



KINGMAKER FOOTWEAR HOLDINGS LIMITED
信星鞋業集團有限公司

Stock Code 股份代號: 01170

Step Into The Modern Lifestyle

Annual Report 2010 年報

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CORPORATE INFORMATION

公司資料

BOARD OF DIRECTORS

Executive Directors

Mr. Chen Ming-hsiung, Mickey
Mdm. Huang Hsiu-duan, Helen
Mr. Lee Kung, Bobby
Mr. Kimmel, Phillip Brian
Mr. Wong Hei-chiu

Non-executive Directors

Mr. Chow Wing-kin, Anthony, SBS, J.P.
Mr. Chan Ho-man, Daniel

Independent non-executive Directors

Mr. Tam King-ching, Kenny
Mr. Chan Mo-po, Paul, MH, J.P.
Mr. Yung Tse-kwong, Steven

COMPANY SECRETARY

Mr. Wong Hei-chiu

REGISTERED OFFICE

Clarendon House
2 Church Street
Hamilton HM11
Bermuda

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

17th Floor
Empress Plaza
17-19 Chatham Road South
Tsimshatsui
Kowloon
Hong Kong

SOLICITORS

Messrs. Peter C. Wong, Chow & Chow

董事會

執行董事

陳敏雄先生
黃秀端女士
李鋼先生
柯民佑先生
黃禧超先生

非執行董事

周永健先生，銀紫荊星章，太平紳士
陳浩文先生

獨立非執行董事

譚競正先生
陳茂波先生，榮譽勳章，太平紳士
戎子江先生

公司秘書

黃禧超先生

註冊辦事處

Clarendon House
2 Church Street
Hamilton HM11
Bermuda

香港總辦事處及主要營業地點

香港
九龍
尖沙咀
漆咸道南17-19號
帝后廣場
17樓

律師

王澤長、周淑嫻、周永健律師行

AUDITORS

Ernst & Young
Certified Public Accountants

核數師

安永會計師事務所
執業會計師

BERMUDA PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Butterfield Fund Services (Bermuda) Limited
Rosebank Centre
14 Bermudiana Road
Hamilton
Bermuda

百慕達主要股份過戶登記處

Butterfield Fund Services (Bermuda) Limited
Rosebank Centre
14 Bermudiana Road
Hamilton
Bermuda

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Tengis Limited
26th Floor, Tesbury Centre
28 Queen's Road East
Wanchai
Hong Kong

香港股份過戶登記分處

卓佳登捷時有限公司
香港
灣仔
皇后大道東28號
金鐘匯中心26樓

PRINCIPAL BANKERS

Calyon
China Construction Bank (Asia) Corporation Limited
Hang Seng Bank
Industrial and Commercial Bank of China (Asia) Limited
Standard Chartered Bank

主要往來銀行

東方匯理銀行
中國建設銀行(亞洲)股份有限公司
恒生銀行
中國工商銀行(亞洲)有限公司
渣打銀行

STOCK CODE

01170

股份代號

01170

WEBSITE

<http://www.irasia.com/listco/hk/kingmaker/index.htm>

網站

<http://www.irasia.com/listco/hk/kingmaker/index.htm>

KEY DATES

Closure of Register of Members

24 August 2010 to 27 August 2010
(both days inclusive)

重要日期

暫停辦理股份過戶登記

二零一零年八月二十四日至二零一零年八月二十七日
(包括首尾兩天)

Payment of Final Dividend

On or about 28 September 2010

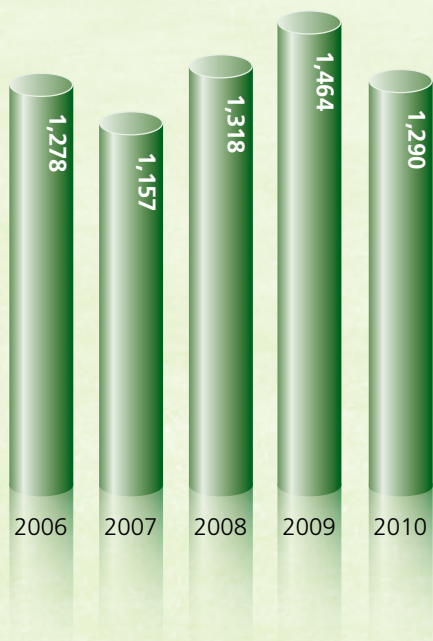
派發末期股息

二零一零年九月二十八日或該日前後

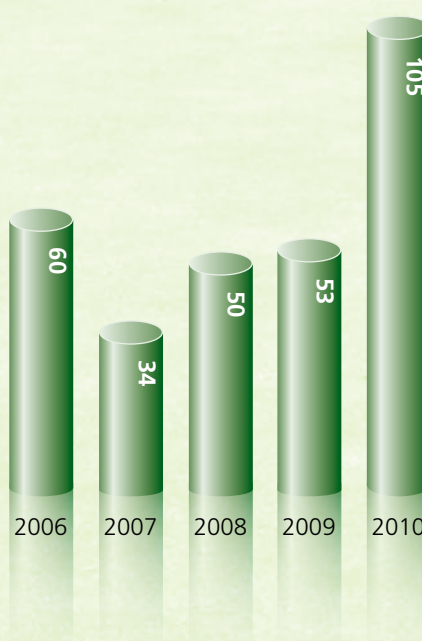
FINANCIAL HIGHLIGHTS

財務摘要

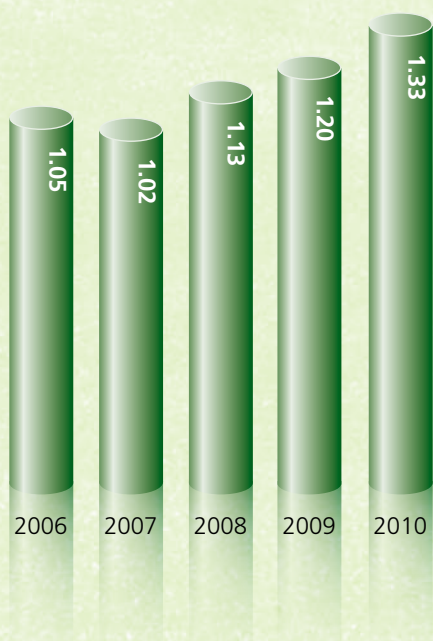
TURNOVER 營業額
(HK\$ Mil 百萬港元)



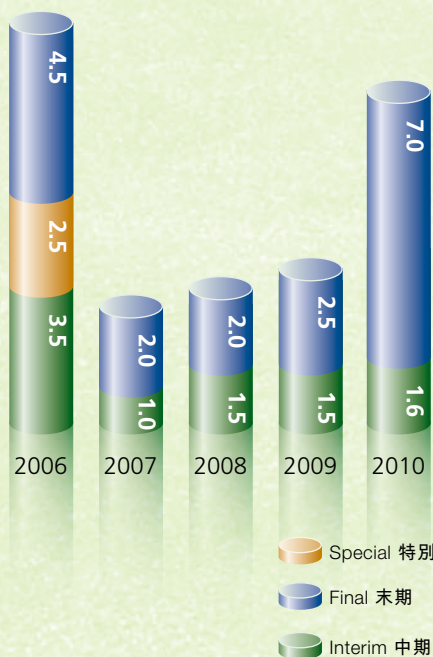
NET PROFIT 純利
(HK\$ Mil 百萬港元)



NET ASSET VALUE PER SHARE 每股資產淨值
(HK\$ 港元)

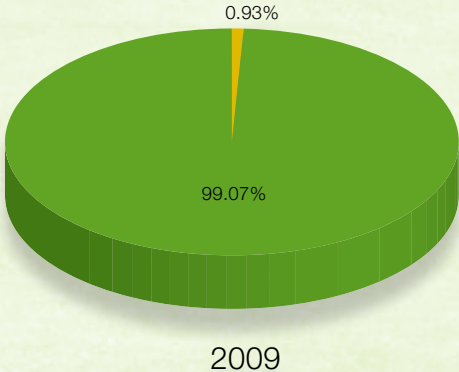
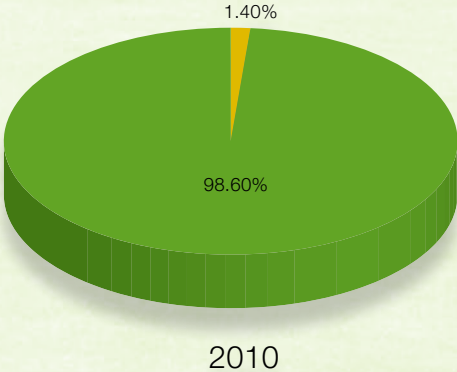


DIVIDEND PER SHARE 每股股息
(HK Cents 港仙)



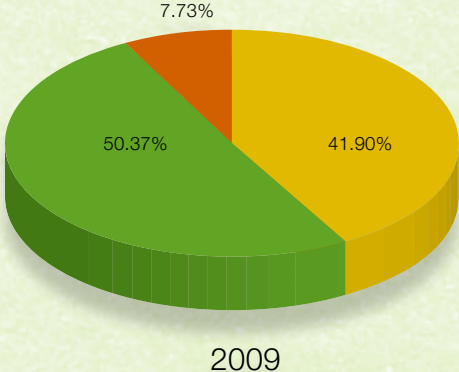
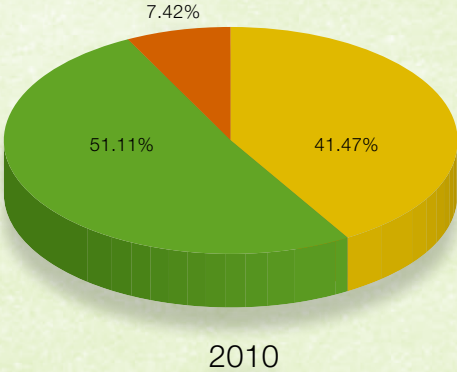
■ Special 特別
■ Final 末期
■ Interim 中期

REVENUE 收益



- Manufacturing and sale of footwear products
生產及銷售鞋類產品
- Retailing and wholesaling business
零售及批發業務

GEOGRAPHICAL 地區



- USA 美國
- Europe 歐洲
- Others 其他

CHAIRMAN'S STATEMENT

主席報告



Chen Ming-hsiung, Mickey 陳敏雄
Chairman 主席

“As a result of our years of dedication to R&D, manufacturing system refinement, productivity enhancement and staff training and retention, we are able to develop a core competence to work with our customers to explore new production function and design possibilities. This has enabled us to constantly move up the value chain to achieve higher margins.”

「集團能與其客戶攜手尋求新的產品功能及設計可能性，乃多年來致力研究及發展、改進生產系統、提高生產力以及培訓及挽留員工的成果。此一策略有助集團持續提升產品組合的價值，從而取得更高的邊際利潤。」

I am pleased to report that the Group is emerging from the global financial and economic crisis in sound condition, with a more focused business strategy, streamlined operations and a healthy financial position.

As reflected by improvements in the gross profit margin and market share, the Group has successfully managed its business in the face of a challenging global economic environment.

The overall improvement in profitability reflected ongoing efforts to maintain a product mix with a major portion of premium items that command higher margins, as well as tight control and re-engineering disciplines. The Board is confident that by maintaining a balanced and constantly fine-tuned business and product portfolio, and with the support of robust multi-country production capabilities, the Group will be able to continue its success amid the ongoing turbulence for the foreseeable future.

本人欣然報告，本集團憑藉專注之業務策略、精簡之營運及穩健之財務狀況安然渡過全球金融及經濟危機。

從毛利率及市場佔有率之改善，足證本集團即使面對困難重重之全球經濟環境，仍可成功管理其業務。

盈利能力整體改善反映本集團以高利潤之高檔產品作為主要產品組合，以及實施嚴謹控制及重組措施之持續努力漸見成效。董事會深信，藉保持平衡及定期優化業務及產品組合，以及跨國生產力的支持，本集團將能夠繼續在可預見未來之持續市場波動中取得成功。

RESULTS AND DIVIDENDS

For the year ended 31 March 2010, the Group recorded a decline of revenue of approximately 11.9% to approximately HK\$1,290 million (2009: approximately HK\$1,464 million). Profit attributable to equity holders of the Company grew significantly, by approximately 97.4% to approximately HK\$105 million.

The proportionally higher profit is mainly attributable to the Group's sustained efforts in growing higher-margin businesses, successful cost re-engineering derived from efficiencies achieved upon completion of a reorganization of its manufacturing and administrative systems, combined with the implementation of strict cost controls.

Basic earnings per share for the year increased by approximately 100.4% to approximately HK16.43 cents, compared with approximately HK8.20 cents for the financial year 2009. The Board has proposed a final dividend of HK7.0 cents per ordinary share. Together with the interim dividend of HK1.6 cents per share, the Group has declared a total dividend for the year of HK8.6 cents per ordinary share, an increase of approximately 115.0% over the previous financial year.

業績及股息

截至二零一零年三月三十一日止年度，本集團錄得收益下跌約11.9%至約1,290,000,000港元（二零零九年：約1,464,000,000港元）。本公司權益持有人應佔溢利大幅增加約97.4%至約105,000,000港元。

比例上較高之溢利主要是由於本集團致力持續發展高利潤之業務，透過生產及行政系統重組完成後，達到成功重組成本，並結合實施嚴謹之成本控制。

本年度每股基本盈利增加約100.4%至約16.43港仙，二零零九年財政年度約為8.20港仙。董事會建議末期股息為每股普通股7.0港仙。連同中期股息每股1.6港仙，本集團本年度共宣派股息每股普通股8.6港仙，較上一財政年度增加約115.0%。



CHAIRMAN'S STATEMENT

主席報告

BUSINESS STRATEGIES

The Group's capacity to work flexibly in catering to the stringent and ever-changing production and quality requirements of its customers is the result of years of dedication to research and development ("R&D"), manufacturing system refinement, productivity enhancement and staff training and retention.

This core competence has enabled the Group to work hand in hand with its customers to explore new product function and design possibilities. As a result, the Group has been able to offer a stream of new types of footwear that have delivered market successes for clients.

The long-term effort to maintain a multi-location production base in the People's Republic of China (the "PRC"), Vietnam and Cambodia has yielded continuing satisfaction with the Group. Leveraging on this diversified production base, the Group is now able to serve the varied manufacturing needs of its customers in different markets. This has resulted in a healthy market spread for the Group which is one of the key factors in its resilience.

Both as part of a commitment to being a responsible employer and as a means of enhancing efficiency, the Group adopts a staff policy that aims at rewarding its team fairly and reasonably, helping them achieve personal and professional growth, and unleashing staff potential by empowering its team members. As an additional incentive, the Group adopted a share award scheme on 3 June 2010 to recognize the contributions of the employees in any member company of the Group. The Group's long-term dedication to staff engagement has resulted in a high retention rate and steady improvement in productivity on manufacturing lines.

FUTURE PLANS AND PROSPECTS

I am also pleased to report that the Group is entering the fiscal year 2010/11 in an even more competitive position in the current market.

The increase in gross margin last year was a result of the Group's sustained efforts on growing and developing higher-margin businesses, successful cost re-engineering, implementation of its improved manufacturing and administrative systems which enhanced efficiency, and better cost base after completing a global reorganization and the implementation of stringent cost control.

業務策略

本集團能彈性應付其客戶迫切多變的生產及質素要求，乃多年來致力研究及發展（「研發」）、改進生產系統、提高生產力以及培訓及挽留員工的成果。

此項核心能力令本集團能與其客戶攜手尋求新的產品功能及設計可能性。因此，本集團能夠提供一系列新的鞋履種類，為客戶在市場上取得佳績。

長期致力維持於中華人民共和國（「中國」）、越南及柬埔寨之跨地域生產基地亦為本集團取得持續令人滿意的成果。藉著此分佈多國的生產基地，本集團現時能夠應付於不同市場之客戶的各種生產所需，令本集團擁有健康的市場拓展，是本集團能逆市增長的關鍵之一。

作為致力成為盡責僱主之部分工作，亦作為提高效率的途徑之一，本集團採納之員工政策旨在給予團隊公平合理的回報、協助員工取得個人及專業成長，及透過下放權力予其團隊成員令員工發揮潛能。作為額外的獎勵，本集團於二零一零年六月三日採納股份獎勵計劃，以肯定本集團任何成員公司僱員之貢獻。本集團對員工聘用的長期努力令留任率高，生產線之生產力亦穩定改善。

未來計劃及展望

本人亦欣然報告，集團將以目前市場更具競爭力之地位踏入二零一零／一一年財政年度。

去年毛利率增加，乃由於本集團致力發展增長及高利潤業務，成功重組成本，並實施經改善的製造及行政機制以提高效率，及於全球重組完成加上實施嚴謹之成本控制後建立更佳的成本基礎。

Going forward, although the economic climate is still uncertain, we are cautiously optimistic that the Group will deliver growth in the financial year 2011. This will be achieved through pursuing its strategy of product innovation, further gains in market share, geographic expansion and operational excellence.

Move up the value chain through product innovation

Looking ahead, the uncertain economic climate is likely to continue to make the global footwear market challenging, however the Directors are confident that it can maintain its competitiveness by moving up the value chain and, as mentioned earlier, adopting stringent cost-control measures.

In 2010, leveraging on its R&D capabilities and core strength, the Group uses its existing design facilities in Zhongshan to serve the increasingly specialised needs of its customer, Skechers, for the design and manufacturing of a new model "Shape Ups". *Shape Ups* from Skechers are designed to get people fit while they walk, work, shop, and more. Serving as an addition to boots, sandals and dress casuals, this new product has the function of retraining muscles, helping people improve their posture while they walk.

As exemplified in the development of specialised footwear, the Group's R&D edge enables it to move closer to customers and respond quickly to their individual needs and specifications. This core competence will continue to strengthen the Group's marketing drive to secure more orders of *Shape Ups* from Skechers.



邁步向前，儘管經濟形勢仍然不明朗，集團對本集團於二零一一年財政年度取得增長抱持審慎樂觀態度。為此，本集團將繼續實行產品創新、進一步提高市場佔有率、地區擴充及超卓營運之策略。

透過產品創新提升價值鏈

展望未來，不明朗之經濟形勢很可能繼續令全球鞋履市場充滿挑戰。惟董事們深信，透過提升價值鏈及誠如上文所述般採納嚴謹之成本控制措施，本集團將可維持其競爭力。

於二零一零年，借助其研發能力及核心優勢，本集團利用於中山現有之設計設施配合其客戶 Skechers 日趨專門化之需求，設計及生產全新類型「Shape Ups」。Skechers 之 Shape Ups 旨在令人於步行、工作、購物及其他的時候都能保持健康。附加於靴子、涼鞋及休閒皮鞋使用，此項新產品可重新鍛鍊肌肉、有助改善人於步行時的姿勢。

從發展專門鞋類可見，本集團之研發優勢令其更接近客戶，並能迅速回應客戶個別所需及規格。此項核心能力將繼續加強本集團之市場推廣動力，以取得更多 Skechers 之 Shape Ups 訂單。

CHAIRMAN'S STATEMENT

主席報告

Steady recovery in manufacturing sector

Retail markets in most developed countries started to show signs of recovery towards the end of the calendar year 2009. This, coupled with the rebound in sales we have seen in the first three months of the calendar year 2010, gives some causes for optimism. However, given the instability of certain European Union countries and the subsequent volatility in global financial markets, we still believe there are considerable uncertainty over the sustainability of this recovery.

Despite all this, the Group remains confident of a steady recovery in its manufacturing operations, as the export markets began to show signs of recovery forecast in the second half of the reporting year. With reference to the improvement in our order book, the Group predicts a moderate growth in export volume in the coming year, as well as a mild increase in the average selling price ("ASP").

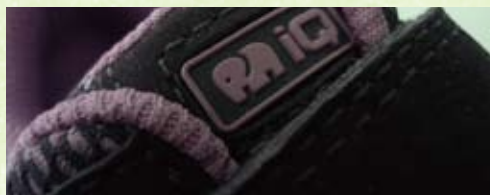
Rising costs will bring more challenges to the Group in the financial year 2011. Material and component prices have increased remarkably since the lows in 2009 and 2010. Lead times are also longer. Leveraging on our economies of scale and strong procurement power, the Group is working closely with its suppliers to mitigate these impacts.

製造業之穩定復甦

鑑於大部分已發展國家之零售市場於二零零九年年底開始出現復甦跡象，加上本集團之銷售於二零一零年首三個月回升，因此為本集團帶來一些樂觀因素。然而，由於部分歐盟成員國之不穩定性，全球金融市場因而大幅波動，本集團認為復甦能否持續仍存在很多不明朗因素。

儘管如此，由於出口市場於本報告年度下半年開始出現預測復甦跡象，本集團仍相信其製造業務將穩定復甦。由於本集團訂單有所改善，本集團預期來年出口量將溫和增長，平均售價（「平均售價」）亦將溫和上升。

成本上升將於二零一一財政年度帶來更多挑戰。材料及零件價格已從二零零九年及二零一零年之低位大幅回升，交貨期亦較長。本集團憑藉規模經濟效益及強大的採購優勢，正與供應商保持緊密合作，以減低對本集團造成的影響。



"We remain confident of a steady rebound in our manufacturing operations. With reference to the improvement in our order book, we predict a moderate growth in export volumes in the coming year, as well as a mild increase in ASP."

「鑑於訂單有所改善，預期來年出口量將溫和增長，平均售價亦將輕微上升，管理層有信心生產業務可取得穩健復甦。」



The increase in the minimum wage of workers in the PRC, which came into effect in May 2010, will also contribute to rising labour costs in the PRC. We will continue to re-engineer products for lower costs, and seek productivity gains through increasing automation and improving manufacturing processes.

Strengthening of our competitive edge and bottom line

In order to counteract the increasing wage costs and other unfavourable factors, the Group plans to shift its more labour-intensive processes to locations further inland of the PRC, in order to improve input costs and stabilize the labour supply.

Facing the escalating manufacturing costs in the southern part of the PRC, the Group plans to adopt a three-pronged strategy for production. First, our existing Zhuhai and Zhongshan facilities will be further transformed and upgraded to become our high-end R&D centre, dedicated to serving the United States of America (the "US") customers' requirements for items with higher added value and shorter lead times. Meanwhile, production dedicated to European shipments is supported by our Vietnam and Cambodia factories. Finally, our inland facilities in Jiangxi, the PRC will be designated for labour-intensive processes such as stitching and sewing, and will become the production base for lower-cost items and those allowing longer delivery lead times.

The Group will continue to seek expansion of its manufacturing capacity through organic growth, rather than through acquisitions. As part of our long-term effort to optimize our cost structure, we will continue to pursue possible relocation of our production facilities in southern China to our lower-cost base in Jiangxi.

本集團在中國內地之勞工成本亦因二零一零年五月調高最低工資而增加。本集團將繼續重組生產以減低成本，並透過增加自動化及改善生產工序提升生產力。

鞏固本集團之競爭優勢及利潤

為抵銷勞工成本增加及其他不利因素，本集團計劃將更多勞工密集之工序遷往中國更內陸之地方，以改善投入成本及穩定勞動力供應。

面對華南逐步上升之製造成本，本集團計劃採納三管並行之生產策略。首先，本集團現有之珠海及中山設施將進一步轉型及升級成為本集團之高端研發中心，專注應付美國（「美國」）客戶較高增值及較短交貨期之項目要求。與此同時，專注輸往歐洲之生產由本集團越南及柬埔寨廠房支援。最後，本集團於中國江西之內陸設施將指定用作縫紉等勞工密集之工序，並將成為低成本項目及可容許較長交付期項目之生產基地。

本集團將透過內部增長（而非透過收購）繼續尋求擴展其製造能力。作為集團優化本集團成本結構長期努力之一部分，本集團將繼續把本集團於華南之生產設施遷至集團成本較低的江西基地。



"In addition, we believe that the retailing segment will establish itself as another major source of income over the medium-to-long term."

「此外，集團相信零售業務在中長期時間可發展成另一主要收入來源。」

CHAIRMAN'S STATEMENT

主席報告



Continuous expansion of retail business

In the long term, the outlook for the Group's retail operations in the PRC is promising given the strength of the PRC economy and the rising income of consumers. On the retail side, the Group is well geared up to further reap the benefits of economic growth in the PRC.

Despite the global financial turmoil, the retail market in the PRC is enjoying sustained growth. The Directors believe that the PRC's consumer market, especially men's casual as well as babies' and children's footwear markets, will continue to experience robust growth in the coming years on the back of a healthy and steadily growing economy. In view of this, the Group will consider further expansion into the PRC market to capture opportunities in the growing demand for quality fashion footwear in the mid-to-upper market segments.

The Group remains optimistic about the prospects of the retail market, as sustainable economic development and social mobility support a growing demand for quality fashion footwear.

In the coming year, the Group will continue to implement its store expansion strategy, targeting high growth in retail revenue through same-store sales and space expansion under *MOCCA*, *Fiona's Prince*, *Fin-shop* and *AIMS* brand stores in both Hong Kong and the PRC markets.

The Directors believe the strategy allows the Group to be well-positioned to overcome the challenges ahead and gain profit from any opportunities that may arise.

零售業務之持續擴展

長遠而言，鑑於中國經濟之優勢及消費者收入增加，本集團對中國零售業務前景感到樂觀。零售方面，本集團已作好準備進一步把握中國經濟增長所帶來之益處。

儘管全球金融動盪，中國零售市場依然享有穩定增長。董事們相信中國消費者市場，尤其是男裝休閒以及嬰兒及小童鞋履市場，在未來數年內，將於健康穩定發展之經濟下強勁增長。有鑑於此，本集團將考慮進一步擴展中國市場，以把握中高檔市場對優質時裝鞋履需求日益增長帶來之商機。

本集團對零售市場之前景仍抱持樂觀態度，因為其可持續經濟發展及社會流動性正支持對時裝鞋履需求之不斷增長。

於未來年度，本集團將繼續實施其門店擴張策略，目標為透過於香港及中國市場之 *MOCCA*、*Fiona's Prince*、*Fin-shop* 及 *AIMS* 品牌門店之同店銷售額及空間擴張，令零售收入大幅增長。

董事們相信，該等策略將令本集團作好準備，克服日後的任何挑戰及於任何湧現的機遇中獲利。

Although the investment in retailing and wholesaling business segment had inevitably affected the Group's earnings this year, the Directors believe that it is a sound investment that will bring in new income and earnings streams to sustain long-term returns to the Shareholders in the coming years.

CONCLUSION

The Group has strong R&D capabilities, a market leadership position, a strong financial position and highly efficient operations. We will continue to focus on product innovation and geographic expansion to achieve growth, while managing costs and risks to enhance profitability.

In view of current global economic environment, the Group has focused on maintaining strict operational and financial management to successfully implement its business strategy. The Group's cash position remains healthy.

While remaining prudent, the Group is committed to the continuous expansion of its production capacity in line with demand. In the year ahead, we will also drive continuous enhancement of product offerings through R&D and production efficiencies through automation and staff training.

Looking ahead, although the unprecedented economic environment may have various adverse effects on the Group's various businesses around the world, the Group's established businesses are expected to continue to perform satisfactorily with the new retail segment expected to continue to progress. The Directors have full confidence in the future prospects of the Group in the long run.

ACKNOWLEDGEMENTS

Our ability to make further progress in our businesses notwithstanding the challenging market conditions signifies the strength of the Group. I would like to thank my fellow directors, senior management and all staff for their support in meeting the challenges we currently face. I would also like to thank all our suppliers, business partners and customers, whose close co-operation has helped us to make the year a successful one.

Chen Ming-hsiung, Mickey
Chairman

Hong Kong, 19 July 2010

雖然於零售及批發業務分類之投資無可避免地影響本集團本年度之盈利，但董事們相信此為良好之投資，將帶來新收益及盈利，維持未來數年對股東的長期回報。

總結

信星作為一間擁有強勁研發能力、市場領導地位、穩健的財務狀況及高效率營運之集團。本集團將繼續專注於產品創新及地區擴充以取得增長，並同時管理成本及風險以提高盈利能力。

鑑於現時全球經濟環境，本集團將繼續致力維持嚴謹之營運及財務管理，以順利施行其業務策略。本集團之現金狀況維持穩健。

在保持審慎的同時，本集團將致力因應需求持續擴展其產能。在未來年度，本集團亦將透過自動化及員工培訓、透過研發及生產效率持續改善產品組合。

展望未來，儘管百年一遇之經濟環境可能對本集團的各項業務產生各種不利影響，但隨著新零售分類預期將持續增長，預期本集團成熟之業務將取得令人滿意之表現。董事們對本集團之長期前景充滿信心。

致謝

縱然面對非常困難之市況，本集團業務仍能取得進一步進展，足以印證本集團之實力雄厚。本人謹此感謝列位董事、高級管理層及全體員工之支持，使本公司得以應對目前所面對之挑戰。本人亦感謝所有供應商、業務夥伴及客戶與本集團緊密合作，使本集團取得本年度之佳績。

陳敏雄
主席

香港，二零一零年七月十九日

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析



FINANCIAL RESULTS

The Group is pleased to report a set of encouraging results amidst ongoing market adversities in the US and new economic challenges in the European market. During the year ended 31 March 2010, the Group recorded an increase of approximately 97.4% increase in net profit attributable to the Shareholders of approximately HK\$105 million (2009: approximately HK\$53 million), enhanced by efforts to optimize material usage and labour efficiency through the implementation of a lean manufacturing system.

Revenue for the year decreased by approximately 11.9% to approximately HK\$1,290 million (2009: approximately HK\$1,464 million). The decrease mainly incorporated a decrease of approximately 4.5% in the ASP and a decrease of approximately 8.5% in output in terms of product volume from the manufacturing and sales of footwear products.

The decrease in ASP was partly due to the growth in the babies' and children's footwear category which has a lower ASP. In order to build resilience into its business portfolio, the Group will continue to maintain a balanced product mix and groom the growth of each product category through development of new models. Going forward, the Group will continue to develop new models of premium casual footwear for existing customers, at the same time procure new customers in the global footwear market.

財務業績

面對美國持續市場失利及歐洲市場出現新經濟挑戰，本集團欣慰報告一系列令人鼓舞的業績。截至二零一零年三月三十一日止年度內，本集團股東應佔純利錄得約97.4%的增長約105,000,000港元（二零零九年：約53,000,000港元），增長乃由於致力透過實施精實生產系統優化原料使用及勞動力效率所致。

本集團收益維持約1,290,000,000港元（二零零九年：約1,464,000,000港元），溫和下跌約11.9%，其中主要包括平均售價減少約4.5%及來自生產及銷售鞋類產品的產量減少約8.5%。

平均售價減少部分是由於平均售價較低之嬰兒及小童鞋履類別的增長所致。為於其業務組合內建立抵禦能力，本集團將繼續維持平衡的產品組合，並透過開發新類型為各產品類別的增長作好準備。展望未來，本集團將繼續為現有客戶發展新類型的優質便服鞋，並同時在全球鞋履市場物色新的客戶。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析



Extend sales and distribution network in China to cover major cities and special economic zones

擴展中國銷售及分銷網絡以覆蓋國內主要城市和經濟特區

The well balanced geographical customer diversification of the Group is another defence mechanism against the macro turbulence. During the year under review, shipments to the US contributed to approximately 51.1% (2009: approximately 50.4%) of the Group's revenue, while the European segment accounted for approximately 41.5% (2009: approximately 41.9%) of the Group's revenue. The Group will maintain its prudent policy in monitoring and fine-tuning its product and market mix to stay relevant to the evolving market trend.

During the reporting year, the Group managed to further reduce the material costs under the lean manufacturing system. The launch of the new "wellness" footwear product line, *Shape Ups* from *Skechers*, also contributed to the reduction in material costs due to the economies of scale in production. In addition to enhancing production efficiency, the implementation of the lean manufacturing system also resulted in shortened lead times, which in turn reduced transportation expenses. Along with a better production planning in Vietnam and Cambodia factories, airfreight charges were brought down by approximately HK\$7 million, year on year, in the face of a resurgence in crude oil prices.

本集團平衡的地區客戶多元化是另一項抵禦宏觀經濟波動的防禦機制。於回顧年內，輸往美國之銷售佔本集團收益約51.1%（二零零九年：約50.4%），而歐洲分類約佔本集團收益約41.5%（二零零九年：約41.9%）。本集團將維持審慎的政策監控及微調其產品及市場組合，緊貼不斷發展的市場趨勢。

報告年內，本集團得以在精實生產系統下進一步減低原料成本。推出新的「健康」鞋類產品系列，*Skechers*之*Shape Ups*亦因生產的規模經濟效益而減低材料成本。在提高生產效率之外，實施精實生產系統亦縮短生產期，從而減低運輸開支。加上越南和柬埔寨工廠的生產規劃得到改善，即使面對原油價格回升，空運費仍按年下跌約7,000,000港元。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析



As a result of the lean manufacturing, despite the increase in wage rates and the appreciation of the Renminbi (“RMB”), the Group was able to reduce total labour and staff costs by approximately HK\$10 million compared with the previous year. This was achieved through continuous productivity enhancement and the Group’s dedicated efforts to nurture and retain talents, continuing efforts were also made to control and reduce the subcontracting charges, mainly in the Vietnam factory, where the subcontracting charges were reduced by approximately HK\$9 million to approximately HK\$14 million for the year ended 31 March 2010 (2009: approximately HK\$23 million).

The increase in the value added tax (“VAT”) rebate for exports from the PRC to 15% also exerted a positive impact of approximately HK\$16 million to the Group’s net profit for the year. Rental and advertising expenses increased in line with the roll-out of the Group’s retail programme in Hong Kong. The Group is committed to maintaining its strict controls on administrative and selling costs.

Earnings per share advanced approximately 100.4%, year on year, to approximately HK16.43 cents (2009: approximately HK8.20 cents). A final dividend of HK7.0 cents (2009: HK2.5 cents) was recommended for the year ended 31 March 2010. The Group is delighted to share its results with the Shareholders who have been very supportive of its development plans. With the expectation of strong cash flow over the foreseeable future, the Group is dedicated to maintaining its current dividend policy.

OPERATIONAL REVIEW

With the global financial crisis gradually receding in many markets, uncertainties and pressure on operations still cloud the manufacturing sector. Nevertheless, the Group is proud to be able to continue to strengthen its leading position in the industry and excellence in manufacturing high-quality footwear products.

由於精實生產，儘管工資增加及人民幣（「人民幣」）升值，與去年相比，本集團仍能減低總勞工及員工成本約10,000,000港元。此乃透過持續提升生產力及本集團致力培育及挽留人才所達成，本集團亦持續努力控制及減低主要於越南廠房之外發加工費用，截至二零一零年三月三十一日止年度，其外發加工費用減少約9,000,000港元至約14,000,000港元（二零零九年：約23,000,000港元）。

中國出口增值稅（「增值稅」）退稅率增加至15%，亦對本集團於本年度的純利造成約16,000,000港元的正面影響。租金及廣告開支因應本集團於香港推出之零售計劃而相應增加。本集團將致力維持嚴格行政及銷售成本控制。

每股盈利按年增加約100.4%至16.43港仙（二零零九年：約8.20港仙）。截至二零一零年三月三十一日止年度建議末期股息為7.0港仙（二零零九年：2.5港仙）。本集團樂意與支持本集團發展計劃之股東分享成果。由於預期在可見未來現金流量強勁，本集團將致力維持其現有的股息政策。

營運回顧

全球金融危機的影響於多個國家逐漸減退，但營運的不明朗因素及壓力仍然籠罩製造行業。儘管如此，本集團仍能鞏固其於業界的領導地位及在製造優質鞋類產品方面的卓越表現。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Leveraging on its strong manufacturing base located in Southeast Asia and the PRC, the Group continues to provide a comprehensive range of customized services for the world's major footwear brands.

The Group's operational excellence is also supported by a sound financial position. During the year, debtors' turnover period was extended to approximately 34 days (2009: approximately 21 days). Cash and cash equivalents were maintained at a favourable level of approximately HK\$527 million (2009: approximately HK\$412 million) as at 31 March 2010.

Manufacturing Business

The Group's robust competitive position is underpinned by its dual-focus on the premium casual as well as babies' and children's footwear categories. To add further growth momentum and to enhance its margin, the Group has recently introduced a premium line of footwear to its existing product portfolio.

During the year under review, a "wellness" line of premium footwear was developed and introduced for *Skechers*. This new product line was launched to a strong market response which has validated the Group's R&D edge.

The Group now operates a total of 38 production lines in Zhuhai, Zhongshan and Jiangxi in the PRC, Vietnam and Cambodia. With the new facilities in operation, the Group's annual capacity currently stands at around 20 million pairs. Overall facilities utilization stood at 65% during the year while a certain capacity has been reserved for the development of new styles and product categories.

With the operating environment remaining uncertain, the Group adjusted the time frame for its capacity expansion plan. As part of this, facilities upgrading has been continued at the new facilities in Cambodia and in Jiangxi Province, the PRC. The three production lines in Cambodia have been ramped up to smooth operation and have already begun to contribute to the Group's topline. In the year under review, the Cambodian facilities contributed approximately 5% of the Group's turnover. The new facilities in Jiangxi, which commenced production in the reporting year, contributed approximately 4% of the Group's revenue during the year.

憑藉其建基於東南亞及中國的強大生產基地，本集團繼續為全球主要鞋履品牌提供全面且量身訂造的服務。

本集團的超卓營運亦有賴穩健的財務狀況支持。年內，應收賬款周轉期延長至約34日（二零零九年：約21日）。現金及等同現金項目於二零一零年三月三十一日維持於有利的水平約527,000,000港元（二零零九年：約412,000,000港元）。

製造業務

本集團穩固的競爭地位來自聚焦休閒以及嬰兒及小童鞋履兩大重點。為進一步推動增長及提高利潤，本集團最近為其現有的產品組合推出優質鞋履系列。

於回顧年內，本集團為*Skechers*開發及推出優質鞋履「健康」系列。推出此項新產品帶來強烈的市場反應，正印證了本集團的研發優勢。

本集團現時於中國珠海、中山及江西、越南及柬埔寨共經營38條生產線。隨著新設施投入營運，本集團的年產量現時維持於約20,000,000雙。年內整體設施使用率維持於65%，若干產能保留作開發新風格及產品類別。

由於營運環境維持不明朗，本集團調整其產能擴展計劃的時間表。作為其中一部份，於柬埔寨及中國江西省的設施升級將在引入新設施下繼續進行。於柬埔寨的三條生產線升級後順利營運，並已開始為本集團的收益作出貢獻。回顧年內，柬埔寨設施佔本集團營業額約5%。於本報告年度投產的江西新設施佔本集團年內收益約4%。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Major customers during the year under review include *Skechers*, *Clarks*, *Stride Rite*, *Elefanten* and *Rockport*, which in aggregate accounted for approximately 94.3% of the Group's revenue.

The slowdown in the RMB appreciation trend during the year has in part mitigated the rise in labour costs in the PRC. This, together with the effect of the lean manufacturing system, brought a positive impact of approximately 0.6% to the Group's profit margin.

The increment in the export VAT rebate from 11% to 15% brought an additional positive benefit of approximately 1.1% to the profit margin.

The Group will continue to expand its product mix to cater the needs of brand owners for innovative, cost-effective and high-quality production solutions. The launch of the new "wellness" line of premium products is a good illustration of the Group's success in capturing new market opportunities with new product ideas. This new product line also resulted in an improvement in the Group's profit margin and the overall ASP.

At the same time, the Group will continue to explore opportunities for pursuing strategic partnerships that will create value-added and synergistic benefits for its existing businesses.

Retailing Business

In 2008, as part of its long-term diversification and margin-enhancement initiative, the Group acquired *MOCCA*, a retail-chain business specializing in ladies' shoes and bags. Although this business line incurred a loss of approximately HK\$18.1 million (2009: approximately HK\$14.4 million) during the year, the Group is confident of its prospect of generating a new income stream in the future. The loss was mainly attributable to the high rental expenses in Hong Kong.

The *MOCCA* chain made its first advance into the PRC during the year and currently operates a network of five shops in Hong Kong, four in the PRC and one in Macau. Supported by its production capability in the babies' and children's category, the retail unit introduced a new brand of infant shoes – "*Fiona's Prince*". This baby footwear line currently has two shops in

回顧年內的主要客戶包括*Skechers*、*Clarks*、*Stride Rite*、*Elefanten*及*Rockport*，共佔本集團收益約94.3%。

人民幣升值趨勢年內放緩，亦有助緩和中國勞動成本的上升，加上精實生產系統的影響，為本集團毛利率帶來約0.6%的正面影響。

出口增值稅退稅由11%增加至15%，為毛利率帶來額外的正面影響約1.1%。

本集團將繼續擴展其產品組合，以應付品牌擁有人對創新、具成本效益及優質生產方案的需求。推出全新「健康」優質產品系列乃本集團成功以新產品概念掌握新市場機遇的好例子。此項新產品亦改善本集團的毛利率及整體平均售價。

同時，本集團將繼續發掘機遇，物色將可為其現有業務產生增值及協同效應的策略夥伴。

零售業務

於二零零八年，作為其長期多元化及提升利潤的動力，本集團收購*MOCCA*（專門從事女裝鞋及手袋之零售連鎖業務）。雖然此項業務系列年內產生虧損約18,100,000港元（二零零九年：約14,400,000港元），本集團深信其將可於日後產生新的收益來源。虧損主要原因是由於香港高昂的租金開支。

年內*MOCCA*連鎖業務首度進軍中國，現時經營的網絡包括五間於香港、四間於中國及一間於澳門的店鋪。在其於嬰兒及小童類別的產能支援下，該零售單位推出新的嬰兒鞋類品牌「*Fiona's*

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析



Hong Kong and four shops in the PRC. Negotiations have been underway for the establishment of more retail points for both MOCCA and *Fiona's Prince* in the PRC.

During the year, the Group acquired the FRD Group, a men's fashion retail business. The FRD Group owns the brand *AIMS*, signifying *arts in motion*, which targets the younger generation of consumers. The FRD Group currently operates two shops in Guangzhou in the PRC. In the year under review, the unit incurred a loss of approximately HK\$4.7 million (2009: Nil). Additional points of sale will be established in the PRC during 2010 in order to tap into the continuing consumption growth.

The Group will implement and maintain prudent measures to control and facilitate the development of these new business units, and it believes that the retailing segment will establish itself as another major source of income for the Group over the medium-to-long term.

FINANCIAL REVIEW

LIQUIDITY AND FINANCIAL RESOURCES

The Group generally finances its operation by internally and generated cashflow and banking facilities provided by its bankers.

Prudent financial management and selective investment criteria have enabled the Group to maintain a strong financial position. As at 31 March 2010, the Group's cash and cash equivalents were approximately HK\$527 million (2009: approximately HK\$412 million).

Prince」。此嬰兒鞋系列現於香港擁有兩間店舖及於中國擁有四間店舖。現正為於中國設立更多 MOCCA及*Fiona's Prince*零售點進行磋商。

年內，本集團收購集智社集團（一項男性時裝零售業務）。集智社集團擁有*AIMS*品牌，意為「動態藝術」，鎖定較年輕一代的消費者。集智社集團現時於中國廣州經營兩間店舖。回顧年內，該單位產生虧損約4,700,000港元（二零零九年：零）。二零一零年內將於中國設立更多的銷售點，以分享持續的消費增長。

本集團將實施並奉行審慎的措施，控制及促進該等新業務單位的發展，而其相信零售分類將於中期至長期發展為本集團另一主要收入來源。

財務回顧

流動資金及財務資源

本集團一般以內部產生之現金及其往來銀行提供之銀行信貸為其業務提供資金。

審慎理財及選擇性投資，令本集團之財政狀況維持穩健。於二零一零年三月三十一日，本集團之現金及等同現金項目約527,000,000港元（二零零九年：約412,000,000港元）。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析



The Group is substantially debt-free. As at 31 March 2010, the Group had banking facilities amounted to an aggregate sum of approximately HK\$211 million (2009: approximately HK\$256 million) with various banks. Out of the trade and overdraft banking facilities of approximately HK\$196 million (2009: approximately HK\$226 million) in Hong Kong had been granted to the Group, approximately HK\$2 million (2009: approximately HK\$3 million) had been utilized as at 31 March 2010.

For the year ended 31 March 2010, the current ratio was approximately 2.08 (2009: approximately 1.98) based on current assets of approximately HK\$781 million and current liabilities of approximately HK\$376 million and the quick ratio was approximately 1.75 (2009: approximately 1.63).

As at 31 March 2010, the Group did not have any interest-bearing bank borrowings.

The Group will continue to maintain conservative cash flow management to sustain a strong cash position. Having considered the major expansion plans of the Group, including Cambodia and the PRC in the next two to three years, the Directors believe opinion that the Group has adequate liquidity to meet its current and future working capital requirements on its operations and expansion.

FOREIGN EXCHANGE RISK MANAGEMENT

Most of the Group's assets and liabilities, revenue and expenditure are denominated in Hong Kong dollars, the RMB and the US dollars ("USD"). It is the Group's policy to adopt a conservative approach on foreign exchange exposure management.

本集團基本上並無債務。於二零一零年三月三十一日，本集團獲得多間銀行之信貸總額度約為211,000,000港元（二零零九年：約256,000,000港元）。本集團獲授予之香港貿易及透支之銀行信貸約196,000,000港元（二零零九年：約226,000,000港元）當中，於二零一零年三月三十一日已動用約2,000,000港元（二零零九年：約3,000,000港元）。

截至二零一零年三月三十一日止年度，流動比率約2.08（二零零九年：約1.98），此乃按流動資產約781,000,000港元及流動負債約376,000,000港元之基準計算，而速動比率則約1.75（二零零九年：約1.63）。

於二零一零年三月三十一日，本集團並無任何計息銀行借貸。

本集團將繼續維持保守之流動現金管理，以鞏固現金狀況。經考慮本集團於未來兩至三年包括在柬埔寨及中國進行之主要擴充計劃，董事認為本集團具備充足之流動資金以應付其目前及日後營運及拓展之營運資金需求。

外匯風險管理

本集團大部分之資產與負債及收益與開支主要以港元、人民幣及美元（「美元」）計值。採用保守方法管理外匯風險乃本集團之政策。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

However, the Group will continue to monitor its foreign exchange exposure and market conditions to determine if any hedging is required. The Group generally finances its operation with internal resources and bank facilities provided by banks in Hong Kong. Interest rates of borrowings are fixed by reference to the HKD Hong Kong Inter-Bank Offered Rate, the USD London Inter-Bank Offered Rate or the Singapore Inter-Bank Offered Rate.

The Group's treasury policies are designed to mitigate the impact of fluctuations in foreign currency exchange rates arising from the Group's global operations and to minimize the Group's financial risks. As a measure of additional prudence, the Group cautiously uses derivative financial instruments, principally forward currency contracts as appropriate for risk management purposes only, for hedging transactions and for managing the Group's receivables and payables.

The exposure to foreign currency of the Group mainly arose from the net cash flow and the net working capital translation of its PRC subsidiaries. The management of the Group will actively hedge the foreign currency exposures through natural hedges, forward contracts and options, if consider necessary. The management of currency risk is centralised in the headquarter of the Group in Hong Kong.

CAPITAL STRUCTURE

Shareholders' equity increased to approximately HK\$852 million as at 31 March 2010 (2009: approximately HK\$768 million). As at 31 March 2010, the Group did not have any interest-bearing bank borrowings (2009: nil), resulting nil% (2009: nil%) of the shareholders equity.

EMPLOYMENT AND REMUNERATION POLICIES

The Group, including its subsidiaries in Hong Kong, Taiwan, the PRC, Vietnam and Cambodia, employed approximately 12,000 employees as at 31 March 2010. The Group's remuneration policies are primarily based on prevailing market salary levels and the performance of the respective companies and individuals concerned. Share options may also be granted in accordance to the terms of the Group's approved share option scheme.

然而，本集團將繼續監控其外匯風險及市場狀況，以確定是否需要採取對沖措施。本集團一般以內部資源及香港銀行所提供之銀行融資作為營運所需資金。借貸利率按港元香港銀行同業拆息率、美元倫敦銀行同業拆息率或新加坡銀行同業拆息率釐定。

本集團之財務政策旨在減輕本集團環球業務所帶來之外幣匯率波動之影響，以及將本集團之財務風險降至最低。本集團採用一項更為審慎之措施，審慎運用衍生財務工具（主要為遠期貨幣合約（如適用）僅作風險管理之用）以作對沖交易及管理本集團應收賬項及應付賬項之用。

本集團面臨之外匯風險主要來自其中國附屬公司之現金流量淨額及營運資金淨額之換算。本集團管理層將於有需要時積極利用自然對沖、遠期合約及期權方式對沖外匯風險。貨幣風險集中由本集團之香港總部管理。

股本架構

股東權益增加至二零一零年三月三十一日約852,000,000港元（二零零九年：約768,000,000港元）。於二零一零年三月三十一日，本集團並無任何計息銀行借貸（二零零九年：零港元），因而佔股東權益比例為零%（二零零九年：零%）。

僱員及薪酬政策

於二零一零年三月三十一日，本集團（包括其於香港、台灣、中國、越南及柬埔寨之附屬公司）共聘用約12,000名員工。本集團之薪酬政策主要根據現時之市場薪酬水平，以及各公司及員工個別之表現為基準釐定。本集團亦可根據本集團批准之購股權計劃之條款授出購股權。

CORPORATE SOCIAL RESPONSIBILITY

企業社會責任

With a portfolio of businesses that span across the globe, the Group works and plans diligently to build on its success to achieve long-term growth. The Group encourages innovative business and individuals are given creative platforms to explore. At the same time, each business is managed prudently to ensure steady growth through sustainable business models.

The Group builds a strong foundation in its local market through the provision of high quality products and services, and through contribution to charitable activities and sponsorship initiatives to connect with the local communities.

The Directors believe that corporate social responsibility is an integral part of our corporate culture and a key to long-term success. Our management philosophy is to be, caring and respectful, creating an harmonious atmosphere, which we apply not only to our business practices, but also our interactions with the community. By organising voluntary services, donations and sponsorships, we hope to fulfill our social responsibilities and offer assistance to those in need.

GIVING BACK TO SOCIETY

Giving back to the community is an important element of being a responsible corporation. The Group serves local communities through volunteerism, charitable activities and sponsorship initiatives that span the spectrum to improve the overall standard of living for those around us.

The Directors believe that as a responsible multinational company, we should contribute to those less fortunate in communities around us. Hence, the Group contributed to many charities including the World Vision Charity in both Hualian and Ilan townships in Taiwan in early 2009 and Friends of Caritas in July 2009. Shoes were given to both individual needy families and established orphanages, with an emphasis on providing suitable footwear for infants and children.

Community

Volunteerism is encouraged across our Group and our employees have enthusiastically served the communities with their time, talents, and heart.

本集團的多元化業務遍佈全球各地，在集團不斷努力與精心策劃之下，業務得以在現有的成功基礎上取得長遠增長。集團鼓勵旗下各項業務勇於創新，並為員工提供發揮創意的平台。同時，集團審慎管理每項業務，透過維持適當的業務模式，以確保穩健增長。

本集團藉提供優質產品和服務，在當地市場奠定穩固根基，並透過公益活動和贊助，與當地社會建立聯繫。

董事們相信其負有社會責任，這既為本集團整體企業文化的一部分，亦是實現長期成功的關鍵。信星的管理哲學注重表達關懷和尊重，並創造和諧的氣氛。本集團不但將這套理念應用於營商方面，亦在本集團與社區的互動中體現出來。本集團希望通過組織志願服務、捐款和贊助活動，履行社會責任，扶助有需要人士。

回饋社會

作為一家負責任的企業必須履行回饋社會的義務，集團透過成立義工隊、資助慈善活動和贊助公益計劃，服務業務所在地的社群，協助提升當地的整體生活質素。

董事們認為，作為一間有責任感的跨國公司，本集團應對周邊社區的貧困人群有所貢獻。為此，本集團向多家慈善組織作出捐贈，包括於二零零九年初向位於台灣花蓮及宜蘭鎮的世界宣明會及於二零零九年七月向明愛之友作出捐贈。本集團亦向家境貧寒的人士及聲譽良好的孤兒院捐贈鞋子，主要為嬰幼兒提供合適的鞋履。

社區

集團鼓勵上下員工參與義務工作，本集團員工貢獻出他們的時間與技能，熱心服務社群。

Since 2007, the Group has supported sustainable social and economic development of the country through the provision of opportunity to people in Cambodia. Sensitive to the particular needs of Cambodian society, in which a disproportionate segment of the population deals with the disability of amputeeism, the Group has made and continues to make a commitment, through cooperation with the Cambodian National Volleyball League (Disabled) and the Ministry of Social Affairs, Labour and Youth Rehabilitation, to provide an equal opportunity workplace and environment that accommodates integration of persons with a disability. Inclusion of disabled workers is a keynote feature of the unique Cambodian factory.

Disaster Relief

Typhoon Morakot

On 8 August 2009, Typhoon Morakot devastated the south of Taiwan, with heavy rains causing serious flooding and extensive structural damage. As a company with long-standing roots in Taiwan, the disaster weighed heavily on the hearts and minds of our Company. As a symbol of solidarity for those affected, the Group and its management donate approximately HK\$380,000 under the Group's name, to The Red Cross Society for disaster assistance and relief.

Going ahead, the Group remains committed to serving the community and further improving the quality of life for the people we work with, as well as the environment which we share. We will continue to explore new ways to apply our corporate values and further contribute to the healthy development of our communities.

自二零零七年以來，本集團為柬埔寨人民提供大量的就業機會，對柬埔寨社會與經濟的可持續發展作出傑出的貢獻。在柬埔寨人口中有一大部分的殘疾人士，協助他們的自力更生是柬埔寨社會的一個特殊任務。本集團對此做出並繼續做出承諾，將通過與柬埔寨國家殘疾人士排球隊、社會事務局及勞動與青年人康復等組織的合作，為殘疾人士提供平等的就業機會與包容的就業環境。聘用殘疾人士為員工乃獨特的柬埔寨工廠的主要特點。

賑災

莫拉克颱風

於二零零九年八月八日，颱風莫拉克重創台灣南部，豪雨導致嚴重水災以及大量建築物損毀。作為一家長期紮根台灣的公司，這次災難深深牽動着本公司身心。作為齊心協力救助災民的體現，本集團與其管理層以集團名義向紅十字會捐款約380,000港元，用於救災扶危。

展望未來，本集團將繼續竭力服務社區及進一步提升與本集團共同工作的僱員的生活質量，以及本集團共同享有的環境。本集團將繼續尋求可應用於公司價值的新方式，並且進一步為社區的健康發展作出貢獻。

CORPORATE GOVERNANCE REPORT

企業管治報告

CORPORATE GOVERNANCE PRACTICES

The Company has established a formal and transparent procedure to protect the interests of the shareholders of the Company. The board of the Directors (“the Board”) is committed to ensure the self-regulatory practices exist to protect the interests of the shareholders of the Company. These include a Board of high caliber members, Board Committees and effective internal audit and good systems of internal controls. The Company regularly reviews the corporate governance procedures and developments of the Company. The Company applied the principles and complied with all the code provisions as set out in the Code on Corporate Governance Practices (the “CG Code”) contained in Appendix 14 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”) throughout the period under review, except that:

Chairman and chief executive officer

Under the code provision A.2.1 of the CG Code, the roles of chairman and chief executive officer (“CEO”) of the Company should be separate and should not be performed by the same individual. The division of responsibilities between the chairman and CEO of the Company should be clearly established and set out in writing. The roles of the chairman and the CEO of the Company are not separated and are performed by the same individual, Mr. Chen Ming-hsiung, Mickey. The Directors will meet regularly to consider major matters affecting the operations of the Company. The Directors consider that this structure will not impair the balance of power and authority between the Directors and the management of Company and believe that this structure will enable the Group to make and implement decisions promptly and efficiently.

DIRECTORS’ SECURITIES TRANSACTIONS

The Company has adopted a code of conduct regarding Directors’ securities transactions on terms without deviation from the required standard of dealings as set out in the Model Code for Securities Transactions by Directors of listed issuers (the “Model Code”) contained in Appendix 10 to the Listing Rules. Having made specific enquiry with all Directors, the Directors have complied with such code of conduct and the required standard of dealings in the Model Code and its code of conduct regarding securities transactions by the Directors throughout the year ended 31 March 2010.

企業管治常規

本公司已制訂正式、具透明度之程序，以保障本公司股東之利益。董事會（「董事會」）致力確保具備自我規管常規，以保障本公司股東利益。有關常規包括由資深專業成員組成之董事會、董事會委員會、有效內部審核及優良內部監控制度。本公司會定期檢討本公司之企業管治程序及發展。本公司於回顧期間採用載於香港聯合交易所有限公司證券上市規則（「上市規則」）附錄十四之企業管治常規守則（「企業管治守則」）所有守則條文之原則，並遵守該等守則條文，惟以下情況除外：

主席及行政總裁

企業管治守則之守則條文A.2.1規定，本公司主席與行政總裁（「行政總裁」）之角色應有區分，不得由一人同時兼任。本公司主席與行政總裁之間之職責分工應清楚界定並以書面列載。而本公司之主席與行政總裁角色未有區分，由陳敏雄先生同時兼任。董事們將定期會面以考慮影響本公司營運之重大事項。董事們考慮此組織結構將不會損害董事們與本公司管理層之間的權力及職權平衡，並相信此組織結構將可令本集團迅速及有效率地作出和落實決定。

董事進行證券交易

本公司已採納一套董事們進行證券交易之行為守則，其條款並未偏離上市規則附錄十所載之上市發行人董事進行證券交易之標準守則（「標準守則」）所載之規定買賣標準。在向所有董事們作出具體查詢後，董事們確認彼等於截至二零一零年三月三十一日止年度內均已遵守該行為守則及標準守則所規定之買賣標準以及其本身就董事們進行證券交易之行為守則。

CORPORATE GOVERNANCE REPORT

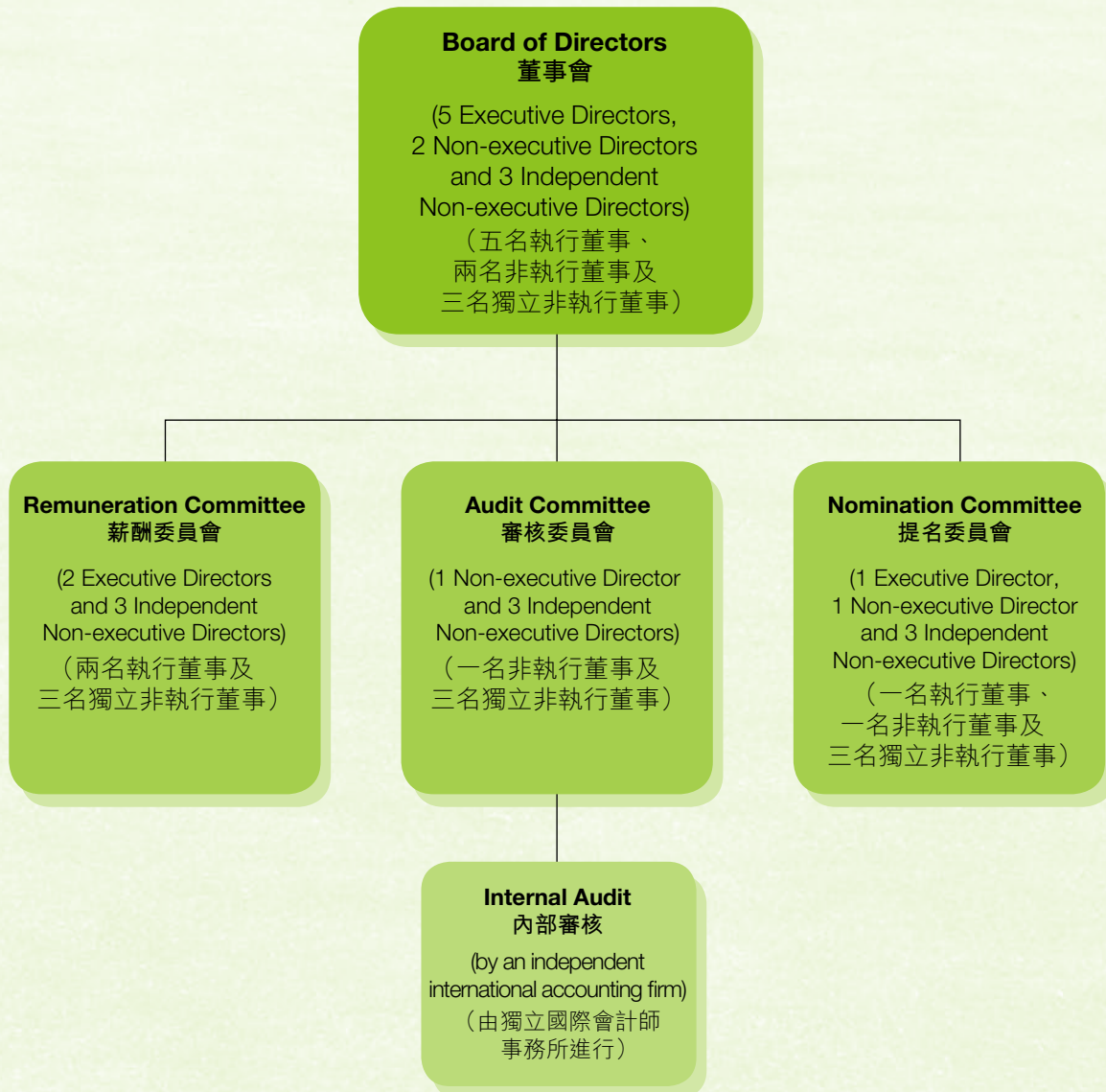
企業管治報告

The Company complied with the code provisions under the CG Code so far as they are applicable and a majority of the recommended best practices under the CG Code throughout the year ended 31 March 2010.

本公司於截至二零一零年三月三十一日止年度內一直遵守企業管治守則的適用守則條文，以及主要企業管治守則建議的最佳常規。

GOVERNANCE STRUCTURE

管治架構



CORPORATE GOVERNANCE REPORT

企業管治報告

BOARD OF DIRECTORS

The duty of the Board is to manage the Group in a responsible and effective manner and every Director has to carry out his/her duty in good faith and achieve the standard of any prevailing applicable laws and regulations and act in the best interests of the Company and its shareholders. During the year under review, the members of the Board included:

Executive Directors:

Mr. Chen Ming-hsiung, Mickey (*Chairman*)
Mdm. Huang Hsiu-duan, Helen
Mr. Kimmel, Phillip Brian
Mr. Lee Kung, Bobby
Mr. Wong Hei-chiu

Non-executive Directors:

Mr. Chow Wing-kin, Anthony SBS, J.P.
Mr. Chan Ho-man, Daniel

Independent non-executive Directors:

Mr. Tam King-ching, Kenny
Mr. Chan Mo-po, Paul MH, J.P.
Mr. Yung Tse-kwong, Steven

The Directors' biographies and the relationship among the Board members, if any, are set out in "Directors and Senior Management Profiles" of this annual report. Save as disclosed in the "Directors and Senior Management Profiles", there is no financial, business, family or other material/relevant relationship(s) among the Directors.

董事會

董事會之職責乃以盡責之態度及有效之方式管理本集團，而董事們均須摯誠履行其職務，達致通行適用法例及法規之標準，行事時須以本公司及其股東之最佳利益為先。於回顧年內，董事會之成員包括：

執行董事：

陳敏雄先生 (主席)
黃秀端女士
柯民佑先生
李鋼先生
黃禧超先生

非執行董事：

周永健先生，銀紫荊星章，太平紳士
陳浩文先生

獨立非執行董事：

譚競正先生
陳茂波先生，榮譽勳章，太平紳士
戎子江先生

董事履歷及董事會成員間之關係（若有）載於本年報「董事及高層管理人員履歷」。除「董事及高層管理人員履歷」所披露者外，董事之間並無任何財務、業務、家族或其他重大／有關關係。

CORPORATE GOVERNANCE REPORT

企業管治報告

Directors' Attendance Records

The record of attendance of individual Directors at the Board and Board committee meetings held during 2010 is set out in the following table:

董事會議出席紀錄

下表載列各董事於二零一零年內舉行之董事會及董事委員會會議之出席紀錄：

Name of Directors 董事姓名	Number of Meetings Attended/Held 出席／舉行次數			
	Board 董事會	Audit Committee 審核委員會	Nomination Committee 提名委員會	Remuneration Committee 薪酬委員會
Executive Directors 執行董事				
Mr. Chen Ming-hsiung, Mickey 陳敏雄先生	4/4	N/A	1/1	1/1
Mdm. Huang Hsiu-duan, Helen 黃秀端女士	4/4	N/A	N/A	1/1
Mr. Kimmel, Phillip Brian 柯民佑先生	4/4	N/A	N/A	N/A
Mr. Lee Kung, Bobby 李鋼先生	4/4	N/A	N/A	N/A
Mr. Wong Hei-chiu 黃禧超先生	4/4	N/A	N/A	N/A
Non-executive Directors 非執行董事				
Mr. Chow Wing-kin, Anthony SBS, J.P. 周永健先生，銀紫荊星章，太平紳士	4/4	2/2	1/1	N/A
Mr. Chan Ho-man, Daniel 陳浩文先生	4/4	N/A	N/A	N/A
Independent non-executive Directors 獨立非執行董事				
Mr. Tam King-ching, Kenny 譚競正先生	4/4	2/2	1/1	1/1
Mr. Chan Mo-po, Paul MH, J.P. 陳茂波先生，榮譽勳章，太平紳士	4/4	2/2	1/1	1/1
Mr. Yung Tse-kwong, Steven 戎子江先生	4/4	2/2	1/1	1/1
Average Attendance Rate 平均出席率	100%	100%	100%	100%

Apart from the above regular Board meetings of the year, the Board will meet on other occasions when a Board level decision on a particular matter is required. The Directors receive details of agenda items for decision and minutes of committee meetings in advance of each Board meeting. The Board has reserved for its decision or consideration matters covering corporate strategy, annual and interim results, Directors' appointment, succession planning, risk management, major acquisitions, disposals and capital transactions, and other significant operational and financial matters. Major corporate matters that are specifically delegated by the Board to the management include the preparation of annual and interim accounts for Board approval before public reporting, execution of business strategies and initiatives adopted by the Board, implementation of adequate systems of internal controls and risk management procedures, and compliance with relevant statutory requirements, rules and regulations.

The Board is responsible for determining the corporate strategic development and ensuring the business operations are properly monitored. The Board reserves the right to decide all policy matters and material transactions of the Group.

除上述定期董事會會議外，董事會會於有需要就特定事項作出決策之其他情況下會晤。董事們於每次董事會會議舉行前均會接獲有待決定之詳細議程及委員會會議記錄。董事會負責決定或考慮公司策略、年度及中期業績、委任董事、繼任計劃、風險管理、主要收購、出售及資本交易，以及其他重大營運及財務事宜。董事會特別委派管理層處理之重大公司事項包括：編製年度及中期賬目，供董事會於公佈前批准；執行董事會採取之業務策略及措施；實行足夠之內部監控制度及風險管理程序；及遵守有關法定規定、規則及法規。

董事會負責決定公司策略發展，並確保妥善監察業務運作。董事會保留本集團一切政策事宜及重大交易之決定權。

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The Board delegates the day-to-day operations to general managers and department heads who are responsible for different business functional units of the operations of the Group.

Besides, to assist the Board in discharge of its duty, the Board established the audit committee, remuneration committee and nomination committee and their scope of duties and terms of reference were discussed and approved in the Board meetings.

Non-executive Directors

All the non-executive Directors were appointed for a specific term of three years that are subject to retirement by rotation and re-election at the Company's annual general meeting in accordance with the bye-laws of the Company.

Independent non-executive Directors

The Board has received from each of the independent non-executive Directors a written annual confirmation of their independence and satisfied that their independence up to the date of this report is in accordance with the Listing Rules.

REMUNERATION OF DIRECTORS

Under the code provision B.1.1 of the CG Code, the Company should establish a remuneration committee (the "Remuneration Committee") with specific written terms of reference which deal clearly with its authority and duties.

The principal role and function of the Remuneration Committee include the determination of the specific remuneration packages of all executive Directors and senior management of the Company, including benefits in kind, pension rights and compensation payments, such as any compensation payable for loss or termination of their office or appointment, and make recommendations to the Board of the remuneration of non-executive Directors and independent non-executive Directors.

董事會委派總經理及負責本集團不同業務營運職能之部門主管處理日常運作。

此外，為協助董事會履行其職責，董事會成立審核委員會、薪酬委員會及提名委員會，並於董事會會議上商討及批准各委員會之職責範圍及職權範圍。

非執行董事

本公司全體非執行董事按特定任期三年獲委任，須根據本公司之公司細則於本公司股東週年大會上輪值告退及重選。

獨立非執行董事

董事會已接獲各獨立非執行董事有關其獨立性之年度書面確認書，並信納彼等於截至本報告日期具有上市規則所規定之獨立性。

董事薪酬

根據企業管治守則之守則條文B.1.1，本公司應設立具有明確成文權責範圍之薪酬委員會（「薪酬委員會」）；有關權責範圍應清楚說明委員會之權限及職責。

薪酬委員會之主要職責及職能，包括釐定各執行董事及本公司高級管理層之特定薪酬組合（包括實物利益、退休金權利及補償金，如因離職或終止委任而招致損失之補償），及就非執行董事及獨立非執行董事之薪酬向董事會作出建議。

During the year, members of the Remuneration Committee included:

Mr. Chen Ming-hsiung, Mickey (*Chairman*)
Mdm. Huang Hsiu-duan, Helen
Mr. Tam King-ching, Kenny
Mr. Chan Mo-po, Paul MH, J.P.
Mr. Yung Tse-kwong, Steven

The Remuneration Committee held a meeting on 13 July 2009 to discuss remuneration related matters. All members of the Remuneration Committee namely Mr. Chen Ming-hsiung, Mickey, Mdm. Huang Hsiu-duan, Helen, Mr. Tam King-ching, Kenny, Mr. Chan Mo-po, Paul MH, J.P. and Mr. Yung Tse-kwong, Steven, attended the meeting. The Remuneration Committee has considered and reviewed the existing terms of employment contracts of the executive Directors and appointment letters of the non-executive Directors and the independent non-executive Directors with reference to the factors including salaries paid by comparable companies, time commitment and responsibilities of the Directors, employment conditions elsewhere in the Group and desirability of performance-based remuneration. The Remuneration Committee considers that the existing terms of employment contracts of the executive Directors and appointment letters of the non-executive Directors and the independent non-executive Directors are fair and reasonable. Details of the emolument policy of the Directors are set out on page 49 of this report.

NOMINATION COMMITTEE

The principal role and function of the Nomination Committee include to review the structure, size and composition of the Board on a regular basis and to make recommendations to the Board regarding any proposed changes. The Board considers the past performance and qualification of the candidates for Directors, general market conditions and the Company's by-laws in selecting and recommending candidates for directorship during the year under review.

於本年度，薪酬委員會之成員包括：

陳敏雄先生 (主席)
黃秀端女士
譚競正先生
陳茂波先生，榮譽勳章，太平紳士
戎子江先生

薪酬委員會於二零零九年七月十三日舉行一次會議，商討有關薪酬事宜。薪酬委員會全體成員（即陳敏雄先生、黃秀端女士、譚競正先生、陳茂波先生及戎子江先生）均有出席會議。薪酬委員會於參照可資比較公司提供之薪金、董事們投入之時間及其職責、本集團其他部門之僱傭條件及按表現釐定薪酬制度之可行性等多項因素，考慮及檢討執行董事之僱傭合約及非執行董事及獨立非執行董事之委任書之現有條款。薪酬委員會認為，執行董事之僱傭合約及非執行董事及獨立非執行董事之委任書之現有條款屬公平合理。董事們之酬金政策詳情載於本報告第49頁。

提名委員會

提名委員會之主要職責及職能包括定期檢討董事會之架構、規模及組成，並就任何建議變更向董事會作出建議。董事會於回顧年度內考慮候任董事人選之過往表現及資格、整體市況以及本公司有關甄選及推薦候任董事人選之公司細則。

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During the year, members of the Nomination Committee included:

Mr. Chow Wing-kin, Anthony SBS, J.P. (*Chairman*)
Mr. Chen Ming-hsiung, Mickey
Mr. Tam King-ching, Kenny
Mr. Chan Mo-po, Paul MH, J.P.
Mr. Yung Tse-kwong, Steven

The Nomination Committee held a meeting on 13 July 2009. All members of the Nomination Committee, namely, Mr. Chen Ming-hsiung, Mickey, Mr. Tam King-ching, Kenny, Mr. Chan Mo-po, Paul, Mr. Chow Wing-kin, Anthony and Mr. Yung Tse-kwong, Steven, attended the meeting.

During the Nomination Committee meeting, the Nomination Committee considered and resolved that all the existing Directors shall be recommended to be retained by the Company. Further, in accordance with the Company's bye-laws and as resolved by the Nomination Committee, Mr. Chen Ming-hsiung, Mickey, Mr. Lee Kung, Bobby and Mr. Chow Wing-kin, Anthony will retire, and being eligible, will offer themselves for re-election at the forthcoming annual general meeting of the Company.

AUDIT COMMITTEE

As required by Rule 3.21 of the Listing Rules, the Company has established an audit committee (the "Audit Committee") with written terms of reference, which deal clearly with its authority and duties. Its principal duties are to review and supervise the Group's financial reporting process and internal control systems.

During the year until the date of this report, members of the Audit Committee included:

Mr. Tam King-ching, Kenny (*Chairman*)
Mr. Chow Wing-kin, Anthony SBS, J.P.
Mr. Chan Mo-po, Paul MH, J.P.
Mr. Yung Tse-kwong, Steven

The Audit Committee held 2 meetings during the year and all the committee members, namely Mr. Tam King-ching, Kenny, Mr. Chow Wing-kin, Anthony SBS, J.P., Mr. Chan Mo-po, Paul MH, J.P. and Mr. Yung Tse-kwong, Steven, were present in these meetings.

於本年度，提名委員會之成員包括：

周永健先生，銀紫荊星章，太平紳士（*主席*）
陳敏雄先生
譚競正先生
陳茂波先生，榮譽勳章，太平紳士
戎子江先生

提名委員會於二零零九年七月十三日舉行一次會議。提名委員會全體成員（即陳敏雄先生、譚競正先生、陳茂波先生、周永健先生及戎子江先生）均有出席會議。

於提名委員會會議上，提名委員會考慮及議決建議本公司留任全體現任董事。此外，根據本公司之公司細則，並如提名委員會所議決，陳敏雄先生、李剛先生及周永健先生將於本公司應屆股東週年大會上退任，惟符合資格願意膺選連任。

審核委員會

如上市規則第3.21條所規定，本公司已成立審核委員會（「審核委員會」），並以書面清晰訂明其職權範圍。其主要職責為審閱及監督本集團之財務申報程序及內部監控制度。

截至本報告日期止本年度，審核委員會之成員包括：

譚競正先生（*主席*）
周永健先生，銀紫荊星章，太平紳士
陳茂波先生，榮譽勳章，太平紳士
戎子江先生

審核委員會於本年度曾舉行兩次會議，全體委員會成員（即譚競正先生、周永健先生、陳茂波先生及戎子江先生）均有與會。

The Group's audited consolidated results for the year ended 31 March 2010 have been reviewed by the Audit Committee, which was of the opinion that the preparation of such results complied with the applicable accounting standards, the Listing Rules and legal requirements, and that adequate disclosures have been made.

The Audit Committee considered that the existing proposed terms in relation to the appointment of the Group's external auditors are fair and reasonable.

AUDITORS' REMUNERATION

The Audit Committee is responsible for considering the appointment of the external auditors and reviewing any non-audit functions performed by the external auditors, including whether such non-audit functions could lead to any potential material adverse effect on the Group. During the year under review, the fees payable to Ernst & Young, the Company's external auditors, for audit services and non-audit services totalling of HK\$1,280,000 and HK\$323,000, respectively.

DIRECTORS' AND AUDITORS RESPONSIBILITIES FOR FINANCIAL STATEMENTS

The Directors' responsibilities for the financial statements and the responsibilities of the independent auditors to the shareholders of the Company are set out on page 55 to 56 of this report.

INTERNAL CONTROL AND RISK MANAGEMENT

The Board has conducted a review of the effectiveness of the Group's system of internal control to ensure the effective and adequate internal control system. The Board convened meetings regularly to discuss financial, operational and compliance controls risk management functions.

As part of the process of the annual review, the Board has performed evaluation of the Group's accounting and financial reporting function to ensure that there is adequacy of resources, qualifications and experience of staff of the function, and their training programmes and budget.

The internal audit function monitors compliance with policies and standards and the effectiveness of internal control structures across the whole Group. Findings regarding internal control matters are reported to the Audit Committee. The external auditors have access to the full set of internal audit reports.

審核委員會已審閱本集團截至二零一零年三月三十一日止年度之經審核綜合業績，認為該等業績之編製方式符合適用會計準則、上市規則及法律規定，並已作出足夠披露。

審核委員會認為，有關委聘本集團外聘核數師之現有建議條款屬公平合理。

核數師薪酬

本公司之審核委員會負責考慮委聘外聘核數師，及檢討其履行之任何非審核職能，包括有關非審核職能會否對本集團造成任何潛在重大不利影響。於回顧年度內，就核數服務及非核數服務應付予本公司之外聘核數師安永會計師事務所之費用分別為1,280,000港元及323,000港元。

董事及核數師於財務報表之責任

董事於財務報表之責任及獨立核數師對本公司股東之責任載於本報告第55至56頁。

內部監控及風險管理

董事會已對本集團之內部監控制度之成效進行檢討，以確保內部監控制度行之有效及並無不足。董事會定期召開會議以討論財務、經營及遵例監控風險管理職能。

作為年度回顧程序的部份，董事會已履行評估本集團的會計及財務報告的功能，以確保有足夠的資源、培訓計劃及預算，與及員工的專業資格及經驗以發揮其功能。

內部審核功能監察遵守政策及準則的情況，以及橫跨整個集團的各內部監控架構的效用。審核委員會會獲匯報有關內部監控事宜的發現，外聘核數師可取得完整的內部審核報告。

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INVESTOR RELATIONS

The Company continues to promote and enhance investor relations and communications with its investors. An intensive communications channel has been maintained with the media, analysts and fund managers through one-on-one meeting, road shows and conferences. Designated senior management maintains regular dialogue with institutional investors and analysts to keep them abreast of the Company's development.

COMMUNICATION WITH SHAREHOLDERS

The Company sets high priority in communicating with shareholders and investors. Regular meetings with institutional shareholders and general presentation of financial results are made when financial results are announced. The Company also provides extensive information in its annual report, interim report and press announcement.

The Board endeavours to maintain an ongoing dialogue with shareholders. All directors are encouraged to attend the general meetings to have personal communication with shareholders. In annual general meeting, the chairman of the Board and the chairman of each committee are required to attend and answer questions from shareholders in respect of the matters that they are responsible and accountable for. The external auditor is also required to be present to assist the Directors in addressing any relevant queries by shareholders.

The Company's annual general meeting ("AGM") and special general meeting ("SGM") provide good opportunities for shareholders to express their views and ask Directors and management questions regarding the Company. All shareholders of the Company receive the annual report, circulars and notices of AGM and SGM and other corporate communications. The notices are also published in newspapers. Separate resolutions are required at general meetings on each distinct issue. Each shareholder is permitted to appoint a proxy to attend and vote in his stead.

投資者關係

本公司繼續提倡及提升投資者關係及與其投資者之通訊。本公司通過與傳媒、分析員及基金經理舉行個別會議、舉辦路演及研討會，從而維持廣泛之通訊渠道，並委派高級管理層與機構投資者及分析員維持定期會晤，從而向彼等提供有關本公司發展之最新消息。

與股東之通訊

本公司特別重視與股東及投資者之通訊。公佈財務業績時，本公司會與機構股東舉行例會及總體財務業績發佈會。本公司亦會於其年報、中期報告及報章公佈中提供大量資料。

董事會致力與股東保持持續對話。本集團鼓勵全體董事出席股東大會並與股東進行個人溝通。董事會主席及各委員會主席均須出席股東週年大會，並回應股東就彼等負責之事宜所作出之提問。外聘核數師亦須出席股東週年大會以協助董事們回應股東任何有關提問。

藉本公司股東週年大會（「股東週年大會」）及股東特別大會（「股東特別大會」），股東可表達彼等對本公司之意見及向董事們及管理層提問。本公司全體股東均獲寄發年報、通函、股東週年大會及股東特別大會通告以及其他公司通訊。通告亦會於報章刊登。本公司須就各項不同事項於股東大會上個別提呈決議案。每名股東可委派一名代表出席大會及代其投票。

VOTING BY POLL

Pursuant to the bye-laws of the Company, the Chairman shall demand a poll in the Company's general meetings whenever voting by poll is required under the Listing Rules. The Company's bye-laws has set out the procedures, requirements and circumstances where voting by poll is required, and in corporate communications to shareholders for matters where shareholders' voting are required, the procedures for and shareholders' right to demand a poll shall be specified. Such procedure and shareholders' right would be reiterated and explained by the Chairman at the commencement of the general meeting of shareholders.

CODE OF CONDUCT

To enhance the standards of employees, the Company has set out standards of professional and ethical conduct for all employees of the Group. The employees at all levels are expected to conduct themselves in an honest, diligent and responsible manner.

CONCLUSION

The Company will continue its enduring effort in reviewing the corporate governance practices from time to time and will try the best in maintaining, strengthening and improving the standard and quality of the Company's corporate governance to meet with the continuous changing environment and for the benefit of the shareholders.

以投票方式表決

根據本公司之公司細則，於上市規則規定須以投票方式表決之情況下，主席須於本公司股東大會上要求以投票方式表決。本公司之公司細則已載列須以投票方式表決之程序、規定及情況，以及在需要股東投票之情況下於致股東之公司通訊載列股東以投票方式表決之程序及股東要求投票方式表決之權利。於股東大會開始時主席亦會重申及闡釋該等程序及股東權利。

行為守則

為提升僱員水準，本公司已為本集團所有僱員制訂專業及操守標準。各級僱員均須本著誠實、勤奮及盡責之態度行事。

結論

本公司將繼續致力不時檢討其企業管治常規，盡力維持、鞏固及改善本公司企業管治標準及質素，以迎合瞬息萬變之環境及照顧股東利益。

DIRECTORS AND SENIOR MANAGEMENT PROFILES

董事及高層管理人員履歷

Name 姓名	Age 年齡	Position held 職位	Number of years of service 任職年數	Business experience 商務經驗
Chen Ming-hsiung, Mickey 陳敏雄	57	Chairman and managing director 主席兼董事總經理	29	<p>Mr. Chen is a co-founder of the Group. Mr. Chen has more than 32 years' experience in the footwear industry. He is responsible for formulating the overall business strategy and plans of the Group. He also oversees the functions of marketing and product design and development. He is the husband of Madam Huang Hsiu-duan, Helen.</p> <p>陳先生為本集團創辦人之一，具有逾32年製鞋業經驗，現時負責制訂本集團之整體業務策略及計劃，並主管市場推廣及產品設計發展工作。陳先生為黃秀端女士之丈夫。</p>
Huang Hsiu-duan, Helen 黃秀端	53	Executive director 執行董事	29	<p>Madam Huang is the wife of Mr. Chen Ming-hsiung, Mickey and is a co-founder of the Group. She is responsible for the Group's administration and has more than 33 years' experience in the footwear industry.</p> <p>黃女士為陳敏雄先生之夫人，亦為本集團創辦人之一，負責本集團之行政工作，具有逾33年製鞋業經驗。</p>

DIRECTORS AND SENIOR MANAGEMENT PROFILES

董事及高層管理人員履歷

Name 姓名	Age 年齡	Position held 職位	Number of years of service 任職年數	Business experience 商務經驗
Lee Kung, Bobby 李鋼	55	Executive director 執行董事	29	<p>Mr. Lee is a co-founder of the Group and is responsible for the Group's overall production in Vietnam. He is also responsible for formulating and controlling the Group's quality control policy and procedures. Mr. Lee has more than 30 years' experience in the footwear industry.</p> <p>李先生為本集團創辦人之一，負責本集團在越南之整體生產事宜，亦負責制訂及控制本集團品質控制政策及程序。李先生具有逾30年製鞋業經驗。</p>
Kimmel, Phillip Brian 柯民佑	58	Executive director 執行董事	16	<p>Mr. Kimmel is responsible for the Group's marketing and customer relations. He holds a Bachelor's degree from the University of Southern California. He also holds a Master's degree in China Regional Studies from the University of Washington. Mr. Kimmel has more than 34 years' experience in the footwear industry in Taiwan, the USA, Canada and the PRC.</p> <p>柯先生主管本集團之市場推廣及客戶關係事宜，擁有美國南加州大學學士學位及華盛頓大學中國研究碩士學位。柯先生具有逾34年台灣、美國、加拿大及中國製鞋業經驗。</p>

DIRECTORS AND SENIOR MANAGEMENT PROFILES

董事及高層管理人員履歷

Name 姓名	Age 年齡	Position held 職位	Number of years of service 任職年數	Business experience 商務經驗
Wong Hei-chiu 黃禧超	43	Executive director 執行董事	2	<p>Mr. Wong is also the chief financial officer of the Group and company secretary of the Company. Mr. Wong holds a Bachelor's degree in business administration from Lingnan University, Hong Kong. He is a Certified Public Accountant (Practising), a fellow member of The Association of Chartered Certified Accountants in the United Kingdom, an associate member of The Institute of Chartered Accountants in England and Wales and an associate member of Hong Kong Institute of Certified Public Accountants. Mr. Wong has over 19 years of corporate finance and financial management experience in Hong Kong and the PRC. Prior to joining the Group in 2008, Mr. Wong has worked as the group financial controller and company secretary in a Hong Kong listed electronics manufacturing company for over 8 years; and as the finance director and company secretary in another Hong Kong listed wholesale and distribution company for over 4 years.</p> <p>黃先生亦為本集團之首席財務官兼本公司之公司秘書。黃先生持有香港嶺南大學商業管理學士學位。彼為執業會計師，乃英國特許公認會計師公會資深會員、英格蘭及威爾斯特許會計師公會會員及香港會計師公會會員。黃先生在香港及中國積累逾19年企業財務及財務管理方面之經驗。黃先生於二零零八年加入本集團前，曾於一間在香港上市之電子製造公司擔任集團財務總監及公司秘書逾8年；並曾於另一間在香港上市之批發及分銷公司擔任財務董事及公司秘書逾4年。</p>

DIRECTORS AND SENIOR MANAGEMENT PROFILES

董事及高層管理人員履歷

Name 姓名	Age 年齡	Position held 職位	Number of years of service 任職年數	Business experience 商務經驗
<p>Chow Wing-kin, Anthony, SBS, J.P. 周永健 銀紫荊星章·太平紳士</p>	60	Non-executive director 非執行董事	16	<p>Mr. Chow serves as the chairman of the Nomination Committee, a member of each of the Audit Committee and the Remuneration Committee of the Company. 周先生為本公司提名委員會主席及審核委員會及薪酬委員會之成員。</p> <p>Mr. Chow is a solicitor admitted to practise in Hong Kong and England and Wales. He has been a practising solicitor of Hong Kong for over 29 years and is currently a partner of the law firm Messrs. Peter C Wong, Chow & Chow. Mr. Chow is a China-Appointed Attesting Officer and member of the Guangzhou Arbitration Commission. He is also the chairman of the Process Review Panel for the Securities and Futures Commission and a steward of the Hong Kong Jockey Club. His principal areas of practice include corporate and commercial, property law, probate and civil litigation. He is also an independent non-executive director of Fountain Set (Holdings) Limited and Ping An Insurance (Group) Company of China, Limited, which are listed on the main board of The Stock Exchange of Hong Kong Limited and The Link Management Limited. He is the former president of the Law Society of Hong Kong.</p> <p>周先生分別於香港和英格蘭及威爾斯獲認可為執業律師。他於香港擔任執業律師逾29年，現為王澤長、周淑嫻、周永健律師行合夥人。周先生是中國委託公證人及廣州仲裁委員會委員。他亦為證券及期貨事務監察委員會程序覆檢委員會主席及香港賽馬會之幹事。他的主要執業範圍包括公司法及商業法、產權法、遺產事務及民事訴訟。他亦為福田實業(集團)有限公司及中國平安保險(集團)股份有限公司(兩者均為於香港聯合交易所有限公司主板上市之公司)以及領匯管理有限公司之獨立非執行董事。他為香港律師會前任會長。</p>

DIRECTORS AND SENIOR MANAGEMENT PROFILES

董事及高層管理人員履歷

Name 姓名	Age 年齡	Position held 職位	Number of years of service 任職年數	Business experience 商務經驗
Chan Ho-man, Daniel 陳浩文	55	Vice chairman and non-executive director 副主席兼非執行董事	14	<p>Mr. Chan is responsible for advising the management on the corporate strategy and policy development.</p> <p>陳先生負責就企業策略及政策發展向管理層提供意見。</p> <p>Mr. Chan is a fellow member of the Association of Chartered Certified Accountants and an associate member of Hong Kong Institute of Certified Public Accountants. Mr. Chan has more than 31 years' accounting and finance experience in Hong Kong.</p> <p>陳先生為英國公認會計師公會資深會員及香港會計師公會會員。陳先生具有逾31年香港會計及財務經驗。</p>

DIRECTORS AND SENIOR MANAGEMENT PROFILES

董事及高層管理人員履歷

Name 姓名	Age 年齡	Position held 職位	Number of years of service 任職年數	Business experience 商務經驗
Tam King-ching, Kenny 譚競正	61	Independent non-executive director 獨立非執行董事	16	<p>Mr. Tam serves as the chairman of the Audit Committee, a member of each of the Nomination Committee and Remuneration Committee of the Company. He is a practising Certified Public Accountant in Hong Kong. He is a fellow member of the Hong Kong Institute of Certified Public Accountants and a member of the Institute of Chartered Accountants of Ontario, Canada. Mr. Tam is serving as a member of the Ethics Committee and the Practice Review Committee in the Hong Kong Institute of Certified Public Accountants. He is a past president of The Society of Chinese Accountants and Auditors. Mr. Tam also serves as an independent non-executive director of four other listed companies on the main board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange"), namely, Shougang Concord Grand (Group) Limited, CCT Telecom Holdings Limited, Starlite Holdings Limited and Van Shung Chong Holdings Limited, and a listed company on the Growth Enterprise Market of the Stock Exchange, namely, North Asia Strategic Holdings Limited. He was an independent non-executive director of King Stone Energy Group Limited (formerly known as Yun Sky Chemical (International) Holdings Limited), a Hong Kong listed company, during the period from August 2005 to September 2008.</p> <p>譚先生為本公司審核委員會之主席及提名委員會及薪酬委員會之成員。彼為香港執業會計師。彼為香港會計師公會之資深會員及加拿大安大略省特許會計師公會會員。譚先生為香港會計師公會專業操守委員會及執業審核委員會之委員。彼為香港華人會計師公會前任會長。譚先生亦出任其他四間於香港聯合交易所有限公司（「聯交所」）主板上市之公司（即首長四方（集團）有限公司、中建電訊集團有限公司、星光集團有限公司及萬順昌集團有限公司），以及一間於聯交所創業板上市之公司（即北亞策略控股有限公司）之獨立非執行董事。彼於二零零五年八月至二零零八年九月期間曾出任香港上市公司南嶺化工（國際）控股有限公司（前稱為金山能源集團有限公司）之獨立非執行董事。</p>

DIRECTORS AND SENIOR MANAGEMENT PROFILES

董事及高層管理人員履歷

Name 姓名	Age 年齡	Position held 職位	Number of years of service 任職年數	Business experience 商務經驗
Chan Mo-po, Paul, MH, J.P. 陳茂波 榮譽勳章·太平紳士	55	Independent non-executive director 獨立非執行董事	6	<p>Mr. Chan serves as a member of each of the Audit Committee, Nomination Committee and Remuneration Committee of the Company. He is the chairman of Crowe Horwath (HK) CPA Limited. He is also an independent non-executive director of three companies publicly listed in Hong Kong, namely, The Wharf (Holdings) Limited, Hong Kong Economic Times Holdings Limited and China Communications Services Corporation Limited. He has been appointed as the chairman of the Legal Aid Services Council since September 2006.</p> <p>陳先生為本公司審核委員會、提名委員會及薪酬委員會之成員。他為國富浩華(香港)會計師事務所有限公司的主席，亦為三間於香港公眾上市的公司，即九龍倉集團有限公司、香港經濟日報集團有限公司以及中國通信服務股份有限公司的獨立非執行董事。他自二零零六年九月起獲委任為法律援助服務局主席。</p> <p>Mr. Chan is a graduate of The Chinese University of Hong Kong where he obtained both his Bachelor's and Master's degrees in Business Administration.</p> <p>陳先生畢業於香港中文大學，在該校取得工商管理學士及碩士學位。</p> <p>Mr. Chan has over 31 years' experience in accounting and finance field and is the former president of the Hong Kong Institute of Certified Public Accountants. He is also the former chairman of The Association of Chartered Certified Accountants – Hong Kong. In 2007, he was appointed as a Justice of the Peace. In 2008, he was appointed as a member of Shanghai City's Chinese People's Political Consultative Conference. Mr. Chan was elected as a member of Legislative Council representing the Accountancy Functional Constituency in September 2008.</p> <p>陳先生於會計及財務方面擁有超過31年經驗，並為香港會計師公會前會長及英國特許公認會計師公會香港分會前主席。他於二零零七年獲委任為太平紳士，於二零零八年獲委任為中國人民政治協商會議上海市委員。陳先生於二零零八年九月獲選為立法會議員，代表會計界功能組別。</p>

DIRECTORS AND SENIOR MANAGEMENT PROFILES

董事及高層管理人員履歷

Name 姓名	Age 年齡	Position held 職位	Number of years of service 任職年數	Business experience 商務經驗
Yung Tse-kwong, Steven 戎子江	60	Independent non-executive director 獨立非執行董事	5	<p>Mr. Yung serves as a member of the Audit Committee, Nomination Committee and Remuneration Committee of the Company. Mr. Yung is a partner of A R Evans Capital Partners Limited and was the former chairman of Clear Media Limited which is listed on the main board of the Stock Exchange. During his 29 years of media, advertising, consumer marketing, manufacturing and retailing career, he also held senior management positions with, and brought extensive management experience from multinational companies including the Coca-Cola Company in the USA and Asia Pacific. Mr. Yung serves on the boards of various community, corporate and charitable organizations.</p> <p>戎先生為本公司審核委員會、提名委員會及薪酬委員會之成員。戎先生為A R Evans Capital Partners Limited之合夥人，並為聯交所主板上市公司白馬戶外媒體有限公司之前任董事會主席。戎先生擁有29年之媒體、廣告及消費推廣、製造及零售業經驗，並於美國及亞太區擔任可口可樂公司等跨國公司的高級管理職務，獲得豐富之管理經驗。戎先生現於多個不同之社區團體、法人組織及慈善組織之董事會服務。</p>

DIRECTORS AND SENIOR MANAGEMENT PROFILES

董事及高層管理人員履歷

Name 姓名	Age 年齡	Position held 職位	Number of years of service 任職年數	Business experience 商務經驗
Hong Kong Office: 香港辦事處：				
Lai Chi-hang, David 黎志恆	43	Group financial controller 集團財務總監	17	Mr. Lai is responsible for the Group's accounting and financial management. Mr. Lai holds a Master's degree in business administration from University of Wales. He has 21 years' experience in the fields of auditing, accounting and financial management. 黎先生負責本集團之會計及財務管理。黎先生持有威爾斯大學工商管理碩士學位，具有21年核數、會計及財務管理經驗。
Zhongshan factory 中山廠房				
Huang Pen-yuan, David 黃本源	57	Assistant General Manager 副總經理	19	Mr. David Huang has been with the Group for 19 years. He has more than 26 years' experience in the footwear industry. He is presently responsible for a key account of the Group and is also running the Zhongshan factory business. 黃本源先生加入本集團已有19年，本身在製鞋業有超過26年豐富經驗。黃先生負責本集團主要客戶之業務並兼管中山廠營運。
Liu San-teng, Gerry 劉山騰	48	Senior Manager 執行協理	18	Mr. Gerry Liu has been with the Group for 18 years. He participated in the building design and execution of the Group's Vietnam factory complex. Currently, he is in charge of Zhongshan factory production. 劉山騰先生加入本集團已有18年，曾經參與本集團越南廠之建設。目前劉先生負責管理中山廠生產。

DIRECTORS AND SENIOR MANAGEMENT PROFILES

董事及高層管理人員履歷

Name 姓名	Age 年齡	Position held 職位	Number of years of service 任職年數	Business experience 商務經驗
Zhuhai and Jiangxi factory 珠海及江西廠房				
Huang Chun-hua, Charles 黃春華	50	Senior Manager 執行協理	27	Mr. Charles Huang has been with the Group since 1983, has more than 28 years' experience in the footwear industry. He is currently in charge of the factory operations in Zhuhai and Jiangxi. 黃春華先生於一九八三年加入本集團，在製鞋業有超過28年之經驗。黃先生目前負責管理珠海及江西廠之營運。
Vietnam and Cambodia factory 越南及柬埔寨廠房				
Chen Hsien-yu, Simon 陳憲裕	51	Senior Manager 執行協理	16	Mr. Simon Chen has been with the Group for 16 years. He has more than 23 years' experiences in the footwear industry. Currently, Mr. Chen is in charge of customer relations and factory operations in Vietnam and Cambodia. 陳憲裕先生加入本集團已16年，本身在製鞋業有超過23年之經驗。陳先生負責越南及柬埔寨廠主要客戶之業務及營運。
Retail 零售				
Chen Hung-chun, Fiona 陳虹君	27	Managing Director 董事總經理	3	Ms. Fiona Chen graduated from National Taiwan University with a BA degree, major in International Business. After graduation, she further her studies in footwear design at De Montfort University, the United Kingdom. Ms. Chen is in charge of the Group's footwear retailing business. 陳小姐畢業於國立台灣大學，擁有文學士學位，主修國際商務。畢業後於英國De Montfort University進修鞋類設計。現負責本集團之鞋履零售業務。

REPORT OF THE DIRECTORS

董事會報告

The directors (the “Directors”) of the Company present their report and the audited financial statements of the Company and of the Group for the year ended 31 March 2010.

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. The principal activities of the principal subsidiaries are set out in note 17 to the financial statements. During the year, the Group commenced the menswear retailing business after the acquisition of FRD Worldwide Limited and its subsidiaries (collectively known as “FRD Group”). Other than the above, there were no significant changes in the nature of the principal activities of the Group during the year.

RESULTS AND DIVIDENDS

The Group’s profit for the year ended 31 March 2010 and the state of affairs of the Company and of the Group as at that date are set out in the financial statements on pages 57 to 156.

An interim dividend of HK1.6 cents per ordinary share was paid on 5 February 2010. The Directors recommend the payment of a final dividend of HK7.0 cents per ordinary share in respect of the year to shareholders on the register of members on 27 August 2010. Details are set out in note 12 to the financial statements. Subject to the passing of the relevant resolution at the forthcoming annual general meeting of the Company, such dividend will be payable on or about 28 September 2010, in cash in Hong Kong dollars.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from 24 August 2010 to 27 August 2010, both days inclusive, during which period no transfers of shares shall be effected. To qualify for the dividend and for attending and voting at the forthcoming annual general meeting of the Company, all share transfers accompanied by the relevant share certificates, must be lodged with the Company’s share registrar in Hong Kong, Tricor Tengis Limited at 26/F., Tesbury Centre, 28 Queen’s Road East, Wanchai, Hong Kong no later than 4:30 p.m. on 23 August 2010.

本公司董事（「董事」）謹此提呈董事會報告及本公司與本集團截至二零一零年三月三十一日止年度之經審核財務報表。

主要業務

本公司之主要業務為投資控股。主要附屬公司之主要業務詳情載於財務報表附註17。年內，本集團於收購集智社（環球）有限公司及其附屬公司（統稱為「集智社集團」）後開始男裝零售業務。除上述者外，本集團主要業務之性質在本年度並無重大變動。

業績及股息

本集團於截至二零一零年三月三十一日止年度之溢利及本公司與本集團於該日之財務狀況載於財務報表第57至156頁。

本集團已於二零一零年二月五日派付中期股息每股普通股1.6港仙。董事建議派發本年度末期股息每股普通股7.0港仙予於二零一零年八月二十七日名列股東名冊之股東。詳情載於財務報表附註12。待於本公司應屆股東週年大會上通過有關決議案後，有關股息將於二零一零年九月二十八日或該日前後以港元現金派發。

暫停辦理股份過戶登記

本公司將於二零一零年八月二十四日至二零一零年八月二十七日（包括首尾兩日）暫停辦理股份過戶登記，在此期間概不辦理股份過戶。為符合資格收取股息及出席本公司應屆股東週年大會並於會上投票，所有股份過戶表格連同有關股票必須於二零一零年八月二十三日下午四時三十分前送達本公司之香港股份過戶登記處卓佳登捷時有限公司，地址為香港灣仔皇后大道東28號金鐘匯中心26樓。

SUMMARY FINANCIAL INFORMATION

A summary of the results and of the assets and liabilities of the Group for the last five financial years, as extracted from the respective published audited financial statements, is set out below. This summary does not form part of the audited financial statements.

Results

財務資料概要

本集團於過往五個財政年度之業績及資產與負債之概要（摘錄自各份已公佈之經審核財務報表）載列如下。本概要並非經審核財務報表之一部分。

業績

	Year ended 31 March 截至三月三十一日止年度				
	2010 二零一零年 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	2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
REVENUE 收益	1,289,684	1,463,824	1,317,857	1,156,666	1,278,488
PROFIT BEFORE TAX 除稅前溢利	134,241	59,899	65,121	39,785	70,360
Income tax expense 所得稅開支	(29,220)	(6,702)	(14,723)	(5,994)	(10,225)
PROFIT ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY 本公司權益持有人應佔溢利	105,021	53,197	50,398	33,791	60,135

REPORT OF THE DIRECTORS

董事會報告

Assets and liabilities

資產與負債

	As at 31 March 於三月三十一日				
	2010	2009	2008	2007	2006
	二零一零年	二零零九年	二零零八年	二零零七年	二零零六年
	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
PROPERTY, PLANT AND EQUIPMENT 物業、廠房及設備	357,856	370,526	369,094	342,758	367,716
PREPAID LAND LEASE PAYMENTS 預付土地租賃款項	76,130	79,229	76,379	74,208	76,064
INVESTMENT PROPERTIES 投資物業	6,378	3,712	4,310	3,060	2,973
DEPOSITS PAID 已付按金	3,350	4,444	2,367	-	-
INVESTMENTS IN CLUB MEMBERSHIPS 會所會籍投資	988	1,003	1,017	1,030	1,045
AVAILABLE-FOR-SALE INVESTMENTS 可供出售投資	2,185	880	1,886	1,693	1,369
CURRENT ASSETS 流動資產	780,867	623,947	626,241	525,614	498,120
TOTAL ASSETS 總資產	1,227,754	1,083,741	1,081,294	948,363	947,287
CURRENT LIABILITIES 流動負債	376,048	315,602	343,154	277,136	261,154
TOTAL LIABILITIES 總負債	376,048	315,602	343,154	277,136	261,154
	851,706	768,139	738,140	671,227	686,133

PROPERTY, PLANT AND EQUIPMENT AND INVESTMENT PROPERTIES

Details of movements in the property, plant and equipment and investment properties of the Group during the year are set out in notes 14 and 16 to the financial statements, respectively.

物業、廠房及設備及投資物業

本集團物業、廠房及設備及投資物業於本年度之變動詳情分別載於財務報表附註14及16。

SHARE CAPITAL AND SHARE OPTIONS

Details of movements in the Company's share capital and share options during the year, together with the reasons therefor, are set out in notes 25 and 26 to the financial statements, respectively.

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the bye-laws of the Company or the Companies Act 1981 of Bermuda which would oblige the Company to offer new shares on a pro rata basis to existing shareholders.

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

During the year, the Company repurchased and cancelled its 4,914,000 shares on The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). The directors considered that the share repurchases are beneficial to the shareholders of the Company who retain their investments in the Company. Details of the share repurchases are set out below.

股本及購股權

年內，本公司股本及購股權變動之詳情及理由分別載於財務報表附註25及26。

優先購買權

本公司之公司細則或百慕達一九八一年公司法概無有關優先購買權之規定，故本公司毋須按比例向現有股東發行新股。

購買、贖回或出售本公司之上市證券

年內，本公司於香港聯合交易所有限公司（「聯交所」）購回及註銷4,914,000股份。董事們認為，股份購回對保留於本公司之投資之股東有利。股份購回之詳情如下：

Month/Year 月／年	Number of shares repurchased 購回之股份數目	Highest price per share 每股最高價 HK\$港元	Lowest price per share 每股最低價 HK\$港元	Aggregate consideration (excluding transaction cost) 代價總額 (不包括交易成本) HK\$'000千港元
April 2009 二零零九年四月	2,014,000	0.67	0.59	1,274
July 2009 二零零九年七月	68,000	0.85	0.83	57
August 2009 二零零九年八月	30,000	0.85	0.84	25
September 2009 二零零九年九月	630,000	0.81	0.76	494
October 2009 二零零九年十月	1,434,000	0.92	0.79	1,229
November 2009 二零零九年十一月	128,000	0.92	0.90	116
January 2010 二零一零年一月	90,000	1.00	0.99	90
February 2010 二零一零年二月	520,000	1.04	0.98	528
Total 總計	4,914,000			3,813

REPORT OF THE DIRECTORS

董事會報告

Further details of these transactions are set out in note 25 to the financial statements.

Except as disclosed above, neither the Company nor any of its subsidiaries purchased, redeemed or sold any of the Company's listed securities during the year.

RESERVES

Details of movements in the reserves of the Company and of the Group during the year are set out in note 27(b) to the financial statements and in the consolidated statement of changes in equity, respectively.

DISTRIBUTABLE RESERVES

As at 31 March 2010, the Company's reserves available for distribution, calculated in accordance with the Companies Act 1981 of Bermuda, amounted to HK\$106,561,000, of which HK\$45,217,000 has been proposed as a final dividend for the year after the reporting period. In addition, the Company's share premium account, in the amount of HK\$61,903,000, may be distributed in the form of fully paid bonus shares.

MAJOR CUSTOMERS AND SUPPLIERS

In the year under review, the Group's sales to the five largest customers accounted for 94.29% of the total sales for the year and sales to the largest customer included therein amounted to 48.90%. The Group's purchases from the five largest suppliers accounted for less than 29.93% of the Group's purchases for the year.

None of the directors of the Company or any of their associates or any shareholders of the Company (which, to the best knowledge of the directors, own more than 5% of the Company's issued share capital) had any beneficial interest in the Group's five largest customers and suppliers.

該等交易之進一步詳情載於財務報表附註25。

除上文所披露者外，本公司或其任何附屬公司年內概無購買、贖回或出售本公司之任何上市證券。

儲備

年內，本公司及本集團之儲備變動詳情分別載於財務報表附註27(b)及綜合權益變動表。

可供分派儲備

根據百慕達一九八一年公司法計算，於二零一零年三月三十一日，本公司可供分派之儲備總額為106,561,000港元，其中45,217,000港元為年內報告期結束後擬派末期股息。此外，本公司之股份溢價賬為61,903,000港元，可以繳足紅股之方式分派。

主要客戶及供應商

於回顧年度，本集團對五大客戶之銷售額佔本集團本年度總銷售額約94.29%，而其中本集團對最大客戶之銷售額則佔約48.90%。本集團向五大供應商之採購額低於本集團本年度採購額之29.93%。

董事、其任何聯繫人或就董事們所知擁有本公司已發行股本5%以上之任何本公司股東概無擁有本集團五大客戶及供應商之任何實際權益。

DIRECTORS

The Directors of the Company during the year were:

Executive Directors:

Mr. Chen Ming-hsiung, Mickey
Mdm. Huang Hsiu-duan, Helen
Mr. Lee Kung, Bobby
Mr. Kimmel, Phillip Brian
Mr. Wong Hei-chiu

Non-executive Directors:

Mr. Chow Wing-kin, Anthony SBS, J.P.
Mr. Chan Ho-man, Daniel

Independent Non-executive Directors:

Mr. Tam King-ching, Kenny
Mr. Chan Mo-po, Paul MH, J.P.
Mr. Yung Tse-kwong, Steven

In accordance with articles 86(2) and 87 of the Company's by-laws, Mr. Chen Ming-hsiung, Mickey, Mr. Lee Kung, Bobby and Mr. Chow Wing-kin, Anthony will retire by rotation and, being eligible, will offer themselves for re-election at the forthcoming annual general meeting.

DIRECTORS' SERVICE CONTRACTS

None of the Directors proposed for re-election at the forthcoming annual general meeting has a service contract with the Company which is not determinable by the Company within one year without payment of compensation, other than statutory compensation.

DIRECTORS' REMUNERATION

The Directors' fees are subject to shareholders' approval at general meetings. Other emoluments are determined by the Company's board of Directors with reference to Directors' duties, responsibilities and performance and the results of the Group.

DIRECTORS' INTERESTS IN CONTRACTS

The related party transactions as set out in note 32 to the financial statements constitute connected transactions of the Company exempt from the reporting, announcement and independent shareholders' approval requirements under chapter 14A of the Listing Rules.

董事

年內本公司之董事如下：

執行董事：

陳敏雄先生
黃秀端女士
李鋼先生
柯民佑先生
黃禧超先生

非執行董事：

周永健先生，銀紫荊星章，太平紳士
陳浩文先生

獨立非執行董事：

譚競正先生
陳茂波先生，榮譽勳章，太平紳士
戎子江先生

根據本公司之公司細則第86(2)及第87條規定，陳敏雄先生、李鋼先生及周永健先生將於應屆股東週年大會上輪值退任，惟彼等符合資格並願意於會上膺選連任。

董事之服務合約

於應屆股東週年大會上膺選連任之董事概無與本公司訂立本公司一年內不作賠償（法定賠償除外）則不得終止之服務合約。

董事酬金

董事袍金須待股東於股東大會上批准後方可作實。其他酬金則由本公司董事會參考董事職責、責任及表現，以及本集團業績而釐定。

董事之合約權益

財務報表附註32載列之關聯方交易構成本公司獲豁免遵守上市規則第14A章所載申報、公佈及獨立股東批准規定之關連交易。

REPORT OF THE DIRECTORS

董事會報告

Apart from those contracts disclosed in note 32 to the financial statements, no Director had a material beneficial interest, either directly or indirectly, in any contract of significance to the business of the Group to which the Company or any of its subsidiaries was a party during the year.

除財務報表附註32所披露者外，年內，各董事在本公司或其任何附屬公司所訂立且與本集團業務有重大關係之合約中，並無直接或間接擁有重大實際權益。

DIRECTORS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As at 31 March 2010, the interests and short positions of the Directors in the share capital and underlying shares of the Company or its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")), as recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code"), were as follows:

董事於股份及相關股份所擁有之權益及淡倉

於二零一零年三月三十一日，按本公司根據證券及期貨條例第352條須存置之登記冊所示，董事們於本公司或其相聯法團（定義見證券及期貨條例（「證券及期貨條例」）第XV部）之股本及相關股份中擁有權益及淡倉，或根據上市公司董事進行證券交易之標準守則（「標準守則」）須知會本公司及聯交所之權益及淡倉如下：

Long positions in ordinary shares of the Company:

本公司普通股之好倉：

Number of shares held, capacity and nature of interest

所持股份數目、身份及權益性質

Name of director 董事姓名	Directly beneficially owned 直接實益擁有	Through spouse or minor children	Through controlled corporation	Total 總計	Percentage of the Company's issued capital 佔本公司已發行股本之百分比
		透過配偶或未成年子女	透過受控制公司		
Mr. Chen Ming-hsiung, Mickey (Note 1) 陳敏雄先生 (附註1)	-	29,637,500	269,704,752 (Note 2) (附註2)	299,342,252	46.64
Mdm. Huang Hsiu-duan, Helen (Note 1) 黃秀端女士 (附註1)	-	269,704,752	29,637,500 (Note 3) (附註3)	299,342,252	46.64
Mr. Lee Kung, Bobby 李鋼先生	455,000	-	-	455,000	0.07
Mr. Chan Ho-man, Daniel 陳浩文先生	3,200,000	-	-	3,200,000	0.50
Mr. Kimmel, Phillip Brian 柯民佑先生	1,000,000	-	-	1,000,000	0.16

Notes:

附註：

- Mdm. Huang Hsin-duan, Helen is the spouse of Mr. Chen Ming-hsiung, Mickey.
- These shares represent 42.02% of the issued share capital of the Company and are beneficially owned by King Strike Limited. The issued share capital of King Strike Limited is beneficially owned by Mr. Chen Ming-hsiung, Mickey as to 75.80%, Mdm. Huang Hsiu-duan, Helen as to 22.07% and Mr. Lee Kung, Bobby as to 2.13%.
- These shares represent 4.62% of the issued share capital of the Company and are beneficially owned by Fat Tat Assets Limited, which is in turn 100% beneficially owned by Mdm. Huang Hsiu-duan, Helen.

- 黃秀端女士為陳敏雄先生之配偶。
- 此等股份佔本公司已發行股本42.02%，由King Strike Limited實益擁有。陳敏雄先生、黃秀端女士及李鋼先生分別實益擁有King Strike Limited之已發行股本75.80%、22.07%及2.13%。
- 此等股份佔本公司已發行股本4.62%，由Fat Tat Assets Limited實益擁有，而Fat Tat Assets Limited由黃秀端女士100%實益擁有。

REPORT OF THE DIRECTORS

董事會報告

Long positions in share options of the Company:

本公司購股權之好倉：

Name of Director 董事姓名	Number of options directly beneficially owned 直接實益擁有之購股權數目
Executive Directors: 執行董事：	
Mr. Chen Ming-hsiung, Mickey 陳敏雄先生	2,150,000
Mdm. Huang Hsiu-duan, Helen 黃秀端女士	580,000
Mr. Lee Kung, Bobby 李鋼先生	2,395,000
Mr. Kimmel, Phillip Brian 柯民佑先生	2,950,000
Mr. Wong Hei-chiu 黃禧超先生	875,000
Non-executive Directors: 非執行董事：	
Mr. Chow Wing-kin, Anthony SBS, J.P. 周永健先生，銀紫荊星章，太平紳士	800,000
Mr. Chan Ho-man, Daniel 陳浩文先生	2,700,000
Independent Non-executive Directors: 獨立非執行董事：	
Mr. Tam King-ching, Kenny 譚競正先生	800,000
Mr. Chan Mo-po, Paul MH, J.P. 陳茂波先生，榮譽勳章，太平紳士	800,000
Mr. Yung Tse-kwong, Steven 戎子江先生	800,000
	14,850,000

In addition to the above, certain Directors have non-beneficial personal equity interests in certain subsidiaries held for the benefit of the Company solely for the purpose of complying with the minimum company membership requirements.

Save as disclosed above, as at 31 March 2010, none of the Directors had registered an interest or short position in the shares, underlying shares or debentures of the Company or any of its associated corporations that was required to be recorded pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

除上述者外，若干董事純粹為符合公司基本股東數目規定而代本公司持有若干附屬公司之非實益個人股權。

除上文所披露者外，於二零一零年三月三十一日，董事們並無登記擁有根據證券及期貨條例第352條須予登記，或根據標準守則須知會本公司及聯交所之本公司或其任何相聯法團股份、相關股份或債券之權益或淡倉。

REPORT OF THE DIRECTORS

董事會報告

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Apart from as disclosed in the share option scheme disclosures in note 26 to the financial statements, at no time during the year were rights to acquire benefits by means of the acquisition of shares in or debentures of the Company granted to any Director or their respective spouse or minor children, or were any such rights exercised by them; or was the Company or any of its subsidiaries a party to any arrangement to enable the Directors to acquire such rights in any other body corporate.

SHARE OPTION SCHEME

Details of the Company's share option scheme are disclosed in note 26 to the financial statements.

SHARE AWARD SCHEME

A share award scheme (the "Share Award Scheme") was adopted by the board of directors (the "Board") of the Company on 3 June 2010 (the "Adoption Date"). The specific objectives of the Share Award Scheme are to recognise the contributions of certain employees of any member of the Group and to provide them with incentives in order to retain them for the continual operation and development of the Group and to attract suitable personnel for further development of the Group.

The Board may, from time to time, at its sole discretion select any employee (the "Selected Employee") of any member of the Group for participation in the Share Award Scheme and determine the number of awarded shares to be awarded to the Selected Employees by taking into consideration matters including (without limitation) the general financial condition of the Group and the rank and performance of the relevant Selected Employee. The Board is entitled to impose any conditions (including a period of continued service within the Group after the date of the final approval by the Board of the total amount of shares to be awarded to the relevant Selected Employee on a single occasion pursuant to the Share Award Scheme), as it deems appropriate in its absolute discretion with respect to the entitlement of the Selected Employee to the awarded shares.

The Board shall not make any further award of awarded shares which will result in the nominal value of the shares awarded by the Board under the Share Award Scheme exceeding 10% of the issued share capital of the Company from time to time. The maximum number of shares which may be awarded to the Selected Employee under the Share Award Scheme shall not exceed 1% of the issued share capital of the Company from time to time.

董事購買股份或債券之權利

除財務報表附註26所披露有關購股權計劃之資料外，於年內任何時間，各董事或彼等各自之配偶或未成年子女並無獲授或行使任何可藉購入本公司股份或債券而獲益之權利，而本公司或其任何附屬公司亦無參與任何安排，致使董事可購買任何其他法人團體之該等權利。

購股權計劃

本公司購股權計劃之詳情於財務報表附註26中披露。

股份獎勵計劃

本公司董事會（「董事會」）於二零一零年六月三日（「採納日期」）採納一項股份獎勵計劃（「股份獎勵計劃」）。股份獎勵計劃之特定目標為表揚若干本集團任何成員公司之僱員作出之貢獻並給予獎勵，務求挽留該等僱員繼續為本集團之持續營運及發展效力，並吸引合適人員推動本集團之進一步發展。

董事會可不時全權酌情挑選本集團任何成員公司之任何僱員（「選定僱員」）參與股份獎勵計劃，並經考慮包括（但不限於）本集團之整體財政狀況及相關選定僱員之職級及表現等事項後釐定授予選定僱員之獎勵股份數目。董事會可全權酌情在其認為合適之情況下就選定僱員所享有之獎勵股份權利施加任何條件（包括於根據股份獎勵計劃於單一事件情況下董事會決定獎勵相關選定僱員的獎勵金額總額的最終批准日期後繼續為本集團服務之期限）。

倘若進一步授出獎勵股份將使董事會根據股份獎勵計劃授出的股份面值超過本公司不時已發行股本的10%，則不會進一步授出。根據股份獎勵計劃授予選定僱員的股份數目最高不得超過本公司不時已發行股本的1%。

The Share Award Scheme shall terminate on the earlier of the 10th anniversary date of the Adoption Date and such date of early termination as determined by the Board.

Details of the Share Award Scheme are set out in the Company's announcement dated 3 June 2010. No share was granted under the Share Award Scheme for the year ended 31 March 2010.

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS IN SHARES AND UNDERLYING SHARES

As at 31 March 2010, the following interests of 5% or more of the issued share capital and share options of the Company were recorded in the register of interests required to be kept by the Company pursuant to Section 336 of the SFO:

Long positions:

Name 名稱	Capacity and nature of interest 身份及權益性質	Number of ordinary shares held 所持普通股數目	Percentage of the Company's issued share capital 佔本公司已發行股本之百分比
King Strike Limited (Note) King Strike Limited (附註)	Beneficially owned 實益擁有	269,704,752	42.02
DJE Investment S.A.	Investment Manager 投資經理	63,376,000	9.87
Aberdeen Asset Management Plc and its associates Aberdeen Asset Management Plc 及其聯繫人	Investment Manager 投資經理	45,794,000	7.14
Yeo Seng Chong	Investor 投資者	39,488,000	6.15
Lim Mee Hwa	Investor 投資者	39,488,000	6.15

Note: The issued share capital of King Strike Limited is beneficially owned by Mr. Chen Ming-hsiung, Mickey, as to 75.80%, Mdm. Huang Hsiu-duan, Helen as to 22.07% and Mr. Lee Kung, Bobby, as to 2.13%.

股份獎勵計劃須於採納日期第十週年之日或董事會決定提早終止之日期(以較早者為準)終止。

股份獎勵計劃之詳情載於本公司日期為二零一零年六月三日之公佈。截至二零一零年三月三十一日止年度概無根據股份獎勵計劃授出任何股份。

主要股東及其他人士於股份及相關股份所擁有之權益

於二零一零年三月三十一日，按本公司根據證券及期貨條例第336條須存置之權益登記冊所示，擁有本公司已發行股本及購股權5%或以上之人士如下：

好倉：

附註：King Strike Limited之已發行股本由陳敏雄先生實益擁有75.80%，由黃秀端女士實益擁有22.07%及由李鋼先生實益擁有2.13%。

REPORT OF THE DIRECTORS

董事會報告

Save as disclosed above, as at 31 March 2010, no person, other than the directors of the Company, whose interests are set out in the section “Directors’ interests and short positions in shares and underlying shares” above, had registered an interest or short position in the shares or underlying shares of the Company that was required to be recorded pursuant to Section 336 of the SFO.

SUFFICIENCY OF PUBLIC FLOAT

Based on information that is publicly available to the Company and within the knowledge of the Directors, at least 25% of the Company’s total issued share capital was held by the public as at the date of this report.

AUDITORS

Ernst & Young retire and a resolution for their re-appointment as auditors of the Company will be proposed at the forthcoming annual general meeting.

During the year ended 31 March 2008, BDO McCabe Lo Limited (“BDO”) resigned as auditors of the Company and Ernst & Young were appointed by the Directors to fill the casual vacancy so arising. Save as disclosed herein, there has been no other changes of auditors in the past three years.

除上文所披露者外，於二零一零年三月三十一日，除本公司董事（其所持權益載於上文「董事於股份及相關股份所擁有之權益及淡倉」一節）外，並無人士登記擁有根據證券及期貨條例第336條須予登記之本公司股份或相關股份之權益或淡倉。

足夠之公眾持股量

根據本公司可公開取得之資料，以及就董事們所知，於本報告日期，公眾人士持有之本公司已發行股本總數不少於25%。

核數師

安永會計師事務所任滿退任，有關續聘安永會計師事務所為本公司核數師之決議案將於應屆股東週年大會上提呈。

截至二零零八年三月三十一日止年度，德豪嘉信會計師事務所有限公司（「德豪嘉信」）辭任為本公司核數師，而安永會計師事務所獲董事委任，填補該臨時空缺。除於本段所披露外，於過往三年間，核數師之委任並無其他變動。

ON BEHALF OF THE BOARD

代表董事會

Chen Ming-hsiung, Mickey

Chairman

陳敏雄

主席

Hong Kong
19 July 2010

香港
二零一零年七月十九日



To the shareholders of
Kingmaker Footwear Holdings Limited
(Incorporated in Bermuda with limited liability)

We have audited the financial statements of Kingmaker Footwear Holdings Limited set out on pages 57 to 156, which comprise the consolidated and company statements of financial position as at 31 March 2010, and the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

DIRECTORS' RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The directors of the Company are responsible for the preparation and the true and fair presentation of these 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 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.

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on these financial statements based on our audit. Our report is made solely to you, as a body, in accordance with Section 90 of the Bermuda Companies Act 1981, 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 financial statements are free from material misstatement.

致信星鞋業集團有限公司
(於百慕達註冊成立之有限公司)
全體股東

我們已完成審核載於第57頁至156頁信星鞋業集團有限公司之財務報表，財務報表包括於二零一零年三月三十一日之綜合及公司財務狀況表與截至該日止年度之綜合收益表、綜合全面收益表、綜合權益變動表及綜合現金流量表，以及主要會計政策概要及其他附註解釋。

董事就財務報表須承擔之責任

貴公司董事須負責根據香港會計師公會頒佈之香港財務報告準則及按照香港公司條例之披露規定編製及真實而公平地列報財務報表。這責任包括設計、實施及維護與編製及真實而公平地列報財務報表相關之內部監控，以使財務報表不存在由於欺詐或錯誤而導致之重大錯誤陳述；選擇和應用適當之會計政策；及按情況作出合理之會計估計。

核數師之責任

我們之責任是根據我們之審核對該等財務報表作出意見。我們之報告根據百慕達一九八一年公司法第90條僅為整體股東編製，除此之外本報告別無其他目的。我們不會就本報告之內容向任何其他人士負上或承擔任何責任。

我們已根據香港會計師公會頒佈之香港審計準則進行審核。這些準則要求我們遵守道德規範，並規劃及執行審核，以合理確定此等財務報表是否不存有任何重大錯誤陳述。

INDEPENDENT AUDITORS' REPORT (continued)

獨立核數師報告 (續)

AUDITORS' RESPONSIBILITY (continued)

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and true and fair presentation of the 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 financial statements.

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

OPINION

In our opinion, the financial statements give a true and fair view of the state of affairs of the Company and of the Group as at 31 March 2010 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.

Ernst & Young

Certified Public Accountants

18th Floor, Two International Finance Centre

8 Finance Street, Central

Hong Kong

19 July 2010

核數師之責任 (續)

審核涉及執行程序以獲取有關財務報表所載金額及披露資料之審核憑證。所選定之程序取決於核數師之判斷，包括評估由於欺詐或錯誤而導致財務報表存有重大錯誤陳述之風險。在評估該等風險時，核數師考慮與該公司編製及真實而公平地列報財務報表相關之內部監控，以設計適當之審核程序，但並非為對公司之內部監控之效能發表意見。審核亦包括評價董事所採用之會計政策之合適性及所作出之會計估計之合理性，以及評價財務報表之整體列報方式。

我們相信，我們所獲得之審核憑證是充足和適當地為我們之審核意見提供基礎。

意見

我們認為，財務報表已根據香港財務報告準則真實而公平地反映 貴公司及 貴集團於二零一零年三月三十一日之財務狀況及 貴集團截至該日止年度之溢利及現金流量，並已按照香港公司條例之披露規定妥為編製。

安永會計師事務所

執業會計師

香港

中環金融街八號

國際金融中心二期十八樓

二零一零年七月十九日

CONSOLIDATED INCOME STATEMENT

綜合收益表

Year ended 31 March 2010 截至二零一零年三月三十一日止年度

	Notes 附註	2010 HK\$'000 千港元	2009 HK\$'000 千港元
REVENUE 收益	5	1,289,684	1,463,824
Cost of sales 銷售成本		(1,005,329)	(1,269,941)
Gross profit 毛利		284,355	193,883
Other income and gains, net 其他收入及收益淨額	5	11,858	20,268
Distribution and selling costs 分銷及銷售開支		(45,191)	(46,197)
Administrative expenses 行政開支		(116,483)	(107,813)
Finance costs 融資成本	6	(298)	(242)
PROFIT BEFORE TAX 除稅前溢利	7	134,241	59,899
Income tax expense 所得稅開支	10	(29,220)	(6,702)
PROFIT FOR THE YEAR 本年度溢利	11	105,021	53,197
EARNINGS PER SHARE ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY			
本公司權益持有人應佔每股盈利	13		
Basic 基本		HK16.43 cents 港仙	HK8.20 cents 港仙
Diluted 攤薄		HK16.24 cents 港仙	HK8.18 cents 港仙

Details of the dividends are disclosed in note 12 to the financial statements.

股息之詳情於財務報表附註12披露。

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

綜合全面收益表

Year ended 31 March 2010 截至二零一零年三月三十一日止年度

	Note 附註	2010 HK\$'000 千港元	2009 HK\$'000 千港元
PROFIT FOR THE YEAR 本年度溢利		105,021	53,197
OTHER COMPREHENSIVE INCOME 其他全面收益			
Available-for-sale investments: 可供出售投資：			
Changes in fair value 公平值變動		1,809	(1,280)
Realised loss/(gain) transferred to the income statement on disposal of available-for-sale investments 出售可供出售投資時轉撥至收益表之 已變現虧損／(收益)	5	65	(106)
		1,874	(1,386)
Exchange differences on translation of foreign operations 換算海外經營業務之匯兌差額		610	8,238
OTHER COMPREHENSIVE INCOME FOR THE YEAR 本年度其他全面收益		2,484	6,852
TOTAL COMPREHENSIVE INCOME FOR THE YEAR ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY 本公司權益持有人應佔年度全面收益總額		107,505	60,049

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

31 March 2010 於二零一零年三月三十一日

	Notes 附註	2010 HK\$'000 千港元	2009 HK\$'000 千港元
NON-CURRENT ASSETS 非流動資產			
Property, plant and equipment 物業、廠房及設備	14	357,856	370,526
Prepaid land lease payments 預付土地租賃款項	15	76,130	79,229
Investment properties 投資物業	16	6,378	3,712
Deposits paid 預付按金		3,350	4,444
Investments in club memberships 會所會籍投資		988	1,003
Available-for-sale investments 可供出售投資	18	2,185	880
Total non-current assets 非流動資產總額		446,887	459,794
CURRENT ASSETS 流動資產			
Inventories 存貨	19	121,821	110,875
Accounts and bills receivable 應收賬項及票據	20	118,846	84,388
Prepayments, deposits and other receivables 預付款項、按金及其他應收賬項		10,968	10,111
Derivative financial instruments 衍生金融工具	23	1,744	6,080
Tax recoverable 可收回稅項		111	326
Cash and cash equivalents 現金及等同現金項目	21	527,377	412,167
Total current assets 流動資產總額		780,867	623,947
CURRENT LIABILITIES 流動負債			
Accounts and bills payable 應付賬項及票據	22	131,276	111,051
Accrued liabilities and other payables 應計負債及其他應付賬項		107,316	89,609
Tax payable 應付稅項		137,304	110,958
Derivative financial instruments 衍生金融工具	23	152	3,984
Total current liabilities 流動負債總額		376,048	315,602
NET CURRENT ASSETS 流動資產淨值		404,819	308,345
Net assets 資產淨值		851,706	768,139
EQUITY 權益			
Issued share capital 已發行股本	25	64,181	64,099
Reserves 儲備		787,525	704,040
Total equity 權益總額		851,706	768,139

Chen Ming-hsiung, Mickey 陳敏雄
Director 董事

Wong Hei-chiu 黃禧超
Director 董事

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

Year ended 31 March 2010 截至二零一零年三月三十一日止年度

	Issued share capital 已發行股本 HK\$'000 千港元	Share premium account 股份溢價賬 HK\$'000 千港元	Capital redemption reserve 股本贖回儲備 HK\$'000 千港元	Share option reserve 購股權儲備 HK\$'000 千港元	Exchange fluctuation reserve 匯兌波動儲備 HK\$'000 千港元	Available- for-sale investments revaluation reserve 可供出售 投資重估儲備 HK\$'000 千港元	Retained profits 保留溢利 HK\$'000 千港元	Total 合計 HK\$'000 千港元
At 1 April 2008 於二零零八年四月一日	65,355	70,183	203	7,872	46,399	916	547,212	738,140
Final 2008 dividend declared 已宣派之二零零八年度末期股息	-	-	-	-	-	-	(13,021)	(13,021)
Total comprehensive income/(loss) for the year 本年度全面收益/(虧損) 總額	-	-	-	-	8,238	(1,386)	53,197	60,049
Shares repurchased (notes 25 and 27) 購回股份 (附註25及27)	(1,256)	(7,250)	1,256	-	-	-	(1,256)	(8,506)
Interim 2009 dividend (note 12) 二零零九年度中期股息 (附註12)	-	-	-	-	-	-	(9,723)	(9,723)
Recognition of equity-settled share-based payments (note 26) 確認以權益結算以股份支付之 款項 (附註26)	-	-	-	1,200	-	-	-	1,200
At 31 March 2009 and 1 April 2009 於二零零九年三月三十一日及 二零零九年四月一日	64,099	62,933*	1,459*	9,072*	54,637*	(470)*	576,409*	768,139
Final 2009 dividend declared 已宣派之二零零九年度末期股息	-	-	-	-	-	-	(15,974)	(15,974)
Total comprehensive income for the year 本年度全面收益總額	-	-	-	-	610	1,874	105,021	107,505
Shares repurchased (notes 25 and 27) 購回股份 (附註25及27)	(491)	(3,322)	491	-	-	-	(491)	(3,813)
Issue of shares (note 25) 發行股份 (附註25)	573	2,292	-	-	-	-	-	2,865
Interim 2010 dividend (note 12) 二零一零年度中期股息 (附註12)	-	-	-	-	-	-	(10,216)	(10,216)
Recognition of equity-settled share-based payments (note 26) 確認以權益結算以股份支付之 款項 (附註26)	-	-	-	3,200	-	-	-	3,200
At 31 March 2010 於二零一零年三月三十一日	64,181	61,903*	1,950*	12,272*	55,247*	1,404*	654,749*	851,706

* These reserve accounts comprise the consolidated reserves of HK\$787,525,000 (2009: HK\$704,040,000) in the consolidated statement of financial position.

* 該等儲備賬組成綜合財務狀況表之綜合儲備 787,525,000港元 (二零零九年: 704,040,000港元)。

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

Year ended 31 March 2010 截至二零一零年三月三十一日止年度

	Notes 附註	2010 HK\$'000 千港元	2009 HK\$'000 千港元
CASH FLOWS FROM OPERATING ACTIVITIES			
經營業務之現金流量			
Profit before tax 除稅前溢利		134,241	59,899
Adjustments for: 經調整:			
Finance costs 融資成本	6	298	242
Depreciation 折舊	7	43,100	43,158
Amortisation of prepaid land lease payments 攤銷預付土地租賃款項	7	2,130	2,089
Impairment of accounts receivable 應收賬項減值	7	5	-
Provision/(write-back of provision) for inventories 存貨撥備/(撥回撥備)	7	11,696	(1,389)
Loss on disposal of items of property, plant and equipment, net 出售物業、廠房及設備項目虧損淨額	7	1,105	88
Write-off of items of property, plant and equipment 物業、廠房及設備項目撇銷	7	-	521
Write-off of goodwill 商譽撇銷	7	602	-
Amortisation of a club membership 會所會籍攤銷	7	15	14
Fair value loss/(gain) on revaluation of investment properties 重估投資物業之公平值虧損/(收益)	7	(743)	598
Interest income 利息收入	7	(7,533)	(10,237)
Dividend income 股息收入	7	(17)	(573)
Loss/(gain) on disposal of available-for-sale investments 出售可供出售投資之虧損/(收益)	7	65	(106)
Excess over the cost of business combinations 超過業務合併之成本	7	-	(634)
Equity-settled share option expense 以權益結算之購股權開支	7	3,200	1,200
Effect of foreign exchange rate changes 匯率變動之影響		(202)	(2,966)
		187,962	91,904
Decrease/(increase) in inventories 存貨減少/(增加)		(21,148)	28,288
Decrease/(increase) in accounts and bills receivable 應收賬項及票據減少/(增加)		(34,463)	82,524
Decrease/(increase) in prepayments, deposits and other receivables 預付款項、按金及其他應收賬項減少/(增加)		(1,529)	6,167
Decrease in derivative financial assets 衍生財務資產減少		4,336	9,325
Increase/(decrease) in accounts and bills payable 應付賬項及票據增加/(減少)		19,707	(21,780)
Increase/(decrease) in accrued liabilities and other payables 應計負債及其他應付賬項增加/(減少)		15,770	(1,650)
Decrease in derivative financial liabilities 衍生財務負債減少		(3,832)	(9,644)
Cash generated from operations 經營所得現金		166,803	185,134
Interest received 已收利息		7,533	10,237
Interest paid 已付利息		(298)	(242)
Hong Kong profits tax paid 已付香港利得稅		(524)	(256)
Overseas taxes paid 已付海外稅項		(2,135)	(1,604)
Dividends paid 已付股息		(26,190)	(22,744)
Net cash flows from operating activities 經營業務之現金流量淨額		145,189	170,525

CONSOLIDATED STATEMENT OF CASH FLOWS (continued)

綜合現金流量表 (續)

Year ended 31 March 2010 截至二零一零年三月三十一日止年度

	Notes 附註	2010 HK\$'000 千港元	2009 HK\$'000 千港元
CASH FLOWS FROM INVESTING ACTIVITIES			
投資活動之現金流量			
Dividend received 已收股息		17	573
Purchases of items of property, plant and equipment 購置物業、廠房及設備項目	14	(31,234)	(36,338)
Proceeds from disposal of items of property, plant and equipment 出售物業、廠房及設備項目所得款項		106	1,167
Deposit refunded/(paid) for acquisition of a prepaid land lease payment 就收購預付土地租賃款項所退回/(所付) 按金		2,268	(2,268)
Acquisition of prepaid land lease payments 收購預付土地租賃款項		-	(1,320)
Acquisition of subsidiaries 收購附屬公司	28	(761)	(3,500)
Proceeds from disposal of available-for-sale investments 出售可供出售投資之所得款項		504	299
Increase in available-for-sale investments 可供出售投資增加		-	(573)
Decrease/(increase) in a structured deposit 結構性存款減少/(增加)		-	11,700
Increase in time deposits with original maturity of over three months when acquired 購入時原定多於三個月到期之定期存款增加		(116,230)	(112,442)
Net cash flows used in investing activities 投資活動所用現金流量淨額		(145,330)	(142,702)
CASH FLOWS FROM FINANCING ACTIVITIES			
融資活動之現金流量			
Issue of shares 發行股份	25	2,865	-
Repurchase of shares 購回股份	25	(3,813)	(8,506)
New bank loans 新增銀行貸款		34,200	-
Repayment of bank loans 償還銀行貸款		(34,200)	(1,121)
Net cash flows used in financing activities 融資活動所用現金流量淨額		(948)	(9,627)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS			
現金及等同現金項目增加/(減少) 淨額			
Cash and cash equivalents at beginning of year 年初之現金及等同現金項目		211,728	193,180
Effect of foreign exchange rate changes, net 匯率變動之影響淨額		69	352
CASH AND CASH EQUIVALENTS AT END OF YEAR 年終之現金及等同現金項目		210,708	211,728
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS 現金及等同現金項目結餘之分析			
Cash and bank balances 現金及銀行結餘	21	91,755	102,776
Time deposits with original maturity of less than three months 原定少於三個月到期之定期存款	21	118,953	108,952
Cash and cash equivalents as stated in the consolidated statement of cash flows 綜合現金流量表所顯示之現金及等同現金項目		210,708	211,728

STATEMENT OF FINANCIAL POSITION

財務狀況表

31 March 2010 於二零一零年三月三十一日

	Notes 附註	2010 HK\$'000 千港元	2009 HK\$'000 千港元
NON-CURRENT ASSETS 非流動資產			
Investments in subsidiaries 於附屬公司之投資	17	67,190	67,190
CURRENT ASSETS 流動資產			
Due from subsidiaries 應收附屬公司款項	17	842,738	792,019
Other receivables 其他應收款項		3	26
Cash and cash equivalents 現金及等同現金項目	21	18,742	17,030
Total current assets 流動資產總額		861,483	809,075
CURRENT LIABILITIES 流動負債			
Accrued liabilities and other payables 應計負債及其他應付賬項		7,970	2,566
Due to subsidiaries 應付附屬公司款項	17	673,836	640,211
Total current liabilities 流動負債總額		681,806	642,777
NET CURRENT ASSETS 流動資產淨值		179,677	166,298
Net assets 資產淨值		246,867	233,488
EQUITY 權益			
Issued share capital 已發行股本	25	64,181	64,099
Reserves 儲備	27(b)	182,686	169,389
Total equity 權益總額		246,867	233,488

Chen Ming-hsiung, Mickey陳敏雄
Director 董事

Wong Hei-chiu黃禧超
Director 董事

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 March 2010 於二零一零年三月三十一日

1. CORPORATE INFORMATION

Kingmaker Footwear Holdings Limited is a limited liability company incorporated in Bermuda. The registered office of the Company is located at Clarendon House, Church Street, Hamilton HM11, Bermuda.

The principal activity of the Company is investment holding. During the year, the Group was involved in the manufacture, trading and retailing of footwear and menswear.

2.1 BASIS OF PREPARATION

These financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("HKASs") and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants, accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for investment properties, derivative financial instruments and available-for-sale investments, which have been measured at fair value. These financial statements are presented in Hong Kong dollars ("HK\$") and all values are rounded to the nearest thousand except when otherwise indicated.

Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries (collectively referred to as the "Group") for the year ended 31 March 2010. Adjustments are made to bring into line any dissimilar accounting policies that may exist. The results of subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases. All income, expenses and unrealised gains and losses resulting from intercompany transactions and intercompany balances within the Group are eliminated on consolidation.

1. 公司資料

信星鞋業集團有限公司為於百慕達註冊成立之有限責任公司。本公司之註冊辦事處位於 Clarendon House, Church Street, Hamilton HM11, Bermuda。

本公司之主要業務為投資控股。年內，本集團從事製造、買賣及零售鞋類及男裝產品。

2.1 編製基準

財務報表已根據香港會計師公會頒佈之香港財務報告準則（「香港財務報告準則」，其包括所有香港財務報告準則、香港會計準則（「香港會計準則」）及詮釋）、香港普遍採納之會計原則以及香港公司條例之披露規定編製。財務報表乃根據歷史成本法而編製，惟投資物業、衍生金融工具及可供出售投資則按公平值計量。財務報表以港元（「港元」）呈列，除另有註明者外，所有款項已捨入至最接近之千位數。

綜合賬目基準

綜合財務報表包括本公司及其附屬公司（統稱「本集團」）截至二零一零年三月三十一日止年度之財務報表。本集團已作出調整，使任何可能存在之不同會計政策能夠一致。附屬公司之業績乃分別自收購日期（即本集團取得控制權之日）起綜合入賬並繼續綜合入賬至不再擁有控制權止。本集團內各公司間交易所產生之所有收入、開支及未變現收益及虧損及各公司間之結餘均於綜合賬目時對銷。

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財務報表附註

31 March 2010 於二零一零年三月三十一日

2.1 BASIS OF PREPARATION (continued)

Basis of consolidation (continued)

The acquisition of subsidiaries during the year has been accounted for using the purchase method of accounting. This method involves allocating the cost of the business combinations to the fair value of the identifiable assets acquired, and liabilities and contingent liabilities assumed at the date of acquisition. The cost of the acquisition is measured at the aggregate of the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition.

2.2 CHANGES IN ACCOUNTING POLICY AND DISCLOSURES

The Group has adopted the following new and revised HKFRSs for the first time for the current year's financial statements.

HKFRS 1 and HKAS 27 Amendments	Amendments to HKFRS 1 <i>First-time Adoption of HKFRSs</i> and HKAS 27 <i>Consolidated and Separate Financial Statements – Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate</i>
HKFRS 2 Amendments	Amendments to HKFRS 2 <i>Share-based Payment – Vesting Conditions and Cancellations</i>
HKFRS 7 Amendments	Amendments to HKFRS 7 <i>Financial Instruments: Disclosures – Improving Disclosures about Financial Instruments</i>
HKFRS 8	<i>Operating Segments</i>
HKAS 1 (Revised)	<i>Presentation of Financial Statements</i>
HKAS 18 Amendment*	Amendment to Appendix to HKAS 18 <i>Revenue – Determining whether an entity is acting as a principal or as an agent</i>

2.1 編製基準 (續)

綜合賬目基準 (續)

年內收購之附屬公司已以收購會計法入賬。此會計法涉及將業務合併成本分配至於收購日期所收購之可識別資產及所承擔之負債及或然負債之公平值。收購成本按交易日所賦予資產、所發行股本工具及所產生或承擔之負債之合計公平值，加上收購直接應佔之成本計量。

2.2 會計政策及披露之變更

本集團於本年度財務報表首次採納以下新訂及經修訂之香港財務報告準則。

香港財務報告準則 第1號及香港會計 準則第27號 (修訂)	香港財務報告準則第1號 首次採納香港財務報 告準則及香港會計準 則第27號綜合及獨立 財務報表 – 投資附屬 公司、共同控制實體 或聯營公司之成本之 修訂
香港財務報告準則 第2號 (修訂)	香港財務報告準則第2號 以股份支付 – 歸屬條 件及註銷之修訂
香港財務報告準則 第7號 (修訂)	香港財務報告準則第7號 金融工具：披露 – 金 融工具相關披露之改 進之修訂
香港財務報告準則 第8號	營運分部
香港會計準則 第1號 (經修訂)	財務報表之呈列
香港會計準則 第18號 (修訂)*	香港會計準則第18號附 錄收益 – 釐定一間實 體為委托人或代理之 修訂

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2.2 CHANGES IN ACCOUNTING POLICY AND DISCLOSURES (continued)

HKAS 23 (Revised)	<i>Borrowing Costs</i>
HKAS 32 and HKAS 1 Amendments	Amendments to HKAS 32 <i>Financial Instruments: Presentation</i> and HKAS 1 <i>Presentation of Financial Statements – Puttable Financial Instruments and Obligations Arising on Liquidation</i>
HK(IFRIC)-Int 9 and HKAS 39 Amendments	Amendments to HK(IFRIC)-Int 9 <i>Reassessment of Embedded Derivatives</i> and HKAS 39 <i>Financial Instruments: Recognition and Measurement – Embedded Derivatives</i>
HK(IFRIC)-Int 13	<i>Customer Loyalty Programmes</i>
HK(IFRIC)-Int 15	<i>Agreements for the Construction of Real Estate</i>
HK(IFRIC)-Int 16	<i>Hedges of a Net Investment in a Foreign Operation</i>
HK(IFRIC)-Int 18	<i>Transfers of Assets from Customers</i> (adopted from 1 July 2009)
Improvements to HKFRSs (October 2008)**	Amendments to a number of HKFRSs

* Included in *Improvements to HKFRSs 2009* (as issued in May 2009).

** The Group adopted all the improvements to HKFRSs issued in October 2008 except for the amendments to HKFRS 5 *Non-current Assets Held for Sale and Discontinued Operations – Plan to sell the controlling interest in a subsidiary*, which is effective for accounting period beginning on 1 April 2010.

Other than as further explained below regarding the impact of HKAS 1 (Revised), the HKFRS 7 Amendments and HKFRS 8, the adoption of these new and revised HKFRSs has had no significant financial effect on these financial statements and there have been no significant changes to the accounting policies applied in these financial statements.

2.2 會計政策及披露之變更 (續)

香港會計準則 第23號(經修訂)	借貸成本
香港會計準則 第32號及 香港會計準則 第1號(修訂)	會計準則第32號金融工具：呈列及香港會計準則第1號財務報表之呈列 – 可售回金融工具及清盤產生之責任之修訂
香港(國際財務報告 詮釋委員會) – 詮釋第9號 及香港會計準則 第39號(修訂)	香港(國際財務報告詮釋委員會) – 詮釋第9號重估嵌入式衍生工具及香港會計準則第39號金融工具：確認及計量 – 嵌入式衍生工具之修訂
香港(國際財務報告 詮釋委員會) – 詮釋第13號	客戶忠誠計劃
香港(國際財務報告 詮釋委員會) – 詮釋第15號	房地產建築協議
香港(國際財務報告 詮釋委員會) – 詮釋第16號	國外業務投資淨額之對沖
香港(國際財務報告 詮釋委員會) – 詮釋第18號	從客戶轉移資產(於二零零九年七月一日起採納)
香港財務報告準則 之改進 (二零零八年十月)**	若干香港財務報告準則之修訂

* 包括於香港財務報告準則二零零九年之改進(於二零零九年五月發佈)。

** 本集團採納於二零零八年十月發佈之香港財務報告準則之全部改進，惟於二零一零年四月一日起之會計期間生效之香港財務報告準則第5號持有作銷售及非持續業務之非流動資產 – 計劃銷售一間附屬公司之控制權益之修訂除外。

除以下有關香港會計準則第1號(經修訂)、香港財務報告準則第7號(修訂)及香港財務報告準則第8號之影響之進一步解釋外，採納此等新訂及經修訂香港財務報告準則並無對此等財務報表構成重大財務影響，及並無對此等財務報表所應用之會計政策造成重大變動。

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2.2 CHANGES IN ACCOUNTING POLICY AND DISCLOSURES (continued)

HKAS 1 (Revised) introduces changes in the presentation and disclosures of financial statements. The revised standard separate owner and non-owner changes in equity. The statement of changes in equity includes only details of transactions with owners, with all non-owner changes in equity presented as a single line. In addition, this standard introduces the statement of comprehensive income, with all items of income and expense recognised in profit or loss, together with all other items of recognised income and expense recognised directly in equity, either in one single statement, or in two linked statements. The Group has elected to present two statements.

The HKFRS 7 Amendments require additional disclosures about fair value measurement and liquidity risk. Fair value measurements related to items recorded at fair value are to be disclosed by sources of inputs using a three-level fair value hierarchy, by class, for all financial instruments recognised at fair value. In addition, a reconciliation between the beginning and ending balance is now required for level 3 fair value measurements, as well as significant transfers between levels in the fair value hierarchy. The fair value measurement disclosures are presented in note 34 to the financial statements.

HKFRS 8, which replaces HKAS 14 *Segment Reporting*, specifies how an entity should report information about its operating segments, based on information about the components of the entity that is available to the chief operating decision maker for the purposes of allocating resources to the segments and assessing their performance. The standard also requires the disclosure of information about the products and services provided by the segments, the geographical areas in which the Group operates, and revenue from the Group's major customers. The Group concluded that the operating segments determined in accordance with HKFRS 8 are the same as the business segments previously identified under HKAS 14. These revised disclosures, including the related revised comparative information, are shown in note 4 to the financial statements.

2.2 會計政策及披露之變更 (續)

香港會計準則第1號(經修訂)加入數項與呈報及披露財務報表有關之變動。該經修訂準則區分擁有人及非擁有人之權益變動。權益變動表僅包括與擁有人進行之交易詳情，而所有非擁有人權益變動將獨立呈報。此外，該準則引入全面收益表，可選擇於單一報表或兩份相連報表中呈報於損益已確認之所有收支項目，連同所有其他直接於權益確認之已確認收支項目。本集團選擇呈列兩份報表。

香港財務報告準則第7號之修訂要求對公平值計量及流動資金風險作出額外披露。對於按公平值入賬的項目，公平值計量乃透過為各類以公平值確認之金融工具設置三層公平值等級架構輸入參數進行披露。此外，目前規定須對第3層公平值計量的期初與期末結餘，以及各層之間公平值計量之重大轉移進行對賬。公平值計量披露於財務報表附註34呈報。

香港財務報告準則第8號取代香港會計準則第14號*分類報告*，具體說明一家實體應如何呈報有關其營運分類的資料，並以實體主要營運決策人可用作分配資源到有關分類及評估其表現之實體組成部分資料為依據。該準則亦規定，披露分類內所提供產品及服務的資料、本集團經營所在地區及來自本集團主要客戶的收入。本集團確定根據香港財務報告準則第8號所釐定之營運分類乃與之前根據香港會計準則第14號所釐定之業務分類相同。該等經修訂之披露以及有關經修訂後的比較資料，乃載於財務報表附註4。

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2.3 ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS

The Group has not applied the following new and revised HKFRSs, which have been issued but are not yet effective, in these financial statements.

HKFRS 1 (Revised)	<i>First-time Adoption of Hong Kong Financial Reporting Standards</i> ¹
HKFRS 1 Amendments	<i>Amendments to HKFRS 1 First-time Adoption of Hong Kong Financial Reporting Standards – Additional Exemptions for First-time Adopters</i> ¹
HKFRS 1 Amendment	<i>Amendment to HKFRS 1 First-time Adoption of Hong Kong Financial Reporting Standards – Limited Exemption from Comparative HKFRS 7 Disclosures for First-time Adopters</i> ²
HKFRS 2 Amendments	<i>Amendments to HKFRS 2 Share-based Payment – Group Cash-settled Share-based Payment Transactions</i> ¹
HKFRS 3 (Revised)	<i>Business Combinations</i> ¹
HKFRS 9	<i>Financial Instruments</i> ³
HKAS 24 (Revised)	<i>Related Party Disclosures</i> ²
HKAS 27 (Revised)	<i>Consolidated and Separate Financial Statements</i> ¹
HKAS 32 Amendment	<i>Amendment to HKAS 32 Financial Instruments: Presentation – Classification of Rights Issues</i> ¹
HKAS 39 Amendment	<i>Amendment to HKAS 39 Financial Instruments: Recognition and Measurement – Eligible Hedged Items</i> ¹

2.3 已頒佈但未生效之香港財務報告準則

本集團並未在財務報表應用下列已頒佈但尚未生效的新頒佈及經修訂香港財務報告準則。

香港財務報告準則 第1號(經修訂)	首次採納香港財務報告準則 ¹
香港財務報告準則 第1號(修訂)	修訂香港財務報告準則第1號首次採納香港財務報告準則 – 首次採納者的額外豁免 ¹
香港財務報告準則 第1號(修訂)	修訂香港財務報告準則第1號首次採納香港財務報告準則 – 香港財務報告準則第7號首次採納者披露比較數字之有限度豁免 ²
香港財務報告準則 第2號(修訂)	修訂香港財務報告準則第2號以股份支付 – 集團以現金結算以股份為基礎的付款交易 ¹
香港財務報告準則 第3號(經修訂)	業務合併 ¹
香港財務報告準則 第9號	金融工具 ³
香港會計準則 第24號(經修訂)	關連人士披露 ²
香港會計準則 第27號(經修訂)	綜合及獨立財務報表 ¹
香港會計準則 第32號(修訂)	修訂香港會計準則第32號金融工具：呈列 – 供股的分類 ¹
香港會計準則 第39號(修訂)	修訂香港會計準則第39號金融工具：確認及計量 – 合資格對沖項目 ¹

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2.3 ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS (continued)

HK(IFRIC)-Int 14 Amendments	Amendments to HK(IFRIC)-Int 14 <i>Prepayments of a Minimum Funding Requirement</i> ²
HK(IFRIC)-Int 17	<i>Distributions of Non-cash Assets to Owners</i> ¹
HK(IFRIC)-Int 19	<i>Extinguishing Financial Liabilities with Equity Instruments</i> ²
Amendments to HKFRS 5 included in <i>Improvements to HKFRSs</i> issued in October 2008	Amendments to HKFRS 5 <i>Non-current Assets Held for Sale and Discontinued Operations – Plan to sell the controlling interest in a subsidiary</i> ¹
HK Interpretation 4 (Revised in December 2009)	<i>Leases – Determination of the Length of Lease Term in respect of Hong Kong Land Leases</i> ¹

Apart from the above, the HKICPA has issued *Improvements to HKFRSs 2009* which sets out amendments to a number of HKFRSs primarily with a view to removing inconsistencies and clarifying wording. The amendments to HKFRS 2, HKFRS 5, HKFRS 8, HKAS 1, HKAS 7, HKAS 17, HKAS 36, HKAS 39, HK(IFRIC)-Int 9 and HK(IFRIC)-Int 16 are effective for the Group's accounting period beginning on 1 April 2010 although there are separate transitional provisions for each standard or interpretation.

The amendments to HKFRS 3 and transition requirements for amendments arising as a result of HKFRS 1, HKFRS 7, HKAS 1, HKAS 27, HKAS 34 and HK(IFRIC)-Int 13 are effective for the Company's accounting period beginning on 1 April 2011.

2.3 已頒佈但未生效之香港財務報告準則 (續)

香港 (國際財務報告詮釋委員會) – 詮釋第14號 (修訂)	修訂香港 (國際財務報告詮釋委員會) – 詮釋第14號預付最低資金需求 ²
香港 (國際財務報告詮釋委員會) – 詮釋第17號	向擁有人分派非現金資產 ¹
香港 (國際財務報告詮釋委員會) – 詮釋第19號	以股本工具抵銷金融負債 ²
於二零零八年十月發佈之香港財務報告準則之改進中香港財務報告準則第5號之修訂	修訂香港財務報告準則第5號持有作銷售及非持續業務之非流動資產 – 計劃銷售一間附屬公司之控制權益 ¹
香港詮釋第4號 (於二零零九年十二月經修訂)	租賃 – 就香港土地租賃釐定租賃期限 ¹

除上述者外，香港會計師公會亦已頒佈二零零九年香港財務報告準則之改進，其載有對一系列香港財務報告準則之修訂，主要刪除不一致性及釐清用字。香港財務報告準則第2號、香港財務報告準則第5號、香港財務報告準則第8號、香港會計準則第1號、香港會計準則第7號、香港會計準則第17號、香港會計準則第36號、香港會計準則第39號、香港 (國際財務報告準則詮釋委員會) – 詮釋第9號及香港 (國際財務報告準則詮釋委員會) – 詮釋第16號之修訂於二零一零年四月一日開始之本集團會計期間生效 (儘管各項準則或詮釋均有個別過渡性條文)。

對香港財務報告準則第3號作出之修訂及因香港財務報告準則第1號、香港財務報告準則第7號、香港會計準則第1號、香港會計準則第27號、香港會計準則第34號及香港 (國際財務報告準則詮釋委員會) – 詮釋第13號之修訂之過渡規定於二零一一年四月一日或之後開始之本公司會計期間生效。

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財務報表附註

31 March 2010 於二零一零年三月三十一日

2.3 ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS (continued)

In addition, the HKICPA has issued Improvements to HKFRSs 2010 which sets out a collection of amendments to HKFRSs in response to the International Accounting Standards Board's accounting improvements project. HKFRS 1 (Revised), HKFRS 3 (Revised), HKFRS 7, HKAS 1, HKAS 34 and HK(IFRIC)-Int 13 are effective for the Group's accounting period beginning on 1 April 2010 although there are separate transitional provisions for each standard or interpretation.

- ¹ Effective for accounting period beginning on 1 April 2010
- ² Effective for accounting period beginning on 1 April 2011
- ³ Effective for accounting period beginning on 1 April 2013

The Group is in the process of making an assessment of the impact of these new and revised HKFRSs upon initial application. So far, the Group considers that except for the adoption of HKAS 24 (Revised) may result in new or amended disclosures; the adoption of HKFRS 3 (Revised) and HKAS 27 (Revised) may result in changes in accounting policies; and the adoption of HKFRS 9 may result in new or amended disclosures and changes in accounting policies; these new and revised HKFRSs are unlikely to have a significant impact on the Group's results of operations and financial position.

2.3 已頒佈但未生效之香港財務報告 準則 (續)

此外，香港會計師公會已頒佈二零一零年香港財務報告準則之改進，其載有因應國際會計標準委員會之會計改進項目對一系列香港財務報告準則之修訂。香港財務報告準則第1號（經修訂）、香港財務報告準則第3號（經修訂）、香港財務報告準則第7號、香港會計準則第1號、香港會計準則第34號及香港（國際財務報告準則詮釋委員會）— 詮釋第13號於二零一零年四月一日開始之本集團會計期間生效（儘管各項準則或詮釋均有個別過渡性條文）。

- ¹ 於二零一零年四月一日開始會計期間生效
- ² 於二零一一年四月一日開始會計期間生效
- ³ 於二零一三年四月一日開始會計期間生效

本集團正在評估該等新訂及經修訂香港財務報告準則對首次應用期間的影響。至今，本集團認為，除採納香港會計準則第24號（經修訂）可引致新訂或經修訂披露、採納香港財務報告準則第3號（經修訂）及香港會計準則第27號（經修訂）可引致會計準則變動，及採納香港財務報告準則第9號可引致新訂或經修訂披露及會計準則變動外，該等新訂及經修訂香港財務報告準則應不會對本集團的經營業績和財務狀況造成重大影響。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Subsidiaries

A subsidiary is an entity whose financial and operating policies the Company controls, directly or indirectly, so as to obtain benefits from its activities.

The results of subsidiaries are included in the Company's income statement to the extent of dividends received and receivable. The Company's investments in subsidiaries are stated at cost less any impairment losses.

Impairment of non-financial assets other than goodwill

Where an indication of impairment exists, or when annual impairment testing for an asset is required (other than inventories, financial assets, investment properties and goodwill), the asset's recoverable amount is estimated. An asset's recoverable amount is the higher of the asset's or cash-generating unit's value in use and its fair value less costs to sell, and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case the recoverable amount is determined for the cash-generating unit to which the asset belongs.

An impairment loss is recognised only if the carrying amount of an asset exceeds its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. An impairment loss is charged to the income statement in the period in which it arises.

2.4 重大會計政策概要

附屬公司

附屬公司乃指本公司直接或間接控制其財務及經營政策以從其業務中獲取利益之實體。

附屬公司之業績按已收及應收股息計入本公司之收益表。本公司於附屬公司之投資按成本減任何減值虧損列賬。

非財務資產減值（商譽除外）

倘若出現任何減值跡象，或當有需要為資產（不包括存貨、財務資產、投資物業及商譽）進行每年減值測試，則會估計資產的可回收金額。除非某類資產產生之現金流量不能獨立於其他資產或多項資產所產生之現金流量（在此情況下，可回收金額按資產所屬之現金產生單位釐定），否則資產的可回收金額按資產或現金產生單位的使用價值與其公平值減銷售成本售價淨額較高者計算，並按個別資產釐定。

當資產的賬面值超過可回收金額時，減值虧損方予確認。評估使用價值時是以除稅前之折扣率計算預計未來之現金流量的現值，而該折扣率反映當時市場對金錢價值之評估及該項資產的特有風險。減值虧損於所產生期間計入收益表。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Impairment of non-financial assets other than goodwill (continued)

An assessment is made at the end of each reporting period as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such an indication exists, the recoverable amount is estimated. A previously recognised impairment loss of an asset other than goodwill is reversed only if there has been a change in the estimates used to determine the recoverable amount of that asset, but not to an amount higher than the carrying amount that would have been determined (net of any depreciation/amortisation) had no impairment loss been recognised for the asset in prior years. A reversal of such an impairment loss is credited to the income statement in the period in which it arises.

Goodwill

Goodwill arising on the acquisition of subsidiaries represents the excess of the cost of the business combination over the Group's interest in the net fair value of the acquirees' identifiable assets acquired, and liabilities and contingent liabilities assumed as at the date of acquisition.

Goodwill arising on acquisition is recognised in the consolidated statement of financial position as an asset, initially measured at cost and subsequently at cost less any accumulated impairment losses.

The carrying amount of goodwill is reviewed for impairment annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units, or groups of cash-generating units, that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the Group are assigned to those units or groups of units.

2.4 重大會計政策概要 (續)

非財務資產減值 (商譽除外) (續)

於各報告期末，將評定是否有跡象顯示之前確認之減值虧損不再存在或減少。倘出現該等跡象，則會估計可收回金額。先前確認之資產 (商譽除外) 減值虧損，只會在用以釐定可收回金額之估計有所改變時撥回，惟撥回之金額不得超過該項資產倘於以往年度未獲確認減值虧損而釐定之賬面值 (經扣除任何折舊／攤銷)。所撥回之減值虧損，乃於撥回期間計入收益表。

商譽

收購附屬公司產生的商譽，乃指業務合併成本超逾本集團於收購當日所購入被收購者可辨別資產及所承擔負債與或然負債之公平淨值之餘額。

收購產生之商譽於綜合財務狀況表內確認為資產，初步按成本計量，其後則按成本減任何累計減值虧損計量。

商譽之賬面值每年進行減值檢討，或如發生某些事件或情況變化顯示可能出現賬面減值，則會更頻密地進行減值檢討。為進行減值測試，因業務合併而購入之商譽自購入之日起分配至預期可從合併產生之協同效益中獲益之本集團各個現金產生單位或現金產生單位組別，而無論本集團資產或負債是否已分配予該等單位或單位組別。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Goodwill (continued)

Impairment is determined by assessing the recoverable amount of the cash-generating unit (group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash-generating unit (group of cash-generating units) is less than the carrying amount, an impairment loss is recognised. An impairment loss recognised for goodwill is not reversed in a subsequent period.

Where goodwill forms part of a cash-generating unit (group of cash-generating units) and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed of in this circumstance is measured based on the relative values of the operation disposed of and the portion of the cash-generating unit retained.

Excess over the cost of business combinations

Any excess of the Group's interest in the net fair value of the acquirees' identifiable assets, liabilities and contingent liabilities over the cost of acquisition of subsidiaries (previously referred to as negative goodwill), after reassessment, is recognised immediately in the income statement.

2.4 重大會計政策概要 (續)

商譽 (續)

減值乃通過評估與商譽有關之現金產生單位 (或現金產生單位組別) 之可收回金額釐定。凡現金產生單位 (或現金產生單位組別) 之可收回金額低於賬面值，即確認減值虧損。就商譽確認之減值虧損不會於往後期間回撥。

倘商譽構成現金產生單位 (或現金產生單位組別) 之部份而該單位之部份業務已出售，則在釐定所出售業務之損益時，與所出售業務相關之商譽計入該業務賬面值。在這種情況下出售之商譽根據所出售業務之相對價值和現金產生單位之保留份額進行計量。

超過業務合併之成本

本集團於被收購方可辨認資產、負債及或然負債之公平淨值之權益超過收購附屬公司之成本之任何數額 (以前稱為負商譽)，乃於重新評估後立即在收益表中確認。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Property, plant and equipment and depreciation

Property, plant and equipment, other than construction in progress, are stated at cost less accumulated depreciation and any impairment losses. The cost of an item of property, plant and equipment comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use. Expenditure incurred after items of property, plant and equipment have been put into operation, such as repairs and maintenance, is normally charged to the income statement in the period in which it is incurred. In situations where the recognition criteria are satisfied, the expenditure for a major inspection is capitalised in the carrying amount of the asset or as a replacement. Where significant parts of property, plant and equipment are required to be replaced at intervals, the Group recognises such parts as individual assets with specific useful lives and depreciation.

Depreciation is calculated on the straight-line basis to write off the cost of each item of property, plant and equipment to its residual value over its estimated useful life. The principal annual rates used for this purpose are as follows:

Freehold land	Not depreciated
Buildings	5%
Leasehold improvements	Over the shorter of the lease terms and 10% to 25%
Machinery, furniture, equipment and motor vehicles	10% to 25%

Where parts of an item of property, plant and equipment have different useful lives, the cost of that item is allocated on a reasonable basis among the parts and each part is depreciated separately.

Residual values, useful lives and the depreciation method are reviewed, and adjusted if appropriate, at least at each financial year end.

2.4 重大會計政策概要 (續)

物業、廠房及設備及折舊

物業、廠房及設備(在建工程除外)乃按成本值減累計折舊和任何減值虧損列賬。物業、廠房及設備項目之成本值,包括其購買價及使該項資產達至現時營運狀態和地點以用於其擬定用途之任何直接應佔成本。物業、廠房及設備項目於運作後所產生之支出,包括維修及保養費乃於產生時計入該期間之收益表內。如符合確認條件,則有關主要查驗之支出乃於資產之賬面值中資本化為重置。倘物業、廠房及設備之重要部分須不時重置,則本集團將確認該等部分為擁有特定使用年期及折舊之個別資產。

折舊乃採用直線法於每項物業、廠房及設備項目估計可使用年限內將其成本或估值撇銷至其剩餘價值。為此目的所使用的主要年率如下:

永久業權土地	不計算折舊
樓宇	5%
租賃物業裝修	按租期及10%至25% (以較短者為準)
機器、傢具、設備及汽車	10%至25%

當一項物業、廠房及設備項目的各部份有不同的可使用年期,該項目各部份的成本按合理基礎分配,而每部份將作個別折舊。

剩餘價值、可使用年期和折舊方法至少於各財政年度末進行檢討和修正(如適合)。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Property, plant and equipment and depreciation (continued)

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on disposal or retirement recognised in the income statement in the year the asset is derecognised is the difference between the net sales proceeds and the carrying amount of the relevant asset.

Construction in progress represents the costs incurred in connection with the construction of property, plant and equipment less any impairment losses, and is not depreciated. Cost comprises the direct costs of construction during the period of construction. Construction in progress is reclassified to the appropriate category of property, plant and equipment when completed and ready for use.

Investments in club memberships

The useful lives of club memberships are assessed to be either finite or indefinite. Club memberships with finite lives are subsequently amortised over the useful economic life and assessed for impairment whenever there is an indication that the club memberships may be impaired. The amortisation period and the amortisation method for club memberships with a finite useful life are reviewed at least at each financial year end.

Club memberships with indefinite useful lives are tested for impairment annually either individually or at the cash-generating unit level. Such club memberships are not amortised. The useful life of a club membership with an indefinite life is reviewed annually to determine whether indefinite life assessment continues to be supportable. If not, the change in the useful life assessment from indefinite to finite is accounted for on a prospective basis.

2.4 重大會計政策概要 (續)

物業、廠房及設備及折舊 (續)

一項物業、廠房和設備項目或初步獲確認的任何重要部分當出售或估計經其使用或出售而不再有經濟效益時，將被取消確認。於年度被取消確認的資產因其出售或報廢並在收益表被確認的任何收益或虧損乃有關資產的賬面值與淨銷售收入的差額。

在建工程指興建物業、廠房和設備產生之相關成本扣除任何減值虧損，且不會予以折舊。成本包括建築期間之直接建築成本。在建工程於完工並投入使用後重新列入物業、廠房、設備之適當類別。

會所會籍投資

會所會籍之可使用年期評估為有限或無限。年期有限之會所會籍其後於可使用年期內攤銷，並評估是否有跡象顯示會所會籍可能出現減值。可使用年期有限之會所會籍之攤銷年期及攤銷方法至少於各財政年度末檢討一次。

無限可使用年期之會所會籍於每年按個別或於現金產生單位作減值測試。該等會所會籍不予攤銷。具無限年期之會所會籍之可使用年期於每年作評估，以釐定無限可使用年期之評估是否持續可靠。如不可靠，則可使用年期之評估自此由按無限年期更改為有限年期計量。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investment properties

Investment properties are interests in land and buildings held to earn rental income and/or for capital appreciation, rather than for use in the production or supply of goods or services or for administrative purposes; or for sale in the ordinary course of business. Such properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at fair value, which reflects market conditions at the end of the reporting period.

Gains or losses arising from changes in the fair values of investment properties are included in the income statement in the year in which they arise.

Any gains or losses on the retirement or disposal of an investment property are recognised in the income statement in the year of the retirement or disposal.

For a transfer from investment properties to owner-occupied properties, the deemed cost of property for subsequent accounting is its fair value at the date of change in use. If a property occupied by the Group as an owner-occupied property becomes an investment property, the Group accounts for such property in accordance with the policy stated under "Property, plant and equipment and depreciation" up to the date of change in use, and any difference at that date between the carrying amount and the fair value of the property is dealt with as movements in the asset revaluation reserve.

2.4 重大會計政策概要 (續)

投資物業

投資物業是以獲得租賃收入及／或資本增值為目的，而非以生產、提供產品、服務、行政或普通業務目的而持作銷售之土地和樓宇之權益。該等投資物業初始時按成本（包括所支付的交易成本）計量。於初始確認後，該等投資物業於報告期末以反映市況之公平值於資產負債表中列賬。

投資物業公平值的改變產生之收益或虧損於當年之收益表中列賬。

任何投資物業被棄用或出售產生之收益或虧損於當年之收益表中確認。

倘投資物業轉撥為自置物業，進行後續會計處理之物業推定成本為其改變用途之日的公平值。倘本集團所佔用之自置物業變為投資物業，則按上文「物業、廠房及設備及折舊」所述政策將截至改變用途當日之相關物業入賬，而該日相關物業賬面值與公平值之差額將根據上文「物業、廠房及設備及折舊」所述政策於資產重估儲備變動中處理。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investments and other financial assets

Initial recognition and measurement

Financial assets within the scope of HKAS 39 are classified as financial assets at fair value through profit or loss, loans and receivables and available-for-sale financial assets, as appropriate. The Group determines the classification of its financial assets at initial recognition. When financial assets are recognised initially, they are measured at fair value, plus, in the case of investments not at fair value through profit or loss, directly attributable transaction costs.

All regular way purchases and sales of financial assets are recognised on the trade date, that is, the date that the Group commits to purchase or sell the asset. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace.

The Group's financial assets include cash and cash equivalents, accounts and bills receivable, other receivables, available-for-sale investments and derivative financial instruments.

Subsequent measurement

The subsequent measurement of financial assets depends on their classification as follows:

2.4 重大會計政策概要 (續)

投資及其他財務資產

初步確認及計量

屬香港會計準則第39號範圍之財務資產乃分類為透過損益以公平值列賬之財務資產、貸款及應收款項，以及可供出售財務資產（視情況而定）。本集團於初步確認時釐定其財務資產分類。財務資產於初步確認時以公平值計算，而並非透過損益以公平值列賬之投資，則按直接應佔交易成本計算。

所有一般買賣之財務資產概於交易日（即本集團承諾購買或出售該資產之日期）予以確認。一般買賣乃指按照一般市場規定或慣例在一定期間內交付資產之財務資產買賣。

本集團之財務資產包括現金及等同現金項目、應收賬項及票據、其他應收賬項、可供出售投資及衍生金融工具。

其後計量

財務資產按分類之其後計量如下：

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investments and other financial assets (continued)

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held for trading. Financial assets are classified as held for trading if they are acquired for the purpose of sale in the near term. This category includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by HKAS 39. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with changes in fair value recognised in the income statement. These net fair value changes do not include any dividends interest earned on these financial assets, which are recognised in accordance with the policy set out for “Revenue recognition” below.

The Group evaluates its financial assets at fair value through profit or loss (held for trading) to assess whether the intent to sell them in the near term is still appropriate. When the Group is unable to trade these financial assets due to inactive markets and management’s intent to sell them in the foreseeable future significantly changes, the Group may elect to reclassify these financial assets in rare circumstances. The reclassification from financial assets at fair value through profit or loss to loans and receivables or available-for-sale financial assets depends on the nature of the assets.

Derivatives embedded in host contracts are accounted for as separate derivatives and recorded at fair value if their economic characteristics and risks are not closely related to those of the host contracts and the host contracts are not held for trading or designated at fair value through profit or loss. These embedded derivatives are measured at fair value with changes in fair value recognised in the income statement. Reassessment only occurs if there is a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required.

2.4 重大會計政策概要 (續)

投資及其他財務資產 (續)

透過損益以公平值列賬之財務資產

透過損益以公平值列賬之財務資產包括持作買賣之財務資產。財務資產如以短期賣出為目的而購買，則指定為持作買賣之財務資產。該類別包括並無指定為香港會計準則第39號所定義對沖工具之本集團衍生金融工具。包括個別嵌入式衍生工具在內之衍生工具亦分類為持作買賣，除非其已被指定為有效對沖工具或財務擔保合約。該等公平值變動淨額並不包括任何於該等財務資產賺取之股息，該等股息根據下文「收益確認」所載之政策確認。

本集團評估透過損益按公平值計算之財務資產（持作交易）以確定是否仍適宜於短期內出售。倘本集團因市場不活躍或管理層於可見未來之出售計劃有重大變動而無法買賣該等財務資產，在罕有情況下，本集團可能選擇將該等財務資產重新分類。將透過損益按公平值計算之財務資產重新分類為貸款及應收賬項或可出售財務資產乃視乎資產性質而定。

倘主合約之嵌入式衍生工具之經濟特性及風險並非與主合約密切相關及主合約並非持作交易用途或指定按公平值於收益表列賬，主合約之嵌入式衍生工具乃入賬列作獨立衍生工具並按公平值入賬。該等嵌入式衍生工具乃按公平值計量，而公平值之變動於收益表確認。倘合約條款有所變動而導致合約項下所須現金流量有重大修改，方會進行重新評估。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investments and other 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. After initial measurement, such assets are subsequently measured at amortised cost using the effective interest rate method less any allowance for impairment. Amortised cost is calculated taking into account any discount or premium on acquisition and includes fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included in the income statement. The loss arising from impairment is recognised in the income statement in administrative expenses.

Available-for-sale financial investments

Available-for-sale financial investments are non-derivative financial assets in listed equity securities. Equity investments classified as available for sale are those which are neither classified as held for trading nor designated at fair value through profit or loss.

After initial recognition, available-for-sale financial investments are subsequently measured at fair value, with unrealised gains or losses recognised as other comprehensive income in the available-for-sale investment valuation reserve until the investment is derecognised, at which time the cumulative gain or loss is recognised in the income statement in other income, or until the investment is determined to be impaired, at which time the cumulative gain or loss is recognised in the income statement in other operating expenses and removed from the available-for-sale investment valuation reserve. Dividends earned are reported as dividend income and are recognised in the income statement as other income in accordance with the policy set out for "Revenue recognition" below.

2.4 重大會計政策概要 (續)

投資及其他財務資產 (續)

貸款及應收款項

貸款及應收款項為具有固定或可確定付款，但在活躍市場中無報價之非衍生性質之財務資產。初步計量後，該等資產其後運用實際利率方法計算攤銷成本減去任何減值撥備列賬。攤銷成本考慮到收購之任何折讓或溢價後計算，並包括屬於實際利率及交易成本組成部分之費用。實際利率之攤銷將計入收益表。減值所產生之虧損於收益表之行政開支項下確認。

可供出售財務投資

可供出售財務投資指上市股本之非衍生財務資產。分類為可供出售股本投資指既未分類為持作買賣亦未指定按損益釐定公平值之投資。

在初始確認後，可供出售財務投資其後按公平值計量，未變現收益或虧損於可供出售投資估值儲備中確認為其他全面收益，直至該投資終止確認，此時累計收益或虧損於收益表確認，或直至該投資釐定為減值，此時累計收益或虧損於收益表之其他營運開支項下確認並自可供出售投資估值儲備中剔除。股息收入應根據下文「收益確認」所載之政策以股息收入於收益表之其他收入項下確認。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investments and other financial assets (continued)

Available-for-sale financial investments (continued)

When the fair value of unlisted equity securities cannot be reliably measured because (a) the variability in the range of reasonable fair value estimates is significant for that investment or (b) the probabilities of the various estimates within the range cannot be reasonably assessed and used in estimating fair value, such securities are stated at cost less any impairment losses.

The Group evaluates its available-for-sale financial assets whether the ability and intention to sell them in the near term are still appropriate. When the Group is unable to trade these financial assets due to inactive markets and management's intent to do so significantly changes in the foreseeable future, the Group may elect to reclassify these financial assets in rare circumstances. Reclassification to loans and receivables is permitted when the financial assets meet the definition of loans and receivables and the Group has the intent and ability to hold these assets for the foreseeable future or to maturity. Reclassification to the held-to-maturity category is permitted only when the entity has the ability and intent to hold until the maturity date of the financial asset.

For a financial asset reclassified out of the available-for-sale category, any previous gain or loss on that asset that has been recognised in equity is amortised to profit or loss over the remaining life of the investment using the effective interest rate. Any difference between the new amortised cost and the expected cash flows is also amortised over the remaining life of the asset using the effective interest rate. If the asset is subsequently determined to be impaired, then the amount recorded in equity is reclassified to the income statement.

2.4 重大會計政策概要 (續)

投資及其他財務資產 (續)

可供出售財務投資 (續)

倘非上市股本證券之公平值不能可靠地計量，原因是(a)合理公平值估計之範圍變動，對投資屬重大；或(b)範圍內多項估計之可能性，不能合理估計以及用於估計公平值，則該等證券以成本減任何減值虧損列賬。

本集團在評估其可供出售財務資產時，會考慮在近期出售資產之能力及意向是否仍屬恰當。倘本集團因市場不活躍及管理層於可預見未來之意向出現巨大變動而無法買賣該等財務資產，在罕有情況下，本集團可能會選擇將該等財務資產重新分類。倘財務資產符合貸款及應收款項之定義且本集團有於可預見未來持有該等資產或持有該等資產至到期之意向及能力，則該等財務資產獲准許重新分類為貸款及應收款項。倘實體有能力及意向將財務資產持有至到期日，則將財務資產方獲准許重新分類至持有至到期分類。

對於重新分類被剔除可供出售類別外之財務資產，有關該資產之任何之前的收益或虧損已於權益確認且於投資之尚餘期限內採用實際利率在損益攤銷。新攤銷成本與預期現金流量之間之任何差額亦於資產之尚餘年期內採用實際利率攤銷。倘資產其後釐定為減值，則於股本列值之賬項被重新分類至收益表。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when:

- the rights to receive cash flows from the asset have expired;
- the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a “pass-through” arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognised to the extent of the Group’s continuing involvement in the asset. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

2.4 重大會計政策概要 (續)

取消確認財務資產

財務資產（或一項財務資產之一部分或一組同類財務資產之一部分）在下列情況將取消確認：

- 收取該項資產所得現金流量之權利已經屆滿；
- 本集團保留收取該項資產所得現金流量之權利，惟須根據一項「轉付」安排，在未有對第三者造成嚴重延緩之情況，已就有關權利全數承擔付款之責任；及不論(a)本集團已轉讓該項資產之絕大部分風險及回報；或(b)本集團並無轉讓或保留該項資產絕大部分風險及回報，但已轉讓該項資產之控制權。

本集團凡轉讓其收取該項資產所得現金流量之權利或訂立「轉付」安排，但並無轉讓或保留該項資產之絕大部分風險及回報，且並無轉讓該項資產之控制權，該項資產將確認入賬，條件為本集團須繼續參與該項資產。在該情況下，本集團亦確認相關負債。已轉讓資產及相關負債按反映本集團已保留權利及責任之基準計量。

就已轉讓資產以擔保形式作出之持續參與，乃按該資產之原賬面值及本集團可能須償付之代價金額上限（以較低者為準）計量。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Impairment of financial assets

The Group assesses at the end of each reporting period whether there is any objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or a group of financial assets is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset (an incurred "loss event") and that loss event has an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated. Evidence of impairment may include indications that a debtor or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation and observable data indicating that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

Financial assets carried at amortised cost

For financial assets carried at amortised cost, the Group first assesses individually whether objective evidence of impairment exists for financial assets that are individually significant, or collectively for financial assets that are not individually significant. If the Group determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is, or continues to be, recognised are not included in a collective assessment of impairment.

2.4 重大會計政策概要 (續)

財務資產減值

本集團於各報告期末評估是否有客觀跡象表明一項財務資產或一組財務資產出現減值。一項財務資產或一組財務資產在初步確認後如果，且僅當出現一項或多項客觀減值跡象（已發生「虧損事項」）及該虧損事項對該項或該組財務資產的未來現金流量造成可合理估計之影響，則該項或該組財務資產被視為減值。減值跡象包括債務人或一組債務人遇到重大財務困難、違約或拖欠利息或本金、可能宣佈破產或進行其他財務重組，及有可觀測數據顯示未來現金流量出現可計量減少，例如欠款數目變動或出現與違約相關的經濟狀況。

按攤銷成本入賬之財務資產

就按攤銷成本入賬之財務資產而言，本集團首先對具個別重要性之財務資產進行個別評估，評估個別資產是否存在客觀減值證據，或對非具個別重要性之財務資產進行共同評估。倘本集團認為經個別評估之財務資產（無論具有重要性與否）並無存在客觀減值證據，則會將該資產歸入一組具有相若信貸風險特性之財務資產內，然後共同評估減值。個別評估減值及為其確認或繼續確認減值虧損之資產，不包括在共同評估減值之內。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Impairment of financial assets (continued)

Financial assets carried at amortised cost (continued)

If there is objective evidence that an impairment loss has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not yet been incurred). The present value of the estimated future cash flows is discounted at the financial asset's original effective interest rate (i.e., the effective interest rate computed at initial recognition). If a loan has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate.

The carrying amount of the asset is reduced either directly or through the use of an allowance account and the amount of the loss is recognised in the income statement. Interest income continues to be accrued on the reduced carrying amount and is accrued using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss. Loans and receivables together with any associated allowance are written off when there is no realistic prospect of future recovery.

If, in a subsequent period, the amount of the estimated impairment loss increases or decreases because of an event occurring after the impairment was recognised, the previously recognised impairment loss is increased or reduced by adjusting the allowance account. If a write-off is later recovered, the recovery is credited to the income statement.

2.4 重大會計政策概要 (續)

財務資產減值 (續)

按攤銷成本入賬之財務資產 (續)

倘有客觀證據顯示已出現減值虧損，則虧損金額按資產之賬面值與估計未來現金流量之現值（不包括尚未產生之日後信貸虧損）之間之差額計算。估計未來現金流量之現值按財務資產原有實際利率（即初步確認時之實際利率）折現。倘貸款按浮動利率計息，則計算任何減值虧損之貼現率為現行實際利率。

資產賬面值可直接或通過撥備賬調減，而虧損金額於收益表中確認。利息收入於減少後賬面值中持續累計，且採用計量減值虧損時用以折現未來現金流量之利率累計。當預期將來並不可能收回時，貸款與應收賬款連同任何相關之撥備應被撇銷。

倘其後估計減值虧損金額增加或減少，且此增加或減少因與確認減值後發生之事項有關，則以往確認之減值虧損將會透過調整撥備賬予以增加或減少。倘撇減稍後回撥，則回撥計入收益表。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Impairment of financial assets (continued)

Available-for-sale financial investments

For available-for-sale financial investments, the Group assesses at the end of each reporting period whether there is objective evidence that an investment or a group of investments is impaired.

If an available-for-sale asset is impaired, an amount comprising the difference between its cost (net of any principal payment and amortisation) and its current fair value, less any impairment loss previously recognised in the income statement, is removed from other comprehensive income and recognised in the income statement.

In the case of equity investments classified as available for sale, objective evidence would include a significant or prolonged decline in the fair value of an investment below its cost. The determination of what is “significant” or “prolonged” requires judgement. “Significant” is evaluated against the original cost of the investment and “prolonged” against the period in which the fair value has been below its original cost. Where there is evidence of impairment, the cumulative loss – measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that investment previously recognised in the income statement – is removed from other comprehensive income and recognised in the income statement. Impairment losses on equity instruments classified as available for sale are not reversed through the income statement. Increases in their fair value after impairment are recognised directly in other comprehensive income.

2.4 重大會計政策概要 (續)

財務資產減值 (續)

可供出售財務投資

就可供出售財務投資而言，本集團於各報告期末評估有否客觀證據顯示一項投資或一組投資出現減值。

倘一項可供出售資產出現減值，其成本值（扣除任何本金付款及攤銷）與其現行公平值之差額減以往在收益表中確認之任何減值虧損之金額，自其他全面收益移除並在收益表中確認。

倘股本投資被列作可供銷售類別，則客觀證據將包括該項投資之公平值大幅或長期跌至低於其成本值。釐定「大幅」或「長期」時需要判斷。「大幅」是相對於投資之原始成本評估，而「長期」則相對於公平值低於原始成本之時期而評估。倘有減值證據，則累計虧損（按收購成本與現時公平值之差額減該項投資先前在收益表內確認之任何減值虧損計量）將從其他全面收益中移除，並於收益表內確認。分類作可供銷售之股本工具之減值虧損不會透過收益表回撥，而其公平值於減值後之增加部份直接於其他全面收益中確認。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial liabilities

Initial recognition and measurement

Financial liabilities within the scope of HKAS 39 are classified as financial liabilities at fair value through profit or loss and loans and borrowings, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. The Group determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value and in the case of loans and borrowings, plus directly attributable transaction costs.

The Group's financial liabilities include accounts and bills payable, other payables and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification as follows:

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost, using the effective interest rate method unless the effect of discounting would be immaterial, in which case they are stated at cost. Gains and losses are recognised in the income statement when the liabilities are derecognised as well as through the effective interest rate method amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included in "Finance costs" in the income statement.

2.4 重大會計政策概要 (續)

財務負債

初步確認及計量

香港會計準則第39號範圍內之財務負債可適當地分類為按損益釐定公平值之財務負債及貸款及借貸，或指定為有效對沖之對沖工具之衍生工具。本集團於初步確認時釐定其財務負債分類。

所有財務負債初步按公平值確認及倘為貸款及借貸，則加上直接應佔交易成本。

本集團之財務負債包括應付賬項及票據、其他應付賬項及衍生金融工具。

其後計量

財務負債之其後計量取決於其分類，如下：

貸款及借貸

於初步確認後，付息貸款及借貸隨後以實際利率法按攤銷成本計量，倘折現之影響並不重大，則按成本列賬。當取消確認負債時，收益及虧損以實際利率法按攤銷成本於收益表內確認。

計算攤銷成本時會計及收購所產生之任何折現或溢價，以及作為實際利率一部份之費用或成本。實際利率攤銷計入收益表「融資成本」項下。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial liabilities (continued)

Financial guarantee contracts

Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. A financial guarantee contract is recognised initially as a liability at its fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequent to initial recognition, the Group measures the financial guarantee contract at the higher of: (i) the amount of the best estimate of the expenditure required to settle the present obligation at the end of the reporting period; and (ii) the amount initially recognised less, when appropriate, cumulative amortisation.

Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled, or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and a recognition of a new liability, and the difference between the respective carrying amounts is recognised in the income statement.

2.4 重大會計政策概要 (續)

財務負債 (續)

財務擔保合約

本集團所發行的財務擔保合約指明債務人未有根據債務工具的條款於到期時付款，則須就持有人所招致的損失向其付款以補償持有人的合同。一份財務擔保合約初步計量按其公平值減直接歸屬於發出該等財務擔保合同的交易費用確認。初步確認後，本集團按以下兩者中的較高者計量財務擔保合同：(i)於報告期末對結算現有義務所需支出的最佳估計金額；及(ii)初步確認的金額減（若適用）累計攤銷額後的餘額。

取消確認財務負債

當負債責任獲解除或註銷或屆滿時，即取消確認財務負債。

倘現有財務負債被來自同一借方但不同條款之另一筆財務負債替代，或現有負債之條款被大幅修訂，此變動或修訂被視作取消確認原來負債並確認新負債，而各賬面金額間之差額則於收益表中確認。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if, and only if, there is currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

Fair value of financial instruments

The fair value of financial instruments that are traded in active markets is determined by reference to quoted market prices or dealer price quotations (bid price for long positions and ask price for short positions), without any deduction for transaction costs. For financial instruments where there is no active market, the fair value is determined using appropriate valuation techniques. Such techniques include using recent arm's length market transactions; reference to the current market value of another instrument which is substantially the same; a discounted cash flow analysis; and other valuation models.

Derivative financial instruments

Initial recognition and subsequent measurement

The Group uses derivative financial instruments, e.g. forward currency contracts, to hedge its foreign currency risk. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as assets when the fair value is positive and as liabilities when the fair value is negative.

Any gains or losses arising from changes in fair value of derivatives are taken directly to the income statement, except for the effective portion of cash flow hedges, which is recognised in other comprehensive income.

2.4 重大會計政策概要 (續)

抵銷金融工具

當且僅當具法定權利抵銷已確認金額及計劃以淨額結算，或同時變賣資產以清償負債，財務資產與財務負債可互相抵銷，並在財務狀況表內以淨額列示。

金融工具之公平值

於活躍市場買賣之金融工具之公平值參照市場報價或交易商之報價表（好倉之買入價及淡倉之賣出價）而釐定，並且不會扣除任何交易成本。就無活躍市場之金融工具而言，使用合適之估值技術釐定公平值。該等技術包括使用近期公平之市場交易；參照大致相同之另一工具之目前市值；折算現金流量分析；及其他估值模式。

衍生性質之金融工具

初步確認及其後計量

本集團利用衍生性質之金融工具（例如遠期貨幣合約）對沖外匯風險。該等衍生性金融工具初步以訂立衍生工具之日以公平值確認，並隨後以公平值再計算。倘公平值為正數，衍生工具以資產入賬，而公平值倘為負數，則以負債入賬。

衍生工具之公平值變動所產生之任何盈虧乃直接計入收益表，惟現金流對沖之實際部份除外，其於其他全面收益確認。

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財務報表附註

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Derivative financial instruments (continued)

Current versus non-current classification

Derivative instruments that are not designated and effective hedging instruments are classified as current or non-current or separated into a current or non-current portion based on an assessment of the facts and circumstances (i.e., the underlying contracted cash flows).

- Where the Group will hold a derivative as an economic hedge (and does not apply hedge accounting) for a period beyond 12 months after the end of the reporting period, the derivative is classified as non-current (or separated into current and non-current portions) consistently with the classification of the underlying item.
- Embedded derivatives that are not closely related to the host contract are classified consistently with the cash flows of the host contract.
- Derivative instruments that are designated as, and are effective hedging instruments, are classified consistent with the classification of the underlying hedged item. The derivative instruments are separated into current and non-current portions only if a reliable allocation can be made.

2.4 重大會計政策概要 (續)

衍生性質之金融工具 (續)

流動與非流動分類對比

並無指定之衍生工具及有效對沖工具乃根據對事實及情況之評估 (即相關合約現金流量) 分類為流動或非流動，或分開為流動或非流動部分。

- 倘本集團將持有衍生工具作為經濟對沖 (而並無應用對沖會計處理方法) 至超過報告期末後十二個月期間，該衍生工具乃與相關項目之分類一致分類為非流動 (或分開為流動及非流動部分)。
- 與主合約並非密切聯繫之附帶在內衍生工具乃與主合約之現金流量一致分類。
- 指定為及為有效對沖工具之衍生工具乃與相關對沖項目之分類一致分類。衍生工具僅於可作出可靠分配時分開為流動部分及非流動部分。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined on the first-in, first-out basis and, in the case of work in progress and finished goods, comprises direct materials, direct labour and an appropriate proportion of overheads. Net realisable value is based on estimated selling prices less any estimated costs to be incurred to completion and disposal.

Provisions

A provision is recognised when a present obligation (legal or constructive) has arisen as a result of a past event and it is probable that a future outflow of resources will be required to settle the obligation, provided that a reliable estimate can be made of the amount of the obligation.

When the effect of discounting is material, the amount recognised for a provision is the present value at the end of the reporting period of the future expenditures expected to be required to settle the obligation. The increase in the discounted present value amount arising from the passage of time is included in finance costs in the income statement.

Income tax

Income tax comprises current and deferred tax. Income tax relating to items recognised outside profit or loss is recognised either in other comprehensive income or directly in equity.

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities.

Deferred tax is provided, using the liability method, on all temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

2.4 重大會計政策概要 (續)

存貨

存貨按成本值與可變現淨值兩者中之較低者列賬。成本值乃根據先入先出法計算。就在製品及製成品而言，成本值包括直接材料、直接人工及適當比例之經常性費用。可變現淨值以估計售價扣除完成及出售時預期所產生之任何估計成本計算。

撥備

倘因過往事項而產生之現時責任（法律或推定），且將來極可能需有資源流出以應付有關責任時，則予以確認為撥備，惟責任所涉及之數額必須能可靠地估計。

倘貼現之影響屬重大時，所確認撥備之數額乃為預期須支付有關責任之未來開支於報告期末之現值。因時間流逝而導致所貼現之現值增加之數額，乃計入收益表之融資成本中。

所得稅

所得稅包括即期及遞延稅項。有關損益外確認項目的所得稅，於其他全面收益或直接於權益內確認。

本期或過往期間之即期稅項資產及負債按預期可獲稅務當局退回或付予稅務當局之金額計算。

遞延稅項為就財務申報而言，於報告期末就資產與負債之稅基與彼等賬面值差額之所有暫時差別，利用負債法作出撥備。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Income tax (continued)

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- where the deferred tax liability arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of taxable temporary differences associated with investments in subsidiaries, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, carryforward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carryforward of unused tax credits and unused tax losses can be utilised, except:

- where the deferred tax asset relating to the deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of deductible temporary differences associated with investments in subsidiaries, deferred tax assets are only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

2.4 重大會計政策概要 (續)

所得稅 (續)

遞延稅項負債就所有應課稅暫時差額予以確認，惟以下情況除外：

- 倘遞延稅項負債是由於並非業務合併之交易中首次確認之資產或負債而產生，且於交易時並不影響會計溢利或應課稅溢利或虧損；及
- 就與於附屬公司之投資有關之應課稅暫時差額而言，可以控制撥回暫時差額之時間及可能不會在可見將來撥回暫時差額。

所有可予扣減暫時差額、未動用稅項抵免結轉及未動用稅項虧損於可能獲得應課稅溢利作為抵銷，以動用該等可予扣減暫時差額、未動用稅項抵免結轉及未動用稅項虧損之情況，均確認為遞延稅項資產，惟以下情況除外：

- 倘與可扣稅暫時差額有關之遞延稅項資產是由於並非業務合併之交易中首次確認之資產或負債而產生，且於交易時並不影響會計溢利或應課稅溢利或虧損；及
- 就與於附屬公司之投資有關之可予扣減暫時差額而言，僅於暫時差額可能會在可見將來撥回及將有應課稅溢利作為抵銷，以動用暫時差額時，才確認遞延稅項資產。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Income tax (continued)

The carrying amount of deferred tax assets is reviewed at the end of each reporting period 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 deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at the end of each reporting period and are recognised to the extent that it has become probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Operating leases

Leases where substantially all the rewards and risks of ownership of assets remain with the lessor are accounted for as operating leases. Where the Group is the lessor, assets leased by the Group under operating leases are included in non-current assets, and rentals receivable under the operating leases are credited to the income statement on the straight-line basis over the lease terms. Where the Group is the lessee, rentals payable under the operating leases are charged to the income statement on the straight-line basis over the lease terms.

Prepaid land lease payments under operating leases are initially stated at cost and subsequently recognised on the straight-line basis over the lease terms.

2.4 重大會計政策概要 (續)

所得稅 (續)

遞延稅項資產之賬面值乃於各報告期末進行審閱，並予以相應扣減，直至不可能有足夠應課稅溢利以動用全部或部份遞延稅項資產為止。未確認之遞延稅項資產乃於各報告期末重新評估，並於應課稅溢利足以供全部或部份遞延稅項資產可予收回時確認。

遞延稅項資產及負債乃根據於報告期末已實施或已大致實施之稅率（及稅務法例），按變現資產或清償負債之期間預期適用之稅率予以計量。

當存在可依法執行的權利，可將即期稅項資產抵銷即期稅項負債，而遞延稅項涉及同一應課稅實體及同一稅務機關時，遞延稅項資產及遞延稅項負債方可互相抵銷。

經營租約

經營租約乃指資產擁有權所涉之絕大部份回報及風險仍屬於出租者之租約。倘本集團為出租者，本集團根據經營租約所租賃之資產乃計入非流動資產，經營租約之應收租金乃於租約期內以直線法形式計入收益表。倘本集團乃承租者，經營租約之應付租金均按照租約年期以直線法自收益表扣除。

經營租約之預付土地租賃款項，初步以成本列賬，並隨後於租期內以直線法確認。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Foreign currencies

These financial statements are presented in Hong Kong dollars, which is the Company's functional and presentation currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency. Foreign currency transactions recorded by the entities in the Group are initially recorded using their respective functional currency rates ruling at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency rates of exchange ruling at the end of the reporting period. All differences are taken to the income statement. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

The functional currencies of certain overseas subsidiaries are currencies other than the Hong Kong dollar. As at the end of the reporting period, the assets and liabilities of these entities are translated into the presentation currency of the Company at the exchange rates ruling at the end of the reporting period and their income statements are translated into Hong Kong dollars at the weighted average exchange rates for the year. The resulting exchange differences are recognised in other comprehensive income and accumulated in the exchange fluctuation reserve. On disposal of a foreign operation, the component of other comprehensive income relating to that particular foreign operation is recognised in the income statement.

For the purpose of the consolidated statement of cash flows, the cash flows of overseas subsidiaries are translated into Hong Kong dollars at the exchange rates ruling at the dates of the cash flows. Frequently recurring cash flows of overseas subsidiaries which arise throughout the year are translated into Hong Kong dollars at the weighted average exchange rates for the year.

2.4 重大會計政策概要 (續)

外幣

財務報表以港元呈列，該貨幣為本公司之功能及呈報貨幣。本集團內各實體自行釐定本身之功能貨幣，各實體列入財務報表之項目均以有關實體之功能貨幣計量。本集團之實體錄得之外幣交易初步按其各自的交易日期適用的功能貨幣匯率列賬。以外幣計值的貨幣資產與負債按於報告期末適用的功能貨幣匯率重新換算。所有差額均計入收益表。按外幣歷史成本計量的非貨幣項目按首次交易日期的匯率換算。按外幣公平值計量的非貨幣項目採用釐定公平值當日的匯率換算。

若干海外附屬公司的功能貨幣並非港元。於報告期末，有關實體的資產與負債，按報告期末的匯率換算為本公司的呈報貨幣，其收益表則按本年度的加權平均匯率換算為港元。因此而產生的匯兌差額於其他全面收益確認及於匯兌波動儲備累計。出售外國經營業務時，於有關該項外國業務之其他全面收益之組成部份於收益表中確認。

就綜合現金流量表而言，海外附屬公司之現金流量乃以現金流量日期之適用匯率換算為港元。海外附屬公司於年內產生之經常性現金流量乃以年內之加權平均匯率換算為港元。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenue recognition

Revenue is recognised when it is probable that the economic benefits will flow to the Group and when the revenue can be measured reliably, on the following bases:

- (a) from the sale of goods, when the significant risks and rewards of ownership have been transferred to the buyer, provided that the Group maintains neither managerial involvement to the degree usually associated with ownership, nor effective control over the goods sold;
- (b) rental income, on a time proportion basis over the lease terms;
- (c) interest income, on an accrual basis using the effective interest rate method by applying the rate that discounts the estimated future cash receipts through the expected life of the financial instrument to the net carrying amount of the financial asset; and
- (d) dividend income, when the shareholder's right to receive payment has been established.

Related parties

A party is considered to be related to the Group if:

- (a) the party, directly or indirectly through one or more intermediaries, (i) controls, is controlled by, or is under common control with, the Group; (ii) has an interest in the Group that gives it significant influence over the Group; or (iii) has joint control over the Group;
- (b) the party is an associate;
- (c) the party is a jointly-controlled entity;
- (d) the party is a member of the key management personnel of the Group;

2.4 重大會計政策概要 (續)

收益確認

收益於本集團將可獲得經濟利益及該收益能可靠地計算時按下列基準確認入賬：

- (a) 出售貨品所得收益於所有權之絕大部份風險及回報已轉歸予買方後確認入賬，惟本集團須對該等貨品已再沒有參與任何涉及所有權之管理，亦對已售貨品再無任何有效控制權；
- (b) 租金收入根據租約年期按時間比例入賬；
- (c) 利息收入，根據實際利率按應計基準以可將財務資產預計年期內的估計未來現金收入折扣計算財務資產賬面淨值；及
- (d) 股息收入於股東獲得收款之權利確立時入賬。

關連人士

在下列情況下，一方將被視為與本集團有關：

- (a) 一方直接或間接透過一間或以上仲介機構，(i)控制本集團或被本集團控制或與本集團受共同控制；(ii)於本集團擁有權益使其能對本集團行使重大影響力；或(iii)對本集團擁有共同控制權；
- (b) 一方為聯營公司；
- (c) 一方為共同控制公司；
- (d) 一方為本集團之主要管理人員之成員；

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Related parties (continued)

- (e) the party is a close member of the family of any individual referred to in (a) or (d);
- (f) the party is an entity that is controlled, jointly controlled or significantly influenced by or for which significant voting power in such entity resides with, directly or indirectly, any individual referred to in (d) or (e); or
- (g) the party is a post-employment benefit plan for the benefit of the employees of the Group, or of any entity that is a related party of the Group.

Share-based payment transactions

The Company operates a share option scheme for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's operations. Employees (including directors) of the Group receive remuneration in the form of share-based payment transactions, whereby employees render services as consideration for equity instruments ("equity-settled transactions").

The cost of equity-settled transactions with employees for grants after 7 November 2002 is measured by reference to the fair value at the date at which they are granted. The fair value is determined by an external valuer using an appropriate pricing model, further details of which are given in note 26 to the financial statements.

The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled. The cumulative expense recognised for equity-settled transactions at the end of each reporting period until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The charge or credit to the income statement for a period represents the movement in the cumulative expense recognised as at the beginning and end of that period.

2.4 重大會計政策概要 (續)

收益確認 (續)

- (e) 一方為上文(a)或(d)項之任何人士之家族成員之近親；
- (f) 一方為由上文(d)或(e)項之任何人士直接或間接控制、共同控制或行使重大影響公司或擁有其重大投票權之公司；或
- (g) 一方為本集團或作為本集團關連人士之任何公司之僱員之福利而設之離職後福利計劃。

以股份支付的交易

本公司設有購股權計劃，為所有對本集團業務作出貢獻之合資格參與人提供鼓勵和獎賞。本集團的僱員（包括董事）會收取以股份支付的酬金，而僱員會提供服務作為權益工具之代價（「以權益結算之交易」）。

於二零零二年十一月七日後授出的權益而與僱員進行之以權益支付的交易的成本，乃參照授出日期的公平值而計量。公平值乃由外聘估值師以適合之定價模式釐定。有關詳情載於財務報表附註26。

以權益結算之交易的成本，連同權益相應增加部份，在績效及／或服務條件獲得履行的期間內確認。在歸屬日期前，各報告期末確認的以權益結算之交易的累計開支，反映歸屬期已到期部份及本集團對最終將會歸屬的權益工具數目的最佳估計。在某一期間內在收益表內之扣除或進帳，乃反映累計開支於期初與期終確認時的變動。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Share-based payment transactions (continued)

No expense is recognised for awards that do not ultimately vest, except for equity-settled transactions where vesting is conditional upon a market or non-vesting condition, which are treated as vesting irrespective of whether or not the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

Where the terms of an equity-settled award are modified, as a minimum an expense is recognised as if the terms had not been modified, if the original terms of the award are met. In addition, an expense is recognised for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee as measured at the date of modification.

Where an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. This includes any award where non-vesting conditions within the control of either the Group or the employee are not met. However, if a new award is substituted for the cancelled award, and is designated as a replacement award on the date that it is granted, the cancelled and new awards are treated as if they were a modification of the original award, as described in the previous paragraph. All cancellations of equity-settled transaction awards are treated equally.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of earnings per share.

2.4 重大會計政策概要 (續)

以股份支付的交易 (續)

對於已授出但尚未歸屬的購股權，不會確認任何開支，但視乎市場或非歸屬條件而決定歸屬與否的以權益結算之交易則除外，對於該類交易而言，只要所有其他績效及／服務條件已經達成，不論市場或非歸屬條件是否達成，均會被視為已歸屬。

倘若以權益結算之購股權的條款有所變更（倘獎勵的原有條款獲達成），所確認的開支最少須達到猶如條款並無任何變更的水準。此外，倘若按變更日期的計量，任何變更導致以股份支付的交易的總公平值有所增加，或對僱員帶來其他利益，則應就該等變更確認開支。

倘若以權益結算之購股權被註銷，應被視為已於註銷日期歸屬，任何尚未確認的購股權的開支，均應立刻確認。此包括非歸屬條件於本集團或僱員控制範圍內未能達成的任何獎勵。然而，若授予新購股權代替已註銷的購股權，並於授出日期指定為替代購股權，則已註銷的購股權及新購股權均應被視為原購股權的變更，一如前段所述。所有權益結算交易獎勵的註銷均會作相同處理。

計算每股盈利時，未行使購股權的攤薄效應，反映為額外股份攤薄。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Other employee benefits

Retirement benefit schemes

The Group operates a defined contribution Mandatory Provident Fund retirement benefit scheme (the “MPF Scheme”) under the Mandatory Provident Fund Schemes Ordinance for those employees who are eligible to participate in the MPF Scheme. Contributions are made based on a percentage of the employees’ basic salaries and are charged to the income statement as they become payable in accordance with the rules of the MPF Scheme. The assets of the MPF Scheme are held separately from those of the Group in an independently administered fund. The Group’s employer contributions vest fully with the employees when contributed into the MPF Scheme.

The employees of the Group’s subsidiaries which operate overseas are required to participate in a central pension scheme operated by the local municipal government. These subsidiaries are required to contribute a certain percentage of their payroll costs to the central pension scheme. The contributions are charged to the income statement as they become payable in accordance with the rules of the central pension scheme.

Cash and cash equivalents

For the purpose of the consolidated statement of cash flows, cash and cash equivalents comprise cash on hand and demand deposits, and short term highly liquid investments that are readily convertible into known amounts of cash, are subject to an insignificant risk of changes in value, and have a short maturity of generally within three months when acquired, less bank overdrafts which are repayable on demand and form an integral part of the Group’s cash management.

For the purpose of the statements of financial position, cash and cash equivalents comprise cash on hand and at banks, including term deposits, which are not restricted as to use.

2.4 重大會計政策概要 (續)

其他僱員福利

退休福利計劃

本集團已遵照強制性公積金計劃條例為合資格參與定額供款強制性公積金退休福利計劃(「強積金計劃」)之僱員管理強積金計劃。供款乃按僱員基本薪金某個百分比作出，並於根據強積金計劃之規則應付時自收益表扣除。強積金計劃之資產與本集團之資產分開，由獨立管理之基金持有。本集團之僱主一旦就強積金計劃作出供款，有關供款將全歸該僱員所有。

本集團之海外附屬公司僱員為地方市政府運作之中央退休金計劃成員。附屬公司須按工資若干百分比向中央退休金計劃作出供款。供款於根據中央退休金計劃規則應付時自收益表扣除。

現金及等同現金項目

就綜合現金流量表而言，現金及等同現金項目乃指手頭現金及活期存款及可隨時轉換為已知金額現金之短期高流動性投資，該等投資之價值轉變風險較低，並為較短期之投資項目(一般為於購入日期起計三個月內到期)，並已減去須於要求時償還並組成本集團現金管理之主要部分之銀行透支。

就財務狀況表而言，現金及等同現金項目乃指用途不受限制之手頭現金及銀行存款(包括定期存款)。

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3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the end of the reporting period. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amounts of the assets or liabilities affected in the future.

Judgement

In the process of applying the Group's accounting policies, management has made the following judgement, apart from those involving estimations, which has the most significant effect on the amounts recognised in the financial statements:

Operating lease commitments – Group as lessor

The Group has entered into commercial property leases on its investment property portfolio. The Group has determined that it retains all the significant risks and rewards of ownership of these properties which are leased out on operating leases.

Estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

Provision for obsolete inventories

The management of the Group reviews an aged analysis at the end of each reporting period, and makes allowance for obsolete and slow-moving inventory items identified that are no longer suitable for use in production. The management estimates the net realisable value for inventories based primarily on the latest invoice prices and current market conditions.

3. 重大會計判斷及估計

本集團財務報表之編製，需要管理層作出會影響報告期末所呈報收入、費用、資產及負債之金額及或然負債披露之判斷、估計及假設。然而，由於有關該等假設及估計之不確定因素，可能導致須就日後受影響之資產或負債之賬面值作出重大調整。

判斷

於應用本集團會計政策之過程中，除有關估計者外，管理層曾作出以下對財務報表之確認數額有重大影響之判斷：

經營租約承擔 – 本集團作為出租人

本集團於其投資物業組合訂立商業物業租賃，並決定保留根據經營租約租出之物業擁有權之所有重大風險及回報。

不確定因素之估計

於報告期末有關未來之主要假設及其他不確定因素估計之主要來源，極可能導致下個財政年度之資產及負債賬面值出現重大調整，詳情於下文討論。

過時存貨撥備

本集團管理層於各報告期末檢討賬齡分析，為過時及滯銷而不適合用於生產之存貨項目提撥準備。管理層主要根據最近期發票價格及當時市況估計存貨之可變現淨值。

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3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (continued)

Estimation uncertainty (continued)

Impairment of accounts receivable

The Group makes impairment of accounts receivable based on an assessment of the recoverability of accounts receivable. Allowances are applied to accounts and bills receivable where events or changes in circumstances indicate that the balances may not be collectible. The identification of doubtful debts requires the use of judgement and estimates. Where the actual outcome or expectation in future is different from the original estimate, such differences will have impact on the carrying value of the receivables and doubtful debt expenses/write-back in the period in which such estimate has been changed.

4. OPERATING SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on their business activities and has two reportable operating segments as follows:

- (a) manufacturing and sale of footwear products; and
- (b) retailing and wholesaling business.

Management monitors the results of the Group's operating segments separately for the purpose of making decisions about resources allocation and performance assessment. Segment performance is evaluated based on reportable segment profit/(loss), which is a measure of adjusted profit/(loss) before tax. The adjusted profit/(loss) before tax is measured consistently with the Group's profit/(loss) before tax except that interest income, finance costs and other unallocated income and unallocated expenses are excluded from such measurement.

Segment assets exclude unallocated assets as these assets are managed on a group basis.

Segment liabilities exclude unallocated liabilities as these liabilities are managed on a group basis.

Intersegment sales and transfers are transacted with reference to the selling prices used for sales made to third parties at the then prevailing market prices.

3. 重大會計判斷及估計 (續)

不確定因素之估計 (續)

應收賬項減值

本集團根據應收賬項之可收回數額作出應收賬項減值準備。倘發生事件或情況改變顯示該等結餘有可能不能收回時，則會就應收賬項及應收票據撥備。識別呆賬需作出判斷和估計。倘日後之實際結果或預期與原來估計有別，該等差額將對估計改變之期間內之應收賬項面值及呆賬開支／撥回構成影響。

4. 營運分類資料

就管理目的而言，本集團按業務活動劃分其業務單位，並有以下兩個可報告之營運分類：

- (a) 生產及銷售鞋類產品；及
- (b) 零售及批發業務。

管理層個別監控本集團營運分類之業績，以便作出有關資源分配及表現評估之決定。評估分類表現乃根據可報告分類之溢利／(虧損)(經調整除稅前溢利／(虧損)之計量)。經調整除稅前溢利／(虧損)乃貫徹本集團除稅前之溢利／(虧損)計量，惟利息收入、融資成本及其他未分配收入及未分配開支除外。

分類資產不包括未分配資產，因該等資產乃以集團基準管理。

分類負債不包括未分配負債，因該等負債乃以集團基準管理。

分類間之銷售及轉讓乃參考向第三者銷售時之售價按當時之市價進行交易。

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4. OPERATING SEGMENT INFORMATION

(continued)

The following tables present revenue, profit/(loss) and certain asset, liability and expenditure information for the Group's operating segments for the years ended 31 March 2010 and 2009.

4. 營運分類資料 (續)

下表呈列截至二零一零年及二零零九年三月三十一日止年度本集團營運分類之收益、溢利/(虧損)及若干資產、負債及開支資料。

Group	Manufacturing and sale of footwear products 生產及銷售鞋類產品		Retailing and wholesaling business 零售及批發業務		Consolidated 綜合	
	2010 HK\$'000 千港元	2009 HK\$'000 千港元	2010 HK\$'000 千港元	2009 HK\$'000 千港元	2010 HK\$'000 千港元	2009 HK\$'000 千港元
Segment revenue: 分類收益:						
Sales to external customers 銷售予外界客戶	1,271,578	1,450,219	18,106	13,605	1,289,684	1,463,824
Intersegment sales 分類間銷售	2,207	-	316	-	2,523	-
Total 總計	1,273,785	1,450,219	18,422	13,605	1,292,207	1,463,824
Elimination of intersegment sales 分類間銷售對銷					(2,523)	-
Total 總計					1,289,684	1,463,824
Segment results 分類業績	154,952	64,962	(22,771)	(14,361)	132,181	50,601
Unallocated income and gains, net 未分配收入及收益淨額					946	3,655
Interest income 利息收入					7,533	10,237
Unallocated expenses 未分配開支					(6,121)	(4,352)
Finance costs 融資成本					(298)	(242)
Profit before tax 除稅前溢利					134,241	59,899
Income tax expense 所得稅開支					(29,220)	(6,702)
Profit for the year attributable to equity holders of the Company 本公司權益持有人應佔年度溢利					105,021	53,197
Assets and liabilities 資產及負債						
Segment assets 分類資產	666,250	651,535	23,668	8,976	689,918	660,511
Unallocated assets 未分配資產					537,836	423,230
Total assets 資產總額					1,227,754	1,083,741
Segment liabilities 分類負債	216,467	184,933	4,197	1,729	220,664	186,662
Unallocated liabilities 未分配負債					155,384	128,940
Total liabilities 負債總額					376,048	315,602

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31 March 2010 於二零一零年三月三十一日

4. OPERATING SEGMENT INFORMATION

(continued)

Group

	本集團					
	Manufacturing and sale of footwear products		Retailing and wholesaling business		Consolidated	
	生產及銷售鞋類產品		零售及批發業務		綜合	
	2010	2009	2010	2009	2010	2009
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	

Other segment information:

其他分類資料：

Depreciation: 折舊：

Segment 分類	41,234	42,271	1,866	824	43,100	43,095
Unallocated 未分配					-	63
					43,100	43,158

Amortisation of prepaid land
lease payments:

攤銷預付土地租賃款項：

Segment 分類	2,130	2,064	-	-	2,130	2,064
Unallocated 未分配					-	25
					2,130	2,089

Capital expenditure: 資本開支：

Segment 分類	29,470	36,421	1,764	3,604	31,234	40,025
Unallocated 未分配					-	-
					31,234	40,025

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31 March 2010 於二零一零年三月三十一日

4. OPERATING SEGMENT INFORMATION

(continued)

Geographical information

(a) Revenue from external customers

	2010 HK\$'000 千港元	2009 HK\$'000 千港元
The United States of America 美國	659,142	737,320
Europe 歐洲	534,868	613,372
Other countries 其他國家	95,674	113,132
	1,289,684	1,463,824

The revenue information above is based on the location of the customers.

(b) Non-current assets

	2010 HK\$'000 千港元	2009 HK\$'000 千港元
Hong Kong 香港	29,339	28,916
Mainland China 中國內地	298,994	305,120
Cambodia 柬埔寨	39,156	38,157
Vietnam 越南	76,695	84,063
Other countries 其他國家	2,703	3,538
	446,887	459,794

The non-current asset information above is based on the location of assets.

Information about major customers

Revenue of HK\$630,616,000 (2009: HK\$676,711,000), HK\$326,914,000 (2009: HK\$381,440,000) and HK\$192,535,000 (2009: HK\$234,432,000) was derived from sales to three customers of the Group, respectively. The above amounts include sales to a group of entities which are known to be under common control with these customers.

4. 營運分類資料 (續)

地區資料

(a) 來自外界客戶的收益

	2010 HK\$'000 千港元	2009 HK\$'000 千港元
The United States of America 美國	659,142	737,320
Europe 歐洲	534,868	613,372
Other countries 其他國家	95,674	113,132
	1,289,684	1,463,824

上述收益資料以客戶所在地為依據。

(b) 非流動資產

	2010 HK\$'000 千港元	2009 HK\$'000 千港元
Hong Kong 香港	29,339	28,916
Mainland China 中國內地	298,994	305,120
Cambodia 柬埔寨	39,156	38,157
Vietnam 越南	76,695	84,063
Other countries 其他國家	2,703	3,538
	446,887	459,794

上述非流動資產資料以資產所在地為依據。

主要客戶之資料

收益約630,616,000港元(二零零九年: 676,711,000港元)、326,914,000港元(二零零九年: 381,440,000港元)及192,535,000港元(二零零九年: 234,432,000港元)分別來自本集團三名客戶的銷售。上述金額包括向一群實體(該等實體受上述客戶共同控制)的銷售。

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31 March 2010 於二零一零年三月三十一日

5. REVENUE, OTHER INCOME AND GAINS, NET

Revenue, which is also the Group's turnover, represents the aggregate of the net invoiced value of goods sold, after allowances for returns and trade discounts, and after eliminations of intra-group transactions.

An analysis of revenue, other income and gains, net is as follows:

Group

	2010	2009
	HK\$'000 千港元	HK\$'000 千港元
Revenue 收益		
Sale of goods 出售貨品	1,289,684	1,463,824
Other income and gains, net 其他收入及收益淨額		
Bank interest income 銀行利息收入	4,622	6,499
Interest income from accounts receivable 應收賬項利息收入	2,911	3,738
Fair value gain on derivative financial instruments 衍生金融工具之公平值收益	2,196	5,159
Loss on disposal of items of property, plant and equipment 出售物業、廠房及設備項目之虧損	(1,105)	(88)
Fair value gain/(loss) on revaluation of investment properties 重估投資物業之公平值收益/(虧損)	743	(598)
Gross rental income 租金收入總額	553	300
Foreign exchange differences, net 匯兌差額淨值	211	3,928
Gain/(loss) on disposal of available-for-sale investments 出售可供出售投資之收益/(虧損)	(65)	106
Dividend income 股息收入	17	573
Excess over the cost of business combinations 超過業務合併之成本	-	634
Write-off of goodwill 商譽撇銷	(602)	-
Others 其他	2,377	17
	11,858	20,268

6. FINANCE COSTS

Group

	2010	2009
	HK\$'000 千港元	HK\$'000 千港元
Interest on bank loans wholly repayable within five years 須於五年內全部償還之銀行貸款之利息	298	242

5. 收益、其他收入及收益淨額

收益亦為本集團營業額，指扣除退貨及貿易折扣後所出售貨品之發票淨值總和，並已抵銷集團內公司間之交易。

收益、其他收入及收益淨額分析如下：

本集團

	2010	2009
	HK\$'000 千港元	HK\$'000 千港元
Revenue 收益		
Sale of goods 出售貨品	1,289,684	1,463,824
Other income and gains, net 其他收入及收益淨額		
Bank interest income 銀行利息收入	4,622	6,499
Interest income from accounts receivable 應收賬項利息收入	2,911	3,738
Fair value gain on derivative financial instruments 衍生金融工具之公平值收益	2,196	5,159
Loss on disposal of items of property, plant and equipment 出售物業、廠房及設備項目之虧損	(1,105)	(88)
Fair value gain/(loss) on revaluation of investment properties 重估投資物業之公平值收益/(虧損)	743	(598)
Gross rental income 租金收入總額	553	300
Foreign exchange differences, net 匯兌差額淨值	211	3,928
Gain/(loss) on disposal of available-for-sale investments 出售可供出售投資之收益/(虧損)	(65)	106
Dividend income 股息收入	17	573
Excess over the cost of business combinations 超過業務合併之成本	-	634
Write-off of goodwill 商譽撇銷	(602)	-
Others 其他	2,377	17
	11,858	20,268

6. 融資成本

本集團

	2010	2009
	HK\$'000 千港元	HK\$'000 千港元
Interest on bank loans wholly repayable within five years 須於五年內全部償還之銀行貸款之利息	298	242

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7. PROFIT BEFORE TAX

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

Group

	2010 HK\$'000 千港元	2009 HK\$'000 千港元
Cost of inventories sold 銷售存貨成本	687,474	906,389
Depreciation 折舊	43,100	43,158
Amortisation of prepaid land lease payments 攤銷預付土地租賃款項	2,130	2,089
Provision/(write-back of provision) for inventories 存貨撥備/(撥備撥回)	11,696	(1,389)
Minimum lease payments under operating leases for land and buildings 土地及樓宇之經營租約項下之最低應付租金	15,129	10,641
Loss on disposal of items of property, plant and equipment, net 出售物業、廠房及設備項目虧損淨額	1,105	88
Write-off of items of property, plant and equipment 物業、廠房及設備項目撇銷	-	521
Write-off of goodwill 商譽撇銷	602	-
Impairment of accounts receivable 應收賬項減值	5	-
Auditors' remuneration 核數師酬金	1,280	1,280
Employee benefit expense (including directors' remuneration (note 8)): 僱員福利開支(包括董事酬金(附註8)):		
Wages and salaries 工資及薪金	280,206	290,234
Equity-settled share option expense 以權益結算之購股權開支	3,200	1,200
Pension scheme contributions 退休金計劃供款	7,597	9,456
	291,003	300,890
Amortisation of a club membership 會所會籍攤銷	15	14
Fair value gain on derivative financial instruments 衍生金融工具之公平值收益	(2,196)	(5,159)
Fair value loss/(gain) on revaluation of investment properties 重估投資物業之公平值虧損/(收益)	(743)	598
Loss/(gain) on disposal of available-for-sale investments 出售可供出售投資之虧損/(收益)	65	(106)
Bank interest income 銀行利息收入	(4,622)	(6,499)
Interest income from accounts receivable 應收賬款之利息收入	(2,911)	(3,738)
Foreign exchange differences, net 匯兌差額淨值	(211)	(3,928)
Dividend income 股息收入	(17)	(573)
Excess over the cost of business combinations 超過業務合併之成本	-	(634)
Net rental income 淨租金收入	(439)	(231)

7. 除稅前溢利

本集團之除稅前溢利乃經扣除/(計入)以下項目:

本集團

2010
HK\$'000 千港元

2009
HK\$'000 千港元

	2010 HK\$'000 千港元	2009 HK\$'000 千港元
Cost of inventories sold 銷售存貨成本	687,474	906,389
Depreciation 折舊	43,100	43,158
Amortisation of prepaid land lease payments 攤銷預付土地租賃款項	2,130	2,089
Provision/(write-back of provision) for inventories 存貨撥備/(撥備撥回)	11,696	(1,389)
Minimum lease payments under operating leases for land and buildings 土地及樓宇之經營租約項下之最低應付租金	15,129	10,641
Loss on disposal of items of property, plant and equipment, net 出售物業、廠房及設備項目虧損淨額	1,105	88
Write-off of items of property, plant and equipment 物業、廠房及設備項目撇銷	-	521
Write-off of goodwill 商譽撇銷	602	-
Impairment of accounts receivable 應收賬項減值	5	-
Auditors' remuneration 核數師酬金	1,280	1,280
Employee benefit expense (including directors' remuneration (note 8)): 僱員福利開支(包括董事酬金(附註8)):		
Wages and salaries 工資及薪金	280,206	290,234
Equity-settled share option expense 以權益結算之購股權開支	3,200	1,200
Pension scheme contributions 退休金計劃供款	7,597	9,456
	291,003	300,890
Amortisation of a club membership 會所會籍攤銷	15	14
Fair value gain on derivative financial instruments 衍生金融工具之公平值收益	(2,196)	(5,159)
Fair value loss/(gain) on revaluation of investment properties 重估投資物業之公平值虧損/(收益)	(743)	598
Loss/(gain) on disposal of available-for-sale investments 出售可供出售投資之虧損/(收益)	65	(106)
Bank interest income 銀行利息收入	(4,622)	(6,499)
Interest income from accounts receivable 應收賬款之利息收入	(2,911)	(3,738)
Foreign exchange differences, net 匯兌差額淨值	(211)	(3,928)
Dividend income 股息收入	(17)	(573)
Excess over the cost of business combinations 超過業務合併之成本	-	(634)
Net rental income 淨租金收入	(439)	(231)

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7. PROFIT BEFORE TAX (continued)

Cost of sales includes HK\$242,561,000 (2009: HK\$275,943,000) relating to direct staff costs and depreciation of manufacturing facilities, which are also included in the respective total amounts disclosed above for each of these types of expenses.

8. DIRECTORS' REMUNERATION

Directors' remuneration for the year, disclosed pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") and Section 161 of the Hong Kong Companies Ordinance, is as follows:

Group	本集團	
	2010 HK\$'000 千港元	2009 HK\$'000 千港元
Fees 袍金		
– Independent non-executive directors – 獨立非執行董事	540	540
– Non-executive directors – 非執行董事	540	180
	1,080	720
Other emoluments: 其他酬金：		
Salaries, allowances and benefits in kind 薪金、津貼及實物利益	6,512	5,993
Discretionary bonuses 酌定獎金	3,541	1,822
Pension scheme contributions 退休金計劃供款	24	13
Equity-settled share option expense 以權益結算之購股權開支	622	211
	10,699	8,039
	11,779	8,759

During the year, certain directors were granted share options, in respect of their services to the Group, under the share option scheme of the Company, further details of which are set out in note 26 to the financial statements. The fair value of such options, which has been recognised in the income statement, was determined as at the date of grant and the amount included in the financial statements for the current year is included in the above directors' remuneration disclosures.

7. 除稅前溢利 (續)

銷售成本包括關於直接員工成本及製造設施折舊共242,561,000港元(二零零九年: 275,943,000港元), 其亦已包含於以上披露相關總額之各類開支內。

8. 董事酬金

年內, 董事酬金按照香港聯合交易所有限公司證券上市規則(「上市規則」)及香港公司條例第161條披露如下:

年內, 若干董事在本公司購股權計劃之下, 根據其對本集團之服務獲授予購股權, 進一步詳情列述於財務報表附註26。已於收入報表確認之該等購股權之公平值於授出日期釐定, 而包含於本年財務報表之數額則載於以上董事薪酬披露部分之內。

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8. DIRECTORS' REMUNERATION (continued)

(a) Independent non-executive directors

The fees paid to independent non-executive directors during the year were as follows:

	Fees		Equity-settled share option expense	Total
	袍金	以權益結算之 購股權開支	以權益結算之 購股權開支	
2010	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Mr. Tam King-ching, Kenny 譚競正先生	180	36		216
Mr. Chan Mo-po, Paul 陳茂波先生	180	36		216
Mr. Yung Tse-kwong, Steven 戎子江先生	180	36		216
	540	108		648

	Fees		Equity-settled share option expense	Total
	袍金	以權益結算之 購股權開支	以權益結算之 購股權開支	
2009	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Mr. Tam King-ching, Kenny 譚競正先生	180	14		194
Mr. Chan Mo-po, Paul 陳茂波先生	180	14		194
Mr. Yung Tse-kwong, Steven 戎子江先生	180	14		194
	540	42		582

There were no other emoluments payable to the independent non-executive directors during the year (2009: Nil).

年內並無其他應付獨立非執行董事之酬金(二零零九年:無)。

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8. DIRECTORS' REMUNERATION (continued)

(b) Executive directors and non-executive directors

	Salaries, allowances and benefits in kind		Discretionary bonuses	Pension scheme contributions	Equity-settled share option expense	Total remuneration
	Fees	Salaries, allowances and benefits in kind				
	袍金	薪金、津貼及實物利益	酌定獎金	退休金計劃供款	以權益結算之購股權開支	酬金總額
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
2010	千港元	千港元	千港元	千港元	千港元	千港元
Executive directors:						
執行董事：						
Mr. Chen Ming-hsiung, Mickey						
陳敏雄先生	-	2,520	2,038	-	66	4,624
Mdm. Huang Hsiu-duan, Helen						
黃秀端女士	-	900	440	-	24	1,364
Mr. Lee Kung, Bobby						
李鋼先生	-	601	608	-	108	1,317
Mr. Kimmel, Phillip Brian						
柯民佑先生	-	1,291	325	-	108	1,724
Mr. Wong Hei-chiu						
黃禧超先生	-	1,200	100	12	92	1,404
	-	6,512	3,511	12	398	10,433
Non-executive directors:						
非執行董事：						
Mr. Chan Ho-man, Daniel						
陳浩文先生	360	-	30	12	80	482
Mr. Chow Wing-kin, Anthony						
周永健先生	180	-	-	-	36	216
	540	-	30	12	116	698
	540	6,512	3,541	24	514	11,131

8. 董事酬金 (續)

(b) 執行董事及非執行董事

NOTES TO FINANCIAL STATEMENTS

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8. DIRECTORS' REMUNERATION (continued)

8. 董事酬金 (續)

(b) Executive directors and non-executive directors (continued)

(b) 執行董事及非執行董事 (續)

	Fees	Salaries, allowances and benefits in kind	Discretionary bonuses	Pension scheme contributions	Equity-settled share option expense	Total remuneration
	袍金	薪金、津貼及實物利益	酌定獎金	退休金計劃供款	以權益結算之購股權開支	酬金總額
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
2009	千港元	千港元	千港元	千港元	千港元	千港元
Executive directors:						
執行董事：						
Mr. Chen Ming-hsiung, Mickey 陳敏雄先生	-	2,520	773	-	-	3,293
Mdm. Huang Hsiu-duan, Helen 黃秀端女士	-	900	277	-	10	1,187
Mr. Lee Kung, Bobby 李鋼先生	-	633	399	-	44	1,076
Mr. Chan Ho-man, Daniel* 陳浩文先生*	-	565	50	12	40	667
Mr. Kimmel, Phillip Brian 柯民佑先生	-	1,310	323	-	44	1,677
Mr Wong Hei-Chiu 黃禧超先生	-	50	-	1	17	68
	-	5,978	1,822	13	155	7,968
Non-executive directors:						
非執行董事：						
Mr. Chan Ho-man, Daniel* 陳浩文先生*	-	15	-	-	-	15
Mr. Chow Wing-kin, Anthony 周永健先生	180	-	-	-	14	194
	180	15	-	-	14	209
	180	5,993	1,822	13	169	8,177

* Mr. Chan Ho-man, Daniel ceased to be an executive director and was redesignated as a non-executive director with effect from 16 March 2009.

* 陳浩文先生不再擔任執行董事並轉任非執行董事，自二零零九年三月十六日起生效。

There was no arrangement under which a director waived or agreed to waive any remuneration during the year (2009: Nil).

董事概無於年內訂立任何安排放棄或同意放棄任何酬金（二零零九年：無）。

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9. FIVE HIGHEST PAID EMPLOYEES

The five highest paid employees during the year included five (2009: four) directors, details of whose remuneration are set out in note 8 above. Details of the remuneration of the remaining one non-director, highest paid employee for the last year are as follows:

Group

	2010 HK\$'000 千港元	2009 HK\$'000 千港元
Salaries, allowances and benefits in kind 薪金、津貼及實物利益	-	801

10. INCOME TAX EXPENSE

Hong Kong profits tax has been provided at the rate of 16.5% (2009: 16.5%) on the estimated assessable profits arising in Hong Kong during the year. Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the countries/jurisdictions in which the Group operates, based on existing legislation, interpretations and practices in respect thereof.

	2010 HK\$'000 千港元	2009 HK\$'000 千港元
Group: 本集團:		
Current – Hong Kong 即期稅項 – 香港		
Charge for the year 本年度稅項支出	1,294	156
Current – Elsewhere 即期稅項 – 其他地區		
Charge for the year 本年度稅項支出	32,700	13,752
Overprovision in prior years 過往年度超額撥備	(4,774)	(7,206)
Total tax charge for the year 本年度稅項開支總額	29,220	6,702

9. 五名最高薪僱員

年內，五名最高薪僱員包括五名（二零零九年：四名）董事，其酬金詳情載於上文附註8。年內，其餘一名非董事最高薪僱員之酬金詳情如下：

本集團

	2010 HK\$'000 千港元	2009 HK\$'000 千港元
Salaries, allowances and benefits in kind 薪金、津貼及實物利益	-	801

10. 所得稅開支

香港利得稅乃根據年內於香港賺取之估計應課稅溢利按16.5%（二零零九年：16.5%）之稅率撥備。其他地區有關應課稅溢利之稅項乃按本集團經營業務所在國家／司法權區之現行法例、詮釋及慣例按當時稅率計算。

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10. INCOME TAX EXPENSE (continued)

A reconciliation of the tax expense applicable to profit before tax using the statutory rates for the countries in which the Company and the majority of its subsidiaries are domiciled to the tax expense at the effective tax rate is as follows:

Group	本集團	
	2010 HK\$'000 千港元	2009 HK\$'000 千港元
Profit before tax 除稅前溢利	134,241	59,899
Tax at the applicable tax rate 按適用稅率計算之稅項	33,361	15,360
Lower tax rate for specific provinces or enacted by local authorities 特定省份或當局頒佈的較低稅率	(9,827)	(5,151)
Adjustments to tax charge in respect of prior years 過往年度稅項開支之調整	(4,774)	(7,206)
Income not subject to tax 毋須課稅收入	(31)	(621)
Expenses not deductible for tax 不可扣稅之開支	5,577	2,150
Tax losses not recognised 未確認稅項虧損	4,914	2,170
Tax charge at the Group's effective rate 按本集團實際稅率計算之稅項開支	29,220	6,702

The applicable tax rate is calculated based on the Hong Kong profits tax rate of 16.5% (2009: 16.5%), the Vietnam Corporate Tax rates of 10% to 28% (2009: 10% to 28%), the Cambodia Corporate Tax rate of 20% (2009: 20%), the Taiwan Corporate Tax rate of 25% (2009: 25%), the preferential tax rates in Mainland China ranging from 20% to 25% (2009: 18% to 25%) and the respective tax holidays granted to the subsidiaries of the Group in Mainland China, Vietnam and Cambodia.

10. 所得稅開支 (續)

按本公司及其附屬公司所在國家之法定稅率計算適用於除稅前溢利之稅項支出與按實際稅率計算之稅項支出對賬如下：

適用稅率根據香港利得稅稅率16.5% (二零零九年：16.5%)、越南企業稅稅率10%至28% (二零零九年：10%至28%)、柬埔寨企業稅率20% (二零零九年：20%)、台灣企業稅稅率25% (二零零九年：25%)、中國優惠稅率介乎20%至25%之間 (二零零九年：18%至25%) 及本集團分別於中國、越南及柬埔寨之附屬公司所獲有關免稅期計算。

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10. INCOME TAX EXPENSE (continued)

In general, the Group's subsidiaries in Mainland China, which were subject to the People's Republic of China's corporate income tax at the rate of 33% before 31 December 2007, are subject to the rate of 25% after the effective date of the Corporate Income Tax Law of the People's Republic of China on 1 January 2008, except for certain subsidiaries which are entitled to tax holidays and preferential tax rates.

Pursuant to the New PRC Tax Law, a 10% withholding tax is levied on dividends declared to foreign investors from the foreign investment enterprises established in Mainland China. The requirement is effective from 1 January 2008 and applies to earnings after 31 December 2007. A lower withholding tax rate may be applied if there is a tax treaty between Mainland China and the jurisdiction of the foreign investors. In estimating the withholding taxes on dividends expected to be distributed by those subsidiaries established in Mainland China in respect of earnings generated from 1 January 2008, the directors have made assessment based on the factors which included dividend policy and the level of capital and working capital required for the Group's operations in the foreseeable future.

At 31 March 2010, there were no significant unrecognised deferred tax liabilities (2009: Nil) for withholding taxes that would be payable on the unremitted earnings of the Company's subsidiaries expected to be distributed, after considering the abovementioned factors, in the foreseeable future.

The Group has estimated deferred tax assets of approximately HK\$13,803,000 (2009: HK\$8,889,000) calculated on tax losses arising in Hong Kong that are available indefinitely for offsetting against future taxable profits of the companies in which the losses arose. Deferred tax assets have not been recognised in respect of these losses as they have arisen in subsidiaries that have been loss-making for some time and it is considered not probable that the Group can utilise these losses in the foreseeable future.

10. 所得稅開支 (續)

一般而言，本集團之中國附屬公司曾按稅率33%（於二零零七年十二月三十一日以前）繳付中華人民共和國企業所得稅，現須按稅率25%（於中華人民共和國企業所得稅法生效之日（即二零零八年一月一日以後））繳付中華人民共和國企業所得稅，惟若干附屬公司獲免稅期及優惠稅率則除外。

根據中國新稅法，於中國內地成立之外資企業向外國投資者宣派之股息將被徵收10%預扣稅。該規定於二零零八年一月一日起生效，並適用於二零零七年十二月三十一日後產生之盈利。倘中國內地與外國投資者所屬司法權區之間訂立稅務條約，則可應用較低之預扣稅率。在估計該等中國內地成立附屬公司就二零零八年一月一日後產生的盈利預期派發股息所繳納的預扣稅時，董事已評估包括股息政策及本集團營運在可見未來所需資本及營運資金等因素。

於二零一零年三月三十一日，經考慮上述因素後，在可見未來，並無關於本公司附屬公司預期將分派的未匯款盈利應付預扣稅的重大未確認遞延稅項負債（二零零九年：無）。

本集團之估計遞延稅項資產約為13,803,000港元（二零零九年：8,889,000港元），乃根據於香港錄得之稅項虧損計算，該等虧損可無限期用作抵銷錄得虧損之公司日後應課稅溢利。由於該等附屬公司一直錄得虧損，且本集團在可見將來使用該等虧損之可能性不大，故並無就有關虧損確認遞延稅項資產。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 March 2010 於二零一零年三月三十一日

11. PROFIT FOR THE YEAR ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY

The consolidated profit attributable to equity holders of the Company for the year ended 31 March 2010 includes a profit of HK\$37,317,000 (2009: HK\$45,930,000) which has been dealt with in the financial statements of the Company (note 27(b)).

12. DIVIDENDS

Dividends paid during the year 年內已付股息

Final in respect of the financial year ended

31 March 2009 – HK2.5 cents per ordinary share
(2009: final dividend of HK2 cents per ordinary share, in respect of the financial year ended 31 March 2008)

就截至財政年度止的末期股息

二零零九年三月三十一日 – 每股普通股2.5港仙
(二零零九年：就截至二零零八年三月三十一日止財政年度，末期股息每股普通股2港仙)

15,974

13,021

Interim – HK1.6 cents (2009: HK1.5 cents) per ordinary share

中期 – 每股普通股1.6港仙 (二零零九年：1.5港仙)

10,216

9,723

26,190

22,744

Proposed final dividend HK7.0 cents (2009: HK2.5 cents) per ordinary share

擬派末期股息每股普通股7.0港仙 (二零零九年：2.5港仙)

45,217

15,974

The proposed final dividend for the year is subject to the approval of the Company's shareholders at the forthcoming annual general meeting. These financial statements do not reflect the dividend payable.

11. 本公司權益持有人應佔年度溢利

截至二零一零年三月三十一日止年度之本公司權益持有人應佔綜合溢利為溢利37,317,000港元(二零零九年：45,930,000港元)，已於本公司財務報表(附註27(b))列賬。

12. 股息

2010	2009
HK\$'000 千港元	HK\$'000 千港元

本年度擬派末期股息須得本公司股東於即將舉行之股東週年大會上批准後，方可作實。此等財務報表並未反映應付股息。

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財務報表附註

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13. EARNINGS PER SHARE ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY

The calculation of basic earnings per share is based on the profit for the year attributable to equity holders of the Company of HK\$105,021,000 (2009: HK\$53,197,000) and the weighted average of 639,177,935 (2009: 648,930,029) ordinary shares in issue during the year.

The calculation of diluted earnings per share is based on the profit for the year attributable to equity holders of the Company of HK\$105,021,000 (2009: HK\$53,197,000) and 646,604,892 (2009: 650,254,770) ordinary shares, being the weighted average number of shares outstanding during the year, adjusted for the effects of the dilutive potential ordinary shares outstanding during the year.

A reconciliation of the weighted average number of shares used in calculating basic and diluted earnings per share is as follows:

	2010	2009
Weighted average number of ordinary shares used in calculating basic earnings per share 用於計算每股基本盈利之普通股加權平均數	639,177,935	648,930,029
Weighted average number of ordinary shares assumed to have been issued at no consideration on deemed exercise of all dilutive options outstanding during the year 年內視作因行使全部未行使可攤薄購股權而假設無償發行之普通股加權平均數	7,426,957	1,324,741
Weighted average number of ordinary shares used in calculating diluted earnings per share 用於計算每股攤薄盈利之普通股加權平均數	646,604,892	650,254,770

13. 本公司權益持有人應佔每股盈利

每股基本盈利乃根據本年度本公司權益持有人應佔是年溢利105,021,000港元（二零零九年：53,197,000港元）及年內已發行普通股加權平均數639,177,935股（二零零九年：648,930,029股）計算。

每股攤薄盈利乃根據本年度本公司權益持有人應佔是年溢利105,021,000港元（二零零九年：53,197,000港元）及經年內已發行潛在攤薄普通股之影響作出調整後之年內已發行普通股加權平均數646,604,892股（二零零九年：650,254,770股）計算。

用於計算每股基本與攤薄盈利之股份加權平均數調整如下：

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31 March 2010 於二零一零年三月三十一日

14. PROPERTY, PLANT AND EQUIPMENT

14. 物業、廠房及設備

Group

本集團

	Freehold land and buildings 永久業權 土地及樓宇 HK\$'000 千港元	Construction in progress 在建工程 HK\$'000 千港元	Machinery, furniture, equipment, leasehold improvements and motor vehicles 機器、傢俱、 設備、租賃 物業裝修及汽車 HK\$'000 千港元	Total 合計 HK\$'000 千港元
31 March 2010 二零一零年三月三十一日				
Cost: 成本:				
At beginning of year 於年初	415,473	9,123	294,583	719,179
Additions 添置	3,264	15,951	12,019	31,234
Acquisition of subsidiaries (note 28) 收購附屬公司(附註28)	-	-	595	595
Disposals 出售	-	-	(2,988)	(2,988)
Transfer to investment properties (note 16) 轉撥至投資物業(附註16)	(1,260)	-	-	(1,260)
Transfers 轉撥	23,857	(24,709)	852	-
Exchange realignment 外匯調整	712	22	525	1,259
At 31 March 2010 於二零一零年三月三十一日	442,046	387	305,586	748,019
Accumulated depreciation: 累計折舊:				
At beginning of year 於年初	147,222	-	201,431	348,653
Provided during the year 年內撥備	19,584	-	23,516	43,100
Disposals 出售	-	-	(1,777)	(1,777)
Transfer to investment properties (note 16) 轉撥至投資物業(附註16)	(421)	-	-	(421)
Exchange realignment 外匯調整	267	-	341	608
At 31 March 2010 於二零一零年三月三十一日	166,652	-	223,511	390,163
Net book value: 賬面淨值:				
At 31 March 2010 於二零一零年三月三十一日	275,394	387	82,075	357,856
At 31 March 2009 於二零零九年三月三十一日	268,251	9,123	93,152	370,526

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財務報表附註

31 March 2010 於二零一零年三月三十一日

14. PROPERTY, PLANT AND EQUIPMENT

(continued)

14. 物業、廠房及設備 (續)

Group	本集團			
	Freehold land and buildings 永久業權 土地及樓宇 HK\$'000 千港元	Construction in progress 在建工程 HK\$'000 千港元	Machinery, furniture, equipment, leasehold improvements and motor vehicles 機器、傢俱、 設備、租賃 物業裝修及汽車 HK\$'000 千港元	Total 合計 HK\$'000 千港元
31 March 2009 二零零九年三月三十一日				
Cost: 成本 :				
At beginning of year 於年初	404,394	–	267,500	671,894
Additions 添置	699	9,123	26,516	36,338
Acquisition of subsidiaries (note 28) 收購附屬公司 (附註28)	–	–	562	562
Disposals 出售	–	–	(6,409)	(6,409)
Written off 撇銷	–	–	(776)	(776)
Exchange realignment 外匯調整	10,380	–	7,190	17,570
At 31 March 2009 於二零零九年三月三十一日	415,473	9,123	294,583	719,179
Accumulated depreciation: 累計折舊 :				
At beginning of year 於年初	125,369	–	177,431	302,800
Provided during the year 年內撥備	18,425	–	24,733	43,158
Disposals 出售	–	–	(5,154)	(5,154)
Written off 撇銷	–	–	(255)	(255)
Exchange realignment 外匯調整	3,428	–	4,676	8,104
At 31 March 2009 於二零零九年三月三十一日	147,222	–	201,431	348,653
Net book value: 賬面淨值 :				
At 31 March 2009 於二零零九年三月三十一日	268,251	9,123	93,152	370,526
At 31 March 2008 於二零零八年三月三十一日	279,025	–	90,069	369,094

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 March 2010 於二零一零年三月三十一日

14. PROPERTY, PLANT AND EQUIPMENT (continued)

The Group's land included above is analysed as follows:

14. 物業、廠房及設備 (續)

本集團之上述土地析述如下：

	2010 HK\$'000 千港元	2009 HK\$'000 千港元
Freehold land held outside Hong Kong 於香港以外地區持有之永久業權土地	8,324	8,324

15. PREPAID LAND LEASE PAYMENTS

Group

15. 預付土地租賃款項

本集團

	2010 HK\$'000 千港元	2009 HK\$'000 千港元
Carrying amount at beginning of year 於年初之賬面值	81,382	78,398
Additions 添置	-	3,687
Transfer to investment properties (note 16) 轉撥至投資物業 (附註16)	(1,084)	-
Amortised during the year 於年內攤銷	(2,130)	(2,089)
Exchange realignment 外匯調整	92	1,386
Carrying amount at 31 March 於三月三十一日之賬面值	78,260	81,382
Current portion included in prepayments, deposits and other receivables 列入預付款項、按金及其他應收款項之即期部分	(2,130)	(2,153)
Non-current portion 非即期部分	76,130	79,229

The Group's prepaid land lease payments are held under the following lease terms:

本集團之預付土地租賃款項按下列租期持有：

	2010 HK\$'000 千港元	2009 HK\$'000 千港元
Held in Hong Kong under medium term leases 於香港根據中期租約持有	15,995	16,444
Held outside Hong Kong under medium term leases 於香港以外地區根據中期租約持有	62,265	64,938
	78,260	81,382

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 March 2010 於二零一零年三月三十一日

16. INVESTMENT PROPERTIES

Group

	2010 HK\$'000 千港元	2009 HK\$'000 千港元
Fair value at beginning of year 於年初之公平值	3,712	4,310
Transfer from property, plant and equipment (note 14) 轉撥自物業、廠房及設備 (附註14)	839	-
Transfer from prepaid land lease payment (note 15) 轉撥自預付土地租賃款項 (附註15)	1,084	-
Fair value gain/(loss) on revaluation 重估公平值收益/(虧損)	743	(598)
Fair value at 31 March 於三月三十一日之公平值	6,378	3,712

The Group's investment properties are situated outside Hong Kong and are held under medium term leases.

The Group's investment properties were revalued on 31 March 2010 by Castores Magi (Hong Kong) Limited, independent professionally qualified valuers, at HK\$6,378,000 on an open market, existing use basis.

16. 投資物業

本集團

	2010 HK\$'000 千港元	2009 HK\$'000 千港元
Fair value at beginning of year 於年初之公平值	3,712	4,310
Transfer from property, plant and equipment (note 14) 轉撥自物業、廠房及設備 (附註14)	839	-
Transfer from prepaid land lease payment (note 15) 轉撥自預付土地租賃款項 (附註15)	1,084	-
Fair value gain/(loss) on revaluation 重估公平值收益/(虧損)	743	(598)
Fair value at 31 March 於三月三十一日之公平值	6,378	3,712

本集團之投資物業位於香港境外，按中期租約持有。

於二零一零年三月三十一日，本集團之投資物業由獨立專業合資格估值師嘉漫（香港）有限公司按公開市場、現行用途基準重估為6,378,000港元。

17. INTERESTS IN SUBSIDIARIES

Company

	2010 HK\$'000 千港元	2009 HK\$'000 千港元
Unlisted shares, at cost 非上市股份，按成本	67,190	67,190
Due from subsidiaries 應收附屬公司款項	842,738	792,019
Due to subsidiaries 應付附屬公司款項	(673,836)	(640,211)
	236,092	218,998

The amounts due from/to subsidiaries included in the Company's current assets and current liabilities are unsecured, interest-free and are repayable on demand.

17. 附屬公司權益

本公司

	2010 HK\$'000 千港元	2009 HK\$'000 千港元
Unlisted shares, at cost 非上市股份，按成本	67,190	67,190
Due from subsidiaries 應收附屬公司款項	842,738	792,019
Due to subsidiaries 應付附屬公司款項	(673,836)	(640,211)
	236,092	218,998

應收／應付附屬公司款項計入本公司之流動資產及流動負債，均為無抵押、免息及須於通知時償還。

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17. INTERESTS IN SUBSIDIARIES (continued)

Particulars of the principal subsidiaries are as follows:

17. 附屬公司權益 (續)

主要附屬公司之詳情如下：

Name 名稱	Place of incorporation/ registration and operations 註冊成立／ 註冊及經營地點	Nominal value of issued and paid-up shares/ registered capital 已發行及繳足 股份之面值／ 註冊資本	Percentage of equity attributable to the Company 本公司持股 百分比	Principal activities 主要業務
Directly held 直接持有				
MJ Haig Industries Limited* 美星國際股份有限公司*	British Virgin Islands/Taiwan 英屬維爾京 群島／台灣	Ordinary US\$10,000 普通股 10,000美元	100	Sourcing of raw materials for footwear 採購鞋類 產品原料
Ready Luck Limited	British Virgin Islands 英屬維爾京群島	Ordinary US\$5,000 普通股 5,000美元	100	Investment holding 投資控股
Indirectly held 間接持有				
Discovery Star Development Limited 愉星發展有限公司	Hong Kong 香港	Ordinary HK\$2 普通股2港元	100	Property holding 持有物業
Kingmaker (Vietnam) Footwear Co., Ltd. 順星製鞋(越南)有限公司	Vietnam 越南	US\$15,000,000 15,000,000美元	100	Subcontracting of footwear 加工鞋類產品
Lightening Star Corporation	British Virgin Islands 英屬維爾京群島	Ordinary US\$1,000 普通股 1,000美元	100	Investment holding 投資控股
Maystar Footwear Company Limited ("Maystar") 美星製鞋有限公司 ("美星")	People's Republic of China/Mainland China 中華人民共和國／ 中國內地	US\$43,000,000 (Note (a)) 43,000,000美元 (附註(a))	100	Footwear manufacturing 生產鞋類產品

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17. INTERESTS IN SUBSIDIARIES (continued)

Particulars of the principal subsidiaries are as follows
(continued):

17. 附屬公司權益 (續)

主要附屬公司之詳情如下：(續)

Name 名稱	Place of incorporation/ registration and operations 註冊成立/ 註冊及經營地點	Nominal value of issued and paid-up shares/ registered capital 已發行及繳足 股份之面值/ 註冊資本	Percentage of equity attributable to the Company 本公司持股 百分比	Principal activities 主要業務
Indirectly held (continued) 間接持有 (續)				
Miri Footwear International Inc.	British Virgin Islands/Mainland China 英屬維爾京群島/ 中國內地	Ordinary US\$1 普通股1美元	100	Sourcing of raw materials for footwear and footwear trading 採購鞋類產品原料及買賣鞋類產品
Miri International Limited 盛星國際貿易股份有限公司	Hong Kong 香港	Ordinary HK\$2 普通股2港元	100	Provision of administrative services 提供行政服務
Profit Success Investment Limited 利運成投資有限公司	Hong Kong 香港	Ordinary HK\$1,000 普通股 1,000港元	100	Investment holding 投資控股
Kingmaker Footwear (Zhong Shan) Co., Ltd. ("Kingmaker Zhong Shan") 順星製鞋(中山)有限公司 (「順星中山」)	People's Republic of China/ Mainland China 中華人民共和國/ 中國內地	US\$30,000,000 (Notes (a), (b)) 30,000,000美元 (附註(a), (b))	100	Footwear manufacturing 生產鞋類產品

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17. INTERESTS IN SUBSIDIARIES (continued)

Particulars of the principal subsidiaries are as follows (continued):

17. 附屬公司權益 (續)

主要附屬公司之詳情如下：(續)

Name 名稱	Place of incorporation/ registration and operations 註冊成立/ 註冊及經營地點	Nominal value of issued and paid-up shares/ registered capital 已發行及繳足 股份之面值/ 註冊資本	Percentage of equity attributable to the Company 本公司持股 百分比	Principal activities 主要業務
Indirectly held (continued) 間接持有 (續)				
Sanford Resources Limited	British Virgin Islands/ Vietnam 英屬維爾京群島/ 越南	Ordinary US\$1 普通股 1 美元	100	Trading of footwear products 買賣鞋類產品
Transcommerce International Inc.	British Virgin Islands/ Mainland China 英屬維爾京群島/ 中國內地	Ordinary US\$1 普通股 1 美元	100	Sourcing and trading of raw materials for footwear 採購及買賣鞋類產品原料
Victory Universal Corporation	British Virgin Islands/ Mainland China 英屬維爾京群島/ 中國內地	Ordinary US\$1 普通股 1 美元	100	Trading of footwear products 買賣鞋類產品
Kingstar (Jiangxi) Footwear Limited ("Kingstar Jiangxi") 信星(江西)鞋業有限公司 (「信星江西」)	People's Republic of China/ Mainland China 中華人民共和國/ 中國內地	US\$8,610,000 (Notes (a), (c)) 8,610,000 美元 (附註(a)·(c))	100	Footwear manufacturing 生產鞋類產品
Future Bright Development Inc.	British Virgin Islands 英屬維爾京群島	Ordinary US\$1 普通股 1 美元	100	Trading of footwear products 買賣鞋類產品

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17. INTERESTS IN SUBSIDIARIES (continued)

Particulars of the principal subsidiaries are as follows
(continued):

17. 附屬公司權益 (續)

主要附屬公司之詳情如下：(續)

Name 名稱	Place of incorporation/ registration and operations 註冊成立／ 註冊及經營地點	Nominal value of issued and paid-up shares/ registered capital 已發行及繳足 股份之面值／ 註冊資本	Percentage of equity attributable to the Company 本公司持股 百分比	Principal activities 主要業務
Indirectly held (continued) 間接持有 (續)				
Kingmaker (Cambodia) Footwear Co., Ltd. 順星製鞋(柬埔寨) 有限公司	Kingdom of Cambodia 柬埔寨王國	Ordinary US\$1,000,000 普通股 1,000,000美元	100	Footwear manufacturing 生產鞋類產品
Opal Star International Holdings Limited 寶星國際控股有限公司	British Virgin Islands 英屬維爾京群島	Ordinary US\$1 普通股1美元	100	Investment holding 投資控股
Star (1) Limited 寶星(1)有限公司	Hong Kong 香港	Ordinary HK\$100 普通股100港元	100	Retailing of footwear products 零售鞋類產品
FRD Worldwide Limited# 集智社(環球)有限公司#	Hong Kong 香港	Ordinary HK\$10,000 普通股 10,000港元	100	Investment holding 投資控股
珠海虹冠鞋業有限公司	People's Republic of China/ Mainland China 中華人民共和國／ 中國內地	RMB2,000,000 (Note (a)) 人民幣 2,000,000元 (附註(a))	100	Trading and manufacturing of footwear products 買賣及生產 鞋類產品
廣州信星集智社 服裝有限公司	People's Republic of China/ Mainland China 中華人民共和國／ 中國內地	HK\$260,000 (Note (a)) 260,000港元 (附註(a))	100	Retail of clothing and fashionable goods 零售時裝及 時尚產品

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17. INTERESTS IN SUBSIDIARIES (continued)

Particulars of the principal subsidiaries are as follows
(continued):

17. 附屬公司權益 (續)

主要附屬公司之詳情如下：(續)

Name 名稱	Place of incorporation/ registration and operations 註冊成立／ 註冊及經營地點	Nominal value of issued and paid-up shares/ registered capital 已發行及繳足 股份之面值／ 註冊資本	Percentage of equity attributable to the Company 本公司持股 百分比	Principal activities 主要業務
Indirectly held (continued) 間接持有 (續)				
北京君勳如舞國際 貿易有限公司	People's Republic of China/ Mainland China 中華人民共和國／ 中國內地	US\$1,000,000 (Note (a)) 1,000,000美元 (附註(a))	100	Retail of clothing and fashionable goods 零售時裝及 時尚產品
FIN Investments Limited	Hong Kong 香港	HK\$10,000 10,000港元	100	Trading of clothing and fashionable goods 買賣時裝及 時尚產品

Notes:

- (a) These subsidiaries are registered as wholly-foreign-owned enterprises under the law of the People's Republic of China.
- (b) The registered capital of Kingmaker Zhong Shan was fully contributed during the year.

附註：

- (a) 該等附屬公司根據中國法律註冊為外商獨資企業。
- (b) 順星中山之註冊資本已於年內繳足。

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17. INTERESTS IN SUBSIDIARIES (continued)

Notes: (continued)

(c) The registered capital of Kingstar Jiangxi amounted to US\$11,920,000 at 31 March 2010. Accordingly, the Group had commitments in respect of the remaining unpaid capital contribution of US\$3,310,000 (equivalent to HK\$25,818,000) at the end of the reporting period (note 31(ii)).

* Not audited by Ernst & Young Hong Kong or other member firm of the Ernst & Young global network.

During the year, the Group acquired FRD Worldwide Limited and its subsidiaries from an independent third party. Further details of the acquisition are included in note 28 to the financial statements.

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

18. AVAILABLE-FOR-SALE INVESTMENTS

Group

Hong Kong listed investments, at fair value
香港上市投資，按公平值

During the year, the fair value gain of the Group's available-for-sale equity investments recognised directly in equity amounted to approximately HK\$1,809,000 (2009: loss of HK\$1,280,000).

The fair values of the listed equity investments are based on quoted market prices.

17. 附屬公司權益 (續)

附註：(續)

(c) 其於二零一零年三月三十一日之註冊資本為11,920,000美元。因此，本集團於報告期末就其餘下未支付出資額承擔3,310,000美元(相當於25,818,000港元)(附註31(ii))。

* 並非由香港安永會計師事務所或安永會計師全球網絡之會員公司審核。

於年內，本集團自獨立第三方收購集智社(環球)有限公司及其附屬公司。收購事項之進一步詳情載於財務報表附註28。

董事們認為，上表所列公司為影響本年度業績或組成本集團資產淨值重大部分之本公司主要附屬公司。董事認為載列其他附屬公司詳情將使資料過於冗長。

18. 可供出售投資

本集團

	2010	2009
	HK\$'000 千港元	HK\$'000 千港元

Hong Kong listed investments, at fair value 香港上市投資，按公平值	2,185	880
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於年內，直接於股本確認之本集團可供出售股本投資之公平值收益約為1,809,000港元(二零零九年：虧損1,280,000港元)。

上市投資之公平值乃按市場報價計算。

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19. INVENTORIES

Group

	2010	2009
	HK\$'000 千港元	HK\$'000 千港元
Raw materials 原材料	59,327	59,028
Work in progress 在製品	14,439	13,042
Finished goods 製成品	48,055	38,805
	121,821	110,875

20. ACCOUNTS AND BILLS RECEIVABLE

Group

	2010	2009
	HK\$'000 千港元	HK\$'000 千港元
Accounts and bills receivable 應收賬項及票據	121,144	86,681
Impairment 減值	(2,298)	(2,293)
	118,846	84,388

The Group's accounts and bills receivable mainly related to a few recognised and creditworthy customers. Payment terms with customers are largely on credit. Invoices are normally payable within 90 days of issuance, except for certain well-established customers, where the terms are extended to 180 days. The Group seeks to maintain strict control over its outstanding receivables to minimise credit risk, including certain accounts receivable covered by credit insurance. Overdue balances are regularly reviewed by the Group's senior management. Accounts receivable are non-interest-bearing, except for a balance due from a customer of approximately HK\$89,598,000 (2009: HK\$30,514,000) which bears interest at a rate of 0.5% for a fixed period of 60 days.

19. 存貨

本集團

	2010	2009
	HK\$'000 千港元	HK\$'000 千港元

Raw materials 原材料	59,327	59,028
Work in progress 在製品	14,439	13,042
Finished goods 製成品	48,055	38,805
	121,821	110,875

20. 應收賬項及票據

本集團

	2010	2009
	HK\$'000 千港元	HK\$'000 千港元

Accounts and bills receivable 應收賬項及票據	121,144	86,681
Impairment 減值	(2,298)	(2,293)
	118,846	84,388

本集團之應收賬項及票據主要跟少數知名及有信譽之客戶有關。給予客戶之付款條款主要為信貸方式。除與本集團關係良好之若干客戶可於發出發票180日內還款外，一般客戶之還款期為90日。本集團厲行嚴格控制未收回之應收賬項，以減低信貸風險，包括若干以信貸保險作出保證之應收賬項。逾期未付款項由本集團高級管理層定期審核。應收賬項不計息，惟一位客戶欠付之餘額約89,598,000港元（二零零九年：30,514,000港元）按0.5厘之息率計息，而指定計息期間為60日。

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20. ACCOUNTS AND BILLS RECEIVABLE

(continued)

An aged analysis of the accounts and bills receivable as at the end of the reporting period, based on the date of goods delivered, is as follows:

Group	本集團	
	2010 HK\$'000 千港元	2009 HK\$'000 千港元
Within 90 days 90日內	118,788	84,388
Between 91 and 180 days 91日至180日	9	-
Between 181 and 365 days 181日至365日	17	-
Over 1 year 一年以上	32	-
	118,846	84,388

The movements in provision for impairment of accounts and bills receivable are as follows:

Group	本集團	
	2010 HK\$'000 千港元	2009 HK\$'000 千港元
At beginning of year 年初	2,293	2,293
Impairment losses recognised (note 7) 已確認減值虧損(附註7)	5	-
At 31 March 於三月三十一日	2,298	2,293

Included in the above provision for impairment of accounts and bills receivable is a provision for individually impaired trade receivables of HK\$2,298,000 (2009: HK\$2,293,000) with a gross carrying amount of HK\$2,298,000 (2009: HK\$2,293,000). The Group does not hold any collateral or other credit enhancements over these balances.

20. 應收賬項及票據 (續)

以貨物交付日期為基準，應收賬項及票據於報告期末之賬齡分析如下：

應收賬項及票據之減值撥備變動載列如下：

計入上述應收賬項及票據減值撥備之款項為賬面值達2,298,000港元(二零零九年：2,293,000港元)並已個別減值之應收賬項作出之撥備2,298,000港元(二零零九年：2,293,000港元)。本集團並無就該等結餘持有任何抵押品或其他信貸提升安排。

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31 March 2010 於二零一零年三月三十一日

20. ACCOUNTS AND BILLS RECEIVABLE

(continued)

The aged analysis of accounts and bills receivable that are not considered to be impaired is as follows:

Group

	2010	2009
	HK\$'000 千港元	HK\$'000 千港元
Neither past due nor impaired 未逾期或未出現減值	113,899	78,547
Less than 90 days past due 逾期少於90日	4,898	5,841
Over 90 days past due 逾期超過90日	49	-
	118,846	84,388

Receivables that were neither past due nor impaired relate to a few recognised and creditworthy customers for whom there was no recent history of default.

Receivables that were past due but not impaired relate to a number of independent customers that have a good track record with the Group. Based on past experience, the directors of the Company are of the opinion that no provision for impairment is necessary in respect of these balances as there has not been a significant change in credit quality and the balances are still considered fully recoverable. The Group does not hold any collateral or other credit enhancements over these balances.

20. 應收賬項及票據 (續)

並未視為出現減值之應收賬項及票據之賬齡分析如下：

本集團

	2010	2009
	HK\$'000 千港元	HK\$'000 千港元
並無逾期或減值之應收款項涉及少數知名及具信譽之客戶，彼等近期並無拖欠付款記錄。	113,899	78,547
已逾期但並無列作減值之應收款項，涉及若干與本集團關係良好之獨立客戶。據以往經驗，本公司董事們認為，並無需要就該等結餘作出減值撥備，原因為信貸質素並無重大變化，而結餘仍被視作可全數追回。本集團並無就該等結餘持有任何抵押品或其他信貸提升安排。	4,898	5,841
	49	-
	118,846	84,388

並無逾期或減值之應收款項涉及少數知名及具信譽之客戶，彼等近期並無拖欠付款記錄。

已逾期但並無列作減值之應收款項，涉及若干與本集團關係良好之獨立客戶。據以往經驗，本公司董事們認為，並無需要就該等結餘作出減值撥備，原因為信貸質素並無重大變化，而結餘仍被視作可全數追回。本集團並無就該等結餘持有任何抵押品或其他信貸提升安排。

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21. CASH AND CASH EQUIVALENTS

21. 現金及等同現金項目

	Group 本集團		Company 本公司	
	2010	2009	2010	2009
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	千港元	千港元	千港元	千港元
Cash and bank balances 現金及銀行結餘	91,755	102,776	1,618	46
Time deposits with original maturity of less than three months 原定到期日少於三個月之定期存款	118,953	108,952	17,124	16,984
Time deposits with original maturity of over three months when acquired 於收購時原定到期日逾三個月之 定期存款	316,669	200,439	-	-
Cash and cash equivalents 現金及等同現金項目	527,377	412,167	18,742	17,030

At the end of the reporting period, the cash and bank balances of the Group denominated in Renminbi ("RMB") amounted to approximately HK\$15,590,000 (2009: HK\$28,868,000). RMB is not freely convertible into other currencies, however, under Mainland China's Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for other currencies through banks authorised to conduct foreign exchange business.

Cash at banks earns interest at floating rates based on daily bank deposit rates. Time deposits are made for varying periods of between one day and one year depending on the immediate cash requirements of the Group, and earn interest at the respective time deposit rates.

The bank balances and time deposits are deposited with creditworthy banks with no recent history of default.

於報告期末，本集團以人民幣（「人民幣」）計算之現金及銀行結餘約達15,590,000港元（二零零九年：28,868,000港元）。人民幣不得自由兌換為其他貨幣。然而，根據中國外匯管制條例及結匯、售匯及付匯管理規定，本集團可在獲准進行外匯業務之銀行將人民幣兌換為其他貨幣。

銀行現金按每日銀行存款利率之浮動利率計息。定期存款之期限由一日至一年不等，視乎本集團之即時現金需求而定，按有關定期存款利率計息。

銀行結存及定期存款存置在信譽良好之銀行，近期並無拖欠。

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22. ACCOUNTS AND BILLS PAYABLE

An aged analysis of the accounts and bills payable as at the end of the reporting period, based on the date of goods received, is as follows:

Group	本集團	
	2010 HK\$'000 千港元	2009 HK\$'000 千港元
Within 90 days 90日內	127,650	102,357
Between 91 and 180 days 91日至180日	2,538	2,301
Between 181 and 365 days 181日至365日	365	4,081
Over 365 days 365日以上	723	2,312
	131,276	111,051

The accounts payable are non-interest-bearing and are normally settled on 90-day terms.

22. 應付賬項及票據

以收訖貨物日期為基準，應付賬項及票據於報告期末之賬齡分析如下：

應付賬項不計息，且一般須於90日內清付。

23. DERIVATIVE FINANCIAL INSTRUMENTS

Group 本集團	2010		2009	
	Assets 資產 HK\$'000 千港元	Liabilities 負債 HK\$'000 千港元	Assets 資產 HK\$'000 千港元	Liabilities 負債 HK\$'000 千港元
	Forward currency contracts 遠期外幣合約	1,744	152	6,080

The carrying amounts of forward currency contracts are the same as their fair values. The above transactions involving derivative financial instruments are with creditworthy banks with no recent history of default.

The Group has entered into various forward currency contracts to manage its exchange rate exposures which did not meet the criteria for hedge accounting. Net fair value gain on non-hedging currency derivatives amounting to HK\$2,196,000 were credited to the income statement during the year (2009: HK\$5,159,000) (note 7).

23. 衍生金融工具

遠期外幣合約之賬面值與其公平值相同。上述涉及衍生金融工具之交易乃與近期並無違約記錄之具信譽銀行進行。

本集團已訂立多項遠期貨幣合約管理其未能符合以對沖會計法處理之外匯風險。非對沖貨幣衍生工具之公平值收益淨額為港幣2,196,000元（二零零九年：港幣5,159,000元）已於年內計入收益表中（附註7）。

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24. BANKING FACILITIES

At 31 March 2010, the Group had available banking facilities amounting to HK\$210,800,000 (2009: HK\$256,000,000) of which approximately HK\$2,009,000 (2009: HK\$2,612,000) was utilised. The banking facilities were supported by corporate guarantees executed by the Company and certain of its subsidiaries.

24. 銀行融資

於二零一零年三月三十一日，本集團有可動用銀行融資共210,800,000港元（二零零九年：256,000,000港元），其中已動用約2,009,000港元（二零零九年：2,612,000港元）。銀行融資由本公司及其若干附屬公司提供擔保。

25. SHARE CAPITAL

Shares

	Number of ordinary shares of HK\$0.10 each		HK\$'000 千港元	
	2010	2009	2010	2009
Authorised: 法定：				
Balance at beginning and end of year 年初及年終結餘	1,000,000,000	1,000,000,000	100,000	100,000
Issued and fully paid: 已發行及繳足：				
Balance at beginning of year 年初結餘	640,990,445	653,546,445	64,099	65,355
Share options exercised (note (a)) 已行使購股權（附註(a)）	5,731,000	–	573	–
Repurchased (note (b)) 購回（附註(b)）	(4,914,000)	(12,556,000)	(491)	(1,256)
Balance at end of year 年終結餘	641,807,445	640,990,445	64,181	64,099

25. 股本

股份

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31 March 2010 於二零一零年三月三十一日

25. SHARE CAPITAL (continued)

During the year, the movements in share capital were as follows:

- (a) The subscription rights attaching to 5,731,000 share options were exercised at the subscription price of HK\$0.5 per share (note 26), resulting in the issue of 5,731,000 shares of HK\$0.1 each for a total cash consideration, before expenses, of HK\$2,865,000.
- (b) During the year, the Company repurchased its 4,914,000 (2009: 12,556,000) ordinary shares at a price ranging from HK\$0.59 to HK\$1.04 (2009: HK\$0.48 to HK\$1.01) per share at a total consideration of approximately HK\$3,813,000 (2009: HK\$8,506,000). 4,914,000 (2009: 10,844,000) and nil (2009: 1,712,000) repurchased ordinary shares were cancelled during the year and subsequent to the end of the reporting period, respectively. Details of the repurchases are disclosed in the Report of the Directors under the heading of "Purchase, redemption or sale of the Company's listed securities". The premium of approximately HK\$3,322,000 (2009: HK\$7,250,000) paid on the repurchase of such shares was debited to the share premium account and an amount of HK\$491,000 (2009: HK\$1,256,000) was transferred from retained profits of the Company to the capital redemption reserve, as set out in note 27 to the financial statements.

25. 股本 (續)

年內，股本之變動如下：

- (a) 附於5,731,000份購股權上的認購權按照每股0.5港元的認購價獲行使(附註26)，因此發行5,731,000股每股面值0.1港元的股份，未扣除費用的總現金代價為2,865,000港元。
- (b) 於本年度，本公司以每股0.59港元至1.04港元(二零零九年：0.48港元至1.01港元)之價格購回其4,914,000股(二零零九年：12,556,000股)普通股，總代價約為3,813,000港元(二零零九年：8,506,000港元)。所購回之4,914,000股(二零零九年：10,844,000股)及零(二零零九年：1,712,000股)普通股已分別於本年度及報告期末之後註銷。購回之詳情載於董事會報告內「購買、贖回或出售本公司之上市證券」一段。就購回有關股份所支付之溢價約3,322,000港元(二零零九年：7,250,000港元)已自股份溢價賬中扣除，並已從本公司保留盈利轉撥491,000港元(二零零九年：1,256,000港元)至資本贖回儲備(見財務報表附註27)。

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26. SHARE OPTION SCHEME

The Company operates a share option scheme (the "Scheme") for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's operations. Eligible participants of the Scheme included the Company's directors (including independent non-executive directors), other employees of the Group, suppliers of goods or services to the Group, customers of the Group, any person or entity that provides research, development or other technological support to the Group, and any shareholder of the Group. The Scheme became effective on 28 August 2002 and, unless otherwise cancelled or amended, will remain in force for 10 years from that date.

The maximum number of shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Scheme may not exceed 30% of the shares of the Company in issue at any time. The maximum number of shares issued and which may fall to be issued upon exercise of the options granted under the Scheme and any other share option scheme of the Company (including exercised, cancelled and outstanding options) to each eligible participant in any 12-month period up to the date of grant shall not exceed 1% of the shares of the Company in issue as at the date of grant.

Share options granted to a director, chief executive or substantial shareholder of the Company, or to any of their associates, are subject to approval by the independent non-executive directors of the Company. In addition, any share options granted to a substantial shareholder or any independent non-executive director of the Company, or to any of their associates in excess of 0.1% of the shares of the Company in issue on that date or with an aggregate value (based on the price of the Company's shares at the date of grant) in excess of HK\$5 million, within any 12-month period, are subject to shareholders' approval in a general meeting.

The period within which the options must be exercised will be determined by the board of directors of the Company at its absolute discretion. This period will expire no later than 10 years from the date of grant of the options. At the time of grant of the options, the Company may specify a minimum period for which an option must be held before it can be exercised. The offer of a grant of share options may be accepted within 21 days from the date of the offer, and the amount payable on acceptance of an offer is HK\$1.

26. 購股權計劃

本公司設立購股權計劃（「本計劃」），旨在鼓勵及嘉獎為本集團業務成功作出貢獻之合資格參與者。本計劃之合資格參與者包括本公司之董事（包括獨立非執行董事）、本集團之其他僱員、本集團之貨品或服務供應商、本集團之客戶、向本集團提供研究、開發或其他技術支援之任何人士或實體及本集團任何股東。本計劃於二零零二年八月二十八日生效，而除已註銷或修訂外，將於該日起計有效十年。

因行使根據本計劃授出而尚未行使之所有購股權而可發行之股份總數，不得超過本公司任何時間已發行股份之30%。於截至授出日期止任何12個月期間因行使根據本計劃及本公司任何其他購股權計劃授出之購股權（包括已行使、註銷及尚未行使之購股權）而向每名合資格參與者發行及可發行之股份總數，不得超過本公司於授出日期已發行股份之1%。

向本公司之董事、行政總裁、主要股東或彼等任何聯繫人授出購股權必須經本公司獨立非執行董事事先批准。此外，於任何12個月期間，倘向本公司其中一名主要股東、獨立非執行董事或彼等任何聯繫人授出涉及超過本公司於該日已發行股份0.1%或總值超過5,000,000港元（根據本公司於授出日期之股份價格計算）之購股權，則本公司須事先於股東大會獲得股東批准。

購股權須予行使之期間由本公司董事會全權決定。該期間將不遲於授出購股權當日起十年後屆滿。於授出購股權時，本公司可指定購股權行使前須持有之最短期限。建議授出之購股權可於建議授出日期起計21天內接納，且接納授出建議時須繳付1港元之代價。

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26. SHARE OPTION SCHEME (continued)

The subscription price for the shares of the Company to be issued upon exercise of the options shall be no less than the higher of (i) the closing price of the shares of the Company as stated in the daily quotation sheet issued by The Stock Exchange of Hong Kong Limited (the "Stock Exchange") on the date of grant; (ii) the average closing price of the shares of the Company as stated in the daily quotation sheets issued by the Stock Exchange for the five business days immediately preceding the date of grant; and (iii) the nominal value of the share of the Company on the date of grant.

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

The following share options were outstanding under the Scheme during the year:

26. 購股權計劃 (續)

於購股權獲行使時將發行之本公司股份之認購價，不得低於(i)本公司股份於授出日期在香港聯合交易所有限公司(「聯交所」)每日報價表所報之收市價；(ii)本公司股份於緊接授出日期前五個營業日在聯交所每日報價表所報之平均收市價；及(iii)本公司股份於授出日期之面值三者中之較高者。

購股權並未賦予持有人收取股息或於股東大會上投票之權利。

下列購股權為年內本計劃下未行使之購股權：

Name or category of participants 參與者姓名或類別	Number of share options 購股權數目					Date of grant of share options* 購股權之授出日期*	Exercise period of share options 購股權之行使期間	Exercise price of share options** 購股權之行使價** HK\$ 港元 per share 每股	Price of the Company's shares at grant date of options*** 於購股權授出日期之本公司股價*** HK\$ 港元 per share 每股
	At 1 April 2009 於二零零九年四月一日	Granted during the year 年內授出	Exercised during the year 年內行使	Forfeited/cancelled during the year 年內沒收/註銷	At 31 March 2010 於二零一零年三月三十一日				
Directors 董事									
Mr. Chen Ming-hsiung, Mickey 陳敬雄先生	550,000	-	-	-	550,000	14 January 2004 二零零四年一月十四日	14 January 2004 to 27 August 2012 二零零四年一月十四日至二零一二年八月二十七日	3.225	3.200
	550,000	-	-	-	550,000	13 October 2006 二零零六年十月十三日	13 October 2006 to 27 August 2012 二零零六年十月十三日至二零一二年八月二十七日	1.010	1.010
	550,000	-	-	-	550,000	2 January 2008 二零零八年一月二日	2 January 2008 to 27 August 2012 二零零八年一月二日至二零一二年八月二十七日	0.850	0.850
	-	200,000	-	-	200,000	6 January 2010 二零一零年一月六日	6 January 2010 to 27 August 2012 二零一零年一月六日至二零一二年八月二十七日	0.950	0.950
	-	150,000	-	-	150,000	6 January 2010 二零一零年一月六日	1 January 2011 to 27 August 2012 二零一一年一月一日至二零一二年八月二十七日	0.950	0.950
	-	150,000	-	-	150,000	6 January 2010 二零一零年一月六日	1 January 2012 to 27 August 2012 二零一二年一月一日至二零一二年八月二十七日	0.950	0.950
Mdm. Huang Hsiu-duan, Helen 黃秀端女士	100,000	-	-	-	100,000	14 January 2004 二零零四年一月十四日	14 January 2004 to 27 August 2012 二零零四年一月十四日至二零一二年八月二十七日	3.225	3.200
	100,000	-	-	-	100,000	13 October 2006 二零零六年十月十三日	13 October 2006 to 27 August 2012 二零零六年十月十三日至二零一二年八月二十七日	1.010	1.010
	100,000	-	-	-	100,000	2 January 2008 二零零八年一月二日	2 January 2008 to 27 August 2012 二零零八年一月二日至二零一二年八月二十七日	0.850	0.850
	60,000	-	-	-	60,000	5 January 2009 二零零九年一月五日	5 January 2009 to 27 August 2012 二零零九年一月五日至二零一二年八月二十七日	0.500	0.500
	45,000	-	-	-	45,000	5 January 2009 二零零九年一月五日	1 January 2010 to 27 August 2012 二零一零年一月一日至二零一二年八月二十七日	0.500	0.500
	45,000	-	-	-	45,000	5 January 2009 二零零九年一月五日	1 January 2011 to 27 August 2012 二零一一年一月一日至二零一二年八月二十七日	0.500	0.500
	-	52,000	-	-	52,000	6 January 2010 二零一零年一月六日	6 January 2010 to 27 August 2012 二零一零年一月六日至二零一二年八月二十七日	0.950	0.950
	-	39,000	-	-	39,000	6 January 2010 二零一零年一月六日	1 January 2011 to 27 August 2012 二零一一年一月一日至二零一二年八月二十七日	0.950	0.950
	-	39,000	-	-	39,000	6 January 2010 二零一零年一月六日	1 January 2012 to 27 August 2012 二零一二年一月一日至二零一二年八月二十七日	0.950	0.950

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26. SHARE OPTION SCHEME (continued)

The following share options were outstanding under the Scheme during the year (continued):

26. 購股權計劃 (續)

下列購股權為年內本計劃下未行使之購股權 (續) :

Name or category of participants 參與者姓名或類別	Number of share options 購股權數目					Date of grant of share options* 購股權之授出日期*	Exercise period of share options 購股權之行使期間	Exercise price of share options** 購股權之行使價** HK\$ 港元 per share 每股	Price of the Company's shares at grant date of options*** 於購股權授出日期之本公司股價*** HK\$ 港元 per share 每股
	At 1 April 2009 於二零零九年四月一日	Granted during the year 年內授出	Exercised during the year 年內行使	Forfeited/cancelled during the year 年內沒收/註銷	At 31 March 2010 於二零一零年三月三十一日				
Directors (continued) 董事 (續)									
Mr. Lee Kung, Bobby 李錕先生	400,000	-	-	-	400,000	14 January 2004 二零零四年一月十四日	14 January 2004 to 27 August 2012 二零零四年一月十四日至二零一二年八月二十七日	3.225	3.200
	600,000	-	-	-	600,000	13 October 2006 二零零六年十月十三日	13 October 2006 to 27 August 2012 二零零六年十月十三日至二零一二年八月二十七日	1.010	1.010
	600,000	-	-	-	600,000	2 January 2008 二零零八年一月二日	2 January 2008 to 27 August 2012 二零零八年一月二日至二零一二年八月二十七日	0.850	0.850
	260,000	-	(260,000)	-	-	5 January 2009 二零零九年一月五日	5 January 2009 to 27 August 2012 二零零九年一月五日至二零一二年八月二十七日	0.500	0.500
	195,000	-	(195,000)	-	-	5 January 2009 二零零九年一月五日	1 January 2010 to 27 August 2012 二零一零年一月一日至二零一二年八月二十七日	0.500	0.500
	195,000	-	-	-	195,000	5 January 2009 二零零九年一月五日	1 January 2011 to 27 August 2012 二零一一年一月一日至二零一二年八月二十七日	0.500	0.500
	-	240,000	-	-	240,000	6 January 2010 二零一零年一月六日	6 January 2010 to 27 August 2012 二零一零年一月六日至二零一二年八月二十七日	0.950	0.950
	-	180,000	-	-	180,000	6 January 2010 二零一零年一月六日	1 January 2011 to 27 August 2012 二零一一年一月一日至二零一二年八月二十七日	0.950	0.950
	-	180,000	-	-	180,000	6 January 2010 二零一零年一月六日	1 January 2012 to 27 August 2012 二零一二年一月一日至二零一二年八月二十七日	0.950	0.950
	Mr. Kimmel, Phillip Brian 柯民佑先生	500,000	-	-	-	500,000	14 January 2004 二零零四年一月十四日	14 January 2004 to 27 August 2012 二零零四年一月十四日至二零一二年八月二十七日	3.225
600,000		-	-	-	600,000	13 October 2006 二零零六年十月十三日	13 October 2006 to 27 August 2012 二零零六年十月十三日至二零一二年八月二十七日	1.010	1.010
600,000		-	-	-	600,000	2 January 2008 二零零八年一月二日	2 January 2008 to 27 August 2012 二零零八年一月二日至二零一二年八月二十七日	0.850	0.850
260,000		-	-	-	260,000	5 January 2009 二零零九年一月五日	5 January 2009 to 27 August 2012 二零零九年一月五日至二零一二年八月二十七日	0.500	0.500
195,000		-	-	-	195,000	5 January 2009 二零零九年一月五日	1 January 2010 to 27 August 2012 二零一零年一月一日至二零一二年八月二十七日	0.500	0.500
195,000		-	-	-	195,000	5 January 2009 二零零九年一月五日	1 January 2011 to 27 August 2012 二零一一年一月一日至二零一二年八月二十七日	0.500	0.500
-		240,000	-	-	240,000	6 January 2010 二零一零年一月六日	6 January 2010 to 27 August 2012 二零一零年一月六日至二零一二年八月二十七日	0.950	0.950
-		180,000	-	-	180,000	6 January 2010 二零一零年一月六日	1 January 2011 to 27 August 2012 二零一一年一月一日至二零一二年八月二十七日	0.950	0.950
-		180,000	-	-	180,000	6 January 2010 二零一零年一月六日	1 January 2012 to 27 August 2012 二零一二年一月一日至二零一二年八月二十七日	0.950	0.950
Mr. Wong Hei-chiu 黃禧超先生		27,500	-	-	-	27,500	5 January 2009 二零零九年一月五日	5 January 2009 to 27 August 2012 二零零九年一月五日至二零一二年八月二十七日	0.500
	82,500	-	-	-	82,500	5 January 2009 二零零九年一月五日	1 January 2010 to 27 August 2012 二零一零年一月一日至二零一二年八月二十七日	0.500	0.500
	82,500	-	-	-	82,500	5 January 2009 二零零九年一月五日	1 January 2011 to 27 August 2012 二零一一年一月一日至二零一二年八月二十七日	0.500	0.500
	82,500	-	-	-	82,500	5 January 2009 二零零九年一月五日	1 January 2012 to 27 August 2012 二零一二年一月一日至二零一二年八月二十七日	0.500	0.500
	-	240,000	-	-	240,000	6 January 2010 二零一零年一月六日	6 January 2010 to 27 August 2012 二零一零年一月六日至二零一二年八月二十七日	0.950	0.950
	-	180,000	-	-	180,000	6 January 2010 二零一零年一月六日	1 January 2011 to 27 August 2012 二零一一年一月一日至二零一二年八月二十七日	0.950	0.950
	-	180,000	-	-	180,000	6 January 2010 二零一零年一月六日	1 January 2012 to 27 August 2012 二零一二年一月一日至二零一二年八月二十七日	0.950	0.950
	-	180,000	-	-	180,000	6 January 2010 二零一零年一月六日	1 January 2012 to 27 August 2012 二零一二年一月一日至二零一二年八月二十七日	0.950	0.950

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26. SHARE OPTION SCHEME (continued)

The following share options were outstanding under the Scheme during the year (continued):

26. 購股權計劃 (續)

下列購股權為年內本計劃下未行使之購股權 (續) :

Name or category of participants 參與者姓名或類別	Number of share options 購股權數目					Date of grant of share options* 購股權之授出日期*	Exercise period of share options 購股權之行使期間	Exercise price of share options** 購股權之行使價** HK\$ 港元 per share 每股	Price of the Company's shares at grant date of options*** 於購股權授出日期之本公司股價*** HK\$ 港元 per share 每股
	At 1 April 2009 於二零零九年四月一日	Granted during the year 年內授出	Exercised during the year 年內行使	Forfeited/cancelled during the year 年內沒收/註銷	At 31 March 2010 於二零一零年三月三十一日				
Directors (continued) 董事 (續)									
Mr. Chow Wing-kin, Anthony 周永健先生	200,000	-	-	-	200,000	13 October 2006 二零零六年十月十三日	13 October 2006 to 27 August 2012 二零零六年十月十三日至二零一二年八月二十七日	1.010	1.010
	200,000	-	-	-	200,000	2 January 2008 二零零八年一月二日	2 January 2008 to 27 August 2012 二零零八年一月二日至二零一二年八月二十七日	0.850	0.850
	80,000	-	-	-	80,000	5 January 2009 二零零九年一月五日	5 January 2009 to 27 August 2012 二零零九年一月五日至二零一二年八月二十七日	0.500	0.500
	60,000	-	-	-	60,000	5 January 2009 二零零九年一月五日	1 January 2010 to 27 August 2012 二零一零年一月一日至二零一二年八月二十七日	0.500	0.500
	60,000	-	-	-	60,000	5 January 2009 二零零九年一月五日	1 January 2011 to 27 August 2012 二零一一年一月一日至二零一二年八月二十七日	0.500	0.500
	-	80,000	-	-	80,000	6 January 2010 二零一零年一月六日	6 January 2010 to 27 August 2012 二零一零年一月六日至二零一二年八月二十七日	0.950	0.950
	-	60,000	-	-	60,000	6 January 2010 二零一零年一月六日	1 January 2011 to 27 August 2012 二零一一年一月一日至二零一二年八月二十七日	0.950	0.950
	-	60,000	-	-	60,000	6 January 2010 二零一零年一月六日	1 January 2012 to 27 August 2012 二零一二年一月一日至二零一二年八月二十七日	0.950	0.950
	-	60,000	-	-	60,000	6 January 2010 二零一零年一月六日	二零一二年一月一日至二零一二年八月二十七日		
	Mr. Chan Ho-man, Daniel 陳浩文先生	500,000	-	-	-	500,000	14 January 2004 二零零四年一月十四日	14 January 2004 to 27 August 2012 二零零四年一月十四日至二零一二年八月二十七日	3.225
600,000		-	-	-	600,000	13 October 2006 二零零六年十月十三日	13 October 2006 to 27 August 2012 二零零六年十月十三日至二零一二年八月二十七日	1.010	1.010
600,000		-	-	-	600,000	2 January 2008 二零零八年一月二日	2 January 2008 to 27 August 2012 二零零八年一月二日至二零一二年八月二十七日	0.850	0.850
240,000		-	-	-	240,000	5 January 2009 二零零九年一月五日	5 January 2009 to 27 August 2012 二零零九年一月五日至二零一二年八月二十七日	0.500	0.500
180,000		-	-	-	180,000	5 January 2009 二零零九年一月五日	1 January 2010 to 27 August 2012 二零一零年一月一日至二零一二年八月二十七日	0.500	0.500
180,000		-	-	-	180,000	5 January 2009 二零零九年一月五日	1 January 2011 to 27 August 2012 二零一一年一月一日至二零一二年八月二十七日	0.500	0.500
-		160,000	-	-	160,000	6 January 2010 二零一零年一月六日	6 January 2010 to 27 August 2012 二零一零年一月六日至二零一二年八月二十七日	0.950	0.950
-		120,000	-	-	120,000	6 January 2010 二零一零年一月六日	1 January 2011 to 27 August 2012 二零一一年一月一日至二零一二年八月二十七日	0.950	0.950
-		120,000	-	-	120,000	6 January 2010 二零一零年一月六日	1 January 2012 to 27 August 2012 二零一二年一月一日至二零一二年八月二十七日	0.950	0.950
-		120,000	-	-	120,000	6 January 2010 二零一零年一月六日	二零一二年一月一日至二零一二年八月二十七日		
Mr. Tam King-ching, Kenny 譚競正先生	200,000	-	-	-	200,000	13 October 2006 二零零六年十月十三日	13 October 2006 to 27 August 2012 二零零六年十月十三日至二零一二年八月二十七日	1.010	1.010
	200,000	-	-	-	200,000	2 January 2008 二零零八年一月二日	2 January 2008 to 27 August 2012 二零零八年一月二日至二零一二年八月二十七日	0.850	0.850
	80,000	-	-	-	80,000	5 January 2009 二零零九年一月五日	5 January 2009 to 27 August 2012 二零零九年一月五日至二零一二年八月二十七日	0.500	0.500
	60,000	-	-	-	60,000	5 January 2009 二零零九年一月五日	1 January 2010 to 27 August 2012 二零一零年一月一日至二零一二年八月二十七日	0.500	0.500
	60,000	-	-	-	60,000	5 January 2009 二零零九年一月五日	1 January 2011 to 27 August 2012 二零一一年一月一日至二零一二年八月二十七日	0.500	0.500
	-	80,000	-	-	80,000	6 January 2010 二零一零年一月六日	6 January 2010 to 27 August 2012 二零一零年一月六日至二零一二年八月二十七日	0.950	0.950
	-	60,000	-	-	60,000	6 January 2010 二零一零年一月六日	1 January 2011 to 27 August 2012 二零一一年一月一日至二零一二年八月二十七日	0.950	0.950
	-	60,000	-	-	60,000	6 January 2010 二零一零年一月六日	1 January 2012 to 27 August 2012 二零一二年一月一日至二零一二年八月二十七日	0.950	0.950
	-	60,000	-	-	60,000	6 January 2010 二零一零年一月六日	二零一二年一月一日至二零一二年八月二十七日		

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26. SHARE OPTION SCHEME (continued)

The following share options were outstanding under the Scheme during the year (continued):

26. 購股權計劃 (續)

下列購股權為年內本計劃下未行使之購股權 (續) :

Name or category of participants 參與者姓名或類別	Number of share options 購股權數目				At 31 March 2010 於二零一零年三月三十一日	Date of grant of share options* 購股權之授出日期*	Exercise period of share options 購股權之行使期間	Exercise price of share options** 購股權之行使價 HK\$ 港元 per share 每股	Price of the Company's shares at grant date of options*** 於購股權授出日期之本公司股價** HK\$ 港元 per share 每股
	At 1 April 2009 於二零零九年四月一日	Granted during the year 年內授出	Exercised during the year 年內行使	Forfeited/cancelled during the year 年內沒收/註銷					
Directors (continued) 董事 (續)									
Mr. Chan Mo-po, Paul 陳茂波先生	200,000	-	-	-	200,000	13 October 2006 二零零六年十月十三日	13 October 2006 to 27 August 2012 二零零六年十月十三日至二零一二年八月二十七日	1.010	1.010
	200,000	-	-	-	200,000	2 January 2008 二零零八年一月二日	2 January 2008 to 27 August 2012 二零零八年一月二日至二零一二年八月二十七日	0.850	0.850
	80,000	-	-	-	80,000	5 January 2009 二零零九年一月五日	5 January 2009 to 27 August 2012 二零零九年一月五日至二零一二年八月二十七日	0.500	0.500
	60,000	-	-	-	60,000	5 January 2009 二零零九年一月五日	1 January 2010 to 27 August 2012 二零一零年一月一日至二零一二年八月二十七日	0.500	0.500
	60,000	-	-	-	60,000	5 January 2009 二零零九年一月五日	1 January 2011 to 27 August 2012 二零一一年一月一日至二零一二年八月二十七日	0.500	0.500
	-	80,000	-	-	80,000	6 January 2010 二零一零年一月六日	6 January 2010 to 27 August 2012 二零一零年一月六日至二零一二年八月二十七日	0.950	0.950
	-	60,000	-	-	60,000	6 January 2010 二零一零年一月六日	1 January 2011 to 27 August 2012 二零一一年一月一日至二零一二年八月二十七日	0.950	0.950
	-	60,000	-	-	60,000	6 January 2010 二零一零年一月六日	1 January 2012 to 27 August 2012 二零一二年一月一日至二零一二年八月二十七日	0.950	0.950
	-	60,000	-	-	60,000	6 January 2010 二零一零年一月六日	二零一二年一月一日至二零一二年八月二十七日		
	-	60,000	-	-	60,000	6 January 2010 二零一零年一月六日	二零一二年一月一日至二零一二年八月二十七日		
Mr. Yung Tse-kwong, Steven 戎子江先生	200,000	-	-	-	200,000	13 October 2006 二零零六年十月十三日	13 October 2006 to 27 August 2012 二零零六年十月十三日至二零一二年八月二十七日	1.010	1.010
	200,000	-	-	-	200,000	2 January 2008 二零零八年一月二日	2 January 2008 to 27 August 2012 二零零八年一月二日至二零一二年八月二十七日	0.850	0.850
	80,000	-	-	-	80,000	5 January 2009 二零零九年一月五日	5 January 2009 to 27 August 2012 二零零九年一月五日至二零一二年八月二十七日	0.500	0.500
	60,000	-	-	-	60,000	5 January 2009 二零零九年一月五日	1 January 2010 to 27 August 2012 二零一零年一月一日至二零一二年八月二十七日	0.500	0.500
	60,000	-	-	-	60,000	5 January 2009 二零零九年一月五日	1 January 2011 to 27 August 2012 二零一一年一月一日至二零一二年八月二十七日	0.500	0.500
	-	80,000	-	-	80,000	6 January 2010 二零一零年一月六日	6 January 2010 to 27 August 2012 二零一零年一月六日至二零一二年八月二十七日	0.950	0.950
	-	60,000	-	-	60,000	6 January 2010 二零一零年一月六日	1 January 2011 to 27 August 2012 二零一一年一月一日至二零一二年八月二十七日	0.950	0.950
	-	60,000	-	-	60,000	6 January 2010 二零一零年一月六日	1 January 2012 to 27 August 2012 二零一二年一月一日至二零一二年八月二十七日	0.950	0.950
	-	60,000	-	-	60,000	6 January 2010 二零一零年一月六日	二零一二年一月一日至二零一二年八月二十七日		
	-	60,000	-	-	60,000	6 January 2010 二零一零年一月六日	二零一二年一月一日至二零一二年八月二十七日		
	11,675,000	3,630,000	(455,000)	-	14,850,000				

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26. SHARE OPTION SCHEME (continued)

The following share options were outstanding under the Scheme during the year (continued):

Name or category of participants 參與者姓名或類別	Number of share options 購股權數目					Date of grant of share options* 購股權之授出日期*	Exercise period of share options 購股權之行使期間	Exercise price of share options** 購股權之行使價* HK\$ 港元 per share 每股	Price of the Company's shares at grant date of options*** 於購股權授出日期之本公司股價** HK\$ 港元 per share 每股
	At 1 April 2009 於二零零九年四月一日	Granted during the year 年內授出	Exercised during the year 年內行使	Forfeited/cancelled during the year 年內沒收/註銷	At 31 March 2010 於二零一零年三月三十一日				
Other employees 其他僱員									
In aggregate 合共	6,550,000	-	-	(6,550,000)	-	14 January 2004 二零零四年一月十四日	14 January 2004 to 27 August 2012 二零零四年一月十四日至二零一二年八月二十七日	3.225	3.200
	7,020,000	-	-	(7,020,000)	-	14 January 2004 二零零四年一月十四日	1 January 2005 to 27 August 2012 二零零五年一月一日至二零一二年八月二十七日	3.225	3.200
	9,730,000	-	-	(110,000)	9,620,000	13 October 2006 二零零六年十月十三日	13 October 2006 to 27 August 2012 二零零六年十月十三日至二零一二年八月二十七日	1.010	1.010
	10,800,000	-	-	(400,000)	10,400,000	2 January 2008 二零零八年一月二日	2 January 2008 to 27 August 2012 二零零八年一月二日至二零一二年八月二十七日	0.850	0.850
	5,884,000	-	(3,748,000)	(56,000)	2,080,000	5 January 2009 二零零九年一月五日	5 January 2009 to 27 August 2012 二零零九年一月五日至二零一二年八月二十七日	0.500	0.500
	4,476,000	-	(1,528,000)	(117,000)	2,831,000	5 January 2009 二零零九年一月五日	1 January 2010 to 27 August 2012 二零一零年一月一日至二零一二年八月二十七日	0.500	0.500
	4,476,000	-	-	(162,000)	4,314,000	5 January 2009 二零零九年一月五日	1 January 2011 to 27 August 2012 二零一一年一月一日至二零一二年八月二十七日	0.500	0.500
	84,000	-	-	-	84,000	5 January 2009 二零零九年一月五日	1 January 2012 to 27 August 2012 二零一二年一月一日至二零一二年八月二十七日	0.500	0.500
	-	5,652,000	-	(77,000)	5,575,000	6 January 2010 二零一零年一月六日	6 January 2010 to 27 August 2012 二零一零年一月六日至二零一二年八月二十七日	0.950	0.950
	-	4,311,000	-	(69,000)	4,242,000	6 January 2010 二零一零年一月六日	1 January 2011 to 27 August 2012 二零一一年一月一日至二零一二年八月二十七日	0.950	0.950
	-	4,407,000	-	(84,000)	4,323,000	6 January 2010 二零一零年一月六日	1 January 2012 to 27 August 2012 二零一二年一月一日至二零一二年八月二十七日	0.950	0.950
	49,020,000	14,370,000	(5,276,000)	(14,645,000)	43,469,000				
	60,695,000	18,000,000	(5,731,000)	(14,645,000)	58,319,000				

Notes to the reconciliation of share options outstanding during the year:

- * The vesting period of the share options is from the date of grant until the commencement of the exercise period.
- ** The exercise price of the share options is subject to adjustment in the case of rights or bonus issues, or other similar changes in the Company's share capital.
- *** The price of the Company's shares disclosed as at the date of grant of the share options is the Stock Exchange closing price on the trading day immediately prior to the date of grant of the options. The price of the Company's shares disclosed as at the date of the exercise of the share options is the weighted average of the Stock Exchange closing prices over all of the exercises of options within the disclosure line.

年內未行使購股權對賬表附註：

- * 購股權之歸屬期自授出日期起至開始行使日期止。
- ** 購股權之行使價或因供股或紅股發行之調整或其他本公司股本之類似變動而更改。
- *** 上述於購股權授出日期之本公司股份價格乃緊接購股權授出日期前一個交易日之聯交所收市價。上述於購股權行使日期之本公司股份價格乃適用於披露類別內全部購股權行使時之聯交所收市價加權平均數。

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26. SHARE OPTION SCHEME (continued)

The 5,731,000 share options exercised during the year resulted in the issue of 5,731,000 ordinary shares of the Company and new share capital of HK\$573,000 and share premium of HK\$2,292,000, as further detailed in note 25 to the financial statements.

At the end of the reporting period, the Company had 2,050,000, 12,870,000, 13,650,000, 11,979,000 and 17,770,000 share options with exercise prices of HK\$3.225, HK\$1.01, HK\$0.85, HK\$0.50 and HK\$0.95 per share, respectively, outstanding under the Scheme, which altogether represented approximately 9.09% of the Company's shares in issue as at that date. The exercise in full of the outstanding share options would, under the present capital structure of the Company, result in the issue of 58,319,000 additional ordinary shares of the Company and additional issued share capital of HK\$5,832,000 and share premium of approximately HK\$48,252,000 (before issue expenses).

Subsequent to the end of the reporting period, a total of 4,148,000 share options with exercise prices of HK\$0.50, HK\$0.85 and HK\$0.95 per share, respectively, were exercised. It resulted in the issue of 4,148,000 ordinary shares of the Company.

The fair value of the share options under the Scheme granted during the year ended 31 March 2010 was estimated at approximately HK\$3,734,000 (2009: HK\$2,419,000) of which the Company recognised share option expenses of HK\$3,200,000 and HK\$1,200,000 during the years ended 31 March 2010 and 2009.

As at 31 March 2010, the total equity-settled options expense of HK\$1,753,000 under the Scheme had not been recognised in the income statement.

The fair value was estimated as at the date of grant using Black-Scholes model, taking into account the terms and conditions upon which the options were granted. The following table lists the inputs to the model used for the year ended 31 March 2010:

Date of share options granted: 授出購股權日期:	
Volatility (%): 波幅(%):	
Risk-free interest rate (%): 無風險利率(%):	
Expected life of options (year): 購股權之預期年期(年):	
Dividend yield (%): 股息率(%):	

The expected life of the options is based on the historical data and is not necessarily indicative of the exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility is indicative of future trends, which may also not necessarily be the actual outcome.

26. 購股權計劃 (續)

年內獲行使之5,731,000份購股權導致發行5,731,000股本公司普通股以及新股本573,000港元及股份溢價2,292,000港元，進一步詳情載於財務報表附註25。

於報告期末，本公司根據本計劃授出而尚未行使之購股權共有2,050,000份、12,870,000份、13,650,000份、11,979,000份及17,770,000份，合共佔本公司當日已發行股份約9.09%，而行使價分別為每股3.225港元、1.01港元、0.85港元、0.50港元及0.95港元。根據本公司現時股本架構，全面行使未行使購股權將導致額外發行58,319,000股本公司普通股，而已發行股本及股份溢價則分別增加5,832,000港元及約48,252,000港元（未扣除發行費用）。

在報告期末以後，有合共4,148,000份購股權已分別按行使價每股0.50港元、0.85港元及0.95港元獲行使，因而導致發行本公司普通股4,148,000股。

於截至二零一零年三月三十一日止年度內根據計劃授出購股權之公平值估計約為3,734,000港元（二零零九年：2,419,000港元），其中於截至二零一零年及至二零零九年三月三十一日止年度，本公司確認購股權開支3,200,000港元及1,200,000港元。

於二零一零年三月三十一日，計劃項下總權益結算購股權開支1,753,000港元並無於收益表確認。

公平值乃於授出日期使用柏力克·舒爾斯模式估計，已考慮授出購股權之條款及條件。下表列出就於截至二零一零年三月三十一日止年度所使用之模式之輸入資料：

	2010	2009
	6 January 2010	5 January 2009
	二零一零年一月六日	二零零九年一月五日
	42.17	50.90
	1.10	1.23
	2.64	3.64
	3.87	5.38

購股權之預期年期乃按照歷史數據計算，但未必能顯示可能出現之行使模式。預期波幅反映有關歷史波幅顯示未來趨勢之假設，但未來趨勢未必與實際結果相同。

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27. RESERVES

(a) Group

The amounts of the Group's reserves and the movements therein for the current and prior years are presented in the consolidated statement of changes in equity of the financial statements.

(b) Company

27. 儲備

(a) 本集團

本集團於本年度及過往年度之儲備數額及其變動載於財務報表之綜合權益變動表。

(b) 本公司

	Share premium account 股份溢價賬 HK\$'000 千港元	Capital redemption reserve 股本贖回儲備 HK\$'000 千港元	Contributed surplus 繳入盈餘 HK\$'000 千港元	Share option reserve 購股權儲備 HK\$'000 千港元	Retained profits 保留溢利 HK\$'000 千港元	Total 合計 HK\$'000 千港元
At 1 April 2008 於二零零八年四月一日	70,183	203	66,982	7,872	7,013	152,253
Final 2008 dividend declared (note 12) 已宣派二零零八年末期股息 (附註12)	-	-	-	-	(13,021)	(13,021)
Profit for the year and total comprehensive income for the year (note 11) 年內溢利及本年度全面收益總額 (附註11)	-	-	-	-	45,930	45,930
Shares repurchased (note 25) 購回股份 (附註25)	(7,250)	1,256	-	-	(1,256)	(7,250)
Recognition of equity-settled share-based payments (note 26) 確認以權益結算以股份支付之款項 (附註26)	-	-	-	1,200	-	1,200
Interim 2009 dividend (note 12) 二零零九年中期股息 (附註12)	-	-	-	-	(9,723)	(9,723)
At 31 March 2009 and 1 April 2009 於二零零九年三月三十一日及二零零九年四月一日	62,933	1,459	66,982	9,072	28,943	169,389
Final 2009 dividend declared (note 12) 已宣派二零零九年末期股息 (附註12)	-	-	-	-	(15,974)	(15,974)
Profit for the year and total comprehensive income for the year (note 11) 年內溢利及本年度全面收益總額 (附註11)	-	-	-	-	37,317	37,317
Shares repurchased (note 25) 購回股份 (附註25)	(3,322)	491	-	-	(491)	(3,322)
Issue of shares (note 25) 發行股份 (附註25)	2,292	-	-	-	-	2,292
Recognition of equity-settled share-based payments (note 26) 確認以權益結算以股份支付之款項 (附註26)	-	-	-	3,200	-	3,200
Interim 2010 dividend (note 12) 二零一零年中期股息 (附註12)	-	-	-	-	(10,216)	(10,216)
At 31 March 2010 於二零一零年三月三十一日	61,903	1,950	66,982	12,272	39,579	182,686

The contributed surplus of the Company represents the excess of the fair value of the shares of the subsidiaries acquired pursuant to the Group reorganisation in September 1994, over the nominal value of the Company's shares issued in exchange therefor.

本公司之繳入盈餘乃指根據一九九四年九月集團重組時所收購附屬公司股份之公平值超逾本公司為交換該等資產而發行股份之面值之差額。

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28. BUSINESS COMBINATIONS

- (i) On 9 May 2009, the Group acquired 100% interests in FRD Worldwide Limited and its subsidiaries (collectively known as “FRD Group”) at a cash consideration of HK\$1,000,000 from an independent third party (the “Acquisition”). FRD Group is principally engaged in garment trading, distribution and retailing business in the People’s Republic of China.

The fair values of the identifiable assets and liabilities of FRD Group as at the date of acquisition and the corresponding carrying amounts immediately before the Acquisition were as follows:

28. 業務合併

- (i) 於二零零九年五月九日，本集團按現金代價1,000,000港元向獨立第三方收購集智社（環球）有限公司及其附屬公司（統稱「集智社集團」）100%權益（「收購事項」），集智社集團主要於中華人民共和國從事服裝貿易、分銷及零售業務。

集智社集團可識別資產及負債於收購日期之公平值，及緊接收購事項前之相關賬面值如下：

	Note 附註	Previous carrying amount 先前之賬面值 HK\$'000 千港元	Fair value recognised on acquisition 就收購事項確認之公平值 HK\$'000 千港元
Plant and equipment 廠房及設備	14	595	595
Inventories 存貨		1,494	1,494
Prepayments, deposits and other receivables 預付款項、按金及其他應收賬項		525	525
Cash and cash equivalents 現金及等同現金項目		239	239
Accounts payable 應付賬項		(518)	(518)
Accrued liabilities and other payables 應計負債及其他應付賬項		(1,937)	(1,937)
		398	398
Goodwill on acquisition 收購事項之商譽			602
Satisfied by cash 以現金支付			1,000

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28. BUSINESS COMBINATIONS (continued)

(i) (continued)

An analysis of the net outflow of cash and cash equivalents in respect of the Acquisition is as follows:

	HK\$'000 千港元
Cash consideration 現金代價	(1,000)
Cash and cash equivalents acquired 所得現金及等同現金項目	239
Net outflow of cash and cash equivalents in respect of the Acquisition 就收購事項之現金及等同現金項目之淨流出	(761)

Since its acquisition, FRD Group contributed approximately HK\$2,245,000 to the Group's revenue and loss of HK\$4,668,000 to the consolidated profit for the year ended 31 March 2010.

Had the business combination taken place at the beginning of the year, the revenue and net profit of the Group the year ended 31 March 2010 would have been approximately HK\$1,289,834,000 and approximately HK\$103,975,000, respectively.

(ii) On 16 April 2008, the Group acquired 100% interests in Star (1) Limited, Star (2) Limited, Star (3) Limited and Viewexcel Limited (collectively known as "MOCCA") at a cash consideration of HK\$3,672,000 from independent third parties (the "MOCCA Acquisition"). MOCCA are engaged in the trading, distribution and retailing businesses of footwear, bags and accessories in Hong Kong.

28. 業務合併 (續)

(i) (續)

就收購事項之現金及等同現金項目之淨流出分析如下：

	HK\$'000 千港元
Cash consideration 現金代價	(1,000)
Cash and cash equivalents acquired 所得現金及等同現金項目	239
Net outflow of cash and cash equivalents in respect of the Acquisition 就收購事項之現金及等同現金項目之淨流出	(761)

自收購事項以來，集智社集團為本集團截至二零一零年三月三十一日止年度之收益貢獻約2,245,000港元及向綜合溢利帶來虧損4,668,000港元。

倘業務合併於年初發生，則本集團截至二零一零年三月三十一日止年度之收益及純利將分別為1,289,834,000港元及103,975,000港元。

(ii) 於二零零八年四月十六日，本集團自獨立第三方收購寶星(1)有限公司、寶星(2)有限公司、寶星(3)有限公司及耀良有限公司(統稱為「MOCCA」)之全部權益，現金代價為3,672,000港元(「MOCCA收購事項」)。MOCCA在香港從事鞋履、皮包及配飾之貿易、分銷及零售業務。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 March 2010 於二零一零年三月三十一日

28. BUSINESS COMBINATIONS (continued)

(ii) (continued)

The fair values of the identifiable assets and liabilities of MOCCA as at the date of acquisition and the corresponding carrying amounts immediately before the MOCCA Acquisition were as follows:

	Note 附註	Previous carrying amount 先前之賬面值 HK\$'000 千港元	Fair value recognised on acquisition 就收購事項確認之 公平值 HK\$'000 千港元
Plant and equipment 廠房及設備	14	562	562
Inventories 存貨		3,482	3,482
Prepayments, deposits and other receivables 預付款項、按金及其他應收賬項		1,676	1,676
Cash and cash equivalents 現金及等同現金項目		172	172
Accounts payable 應付賬項		(1,349)	(1,349)
Other payables 其他應付賬項		(237)	(237)
		4,306	4,306
Excess over the cost of business combinations recognised in the income statement 於收益表確認之超過業務合併之成本	7		(634)
Satisfied by cash 以現金支付			3,672

28. 業務合併 (續)

(ii) (續)

MOCCA可識別資產及負債於收購日期之公平值，及緊接MOCCA收購事項前之相關賬面值如下：

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 March 2010 於二零一零年三月三十一日

28. BUSINESS COMBINATIONS (continued)

(ii) (continued)

An analysis of the net outflow of cash and cash equivalents in respect of the MOCCA Acquisition is as follows:

	HK\$'000 千港元
Cash consideration 現金代價	(3,672)
Cash and cash equivalents acquired 所得現金及等同現金項目	172
Net outflow of cash and cash equivalents in respect of the MOCCA Acquisition 就MOCCA收購事項之現金及等同現金項目之淨流出	(3,500)

Since its acquisition, MOCCA contributed HK\$13,141,000 to the Group's revenue and loss of HK\$13,700,000 to the consolidated profit for the year ended 31 March 2009.

Had the business combination taken place at the beginning of the year, the revenue and net profit of the Group for the year ended 31 March 2009 would have been HK\$1,464,375,000 and HK\$53,029,000, respectively.

29. CONTINGENT LIABILITIES

As at 31 March 2010, the Company had provided corporate guarantees to certain banks for banking facilities provided to certain of its subsidiaries. These banking facilities had been utilised to the extent of approximately HK\$2,009,000 (2009: HK\$2,612,000) as at the end of the reporting period.

28. 業務合併 (續)

(ii) (續)

就MOCCA收購事項之現金及等同現金項目之淨流出分析如下：

	HK\$'000 千港元
Cash consideration 現金代價	(3,672)
Cash and cash equivalents acquired 所得現金及等同現金項目	172
Net outflow of cash and cash equivalents in respect of the MOCCA Acquisition 就MOCCA收購事項之現金及等同現金項目之淨流出	(3,500)

自收購事項以來，MOCCA為本集團截至二零零九年三月三十一日止年度之收益貢獻13,141,000港元及向綜合溢利帶來虧損13,700,000港元。

倘業務合併於年初發生，則本集團截至二零零九年三月三十一日止年度之收益及純利將分別為1,464,375,000港元及53,029,000港元。

29. 或然負債

於二零一零年三月三十一日，本公司就其若干附屬公司所獲銀行融資而向若干銀行提供公司擔保。於報告期末，該等銀行融資之已動用額度約為2,009,000港元（二零零九年：2,612,000港元）。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 March 2010 於二零一零年三月三十一日

30. OPERATING LEASE ARRANGEMENTS

(a) As lessor

The Group leases its investment properties (note 16) under an operating lease arrangement, with a lease negotiated for a term of five years. The term of the lease also required the tenant to pay security deposits.

At the end of the reporting period, the Group had total future minimum lease receivables under non-cancellable operating lease with its tenant falling due as follows:

Group

	本集團	
	2010	2009
	HK\$'000 千港元	HK\$'000 千港元
Within one year 一年內	412	364
In the second to fifth years, inclusive 第二至第五年（包括首尾兩年）	790	1,152
	1,202	1,516

(b) As lessee

The Group leases certain of its land and buildings under operating lease arrangements, with leases negotiated for terms of two to three years.

30. 經營租約安排

(a) 作為出租人

本集團根據一份經營租約安排出租其投資物業（附註16），租約議訂之租期為五年。租約條款亦要求租戶支付保證金。

於報告期末，本集團根據與租戶訂立之不可撤銷經營租約之未來最低租約收款總額之到期情況如下：

(b) 作為承租人

本集團根據經營租約安排租賃其若干土地及樓宇，租約議訂之租期為兩年至三年。

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財務報表附註

31 March 2010 於二零一零年三月三十一日

30. OPERATING LEASE ARRANGEMENTS

(continued)

(b) As lessee (continued)

At the end of the reporting period, the Group had total future minimum lease payments under non-cancellable operating leases falling due as follows:

Group

	2010 HK\$'000 千港元	2009 HK\$'000 千港元
Within one year 一年內	14,169	13,219
In the second to fifth years, inclusive 第二至第五年 (包括首尾兩年)	13,025	10,474
	27,194	23,693

In addition, the operating lease rentals for certain retail shops are based on the higher of a fixed rental and contingent rent based on sales of these retail shops pursuant to the terms and conditions as set out in the respective rental agreements. As the future sales of these retail shops could not be accurately determined, the relevant contingent rent has not been included above and only the minimum lease commitments have been included in the above table.

The Company did not have any operating lease arrangements at the end of the reporting period (2009: Nil).

30. 經營租約安排 (續)

(b) 作為承租人 (續)

於報告期末，本集團根據不可撤銷經營租約之未來最低租約付款總額之到期情況如下：

本集團

	2010 HK\$'000 千港元	2009 HK\$'000 千港元
	14,169	13,219
	13,025	10,474
	27,194	23,693

此外，根據載於各租賃協議之條款及條件，若干零售店舖之經營租約租金按固定租金或該等零售店舖銷售額計算之或然租金（以較高者為準）釐定。由於不能準確釐定該等零售店舖之未來銷售額，故上表並無包括有關或然租金，而僅包括最低租約承擔。

於報告期末，本公司並無任何經營租約安排（二零零九年：無）。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 March 2010 於二零一零年三月三十一日

31. COMMITMENTS

In addition to the operating lease commitments detailed in note 30(b) above, the Group had contracted for the following capital commitments:

- (i) At the end of the reporting period, the Group had commitments in respect of management fees payable falling due as follows:

	2010 HK\$'000 千港元	2009 HK\$'000 千港元
Within one year 一年內	566	566
In the second to fifth years, inclusive 第二至第五年（包括首尾兩年）	2,263	2,263
After five years 五年以後	17,710	18,276
	20,539	21,105

- (ii) At the end of the reporting period, the Group had commitments in respect of investments in wholly-foreign-owned enterprises in Mainland China as follows:

	2010 HK\$'000 千港元	2009 HK\$'000 千港元
Kingmaker Zhong Shan 順星中山	-	2,161
Kingstar Jiangxi 信星江西	25,818	60,138
	25,818	62,299

- (iii) At the end of the reporting period, the Group had capital commitments in respect of property, plant and equipment as follows:

	2010 HK\$'000 千港元	2009 HK\$'000 千港元
Contracted but not provided for Construction of factory buildings 已訂約但未撥備之廠房大廈工程	501	11,769

31. 承擔

除上文附註30(b)所詳述之經營租約承擔外，本集團亦就下列資本承擔訂立合約：

- (i) 於報告期末，本集團於下列期限到期應付之管理費承擔如下：

	2010 HK\$'000 千港元	2009 HK\$'000 千港元
Within one year 一年內	566	566
In the second to fifth years, inclusive 第二至第五年（包括首尾兩年）	2,263	2,263
After five years 五年以後	17,710	18,276
	20,539	21,105

- (ii) 於報告期末，本集團有關投資中國內地外商獨資企業之承擔如下：

	2010 HK\$'000 千港元	2009 HK\$'000 千港元
Kingmaker Zhong Shan 順星中山	-	2,161
Kingstar Jiangxi 信星江西	25,818	60,138
	25,818	62,299

- (iii) 於報告期末，本集團有關物業、廠房及設備之資本承擔如下：

	2010 HK\$'000 千港元	2009 HK\$'000 千港元
Contracted but not provided for Construction of factory buildings 已訂約但未撥備之廠房大廈工程	501	11,769

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 March 2010 於二零一零年三月三十一日

31. COMMITMENTS (continued)

(iv) Other commitments

Contracted but not provided for
establishment of production plants in Mainland China
已訂約但未撥備於中國內地設立生產廠房

139,464

264,185

The Company did not have any significant commitments at the end of the reporting period (2009: Nil).

31. 承擔 (續)

(iv) 其他承擔

	2010	2009
	HK\$'000 千港元	HK\$'000 千港元

於報告期末，本公司並無任何其他重大承擔 (二零零九年：無)。

32. RELATED PARTY TRANSACTIONS

(a) In addition to the transactions detailed elsewhere in these financial statements, during the year, the Group paid rental expenses of approximately HK\$978,000 (2009: HK\$999,000) to Kingmaker Footwear Company Limited, a related company of which Mr. Chen Ming-hsiung, Mickey, Madam Huang Hsiu-duan, Helen and Mr. Lee Kung, directors and shareholders of the Company, are also directors and shareholders, and of approximately HK\$6,000 (2009: HK\$6,000) to Mr. Chen Ming-hsiung, Mickey. The rental expenses were determined with reference to the market conditions existing at the time when the respective rental agreements were entered into.

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

32. 關聯方交易

(a) 除此等財務報表其他部分所詳述之交易外，本集團於年內曾向關聯公司信星製鞋股份有限公司支付租金費用約978,000港元 (二零零九年：約999,000港元)，而本公司若干董事兼股東陳敏雄先生、黃秀端女士及李鋼先生亦均為該公司董事兼股東，及支付陳敏雄先生約6,000港元 (二零零九年：約6,000港元)。該等租金費用乃參考訂立有關租賃協議當時之市況而釐定。

(b) 本集團關鍵管理人員的報酬：

	2010	2009
	HK\$'000 千港元	HK\$'000 千港元
Short term employee benefits 短期僱員福利	11,133	8,535
Post-employment benefits 僱用後福利	24	13
Equity-settled share option expense 以權益結算之購股權開支	622	211
Total compensation paid to key management personnel 支付給關鍵管理人員的報酬合計	11,779	8,759

Further details of directors' emoluments are included in note 8 to the financial statements.

有關董事酬金之其他詳情載於財務報表附註8。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 March 2010 於二零一零年三月三十一日

33. FINANCIAL INSTRUMENTS BY CATEGORY

The carrying amounts of each of the categories of financial instruments at the end of the reporting period are as follows:

Group

2010

Financial assets

33. 按類別劃分之金融工具

各類別金融工具於報告期末之賬面值如下：

本集團

二零一零年

財務資產

	Financial assets at fair value through profit or loss – held for trading 按公平值計入損益之財務資產 – 持作買賣	Loans and receivables 貸款及應收款項	Available-for-sale financial assets 可供出售財務資產	Total 總計
	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Available-for-sale investments 可供出售投資	-	-	2,185	2,185
Accounts and bills receivable 應收賬項及票據	-	118,846	-	118,846
Financial assets included in prepayments, deposits and other receivables 計入預付款項、按金及其他應收賬項之財務資產	-	6,599	-	6,599
Derivative financial instruments 衍生金融工具	1,744	-	-	1,744
Cash and cash equivalents 現金及等同現金項目	-	527,377	-	527,377
	1,744	652,822	2,185	656,751

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 March 2010 於二零一零年三月三十一日

33. FINANCIAL INSTRUMENTS BY CATEGORY (continued)

The carrying amounts of each of the categories of financial instruments at the end of the reporting period are as follows (continued):

Group

2010

Financial liabilities

33. 按類別劃分之金融工具 (續)

各類別金融工具於報告期末之賬面值如下 (續)：

本集團

二零一零年

財務負債

	Financial liabilities at fair value through profit or loss – held for trading 按公平值計入損益之財務負債 – 持作買賣	Financial liabilities at amortised cost 按攤銷成本計值之財務負債	Total 總計
	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Accounts and bills payable 應付賬項及票據	–	131,276	131,276
Financial liabilities included in accrued liabilities and other payables 計入應計負債及其他應付賬項之財務負債	–	32,503	32,503
Derivative financial instruments 衍生金融工具	152	–	152
	152	163,779	163,931

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 March 2010 於二零一零年三月三十一日

33. FINANCIAL INSTRUMENTS BY CATEGORY (continued)

The carrying amounts of each of the categories of financial instruments at the end of the reporting period are as follows (continued):

Group

2009

Financial assets

33. 按類別劃分之金融工具 (續)

各類別金融工具於報告期末之賬面值如下 (續)：

本集團

二零零九年

財務資產

	Financial assets at fair value through profit or loss – held for trading 按公平值計入損益之財務資產 – 持作買賣	Loans and receivables 貸款及應收款項	Available-for-sale financial assets 可供出售財務資產	Total 總計
	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Available-for-sale investments 可供出售投資	–	–	880	880
Accounts and bills receivable 應收賬項及票據	–	84,388	–	84,388
Financial assets included in prepayments, deposits and other receivables 計入預付款項、按金及其他應收賬項之財務資產	–	5,884	–	5,884
Derivative financial instruments 衍生金融工具	6,080	–	–	6,080
Cash and cash equivalents 現金及等同現金項目	–	412,167	–	412,167
	6,080	502,439	880	509,399

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 March 2010 於二零一零年三月三十一日

33. FINANCIAL INSTRUMENTS BY CATEGORY (continued)

The carrying amounts of each of the categories of financial instruments at the end of the reporting period are as follows (continued):

Group

2009

Financial liabilities

33. 按類別劃分之金融工具 (續)

各類別金融工具於報告期末之賬面值如下 (續)：

本集團

二零零九年

財務負債

	Financial liabilities at fair value through profit or loss – held for trading	Financial liabilities at amortised cost	Total
	按公平值計入損益之財務負債 – 持作買賣	按攤銷成本計值之財務負債	總計
	HK\$'000	HK\$'000	HK\$'000
	千港元	千港元	千港元
Accounts and bills payable 應付賬項及票據	–	111,051	111,051
Financial liabilities included in accrued liabilities and other payables			
計入應計負債及其他應付賬項之財務負債	–	31,441	31,441
Derivative financial instruments 衍生金融工具	3,984	–	3,984
	3,984	142,492	146,476

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 March 2010 於二零一零年三月三十一日

33. FINANCIAL INSTRUMENTS BY CATEGORY (continued)

The carrying amounts of each of the categories of financial instruments as at the end of the reporting period are as follows (continued):

Company

Financial assets

	2010 Loans and receivables 貸款及應收賬項 HK\$'000 千港元	2009 Loans and receivables 貸款及應收賬項 HK\$'000 千港元
Due from subsidiaries 應收附屬公司款項	842,738	792,019
Cash and cash equivalents 現金及等同現金項目	18,742	17,030
	861,480	809,049

Financial liabilities

	2010 Financial liabilities at amortised cost 按攤銷成本計值之 財務負債 HK\$'000 千港元	2009 Financial liabilities at amortised cost 按攤銷成本計值之 財務負債 HK\$'000 千港元
Financial liabilities included in accrued liabilities and other payables 計入應計負債及其他應付賬項之財務負債	1,077	1,066
Due to subsidiaries 應付附屬公司款項	673,836	640,211
	674,913	641,277

33. 按類別劃分之金融工具 (續)

各類別金融工具於報告期末之賬面值如下 (續)：

本公司

財務資產

	2010 Loans and receivables 貸款及應收賬項 HK\$'000 千港元	2009 Loans and receivables 貸款及應收賬項 HK\$'000 千港元
Due from subsidiaries 應收附屬公司款項	842,738	792,019
Cash and cash equivalents 現金及等同現金項目	18,742	17,030
	861,480	809,049

財務負債

	2010 Financial liabilities at amortised cost 按攤銷成本計值之 財務負債 HK\$'000 千港元	2009 Financial liabilities at amortised cost 按攤銷成本計值之 財務負債 HK\$'000 千港元
Financial liabilities included in accrued liabilities and other payables 計入應計負債及其他應付賬項之財務負債	1,077	1,066
Due to subsidiaries 應付附屬公司款項	673,836	640,211
	674,913	641,277

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 March 2010 於二零一零年三月三十一日

34. FAIR VALUE HIERARCHY

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments:

Level 1: Fair values are measured in whole or in part by reference to published quotes in an active market. A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service or regulatory agency and those prices represent actual and regularly occurring market transactions on an arm's length basis.

Level 2: Fair values are measured using a valuation technique based on assumptions that are supported by prices from observable current market transactions for which pricing is obtained via pricing services, but where prices have not been determined in an active market, financial assets with fair value based on broker quotes, investments in private equity funds with fair values obtained via fund managers and assets that are valued using the Group's own model whereby the majority of assumptions are market observation.

Level 3: Fair values are determined in whole or in part using a valuation technique (model) based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data. Valuation techniques are used to the extent that observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the asset or liability at the measurement date. However, the fair value measurement objective remains the same, that is, an exit price from the perspective of the Group. Therefore, unobservable inputs reflect the Group's own assumptions about the assumptions that market participants would use in pricing the asset or liability (including assumptions about risk). These inputs are developed based on the best information available, which might include the Group's own data.

34. 公平值層級

本集團使用以下層級釐定及披露金融工具之公平值：

第一級：公平價值全部或部分參考已公佈之活躍市場報價釐訂。凡其報價隨時且定期由交易所、買賣商、經紀、工業集團、定價服務人及監管機構發布，且報價反映實際而經常出現按公平原則進行之市場交易，則該金融工具視作在活躍市場報價。

第二級：公平價值採用估值技術計量，可觀察現行市場交易之價格支持之假設，相關價格通過定價服務人取得，但倘價格並無於活躍市場釐定，則依據公平價值基於經紀報價之金融資產、公平價值通過基金經理取得之私募基金及採用本集團自身之模式估值之資產（大部分假設可於市場觀察）。

第三級：公平價值全部或部分採用估值技術（模型）釐定，該等模型依據的假設並無相同工具的可觀察現行市場交易價格支援，亦非以可觀察市場數據為基礎。倘無法取得可觀察輸入值，則使用估值技術，允許少量（如有）資產或負債於計量日期之市場活動存在。但公平價值計量目標保持不變，即從本集團的角度之出售價格。因此，不可觀察的輸入值反映本集團自身對市場參與者釐定資產或負債價格所採用假設（包括有關風險之假設）之假設。該等輸入值依據本集團自身數據可能包括的可得最佳資訊更新。

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31 March 2010 於二零一零年三月三十一日

34. FAIR VALUE HIERARCHY (continued)

As at 31 March 2010, the Group held the following financial instruments measured at fair value:

Assets measured at fair value as at 31 March 2010:

Available-for-sale investments: 可供出售投資：

Listed investments 上市投資

Derivative financial instruments 衍生金融工具

	Level 1	Level 2	Total
	第一級	第二級	合計
	HK\$'000	HK\$'000	HK\$'000
	千港元	千港元	千港元
Listed investments 上市投資	2,185	-	2,185
Derivative financial instruments 衍生金融工具	-	1,744	1,744
	2,185	1,744	3,929

Liabilities measured at fair value as at 31 March 2010:

Derivative financial instruments 衍生金融工具

During the year ended 31 March 2010, there were no transfer of fair value measurements between Level 1 and Level 2 and no transfer into or out of Level 3.

34. 公平值層級 (續)

於二零一零年三月三十一日，本集團持有下列按公平價值計量之金融工具：

於二零一零年三月三十一日按公平值計值之資產：

	Level 1	Level 2	Total
	第一級	第二級	合計
	HK\$'000	HK\$'000	HK\$'000
	千港元	千港元	千港元
Listed investments 上市投資	2,185	-	2,185
Derivative financial instruments 衍生金融工具	-	1,744	1,744
	2,185	1,744	3,929

於二零一零年三月三十一日按公平值計值之負債：

	Level 1	Level 2	Total
	第一級	第二級	合計
	HK\$'000	HK\$'000	HK\$'000
	千港元	千港元	千港元
Derivative financial instruments 衍生金融工具	-	152	152

截至二零一零年三月三十一日止年度，第一級及第二級之間並無轉換公平值計量方式，亦無轉入或轉出第三級者。

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31 March 2010 於二零一零年三月三十一日

35. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's principal financial instruments, other than derivatives, comprise cash and time deposits. The main purpose of these financial instruments is to raise finance for the Group's operations. The Group has various other financial assets and liabilities such as accounts and bills receivable and accounts and bills payable, which arise directly from its operations.

The Group also enters into derivative transactions, including principally forward currency contracts. The purpose is to manage the currency risks arising from the Group's operations. It is, and has been throughout the year under review, the Group's policy that no trading in financial instruments shall be undertaken.

The main risks arising from the Group's financial instruments are interest rate risk, foreign currency risk, credit risk and liquidity risk. The board of directors reviews and agrees policies for managing each of these risks and they are summarised below.

Interest rate risk

The Group has no material interest-bearing borrowings and believes its exposure to cash flow interest rate risk is minimal.

Foreign currency risk

The Group's monetary assets, liabilities and transactions are principally denominated in Hong Kong dollars, Renminbi or United States dollars. Given that the Hong Kong dollar is pegged to the United States dollar, the Group does not have a foreign currency hedging policy on it. However, considering the appreciation of RMB, the Group has entered into forward currency contracts to manage the foreign currency risk arising from the Group's operations. Moreover, the majority of the Group's operating assets are located in the Mainland China and denominated in RMB. As the Group's net profit is reported in Hong Kong dollars, there will be a translation gain/(loss) as a result of the RMB appreciation/(depreciation).

35. 財務風險管理目標及政策

本集團的主要金融工具，除衍生工具外，包括現金及定期存款。該等金融工具之主要用途在於為本集團業務集資。本集團有多項由經營直接產生之其他財務資產及負債，如應收賬項及票據，以及應付賬項及票據等。

訂立有關交易之目的為管理本集團業務所產生之外幣風險。於整個回顧年度內，本集團之政策為不從事金融工具之買賣，而此亦為其一貫政策。

本集團之金融工具所產生的主要風險為利率風險、外匯風險、信貸風險及流動資金風險。董事會已審閱並同意管理各項風險之政策，政策之概要如下。

利率風險

本集團並無重大計息借貸，並相信其所承受之現金流利率風險極微。

外匯風險

本集團之貨幣資產、負債及交易主要以港元、人民幣或美元計值。鑒於港元與美元掛鈎，本集團並無就此採用外匯對沖政策。然而，考慮到人民幣升值，本集團已訂立遠期貨幣合約以管理本集團業務所產生之外匯風險。此外，本集團大部分業務資產均位於中國內地及以人民幣計值。由於本集團以港元報告純利，故人民幣升值／(貶值)將產生換算收益／(虧損)。

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財務報表附註

31 March 2010 於二零一零年三月三十一日

35. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Foreign currency risk (continued)

The following table demonstrates the sensitivity at the end of the reporting period to a reasonably possible change in the RMB exchange rate, with all other variables held constant, of the Group's profit before tax (due to changes in the fair value of monetary assets and liabilities and forward currency contracts).

外匯風險 (續)

下表列示在所有其他變數維持不變之情況下，本集團之除稅前溢利（因貨幣資產及負債，及遠期貨幣合約之公平值變動）對報告期末人民幣匯率可能合理出現之變動之敏感度。

Increase/ (decrease) in RMB rate 人民幣匯率 上升／(下降) %	Increase/ (decrease) in profit before tax 除稅前溢利 增加／(減少) HK\$'000 千港元
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2010 二零一零年

If Hong Kong dollar weakens against RMB 倘港元兌人民幣貶值	5	2,529
If Hong Kong dollar strengthens against RMB 倘港元兌人民幣升值	(5)	(2,529)

2009 二零零九年

If Hong Kong dollar weakens against RMB 倘港元兌人民幣貶值	5	1,641
If Hong Kong dollar strengthens against RMB 倘港元兌人民幣升值	(5)	(1,641)

Credit risk

The Group trades only with recognised and creditworthy customers. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis and on an individual basis. Each of the customers has been attached with a trading limit and any excess to the limit must be approved by the general manager of the operation unit. Beside, certain accounts receivable are covered by credit insurance. Under the tight control of the credit term and detailed assessment to the creditworthiness of individual customers, the Group's exposure to bad debts is maintained as minimal.

信貸風險

本集團僅與具知名度及信譽良好之客戶進行交易。本集團之政策為所有欲以信貸條款進行貿易之客戶均須經信貸核實過程。此外，應收賬項結餘會以持續基準及獨立基準監察。各客戶均有買賣限額，而超過限額之買賣必須經由營運單位總經理批准。此外，若干應收賬項以信貸保險作出保證。由於實施嚴格之信貸條款限制及對每名客戶進行詳細之信貸評審，本集團所承受之壞賬風險維持於低水平。

35. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Credit risk (continued)

The credit risk of the Group's other financial assets, which comprise cash and cash equivalents, available-for-sale investments, other receivables and derivative instruments, arises from default of the counterparty, with a maximum exposure equal to the carrying amounts of these instruments. The Company is also exposed to credit risk through the granting of financial guarantees, further details of which are disclosed in note 29 to the financial statements.

Further quantitative data in respect of the Group's exposure to credit risk arising from accounts and bills receivable are disclosed in note 20 to the financial statements.

None of the Group's other receivables is either past due or impaired. The financial assets are included in other receivables for which there was no recent history of default.

Liquidity risk

The Group monitors its risk to a shortage of funds using a recurring liquidity planning tool. This tool considers the maturity of both its financial instruments and financial assets (e.g. accounts and bills receivable) and the projected cash flows from operations.

The Group maintains a balance between continuity of funding and flexibility through maintaining sufficient cash and available banking facilities. The directors have reviewed the Group's working capital and capital expenditure requirements and determined that the Group has no significant liquidity risk. The maturity profile of the Group's financial liabilities as at the end of the reporting period, based on the contractual undiscounted payments, was less than one year.

35. 財務風險管理目標及政策 (續)

信貸風險 (續)

本集團其他財務資產(包括現金及同等現金項目、可供出售投資、其他應收賬項及衍生工具)之信貸風險乃來自對方違約,而所承受之最大風險相當於該等工具之賬面值。本公司亦因提供財務擔保而承受信貸風險,進一步詳情載於財務報表附註29。

有關本集團就應收賬項及票據所承受之信貸風險之量化數據於財務報表附註20中披露。

本集團之其他應收賬項並無逾期或出現減值。計入其他應收賬項之財務資產近期概無違約記錄。

流動資金風險

本集團採用經常性流動資金規劃工具監察資金短缺之風險。該工具會考慮其金融工具及財務資產(如應收賬項及票據)之到期情況,以及來自經營業務之預期現金流。

本集團透過維持充足現金及備用銀行信貸,保持資金持續性及靈活性間之平衡。董事們已審閱本集團之營運資金及資本開支需求,並釐定本集團並無重大流動資金風險。本集團財務負債於報告期末根據非貼現合約付款作出之到期情況分析載列如下:

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財務報表附註

31 March 2010 於二零一零年三月三十一日

35. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Capital management

The primary objectives of the Group's capital management are to safeguard the Group's ability to continue as a going concern and to maintain healthy capital ratios in order to support its business.

The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the years ended 31 March 2010 and 2009.

36. APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the board of directors on 19 July 2010.

35. 財務風險管理目標及政策 (續)

資本管理

本集團管理資本之主要目標為保障本集團以持續基準經營之能力，以及維持健康之資本比率，為業務提供支持。

本集團因應經濟狀況變動管理其資本架構及對其作出調整。為維持或調整資本架構，本集團可能需調整支付予股東之股息、向股東退還資本或發行新股。於截至二零一零年及二零零九年三月三十一日止年度，有關目的、政策或程序並無變動。

36. 財務報表之批准

財務報表已於二零一零年七月十九日獲董事會批准及授權發佈。

