

bossini Bossini International Holdings Limited
堡獅龍國際集團有限公司

bossini

Interim Report 中期報告

0607

Global distribution network 全球分銷網絡

At 31 March 2007

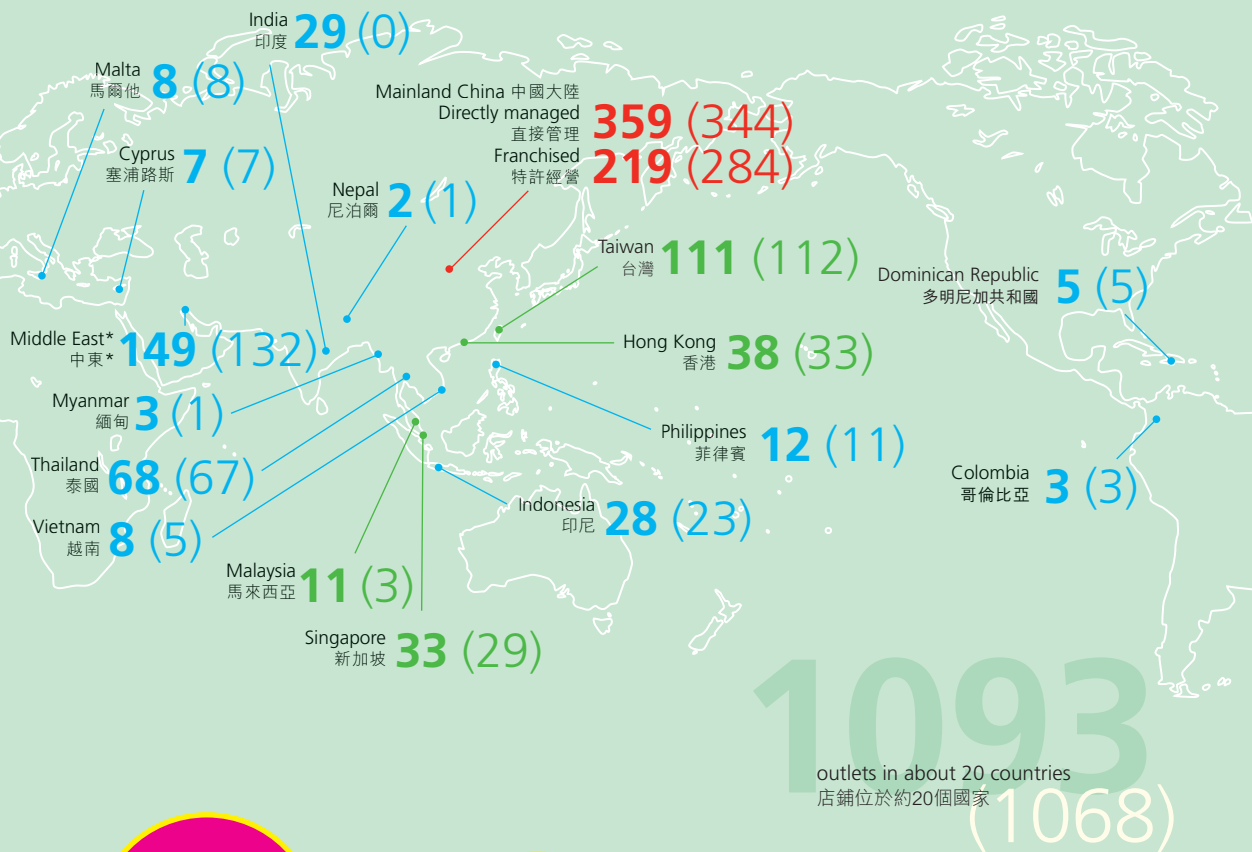
於二零零七年三月三十一日

* The Middle East includes UAE, Qatar, Lebanon, Bahrain, Kuwait, Iran, Jordan, Saudi Arabia and Oman

中東包括阿拉伯聯合酋長國、卡塔爾、黎巴嫩、巴林、科威特、伊朗、約旦、沙特阿拉伯及阿曼

() Figures at 31 March 2006 are shown in brackets

於二零零六年三月三十一日之數字以括號表示



578
(628)

directly managed and franchised outlets in Mainland China
位於中國大陸的直接管理及特許經營店舖

322
(263)

export franchised outlets
出口特許經營店舖

193
(177)

directly managed outlets in Hong Kong, Taiwan, Singapore and Malaysia
位於香港、台灣、新加坡及馬來西亞的直接管理店舖

Financial and operational highlights 財務及營運摘要

Financial performance 財務表現

	In HK\$mn 港幣百萬元 2007 二零零七年	In HK\$mn 港幣百萬元 2006 二零零六年	Change 轉變
Twelve months ended 31 March 截至三月三十一日止十二個月			
Revenue 收益	2,105	2,200	-4%
Gross profit 毛利	990	1,025	-3%
Profit from operating activities 營運業務溢利	44	140	-68%
Profit for the period attributable to equity holders 權益持有人應佔期內溢利	20	105	-81%
Basic EPS (in HK cents) 每股基本盈利(港仙)	1.26	6.69	-81%
First interim dividend per share (in HK cents) 第一次每股中期股息(港仙)	-	1.8	-100%
Second interim dividend per share (in HK cents) 第二次每股中期股息(港仙)	-	-	-
Proposed final dividend per share [△] (in HK cents) 擬派每股末期股息 [△] (港仙)	-	1.8	-100%
Payout ratio (%) 派息比率(%)	0%	54%	-54% pts 個百分點
Gross margin (%) 毛利率(%)	47%	47%	0% pt 個百分點
Operating margin (%) 營運溢利率(%)	2%	6%	-4% pts 個百分點
Net margin (%) 淨溢利率(%)	1%	5%	-4% pts 個百分點
EBITDA 未計利息、稅項、折舊 及攤銷前盈利	102	191	-47%
EBITDA margin (%) 未計利息、稅項、折舊 及攤銷前溢利率(%)	5%	9%	-4% pts 個百分點

[△] Not yet proposed for the twelve months ended 31 March 2007 due to the change of financial year end date from 31 March to 30 June
由於財政年度結算日由三月三十一日更改為六月三十日，因此截至二零零七年三月三十一日止十二個月內，尚未建議派發

Global distribution network 全球分銷網絡

	At 31 March 2007 於二零零七年三月三十一日	At 31 March 2006 於二零零六年三月三十一日	Change 轉變
Hong Kong 香港			
Directly managed outlets 直接管理店鋪	38	33	+5
Mainland China 中國大陸			
Directly managed outlets 直接管理店鋪	359	344	+15
Franchised outlets 特許經營店鋪	219	284	-65
Sub-total 小計	578	628	-50
Taiwan 台灣			
Directly managed outlets 直接管理店鋪	111	112	-1
Singapore 新加坡			
Directly managed outlets 直接管理店鋪	33	29	+4
Malaysia 馬來西亞			
Directly managed outlets 直接管理店鋪	11	3	+8
Other countries 其他國家			
Export franchised outlets 出口特許經營店鋪	322	263	+59
Total 合共			
Directly managed outlets 直接管理店鋪	552	521	+31
Franchised outlets 特許經營店鋪	541	547	-6
	1,093	1,068	+25

Key financial indicators 主要財務指標

	At 31 March 2007 於二零零七年 三月三十一日	At 31 March 2006 於二零零六年 三月三十一日	Change 轉變
Inventory turnover* (days) 存貨周轉期* (天)	41	42	-1 day 天
Inventory level (in HK\$mn) 存貨水平(港幣百萬元)	237	254	-7%
Current ratio (times) 流動比率(倍)	2.27	2.35	-3%
Time deposits, cash and bank balances (in HK\$mn) 定期存款和現金 及銀行結餘 (港幣百萬元)	199	244	-18%
Net cash [†] (in HK\$mn) 現金淨額 [†] (港幣百萬元)	195	244	-20%
Total liabilities to equity ratio (%) 總負債對股東權益 比率(%)	45%	46%	-1% pt 個百分點
Capital expenditure (in HK\$mn) 資本開支(港幣百萬元)	93	81	+15%

* Inventory held at 31 March divided by revenue times 365 days

† 於三月三十一日所持有之存貨除以收益乘365天

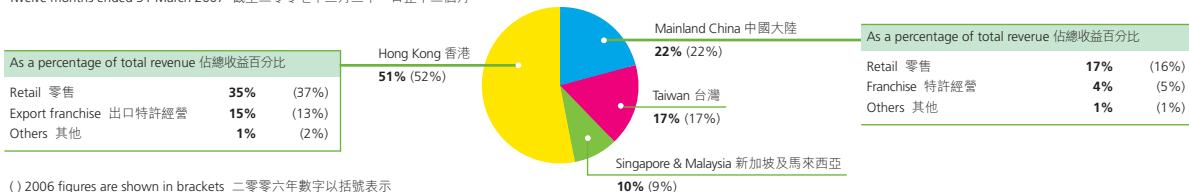
[†] Time deposits, cash and bank balances less bank loans
定期存款和現金及銀行結餘減銀行貸款

Regional performance analyses 按地區表現之分析

Twelve months ended 31 March 截至三月三十一日止十二個月	Sales (in HK\$mn) 銷售額 (港幣百萬元)			Profit/(loss) from operating activities (in HK\$mn) 營運業務溢利/(虧損) (港幣百萬元)			Operating margin (%) 營運溢利率 (%)		
	2007 二零零七年	2006 二零零六年	Change 轉變	2007 二零零七年	2006 二零零六年	Change 轉變	2007 二零零七年	2006 二零零六年	Change 轉變
Retail 零售									
Hong Kong 香港	745	815	-9%	18	51	-65%	2%	6%	-4% pts 個百分點
Mainland China 中國大陸	356	351	+1%	(26)	(9)	-189%	-7%	-3%	-4% pts 個百分點
Taiwan 台灣	349	379	-8%	(39)	(10)	-290%	-11%	-3%	-8% pts 個百分點
Singapore 新加坡	197	200	-2%	5	19	-74%	3%	10%	-7% pts 個百分點
Malaysia 馬來西亞	13	1	+1,200%	(2)	(1)	-100%	-15%	-100%	+85% pts 個百分點
Total 合共	1,660	1,746	-5%	(44)	50	-188%	-3%	3%	-6% pts 個百分點
Franchise 特許經營									
Hong Kong Export 香港出口	309	291	+6%	92	86	+7%	30%	30%	0% pt 個百分點
Mainland China 中國大陸	95	110	-14%	7	15	-53%	7%	14%	-7% pts 個百分點
Total 合共	404	401	+1%	99	101	-2%	25%	25%	0% pt 個百分點
Regional Total 區域總計									
Hong Kong 香港	1,072	1,130	-5%	99	125	-21%	9%	11%	-2% pts 個百分點
Mainland China 中國大陸	474	490	-3%	(19)	7	-371%	-4%	1%	-5% pts 個百分點
Taiwan 台灣	349	379	-8%	(39)	(10)	-290%	-11%	-3%	-8% pts 個百分點
Singapore 新加坡	197	200	-2%	5	19	-74%	3%	10%	-7% pts 個百分點
Malaysia 馬來西亞	13	1	+1,200%	(2)	(1)	-100%	-15%	-100%	+85% pts 個百分點
Consolidated 綜合	2,105	2,200	-4%	44	140	-68%	2%	6%	-4% pts 個百分點

Revenue by geographical market 按區域分類之收益

Twelve months ended 31 March 2007 截至二零零七年三月三十一日止十二個月



Regional retail performance indicators 地區零售銷售表現指標

Twelve months ended 31 March 截至三月三十一日止十二個月	Same store sales growth (%)* 同店銷售額增長 (%)*			Floor area (sq. ft.) 樓面面積 (平方呎)	
	2007 二零零七年	2006 二零零六年	2007 二零零七年	2006 二零零六年	Change 轉變
Hong Kong 香港	-8%	-5%	141,800	111,400	+27%
Mainland China 中國大陸	0%	-9%	311,100	307,300	+1%
Taiwan 台灣	-16%	-11%	159,100	176,000	-10%
Singapore 新加坡	-14%	+3%	36,400	32,000	+14%
Malaysia 馬來西亞	N/A 不適用	N/A 不適用	14,700	4,400	+234%
Consolidated 綜合	-9%	-5%	663,100	631,100	+5%

* Same store sales growth is the comparison of sales of the same stores having full month operations in comparable periods (no comparison for Malaysia as the operation in financial year 2005/06 was not on a full year term)

同店銷售額增長為相同店舖於比較期內完整月份之銷售額比較 (由於馬來西亞在 2005/2006 財政年度不是全年營運，因此不作比較)

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MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL PERFORMANCE

The board of directors (the "Board") of **Bossini International Holdings Limited** (the "Company") announces the unaudited consolidated results of the Company and its subsidiaries (the "Group" or "Bossini") for the 12 months ended 31 March 2007.

During the period under review, market competition continued to intensify. Rental and staff costs remained at high level and affected the Group's profitability in both Hong Kong and other core markets.

Performance of the Group's retail sales was far from satisfactory in the 12 months ended 31 March 2007. Despite this, the Group's sales showed quarter-on-quarter improvements along with the progressive launching of spring/summer 2007 collection. Therefore, after experiencing sluggish sales in the third quarter, sales picked up gradually in the fourth quarter of 2006/07.

The Group's consolidated revenue for the 12 months ended 31 March 2007 declined year-on-year by 4% to HK\$2,105 million (2006: HK\$2,200 million). Gross profit of the Group decreased by 3% to HK\$990 million (2006: HK\$1,025 million). The gross margin was maintained at a stable level of 47% (2006: 47%). Operating profit and operating margin were HK\$44 million (2006: HK\$140 million) and 2% (2006: 6%), respectively. Profit for the period attributable to equity holders decreased to approximately HK\$20 million (2006: HK\$105 million).

管理層討論及分析

財務表現

堡獅龍國際集團有限公司(「本公司」)董事局(「董事局」)謹此宣佈本公司及其附屬公司(「本集團」或「堡獅龍」)截至二零零七年三月三十一日止十二個月未經審核之綜合業績。

於回顧期間，市場競爭持續加劇。租金開支及僱員成本高企，影響本集團在香港及其他核心市場的盈利。

本集團的零售銷售額截至二零零七年三月三十一日止十二個月之表現未如理想。儘管如此，隨著二零零七年春夏系列逐步推出，本集團銷售按季改善。因此，在第三季錄得疲乏的銷售表現後，二零零六／零七年度第四季銷售額漸見好轉。

截至二零零七年三月三十一日止十二個月內，本集團之綜合收益按年下降4%，至港幣21.05億元(二零零六年：港幣22.00億元)。毛利下降3%至港幣9.90億元(二零零六年：港幣10.25億元)。毛利率維持於47%(二零零六年：47%)的穩定水平。營運溢利及營運溢利率分別為港幣4.4千萬元(二零零六年：港幣1.40億元)及2%(二零零六年：6%)。權益持有人應佔期內溢利減少至約港幣2千萬元(二零零六年：港幣1.05億元)。

FINANCIAL PERFORMANCE

Operating Efficiencies

The increased number of new market entrants in the apparel sector has drawn keener competition in the region. The vast number of product choices reduced the Group's product competitiveness. Overall same store sales therefore posted a negative growth of 9% (2006: 5% negative growth) during the 12 months ended 31 March 2007. Net retail sales per sq. ft. reduced by 14% year-on-year to HK\$2,500 (2006: HK\$2,900).

The Group's operating expenses for the 12 months ended 31 March 2007 rose 6% to HK\$954 million (2006: HK\$902 million), which accounted for 45% of the total revenue of the Group (2006: 41%). The rise in operating expenses was mainly due to the surge in rental and staff cost.

Operating Cost Analysis

For the twelve months ended 31 March

	2007 二零零七年		2006 二零零六年		Change 轉變
	HK\$ million 港幣 百萬元	% of revenue 佔收益 百分比	HK\$ million 港幣 百萬元	% of revenue 佔收益 百分比	
Revenue 收益	2,105	100%	2,200	100%	-4%
Selling and distribution costs 銷售及分銷成本	704	33%	661	30%	+7%
Administrative expenses 行政開支	219	11%	202	9%	+8%
Other operating expenses 其他營運開支	31	1%	39	2%	-21%
Total operating expenses 總營運開支	954	45%	902	41%	+6%

財務表現

營運效益

新加入服裝行業的競爭者數目增加，導致區內競爭愈演愈烈。市場上產品選擇眾多，削弱了本集團產品的競爭力。截至二零零七年三月三十一日止十二個月，整體同店銷售額因而錄得9%負增長（二零零六年：5%負增長），而每平方呎淨零售銷售額較去年同期下降14%至港幣2,500元（二零零六年：港幣2,900元）。

截至二零零七年三月三十一日止十二個月，本集團的營運成本上升6%至港幣9.54億元（二零零六年：港幣9.02億元），佔本集團總收益的45%（二零零六年：41%）。營運成本增加主要是由於租金開支及僱員成本上升所致。

營運成本分析

截至三月三十一日止十二個月

FINANCIAL PERFORMANCE

Change of Inventory Provision Policy

The Group revised its inventory provision policy during the period under review. If the old inventory provision policy were applied for the current period, profit for the period attributable to equity holders would be HK\$16.9 million less. The Group anticipates that this revision of inventory policy will facilitate better inventory and margin management.

Change of Financial Year End Date

The financial year end date of the Company has been changed from 31 March to 30 June commencing from the financial year 2006/2007 (for details, please refer to the Company's announcement dated 7 February 2007). Accordingly, this unaudited interim results covered the period from 1 April 2006 to 31 March 2007. The publication of the preliminary announcement of the audited final results and the distribution of the annual report for the 15-month period from 1 April 2006 to 30 June 2007 will be made on or before 31 October 2007.

BUSINESS REVIEW

Network Expansion

During the 12 months ended 31 March 2007, the Group's number of outlets worldwide recorded a net increase of 25 stores to a total of 1,093 (2006: 1,068), covering more than 20 countries and regions as at 31 March 2007. Of these, 552 (2006: 521) were directly managed outlets, while 541 (2006: 547) were franchised outlets.

財務表現

存貨撥備政策轉變

本集團於期內更改其存貨撥備政策，若按原有的存貨撥備政策，權益持有人應佔期內溢利將會減少約港幣1.69千萬元。本集團預期更新後的存貨撥備政策將有助取得更佳的存貨及利潤管理。

更改財政年度結算日

自二零零六／零七年度起，本公司的財政年度結算日已由三月三十一日更改為六月三十日(詳情請見本公司於二零零七年二月七日刊發的公佈)。因此，本份未經審核中期業績涵蓋期間由二零零六年四月一日起至二零零七年三月三十一日止。本集團將於二零零七年十月三十一日或之前公佈由二零零六年四月一日至二零零七年六月三十日止十五個月期間之經審核全年初步業績及寄發年報。

業務回顧

網絡擴充

截至二零零七年三月三十一日止十二個月期內，本集團在全球店鋪總數淨增加25間，令店鋪總數達1,093間(二零零六年：1,068間)，覆蓋超過20個國家及地區，其中包括552間(二零零六年：521間)直接管理店鋪及541間(二零零六年：547間)特許經營店鋪。

BUSINESS REVIEW

Network Expansion (continued)

Geographically, the Group had 359 directly managed and 219 franchised outlets in Mainland China, 111 directly managed outlets in Taiwan, 11 directly managed outlets in Malaysia, 33 directly managed outlets in Singapore, 38 directly managed outlets in Hong Kong and 322 franchised outlets in about 20 countries, mainly in the Middle East and Southeast Asia. The Group also established footprints in India and Oman. The total retail floor space of the Group increased by 5% to 663,100 sq. ft. as at 31 March 2007 (2006: 631,100 sq. ft.).

Brand Revamp Program

Having been in the industry for two decades, “bossini” has been a familiar name as a mass apparel brand offering high quality, value-for-money products for consumers in the region. To increase its competitiveness and rejuvenate the brand, the Group embarked on an integrated brand revamp program to inject new family essence and values to the “bossini” brand that synchronize with its mission of caring for the needs of every family member in every aspect from product offering, shop décor to shopping experience.

The Group appointed an internationally renowned designer to lead the comprehensive brand revamp program. A new brand icon design and revolutionary shop décor were introduced to provide a more enjoyable shopping experience to customers. The new bright green color implies youth, growth, vibrancy and care for the environment to bring out the Group’s vision to be a brand for every family member, while the signature lamp icon signifies warmth and home feeling.

業務回顧

網絡擴充 (續)

按地區分佈而言，本集團於中國大陸經營 359間直接管理店舖及219間特許經營店舖；於台灣設有111間直接管理店舖；馬來西亞11間直接管理店舖；新加坡33間直接管理店舖；香港38間直接管理店舖；及322間特許經營店舖分佈於其他約20個國家，以中東及東南亞為主。本集團亦成功開拓印度及阿曼市場。於二零零七年三月三十一日，本集團的總零售樓面面積增加5%至663,100平方呎(二零零六年：631,100平方呎)。

品牌更新計劃

“bossini”在業內屹立二十年，是家傳戶曉的大眾服裝品牌，於區內向消費者提供優質兼物有所值的產品。為了提升競爭力及更新品牌，本集團推行了一項綜合品牌更新計劃，為“bossini”品牌注入新的家庭元素及價值，配合本集團從產品、店舖環境至購物體驗各方面關注每名家庭成員需要的宗旨。

本集團聘用了一位國際知名的設計師，統籌此涉獵廣泛的品牌更新計劃。本集團擁有一個新的品牌標誌，並革新了店舖環境，冀能令顧客獲得更愉快的購物體驗。新標誌採用鮮明的綠色代表青春、成長、朝氣及對環境的關注，而新的電燈圖案則代表溫暖及家的感覺，充份表現出本集團致力成為照顧每個家庭成員所需的品牌之願景。

BUSINESS REVIEW

Regional performance analyses

For the twelve months ended 31 March
截至三月三十一日止十二個月

業務回顧

按地區表現之分析

		Hong Kong 香港			Mainland China 中國大陸		
		2007 二零零七年	2006 二零零六年	Change 轉變	2007 二零零七年	2006 二零零六年	Change 轉變
Retail	零售						
Net retail sales (in HK\$ million)	零售淨銷售額 (港幣百萬元)	745	815	-9%	356	351	+1%
Operating profit/(loss) (in HK\$ million)	營運溢利/(虧損) (港幣百萬元)	18	51	-65%	(26)	(9)	-189%
Operating margin (%)	營運溢利率(%)	2%	6%	-4%pts 個百分點	-7%	-3%	-4%pts 個百分點
Retail floor area (sq. ft.) ^(a)	零售樓面面積 (平方呎) ^(a)	141,800	111,400	+27%	311,100	307,300	+1%
Net sales per sq. ft. (in HK\$) ^(b)	每平方米淨銷售額 (港幣) ^(b)	5,800	7,300	-21%	1,100	1,200	-8%
Same store sales growth ^(c)	同店銷售額增長 ^(c)	-8%	-5%	-3%pts 個百分點	0%	-9%	+9%pts 個百分點
No. of outlets	店鋪數目	38	33	+5	359	344	+15
Franchise	特許經營						
Sales (in HK\$ million)	銷售額 (港幣百萬元)	309	291	+6%	95	110	-14%
Operating profit (in HK\$ million)	營運溢利 (港幣百萬元)	92	86	+7%	7	15	-53%
Operating margin (%)	營運溢利率(%)	30%	30%	0%pt 個百分點	7%	14%	-7%pts 個百分點
No. of outlets	店鋪數目	322	263	+59	219	284	-65
Regional total	區域總計						
Sales (in HK\$ million)	銷售額 (港幣百萬元)	1,072	1,130	-5%	474	490	-3%
Operating profit/(loss) (in HK\$ million)	營運溢利/(虧損) (港幣百萬元)	99	125	-21%	(19)	7	-371%
Operating margin (%)	營運溢利率(%)	9%	11%	-2%pts 個百分點	-4%	1%	-5%pts 個百分點
No. of outlets	店鋪數目	38 ^(d)	33 ^(d)	+5	578	628	-50

Notes:

- (a) As at 31 March
(b) On weighted average basis

附註:

- (a) 於三月三十一日
(b) 加權平均基準

Taiwan 台灣			Singapore 新加坡			Malaysia 馬來西亞			Total 合共		
2007 二零零七年	2006 二零零六年	Change 轉變	2007 二零零七年	2006 二零零六年	Change 轉變	2007 二零零七年	2006 二零零六年	Change 轉變	2007 二零零七年	2006 二零零六年	Change 轉變
349 (39)	379 (10)	-8% -290%	197 5	200 19	-2% -74%	13 (2)	1 (1)	+1,200% -100%	1,660 (44)	1,746 50	-5% -188%
-11%	-3%	-8%pts 個百分點	3%	10%	-7%pts 個百分點	-15%	-100%	+85%pts 個百分點	-3%	3%	-6%pts 個百分點
159,100 2,000 -16%	176,000 2,500 -11%	-10% -20% -5%pts 個百分點	36,400 6,100 -14%	32,000 6,400 +3%	+14% -5% -17%pts 個百分點	14,700 1,400 n/a不適用	4,400 1,100 n/a不適用	+234% +27% n/a不適用	663,100 2,500 -9%	631,100 2,900 -5%	+5% -14% -4%pts 個百分點
111	112	-1	33	29	+4	11	3	+8	552	521	+31
n/a不適用	n/a不適用	n/a不適用	n/a不適用	n/a不適用	n/a不適用	n/a不適用	n/a不適用	n/a不適用	404	401	+1%
n/a不適用	n/a不適用	n/a不適用	n/a不適用	n/a不適用	n/a不適用	n/a不適用	n/a不適用	n/a不適用	99	101	-2%
n/a不適用	n/a不適用	n/a不適用	n/a不適用	n/a不適用	n/a不適用	n/a不適用	n/a不適用	n/a不適用	25%	25%	0%pt 個百分點
n/a不適用	n/a不適用	n/a不適用	n/a不適用	n/a不適用	n/a不適用	n/a不適用	n/a不適用	n/a不適用	541	547	-6

Consolidated綜合

349 (39)	379 (10)	-8% -290%	197 5	200 19	-2% -74%	13 (2)	1 (1)	+1,200% -100%	2,105 44	2,200 140	-4% -68%
-11%	-3%	-8%pts 個百分點	3%	10%	-7%pts 個百分點	-15%	-100%	+85%pts 個百分點	2%	6%	-4%pts 個百分點
111	112	-1	33	29	+4	11	3	+8	1,093	1,068	+25

(c) Same store sales growth is the comparison of sales of the same stores having full month operations in comparable periods (no comparison for Malaysia as the operation in financial year 2005/06 was not on a full year term)

(d) No. of export franchised outlets is not included

(c) 同店銷售額增長為相同店鋪於比較期內完整月份之銷售額比較（由於馬來西亞在2005/06財政年度不是全年營運，因此不作比較）

(d) 不包括出口特許經營店鋪

BUSINESS REVIEW

Key Operations Breakdown and Analyses

The Group operates on a global platform, with core markets located in Hong Kong, Mainland China, Taiwan, Singapore and Malaysia. During the period under review, Hong Kong remained the major source of income for the Group, representing 51% of its consolidated revenue, followed by Mainland China, Taiwan, Singapore and Malaysia, which accounted for 22%, 17%, 9% and 1%, respectively, of the Group's consolidated revenue.

Hong Kong

For the 12 months ended 31 March 2007, total revenue generated from Hong Kong amounted to HK\$1,072 million (2006: HK\$1,130 million). The retail and export franchising businesses accounted for 35% and 15% (2006: 37% and 13%), respectively, of the Group's total revenue. The overall operating profit in Hong Kong was HK\$99 million (2006: HK\$125 million), while operating margin was 9% (2006: 11%).

In line with the new mission of being a family-fit brand and providing home feeling to customers, the Group launched a total of three new product lines, namely Maternity, Baby and Youth to fulfill its customers' demand. The market response to the new products has been encouraging. In addition to the promotion of "bossini" brand, the Group also implemented marketing campaigns for the new product lines and licensed products in order to penetrate different market segments.

業務回顧

主要業務細分及分析

本集團擁有一個全球性的業務平台，以香港、中國大陸、台灣、新加坡及馬來西亞為核心市場。回顧期內，香港仍然是本集團的主要收入來源，佔綜合收益的51%，其次為中國大陸、台灣、新加坡及馬來西亞，分別佔本集團綜合收益的22%、17%、9%及1%。

香港

截至二零零七年三月三十一日止十二個月，香港總收益為港幣10.72億元（二零零六年：港幣11.30億元）。零售業務及出口特許經營業務分別佔本集團總收益的35%及15%（二零零六年：分別為37%及13%）。香港整體營運溢利為港幣9.9千萬元（二零零六年：港幣1.25億元），營運溢利率則為9%（二零零六年：11%）。

為了配合成為家庭貼心品牌及給予顧客一種「家」感覺的新使命，本集團推出了三個新產品系列以迎合顧客需要，分別是孕婦、嬰兒和年青系列。市場對新產品的反應理想，令人鼓舞。除了推廣“bossini”品牌外，本集團亦就新產品系列和專利授權產品實行了連串市場推廣活動，務求滲透不同的市場分部。

BUSINESS REVIEW

Hong Kong (continued)

Bossini added 5 directly managed outlets in Hong Kong in the 12 months under review, bringing the total number of outlets to 38 (2006: 33) as at 31 March 2007 and the total retail floor area to 141,800 sq. ft. (2006: 111,400 sq. ft.), representing a 27% year-on-year increase. A remarkable 4-storey flagship store was opened at the end of March 2007. Retail sales reached HK\$745 million (2006: HK\$815 million). Though same store sales recorded a negative growth of 8% (2006: 5% negative growth) during the period under review, it showed a pickup trend in the fourth quarter of 2006/07. Operating profit of the Hong Kong retail market declined 65% to HK\$18 million (2006: HK\$51 million) with an operating margin of 2% (2006: 6%).

The export franchising business posted moderate growth. Revenue for export franchising rose by 6% year-on-year to HK\$309 million (2006: HK\$291 million). Operating profit increased by 7% to HK\$92 million (2006: HK\$86 million), operating margin was 30% (2006: 30%). For overseas franchising business, 59 outlets were opened during the past twelve months. The Group commenced export franchising business in India and Oman during the period under review.

業務回顧

香港(續)

在回顧期之十二個月內，堡獅龍於香港增設了5間直接管理店鋪，使店鋪數目於二零零七年三月三十一日增加至38間(二零零六年：33間)。總零售樓面面積較去年同期上升27%至141,800平方呎(二零零六年：111,400平方呎)。一間獨樹一幟樓高四層的旗艦店已於二零零七年三月底開幕。零售銷售額為港幣7.45億元(二零零六年：港幣8.15億元)。雖然於回顧期內之同店銷售額錄得8%負增長(二零零六年：5%負增長)，惟有相關數字於二零零六／零七年度的第四季逐步改善。香港零售業務的營運溢利下降65%至港幣1.8千萬元(二零零六年：港幣5.1千萬元)，營運溢利率為2%(二零零六年：6%)。

出口特許經營業務增長溫和，收益按年上升6%，至港幣3.09億元(二零零六年：港幣2.91億元)，營運溢利增長7%，至港幣9.2千萬元(二零零六年：港幣8.6千萬元)，營運溢利率則為30%(二零零六年：30%)。於過去十二個月內，出口特許經營業務方面新增了59間店鋪。本集團亦於回顧期內在印度及阿曼開展了特許經營業務。

BUSINESS REVIEW

Mainland China

Sales in the Mainland China market showed a modest comeback during the fourth quarter of 2006/07, despite the overall unsatisfactory performance on a 12-month period under review.

The Group's focus has always been on profitability. In line with this goal, the Group had evaluated individual store performance and realigned its operations in Mainland China. While 15 directly managed outlets were added, bringing the total number of directly managed outlets to 359 (2006: 344), 65 franchised outlets were closed, reducing the number of franchised outlets to 219 (2006: 284). The total number of outlets in Mainland China was therefore reduced to 578 (2006: 628). Total retail floor area increased to 311,100 sq. ft. (2006: 307,300 sq. ft.).

For the directly managed network, 249 (2006: 225) were "bossini" outlets and 110 (2006: 119) were "sparkle" outlets. For the franchising network, 172 (2006: 209) were "bossini" outlets and 47 (2006: 75) were "sparkle" outlets.

業務回顧

中國大陸

中國大陸的銷售額儘管在回顧的十二個月期間整體表現未如理想，惟於二零零六／零七年度第四季則開始重拾升軌。

本集團一向強調提高盈利，為了達到此目標，本集團對個別店鋪表現進行了評估，並重組了中國大陸的業務。直接管理店鋪增加了15間，令直接管理店鋪總數達到359間（二零零六年：344間），特許經營店鋪則關閉了65間，令特許經營店鋪總數減少至219間（二零零六年：284間）。本集團於中國大陸的店鋪總數因而減少至578間（二零零六年：628間），惟總零售樓面面積則增加至311,100平方呎（二零零六年：307,300平方呎）。

於直接管理網絡中，249間（二零零六年：225間）為“bossini”店鋪，110間（二零零六年：119間）為“sparkle”店鋪。特許經營店鋪網絡方面，172間（二零零六年：209間）為“bossini”店鋪，47間（二零零六年：75間）為“sparkle”店鋪。

BUSINESS REVIEW

Mainland China (continued)

During the 12 months under review, sales decreased 3% year-on-year to HK\$474 million (2006: HK\$490 million). Sales from directly managed outlets increased 1% to HK\$356 million (2006: HK\$351 million) while sales from franchised outlets dropped 14% to HK\$95 million (2006: HK\$110 million). Same store sales for the retail business in Mainland China remained flat (2006: 9% negative growth), but considerable pickup was seen in the fourth quarter with positive double-digit same store sales growth.

All of the three brands in the Mainland China, namely “bossini”, “bossinistyle” and “sparkle” performed below expectation and resulted in an operating loss of HK\$19 million (2006: HK\$7 million operating profit) for the 12 months ended 31 March 2007. The operating margin was negative 4% (2006: positive 1%).

Taiwan

In light of the competitive market condition resulted from economic downturn and political instability during the period under review, the Group closed 1 outlet during the period under review, resulting a total number of 111 (2006: 112). Total retail floor area was 159,100 sq. ft. (2006: 176,000 sq. ft.).

Sales in Taiwan decreased by 8% to HK\$349 million (2006: HK\$379 million) and same store sales experienced a drop of 16% (2006: 11% negative growth). Operating loss amounted to HK\$39 million (2006: HK\$10 million loss) with operating margin negative 11% (2006: negative 3%).

業務回顧

中國大陸 (續)

於回顧期之十二個月內，銷售額較去年同期下降3%至港幣4.74億元(二零零六年：港幣4.90億元)。當中，來自直接管理店鋪的銷售額增加1%至港幣3.56億元(二零零六年：港幣3.51億元)，而特許經營店鋪的銷售額則下降14%至港幣9.5千萬元(二零零六年：港幣1.1億元)。中國大陸零售業務之同店銷售額維持不變(二零零六年：9%負增長)，其中第四季表現顯著改善，錄得雙位數字的同店銷售額正增長。

截至二零零七年三月三十一日止十二個月，中國大陸的全部三個品牌“bossini”、“bossinistyle”及“sparkle”的表現均遜於預期，該區錄得港幣1.9千萬元營運虧損(二零零六年：港幣7百萬元營運溢利)。營運溢利率為負4%(二零零六年：正1%)。

台灣

台灣經濟衰退，加上政局不穩定，市場環境困難。本集團於期內在當地關閉了1間店鋪，令店鋪總數減少至111間(二零零六年：112間)。總零售樓面面積為159,100平方呎(二零零六年：176,000平方呎)。

台灣市場的銷售額下跌8%，至港幣3.49億元(二零零六年：港幣3.79億元)，同店銷售額則下降16%(二零零六年：11%負增長)。營運虧損為港幣3.9千萬元(二零零六年：港幣1.0千萬元虧損)。營運溢利率為負11%(二零零六年：負3%)。

BUSINESS REVIEW

Singapore

The performance in Singapore fell below expectation during the 12 months under review. At 31 March 2007, the total number of directly managed outlets reached 33 (2006: 29) and the total retail floor area increased by 14% to 36,400 sq. ft. (2006: 32,000 sq. ft.).

For the 12 months ended 31 March 2007, retail sales in Singapore declined 2% year-on-year to HK\$197 million (2006: HK\$200 million) while same store sales recorded a negative growth of 14% (2006: 3% positive growth). Despite this, since the “bossini” top line sales recorded growth throughout the second half of 2006/07 as compared with the same period of the previous year, the Group has an operating profit of HK\$5 million (2006: HK\$19 million) for the period under review with operating margin of 3% (2006: 10%).

Malaysia

As a new market with the Group with an operating history of about one year and a half, the Malaysian market was still in its infancy and in a mild operating loss of HK\$2 million (2006: HK\$1 million loss). The Group opened 8 outlets in the period under review, bringing the total number of stores to 11 (2006: 3). Sales revenue increased to HK\$13 million (2006: HK\$1 million).

業務回顧

新加坡

在回顧期之十二個月內，新加坡的業務表現遜於預期。於二零零七年三月三十一日，在新加坡市場經營直接管理店鋪總數為33間（二零零六年：29間），總零售樓面面積增加14%至36,400平方呎（二零零六年：32,000平方呎）。

截至二零零七年三月三十一日止的十二個月，新加坡零售銷售額較去年同期下降2%至港幣1.97億元（二零零六年：港幣2.00億元），同店銷售額錄得14%負增長（二零零六年：3%正增長）。儘管如此，由於“bossini”營業額在二零零六／零七年度下半年較上年度同期有所增長，本集團於回顧期內錄得營運溢利港幣5百萬元（二零零六年：港幣1.90千萬元），營運溢利率則為3%（二零零六年：10%）。

馬來西亞

馬來西亞為本集團的新市場，於該區的營運歷史僅為一年半，是以馬來西亞市場仍處於初步階段，錄得輕微營運虧損港幣2百萬元（二零零六年：港幣1百萬元虧損）。本集團於回顧期間，新增了8間店鋪，令店鋪總數增加至11間（二零零六年：3間）。銷售額增加至港幣1.3千萬元（二零零六年：港幣1百萬元）。

LIQUIDITY AND FINANCIAL RESOURCES

At 31 March 2007, the Group's cash and bank balances amounted to HK\$199 million (2006: HK\$244 million) and net cash balance of HK\$195 million (2006: HK\$244 million) after the payment of a final dividend of HK\$28.2 million in September 2006 for the last fiscal year. The Group's current ratio stood at a healthy level of 2.27 (2006: 2.35) and the total liabilities to equity ratio was 45% (2006: 46%). The Group had bank borrowings of HK\$4 million (2006: Nil) payable within one year.

The Group managed its inventories at a stable level and had improved its inventory turnover[#] to 41 days (2006: 42 days) for the period under review. Return on equity ratio was 3% (2006: 18%).

[#] Inventory held at 31 March divided by revenue times 365 days

CONTINGENT LIABILITIES

During the period under review, the Group had no material changes in contingent liabilities since 31 March 2006.

HUMAN CAPITAL

At 31 March 2007, the Group employed full-time staff or equivalent of 4,500 (2006: 4,300) in Hong Kong, Macau, Mainland China, Taiwan, Singapore and Malaysia. It employs a performance-based remuneration system by reference with market practices and rates with discretionary performance bonuses and offers benefits such as insurance, retirement and share option schemes.

流動資金及財政資源

於二零零六年九月派付上一財政年度之末期股息港幣2.82千萬元後，本集團於二零零七年三月三十一日之現金及銀行結餘為港幣1.99億元（二零零六年：港幣2.44億元）及現金淨額為港幣1.95億元（二零零六年：港幣2.44億元）。本集團的流動比率維持於2.27倍之健康水平（二零零六年：2.35倍），總負債對股東權益比率為45%（二零零六年：46%）。集團需於一年內償還的銀行貸款為港幣4百萬元（二零零六年：無）。

回顧期內，集團有效管理存貨於穩定水平，改善存貨周轉期[#]至41天（二零零六年：42天），股本回報率為3%（二零零六年：18%）。

[#] 於三月三十一日所持有之存貨除以收益乘365天

或然負債

於回顧期間，本集團自二零零六年三月三十一日起之或然負債並無重大變動。

人力資源

於二零零七年三月三十一日，本集團在香港、澳門、中國大陸、台灣、新加坡及馬來西亞共聘用4,500名（二零零六年：4,300名）全職員工。本集團引用以員工的工作表現、參考市場慣例和水平來釐定薪酬的機制，並按表現發放花紅，為員工提供保險、退休計劃以及購股權計劃等福利。

OUTLOOK

Going forward, the Group will continue its effort to achieve a revival with measures in place to enhance brand image, enrich product offering, strengthen overseas market penetration and realignment of non-performing outlets in both Taiwan and Mainland China. The Group is well poised to score a turning point in the coming year. The board is cautious yet optimistic about the Group's future development in the long-term.

During the period, the Group has been receiving good market response to its brand revamp initiatives in Hong Kong. The new brand icon and redecorated outlets attracted public attention effectively. Costs associated with the revamp rollout would be approximately HK\$35 million. The Group will roll out this successful formula to overseas markets in phases in this calendar year, applying the new "bossini" concepts around the world and further enhancing the refreshing brand image and its market awareness. We estimate that additional cost impact for the roll out of the new concept to the overseas markets would be mild. The management believes the long-term benefits derived from the program will far outweigh our costs and expenses.

On the product front, Bossini added three new product lines, Maternity, Baby and Youth, so to complement the new brand direction of "Understanding every family member's needs". The new product lines and licensed products launched in March 2007 have been well-received. In the next fiscal year, the Group will continue to extend and revitalize its product lines with new and innovative product designs and functional fabrics so as to stimulate consumption desire.

未來展望

展望將來，本集團將繼續致力透過加強品牌形象、強化產品系列、增加海外市場滲透率及重整台灣及中國大陸的虧蝕店鋪，令業績反彈。本集團已作好部署，於來年達到業績復甦。董事局對本集團未來的長遠發展表示審慎樂觀。

期內，本集團的品牌更新計劃廣受香港市場接納，好評如潮，成效顯著。新的品牌標誌及重新裝修的店鋪成功吸引公眾。推行更新計劃的費用約港幣3.5千萬元。本集團將於未來一年於海外市場逐步展開此項成功的計劃，將"bossini"的新概念散播至全世界，進一步強化品牌形象的新鮮感及市場知名度。我們估計向海外市場推廣新概念所產生的額外成本影響輕微。管理層相信，計劃所帶來的長遠利益，將會遠遠抵銷我們付出的成本及開支。

在產品方面，堡獅龍新增了三個全新的產品系列，分別是孕婦、嬰兒和年青系列，以配合「了解每名家庭成員需要」的新品牌方向。在二零零七年三月推出的新產品系列及專利授權產品大受歡迎。於下個財政年度，本集團將繼續開拓具創新設計和功能性用料之新產品系列，刺激消費。

OUTLOOK

The outlook for the Hong Kong retail sector in the coming year looks mixed with both opportunities and challenges. The Group will continue to maintain a pragmatic expansion strategy with a strong emphasis on profitability and efficiency. With the improvement trend shown in the fourth quarter during the period, the management is confident that the Hong Kong operation has scored a turning point for further growth in the future. In order to further penetrate the mass market, four to five stores will be opened in the coming months.

Mainland China continues to be the world's fastest growing economy and its economic growth will remain buoyant during the coming financial year. The management remains optimistic that the Mainland China operation will continue the growth momentum gained during the fourth quarter of 2006/07. The brand image will be refreshed in alignment with the brand revamp program in Hong Kong. This initiative will bring a positive influence to the business in Mainland China. Realignment of the "sparkle" operation will be implemented to reduce operating costs, reallocate financial resources and enhance profitability. It is planned that 40 loss-making "sparkle" outlets will be closed in the coming year.

未來展望

來年，香港零售業之機遇和挑戰並存。本集團將繼續維持務實的擴張策略，強調盈利能力及效率。期內的第四季業績有所改善，管理層深信已成功扭轉弱勢，未來進一步增長可期。為了進一步進佔大眾市場，於未來數月會新增4至5間店鋪。

中國大陸一直是世界增長最快速的經濟體系，預期未來一個財政年度經濟增長仍然蓬勃。管理層有信心中國大陸業務於二零零六／零七年度第四季起始的增長勢頭將會持續。嚮應香港的品牌更新計劃，中國大陸業務的品牌形象亦將會注入活力，使國內業務受惠。本集團將重整 "sparkle" 業務，以節省營運成本、重置財務資源及加強盈利能力。預期來年將會關閉 40 間虧蝕的 "sparkle" 店鋪。

OUTLOOK

Taiwan's retail market is expected to remain sluggish due to political and economic instability. The Group will maintain its existing strategies and minimize outlet expansion in Taiwan in the year 2007/08. It plans to close down 27 outlets in the market, reducing the total number of outlets to 84. With appropriate consolidation of its existing network, the Group anticipates considerable improvements for its Taiwan operation in the near future.

The management expects further improvement in both Singapore and Malaysia markets. We will continue to expand sales network in both areas throughout the year 2007/08. We are particularly optimistic about the progressive growth of the Malaysia operation which will look set to be profitable in the long term once the operation becomes mature. We plan to increase the number of shops in Malaysia from 11 to 23. Three shops will also be added in Singapore.

Having delivered moderate performance levels during the 12 months under review, our export franchise business is well prepared for steady growth for future. The Group has launched the well-received new "Youth" product line to diversify its revenue streams and customer base. We expect to expand into five new countries in the upcoming year to further bolster market presence.

未來展望

由於政治局面及經濟的不穩定，預期台灣零售市場仍然停滯不前。二零零七／零八年度，本集團將保持現有的策略，收緊台灣市場的擴張步伐。集團計劃關閉市場上27間店鋪，將店鋪總數減少至84間。在完成網絡整合後，本集團預計台灣市場表現可於未來逐步改善。

公司管理層相信新加坡及馬來西亞業務將進一步改善，並且於二零零七／零八年內繼續擴大這兩個市場之銷售網絡。我們對馬來西亞的業務增長尤其樂觀，待營運成熟，可望長遠取得盈利。我們計劃增加馬來西亞市場之店鋪數目，由11間增加至23間。另外，亦會於新加坡市場增設3間店鋪。

集團的出口特許經營業務在回顧期之十二個月內表現溫和，而目前已為未來的穩定增長做好準備。本集團已將廣受歡迎的「年青」產品系列推出此市場，以擴充收入來源及客戶基礎。我們預計於來年拓展至5個新國家，以進一步穩固業務。

OUTLOOK

Leveraging on the successful brand revamp program, design innovation and pragmatic network expansion approach, the Group is well poised to have revitalization in its performance. In the coming year, the businesses in export franchising and Mainland China will continue to be its driving force of growth. The Group remains confident about the long-term growth potential.

DIVIDEND

The Board does not recommend payment of any dividend (2006: HK3.60 cents per ordinary share) for the 12 months ended 31 March 2007.

未來展望

憑藉成效超卓的品牌更新計劃，創新設計及務實的網絡擴充方法，本集團已作最佳部署，重展佳績。於未來年度，出口特許經營業務及中國大陸業務將繼續為本集團的增長動力，本集團對其長遠增長潛力充滿信心。

股息

董事局不建議派發截至二零零七年三月三十一日止十二個月股息（二零零六年：每股普通股3.6港仙）。

SUPPLEMENTARY INFORMATION

DIRECTORS' INTERESTS IN SHARES AND UNDERLYING SHARES

At 31 March 2007, the interests of the directors in the share capital and underlying shares of the Company or its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")), as recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") of the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules"), were as follows:

Long positions in ordinary shares of the Company:

補充資料

董事於股份及相關股份之權益

於二零零七年三月三十一日，董事於本公司或其相聯法團（具有證券及期貨條例（「證券及期貨條例」）第XV部所賦予之涵義）之股本及相關股份中，擁有本公司遵照證券及期貨條例第352條存置之登記冊所記錄之權益，或根據香港聯合交易所有限公司（「聯交所」）證券上市規則（「上市規則」）中有關上市公司董事進行證券交易的標準守則（「標準守則」）須知會本公司及聯交所之權益如下：

於本公司普通股之好倉：

Name of director 董事姓名	Number of shares held, capacity and nature of interest 持股數目、身份及權益性質		Total 合計	Percentage of the Company's issued share capital 佔本公司已發行 股本百分比
	Directly beneficially owned 直接實益擁有	Through controlled corporation 透過 受控法團擁有		
Mr. LAW Ka Sing 羅家聖先生	1,063,091,098	30,000,000	1,093,091,098	69.52

DIRECTORS' INTERESTS IN SHARES AND UNDERLYING SHARES

The interests of the directors in the share options of the Company are separately disclosed hereunder.

Save as disclosed above, at 31 March 2007, none of the directors had registered an interest or short position in the shares or underlying shares of the Company or any of its associated corporations that was required to be recorded pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed under the heading "Directors' interests in shares and underlying shares" above and the heading "Share Option Scheme" below, at no time during the period were rights to acquire benefits by means of the acquisition of shares in or debentures of the Company granted to any director or their respective spouse or minor children, or were any such rights exercised by them; or was the Company, or any of its subsidiaries a party to any arrangement to enable the directors to acquire such rights in any other body corporate.

DIRECTORS' INTERESTS IN CONTRACTS

No director had a material interest, either directly or indirectly, in any contract of significance to the business of the Group to which the Company or any of its subsidiaries was a party during the period.

董事於股份及相關股份之權益

董事於本公司購股權之權益另行在下列披露。

除上文所披露者外，於二零零七年三月三十一日，董事概無於本公司或其任何相聯法團之股份或相關股份中，擁有須遵照證券及期貨條例第352條予以記錄之權益或淡倉，或根據標準守則須知會本公司及聯交所之權益或淡倉。

董事購買股份或債券之權利

除於上述「董事於股份及相關股份之權益」及下述「購股權計劃」之披露事項所披露者外，本公司於期內任何時間概無授予任何董事或彼等各自之配偶或未成年子女藉收購本公司之股份或債券而取得利益之權利，而彼等亦無行使任何該等權利；本公司或其任何附屬公司概無參與訂立任何安排，致使董事可於任何其他法人團體獲得此等權利。

董事於合約中之權益

期內概無董事在本公司或其任何附屬公司簽訂而對本集團業務有重大影響之任何合約中直接或間接擁有重大權益。

SHARE OPTION SCHEME

Share options were granted to the directors and employees under the Share Option Scheme (the "Scheme") adopted by the Company on 27 November 2003. There was no change in any terms of the Scheme during the 12 months ended 31 March 2007. The details of the Scheme were disclosed in the 2005/06 annual report.

Details of the share options of the Company granted and outstanding under the Scheme during the period are set out below:

購股權計劃

本公司根據於二零零三年十一月二十七日採納之購股權計劃(「計劃」)授出購權股予董事及員工。截至二零零七年三月三十一日止之十二個月內，此計劃之條款並無更改。此計劃詳情已於二零零五／零六年年報中披露。

根據計劃授出而於期內尚未行使之購股權詳情如下：

Name or category of participants	Number of share options 購股權數目				Date of grant of share options	Exercise period of share options	Exercise price of share options	Price of the Company's shares at exercise date of options
	At 1 April 2006	Exercised during the period	Forfeited during the period	At 31 March 2007				
姓名或參與人士類別	於二零零六年四月一日	期內行使	期內沒收	於二零零七年三月三十一日	授出購股權日期 (note 1) (附註1)	購股權行使期	購股權行使價 (note 2) (附註2) HK\$ 港幣元	本公司股價 行使購股權日期之 日期之 (note 3) (附註3) HK\$ 港幣元
Directors 董事								
Ms. CHAN So Kuen 陳素娟女士	1,332	-	-	1,332	2 December 2003 二零零三年十二月二日	2 December 2004 to 1 December 2013 二零零四年十二月二日至 二零一三年十二月一日	0.175	-
	3,333,334	-	-	3,333,334	2 December 2003 二零零三年十二月二日	2 December 2006 to 1 December 2013 二零零六年十二月二日至 二零一三年十二月一日	0.175	-
	3,333,334	-	-	3,333,334	2 December 2003 二零零三年十二月二日	2 December 2008 to 1 December 2013 二零零八年十二月二日至 二零一三年十二月一日	0.175	-
	<u>6,668,000</u>	<u>-</u>	<u>-</u>	<u>6,668,000</u>				

SHARE OPTION SCHEME

購股權計劃

Name or category of participants	Number of share options 購股權數目				Date of grant of share options	Exercise period of share options	Exercise price of share options	Price of the Company's shares at exercise date 行使購股權日期之本公司股價 (note 3) HK\$ 港幣元
	At 1 April 2006 於二零零六年四月一日	Exercised during the period 期內行使	Forfeited during the period 期內沒收	At 31 March 2007 於二零零七年三月三十一日				
Directors 董事								
Mr. FU Shing Kwan Dickie (note 4) 傅成坤先生 (附註4)	1,332	-	(1,332)	-	2 December 2003 二零零三年十二月二日	2 December 2004 to 1 December 2013 二零零四年十二月二日至 二零零三年十二月一日	0.175	-
	3,333,334	-	(3,333,334)	-	2 December 2003 二零零三年十二月二日	2 December 2006 to 1 December 2013 二零零六年十二月二日至 二零零三年十二月一日	0.175	-
	3,333,334	-	(3,333,334)	-	2 December 2003 二零零三年十二月二日	2 December 2008 to 1 December 2013 二零零八年十二月二日至 二零零三年十二月一日	0.175	-
	<u>6,668,000</u>	<u>-</u>	<u>(6,668,000)</u>	<u>-</u>				

SHARE OPTION SCHEME

購股權計劃

Name or category of participants	Number of share options 購股權數目				Date of grant of share options	Exercise period of share options	Exercise price of share options	Price of the Company's shares at exercise date of options 行使購股權日期之本公司股價 (note 3) HK\$ 港幣元
	At 1 April 2006 於二零零六年四月一日	Exercised during the period 期內行使	Forfeited during the period 期內沒收	At 31 March 2007 於二零零七年三月三十一日				
Other employees 其他僱員								
In aggregate 合共	7,996	(1,000)	-	6,996	2 December 2003 二零零三年十二月二日	2 December 2004 to 1 December 2013 二零零四年十二月二日至 二零一三年十二月一日	0.175	0.435
	16,000,002	(3,333,000)	-	12,667,002	2 December 2003 二零零三年十二月二日	2 December 2006 to 1 December 2013 二零零六年十二月二日至 二零一三年十二月一日	0.175	0.435
	16,000,002	-	-	16,000,002	2 December 2003 二零零三年十二月二日	2 December 2008 to 1 December 2013 二零零八年十二月二日至 二零一三年十二月一日	0.175	-
	<u>32,008,000</u>	<u>(3,334,000)</u>	<u>-</u>	<u>28,674,000</u>				
	<u>45,344,000</u>	<u>(3,334,000)</u>	<u>(6,668,000)</u>	<u>35,342,000</u>				

SHARE OPTION SCHEME

Notes:

1. The vesting period of the share options is from the date of the grant until the commencement of the exercise period.
2. The exercise price of the share options is subject to adjustments in the case of rights or bonus issues, or other similar changes in the Company's share capital, and was adjusted for the issue of bonus shares on 14 September 2004 from HK\$0.35 to HK\$0.175 each.
3. The price of the Company's shares disclosed at the date of the exercise of the share options is the weighted average of the Stock Exchange closing prices over all of the exercises of options within the disclosure line.
4. Mr. FU Shing Kwan Dickie resigned as a director of the Company on 26 June 2006. All unexercised share options held by him lapsed on 26 September 2006 in accordance with the Scheme.

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

No share options were granted or expired during the period.

The 3,334,000 share options exercised during the period resulted in the issue of 3,334,000 ordinary shares of the Company and new share capital of approximately HK\$333,400 and share premium of HK\$250,000 (before issue expenses).

購股權計劃

附註：

1. 購股權歸屬期間為自授出日期起計直至行使期間開始為止。
2. 購股權之行使價可根據供股或發行紅股、或本公司股本之其他類似變動而予以調整，並已於二零零四年九月十四日就發行紅股由每股港幣0.35元調整至港幣0.175元。
3. 於購股權行使日所披露之本公司股份價格乃聯交所所報之收市價除以於披露期限內之所有購股權行使價之加權平均數。
4. 傅成坤先生已於二零零六年六月二十六日辭任本公司董事，其所持有之所有未行使購股權已根據計劃於二零零六年九月二十六日失效。

購股權並無賦予持有人獲派股息或於股東大會上投票之權利。

期內概無任何購股權獲授出或屆滿。

年內已行使之3,334,000份購股權致使發行本公司3,334,000股普通股，並產生新股本約港幣333,400元及股份溢價約港幣250,000元（扣除發行開支前）。

SHARE OPTION SCHEME

At the balance sheet date, the Company had 35,342,000 share options outstanding under the Scheme, which represented approximately 2.25% of the Company's shares in issue as at that date. The exercise in full of the remaining share options would, under the present capital structure of the Company, result in the issue of 35,342,000 additional ordinary shares of the Company and additional share capital of approximately HK\$3,534,200 and share premium of approximately HK\$2,651,000 (before issue expenses).

Subsequent to the balance sheet date, a total of 2,334,000 share options granted to an employee were exercised on 3 May 2007, resulted in the issue of 2,334,000 ordinary shares of the Company and new share capital of approximately HK\$233,400 and share premium of approximately HK\$175,000 (before issue expenses).

Subsequent to the balance sheet date, unexercised share options of 3,334,000 held by an employee lapsed on 18 May 2007 in accordance with the Scheme.

購股權計劃

於結算日，本公司於計劃項下尚未行使之購股權有35,342,000份，相當於該日本公司已發行股份約2.25%。按本公司現有股本結構悉數行使購股權，將導致本公司發行約35,342,000股額外普通股股份，而股本及股份溢價將分別增加約港幣3,534,200元及約港幣2,651,000元（扣除發行開支前）。

於結算日後，合共2,334,000份授予一名僱員之購股權在二零零七年五月三日獲行使，致使發行本公司2,334,000股普通股，並產生新股本約港幣233,400元及股份溢價約港幣175,000元（扣除發行開支前）。

於結算日後，3,334,000份由一名僱員持有之尚未行使購股權已根據計劃於二零零七年五月十八日失效。

SUBSTANTIAL SHAREHOLDERS' INTERESTS IN SHARES AND UNDERLYING SHARES

At 31 March 2007, the following interests of 5% or more of the issued shares capital and share options of the Company were recorded in the register of interests required to be kept by the Company pursuant to Section 336 of the SFO:

Long positions:

主要股東於股份及相關股份之權益

於二零零七年三月三十一日，本公司遵照證券及期貨條例第336條存置之權益登記冊顯示，下列人士於本公司已發行股本及購股權中擁有5%或以上權益：

好倉：

Name of substantial shareholder	Capacity and nature of interest	Number of ordinary shares held	Percentage of the Company's issued share capital 佔本公司已發行股本百分比	Number of share options held 所持購股權數目
主要股東姓名	身份及權益性質	所持普通股數目	已發行股本百分比	購股權數目
Mr. LAW Ka Sing 羅家聖先生	Directly beneficially owned 直接實益擁有	1,063,091,098	67.61	–
	Through controlled corporation 透過受控法團擁有	30,000,000	1.91	–
		<u>1,093,091,098</u>	<u>69.52</u>	<u>–</u>

Save as disclosed above, at 31 March 2007, no person, other than the directors of the Company, whose interests are also set out in the section "Directors' interests in shares and underlying shares" above, had registered an interest or short position in the shares or underlying shares of the Company that was required to be recorded pursuant to Section 336 of the SFO.

除上文所披露者及上文「董事於股份及相關股份之權益」一節所載本公司董事之權益外，於二零零七年三月三十一日，概無人士於本公司之股份或相關股份中，擁有須遵照證券及期貨條例第336條予以記錄之權益或淡倉。

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

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

AUDIT COMMITTEE

The Company has an audit committee which was established in compliance with Rule 3.21 of the Listing Rules for the purpose of reviewing and providing supervision over the Group's financial reporting process and internal controls. It has formulated its written terms of reference in accordance with the provisions set out in Appendix 14 – Code on Corporate Governance Practices (the "CG Code") of the Listing Rules. The audit committee has reviewed the unaudited interim financial results for the twelve months ended 31 March 2007. The audit committee comprises four Independent Non-executive Directors of the Company, namely Mr. LEE Man Chun Raymond, Ms. LEUNG Mei Han, Prof. SIN Yat Ming and Mr. WONG Wai Kay.

購買、出售或贖回本公司之上市證券

本公司或其任何附屬公司於期內概無購買、出售或贖回本公司任何上市證券。

審核委員會

本公司設有審核委員會，該委員會乃遵照上市規則第3.21條之規定而成立，以審閱及監管本集團之財務匯報程序及內部監控。審核委員會已根據上市規則附錄十四－企業管治常規守則（「企業管治常規守則」）所載之條文制定書面職權範圍。審核委員會已審閱截至二零零七年三月三十一日止十二個月之未經審核中期財務業績。審核委員會包括本公司四名獨立非執行董事，分別為李文俊先生、梁美嫻女士、冼日明教授及王維基先生。

CODE ON CORPORATE GOVERNANCE PRACTICES

The Company was in compliance with the code provisions as set out in the CG Code during the twelve months ended 31 March 2007, except for the following deviations:

- a. The Company does not have a separate Chairman and Chief Executive Officer and Mr. LAW Ka Sing holds both positions for the period from 1 April 2006 to 4 January 2007. The Board considered that previous structure provided consistent leadership. In compliance with the CG code, with effect from 5 January 2007, Mr. LAW Ka Sing is redesignated from the Chairman and Chief Executive Officer of the Company to the Chairman and Ms. CHAN So Kuen, Executive Director of the Company is appointed as the Chief Executive Officer. Mr. Law continues to be responsible for the overall direction of the Group.
- b. The Chairman and the Chief Executive Officer of the Company are not subject to retirement by rotation. The Board considers that the continuity of the Chairman and Chief Executive Officer of the Company and their leadership are crucial in maintaining the stability of the Group's business operations.

MODEL CODE FOR SECURITIES TRANSACTIONS

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

By Order of the Board
LAW Ka Sing
Chairman

Hong Kong, 21 June 2007

企業管治常規守則

本公司於截至二零零七年三月三十一日止十二個月期間已遵守企業管治常規守則所載之守則條文，惟下列之偏離事項除外：

- a. 由二零零六年四月一日至二零零七年一月四日，本公司並無分開設立主席與行政總裁之職務，羅家聖先生同時兼任兩個職位。董事局認為早前的架構為本集團提供貫徹之領導。為遵守企業管治常規守則，由二零零七年一月五日起，羅家聖先生由本公司主席兼行政總裁改任為主席，本公司執行董事陳素娟女士獲委任為行政總裁。羅先生繼續負責集團之整體方向。
- b. 本公司之主席及行政總裁並不受輪值退任之規定所規限。董事局認為本公司主席及行政總裁之持續性及其領導，乃維持本集團業務穩定性之關鍵要素。

進行證券交易之標準守則

本公司已採納標準守則作為本公司董事買賣證券之操守守則。根據本公司向董事作出具體查詢後，董事於中期報告所涵蓋之會計期間一直遵守標準守則所規定之標準。

承董事局命
 主席
 羅家聖

香港，二零零七年六月二十一日

FINANCIAL RESULTS

CONDENSED CONSOLIDATED INCOME STATEMENT

財務業績

簡明綜合收益表

Twelve months ended 31 March

截至三月三十一日止十二個月

			2007 二零零七年 (Unaudited) (未經審核) HK\$'000 港幣千元	2006 二零零六年 (Audited) (經審核) HK\$'000 港幣千元
		Notes 附註		
Revenue	收益	2	2,105,353	2,199,515
Cost of sales	銷售成本		(1,115,165)	(1,174,301)
Gross profit	毛利		990,188	1,025,214
Other income and gains	其他收入及收益	3	8,523	16,616
Selling and distribution costs	銷售及分銷成本		(703,833)	(660,924)
Administrative expenses	行政開支		(219,155)	(202,424)
Other operating expenses	其他營運開支		(31,450)	(38,939)
Profit from operating activities	營運業務溢利		44,273	139,543
Finance costs	融資成本	4	(1,650)	(722)
Profit before tax	除稅前溢利	5	42,623	138,821
Tax	稅項	6	(22,847)	(33,786)
Profit for the period attributable to equity holders	權益持有人應佔期內溢利		19,776	105,035
Dividend per share	每股股息	7		
Interim	中期		-	HK1.80 cents港仙
Proposed final [^]	擬派末期 [^]		-	HK1.80 cents港仙
			-	HK3.60 cents港仙
Earnings per share attributable to ordinary equity holders	普通權益持有人應佔每股盈利	8		
Basic	基本		HK1.26 cents港仙	HK6.69 cents港仙
Diluted	攤薄		HK1.24 cents港仙	HK6.52 cents港仙

[^] Not yet proposed for the twelve months ended 31 March 2007 due to the change of financial year end date from 31 March to 30 June

[^] 由於財政年度結算日由三月三十一日更改為六月三十日，因此截至二零零七年三月三十一日止十二個月內，尚未建議派發

CONDENSED CONSOLIDATED BALANCE SHEET

簡明綜合資產負債表

			At 31 March 2007 於二零零七年 三月三十一日 (Unaudited) (未經審核)	At 31 March 2006 於二零零六年 三月三十一日 (Audited) (經審核)
		Notes 附註	HK\$'000 港幣千元	HK\$'000 港幣千元
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	9	183,489	153,334
Trademark	商標		1,164	1,164
Deferred tax assets	遞延稅項資產		2,725	2,672
Deposits paid	已付按金		49,149	48,849
Bank deposits	銀行存款		15,600	15,600
Total non-current assets	非流動資產總值		252,127	221,619
Current assets	流動資產			
Inventories	存貨		237,080	253,591
Debtors	應收賬款	10	76,393	55,664
Bills receivable	應收票據		17,730	11,973
Deposits paid	已付按金		36,527	30,442
Prepayments and other receivables	預付款項及 其他應收賬項		41,880	57,621
Derivative financial instruments	衍生金融工具		219	998
Tax recoverable	可收回稅款		2,790	35
Pledged bank deposits	有抵押銀行存款		778	787
Cash and cash equivalents	現金及現金等值項目		182,791	227,513
Total current assets	流動資產總值		596,188	638,624

CONDENSED CONSOLIDATED BALANCE SHEET

簡明綜合資產負債表

		At 31 March 2007 於二零零七年 三月三十一日 (Unaudited) (未經審核)		At 31 March 2006 於二零零六年 三月三十一日 (Audited) (經審核)
		Notes 附註	HK\$'000 港幣千元	HK\$'000 港幣千元
Current liabilities	流動負債			
Trade creditors and accruals	應付賬款及應計賬項	11	182,606	196,038
Bills payable	應付票據		24,503	22,243
Tax payable	應繳稅款		28,524	28,531
Due to related companies	應付關連公司款項		22,105	23,573
Derivative financial instruments	衍生金融工具		975	1,153
Interest-bearing bank loans	計息銀行貸款	12	4,150	-
Total current liabilities	流動負債總值		262,863	271,538
Net current assets	流動資產淨值		333,325	367,086
Total assets less current liabilities	除流動負債後 資產總值		585,452	588,705
Non-current liabilities	非流動負債			
Provisions	撥備		1,075	583
Deferred tax liabilities	遞延稅項負債		752	701
Total non-current liabilities	非流動負債總值		1,827	1,284
Net assets	資產淨值		583,625	587,421
Equity	權益			
Issued capital	已發行股本		157,225	156,891
Reserves	儲備		426,400	402,290
Proposed dividend	擬派股息		-	28,240
Total equity	權益總值		583,625	587,421

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

簡明綜合權益變動報表

		Issued share capital	Share premium account	Share option reserve	Capital reserve	Contributed surplus	Asset revaluation reserve	Exchange fluctuation reserve	Reserve funds	Retained profits	Proposed dividend	Total equity
		已發行股本 HK\$'000 港幣千元	股份溢價賬 HK\$'000 港幣千元	購股權儲備 HK\$'000 港幣千元	資本儲備 HK\$'000 港幣千元	總入盈餘 HK\$'000 港幣千元	資產重估 儲備 HK\$'000 港幣千元	外匯波動 儲備 HK\$'000 港幣千元	儲備基金 HK\$'000 港幣千元	保留溢利 HK\$'000 港幣千元	擬派股息 HK\$'000 港幣千元	權益總值 HK\$'000 港幣千元
Twelve months ended 31 March 2007 (Unaudited)	截至二零零七年三月三十一日止十二個月(未經審核)											
At 1 April 2006	於二零零六年四月一日	156,891	1,855	2,000	(4,987)	90,258	10,151	15,790	1,798	285,425	28,240	587,421
Exchange realignment	匯兌調整	-	-	-	-	-	-	3,716	81	-	-	3,797
Total income for the period recognised directly in equity	直接於權益確認之期內收入總額	-	-	-	-	-	-	3,716	81	-	-	3,797
Profit for the period	期內溢利	-	-	-	-	-	-	-	-	19,776	-	19,776
Total income for the period	期內收入總額	-	-	-	-	-	-	3,716	81	19,776	-	23,573
Final 2006 dividend declared	已宣派二零零六年末期股息	-	-	-	-	-	-	-	-	-	(28,240)	(28,240)
Exercise of share options	行使購股權	334	487	(237)	-	-	-	-	-	-	-	584
Equity-settled share option arrangements	權益結算購股權安排	-	-	287	-	-	-	-	-	-	-	287
At 31 March 2007	於二零零七年三月三十一日	157,225	2,342	2,050	(4,987)	90,258	10,151	19,506	1,879	305,201	-	583,625
Twelve months ended 31 March 2006 (Audited)	截至二零零六年三月三十一日止十二個月(經審核)											
At 1 April 2005	於二零零五年四月一日	156,891	1,855	1,309	(4,987)	90,258	-	15,904	1,750	236,870	61,188	561,038
Reversal of impairment losses of land and buildings	土地及樓宇之減值虧損撥回	-	-	-	-	-	10,151	-	-	-	-	10,151
Exchange realignment	匯兌調整	-	-	-	-	-	-	(114)	48	-	-	(66)
Total income and expense for the period recognised directly in equity	直接於權益確認之期內真益總額	-	-	-	-	-	10,151	(114)	48	-	-	10,085
Profit for the period	期內溢利	-	-	-	-	-	-	-	-	105,035	-	105,035
Total income and expense for the period	期內真益總額	-	-	-	-	-	10,151	(114)	48	105,035	-	115,120
Final 2005 dividend declared	已宣派二零零五年末期股息	-	-	-	-	-	-	-	-	-	(61,188)	(61,188)
Equity-settled share option arrangements	權益結算購股權安排	-	-	691	-	-	-	-	-	-	-	691
Interim 2006 dividend	二零零六年中期股息	-	-	-	-	-	-	-	-	(28,240)	-	(28,240)
Proposed final 2006 dividend	擬派二零零六年末期股息	-	-	-	-	-	-	-	-	(28,240)	28,240	-
At 31 March 2006	於二零零六年三月三十一日	156,891	1,855	2,000	(4,987)	90,258	10,151	15,790	1,798	285,425	28,240	587,421

CONDENSED CONSOLIDATED CASH FLOW STATEMENT

簡明綜合現金流量表

Twelve months ended 31 March

截至三月三十一日止十二個月

		2007	2006
		二零零七年	二零零六年
		(Unaudited)	(Audited)
		(未經審核)	(經審核)
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Net cash inflow from operating activities	營運業務之現金流入淨額	63,814	95,743
Net cash outflow from investing activities	投資活動之現金流出淨額	(88,686)	(91,988)
Net cash outflow from financing activities	融資活動之現金流出淨額	(23,506)	(104,428)
Net decrease in cash and cash equivalents	現金及現金等值項目之淨減少	(48,378)	(100,673)
Cash and cash equivalents at 1 April	於四月一日之現金及現金等值項目	227,513	325,895
Effect of foreign exchange rate changes, net	外匯兌換率變動之影響，淨額	3,656	2,291
Cash and cash equivalents at 31 March	於三月三十一日之現金及現金等值項目	182,791	227,513
Analysis of balances of cash and cash equivalents	現金及現金等值項目結餘分析		
Cash and bank balances	現金及銀行結餘	182,791	208,156
Non-pledged bank deposits with original maturity of less than three months when acquired	取得時原定期日少於三個月之無抵押銀行存款	-	19,357
		182,791	227,513

NOTES TO THE CONDENSED CONSOLIDATED

INTERIM FINANCIAL STATEMENTS

1. BASIS OF PREPARATION AND CHANGES IN ACCOUNTING POLICIES

These condensed consolidated interim financial statements are prepared in accordance with Hong Kong Accounting Standard (“HKAS”) 34 “Interim financial reporting” issued by the Hong Kong Institute of Certified Public Accountants and the disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on the Stock Exchange.

The accounting policies and basis of preparation adopted in the preparation of the interim financial statements are the same as those used in the annual financial statements for the year ended 31 March 2006, except in relation to the following revised Hong Kong Financial Reporting Standards (“HKFRSs”, which also include HKASs and Interpretations) that affect the Group and are adopted for the first time for the current period’s financial statements:

HKAS 21 Amendment	Net Investment in Foreign Operation
HKAS 39 Amendment	The Fair Value Option
HKAS 39 & HKFRS 4 Amendments	Financial Guarantee Contracts
HK(IFRIC) – Int 4	Determining whether an Arrangement contains a Lease

簡明綜合中期財務報表附註

1. 編製基準及會計政策變動

此簡明綜合中期財務報表乃按照香港會計師公會頒佈之香港會計準則（「香港會計準則」）第34號「中期財務報告」及聯交所證券上市規則附錄16之披露規定編製。

除了以下會影響本集團並於本期間之財務報表中首次採用之經修訂香港財務匯報準則（「香港財務匯報準則」，亦包括香港會計準則及詮釋）外，編製本中期財務報表所採用之會計政策及編製基準，與編製截至二零零六年三月三十一日止年度之年度財務報表所採用者一致：

香港會計準則第21號 (經修訂)	海外業務之投資 淨額
香港會計準則第39號 (經修訂)	公平價值選擇
香港會計準則第39號及 香港財務匯報準則 第4號(經修訂)	財務擔保合約
香港(國際財務匯報 詮釋委員會) - 詮釋第4號	釐定安排是否 包括租賃

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

1. BASIS OF PREPARATION AND CHANGES IN ACCOUNTING POLICIES (continued)

The adoption of the above revised HKFRSs has no material impact on the accounting policies of the Group and the methods of computation in the Group's condensed consolidated interim financial statements.

Inventories

With proven sales track record of the products and the recovery of economic conditions in general for the regions in which the Group has operations over the past few years, the Group has revised its estimates relating to inventory provision policy during the period under review. If the old inventory provision policy were used for the current period, an additional provision of approximately HK\$16.9 million would have been made to write-down the carrying amounts of inventories.

2. SEGMENT INFORMATION

An analysis of the Group's revenue and profit/(loss) by business segment is not presented as the Group's revenue and results are predominantly derived from retailing and distribution of garments.

簡明綜合中期財務報表附註

1. 編製基準及會計政策變動 (續)

採納以上經修訂香港財務匯報準則對本集團之會計政策及本集團簡明綜合中期財務報表內之計算方法均無重大影響。

存貨

由於產品以往之銷售成績理想，加上過去數年集團有經營業務的區域之經濟情況普遍好轉，本集團已於回顧期間修訂存貨撥備政策之有關估計。倘本集團於本期間沿用以往的存貨撥備政策，則本集團須為撇減存貨之賬面值而作出額外撥備約港幣1.69千萬元。

2. 分類資料

鑑於本集團之收益及業績主要源自成衣零售及分銷業務，故並無提呈本集團按業務分類之收益及溢利／(虧損)分析。

NOTES TO THE CONDENSED CONSOLIDATED
INTERIM FINANCIAL STATEMENTS

2. SEGMENT INFORMATION (continued)

An analysis of the Group's revenue and profit/(loss) by geographical segment for the twelve months ended 31 March 2007, together with the comparative figures for the corresponding period in 2006, is as follows:

簡明綜合中期財務報表附註

2. 分類資料(續)

截至二零零七年三月三十一日止十二個月內，本集團按地域分類之收益及溢利／(虧損)分析，連同二零零六年同期之比較數字如下：

	Hong Kong 香港		Mainland China 中國大陸		Taiwan 台灣		Singapore & Malaysia 新加坡及馬來西亞		Consolidated 綜合	
	2007 二零零七年 (Unaudited) (未經審核) HK\$'000 港幣千元	2006 二零零六年 (Audited) (經審核) HK\$'000 港幣千元	2007 二零零七年 (Unaudited) (未經審核) HK\$'000 港幣千元	2006 二零零六年 (Audited) (經審核) HK\$'000 港幣千元	2007 二零零七年 (Unaudited) (未經審核) HK\$'000 港幣千元	2006 二零零六年 (Audited) (經審核) HK\$'000 港幣千元	2007 二零零七年 (Unaudited) (未經審核) HK\$'000 港幣千元	2006 二零零六年 (Audited) (經審核) HK\$'000 港幣千元	2007 二零零七年 (Unaudited) (未經審核) HK\$'000 港幣千元	2006 二零零六年 (Audited) (經審核) HK\$'000 港幣千元
Segment revenue	分類收益									
Sales to external customers	1,072,174	1,129,195	474,106	489,491	348,712	379,404	210,361	201,425	2,105,353	2,199,515
Other income and gains	1,739	6,684	525	1,416	1,859	3,657	82	86	4,205	11,843
Total	1,073,913	1,135,879	474,631	490,907	350,571	383,061	210,443	201,511	2,109,558	2,211,358
Segment results	分類業績									
Interest income	96,046	122,368	(19,998)	6,524	(39,752)	(11,450)	3,659	17,328	39,955	134,770
Profit from operating activities									44,273	139,543
Finance costs									(1,650)	(722)
Profit before tax									42,623	138,821
Tax									(22,847)	(33,786)
Profit for the period									19,776	105,035

NOTES TO THE CONDENSED CONSOLIDATED

簡明綜合中期財務報表附註

INTERIM FINANCIAL STATEMENTS

3. OTHER INCOME AND GAINS

3. 其他收入及收益

Twelve months ended 31 March

截至三月三十一日止十二個月

		2007	2006
		二零零七年	二零零六年
		(Unaudited)	(Audited)
		(未經審核)	(經審核)
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Bank interest income	銀行利息收入	2,477	3,452
Other interest income	其他利息收入	1,841	1,321
Claims received	已收索償款項	990	1,210
Royalty income	專利費收入	344	204
Gross rental income	租金收入毛額	1,576	2,447
Impairment losses of land and buildings reversed in the consolidated income statement	於綜合收益表載列之土地及樓宇減值虧損撥回	-	5,400
Others	其他	1,295	2,582
		8,523	16,616

4. FINANCE COSTS

4. 融資成本

Twelve months ended 31 March

截至三月三十一日止十二個月

		2007	2006
		二零零七年	二零零六年
		(Unaudited)	(Audited)
		(未經審核)	(經審核)
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Interest on bank loans and overdrafts wholly repayable within five years	須於五年內悉數償還之銀行貸款及透支之利息	1,650	722

**NOTES TO THE CONDENSED CONSOLIDATED
INTERIM FINANCIAL STATEMENTS**

5. PROFIT BEFORE TAX

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

簡明綜合中期財務報表附註

5. 除稅前溢利

本集團之除稅前溢利已扣除／(計入)
下列項目：

Twelve months ended 31 March

截至三月三十一日止十二個月

2007	2006
二零零七年	二零零六年
(Unaudited)	(Audited)
(未經審核)	(經審核)
HK\$'000	HK\$'000
港幣千元	港幣千元

Inventory provision	存貨撥備	3,359	12,487
Depreciation	折舊	59,446	54,983
Impairment losses of land and buildings reversed in the consolidated income statement	於綜合收益表載列之土地及樓宇減值虧損撥回	-	(5,400)
Fair value losses/(gains) of derivative instruments – transactions not qualifying as hedges, net	衍生工具之公平值虧損／(收益) – 不符合作為對沖活動的交易，淨額	100	(4,939)

NOTES TO THE CONDENSED CONSOLIDATED

INTERIM FINANCIAL STATEMENTS

6. TAX

Hong Kong profits tax has been provided at the rate of 17.5% (2006: 17.5%) on the estimated assessable profits arising in Hong Kong during the twelve months ended 31 March 2007. Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the countries in which the Group operates, based on existing legislation, interpretations and practices in respect thereof.

簡明綜合中期財務報表附註

6. 稅項

香港利得稅已按截至二零零七年三月三十一日止十二個月內於香港賺取之估計應課稅溢利以稅率17.5% (二零零六年：17.5%) 提撥準備。在其他地區所得應課稅溢利之稅項，乃根據本集團業務經營所在國家之現有法律、詮釋及常規，按其現行稅率計算。

Twelve months ended 31 March

截至三月三十一日止十二個月

2007	2006
二零零七年	二零零六年
(Unaudited)	(Audited)
(未經審核)	(經審核)
HK\$'000	HK\$'000
港幣千元	港幣千元

Current – Hong Kong	本期間 – 香港		
Charge for the period	期內支出	16,184	21,697
Overprovision in prior periods	過往期間超額撥備	(233)	(324)
Current – Elsewhere	本期間 – 其他地區		
Charge for the period	期內支出	6,947	11,589
Underprovision in prior periods	過往期間撥備不足	3	365
Deferred	遞延	(54)	459
Total tax charge for the period	期內稅項支出總額	22,847	33,786

NOTES TO THE CONDENSED CONSOLIDATED
INTERIM FINANCIAL STATEMENTS

7. DIVIDENDS

簡明綜合中期財務報表附註

7. 股息

Twelve months ended 31 March

截至三月三十一日止十二個月

2007	2006
二零零七年	二零零六年
(Unaudited)	(Audited)
(未經審核)	(經審核)
HK\$'000	HK\$'000
港幣千元	港幣千元

First interim dividend – Nil (2006: HK1.8 cents per ordinary share)	第一次中期股息—無 (二零零六年：每股 普通股1.8港仙)	-	28,240
Second interim dividend – Nil (2006: Nil)	第二次中期股息—無 (二零零六年：無)	-	-
Proposed final dividend – Nil [^] (2006: HK1.8 cents per ordinary share)	擬派末期股息—無 [^] (二零零六年：每股 普通股1.8港仙)	-	28,240
		<u>-</u>	<u>56,480</u>

[^] Not yet proposed for the twelve months ended 31 March 2007 due to the change of financial year end date from 31 March to 30 June

[^] 由於財政年度結算日由三月三十一日更改為六月三十日，因此截至二零零七年三月三十一日止十二個月內，尚未建議派發

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

8. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS

The calculation of basic earnings per share is based on the profit attributable to ordinary equity holders for the twelve months ended 31 March 2007 of HK\$19,776,000 (2006: HK\$105,035,000) and weighted average of 1,569,770,013 (2006: 1,568,911,394) ordinary shares in issue during the period.

The calculation of diluted earnings per share is based on the profit attributable to ordinary equity holders for the twelve months ended 31 March 2007 of HK\$19,776,000 (2006: HK\$105,035,000). The number of ordinary shares used in the calculation is the weighted average of 1,569,770,013 (2006: 1,568,911,394) ordinary shares in issue during the period, as used in the basic earnings per share calculation, and the weighted average number of 27,678,903 (2006: 41,323,712) ordinary shares assumed to have been issued at no consideration on the deemed exercise or conversion of all dilutive potential ordinary shares into ordinary shares.

簡明綜合中期財務報表附註

8. 普通權益持有人應佔每股盈利

每股基本盈利乃根據截至二零零七年三月三十一日止十二個月內普通權益持有人應佔溢利港幣19,776,000元(二零零六年：港幣105,035,000元)及期內已發行普通股加權平均數1,569,770,013股(二零零六年：1,568,911,394股)計算。

每股攤薄盈利乃根據截至二零零七年三月三十一日止十二個月內普通權益持有人應佔溢利港幣19,776,000元(二零零六年：港幣105,035,000元)計算。計算所用之普通股股數(亦用於計算每股基本盈利)為期內已發行普通股之加權平均數1,569,770,013股(二零零六年：1,568,911,394股)，及假設被視作悉數行使或轉換所有具攤薄潛力普通股為普通股而按零代價發行之普通股加權平均數27,678,903股(二零零六年：41,323,712股)。

NOTES TO THE CONDENSED CONSOLIDATED
INTERIM FINANCIAL STATEMENTS

9. PROPERTY, PLANT AND EQUIPMENT

簡明綜合中期財務報表附註

9. 物業、廠房及設備

		At	At
		31 March 2007	31 March 2006
		於二零零七年 三月三十一日	於二零零六年 三月三十一日
		(Unaudited)	(Audited)
		(未經審核)	(經審核)
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Opening net carrying amount	期初賬面淨值	153,334	115,409
Additions	添置	92,646	79,397
Disposals	出售	(4,869)	(2,760)
Depreciation provided during the period	期內折舊撥備	(59,446)	(54,983)
Reversal of impairment during the period	期內減值撥回	-	15,551
Exchange realignment	匯兌調整	1,824	720
Closing net carrying amount	期末賬面淨值	183,489	153,334

**NOTES TO THE CONDENSED CONSOLIDATED
INTERIM FINANCIAL STATEMENTS**

10. DEBTORS

Other than cash and credit card sales, the Group normally grants credit periods of up to 60 days to its trade customers.

An aged analysis of trade debtors as at the balance sheet date, based on the invoice date, is as follows:

簡明綜合中期財務報表附註

10. 應收賬款

除現金及信用卡銷售外，本集團在一般情況下授予其貿易客戶最高60天信貸期。

以下為按發票日計應收賬款於結算日之賬齡分析：

		At 31 March 2007	At 31 March 2006
		於二零零七年 三月三十一日 (Unaudited) (未經審核)	於二零零六年 三月三十一日 (Audited) (經審核)
		HK\$'000	HK\$'000
		港幣千元	港幣千元
0 to 30 days	0至30天	58,840	45,364
31 to 60 days	31至60天	14,903	8,097
61 to 90 days	61至90天	651	1,250
Over 90 days	逾90天	1,999	953
		76,393	55,664

**NOTES TO THE CONDENSED CONSOLIDATED
INTERIM FINANCIAL STATEMENTS**

11. TRADE CREDITORS AND ACCRUALS

Included in trade creditors and accruals is a trade creditors balance of HK\$43,946,000 (2006: HK\$61,402,000).

An aged analysis of trade creditors as at the balance sheet date, based on the invoice date, is as follows:

簡明綜合中期財務報表附註

11. 應付賬款及應計賬項

在應付賬款及應計賬項內，已包括應付賬款結餘港幣43,946,000元（二零零六年：港幣61,402,000元）。

以下為按發票日計應付賬款於結算日之賬齡分析：

		At 31 March 2007	At 31 March 2006
		於二零零七年 三月三十一日 (Unaudited) (未經審核)	於二零零六年 三月三十一日 (Audited) (經審核)
		HK\$'000	HK\$'000
		港幣千元	港幣千元
0 to 30 days	0至30天	26,333	52,800
31 to 60 days	31至60天	14,280	6,223
61 to 90 days	61至90天	1,681	1,969
Over 90 days	逾90天	1,652	410
		43,946	61,402

NOTES TO THE CONDENSED CONSOLIDATED
INTERIM FINANCIAL STATEMENTS

12. INTEREST-BEARING BANK LOANS

		At 31 March 2007 於二零零七年 三月三十一日 (Unaudited) (未經審核) HK\$'000 港幣千元	At 31 March 2006 於二零零六年 三月三十一日 (Audited) (經審核) HK\$'000 港幣千元
Bank loans repayable within one year	須於一年內償還 銀行貸款	4,150	-

The bank loans were secured by the Company's corporate guarantee and bore interest at 1-1.75% per annum over the Hong Kong Interbank Offered Rate.

13. SHARE OPTION SCHEME

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

簡明綜合中期財務報表附註

12. 計息銀行貸款

	At 31 March 2007 於二零零七年 三月三十一日 (Unaudited) (未經審核) HK\$'000 港幣千元	At 31 March 2006 於二零零六年 三月三十一日 (Audited) (經審核) HK\$'000 港幣千元
Bank loans repayable within one year	4,150	-

銀行貸款以本公司之公司擔保作為抵押，並按香港銀行同業拆息年利率加1至1.75厘計息。

13. 購股權計劃

購股權乃授予若干董事及僱員。購股權之行使價由董事局釐訂，惟不得低於以下之最高者：(i)本公司股份於購股權授出日期在聯交所之收市價；(ii)本公司股份於緊接授出日期前5個交易日在聯交所之平均收市價；及(iii)本公司股份面值。

NOTES TO THE CONDENSED CONSOLIDATED

INTERIM FINANCIAL STATEMENTS

13. SHARE OPTION SCHEME (continued)

The exercise period of the share options granted is determinable by the directors, and commences after a certain vesting period and ends on a date which is not later than 10 years from the date of the grant of the share options. The Group has no legal or constructive obligation to repurchase or settle the options in cash.

The expense recognised in the condensed consolidated income statement for employee services received during the period is HK\$287,000 (2006: HK\$691,000).

14. RELATED PARTY TRANSACTIONS

(a) In addition to the transactions and balances detailed elsewhere in the condensed consolidated interim financial statement, the Group had the following material transactions with related parties during the period:

簡明綜合中期財務報表附註

13. 購股權計劃(續)

已授出購股權之行使期由董事局釐訂，並自若干歸屬期間開始及於購股權授出日期起計10年內屆滿。本集團並無法律或推定責任以現金購回或結算購股權。

於簡明綜合收益表內就僱員於期內所提供服務所確認之開支為港幣287,000元(二零零六年：港幣691,000元)。

14. 關連人士交易

(a) 除簡明綜合中期財務報表所詳述之交易及結餘外，本集團於期內與關連人士進行之重大交易如下：

		Twelve months ended 31 March	
		截至三月三十一日止十二個月	
		2007	2006
		二零零七年	二零零六年
		(Unaudited)	(Audited)
		(未經審核)	(經審核)
Notes		HK\$'000	HK\$'000
附註		港幣千元	港幣千元
Rental paid for warehouse premises	貨倉租金	(i) 1,240	1,152
Rental paid for office premises	辦公室租金	(ii) 5,820	5,559
Purchase of garments	購買成衣	(iii) 209,753	256,321
Sales of equipment	售出設備	(iv) 594	-

NOTES TO THE CONDENSED CONSOLIDATED

INTERIM FINANCIAL STATEMENTS

14. RELATED PARTY TRANSACTIONS (continued)

Notes:

- (i) The rental of HK\$1,240,000 was paid to Bright City International Limited ("Bright City"). During the twelve months ended 31 March 2006, the rental was paid to Laws International Group Limited ("Laws International") for the period from 1 April 2005 to 31 August 2005, and to Bright City for the period from 1 September 2005 to 31 March 2006 as Laws International had transferred its ownership of the warehouse to Bright City on 18 August 2005. Certain directors of Laws International and Bright City, who have beneficial equity interests therein, are relatives of Mr. LAW Ka Sing, a director of the Company. The rental was determined by reference to open market rents at the inception of the tenancy agreement. As the rental is settled monthly, the Group had no outstanding rental payable to Bright City as at 31 March 2007 (2006: Nil).
- (ii) The rental was paid to Bright City and was determined by reference to open market rents at the inception of the tenancy agreement. As the rental is settled monthly, the Group had no outstanding rental payable to Bright City as at 31 March 2007 (2006: Nil).
- (iii) During the period, garments totalling HK\$209,753,000 (2006: HK\$256,321,000) were purchased from certain wholly-owned subsidiaries of Laws International. The purchases were determined by reference to the prevailing market prices. The balance owing to these suppliers as at 31 March 2007 was HK\$22,105,000 (2006: HK\$23,573,000).
- (iv) During the period, certain equipment was sold to certain wholly-owned subsidiaries of Laws International totalling HK\$594,000 (2006: Nil). The sales consideration was determined at the net carrying amount of the equipment sold. The Group had no outstanding sales proceeds receivable from these purchasers as at 31 March 2007 (2006: Nil).

簡明綜合中期財務報表附註

14. 關連人士交易(續)

附註：

- (i) 租金港幣1,240,000元乃繳付予澤城國際有限公司(「澤城」)。截至二零零六年三月三十一日止十二個月內，於二零零五年四月一日至二零零五年八月三十一日止期間，租金乃繳付予羅氏國際集團有限公司(「羅氏國際」)。由於羅氏國際已於二零零五年八月十八日將貨倉之擁有權轉讓予澤城，因此於二零零五年九月一日至二零零六年三月三十一日止期間，租金乃繳付予澤城。羅氏國際及澤城之若干擁有實益股本權益之董事乃本公司董事羅家聖先生之親屬。租金乃參照租約生效時之公開市值租金而釐定。由於租金乃每月繳付，本集團於二零零七年三月三十一日並無應付澤城之未支付租金(二零零六年：無)。
- (ii) 租金乃繳付予澤城，並參照租約生效時之公開市值租金而釐定。由於租金乃每月繳付，本集團於二零零七年三月三十一日並無應付澤城之未支付租金(二零零六年：無)。
- (iii) 期內，本公司向若干羅氏國際全資附屬公司購買合共港幣209,753,000元(二零零六年：港幣256,321,000元)之成衣。採購乃參照當時之市價釐定。於二零零七年三月三十一日尚欠該等供應商之餘額為港幣22,105,000元(二零零六年：港幣23,573,000元)。
- (iv) 期內，本集團分別向若干羅氏國際全資附屬公司售出若干設備，合共港幣594,000元(二零零六年：無)。出售價格乃以該等設備之賬面淨值釐定。於二零零七年三月三十一日，本集團並無應向該等購買商收取售出設備款項(二零零六年：無)。

NOTES TO THE CONDENSED CONSOLIDATED

簡明綜合中期財務報表附註

INTERIM FINANCIAL STATEMENTS

14. RELATED PARTY TRANSACTIONS (continued)

14. 關連人士交易 (續)

- (b) Compensation of key management personnel of the Group

- (b) 本集團之主要管理人員之補償

		Twelve months ended 31 March	
		截至三月三十一日止十二個月	
		2007	2006
		二零零七年	二零零六年
		(Unaudited)	(Audited)
		(未經審核)	(經審核)
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Short term employee benefits	短期僱員福利	19,362	15,795
Post-employment benefits	離職後福利	223	189
Share-based payments	以股份支付之款項	287	691
		<hr/>	<hr/>
Total compensation paid to key management personnel	支付予主要管理人員之補償總額	19,872	16,675
		<hr/> <hr/>	<hr/> <hr/>

NOTES TO THE CONDENSED CONSOLIDATED
INTERIM FINANCIAL STATEMENTS

15. CAPITAL COMMITMENTS

		At 31 March 2007 於二零零七年 三月三十一日 (Unaudited) (未經審核) HK\$'000 港幣千元	At 31 March 2006 於二零零六年 三月三十一日 (Audited) (經審核) HK\$'000 港幣千元
Contracted, but not provided for	已訂約但未撥備		
Leasehold improvements	租賃物業裝修	416	1,011
Furniture, fixture and office equipment	傢俬、裝置及 辦公室設備	-	321
Computer software	電腦軟件	3,603	4,738
		<u>4,019</u>	<u>6,070</u>

16. CONTINGENT LIABILITIES

During the period under review, the Group had no material changes in contingent liabilities since 31 March 2006.

17. APPROVAL OF THE INTERIM FINANCIAL STATEMENTS

The condensed consolidated interim financial statements were approved and authorised for issue by the board of directors on 21 June 2007.

簡明綜合中期財務報表附註

15. 資本承擔

At 31 March 2007 於二零零七年 三月三十一日 (Unaudited) (未經審核) HK\$'000 港幣千元	At 31 March 2006 於二零零六年 三月三十一日 (Audited) (經審核) HK\$'000 港幣千元
416	1,011
-	321
3,603	4,738
<u>4,019</u>	<u>6,070</u>

16. 或然負債

於回顧期間，本集團自二零零六年三月三十一日起之或然負債並無重大變動。

17. 中期財務報表之批准

董事局已於二零零七年六月二十一日批准及授權發佈本簡明綜合中期財務報表。

bossini Bossini International Holdings Limited
堡獅龍國際集團有限公司

(Incorporated in Bermuda with limited liability)

(於百慕達註冊成立之有限公司)

(Stock code 股份代號: 592)

www.bossini.com