collectively "New Standards") have been published by the HKICPA that are effective for accounting periods beginning on or after 1 December 2005 or later periods. The Group has not early adopted the New Standards in the financial statements for the year ended 31 December 2005. The Group has already commenced an assessment of the impact of these New Standards but is not yet in a position to state whether these New Standards would have a significant impact on its results of operations and financial position.

3. 主要會計政策概要 (續)

香港會計準則第19號(修訂)	僱員福利(自二零零六年一月一日起生效)
香港會計準則第39號(修訂)	預測集團內公司間交易的現金流量對沖的會計處理(自二零零六年一月一日起生效)
香港會計準則第39號(修訂)	公允值期權(自二零零六年一月一日起生效)
香港會計準則第39號及香港財務報告準則第4號(修訂)	財務擔保合約(自二零零六年一月一日起生效)
香港財務報告準則第1號(修訂)	首次採納香港財務報告準則(自二零零六年一月一日起生效)
香港財務報告準則第6號	礦產資源之勘探及評估(自二零零六年一月一日起生效)
香港財務報告準則第6號(修訂)	礦產資源之勘探及評估(自二零零六年一月一日起生效)
香港財務報告準則第7號	金融工具：披露(自二零零七年一月一日起生效)
香港會計準則第1號補充修訂	呈列財務報表—資本披露(自二零零七年一月一日起生效)
香港(國際財務報告釋義委員會)—釋義第4號	釐定安排是否包括租賃(自二零零六年一月一日起生效)
香港(國際財務報告釋義委員會)—釋義第5號	對拆卸、復原及環境修復基金所產生權益之權利(自二零零六年一月一日起生效)
香港(國際財務報告釋義委員會)—釋義第6號	參與特殊市場—電器及電子設備廢料而產生之負債(自二零零五年十二月一日起生效)

(a) 附屬公司

附屬公司指本集團通常擁有其過半數投票權的持股量而有權控制其財務及經營政策的全部實體。於評估本集團是否控制另一實體時，現時可行使或可轉換的潛在投票權及其影響亦考慮在內。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

HKAS 19 (Amendment)	Employee Benefits (effective from 1 January 2006)
HKAS 39 (Amendment)	Cash Flow Hedge Accounting of Forecast Intragroup Transactions (effective from 1 January 2006)
HKAS 39 (Amendment)	The Fair Value Option (effective from 1 January 2006)
HKAS 39 and HKFRS 4 (Amendment)	Financial Guarantee Contracts (effective from 1 January 2006)
HKFRS 1 (Amendment)	First-time Adoption of Hong Kong Financial Reporting Standards (effective from 1 January 2006)
HKFRS 6	Exploration for and Evaluation of Mineral Resources (effective from 1 January 2006)
HKFRS 6 (Amendment)	Exploration for and Evaluation of Mineral Resources (effective from 1 January 2006)
HKFRS 7	Financial Instruments: Disclosures (effective from 1 January 2007)
A complementary Amendment to HKAS 1	Presentation of Financial Statements — Capital Disclosures (effective from 1 January 2007)
HK (IFRIC)-Int 4	Determining whether an Arrangement contains a Lease (effective from 1 January 2006)
HK (IFRIC)-Int 5	Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds (effective from 1 January 2006)
HK (IFRIC)-Int 6	Liabilities arising from Participating in a Specific Market — Waste Electrical and Electronic Equipment (effective from 1 December 2005)

(a) Subsidiaries

Subsidiaries are all entities over which the Group has the power to govern the financial and operating policies generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity.

3. 主要會計政策概要 (續)**(a) 附屬公司 (續)**

集團旗下各公司間的交易、結餘及未實現收益予以抵銷。未實現虧損亦予以抵銷，惟視為獲轉讓資產減值的減值顯示指標。本公司已對附屬公司的會計政策在必要情況下作出修改，以確保符合本集團所採納的政策。

於本公司之資產負債表內，於附屬公司的投資乃按成本值扣除減值虧損撥備列賬。附屬公司的業績乃由本公司按已收及應收股息列賬。

(b) 與少數股東權益的交易

母公司於取得控制權後在不失其控制權的情況下，於該附屬公司擁有權益所出現的變動會當作股權持有人之間以股權持有人的身份進行的交易入賬。有關變動於損益表內不會確認任何收益或虧損。所收購或出售非控制權益的賬面值則會調整，以反映母公司於附屬公司資產淨值的權益變動。因此對非控制權益作出的調整金額與已付或已收(如有)代價的公允值金額出現任何差異，有關差額會直接於權益內確認並撥歸母公司股權持有人。

(c) 聯營公司

聯營公司是指本集團通常擁有其20%至50%的投票權的持股量而對其有重大影響但沒有控制權的全部實體。於聯營公司之投資乃以權益會計法入賬並初步按成本確認。本集團於聯營公司的投資包括收購時所識別的商譽(扣除任何累計減值虧損)。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**(a) Subsidiaries (Continued)**

Inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated but considered an impairment indicator of an impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

In the Company's balance sheet the investments in subsidiaries are stated at cost less provision for impairment losses. The results of subsidiaries are accounted for by the Company on the basis of dividend received and receivable.

(b) Transactions with minority interests

Changes in the parent's ownership interest in a subsidiary after control is obtained that do not result in a loss of control is accounted for as transactions between equity holders in their capacity as equity holders. No gain or loss is recognised in profit or loss on such changes. The carrying amount of the non-controlling interest acquired or disposed is adjusted to reflect the change in the parent's interest in the subsidiary's net assets. Any difference between the amount by which the non-controlling interest is so adjusted and the fair value of the consideration paid or received, if any, is recognised directly in equity and attributed to equity holders of the parent.

(c) Associates

Associates are all entities over which the Group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting and are initially recognised at cost. The Group's investment in associates includes goodwill (net of any accumulated impairment loss) identified on acquisition.

3. 主要會計政策概要 (續)**(c) 聯營公司 (續)**

本集團所佔聯營公司的收購後利潤或虧損於綜合損益表中確認，而其應佔收購後儲備變動在儲備中確認。收購後累積變動乃於投資之賬面值作調整。凡本集團應佔聯營公司的虧損相等或超出其於該聯營公司的權益(包括任何其他無抵押應收款項)，本集團不會進一步確認任何虧損，而本集團已產生的負債或代表該聯營公司支付的款項則另作別論。

(d) 分部報告

一個業務分部指從事提供產品或服務之一組資產及經營業務，而該組資產及業務之風險及回報與其他業務分部有別。一個地區分部乃在某一特定經濟環境下從事提供產品或服務，而該分部之風險及回報與其他經濟環境經營的分部有別。

(e) 外幣換算**(i) 功能性及呈列貨幣**

本集團各實體賬目內包括之項目，均以該實體經營之主要經濟環境之貨幣(「功能性貨幣」)計量。本集團之主要營運實體之功能性貨幣為美元。綜合財務報表以人民幣呈列，而人民幣為本公司的呈列貨幣。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**(c) Associates (Continued)**

The Group's share of its associates' post-acquisition profits or losses is recognised in the consolidated income statement, and its share of post-acquisition movements in reserves is recognised in reserves. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

(d) Segment reporting

A business segment is a group of assets and operations engaged in providing products or services that are subject to risks and returns that are different from those of other business segments. A geographical segment is engaged in providing products or services within a particular economic environment that are subject to risks and returns that are different from those of segments operating in other economic environments.

(e) Foreign currency translation**(i) Functional and presentation currency**

Items included in the account of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The functional currency of the major operating entities of the Group is United States Dollars ("USD"). The consolidated financial statements are presented in RMB, which is the Company's presentation currency.

3. 主要會計政策概要 (續)

(e) 外幣換算 (續)

(ii) 交易及結餘

外幣交易均按交易當日通行之滙率換算為功能性貨幣入賬。上述交易結算中以及按年終滙率換算以外幣為單位之貨幣性資產和負債時導致的滙兌收益或虧損均在損益表中確認。

(iii) 集團旗下各公司

其功能性貨幣與呈列貨幣不同的全部集團實體 (各實體於各年度內均無極高通脹經濟體系之貨幣) 之業績及財務狀況均按以下方法換算為呈列貨幣：

- (1) 呈列於每份資產負債表的資產和負債均以該資產負債表結算日之收市滙率換算；
- (2) 每份損益表之收入及開支均按平均滙率換算 (除非該平均值並非交易日通行滙率累計影響之合理近似值，在此情況下收入及開支均按交易日滙率換算)；及
- (3) 所有最終滙兌差額乃確認為權益的一個分項。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(e) Foreign currency translation (Continued)

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement.

(iii) Group companies

The results and financial position of all the group entities (none of which has the currency of a hyperinflationary economy during the year ends) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- (1) assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;
- (2) income and expenses for each income statement are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and
- (3) all resulting exchange differences are recognised as a separate component of equity.

3. 主要會計政策概要 (續)

(f) 物業、廠房及設備

物業、廠房及設備是按歷史成本減累計折舊和累計減值虧損(如有)列賬。歷史成本包括收購項目直接產生之開支。

僅在與該項目相關之未來經濟效益有可能歸於本集團及能可靠地計算出項目成本之情況下，其後成本會包括於資產賬面值或單獨確認為資產(如適用)。所有其他維修及保養費用於其產生之財務期間內計入損益表。

折舊乃根據下列各項資產的預計使用年限計算，按直線法註銷其成本扣除減值虧損至其剩餘價值如下：

樓宇	20年
廠房及機器	10年
汽車	5年
傢俬、裝置及設備	5年

於每個結算日審查資產之剩餘價值及可使用年限，並作出調整(如適用)。

倘資產的賬面值大於其估計可收回金額，該資產的賬面值將即時減值至其可收回金額。

在建工程指正在建設或待裝置的樓宇、廠房及機器，並按成本減累計減值虧損後入賬。成本包括興建及收購成本。在建工程並不作出折舊撥備，直至有關資產完成並可作擬定用途為止。當有關資產投入使用後，成本將轉撥至物業、廠房及設備，並且根據上文所載的政策折舊。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(f) Property, plant and equipment

Property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Depreciation is calculated using the straight-line method to write off the cost less impairment loss of each asset to its residual value over its estimated useful life, as follows:

Buildings	20 years
Plant and machinery	10 years
Vehicles	5 years
Furniture, fittings and equipment	5 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Construction-in-progress represents buildings, plant and machinery under construction or pending installation and is stated at cost less accumulated impairment losses. Cost includes the costs of construction and acquisition. No provision for depreciation is made on construction-in-progress until such time as the relevant assets are completed and ready for intended use. When the assets concerned are brought into use, the costs are transferred to property, plant and equipment and depreciated in accordance with the policy as stated above.

3. 主要會計政策概要 (續)

(g) 商譽

商譽指收購成本於收購日期超出本集團應佔所收購附屬公司可識別資產淨值的公允價值之差額。商譽乃每年就減值進行測試，並以成本扣除累計減值虧損列賬。出售一家實體的收益及虧損包括有關出售該實體的商譽賬面值。

(h) 土地使用權

中華人民共和國(「中國大陸」)所有土地均屬國有，概無個人土地所有權存在。本集團已收購若干土地的使用權利並將支付該等權利的代價入賬列為土地使用權，並採用直線法根據30年至50年使用期進行攤銷。

(i) 資產減值

無限定可使用年期的資產毋須攤銷，但至少每年進行一次減值測試，並於每當有事項或情況轉變顯示賬面值不可收回時檢討有否減值。而須作攤銷的資產於每當有事項或情況轉變顯示賬面值不可收回時檢討有否減值。減值虧損按資產賬面值超出其可收回金額之差額確認。可收回金額為資產之公允價值減銷售成本與使用價值兩者之較高者。於評估減值時，資產將按可分開確認現金流量之最低水平(現金產生單位)集中歸類。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(g) Goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of the Group's share of the net identifiable assets of the acquired subsidiary at the date of acquisition. Goodwill on acquisition of subsidiaries is included in intangible assets. Goodwill is tested annually for impairment and carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

(h) Land use rights

All land in the People's Republic of China ("Mainland China") is state-owned and no individual land ownership right exists. The Group acquired the right to use certain land and the consideration paid for such right are recorded as land use rights, which are amortised over the use terms of 30 to 50 years using the straight-line method.

(i) Impairment of assets

Assets that have an indefinite useful life are not subject to amortisation, which are at least tested annually for impairment and are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units).

3. 主要會計政策概要 (續)**(j) 存貨**

存貨按成本與可實現淨值兩者之較低者入賬。成本以加權平均法釐定。製成品及在製品之成本包括原材料、勞工、其他直接成本及生產相關經常費用(按正常經營業務能力)，惟不包括借貸成本。可實現淨值指日常業務之估計售價，減適用的可變銷售開支。

(k) 應收賬款及應收票據

應收賬款及應收票據最初按公允值確認，一般相等於原發票金額，並其後使用實際利息法以攤銷成本減減值撥備後計量。倘有客觀證據顯示本集團可能將不能根據應收款項的原訂條款收回所有到期金額，則會作出應收賬款及應收票據的減值撥備。撥備金額相等於資產賬面值與估計日後現金流量按實際利率折現計算之現值的差額。撥備金額於損益表內確認。

(l) 現金及現金等價物

現金及現金等價物包括手頭現金、隨時可提取的銀行存款和原到期日為三個月或以下屆滿的其他具有高度流動性的短期投資。

(m) 股本

普通股乃分類列為權益。

直接屬於發行新股份之增資成本於權益中列賬為所得款項之扣減項目。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**(j) Inventories**

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the weighted average method. The cost of finished goods and work in progress comprises raw materials, labor, other direct costs and related production overheads (based on normal operating capacity) but excludes borrowing costs. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

(k) Accounts and bills receivable

Accounts and bills receivable are recognised initially at fair value, generally equivalent to the original invoice amounts, and subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for impairment of accounts and bills receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. The amount of the provision is recognised in the income statement.

(l) Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less.

(m) Share capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction from the proceeds.

3. 主要會計政策概要 (續)

(n) 借貸

借貸首先按公允值扣除交易成本後確認。借貸其後按經攤銷成本列賬。所得款項(扣除交易成本)與贖回價值之差額於借貸期間以實際利息法在損益表確認。

借貸歸類為流動負債，除非本集團擁有無條件權利將償還負債的日期延至結算日後最少十二個月。

(o) 借貸成本

借貸成本均於產生時列作開支。

(p) 遞延所得稅

遞延所得稅以負債法就資產和負債的稅基與綜合財務報表所載賬面值兩者的暫時差額全數撥備。然而，倘遞延所得稅從於交易時初次確認資產或負債(業務合併除外)產生而於交易時不影響會計或應課稅利潤或虧損，則並不計算。遞延所得稅按於結算日已制定或在相當程度上已制定的稅率(及稅法)釐定，並預期於相關遞延所得稅資產實現或遞延所得稅負債償還後實行。

倘可能有未來應課稅利潤，而暫時差額可用以抵銷，則有關差額會確認為遞延所得稅資產。

因於附屬公司及聯營公司之投資而產生的暫時差額將撥備為遞延所得稅，但倘暫時差額回撥的時間為本集團可以控制和暫時差額在可見將來可能不會回撥則除外。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(n) Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the income statement over the period of the borrowings using the effective interest method.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

(o) Borrowing costs

Borrowing costs are expensed as incurred.

(p) Deferred income tax

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates and laws that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax is provided on temporary differences arising on investments in subsidiaries and associates, except where the timing of the reversal of the temporary difference can be controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

3. 主要會計政策概要 (續)

(q) 僱員福利

本集團向界定退休供款計劃作出之供款均於產生時列作開支。倘該計劃未能擁有足夠資產以支付與目前和以前期間僱員相關的所有僱員福利，本集團不再負有進一步支付供款的法定責任或推定責任。

(r) 撥備

倘本集團因過往事件而有負上法定或推定責任，並可能須要資源流出以履行有關責任，而相關金額能可靠估計，則會確認撥備。

凡出現多項類似責任，會否導致資源流出以清算責任乃經考慮責任的整體類別後釐定。即使同類別責任中任何一項可能導致資源流出的機會不大，仍會確認撥備。

(s) 政府補助

政府補助在有合理保證將收取補助及本集團將遵守所有隨附條件時按其公允值確認。

與成本相關的政府補助均會遞延，並於需要配比擬彌償成本之期間內，在綜合損益表確認入賬。

與購置物業、廠房及設備相關的政府補助於非流動負債項下列作遞延政府補助，並按直線法根據相關資產的預期使用年期於損益表內確認。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(q) Employee benefits

The Group's contribution to the defined contribution retirement schemes are expensed as incurred. The Group has no legal or constructive obligations to pay further contributions if the schemes do not hold sufficient assets to pay all employees the benefits relating to employee in the current and prior periods.

(r) Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events; it is more likely than not that an outflow of resources will be required to settle the obligation, and the amount has been reliably estimated.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

(s) Government grants

Government grants are recognised at their fair value, when there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions.

Government grants relating to costs are deferred and recognised in the consolidated income statement over the period necessary to match them with the costs they are intended to compensate.

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred government grants and are recognised in the income statement on a straight-line basis over the expected lives of the related assets.

3. 主要會計政策概要 (續)**(t) 收益確認**

銷售貨品的收益在本集團實體付運產品予客戶，客戶收取該等產品以及收取有關應收款項獲得合理保證下確認。

利息收入乃使用實際利息法按時間比例基準確認。

(u) 經營租賃 — 作為承租人

出租人保留所有權的回報的大部分風險及租賃合約為經營租賃。根據經營租賃支付的款項(扣除任何來自出租人的獎勵)按直線基準於租賃期間內在損益表扣除。

(v) 股息分派

向本公司股東所分派的股息於本公司股東批准有關股息的期間內在本集團財務報表內確認為一項負債。

(w) 或然負債及或然資產

或然負債乃因過去事件而可能出現的責任，須視乎日後會否出現一項或多項非本集團可控制的事件方可確實。或然負債亦包括基於過去事件而產生的現有責任，但由於未必需要流出經濟資源或不能就該負債數額作可靠估計而未有確認。或然負債不會確認但會於綜合財務報表附註中披露。倘經濟資源流出的可能性出現變化，而可能出現流出時，則會確認為撥備。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**(t) Revenue recognition**

Revenue from the sale of goods is recognised when the Group entity has delivered products to the customer, the customer has accepted the products and collectability of the related receivables is reasonably assured.

Interest income is recognised on a time-proportion basis using the effective interest method.

(u) Operating leases — as lessee

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the income statement on a straight-line basis over the period of the lease.

(v) Dividend distribution

Dividend distribution to the Company's shareholders is recognised as a liability in the Group's financial statements in the period in which the dividends are approved by the Company's shareholders.

(w) Contingent liabilities and contingent assets

A contingent liability is a possible obligation that arises from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. It can also be a present obligation arising from past events that is not recognised because it is not probable that outflow of economic resources will be required or the amount of obligation cannot be measured reliably. A contingent liability is not recognised but is disclosed in the notes to the consolidated financial statements, if any. When a change in the probability of an outflow occurs so that outflow is probable, it will then be recognised as a provision.

3. 主要會計政策概要 (續)**(w) 或然負債及或然資產 (續)**

或然資產乃因過去事件而可能出現的資產，須視乎日後會否出現一項或多項非本集團可控制的事件方可確實。或然資產不會確認但於可能出現經濟利益流入(如有)時在綜合財務報表附註中披露。倘可相當肯定出現流入時，則會確認為資產。

4. 財務風險管理**(a) 財務風險因素**

本集團業務面臨各項的財務風險：市場風險(包括外匯風險、利率風險以及客戶及供應商集中的風險)、信貸風險及流動資金風險。

(i) 外匯風險

本集團主要於中國大陸經營業務，而產品則主要出口日本。本集團大部分交易、資產及負債均以人民幣或美元列值。人民幣不能自由兌換為其他外幣。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**(w) Contingent liabilities and contingent assets (Continued)**

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain event not wholly within the control of the Group. Contingent assets are not recognised but are disclosed in the notes to the consolidated financial statements, if any, when an inflow of economic benefits is probable. When the inflow is virtually certain, an asset is recognised.

4. FINANCIAL RISK MANAGEMENT**(a) Financial risk factors**

The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, interest rate risk and concentration of customers and suppliers risk), credit risk and liquidity risk.

(i) Foreign exchange risk

The Group mainly operates in Mainland China and exports its products mainly to Japan. Most of the Group's transactions, assets and liabilities are denominated in RMB or USD. RMB is not freely convertible into other foreign currencies.

4. 財務風險管理(續)

(a) 財務風險因素(續)

(i) 外匯風險(續)

將人民幣兌換為外幣須受中國大陸政府頒佈的外匯管制規則及法規所規限。於二零零五年十二月三十一日，現金及銀行結餘(包括有抵押銀行存款、存期逾三個月的銀行存款以及現金及現金等價物)約為人民幣195,659,000元(二零零四年：人民幣265,875,000元)，及借貸則約為人民幣520,000,000元(二零零四年：人民幣667,700,000元)，均以人民幣列值。其餘現金及銀行結餘約人民幣388,147,000元(二零零四年：人民幣79,913,000元)，及借貸約人民幣38,737,000元(二零零四年：人民幣179,604,000元)，均以美元、日本圓(「日圓」)或香港元(「港元」)列值。

外匯風險乃來自外國經營業務的日後商業交易、經確認資產及負債以及投資淨額。本集團利用對外外匯遠期合約管理其外匯風險。

(ii) 利率風險

由於本集團概無重大計息資產，故本集團的收入及經營現金流量實質上獨立於市場利率變動。本集團的利率變動風險主要來自其銀行借貸。現金流量利率風險來自浮息的銀行借貸。公允值利率風險則來自定息銀行借貸。有關本集團銀行借貸的詳情已於附註22中披露。

本集團並無利用任何利率掉期對沖其利率風險。

4. FINANCIAL RISK MANAGEMENT (Continued)

(a) Financial risk factors (Continued)

(i) Foreign exchange risk (Continued)

Conversion of RMB into foreign currencies is subject to rules and regulations of foreign exchange control promulgated by Mainland China government. As at 31 December 2005, cash and bank balances (including pledged bank deposits, bank deposits with initial term of over three months and cash and cash equivalents) of approximately RMB195,659,000 (2004: RMB265,875,000), and borrowings of approximately RMB520,000,000 (2004: RMB667,700,000), respectively, were denominated in RMB. The remaining cash and bank balances of approximately RMB388,147,000 (2004: RMB79,913,000) and borrowings of approximately RMB38,737,000 (2004: RMB179,604,000), respectively, were denominated in USD, Japanese Yen ("JPY") or Hong Kong Dollars ("HKD").

Foreign exchange risk arises from future commercial transactions, recognised assets and liabilities and net investments in foreign operations. The Group used external forward foreign exchange contracts to manage some of its foreign exchange risk.

(ii) Interest rate risk

The Group's income and operating cash flows are substantially independent of changes in market interest rates as the Group has no significant interest-bearing assets. The Group's exposure to changes in interest rates is mainly attributable to its bank borrowings. Bank borrowings at variable rates expose the Group to cash flow interest-rate risk. Bank borrowings at fixed rates expose the Group to fair value interest-rate risk. Details of the Group's bank borrowings have been disclosed in Note 22.

The Group has not used any interest rate swaps to hedge its exposure to interest rate risk.

4. 財務風險管理(續)

4. FINANCIAL RISK MANAGEMENT (Continued)

(a) 財務風險因素(續)

(a) Financial risk factors (Continued)

(iii) 客戶及供應商集中的風險

(iii) Concentration of customers and suppliers risk

截至二零零五年十二月三十一日止年度，本集團向五大客戶的銷售額佔總銷售額約84%（二零零四年：83%）。本集團自五大供應商的採購額佔總採購額約39%（二零零四年：50%）。本集團旨在與著名客戶及供應商維持長期合作關係以擴展其業務。

During the year ended 31 December 2005, the Group's sales to top 5 customers accounted for approximately 84% (2004: 83%) of its total sales; the Group's purchase from top 5 suppliers accounted for approximately 39% (2004: 50%) of its total purchase. The Group aims to maintain long-term relationship with reputable customers and suppliers in the expansion of its business.

(iv) 信貸風險

(iv) Credit risk

於二零零五年十二月三十一日，應收貿易賬款約78%（二零零四年：59%）集中於五大客戶。現金及現金等價物、存期逾三個月的銀行存款、有抵押銀行存款、應收賬款及應收票據以及其他流動資產的賬面值（預付款項除外）均為本集團與財務資產相關的最高信貸風險。本集團有限制對任何金融機構信貸風險金額的政策。本集團亦有確保向具適當信貸記錄的客戶進行產品銷售的政策並本集團會定期為其客戶進行信貸評估。本集團過往收回應收貿易賬款及其他應收款項的經歷，均於備抵記錄內。

As at 31 December 2005, approximately 78% of the trade receivables was concentrated on the top five customers (2004: 59%). The carrying amounts of cash and cash equivalents, bank deposits with initial term of over three months, pledged bank deposits, accounts and bills receivable, and other current assets except for prepayments, represent the Group's maximum exposure to credit risk in relation to financial assets. The Group has policies that limit the amount of credit exposure to any financial institutions. The Group has also policies in place to ensure that the sales of products are made to customers with appropriate credit history and the Group performs periodic credit evaluations of its customers. The Group's historical experience in collection of trade and other receivables falls within the recorded allowances.

(v) 流動資金風險

(v) Liquidity risk

謹慎的流動資金風險管理表示持有充足的現金、上市證券及通過已承擔的充足信貸額度有可供使用資金。本集團通過持有可供使用的已承擔信限額維持資金調度的彈性。

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities. The Group aims to maintain flexibility in funding by keeping committed credit lines available.

4. 財務風險管理(續)

(b) 外滙遠期合約的會計處理

本集團外滙遠期合約最初按其於外滙遠期合約訂立日期當日的公允值確認，並其後按其公允值重新計量。外滙遠期合約公允值的變動即時於損益表確認。

(c) 公允值估計

本集團財務資產(包括現金與現金等價物、有抵押銀行存款、存期逾三個月的銀行存款、應收賬款及應收票據、其他應收款項及應收關連人士款項)及財務負債(包括應付賬款及票據、其他應付款項、應付關連人士款項及短期銀行借貸)的賬面值由於期限偏短，故貼近公允值。期限不足一年的財務資產及負債的賬面值減任何估計貸方調整後(如有)，假設與其公允值相若。

就披露而言，財務資產及財務負債的公允值乃按可供本集團使用的當時同類金融工具的市場利率將日後合約現金流量折現而估計。非流動借貸的公允值於附註22披露。

5. 重要會計估計及判斷

估計及判斷乃持續進行的評估，並以過往經驗及其他因素作為基礎，包括在該情況下相信對未來事件的合理預期。

4. FINANCIAL RISK MANAGEMENT (Continued)

(b) Accounting for forward foreign exchange contracts

Forward foreign exchange contracts of the Group are initially recognised at fair value on the date a forward foreign exchange contract is entered into and are subsequently remeasured at their fair value. Changes in the fair value of the forward foreign exchange contract are recognised immediately in the income statement.

(c) Fair value estimation

The carrying amounts of the Group's financial assets including cash and cash equivalents, pledged bank deposits, bank deposits with initial term of over three months, accounts and bills receivable, other receivables, and amounts due from related parties; and financial liabilities including accounts and bills payable, other payables, amounts due to related parties, and short-term bank borrowings, approximate their fair values due to their short maturities. The face values less any estimated credit adjustments for financial assets and liabilities with a maturity of less than one year are assumed to approximate their fair values.

The fair value of financial assets and financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate available to the Group for similar financial instruments. The fair values of non-current borrowings are disclosed in Note 22.

5. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

Estimates and judgements are continually evaluated and are based on historical experiences and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

5. 重要會計估計及判斷 (續)

本集團對未來作出估計及假設。所得之會計估計因而難以與相關的實際結果相同。以下所論述之估計及假設有相當風險會引致須於下個財政年度對資產及負債之賬面值作重大調整。

(a) 廠房及設備的可使用年期

本集團管理層釐定其廠房及設備的預計可使用年期及據此的相關折舊費用。該估計乃根據過往相類性質及功能的廠房及設備之實際可使用年期而做出。由於就回應嚴重的行業週期的技術創新及競爭對手行動，該估計可出現大幅變動。倘可使用年期少於先前估計的可使用年期，管理層將提高折舊費用，或將技術上過期或非策略的已報廢或出售資產撇銷或減值。

(b) 物業、廠房與設備及土地使用權的估計減值

本集團根據附註3(i)所述會計政策，每年對物業、廠房與設備及土地使用權進行評估，確定有否任何減值跡象。物業、廠房與設備的可收回金額，乃根據使用價值而計算釐定。土地使用權的可收回金額，乃參考獨立評估而釐定。該等計算及評估需運用一定的主觀判斷和作出估算。

5. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS (Continued)

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions 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.

(a) Useful lives of plant and equipment

The Group's management determines the estimated useful lives and consequently related depreciation charges. This estimate is based on the historical experience of the actual useful lives of plant and equipment of similar nature and functions. It could change significantly as a result of technical innovations and competitor actions in response to severe industry cycles. Management will increase the depreciation charge where useful lives are less than previously estimated lives, or it will write-off or write-down technically obsolete or non-strategic assets that have been abandoned or sold.

(b) Estimated impairment of property, plant and equipment and land use rights

The Group assesses annually whether property, plant and equipment and land use rights have any indication of impairment, in accordance with the accounting policy stated in Note 3(i). The recoverable amounts of property, plant and equipment have been determined based on value-in-use calculations, while that of land use rights has been determined with reference to independent valuations. These calculations and valuations require the use of judgement and estimates.

5. 重要會計估計及判斷 (續)**(c) 應收款項減值估計**

本集團對應收賬款、應收票據及其他應收款項的可收回程度作出評估，據此記錄應收款項減值。若有事件或環境變化顯示，應收賬款、應收票據及其他應收款項餘額可能無法收回，則會對其作出撥備。識別呆賬時，需運用一定的主觀判斷和作出估算。若預期金額與原先估計有別，該等差額將會影響應收賬款、應收票據及其他應收款項的賬面值及更改估算期間的呆賬撥備支出。

(d) 存貨的估計可實現淨值撇減估計

本集團根據對存貨可實現程度的評估，將存貨撇減至可實現淨值。若有事件或環境變化顯示，結餘可能無法實現，則會將存貨撇減值記錄下來。識別撇減值時，需運用一定的主觀判斷和作出估算。若預期金額與原先估計有別，該等差額將會影響存貨賬面值和更改估算期間的存貨撇減值。

6. 銷售額及分部資料

本集團主要從事製造及銷售針織服裝產品的單一業務分部，其大部分經營業務及資產均位於中國大陸。本集團超過80%的銷售額來自向日本客戶進行的銷售，而並無其他市場對本集團銷售額所帶來之貢獻超過10%。故此，本集團並無呈列業務分部或地域分部。

5. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS (Continued)**(c) Estimated impairment of receivables**

The Group records impairment of receivables based on an assessment of the recoverability of accounts and bills receivable and other receivables. Provisions are applied to accounts and bills receivable and other receivables where events or changes in circumstances indicate that the balances may not be collectible. The identification of doubtful debts requires the use of judgement and estimates. Where the expectation is different from the original estimate, such difference will impact carrying value of accounts and bills receivable and other receivables and doubtful debt expenses in the period in which such estimate has been changed.

(d) Estimated write-downs of inventories to net realisable value

The Group writes down inventories to net realisable value based on an assessment of the realisability of inventories. Write-downs on inventories are recorded where events or changes in circumstances indicate that the balances may not be realised. The identification of write-downs requires the use of judgement and estimates. Where the expectation is different from the original estimate, such difference will impact carrying value of inventories and write-downs of inventories in the years in which such estimate has been changed.

6. SALES AND SEGMENT INFORMATION

The Group is principally engaged in one business segment, the manufacture and sale of knitwear products, and most of its operations and assets are located in Mainland China. Over 80% of the Group's sales are made to customers in Japan while there is no other market contributes more than 10% of the Group's sales. Therefore, no business segment or geographical segment is presented.

7. 物業、廠房及設備 — 本集團

7. PROPERTY, PLANT AND EQUIPMENT — GROUP

		樓宇	廠房及機器	汽車	傢俬、 裝置及設備	在建工程	總計
		Buildings	Plant and machinery	Vehicles	Furniture, fittings and equipment	Construction in progress	Total
		人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000
於二零零四年一月一日	At 1 January 2004						
成本	Cost	202,182	714,714	21,823	37,870	127,092	1,103,681
累計折舊	Accumulated depreciation	(35,556)	(180,681)	(12,314)	(17,546)	—	(246,097)
賬面淨額	Net book amount	166,626	534,033	9,509	20,324	127,092	857,584
截至二零零四年 十二月三十一日止年度	Year ended 31 December 2004						
年初賬面淨額	Opening net book amount	166,626	534,033	9,509	20,324	127,092	857,584
添置	Additions	4,078	159,919	11,789	3,110	195,991	374,887
出售	Disposals	(49,964)	(16,147)	(554)	(9)	(330)	(67,004)
折舊	Depreciation	(8,433)	(66,985)	(4,075)	(5,930)	—	(85,423)
轉撥	Transfers	19,313	4,775	—	—	(24,088)	—
年終賬面淨額	Closing net book amount	131,620	615,595	16,669	17,495	298,665	1,080,044
於二零零四年十二月三十一日	At 31 December 2004						
成本	Cost	148,898	849,503	30,788	40,876	298,665	1,368,730
累計折舊	Accumulated depreciation	(17,278)	(233,908)	(14,119)	(23,381)	—	(288,686)
賬面淨額	Net book amount	131,620	615,595	16,669	17,495	298,665	1,080,044
截至二零零五年 十二月三十一日止年度	Year ended 31 December 2005						
年初賬面淨額	Opening net book amount	131,620	615,595	16,669	17,495	298,665	1,080,044
滙兌差額	Exchange differences	(31)	—	(1)	—	—	(32)
添置	Additions	6,334	112,317	3,564	9,461	316,900	448,576
出售(附註(b))	Disposals (note (b))	(71,489)	(3,969)	(5,802)	(152)	(51,507)	(132,919)
出售一家附屬公司 (附註33(d))	Disposal of a subsidiary (note 33 (d))	—	(199)	—	(30)	—	(229)
於二零零五年五月三十一日 向股權持有人作出的分派 (附註33(e))	Distribution to equity holders on 31 May 2005 (note 33 (e))	(4,778)	(1,264)	(3,760)	(1,346)	—	(11,148)
折舊	Depreciation	(10,541)	(82,454)	(2,784)	(6,125)	—	(101,904)
減值	Impairment	—	(7,171)	—	—	—	(7,171)
轉撥	Transfers	384,462	139,078	—	—	(523,540)	—
年終賬面淨額	Closing net book amount	435,577	771,933	7,886	19,303	40,518	1,275,217
於二零零五年十二月三十一日	At 31 December 2005						
成本	Cost	451,033	1,084,519	16,249	39,458	40,518	1,631,777
累計折舊	Accumulated depreciation	(15,456)	(312,586)	(8,363)	(20,155)	—	(356,560)
賬面淨額	Net book amount	435,577	771,933	7,886	19,303	40,518	1,275,217

7. 物業、廠房及設備 — 本集團(續)

7. PROPERTY, PLANT AND EQUIPMENT — GROUP (Continued)

(a) 下列為已計入綜合損益表的折舊開支及減值虧損：

(a) Depreciation expense and impairment loss have been charged to the consolidated income statement as follows:

		二零零五年 2005 人民幣千元 RMB'000	二零零四年 2004 人民幣千元 RMB'000
銷售成本	Cost of sales	94,302	74,661
一般及行政費用	General and administrative expenses	14,773	10,762
		109,075	85,423

(b) 於截至二零零五年十二月三十一日止年度，本集團向寧波申洲置業有限公司(「申洲置業」)出售賬面淨額約人民幣123,810,000元的若干物業、廠房及設備，現金代價約為人民幣126,425,000元(附註36(a)(ii))。

(b) During the year ended 31 December 2005, the Group disposed of certain property, plant and equipment with net book amount of approximately RMB123,810,000 to 寧波申洲置業有限公司(Ningbo Shenzhou Properties Co., Ltd.; "Shenzhou Properties") for a cash consideration of approximately RMB126,425,000 (Note 36 (a)(ii)).

8. 土地使用權 — 本集團

8. LAND USE RIGHTS — GROUP

		附註 Note	二零零五年 2005 人民幣千元 RMB'000	二零零四年 2004 人民幣千元 RMB'000
成本	Cost			
年初	At beginning of year		55,856	63,462
添置	Additions		16,195	6,179
出售	Disposals	(a)	(9,458)	(13,785)
於二零零五年五月 三十一日向股權持有人 作出的分派	Distributions to equity holders on 31 May 2005	33(e)	(5,672)	—
年終	At end of year		56,921	55,856
累計折舊	Accumulated amortisation			
年初	At the beginning of year		1,675	2,347
年度攤銷	Amortisation for the year		775	924
出售	Disposals	(a)	(592)	(1,596)
於二零零五年五月 三十一日向股權持有人 作出的分派	Distributions to equity holders on 31 May 2005	33(e)	(395)	—
年終	At end of year		1,463	1,675
賬面淨額	Net book value			
年終	At end of year		55,458	54,181
年初	At beginning of year		54,181	61,115

本集團所有土地使用權均位於中國大陸並自取得之日起持有介乎30年至50年不等的土地使用權。於二零零五年十二月三十一日，相關土地使用權的土地使用期介乎46至47年不等，於二零五二年至二零五三年間屆滿。

All of the Group's land use rights are located in Mainland China and are held on use rights for periods ranging from of 30 to 50 years from the dates of acquisition. As at 31 December 2005, the land use period of the related land use rights are ranging from 46 to 47 years expiring in 2052 through 2053.

(a) 於截至二零零五年十二月三十一日止年度期間，本集團向申洲置業出售賬面淨額約人民幣8,866,000元的若干土地使用權，現金代價約為人民幣8,482,000元（附註36(a)(ii)）。

(a) During the year ended 31 December 2005, the Group disposed of certain land use rights with net book amount of approximately RMB8,866,000 to Shenzhou Properties for a cash consideration of approximately RMB8,482,000 (Note 36 (a)(ii)).

9. 於附屬公司的投資及向附屬公司提供的貸款 — 本公司

9. INVESTMENTS IN AND LOANS TO SUBSIDIARIES — COMPANY

(a) 於附屬公司的投資

(a) Investments in subsidiaries

		二零零五年 2005 人民幣千元 RMB'000	二零零四年 2004 人民幣千元 RMB'000
投資，按成本：	Investments, at cost:		
— 非上市股份	— Unlisted shares	727,454	—

於二零零五年十二月三十一日主要附屬公司的名單如下：

The following is a list of the principal subsidiaries at 31 December 2005:

公司名稱 Company name	註冊成立的國家及日期 以及法人實體的類別 Country and date of incorporation and kind of legal entity	已發行繳足 股本詳情 Particulars of Issued paid up capital	所持權益 Interest held		主要業務及經營地點 Principal activities and place of operation
			直接 Direct	間接 Indirect	
永泰	英屬處女群島、 二零零五年一月十四日、 有限責任公司	30,002美元	100%	—	投資控股
Top Always	British Virgin Islands, 14 January 2005, limited liability company	USD30,002	100%	—	Investment holding
申洲針織	中國大陸、 二零零二年五月二十一日、 外商獨資企業	80,000,000美元	—	100%	於中國大陸製造 及銷售針織服裝產品
Shenzhou Knitwear	Mainland China, 21 May 2002, wholly foreign owned enterprise	USD80,000,000	—	100%	Manufacture and sale of knitwear products in Mainland China

9. 於附屬公司的投資及向附屬公司提供的貸款 — 本公司 (續)

9. INVESTMENTS IN AND LOANS TO SUBSIDIARIES — COMPANY (Continued)

(a) 於附屬公司的投資 (續)

(a) Investments in subsidiaries (Continued)

公司名稱 Company name	註冊成立的國家及日期 以及法人實體的類別 Country and date of incorporation and kind of legal entity	已發行繳足 股本詳情 Particulars of Issued paid up capital	所持權益		主要業務及經營地點 Principal activities and place of operation
			直接 Direct	間接 Indirect	
寧波世興針織印花有限公司 (「世興印花」)	中國大陸、 二零零三年五月三十日、 外商獨資企業	2,100,000美元	—	100%	於中國大陸印製及 銷售針織服裝產品
Ningbo Shixing Knitwear Printing Co., Ltd. (“Shixing Printing”)	Mainland China, 30 May 2003, wholly foreign owned enterprise	USD2,100,000	—	100%	Print and sale of knitwear products in Mainland China
寧波樂樂印花有限公司 (「樂樂印花」)	中國大陸、 二零零一年四月四日、 外商獨資企業	140,000美元	—	100%	於中國大陸印製及 銷售針織服裝產品
Ningbo Lele Printing Co., Ltd. (“Lele Printing”)	Mainland China, 4 April 2001, wholly foreign owned enterprise	USD140,000	—	100%	Print and sale of knitwear products in Mainland China
甬綿時裝	中國大陸、 二零零三年一月十六日、 中外合資企業	10,000,000美元	—	91%	於中國大陸製造及 銷售針織服裝產品
Yongmian Fashion	Mainland China, 16 January 2003, foreign equity joint venture	USD10,000,000	—	91%	Manufacture and sale of knitwear products in Mainland China
寧波申蝶時裝有限公司 (「申蝶時裝」)	中國大陸、 二零零四年五月十日、 中外合資企業	5,000,000美元	—	91%	於中國大陸製造及 銷售針織服裝產品
Ningbo Shendie Fashion Co., Ltd. (“Shendie Fashion”)	Mainland China, 10 May 2004, foreign equity joint venture	USD5,000,000	—	91%	Manufacture and sale of knitwear products in Mainland China

9. 於附屬公司的投資及向附屬公司提供的貸款 — 本公司 (續)

9. INVESTMENTS IN AND LOANS TO SUBSIDIARIES — COMPANY (Continued)

(a) 於附屬公司的投資 (續)

(a) Investments in subsidiaries (Continued)

公司名稱 Company name	註冊成立的國家及日期 以及法人實體的類別 Country and date of incorporation and kind of legal entity	已發行繳足 股本詳情 Particulars of Issued paid up capital	所持權益		主要業務及經營地點 Principal activities and place of operation
			直接 Direct	間接 Indirect	
Shenzhou (Cambodia) Co., Ltd. (「Shenzhou Cambodia」)	柬埔寨王國、 二零零五年六月十日、 外商獨資企業	2,980,000美元	—	100%	於柬埔寨製造及 銷售針織服裝產品
Shenzhou (Cambodia) Co., Ltd. (“Shenzhou Cambodia”)	Kingdom of Cambodia, 10 June 2005, wholly foreign owned enterprise	USD2,980,000	—	100%	Manufacture and sale of knitwear products in Cambodia
寧波大千紡織品有限公司 (「大千紡織品」)	中國大陸、 二零零五年十二月三十日、 外商獨資企業	15,080,000美元	—	100%	於中國大陸製造及 銷售針織服裝產品
Ningbo Daqian Knitwear Co., Ltd. (“Daqian Knitwear”)	Mainland China, 30 December 2005, wholly foreign owned enterprise	USD15,080,000	—	100%	Manufacture and sale of knitwear products in Mainland China

(b) 向附屬公司提供的貸款

(b) Loans to subsidiaries

於二零零五年十二月三十一日，向附屬公司提供為數約人民幣364,105,000元的貸款為無抵押、附有按香港銀行同業拆息利率 (「銀行同業拆息利率」) 計算利息及須於二零零七年到期償還；向附屬公司提供為數約人民幣526,079,000元的貸款為無抵押、免息且無還款期或在可見將來也不太可能有還款的必要。

As at 31 December 2005, loans to subsidiaries amounting to approximately RMB364,105,000 are unsecured, bearing interest at Hong Kong Interbank Offer Rate (“HIBOR”), and are due for repayment in 2007; loans to subsidiaries amounting to approximately RMB526,079,000 are unsecured, interest free and settlement is neither planned nor likely to occur in the foreseeable future.

10. 於聯營公司的權益 — 本集團

10. INTEREST IN AN ASSOCIATE — GROUP

		二零零五年 2005 人民幣千元 RMB'000	二零零四年 2004 人民幣千元 RMB'000
年初	Beginning of the year	1,863	1,931
應佔業績 — 除稅前虧損	Share of results — loss before taxation	(7)	(68)
於二零零五年 五月三十一日的分派 (附註33(e))	Distribution on 31 May 2005 (note 33(e))	(1,856)	—
年終	End of the year	—	1,863

本集團原先持有一家於中國大陸註冊成立的公司寧波清井製衣有限公司(「清井製衣」)40%的股權，清井製衣主要於中國大陸從事製造針織產品業務。根據集團重組，有關股權已於綜合財務報表內反映為於二零零五年五月三十一日向股權持有人作出的分派。

The Group originally held 40% equity interests in 寧波清井制衣有限公司 (Ningbo Qingjing Garments Co., Ltd.; “Qingjing Garments”), a company incorporated in Mainland China, which was mainly engaged in manufacture of knitwear products in Mainland China. Pursuant to the group reorganisation, such equity interests were reflected in the consolidated financial statements as a distribution made to the equity holders on 31 May 2005.

11. 遞延所得稅 — 本集團

11. DEFERRED INCOME TAX — GROUP

當有法定可執行權利將當期稅項資產與當期稅務負債抵銷，且遞延所得稅涉及同一財政機關，則可將遞延所得稅資產與遞延所得稅負債互相抵銷。

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes relate to the same fiscal authority.

		二零零五年 2005 人民幣千元 RMB'000	二零零四年 2004 人民幣千元 RMB'000
遞延稅項資產：	Deferred tax assets:		
— 將於12個月內收回 之遞延稅項資產	— Deferred tax assets to be recovered within 12 months	1,031	670
遞延稅項負債：	Deferred tax liabilities:		
— 將於12個月內償還 之遞延稅項負債	— Deferred tax liabilities to be settled within 12 months	755	694
		276	(24)

11. 遞延所得稅 — 本集團 (續)

11. DEFERRED INCOME TAX — GROUP (Continued)

遞延所得稅賬目之淨變動如下：

The net movement on the deferred income tax account is as follows:

		附註 Note	二零零五年 2005 人民幣千元 RMB'000	二零零四年 2004 人民幣千元 RMB'000
年初	At the beginning of year		(24)	603
於綜合損益表內確認	Recognised in the consolidated income statement	29	1,040	(627)
於二零零五年 五月三十一日向 股權持有人作出的分派	Distributions to equity holders on 31 May 2005	33(e)	(740)	—
年終	At the end of year		276	(24)

11. 遞延所得稅 — 本集團(續)

11. DEFERRED INCOME TAX — GROUP (Continued)

遞延稅項資產及負債於年內之變動(未計及於相同徵稅區內抵銷之結餘)如下:

The movement in deferred tax assets and liabilities during the year, without taking into consideration the offsetting of balances within the same tax jurisdiction, is as follows:

(i) 遞延所得稅資產

(i) Deferred income tax assets

		呆賬撥備 Provision for doubtful accounts 人民幣千元 RMB'000	物業、廠房 及設備之 減值撥備 Provision for impairment of property, plant and equipment 人民幣千元 RMB'000	存貨撇減 撥備 Provision for write-down of inventories 人民幣千元 RMB'000	其他 Other 人民幣千元 RMB'000	總計 Total 人民幣千元 RMB'000
於二零零四年一月一日	At 1 January 2004	334	—	130	647	1,111
於綜合損益表內確認	Recognised in the consolidated income statement	1	—	(130)	(312)	(441)
於二零零四年十二月三十一日	At 31 December 2004	335	—	—	335	670
於綜合損益表內確認	Recognised in the consolidated income statement	—	592	414	95	1,101
於二零零五年五月三十一日 向股權持有人作出的分派	Distributions to equity holders on 31 May 2005	(335)	—	—	(405)	(740)
於二零零五年十二月三十一日	At 31 December 2005	—	592	414	25	1,031

11. 遞延所得稅 — 本集團 (續)

11. DEFERRED INCOME TAX — GROUP (Continued)

(ii) 遞延所得稅負債

(ii) Deferred income tax liabilities

		按公允值列賬 之遠期外匯合約 Forward foreign exchange contracts at fair value 人民幣千元 RMB'000
於二零零四年一月一日	At 1 January 2004	508
於綜合損益表內確認	Recognised in the consolidated income statement	186
於二零零四年十二月三十一日	At 31 December 2004	694
於綜合損益表內確認	Recognised in the consolidated income statement	61
於二零零五年十二月三十一日	At 31 December 2005	755

於二零零五年十二月三十一日，本集團並無重大未經確認之遞延所得稅資產或負債。

There was no material unprovided deferred income tax assets or liabilities at 31 December 2005.

12. 存貨—本集團

12. INVENTORIES — GROUP

		二零零五年 2005 人民幣千元 RMB'000	二零零四年 2004 人民幣千元 RMB'000
原材料	Raw materials	104,171	107,630
在製品	Work in progress	219,229	156,185
製成品	Finished goods	42,801	19,285
		366,201	283,100

13. 應收賬款及應收票據 — 本集團

13. ACCOUNTS AND BILLS RECEIVABLE — GROUP

		二零零五年 2005 人民幣千元 RMB'000	二零零四年 2004 人民幣千元 RMB'000
應收賬款及應收票據	Accounts and bills receivable	193,560	91,113
減：減值撥備	Less: provision for impairment	—	(1,016)
		193,560	90,097

應收賬款及應收票據的賬面值與其公允值相若。

The carrying amounts of accounts and bills receivable approximated their fair value.

本集團的銷售大多數以信用證進行。其餘數額一般獲授2至6個月不等的信貸期。應收賬款及應收票據的賬齡分析如下：

The majority of the Group's sales are on letters of credit. The remaining amounts are generally granted with credit terms of 2 to 6 months. The ageing analysis of accounts and bills receivable is as follows:

		二零零五年 2005 人民幣千元 RMB'000	二零零四年 2004 人民幣千元 RMB'000
0至6個月	0 to 6 months	193,538	88,977
6個月至1年	6 months to 1 year	22	395
1年至2年	1 year to 2 years	—	752
2年以上	Over 2 years	—	989
		193,560	91,113

13. 應收賬款及應收票據 — 本集團(續)

13. ACCOUNTS AND BILLS RECEIVABLE — GROUP
(Continued)

於二零零五年十二月三十一日，應收賬款及應收票據均以下列貨幣列值：

At 31 December 2005, the accounts and bills receivable were denominated in the following currencies:

		二零零五年 2005		二零零四年 2004	
		原貨幣千元 Original'000	人民幣千元 RMB'000	原貨幣千元 Original'000	人民幣千元 RMB'000
美元	USD	13,743	110,906	8,979	74,315
歐元	EURO	32	310	—	—
人民幣	RMB	82,344	82,344	16,798	16,798
		193,560		91,113	

14. 預付款項及其他應收款項

14. PREPAYMENTS AND OTHER RECEIVABLES

		本集團 Group		本公司 Company	
		二零零五年 2005	二零零四年 2004	二零零五年 2005	二零零四年 2004
		人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000
預付款項及按金	Prepayments and deposits				
— 採購原材料	— Purchase of raw materials	30,542	91,800	—	—
— 其他	— Others	1,055	15,353	—	—
應收增值稅退款(附註a)	VAT refund receivable (note a)	9,883	8,131	—	—
按公允值列賬的外匯遠期合約(附註4(b))	Forward foreign exchange contracts at fair value (Note 4(b))	9,154	4,208	—	—
應收發行股份所得款項	Receivables of proceeds from issue of shares	10,969	—	10,969	—
應收股息	Dividends receivable	—	—	211,530	—
其他應收款項	Other receivables	4,420	8,261	—	—
		66,023	127,753	222,499	—

14. 預付款項及其他應收款項

- (a) 本集團自製產品的銷售額須繳納中國大陸增值稅(「增值稅」)。進項增值稅可從銷項增值稅中扣除。應付增值稅乃銷項增值稅及可扣減進項增值稅之淨差額。本集團的內銷適用稅率為17%。就外銷而言，本集團已取得有關出口貨品以「免、抵、退」方法結算增值稅的批准，其中本集團所進行的外銷可豁免銷項增值稅並有權享有有關進項增值稅的退稅，自二零零四年一月一日起，退稅率則為13%。

預付款項及其他應收款項的賬面值與其公允值相若。

15. 有抵押銀行存款 — 本集團

存放於若干銀行的存款
作為銀行授出若干
貿易融資信貸之抵押

Deposits placed in certain banks as collaterals against
certain trade finance facilities granted by banks

相應的貿易融資信貸主要為應付供應商票據及進口信用證的銀行保證。

- (i) 有抵押銀行存款於二零零五年十二月三十一日的加權平均年利率為0.74% (於二零零四年十二月三十一日：0.64%)。

14. PREPAYMENTS AND OTHER RECEIVABLES (Continued)

- (a) The Group's sales of self-manufactured products are subject to Mainland China Value Added Tax ("VAT"). Input VAT on purchases can be deducted from output VAT. VAT payable is the net difference between output and deductible input VAT. The applicable tax rate for domestic sales of the Group is 17%. For export sales, the Group has obtained approval to use the "exempt, credit, refund" method in settling VAT relating to goods exported, which exempts the Group from output VAT for its export sales and entitles the Group for a refund of the relevant input VAT at the rates of 13% effective from 1 January 2004.

The carrying amounts of prepayments and other receivables approximated their fair value.

15. PLEDGED BANK DEPOSITS — GROUP

		二零零五年 2005 人民幣千元 RMB'000	二零零四年 2004 人民幣千元 RMB'000
存放於若干銀行的存款 作為銀行授出若干 貿易融資信貸之抵押	Deposits placed in certain banks as collaterals against certain trade finance facilities granted by banks	2,310	47,360

The corresponding trade finance facilities mainly represent bank guarantees for notes payable to suppliers and letter of credits for import.

- (i) The weighted average interest rate per annum on pledged bank deposits was 0.74% at 31 December 2005 (31 December 2004: 0.64%).

15. 有抵押銀行存款 — 本集團(續)

- (ii) 於二零零五年十二月三十一日，有抵押銀行存款以下列貨幣列值：

		二零零五年 2005 人民幣千元 RMB'000	二零零四年 2004 人民幣千元 RMB'000
人民幣	RMB	2,221	11,205
美元	USD	86	15,678
歐元	EURO	3	20,477
		2,310	47,360

15. PLEDGED BANK DEPOSITS — GROUP (Continued)

- (ii) At 31 December 2005, the pledged bank deposits were denominated in currencies as follows:

16. 存期逾三個月的銀行存款 — 本集團

- (i) 於二零零五年十二月三十一日，存期逾三個月的銀行存款加權平均實際年利率為1.75% (二零零四年十二月三十一日：1.62%)。
- (ii) 於二零零五年十二月三十一日，存期逾三個月的銀行存款以下列貨幣列值：

		二零零五年 2005 人民幣千元 RMB'000	二零零四年 2004 人民幣千元 RMB'000
人民幣	RMB	20,000	60,000
美元	USD	1,695	—
		21,695	60,000

16. BANK DEPOSITS WITH INITIAL TERM OF OVER THREE MONTHS — GROUP

- (i) The weighted average effective interest rate per annum on bank deposits with initial term of over three months was 1.75% at 31 December 2005 (31 December 2004: 1.62%).
- (ii) At 31 December 2005, the bank deposits with initial terms of over three months were denominated in currencies as follows:

17. 現金及現金等價物

17. CASH AND CASH EQUIVALENTS

		本集團 Group		本公司 Company	
		二零零五年 2005 人民幣千元 RMB'000	二零零四年 2004 人民幣千元 RMB'000	二零零五年 2005 人民幣千元 RMB'000	二零零四年 2004 人民幣千元 RMB'000
銀行存款及手頭現金	Cash at bank and in hand	294,407	238,428	3,820	—
存期少於三個月的 短期銀行存款	Short-term bank deposits with initial terms of less than three months	265,394	—	—	—
		559,801	238,428	3,820	—

- (i) 於二零零五年十二月三十一日，銀行存款的加權平均實際年利率為0.91%（二零零四年十二月三十一日：0.60%）；短期銀行存款的實際利率為3.87%（二零零四年：無）；上述存款平均30日到期。

- (i) The weighted average effective interest rate per annum on cash at bank was 0.91% at 31 December 2005 (31 December 2004: 0.60%); the effective interest rate on short-term bank deposits was 3.87% (2004: N/A); these deposits have an average maturity of 30 days.

17. 現金及現金等價物 (續)

17. CASH AND CASH EQUIVALENTS (Continued)

(ii) 於二零零五年十二月三十一日，現金及現金等價物以下列貨幣列值：

(ii) At 31 December 2005, the cash and cash equivalents were denominated in currencies as follows:

		本集團 Group		本公司 Company	
		二零零五年 2005 人民幣千元 RMB'000	二零零四年 2004 人民幣千元 RMB'000	二零零五年 2005 人民幣千元 RMB'000	二零零四年 2004 人民幣千元 RMB'000
銀行存款及手頭現金	Cash at bank and in hand				
— 人民幣	— RMB	163,438	194,670	—	—
— 美元	— USD	123,432	43,745	—	—
— 港元	— HKD	7,471	13	3,820	—
— 其他	— Others	66	—	—	—
		294,407	238,428	3,820	—
存期少於三個月的 短期銀行存款	Short-term bank deposits with initial terms of less than three months				
— 人民幣	— RMB	10,000	—	—	—
— 港元	— HKD	255,394	—	—	—
		265,394	—	—	—
		559,801	238,428	3,820	—

18. 股本

18. SHARE CAPITAL

		法定股本 Authorised share capital			
		附註 Note	股份數目 千股 Number of shares '000	千港元 HKD'000	人民幣千元 RMB'000
本公司註冊成立時	Upon incorporation of the Company	(a)	3,900	390	406
於二零零五年十月九日 增加	Increase on 9 October 2005	(b)	2,996,100	299,610	311,594
於二零零五年 十二月三十一日	As at 31 December 2005		3,000,000	300,000	312,000

		已發行及繳足 Issued and fully paid up			
		附註 Note	股份數目 千股 Number of shares '000	千港元 HKD'000	人民幣千元 RMB'000
於二零零五年七月五日 發行	Issued on 5 July 2005	(a)	0.01	—	—
於二零零五年十月九日 發行	Issued on 9 October 2005	(b)	234	23	24
根據配售及公開發售 發行	Issue pursuant to the placing and public offer	(c)	345,000	34,500	35,946
股份溢價資本化	Capitalisation of share premium	(d)	899,765.99	89,977	93,747
於二零零五年 十二月三十一日	As at 31 December 2005		1,245,000	124,500	129,717

18. 股本 (續)

自二零零五年六月二十三日 (註冊成立日期) 至二零零五年十二月三十一日期間，本公司的法定及已發行股本所出現變動如下：

- (a) 本公司於註冊成立時，其法定股本為390,000港元 (約人民幣406,000元)，分為3,900,000股，每股面值0.10港元。於二零零五年七月五日，本公司以未繳股款方式配發及發行本公司1股面值0.10港元的股份。同日，本公司以未繳股款方式配發及發行9股股份。
- (b) 於二零零五年十月九日，本公司藉增設2,996,100,000股每股面值0.10港元的股份，將法定股本由390,000港元增至300,000,000港元 (人民幣312,000,000元)。該等股份在各方面均與現有股份享有同等權益。本公司就收購永泰全部已發行股本，已(i)配發及發行入賬列為繳足234,000股股份；及(ii)以未繳股款的方式入賬列為繳足10股股份，作為代價。
- (c) 於二零零五年十一月二十四日，本公司按每股代價2.625港元在香港透過配售及公開發售本公司股份發行345,000,000股每股面值0.10港元的股份 (「新發行」)，總代價約為905,625,000港元 (約人民幣943,572,000元)。
- (d) 待新發行完成後，一筆為數89,976,599港元 (約人民幣93,747,000元) 的款項撥作資本並用作向二零零五年十月十日名列本公司股東名冊的股東按面值全數支付899,765,990股股份。

誠如附註2所披露，綜合財務報表乃根據合併會計法編製。故此，上文附註(b)所述已發行股本約人民幣24,000元視為在整個該等財務報表呈報會計期間已經發行。

18. SHARE CAPITAL (Continued)

The following changes in the Company's authorised and issued share capital took place during the period from 23 June 2005 (date of incorporation) to 31 December 2005:

- (a) Upon incorporation of the Company, its authorised share capital was HKD390,000 (approximately RMB406,000), divided into 3,900,000 shares of HKD0.10 each. On 5 July 2005, one share of HKD0.10 of the Company was allotted and issued nil paid. On the same date, nine shares were allotted and issued as nil paid.
- (b) On 9 October 2005, the authorised share capital of the Company was increased from HKD390,000 to HKD300,000,000 (approximately RMB312,000,000), by the creation of an additional 2,996,100,000 shares of HKD0.10 each. These shares rank pari passu in all respect with the existing shares. As consideration for the acquisition by the Company of the entire issued share capital of Top Always, (i) 234,000 shares were allotted, issued and credited as fully paid, and (ii) the 10 nil paid shares were credited as fully paid.
- (c) On 24 November 2005, the Company issued 345,000,000 shares of HKD0.10 each through a placing and public offer of the Company's shares in Hong Kong (the "New Issue") at a consideration of HKD2.625 per share, totaling approximately HKD905,625,000 (approximately RMB943,572,000).
- (d) Upon completion of the New Issue, a sum of HKD89,976,599 (approximately RMB93,747,000) was capitalised and applied in paying up in full at par 899,765,990 shares to the shareholder whose name was on the register of members of the Company on 10 October 2005.

As disclosed in Note 2, the consolidated financial statements have been prepared under the merger accounting method. Accordingly, the share capital of approximately RMB24,000 issued as described in note (b) above is deemed to have been in issue throughout the accounting periods presented in these financial statements.

19. 儲備

19. RESERVES

本集團

GROUP

		股份溢價 Share premium 人民幣千元 RMB'000	股本儲備 (附註 a) Capital reserve (note a) 人民幣千元 RMB'000	法定公積 (附註 b) Statutory reserves (note b) 人民幣千元 RMB'000	換算差額 Translation differences 人民幣千元 RMB'000	總計 Total 人民幣千元 RMB'000
於二零零四年一月一日	At 1 January 2004	—	606,117	70,562	—	676,679
保留盈利資本化	Capitalisation of retained earnings	—	5,794	—	—	5,794
轉撥自保留盈利	Transfer from retained earnings	—	—	12,484	—	12,484
一家附屬公司清盤	Liquidation of a subsidiary	—	(436)	(509)	—	(945)
於二零零五年一月一日	At 1 January 2005	—	611,475	82,537	—	694,012
根據新發行股份 (附註 18(c))	Issue of shares pursuant to the New Issue (Note 18 (c))	907,626	—	—	—	907,626
股份發行成本	Share issue costs	(51,380)	—	—	—	(51,380)
股份溢價資本化 (附註 18(d))	Capitalisation of share premium (Note 18 (d))	(93,747)	—	—	—	(93,747)
出售一家全資附屬公司	Disposal of a wholly-owned subsidiary	—	(745)	(719)	—	(1,464)
收購少數股東權益	Purchase of minority interests	—	(1,776)	—	—	(1,776)
轉撥自保留盈利	Transfer from retained earnings	—	—	92,279	—	92,279
換算差額	Translation differences	—	—	—	(1,370)	(1,370)
於二零零五年五月三十一日 向股權持有人作出的 分派 (附註 c)	Distributions to equity holders on 31 May 2005 (note c)	—	(343,894)	(108,523)	—	(452,417)
於二零零五年 十二月三十一日	At 31 December 2005	762,499	265,060	65,574	(1,370)	1,091,763

19. 儲備 (續)**(a) 股本儲備**

本公司的股本儲備指附註18(a)所述本公司已發行股本面值與組成本集團附屬公司及不轉讓公司(如適用)股本/繳足股本總面值的差額。年內的增加指股權持有人額外向各相關公司注入繳足股本。而年內的減少指附屬公司清盤/出售附屬公司以及不轉讓公司的繳足股本被視為於二零零五年五月三十一日向股權持有人作出的分派。

年內，本集團分別以代價人民幣14,415,000元及美元900,000收購甬綿時裝16%的股權及申蝶時裝16%的股權。已付代價與分佔向少數股東權益收購附屬公司資產淨值的賬面值之差額已作為其他儲備項目之減少(附註33(b))。

(b) 法定公積

本集團在中國大陸註冊成立的附屬公司須在抵銷往年累計虧損後及向股權持有人分派利潤前，對若干法定公積金作出分配。對該等法定公積金作出分配的百分比，是根據中國大陸有關法規規定釐定，或是由有關公司的董事會酌情釐定。該等公積金僅可用以抵銷累計虧損、增加資本、或特別花紅或僱員集體福利，視乎公積金性質而定，而不可向本公司股權持有人分派。

(c) 自二零零五年五月三十一日將針織業務轉讓予永泰及其附屬公司後，不轉讓公司於二零零五年五月三十一日保留的資產淨值於綜合財務報表中反映為向股權持有人作出的分派(附註33(e))。

19. RESERVES (Continued)**(a) Capital reserve**

The difference between the nominal value of the share capital issued by the Company as described in Note 18 (a) and the aggregate nominal values of the share capital/paid-up capital of the subsidiaries comprising the Group and the Non-transferred Companies, where applicable, were recorded as capital reserve. The injection of additional paid-up capital by the equity holders to the respective companies were recorded as additions during the year. The liquidation/disposal of subsidiaries and the paid-up capital of the Non-transferred Companies were treated as distribution to equity holders on 31 May 2005, and were recorded as a reduction in capital reserve.

During the year, the Group acquired 16% equity interests in Yongmain Fashion and 16% equity interests in Shendie Fashion at consideration of approximately RMB14,415,000 and USD900,000, respectively. The difference between the considerations paid and the share of carrying value of the net assets of the subsidiaries acquired from minority interests is reflected as a reduction in capital reserve (Note 33(b)).

(b) Statutory reserves

Subsidiaries of the Group incorporated in Mainland China are required to make appropriations to certain statutory reserve funds after offsetting accumulated losses from prior years and before profit distribution to equity holders. The percentages to be appropriated to such statutory reserve funds are determined according to the relevant regulations in Mainland China, or at the discretion of the board of directors of the respective companies. Such statutory reserve funds, depending on their nature, can only be used to offset accumulated losses, to increase capital, or for special bonus or collective welfare of employees. They can not be distributed to equity holders.

(c) Upon the transfer of the Knitwear Business to Top Always and its subsidiaries effective 31 May 2005, the net assets retained by the Non-transferred Companies as at 31 May 2005 are reflected in the consolidated financial statements as a distribution made to the equity holders (Note 33 (e)).

19. 儲備 (續)

19. RESERVES (Continued)

本公司		COMPANY			
		股份溢價	換算差額	股本盈餘 (附註d)	總計
		Share premium	Translation differences	Capital surplus (note d)	Total
		人民幣千元	人民幣千元	人民幣千元	人民幣千元
		RMB'000	RMB'000	RMB'000	RMB'000
根據新發行股份 (附註18(c))	Issue of Shares pursuant to the New Issue (Note 18 (c))	907,626	—	—	907,626
股份發行成本	Share issue costs	(51,380)	—	—	(51,380)
股份溢價資本化 (附註18(d))	Capitalisation of share premium (Note 18 (d))	(93,747)	—	—	(93,747)
重組的影響	Effect of reorganisation	—	—	727,430	727,430
換算差額	Translation differences	—	(1,370)	—	(1,370)
於二零零五年十二月三十一日	At 31 December 2005	762,499	(1,370)	727,430	1,488,559

(d) 股本盈餘指籌備本公司股份於二零零五年十一月在主板上市而根據集團重組收購附屬公司當時合併資產淨值與本公司當時已發行股本面值的差額。

(d) The capital surplus represents the difference between the then combined net assets value of the subsidiaries acquired pursuant to the group reorganisation in preparation for the listing of the Company's shares on the Main Board in November 2005, and the nominal value of the share capital of the Company issued correspondingly.

20. 應付賬款及應付票據 — 本集團

20. ACCOUNTS AND BILLS PAYABLE — GROUP

		二零零五年 2005 人民幣千元 RMB'000	二零零四年 2004 人民幣千元 RMB'000
應付賬款	Accounts payable	119,279	94,597
應付票據	Bills payable	25,500	38,500
		144,779	133,097

20. 應付賬款及應付票據 — 本集團(續)

20. ACCOUNTS AND BILLS PAYABLE — GROUP (Continued)

應付賬款及應付票據的賬齡分析如下：

Ageing analysis of accounts and bills payable is as follows:

		二零零五年 2005 人民幣千元 RMB'000	二零零四年 2004 人民幣千元 RMB'000
0至6個月	0 to 6 months	136,718	114,242
6個月至1年	6 months to 1 year	1,099	15,906
1年至2年	1 year to 2 years	6,908	1,890
2年以上	Over 2 years	54	1,059
		144,779	133,097

於二零零五年十二月三十一日，應付賬款及應付票據以下列貨幣列值：

At 31 December 2005, the accounts and bills payable were denominated in currencies as follows:

		二零零五年 2005		二零零四年 2004	
		原貨幣千元 Original'000	人民幣千元 RMB'000	原貨幣千元 Original'000	人民幣千元 RMB'000
美元	USD	1,956	15,784	905	7,492
日圓	JPY	12,765	877	13,983	1,114
歐元	EURO	139	1,334	139	1,569
港元	HKD	—	—	37	40
人民幣	RMB	126,784	126,784	122,882	122,882
			144,779		133,097

21. 應計款項及其他應付款項 — 本集團

21. ACCRUALS AND OTHER PAYABLES — GROUP

		二零零五年 2005 人民幣千元 RMB'000	二零零四年 2004 人民幣千元 RMB'000
客戶按金	Customer deposits	3,638	10,298
應計開支	Accrued expenses	81,646	95,762
應付股息	Dividends payable	—	14,155
購置物業、廠房及設備 的應付款項	Payable for purchase of property, plant and equipment	6,595	9,498
應付寧波市北侖區 財政局款項	Due to the Financial Bureau of Beilun District, Ningbo City	—	18,250
其他	Others	8,162	15,184
		100,041	163,147

22. 銀行借貸 — 本集團

22. BANK BORROWINGS — GROUP

		二零零五年 2005 人民幣千元 RMB'000	二零零四年 2004 人民幣千元 RMB'000
無抵押：	Unsecured:		
非流動	Non-current	—	80,000
流動	Current	558,737	767,304
總借貸	Total borrowings	558,737	847,304

22. 銀行借貸 — 本集團 (續)

22. BANK BORROWINGS — GROUP (Continued)

(a) 本集團按銀行借貸的類別及貨幣劃分的賬面值分析如下：

(a) An analysis of the carrying amounts of the Group's bank borrowings by type and currency is as follows:

		二零零五年 2005 人民幣千元 RMB'000	二零零四年 2004 人民幣千元 RMB'000
人民幣	RMB		
— 固定利率	— at fixed rates	520,000	587,700
— 浮動利率	— at floating rates	—	80,000
		520,000	667,700
美元	USD		
— 浮動利率	— at floating rates	38,737	179,604
總借貸	Total borrowings		
— 固定利率	— at fixed rates	520,000	587,700
— 浮動利率	— at floating rates	38,737	259,604
		558,737	847,304

(b) 於結算日，加權平均實際年利率如下：

(b) The weighted average effective interest rates per annum at year end were as follows:

		二零零五年 2005	二零零四年 2004
人民幣	RMB	5.30%	3.87%
美元	USD	5.48%	3.21%

22. 銀行借貸 — 本集團 (續)

22. BANK BORROWINGS — GROUP (Continued)

(c) 非流動銀行借貸的賬面值及公允值如下：

(c) The carrying amounts and fair values of non-current bank borrowings are as follows:

		二零零五年 2005 人民幣千元 RMB'000	二零零四年 2004 人民幣千元 RMB'000
賬面值	Carrying values	—	80,000
公允值	Fair values	—	79,603

公允值乃根據現金流量折現，利用基於二零零四年十二月三十一日的借貸率5.76%計算。

The fair values are based on discounted cash flows using a rate based on the borrowings rate at 5.76% as at 31 December 2004.

即期借貸的賬面值與其公允值相若。

The carrying amounts of current borrowings approximate their fair values.

(d) 於結算日，本集團尚有下列未提取的借貸信貸額：

(d) The Group has the following undrawn borrowing facilities at year end:

		二零零五年 2005 人民幣千元 RMB'000	二零零四年 2004 人民幣千元 RMB'000
浮動利率 — 於一年內屆滿	Floating rate — expiring within one year	1,330,048	—

23. 其他收益淨額 — 本集團

23. OTHER GAINS, NET — GROUP

		二零零五年 2005 人民幣千元 RMB'000	二零零四年 2004 人民幣千元 RMB'000
政府補助(附註a)	Government grants (note a)	18,509	11,089
利息收入	Interest income	2,479	10,801
出售物業、廠房及設備 (虧損)/收益淨額 (不包括出售若干土地 使用權及樓宇所得收益) (附註25)	(Loss)/gain on disposal of property, plant and equipment, net, excluding the gain on disposal of certain land use rights and buildings (Note 25)	(6,459)	188
出售一家全資附屬公司 虧損(附註33(d))	Loss on disposal of a wholly-owned subsidiary (Note 33 (d))	(465)	—
按公允值計入損益表的 遠期外匯合約(附註4(b))	Forward foreign exchange contracts at fair value through income statement (Note 4(b))	1,784	1,129
其他	Others	—	1,114
		15,848	24,321

(a) 政府補助主要為當地政府授予本集團的各項獎勵及作為推動外銷的支持獎金。

(a) Government grants mainly represent bonus and supporting funds granted by local government to the Group as an encouragement to promote export sales.

24. 退休福利計劃及房屋福利

24. RETIREMENT BENEFIT SCHEMES AND HOUSING BENEFITS

本集團於中國大陸的全職僱員受多項由政府統籌的退休金計劃所保障，按照該等計劃，本集團須按僱員薪金總額的若干百分比且在不過規定上限之內承擔保險費及福利供款，並向有關政府當局繳納。

The retirement benefits of full time employees of the Group in Mainland China are covered by various government-sponsored pension plans under which the premiums and welfare benefit contributions that should be borne by the Group are calculated based on percentages of the total salary of employees, subject to a certain ceiling, and are paid to the relevant government authorities.

於中國大陸的全職僱員亦有權參與多項政府資助的住房公積金。本集團按月向住房公積金作出供款。

Full time employees in Mainland China are also entitled to participate in various government-sponsored housing funds. The Group contributes on a monthly basis to these funds.

除上文所述的供款外，本集團毋須承擔其他任何退休後福利或住房公積金的責任。

The Group has no further obligation for post-retirement benefits or housing funds beyond contributions in respect of the above.

25. 出售若干土地使用權及樓宇所得收益

於截至二零零四年十二月三十一日止年度，本集團向一第三方出售若干賬面淨額約人民幣12,189,000元的土地使用權及約人民幣65,874,000元的樓宇，該等土地及樓宇均位於中國大陸浙江省寧波市。出售上述土地使用權及樓宇所獲得的現金代價合共約人民幣381,832,000元，另約人民幣303,769,000元獲確認為收入。

26. 按性質分類的費用

包括於銷售成本、銷售及市場推廣費用和一般及行政費用之內費用分析如下：

25. GAIN ON DISPOSAL OF CERTAIN LAND USE RIGHTS AND BUILDINGS

During the year ended 31 December 2004, the Group disposed of certain land use rights and buildings in Ningbo City of Zhejiang Province, Mainland China with net book amount of approximately RMB12,189,000 and RMB65,874,000, respectively, to a third party at an aggregated cash consideration of approximately RMB381,832,000, and recognised a gain of approximately RMB303,769,000.

26. EXPENSES BY NATURE

Expenses included in cost of sales, selling and marketing expenses and general and administrative expenses are analysed as follows:

		二零零五年 2005 人民幣千元 RMB'000	二零零四年 2004 人民幣千元 RMB'000
折舊、攤銷及減值開支	Depreciation, amortisation and impairment expenses	109,850	86,347
僱員福利開支(附註27)	Employee benefit expense (Note 27)	402,999	303,649
製成品及在製品的 存貨變動	Changes in inventories of finished goods and work in progress	88,178	33,788
所用的原材料及消耗品	Raw materials and consumables used	1,246,739	1,154,862
公用設施及蒸汽費用	Utilities and steam	159,799	123,227
存貨撇減撥備	Provision for write-down of inventories	3,238	1,386
物業經營租賃開支	Operating lease expenses for properties	10,854	4,245
佣金	Commission	20,562	12,664
(撥回呆賬撥備)/ 呆賬撥備	(Reversal)/provision of provision for doubtful accounts	(2,158)	1,331
核數師薪酬	Auditors' remuneration	1,700	245

27. 僱員福利開支

27. EMPLOYEE BENEFIT EXPENSE

		二零零五年 2005 人民幣千元 RMB'000	二零零四年 2004 人民幣千元 RMB'000
工資及薪金	Wages and salaries	385,280	288,577
退休福利供款	Retirement benefit contributions	12,586	8,931
其他福利	Other welfares	5,133	6,141
		402,999	303,649

(a) 董事及高級管理層酬金

(a) Directors and senior management's emoluments

本公司各董事於年內的酬金載列如下：

The emoluments of every Director of the Company during the year are set out below:

董事姓名	Name of Director	袍金 Fees 人民幣千元 RMB'000	薪金及津貼 Salary and allowance 人民幣千元 RMB'000	退休計劃供款 Contribution to pension scheme 人民幣千元 RMB'000	總計 Total 人民幣千元 RMB'000
二零零五年	2005				
執行董事	Executive directors				
— 馬建榮先生	— Mr. Ma Jianrong	—	739	6	745
— 黃關林先生	— Mr. Huang Guanlin	—	582	4	586
— 馬仁和先生	— Mr. Ma Renhe	—	447	4	451
— 陳忠靜先生	— Mr. Chen Zhongjing	—	444	4	448
— 鄭妙輝女士	— Ms. Zheng Miaohui	—	429	3	432
		—	2,641	21	2,662

27. 僱員福利開支(續)

27. EMPLOYEE BENEFIT EXPENSE (Continued)

(a) 董事及高級管理層酬金(續)

(a) Directors and senior management's emoluments (Continued)

董事姓名	Name of Director	袍金 Fees 人民幣千元 RMB'000	薪金及津貼 Salary and allowance 人民幣千元 RMB'000	退休計劃供款 Contribution to pension scheme 人民幣千元 RMB'000	總計 Total 人民幣千元 RMB'000
二零零五年	2005				
獨立非執行董事	Independent non-executive directors				
— 錢鋒先生	— Mr. Qian Feng	5	7	—	12
— 宗平生先生	— Mr. Zong Pingsheng	5	7	—	12
— 戴祥波先生	— Mr. Dai Xiangbo	5	2	—	7
		15	16	—	31
		15	2,657	21	2,693
二零零四年	2004				
執行董事	Executive directors				
— 馬建榮先生	— Mr. Ma Jianrong	—	797	6	803
— 黃關林先生	— Mr. Huang Guanlin	—	477	5	482
— 馬仁和先生	— Mr. Ma Renhe	—	457	5	462
— 陳忠靜先生	— Mr. Chen Zhongjing	—	454	4	458
— 鄭妙輝女士	— Ms. Zheng Miaohui	—	308	4	312
		—	2,493	24	2,517

於截至二零零五年及二零零四年十二月三十一日止年度，本公司董事並無放棄任何酬金。

No Directors of the Company waived any emoluments during the year ended 31 December 2005 and 2004.

27. 僱員福利開支(續)

27. EMPLOYEE BENEFIT EXPENSE (Continued)

(b) 五名最高薪酬人士

除一位人士外(二零零四年：一位)，年內，五名最高薪酬人士均為本公司董事，詳情已載於上文(a)。截至二零零五年及二零零四年十二月三十一日止年度，應付該位人士的酬金如下：

(b) Five highest paid individuals

Except for one individual (2004: one), the five individuals whose emoluments were the highest in the Group during the year are also Directors of the Company as detailed in (a) above. The emoluments payable to the remaining one individual for the year ended 31 December 2005 and 2004 are as follows:

		二零零五年 2005 人民幣千元 RMB'000	二零零四年 2004 人民幣千元 RMB'000
薪金及津貼	Salary and allowance	444	458
退休計劃供款	Contribution to pension scheme	8	7
		452	465

介乎以下酬金組別的人數：

The emoluments fell within the following bands:

		最高薪酬人士數目 Number of individuals	
		二零零五年 2005	二零零四年 2004
酬金組別 零港元至 1,000,000港元	Emolument bands HKD Nil — HKD1,000,000	1	1

年內，本公司並無向任何董事或五名最高薪酬人士(二零零四年：無)支付酬金作為加入或當加入本集團時之獎金或離職補償。

During the year, no emoluments were paid by the Company to any of the Directors or the five highest paid individuals as an inducement to join or upon joining the Group or as compensation for loss of office (2004: nil).

28. 融資成本

28. FINANCE COSTS

		二零零五年 2005 人民幣千元 RMB'000	二零零四年 2004 人民幣千元 RMB'000
須於五年內悉數償還的 銀行借貸之利息開支	Interest expense on bank borrowings wholly repayable within five years	53,164	20,347

29. 所得稅開支

29. INCOME TAX EXPENSE

		二零零五年 2005 人民幣千元 RMB'000	二零零四年 2004 人民幣千元 RMB'000
即期中國大陸所得稅 (「企業所得稅」)	Mainland China current income tax ("EIT")	3,469	32,923
遞延稅項(附註11)	Deferred taxation (Note 11)	(1,040)	627
		2,429	33,550

本公司及永泰於其各自註冊成立所在地方獲豁免繳納所得稅。

於中國大陸成立的附屬公司須繳納16.5%稅率的企業所得稅。在中國大陸註冊成立為外商投資企業的附屬公司已獲中國大陸有關稅務當局發出批文，根據中國外商投資企業適用的稅法及法規，於首個獲利年度(於抵銷過往年度結轉的所有未到期稅項虧損之後為準)後首兩年獲准豁免企業所得稅，及其後三年享有企業所得稅減半優惠。

一家於柬埔寨王國註冊成立的全資附屬公司 Shenzhou Cambodia 根據有關稅務法律，須按9%稅率繳納所得稅，並於首四個獲利年度獲豁免繳納所得稅。

The Company and Top Always are exempted from payment of income tax in their respective places of incorporation.

The subsidiaries established in Mainland China are subject to EIT at a rate of 16.5%. Incorporated as foreign investment enterprises in Mainland China, the subsidiaries have obtained approvals from the relevant tax authorities in Mainland China for their entitlement to exemption from EIT for the first two years and 50% reduction in EIT for the next three years, commencing from the first profitable year after offsetting all unexpired tax losses carried forward from the previous years in accordance with the relevant tax rules and regulations applicable to foreign investment enterprises in Mainland China.

Shenzhou Cambodia, a wholly-owned subsidiary incorporated in Kingdom of Cambodia under the Law on Taxation, is subject to income tax at a rate of 9% and is entitled to be exempted from income tax for the first four profit-making years.

29. 所得稅開支(續)

29. INCOME TAX EXPENSE (Continued)

本集團除稅前利潤的稅項與中國大陸公司採用加權平均稅率計算的理論數額間之差額如下：

The tax on the Group's profit before tax differs from the theoretical amount that would arise using the weighted average tax rate for companies in Mainland China as follows:

		二零零五年 2005 人民幣千元 RMB'000	二零零四年 2004 人民幣千元 RMB'000
除所得稅前利潤	Profit before income tax	355,774	620,445
中國大陸企業所得稅 加權平均稅率	Weighted-average EIT rates in Mainland China	16.7%	16.8%
按加權平均稅率計算 的稅項	Tax calculated at the weighted average tax rate	59,261	104,368
豁免稅項的影響	Effect of tax exemptions	(59,304)	(71,169)
未計入的暫時差額	Temporary difference not accounted for	969	—
不可扣減的稅項開支	Expenses not deductible for tax purposes	1,503	351
稅項費用	Tax charge	2,429	33,550

30. 本公司股權持有人應佔利潤

30. PROFIT ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY

本公司權益持有人應佔利潤為人民幣213,753,000元(二零零四年：無)。

The profit attributable to equity holders of the Company is dealt with in the financial statements of the Company to the extent of RMB213,753,000(2004: nil).

31. 每股盈利

年度每股盈利乃按照本公司股權持有人應佔綜合利潤約人民幣351,487,000元(二零零四年：人民幣587,539,000元)以及年內已發行普通股的加權平均股數約934,027,000股(二零零四年：900,000,000股)計算。釐定已發行股份數目時，根據附註18(a)、(b)及(d)所述股份發行及資本化發行的合共900,000,000股股份，乃視為自二零零四年一月一日起已經發行。

由於並無任何具攤薄作用的普通股，因此並未呈列每股攤薄盈利。

32. 股息

- (a) 根據董事會於二零零六年四月十日通過之一項決議案，董事就二零零五年建議派發末期股息每股0.02港元(約人民幣0.02元)。財務報表並未反映此筆應付股息。

31. EARNINGS PER SHARE

The calculation of basic earnings per share for the year is based on the consolidated profit attributable to equity holders of the Company of approximately RMB351,487,000 (2004: RMB587,539,000) and on the weighted average number of approximately 934,027,000 (2004: 900,000,000) ordinary shares in issue during the year. In determining the number of shares in issue, a total of 900,000,000 shares issued pursuant to the issue of shares and capitalisation issue as stated in Note 18 (a) & (b) & (d) were deemed to have been issued since 1 January 2004.

Diluted earnings per share is not presented as there were no diluted ordinary shares.

32. DIVIDENDS

- (a) Pursuant to a resolution passed by the Board of Directors on 10 April 2006, the directors have recommended the payment of a final dividend in respect of 2005 of HKD0.02 (approximately RMB0.02) per share. These financial statements have not reflected this dividend payable.

		截至十二月三十一日止年度 Year ended 31 December	
		二零零五年 2005	二零零四年 2004
		人民幣千元 RMB'000	人民幣千元 RMB'000
擬派末期股息每股 普通股0.02港元 (約人民幣0.02元) (二零零四年：無)	Proposed final dividend of HKD0.02 (approximately RMB0.02) (2004: nil) per ordinary share	25,903	—

- (b) 集團旗下各公司於截至二零零四年及二零零五年十二月三十一日止年度向其當時股權持有人派付之股息分別約為人民幣216,147,000元及人民幣292,578,000元，此等股息亦即該等公司以其保留盈利向其當時股權持有人宣派的股息。

- (b) Dividends paid by group companies to their then equity holders during the years ended 31 December 2004 and 2005 of approximately RMB216,147,000 and RMB292,578,000 represented dividends declared out of the retained earnings of these companies to their then equity holders.

33. 綜合現金流量表附註

33. NOTES TO CONSOLIDATED CASH FLOW STATEMENTS

(a) 年度利潤與經營業務所得現金之對賬

(a) Reconciliation of profit for the year to cash generated from operations

		二零零五年 2005 人民幣千元 RMB'000	二零零四年 2004 人民幣千元 RMB'000
年度利潤	Profit for the year	353,345	586,895
經作出以下調整：	Adjustments for:		
— 所得稅開支	— income tax expenses	2,429	33,550
— 物業、廠房及設備折舊及減值	— depreciation and impairment of property, plant and equipment	109,075	85,423
— 土地使用權攤銷	— amortisation of land use rights	775	924
— 應佔一家聯營公司業績	— share of results of an associate	7	68
— 存貨撇減撥備	— provision for write-down of inventories	3,238	1,386
— (撥回呆賬撥備)/呆賬撥備	— (reversal of provision)/provision for doubtful accounts	(2,158)	1,331
— 利息收入	— interest income	(2,479)	(10,801)
— 出售土地使用權以及物業、廠房及設備虧損/(收益)	— loss/(gain) on disposal of land use rights and property, plant and equipment	6,459	(303,957)
— 出售一家附屬公司虧損(d)	— loss on disposal of a subsidiary (d)	465	—
— 利息開支	— interest expenses	53,164	20,347
		524,320	415,166
營運資金變動：	Changes in working capital:		
— 有抵押銀行存款減少/(增加)	— decrease/(increase) in pledged bank deposits	42,292	(16,323)
— 應收賬款及應收票據增加	— increase in accounts and bills receivable	(106,305)	(139)
— 預付款項及其他應收款項減少	— decrease in prepayments and other receivables	68,248	307,656
— 存貨增加	— increase in inventories	(87,176)	(48,880)
— 應付賬款及應付票據增加	— increase in accounts and bills payable	15,764	26,439
— 應付關連人士款項減少	— decrease in due to related parties-trade related	(739)	(2,197)
— 應計款項及其他應付款項增加	— increase in accruals and other payables	26,885	35,801
經營業務所得現金	Cash generated from operations	483,289	717,523

33. 綜合現金流量表附註(續)

33. NOTES TO CONSOLIDATED CASH FLOW STATEMENTS
(Continued)

(b) 收購少數股東權益

(b) Purchase of minority interests

		二零零五年 2005 人民幣千元 RMB'000	二零零四年 2004 人民幣千元 RMB'000
收購少數股東權益	Minority interests acquired	21,045	—
已付現金代價	Cash consideration paid	(22,821)	—
因股權持有人間就若干 附屬公司之交易導致 本公司股權持有人 應佔權益的減少	Deduction in equity attributable to equity holders of the Company derived from transaction between equity holders of certain subsidiaries	(1,776)	—

(c) 有關金額指收購甬綿時裝75%股權(附註2(a)(iii))所支付的代價,此代價於二零零五年五月三十一日之後經已支付。

(c) Such amount represented the payment of the consideration for the acquisition of 75% equity interests in Yongmian Fashion (Note 2(a)(iii)), which was made subsequent to 31 May 2005.

33. 綜合現金流量表附註(續)

33. NOTES TO CONSOLIDATED CASH FLOW STATEMENTS
(Continued)

(d) 出售一家全資附屬公司的權益

(d) Disposal of interest in a wholly-owned subsidiary

		二零零五年 2005 人民幣千元 RMB'000	二零零四年 2004 人民幣千元 RMB'000
出售以下項目的 資產淨值：	Net assets disposed of:		
固定資產	Fixed assets	229	—
現金及現金等價物	Cash and cash equivalents	3,197	—
存貨	Inventories	58	—
其他流動資產	Other current assets	204	—
總資產	Total assets	3,688	—
應付賬款	Accounts payable	5	—
應派股息	Dividend payable	1,424	—
其他流動負債	Other current liabilities	174	—
總負債	Total liabilities	1,603	—
資產淨值	Net assets	2,085	—
出售附屬公司之 虧損(附註23)	Loss on disposal of interest in a subsidiary (Note 23)	465	—
以下列方式獲取：	Satisfied by:		
現金代價	Cash consideration	1,620	—
就出售一家附屬 公司的現金流出 淨額分析如下：	An analysis of the net cash outflow in respect of the disposal of subsidiary is as follows:		
現金代價	Cash consideration	1,620	—
出售現金及 現金等價物	Cash and cash equivalent disposed of	(3,197)	—
		(1,577)	—

年內，已出售之附屬公司並無對本集團的現金流量、銷售額或截至二零零五年十二月三十一日止年度本公司權益持有人應佔利潤作出重大貢獻。

The subsidiary disposed of during the year made no significant contribution to the Group's cash flow, sales or profit attributable to the equity holders of the Company for the year ended 31 December 2005.

33. 綜合現金流量表附註(續)

33. NOTES TO CONSOLIDATED CASH FLOW STATEMENTS (Continued)

(e) 於二零零五年五月三十一日向股權持有人作出分派的影響

(e) Effect on distribution to equity holders on 31 May 2005

於二零零五年五月三十一日，不轉讓公司的資產及負債當作向本公司股權持有人作出的分派處理。有關該分派的現金流出約為人民幣50,962,000元。該等由不轉讓公司所保留的資產及負債不重大，且於本年度對本集團利潤的貢獻亦不重大。該分派的資產及負債以及現金流出的分析如下：

On 31 May 2005, the assets and liabilities of the Non-transferred Companies were accounted for as a distribution to equity holders of the Company. The cash outflow in respect of such distribution is approximately RMB50,962,000. The contribution to profits of the Group during the year by these assets and liabilities retained by the Non-transferred Companies are not material during the year. An analysis of the assets and liabilities and the cash outflow of the distribution is as follows:

		人民幣千元 RMB'000
非流動資產	Non-current assets	
物業、廠房及設備	Property, plant and equipment	11,148
土地使用權	Land use rights	5,277
於聯營公司的權益	Interest in an associate	1,856
可供出售的投資	Available-for-sale investments	156
遞延所得稅資產	Deferred income tax assets	740
		19,177
流動資產	Current assets	
存貨	Inventories	779
應收賬款及 應收票據	Accounts and bills receivable	2,842
預付款項及其他 應收款項	Prepayments and other receivables	4,851
應收關連人士款項	Due from related parties	809,510
有抵押銀行存款	Pledged bank deposits	2,758
現金及現金等價物	Cash and cash equivalents	50,962
		871,702
流動負債	Current liabilities	
應付賬款及 應付票據	Accounts and bills payable	4,077
應計款項及 其他應付款項	Accruals and other payables	115,488
應付關連人士款項	Due to related parties	64,856
銀行借貸	Bank borrowings	190,000
		374,421
		516,458

34. 承擔

34. COMMITMENTS

(a) 資本承擔

(a) Capital commitments

於結算日尚未產生的資本開支如下：

Capital expenditure at the balance sheet date but not yet incurred is as follows:

		二零零五年 2005 人民幣千元 RMB'000	二零零四年 2004 人民幣千元 RMB'000
已訂約但未撥備：	Contracted but not provided for:		
— 購置物業、 廠房及設備	— Acquisition of property, plant and equipment	30,794	78,988
— 興建物業、 廠房及設備	— Construction of properties, plant and equipment	61,427	51,150
		92,221	130,138

(b) 物業、廠房及設備的經營租賃承擔

(b) Operating lease commitments for property, plant and equipment

本集團根據不可撤銷經營租賃協議租賃其若干辦公室物業、廠房及設備。該等租賃的年期及續約權利各有不同。

The Group leases certain of its office premises, plant and equipment under non-cancellable operating lease agreements. The leases have various terms and renewal rights.

本集團日後根據不可撤銷經營租賃須支付的最低租金款項總額如下：

The Group's future aggregate minimum lease payments under non-cancellable operating leases are as follows:

		二零零五年 2005 人民幣千元 RMB'000	二零零四年 2004 人民幣千元 RMB'000
不超過一年	Not later than 1 year	10,577	2,500
超過一年但 不超過五年	Later than 1 year and not later than 5 years	15,848	—
		26,425	2,500

34. 承擔 (續)**(c) 其他**

於二零零五年十二月三十一日，本集團尚有介乎1個月至5個月期間且未交割之外匯遠期合約91,000,000美元(二零零四年：210,000,000美元)。該等合約將以約人民幣737,271,000元(二零零四年：約人民幣1,714,589,000元)出售。

35. 或然負債

本集團於二零零五年十二月三十一日並無重大或然負債(二零零四年：無)。

36. 關連人士交易

倘若一方有能力直接或間接控制另一方或對其財務及營運決策行使重大影響力，則雙方互為有關連。倘若雙方受同一方控制，亦被視作有關連。

34. COMMITMENTS (Continued)**(c) Others**

As at 31 December 2005, the Group had commitments in respect of outstanding forward foreign exchange contracts to sell USD91,000,000 (2004: USD210,000,000) for approximately RMB737,271,000 (2004: approximately RMB1,714,589,000) within a period ranging from 1 month to 5 months.

35. CONTINGENT LIABILITIES

The Group did not have significant contingent liabilities as at 31 December 2005 (2004: nil).

36. RELATED PARTY TRANSACTIONS

Parties are considered to be related if one party has the ability, directly or indirectly, control the other party or exercise significant influence over the other party in making financial and operation decisions. Parties are also considered to be related if they are subject to common control.

36. 關連人士交易 (續)

36. RELATED PARTY TRANSACTIONS (Continued)

(a) 與關連人士的交易

本集團截至二零零五年及二零零四年十二月三十一日止年度與其關連人士(包括董事及其聯繫人以及由馬氏家族集團控制的公司)進行下列重大交易:

非持續 —

(a) Transactions with related parties

The Group had the following significant transactions with its related parties, including directors and their associates and companies controlled by the Ma Private Group, for the year ended 31 December 2005 and 2004:

Discontinuing —

		二零零五年 2005 人民幣千元 RMB'000	二零零四年 2004 人民幣千元 RMB'000
(i) 授予關連公司的貸款及墊款	(i) Loans and advances to related companies		
— 向下列各方提供的貸款及墊款淨額:	— Net loans and advances made to:		
申洲置業	Shenzhou Properties	86,129	552,488
寧波明耀環保熱電有限公司(「明耀電力公司」)	Ningbo Mingyao Environmental Thermal Power Co., Ltd.; ("Mingyao Electric Company")	—	50,000
		86,129	602,488
— 向下列各方收取的利息:	— Interest charged to:		
申洲置業	Shenzhou Properties	—	9,096
明耀電力公司	Mingyao Electric Company	—	799
		—	9,895

授予申洲置業及明耀電力公司的貸款分別約人民幣548,732,000元及人民幣50,000,000元,無抵押且附有年利率介乎5.04%至5.31%之間的利息,並無固定還款期。該等貸款自二零零五年一月一日起屬免息貸款。

The loans to Shenzhou Properties and Mingyao Electric Company of approximately RMB548,732,000 and RMB50,000,000, respectively, were unsecured and bearing interest at rates from 5.04% and 5.31% per annum, and had no fixed repayment terms. The loans became interest free from 1 January 2005.

36. 關連人士交易 (續)

36. RELATED PARTY TRANSACTIONS (Continued)

(a) 與關連人士的交易 (續)

(a) Transactions with related parties (Continued)

非持續 — (續)

Discontinuing — (Continued)

- (ii) 根據若干份於二零零五年四月十五日及二零零五年五月十五日訂立的協議，本集團已向申洲置業出售賬面淨額約人民幣123,810,000元的若干物業、廠房及設備，現金代價約為人民幣126,425,000元。此外，本集團已向申洲置業出售賬面淨額約人民幣8,866,000元的若干土地使用權，現金代價約為人民幣8,482,000元。
- (iii) 根據一份於二零零五年五月十二日訂立的協議，本集團已向寧波榮榮針織有限公司收購若干土地使用權及在建工程，現金代價約為人民幣32,900,000元。
- (iv) 根據一份於二零零五年五月十五日訂立的協議，本集團已向申洲大港收購若干物業、廠房及設備，現金代價約為人民幣43,945,000元。
- (v) 根據一份於二零零五年五月十五日訂立的協議，本集團已向寧波錦都時裝有限公司(「錦都時裝」)收購若干土地使用權及物業，現金代價分別為人民幣2,250,000元及人民幣23,532,000元。
- (vi) 由二零零四年十二月十七日至二零零五年五月三十日止期間，本集團就授予明耀電力公司的銀行信貸額度向銀行提供約人民幣110,400,000元的擔保。該擔保於二零零五年五月三十日已獲解除。自二零零五年五月三十日後，不轉讓公司之一申洲世通提供該等擔保。
- (ii) Pursuant to several agreements dated 15 April 2005 and 15 May 2005, the Group disposed certain property, plant and equipment with net book amount of approximately RMB123,810,000 to Shenzhou Properties for a cash consideration of approximately RMB126,425,000. The Group also disposed of certain land use rights with net book amount of approximately RMB8,866,000 to Shenzhou Properties for a cash consideration of approximately RMB8,482,000.
- (iii) Pursuant to an agreement dated 12 May 2005, the Group acquired certain land use rights and construction-in-progress from 寧波榮榮針織有限公司 (Ningbo Rongrong Knitwear Co., Ltd.) for a cash consideration of approximately RMB32,900,000.
- (iv) Pursuant to an agreement dated 15 May 2005, the Group acquired certain property, plant and equipment from Shenzhou Dagang for a cash consideration of approximately RMB43,945,000.
- (v) Pursuant to an agreement dated 15 May 2005, the Group acquired certain land use rights and properties from 寧波錦都時裝有限公司 (Ningbo Jindu Fashion Co., Ltd. "Jindu Fashion") for cash consideration of RMB2,250,000 and RMB23,532,000, respectively.
- (vi) During the period from 17 December 2004 to 30 May 2005, the Group provided guarantees of approximately RMB110,400,000 to banks for banking facilities granted to Mingyao Electric Company. Such guarantees were released on 30 May 2005. These guarantees were provided by Shenzhou Shitong, one of the Non-transferred Companies since 30 May 2005.

36. 關連人士交易 (續)

36. RELATED PARTY TRANSACTIONS (Continued)

(a) 與關連人士的交易 (續)

(a) Transactions with related parties (Continued)

持續 —

Continuing —

		二零零五年 2005 人民幣千元 RMB'000	二零零四年 2004 人民幣千元 RMB'000
(vii) 向申洲置業租賃物業、廠房及設備	(vii) Lease of property, plant and equipment from Shenzhou Properties	8,340	2,500
(viii) 採購明耀電力公司供應的蒸汽	(viii) Purchase of steam supply from Mingyao Electric Company	11,642	—
(ix) 申洲大港提供的加工服務	(ix) Processing services provided by Shenzhou Dagang	1,436	—
(x) 向紹興縣華西包裝品有限公司 (「華西包裝品公司」) 採購包裝物料	(x) Purchase of packing materials from Shaoxing County Huaxi Packaging Materials Company Limited; (“Huaxi Packaging Company”)	13,599	10,803

36. 關連人士交易 (續)

36. RELATED PARTY TRANSACTIONS (Continued)

(b) 與關連人士的結餘

(b) Balances with related parties

本集團與其關連人士有下列重大結餘：

The Group had the following significant balances with its related parties:

		二零零五年 2005 人民幣千元 RMB'000	二零零四年 2004 人民幣千元 RMB'000
(i) 應收關連人士 款項—非貿易 — 董事及彼等的 聯繫人	(i) Due from related parties — non-trade — From directors and their associates		
馬建榮先生	Mr. Ma Jianrong	—	26,173
黃關林先生	Mr. Huang Guanlin	—	628
馬建華女士	Ms. Ma Jianhua	—	2,368
金梅嵐女士	Ms. Jin Meilan	—	941
— 關連公司	— From related companies	—	30,110
申洲置業	Shenzhou Properties	—	552,488
寧波北侖華華 製衣有限公司 (「華華製衣」)	Ningbo Beilun Huahua Garments Co., Ltd. ("Huahua Garments")	—	3,983
寧波天山世通 紡織有限公司 (「天山世通」)	Ningbo Tianshan Shitong Weaving Co., Ltd. ("Tianshan Shitong")	—	1,170
		—	557,641
		—	587,751

36. 關連人士交易 (續)

36. RELATED PARTY TRANSACTIONS (Continued)

(b) 與關連人士的結餘 (續)

(b) Balances with related parties (Continued)

年內應收關連人士款項之最高結餘如下：

Maximum balance outstanding for amounts due from related parties during the year were:

		二零零五年 2005 人民幣千元 RMB'000	二零零四年 2004 人民幣千元 RMB'000
董事及彼等的聯繫人	— From directors and their associates		
— 馬寶興先生	Mr. Ma Baoxing	563	351
— 馬建榮先生	Mr. Ma Jianrong	52,402	37,562
— 黃關林先生	Mr. Huang Guanlin	485	1,181
— 馬建華女士	Ms. Ma Jianhua	—	2,368
— 金梅嵐女士	Ms. Jin Meilan	941	1,123
有關連公司	— From related companies		
— 華華製衣	Huahua Garments	4,583	3,983
— 天山世通	Tianshan Shitong	1,170	1,170
— 榮榮實業	Rongrong Industrial	7,904	17,749
— 申洲置業	Shenzhou Properties	640,012	552,488
— 明耀電力公司	Mingyao Electric Company	—	50,000
— 申洲世通	Shenzhou Shitong	28,662	—
— 申洲進出口	Shenzhou Import & Export	2,507	—
— 申洲大港	Shenzhou Dagang	33,234	—
— 寧波織造	Ningbo Weaving	112	—

36. 關連人士交易 (續)

36. RELATED PARTY TRANSACTIONS (Continued)

(b) 與關連人士的結餘 (續)

(b) Balances with related parties (Continued)

		二零零五年 2005 人民幣千元 RMB'000	二零零四年 2004 人民幣千元 RMB'000
(ii) 應付關連人士 款項	(ii) Due to related parties		
— 貿易相關	— Trade related		
華西包裝品 公司	Huaxi Packaging Company	3	742
		3	742
— 非貿易	— Non-trade		
榮榮針織	Rongrong Knitwear	—	46,759
榮榮實業	Rongrong Industrial	—	2,597
錦都時裝	Jindu Fashion	—	36,735
世通	Worldon	22,139	1,371
		22,139	87,462
		22,142	88,204