



Oriental Watch Holdings Limited
東方表行集團有限公司

(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：0398)

抱擁 珍貴時刻

Watching over every Precious moment



2009 年報
Annual Report

Contents

目錄

CORPORATE INFORMATION	公司資料	2
CHAIRMAN'S STATEMENT AND MANAGEMENT DISCUSSION AND ANALYSIS	主席報告及管理層討論及分析	3-6
DIRECTORS AND SENIOR MANAGEMENT	董事及高級管理層	7-9
CORPORATE GOVERNANCE REPORT	企業管治報告	10-25
DIRECTORS' REPORT	董事會報告	26-34
INDEPENDENT AUDITOR'S REPORT	獨立核數師報告	35-37
CONSOLIDATED INCOME STATEMENT	綜合收益表	38
CONSOLIDATED BALANCE SHEET	綜合資產負債表	39
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY	綜合權益變動表	40-41
CONSOLIDATED CASH FLOW STATEMENT	綜合現金流量表	42-43
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS	綜合財務報表附註	44-91
FINANCIAL SUMMARY	財務摘要	92

Corporate Information

公司資料

BOARD OF DIRECTORS	<p>Mr. Yeung Ming Biu (<i>Chairman</i>) Mr. Yeung Him Kit, Dennis (<i>Managing Director</i>) Mr. Fung Kwong Yiu (<i>Executive Director</i>) Madam Yeung Man Yee, Shirley (<i>Executive Director</i>) Mr. Lam Hing Lun, Alain (<i>Finance Director</i>) Mr. Choi Kwok Yum (<i>Executive Director</i>) Dr. Sun Ping Hsu, Samson (<i>Independent Non-executive Director</i>) Dr. Li Sau Hung, Eddy (<i>Independent Non-executive Director</i>) Mr. So Kai Lau, Peter (<i>Independent Non-executive Director</i>) (Retired on 25th September, 2008) Mr. Choi Man Chau, Michael (<i>Independent Non-executive Director</i>) (Appointed on 25th September, 2008)</p>	董事會	<p>楊明標先生(主席) 楊衍傑先生 (董事總經理) 馮廣耀先生 (執行董事) 楊敏儀女士 (執行董事) 林慶麟先生 (財務董事) 蔡國欽先生 (執行董事) 孫秉樞博士 (獨立非執行董事) 李秀恒博士 (獨立非執行董事) 蘇啟鏗先生 (獨立非執行董事) (於二零零八年 九月二十五日退任) 蔡文洲先生 (獨立非執行董事) (於二零零八年 九月二十五日獲委任)</p>
COMPANY SECRETARY	Mr. Lam Hing Lun, Alain	公司秘書	林慶麟先生
PRINCIPAL BANKERS	Hang Seng Bank Limited Wing Hang Bank Limited	主要往來銀行	恒生銀行有限公司 永亨銀行有限公司
AUDITOR	Deloitte Touche Tohmatsu Certified Public Accountants	核數師	德勤 • 關黃陳方會計師行 執業會計師
HONG KONG BRANCH SHARE REGISTRARS	Tricor Secretaries Limited 26/F, Tesbury Centre 28 Queen's Road East Wanchai Hong Kong	股份過戶登記處 香港分處	卓佳秘書商務有限公司 香港 灣仔 皇后大道東 28 號 金鐘匯中心 26 樓
HONG KONG LEGAL ADVISER	Jennifer Cheung & Co	香港法律顧問	張美霞律師行
BERMUDA LEGAL ADVISER	Conyers, Dill & Pearman	百慕達法律顧問	Conyers, Dill & Pearman
REGISTERED OFFICE	Clarendon House Church Street Hamilton HM 11 Bermuda	註冊辦事處	Clarendon House Church Street Hamilton HM 11 Bermuda
PRINCIPAL PLACE OF BUSINESS	Room 312-8 China Insurance Group Building 141 Des Voeux Road Central Central Hong Kong	主要營業地點	香港 中環 德輔道中 141 號 中保集團大廈 312-8 室

Chairman's Statement and Management Discussion and Analysis

主席報告及管理層討論及分析

Management Discussion and Analysis

During the year ended 31st March, 2009, the Group experienced a slowdown in business due to the world wide effects of the economic tsunami.

Financial Results and Final dividend

Turnover for the year was HK\$2,539 million, a decrease of 13% over the last year. Profit for the year was HK\$100 million, a decrease of 36% compared with last year. In view of these results, the Board is recommending a final dividend payment of 3.5 HK cents per ordinary share. The final dividend together with the interim dividend of 1.5 HK cents per ordinary share amounts to a total annual dividend of 5.0 HK cents per ordinary share, a decrease of 55% compared with the previous year.

Business Review

Market Overview

Business has been seriously affected by the continuing world wide economic tsunami, resulting in a decline in the luxury retail market. Fortunately, the markets in the PRC have not been severely influenced by the turmoil. As such, the Group's markets in PRC, Hong Kong and Macau have been only moderately affected.

Hong Kong

The economic tsunami directly impacted the Group's results in the second half of the year. The Group's first term interim results had showed promising growth before the impact of the economic tsunami.

During this period, the management successfully converted several short-term loans to a long-term loan with one of our major bankers. This strategy will secure our cash flow position for the periods to come.

The period's increase in expenses is due to several commitments in shop rentals, made in previous years.

管理層討論及分析

截至二零零九年三月三十一日止年度內，本集團業務因全球金融海嘯影響而稍為放緩。

財務業績及末期股息

截至二零零九年三月三十一日止，本年度之營業額為2,539,000,000港元，較上年下調13%；股東應佔溢利為100,000,000港元，較上年下調36%。鑑於上述業績，董事局建議派發末期息每股3.5港仙，連同每股1.5港仙之中期息，本年度股息每股共5.0港仙，較上年下調55%。

業務回顧

市場概觀

因受到全球金融及經濟衰退的影響，高消費零售市場步入倒退的情況，嚴重影響各行各業。然而，它對國內市場的影響並不算太大。我們一向以國內，香港及澳門為業務重心的，金融海嘯對我們的影響只屬於中級程度。

香港

上半年業績於金融海嘯前均有健康增長。唯到下半年時，我們亦不能幸免，同樣受著金融海嘯直接衝擊的影響。

管理層在期內成功跟其中一家主要銀行達成協議，將目前若干短期貸款改為較長期的，令我們擁有足夠流動資金。

期內我們主要的費用支出將增加，是由於去年於業務增長期所訂下的新店舖租約而成的。

Chairman's Statement and Management Discussion and Analysis

主席報告及管理層討論及分析

In January 2009, the Group opened its first Rolex and Tudor boutique in HK at a corner shop in the Holiday Inn Golden Mile Hotel in the center of the Tsim Sha Tsui area. The two-level boutique is elegantly designed with a striking two-storey glass frontage displaying the contemporary interiors of the shop. Currently the shop is showing promising results for the future.

PRC & Macau

The Group's retail watch business results increased in the PRC. Two new shops in Shanghai and one new shop in JiangYin were opened during the period. We have closed three non-performing shops in Beijing, Xiamen and Chang Chun. The China market is still developing and very dynamic. As such, we continually seek out new opportunities for business development and understand the need to be flexible in our strategies for opening and closing shops.

Although our results were positive in the retail watch division, the Group recorded a loss in the PRC apparel division. The apparel division currently consists of the Wimbledon Lawn Tennis brand, which we began representing in 2007 to further develop the Group's PRC market. In this division, we are still in the initial investment period required to build up and develop its market. Combined with the effects of the economic tsunami, the Group has thus sustained a loss in this division.

The Macau market has been stable for the Group, recording a small increase in turnover. We will soon be opening a new retail watch shop in the Macau Tower featuring economically-priced products to further capture the Mainland tourist market and expand our customer base.

Prospects

The recent health pandemic, H1N1 "Human Swine Flu", has further impacted the economic environment. In addition to the economic tsunami which has yet to subside, this concern will further depress tourism in Hong Kong. However, with careful monitoring, it is expected that the effects will not be long-lasting.

The Group will continue to operate to its fullest through its strategy of seeking further opportunities to develop its markets and create new markets while striving to minimise its expenses. With the current fiscal situation in mind, the Group has frozen all salaries for the next period, for one year. The management would like to thank staff for their continuing cooperation, loyalty and understanding in this environment.

二零零九年一月，我們開設了我們於香港首間勞力士及帝舵專賣店，位於尖沙咀旺區一香港金域假日酒店內。樓高2層，設計優雅，富有時代感的2層落地玻璃店面設計，令人注目。管理層有信心該店能於短期內為集團帶來理想回報。

中國國內及澳門

集團國內手錶業務錄得增長。我們於本年開設共2間新店，分別位於上海及江陰。同時，我們也撤退業績不理想的3間店舖，分別位於北京，廈門及長春。國內市場仍然發展迅速，不斷改變。我們繼續尋找合適的發展商機；同時亦會彈性處理新店及撤店等各種市場策略。

縱使我們手錶業務發展理想，但國內服裝業務卻錄得虧損。目前服裝部只代理英國溫布頓服裝品牌。我們於二零零七年開始發展品牌於國內的業務，現階段仍處於初步投資期，需要建立及開拓市場；加上全球經濟大氣候的不景氣，不利於開拓新業務，因此現時服裝部投資回報為負數。

我們在澳門的銷售額平穩增長。我們短期內在澳門旅遊塔開設另一新店，主要銷售中檔手錶，吸引更多國內旅客，擴展公司顧客層。

展望

近來人類豬流感(H1N1)大肆擴散，加深影響各地經濟。在未消除金融危機之前，實在令香港旅遊業受著雙重打擊。我們必要小心審視各種環境因素，作出相應行動，相信此病毒不會對經濟造成長期影響。

我們將要全力提升營運效益，透過尋找合適商機，持續發展，及減少不必要營運開支費用。在現今財政狀況中，我們今年已凍結全體員工的調薪方案。管理層感激各員工忠誠合作，上下一心，與公司共渡時艱。

Chairman's Statement and Management Discussion and Analysis

主席報告及管理層討論及分析

Management proposes to offer bonus issue of shares to its shareholders of 1 share for every 10 shares held.

Bonus Issue of Shares

The directors of the Company propose a bonus issue of shares of the Company to the shareholders of the Company on the register of members on 26th August, 2009 on the basis of 1 share of HK\$0.10 of the Company ("Share") for every 10 Shares held by such shareholders on such date (the "Bonus Issue"). It is also proposed to increase the authorised share capital of the Company from HK\$50 million to HK\$100 million to allow for further issue of Shares.

The Bonus Issue is conditional upon the approval of shareholders in general meeting of the Company and the Listing Committee of The Stock Exchange of Hong Kong Limited granting a listing of and permission to deal in the Shares to be issued pursuant to the Bonus Issue.

A circular setting out the details of the above proposals and incorporating a notice of a general meeting of the Company will be sent to the shareholders and, for information only, warrant holders of the Company.

Financial Review

Liquidity and financial resources

At 31st March, 2009, the Group's total equity reached HK\$1,245 million, compared with HK\$1,162 million as at 31st March, 2008. The Group had net current assets of HK\$1,162 million, including bank and cash balances of HK\$203 million as at 31st March, 2009 compared with balances of HK\$957 million and HK\$229 million respectively as at 31st March, 2008. At 31st March, 2009, bank loans and overdrafts totalled HK\$403 million (31st March, 2008: HK\$268 million). At 31st March, 2009, the gearing ratio (defined as total bank borrowings on total equity) was 0.32 (31st March, 2008: 0.23).

Management still considers that financial position of the Group is healthy with adequate funds and unused banking facilities. The Group's sales and purchase transactions are primarily denominated in Hong Kong dollars and Renminbi. The Group did not face significant risk from exposure to foreign exchange fluctuations.

管理層建議派發紅股每10股派1股的方案給予各股東。

紅股發行

本公司董事建議向於二零零九年八月二十六日名列股東名冊之本公司股東發行紅股，基準為有關股東於有關日期每持有10股股份獲發1股每股面值0.10港元之本公司股份（「股份」）（「紅股發行」）。本公司亦建議將本公司之法定股本由50,000,000港元增加至100,000,000港元，以允許將來發行股份。

紅股發行須經股東於本公司股東大會上批准，以及香港聯合交易所有限公司上市委員會批准根據紅股發行將予發行之股份上市及買賣後，方可作實。

載列上述建議詳情及載有本公司股東大會通告之通函將寄發予股東及（僅供參考）本公司之認股權證持有人。

財務回顧

流動資金及財務資源

於二零零九年三月三十一日，本集團之權益總額達1,245,000,000港元，而於二零零八年三月三十一日則為1,162,000,000港元。於二零零九年三月三十一日，本集團之流動資產淨值為1,162,000,000港元，包括203,000,000港元之銀行及現金結餘，而於二零零八年三月三十一日之結餘則分別為957,000,000港元及229,000,000港元。於二零零九年三月三十一日，銀行貸款及透支合共為403,000,000港元（二零零八年三月三十一日：268,000,000港元）。於二零零九年三月三十一日，負債資產比率（定義為銀行借貸總額除以權益總額）為0.32倍（二零零八年三月三十一日：0.23倍）。

管理層仍然認為本集團之財務狀況良好，並具備充裕資金及未動用銀行信貸。本集團之買賣交易主要以港元及人民幣為單位。本集團並無面對重大外匯波動風險。

Chairman's Statement and Management Discussion and Analysis

主席報告及管理層討論及分析

Foreign exchange exposure

The Group's sales and purchase transactions are primarily denominated in Hong Kong dollars and Renminbi. The Group did not face significant risk from exposure to foreign exchange fluctuations.

Human Resources

As at 31st March, 2009, our Group had approximately 830 employees all over Hong Kong, Macau and China, in which 72% of whom were in Mainland China. The total manpower represents an 8% increase over 2008.

The Group's compensation package, which includes basic salary, commission, annual bonus, medical insurance, and other common benefits, is structured by reference to the marketplace and individual merits, and is reviewed on an annual basis based on the Group policy's performance system and objective specification performance appraisal.

We deeply believe every customer does have expectations on the service they obtained. Thus, we must always strive to provide service beyond their expectations in order to maintain the most excellent quality and comprehensive of service. As such, more resources have been allocated to the Staff Training and Development aspect. In January 2009, we commissioned an independent consultancy firm to conduct a continuous "Mystery Shoppers Programme (MSP)". This programme will help the management to gauge and monitor the overall service performance of our sales team. By analysing the results of MSP, we are able to identify the areas for improvements in a more specific way such that our future training programme could be tailor-made to specific shop / individual level. All the effort is to align with the Company's philosophy of providing "Service Excellence" to customers, with the aim of impelling the Group's business and making great strides forward unceasingly.

外匯風險

本集團之買賣交易主要以港元及人民幣為單位。本集團並無面對重大外匯波動風險。

人力資源

截至二零零九年三月三十一日，本集團於香港、澳門及中國共招聘約830名僱員，其中72%為內地員工，總受僱人數較二零零八年增加8%。

本集團參考市場指標及考慮員工的個人表現決定所提供的薪酬待遇，包括底薪、佣金、年終獎金、醫療保險及其他福利，並於每年績效評估報告中重新調整。

我們深信每位顧客均對其應獲得之服務有所期望，以此期望為基礎下，只要經常超越客人的期望，我們便保持最優質及最全面的服務。有鑒於此，本集團已積極投放資源在培訓及發展方面，給前線員工提供多元化的培訓課程。由2009年1月開始本集團正式委任獨立顧問公司進行連續性的「神秘顧客計劃」，以協助評估公司整體之服務水平，透過分析神秘顧客計劃的結果，我們能辨別公司有待改善之處從而更有效地設計針對公司、甚至個別店舖或員工的培訓課程。這一切均是配合公司為顧客提供「優質服務」的理念，以推動本集團的業務發展不斷向前邁進。

DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層

Executive directors:

Mr. YEUNG Ming Bui, aged 73, the Chairman of the Company, is a co-founder of the Group. He has over 57 years' experience in the watch business and is a Permanent Honorary Director of The Federation of Hong Kong Watch Trades and Industries Limited.

Mr. YEUNG Him Kit, Dennis, aged 40, joined the Group in 1993. He became Managing Director of the Company in March 2003. He holds a bachelor degree in commerce from the University of Toronto, Canada. Mr. Yeung is the son of Mr. Yeung Ming Bui.

Mr. Fung Kwong Yiu, aged 65, joined the Group in 1974 and has over 45 years' experience in the watch business. He is a Permanent Honorary Director of The Federation of Hong Kong Watch Trades and Industries Limited.

Madam YEUNG Man Yee, Shirley, aged 47, joined the Group in 1991. She received a higher diploma in business studies and diploma in watch and jewellery management from North Herts College in the United Kingdom and CFH Institute in Switzerland respectively. Madam Yeung is the daughter of Mr. Yeung Ming Bui.

Mr. LAM Hing Lun, Alain, aged 50, joined the Group in 1992. He is the Group Financial Controller and Company Secretary of the Company and became director of the Company in April 2003. He is responsible for the Group's accounting, financial control and secretarial matters. He has over 25 years' experience in accounting and auditing. Mr. Lam holds a master degree of business administration from the University of Hull. He is a fellow member of the Association of Chartered Certified Accountants and an associate member of the Hong Kong Institute of Certified Public Accountants.

Mr. CHOI Kwok Yum, aged 54, joined the Group in 1969. He became director of the Company in April 2003 and has over 40 years' experience in the watch business.

執行董事

楊明標先生，73歲，本公司主席，亦為本集團創辦人之一。彼具有逾57年鐘表業經驗，並為香港鐘表業總會永遠名譽會董。

楊衍傑先生，40歲，於一九九三年加入本集團。彼於二零零三年三月出任本公司董事總經理。彼持有加拿大多倫多大學商業學士學位。楊先生為楊明標先生之兒子。

馮廣耀先生，65歲，於一九七四年加入本集團，並具有逾45年鐘表業經驗。彼為香港鐘表業總會永遠名譽會董。

楊敏儀女士，47歲，於一九九一年加入本集團。彼分別持有英國North Herts College 商業課程高級文憑及瑞士CFH Institute 鐘表珠寶管理文憑。楊女士為楊明標先生之女兒。

林慶麟先生，50歲，於一九九二年加入本集團。彼為本集團財務總監兼本公司公司秘書，並於二零零三年四月出任本公司董事。彼負責本集團會計、財務控制及秘書事宜。彼具有逾25年會計及核數經驗。林先生持有University of Hull 工商管理碩士學位。彼為特許公認會計師公會資深會員及香港會計師公會會員。

蔡國欽先生，54歲，於一九六九年加入本集團。彼於二零零三年四月出任本公司董事，具有逾40年鐘表業經驗。

DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層

Independent non-executive directors:

Dr. SUN Ping Hsu, Samson, M.B.E., J.P., aged 84, is the Chairman of Sun International Group of companies. He was deputy Chairman and a Director of Gilman & Co., Ltd. and Inchcape Hong Kong respectively from 1967 to 1985. Dr. Sun is the honorary permanent president of The Federation of Hong Kong Watch Trades and Industries Limited. He has over 55 years' experience in the manufacturing, marketing and distribution of watches, and 25 years' experience in the marketing and distribution of consumer and electronic products. He has involved in the PRC trade since 1979, and continues to be active in trading in the PRC. Dr. Sun has chaired many voluntary community services and charitable organizations. He has been an independent non-executive director of the Company since September 1993.

Dr. LI Sau Hung, Eddy, aged 54 has over 35 years' experience in the manufacturing business. He is the president of Hong Kong Economic & Trade Association and a member of the Chinese People's Political Consultative Committee. Mr. Li holds a master degree of business administration and a PhD degree in economics. He was the 1991 awardee of The Ten Outstanding Young Persons and the 1993 awardee of Young Industrialists of Hong Kong. He has been an independent non-executive director of the Company since September 1993. He is currently an independent non-executive director of Jackin International Holdings Limited, Man Yue International Holdings Limited and Midas International Holdings Limited, companies listed on the Hong Kong Stock Exchange.

Mr. Choi Man Chau, Michael, aged 52, is a fellow member of the Institute of Chartered Accountants in England and Wales and the Hong Kong Institute of Certified Public Accountants. He is a Certified Public Accountant (practising) and has been practising public accountancy in Hong Kong for over 20 years. Mr. Choi is also an independent non-executive director of Dynamic Energy Holdings Limited (stock code: 578) and Hunan Nonferrous Metals Corporation Limited (stock code: 2626), both listed on the Main Board of the Stock Exchange. He was formerly an independent non-executive director of Hong Kong Energy (Holdings) Limited (stock code: 987) from 11th May, 2007 to 10th April, 2008, and Nam Tai Electronic & Electrical Products Limited (stock code: 2633) from 5th May, 2008 to 24th April, 2009, both listed on the Main Board of the Stock Exchange.

獨立非執行董事

孫秉樞博士，M.B.E., J.P.，84歲，為新達集團主席。彼自一九六七年至一九八五年間分別出任香港太平洋行有限公司之副主席及英之傑香港之董事。孫博士為香港鐘表業總會永遠名譽會長。彼具有逾55年製造、經銷及分銷手表經驗及25年經銷及分銷消費品及電子產品經驗。彼自一九七九年起涉足中國貿易業務，並一直活躍於中國貿易業務。孫博士為多個志願社團服務及慈善機構之主席。彼自一九九三年九月起出任本公司獨立非執行董事。

李秀恒博士，54歲，具有逾35年製造業經驗。彼為香港經貿商會會長及全國人民政治協商會議委員。李先生持有工商管理碩士學位及經濟學博士學位。彼為一九九一年度「香港十大傑出青年」之一，並於一九九三年獲「香港青年工業家」獎項。彼自一九九三年九月起出任本公司獨立非執行董事。彼現為輝影國際集團有限公司、萬裕國際集團有限公司及勤達集團國際有限公司(均為於香港聯交所上市之公司)之獨立非執行董事。

蔡文洲先生，52歲，為英格蘭及威爾斯特許會計師公會及香港會計師公會資深會員。彼為執業會計師，有超逾20年在香港出任執業會計師之經驗。蔡先生亦為合動能源控股有限公司(股份代號：578)及湖南有色金屬股份有限公司(股份代號：2626)(均於聯交所主板上市)之獨立非執行董事。彼曾分別於二零零七年五月十一日至二零零八年四月十日期間及二零零八年五月五日至二零零九年四月二十四日期間出任香港新能源(控股)有限公司(股份代號：987)及Nam Tai Electronic & Electrical Products Limited(股份代號：2633)(均於聯交所主板上市)之獨立非執董事。

DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層

Senior Management

Mr. TANG Tai Wai, David, aged 64, is the general manager of China division. He is responsible for sales and marketing in the PRC. He joined the Group in 1993 and has over 40 years' experience in the watch business.

Mr. SZE Yuk Woo, aged 58, is the general manager overseeing the Group's general operation in PRC. He joined the Group in 1997 and has over 40 years' experience in the watch business.

Mr. YEUNG Chi On, aged 49, is the general manager overseeing the retail operation in Hong Kong. He joined the Group in 1980 and has over 29 years' experience in the watch business.

Mr. LAM Tung Hing, aged 51, is the general manager and overseeing the retail operation in Hong Kong. He joined the Group in 2003 and has over 30 years' experience in the watch business.

高級管理層

鄧大偉先生，64歲，為中國部總經理。彼負責中國銷售及市場推廣工作。彼於一九九三年加入本集團，具有逾40年鐘表業經驗。

史育和先生，58歲，為總經理，監督本集團於中國的一般業務運作。彼於一九九七年加入本集團，具有逾40年鐘表業經驗。

楊志安先生，49歲，為總經理，監督香港零售運作。彼於一九八零年加入本集團，具有逾29年鐘表業經驗。

林東興先生，51歲，為總經理，監督香港零售運作。彼於二零零三年加入本集團，具有逾30年鐘表業經驗。

Corporate Governance Report

企業管治報告

Corporate Governance Practices

The Company strives to attain and maintain the high standard of corporate governance as it believes that effective corporate governance are fundamental to enhancing shareholder value and safe guarding shareholder interests. The Company has accordingly adopted good corporate governance principles that emphasize a quality board of Directors (“the Board”), effective internal control, stringent disclosure practices and transparency and accountability to all stakeholders. It is, in addition, committed to continuously improving these practices and inculcating an ethical corporate culture.

The principles of corporate governance adopted by the Group emphasize a quality board, sound internal control, and transparency and accountability to all stakeholders.

Throughout the year ended 31st March, 2009, the Company has complied with the code provisions prescribed in the Code on Corporate Governance Practices (“CG Codes”) set out in the Appendix 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“the Listing Rules”) except for the deviation from the Code Provision A.4.1 which is explained in the following relevant paragraph.

Directors’ Securities Transactions

The Company has adopted the Model Code set out in Appendix 10 to the Listing Rules as its own code of conduct regarding securities transactions by the Directors (“the Code”). Having made specific enquiry of all Directors, the Company confirmed that all Directors have complied with the required standard set out in the Code for the year under review.

The Board

Function and Composition of the Board

The Board is responsible for directing the strategic objectives of the Company and overseeing the management of the business. The Directors are charged with the task of promoting the success of the Company and making decisions in the best interest of the Company.

企業管治常規

本公司相信有效的企業管治是提升股東價值與保障股東權益的基本要素，因此致力達致與維持最高的企業管治水平。為此，本公司採納一套周全的企業管治原則，強調要有一個優秀的董事會（「董事會」）、有效的內部監控、嚴格的披露常規，以及對所有利益相關者的透明度和問責性。此外，本公司不斷改良該等常規，培養高度操守的企業文化。

本集團採納的企業管治原則著重要有一個優秀的董事會、健全的內部監控，以及對所有利益相關者的透明度和問責性。

於截至二零零九年三月三十一日止年度內，本公司一直遵守香港聯合交易所有限公司證券上市規則（「上市規則」）附錄14所載企業管治常規守則（「企業管治守則」）列載之守則條文，惟偏離守則條文A.4.1除外。上述偏離於下文相關段落中說明。

董事之證券交易

本公司採納了上市規則附錄10所載標準守則，作為其董事進行證券交易之操守守則（「守則」）。經向各董事作出特別查詢後，本公司確認全體董事於本回顧年度內一直遵守守則所載之規定標準。

董事會

董事會職能及結構

董事會負責制訂本公司的策略目標，並監察業務的管理工作。董事負責促進本公司的業務成績，及作出符合本公司最佳利益的決策。

Corporate Governance Report

企業管治報告

The Board, led by the Chairman, Mr. Yeung Ming Biu, approves and monitors Group wide strategies and policies, annual budgets and business plans, evaluates the performance of the Company, and supervises the management of the Company ("Management"). Management is responsible for the day-to-day operations of the Group under the leadership of the Group Managing Director.

At 31st March, 2009, the Board comprised nine Directors, including the Chairman, Group Managing Director, Group Finance Director, three Executive Directors and three Independent Non-executive Directors. Biographical details of the Directors are set out in the Directors and Senior Management Section on pages 7 to 8. The composition of the Board is well balanced with each Director having sound knowledge, experience and/or expertise relevant to the business of the Group.

For a Director to be considered independent, the Board must determine that the Director does not have any direct or indirect material relationship with the Group. In determining the independence of Directors, the Board follows the requirements set out in the Listing Rules.

Chairman and Chief Executive

The Role of the Chairman is separate from that of Group Managing Director. Such division of responsibilities helps to reinforce their independence and accountability.

The Chairman is responsible for providing leadership to, and overseeing the functions of, the Board to ensure that the Board acts in the best interest of the Group and the Board meetings are planned and conducted effectively. The Chairman is responsible for approving the agenda of each Board meeting, taking into account, where appropriate, matters proposed by Directors for inclusion in the agenda. With the support of Executive Directors and the Company Secretary, the Chairman seeks to ensure that all Directors are properly informed on issues arising at Board meetings and provided with adequate and accurate information in a timely manner. The Chairman also actively encourages Directors to be fully engaged in the Board's affairs and make contribution to the Board's functions. The Board, under the leadership of the Chairman, has adopted good corporate governance practices and procedures and taken appropriate steps to provide effective communication with shareholders.

董事會在主席楊明標先生領導下，批准及監察本集團的整體策略和政策、批准年度預算和業務計劃、評估本公司表現以及監督本公司管理層（「管理層」）的工作。在集團董事總經理帶領下，管理層負責本集團的日常運作。

於二零零九年三月三十一日，董事會由九名董事組成，包括主席、集團董事總經理、集團財務董事、三名執行董事和三名獨立非執行董事。各董事的個人資料載於第7頁至第8頁的「董事及高級管理層」一節內。董事會結構均衡，每名董事均具備與本集團業務有關之豐富知識、經驗及／或專長。

董事須經董事會確定與本集團並無任何直接或間接的重大關係，方會被視為具獨立性。董事會按照上市規則所載的規定，確定董事的獨立性。

主席及行政總裁

主席肩負有別於集團董事總經理的職責，以加強彼等的獨立性和問責性。

主席負責領導與監管董事會的運作，確保董事會以符合本集團最佳利益的方式行事，以及有效地規劃和進行董事會會議。主席負責批准每次董事會會議的議程，當中適當考慮董事建議列入議程的事項。在執行董事和公司秘書協助下，主席將確保所有董事獲簡報在董事會會議上提出的問題，並適時獲提供足夠與準確的資訊。主席也積極鼓勵董事全面參與董事會的事務以及對董事會的職能作出貢獻。在主席的領導下，董事會已採納良好的企業管治常規和程序，並採取適當步驟與股東保持有效溝通。

Corporate Governance Report

企業管治報告

The Group Managing Director, Mr. Yeung Him Kit, Dennis, is responsible for managing business of the Group, attending to the formulation and successful implementation of the Group policies and assuming full accountability to the Board for all Group operations. Acting as the principal manager of the Group's business, the Group Managing Director attends to developing strategic operating plans that reflect the long-term objectives and priorities established by the Board and is directly responsible for maintaining the operational performance of the Group. Working with the other Executive Directors and the executive management team of each core business divisions, he ensures that the Board is fully apprised of the funding requirements of the business of the Group and presents annual budgets to the Board for consideration and approval. With the assistance of the Group Finance Director, the Group Managing Director sees to it that the funding requirements of the business are met and he closely monitors the operating and financial results of the business against plans and budgets, taking remedial action when necessary. He maintains an ongoing dialogue with the Chairman and all Directors to keep them fully informed of all major business development and issues. He is also responsible for building and maintaining an effective team to support him in his role.

Independent Non-executive Directors

In compliance with Rule 3.10(1) of the Listing Rules, there are three Independent Non-executive Directors representing one-third of the Board of Directors. Among the three Independent Non-executive Directors, one of them have appropriate professional qualifications in accounting or related financial management expertise as required by Rule 3.10(2) of the Listing Rules.

The Company has received from each of the Independent Non-executive Directors the written confirmation of his independence pursuant to Rule 3.13 of the Listing Rules. The Company based on such confirmation, considers Dr. Sun Ping Hsu, Samson, Dr. Li Sau Hung, Eddy and Mr. Choi Man Chau, Michael to be independent.

集團董事總經理楊衍傑先生負責管理本集團的業務，以及制訂與實施本集團政策，並就本集團整體營運向董事會負上全責。作為本集團業務的主要管理人，集團董事總經理負責制訂反映董事會所訂長遠目標與優先事項的策略性營運計劃，同時直接負責維持本集團的營運表現。集團董事總經理與其他執行董事和各核心業務部門的行政管理隊伍通力合作，確保董事會全面了解本集團業務的資金需求，並提呈年度預算供董事會審批。在集團財務董事協助下，集團董事總經理確保業務的資金需求得到充足供應，同時根據計劃與預算密切監察業務的營運與財務業績，必要時採取補救措施。集團董事總經理與主席和全體董事保持溝通，確保彼等充分了解所有重大的業務發展與事情，亦負責建立與維持高效率的行政隊伍以支持其履行職責。

獨立非執行董事

為符合上市規則第3.10(1)條，本集團有三名獨立非執行董事，佔三分之一董事會成員。該三名獨立非執行董事中，其中一名具備上市規則第3.10(2)條所規定有關會計或有關財務管理專業之適當專業資格。

本公司已接獲各獨立非執行董事根據上市規則第3.13條有關其獨立性之書面確認書。根據該確認書，本公司認為孫秉樞博士、李秀恒博士及蔡文洲先生為獨立人士。

Corporate Governance Report

企業管治報告

Directors' Appointment, Re-election and Removal

Under the Code Provision A.4.1, non-executive directors should be appointed for a specific term, subject to re-election. However, the Independent Non-executive Directors were not appointed for a specific term but are subject to retirement by rotation in annual general meeting of the Company in accordance with the Bye-laws of the Company. The management of the Company considered that there is no imminent need to revise the letter of appointment of Independent Non-executive Directors by adding a specific term in the letter of appointment.

Board Meetings and Practices

The Board meets regularly, and at least four times a year, and the Board will also meet on other occasions when a board-level decision on a particular matter is required. Between scheduled meetings, senior management of the Group provides information to Directors on a regular basis on the activities and development in the business of the Group. Throughout the year, Directors participate in the consideration and approval of routine and operational matters of the Company by way of circular resolutions with supporting explanatory materials, supplemented by additional verbal/written information or notification from the Company Secretary and other executives as when required. Details of material or notable transactions of subsidiary companies are provided to the Directors as appropriate. Whenever, warranted, additional Board meetings are held.

The Directors will receive details of agenda items for decision and minutes of committee meeting in advance of each Board meeting. With respect to regular meeting of the Board, Directors receive written notice of the meeting at least 14 days in advance and agenda with supporting Board papers no less than 3 days prior to the meetings. With respect to the other meetings, Directors are given as much as notice as is reasonable and practicable in the circumstances.

The Company Secretary, Mr. Lam Hing Lun, Alain is responsible to the Board for ensuring that the Board procedures are followed and Board activities are efficiently and effectively conducted. These objectives are achieved through the adherence to proper Board processes and the timely preparation and dissemination to Directors and Board Committees comprehensive Board agendas and papers.

董事之委任、重選及罷免

根據守則條文A.4.1，非執行董事應按指定年期委任，並須接受重選。然而，獨立非執行董事並無按指定年期委任，但須根據本公司之公司細則在本公司之股東週年大會上輪值退任。本公司管理層認為並無迫切需要透過在委任書加入指定年期修訂獨立非執行董事之委任書。

董事會會議及常規

董事會須每年定期舉行最少四次會議，董事會亦將於其他須董事會就特定事宜作出決策之情況下舉行會議。在編定會期的會議之間，集團高級管理層會定時向董事提供有關集團活動和業務發展的資料。年內各董事透過傳閱附有理據說明材料的決議案，及在需要時由公司秘書與其他行政人員提供額外口頭／書面補充資料或通報，參與審批本公司的日常及營運事宜。有關附屬公司的重大或顯要交易的詳細資料，亦會適時提供予各董事。在需要時，並會舉行額外的董事會會議。

董事將於各董事會會議舉行前接獲將討論之議程事項詳情及委員會會議之會議紀錄。有關董事會的定期會議，各董事至少在十四天前接獲書面的會議通告，並至少於會議日期前三天獲發送議程與相關董事會文件。有關其他會議，亦視乎情況給予董事合理及可行通知期。

公司秘書林慶麟先生向董事會負責，以確保董事會程序獲得遵守及董事會活動有效率及有效地進行。該等目標乃透過嚴謹遵守適當董事會程序及適時編製及發送董事會會議議程及文件予董事及董事會各委員而得以達成。

Corporate Governance Report

企業管治報告

The Company Secretary is responsible for ensuring that the Board is fully apprised of all legislative, regulatory and corporate governance developments relating to the Group and that it takes these into consideration when making decisions for the Group. The Company Secretary is also directly responsible for the Group's compliance with all obligations of the Listing Rules including publications and dissemination of annual reports and interim reports within the periods laid down in the Listing Rules, timely dissemination to shareholders and the market of announcement and information relating to the Group and assisting in the notification of Directors' dealings in securities of the Group.

The Company Secretary advises the Directors on their obligations for disclosure of interests in securities, connected transactions and price-sensitive information and ensures that the standards and disclosures required by the Listing Rules are observed and, where required, reflected in the annual report of the Company.

In relation to connected transactions, regular seminars are conducted for executives from business units within the Group to ensure that such transactions are handled in compliance with the Listing Rules. Details analyses are performed on all potential connected transactions to ensure full compliance and for Directors' considerations.

Any Director wishing to do so in the furtherance of his or her duties, may take independent professional advice at the Company's expense. Directors are encouraged to update their skills, knowledge and familiarity with the Group through their initial induction, ongoing participation at Board and Committee meetings, and through meeting with key members of the Management.

公司秘書負責確保董事會獲得全面報告一切與集團有關之立法、規管和企業管治的發展，並於作出有關集團的決策時加以考慮。公司秘書亦直接負責確保本集團遵照上市規則所規定的所有責任，包括於上市規則規定的期限內出版和發送年報與中期報告，及時向股東與市場傳達有關本集團的公佈與資料，並協助董事買賣本集團證券時發出通知。

公司秘書就董事披露證券權益、關連交易和股價敏感資料方面的責任向他們提供意見，並確保上市規則規定的標準與資料披露得以遵守，以及有需要時於本公司年報中反映。

本集團定期向本集團內各業務單位行政人員舉行關於關連交易之研討講座，以確保關連交易的處理方式符合上市規則規定。所有潛在關連交易均會進行詳細分析，確保完全符合規例，並提呈董事考慮。

任何董事如擬尋求獨立專業意見以充分履行其職責，均可尋求有關意見，費用概由本公司承擔。透過入職簡介、持續參與董事會及委員會會議及與管理層主要成員舉行會議，本公司鼓勵董事提升其技能與知識，並加深對本集團之了解。

Corporate Governance Report

企業管治報告

During the year ended 31st March, 2009, Board meetings and Directors attendance records for the meetings held are set out below:

於截至二零零九年三月三十一日止年度內，董事會會議及各董事於所舉行會議之出席記錄載列如下：

		Directors' Attendance 董事出席率
<i>Executive Directors</i>		
Mr. Yeung Ming Bui ⁽¹⁾ — Chairman	執行董事 楊明標先生 ⁽¹⁾ — 主席	4/4
Mr. Yeung Him Kit, Dennis ⁽¹⁾ — Group Managing Director	楊衍傑先生 ⁽¹⁾ — 集團董事總經理	4/4
Mr. Fung Kwong Yiu	馮廣耀先生	4/4
Madam Yeung Man Yee, Shirley ⁽¹⁾	楊敏儀女士 ⁽¹⁾	4/4
Mr. Lam Hing Lun, Alain — Group Finance Director	林慶麟先生 — 集團財務董事	4/4
Mr. Choi Kwok Yum	蔡國欽先生	4/4
<i>Non-Executive Directors</i>		
Dr. Sun Ping Hsu, Samson	非執行董事 孫秉樞博士	4/4
Dr. Li Sau Hung, Eddy	李秀恒博士	4/4
Mr. So Kai Lau, Peter (retired on 25th September, 2008)	蘇啟鏐先生 (於二零零八年九月二十五日退任)	2/2
Mr. Choi Man Chau, Michael (appointed on 25th September, 2008)	蔡文洲先生 (於二零零八年九月二十五日獲委任)	2/2

Notes:

(1) Mr. Yeung Bing Bui is the father of Mr. Yeung Him Kit, Dennis and Madam Yeung Man Yee, Shirley.

附註：

(1) 楊明標先生為楊衍傑先生及楊敏儀女士之父。

Accountability and Audit

Directors' Responsibility for the Financial Statements and the Financial Reporting

The annual and interim results of the Company are published in a timely manner of the year end and the half year.

The following statement, which set out the responsibilities of the Directors in relation to the financial statements, should be read in conjunction with, but distinguished from, the Auditor's report on pages 35 to 37 which acknowledge the reporting responsibilities of the Group's Auditors.

問責性及核數

董事就財務報表及財務申報所承擔的責任

本公司之年度及中期業績於年底及年中適時刊發。

下文列出董事就財務報表所承擔的責任，與第35頁至第37頁「核數師報告」內本集團核數師確認其報告責任有所不同，但兩者應一併閱讀。

Corporate Governance Report

企業管治報告

Annual Report and Accounts

The Directors acknowledge their responsibility for preparation of the Annual Report and financial statements of the Company to ensure that the financial statements give a true and fair presentation in accordance with Hong Kong Companies Ordinance and the applicable accounting standards.

Accounting Policies

The Directors consider that in preparing the financial statements, the Group applies appropriate accounting policies that are consistently applied and makes judgements and estimates that are reasonable and prudent in accordance with the applicable accounting standards.

Accounting Records

The Directors are responsible for ensuring that the Group keeps accounting records which disclose the financial position of the Group upon which financial statements of the Group could be prepared in accordance with the Group's accounting policies.

Safeguarding Assets

The Directors are responsible for taking all reasonable and necessary steps to safeguard the assets of the Group and to prevent and detect fraud and other irregularities within the Group.

Going Concern

The Directors, having made appropriate enquires, consider that the Group has adequate resources to continue in operational existence for the foreseeable future and that, for this reason, it is appropriate to adopt the going concern basis in preparation the financial statements.

年報及賬目

董事確認其編製本公司年報及財務報表的責任，他們確保此等財務報表均真實與公平地反映情況，並根據香港公司條例與適用之會計準則編製。

會計政策

董事認為，本集團在編製財務報表時應用一貫應用的適當會計政策，並根據適用的會計準則作出合理及審慎的判斷與估計。

會計紀錄

董事負責確保本集團保存可披露本集團財政狀況的賬目紀錄，讓本集團得以按照本集團的會計政策編製財務報表。

保護資產

董事負責採取一切合理而必要的措施保護本集團資產，並防範與查察本集團內的詐騙行為與其他違規事項。

持續營運

經作出適當查詢後，董事認為本集團擁有足夠資源在可見未來繼續營運，因此適宜採納持續營運的基準來編製財務報表。

Corporate Governance Report

企業管治報告

Auditors' Remuneration

The Board is satisfied with Deloitte in respect of the audit fees they charged, the process and its effectiveness of the audit and has resolved to recommend their reappointment as the Company's external auditors at the forthcoming Annual General Meeting

During the financial year, the services provided by, and the associated remuneration paid to Deloitte were as follows:

		HK\$'000 千港元
Audit	審計	2,200
Taxation and non-audit services	稅務及非審計服務	145
		2,345

Board Committees

Audit Committee

The Audit Committee comprises all Independent Non-executive Directors who possess the appropriate business and financial management experience and skills to understand financial statements and internal controls. It is chaired by Dr. Sun Ping Hsu, Samson with Dr. Li Sau Hung, Eddy, Mr. So Kai Lau, Peter (retired on 25th September, 2008) and Mr. Choi Man Chau, Michael (appointed on 25th September, 2008) as members.

Under the term of reference of the Audit Committee, it is required to oversee the relationship between the Company and its external auditors, review the Group's preliminary results, interim results and annual financial statements, monitor compliance with statutory and Listing Rules requirements, review the scope, extent and effectiveness of the activities of the Group's internal audit functions, engage independent legal or other advisers as it determines is necessary and perform investigations.

The terms of reference of the Audit Committee adopted by the Board are published on the Group's website.

核數師酬金

董事會信納德勤有關其所收取之核數費用、審計過程及其有效性，並議決建議於應屆股東週年大會上續聘其出任本公司之外聘核數師。

於本財政年度內，德勤提供之服務及向其支付之相關酬金如下：

董事委員會

審核委員會

審核委員會包括全體獨立非執行董事，彼等均具備了解財務報表及內部監控所需的適當商業與財務管理經驗與技巧。委員會由孫秉樞博士擔任主席，成員為李秀恒博士、蘇啟鑾先生（於二零零八年九月二十五日退休）及蔡文洲先生（於二零零八年九月二十五日獲委任）。

根據審核委員會的職權範圍，委員會的職責包括監察本公司與其外聘核數師的關係、審閱本集團的初步業績、中期業績與年度財務報表、監察對法定與上市規則規定的遵守情況、審訂本集團內部審核職能的工作範圍、規限與效益、在認為有需要時委聘獨立的法律或其他顧問，以及進行調查。

董事會所採納的審核委員會職權範圍登載於本集團網站。

Corporate Governance Report

企業管治報告

During the year ended 31st March, 2009, 2 meetings were held. The attendance records for the audit committee meetings are set out below:

於截至二零零九年三月三十一日止年度內舉行了兩次會議。審核委員會會議之出席紀錄載列如下：

		Directors' Attendance 董事出席率
<i>Members of the Audit Committee</i>		
Dr. Sun Ping Hsu, Samson	審核委員會成員 孫秉樞博士	2/2
Dr. Li Sau Hung, Eddy	李秀恒博士	2/2
Mr. So Kai Lau, Peter (retired on 25th September, 2008)	蘇啟鏐先生 (於二零零八年九月二十五日退任)	1/1
Mr. Choi Man Chau, Michael (appointed on 25th September, 2008)	蔡文洲先生 (於二零零八年九月二十五日獲委任)	1/1

Financial Statements

The Audit committee meets with the Group Finance Director and other senior management of the Group from time to time to review the interim and final results and the Interim Report and Annual Report of the Group and other financial, internal control and risk management matters of the Group. It considers and discusses the reports and presentations of Management, the Group internal and external auditors, with a view of ensuring that the Group's consolidated financial statements are prepared in accordance with accounting principles generally accepted in Hong Kong. It also meets the Group's external auditors, Deloitte, to consider their reports on the scope and outcome of their independent review of the interim financial report and on their annual audit of the consolidated financial statements.

財務報表

審核委員會就審閱本集團的中期業績、末期業績、中期報告及年報以及本集團的其他財務、內部監控及風險管理事宜，不時與集團財務董事及本集團其他高級管理層舉行會議。委員會考慮與討論管理層、集團內部及外聘核數師之報告與所提交的資料，以確保本集團的綜合財務報表按照香港普遍採納的會計原則編製。委員會並與本集團的外聘核數師德勤舉行會議，以考慮德勤就獨立審閱中期財務報告的範疇和結果而提交的報告及其對綜合財務報表的年度審核報告。

External Auditors

The Audit Committee reviews and monitors the external auditors' independence and objectivity and the effectiveness of the audit process. It has received a letter of confirmation from Deloitte of their independence and objectivity and holds meetings with Deloitte to consider the scope of their audit, approve the fees thereon, and the scope and appropriateness of non-audit services, if required, to be provided by them. The Audit Committee also makes recommendations to the Board on the appointment and retention of the external auditors.

外聘核數師

審核委員會審閱及監察外聘核數師之獨立性和客觀性，以及審核過程的有效性。委員會檢閱由德勤發出確認其獨立性與客觀性的函件，並與德勤舉行會議，以考慮其審核範疇、批准其收費，並審批將由該事務所提供的任何非審計服務(如有)的範疇及其適當性。審核委員會並就外聘核數師的委任與續聘事宜向董事會提交建議。

Corporate Governance Report

企業管治報告

The Group's policy regarding the engagement of Deloitte for various services listed below is as follows:

- Audit services — includes audit services provided in connection with the audit of the consolidated financial statements. All such services are to be provided by external auditors.
- Audited related services — included services that would normally be provided by an external auditors but not generally included in audit fees, for example, audit of the Group's pension plans, due diligence and accounting advice related to mergers and acquisitions, internal control reviews of systems and/or process, issuance of special audit reports for tax purposes (if any). The external auditors are to be invited to undertake these services that they must or are best placed to undertake in their capacity as auditors.
- Taxation related services — includes all tax compliance and tax planning services except for those services which are provided in connection with the audit. The Group uses the services of the external auditors where they are best suited. All other significant taxation related work may be undertaken by other parties as appropriate.
- Others services — includes, for example audit or reviews of third parties to assess compliance with contracts, risk management diagnostics and assessments, and non-financial system consultations (if any). The external auditors are also permitted to assist management and the Group's internal auditors with internal investigations and fact-finding into alleged improprieties. These services are subject to specific approval by the Audit Committee.
- General consulting services — the external auditors are not eligible to provide services involving general consulting work including accountancy services.

本集團按下列政策委聘德勤提供下文所列各類服務：

- 審計服務 — 包括與審核綜合財務報表有關的審計服務。所有此等服務須由外聘核數師提供。
- 與審計有關的服務 — 包括一般由外聘核數師提供，但一般不包括在核數費用內的服務，例如審核本集團的退休計劃、與併購活動有關的盡職審查與會計意見、對制度及／或程序進行內部監控檢討，以及就稅務目的(如有)發表特別審核報告等。本集團邀請外聘核數師提供其作為核數師必須提供或最能勝任的服務。
- 與稅務有關的服務 — 包括所有稅務循規與稅務規劃服務，但不包括與審計有關的服務。本集團委聘外聘核數師提供其最能勝任的服務。所有其他重要的稅務相關工作可能由其他適當人士執行。
- 其他服務 — 包括例如審計或檢討第三方的資料以評估合約遵守情況、風險管理分析與評估，以及不涉及財務制度的顧問服務(如有)等。外聘核數師並可協助管理層與本集團內部核數師進行內部調查與查察懷疑的違規事項。此等服務須由審核委員會特別通過。
- 一般顧問服務 — 外聘核數師不符合資格提供一般的顧問服務，包括會計服務。

Corporate Governance Report

企業管治報告

Review of Risk Management and Internal Control

The Audit Committee assists the Board in meeting its responsibilities for maintaining an effective system of internal control. It reviews the process by which the Group evaluates its control environment and risk assessment process, and the way in which business and control risks are managed. In addition, it review with the Group's internal auditors the work plan for their audit together with their resources requirements and consider the report to the Audit Committee on the effectiveness of internal controls in the Group business operations.

These reviews and reports are taken into consideration by the Audit Committee when it makes its recommendations to the Board for approval of the consolidated financial statements for the year.

Remuneration Committee

The Remuneration Committee comprises three members, including two Independent Non-executive Directors, namely Dr. Sun Ping Hsu, Samson and Dr. Li Sau Hung, Eddy and a Managing Director, Mr. Yeung Him Kit, Dennis. Dr. Sun Ping Hsu, Samson is the chairman of the Committee. The Committee meets for the determination of the remuneration package of Directors and senior management of the Group. In addition, the Committee also meets as and when required to consider remuneration related matters.

The responsibilities of the Remuneration Committee are to assist the Board in achieving its objectives of attracting, retaining and motivating people of the highest calibre and experience needed to shape and execute strategy across the Group's substantial business operations. It assists the Group in the administration of a fair and transparent procedure for setting remuneration policies including assessing the performance of Directors and senior executive of the Group and determining their remuneration packages. The terms of reference of the Remuneration Committee adopted by the Board are published on the Group's Website.

The remuneration of Directors and senior executives is determined with reference to the performance and profitability of the Group as well as remuneration benchmarks from other local and/or international companies prevailing market conditions. Directors and employees also participate in bonus arrangement determined in accordance with the performance of the Group and the individual's performance.

風險管理及內部監控的檢討

審核委員會協助董事會達到維持有效的內部監控制度之責任。委員會檢討本集團對其監控環境與風險管理的評估程序，以及對業務與監控風險的管理方式。此外，委員會與本集團內部核數師審閱其審核工作計劃和所需的資源，並審議本集團內部核數師就本集團業務營運的內部監控成效向審核委員會所提交的報告。

審核委員會根據此等檢討結果與報告，就批核年度綜合財務報表向董事會提出建議。

薪酬委員會

薪酬委員會由三名成員組成，包括兩名獨立非執行董事孫秉樞博士、李秀恒博士及董事總經理楊衍傑先生。委員會由孫秉樞博士擔任主席。委員會舉行會議以釐定本集團董事與高級管理層的薪酬待遇。此外，委員會將按需要舉行會議，以審議與薪酬相關事宜。

薪酬委員會的責任是協助董事會達成其目標，以吸引、挽留與激勵最有才能和經驗的人才，為本集團旗下規模龐大業務制訂與執行策略。委員會將協助管理本集團一個公平及具透明度的程序，用以制訂薪酬政策(包括評估本集團董事與高級行政人員的表現並釐定其薪酬待遇)。薪酬委員會的職權範圍已獲董事會採納，並已登載於本集團網站。

董事與高級行政人員的薪酬根據本集團本身的表現和盈利，並參考其他本港及／或國際公司的薪酬指標與市況釐定。董事與僱員亦參與按本集團與個人表現釐定的花紅安排。

Corporate Governance Report

企業管治報告

During the financial year ended 31st March, 2009, one remuneration committee meeting has been held. Throughout the financial year, all members of the Remuneration Committee have reviewed background information on market data, the Group's business activities and human resources issues, and headcounts and staff costs. The Remuneration Committee has also reviewed and approved the proposed director fees for year ended 31st March, 2008, year end bonus and remuneration packages of Executive Directors and senior management of the Company for the year ended 31st March, 2009 and made recommendations to the Board on the directors' fees for Independent Non-executive Directors, however, do not participate in the determination of their own remunerations.

Nomination of Directors

The Company has not established a nomination committee. However, Executive Directors identify potential new directors and recommend to the Board for decision. The Board considers potential directorship based on the candidate's qualifications, business experience and suitability to the Company. During the financial year ended 31st March, 2009, no nomination meeting has held.

Internal Control and Group Risk Management Introduction

The Board has overall responsibility for the Group's system of internal control and assessment and management of risks.

In meeting its responsibilities, the Board seeks to increase risk awareness across the Group's business operations and has put in place policies and procedures, including parameters of delegated authority, which provide a framework for the identification and management of risks. It also reviews and monitors the effectiveness of the systems of internal control to ensure that the policies and procedures in place are adequate. Reporting and reviewing activities include review by the Executive Directors and the Board and approval of detailed operational and financial reports, budgets and plans provided by the management of the business operations, review by the Board of actual results against budgets, review by the Audit Committee of the ongoing work of internal audit function and risk management function, as well as regular business review by Executive Directors and the executive management team of each core business division.

截至二零零九年三月三十一日止財政年度內，薪酬委員會已舉行一次會議。於財政年度內，薪酬委員會所有委員已審閱市場數據的背景資料、集團業務活動與人力資源事宜，以及僱員人數與員工成本。薪酬委員會亦已審議與批核截至二零零八年三月三十一日止年度的建議董事袍金、年終花紅，以及本公司執行董事與高級管理層截至二零零九年三月三十一日止年度薪酬待遇的建議，並向董事會建議獨立非執行董事的董事袍金，惟並無參與釐定其本身的薪酬。

董事提名

本公司並無成立提名委員會。然而，執行董事物色潛在之新董事，並向董事會提出建議以便作出決定。董事會按人選資歷、業務經驗及對本公司之適合性考慮出任董事之潛力。於截至二零零九年三月三十一日止財政年度內，並無舉行提名會議。

內部監控及集團風險管理 簡介

董事會全權負責本集團的內部監控制度，以及評估與管理風險。

董事會履行其職責，尋求提升對本集團旗下各業務營運的風險意識，並透過制訂政策和程序，包括界定授權的標準，藉以建立一個有助確定與管理風險的架構。董事會並檢討與監察內部監控制度的成效，以確保現有政策與程序足以應付需要。匯報與審閱工作包括由執行董事與董事會審批業務營運管理人員提交的詳盡營運與財務報告、預算和計劃；由董事會對照實際業績及預算；由審核委員會審閱內部審計職能與風險管理職能的持續工作；以及由執行董事與每個核心業務部門的行政管理隊伍定期進行業務檢討。

Corporate Governance Report

企業管治報告

Whilst these procedures are designed to identify and manage risks that could adversely impact the achievement of the Group's business objectives, they do not provide absolute assurance against material mis-statement errors, losses or fraud.

Internal Control Environment

The Board is overall responsible for monitoring the operations of the business within the Group. Executive Directors are appointed to the Board of all material operating subsidiaries for monitoring of the operations of those companies, including attendance at Board meetings, review and approval of business strategies, budgets and plans, and setting of key business performance targets. The executive management team of each core business division is accountable for the conduct and performance of each business in the division within the agreed strategies and similarly the management of each business is accountable for its conduct and performance.

The Group's internal control procedures include a system for reporting information to the executive management teams of each core business and the Executive Directors.

Business plans and budgets are prepared annually by the management of individual businesses and subject to review and approval by Executive Directors. Executive Directors review the differences to the budget and for approval. When setting budgets, management identifies, evaluates and reports on the likelihood and potential financial impact of significant business risks.

The Executive Directors review monthly management reports on the financial results and key operating statistics of each business and hold regular meetings with the executive management team and senior management of business operations to review these reports, business performance against budgets, forecasts, significant risk sensitivities and strategies. In addition, Group Finance Director and members of his finance team review monthly performance against budget and forecast, and to address accounting and finance related matters.

儘管上述程序旨在確定與管理可能對本集團實現業務目標有不利影響的風險，但並未對重大失實陳述、錯失、損失或詐騙提供絕對保證。

內部監控環境

董事會全權負責監察本集團旗下業務單位的運作。執行董事獲委任加入所有經營重大業務的附屬公司的董事會，以監察此等公司的運作，包括出席其董事會會議、審批業務策略、預算和計劃，以及制訂主要的業務表現指標。每個核心業務部門的行政管理隊伍對其部門內每項業務在協定策略範圍內的營運與表現承擔問責。同樣地，每項業務的管理層亦須為其業務運作與表現承擔問責。

本集團的內部監控程序包括一個報告制度，以向每個核心業務部門的行政管理隊伍與執行董事匯報資料。

業務計劃與預算由個別業務的管理層按年編製，並須由執行董事審批。執行董事檢討與預算的差異並作出審批。在編製預算時，管理層確定、評估與匯報業務蒙受重大風險的可能性與其潛在的財務影響。

執行董事審閱涵蓋每項業務的財務業績與主要營運統計數字的每月管理報告，並定期與行政管理隊伍與業務營運之高級管理層舉行會議，以檢討此等報告、業務表現與預算的比較、業務預測與重大業務風險因素與策略。此外，集團財務董事每月與其財務小組成員舉行會議，以對照預算和預測來檢討每月表現，以及處理會計與財務相關事宜。

Corporate Governance Report

企業管治報告

The Group Finance Director has established guidelines and procedures for approval and control of expenditures. Operating expenditures are subject to overall budget control and are controlled within each business with approval level for such expenditures being set by reference to the level of responsibility of each executive officer. Capital expenditures are subject to overall control within the annual budget review and approval process, and more specific control and approval prior to commitment by the Group Finance Director or Executive Directors are required for unbudgeted expenditures and material expenditures within the approval budget. Reports of actual versus budgeted and approved expenditures are also regularly reviewed.

Internal audit department reporting to the Group Managing Director on regular basis and also directly to the Audit Committee if necessary, provides independent assurance as to the existence and the effectiveness of the risk management activities and controls in the Group's business operations. Using risk assessment methodology and taking into account the dynamics of the Group activities, internal audit derives its yearly audit plan which is reviewed by the Audit Committee, and reassessed during the year as needed to ensure that adequate resources are deployed and the plan's objectives are met. Internal audit is responsible for assessing the Group's internal control system, formulating an impartial opinion on the system, and reporting its findings to the Group Managing Director and the Audit Committee as well as following up on all reports to ensure that all issues have been satisfactorily resolved. In addition, a regular dialogue is maintained with the Group's external auditors so that both are aware of the significant factors which may affect their respective scopes of work.

Depending on the nature of business and risk exposure of individual business units, the scope of the work performed by the internal audit function includes financial and operations review, recurring and surprise audits, fraud investigation and productivity effectively reviews.

Reports from the external auditors on internal controls and relevant financial reporting matters, if any, are presented to the Group Finance Director and the relevant management team. These reports are reviewed and the appropriate actions taken.

集團財務董事已為開支的批准與控制訂立指引與程序。營業支出均須根據整體預算作出監管，並由各個業務按與每名行政人員的職責輕重相稱的開支批核水平進行監控。資本開支須按照年度預算審訂與批核程序進行全面監控，在經批核預算之內未列入預算案的開支以及重大支出，則須於投入之前由集團財務董事或執行董事作出更具體的監管與批核。比較實際開支與預算及經批核的開支的報告亦會定期審閱。

內部審核部門須定期向集團董事總經理匯報其職務，並須直接向審核委員會匯報(如必要)，就本集團業務營運的風險管理活動與監控提供運作與效益方面的獨立保證。內部審核運用風險評估方法與考慮本集團業務運作機制，制訂其週年審核計劃。該計劃由審核委員會審議，並在需要時於年內重新評估，確保有足夠資源可供運用與計劃目標得以實現。內部審核負責評估本集團內部監控制度，就制度提供公正無私意見，並將其評估結果向集團董事總經理及審核委員會匯報，同時負責跟進所有報告，確保所有問題已獲得圓滿解決。此外，內部審核部門還會與本集團的外聘核數師定期溝通，讓雙方了解可能影響其相關工作範圍的重大因素。

視乎個別業務單位的業務性質與承受的風險，內部審計職能的工作範圍包括財務與營運審訂、經常性與突擊審核、詐騙調查，以及生產力效率審閱等。

外聘核數師向集團財務董事與相關管理隊伍提交有關內部監控與相關財務報告事宜的報告(如有)。該等報告會被審閱及採取適當行動。

Corporate Governance Report

企業管治報告

Group Risk Management

The Group Managing Director and the Group Finance Director have the responsibility of developing and implementing risk mitigation strategies including the deploying of insurance to transfer the financial impact of risks. The Group Finance Director is responsible for arranging appropriate insurance coverage.

Review of Internal Control Systems

The Board, through the Audit Committee, has conducted a review of the effectiveness of the Group's internal control system for the year ended 31st March, 2009 covering all material financial, operational and compliance controls and risk management functions, and is satisfied that such system are effective and adequate.

Communication with Investors and Shareholders

The Board recognizes the importance of maintaining clear, timely and effective communication with the shareholders of the Company and investors. Therefore, the Board and the Group's senior Management maintain close communications with investors, analysts, fund managers and the media by various channels including interviews and meetings. The Group specially assigns Mr. Lam Hing Lun, Alain, Group Finance Director, being the contact person of investor relations to respond the requests of information and queries from the investors.

The Board also welcomes the view of shareholders on matters affecting the Group and encourages them to attend shareholders' meeting to communicate with the Board or Management directly.

集團風險管理

集團董事總經理與集團財務董事有責任制訂與執行紓緩風險的策略，包括運用保險轉移風險的財務影響。集團財務董事負責作出適當的保險安排。

檢討內部監控制度

董事會已透過審核委員會檢討截至二零零九年三月三十一日止年度的集團內部監控制度成效，包括所有重大財務、營運與循規監控及風險管理職能，並滿意此等制度為有效與足夠。

投資者及股東通訊

董事會深明與本公司股東及投資者維持清晰、適時及有效通訊之重要性。因此，董事會及本集團之高級管理層透過訪問及會議等多種不同渠道與投資者、分析員、基金經理及傳媒維持緊密通訊。本集團特別委派集團財務董事林慶麟先生作為投資者關係之聯絡人，以回應投資者有關索取資訊之要求與查詢。

董事會亦歡迎股東就對本集團構成影響之事宜表達意見，並鼓勵彼等出席股東大會，直接與董事會或管理層溝通。

Corporate Governance Report

企業管治報告

Shareholder's Right

The Board is committed to providing clear and full performance information of the Group to the shareholders through publication of notices, announcements, circulars, interim and annual reports. In addition to dispatching circulars, notices, financial reports to shareholders, additional information is also available to the shareholders on the Group's website.

Shareholders are encouraged to attend all general meeting of the Company, such as the annual general meeting for which at least 21 days' notice is given and at which the Chairman and Directors are available to answer questions on the Group's business. All shareholders have statutory right to call for extraordinary general meeting and put forward agenda items for consideration by shareholders by sending to the Company Secretary at the registered office a written request for such general meeting together with the proposed agenda items. All substantial resolutions at the general meeting are decided on a poll. The poll is conducted by the Group's Share Registrars and the results of the poll are published on the Group's website. Financial and other information is made available on the Group's website, which is regularly updated.

股東權利

董事會透過刊印通告、公佈、通函、中期與年度報告，致力為股東提供清晰及全面的本集團業績資料。股東除獲寄發通函、通告與財務報告外，亦可登入本集團網站取得更多資料。

本集團鼓勵股東出席本公司所有股東大會，例如給予最少21日通知的股東週年大會，主席與董事均出席股東大會，以解答有關本集團業務的提問。全體股東均有法定權力可提出要求召開股東特別大會並提出議程事項以供股東考慮，股東只須致函本公司註冊辦事處，向公司秘書提出召開有關股東大會之要求及說明所建議討論的議程即可。股東大會上所有重要決議案均以投票方式表決。投票表決由本集團股份過戶登記處進行，而投票表決結果會刊登於本集團網站。本集團網站並登載定期更新的財務與其他資料。

Directors' Report

董事會報告

The directors present their annual report and the audited consolidated financial statements for the year ended 31st March, 2009.

Principal Activities

The Company acts as an investment holding company as well as engaged in watch trading. The principal activities of its principal subsidiaries are set out in note 28 to the consolidated financial statements.

Results and Dividends

The results of the Group for the year are set out in the consolidated income statement on page 38.

An interim dividend of 1.5 Hong Kong cents per share was declared and paid to the shareholders during the year. A final dividend of 3.5 Hong Kong cents per share being proposed by the directors is subject to approval by the shareholders in the forthcoming annual general meeting.

Reserves

As at 31st March, 2009, the Company's reserves available for distribution consisted of contributed surplus of HK\$122,183,000 and retained profits of HK\$116,616,000.

Under the Companies Act 1981 of Bermuda (as amended), the contributed surplus account of the Company is available for distribution. However, the Company cannot declare or pay a dividend, or make a distribution out of contributed surplus if:

- (a) it is, or would after the payment be, unable to pay its liabilities as they become due; or
- (b) the realisable value of its assets would thereby be less than the aggregate of its liabilities and its issued share capital and share premium account.

Property, Plant and Equipment

During the year, the Group incurred approximately HK\$33.5 million on the purchase of furniture, fixtures and equipment. Details of these and other movements in property, plant and equipment of the Group during the year are set out in note 13 to the consolidated financial statements.

董事會謹此提呈本公司截至二零零九年三月三十一日止年度之年報及經審核綜合財務報表。

主要業務

本公司為投資控股公司並從事鐘表貿易業務。其主要附屬公司之主要業務載於綜合財務報表附註28。

業績及股息

本集團於本年度之業績載於第38頁之綜合收益表。

年內已向股東宣派及派付中期股息每股1.5港仙。董事亦建議派付末期股息每股3.5港仙，但須待股東於應屆股東週年大會批准方可作實。

儲備

於二零零九年三月三十一日，本公司可供分派之儲備包括繳入盈餘122,183,000港元及保留溢利116,616,000港元。

根據百慕達一九八一年公司法(經修訂)，本公司繳入盈餘之款項可用作分派。然而，在下列情況下，本公司不可由繳入盈餘中宣派或支付股息，或作出分派：

- (a) 本公司當時或在付款後無法償還到期負債；或
- (b) 本公司資產之可變現價值會低於其負債與其已發行股本及股份溢價賬之總額。

物業、機器及設備

年內，本集團動用約33,500,000港元購置傢俬、裝置及設備。有關詳情以及本集團之物業、機器及設備於年內之其他變動詳情載於綜合財務報表附註13。

Directors' Report

董事會報告

Directors and Directors' Service Contracts

The directors of the Company during the year and up to the date of this report were:

Executive directors:

Yeung Ming Biu (*Chairman*)
 Yeung Him Kit, Dennis (*Managing Director*)
 Fung Kwong Yiu
 Yeung Man Yee, Shirley
 Lam Hing Lun, Alain
 Choi Kwok Yum

Independent non-executive directors:

Sun Ping Hsu, Samson, Dr.
 Li Sau Hung, Eddy, Dr.
 Choi Man Chau, Michael (appointed on 25th September, 2008)
 So Kai Lau, Peter (retired on 25th September, 2008)

In accordance with Bye-laws 86 and 87 of the Company's Bye-laws, Mr. Yeung Ming Biu, Mr. Yeung Him Kit, Dennis, Ms. Yeung Man Yee, Shirley and Mr. Choi Man Chau, Michael retire and, being eligible, offer themselves for re-election.

None of the directors has a service contract with the Company or any of its subsidiaries which is not determinable by the Group within one year without payment of compensation, other than statutory compensation.

董事及董事服務合約

本公司於年內及截至本報告日期之董事如下：

執行董事：

楊明標(主席)
 楊衍傑(董事總經理)
 馮廣耀
 楊敏儀
 林慶麟
 蔡國欽

獨立非執行董事：

孫秉樞博士
 李秀恒博士
 蔡文洲 (於二零零八年九月二十五日獲委任)
 蘇啟鑒 (於二零零八年九月二十五日退任)

根據本公司之公司細則第86及87條，楊明標先生、楊衍傑先生、楊敏儀女士及蔡文洲先生均須告退，惟符合資格並願膺選連任。

董事概無與本公司或其任何附屬公司訂立本集團不作賠償(法定賠償除外)則不得於一年內終止之服務合約。

Directors' Report

董事會報告

Directors' Interests and Short Positions in Securities

As at 31st March, 2009, the interests and short positions of the directors of the Company in the shares and underlying shares of the Company, as recorded in the register required to be kept under Section 352 of the Hong Kong Securities and Futures Ordinance (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 Companies were as follows:

董事擁有之證券權益及淡倉

根據香港證券及期貨條例(「證券及期貨條例」)第352條規定保管之登記冊所記錄，於二零零九年三月三十一日，本公司之董事於本公司之股份及相關股份中擁有之權益及淡倉，或根據上市公司董事進行證券交易的標準守則須知會本公司及香港聯合交易所有限公司(「聯交所」)之權益及淡倉如下：

Name of director	董事姓名	Number of shares held			Total number of shares	Percentage of issued share capital of the Company 佔本公司已發行股本百分比
		Personal interest	Family interest	Corporate interest		
		個人權益	家族權益	公司權益	股份總數	
Yeung Ming Biu	楊明標	13,657,260	6,000,000	97,094,365 <i>Note (a)</i> <i>附註(a)</i>	116,751,625	36.12%
Yeung Him Kit, Dennis	楊衍傑	2,700,000	—	<i>Note (b)</i> <i>附註(b)</i>	2,700,000	0.84%
Fung Kwong Yiu	馮廣耀	4,503,152	—	<i>Note (c)</i> <i>附註(c)</i>	4,503,152	1.39%
Yeung Man Yee, Shirley	楊敏儀	2,700,000	167,547	<i>Note (d)</i> <i>附註(d)</i>	2,867,547	0.89%
Lam Hing Lun, Alain	林慶麟	2,700,000	—	—	2,700,000	0.84%
Choi Kwok Yum	蔡國欽	2,700,000	—	—	2,700,000	0.84%
Sun Ping Hsu, Samson, Dr.	孫秉樞博士	—	—	2,000,000 <i>Note (e)</i> <i>附註(e)</i>	2,000,000	0.62%

Directors' Report

董事會報告

Directors' Interests and Short Positions in Securities (Continued)

Notes:

- (a) Mr. Yeung Ming Biu and his wife, Madam Au Po Kee, are the beneficial owners of 45% and 22.5% respectively of the issued share capital of Realtower Holdings Limited. Realtower Holdings Limited is the beneficial owner of 65% of the issued share capital of Furama Investments Limited, which is the beneficial owner of 80% of the issued share capital of Datsun Holdings Limited. Datsun Holdings Limited is the beneficial owner of 96,800,000 shares in the Company.

Mr. Yeung Ming Biu is the beneficial owner of 47.5% of the issued share capital of Y.H. Chan Limited, which is the beneficial owner of 25% of the issued share capital of Furama Investments Limited. Y.H. Chan Limited also directly holds 294,365 shares in the Company.

- (b) Mr. Yeung Him Kit, Dennis is the beneficial owner of 10% and 7% of the issued share capital of Realtower Holdings Limited and Real Champ Limited respectively. Real Champ Limited is the beneficial owner of 20% of the issued share capital of Datsun Holdings Limited.
- (c) Mr. Fung Kwong Yiu is the beneficial owner of 6% of the issued share capital of Real Champ Limited.
- (d) Madam Yeung Man Yee, Shirley is the beneficial owner of 7.5% of the issued share capital of Realtower Holdings Limited.
- (e) Dr. Sun Ping Hsu, Samson and his family members are beneficial owners of the entire issued share capital of Sun International Limited, which is the beneficial owner of 2,000,000 shares in the Company.
- (f) The personal interest of each of the above named directors (except Dr. Sun Ping Hsu, Samson) includes/refers to options to subscribe for 2,700,000 shares of the Company as detailed in the paragraph headed "Share option scheme and directors' rights to acquire shares or debentures" below.

Save as disclosed above, and other than certain nominee shares in subsidiaries held by a director in trust for the Company, none of the directors of the Company had any interest or short positions in any shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies.

董事擁有之證券權益及淡倉(續)

附註：

- (a) 楊明標先生及其妻子區寶琪女士分別實益擁有 Realtower Holdings Limited 已發行股本 45% 及 22.5%。Realtower Holdings Limited 實益擁有 Furama Investments Limited 已發行股本 65%。Furama Investments Limited 實益擁有 Datsun Holdings Limited 已發行股本 80%。Datsun Holdings Limited 實益擁有 96,800,000 股本公司股份。

楊明標先生實益擁有陳耀洪有限公司已發行股本 47.5%。陳耀洪有限公司實益擁有 Furama Investments Limited 已發行股本 25%。陳耀洪有限公司亦直接持有 294,365 股本公司股份。

- (b) 楊衍傑先生分別實益擁有 Realtower Holdings Limited 及 Real Champ Limited 已發行股本 10% 及 7%。Real Champ Limited 實益擁有 Datsun Holdings Limited 已發行股本 20%。
- (c) 馮廣耀先生實益擁有 Real Champ Limited 已發行股本 6%。
- (d) 楊敏儀女士實益擁有 Realtower Holdings Limited 已發行股本 7.5%。
- (e) 孫秉樞博士及其家族成員實益擁有 Sun International Limited 全部已發行股本。Sun International Limited 實益擁有 2,000,000 股本公司股份。
- (f) 上述董事(孫秉樞博士除外)各自之個人權益包括 / 指可認購 2,700,000 股本公司股份之購股權(於下文「購股權計劃及董事購買股份或債券之權利」一段詳述)。

除上文所披露者及一名董事以信託形式代本公司持有附屬公司之若干代理人股份外，根據證券及期貨條例第 352 條規定保管之登記冊所記錄，本公司之董事概無於本公司或其任何相聯法團(定義見證券及期貨條例第 XV 部)之任何股份、相關股份或債券中擁有任何權益或淡倉，或根據上市公司董事進行證券交易的標準守則須知會本公司及聯交所之權益或淡倉。

Directors' Report

董事會報告

Share Option Scheme and Directors' Rights to Acquire Shares or Debentures

Pursuant to an ordinary resolution passed in the Company's special general meeting held on 3rd November, 2003, the Company approved and adopted a Share Option Scheme.

Under the Share Option Scheme, options may be granted to any director of the Company, employee, consultant, customer, supplier or advisor of the Company or a company in which the Company holds an interest or a subsidiary of such company (the "Eligible Persons"), the trustee of the Eligible Persons or a company beneficially owned by the Eligible Persons. The purpose of the Share Option Scheme is to attract and retain quality personnel and other persons to provide incentive to them to contribute to the business and operation of the Company. The total number of shares available for issue under the Share Option Scheme is 32,325,320 shares, representing 10% of the issued share capital of the Company as at the date of this report. No Eligible Persons shall be granted an option in any 12-month period for such number of shares (issued and to be issued) which in aggregate would exceed 1% of the share capital of the Company in issue on the last day of such 12-month period unless approval of the shareholders of the Company has been obtained in accordance with the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules"). The exercisable period is determined by the directors, which shall not be more than 10 years from the date of grant, and may include a minimum period for which the options must be held before it can be exercised. An offer of the grant of an option shall be opened for acceptance in writing received by the secretary of the Company for a period of 21 days from the Eligible Persons without paying any consideration upon the acceptance of the offer. The exercise price per share payable on the exercise of an option equals to the highest of:

- (a) the average closing price per share as quoted in the Stock Exchange's daily quotations sheet for the five business days immediately preceding the date of grant.
- (b) the closing price per share as stated in the Stock Exchange's daily quotations sheet on the date of grant; and
- (c) the nominal value of the share.

購股權計劃及董事購買股份或債券之權利

根據本公司於二零零三年十一月三日舉行之股東特別大會上通過之普通決議案，本公司已批准及採納購股權計劃。

根據購股權計劃，購股權可授予本公司之任何董事、僱員、顧問、客戶、本公司之供應商或諮詢人或本公司持有該公司之權益之公司或該公司之附屬公司(「合資格人士」)、合資格人士之信託人或合資格人士實益擁有之公司。購股權計劃旨在向優秀人才及其他人士給予獎勵，以吸引彼等在本集團留任及對本公司之業務及經營作出貢獻。購股權計劃項下可供發行之股份數目合共為32,325,320股，佔本公司於本報告日期之已發行股本10%。根據聯交所證券上市規則(「上市規則」)，除非獲本公司股東批准，否則於任何十二個月期間內，合資格人士不得獲授予涉及股份數目(已發行及將予發行)合共超過本公司於該十二個月期間之最後一日之已發行股本1%之購股權。行使期乃由董事釐定，惟不得超過自授出日期起計十年及包括購股權行使前必須持有之最短期限。合資格人士可於提呈授予購股權當日起21日內以書面方式向本公司秘書表示是否接受該提呈，而於接受該提呈時毋須支付任何代價。在行使購股權時應付之每股行使價將為以下三者中之最高者：

- (a) 股份於緊接授出當日前五個營業日在聯交所每日報價表所報之每股平均收市價。
- (b) 股份於授出當日在聯交所每日報價表所報之每股收市價；及
- (c) 股份面值。

Directors' Report

董事會報告

Share Option Scheme and Directors' Rights to Acquire Shares or Debentures (Continued)

The Share Option Scheme is valid for a period of ten years commencing on the adoption date on 3rd November, 2003.

The following table discloses movements of the options granted under the Share Options Scheme to directors and certain employees during the year:

購股權計劃及董事購買股份或債券之權利(續)

購股權計劃自採納日期二零零三年十一月三日起計十年內有效。

下表披露董事及若干僱員於年內根據購股權計劃獲授購股權之變動：

Name or category of participant 參與者姓名或類別	Number of share options 購股權數目			At 31st March, 2009 於二零零九年三月三十一日	Date of grant of share options 購股權授出日期	Exercise price per share 每股行使價 HK\$ 港元	Exercisable period 可行使期間
	At 1st April, 2008 於二零零八年四月一日	Granted during the year 年內授出	Lapsed during the year 年內失效				
Directors 董事							
Yeung Ming Biu 楊明標	2,700,000	—	—	2,700,000	16.01.2004	1.702	16.01.2004 — 15.01.2014
Yeung Him Kit, Dennis 楊衍傑	2,700,000	—	—	2,700,000	16.01.2004	1.702	16.01.2004 — 15.01.2014
Fung Kwong Yiu 馮廣耀	2,700,000	—	—	2,700,000	16.01.2004	1.702	16.01.2004 — 15.01.2014
Yeung Man Yee, Shirley 楊敏儀	2,700,000	—	—	2,700,000	16.01.2004	1.702	16.01.2004 — 15.01.2014
Lam Hing Lun, Alain 林慶麟	2,700,000	—	—	2,700,000	16.01.2004	1.702	16.01.2004 — 15.01.2014
Choi Kwok Yum 蔡國欽	2,700,000	—	—	2,700,000	16.01.2004	1.702	16.01.2004 — 15.01.2014
Chan Che Kwong, William 陳志光	—	—	—	—	16.01.2004	1.702	16.01.2004 — 15.01.2014
	16,200,000	—	—	16,200,000			
Other employees 其他僱員	11,300,000	—	—	11,300,000	04.06.2007	1.764	04.06.2007 — 03.06.2017
Total 總計	27,500,000	—	—	27,500,000			

Directors' Report

董事會報告

Substantial Shareholders

As at 31st March, 2009, according to the register maintained by the Company pursuant to Section 336 of the SFO, the following persons (not being a director or chief executive of the Company) had interests in the share capital of the Company.

Name of shareholder 股東名稱	Number of shares held 所持股份數目	Percentage of issued share capital of the Company 佔本公司已發行 股本百分比
Datsun Holdings Limited	96,800,000	29.95%
Furama Investments Limited	96,800,000	29.95%
Realtower Holdings Limited	96,800,000	29.95%

Realtower Holdings Limited holds 65% of the issued share capital of Furama Investments Limited which holds 80% of the issued share capital of Datsun Holdings Limited. Accordingly, both Realtower Holdings Limited and Furama Investments Limited are deemed under the SFO to be interested in the 96,800,000 shares in the Company held by Datsun Holdings Limited.

Save as disclosed above, at 31st March, 2009, there was no person who had any interests or short position in the shares or underlying shares of the Company according to the register maintained by the Company pursuant to Section 336 of the SFO.

Independent Non-executive Directors

The Company has received from each of the independent non-executive directors an annual confirmation of his independence pursuant to Rule 3.13 of the Listing Rules. The Company considers that all of the independent non-executive directors are independent.

Directors' Interests in Contracts

There were no contracts of significance to which the Company or any of its subsidiaries was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

主要股東

本公司根據證券及期貨條例第336條規定存置之登記冊所示，於二零零九年三月三十一日，以下人士(並非為本公司之董事或行政總裁)於本公司股本中擁有權益。

Name of shareholder 股東名稱	Number of shares held 所持股份數目	Percentage of issued share capital of the Company 佔本公司已發行 股本百分比
Datsun Holdings Limited	96,800,000	29.95%
Furama Investments Limited	96,800,000	29.95%
Realtower Holdings Limited	96,800,000	29.95%

Realtower Holdings Limited 擁有 Furama Investments Limited 已發行股本 65%，Furama Investments Limited 則擁有 Datsun Holdings Limited 已發行股本 80%。因此，根據證券及期貨條例，Realtower Holdings Limited 及 Furama Investments Limited 均視為擁有 Datsun Holdings Limited 所持之 96,800,000 股本公司股份權益。

本公司根據證券及期貨條例第336條規定存置之登記冊所示，除上文所披露者外，於二零零九年三月三十一日，概無任何人士於本公司之股份或相關股份中擁有任何權益或淡倉。

獨立非執行董事

根據上市規則第3.13條，本公司已收到各獨立非執行董事之年度獨立性確認書。本公司認為所有獨立非執行董事均屬獨立。

董事之合約權益

本公司或其任何附屬公司概無訂立任何於年終或年內任何時間有效而本公司董事直接或間接擁有重大利益之重大合約。

Directors' Report

董事會報告

Major Customers and Suppliers

During the year, the aggregate sales attributable to the Group's five largest customers were less than 30% of the Group's total sales.

The aggregate purchases during the year attributable to the Group's five largest suppliers comprised approximately 77% of the Group's total purchases while the purchases attributable to the Group's largest supplier was approximately 64% of the Group's total purchases.

None of the directors, their associates or any shareholder, which to the knowledge of the directors owned more than 5% of the Company's issued share capital, had any interest in the share capital of any of the five largest suppliers of the Group.

Purchase, Sale or Redemption of the Company's Listed Securities

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

Donations

During the year, the Group made donations totalling HK\$388,000.

Corporate Governance

Principal corporate governance practices as adopted by the Group are set out in the Corporate Governance Report on pages 10 to 25.

Emolument Policy

The emolument policy of the employees of the Group is set up by the Remuneration Committee on the basis of their merit, qualifications and competence.

The emoluments of the directors of the Company are decided by the Remuneration Committee, having regard to the Group's operating results, individual performance and comparable market statistics.

The Company has adopted a share option scheme as an incentive to directors and eligible employees, details of the scheme are set out in note 21 to the consolidated financial statements.

主要客戶及供應商

年內，本集團五大客戶應佔之總銷售額少於本集團總銷售額之30%。

年內，本集團五大供應商應佔之總採購額佔本集團總採購額約77%，而本集團最大供應商應佔之採購額佔本集團總採購額約64%。

各董事、彼等之聯繫人士或任何股東(就董事所知擁有本公司已發行股本5%以上者)概無於本集團任何五大供應商之股本中擁有任何權益。

買賣或贖回本公司上市證券

年內，本公司或其任何附屬公司概無買賣或贖回本公司任何上市證券。

捐贈

年內，本集團作出之捐贈合共388,000港元。

企業管治

本集團所採納之主要企業管治常規載於第10頁至第25頁之企業管治報告。

酬金政策

本集團僱員之酬金政策由薪酬委員會按彼等之功績、資歷及能力制定。

本公司董事之酬金由薪酬委員會考慮本集團之經營業績、個人表現及可資比較市場統計數字後決定。

本公司已採納一項購股權計劃作為董事及合資格僱員之獎勵，計劃詳情載於綜合財務報表附註21。

Directors' Report

董事會報告

Audit Committee and Remuneration Committee

Details of the Group's Audit Committee and Remuneration Committee are set out in the Corporate Governance Report on pages 17 to 21.

Share Capital

Details of movements during the year in the share capital of the Company are set out in note 20 to the consolidated financial statements.

Pre-emptive Rights

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

Sufficiency of Public Float

Based on information that is publicly available to the Company and within the knowledge of its directors as at the latest practicable date prior to the issue of this annual report, the percentage of the Company's shares which are in the hands of the public exceeds 25% of the Company's total number of issued shares throughout the year ended 31st March, 2009.

Auditor

A resolution will be submitted to the annual general meeting of the Company to re-appoint Messrs. Deloitte Touche Tohmatsu as auditor of the Company.

On behalf of the Board

YEUNG MING BIU
CHAIRMAN

Hong Kong, 8th July, 2009

審核委員會及薪酬委員會

本集團審核委員會及薪酬委員會之詳情載於第17頁至第21頁之企業管治報告。

股本

本公司股本於年內之變動詳情載於綜合財務報表附註20。

優先購買權

根據本公司之公司細則或百慕達法例，並無任何規定本公司按比例向現有股東發售新股份之優先購買權條文。

足夠公眾持股量

根據本公司可取得之公開資料並就其董事所知，於本年報刊發前之最後可行日期，截至二零零九年三月三十一日止年度整年內由公眾人士持有之本公司股份百分比超過本公司之已發行股份總數25%。

核數師

本公司將於股東週年大會提呈決議案續聘德勤 • 關黃陳方會計師行為本公司之核數師。

代表董事會

主席
楊明標

香港，二零零九年七月八日

Independent Auditor's Report

獨立核數師報告

Deloitte.

德勤

**TO THE SHAREHOLDERS OF
ORIENTAL WATCH HOLDINGS LIMITED**
(incorporated in Bermuda with limited liability)

We have audited the consolidated financial statements of Oriental Watch Holdings Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 38 to 91, which comprise the consolidated balance sheet as at 31st March, 2009, and the consolidated income statement, the consolidated statement of changes in equity and the consolidated cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Directors' Responsibility for the Consolidated Financial Statements

The directors of the Company are responsible for the preparation and the true and fair presentation of these consolidated financial statements in accordance with Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants and the disclosure requirements of the Hong Kong Companies Ordinance. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and the true and fair presentation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

致：東方表行集團有限公司各股東

(於百慕達註冊成立之有限公司)

本核數師行已完成審核載於第38頁至第91頁東方表行集團有限公司(「貴公司」)及其附屬公司(統稱為「貴集團」)的綜合財務報表，其中包括於二零零九年三月三十一日的綜合資產負債表，以及截至該日止年度的綜合收益表、綜合權益變動表和綜合現金流量表及主要會計政策概要和其他說明附註。

董事編製綜合財務報表之責任

貴公司董事須負責根據香港會計師公會頒佈的香港財務報告準則及香港公司條例之披露規定，編製及真實公平地列報該等綜合財務報表。是項責任包括設計、實施及維護與編製及真實公平地列報綜合財務報表相關的內部控制，以確保綜合財務報表並無重大錯誤陳述(不論其由欺詐或錯誤引起)；選擇並應用適當的會計政策；及按情況作出合理的會計估計。

Independent Auditor's Report

獨立核數師報告

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit and to report our opinion solely to you, as a body, in accordance with section 90 of the Bermuda Companies Act, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. We conducted our audit in accordance with Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance as to whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and true and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

核數師之責任

我們的責任是根據我們的審核對該等綜合財務報表發表意見，並按照百慕達公司法第90條僅向全體股東呈報我們的意見。除此之外，本報告不作其他用途。我們概不會就本報告內容向任何其他人士負責或承擔責任。我們已根據香港會計師公會頒佈的香港核數準則進行審核。該等準則要求我們遵守道德規範，並規劃及執行審核，以合理確定此等綜合財務報表是否存有任何重大錯誤陳述。

審核涉及執执行程序以獲取有關綜合財務報表所載金額及披露資料的審核憑證。所選定的程序取決於核數師的判斷，包括評估由於欺詐或錯誤而導致綜合財務報表存有重大錯誤陳述的風險。在評估該等風險時，核數師考慮與該實體編製及真實公平地列報綜合財務報表相關的內部控制，以按情況設計適當的審核程序，但並非旨在就該實體的內部控制是否有效發表意見。審核亦包括評價董事所採用會計政策的適當性及所作出會計估計的合理性，以及評價綜合財務報表的整體列報方式。

我們相信，我們已獲得充足和適當的審核憑證為我們的審核意見提供基礎。

Independent Auditor's Report

獨立核數師報告

Opinion

In our opinion, the consolidated financial statements give a true and fair view of the state of affairs of the Group as at 31st March, 2009 and of the Group's profit and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.

Deloitte Touche Tohmatsu

Certified Public Accountants

Hong Kong

8th July, 2009

意見

我們認為，綜合財務報表已根據香港財務報告準則真實公平地反映 貴集團於二零零九年三月三十一日的財務狀況及 貴集團截至該日止年度的溢利及現金流量，並已按照香港公司條例的披露規定妥善編製。

德勤•關黃陳方會計師行

執業會計師

香港

二零零九年七月八日

Consolidated Income Statement *For the year ended 31st March, 2009*

綜合收益表 截至二零零九年三月三十一日止年度

		NOTES 附註	2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Turnover	營業額	4	2,538,781	2,922,342
Cost of goods sold	銷貨成本		(2,094,015)	(2,479,336)
Gross profit	毛利		444,766	443,006
Other income	其他收入	5	18,650	28,206
Distribution and selling expenses	分銷及銷售開支		(138,067)	(103,658)
Administrative expenses	行政開支		(185,573)	(161,450)
Finance costs	融資成本	6	(17,281)	(15,809)
Profit before taxation	除稅前溢利	7	122,495	190,295
Taxation	稅項	9	(22,180)	(34,374)
Profit for the year, attributable to shareholders	年內溢利 · 股東應佔		100,315	155,921
Dividends recognised as distribution during the year	年內已確認派發之股息			
— Interim dividends of 1.5 HK cents (2008: 3.5 HK cents) per share paid	— 已付中期股息 每股 1.5 港仙 (二零零八年: 3.5 港仙)		4,849	11,209
— Final dividends of 7.5 HK cents (2008: 5.5 HK cents) per share paid	— 已付末期股息 每股 7.5 港仙 (二零零八年: 5.5 港仙)		24,244	17,559
			29,093	28,768
— Proposed final dividends of 3.5 HK cents (2008: 7.5 HK cents) per share	— 擬派末期股息 每股 3.5 港仙 (二零零八年: 7.5 港仙)	10	11,314	24,019
Earnings per share	每股盈利	11		
— Basic	— 基本		31.10 HK cents 港仙	50.89 HK cents 港仙
— Diluted	— 攤薄		30.58 HK cents 港仙	46.10 HK cents 港仙

Consolidated Balance Sheet *At 31st March, 2009*

綜合資產負債表 於二零零九年三月三十一日

		NOTES 附註	2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Non-current assets	非流動資產			
Investment properties	投資物業	12	—	—
Property, plant and equipment	物業、機器及設備	13	134,620	135,572
Available-for-sale financial assets	可供出售金融資產	14	51,586	58,543
Property rental deposits	物業租金按金		16,796	11,151
			203,002	205,266
Current assets	流動資產			
Inventories	存貨		1,212,427	974,268
Trade and other receivables	貿易及其他應收賬款	15	145,372	160,064
Taxation recoverable	可退回稅項		9,608	5,758
Bank balances and cash	銀行結餘及現金	16	202,618	228,975
			1,570,025	1,369,065
Current liabilities	流動負債			
Trade and other payables	貿易及其他應付賬款	17	122,903	125,653
Taxation payable	應付稅項		2,473	18,528
Current-portion of secured long-term bank loans	有抵押長期銀行貸款之即期部份	18	30,000	—
Short-term bank loans	短期銀行貸款	18	252,955	263,333
Bank overdrafts	銀行透支	18	—	4,326
			408,331	411,840
Net current assets	流動資產淨值		1,161,694	957,225
Total assets less current liabilities	資產總值減流動負債		1,364,696	1,162,491
Non-current liabilities	非流動負債			
Secured long-term bank loans	有抵押長期銀行貸款	18	120,000	—
Deferred taxation	遞延稅項	19	185	124
			120,185	124
Net assets	資產淨值		1,244,511	1,162,367
Capital and reserves	資本及儲備			
Share capital	股本	20	32,325	32,025
Reserves	儲備		1,212,186	1,130,342
Total equity	權益總額		1,244,511	1,162,367

The consolidated financial statements on pages 38 to 91 were approved and authorised for issue by the Board of Directors on 8th July, 2009 and are signed on its behalf by:

載於第38頁至第91頁之綜合財務報表經董事會於二零零九年七月八日批准及授權刊發，並由下列董事代為簽署：

YEUNG MING BIU

楊明標

Chairman

主席

YEUNG HIM KIT, DENNIS

楊衍傑

Managing Director

董事總經理

Consolidated Statement of Changes in Equity For the year ended 31st March, 2009

綜合權益變動表 截至二零零九年三月三十一日止年度

		Share capital	Share premium	Share option reserve	Capital redemption reserve	Subscription right reserve	Asset revaluation reserve	Special reserve	Translation reserve	Retained profits	Dividend reserve	Total
		股本	股份溢價	購股權儲備	資本贖回儲備	認購權儲備	資產重估儲備	特別儲備	換算儲備	保留溢利	股息儲備	合計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
At 1st April, 2007	於二零零七年 四月一日	27,525	52,045	—	425	—	3,124	5,180	5,897	740,208	15,414	849,818
Exchange difference arising on translation of foreign operations	換算海外業務所產生之匯兌差額	—	—	—	—	—	—	—	26,039	—	—	26,039
Change in fair value of available-for-sale financial assets	可供出售金融資產之公平值變動	—	—	—	—	—	1,773	—	—	—	—	1,773
Net income recognised directly in equity	直接確認為權益之收入淨額	—	—	—	—	—	1,773	—	26,039	—	—	27,812
Transfer to profit on sale of available-for-sale financial assets	轉撥至出售可供出售金融資產之溢利	—	—	—	—	—	(1,373)	—	—	—	—	(1,373)
Profit for the year	年內溢利	—	—	—	—	—	—	—	—	155,921	—	155,921
Total recognised income for the year	年內確認之收入總額	—	—	—	—	—	400	—	26,039	155,921	—	182,360
Issue of warrants	發行認股權證	—	—	—	—	1,100	—	—	—	—	—	1,100
Issue of new shares — from exercise of warrants	發行新股份 — 來自行使認股權證	600	10,380	—	—	(120)	—	—	—	—	—	10,860
— from placing	— 來自配售	3,900	144,300	—	—	—	—	—	—	—	—	148,200
Share issue expenses	股份發行開支	—	(2,977)	—	—	—	—	—	—	—	—	(2,977)
Recognition of share-based payment expenses	確認股份支付之開支	—	—	1,774	—	—	—	—	—	—	—	1,774
2007 final dividend payable to shares issued since the approval of the 2007 consolidated financial statements	二零零七年綜合財務報表批准後才發行之股份之應付二零零七年末期股息	—	—	—	—	—	—	—	—	(2,145)	—	(2,145)
2007 final dividend paid	已派發二零零七年末期股息	—	—	—	—	—	—	—	—	—	(15,414)	(15,414)
2008 interim dividend paid	已派發二零零八年中期股息	—	—	—	—	—	—	—	—	(11,209)	—	(11,209)
2008 final dividend proposed	擬派二零零八年末期股息	—	—	—	—	—	—	—	—	(24,019)	24,019	—
At 31st March, 2008	於二零零八年 三月三十一日	32,025	203,748	1,774	425	980	3,524	5,180	31,936	858,756	24,019	1,162,367

Consolidated Statement of Changes in Equity For the year ended 31st March, 2009

綜合權益變動表 截至二零零九年三月三十一日止年度

	Share capital	Share premium	Share option reserve	Capital redemption reserve	Subscription right reserve	Asset revaluation reserve	Special reserve	Translation reserve	Retained profits	Dividend reserve	Total
	股本	股份溢價	購股權儲備	資本贖回儲備	認購權儲備	資產重估儲備	特別儲備	換算儲備	保留溢利	股息儲備	合計
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
Exchange difference arising on translation of foreign operations								6,465			6,465
Change in fair value of available-for-sale financial assets						2,716					2,716
Net income recognised directly in equity						2,716		6,465			9,181
Transfer to profit on sale of available-for-sale financial assets						(3,689)					(3,689)
Profit for the year									100,315		100,315
Total recognised income for the year						(973)		6,465	100,315		105,807
Issue of new shares from exercise of warrants	300	5,190			(60)						5,430
2008 final dividend payable in respect of shares issued since the approval of the 2008 consolidated financial statements									(225)		(225)
2008 final dividend paid										(24,019)	(24,019)
2009 interim dividend paid									(4,849)		(4,849)
2009 final dividend proposed									(11,314)	11,314	
At 31st March, 2009	32,325	208,938	1,774	425	920	2,551	5,180	38,401	942,683	11,314	1,244,511

The special reserve of the Group comprises the difference between the nominal amount of the share capital issued by the Company and the nominal amount of the issued share capital and special reserves of those companies which were acquired by the Group pursuant to a group reorganisation in 1993. The special reserves of these acquired subsidiaries represent the credit arising on reduction of their paid up share capital under the group reorganisation.

本集團之特別儲備包括本公司已發行股本面值與本集團根據一九九三年進行集團重組而收購之公司已發行股本面值之差額及所收購公司之特別儲備。所收購附屬公司之特別儲備指根據集團重組，削減該等公司已繳足股本而產生之進賬。

Consolidated Cash Flow Statement *For The Year Ended 31st March, 2009*

綜合現金流量表 截至二零零九年三月三十一日止年度

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Operating activities	經營業務		
Profit before taxation	除稅前溢利	122,495	190,295
Adjustments for:	調整以下項目：		
Interest income	利息收入	(833)	(3,890)
Interest expense	利息開支	17,281	15,809
Dividend income from available-for-sale financial assets	可供出售金融資產之股息收入	(1,133)	(638)
Depreciation of investment properties	投資物業折舊	—	202
Depreciation of property, plant and equipment	物業、機器及設備折舊	33,990	16,975
Equity-settled share-based payment expense	股權結算以股份為基礎之付款	—	1,774
Loss (gain) on disposal of property, plant and equipment	出售物業、機器及設備之虧損(收益)	1,309	(1,314)
Gain on disposal of investment properties	出售投資物業之收益	—	(1,449)
Gain on disposal of available-for-sale financial assets	出售可供出售金融資產之收益	(3,689)	(1,373)
Exchange adjustments	匯兌調整	(1,405)	(3,672)
Operating cash flows before movements in working capital	營運資金變動前之經營現金流量	168,015	212,719
(Increase) decrease in property rental deposits	物業租金按金(增加)減少	(5,645)	935
Increase in inventories	存貨增加	(230,384)	(181,785)
Decrease (increase) in trade and other receivables	貿易及其他應收賬款減少(增加)	19,210	(51,518)
(Decrease) increase in trade and other payables	貿易及其他應付賬款(減少)增加	(1,659)	5,703
Cash used in operations	經營業務所耗之現金	(50,463)	(13,946)
Taxation paid in	於以下地區之已付稅項		
— Hong Kong	— 香港	(34,888)	(20,850)
— other jurisdictions	— 其他司法權區	(7,135)	(4,725)
Net cash used in operating activities	經營業務所耗之現金淨額	(92,486)	(39,521)

Consolidated Cash Flow Statement *For The Year Ended 31st March, 2009*

綜合現金流量表 截至二零零九年三月三十一日止年度

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Investing activities	投資業務		
Proceeds from disposal of available-for-sale financial assets	出售可供出售金融資產之所得款項	8,173	15,618
Dividend received from available-for-sale financial assets	可供出售金融資產之已收股息	1,133	638
Interest received	已收利息	833	3,890
Purchase of property, plant and equipment	購買物業、機器及設備	(32,867)	(39,880)
Decrease in pledged bank deposits	已抵押銀行存款減少	—	40,000
Proceeds from disposal of investment properties	出售投資物業之所得款項	—	25,700
Proceeds from disposal of property, plant and equipment	出售物業、機器及設備之所得款項	—	2,325
Purchase of available-for-sale financial assets	購買可供出售金融資產	—	(9,104)
Net cash (used in) from investing activities	投資業務(所耗)所產生之現金淨額	(22,728)	39,187
Financing activities	融資活動		
New bank loans raised	新造銀行貸款	1,564,727	554,444
Proceeds from exercise of warrants	行使認股權證之所得款項	5,430	10,860
Repayment of bank loans	償還銀行貸款	(1,429,954)	(577,286)
Dividends paid	已付股息	(29,093)	(28,768)
Interest paid	已付利息	(19,596)	(14,169)
Proceeds from issue of new shares	發行新股份之所得款項	—	148,200
Proceeds from subscription of warrants	認購認股權證之所得款項	—	1,100
Share issue expense	股份發行開支	—	(2,977)
Net cash from financing activities	融資活動所產生之現金淨額	91,514	91,404
Net (decrease) increase in cash and cash equivalents	現金及等同現金項目之(減少)增加淨額	(23,700)	91,070
Cash and cash equivalents at beginning of the year	年初之現金及等同現金項目	224,649	123,294
Effect of foreign exchange rate changes	匯率變動之影響	1,669	10,285
Cash and cash equivalents at end of the year	年終之現金及等同現金項目	202,618	224,649
Represented by	由以下項目代表		
Bank balances and cash	銀行結餘及現金	202,618	228,975
Bank overdrafts	銀行透支	—	(4,326)
		202,618	224,649

Notes to the Consolidated Financial Statements *For the year ended 31st March, 2009*綜合財務報表附註 *截至二零零九年三月三十一日止年度***1. General**

The Company is incorporated in Bermuda as an exempted company with limited liability and acts as an investment holding company as well as engaged in watch trading. The shares of the Company are listed on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). The address of the registered office and principal place of business of the Company are detailed in the corporate information section of the annual report.

The consolidated financial statements are presented in Hong Kong dollars which is the same as the functional currency of the Company.

2. Application of New and Revised Hong Kong Financial Reporting Standards (“HKFRSs”)

In the current year, the Group has applied the following amendments and interpretations (“new HKFRSs”) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”), which are effective for the Group’s financial year beginning 1st April, 2008.

HKAS 39 & HKFRS 7 (Amendments)	Reclassification of financial assets
HK(IFRIC) — Int 12	Service concession arrangements
HK(IFRIC) — Int 14	HKAS 19 — The limit on a defined benefit asset, minimum funding requirements and their interaction

The adoption of the new HKFRSs had no material effect on how the results and financial position for the current or prior accounting periods have been prepared and presented. Accordingly, no prior period adjustment has been required.

1. 一般資料

本公司為於百慕達註冊成立之受豁免有限公司，乃投資控股公司，並從事鐘表貿易。本公司股份於香港聯合交易所有限公司（「聯交所」）上市。本公司註冊辦事處及主要營業地點之地址詳情載於年報之公司資料一節。

綜合財務報表以港元呈列，港元亦為本公司之功能貨幣。

2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）

於本年度，本集團已應用以下由香港會計師公會頒佈並於二零零八年四月一日開始之本集團財政年度生效之修訂及詮釋（「新香港財務報告準則」）。

香港會計準則第39號及香港財務報告準則第7號(修訂本)	金融資產之重新分類
香港(IFRIC) — 詮釋第12號	服務特許權安排
香港(IFRIC) — 詮釋第14號	香港會計準則第19號 — 界定福利資產之限額、最低資本規定及其相互關係

採納新香港財務報告準則並無對本會計期間或過往會計期間編製及呈報業績及財務狀況產生重大影響。因此，毋須作出過往期間調整。

Notes to the Consolidated Financial Statements *For the year ended 31st March, 2009*

綜合財務報表附註 截至二零零九年三月三十一日止年度

2. Application of New and Revised Hong Kong Financial Reporting Standards (“HKFRSs”)*(Continued)*

The Group has not early applied the following new and revised standards or interpretations that have been issued but are not yet effective.

HKFRSs (Amendments)	Improvements to HKFRSs 2008 ¹
HKFRSs (Amendments)	Improvements to HKFRSs 2009 ²
HKAS 1 (Revised)	Presentation of financial statements ³
HKAS 23 (Revised)	Borrowing costs ³
HKAS 27 (Revised)	Consolidated and separate financial statements ⁴
HKAS 32 & 1 (Amendments)	Puttable financial instruments and obligations arising on liquidation ³
HKAS 39 (Amendment)	Eligible hedged items ⁴
HKFRS 1 & HKAS 27 (Amendments)	Cost of an investment in a subsidiary, jointly controlled entity or associate ³
HKFRS 2	Vesting conditions and cancellations ³
HKFRS 3 (Revised)	Business combinations ⁴
HKFRS 7 (Amendment)	Improving disclosures about financial instruments ³
HKFRS 8	Operating segments ³
HK(IFRIC) — INT 9 & HKAS 39 (Amendments)	Embedded derivatives ⁵
HK(IFRIC)* — INT 13	Customer loyalty programmes ⁶
HK(IFRIC) — INT 15	Agreements for the construction of real estate ³
HK(IFRIC) — INT 16	Hedges of a net investment in a foreign operation ⁷
HK(IFRIC) — INT 17	Distributions of non-cash assets to owners ⁴
HK(IFRIC) — INT 18	Transfers of assets from customers ⁸

2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

本集團並無提早應用以下已頒佈但尚未生效之新訂及經修訂準則或詮釋。

香港財務報告準則 (修訂本)	二零零八年香港財務報告準則之改進 ¹
香港財務報告準則 (修訂本)	二零零九年香港財務報告準則之改進 ²
香港會計準則第1號 (經修訂)	財務報表之呈報 ³
香港會計準則第23號 (經修訂)	借貸成本 ³
香港會計準則第27號 (經修訂)	綜合及獨立財務報表 ⁴
香港會計準則第32號及第1號(修訂本)	可贖回金融工具及清盤時產生之責任 ³
香港會計準則第39號 (修訂本)	合資格對沖項目 ⁴
香港財務報告準則第1號及香港會計準則第27號(修訂本)	於附屬公司、共同控制實體或聯營公司之投資成本 ³
香港財務報告準則第2號	歸屬條件及註銷 ³
香港財務報告準則第3號(經修訂)	業務合併 ⁴
香港財務報告準則第7號(修訂本)	改進金融工具之披露 ³
香港財務報告準則第8號	營運分部 ³
香港(IFRIC) — 詮釋第9號及香港會計準則第39號(修訂本)	內含衍生工具 ⁵
香港(IFRIC)* — 詮釋第13號	客戶忠誠度計劃 ⁶
香港(IFRIC) — 詮釋第15號	房地產建築協議 ³
香港(IFRIC) — 詮釋第16號	海外業務投資淨額之對沖 ⁷
香港(IFRIC) — 詮釋第17號	向擁有人分派非現金資產 ⁴
香港(IFRIC) — 詮釋第18號	來自客戶之資產轉讓 ⁸

Notes to the Consolidated Financial Statements *For the year ended 31st March, 2009*

綜合財務報表附註 截至二零零九年三月三十一日止年度

2. Application of New and Revised Hong Kong Financial Reporting Standards (“HKFRSs”)*(Continued)*

- ¹ Effective for annual periods beginning on or after 1st January, 2009 except the amendments to HKFRS 5, effective for annual periods beginning on or after 1st July, 2009.
 - ² Effective for annual periods beginning on or after 1st January, 2009, 1st July, 2009 and 1st January, 2010, as appropriate.
 - ³ Effective for annual periods beginning on or after 1st January, 2009.
 - ⁴ Effective for annual periods beginning on or after 1st July, 2009.
 - ⁵ Effective for annual periods ending on or after 30th June, 2009.
 - ⁶ Effective for annual periods beginning on or after 1st July, 2008.
 - ⁷ Effective for annual periods beginning on or after 1st October, 2008.
 - ⁸ Effective for transfers of assets from customers received on or after 1st July, 2009.
- * IFRIC represents the International Financial Reporting Interpretations Committee.

The adoption of HKFRS 3 (Revised) may affect the Group's accounting for business combination for which the acquisition date is on or after 1st April, 2010. HKAS 27 (Revised) will affect the accounting treatment for changes in the Group's ownership interest in a subsidiary. The directors of the Company anticipate that the application of the other new or revised standards or interpretations will have no material impact on the results and financial position of the Group.

3. Significant Accounting Policies

The consolidated financial statements have been prepared on the historical cost basis, except for certain financial instruments, which are measured at fair values, as explained in the accounting policies set out below.

The consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards issued by the HKICPA and include applicable disclosures required by the Rules Governing the Listing of Securities on the Stock Exchange and by the Hong Kong Companies Ordinance.

2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

- ¹ 適用於二零零九年一月一日或之後開始之年度期間，惟香港財務報告準則第5號修訂本，則適用於二零零九年七月一日或之後開始之年度期間。
 - ² 適用於二零零九年一月一日、二零零九年七月一日及二零一零年一月一日(視情況而定)或之後開始之年度期間。
 - ³ 適用於二零零九年一月一日或之後開始之年度期間。
 - ⁴ 適用於二零零九年七月一日或之後開始之年度期間。
 - ⁵ 適用於二零零九年六月三十日或之後結束之年度期間。
 - ⁶ 適用於二零零八年七月一日或之後開始之年度期間。
 - ⁷ 適用於二零零八年十月一日或之後開始之年度期間。
 - ⁸ 適用於二零零九年七月一日或之後收取來自客戶之資產轉讓。
- * IFRIC 指國際財務報告詮釋委員會。

採納香港財務報告準則第3號(經修訂)可能會影響本集團收購日期為二零一零年四月一日當日或之後之業務合併之會計處理。香港會計準則第27號(經修訂)將會影響有關於本集團於附屬公司所擁有權益之變動之會計處理。本公司董事預計應用其他新訂或經修訂準則或詮釋將不會對本集團之業績及財務狀況產生重大影響。

3. 主要會計政策

綜合財務報表乃按歷史成本基準編製，惟若干金融工具則除外，誠如下文所載之會計政策所述，該等金融工具乃按公平值計量。

綜合財務報表乃按香港會計師公會所頒佈之香港財務報告準則編撰，並載有香港聯合交易所有限公司證券上市規則及香港公司條例規定之適當披露事項。

Notes to the Consolidated Financial Statements *For the year ended 31st March, 2009*

綜合財務報表附註 截至二零零九年三月三十一日止年度

3. Significant Accounting Policies (Continued)

Basis of consolidation

The consolidated financial statements incorporated the financial statements of the Company and its subsidiaries. Control is achieved where the Company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

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

Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with those used by other members of the Group.

All intra-group transactions, balances, income and expenses are eliminated on consolidation.

Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods sold in the normal course of business, net of discounts and sales related taxes.

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

Watch repair service income is recognised when services are provided.

Interest income from a financial asset is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount.

3. 主要會計政策(續)

綜合基準

綜合財務報表包括本公司及其附屬公司之財務報表。倘本公司有權控制某實體之財務及營運政策以從其業務中獲得利益，則會取得對該實體之控制權。

於年內收購或出售之附屬公司之業績已自收購生效日期起或計至出售生效日期止(如適用)計入綜合收益表內。

如有需要，須對附屬公司之財務報表作出調整，使其會計政策與本集團其他成員公司所採用者一致。

集團內公司間之所有交易、結餘、收入及開支已在綜合賬目內撇銷。

收益之確認

收益乃按已收或應收代價之公平值計量，為於日常業務過程中就已售貨品應收之金額，並扣除折扣及銷售相關稅項。

出售貨品於貨品付運及所有權轉讓時確認。

鐘表維修服務收入於提供服務時確認。

金融資產之利息收入根據未償還本金及適用之實際利率按時間基準累計，有關利率為於金融資產之預計年期內將估計未來現金收入實際貼現至資產賬面淨值之利率。

Notes to the Consolidated Financial Statements *For the year ended 31st March, 2009*

綜合財務報表附註 截至二零零九年三月三十一日止年度

3. Significant Accounting Policies (Continued)**Revenue recognition (Continued)**

Rental income from operating leases is recognised in the consolidated income statement on a straight line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised as an expense on a straight line basis over the lease term.

Dividend income from investments is recognised when the Group's rights to receive payment have been established.

Investment properties

Investment properties are properties held to earn rentals and/or for capital appreciation.

On initial recognition, investment properties are measured at cost, including any directly attributable expenditure. Subsequent to initial recognition, investment properties are stated at cost less subsequent accumulated depreciation and any accumulated impairment losses. Depreciation is charged so as to write off the cost of investment properties using the straight line method.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use or no future economic benefits are expected from its disposals. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the consolidated income statement in the year in which the item is derecognised.

Property, plant and equipment

Property, plant and equipment including land and buildings held for use in the production or supply of goods or services, or for administrative purposes are stated at cost less subsequent accumulated depreciation and accumulated impairment losses.

3. 主要會計政策(續)**收益之確認(續)**

經營租約之租金收入乃於有關租期內以直線法於綜合收益表確認。就經營租約進行磋商及安排而產生之初步直接成本乃計入租賃資產之賬面值，並於租期內以直線法確認為開支。

投資之股息收入在確定本集團獲派款項之權利時確認。

投資物業

投資物業為持有以賺取租金及／或作資本增值之物業。

於首次確認時，投資物業按成本計量，而成本包括任何直接應佔開支。於首次確認後，投資物業按成本減其後累計折舊及任何累計減值虧損入賬。折舊乃以直線法撇銷投資物業成本予以扣除。

投資物業於出售時或投資物業永久停用或預期將不會因出售而產生未來經濟收益時不再確認。不再確認資產所產生之任何盈虧乃按出售所得款項淨額與資產賬面值間之差額計算，並計入不再確認該項目年度之綜合收益表。

物業、機器及設備

物業、機器及設備(包括持有作於生產或供應貨品或服務時使用或作行政用途之土地及樓宇)按成本減其後累計折舊及累計減值虧損入賬。

Notes to the Consolidated Financial Statements *For the year ended 31st March, 2009*

綜合財務報表附註 *截至二零零九年三月三十一日止年度*

3. Significant Accounting Policies (Continued)

Property, plant and equipment (Continued)

The land and building elements of a lease of land and building are considered separately for the purpose of lease classification. Leasehold land which title is not expected to pass to the lessee by the end of the lease term is classified as an operating lease unless the lease payments cannot be allocated reliably between the land and building elements, in which case, the entire lease is classified as a finance lease.

The cost of leasehold land and buildings is depreciated over the shorter of the period of the lease or over their estimated useful lives of 30 years or 50 years using the straight line method.

Depreciation is provided to write off the cost of other items of property, plant and equipment over their estimated useful lives after taking into account of their estimated residual values, using the reducing balance method, at the rate of 20% per annum.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in the consolidated income statement in the year in which the item is derecognised.

Impairment losses on tangible assets

At each balance sheet date, the Group reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately.

3. 主要會計政策(續)

物業、機器及設備(續)

就租約分類而言，土地及樓宇租約之土地及樓宇部份乃分開考慮，預期於租期到期時業權將不會獲轉讓予承租人之租賃土地會分類為經營租賃，惟租金不能於土地及樓宇部份之間進行可靠分配之情況則除外，在此情況下，整項租約分類為融資租賃。

租賃土地及樓宇之成本乃採用直線法按租期或其30年或50年之估計可使用年期(以時間較短者為準)予以折舊。

折舊乃採用餘額遞減法，於考慮其估計剩餘價值後按估計可使用年期以年率20%將其他物業、機器及設備項目之成本撇銷而作出撥備。

物業、機器及設備項目於出售或預期繼續使用資產並不會產生未來經濟收益時不再確認。不再確認資產所產生之任何盈虧乃按出售所得款項淨額與該項目賬面值間之差額計算，並計入不再確認該項目年度之綜合收益表。

有形資產減值虧損

於各結算日，本集團均檢討其有形資產之賬面值，以衡量該等資產是否出現任何蒙受減值虧損之跡象。倘資產之可收回金額估計低於其賬面值，則將資產之賬面值減至其可收回金額。減值虧損即時確認為開支。

Notes to the Consolidated Financial Statements *For the year ended 31st March, 2009*

綜合財務報表附註 截至二零零九年三月三十一日止年度

3. Significant Accounting Policies (Continued)**Impairment losses on tangible assets (Continued)**

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised as income immediately.

Leasing

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

The Group as lessee

Rentals payable under operating leases are charged to consolidated income statement on a straight line basis over the term of the relevant lease. Benefits received and receivable as an incentive to enter into an operating lease are recognised as a reduction of rental expense over the lease term on a straight line basis.

Leasehold land and building

The land and building elements of a lease of land and building are considered separately for the purpose of lease classification, unless the lease payments cannot be allocated reliably between the land and building elements, in which case, the entire lease is generally treated as a finance lease and accounted for as property, plant and equipment. To the extent the allocation of the lease payments can be made reliably, leasehold interests in land are accounted for as operating leases.

Foreign currencies

In preparing the financial statements of each individual group entity, transactions in currencies other than the functional currency of that entity (foreign currencies) are recorded in its functional currency, i.e. the currency of the primary economic environment in which the entity operates, at the rates of exchange prevailing on the dates of the transactions. At each balance sheet date, monetary items denominated in foreign currencies are retranslated at the rates prevailing on the balance sheet date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

3. 主要會計政策(續)**有形資產減值虧損(續)**

當減值虧損其後撥回時，資產之賬面值將增至重新修訂估計之可收回金額，惟增加之賬面值不得超過假設該資產於以往年度並無確認減值虧損而應釐定之賬面值。減值虧損之撥回即時確認為收入。

租賃

凡租賃條款將擁有權之絕大部份風險及回報轉移至承租人之租賃，均分類為融資租賃。所有其他租賃均分類為經營租賃。

本集團作為承租人

根據經營租賃應付之租金乃於有關租期內以直線法自綜合收益表扣除。就訂立經營租賃作為獎勵已收及應收之利益亦於租期內以直線法確認為租金開支扣減。

租賃土地及樓宇

就租賃分類而言，土地及樓宇租賃之土地及樓宇部份乃分開考慮，惟租金不能於土地及樓宇部份之間進行可靠分配之情況則除外，在此情況下，整項租賃一般視作融資租賃處理，並入賬列作物業、機器及設備。倘租金能進行可靠分配，則土地租賃權益入賬列作經營租賃。

外幣

於編製各個別集團實體之財務報表時，以該實體功能貨幣以外之貨幣(外幣)進行之交易均按交易日期之適用匯率換算為功能貨幣(即該實體經營所在主要經濟地區之貨幣)記賬。於各結算日，以外幣結算之貨幣項目按結算日之適用匯率重新換算。以外幣歷史成本計量之非貨幣項目不予重新換算。

Notes to the Consolidated Financial Statements *For the year ended 31st March, 2009*

綜合財務報表附註 *截至二零零九年三月三十一日止年度*

3. Significant Accounting Policies (Continued)

Foreign currencies (Continued)

Exchange differences arising on the settlement of monetary items, and on the translation of monetary items, are recognised in profit or loss in the period in which they arise.

For the purposes of presenting the consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated into the presentation currency of the Company (i.e. Hong Kong dollars) at the rate of exchange prevailing at the balance sheet date, and their income and expenses are translated at the average exchange rates for the year, unless exchange rates fluctuate significantly during the period, in which case, the exchange rates prevailing at the dates of transactions are used. Exchange differences arising, if any, are recognised as a separate component of equity (translation reserve). Such exchange differences are recognised in profit or loss in the period in which the foreign operation is disposed of.

Borrowing costs

All borrowing costs are recognised as and included in finance costs in the consolidated income statement in the period in which they are incurred.

Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the consolidated income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rate that have been enacted or substantively enacted by the balance sheet date.

3. 主要會計政策(續)

外幣(續)

於結算貨幣項目及換算貨幣項目時產生之匯兌差額均於彼等產生期間內於損益內確認。

就呈列綜合財務報表而言，本集團海外業務之資產及負債乃按於結算日之適用匯率換算為本公司之呈報貨幣(即港元)，而其收入及開支項目乃按該年度之平均匯率進行換算，除非匯率於該期間內出現大幅波動則作別論，於此情況下，則採用於交易當日之適用匯率。所產生之匯兌差額(如有)乃確認作權益之獨立部份(換算儲備)。該等匯兌差額乃於海外業務被出售之期間內於損益內確認。

借貸成本

所有借貸成本均於產生期間內於綜合收益表之融資成本內確認及計入其中。

稅項

所得稅開支指本期應付稅項及遞延稅項之總和。

本期應付之稅項乃按本年度應課稅溢利計算。由於應課稅溢利不包括於其他年度應課稅或可扣稅之收入或開支項目，亦不包括毋須課稅或不可扣稅之項目，故此應課稅溢利與綜合收益表所呈報之溢利並不相同。本集團就本期稅項承擔之負債乃按已於結算日實施或大致實施之稅率計算。

Notes to the Consolidated Financial Statements *For the year ended 31st March, 2009*

綜合財務報表附註 截至二零零九年三月三十一日止年度

3. Significant Accounting Policies (Continued)**Taxation (Continued)**

Deferred tax is recognised on differences between the carrying amount of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences, and deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Inventories

Inventories, which are finished goods held for sale, are stated at the lower of cost and net realisable value. Cost is calculated on a specific identification basis.

3. 主要會計政策(續)**稅項(續)**

遞延稅項乃就綜合財務報表之資產及負債賬面值及計算應課稅溢利所使用相應稅基兩者之差額而確認，並以資產負債表負債法處理。遞延稅項負債通常會就所有應課稅臨時差異確認，而遞延稅項資產在可能出現可動用可扣稅臨時差異扣減之應課稅溢利時確認。倘若交易中因首次確認(業務合併除外)其他資產及負債而引致之臨時差異並不影響應課稅溢利及會計溢利時，則不會確認該等資產及負債。

遞延稅項負債乃就於附屬公司之投資產生之應課稅臨時差異確認，惟倘本集團能夠控制臨時差異之撥回及臨時差異於可見將來可能不會撥回則除外。

遞延稅項資產之賬面值於各個結算日作檢討，並於不再有足夠應課稅溢利恢復全部或部份資產價值時作調減。

遞延稅項乃按預期於負債清償或資產變現期間適用之稅率計算。遞延稅項於損益中扣除或計入損益，惟倘遞延稅項關乎直接在權益中扣除或計入之項目，則在此情況下，遞延稅項亦於權益中處理。

存貨

存貨指持有作出售之製成品，乃按成本及可變現淨值兩者之較低者入賬。成本採用特定識別基準計算。

Notes to the Consolidated Financial Statements *For the year ended 31st March, 2009*

綜合財務報表附註 *截至二零零九年三月三十一日止年度*

3. Significant Accounting Policies (Continued)

Financial instruments

Financial assets and financial liabilities are recognised on the consolidated balance sheet when a group entity becomes a party to the contractual provisions of the instrument. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Financial assets

The Group's financial assets are classified into one of two categories, including loans and receivables and available-for-sale financial assets. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial asset or a financial liability and of allocating interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) or payments through the expected life of the financial asset or financial liability, or, where appropriate, a shorter period.

Income is recognised on an effective interest basis for debt instruments.

3. 主要會計政策(續)

金融工具

金融資產及金融負債乃當某集團實體成為工具合同條文之訂約方時於綜合資產負債表確認。金融資產及金融負債按公平值初步計量。收購或發行金融資產及金融負債直接應佔之交易成本(以公平值計入損益之金融資產及金融負債除外)乃於首次確認時加入金融資產或金融負債之公平值或自金融資產或金融負債之公平值內扣除(如適用)。收購以公平值計入損益之金融資產或金融負債直接應佔之交易成本即時於損益內確認。

金融資產

本集團之金融資產分為兩個類別，包括貸款及應收賬款及可供出售金融資產。所有定期購買或出售金融資產乃按交易日基準確認及不再確認。定期購買或出售乃購買或出售金融資產，並要求於市場上按規則或慣例設定之時間框架內付運資產。

實際利率法

實際利率法為計算相關期間內金融資產或金融負債之已攤銷成本以及分配利息收入或利息開支之方法。實際利率為在金融資產或金融負債之預期年期或(如適用)較短期間內能夠精確貼現估計未來現金收入(包括所有已支付或收取並為實際利率、交易成本及其他溢價或折讓組成部分之費用)或付款之利率。

債務工具收入乃按實際利率基準確認。

Notes to the Consolidated Financial Statements *For the year ended 31st March, 2009*綜合財務報表附註 *截至二零零九年三月三十一日止年度***3. Significant Accounting Policies (Continued)****Financial instruments (Continued)****Financial assets (Continued)***Loans and receivables*

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. At each balance sheet date subsequent to initial recognition, loans and receivables (including trade and other receivables, and bank balances and cash) are carried at amortised cost using the effective interest method, less any identified impairment losses.

Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated or not classified as financial assets at fair value through profit or loss ("FVTPL"), loans and receivables or held-to-maturity investments.

At each balance sheet date subsequent to initial recognition, available-for-sale financial assets are measured at fair value. Changes in fair value are recognised in equity, until the financial asset is disposed of or is determined to be impaired, at which time, the cumulative gain or loss previously recognised in equity is removed from equity and recognised in profit or loss.

For available-for-sale equity investments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured, they are measured at cost less any identified impairment losses at each balance sheet date subsequent to initial recognition.

Impairment of financial assets

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at each balance sheet date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the financial assets have been affected.

For an available-for-sale equity investment, a significant or prolonged decline in the fair value of that investment below its cost is considered to be objective evidence of impairment.

3. 主要會計政策(續)**金融工具(續)****金融資產(續)***貸款及應收賬款*

貸款及應收賬款乃並無於活躍市場上報價之固定或可釐定付款之非衍生金融工具。於首次確認後各結算日，貸款及應收賬款(包括貿易及其他應收賬款，及銀行結餘及現金)均採用實際利率法按已攤銷成本減任何已辨識之減值虧損入賬。

可供出售金融資產

可供出售金融資產乃指定或不能分類為以公平值計入損益之金融資產、貸款及應收賬款或持有至到期投資之非衍生工具。

於首次確認後之各結算日，可供出售金融資產均以公平值計量。公平值變動於權益內確認，直至金融資產被出售或決定出現減值，屆時，早前於權益內確認之累積盈虧將於權益移除並於損益內確認。

缺乏活躍市場之市場報價及未能可靠計算公平值之可供出售股本投資，於首次確認後各結算日按成本減任何已辨識之減值虧損入賬。

金融資產減值

金融資產(以公平值計入損益者除外)會於各結算日評估是否有減值跡象。金融資產於有客觀證據顯示其估計未來現金流量因於初步確認該金融資產後發生之一項或多項事件而受到影響時作出減值。

就可供出售股本投資而言，該項投資之公平值大幅或持續下跌至低於其成本，則視作減值之客觀證據。

Notes to the Consolidated Financial Statements *For the year ended 31st March, 2009*

綜合財務報表附註 *截至二零零九年三月三十一日止年度*

3. Significant Accounting Policies (Continued)

Financial instruments (Continued)

Impairment of financial assets (Continued)

For all other financial assets, objective evidence of impairment could include:

- significant financial difficulty of the issuer or counterparty; or
- default or delinquency in interest or principal payments; or
- it is becoming probable that the borrower will enter bankruptcy or financial re-organisation.

For financial assets carried at amortised cost, an impairment loss is recognised in profit or loss when there is objective evidence that the asset is impaired, and is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the original effective interest rate.

For financial assets carried at cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment loss will not be reversed in subsequent periods.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade and other receivables, where the carrying amount is reduced through the use of an allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss. When a trade or other receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited to profit or loss.

3. 主要會計政策(續)

金融工具(續)

金融資產減值(續)

就所有其他金融資產而言，減值之客觀證據可包括：

- 發行人或交易方出現重大財政困難；或
- 未能繳付或延遲償還利息或本金；或
- 借款人有可能面臨破產或財務重組。

就按已攤銷成本列賬之金融資產而言，當有客觀證據證明該資產已減值，減值虧損於損益確認，並按資產賬面值與按原實際利率貼現之估計未來現金流量現值之差額計量。

就按成本列賬之金融資產而言，減值虧損金額乃按資產賬面值與按類似金融資產現時市場回報率貼現之估計未來現金流量之現值之差額計量。有關減值虧損不會於往後期間撥回。

金融資產賬面值會就所有金融資產直接按減值虧損扣減，惟貿易及其他應收賬款除外，其賬面值會透過使用撥備賬作出扣減。撥備賬內之賬面值變動於損益確認。當貿易或其他應收賬款被視為不可收回時，其將於撥備賬內撇銷。其後收回已撇銷之款項，均計入損益內。

Notes to the Consolidated Financial Statements *For the year ended 31st March, 2009*綜合財務報表附註 *截至二零零九年三月三十一日止年度***3. Significant Accounting Policies (Continued)****Financial instruments (Continued)****Impairment of financial assets (Continued)**

For financial assets measured at amortised cost, if, in a subsequent period, the amount of impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment loss was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the asset at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

Impairment losses on available-for-sale equity investments will not be reversed in profit or loss in subsequent periods.

Financial liabilities and equity

Financial liabilities and equity instruments issued by a group entity are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument. An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period.

Interest expense is recognised on an effective interest basis.

Bank loans and overdrafts

Interest-bearing bank loans are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest method.

3. 主要會計政策(續)**金融工具(續)****金融資產減值(續)**

就按已攤銷成本計量之金融資產而言，如在往後期間，減值虧損金額減少，而有關減少在客觀上與確認減值虧損後發生之事件有關，則先前已確認之減值虧損將透過損益予以撥回，惟該資產於減值被撥回當日之賬面值，不得超過未確認減值時之已攤銷成本。

可供出售股本投資之減值虧損不會於往後期間撥回損益。

金融負債及股本

集團實體發行之金融負債及股本工具乃根據合約安排之性質與金融負債及股本工具之定義分類。股本工具乃證明本集團於扣減其所有負債後之資產中擁有剩餘權益之任何合約。

實際利率法

實際利率法為計算相關期間內金融資產或金融負債之已攤銷成本以及分配利息收入或利息開支之方法。實際利率為在金融負債之預期年期或(如適用)較短期間內能夠精確貼現估計未來現金付款之利率。

利息開支乃按實際利率基準確認。

銀行貸款及透支

計息銀行貸款乃初步按公平值計量，隨後採用實際利率法按已攤銷成本計量。

Notes to the Consolidated Financial Statements *For the year ended 31st March, 2009*

綜合財務報表附註 *截至二零零九年三月三十一日止年度*

3. Significant Accounting Policies (Continued)

Financial instruments (Continued)

Financial liabilities and equity (Continued)

Other financial liabilities

Other financial liabilities including trade payables are subsequently measured at amortised cost, using the effective interest method.

Equity instruments

Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

Derecognition

Financial assets are derecognised when the rights to receive cash flows from the assets expire or, the financial assets are transferred and the Group has transferred substantially all the risks and rewards of ownership of the financial assets. On derecognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received and any cumulative gain or loss that had been recognised directly in equity is recognised in profit or loss.

Financial liabilities are derecognised when the obligation specified in the relevant contract is discharged, cancelled or expires. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

Retirement benefit costs

Payments to defined contribution retirement benefit scheme, including Mandatory Provident Fund Scheme and the employee's pension scheme of the respective municipal government in various places in Mainland China (the "PRC") where the Group operates, are charged as expenses when employees have rendered service entitling them to the contributions.

3. 主要會計政策(續)

金融工具(續)

金融負債及股本(續)

其他金融負債

其他金融負債(包括貿易應付賬款)乃隨後採用實際利率法按已攤銷成本計量。

股本工具

本公司發行之股本工具以收到之所得款項扣除直接發行成本後之金額記賬。

不再確認

若從資產收取現金流量之權利已到期，或金融資產已轉讓及本集團已將其於金融資產擁有權之絕大部份風險及回報轉移，則金融資產將被不再確認。於不再確認金融資產時，資產賬面值與已收代價及已直接於權益確認之任何累積盈虧之總和之差額將於損益內確認。

當有關合約之特定責任獲解除、取消或到期時，金融負債將不再確認。不再確認之金融負債賬面值與已付及應付代價之差額乃於損益內確認。

退休福利成本

定額供款退休福利計劃(包括強制性公積金計劃及本集團經營所在中國內地(「中國」)多個地區有關市人民政府設立之僱員退休金計劃)付款，於僱員已提供服務使彼等可享有供款時以開支扣除。

Notes to the Consolidated Financial Statements *For the year ended 31st March, 2009*綜合財務報表附註 *截至二零零九年三月三十一日止年度***3. Significant Accounting Policies (Continued)****Share-based payment transactions****Equity-settled share-based payment transactions**

Share options granted to employees on or before 7th November, 2002, or granted after 7th November, 2002 and vested before 1st January, 2005

The Group chooses not to apply HKFRS 2 "Share-based payments" with respect to share options granted after 7th November, 2002 and vested before 1st January, 2005. The financial impact of share options granted is not recorded in the consolidated financial statements until such time as the options are exercised, and no charge is recognised in the consolidated income statement in respect of the value of options granted. Upon the exercise of the share options, the resulting shares issued are recorded as additional share capital at the nominal value of the shares, and the excess of the exercise price per share over the nominal value of the shares is recorded as share premium. Options which lapse or are cancelled prior to their exercise date are deleted from the register of outstanding options.

Share options granted to employees after 7th November, 2002 and vested on or after 1st January, 2005

The fair value of services received determined by reference to the fair value of share options granted at the grant date is expensed in full at the grant date when the share options granted vest immediately with a corresponding increase in equity (share option reserve).

At the time when the share options are exercised, the amount previously recognised in the share option reserve will be transferred to share premium. When the share options are forfeited after the vesting date or are still not exercised at the expiry date, the amount previously recognised in the share option reserve will be transferred to retained profits.

3. 主要會計政策(續)**以股份為基礎之付款交易****股權結算以股份為基礎之付款交易**

於二零零二年十一月七日或之前授予僱員，或於二零零二年十一月七日後授出而於二零零五年一月一日前歸屬之購股權

本集團選擇不對於二零零二年十一月七日後授出及於二零零五年一月一日前歸屬之購股權應用香港財務報告準則第2號「以股份支付之支出」。已授出購股權之財務影響並無於綜合財務報表中記賬，直至購股權獲行使時為止，亦無就已授出購股權之價值於綜合收益表確認開支。於購股權獲行使後，所產生之已發行股份按股份面值列作額外股本，而每股行使價超出股份面值之款項則列作股份溢價。於行使日期前失效或註銷之購股權自未行使購股權登記冊刪除。

於二零零二年十一月七日後授予僱員而於二零零五年一月一日或之後歸屬之購股權

所得服務之公平值乃參考已授出購股權於授出日期之公平值釐定，於歸屬期內以直線法支銷，並於權益(購股權儲備)作出相應增加。

於購股權獲行使時，先前於購股權儲備確認之金額將轉撥至股份溢價。倘購股權於歸屬日期後被沒收或於屆滿日期仍未行使，則先前於購股權儲備確認之金額將轉撥至保留溢利。

Notes to the Consolidated Financial Statements *For the year ended 31st March, 2009*綜合財務報表附註 *截至二零零九年三月三十一日止年度***4. Segment Information****Business segments**

The Group's operation is sales of goods and is regarded as a single segment, being an enterprise engaged in watch trading. The Group's turnover represents consideration received and receivable from sales of watches.

Geographical segments

The Group's operations are located in Hong Kong, Macau and the PRC, representing the basis on which the Group reports its primary segment information. In determining the Group's geographical segments, revenues, results, assets, liabilities, capital additions and depreciation are attributed to the segment based on the location of the customers. The following table provides an analysis of the Group's geographical segment information.

4. 分類資料**業務分類**

本集團僅從事銷售貨品(即鐘表貿易)一類業務。本集團之營業額指銷售鐘表之已收及應收代價。

地區分類

本集團之業務位於香港、澳門及中國，乃本集團呈報其主要分類資料之基準。於釐定本集團之地區分類時，收益、業績、資產、負債、資本增加及折舊乃按客戶位置劃入所屬分類。下表提供本集團之地區分類資料分析。

		Turnover 營業額		Results 業績	
		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Hong Kong	香港	1,686,317	2,172,648	124,809	180,918
Macau and the PRC	澳門及中國	852,464	749,694	21,613	53,013
		2,538,781	2,922,342	146,422	233,931
Unallocated other income	未分配其他收入			6,634	7,642
Unallocated expenses	未分配開支			(13,280)	(35,469)
Finance costs	融資成本			(17,281)	(15,809)
Profit before taxation	除稅前溢利			122,495	190,295
Taxation	稅項			(22,180)	(34,374)
Profit for the year	年內溢利			100,315	155,921

Inter-segment sales are charged at the prevailing market rate.

分類間銷售乃按現行市場利率計算。

Notes to the Consolidated Financial Statements For the year ended 31st March, 2009

綜合財務報表附註 截至二零零九年三月三十一日止年度

4. Segment Information (Continued)

Balance Sheet

Hong Kong	香港		
Macau and the PRC	澳門及中國		
Unallocated	未分配		

4. 分類資料(續)

資產負債表

Segment assets		Segment liabilities	
分類資產		分類負債	
2009	2008	2009	2008
二零零九年	二零零八年	二零零九年	二零零八年
HK\$'000	HK\$'000	HK\$'000	HK\$'000
千港元	千港元	千港元	千港元
927,341	733,033	89,994	94,844
579,384	547,504	32,164	29,954
1,506,725	1,280,537	122,158	124,798
266,302	293,794	406,358	287,166
1,773,027	1,574,331	528,516	411,964

Other Information

Hong Kong	香港		
Macau and the PRC	澳門及中國		
Unallocated	未分配		

其他資料

Capital additions		Depreciation	
資本增加		折舊	
2009	2008	2009	2008
二零零九年	二零零八年	二零零九年	二零零八年
HK\$'000	HK\$'000	HK\$'000	HK\$'000
千港元	千港元	千港元	千港元
11,377	21,108	6,857	4,620
22,086	19,702	27,028	11,934
33,463	40,810	33,885	16,554
—	—	105	623
33,463	40,810	33,990	17,177

The segment assets and capital additions by location of assets are the same as by location of customers.

按資產所在地劃分之分類資產及資本增加與按客戶所在地劃分者相同。

Notes to the Consolidated Financial Statements *For the year ended 31st March, 2009*

綜合財務報表附註 截至二零零九年三月三十一日止年度

5. Other Income

Interest income	利息收入
Dividend income from available-for-sale financial assets	可供出售金融資產之股息收入
Gain on disposal of investment properties	出售投資物業之收益
Gain on disposal of property, plant and equipment	出售物業、機器及設備之收益
Gain on disposal of available-for-sale financial assets	出售可供出售金融資產之收益
Exchange gain	匯兌收益
Repairing service income	維修服務收入
Show window rental income	櫥窗租金收入
Others	其他

5. 其他收入

2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
833	3,890
1,133	638
—	1,449
—	1,314
3,689	1,373
979	4,724
6,536	6,569
3,067	2,967
2,413	5,282
18,650	28,206

6. Finance Costs

Interest on bank borrowings wholly repayable within five years	須於五年內全數償還之銀行借貸之利息
--	-------------------

6. 融資成本

2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
17,281	15,809

Notes to the Consolidated Financial Statements *For the year ended 31st March, 2009*

綜合財務報表附註 截至二零零九年三月三十一日止年度

7. Profit before Taxation

7. 除稅前溢利

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Profit before taxation has been arrived at after charging:	除稅前溢利已扣除：		
Directors' remuneration (note 8)	董事酬金(附註8)	26,773	31,811
Equity-settled share-based payment expense	股權結算以股份為基礎之付款	—	1,774
Other staff's retirement benefits scheme contributions	其他職員之退休福利計劃供款	5,049	2,774
Other staff costs	其他職員成本	85,643	70,111
		117,465	106,470
Auditor's remuneration	核數師酬金	2,200	1,900
Depreciation for	折舊		
— investment properties	— 投資物業	—	202
— property, plant and equipment	— 物業、機器及設備	33,990	16,975
Loss on disposal of property, plant and equipment	出售物業、機器及設備之虧損	1,309	—
Operating lease rentals in respect of rented premises	有關租賃物業之經營租約租金	87,173	60,402

Note: Key management personnel of the Group include directors of the Company

附註：本集團之主要管理層人員包括本公司董事

Notes to the Consolidated Financial Statements *For the year ended 31st March, 2009*

綜合財務報表附註 截至二零零九年三月三十一日止年度

8. Directors' and Employees' Emoluments

The emoluments paid or payable to each of the 10 (2008: 10) directors were as follows.

8. 董事及僱員之酬金

已付或應付10名(二零零八年: 10名)董事各人之酬金如下。

	2009 二零零九年					2008 二零零八年					
	Fees	Salaries and other benefits	Retirement benefits contributions	Performance-related incentive bonus	Total	Fees	Salaries and other benefits	Retirement benefits contributions	Performance-related incentive bonus	Total	
	袍金	薪金及其他福利	退休福利計劃供款	表現相關獎勵花紅	總計	袍金	薪金及其他福利	退休福利計劃供款	表現相關獎勵花紅	總計	
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	
				(note)	(note)				(note)	(note)	
				(附註)	(附註)				(附註)	(附註)	
Executive directors	執行董事										
Mr. Yeung Ming Bui	楊明鏢先生	—	3,291	450	1,672	5,413	—	3,031	414	3,172	6,617
Mr. Yeung Him Kit, Dennis	楊衍傑先生	—	3,359	330	1,672	5,361	—	2,210	204	3,172	5,586
Mr. Fung Kwong Yiu	馮廣耀先生	—	3,078	324	1,672	5,074	—	2,275	315	3,172	5,762
Madam Yeung Man Yee, Shirley	楊敏儀女士	—	650	75	1,671	2,396	—	509	65	3,171	3,745
Mr. Lam Hing Lun, Alain	林慶麟先生	—	2,107	180	1,671	3,958	—	1,403	150	3,171	4,724
Mr. Choi Kwok Yum	蔡國欽先生	—	2,021	243	1,672	3,936	—	1,693	189	3,171	5,053
Mr. Chan Che Kwong, William (resigned on 2nd April, 2007)	陳志光先生 (於二零零七年四月二日辭任)	—	—	—	—	—	—	—	—	—	—
Independent non-executive directors	獨立非執行董事										
Dr. Sun Ping Hsu, Samson	孫秉樞博士	180	—	—	—	180	108	—	—	—	108
Dr. Li Sau Hung, Eddy	李秀恒博士	180	—	—	—	180	108	—	—	—	108
Mr. So Kai Lau, Peter (retired on 25th September, 2008)	蘇啟鏗先生 (於二零零八年九月二十五日退任)	182	—	—	—	182	108	—	—	—	108
Mr. Choi Man Chau, Michael (appointed on 25th September, 2008)	蔡文洲先生 (於二零零八年九月二十五日獲委任)	93	—	—	—	93	—	—	—	—	—
		635	14,506	1,602	10,030	26,773	324	11,121	1,337	19,029	31,811

Note: The performance-related incentive bonus is determined as a percentage of the profit for the year before bonus charge.

附註：表現相關獎勵花紅乃按扣除花紅前年內溢利之某一百分比而釐定。

Notes to the Consolidated Financial Statements *For the year ended 31st March, 2009*

綜合財務報表附註 截至二零零九年三月三十一日止年度

8. Directors' and Employees' Emoluments*(Continued)*

All the five highest paid employees of the Group were executive directors of the Company. Details of their emoluments were disclosed above.

During the year, no emoluments were paid by the Group to the five highest paid individuals (including directors and employees) as an inducement to join or upon joining the Group or as compensation for loss of office. None of the directors has waived any emoluments during the year.

9. Taxation

The charge (credit) comprises:

Hong Kong Profits Tax
(Over)underprovision in prior years

Taxation in other jurisdictions
(Over)underprovision in prior years

Deferred taxation (*note 19*)

支出(抵免)包括：

香港利得稅
過往年度(超額撥備)撥備
不足

其他司法權區之稅項
過往年度(超額撥備)撥備
不足

遞延稅項(附註19)

8. 董事及僱員之酬金(續)

本集團五位最高薪酬僱員均為本公司執行董事。彼等之酬金詳情披露於上文。

年內，本集團並無向五位最高薪酬僱員(包括董事及僱員)支付任何酬金，作為加入本集團或加入本集團後之報酬或離職補償。年內概無董事放棄任何酬金。

9. 稅項

2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
19,502	25,700
(396)	285
19,106	25,985
4,457	8,160
(1,444)	491
3,013	8,651
61	(262)
22,180	34,374

On 26th June, 2008, the Hong Kong Legislative Council passed the Revenue Bill 2008 which reduced corporate profits tax rate from 17.5% to 16.5% effective from the year of assessment 2008/2009. Therefore, Hong Kong Profits Tax is calculated at 16.5% (2008: 17.5%) of the estimated assessable profit for the year.

於二零零八年六月二十六日，香港立法會通過《二零零八年收入條例草案》，當中包括將企業利得稅稅率由17.5%削減至16.5%，由二零零八至二零零九課稅年度起生效。因此，香港利得稅乃按年內之估計應課稅溢利之16.5%(二零零八年：17.5%)計算。

Notes to the Consolidated Financial Statements *For the year ended 31st March, 2009*

綜合財務報表附註 截至二零零九年三月三十一日止年度

9. Taxation (Continued)

Taxation in other jurisdictions is calculated at the rates prevailing pursuant to the relevant laws and regulations.

On 16th March, 2007, the PRC promulgated the Law of the People's Republic of China on Enterprise Income Tax (the "New Law") by Order No. 63 of the President of the PRC. On 6th December, 2007, the State Council of the PRC issued Implementation Regulations of the New Law. The New Law and Implementation Regulations changed the tax rate of PRC Enterprise Income Tax from 33% to 25% from 1st January, 2008. Enterprises that are currently entitled to exemption or reductions from the standard income tax rate for a fixed term (such as tax holidays) would continue to enjoy such treatment until the fixed term expires, but not beyond 2012.

The tax charge for the year can be reconciled to the profit per the consolidated income statement as follows:

9. 稅項(續)

其他司法權區之稅項乃根據有關法例及法規按現行稅率計算。

於二零零七年三月十六日，中國以第63號中國主席令頒佈《中華人民共和國企業所得稅法》(「新稅法」)。於二零零七年十二月六日，中國國務院頒佈《新稅法實施條例》。新稅法及實施條例將中國企業所得稅稅率由33%改為25%，由二零零八年一月一日起生效。目前享受定期(如免稅期)標準所得稅稅率豁免或減免之企業，將繼續享受有關優惠直至期滿為止，但不得遲於二零一二年後。

本年度稅項支出可與根據綜合收益表之溢利之對賬如下：

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Profit before taxation	除稅前溢利	122,495	190,295
Tax at the applicable income tax rate of 16.5% (2008: 17.5%)	根據適用所得稅率 16.5% (二零零八年：17.5%) 計算之稅項	20,212	33,302
Tax effect of expenses not deductible for tax purposes	不可扣稅開支之稅務影響	3,389	2,687
Tax effect of income not taxable for tax purposes	毋須課稅收入之稅務影響	(334)	(3,209)
Utilisation of tax losses not previously recognised	動用以往未確認稅務虧損	—	(197)
Tax effect of tax loss not recognised	未確認稅務虧損之稅務影響	372	108
Effect of different tax rates for subsidiaries operating in other jurisdictions	於其他司法權區經營之附屬公司所使用不同稅率之影響	(600)	688
(Over)underprovision in prior years	過往年度(超額撥備)撥備不足	(1,840)	776
Others	其他	981	219
Tax charge for the year	本年度稅項支出	22,180	34,374

Notes to the Consolidated Financial Statements *For the year ended 31st March, 2009*

綜合財務報表附註 截至二零零九年三月三十一日止年度

10. Dividends

The final dividend of 3.5 HK cents (2008: 7.5 HK cents) per share has been proposed by the directors and is subject to approval by the shareholders in the forthcoming annual general meeting.

11. Earnings per share

The calculation of the basic and diluted earnings per share attributable to the ordinary equity holders of the Company is based on the following data:

10. 股息

董事已建議派發末期股息每股3.5港仙(二零零八年：7.5港仙)，且須待股東於應屆股東週年大會上批准。

11. 每股盈利

本公司普通權益持有人應佔每股基本及攤薄盈利乃根據以下數據計算：

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Earnings	盈利		
Earnings for the purposes of basic and diluted earnings per share	計算每股基本及攤薄盈利之盈利	100,315	155,921
		2009 二零零九年 '000 千股	2008 二零零八年 '000 千股
Number of shares	股份數目		
Weighted average number of ordinary shares for the purpose of basic earnings per share	計算每股基本盈利之加權平均普通股數目	322,546	306,371
Effect of dilutive potential ordinary shares	潛在攤薄普通股之影響		
— share options	— 購股權	3,413	11,664
— warrants	— 認股權證	2,033	20,188
Weighted average number of ordinary shares for the purpose of diluted earnings per share	計算每股攤薄盈利之加權平均普通股數目	327,992	338,223

Notes to the Consolidated Financial Statements *For the year ended 31st March, 2009*

綜合財務報表附註 截至二零零九年三月三十一日止年度

12. Investment Properties

12. 投資物業

		HK\$'000 千港元
COST	成本	
At 1st April, 2007	於二零零七年四月一日	25,457
Disposal	出售	(25,457)
		<hr/>
At 31st March, 2008 and 2009	於二零零八年及二零零九年 三月三十一日	—
		<hr/>
DEPRECIATION	折舊	
At 1st April, 2007	於二零零七年四月一日	1,004
Provided for the year	本年度撥備	202
Eliminated on disposal	出售時撇銷	(1,206)
		<hr/>
At 31st March, 2008 and 2009	於二零零八年及二零零九年 三月三十一日	—
		<hr/>
CARRYING VALUE	賬面值	
At 31st March, 2008 and 2009	於二零零八年及二零零九年 三月三十一日	—
		<hr/>

The investment properties were situated in Hong Kong and were held under long leases. There was no allocation between the land portion and building portion for the above investment properties as it cannot be made reliably. The above investment properties were depreciated on a straight line basis at approximately 1.59% per annum.

該等投資物業位於香港，且以長期租約持有。由於上述投資物業之土地部份及樓宇部份無法可靠地劃分，故並無作出有關分配。上述投資物業以直線法按年率約1.59%予以折舊。

Notes to the Consolidated Financial Statements For the year ended 31st March, 2009

綜合財務報表附註 截至二零零九年三月三十一日止年度

13. Property, Plant and Equipment

13. 物業、機器及設備

		Land and buildings	Furniture, fixtures and equipment	Motor vehicles	Total
		土地及樓宇	傢俬、裝置 及設備	汽車	合計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
COST	成本				
At 1st April, 2007	於二零零七年 四月一日	90,979	77,649	3,327	171,955
Currency realignment	貨幣調整	2,319	2,933	39	5,291
Additions	添置	4,858	35,952	—	40,810
Disposal	出售	(511)	(812)	(397)	(1,720)
At 31st March, 2008	於二零零八年 三月三十一日	97,645	115,722	2,969	216,336
Currency realignment	貨幣調整	500	976	—	1,476
Additions	添置	—	33,463	—	33,463
Disposal	出售	—	(31,897)	—	(31,897)
At 31st March, 2009	於二零零九年 三月三十一日	98,145	118,264	2,969	219,378
DEPRECIATION	折舊				
At 1st April, 2007	於二零零七年 四月一日	8,933	51,991	1,561	62,485
Currency realignment	貨幣調整	37	1,959	17	2,013
Provided for the year	本年度撥備	1,659	14,963	353	16,975
Eliminated on disposal	出售時撇銷	(94)	(412)	(203)	(709)
At 31st March, 2008	於二零零八年 三月三十一日	10,535	68,501	1,728	80,764
Currency realignment	貨幣調整	6	586	—	592
Provided for the year	本年度撥備	1,906	31,858	226	33,990
Eliminated on disposal	出售時撇銷	—	(30,588)	—	(30,588)
At 31st March, 2009	於二零零九年 三月三十一日	12,447	70,357	1,954	84,758
CARRYING VALUES	賬面值				
At 31st March, 2009	於二零零九年 三月三十一日	85,698	47,907	1,015	134,620
At 31st March, 2008	於二零零八年 三月三十一日	87,110	47,221	1,241	135,572

Owner-occupied leasehold land is included in property, plant and equipment because the allocation between the land portion and building portion cannot be made reliably.

由於業主自用租賃土地之土地部份及樓宇部份不能可靠地劃分，故業主自用租賃土地乃計入物業、機器及設備。

Notes to the Consolidated Financial Statements *For the year ended 31st March, 2009*

綜合財務報表附註 截至二零零九年三月三十一日止年度

13. Property, Plant and Equipment (Continued)

The carrying value of property interests 物業權益之賬面值包括：
comprises:

Properties held under 按下列租約持有之物業
— long leases in Hong Kong 一 於香港之長期租約
— medium-term leases in the PRC 一 於中國之中期租約

13. 物業、機器及設備(續)

2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
64,680	65,323
21,018	21,787
85,698	87,110

14. Available-for-sale Financial Assets

Listed investments 上市投資
— equity securities listed in Hong Kong (note a) 一 香港上市之股本證券 (附註a)

Unlisted investments 非上市投資
— managed fund portfolio (note b) 一 管理基金投資組合 (附註b)
— equity securities (note c) 一 股本證券(附註c)

14. 可供出售金融資產

2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
75	172
6,320	11,454
45,191	46,917
51,586	58,543

During the year, the Group disposed of certain unlisted equity securities with a carrying value of HK\$9,673,000 (2008: HK\$8,941,000) resulting in a gain of HK\$3,689,000 (2008: HK\$1,373,000) which had been recognised in the consolidated income statement for the year.

於本年度，本集團出售若干非上市股本證券，賬面值為9,673,000港元(二零零八年：8,941,000港元)，由此獲得3,689,000港元(二零零八年：1,373,000港元)收益，並已於本年度之綜合收益表內確認。

Notes to the Consolidated Financial Statements *For the year ended 31st March, 2009*

綜合財務報表附註 截至二零零九年三月三十一日止年度

14. Available-for-sale Financial Assets (Continued)

Notes:

- (a) As at the balance sheet date, all the equity securities listed in Hong Kong are stated at fair values, which have been determined by reference to bid prices quoted in active markets.
- (b) The managed fund portfolio is managed by professional investment manager and this portfolio mainly comprises investment properties. The fund is stated at fair value provided by the relevant investment manager.
- (c) The above unlisted investments in equity securities relate to investments in two entities. They are measured at cost less impairment loss at each balance sheet date because the range of reasonable fair value estimates is so significant that the directors of the Company are of the opinion that their fair values cannot be measured reliably.

15. Trade And Other Receivables

Trade receivables	貿易應收賬款
Balance of consideration receivable from sale of available-for-sale financial assets	應收出售可供出售金融資產代價之餘款
Property rental and utilities deposits	物業租金及公用設施按金
Advances to apparel suppliers	向服裝供應商墊款
Advances to other suppliers	向其他供應商墊款
VAT receivables	應收增值稅
Other receivables	其他應收賬款

14. 可供出售金融資產(續)

附註:

- (a) 於結算日，所有香港上市股本證券均按公平值入賬，而公平值乃參照活躍市場所報之買入價而釐定。
- (b) 管理基金投資組合乃由專業投資經理進行管理，而該投資組合主要包括投資物業。基金乃按相關投資經理所提供之公平值入賬。
- (c) 上述非上市股本證券乃有關投資於與兩個實體之投資。由於本公司董事認為非上市股本之合理公平值估計之範圍太大，而令公平值無法可靠計算，故有關投資乃於各結算日按成本減減值虧損計量。

15. 貿易及其他應收賬款

	2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
	93,530	114,203
	1,500	—
	16,023	8,189
	5,122	4,483
	531	1,939
	25,879	28,737
	2,787	2,513
	145,372	160,064

Notes to the Consolidated Financial Statements *For the year ended 31st March, 2009*綜合財務報表附註 *截至二零零九年三月三十一日止年度***15. Trade And Other Receivables (Continued)**

The Group maintains a general credit policy of not more than 30 days for its customers. The following is an aged analysis of trade receivables at the balance sheet date:

Age	賬齡
0 to 30 days	0至30日
31 to 60 days	31至60日
61 to 90 days	61至90日
Over 90 days	90日以上

More than 86% (2008: 89%) of the trade receivables that are neither past due nor impaired is recovered within three months after the balance sheet date. No provision has been made for the trade receivables as at 31st March, 2009 (2008: nil).

Included in the Group's trade receivable balances are debtors with aggregate carrying amount of HK\$12,193,000 (2008: HK\$12,057,000) which are past due at the reporting date for which the Group has not provided for impairment loss. The Group does not hold any collateral over these balances. The average age of these receivables is 35 days (2008: 69 days).

15. 貿易及其他應收賬款(續)

本集團對其客戶實行不超過30日之一般信貸政策。以下為貿易應收賬款於結算日之賬齡分析：

2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
81,337	102,146
10,964	4,850
494	2,217
735	4,990
93,530	114,203

未逾期及未減值之貿易應收賬款中超過86% (二零零八年：89%) 於結算日後三個月內收回。於二零零九年三月三十一日，並無就貿易應收賬款作出撥備(二零零八年：無)。

本集團之貿易應收賬款結餘中，賬面總值為12,193,000港元(二零零八年：12,057,000港元)之應收賬款於呈報日已逾期但本集團仍未作出減值虧損撥備。本集團並無就該等結餘持有任何抵押品。該等應收賬款之平均賬齡為35日(二零零八年：69日)。

Notes to the Consolidated Financial Statements *For the year ended 31st March, 2009*

綜合財務報表附註 截至二零零九年三月三十一日止年度

15. Trade And Other Receivables (Continued)**Age of trade receivables which are past due but not impaired**

31 to 60 days	31至60日
61 to 90 days	61至90日
Over 90 days	90日以上
Total	總計

The Group will provide fully for any receivables over 365 days because historical experience is such that receivables that are past due beyond 365 days are generally not recoverable.

The Group has no significant concentration of credit risk, with exposure spread over a large number of counterparties and customers.

15. 貿易及其他應收賬款(續)**已逾期但未減值之貿易應收賬款之賬齡**

2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
10,964	4,850
494	2,217
735	4,990
12,193	12,057

本集團將就任何逾期超過365日之應收賬款作出全數撥備，因為過往經驗顯示逾期超過365日之應收賬款一般不可收回。

本集團並無重大信貸風險集中情況，信貸風險分散於多名交易對手及客戶。

Notes to the Consolidated Financial Statements *For the year ended 31st March, 2009*

綜合財務報表附註 截至二零零九年三月三十一日止年度

16. Bank Balances and Cash

Bank balances and cash comprise cash held by the Group and short-term bank deposits with an original maturity of three months or less at fixed interest rate of 0.8% (2008: 1.9%) per annum.

16. 銀行結餘及現金

銀行結餘及現金包括本集團所持現金及原到期日為三個月或以下並按實際年利率0.8% (二零零八年：1.9%) 計息之短期銀行存款。

17. Trade and Other Payables

Trade payables	貿易應付賬款
Payroll and welfare payables	應付工資及福利
Commission payables	應付佣金
Advances from customers	向客戶墊款
Renovation work payables	應付翻新工程賬款
VAT payables	應付增值稅
Interest payables	應付利息
Property rental payables	應付物業租金
Other payables	其他應付賬款

17. 貿易及其他應付賬款

2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
74,359	80,413
27,257	20,981
6,046	3,422
1,451	2,180
1,526	930
2,410	4,710
90	2,405
1,495	1,962
8,269	8,650
122,903	125,653

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

以下為貿易應付賬款於結算日之賬齡分析：

Age	賬齡
0 to 60 days	0至60日
61 to 90 days	61至90日
Over 90 days	90日以上

2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
61,721	71,731
9,940	6,771
2,698	1,911
74,359	80,413

Notes to the Consolidated Financial Statements For the year ended 31st March, 2009

綜合財務報表附註 截至二零零九年三月三十一日止年度

18. Bank Loans and Overdrafts

18. 銀行貸款及透支

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Secured long-term bank loans	有抵押長期銀行貸款	150,000	—
Short-term bank loans	短期銀行貸款	252,955	263,333
Bank overdrafts	銀行透支	—	4,326
		402,955	267,659
Analysed as:	分析為：		
Secured	有抵押	150,000	—
Unsecured	無抵押	252,955	267,659
		402,955	267,659

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
The bank loans and overdrafts are repayable as follows:	銀行貸款及透支須於以下期間償還：		
On demand or within one year	應要求或一年內	282,955	267,659
More than one year but not exceeding two years	一年後但兩年內	30,000	—
More than two years but not exceeding five years	兩年後但五年內	90,000	—
		402,955	267,659
Less: Amount due for settlement within one year (shown under current liabilities)	減：於一年內到期清償之款項(列為流動負債)	(282,955)	(267,659)
Amount due for settlement after one year	一年後到期清償之款項	120,000	—

Notes to the Consolidated Financial Statements *For the year ended 31st March, 2009*

綜合財務報表附註 截至二零零九年三月三十一日止年度

18. Bank Loans and Overdrafts (Continued)

At 31st March, 2009, the Group has pledged certain land and buildings with an aggregate carrying value of HK\$41,918,000 (2008: nil) to a bank to secure the bank loan facilities granted to the Group. The secured long-term bank loans carry interest at Hong Kong Inter-Bank Offered Rate ("HIBOR") plus 1.65% per annum.

Short-term bank loans of HK\$20,000,000 (2008: HK\$20,000,000) are unsecured and carry interest at a range from HIBOR plus 0.8% per annum (2008: HIBOR plus 0.8% per annum) and the remaining short term bank loans of HK\$232,955,000 are unsecured and carry interest at benchmark loan rates of financial institutions set by the PRC ranging from 4.86% to 8.15% per annum (2008: 5.30% to 8.15% per annum).

As at the balance sheet date, the Group has the following undrawn borrowing facilities:

Floating rate	浮息
— expiring within one year	— 於一年內到期

18. 銀行貸款及透支(續)

於二零零九年三月三十一日，本集團已向銀行抵押總賬面值為41,918,000港元之若干土地及樓宇(二零零八年：無)，以作為本集團獲授銀行貸款之抵押。有抵押長期銀行貸款按香港銀行同業拆息加年利率1.65%計息。

短期銀行貸款20,000,000港元(二零零八年：20,000,000港元)為未抵押並按年利率香港銀行同業拆息加0.8%(二零零八年：按年利率香港銀行同業拆息加0.8%)計息，而其餘短期銀行貸款232,955,000港元為無抵押並按由中國制訂之財務機構之貸款基準年利率介乎4.86%至8.15%(二零零八年：按年利率5.30%至8.15%)計息。

於結算日，本集團有以下未提取借貸融資：

2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
640,724	633,195

Notes to the Consolidated Financial Statements *For the year ended 31st March, 2009*綜合財務報表附註 *截至二零零九年三月三十一日止年度***19. Deferred Taxation**

The following is the major deferred tax liability recognised and movements thereon during the current and prior reporting periods:

		Accelerated tax depreciation 加速稅項折舊 HK\$'000 千港元
At 1st April, 2007	於二零零七年四月一日	386
Credited to consolidated income statement for the year (note 9)	年內計入綜合收益表(附註9)	(262)
At 31st March, 2008	於二零零八年三月三十一日	124
Charged to consolidated income statement for the year (note 9)	年內於綜合收益表扣除(附註9)	61
At 31st March, 2009	於二零零九年三月三十一日	185

At 31st March, 2009, the Group had unutilised tax losses of HK\$3,108,000 (2008: HK\$854,000) available to set off against future assessable profits. No deferred tax asset has been recognised in respect of these unutilised tax losses due to the unpredictability of future profit stream. Included in unutilised tax losses at 31st March, 2009 are losses of approximately HK\$1,462,000 (2008: nil) that will expire in 2013. Other losses of the Group at 31st March, 2009 and 2008 may be carried forward indefinitely.

Under the new law of PRC, withholding tax is imposed on dividends declared in respect of profits earned by PRC subsidiaries from 1st January, 2008 onwards. Deferred taxation has not been provided for in the consolidated financial statements in respect of temporary differences attributable to accumulated profits of the PRC subsidiaries amounting to HK\$12,616,000 (2008: HK\$24,906,000) as the Company is able to control the timing of the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future.

19. 遞延稅項

以下為本申報期間及以往申報期間內已確認之主要遞延稅項負債及其變動：

		Accelerated tax depreciation 加速稅項折舊 HK\$'000 千港元
於二零零七年四月一日		386
年內計入綜合收益表(附註9)		(262)
於二零零八年三月三十一日		124
年內於綜合收益表扣除(附註9)		61
於二零零九年三月三十一日		185

於二零零九年三月三十一日，本集團擁有未動用稅務虧損3,108,000港元(二零零八年：854,000港元)可供抵銷未來應課稅溢利。由於未能預測未來溢利來源，故並無就該等未動用稅務虧損確認遞延稅項資產。於二零零九年三月三十一日之未動用稅務虧損包括將於二零一三年屆滿之虧損約1,462,000港元(二零零八年：無)。本集團於二零零九年及二零零八年三月三十一日之其他虧損可無限期結轉。

根據中國新稅法，自二零零八年一月一日起，中國附屬公司所宣派有關所賺取溢利之股息須繳付預繳稅。由於本公司可控制撥回中國附屬公司累計溢利應佔暫時差額12,616,000港元(二零零八年：24,906,000港元)之時間，以及暫時差額可能不會於可見將來撥回，故並無於綜合財務報表就暫時差額作出遞延稅項之撥備。

Notes to the Consolidated Financial Statements *For the year ended 31st March, 2009*

綜合財務報表附註 截至二零零九年三月三十一日止年度

20. Share Capital

20. 股本

		Number of shares 股份數目	Amount 價值 HK\$'000 千港元
Ordinary shares of HK\$0.10 each	每股面值0.10港元之普通股		
Authorised:	法定：		
At 1st April, 2007, 31st March, 2008 and 31st March, 2009	於二零零七年四月一日、二 零零八年三月三十一日及 二零零九年三月三十一日	500,000,000	50,000
Issued and fully paid:	已發行及繳足：		
At 1st April, 2007	於二零零七年四月一日	275,253,200	27,525
Issue of shares upon placement of new shares (note a)	於配售新股份時發行股份 (附註a)	39,000,000	3,900
Issue of shares upon exercise of warrants (note b)	於行使認股權證時發行股 份(附註b)	6,000,000	600
At 31st March, 2008	於二零零八年三月三十一日	320,253,200	32,025
Issue of shares upon exercise of warrants (note c)	於行使認股權證時發行 股份(附註c)	3,000,000	300
At 31st March, 2009	於二零零九年三月三十一日	323,253,200	32,325

Notes:

- (a) As announced by the Company on 20th July, 2007, arrangements were made on 20th July, 2007 for a private placement to professional and institutional investors of 39,000,000 new ordinary shares of HK\$0.10 each at a price of HK\$3.80 per share by the placing agent. The price of HK\$3.80 per share represents a discount of approximately 18.45% to the closing market price of the Company's shares of HK\$4.66 per share as quoted on the Stock Exchange on 20th July, 2007, the last trading date prior to the placing. The new shares were issued on 30th August, 2007 under the special mandate granted to the board of directors on 27th August, 2007.
- (b) During the year ended 31st March, 2008, 6,000,000 warrants were exercised at a subscription price of HK\$1.81 per share, resulting in the issue of 6,000,000 ordinary shares of HK\$0.10 each in the Company.
- (c) During the year ended 31st March, 2009, 3,000,000 warrants were exercised at a subscription price of HK\$1.81 per share, resulting in the issue of 3,000,000 ordinary shares of HK\$0.10 each in the Company.

All the shares issued during both years rank *pari passu* with the then existing shares in all respects.

附註：

- (a) 誠如本公司於二零零七年七月二十日宣佈，已於二零零七年七月二十日作出安排，由配售代理按每股3.80港元之價格向專業及機構投資者私人配售39,000,000股每股面值0.10港元之新普通股。每股3.80港元之價格較於二零零七年七月二十日(配售前最後一個交易日)本公司股份於聯交所所報之每股4.66港元收市價折讓約18.45%。新股已於二零零七年八月三十日按照於二零零七年八月二十七日授予董事會之特別授權發行。
- (b) 截至二零零八年三月三十一日止年度內，6,000,000份認股權證已按每股1.81港元之認購價行使，本公司為此而發行6,000,000股每股面值0.10港元之普通股。
- (c) 截至二零零九年三月三十一日止年度內，3,000,000份認股權證已按每股1.81港元之認購價行使，本公司為此而發行3,000,000股每股面值0.10港元之普通股。

於兩年內發行之所有股份在各方面與當時之現有股份享有同等權益。

Notes to the Consolidated Financial Statements *For the year ended 31st March, 2009*

綜合財務報表附註 截至二零零九年三月三十一日止年度

21. Share-based Payment Transaction**Equity-settled share option scheme**

Pursuant to an ordinary resolution passed in the Company's special general meeting held on 3rd November, 2003, the Company approved and adopted a Share Option Scheme.

Under the Share Option Scheme, options may be granted to any director of the Company, employee, consultant, customer, supplier or advisor of the Company or a company in which the Company holds an interest or a subsidiary of such company (the "Eligible Persons"), the trustee of the Eligible Persons or a company beneficially owned by the Eligible Persons. The purpose of the Share Option Scheme is to attract and retain quality personnel and other persons to provide incentive to them to contribute to the business and operation of the Company. The total number of shares available for issue under the Share Option Scheme is 32,325,320 shares, representing 10% of the issued share capital of the Company as at the date of this report. No Eligible Persons shall be granted an option in any 12-month period for such number of shares (issued and to be issued) which in aggregate would exceed 1% of the share capital of the Company in issue on the last day of such 12-month period unless approval of the shareholders of the Company has been obtained in accordance with the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules"). The exercisable period is determined by the directors, which shall not be more than 10 years from the date of grant, and may include a minimum period for which the options must be held before it can be exercised. An offer of the grant of an option shall be opened for acceptance in writing received by the secretary of the Company for a period of 21 days from the Eligible Persons without paying any consideration upon the acceptance of the offer. The exercise price per share payable on the exercise of an option equals to the highest of:

- (a) the average closing price per share as quoted in the Stock Exchange's daily quotations sheet for the five business days immediately preceding the date of grant.

21. 以股份為基礎之付款交易**股權結算購股權計劃**

根據本公司於二零零三年十一月三日舉行之股東特別大會上通過之普通決議案，本公司已批准及採納購股權計劃。

根據購股權計劃，購股權可授予本公司之任何董事、僱員、顧問、客戶、本公司之供應商或諮詢人或本公司持有該公司之權益之公司或該公司之附屬公司（「合資格人士」）、合資格人士之信託人或合資格人士實益擁有之公司。購股權計劃旨在向優秀人才及其他人士給予獎勵，以吸引彼等在本集團留任及對本公司之業務及經營作出貢獻。購股權計劃項下可供發行之股份數目合共為32,325,320股，佔本公司於本報告日期之已發行股本10%。根據聯交所證券上市規則（「上市規則」），除非獲本公司股東批准，否則於任何十二個月期間內，合資格人士不得獲授予涉及股份數目（已發行及將予發行）合共超過本公司於該十二個月期間之最後一日之已發行股本1%之購股權。行使期乃由董事釐定，惟不得超過自授出日期起計十年及包括購股權行使前必須持有之最短期限。合資格人士可於提呈授予購股權當日起21日內以書面方式向本公司秘書表示是否接受該提呈，而於接受該提呈時毋須支付任何代價。在行使購股權時應付之每股行使價將為以下三者中之最高者：

- (a) 股份於緊接授出當日前五個營業日在聯交所每日報價表所報之每股平均收市價。

Notes to the Consolidated Financial Statements *For the year ended 31st March, 2009*

綜合財務報表附註 截至二零零九年三月三十一日止年度

21. Share-based Payment Transaction (Continued)**Equity-settled share option scheme (Continued)**

(b) the closing price per share as stated in the Stock Exchange's daily quotations sheet on the date of grant; and

(c) the nominal value of the share.

The Share Option Scheme is valid for a period of ten years commencing on the adoption date on 3rd November, 2003.

On 4th June, 2007, 11,300,000 share options were granted to certain employees of the Group under the Company's Share Option Scheme. Details of share options granted in 2007 are as follows:

Date of grant 授出日期	Vesting period 歸屬期間	Exercisable period 可行使期間	Exercise price per share 每股行使價
4th June, 2007 二零零七年六月四日	Nil 無	4th June, 2007 to 3rd June, 2017 二零零七年六月四日至二 零一七年六月三日	HK\$1.764 1.764 港元

No share option was exercised during the years ended 31st March, 2009 and 31st March, 2008.

The estimated fair value of the options granted during the year ended 31st March, 2008 under the Share Option Scheme was HK\$1,774,000.

21. 以股份為基礎之付款交易(續)**股權結算購股權計劃(續)**

(b) 股份於授出當日在聯交所每日報價表所報之每股收市價；及

(c) 股份面值。

購股權計劃自採納日期二零零三年十一月三日起計十年內有效。

於二零零七年六月四日，11,300,000份購股權根據本公司之購股權計劃授予本集團若干僱員。於二零零七年授出之購股權詳情如下：

截至二零零九年三月三十一日及二零零八年三月三十一日止年度，概無購股權已獲行使。

截至二零零八年三月三十一日止年度內，根據購股權計劃授出之購股權之估計公平值為1,774,000港元。

Notes to the Consolidated Financial Statements *For the year ended 31st March, 2009*

綜合財務報表附註 截至二零零九年三月三十一日止年度

21. Share-based Payment Transaction (Continued)**Equity-settled share option scheme (Continued)**

The fair value of options granted under the Share Option Scheme during the year ended 31st March, 2008 was calculated using the Black-Scholes pricing model. The inputs into the model are as follows:

	4th June, 2007
Share price at grant date	HK\$1.750
Exercise price	HK\$1.764
Expected volatility	18.3%
Expected life	2 years
Risk-free rate	4.44%
Expected dividend yield	4.57%

Expected volatility was determined by using the historical volatility of the Company's share price over the previous two years.

The variables and assumptions used in computing the fair value of the share options are based on the directors' best estimate. The value of an option varies with different variables of certain subjective assumptions.

The Group recognised a share-based payment expense of HK\$1,774,000 for the year ended 31st March, 2008 in relation to share options granted under the Share Option Scheme by the Company.

21. 以股份為基礎之付款交易(續)**股權結算購股權計劃(續)**

於截至二零零八年三月三十一日止年度內根據購股權計劃授出之購股權之公平值乃採用畢蘇定價模式計算。模式之輸入數據如下：

	二零零七年六月四日
於授出日期之股價	1.750 港元
行使價	1.764 港元
預期波幅	18.3%
預期年期	2 年
無風險利率	4.44%
預期股息率	4.57%

預期波幅乃採用本公司於過去兩年股價之歷史波幅釐定。

計算購股權公平值所用之變數及假設乃以董事之最佳估計為基礎。購股權價值因若干主觀假設之不同變數而異。

截至二零零八年三月三十一日止年度，本集團就本公司根據購股權計劃授出之購股權確認以股份為基礎之付款開支 1,774,000 港元。

Notes to the Consolidated Financial Statements *For the year ended 31st March, 2009*

綜合財務報表附註 截至二零零九年三月三十一日止年度

21. Share-based Payment Transaction (Continued)**Equity-settled share option scheme (Continued)**

The following table discloses movements of the Company's share options held by the directors and certain employees during both years:

Name or category of participant 參與者姓名或類別	Number of share options 購股權數目						At 31st March, 2009 於二零零九年三月三十一日	Date of grant of share options 購股權授出日期	Exercise price per share 每股行使價 HK\$ 港元	Exercisable period 可行使期間
	At 1st April, 2007 於二零零七年四月一日	Granted during the year 於年內授出	Lapsed during the year 於年內失效	At 31st March, 2008 於二零零八年三月三十一日	Granted during the year 於年內授出	Lapsed during the year 於年內失效				
Directors 董事	18,900,000	—	(2,700,000)	16,200,000	—	—	16.01.2004	1.702	16.01.2004— 15.01.2014	
Other employees 其他僱員	—	11,300,000	—	11,300,000	—	—	04.06.2007	1.764	04.06.2007— 03.06.2017	
Total 總計	18,900,000	11,300,000	(2,700,000)	27,500,000	—	—	27,500,000			

22. Warrants

On 11th June, 2007, the Company entered into two warrants placing agreements with two independent subscribers in relation to private placing of an aggregate of 55,000,000 warrants to the subscribers, at an issue price of HK\$0.02 per warrant, representing an aggregate subscription price of HK\$1,100,000. The warrants entitle the subscribers to subscribe for new ordinary shares of the Company of HK\$0.10 each at an initial subscription price of HK\$1.81 per share (subject to anti-dilutive adjustment) for a period of 30 months commencing from the date of issue of warrants.

During the year, 3,000,000 new shares (2008: 6,000,000 new shares) were issued on exercise of the warrants. Exercise in full of the remaining outstanding warrants would, under the present capital structure, result in receipt by the Company of HK\$83,260,000 (2008: HK\$88,690,000) in subscription monies and the issue of 46,000,000 new shares (2008: 49,000,000 new shares).

21. 以股份為基礎之付款交易(續)**股權結算購股權計劃(續)**

下表披露董事及若干僱員於兩年內所持有本公司購股權之變動：

23. 認股權證

於二零零七年六月十一日，本公司就按每份認股權證0.02港元之發行價向認購人私人配售合共55,000,000份認股權證而與兩名獨立認購人訂立兩份認股權證配售協議，總認購價為1,100,000港元。認股權證賦予認購人權利，可於自發行認股權證日期起計30個月之期間內按每股1.81港元(視乎反攤薄調整而定)之初步認購價認購本公司每股面值0.10港元之新普通股。

年內，3,000,000股新股(二零零八年：6,000,000股新股)已於行使認股權證時發行。在現行之股本架構下，悉數行使餘下之未行使認股權證，本公司將會因此收取認購款項83,260,000港元(二零零八年：88,690,000港元)及發行46,000,000股新股(二零零八年：49,000,000股新股)。

Notes to the Consolidated Financial Statements *For the year ended 31st March, 2009*

綜合財務報表附註 截至二零零九年三月三十一日止年度

23. Operating Lease Arrangements

At the balance sheet date, the Group was committed to make the following future minimum lease payments in respect of rented premises under non-cancellable operating leases which fall due as follows:

Within one year	一年內
In the second to fifth year inclusive	第二至第五年(包括首尾兩年)

Operating lease payments represent rentals payable by the Group for its office premises. Leases are negotiated for an average term of 1 to 5 years and rentals are fixed.

24. Other Commitments

At the balance sheet date, the Group was committed to pay royalties for the usage of a fashion brand for manufacture and trading of apparels with a minimum guarantee royalties payment as follows:

Within one year	一年內
In the second to fifth year inclusive	第二至第五年(包括首尾兩年)
After five years	五年後

The Group was also subject to pay royalties at 6% on total net wholesales made per annum on top of the above minimum guarantee royalties.

23. 經營租賃安排

於結算日，本集團承諾日後根據不可撤銷經營租賃就租賃物業支付最低租金，到期日如下：

2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
100,136	54,421
91,929	37,290
192,065	91,711

經營租金指本集團就其辦公室物業應付之租金。租賃經磋商之平均年期為1至5年，而租金乃固定。

24. 其他承擔

於結算日，本集團承諾就使用某一時尚品牌以製造及經銷服飾而支付版稅，最低保證版稅之付款額如下：

2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
1,544	901
7,816	5,187
1,638	3,588
10,998	9,676

除上述最低保證版稅外，本集團亦須按每年總批發淨額之6%支付版稅。

Notes to the Consolidated Financial Statements *For the year ended 31st March, 2009*

綜合財務報表附註 截至二零零九年三月三十一日止年度

25. Retirement Benefits Schemes

The Group principally operates defined contribution retirement schemes for all qualifying employees, including directors. The assets of the schemes are held separately from those of the Group in funds under the control of independent trustees.

The retirement scheme cost represents contributions payable to the funds by the Group at rates specified in the rules of the schemes. Where there are employees who leave the schemes prior to vesting fully in the contributions, the contributions payable by the Group are reduced by the amount of forfeited contributions.

The Group participates in both a defined contribution scheme which is registered under the Occupational Retirement Schemes Ordinance (the "ORSO" Scheme) and a Mandatory Provident Fund Scheme (the "MPF" Scheme) established under the Mandatory Provident Fund Schemes Ordinance in December 2000. The assets of the schemes are held separately from those of the Group, in funds under the control of independent trustees.

The ORSO Scheme is funded by monthly contributions from both employees and the Group at rates ranging from 5% to 15% of the employee's basic salary, depending on the length of service with the Group.

For members of the MPF Scheme, the Group contributes 5% of relevant payroll costs to the MPF Scheme, which contribution is matched by the employee.

The employees of the Company's PRC subsidiaries are members of the state-managed retirement benefits scheme operated by the PRC government. The Company's PRC subsidiaries are required to contribute a certain percentage of their payroll to the retirement benefits scheme to fund the benefits. The only obligation of the Group with respect to the retirement benefits scheme is to make the required contributions under the scheme.

25. 退休福利計劃

本集團主要為所有合資格僱員(包括董事)設立定額供款退休計劃。該等計劃之資產與本集團之資產分開持有，由獨立受託人控制。

退休計劃成本指本集團應按計劃規則指定之比率應付之基金供款。倘僱員於可全數取得供款前退出該等計劃，則沒收供款可用作扣減本集團應付之供款。

本集團參與根據職業退休計劃條例(「ORSO」計劃)註冊之界定供款計劃及於二零零零年十二月根據強制性公積金計劃條例設立之強制性公積金計劃(「強積金」計劃)。該等計劃之資產於受獨立受託人控制之基金持有，與本集團之資產分開。

ORSO計劃以僱員及本集團作出之每月供款提供資金，供款比率為僱員底薪之5%至15%，視乎於本集團之服務年期而定。

至於強積金計劃之成員，本集團向強積金計劃作出按相關薪資成本5%計算之供款，而僱員亦作出等額供款。

本公司中國附屬公司之僱員均參與由中國政府管理之國家退休福利計劃。本公司之中國附屬公司須按僱員薪金之若干百分比向退休福利計劃供款，以為該等福利提供資金。本集團只須根據計劃作出規定供款，則已履行退休福利計劃之責任。

Notes to the Consolidated Financial Statements *For the year ended 31st March, 2009*綜合財務報表附註 *截至二零零九年三月三十一日止年度***25. Retirement Benefits Schemes (Continued)**

The total cost charged to the consolidated income statement of HK\$6,651,000 (2008: HK\$4,111,000) represents contributions payable to these schemes by the Group in respect of the current accounting period.

26. Capital Risk Management

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged from prior year.

The capital structure of the Group consists of net debt, which includes the bank loans and overdrafts disclosed in note 18 net of cash and cash equivalents and equity attributable to equity holders of the Company, comprising issued share capital and reserves including retained profits. The directors of the Company review the capital structure on an annual basis. As part of this review, the directors consider the cost of capital and the risks associated with each class of capital. Based on recommendations of the directors, the Group will balance its overall capital structure through the payment of dividends, new share issues as well as the issue of new debt or the redemption of existing debt.

27. Financial Instruments**Categories of financial instruments**

Financial assets	金融資產
Loans and receivables (including cash and cash equivalents)	貸款及應收賬款(包括現金及等同現金項目)
Available-for-sale financial assets	可供出售金融資產
Financial liabilities	金融負債
Amortised cost	已攤銷成本

25. 退休福利計劃(續)

自綜合收益表扣除之總成本6,651,000港元(二零零八年:4,111,000港元)指本集團就本會計期間向該等計劃應付之供款。

26. 資本風險管理

本集團管理其資本，以確保本集團屬下實體將能夠持續經營，同時透過改善債務與權益平衡提高利益相關者之回報。本集團之整體策略與上年度不變。

本集團之資本架構包括債務淨額(其中包括附註18所披露之借貸扣除現金及等同現金項目之銀行貸款及透支)以及本公司權益持有人應佔權益(其中包括已發行股本及儲備，包括保留溢利)。本公司董事每年檢討資本架構。作為此檢討工作一部份，董事考慮資本成本及與各類資本相關之風險。基於董事作出之建議，本集團將透過派發股息、發行新股份以及發行新債務或贖回現有債務平衡其整體資本架構。

27. 金融工具**金融工具類別**

2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
299,917	345,173
51,586	58,543
485,008	355,512

Notes to the Consolidated Financial Statements *For the year ended 31st March, 2009*

綜合財務報表附註 *截至二零零九年三月三十一日止年度*

27. Financial Instruments (Continued)

Financial risk management objectives and policies

The Group's major financial instruments include available-for-sale financial assets, trade and other receivables, bank balances and cash, trade and other payables, bank loans and bank overdrafts. Details of these financial instruments are disclosed in respective notes. The risks associated with these financial instruments include market risk (currency risk, interest rate risk and other price risk), credit risk and liquidity risk. The policies on how to mitigate these risks are set out below. The management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

Market risk

Currency risk

The Group has limited currency exposure as the majority of the sales were denominated in functional currency of the relevant group entities. The management conducted periodical review of exposure and requirements of various currencies, and will consider hedging significant foreign currency exposures should the need arise. The management considers that the Group's exposure to foreign currency risk is not significant.

Interest rate risk

The Group is exposed to cash flow interest rate risk in relation to floating-rate bank borrowings and bank balances. The Group currently does not have an interest rate hedging policy. However, the management monitors interest rate exposure and will consider hedging significant interest rate exposure should the need arise. The fair value interest rate risk on bank deposits is insignificant as the fixed deposits are short-term.

The Group's cash flow interest rate risk is mainly concentrated on the fluctuation of Hong Kong Interbank Offered Rate and benchmark loan rates of financial institutions set by the PRC arising from the Group's borrowings.

27. 金融工具(續)

財務風險管理目標及政策

本集團之主要金融工具包括可供出售金融資產、貿易及其他應收賬款、銀行結餘及現金、貿易及其他應付賬款、銀行貸款及銀行透支。該等金融工具詳情於各附註披露。與該等金融工具相關之風險包括市場風險(貨幣風險、利率風險及其他價格風險)、信貸風險及流動資金風險。下文載列如何降低該等風險之政策。管理層管理及監察該等風險，以確保及時和有效地採取適當之措施。

市場風險

貨幣風險

由於大部份銷售均以有關集團實體之功能貨幣結算，故本集團之貨幣風險有限。管理層會定期檢討各種貨幣之風險及需求，並將在有需要時考慮對沖重大外幣風險。管理層認為本集團之外幣風險不大。

利率風險

本集團承受有關浮息銀行借貸及銀行結餘之現金流量利率風險。本集團並無利率對沖政策。然而，管理層監察利率風險，並將在有需要時考慮對沖重大利率風險。由於定期存款屬短期存款，故銀行存款之公平值利率風險不大。

本集團之現金流量利率風險主要集中於香港銀行同業拆息及中國制定之財務機構貸款基準利率波動，乃由本集團之借貸產生。

Notes to the Consolidated Financial Statements *For the year ended 31st March, 2009*綜合財務報表附註 *截至二零零九年三月三十一日止年度***27. Financial Instruments (Continued)****Financial risk management objectives and policies***(Continued)***Market risk (Continued)***Interest rate risk (Continued)*

Sensitivity analysis

The sensitivity analysis below has been determined based on the exposure to interest rates for bank borrowings and bank balances at the balance sheet date. The analysis is prepared assuming that the bank balances were net of bank borrowings at the balance sheet date and the net balance was outstanding for the whole year. A 50 basis point (2008: 50 basis point) increase or decrease is used for bank borrowings and a 10 basis point (2008: 50 basis point) increase or decrease is used for bank balances when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

For bank loans, if interest rates had been 50 basis points (2008: 50 basis points) higher/lower and all other variables were held constant, the Group's post tax profit for the year ended 31st March, 2009 would decrease/increase by HK\$2,014,000 (2008: post tax profit would decrease/increase by HK\$1,338,000).

For bank balances, if interest rates had been 10 basis points (2008: 50 basis points) higher/lower and all other variables were held constant, the Group's post tax profit for the year ended 31st March, 2009 would increase/decrease by HK\$ 202,000 (2008: post tax profit would increase/decrease by HK\$1,145,000).

Other price risk

The Group's available-for-sale financial assets at each balance sheet date exposed the Group to equity security price risk. The management manages this exposure by maintaining a portfolio of investments with different risk profiles. The Group's equity price risk is mainly concentrated on unlisted equity securities issued by two private entities. In view of the amount of available-for-sale financial assets at the balance sheet dates, the management considers that the Group's exposure to equity price risk is not significant.

27. 金融工具(續)**財務風險管理目標及政策(續)***市場風險(續)**利率風險(續)*

敏感度分析

以下敏感度分析乃按銀行借貸及銀行結餘於結算日之利率風險釐定。分析乃假設銀行結餘於結算日自銀行借貸扣除，且結餘淨額於全年未償還而編製。向主要管理人員作出內部利率風險報告時，就銀行借貸採用50個基點(二零零八年：50個基點)增減，以及就銀行結餘採用10個基點(二零零八年：50個基點)增減，此乃管理層對合理可能利率變動之評估。

就銀行貸款而言，倘利率上升／下跌50個基點(二零零八年：50個基點)而所有其他變數不變，則本集團截至二零零九年三月三十一日止年度之除稅後溢利將減少／增加2,014,000港元(二零零八年：除稅後溢利將減少／增加1,338,000港元)。

就銀行結餘而言，倘利率上升／下跌10個基點(二零零八年：50個基點)而所有其他變數不變，則本集團截至二零零九年三月三十一日止年度之除稅後溢利將增加／減少202,000港元(二零零八年：除稅後溢利將增加／減少1,145,000港元)。

其他價格風險

本集團於各結算日之可供出售金融資產令本集團須承受股本證券價格風險。管理層透過維持風險級別不同之投資組合管理此風險。本集團之股本價格風險主要集中於兩間私人實體發行之非上市股本證券。鑑於結算日之可供出售金融資產金額，管理層認為本集團之股本價格風險不大。

Notes to the Consolidated Financial Statements *For the year ended 31st March, 2009*

綜合財務報表附註 *截至二零零九年三月三十一日止年度*

27. Financial Instruments (Continued)

Financial risk management objectives and policies

(Continued)

Credit risk

At 31st March, 2009, the Group's maximum exposure to credit risk which will cause a financial loss to the Group due to failure to discharge an obligation by the counterparties is arising from the carrying amount of the respective financial assets as stated in the consolidated balance sheet. In order to minimise the credit risk, the management of the Group has delegated a team responsible for determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group reviews the recoverable amount of each individual trade debt at each balance sheet date to ensure that adequate impairment losses are made for irrecoverable amounts. In this regard, the directors of the Company consider that the Group's credit risk is significantly reduced.

The credit risk on liquid funds is limited because the counterparties are banks with high credit ratings assigned by international credit standings and state-owned banks with good reputation.

The Group has no significant concentration of credit risk on trade receivables. Its exposure spread over a large number of counterparties and customers.

Liquidity risk

In the management of liquidity risk, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the Group's operations and mitigate the effects of fluctuations in cash flows. The management monitors the utilisation of bank borrowings and ensures compliance with loan covenants.

The Group relies on bank borrowings as a significant source of liquidity. As at 31st March, 2009, the Group has available unutilised short-term bank loan facilities of approximately HK\$640 million (2008: HK\$633 million).

27. 金融工具(續)

財務風險管理目標及政策(續)

信貸風險

於二零零九年三月三十一日，本集團之最高信貸風險自綜合資產負債表所述各金融資產之賬面值產生。信貸風險會因交易對手未能履行責任而對本集團造成財務損失。為使信貸風險減至最小，本集團管理層已委派一小組，專責釐定信貸額度、信貸審批及其他監控程序，以確保採取跟進行動收回逾期債項。此外，本集團於各結算日對每項個別貿易債項之可收回金額進行檢討，以確保對不可收回金額計提足夠減值虧損。就此而言，本公司董事認為本集團之信貸風險已大幅降低。

由於交易對手主要為由國際信貸評級機構評定為具高信貸評級之銀行及具良好信譽之國有銀行，故流動資金信貸風險有限。

本集團之貿易應收賬款並無重大信貸風險集中之情況。其風險乃分散於多名交易對手及客戶。

流動資金風險

管理流動資金風險方面，本集團管理層監察及維持足夠之現金及等同現金項目水平，以提供本集團營運之用及減低現金流量波動之影響。管理層監察動用銀行借貸情況，並確保遵守貸款契諾。

本集團倚賴銀行借貸作為重要流動資金來源。於二零零九年三月三十一日，本集團有可供動用之未動用短期銀行貸款融資約640,000,000港元(二零零八年：633,000,000港元)。

Notes to the Consolidated Financial Statements *For the year ended 31st March, 2009*

綜合財務報表附註 截至二零零九年三月三十一日止年度

27. Financial Instruments (Continued)**Financial risk management objectives and policies***(Continued)***Liquidity risk (Continued)**

The following table details the Group's remaining contractual maturity for its financial liabilities. For non-derivative financial liabilities, the table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The table includes both interest and principal cash flows.

Liquidity and interest risk tables

		Weighted average effective interest rate 加權平均實際利率 %	1-3 months 1-3個月 HK\$'000 千港元	3 months to 1 year 3個月至1年 HK\$'000 千港元	1-5 years 1-5年 HK\$'000 千港元	Total undiscounted cash flows 未貼現現金 流量總額 HK\$'000 千港元	Carrying amount 賬面值 HK\$'000 千港元
2009	二零零九年						
Non-derivative financial liabilities	非衍生金融負債						
Trade and other payables	貿易及其他應付賬款	N/A 不適用	74,359	7,694	—	82,053	82,053
Bank loans	銀行貸款	2.55% — 5.31% (note)(附註)	263,170	25,082	126,503	414,755	402,955
			337,529	32,776	126,503	496,808	485,008
2008	二零零八年						
Non-derivative financial liabilities	非衍生金融負債						
Trade and other payables	貿易及其他應付賬款	N/A 不適用	80,413	7,440	—	87,853	87,853
Bank loans	銀行貸款	3.10% — 6.57% (note)(附註)	225,621	40,715	—	266,336	263,333
Bank overdrafts	銀行透支	3.92% (note)(附註)	4,340	—	—	4,340	4,326
			310,374	48,155	—	358,529	355,512

Note: The management made the best estimation of variable-rate borrowings with reference to the HIBOR and the benchmark exchange rate of the People's Bank of China as at 31st March, 2009 and 2008, respectively.

27. 金融工具(續)**財務風險管理目標及政策(續)****流動資金風險(續)**

下表詳述本集團金融負債之餘下合約到期期限。就非衍生金融負債而言，下表乃根據本集團可能須付款之最早日期之未貼現金融負債現金流量而制訂。下表包括利息及本金現金流量。

流動資金及利率風險列表

附註：管理層參考分別於二零零九及二零零八年三月三十一日之香港銀行同業拆息及中國人民銀行基準匯率作出浮息借貸之最佳估計。

Notes to the Consolidated Financial Statements *For the year ended 31st March, 2009*

綜合財務報表附註 截至二零零九年三月三十一日止年度

27. Financial Instruments (Continued)**Fair value of financial assets and financial liabilities**

The fair value of financial assets and financial liabilities are determined as follows:

- the fair value of financial assets with standard terms and conditions and traded on active liquid markets are determined with reference to quoted market bid prices.

The carrying amounts of trade and other receivables, cash and bank balances, trade and other payables, bank loans and bank overdrafts approximate to their respective fair values due to the relatively short maturity of these financial instruments. The Group's bank loans are mainly variable-rate borrowings which are carrying at prevailing market rate. The carrying amounts approximate to the fair value.

28. Principal Subsidiaries

Details of the Company's principal subsidiaries, all of which are limited liability companies, at 31st March, 2009 and 2008 are as follows:

Name of subsidiary 附屬公司名稱	Place of incorporation/ registration and operations 註冊成立/ 登記及經營地點	Issued and fully paid share capital/ registered and paid-up capital 已發行及繳足股本/註冊及已繳資本		Proportion of nominal value of issued capital/ registered capital held by the Company 本公司所持有之已發行股本面值/註冊資本之比例				Principal activities 主要業務
		2009 二零零九年	2008 二零零八年	Directly 直接		Indirectly 間接		
				2009 二零零九年	2008 二零零八年	2009 二零零九年	2008 二零零八年	
				%	%	%	%	
La Suisse Watch Company Limited 瑞士表行有限公司	Hong Kong 香港	Ordinary shares — HK\$1,000 普通股 — 1,000 港元	Ordinary shares — HK\$1,000 普通股 — 1,000 港元	100	100	—	—	Watch trading 手表經銷
Oriental Watch Company Limited 東方表行有限公司	Hong Kong 香港	Ordinary shares — HK\$1,000 普通股 — 1,000 港元	Ordinary shares — HK\$1,000 普通股 — 1,000 港元	100	100	—	—	Watch trading 手表經銷
Oriental Watch (Macau) Company Limited 東方表行(澳門)有限公司	Macau 澳門	Ordinary shares — MOP\$25,000 普通股 — 25,000 澳門元	Ordinary shares — MOP\$25,000 普通股 — 25,000 澳門元	100	100	—	—	Watch trading 手表經銷

27. 金融工具(續)**金融資產及金融負債之公平值**

金融資產及金融負債之公平值乃根據下列情形釐定：

- 具備標準條款及條件並可於活躍流通市場買賣之金融資產之公平值乃參考市場買入報價釐定。

由於貿易及其他應收賬款、現金及銀行結餘、貿易及其他應付賬款、銀行貸款及銀行透支於相當短時間內到期，故該等金融工具之賬面值與其各自之公平值相若。本集團之銀行貸款主要為按現行市場利率計息之浮息借貸。賬面值與其公平值相若。

28. 主要附屬公司

於二零零九年及二零零八年三月三十一日，本公司之主要附屬公司(全部均為有限公司)詳情如下：

Notes to the Consolidated Financial Statements For the year ended 31st March, 2009

綜合財務報表附註 截至二零零九年三月三十一日止年度

28. Principal Subsidiaries (Continued)

28. 主要附屬公司(續)

Name of subsidiary 附屬公司名稱	Place of incorporation/ registration and operations 註冊成立/ 登記及經營地點	Issued and fully paid share capital/ registered and paid-up capital 已發行及繳足股本/註冊及已繳資本		Proportion of nominal value of issued capital/ registered capital held by the Company 本公司所持有之已發行股本面值/註冊資本之比例				Principal activities 主要業務
		2009 二零零九年	2008 二零零八年	Directly 直接		Indirectly 間接		
				2009 二零零九年	2008 二零零八年	2009 二零零九年	2008 二零零八年	
				%	%	%	%	
Oriental Watch (China) Company Limited 東方表行(中國)有限公司	Hong Kong 香港	Ordinary shares — HK\$1,000 普通股 — 1,000 港元	Ordinary shares — HK\$1,000 普通股 — 1,000 港元	—	—	100	100	Watch trading and investment holding 手表經銷及投資控股
Sharp Beauty Limited 麗亮有限公司	Hong Kong 香港	Ordinary share — HK\$1 普通股 — 1 港元	N/A 不適用	—	N/A 不適用	70	N/A 不適用	Investment holding 投資控股
Unex Development Limited 宇立發展有限公司	Hong Kong 香港	Ordinary shares — HK\$2 普通股 — 2 港元	Ordinary shares — HK\$2 普通股 — 2 港元	—	—	100	100	Property holding 持有物業
上海東舫表行國際貿易有限公司 (Shanghai Oriental Watch International Trading Co., Ltd.)	Mainland China 中國	Registered and paid-up capital — US\$200,000 註冊及已繳資本 — 200,000 美元	Registered and paid-up capital — US\$200,000 註冊及已繳資本 — 200,000 美元	—	—	100	100	Watch trading for a term of 50 years commencing 3rd January, 2001 手表經銷，由二零零一年 一月三日起計 50 年
上海時分秒貿易有限公司 (Shanghai Key Machine Trading Co., Ltd.)	Mainland China 中國	Registered and paid-up capital — US\$200,000 註冊及已繳資本 — 200,000 美元	Registered and paid-up capital — US\$200,000 註冊及已繳資本 — 200,000 美元	—	—	100	100	Watch trading for a term of 50 years commencing 17th October, 2003 手表經銷，由二零零三年 十月十七日起計 50 年
東方表行(中國)貿易有限公司 (Oriental Watch (China) Trading Co., Ltd.)	Mainland China 中國	Registered and paid-up capital — US\$34,000,000 註冊及已繳資本 — 34,000,000 美元	Registered and paid-up capital — US\$29,000,000 註冊及已繳資本 — 29,000,000 美元	—	—	100	100	Watch trading for a term of 30 years commencing 14th June, 2005 手表經銷，由二零零五年 六月十四日起計 30 年
創豐(上海)服裝貿易有限公司 (Sharp Beauty (Shanghai) Apparel Trading Co., Ltd.)	Mainland China 中國	Registered and paid-up capital — RMB180,000 註冊及已繳資本 — 人民幣 180,000 元	N/A 不適用	—	N/A 不適用	70	N/A 不適用	Apparel business 服裝業務
時式(上海)服裝貿易有限公司	Mainland China 中國	Registered and paid-up capital — RMB180,000 註冊及已繳資本 — 人民幣 180,000 元	N/A 不適用	—	N/A 不適用	70	N/A 不適用	Apparel business 服裝業務

Notes to the Consolidated Financial Statements *For the year ended 31st March, 2009*

綜合財務報表附註 *截至二零零九年三月三十一日止年度*

28. Principal Subsidiaries (Continued)

Shanghai Oriental Watch International Trading Co., Ltd., Shanghai Key Machine Trading Co., Ltd. and Oriental Watch (China) Trading Co., Ltd. are wholly foreign owned enterprises established in the PRC.

The above table lists the subsidiaries of the Company which, in the opinion of the directors, principally affected the results or assets of the Group. To give details of other subsidiaries would, in the opinion of the directors, result in particulars of excessive length.

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

29. Related Party Transactions

(a) As announced by the Company on 25th October, 2007, the Group acquired an office unit which had been rented to the Group and used as an office for a consideration of HK\$4,700,000. The vendor of the property is a company wholly-owned by certain directors, namely Mr. Yeung Ming Biu, Mr. Yeung Him Kit, Dennis and Madam Yeung Man Yee, Shirley, and their family members. The fair value of the property on 30th September, 2007 was HK\$4,700,000, representing the valuation carried out by Vigers Appraisal and Consulting Limited, an independent firm of professional valuers. Rental paid by the Group to the vendor for the year ended 31st March, 2008 and up to completion of the purchase and sale transaction was HK\$168,000.

(b) The key management personnel are the directors of the Company. The details of the remuneration paid to them are set out in note 8.

28. 主要附屬公司(續)

上海東舫表行國際貿易有限公司、上海時分秒貿易有限公司及東方表行(中國)貿易有限公司乃於中國成立之全外資企業。

上表只載列董事認為主要影響本集團業績或資產之本公司附屬公司。董事認為，如載列其他附屬公司之詳情，則會導致資料過分冗長。

各附屬公司於年終或年內任何時間概無任何未償還債務證券。

29. 有關連人士交易

(a) 誠如本公司於二零零七年十月二十五日所公佈，本集團按代價4,700,000港元收購已租予本集團並用作辦公室之辦公室單位。該物業之賣方為董事楊明標先生、楊衍傑先生、楊敏儀女士及其家人全資擁有之公司。該物業於二零零七年九月三十日之公平值為4,700,000港元，為獨立專業估值師行威格斯資產評估顧問有限公司進行之估值。本集團於截至二零零八年三月三十一日止年度內及截至買賣交易完成期間向賣方支付之租金為168,000港元。

(b) 主要管理層人員為本公司董事。支付予彼等之薪酬詳情載於附註8。

Financial Summary

財務摘要

		Year ended 31st March, 截至三月三十一日止年度				
		2005 二零零五年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
RESULTS	業績					
Turnover	營業額	2,041,810	2,022,381	2,645,914	2,922,342	2,538,781
Profit before taxation	除稅前溢利	88,508	79,369	115,331	190,295	122,495
Taxation	稅項	(14,514)	(14,098)	(20,457)	(34,374)	(22,180)
Profit for the year	年內溢利	73,994	65,271	94,874	155,921	100,315
		At 31st March, 於三月三十一日				
		2005 二零零五年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
ASSETS AND LIABILITIES	資產及負債					
Total assets	資產總值	899,589	1,056,878	1,252,986	1,574,331	1,773,027
Total liabilities	負債總額	(185,001)	(292,286)	(403,168)	(411,964)	(528,516)
Total equity	權益總額	714,588	764,592	849,818	1,162,367	1,244,511

