

Another year of

業績 record highs...

再創新高...

Financial and operational highlights 財務及營運摘要

Financial performance 財務表現

For the year ended 31 March 截至三月三十一日止年度

	2005 二零零五年 HK\$mn 港幣百萬元	2004 二零零四年 HK\$mn 港幣百萬元	Change 轉變
Turnover 營業額	2,017	1,783	▲ 13%
Gross profit 毛利	998	844	▲ 18%
Operating profit 營運溢利	226	146	▲ 54%
Net profit attributable to shareholders 股東應佔淨溢利	182	118	▲ 54%
Basic EPS (in HK cents) 每股基本盈利 (港仙)	11.74	7.97	▲ 47%
Interim dividend per share (in HK cents) 每股中期股息 (港仙)	1.8	Nil 無	N/A 不適用
Final dividend per share (in HK cents) 每股末期股息 (港仙)	3.9	3.0	▲ 30%
Payout ratio (%) 派息比率 (%)	49%	39%	▲ 10% pts 百分點
Gross margin (%) 毛利率 (%)	49%	47%	▲ 2% pts 百分點
Operating margin (%) 營運溢利率 (%)	11%	8%	▲ 3% pts 百分點
Net margin (%) 淨溢利率 (%)	9%	7%	▲ 2% pts 百分點
EBITDA 未計利息、稅項、 折舊及攤銷前盈利	273	196	▲ 39%
EBITDA margin (%) 未計利息、稅項、 折舊及攤銷前盈利率 (%)	14%	11%	▲ 3% pts 百分點

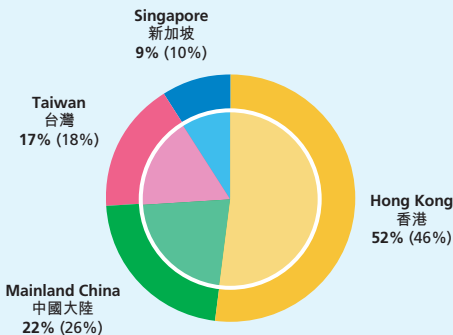
Key financial indicators 主要財務指標

	As at 31 Mar 2005 於 二零零五年 三月三十一日	As at 31 Mar 2004 於 二零零四年 三月三十一日	Change 轉變
Inventory turnover* (days) 存貨周轉期* (天)	39	37	▲ 2
Return on equity (%) 股東權益回報率 (%)	36%	33%	▲ 3% pts 百分點
Current ratio (times) 流動比率 (倍)	2.5	2.7	▼ 7%
Cash and bank balances (in HK\$ mn) 現金及銀行結餘 (港幣百萬元)	326	225	▲ 45%
Net cash† (in HK\$ mn) 現金淨額† (港幣百萬元)	311	190	▲ 63%
Total liabilities to equity ratio (%) 總負債對股東權益比率 (%)	47%	43%	▲ 4% pts 百分點
Capital expenditure (in HK\$ mn) 資本開支 (港幣百萬元)	50	34	▲ 45%

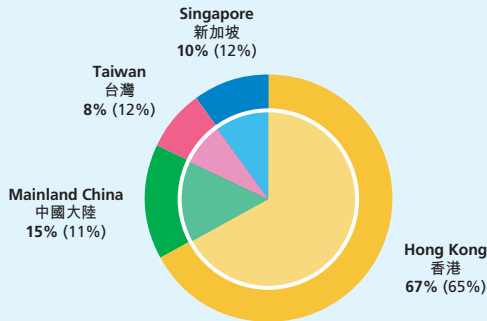
* Inventory held at year end divided by full year turnover times 365 days
年結日之存貨除全年營業額乘365天

† Cash and bank balances less bank loans
現金及銀行結餘減銀行貸款

Turnover 營業額



Operating profit 營運溢利



() 2003/04 figures are shown in brackets
2003/04 年數字以括號表示

Regional performance analyses 按地區表現之分析

For the year ended 31 March 截至三月三十一日止年度

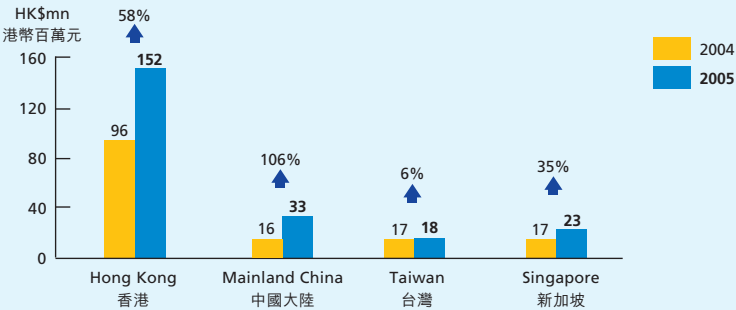
Sales performance 銷售表現

Retail 零售	Sales (in HK\$ mn) 銷售額 (港幣百萬元)			Floor area (sq. ft.) 樓面面積 (平方呎)			Net sales per sq. ft. (in HK\$) 每平方米淨銷售額 (港幣)			Same store sales growth* 同店銷售額增長*	
	2005 二零零五年	2004 二零零四年	Change 轉變	2005 二零零五年	2004 二零零四年	Change 轉變	2005 二零零五年	2004 二零零四年	Change 轉變	2005 二零零五年	2004 二零零四年
Hong Kong 香港	803	678	+18%	112,000	98,600	+14%	7,700	6,800	+13%	+11%	+23%
Mainland China 中國大陸	331	309	+7%	276,400	235,600	+17%	1,300	1,200	+8%	+11%	-19%
Taiwan 台灣	348	315	+10%	124,100	119,500	+4%	2,800	2,600	+8%	+6%	+15%
Singapore 新加坡	191	174	+10%	30,200	28,900	+4%	6,600	5,400	+22%	+12%	+6%
Total 合共	1,673	1,476	+13%	542,700	482,600	+12%	3,300	2,800	+18%	+11%	+10%

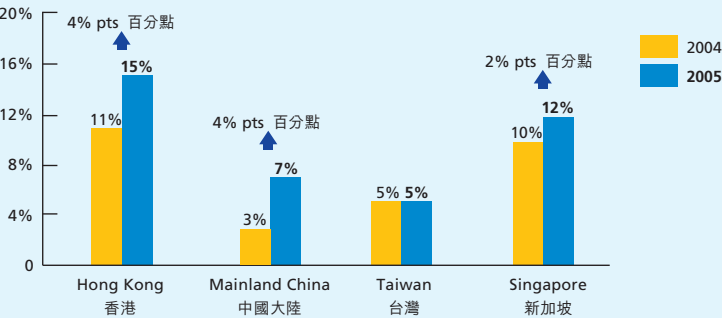
* Same store sales growth is the comparison of sales of the same stores having full month operations in comparable periods
同店銷售額增長為相同店舖於比較期內完整月份之銷售額比較

Franchise 特許經營	Sales (in HK\$ mn) 銷售額 (港幣百萬元)		
	2005 二零零五年	2004 二零零四年	Change 轉變
Hong Kong – Export 香港 — 出口	218	148	+47%
Mainland China 中國大陸	97	129	-25%
Total 合共	315	277	+14%

Operating profit 營運溢利



Operating margin 營運溢利率



Global distribution network 全球分銷網絡

	As at 31 Mar 2005 於 二零零五年 三月三十一日	As at 31 Mar 2004 於 二零零四年 三月三十一日	Change 轉變
Hong Kong 香港 Directly managed outlets 直接管理店鋪	32	27	+5
Mainland China 中國大陸 Directly managed outlets 直接管理店鋪	274	189	+85
Franchised outlets 特許經營店鋪	203	195	+8
Sub-total 小計	477	384	+93
Taiwan 台灣 Directly managed outlets 直接管理店鋪	75	71	+4
Singapore 新加坡 Directly managed outlets 直接管理店鋪	28	27	+1
Other countries 其他國家 Export franchised outlets 出口特許經營店鋪	215	169	+46
Total 合共 Directly managed outlets 直接管理店鋪	409	314	+95
Franchised outlets 特許經營店鋪	418	364	+54
	827	678	+149

Double-digit
growth in turnover
and net profit

營業額及淨溢利錄得
雙位數字增長

Widening
profit margins

利潤率逐步擴闊

47%
sales growth
in export franchise
business

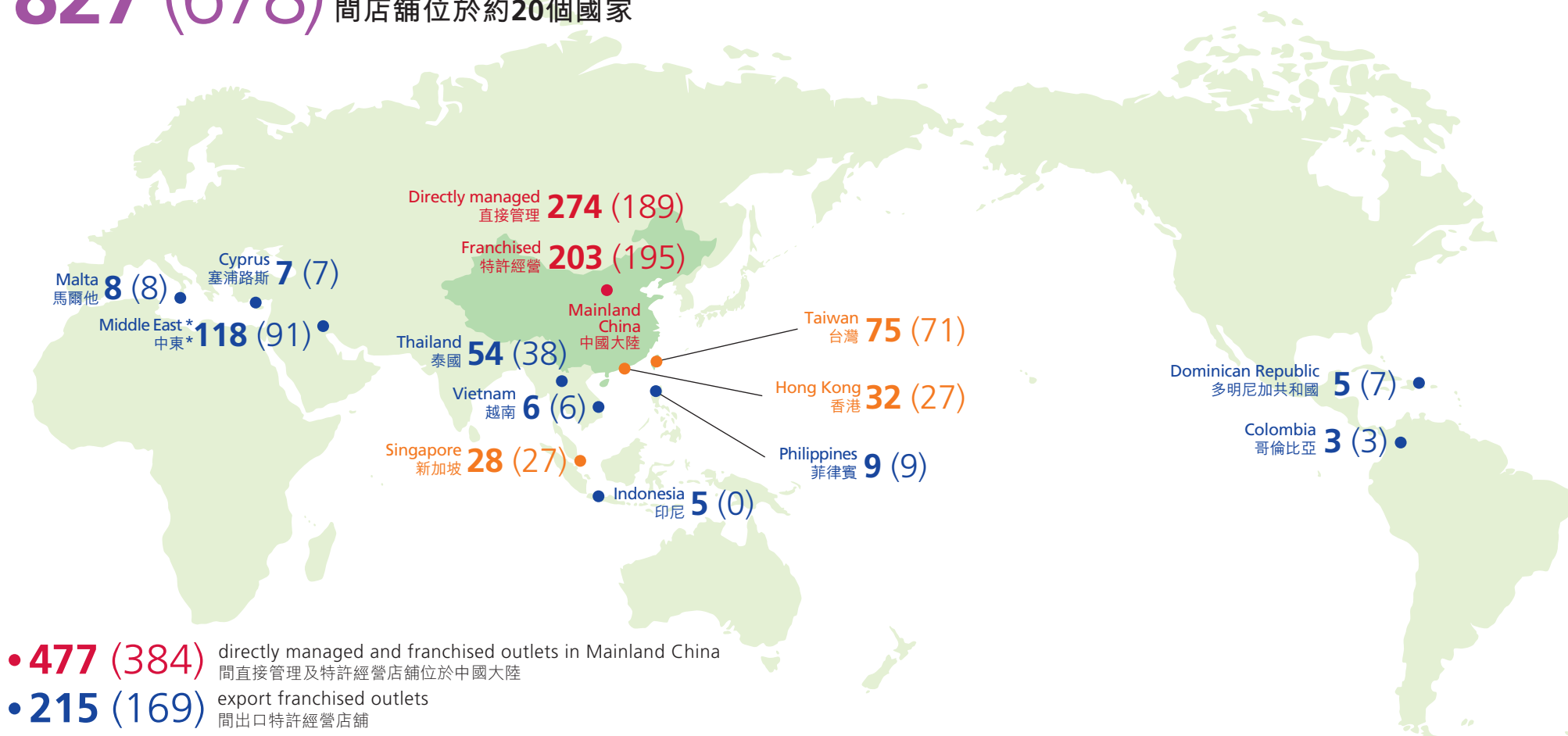
出口特許經營業務取得
47% 銷售增長

Impressive network
expansion
in Mainland China

中國大陸銷售網絡
進一步擴展

Global distribution network 全球分銷網絡

827 (678) outlets in about 20 countries
間店舖位於約20個國家



- **477 (384)** directly managed and franchised outlets in Mainland China
間直接管理及特許經營店舖位於中國大陸
- **215 (169)** export franchised outlets
間出口特許經營店舖
- **135 (125)** directly managed outlets in core markets of Hong Kong, Taiwan and Singapore
間直接管理店舖位於香港、台灣及新加坡核心市場

* Middle East includes UAE, Qatar, Lebanon, Bahrain, Kuwait, Iran, Jordan and Saudi Arabia
中東包括阿拉伯聯合酋長國、卡塔爾、黎巴嫩、巴林、科威特、伊朗、約旦及沙特阿拉伯

() 2003/04 figures are shown in brackets
2003/04 年數字以括號表示

Corporate profile 企業簡介

*Our mission is to create
incremental value for the
brand every day ...
in every way*

Bossini International Holdings Limited (the “Company”; stock code on The Stock Exchange of Hong Kong Limited (“HKSE code”): 592) and its subsidiaries (the “Group” or “Bossini”) is a leading apparel brand owner, retailer and franchiser in the region.

Headquartered in Hong Kong, Bossini launched its first retail outlet in 1987. Over the past two decades, it rapidly established an extensive international operating platform and distribution network that extended to a total of 827 outlets worldwide. Among these, the Group operated 409 directly managed outlets in its four core markets, namely Hong Kong, Mainland China, Taiwan and Singapore. The Group also further strengthened its brand presence in Mainland China through the establishment of 203 franchised outlets. As for other overseas markets, the Group cooperated with its business partners to establish a total of 215 export franchised outlets in 16 countries, spanning from Southeast Asia, the Middle East, Europe to as far as Central America.

Renowned for its comfortable, easy to mix-and-match, colourful and energetic style, Bossini offers a full range of good value for money casual wear apparel products, including ladies', men's and kids' wear, which are designed to fit customer needs.

*我們的使命－
每天每處不斷為品牌增值*

堡獅龍國際集團有限公司(「本公司」；香港聯合交易所有限公司之股份代號(「股份代號」)：592)及其附屬公司(「本集團」或「堡獅龍」)是區內具領導地位的服裝品牌擁有人、零售商和特許經營商。

堡獅龍總部設於香港，自一九八七年開設首間零售店舖以來，經過約二十年的迅速發展，已建立了一個龐大的全球性營運平台及分銷網絡。本集團在全球共設有827間店舖，其中409間位於香港、中國大陸、台灣及新加坡四大核心市場的零售店舖由本集團直接管理。為加強品牌的滲透力，本集團在中國大陸另設有203間特許經營店舖。海外市場方面，本集團與商業夥伴結盟，設有215間出口特許經營店舖，分佈於東南亞、中東、歐洲及遠至中美洲等16個國家。

堡獅龍為迎合顧客的需求而供應的休閒服裝產品款式齊全，包括女裝、男裝及童裝，各類產品皆物有所值，並因其舒適、易於配襯、色彩鮮艷又充滿活力而享譽各地市場。



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公司資料

In enhancing shareholders' value,
it remains our ultimate goal to achieve
sustainable **double-digit growth**
in both turnover and profits in the years to come.

為提升股東價值，我們仍以維持營業額及盈利達
雙位數字增長為最終目標。



bossini

Chairman's letter to shareholders 主席致股東函件

In the past fiscal year, the Group was able to capitalise on the turnaround realised in 2003/2004 by meeting, and in many cases exceeding, the Group's goals set for 2004/2005. The most notable was the double-digit growth in both top and bottom line figures. This was especially true in the first half of the year, when net profit attributable to shareholders rose an outstanding 20 times over that of the previous year. The second half of the fiscal year was a challenge to the Group because of the unseasonably warm weather in winter. In spite of the unfavourable conditions, Bossini has sustained and continued its growth in the second half of the year, thus achieving another year of record highs in turnover and profitability.

Strong and established growth

The past financial year witnessed impressive growth momentum in most of the Group's four core markets and export franchise business. The consolidated turnover saw a rise of 13% over that of 2003/2004, amounting to HK\$2.02 billion (2004: HK\$1.78 billion). The Group's profitability improved with gross margin up by two percentage points to 49% and operating margin improved by three percentage points to 11%. Operating profit thus grew 54% to HK\$226 million (2004: HK\$146 million).

Improved financial and operational indicators reflected enhanced operational efficiencies. It explained the year's higher earnings per share of HK11.74 cents (2004: HK7.97 cents) and the rise of net profit attributable to shareholders to HK\$182 million (2004: HK\$118 million), a 54% increase over the prior year.

Final cash dividend per share was HK3.9 cents. Together with the interim dividend paid of HK1.8 cents, the total dividend per share was HK5.7 cents (2004: HK3.0 cents after adjustment for the one for one bonus issue of shares in September 2004), representing a payout ratio of 49% (2004: 39%) for the fiscal year 2004/2005.

繼二零零三／二零零四年轉虧為盈後，本集團於上一財政年度之業績再創高峰，於年內達致並超越年初所定下的目標。其中最為顯著的是營業額和盈利均錄得雙位數字的增長。上半年的升幅尤其明顯，股東應佔淨溢利更飆升20倍。下半年則因冬季異常溫暖，對本集團之業務構成一定的影響。儘管如此，堡獅龍於下半年的增長依然持續，全年整體的營業額及盈利因而再一次締造了歷史新高。

穩步強勁增長

於回顧年內，本集團繼續維持於四大核心市場及出口特許經營業務的增長勢頭。綜合營業額較二零零三／二零零四年增加13%至港幣20.2億元(二零零四年：港幣17.8億元)。本集團盈利情況亦有所改善，毛利率上升兩個百分點至49%，營運溢利率亦上升三個百分點至11%，營運溢利較去年增加54%至港幣2.26億元(二零零四年：港幣1.46億元)。

營運效率的提升展現於多項財務及營運指標的改善，令每股盈利升至11.74港仙(二零零四年：7.97港仙)，股東應佔淨溢利則上升54%至港幣1.82億元(二零零四年：港幣1.18億元)。

每股末期現金股息為3.9港仙，連同已派發的中期股息1.8港仙，二零零四／二零零五財政年度的每股股息總額為5.7港仙(二零零四年：3.0港仙，就二零零四年九月每持有一股股份可獲派一股紅股作調整)，派息比率為49%(二零零四年：39%)。

Business strategy: leveraging strengths to optimise expansion

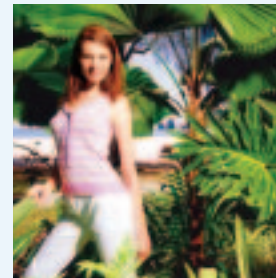
In the year under review, the Group performed remarkably in accomplishing the tasks and goals previously set forth and bringing Bossini closer to realising long-term optimisation. Supported by a network expansion strategy that stressed optimum use of floor area, enhanced product design and quality that fit customer needs, innovative marketing and branding initiatives, effective training and motivation programmes that enhanced the quality of both front line and back office staff, and improved internal operation systems that boasted high efficiency and effectiveness, the Group's profitability improved during the year.

Over the years, the Group has accumulated a great deal of valuable experience operating in the Mainland China market. Currently, Mainland China is adding retail space the fastest among all countries in the world and its economy is growing at an astonishing rate. We believe the Group is well established to take advantage of the Chinese retail boom, and we are committed to tapping the huge potential of the market. It is our plan to turn our Mainland China business into our largest turnover and profit contributor to the Group in the medium term, and we will achieve this goal by expanding the Group's directly managed and franchise network there, in terms of both number of outlets and geographical reach.

The Group's organic expansion plan is not limited to Mainland China. One of the brightest developments during the past year was the 47% growth in sales of our export franchise business. The Group's future target is to achieve 30% annual sales growth in this business. Bossini is confident of achieving organic growth leveraging its recent efficiency and effectiveness gains, network expansion, brand development, and its talented management team.

In addition to expanding retail space and the franchise business, we plan to adopt a multi-brand strategy in the medium term. This would entail the introduction of mainly self-developed new brands.

Apart from the recent explosive growth in Bossini's export franchise business, we believe our impressive profitability, proven over the past two years, shall strengthen the Group's capability to capture the enormous growth potential. These factors, compounded with our aggressive expansion plan for our distribution network – especially in Mainland China, where we already have an established presence in over 100 cities – will further contribute to the Group's success in the near future.



業務策略：發揮優勢，致力擴充業務

於回顧年內，本集團一一完成所定的工作及目標，繼續帶領堡獅龍朝著長期增長的目標進發。本集團利潤之改善實有賴於回顧期內採用善用樓面面積的策略、提升產品設計及質量以配合顧客需要、推行具創意之市場推廣及品牌建立的策略，透過有效培訓及獎勵計劃以提升前線及後勤員工的質素，以及在改善內部營運系統的效率及效益等方面的不懈努力。

經過多年發展，本集團在經營中國大陸業務方面累積了豐富的經驗。目前，中國大陸已成為全球最大的零售市場，經濟增長迅速。本集團已準備就緒，並窺準蓬勃發展的中國零售市場，致力發掘當中的無限潛力，我們計劃於中期內將中國大陸之業務擴展成為本集團的營業額及溢利之最大貢獻者。為達致此目標，本集團將增加在國內的直接管理及特許經營店舖數目，同時繼續擴展其業務覆蓋範圍。

然而，本集團的擴充計劃並不限於中國大陸市場。年內，本集團其中一項重要的發展乃出口特許經營業務，營業額錄得47%的增長，而集團更訂下每年營業額增長30%的目標。隨著近期營運效益及效率的上升、分銷網絡的擴充、品牌的拓展以及管理層的豐富知識和經驗，堡獅龍有信心可以達致此增長目標。

除了擴充零售空間及特許經營業務外，本集團亦計劃在中期採納多品牌策略，主要以自行開發的新品牌為主。

我們相信，集團在過去兩年錄得的可觀盈利以及近期出口特許經營業務的大幅增長足以證明本集團具有龐大的增長潛力。憑藉這些優勢，再配合我們在分銷網絡，尤其已於超過100個城市建立據點的中國大陸市場採取積極擴展策略，本集團於未來將取得進一步的成功。

Corporate governance and transparency

We at Bossini are dedicated to enhancing our corporate governance and transparency. The Bossini group policy (the “Group Policy”), a stringent standard of corporate conduct, was adopted in 2004. Taking advantage of the Group Policy, Bossini’s board of directors (the “Board”) aims to set a high standard for our corporate governance practices. Bossini intends to enhance its corporate governance and transparency progressively. One of the steps we will take in the near future is to enhance the mix and number of board members, with the aim of maintaining an optimal presence of executive and non-executive directors.

Strong corporate culture and a learning organisation

Bossini is a learning organisation and a large part of our corporate culture is focused on the “7 Habits®”. We encourage our staff to make the most of themselves at the Bossini family. During the year under review, the “7 Habits®” culture was further enriched and substantial efforts were made to encourage all-around development of our employees. Knowledge sharing and reading habits were also encouraged. We believe this emphasis on learning will not only foster our employees’ personal development but will also enhance their effectiveness at work and in turn contribute to Bossini’s business performance.

Commitment to sustainable growth

To deliver maximum shareholders’ value, we will continue to strive to achieve sustainable double-digit growth in both turnover and profits. In the foreseeable future, such growth will be driven by an increase in our market share in core markets, especially Mainland China, and the expansion of our export franchise business. Our mission remains to be providing good value for money and quality mix-and-match casual apparel to consumers around the world. Our past success would not have been achieved without our talented and devoted staff, and the invaluable support of individual investors. It is my pleasure to thank all of the employees and investors who have helped make Bossini what it is today. We are optimistic about the Group’s future growth potential and it is my hope that you will all accompany us as we work tirelessly for a better and brighter tomorrow for Bossini.

LAW Ka Sing

Chairman

Hong Kong

5 July 2005

企業管治與透明度

我們致力於優化本集團的企業管治和透明度。在二零零四年採納堡獅龍集團政策(「集團政策」)，列出各項嚴格的企業操守準則。透過此集團政策，堡獅龍董事局(「董事局」)旨在確立優質之企業管治常規，務求逐漸提高企業的管治水平及透明度。為達致此目標，我們計劃加強董事局的成員組合和人數，以求執行董事與非執行董事的數目能維持理想的平衡。

企業文化與學習型機構

堡獅龍是一個學習型機構，並以「七個習慣®」作為本集團的企業文化之核心，鼓勵員工盡展所長。於回顧年內，本集團專注深化和實踐「七個習慣®」的文化，並投放大量資源以促進員工的全面發展，又鼓勵員工進行知識交流及培養閱讀習慣。我們相信，奉行此企業文化將有助員工的個人發展並提升其工作效能，從而促進本集團的業務表現。

致力達致持續增長

為了提高股東價值，我們將繼續以維持營業額及盈利兩方面達雙位數字增長為最終目標。展望未來，擴大核心市場(尤其是中國內地)的市場佔有率 and 擴充出口特許經營業務將成為帶動營業額及盈利增長的主要動力。我們將繼續為全球顧客提供物有所值、優質及易於配搭的休閒服裝。倘若沒有經驗豐富和努力不懈的員工及投資者的鼎力支持，本集團實在無法取得今天的成就。本人謹此感謝所有員工及投資者對堡獅龍所作出的貢獻。我們對集團之未來發展潛力感到樂觀，並誠心盼望在往後的日子裡，我們能繼續並肩作戰，於未來再創佳績。

主席

羅家聖

香港

二零零五年七月五日

Corporate governance 企業管治

The Group is committed to maintaining a high standard of corporate governance and further enhancing transparency. Through continuing education for its employees and engaging the expertise of outside consultants, Bossini will strive to raise the bar when it comes to formalising the best practices of corporate governance. Being a company that measures success by profit, not only by overall sales, the Group believes that it has everything to gain by improving its transparency and communication with investors.

Board of directors

At 31 March 2005, the Board consisted of 6 executive directors and 3 independent non-executive directors (collectively the “Directors”). The Group goes to great lengths to maximise the efficiency and the gains that can be derived from a vital board of directors. All of the independent non-executive directors (“INEDs”) have confirmed in writing their independence from the Company and meet the requirements set forth in the independence guidelines of the Rules Governing The Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”). These INEDs are high calibre executives who bring a diversified range of expertise and serve the crucial function of providing adequate checks and balances for safeguarding the interests of shareholders and the Group as a whole. The role of INEDs is to bring an independent and objective view to the Board's deliberations and decisions.

In addition, a seminar was conducted by external consultants on corporate governance for continuous professional development of the directors during the year in review to enhance their knowledge in this area.



本集團矢志維持高企業管治水平，並全力增加透明度。透過持續為員工提供培訓及外聘專業顧問，堡獅龍致力提升企業管治質素。作為一間以盈利（而非僅以整體銷售額）來衡量業績表現的企業，本集團深信，加強本身的透明度及與股東之間的溝通乃本集團的致勝之道。

董事局

於二零零五年三月三十一日，董事局由六名執行董事及三名獨立非執行董事（統稱為「董事」）組成。本集團致力透過董事局來提升效率及盈利水平。全體獨立非執行董事（「獨立非執行董事」）已提交確認符合獨立性的確認書，並符合載於香港聯合交易所有限公司證券上市規則（「上市規則」）內獨立性指引的規定。這些獨立非執行董事皆為優秀的行政人員，他們具備多方面的專業知識，可為本集團提供足夠的制約和平衡，以保障股東及本集團的整體利益。獨立非執行董事的角色是向董事局提供獨立及客觀的意見，以助董事局作出考慮及決定。

此外，於回顧年度內，本集團亦曾外聘顧問為董事的持續專業發展舉辦了一個有關企業管治的研討會，以加強其對企業管治之了解。

Three full Board meetings were convened in the year under review. The Board is scheduled to meet at least four times a year to approve results, budgets, and other significant matters. Regular Board meetings are scheduled one year in advance to facilitate the maximum attendance of Directors. Minutes of Board meetings are documented and the records are maintained in accordance with applicable laws and regulations. Board members are supplied with relevant information by the senior management pertaining to matters brought before the Board, as well as reports relating to the Group's operational and financial performance at least 3 days before each regular Board meeting to ensure that they have sufficient time to review the papers and be adequately prepared for the meeting. Directors are notified at least 14 days in advance of regular Board meetings to give them ample time to schedule and attend.

The meetings' proceedings are conducted by the Chairman of the Company, who ensures that each item on the agenda receives sufficient time for discussion and consideration, and assures that equal opportunity is given to the Directors to speak, express their views, and share their concerns. When the Board considers a proposal or transaction in which a fellow Director has a conflict of interest, he/she is required to abstain from voting.

Bossini values its Board and their insight. The above mentioned measures are designed to make the most of what the Board has to offer and further enhance the operation and effectiveness of the Board itself.

於回顧年度內，共召開了三次董事局全體會議。董事局計劃一年最少召開四次會議，以批核業績、預算及其他重要事項。董事局的定期會議時間表會預早一年制訂，務求達致最高的出席率。董事局會議記錄亦會根據相應的法律及規定存檔，管理層於每次定期董事局會議前最少三日，均會向董事局成員提供有關會議的資料和集團營運及財務業績的報告，以確保彼等有充足時間審閱文件，為出席會議作好準備。各董事在定期會議前十四日將接獲通知，讓他們有足夠的時間計劃及出席。

會議議事程序由本公司主席主持，他能夠確保有充裕的時間去討論議程內各個事項，並確保各董事有平等發言、表達己見及分享他們所關注事項的機會。每當董事局認為董事於某一建議或事項上存在利益衝突時，該董事須放棄就有關建議或事項投票的權利。

董事局的廣博見識乃堡獅龍的重要資產。上述各項措施旨在盡量善用董事局所提供的服務，並進一步完善董事局本身的運作及效能。

The attendance of individual Directors at full Board meetings for the year is set out as follows:

年內個別董事於董事局全體會議的出席記錄載述如下：

Number of meetings	會議次數	3	
Members of the Board	董事局成員	Meeting attended 出席的會議	Attendance rate 出席率
Chairman	主席		
Mr. LAW Ka Sing	羅家聖先生	3/3	100%
Executive directors	執行董事		
Ms. CHAN So Kuen	陳素娟女士	3/3	100%
Ms. Pansy CHAU Wai Man	周慧雯女士	3/3	100%
Mr. Dickie FU Shing Kwan	傅成坤先生	3/3	100%
Mr. Simon ORR Kuen Fung	柯權峯先生	2/3	67%
Mr. FUNG Ping Chuen (resigned on 1 June 2005)	馮炳全先生 (於二零零五年六月一日辭任)	3/3	100%
Independent non-executive directors	獨立非執行董事		
Ms. LEUNG Mei Han (appointed on 27 September 2004)	梁美嫻女士 (於二零零四年九月二十七日獲委任)	3/3	100%
Mr. Raymond LEE Man Chun (appointed on 27 September 2004)	李文俊先生 (於二零零四年九月二十七日獲委任)	3/3	100%
Mr. WONG Wai Kay (appointed on 17 December 2004)	王維基先生 (於二零零四年十二月十七日獲委任)	2/2	100%
Mrs. Winnie LEUNG WONG Wing Yue (resigned on 17 December 2004)	梁黃詠愉女士 (於二零零四年十二月十七日辭任)	1/1	100%
Mr. David CHEUNG Sik Ho (resigned on 27 September 2004)	張錫豪先生 (於二零零四年九月二十七日辭任)	0/0	N/A 不適用
Average attendance rate	平均出席率		96%

Audit committee

The Audit Committee consists of three INEDs, namely Ms. LEUNG Mei Han, Mr. Raymond LEE Man Chun and Mr. WONG Wai Kay. Ms. LEUNG is the Chairman of the Audit Committee and applies her professional qualifications in accounting and financial management expertise in directing the Audit Committee. In accordance with the Group Policy, the Audit Committee met twice in the year under review. Minutes from the Audit Committee's meetings were circulated to all Directors.

It is the Audit Committee's primary responsibility to critically and objectively review the financial and accounting practices and internal control of the Group. This includes but is not limited to considering the nature and scope of both the statutory and internal audit, reviewing the interim and annual accounts of the Group, and reviewing the adequacy and effectiveness of the accounting and financial controls of the Group.

審核委員會

審核委員會共有三名獨立非執行董事，分別為梁美嫻女士、李文俊先生及王維基先生。梁女士是審核委員會的主席，而她在會計及財務管理方面的專業知識有助她領導審核委員會的運作。根據集團政策，審核委員會於回顧年內已召開兩次會議，而會議記錄已送交各董事。

審核委員會的主要責任是就本集團的財務及會計慣例及內部監控作出關鍵而客觀的檢討。此舉包括 (但並不僅限於) 考慮法定及內部審核的性質及範圍、審閱本集團的中期及全年賬目以及檢討本集團會計及財務監控的完整性及有效性。

The Terms of Reference for the Audit Committee are aligned with the recommendations set out in “A Guide for Effective Audit Committees” issued by the Hong Kong Institute of Certified Public Accountants and the provisions set out in the Code on Corporate Governance Practices of the Listing Rules.

The attendances of individual members of the Audit Committee at audit committee meetings for the year are set out as follows:

Number of meetings	會議次數	2	
		Meeting attended 出席的會議	Attendance rate 出席率
Members of the Audit Committee	審核委員會成員		
Chairman	主席		
Ms. LEUNG Mei Han (appointed on 27 September 2004)	梁美嫻女士 (於二零零四年九月二十七日獲委任)	1/1	100%
Committee members	委員		
Mr. Raymond LEE Man Chun (appointed on 27 September 2004)	李文俊先生 (於二零零四年九月二十七日獲委任)	1/1	100%
Mr. WONG Wai Kay (appointed on 17 December 2004)	王維基先生 (於二零零四年十二月十七日獲委任)	0/0	N/A 不適用
Mrs. Winnie LEUNG WONG Wing Yue (resigned on 17 December 2004)	梁黃詠愉女士 (於二零零四年十二月十七日辭任)	2/2	100%
Mr. David CHEUNG Sik Ho (resigned on 27 September 2004)	張錫豪先生 (於二零零四年九月二十七日辭任)	1/1	100%
Average attendance rate	平均出席率		100%

Management committee

Bossini's Management Committee comprises four executive directors at 31 March 2005. The Management Committee reports to the Board and is in charge of overseeing the day to day operations of the Group.

Internal control

In order to establish a sound system of internal controls to safeguard shareholders' interests and the Group's assets, the Group established an internal audit department in August 2002. The key tasks of which include:

- (a) reviewing all material aspects of the Group's activities and internal controls with unrestricted rights of access;
- (b) conducting audits on the practices, procedures, and internal controls used by the business units of the Group on a regular basis in order to evaluate the adequacy and effectiveness of the internal control system established;

審計委員會的職權範圍與香港會計師公會頒佈的「審核委員會有效運作指引」所載的建議及上市規則企業管治常規守則條文一致。

年內審核委員會個別委員於審核委員會會議的出席記錄載述如下：

管理委員會

於二零零五年三月三十一日，堡獅龍的管理委員會由四名執行董事組成。管理委員會負責管理本集團的日常運作，並向董事局作出匯報。

內部監控

為了建立一個穩健的內部監控系統來保障股東權益及本集團資產，本集團於二零零二年八月成立內部審核部門，該部門的主要工作如下：

- (a) 獲給予不受限制之職權去檢討與本集團運作及內部監控有關的所有重大事宜；
- (b) 定期審核本集團業務單位所採用的工作慣例、程序及內部監控措施來評估現有內部監控系統的完整性及有效性；

- (c) conducting special reviews and investigations into areas of concern identified by management; and
- (d) monitoring the corrective actions taken by relevant departments.

The internal audit charter was approved and adopted by the Audit Committee. The internal audit department adopted a risk-based approach to develop the annual audit plan, which is reviewed and approved by the Audit Committee. A summary of major audit findings and management responses is reviewed by the Audit Committee twice a year.

Codes and policies

Code of best practice

Bossini has complied with the Code of Best Practice as set forth in Appendix 14 of the Listing Rules which was in force prior to 1 January 2005. All INEDs have been appointed for a term of one year which will be automatically renewed subject to early termination by mutual consent or three months' prior notice and they are subject to retirement by rotation and re-election at the annual general meeting ("AGM") of the Company in accordance with the Company's bye-laws.

Bossini group policy

The Group Policy was first issued in March 2004. It is taken up for review and renewal on an annual basis by the designated Group Policy committee.

The Group Policy laid down a code of conduct regarding directors' securities transactions in terms as stringent as those set out in the Model Code for Securities Transactions by Directors of Listed Issuers in the Listing Rules. The Company, having made specific enquiry of all Directors, confirmed that all Directors have complied with the required standard of dealings as set out therein throughout the year. Employees are also not encouraged to deal in the securities of the Company within one month before the interim and final results announcement.



- (c) 就管理層所關注的事項進行特別檢討及調查；及
- (d) 監督有關部門所進行的改進措施。

審核委員會已批核及採用內部審核規章，而內部審核部門就採用以風險為基準的方法來制定年度審計計劃，該計劃會由審核委員會審閱及批核。審核委員會亦會一年兩次檢討各項主要審計發現及管理層回應的摘要報告。

守則及政策

最佳應用守則

堡獅龍一直遵守上市規則附錄十四所載的最佳應用守則（於二零零五年一月一日起生效）。全體獨立非執行董事各自的委任期為一年，除非經雙方同意或三個月事先通知提早終止，否則將自動續期。各獨立非執行董事均須按本集團的公司章程細則，於股東週年大會上輪值退任及重選連任。

堡獅龍集團政策

集團政策於二零零四年三月首次推行，由指定的集團政策委員會每年檢討及更新。

集團政策載有董事進行證券交易的標準守則，其嚴謹程度與上市規則中上市公司董事進行證券交易的標準守則一樣。本公司經諮詢各董事後確認，全體董事於年內一直遵守董事進行證券交易的標準守則所載的有關買賣標準。本集團亦不鼓勵員工於中期及全年業績公佈前一個月內買賣本公司證券。



In addition, the Group Policy set forth a set of standards to all employees to govern the operations of the Group in legal, financial, procurement, and public relation spheres. Employees are expected to strictly adhere to the Group Policy and encouraged to alert senior management of potential cases of misconduct without fear of retribution.

Public float

Based on publicly available information in Hong Kong as at 31 March 2005, there was a sufficiency of public float of the Company's shares as required by the Listing Rules.

Corporate transparency and investor relations

The Group strictly adheres to practices that promote and maintain transparency. Measures have been taken to enhance transparency in financial and accounting matters. Via the corporate website, www.bossini.com, investors can stay up to date on current developments and find the latest financial reports. In addition to annual and interim reports, a number of press releases are issued every year and made easily accessible for the public's perusal at the corporate website.

The Group maintains active communication channels with the media, analysts, and fund managers in the form of one-on-one meetings, press-releases, roadshows, and press interviews. Bossini maintains regular dialogue with institutional investors and analysts and offers presentation sessions to them after each financial results announcement.

Communication with shareholders

Shareholders are encouraged to attend the AGM and communicate any concerns they might have with the Board directly. External auditors are available during the AGM to address shareholders' queries.

另外，集團政策亦為全體員工制定劃一標準，以監督本集團在法律、財務、採購及公共關係等方面的運作。集團政策要求各員工嚴格遵守各項守則及鼓勵員工如發現集團內有任何不當行為時需即時向相關主管匯報，而毋須憂慮遭受處分。

公眾持股量

根據二零零五年三月三十一日香港的公開資料顯示，本公司股份的公眾持股量符合上市規則的規定。

企業透明度及投資者關係

本集團嚴格遵守有助提升及維持透明度的守則，並執行加強財務及會計透明度的措施。於公司網站www.bossini.com內，投資者可瀏覽本集團最新的發展資訊及最近的財務報告。除了全年及中期業績報告外，本集團每年亦會刊發多則新聞稿，並讓公眾人士可輕易進入公司網站瀏覽。

透過舉行單對單會議、刊發新聞稿、舉行路演及報章訪問，本集團與傳媒、分析員及基金經理均保持良好的溝通。本集團亦與機構投資者及分析員定期會面討論，並於每次財務業績公佈後為他們安排發佈會議。

與股東的溝通

本集團鼓勵股東出席股東週年大會，並向董事局直接表達他們所關注的事項。獨立核數師亦會出席股東週年大會，為股東解答疑難。



indisoo

Mainland China market and
export franchise business
are our future growth engines

中國大陸市場和出口特許經營業務

是本集團未來增長動力



Management discussion and analysis 管理層討論及分析

Financial performance

The Group was successful in achieving double-digit growth in both turnover and profits during the year under review. The pragmatic growth strategy in network expansion plus the improved economic environment in all of the Group's four core markets accounted for the Group's outstanding business performance in the year under review.

With clear corporate objectives and well-executed business strategies, the Group achieved another year of record high results. The consolidated turnover surged 13% from HK\$1.78 billion to HK\$2.02 billion. With a two-percentage-point growth in gross margin to 49%, gross profit grew 18% to HK\$998 million (2004: HK\$844 million). Focused on effective cost management, the Group's operating profit rose to HK\$226 million (2004: HK\$146 million), a 54% increase over that of 2003/2004. Operating margin also improved from the prior year's 8% to 11% this year.

Net profit increased a substantial 54% to HK\$182 million (2004: HK\$118 million). This indicated our ability to achieve sustainable growth even when gross margin was slightly affected by the unseasonably warm weather in the second half of the year. The 9% net margin was two percentage points over that of the prior year.

財務業績

於回顧年內，本集團在營業額及盈利兩方面均取得雙位數字的增長。本集團採取務實的業務增長策略以擴展分銷網絡，加上四個核心市場的經濟狀況均有所改善，促使本集團在回顧年內的整體業績錄得驕人成績。

憑藉清晰的企業目標及有效執行業務策略，本集團的業績再創歷史新高。綜合營業額從港幣17.8億元上升13%至港幣20.2億元。毛利率增長兩個百分點至49%，毛利增長18%至港幣9.98億元（二零零四年：港幣8.44億元），由於本集團致力於有效成本管理，營運溢利較二零零三／二零零四年上升54%至港幣2.26億元（二零零四年：港幣1.46億元），營運溢利率亦從去年的8%上升至11%。

淨溢利錄得54%的重大增長至港幣1.82億元（二零零四年：港幣1.18億元），反映儘管毛利率於下半年度受不利天氣輕微影響，本集團仍能維持盈利增長。淨溢利率較去年增長兩個百分點至9%。



Management discussion and analysis 管理層討論及分析

Operating cost analysis 營運成本分析

		2005 二零零五年		2004 二零零四年		Change 轉變
		HK\$ million 港幣百萬元	% of total turnover 佔總營業額%	HK\$ million 港幣百萬元	% of total turnover 佔總營業額%	
Turnover	營業額	2,016.9	100.0%	1,783.4	100.0%	+13%
Selling and distribution costs	銷售及分銷成本	575.1	28.5%	508.9	28.5%	+13%
Administrative expenses	行政開支	177.5	8.8%	158.1	8.9%	+12%
Other operating expenses	其他營運開支	37.4	1.9%	42.7	2.4%	-12%
Total operating expenses	總營運開支	790.0	39.2%	709.7	39.8%	+11%

The Group's operational efficiencies improved prominently during the year under review. The overall same store sales grew 11% with the overall net retail sales per sq. ft. improved by 18% to HK\$3,300 (2004: HK\$2,800). We also managed to reduce the total operating expenses to 39% of our revenue (2004: 40%).

Business review

Since opening its first store in 1987, Bossini has successfully expanded its business to about 20 countries around the globe, from Asia to the Middle East, Central America, and Europe. The Group has been and remains a leading apparel brand owner, retailer, and franchiser in the region. Currently, the Group's apparel brands include its premier **"bossini"** label, a widely recognised casual wear brand and **"sparkle"**, a younger brand catering only for the Mainland China market at present.

Distribution network expansion

The Group added 149 new outlets in its distribution network, thus increasing the number of outlets from 678 to 827 mainly in Mainland China and its export franchise markets. The Group's directly managed outlets are found exclusively in the four core markets of Hong Kong, Mainland China, Taiwan, and Singapore. In Mainland China, the Group's directly managed outlets cover 8 first tier cities and its franchise business now sells **"bossini"** and **"sparkle"** brands in more than 100 second and third tier cities. Other than directly managed outlets, the Group's distribution network also comprises overseas franchised outlets in 16 countries around the world.

本集團在回顧年內的經營效率有顯著的改善。整體同店銷售額增長為11%，而整體每平方呎淨零售銷售額增長18%至港幣3,300元（二零零四年：港幣2,800元）。總營運開支降低至營業額的39%（二零零四年：40%）。

業務回顧

自一九八七年開設首間店舖以來，堡獅龍已成功將業務拓展至全球各地，包括亞洲、中東、中美洲及歐洲等約20個國家，而本集團亦一直為區內具領導地位的品牌擁有人、零售商及特許經營商。目前，本集團旗下的服裝品牌包括國際知名的休閒服裝品牌「bossini」，以及以中國大陸年輕消費者為目標的「sparkle」品牌。

擴充分銷網絡

本集團年內於其分銷網絡增設149間店舖，令店舖總數從678間增加至827間，主要位於中國大陸以及出口特許經營市場。直接管理店舖則設於香港、中國大陸、台灣及新加坡四個核心市場。本集團於中國大陸的直接管理店舖覆蓋8個一線城市，其特許經營業務目前於超過100個國內二及三線城市銷售「bossini」及「sparkle」兩個品牌的產品。其餘的分銷網絡則主要由設於16個國家的海外特許經營店舖組成。

As at 31 March 2005, the Group operated 409 directly managed retail outlets (2004: 314), 95 more than the previous year. The total retail floor area thus grew 12% to 542,700 sq. ft. (2004: 482,600 sq. ft.). After the restructuring of the franchise network in Mainland China, the number of franchised outlets there totalled 203 (2004: 195), 8 more than in 2003/2004. For overseas franchise business, the number of outlets now stands at 215 (2004: 169), with the addition of 46 new outlets mainly in the Middle East and Thailand during the year.

Brand development

Adhering to its brand tagline “Color Our World”, Bossini’s goal is to raise our brand value by consistently offering a variety of easy to mix-and-match casual wear for its customers. Innovative marketing initiatives were launched in Hong Kong during the year under review and brand awareness campaigns were conducted in Mainland China.

During the year, Hong Kong piloted several innovative retailing concepts including infotainment TV commercials, the introduction of fashion ambassadors at the Group’s new flagship store in Hong Kong, and a world-class traffic count system plus some other first-in-town marketing activities.

To further increase brand awareness among consumers in Mainland China, a regional media campaign was launched using TV, magazines, metro and buses to promote “**bossini**” and “**sparkle**”. Other campaigns included joint promotion and cross-selling with other reputable brands.

於二零零五年三月三十一日，本集團共經營409間直接管理店舖（二零零四年：314間），數目較上年度增加95間。零售樓面總面積則增加12%至542,700平方呎（二零零四年：482,600平方呎）。在中國大陸的特許經營店舖共有203間（二零零四年：195間），較二零零三／二零零四年進行重整前增加了8間。海外特許經營店舖現有215間（二零零四年：169間），年內新增了46間，主要位於中東及泰國。

品牌拓展

以「Color Our World」作為口號，堡獅龍一直以提升品牌價值為目標，並不斷為客戶提供易於配襯的服裝產品。在回顧年內，本集團在香港推行具創意的市場推廣計劃，同時亦在中國大陸舉辦提升品牌知名度的活動。

本集團在年內嘗試不同新穎的零售概念，包括於香港推出資訊性電視廣告片、安排服裝大使於新旗艦店駐守、採用了國際級的客流分析系統，亦推出其他首創的市場推廣活動。

為進一步提高於中國大陸的品牌知名度，一個以電視、雜誌、地下鐵路及公共汽車等媒體推廣「**bossini**」及「**sparkle**」品牌的地區性計劃已於回顧年內推行。其他推廣活動包括與其他優質品牌的聯合宣傳及相互推銷。

		Hong Kong 香港			Mainland China 中國大陸			Taiwan 台灣			Singapore 新加坡			Total 合共		
Year ended 31 March	截至三月三十一日止年度	2005 二零零五年	2004 二零零四年	Change 轉變	2005 二零零五年	2004 二零零四年	Change 轉變	2005 二零零五年	2004 二零零四年	Change 轉變	2005 二零零五年	2004 二零零四年	Change 轉變	2005 二零零五年	2004 二零零四年	Change 轉變
Retail	零售															
Net retail sales (in HK\$ million)	零售淨銷售額 (港幣百萬元)	803	678	+ 18%	331	309	+ 7%	348	315	+ 10%	191	174	+ 10%	1,673	1,476	+ 13%
Operating profit (in HK\$ million)	營運溢利 (港幣百萬元)	97	68	+ 43%	9	-22	N/A	18	17	+ 6%	23	17	+ 35%	147	80	+ 84%
Operating margin (%)	營運溢利率 (%)	12%	10%	+ 2% pts	3%	-7%	+ 10% pts	5%	5%	+ 0% pts	12%	10%	+ 2% pts	9%	5%	+ 4% pts
Retail floor area (sq. ft.) (a)	零售樓面面積 (平方呎) (a)	112,000	98,600	+ 14%	276,400	235,600	+ 17%	124,100	119,500	+ 4%	30,200	28,900	+ 4%	542,700	482,600	+ 12%
Net sales per sq. ft. (in HK\$) (b)	每平方米呎淨銷售額 (港幣) (b)	7,700	6,800	+ 13%	1,300	1,200	+ 8%	2,800	2,600	+ 8%	6,600	5,400	+ 22%	3,300	2,800	+ 18%
Same store sales growth*	同店銷售額增長*	+ 11%	+ 23%	- 12% pts	+ 11%	- 19%	+ 30% pts	+ 6%	+ 15%	- 9% pts	+ 12%	+ 6%	+ 6% pts	+ 11%	+ 10%	+ 1% pts
No. of outlets	店舖數目	32	27	+ 5	274	189	+ 85	75	71	+ 4	28	27	+ 1	409	314	+ 95
Franchise	特許經營															
Sales	銷售額	218	148	+ 47%	97	129	- 25%	N/A	N/A	N/A	N/A	N/A	N/A	315	277	+ 14%
Operating profit (in HK\$ million)	營運溢利 (港幣百萬元)	65	41	+ 59%	23	33	- 30%	N/A	N/A	N/A	N/A	N/A	N/A	88	74	+ 19%
Operating margin (%)	營運溢利率 (%)	30%	28%	+ 2% pts	24%	26%	- 2% pts	N/A	N/A	N/A	N/A	N/A	N/A	28%	27%	+ 1% pts
No. of outlets	店舖數目	215	169	+ 46	203	195	+ 8	N/A	N/A	N/A	N/A	N/A	N/A	418	364	+ 54
Regional total	區域總計														Consolidated 綜合	
Sales	銷售額	1,035	835	+ 24%	443	459	- 3%	348	315	+ 10%	191	174	+ 10%	2,017	1,783	+ 13%
Operating profit (in HK\$ million)	營運溢利 (港幣百萬元)	152	96	+ 58%	33	16	+ 106%	18	17	+ 6%	23	17	+ 35%	226	146	+ 54%
Operating margin (%)	營運溢利率 (%)	15%	11%	+ 4% pts	7%	3%	+ 4% pts	5%	5%	+ 0% pts	12%	10%	+ 2% pts	11%	8%	+ 3% pts
No. of outlets	店舖數目	32 ^	27 ^	+ 5	477	384	+ 93	75	71	+ 4	28	27	+ 1	827	678	+ 149

(a) As at 31 March

(b) On weighted average basis
按加權平均基準

[^] No. of export franchised outlets is not included

不包括出口特許經營店舖數目

Key operations breakdown and analysis

Hong Kong, the Group's primary market includes both its Hong Kong retail business and export franchise business, which accounted for 52% of the Group's turnover and 67% of its operating profit in the year under review. Mainland China was the second largest turnover and operating profit contributor for the year, accounting for 22% and 15% of the Group's total respectively. Taiwan and Singapore contributed 17% and 9% of the consolidated turnover respectively and 8% and 10% respectively of the consolidated operating profit.

Hong Kong

Hong Kong's apparel market is one of the most competitive markets in the world. The valuable retail experience garnered in the Hong Kong market has contributed to the Group's successful expansion into other markets. The Group met its goal of expanding its presence in the region by opening a total of five new outlets, bringing the number of stores to 32 as at 31 March 2005 (2004: 27). The Group performed well in both the retail and export franchise businesses despite that the business environment was not entirely conducive in the second half of the year.

Retail sales for the year under review amounted to HK\$803 million (2004: HK\$678 million), an 18% rise over that of 2003/2004. Retail floor area increased to 112,000 sq. ft., up 14% from 98,600 sq. ft. in the past fiscal year. Same store sales grew 11% during the year. Operating profit amounted to HK\$97 million, up 43% from HK\$68 million in 2003/2004. Operating margin was 12% in the year under review (2004: 10%).

In 2004/2005, the Group's export franchise business recorded under Hong Kong operation had an impressive year, achieving a 47% rise in turnover at HK\$218 million (2004: HK\$148 million), contributing 11% to the Group's overall turnover. Currently, we have 215 export franchised outlets (2004: 169) in 16 countries including the 46 new outlets added during the year under review. Operating profit of this business for the year was HK\$65 million (2004: HK\$41 million), which was up 59% and accounted for 29% of the Group's total operating profit, at the margin of 30% (2004: 28%). At this pace, we are confident in the superb growth potential of this high value business.



主要業務細分及分析

香港為本集團的主要市場，包括香港零售業務及出口特許經營業務，於回顧年內佔總營業額52%及營運溢利67%。中國大陸市場為第二大營業額及盈利貢獻來源，佔總營業額22%及營運溢利15%。台灣及新加坡分別佔本集團綜合營業額的17%及9%，以及綜合營運溢利的8%及10%。

香港

香港的服裝市場為全球競爭最激烈的市場之一。從經營香港零售業務累積所得的寶貴經驗，本集團得以成功擴展至其他市場。本集團於年內合共開設五間新店鋪，令於二零零五年三月三十一日的店鋪數目增加至32間(二零零四年：27間)，成功達致擴大區內據點的目標。儘管下半年的經營環境未如理想，但本集團的零售及出口特許經營業務仍錄得理想業績。

於回顧年內，零售銷售額較二零零三／二零零四年增加18%，達港幣8.03億元(二零零四年：港幣6.78億元)。零售樓面面積增加至112,000平方呎，較上一財政年度的98,600平方呎增加14%。同店銷售額增長亦較去年增加11%。營運溢利錄得港幣9.7千萬元，較二零零三／二零零四年的港幣6.8千萬元增加43%。於回顧年內，營運溢利率為12%(二零零四年：10%)。

於二零零四／二零零五年，香港的出口特許經營業務錄得47%增長，達港幣2.18億元(二零零四年：港幣1.48億元)，佔本集團總營業額的11%。目前，出口特許經營店鋪共215間(二零零四年：169間)，分佈於16個國家，回顧年內增設了46間。營運溢利為港幣6.5千萬元(二零零四年：港幣4.1千萬元)，上升59%，佔本集團總營運溢利的29%，營運溢利率則達30%(二零零四年：28%)。基於此發展速度，本集團對此項高增值業務的潛力充滿信心。



Mainland China

The Group began operations in Mainland China in 1993. Since then, the number of directly managed outlets has increased to 274 (2004: 189), of which 85 were added in the year under review, covering a total of 8 cities. Retail floor area totalled 276,400 sq. ft. as at 31 March 2005 (2004: 235,600 sq. ft.), a 17% increase over the previous year.

The Group's first franchised store in Mainland China was opened in 1995. The Group has now established a franchise distribution network of 203 stores covering over 100 Mainland cities (2004: 195).

As part of its optimisation plan, the Group will continue to improve its operations in Mainland China by strengthening service quality, providing more staff training and facilitating knowledge sharing between the directly managed outlets and franchisees. During the year under review, measures were taken to improve profitability. This was done by providing extensive staff training across the Group from management to sales staff. At the same time, marketing activities were substantially increased to promote the brand awareness in the local market.

中國大陸

自一九九三年於中國大陸開展業務以來，本集團的直接管理店舖已增至274間（二零零四年：189間），其中85間是於回顧年內新增設的店舖，合共覆蓋8個城市。於二零零五年三月三十一日的零售樓面面積合共為276,400平方呎（二零零四年：235,600平方呎），較去年增加17%。

首間中國大陸特許經營店舖於一九九五年開業，現時本集團已於國內擁有203間（二零零四年：195間）覆蓋超過100個城市的特許經營分銷網絡。

作為擴展計劃的一部份，本集團將透過加強服務質素、為員工提供更多培訓機會及增加直接管理店舖和特許經營商之間的交流，繼續推動中國業務的發展。於回顧年內，本集團亦執行各項提升盈利水平的措施，包括為各級員工（由管理層以至零售店舖員工）提供培訓，與此同時，亦積極進行多項市場推廣活動以提升品牌於當地市場之知名度。

MAINLAND CHINA 中國

During the year, it was witnessed that many franchisees, due to various reasons, failed to satisfactorily manage their business and dropped out. In view of this situation, major transformation of the franchise operation, aiming at streamlining the franchise division and improving distribution efficiency, was started in the year under review. Benefits of the transformation have been realised progressively and will continue to manifest in the medium term. Despite the keen competition in the Mainland market, the Group was able to achieve satisfactory results for the year. As the Group recruits more quality franchisees to its win-win scheme in the coming years, performance of the operation is expected to improve.

Same store sales for the Mainland China market recorded an 11% growth this year. Retail sales surged to HK\$331 million (2004: HK\$309 million), a 7% rise over fiscal year 2003/2004. Operating profit was HK\$9 million, compared with a loss of HK\$22 million last year. An operating profit margin of 3% (2004: -7%) was achieved. However, during this transitional period of transformation, franchise sales dropped by 25% to HK\$97 million (2004: HK\$129 million). This led to a substantial drop in operating profit of 30% to HK\$23 million (2004: HK\$33 million) with an operating margin of 24% (2004: 26%). The overall turnover for the year was thus down slightly to HK\$443 million (2004: HK\$459 million) with an operating margin of 7% (2004: 3%). Nevertheless, due to outstanding margin and cost management plus the successful reforms, the country's operating profit at HK\$33 million (2004: HK\$16 million) more than doubled that of the prior year.

年內，多家特許經營商因種種原因致使管理不善而被淘汰。有鑑於此，大部份的重整工作已於回顧年度開展。進行各主要整頓項目是為了精簡特許經營業務及提升分銷網絡的效率，而重組為本集團帶來的好處將於不久的將來不斷浮現。儘管中國內地市場競爭激烈，但本集團在年內仍達致令人滿意的業績。本集團期望在目前的雙贏制度下，將可吸引更多優質的特許經營商加盟，未來幾年的業績將會更佳。

年內，中國大陸市場的同店銷售額錄得11%增長。零售銷售額較二零零三／二零零四年財政年度增加7%，達港幣3.31億元（二零零四年：港幣3.09億元）。營運溢利為港幣9百萬元，去年則錄得虧損港幣2.2千萬元。營運溢利率為3%（二零零四年：-7%）。由於處於重整的過渡期，特許經營業務的銷售額下跌25%至港幣9.7千萬元（二零零四年：港幣1.29億元），營運溢利亦大幅下降30%至港幣2.3千萬元（二零零四年：港幣3.3千萬元），營運溢利率為24%（二零零四年：26%）。中國大陸市場的總營業額輕微下降至港幣4.43億元（二零零四年：港幣4.59億元）。整體營運溢利率為7%（二零零四年：3%）。但由於出色的邊際利潤及成本管理，加上改革成功，整體營運溢利較去年增長超過一倍達港幣3.3千萬元（二零零四年：港幣1.6千萬元）。



Taiwan

In the fiscal year under review, the Group's Taiwan business recorded a rise in operating profit of 6% over that in 2003/2004 to HK\$18 million (2004: HK\$17 million) with operating profit margin at 5% (2004: 5%). Business was stronger than expected in the first half of the year, but slipped in the second half due to the unseasonably warm weather. Retail floor area increased to 124,100 sq. ft. from 119,500 sq. ft. in 2003/2004. Sales for the year under review amounted to HK\$348 million (2004: HK\$315 million), 10% higher than the prior fiscal year. Same store sales grew 6% for the year.

The Group directly managed 75 outlets (2004: 71) in Taiwan, an increase of 4 over the fiscal year 2003/2004.

Singapore

In Singapore, the Group added one new store during the year, bringing the total number of outlets to 28 (2004: 27) and increasing the retail floor area by 4% to 30,200 sq. ft. (2004: 28,900 sq. ft.). Same store sales grew 12%. Retail sales for the year amounted to HK\$191 million (2004: HK\$174 million), a 10% rise over that of last year with operating profit increased 35% to HK\$23 million (2004: HK\$17 million). Operating profit margin was 12% (2004: 10%).

Liquidity and financial resources

For two years in a row, the Group's cash on hand rose substantially. For the year ended 31 March 2005, it stood at HK\$326 million (2004: HK\$225 million). The Group's current ratio was maintained at a healthy level of 2.5 (2004: 2.7) and total liabilities to equity ratio was 47% (2004: 43%). We managed to maintain consistent quality inventory management as reflected by the inventory turnover period of 39 days, a level close to prior year's 37 days. There was a remarkable improvement in return on equity from 33% to 36%.

As at 31 March 2005, the Group's total assets and liabilities were HK\$824 million (2004: HK\$638 million) and HK\$263 million (2004: HK\$192 million) respectively with equity amounting to HK\$561 million (2004: HK\$446 million). The Group had net cash (total cash on hand minus total bank borrowings) of HK\$311 million (2004: HK\$190 million) with total bank borrowings of HK\$15 million (2004: HK\$35 million).

台灣

於回顧財政年度內，本集團台灣業務的營運溢利較二零零三／二零零四年增加6%至港幣1.8千萬元（二零零四年：港幣1.7千萬元），並錄得5%的營運溢利率（二零零四年：5%）。上半年的業務較預期為佳，惟下半年業務因天氣異常和暖經歷下滑。零售樓面面積由二零零三／二零零四年的119,500平方呎增加至124,100平方呎。銷售額為港幣3.48億元（二零零四年：港幣3.15億元），較上一財政年度增加10%。同店銷售額增長則較去年上升6%。

本集團於台灣共開設了75間直接管理店舖（二零零四年：71間），較二零零三／二零零四年財政年度增加了4間。

新加坡

於回顧年內，本集團在新加坡開設一間新店舖，令店舖總數增加至28間（二零零四年：27間），零售樓面面積亦增加4%至30,200平方呎（二零零四年：28,900平方呎），同店銷售額增長為12%。零售銷售額較去年增加10%至港幣1.91億元（二零零四年：港幣1.74億元）。經營溢利則增加35%至港幣2.3千萬元（二零零四年：港幣1.7千萬元），並錄得12%的營運溢利率（二零零四年：10%）。

流動資金及財政資源

本集團的手持現金連續第二年錄得大幅增長，於二零零五年三月三十一日達港幣3.26億元（二零零四年：港幣2.25億元）。本集團的流動比率維持於2.5倍的穩健水平（二零零四年：2.7倍），而總負債對股東權益比率為47%（二零零四年：43%）。穩定而優質的存貨管理，使存貨周轉期得以維持於39天的水平，與去年的37天相若。股本回報率亦從33%顯著提升至36%。

於二零零五年三月三十一日，本集團之總資產及總負債分別為港幣8.24億元（二零零四年：港幣6.38億元）及港幣2.63億元（二零零四年：港幣1.92億元），股東權益總額則為港幣5.61億元（二零零四年：港幣4.46億元）。本集團之現金淨額（即持有之現金總額減去銀行貸款總額）為港幣3.11億元（二零零四年：港幣1.90億元），而總銀行貸款為港幣1.5千萬元（二零零四年：港幣3.5千萬元）。

Capital expenditure for the year was HK\$50 million (2004: HK\$34 million), mainly for shop renovations in Hong Kong and Mainland China.

Contingent liabilities

The Group had certain contingent liabilities with respect to business tax in Taiwan. The Directors, based on the advice from the local tax representative of the Taiwan Branch, believe that the branch has a valid ground to object the claim from the tax bureau in Taiwan, and accordingly, have not made any provision for the tax claim or any potential additional profits tax liabilities as at 31 March 2005.

Human capital

As of 31 March 2005, the Group employed a total of 3,963 (2004: 3,230) full-time equivalent employees in Hong Kong, Mainland China, Taiwan and Singapore. The Group reimburses its employees on performance basis and offers insurance, retirement plans, share options, and discretionary performance bonuses.

Outlook

With proven impressive profitability in the past two years and recent explosive growth of its export franchise business, the Group is poised to capture growth potential in the near future. The Group expects to meet keen competition in the years head-on as economic globalisation continues. Facing these challenges, Bossini will implement effective purchase management, cost controls, and a cautious global expansion plan.

In spite of the anticipated intense competition, Bossini sees measures of success not only in profitability but also growth in operation and market share. The Group regards its export franchise business and Mainland China market as its future growth engines, and targets Mainland China to be the number one turnover and profit contributor to the Group in the medium term. Bossini is committed to offering more training to and collaborating more closely with its export franchise partners, encouraging their network expansion and enhancing operational efficiency.

The Group expects the Hong Kong retail sector to boom as the economy improves and the number of tourists increases. As the Group has already achieved prime location penetration, three to five new stores will be opened this year mainly in residential areas in Hong Kong in order to benefit fully from the rebounding consumer sentiment.

年內的資本開支約港幣5千萬元(二零零四年：港幣3.4千萬元)，主要用於香港及中國大陸的店舖翻新。

或然負債

本集團就台灣之營業稅有若干或然負債。董事根據台灣分公司之地方稅務代表所提供之意見，相信分行有足夠有效的理據反對台灣稅局之索償，因此，於二零零五年三月三十一日，並無就稅務索償或任何潛在額外利得稅負債提供撥備。

人力資源

於二零零五年三月三十一日，本集團在香港、中國大陸、台灣及新加坡共聘用相等於3,963名(二零零四年：3,230名)全職員工。本集團按員工的工作表現釐定其薪酬，並為員工提供保險、退休計劃、購股權計劃和按表現發放花紅等福利。

未來展望

從過去兩年錄得的可觀盈利和出口特許經營業務近期的迅速發展，可見本集團已為未來的龐大發展商機作好準備。然而，全球化趨勢將激起更劇烈的競爭。為抗衡此等挑戰，本集團將實行有效的購貨管理、成本控制措施，並審慎進行全球性的擴展計劃。

縱使預期未來幾年的市場競爭激烈，但本集團相信企業的成功不僅是以盈利程度衡量，更取決於增長率和市場佔有率。本集團視出口特許經營業務及中國大陸市場為其未來主要的增長動力，並致力將中國大陸市場發展為本集團的主要營業額及盈利貢獻來源。本集團將積極為出口特許經營商提供更多培訓課程，加強雙方的合作，鼓勵彼等進行分銷網絡擴展及增強營運效率。

隨著經濟持續復甦，加上更多遊客來港消費，本集團預期香港零售業將會繼續興旺。由於本集團已於黃金地段設立足夠店舖，本年度將主要於住宅地區開設3至5間新店舖，以抓緊零售市道復甦所帶來的商機。

Adopting a rental renewal strategy that focuses on optimising floor area utilisation, the Group expects rental increment for prime shop sites to be balanced by the mild rental increment for shops in residential areas, hence creating minimal pressure on its overall profitability. The Group also expects its business growth to be in line with rental cost increment in Hong Kong.

The export franchise markets not only provide high growth potential, but also help diversify the Group's business portfolio. Currently, Bossini is investigating market development opportunities in India, Korea, and Japan. The Group will also start its franchise business in Nepal. The Group's goal is to expand its export franchise sales by 30% in the coming year; this logically follows the almost 50% growth achieved in the year under review. The Group will continue to increase the collaborative training offered to franchise partners and encourage export partners especially those in the Middle East and Thailand to expand business, a strategy proven highly successful in 2004/2005.

The retail market and consumer spending in Mainland China is growing as reflected in current economic and retail figures. Mainland China is also adding retail space the fastest in the world. Bossini is well established to take advantage of this emerging market as it matures and aims to add more than 150 outlets in the country via its retail and franchise divisions in the next fiscal year. By providing more staff training and increasing knowledge sharing between directly managed stores and franchisees, service quality of the operations will improve and so will their overall performance.

To foster the Group's growth potential in Taiwan, franchise operation will be introduced. More than 20 directly managed and/or franchised outlets will be added in the coming year, riding on Taiwan's general economic recovery.

Bossini is currently one of the leading apparel retailers in the Singapore market, which is mature and very competitive like Hong Kong. The Group plans to spur sales growth in Singapore by increasing brand development and enhancing outlays. Though the market in Singapore is saturated, the Group believes that profitability gains are attainable by capitalising on enhancement of operational effectiveness and efficiencies in 2004/2005. It is Bossini's goal to capture the lion share of Singapore's apparel market in five years.

本集團以提高樓面面積的使用率作為續訂租約的策略，預期住宅地區相對較為輕微的租金增幅將可減低黃金地段高昂租金的成本壓力，從而盡量減少對本集團整體盈利造成的影響，亦預期業務與租金成本將同步增長。

出口特許經營市場不僅具備龐大的增長潛力，更有助優化本集團的業務組合。本集團目前正研究印度、韓國及日本等市場的發展潛力，並將於尼泊爾開展特許經營業務。繼於回顧年內錄得近50%增長，本集團訂下於來年出口特許經營銷售額達30%增長的目標。本集團亦將繼續增加為特許經營商而設的合作培訓課程，並鼓勵他們擴展尤其位於中東及泰國市場的業務，而此策略於二零零四／二零零五年取得空前成功。

現時中國大陸市場的經濟及零售數據反映該市場持續增長，消費亦不斷增加，而中國大陸的零售市場是全球擴展最快的地區。本集團已準備就緒，全面拓展此發展迅速且具有龐大潛力的市場，並計劃透過其零售及特許經營方式，於下一財政年度在中國大陸增設逾150間店舖。本集團亦將繼續為員工提供更多培訓，加強直接管理店舖及特許經營者之間的交流，並提升營運的服務質素，進一步改善中國大陸的業務。

為促進台灣市場的增長，本集團將於來年在台灣引進特許經營業務，並計劃增設超過20間直接管理及／或特許經營店舖。預期此策略將受惠於台灣的經濟復甦。

堡獅龍現為新加坡其中一間具領導地位的服裝零售商。與香港相若，新加坡的零售市場已經發展成熟，競爭相當激烈，因此，本集團計劃透過增加品牌拓展活動和改善店舖裝潢來刺激新加坡市場的銷售。儘管此市場已呈飽和，惟本集團相信於二零零四／二零零五年提升營運效益及效率後，盈利將進一步提升。本集團矢志於五年內躍升為新加坡市場最大的服裝零售商。

The Group is also planning to repeat the success of its Singapore operations in Malaysia by operating retail stores in the second half of 2005/2006. The experienced management team in Singapore will directly oversee such operations in Malaysia.

Looking ahead, Bossini will strive to achieve sustainable double-digit growth in both turnover and profits. In the foreseeable future, turnover and profits will continue to be driven by increasing market shares in the Group's core markets and growth of its export franchise business. As a company motivated by profitability, the Group targets an annual dividend payout ratio of at least 50%.

On the operation front, the Group will continue to adopt a series of ongoing initiatives to enhance growth. With cost effectiveness and efficiencies as priorities, the Group plans to implement world-class IT systems to enhance internal operations, inventory management, merchandise planning and forecasting. At the same time, the Group is also evaluating its supply chain and logistic systems for room of further improvement.

Our capital expenditure for the coming year will amount to HK\$60 million of which HK\$50 million will be spent on retail business expansion and shop renovation in Hong Kong, Mainland China, and Taiwan, and HK\$10 million will be spent on IT system enhancement for long-term efficiency gains.

Bossini has in place an organic optimisation plan designed to enhance its position as a dominant global player in the apparel market. Combining consistency, efficiency, quality, and expansion, we aim to achieve increased market share in all core markets and seize development opportunities in new markets. By accomplishing the tasks and goals set forth previously and realising long-term optimisation, the Group expects to further enhance shareholders' value in the years ahead.



本集團亦計劃將新加坡市場成功的經營模式擴展至馬來西亞市場，於二零零五／二零零六年下半年開設零售店舖。馬來西亞業務將由經驗豐富的新加坡管理團隊負責管理。

展望未來，堡獅龍將致力維持營業額及盈利的雙位數字增長，而核心市場和出口特許經營業務的市場佔有率不斷擴大將繼續帶動本集團盈利增長。作為一家以盈利能力為主導的企業，本集團以維持每年最少50%的派息比率為目標。

在營運層面，本集團將繼續推行一連串策略刺激增長。以提升效能及效率為大前題，本集團計劃安裝一些世界級的資訊科技系統，以加強內部營運、存貨管理、採購計劃及預測。同時，本集團亦將評估其供應鏈及物流系統，以作進一步改善。

來年的資本開支合共為港幣6千萬元，其中包括用於香港、中國大陸及台灣的零售擴展及店舖翻新的港幣5千萬元，而港幣1千萬元將用作提升資訊科技系統，以提高長期營運效率。

堡獅龍已制定進取的擴展計劃，銳意鞏固其於全球服裝市場的領導地位。透過提供一致、具效率及優質的服務，加上不斷進行擴展，本集團矢志增加所有核心市場的市場佔有率，並積極抓緊新市場湧現的商機。憑藉完成既定之計劃及目標，並朝著長期增長的方向進發，本集團期望可於未來年間進一步提升股東價值。

bossini

“the bossini way”

as the essence of our corporate culture

「堡獅龍之道」乃我們企業文化之精髓



Corporate culture 企業文化

A strong corporate culture is one of the key success factors of an enterprise. In developing a culture unique to Bossini, the Group issued a guideline entitled “the bossini way” in mid 2002 to share with all staff its vision, mission and values.

“the bossini way” is a framework of values that encourages productive habits and practices of employees. We believe such a pronounced and unique corporate culture helps align the Group’s and our staff’s vision, mission and values, thus empower the Group and its employees as a body to advance in a consistent direction.

Bossini is a learning organisation. It encourages its employees to progress and pursue excellence through providing them with on the job training and focused training programmes that promote the “7 Habits®” and “7 Practices” under “the bossini way”.

The Group’s mission is to fully implement these ideals throughout all levels of its workforce, creating a deep positive culture capable of continually reinforcing itself. Since May 2004, Bossini has been cooperating with the Center For Effective Leadership (HK) Ltd. to provide training for employees in the “7 Habits®”. Bossini is confident that these efforts will benefit its employees and the Group as a whole and will maintain them in the future.

“the bossini way”

Vision	To be the top-of-mind brand leader
Mission	To create incremental value for the brand every day ... in every way
Shared Values	Employees and the company are bonded by a commitment to serve each other’s interests in the best way possible
7 Habits® 1. Be Proactive® 2. Begin with the End in Mind® 3. Put First Things First® 4. Think Win-Win® 5. Seek First to Understand, then to be Understood® 6. Synergize® 7. Sharpen the Saw®	7 Practices 1. Face Reality 2. Keep it Simple 3. Act with the Speed of Light 4. Set Stretch Goals 5. Drive Quality 6. Create and Sustain a Learning Organisation 7. Keep the A, Nurture the B, Discard the C

深厚之企業文化乃企業成功的其中一個主要因素。在發展堡獅龍本身特有之文化過程中，本集團於二零零二年中推出名為「堡獅龍之道」之指引，與全體員工分享其願景、使命及共同信念。

「堡獅龍之道」透過鼓勵員工實行積極進取的習慣及方法為本集團每位成員提供一個價值框架。我們深信，此特有的企業文化有助統一本集團及員工的願景、使命和共同信念，從而帶領本集團及其員工向同一方向邁進。

作為一間學習型機構，堡獅龍透過以在職和重點訓練去推廣「堡獅龍之道」中的「七個習慣®」和「七個方法」，鼓勵員工不斷進步，精益求精。

本集團的使命是在各職層全面實行上述的理想，並以建立深遠積極的企業文化以達致加強本集團整體發展為最終目標。自二零零四年五月起，堡獅龍已與香港高效能管理中心合作，為員工提供「七個習慣®」的培訓。本集團相信，上述各方面所作出的努力對員工及集團整體均會帶來莫大的裨益，因此，本集團將會持之以恆地實踐。

「堡獅龍之道」

願景	顧客首選的品牌、市場卓越的領導
使命	每天每處不斷為品牌增值
共同信念	員工及公司堅守共同承諾 — 為彼此的權益做到最好
「七個習慣®」 1. 主動積極® 2. 以終為始® 3. 要事第一® 4. 雙贏思維® 5. 知彼解己® 6. 統合綜效® 7. 不斷更新®	「七個方法」 1. 面對現實 2. 保持精簡 3. 極速行動 4. 目標高遠 5. 精益求精 6. 建立持續性學習型組織 7. 保留A、培育B、摒除C

Human resources and social responsibilities 人力資源及社會責任

Human resources

Bossini firmly believes that employees are one of the most valuable assets of the Group and it is our quality people and services that make the differences. We will be investing annually 3-5% of the total payroll for on-going career and personal development and 60% of the training hours will go to front line staff since they are our first contact point with customers.

In order to deepen the “7 Habits®” across all levels of the workforce, the “7 Habits®” culture has also been integrated into our performance appraisal system for assessing staff performance. The Group believes that happy and healthy employees make a better and brighter image for Bossini.

Social responsibilities

Bossini lives up to the motto “Color Our World” by adding “colors” to brighten peoples’ lives in every dimension. Bossini is committed to designing major events to aid charities both in Hong Kong and regionally. One of the major charity campaigns was held in September 2004, jointly with Yan Chai Hospital in Hong Kong. Apart from sponsoring the activities, we also donated 2% of our total revenue earned during the campaign to Yan Chai Hospital totaling HK\$1.22 million.

In reinforcing the spirit of “Color Our World”, Bossini held a fund raising program to aid victims of the South Asian Tsunamis and donated HK\$520,000 to the International Red Cross. These are the more visible activities and donations made by Bossini during the year under review. Bossini is dedicated to continue and expand its role as a responsible corporate citizen in the future.



人力資源

堡獅龍深信，員工乃本集團最寶貴的資產之一，而其優秀的員工和服務更是堡獅龍與別不同的關鍵。本集團每年將會撥出員工總工資的3%至5%作為員工持續職業進修及個人發展之用途。由於前線員工為顧客進店購物的首個接觸對象，因此，前線員工接受培訓的時間將佔整體培訓時間的60%。

為了在各階層員工間深化「七個習慣®」的核心文化，本集團更將「七個習慣®」融合於評估各員工表現的工作評核系統中。本集團認為，朝氣勃勃的員工能提升堡獅龍在顧客心目中的形象。



社會責任

堡獅龍口號「Color Our World」充分反映本集團致力為大眾生活帶來希望與色彩。本集團積極在香港及海外策劃多項主要的慈善活動，當中包括於二零零四年九月在香港與仁濟醫院合辦的大型慈善活動。除此之外，本集團更將在活動期間所有店舖所賺取總收益的2%(合共港幣122萬元)捐贈予仁濟醫院。

堡獅龍貫徹「Color Our World」的精神，除上述慈善活動外，本集團亦於年內為賑濟南亞海嘯災民進行籌款活動，同時向國際紅十字會捐款港幣520,000元。上述僅為本集團於回顧年內進行的幾個較大型活動及捐款項目。在未來的日子，本集團將繼續以成為富責任感的企業公民為己任。



A caring company

Over the years, Bossini's contributions to help the needy and build a better world have not gone unnoticed. In honor of our efforts, the Hong Kong Council of Social Service had awarded the "Caring Company 2004/2005" Logo to Bossini in the year under review. Proud of the recognition, Bossini is looking forward to continuing its course of service by coloring our world through meaningful contributions to the society.



關懷社會的機構

堡獅龍多年來全力幫助有需要人士，其致力建立更美好世界的努力亦有目共睹。為表揚集團對社會貢獻不遺餘力，香港社會服務聯會於回顧年內向堡獅龍頒贈「2004/2005商界展關懷」標誌的殊榮。本集團對於獲得認同深表榮幸，並期望繼續為社會作出有意義的貢獻，為建設多彩多姿的世界出一分力。

Companies awarded with "Caring Company" Logo
are recognised role models of corporate citizenship

獲頒「商界展關懷」標誌的公司
是企業公民責任的良好榜樣





A **dedicated**
management team to drive
long-term **growth**

管理團隊致力推動集團的長期發展

Business

Management profiles 管理層簡介

Executive directors

Mr. LAW Ka Sing

aged 54, is the Chairman and Chief Executive Officer of the Group. Mr. Law joined the Group in 1991 and has over 25 years' experience in garment manufacturing, retailing and wholesale business. He is responsible for the overall management and strategic planning of the Group.

Ms. CHAN So Kuen

aged 45, is the Director of Finance of the Group. Ms. Chan graduated from the Hong Kong Polytechnic University and Oklahoma City University, the United States of America, with a Master's Degree in Business Administration. She is also a fellow member of the Association of Chartered Certified Accountants and the Hong Kong Institute of Certified Public Accountants. Ms. Chan joined the Group in August 2003. She has more than 21 years' experience in auditing, financial management and corporate finance in audit firm, travel, household appliances, semiconductor and retail industries. Ms. Chan is responsible for the overall financial management, corporate finance, legal, internal audit and investor relation functions of the Group. She is also the Company Secretary and Qualified Accountant of the Group.

Ms. Pansy CHAU Wai Man

aged 42, is the Director of Buying and Design of the Group. Ms. Chau holds a Higher Diploma in Fashion and Clothing Technology from the Hong Kong Polytechnic University. She joined the Group in July 2001. She has over 21 years' experience mainly in sales planning and buying work in leading fashion retail chains. She is responsible for strategic product planning and buying, together with the design function of the Group.

執行董事

羅家聖先生

現年54歲，為本集團之主席兼行政總裁。羅先生於一九九一年加盟本集團，於成衣製造、零售及批發業務方面具逾二十五年經驗。彼負責本集團之整體管理及策略規劃工作。

陳素娟女士

現年45歲，為本集團之財務董事。陳女士畢業於香港理工大學及美國奧克拉荷馬城大學，持有工商管理碩士銜。彼亦為英國特許公認會計師公會及香港會計師公會之資深會員。陳女士於二零零三年八月加盟本集團，於審計師樓、旅遊業、家電業、半導體及零售行業等之審計、財務管理及企業財務方面，具逾二十一年經驗。目前，陳女士負責本集團之整體財務管理、企業財務、法律、內部審計及投資者關係工作。彼亦為本集團之公司秘書及合資格會計師。

周慧雯女士

現年42歲，為本集團之採購及設計董事。周女士持有香港理工大學時裝及成衣技術高級文憑。彼於二零零一年七月加盟本集團，曾任職多間大型時裝零售連鎖集團，主要負責銷售策劃及採購工作，具逾二十一年經驗。目前，彼負責本集團之產品策略規劃及採購工作，並統領本集團整體設計發展方向。

Management profiles 管理層簡介

Mr. Dickie FU Shing Kwan

aged 55, is the General Manager of the Group's operations in Mainland China. Mr. Fu joined the Group in February 2003. He has over 32 years' experience in the areas of internal audit, business operations and general management and previously held senior management positions with a number of international banks. He has also led initiatives in business process re-engineering and cost management in the past few years. Mr. Fu is responsible for the overall management of the Group's business in Mainland China.

Mr. Simon ORR Kuen Fung

aged 34, is the Director of Production of the Group. Mr. Orr received his Bachelor of Arts Honours Degree in Economics and Industrial Relations from the University of Toronto, Canada. He joined the Group in April 2001. He has about 11 years' experience in garment manufacturing and merchandising. He is responsible for the Group's sourcing and production activities for apparel and accessories.

Independent non-executive directors

Ms. LEUNG Mei Han

aged 46, was appointed in September 2004, is also the Chairman of the Audit Committee of the Company. Ms. Leung holds a Bachelor's Degree in Commerce from the University of Queensland, Australia and is a fellow member of CPA Australia. Ms. Leung is the managing director of Somerley Limited, a firm of corporate finance advisers and a licensed corporation under the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong). She has over 20 years' experience in accounting, securities, corporate finance and related areas. Ms. Leung is also an independent non-executive director of Four Seas Mercantile Holdings Limited, a company listed on the Stock Exchange of Hong Kong Limited (the "Stock Exchange") (HKSE code: 374) since 1998.

傅成坤先生

現年55歲，為本集團中國大陸業務之總經理。傅先生於二零零三年二月加盟本集團，於內部審計、業務營運及整體管理方面具逾三十二年經驗，並曾於多間國際性銀行擔任高級管理職位。彼在過往數年更曾策動業務流程改善及成本管理工作。目前，傅先生負責本集團於中國大陸業務之整體業務管理。

柯權峯先生

現年34歲，本集團之生產董事。柯先生獲加拿大多倫多大學頒發經濟及工業關係榮譽學士學位。彼於二零零一年四月加盟本集團，於成衣製造業及採購方面具約十一年經驗。目前，彼負責本集團之服裝及配飾用品的採購及生產事宜。

獨立非執行董事

梁美嫻女士

現年46歲，於二零零四年九月獲委任，亦為本公司審核委員會之主席。梁女士持有澳洲昆士蘭大學商科學士學位，為澳洲會計師公會資深會員。梁女士為新百利有限公司（一家從事公司財務顧問並根據證券及期貨條例（香港法例第571章）註冊為持牌法團之公司）之董事總經理。彼於會計、證券、企業財務及相關業務擁有逾二十年經驗。梁女士自一九九八年亦為四洲集團有限公司（股份代號：374）（於香港聯合交易所有限公司上市之公司）之獨立非執行董事。

Mr. Raymond LEE Man Chun

aged 34, was appointed in September 2004, is also a member of the Audit Committee of the Company. Mr. Lee is the chief executive officer as well as founder of Lee & Man Paper Manufacturing Limited, a company listed on the Stock Exchange (HKSE code: 2314). He holds a Bachelor's Degree with Honors in Applied Science from the University of British Columbia. Mr. Lee is also involved in a number of public engagements including being a standing member of the Political Consultative Committee of Hainan, the vice-chairman of Yan Chai Hospital Advisory Board, the honorary president of the Kowloon region of the Scout Association of Hong Kong and the president of the Hong Kong Road Safety Association. In November 2002, he was awarded the "Young Industrialist Award of Hong Kong 2002" by the Federation of the Hong Kong Industries. In addition, in November 2003, Mr. Lee was also awarded the "2003 Hong Kong Ten Outstanding Young Persons Selection Awardee" by Hong Kong Junior Chamber.

Mr. WONG Wai Kay

aged 43, was appointed in December 2004, is also a member of the Audit Committee of the Company. Mr. Wong holds a Bachelor of Science Degree in Electronic Engineering from the Chinese University of Hong Kong. He is the co-founder and chairman of City Telecom (H.K.) Limited ("City Telecom"), a company listed on the Stock Exchange and the Nasdaq National Market (stock code: 1137 and CTEL respectively). Mr. Wong possesses many years' experience in telecommunication and computer industries. He has worked at a major U.S.-listed computer company as a marketing representative and was responsible for the marketing and the distribution of their computer products in Hong Kong from 1985 to 1989. He was also a co-founder and director of a company principally engaged in the import and distribution of computer systems in Canada prior to the co-founding of City Telecom.

李文俊先生

現年34歲，於二零零四年九月獲委任，亦為本公司審核委員會之成員。李先生為香港聯合交易所有限公司上市之公司，理文造紙有限公司(股份代號：2314)之行政總裁及創辦人。彼持有加拿大英屬哥倫比亞大學應用科學榮譽學士學位。李先生亦擔任多項公職，包括海南省政協之常務委員、香港仁濟醫院顧問局副主席、香港童軍九龍地域名譽會長及香港交通安全委員會會長等。彼於二零零二年十一月獲香港工業總會頒發「二零零二香港青年工業家獎」。此外，李先生於二零零三年十一月亦獲香港青年商會頒發「二零零三年香港十大傑出青年」獎。

王維基先生

現年43歲，於二零零四年十二月獲委任，亦為本公司審核委員會之成員。王先生持有香港中文大學電子工程學理學士學位。彼為香港聯合交易所有限公司及於美國納斯達克上市之公司，城市電訊(香港)有限公司(「城市電訊」)(股份代號分別為：1137及CTEL)的聯合創辦人及主席。王先生於電訊科技及電腦行業擁有多年經驗。彼曾於一九八五至一九八九年間於一間在美國上市並具規模之電腦公司工作，負責在香港市場推廣及分銷其電腦產品；彼在聯合創辦城市電訊前，為一間主要在加拿大從事入口及分銷電腦系統公司之聯合創辦人兼董事。

Senior management

Mr. Sanger YUEN Chi Wah

aged 36, is the General Manager of the Group's operations in Taiwan. Mr. Yuen holds a Diploma in Business Administration from the Hong Kong Shue Yan College. He joined the Group in 1995. He has about 14 years' experience in garment manufacturing and retail industries, and was previously responsible for information system and business project management. Mr. Yuen is responsible for the overall management of the Group's business in Taiwan.

Ms. Barbara CHAN Ngan Ling

aged 38, is the General Manager of the Group's operations in Singapore. Ms. Chan holds a Bachelor's Degree in Sociology from the Hong Kong Baptist University. She joined the Group in 1994. She has over 15 years' experience in an investment company and some leading fashion retail chains. She has also previous experience in human resources and training. Ms. Chan is responsible for the overall management of the Group's business in Singapore.

Mr. LEE Suen Luk

aged 41, is the Director of Global Business Development of the Group. Mr. Lee graduated from the University of East Asia, Macau and the University of Hull, United Kingdom, with a Master's Degree in Business Administration. He joined the Group in November 2003. He has about 17 years' experience in merchandising, buying, retail management, business development and consultancy services in leading fashion retail chain, multinational consultancy and software companies. Mr. Lee is responsible for the Group's export franchise business and global market development.

Ms. Linda TAM Ling Fai

aged 38, is the Director of Sales & Marketing of the Group. Ms. Tam holds a Bachelor of Science Degree in Management Studies and Operational Research from the University of Leeds, United Kingdom. She joined the Group in August 2003. She has over 17 years' experience in sales and marketing, advertising and branding in advertising agencies, logistics, retail, national trading and telecommunication companies. Ms. Tam is responsible for the overall sales and marketing functions of the Group.

高級管理人員

源志華先生

現年36歲，為本集團台灣業務之總經理。源先生持有香港樹仁學院的工商管理文憑。彼於一九九五年加盟本集團，於紡織業及零售業具約十四年經驗，並曾負責資訊系統及業務項目管理。目前，源先生負責本集團於台灣之整體業務管理。

陳雁玲女士

現年38歲，為本集團新加坡業務之總經理。陳女士持有香港浸會大學所頒發之社會學學士學位。彼於一九九四年加盟本集團，擁有逾十五年工作經驗，曾任職於一所投資公司及多間大型服裝連鎖店，亦曾負責人力資源及培訓。目前，陳女士負責本集團新加坡之整體業務管理。

李選祿先生

現年41歲，本集團之環球業務拓展董事。李先生畢業於澳門東亞大學及英國赫爾大學，擁有工商管理碩士學位。彼於二零零三年十一月加盟本集團，於多間大型服裝連鎖店、跨國顧問及軟件公司，擁有約十七年之採購、零售管理、業務發展及顧問服務經驗。目前，李先生負責本集團之出口特許經營業務及環球市場發展。

譚令暉女士

現年38歲，為本集團之銷售及市場推廣董事。譚女士畢業於英國利茲大學，擁有管理及營運研究學理學士學位。彼於二零零三年八月加盟本集團，彼在廣告、物流、零售、國際貿易及電訊等公司，於銷售及市場推廣、廣告及品牌建立等累積逾十七年經驗。目前，譚女士主要負責本集團之整體銷售及市場推廣。

Five-year financial summary 五年財務摘要

A summary of the published results and of the assets and liabilities of the Group for the last five financial years, extracted from the audited financial statements, is set out on the right.

右方為本集團過往五個財政年度已刊發之業績、資產及負債概要，乃節錄自經審核財務報表。

Results 業績

Year ended 31 March 截至三月三十一日止年度 in HK\$ thousand 港幣千元		2005	2004	2003	2002	2001
Turnover	營業額	2,016,941	1,783,418	1,691,443	1,588,473	1,554,567
Profit/(loss) from operating activities	營運業務溢利／(虧損)	225,673	146,239	(66,065)	(29,892)	24,804
Finance costs	融資成本	(635)	(4,387)	(6,712)	(5,333)	(2,827)
Profit/(loss) before tax	除稅前溢利／(虧損)	225,038	141,852	(72,777)	(35,225)	21,977
Tax	稅項	(42,908)	(23,756)	(1,354)	5,456	2,822
Profit/(loss) before minority interests	除少數股東權益前溢利／(虧損)	182,130	118,096	(74,131)	(29,769)	24,799
Minority interests	少數股東權益	—	—	—	—	(144)
Net profit/(loss) from ordinary activities attributable to shareholders	股東應佔日常業務淨溢利／(虧損)	182,130	118,096	(74,131)	(29,769)	24,655

Assets and liabilities 資產及負債

As at 31 March 於三月三十一日 in HK\$ thousand 港幣千元		2005	2004	2003	2002	2001
Total assets	資產總值	824,122	637,460	596,088	582,522	536,060
Total liabilities	負債總值	263,084	191,775	322,330	237,334	209,673
		561,038	445,685	273,758	345,188	326,387



Another year of
業績 record highs...
再創新高...

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Report of the directors 董事局報告書

The directors present their report and the audited financial statements of the Company and the Group for the year ended 31 March 2005.

Principal activities

The principal activity of the Company is investment holding. Details of the principal activities of the principal subsidiaries are set out in note 15 to the financial statements. There were no significant changes in the nature of the Group's principal activities during the year.

Results and dividends

The Group's profit for the year ended 31 March 2005 and the state of affairs of the Company and of the Group at that date are set out in the financial statements on pages 46 to 100.

An interim dividend of HK1.8 cents per ordinary share was paid on 30 December 2004. The directors recommend the payment of a final dividend of HK3.9 cents per ordinary share in respect of the year to shareholders on the register of members on 30 August 2005. This recommendation has been incorporated in the financial statements as an allocation of retained profits within the capital and reserves section of the balance sheet.

Summary of financial information

A summary of the published results and assets and liabilities of the Group for the last five financial years, as extracted from the audited financial statements, is set out on page 35. This summary does not form part of the audited financial statements.

Fixed assets

Details of movements in the fixed assets of the Group during the year are set out in note 14 to the financial statements.

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 24 and 25 to the financial statements.

Pre-emptive rights

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

董事局謹此提呈本公司及本集團截至二零零五年三月三十一日止年度之董事局報告書及經審核財務報表。

主要業務

本公司之主要業務為投資控股。其主要附屬公司之主要業務詳情載列於財務報表附註15。本集團之主要業務性質於年內並無重大變更。

業績及股息

本集團截至二零零五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政狀況載列於第46至100頁之財務報表內。

本公司已於二零零四年十二月三十日派發每股普通股1.8港仙之中期股息。董事局建議向於二零零五年八月三十日名列股東名冊之股東派發本年度之末期股息，每股普通股3.9港仙。有關建議已於財務報表中的資產負債表內列作資本及儲備之保留溢利分配。

財務資料摘要

本集團過往五個財政年度之已公佈業績、資產及負債摘要載列於第35頁。此摘要節錄自經審核之財務報表。此摘要並不構成經審核財務報表之一部份。

固定資產

本集團固定資產於年內之變動詳情載列於財務報表附註14。

股本及購股權

本公司股本及購股權於年內之變動詳情及原因載列於財務報表附註24及25。

優先購股權

本公司之公司章程細則或百慕達法例概無優先購股權條款，規定本公司必須向現有股東按其持股量比例發售新股。

Report of the directors 董事局報告書

Reserves

Details of movements in the reserves of the Company and the Group during the year are set out in note 26(b) to the financial statements and in the consolidated statement of changes in equity, respectively.

Distributable reserves

At 31 March 2005, the Company's reserves available for distribution, calculated in accordance with the provisions of the Companies Act 1981 of Bermuda, amounted to HK\$226,980,000, of which HK\$61,188,000 has been proposed as a final dividend for the year. Under the laws of Bermuda, the Company's share premium account, in the amount of HK\$1,855,000, may be distributed in the form of fully paid bonus shares.

Major customers and suppliers

In the year under review, sales to the Group's five largest customers accounted for less than 30% of the total sales for the year.

Purchases from the Group's five largest suppliers accounted for approximately 36% of the total purchases for the year and purchases from the largest supplier included therein amounted to approximately 10%. Save as disclosed in note 31(c) to the financial statements, as far as the directors are aware, neither the directors, their associates, nor 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 suppliers.

Directors

The directors of the Company during the year were:

Executive directors:

Mr. LAW Ka Sing
Ms. CHAN So Kuen
Ms. Pansy CHAU Wai Man
Mr. Dickie FU Shing Kwan
Mr. Simon ORR Kuen Fung
Mr. FUNG Ping Chuen

Independent non-executive directors:

Ms. LEUNG Mei Han	(appointed on 27 September 2004)
Mr. Raymond LEE Man Chun	(appointed on 27 September 2004)
Mr. WONG Wai Kay	(appointed on 17 December 2004)
Mrs. Winnie LEUNG WONG Wing Yue	(resigned on 17 December 2004)
Mr. David CHEUNG Sik Ho	(resigned on 27 September 2004)

儲備

本公司及本集團儲備於年內之變動詳情，分別載列於財務報表附註26(b)及綜合權益變動報表內。

可供派發儲備

於二零零五年三月三十一日，本公司根據百慕達一九八一年公司法條文計算之可供派發儲備為港幣226,980,000元，其中港幣61,188,000元擬作為本年度末期股息。根據百慕達法例，本公司股份溢價賬中為數港幣1,855,000元之金額可以繳足股款之紅股形式派發。

主要客戶及供應商

於回顧年度內，銷貨予本集團首五大客戶之數額佔本年度總銷售額不足30%。

向本集團首五大供應商購貨之數額約佔本年度總購貨額36%，而其中向最大供應商購貨之數額約佔10%。就董事所知，除於財務報表附註31(c)所披露者外，概無董事、彼等之聯繫人士或任何據董事所深知擁有超過5%本公司已發行股本之本公司股東在本集團首五大供應商中擁有任何實益權益。

董事

年內本公司之董事如下：

執行董事：

羅家聖先生
陳素娟女士
周慧雯女士
傅成坤先生
柯權峯先生
馮炳全先生

獨立非執行董事：

梁美嫻女士	(於二零零四年九月二十七日獲委任)
李文俊先生	(於二零零四年九月二十七日獲委任)
王維基先生	(於二零零四年十二月十七日獲委任)
梁黃詠愉女士	(於二零零四年十二月十七日辭任)
張錫豪先生	(於二零零四年九月二十七日辭任)

Directors (continued)

Subsequent to the balance sheet date, on 1 June 2005, Mr. FUNG Ping Chuen resigned as a director of the Company.

In accordance with the Company's bye-laws, Mr. Dickie FU Shing Kwan will retire by rotation at the forthcoming annual general meeting and, being eligible, will offer himself for re-election at the annual general meeting. Ms. LEUNG Mei Han, Mr. Raymond LEE Man Chun and Mr. WONG Wai Kay who were appointed during the year will hold office until the forthcoming annual general meeting and, being eligible, will offer themselves for re-election at the forthcoming annual general meeting.

The Company has received annual confirmations of independence from Ms. LEUNG Mei Han, Mr. Raymond LEE Man Chun and Mr. WONG Wai Kay and as at the date of this report still considers them to be independent.

Directors' biographies

Biographical details of the directors of the Company are set out on pages 31 to 34 of the annual report.

Directors' service contracts

No director 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 determined by the Company's board of directors (the "Board"). Other emoluments are also determined by the Board with reference to directors' duties, responsibilities and performance and the results of the Group.

Directors' interests in shares and underlying shares

At 31 March 2005, the interests of the directors in the share capital and underlying shares of the Company or its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")), as recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers of the Rules Governing the Listing of Securities on the Stock Exchange (the "Model Code"), were as follows:

董事 (續)

在結算日後，於二零零五年六月一日，馮炳全先生已辭任本公司董事職務。

根據本公司之公司章程細則，傅成坤先生將於即將舉行之股東週年大會上輪值退任，而其具資格且願意在股東週年大會上膺選連任。梁美嫻女士、李文俊先生及王維基先生均於年內獲委任，任期直至應屆股東週年大會為止，而彼等具資格且願意在應屆股東週年大會上膺選連任。

本公司已接獲梁美嫻女士、李文俊先生及王維基先生之本年之獨立確認書，並於本報告日期仍認為彼等屬獨立人士。

董事簡歷

本公司董事簡歷詳情載列於年報第31至34頁。

董事服務合約

於即將舉行之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不可於一年內終止而毋須支付賠償(法定補償除外)之服務合約。

董事酬金

董事袍金乃由本公司之董事局(「董事局」)釐定。其他酬金亦由董事局經參考董事之職務、責任、表現及本集團之業績而釐定。

董事於股份及相關股份之權益

於二零零五年三月三十一日，董事於本公司或其相聯法團(具有證券及期貨條例(「證券及期貨條例」)第XV部所賦予之涵義)之股本及相關股份中，擁有本公司遵照證券及期貨條例第352條存置之登記冊所記錄之權益，或根據香港聯合交易所有限公司(「聯交所」)證券上市規則有關上市公司董事進行證券交易的標準守則(「標準守則」)須知會本公司及聯交所之權益如下：

Report of the directors 董事局報告書

Directors' interests in shares and underlying shares (continued)

Long positions in ordinary shares of the Company:

Name of directors	Number of shares held, capacity and nature of interest 持股數目、身份及權益性質		Total 合計	Percentage of the Company's issued share capital 佔本公司已發行 股本百分比	董事姓名
	Directly beneficially owned 直接 實益擁有	Through spouse or minor children 透過配偶或 未成年子女擁有			
Mr. LAW Ka Sing	1,093,091,098	—	1,093,091,098	69.7	羅家聖先生
Ms. CHAN So Kuen	2,332,000	—	2,332,000	0.1	陳素娟女士
Ms. Pansy CHAU Wai Man	6,012,000	—	6,012,000	0.4	周慧雯女士
Mr. Dickie FU Shing Kwan	3,332,000	—	3,332,000	0.2	傅成坤先生
Mr. Simon ORR Kuen Fung	3,332,000	4,000,000	7,332,000	0.5	柯權峯先生
Mr. FUNG Ping Chuen	4,728,000	—	4,728,000	0.3	馮炳全先生
	<u>1,112,827,098</u>	<u>4,000,000</u>	<u>1,116,827,098</u>	<u>71.2</u>	

The interests of the directors in the share options of the Company are separately disclosed in note 25 to the financial statements.

Save as disclosed above, as at 31 March 2005, 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.

Directors' rights to acquire shares or debentures

Save as disclosed in the share option scheme disclosures in note 25 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.

董事於股份及相關股份之權益 (續)

於本公司普通股之好倉：

董事於本公司購股權之權益另行披露於財務報表附註25。

除上文所披露者外，於二零零五年三月三十一日，董事概無於本公司或其任何相聯法團之股份、相關股份或債券中，擁有須遵照證券及期貨條例第352條予以記錄之權益或淡倉，或根據標準守則須知會本公司及聯交所之權益或淡倉。

董事購買股份或債券之權利

除財務報表附註25購股權計劃之披露事項所披露者外，本公司於年內任何時間概無授予任何董事或彼等各自之配偶或未成年子女藉收購本公司之股份或債券而取得利益之權利，而彼等亦無行使任何該等權利；本公司或其任何附屬公司於年內概無參與訂立任何安排，致使董事可於任何其他法人團體獲得此等權利。

Directors' interests in contracts

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

Substantial shareholders' interests in shares and underlying shares

At 31 March 2005, 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 姓名	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 股本百分比	Number of share options held 所持購股權數目
Mr. LAW Ka Sing 羅家聖先生	Directly beneficially owned 直接實益擁有	1,093,091,098	69.7	—

Save as disclosed above, as at 31 March 2005, no person, other than the directors of the Company, whose interests are also set out in the section "Directors' interests in shares and underlying shares" above, had registered an interest or short position in the shares or underlying shares of the Company that was required to be recorded pursuant to Section 336 of the SFO.

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.

Purchase, sale or redemption of the Company's listed securities

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

董事於合約中之權益

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

主要股東於股份及相關股份之權益

於二零零五年三月三十一日，本公司遵照證券及期貨條例第336條存置之權益登記冊顯示，下列人士於本公司已發行股本及購股權中擁有5%或以上權益：

好倉：

Name 姓名	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 股本百分比	Number of share options held 所持購股權數目
Mr. LAW Ka Sing 羅家聖先生	Directly beneficially owned 直接實益擁有	1,093,091,098	69.7	—

除上文所披露者及上文「董事於股份及相關股份之權益」一節所載本公司董事之權益外，於二零零五年三月三十一日，概無人士於本公司之股份或相關股份中，擁有須遵照證券及期貨條例第336條予以記錄之權益或淡倉。

公眾持股量之足夠性

根據本公司之公開資料及就董事所知悉，於本報告日期，公眾人士最少持有本公司已發行股本總數25%。

購買、出售或贖回本公司上市證券

本公司或其任何附屬公司於年內概無購買、出售或贖回本公司任何上市證券。

Connected transactions and continuing connected transactions

During the year, the Group had the following continuing connected transactions, certain details of which are disclosed in compliance with the requirements of Chapter 14A of the Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”). Further details of these transactions are included in note 31 to the financial statements.

(a) Property leasing

The Group entered into two tenancy agreements with Laws International Group Limited (“Laws International”) and with Bright City International Limited (“Bright City”) on 30 July 2004 for rental of warehouse and head office, respectively. Certain directors of Laws International and Bright City, who have beneficial equity interests therein, are relatives of Mr. LAW Ka Sing and Mr. Simon ORR Kuen Fung, directors of the Company. Both tenancy agreements are for terms of one year, commencing on 1 August 2004 and expiring on 31 July 2005. The rentals were determined by reference to open market rentals at the inception of the tenancy agreements.

(b) Purchases of garments

The Group entered into a purchase agreement with Laws International on 2 June 2004 (the “Purchase Agreement”) for the purchases of garments from Laws International and its subsidiaries. Certain directors of Laws International and its subsidiaries, who have beneficial equity interests therein, are relatives of Mr. LAW Ka Sing and Mr. Simon ORR Kuen Fung, directors of the Company. The Purchase Agreement is effective from 1 April 2004 to 31 March 2007. According to the Purchase Agreement, the annual value of the purchases of garments from Laws International and its subsidiaries by the Group for each of the financial years ending 31 March 2005, 31 March 2006 and 31 March 2007 will not exceed HK\$236,000,000, HK\$330,000,000 and HK\$429,000,000, respectively. The prices of the products are to be determined by reference to the prevailing market prices.

The independent non-executive directors of the Company have reviewed the continuing connected transactions in relation to the purchases of garments set out above and have confirmed that these continuing connected transactions have been entered into (i) in the ordinary and usual course of business of the Group; (ii) on normal commercial terms or if there is no available comparison, on terms no less favourable to the Group than terms available from independent suppliers; (iii) in accordance with the Purchase Agreement and on terms that are fair and reasonable and in the interests of the shareholders of the Company as a whole. The independent non-executive directors of the Company have further confirmed the annual value of purchases of garments from Laws International and its subsidiaries by the Group for the financial year ended 31 March 2005 did not exceed HK\$236,000,000.

關連交易及持續關連交易

於本年度，本集團進行下列持續關連交易，若干資料已遵照聯交所證券上市規則（「上市規則」）第14A章之規定作出披露。該等交易之詳情已載於財務報表附註31。

(a) 物業租賃

於二零零四年七月三十日，本集團分別與羅氏國際集團有限公司（「羅氏國際」）及澤城國際有限公司（「澤城」）就租用貨倉及總辦事處訂立兩份租賃協議。羅氏國際及澤城之若干擁有實益股本權益之董事乃本公司董事羅家聖先生及柯權峯先生之親屬。兩份租賃協議為期一年，自二零零四年八月一日起至二零零五年七月三十一日止。租金乃參照租約生效時之公開市值租金而釐定。

(b) 採購成衣

於二零零四年六月二日，本集團與羅氏國際就向羅氏國際及其附屬公司採購成衣而訂立一份採購協議（「採購協議」）。羅氏國際及其附屬公司之若干擁有實益股本權益之董事為本公司董事羅家聖先生及柯權峯先生之親屬。採購協議自二零零四年四月一日起生效，並於二零零七年三月三十一日屆滿。根據採購協議，本集團於截至二零零五年三月三十一日、二零零六年三月三十一日及二零零七年三月三十一日止各財政年度向羅氏國際及其附屬公司採購成衣之全年總值將分別不會超過港幣236,000,000元、港幣330,000,000元及港幣429,000,000元。產品價格乃經參考現行市價釐定。

本公司之獨立非執行董事已審閱上文所述有關採購成衣之持續關連交易，並已確認該等持續關連交易乃(i)於本集團之正常及日常業務過程中；(ii)按一般商業條款或倘並無可資比較，則不遜於獨立供應商給予本集團之條款；(iii)根據該等交易之採購協議及按公平合理並符合本公司股東整體利益之條款訂立。本公司之獨立非執行董事已進一步確認，截至二零零五年三月三十一日止財政年度，本集團向羅氏國際及其附屬公司採購成衣之全年總值並無超過港幣236,000,000元。

Code of Best Practice

In the opinion of the Board, the Company complied with the Code of Best Practice as set out in Appendix 14 of the Listing Rules, throughout the accounting period covered by the annual report. All independent non-executive directors of the Company have been appointed for a term of one year which will be automatically renewed subject to early termination by mutual consent or three months' prior notice and they are subject to retirement by rotation and re-election at the annual general meeting in accordance with the Company's bye-laws.

Model Code for Securities Transactions

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

Audit committee

The Company has an audit committee which was established in compliance with Rule 3.21 of the Listing Rules for the purpose of reviewing and providing supervision over the Group's financial reporting process and internal controls. The audit committee has reviewed the audited financial results for the year ended 31 March 2005. The audit committee comprises the three independent non-executive directors of the Company.

Auditors

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

On behalf of the Board

LAW Ka Sing

Chairman

Hong Kong

5 July 2005

最佳應用守則

董事局認為，本公司於年報涵蓋之整個會計期間已遵守上市規則附錄14所載最佳應用守則之規定。本公司所有獨立非執行董事之委任年期均為一年，並將自動續約，惟可在相互同意或給予三個月之事先通知提早終止，並須根據本公司之章程細則，於股東週年大會上輪值告退及膺選連任。

證券交易標準守則

本公司已採納標準守則作為本公司董事處理證券之操守守則。根據本公司董事之特定查詢，董事於年報所涵蓋之會計期間一直遵照標準守則所載之規定。

審核委員會

本公司已遵照上市規則第3.21條之規定成立審核委員會，目的為審查及監管本集團之財務匯報過程及內部監控。審核委員會已審閱截至二零零五年三月三十一日止年度之經審核財務業績。審核委員會之成員包括本公司三名獨立非執行董事。

核數師

安永會計師事務所任滿告退，重聘其為本公司核數師之決議案將於即將舉行之股東週年大會上提呈。

代表董事局

主席

羅家聖

香港

二零零五年七月五日

Report of the auditors 核數師報告書



To the members

Bossini International Holdings Limited

(Incorporated in Bermuda with limited liability)

We have audited the financial statements on pages 46 to 100 which have been prepared in accordance with accounting principles generally accepted in Hong Kong.

Respective responsibilities of directors and auditors

The Company's directors are responsible for the preparation of financial statements which give a true and fair view. In preparing financial statements which give a true and fair view it is fundamental that appropriate accounting policies are selected and applied consistently. It is our responsibility to form an independent opinion, based on our audit, on those financial statements and to report our opinion 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.

Basis of opinion

We conducted our audit in accordance with Statements of Auditing Standards issued by the Hong Kong Institute of Certified Public Accountants. An audit includes an examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Company's and the Group's circumstances, consistently applied and adequately disclosed.

致堡獅龍國際集團有限公司

(於百慕達註冊成立之有限公司)

列位股東

本核數師行已完成審核載於第46至100頁按照香港普遍採納之會計原則編製的財務報表。

董事與核數師的責任

貴公司之董事須負責編製真實與公平的財務報表。在編製該等真實與公平的財務報表時，董事必須貫徹採用合適的會計政策。我們的責任是根據我們審核工作的結果，對該等財務報表作出獨立的意見，並按照百慕達一九八一年《公司法》第九十條的規定，僅向整體股東報告。除此以外，我們的報告書不可用作其他用途。我們概不就本報告書的內容，對任何其他人士負責或承擔任何責任。

意見的基礎

我們是按照香港會計師公會頒佈的核數準則進行審核工作。審核範圍包括以抽查方式查核與財務報表所載數額及披露事項有關的憑證，亦包括評估董事於編製該等財務報表時所作出的重大估計和判斷、所釐定的會計政策是否適合貴公司及貴集團的具體情況，及是否貫徹應用並足夠地披露該等會計政策。

Basis of opinion *(continued)*

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance as to whether the financial statements are free from material misstatement. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements. We believe that our audit provides a reasonable basis for our 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 2005 and of the profit and cash flows of the Group for the year then ended and have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.

ERNST & YOUNG

Certified Public Accountants

Hong Kong
5 July 2005

意見的基礎 *(續)*

我們在策劃和進行審核工作時，均以取得一切我們認為必需的資料及解釋為目標，使我們能獲得充份的憑證，就該等財務報表是否存有重要錯誤陳述，作出合理的確定。在作出意見時，我們亦已衡量該等財務報表所載的資料在整體上是否足夠。我們相信，我們的審核工作已為下列意見建立了合理的基礎。

意見

我們認為本財務報表真實與公平地反映 貴公司及 貴集團於二零零五年三月三十一日的財政狀況及 貴集團截至該日止年度的溢利和現金流量，並已按照香港公司條例之披露要求而妥善編製。

安永會計師事務所

執業會計師

香港
二零零五年七月五日

Consolidated profit and loss account 綜合損益表

Year ended 31 March 2005 截至二零零五年三月三十一日止年度

in HK\$ thousand	Notes 附註	2005	2004 (Restated) (重列)	港幣千元
Turnover	5	2,016,941	1,783,418	營業額
Cost of sales		(1,019,259)	(939,858)	銷售成本
Gross profit		997,682	843,560	毛利
Other revenue and gains	5	18,058	12,388	其他收入及收益
Selling and distribution costs		(575,137)	(508,892)	銷售及分銷成本
Administrative expenses		(177,522)	(158,123)	行政開支
Other operating expenses		(37,408)	(42,694)	其他營運開支
Profit from operating activities	6	225,673	146,239	營運業務溢利
Finance costs	9	(635)	(4,387)	融資成本
Profit before tax		225,038	141,852	除稅前溢利
Tax	10	(42,908)	(23,756)	稅項
Net profit from ordinary activities attributable to shareholders	11	182,130	118,096	股東應佔日常業務淨溢利
Dividends	12			股息
Interim		28,240	—	中期
Proposed final		61,188	46,288	擬派末期
		89,428	46,288	
Earnings per share	13			每股盈利
Basic		11.74 cents 仙	7.97 cents仙	基本
Diluted		11.41 cents 仙	7.90 cents仙	攤薄

Consolidated balance sheet 綜合資產負債表

31 March 2005 二零零五年三月三十一日

in HK\$ thousand	Notes 附註	2005	2004	港幣千元
Non-current assets				非流動資產
Fixed assets	14	115,409	107,775	固定資產
Deferred tax assets	23	2,947	5,360	遞延稅項資產
Deposits paid		44,344	45,459	已付按金
		<u>162,700</u>	<u>158,594</u>	
Current assets				流動資產
Inventories	16	215,302	181,901	存貨
Debtors	17	60,352	37,929	應收賬款
Bills receivable		4,064	4,182	應收票據
Deposits paid		23,820	16,942	已付按金
Prepayments and other receivables		31,988	12,420	預付款項及其他應收賬項
Tax recoverable		1	–	可收回稅款
Cash and cash equivalents	18	325,895	225,492	現金及現金等值項目
		<u>661,422</u>	<u>478,866</u>	
Current liabilities				流動負債
Creditors and accruals	19	184,325	128,264	應付賬款及應計賬項
Bills payable		25,212	9,035	應付票據
Tax payable		29,738	11,193	應繳稅款
Due to related companies	20	7,398	7,245	應付關連公司款項
Interest-bearing bank loans	21	15,000	20,000	計息銀行貸款
		<u>261,673</u>	<u>175,737</u>	
Net current assets		<u>399,749</u>	<u>303,129</u>	流動資產淨值
Total assets less current liabilities		<u>562,449</u>	<u>461,723</u>	除流動負債後資產總值

Consolidated balance sheet 綜合資產負債表

31 March 2005 二零零五年三月三十一日

in HK\$ thousand	Notes 附註	2005	2004	港幣千元
Non-current liabilities				非流動負債
Interest-bearing bank loans	21	–	15,000	計息銀行貸款
Provisions	22	913	1,038	撥備
Deferred tax liabilities	23	498	–	遞延稅項負債
		1,411	16,038	
		561,038	445,685	
Capital and reserves				資本及儲備
Issued capital	24	156,891	77,146	已發行股本
Reserves	26(a)	342,959	322,251	儲備
Proposed final dividend	12	61,188	46,288	擬派末期股息
		561,038	445,685	

LAW Ka Sing 羅家聖
Director 董事

CHAN So Kuen 陳素娟
Director 董事

Consolidated statement of changes in equity 綜合權益變動報表

Year ended 31 March 2005 截至二零零五年三月三十一日止年度

in HK\$ thousand 港幣千元	Note 附註	Issued capital 已發行股本	Share premium account 股份溢價賬	Capital reserve ^(a) 資本儲備 ^(a)	Contributed surplus ^(b) 繳入盈餘 ^(b)	Exchange fluctuation reserve 外匯波動儲備	Reserve funds ^(c) 儲備基金 ^(c)	Retained profits 保留溢利	Proposed final dividend 擬派末期股息	Total 總值
At 1 April 2003 於二零零三年四月一日		51,431	38,209	2,281	99,175	9,312	1,750	71,600	—	273,758
Exchange realignment and net gains not recognised in the profit and loss account 滙兌調整及未於損益表確認之淨收益		—	—	—	—	3,295	—	—	—	3,295
Issue of rights shares 發行供股股份	24	25,715	30,859	—	—	—	—	—	—	56,574
Share issue expenses 發行股份開支	24	—	(839)	—	—	—	—	—	—	(839)
Recognition of negative goodwill upon liquidation of a subsidiary 確認一附屬公司清盤時之負商譽		—	—	(5,199)	—	—	—	—	—	(5,199)
Net profit for the year 年內淨溢利		—	—	—	—	—	—	118,096	—	118,096
Proposed final 2004 dividend 擬派二零零四年末期股息		—	—	—	—	—	—	(46,288)	46,288	—
At 31 March 2004 於二零零四年三月三十一日		77,146	68,229*	(2,918)*	99,175*	12,607*	1,750*	143,408*	46,288	445,685

Consolidated statement of changes in equity 綜合權益變動報表

Year ended 31 March 2005 截至二零零五年三月三十一日止年度

in HK\$ thousand 港幣千元	Note 附註	Issued capital 已發行股本	Share premium account 股份溢價賬	Capital reserve ^(a) 資本儲備 ^(a)	Contributed surplus ^(b) 繳入盈餘 ^(b)	Exchange fluctuation reserve 外匯波動儲備	Reserve funds ^(c) 儲備基金 ^(c)	Retained profits 保留溢利	Proposed final dividend 擬派末期股息	Total 總值
At 1 April 2004 於二零零四年四月一日		77,146	68,229	(2,918)	99,175	12,607	1,750	143,408	46,288	445,685
Final 2004 dividend declared 已宣派二零零四年末期股息		—	—	—	—	—	—	—	(46,288)	(46,288)
Exchange realignment and net gains not recognised in the profit and loss account 滙兌調整及未於損益表確認之淨收益		—	—	—	—	3,297	—	—	—	3,297
Issue of bonus shares 發行紅股	24	77,146	(68,229)	—	(8,917)	—	—	—	—	—
Exercise of share options 行使購股權	24	2,599	1,949	—	—	—	—	—	—	4,548
Share issue expenses 發行股份開支	24	—	(94)	—	—	—	—	—	—	(94)
Net profit for the year 年內淨溢利		—	—	—	—	—	—	182,130	—	182,130
Interim 2005 dividend 二零零五年中期股息		—	—	—	—	—	—	(28,240)	—	(28,240)
Proposed final 2005 dividend 擬派二零零五年末期股息		—	—	—	—	—	—	(61,188)	61,188	—
At 31 March 2005 於二零零五年三月三十一日		156,891	1,855*	(2,918)*	90,258*	15,904*	1,750*	236,110*	61,188	561,038

* These reserve accounts comprise the consolidated reserves of HK\$342,959,000 (2004: HK\$322,251,000) in the consolidated balance sheet.

Notes:

- (a) The capital reserve of the Group represents goodwill and negative goodwill arising on the acquisition of subsidiaries in prior years.
- (b) The contributed surplus of the Group represents the difference between the nominal value of the share capital issued by the Company and the aggregate of the share capital and the share premium account of the subsidiaries acquired pursuant to the Group reorganisation prior to the listing of the Company's shares in 1993.
- (c) In accordance with the financial regulations applicable in Mainland China, a portion of the profits of a subsidiary in Mainland China has been transferred to reserve funds which are restricted as to use.

* 此等儲備賬項包含列於綜合資產負債表內之綜合儲備港幣342,959,000元(二零零四年：港幣322,251,000元)。

附註：

- (a) 本集團之資本儲備為過往年度收購附屬公司所產生之商譽及負商譽。
- (b) 本集團之繳入盈餘為一九九三年上市前根據集團重組所收購之附屬公司之股本及股份溢價賬總額及本公司已發行之股本面值之差額。
- (c) 根據適用於中國大陸之財務規例，中國大陸一附屬公司之部份溢利已轉移至有限制用途之儲備基金。

Consolidated cash flow statement 綜合現金流量表

Year ended 31 March 2005 截至二零零五年三月三十一日止年度

in HK\$ thousand	Notes 附註	2005	2004	港幣千元
Cash flows from operating activities				營運業務之現金流量
Profit before tax		225,038	141,852	除稅前溢利
Adjustments for:				經調整：
Finance costs	9	635	4,387	融資成本
Interest income	5	(1,789)	(1,233)	利息收入
Inventory provision	6	34,645	18,285	存貨撥備
Loss on disposal of fixed assets	6	2,982	6,296	出售固定資產之虧損
Depreciation	6	47,600	48,997	折舊
Negative goodwill recognised as income upon liquidation of a subsidiary	5	–	(5,199)	確認一附屬公司清盤時之負商譽
Write-back of impairment in value of leasehold land and buildings	5	(8,000)	–	租賃土地及樓宇減值撥回
Operating profit before working capital changes		301,111	213,385	營運資金變動前的營運溢利
(Increase)/decrease in inventories		(65,815)	31,564	存貨(增加)/減少
(Increase)/decrease in debtors		(21,985)	11,804	應收賬款(增加)/減少
Decrease in bills receivable		118	7,446	應收票據減少
(Increase)/decrease in deposits paid		(5,227)	5,182	已付按金(增加)/減少
(Increase)/decrease in prepayments and other receivables		(19,220)	3,766	預付款項及其他應收賬項(增加)/減少
Increase/(decrease) in creditors and accruals		54,867	(22,749)	應付賬款及應計賬項增加/(減少)
Increase/(decrease) in bills payable		15,936	(32,695)	應付票據增加/(減少)
Increase in amount due to related companies		153	7,245	應付關連公司款項增加
Decrease in provisions		(125)	–	撥備減少
Cash generated from operations		259,813	224,948	營運業務所得之現金
Interest paid		(635)	(4,387)	已付利息
Hong Kong profits tax paid		(15,414)	(1,987)	已付香港利得稅
Overseas taxes (paid)/refunded		(6,043)	1,846	(已付)/獲退還之海外稅項
Net cash inflow from operating activities		237,721	220,420	營運業務之現金流入淨額

Consolidated cash flow statement 綜合現金流量表

Year ended 31 March 2005 截至二零零五年三月三十一日止年度

in HK\$ thousand	Notes 附註	2005	2004	港幣千元
Net cash inflow from operating activities		237,721	220,420	營運業務之現金流入淨額
Cash flows from investing activities				投資活動之現金流量
Interest received		1,789	1,233	已收利息
Purchases of fixed assets	14	(50,046)	(34,495)	購買固定資產
Proceeds from disposal of fixed assets		507	445	出售固定資產所得款項
Net cash outflow from investing activities		(47,750)	(32,817)	投資活動之現金流出淨額
Cash flows from financing activities				融資活動之現金流量
Proceeds from issue of rights shares	24	–	56,574	發行供股股份所得款項
Proceeds from issue of shares upon exercise of share options	24	4,548	–	因行使購股權而發行股份之所得款項
Share issue expenses	24	(94)	(839)	發行股份開支
Dividends paid		(74,528)	–	已付股息
New bank loans		–	109,212	新增銀行貸款
Repayment of bank loans		(20,000)	(203,788)	償還銀行貸款
Net cash outflow from financing activities		(90,074)	(38,841)	融資活動之現金流出淨額
Net increase in cash and cash equivalents		99,897	148,762	現金及現金等值項目之淨增加
Cash and cash equivalents at 1 April		225,492	76,134	於四月一日之現金及現金等值項目
Effect of foreign exchange rate changes, net		506	596	外匯兌換率變動之影響，淨額
Cash and cash equivalents at 31 March		325,895	225,492	於三月三十一日之現金及現金等值項目
Analysis of balances of cash and cash equivalents				現金及現金等值項目結餘分析
Cash and bank balances	18	274,432	183,135	現金及銀行結餘
Time deposits with original maturity of less than three months when acquired	18	51,463	42,357	於原定到期日少於三個月之定期存款
		325,895	225,492	

Balance Sheet 資產負債表

31 March 2005 二零零五年三月三十一日

in HK\$ thousand	Notes 附註	2005	2004	港幣千元
Non-current assets				非流動資產
Investment in subsidiaries	15	116,421	116,421	於附屬公司之投資
Current assets				流動資產
Due from subsidiaries	15	269,617	243,223	應收附屬公司款項
Prepayments		210	222	預付款項
Tax recoverable		47	216	可收回稅款
Cash and cash equivalents	18	564	126	現金及現金等值項目
		270,438	243,787	
Current liabilities				流動負債
Creditors and accruals	19	1,133	943	應付賬款及應計賬項
Tax payable		–	113	應繳稅款
		1,133	1,056	
Net current assets		269,305	242,731	流動資產淨值
		385,726	359,152	
Capital and reserves				資本及儲備
Issued capital	24	156,891	77,146	已發行股本
Reserves	26(b)	167,647	235,718	儲備
Proposed final dividend	12	61,188	46,288	擬派末期股息
		385,726	359,152	

LAW Ka Sing 羅家聖
Director 董事

CHAN So Kuen 陳素娟
Director 董事

Notes to financial statements 財務報表附註

31 March 2005 二零零五年三月三十一日

1. Corporate information

The registered office of the Company is located at Canon's Court, 22 Victoria Street, Hamilton HM12, Bermuda. The Company is incorporated in Bermuda with limited liability. Its shares are listed on The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). During the year, the Group was involved in investment holding and the retailing, distribution and wholesaling of garments.

2. Impact of recently issued Hong Kong Financial Reporting Standards ("HKFRSs")

The Hong Kong Institute of Certified Public Accountants ("HKICPA") has issued a number of new and revised Hong Kong Financial Reporting Standards and Hong Kong Accounting Standards, herein collectively referred to as the new HKFRSs, which are generally effective for accounting periods beginning on or after 1 January 2005. The Group has not early adopted these new HKFRSs in the financial statements for the year ended 31 March 2005. The Group has already commenced an assessment of the impact of these new HKFRSs but is not yet in a position to state whether these new HKFRSs would have a significant impact on its results of operations and financial position.

HKFRS 3 "Business Combinations" applies to accounting for business combinations for which the agreement date is on or after 1 January 2005. The Group did not have any business combinations during the year and accordingly, this HKFRS has had no impact on these financial statements.

3. Summary of significant accounting policies

Basis of preparation

These financial statements have been prepared in accordance with HKFRSs (which also include Statements of Standard Accounting Practice ("SSAP") and Interpretations) issued by the HKICPA, 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 the remeasurement of certain fixed assets, as further explained below.

Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries for the year ended 31 March 2005. The results of subsidiaries acquired or disposed of during the year are consolidated from or to their effective dates of acquisition or disposal, respectively. All significant intercompany transactions and balances within the Group are eliminated on consolidation.

1. 公司資料

本公司之註冊辦事處位於Canon's Court, 22 Victoria Street, Hamilton HM12, Bermuda。本公司乃於百慕達註冊成立之有限公司，其股份在香港聯合交易所有限公司（「聯交所」）上市。本集團於年內從事投資控股和成衣零售、分銷及批發業務。

2. 最近頒佈之香港財務匯報準則（「香港財務匯報準則」）之影響

香港會計師公會（「香港會計師公會」）已頒佈多項新增及經修訂香港財務匯報準則及香港會計準則（本文統稱「新香港財務匯報準則」），並普遍於二零零五年一月一日或以後之會計期間生效。本集團並無就截至二零零五年三月三十一日止年度之財務報表提早採納該等新香港財務匯報準則。本集團已開始評估該等新香港財務匯報準則之影響，惟尚未能就該等新香港財務匯報準則是否對其營運業績及財政狀況造成重大影響而作出定論。

香港財務匯報準則第三條「業務合併」應用於協議日期在二零零五年一月一日或以後所進行之業務合併的會計處理。本集團於年內並無任何業務合併，故此項香港財務匯報準則並無對該等財務報表構成影響。

3. 主要會計政策概要

編製基準

該等財務報表乃根據香港會計師公會頒佈之香港財務匯報準則（亦包括會計實務準則（「會計實務準則」）及詮釋）、香港普遍採納之會計原則及香港公司條例之披露規定所編製。除若干固定資產之重新計算外，該等財務報表乃根據歷史成本常規法編製，詳情於下文載列。

綜合賬目基準

綜合財務報表包括本公司及其附屬公司截至二零零五年三月三十一日止年度之財務報表。年內收購或出售之附屬公司業績，分別自收購日起或截至出售日止綜合計算。本集團內各公司間之所有重大交易及結餘，均已於綜合賬目時對銷。

3. Summary of significant accounting policies (continued)

Subsidiaries

A subsidiary is a company 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 profit and loss account to the extent of dividends received and receivable. The Company's interests in subsidiaries are stated at cost less any impairment losses.

Goodwill

Goodwill arising on the acquisition of subsidiaries represents the excess of the cost of the acquisition over the Group's share of the fair values of the identifiable assets and liabilities acquired as at the date of acquisition.

Goodwill arising on acquisition is recognised in the consolidated balance sheet as an asset and amortised on the straight-line basis over its estimated useful life.

Prior to the adoption of SSAP 30 "Business combinations" in 2001, goodwill arising on acquisitions was eliminated against consolidated reserves in the year of acquisition. On the adoption of SSAP 30, the Group applied the transitional provision of the SSAP that permitted such goodwill to remain eliminated against consolidated reserves. Goodwill on acquisitions subsequent to the adoption of the SSAP is treated according to the SSAP 30 goodwill accounting policy above.

On disposal of subsidiaries, the gain or loss on disposal is calculated by reference to the net assets at the date of disposal, including the attributable amount of goodwill which remains unamortised and any relevant reserves, as appropriate. Any attributable goodwill previously eliminated against consolidated reserves at the time of acquisition is written back and included in the calculation of the gain or loss on disposal.

The carrying amount of goodwill, including goodwill remaining eliminated against consolidated reserves, is reviewed annually and written down for impairment when it is considered necessary. A previously recognised impairment loss for goodwill is not reversed unless the impairment loss was caused by a specific external event of an exceptional nature that was not expected to recur, and subsequent external events have occurred which have reversed the effect of that event.

3. 主要會計政策概要 (續)

附屬公司

附屬公司乃指由本公司直接或間接控制其財務及營運政策，藉以從其業務獲益之公司。

附屬公司業績計入本公司損益表時，以已收及應收股息為限。本公司於附屬公司之權益，乃按成本值減除任何減值虧損後列賬。

商譽

收購附屬公司所產生之商譽，乃指收購成本超逾本集團應佔所收購可辨認資產及負債於收購日之公平價值的部份。

收購所產生之商譽乃於綜合資產負債表中確認為資產，並以直線法按其估計可用年期攤銷。

於二零零一年採納會計準則第30條「企業合併」前，因收購所產生之商譽於收購年度會與綜合儲備對銷。於採納會計準則第30條後，本集團應用會計準則之過渡性條款，允許該等商譽仍可繼續與綜合儲備對銷。於採納會計準則後因收購而產生之商譽，則按照上述會計準則第30條商譽會計政策處理。

出售附屬公司時，出售盈虧乃參照出售日之資產淨值計算，包括應佔之尚未攤銷商譽及(在適當情況下)任何有關之儲備。於收購時，任何以往與綜合儲備對銷之應佔商譽將獲撥回，並於計算出售盈虧時一併處理。

商譽之賬面值(包括已與綜合儲備對銷之商譽)每年審閱一次，並在認為有需要時減值列賬。過往已確認之商譽減值虧損不予撥回，除非減值虧損乃因發生意料之外且性質特殊之外界事件所引致，且其後亦出現足以抵銷該事件所構成的影響之外界事件，則當別論。

3. Summary of significant accounting policies (continued)

Negative goodwill

Negative goodwill arising on the acquisition of subsidiaries represents the excess of the Group's share of the fair values of the identifiable assets and liabilities acquired as at the date of acquisition, over the cost of the acquisition.

To the extent that negative goodwill relates to expectations of future losses and expenses that are identified in the acquisition plan and that can be measured reliably, but which do not represent identifiable liabilities as at the date of acquisition, that portion of negative goodwill is recognised as income in the consolidated profit and loss account when the future losses and expenses are recognised.

To the extent that negative goodwill does not relate to identifiable expected future losses and expenses as at the date of acquisition, negative goodwill is recognised in the consolidated profit and loss account on a systematic basis over the remaining average useful life of the acquired depreciable/amortisable assets. The amount of any negative goodwill in excess of the fair values of the acquired non-monetary assets is recognised as income immediately.

Prior to the adoption of SSAP 30 "Business combinations" in 2001, negative goodwill arising on acquisitions was credited to the capital reserve in the year of acquisition. On the adoption of SSAP 30, the Group applied the transitional provision of the SSAP that permitted such negative goodwill to remain credited to the capital reserve. Negative goodwill on acquisitions subsequent to the adoption of the SSAP is treated according to the SSAP 30 negative goodwill accounting policy above.

On disposal of subsidiaries, the gain or loss on disposal is calculated by reference to the net assets at the date of disposal, including the attributable amount of negative goodwill which has not been recognised in the consolidated profit and loss account and any relevant reserves as appropriate. Any attributable negative goodwill previously credited to the capital reserve at the time of acquisition is written back and included in the calculation of the gain or loss on disposal.

3. 主要會計政策概要 (續)

負商譽

收購附屬公司所產生之負商譽，乃指本集團應佔所收購可辨認資產及負債於收購日之公平值超逾收購成本的部份。

倘負商譽與可在收購計劃中辨認及可靠地計算之預期未來虧損及開支有關，惟並非於收購日列為可辨認負債，該部份之負商譽將於未來虧損及開支予以確認時，於綜合損益表內確認為收入。

倘負商譽與收購日可辨認之預期未來虧損及開支無關，則負商譽按收購可折舊／攤銷資產之餘下平均可用年期以有系統基準在綜合損益表予以確認。任何負商譽超逾已收購非貨幣資產公平值之款項即時確認為收入。

於二零零一年採納會計準則第30條「企業合併」前，因收購而產生之負商譽已於收購年度計入資本儲備內。於採納會計準則第30條後，本集團應用會計準則之過渡性條款，允許該等負商譽繼續計入資本儲備內。於採納會計準則後因收購而產生之負商譽，則按照上述會計準則第30條負商譽會計政策處理。

出售附屬公司時，出售盈虧乃參照出售日之資產淨值計算，當中包括尚未於綜合損益表及任何有關之儲備適當地予以確認之應佔負商譽金額。於收購時已計入資本儲備內之任何應佔負商譽將予撥回，並於計算出售盈虧時一併處理。

3. Summary of significant accounting policies (continued)

Impairment of assets

An assessment is made at each balance sheet date of whether there is any indication of impairment of any asset, or whether there is any indication that an impairment loss previously recognised for an asset in prior years may no longer exist or may have decreased. If any such indication exists, the asset's recoverable amount is estimated. An asset's recoverable amount is calculated as the higher of the asset's value in use and its net selling price.

An impairment loss is recognised only if the carrying amount of an asset exceeds its recoverable amount. An impairment loss is charged to the profit and loss account in the period in which it arises, unless the asset is carried at a revalued amount, when the impairment loss is accounted for in accordance with the relevant accounting policy for that revalued asset.

A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the recoverable amount of an asset, however 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 an impairment loss is credited to the profit and loss account in the period in which it arises, unless the asset is carried at a revalued amount, when the reversal of the impairment loss is accounted for in accordance with the relevant accounting policy for that revalued asset.

Fixed assets and depreciation

Fixed assets are stated at cost or valuation less accumulated depreciation and any impairment losses. The cost of an asset 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 fixed assets have been put into operation, such as repairs and maintenance, is normally charged to the profit and loss account in the period in which it is incurred. In situations where it can be clearly demonstrated that the expenditure has resulted in an increase in the future economic benefits expected to be obtained from the use of an asset, the expenditure is capitalised as an additional cost of that asset.

3. 主要會計政策概要 (續)

資產減值

本集團於每個結算日均會作出評估，以確定是否有任何資產出現減值跡象，或是否有跡象顯示於過往年度就某項資產確認之減值虧損不再存在或可能已經減少。如有任何上述跡象，則會估計有關資產之可收回金額。資產之可收回金額，乃按資產之使用價值及其售價淨值之較高者計算。

減值虧損僅會在資產之賬面值高於其可收回金額時予以確認。減值虧損於出現期間在損益表中扣除，除非該資產以重估金額列賬，而該重估資產乃根據有關會計政策計算減值虧損。

先前已確認之減值虧損僅會在用作釐定資產可收回金額之估計出現變動時予以撥回，惟撥回之數額不得超出倘於過往年度並無就有關資產確認減值虧損而可能已釐定之賬面值(扣除任何折舊／攤銷)。減值虧損之撥回於出現期間計入損益表，除非該資產以重估金額列賬，而該重估資產乃根據有關會計政策計算減值虧損撥回。

固定資產及折舊

固定資產乃按成本值或估值減除累積折舊及任何減值虧損後列賬。資產成本包括其購買價及任何令該項資產達至運作狀況及將之運至擬定用途地點之直接應計成本。固定資產投入運作後產生之開支，例如維修及保養費用，一般於該等開支產生之期間於損益表內扣除。倘能清楚證明該等開支能增加日後使用該資產時預期獲得之經濟利益，該等開支則撥作該資產之額外成本計算。

Notes to financial statements 財務報表附註

31 March 2005 二零零五年三月三十一日

3. Summary of significant accounting policies (continued)

Fixed assets and depreciation (continued)

Depreciation is calculated on the straight-line basis to write off the cost or valuation of each asset over its estimated useful life. The principal annual rates used for this purpose are as follows:

Buildings	4%
Leasehold improvements	15% to 33% or over the lease terms, whichever is shorter
Plant and machinery	9% to 25%
Furniture, fixtures and office equipment	15% to 33% or over the lease terms, whichever is shorter
Motor vehicles	15% to 33%

Leasehold land is amortised over the lease terms or at a rate of 2% per annum, whichever is shorter.

The revaluation reserve arising from the revaluation of fixed assets is realised and transferred directly to retained profits on a systematic basis, as the corresponding asset is used by the Group. The amount realised is the difference between the depreciation based on the revalued carrying amount of the asset and the depreciation based on the asset's original cost. If the total of this reserve is insufficient to cover an impairment loss, on an individual asset basis, the excess of the deficit is charged to the profit and loss account. Any subsequent revaluation surplus is credited to the profit and loss account to the extent of the deficit previously charged. On disposal of a revalued asset, the relevant portion of the revaluation reserve realised in respect of previous valuations is transferred to retained profits as a movement in reserves. At the balance sheet date, the revaluation reserve had been fully transferred to retained profits.

The gain or loss on disposal or retirement of a fixed asset recognised in the profit and loss account is the difference between the net sales proceeds and the carrying amount of the relevant asset.

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 profit and loss account on the straight-line basis over the lease terms. Where the Group is the lessee, rentals payable under such operating leases are charged to the profit and loss account on the straight-line basis over the lease terms.

3. 主要會計政策概要 (續)

固定資產及折舊 (續)

每項資產之折舊以直線法按其成本值或估值以估計可用年期撇銷。就此目的而採用之主要年率如下：

樓宇	4%
租賃物業裝修	15%至33%或按租約年期攤銷，以較短者為準
設備及機器	9%至25%
傢俬、裝置及辦公室設備	15%至33%或按租約年期攤銷，以較短者為準
汽車	15%至33%

租賃土地按租約年期或每年2%之比率攤銷，以較短者為準。

重估固定資產所產生之重估儲備，在本集團使用有關資產時變現，並按有系統之基準直接撥往保留溢利。變現之數額，乃按該項資產重估賬面值計算之折舊與按其原來成本值計算之折舊之差額。按個別資產基準，若儲備總額不足以填補減值虧絀，超出之虧絀將在損益表內扣除。其後，任何重估盈餘會計入損益表，計入之數額以先前扣除之虧絀為限。於出售經重估之資產時，因先前估值而變現的重估儲備相關部份乃撥往保留溢利當作一項儲備變動。於結算日，所有重估儲備已撥往保留溢利。

損益表內確認之固定資產出售或報廢盈虧，乃淨銷售收益與有關資產賬面值之差額。

經營租賃

凡資產所有權之絕大部份回報及風險歸出租人所有之租約，均列為經營租賃。當本集團為出租人時，本集團根據經營租賃出租之資產被列作非流動資產，在經營租賃下應收之租金於租約期內以直線法計入損益表內。當本集團為承租人時，在經營租賃下應繳付之租金於租約期內以直線法在損益表內扣除。

3. 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 includes all costs of purchase and other costs incurred in bringing the inventories to their present location and condition. Net realisable value is based on estimated selling prices less any estimated costs necessary to make the sale.

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 balance sheet date 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 profit and loss account.

Income tax

Income tax comprises current and deferred tax. Income tax is recognised in the profit and loss account, or in equity if it relates to items that are recognised in the same or a different period directly in equity.

Deferred tax is provided, using the liability method, on all temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Tax rates enacted or substantively enacted by the balance sheet date are used to determine deferred tax.

Deferred tax liabilities are recognised for all taxable temporary differences:

- except where the deferred tax liability arises from goodwill or 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, except 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.

3. 主要會計政策概要 (續)

存貨

存貨乃按成本值及可變現淨值兩者中較低者列賬。成本值按先入先出法計算，並包括所有購貨成本及將存貨運往現存地點及變成現狀所產生之其他成本。可變現淨值乃根據估計銷售價減除任何達成銷售所需之估計成本計算。

撥備

因過往事件產生現有法定或推定責任，且有可能需要動用日後資源流出以履行責任時，撥備方予以確認，惟須可就責任金額作出可靠的估計。

倘折讓影響重大，就撥備確認之金額為預期須用作履行責任之日後開支於資產負債表之現值。因時間流逝而導致已折讓現值增加則計入損益表之融資成本。

所得稅

所得稅包括即期及遞延稅項。所得稅乃於損益表確認，為有關在相同或不同期間直接於權益確認之項目，則於權益確認入賬。

就於結算日資產及負債之稅基與彼等就財務申報而言之賬面值間之所有暫時性差額，乃以負債法提撥遞延稅項準備。於結算日已實施或實質上已實施之稅率用作釐定遞延稅項。

遞延稅項負債乃就所有應課稅暫時性差額確認入賬，除非：

- 遞延稅項負債乃因商譽或進行非業務合併之交易之時初步確認交易之資產或負債而產生，且不影响會計溢利或應課稅溢利或虧損；及
- 就與於附屬公司投資有關之應課稅暫時性差額而言，倘暫時性差額之撥回時間可予控制及暫時性差額可能不會在可見將來撥回。

3. Summary of significant accounting policies (continued)

Income tax (continued)

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

- except where the deferred tax asset relating to the deductible temporary differences arises from negative goodwill or 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 future taxable profit will be available against which the temporary differences can be utilised.

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

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 at the balance sheet date.

Foreign currencies

Foreign currency transactions are recorded at the applicable exchange rates ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated at the applicable exchange rates ruling at that date. Exchange differences are dealt with in the profit and loss account.

On consolidation, the financial statements of overseas subsidiaries are translated into Hong Kong dollars using the net investment method. The profit and loss accounts of overseas subsidiaries are translated into Hong Kong dollars at the weighted average exchange rates for the year, and their balance sheets are translated into Hong Kong dollars at the exchange rates ruling at the balance sheet date. The resulting translation differences are included in the exchange fluctuation reserve.

3. 主要會計政策概要 (續)

所得稅 (續)

遞延稅項資產乃就所有可扣稅暫時性差額、結轉之未動用稅項資產及未動用稅項虧損予以確認，惟以可能出現日後應課稅溢利以動用可扣稅暫時性差額、結轉之未動用稅項資產及未動用稅項虧損為限：

- 除非遞延稅項資產乃關於負商譽或進行非業務合併之交易之時初步確認交易之資產或負債而產生之可扣稅暫時性差額，且不影响會計溢利或應課稅溢利或虧損；及
- 就與於附屬公司投資有關之可扣稅暫時性差額而言，遞延稅項資產僅於可能在可見將來撥回暫時性差額及將產生日後應課稅溢利以動用暫時性差額時，方予確認。

遞延稅項資產之賬面值將於每個結算日審閱，並減值至不再可能有足夠日後應課稅溢利以動用全部或部份遞延稅項資產之水平。相反，先前未確認之遞延稅項資產乃於可能有足夠日後應課稅溢利以動用全部或部份遞延稅項資產為限，予以確認。

遞延稅項資產及負債乃根據結算日已實施或實質上已實施之稅率（及稅務法例），按預期適用於資產變現或負債清償當時之稅率計算。

外幣

外幣交易按交易日之適用匯率入賬。於結算日以外幣計算之貨幣資產及負債均按當天適用之匯率換算。匯兌差額撥入損益表內處理。

在綜合賬目時，海外附屬公司之財務報表按淨投資法換算為港幣。海外附屬公司之損益表按該年之加權平均匯率換算為港幣，而其資產負債表則按結算日適用之匯率換算為港幣。因而產生之換算差額撥入外匯波動儲備。

3. Summary of significant accounting policies (continued)

Foreign currencies (continued)

For the purpose of the consolidated cash flow statement, 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.

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) from the rendering of services, in the period in which services are rendered;
- (c) interest income, on a time proportion basis taking into account the principal outstanding and the effective interest rate applicable;
- (d) rental income, on a time proportion basis over the lease terms;
- (e) royalties, on a time proportion basis in accordance with the substance of the relevant agreements; and
- (f) dividend income, when the shareholders' right to receive payment has been established.

Dividends

Final dividends proposed by the directors are classified as a separate allocation of retained profits within the capital and reserves section of the balance sheet, until they have been approved by the shareholders in a general meeting. When these dividends have been approved by the shareholders and declared, they are recognised as a liability.

Interim dividends are simultaneously proposed and declared, because the Company's memorandum of association and bye-laws grant the directors the authority to declare interim dividends. Consequently, interim dividends are recognised immediately as a liability when they are proposed and declared.

3. 主要會計政策概要 (續)

外幣 (續)

就綜合現金流量表而言，海外附屬公司之現金流量按現金流量日期適用之滙率換算為港幣。海外附屬公司於年內經常產生之現金流量，則按該年之加權平均滙率換算為港幣。

收入確認

倘收入會為本集團帶來經濟利益並能可靠計算時，方會按下列基準予以確認：

- (a) 從貨物銷售取得之收入，在貨物擁有權之重大風險及回報已轉予買家，而本集團對其再無參與和擁有權相關之管理，亦對已售出貨物再無實際控制權之時確認；
- (b) 從提供服務取得之收入，於提供服務期間確認；
- (c) 利息收入，根據未提取之本金及適用之實際利率按時間比例基準確認；
- (d) 租金收入，於租約期內按時間比例基準確認；
- (e) 專利費，根據有關協議實質內容按時間比例基準確認；及
- (f) 股息收入，於股東收取股息款項權利確立時確認。

股息

董事局建議派發之末期股息乃於資產負債表歸類為股本及儲備部份中另作分配之保留溢利，直至其獲股東於股東大會批准為止。當該等股息獲股東批准及宣派後，則被列作負債確認入賬。

中期股息於建議時同時宣派，原因是本公司之組織章程大綱及公司細則授予董事局宣派中期股息之權力。因此，中期股息乃於建議及宣派時即時確認為負債。

3. Summary of significant accounting policies (continued)

Employee benefits

Paid leave carried forward

The Group provides paid annual leave to its employees under their employment contracts on a calendar year basis. Under certain circumstances, such leave which remains untaken as at the balance sheet date is permitted to be carried forward and utilised by the respective employees in the following year. An accrual is made at the balance sheet date for the expected future cost of such paid leave earned during the year by the employees and carried forward.

Employment Ordinance long service payments

Certain of the Group's employees have completed the required number of years of service to the Group in order to be eligible for long service payments under the Hong Kong Employment Ordinance in the event of the termination of their employment. The Group is liable to make such payments in the event that such a termination of employment meets the circumstances specified in the Employment Ordinance.

A provision is recognised in respect of the probable future long service payments expected to be made. The provision is based on the best estimate of the probable future payments which have been earned by the employees from their services to the Group to the balance sheet date, net of employer's contributions and accrued benefits derived therefrom under the Group's pension schemes.

Pension schemes

The Group operates two retirement benefits schemes in Hong Kong, namely a Mandatory Provident Fund Scheme (the "MPF Scheme") under the Mandatory Provident Fund Schemes Ordinance and a defined contribution retirement benefits scheme as defined in the Occupational Retirement Schemes Ordinance (the "ORSO Scheme"), for all of its employees in Hong Kong.

Under the MPF Scheme, contributions of 5% of the employees' relevant income with a maximum contribution of HK\$1,000 per employee are made by each of the employer and the employees. The employer contributions are charged to the profit and loss account as they become payable in accordance with the rules of the MPF Scheme. The Company's employer contributions vest fully with the employees when contributed into the MPF Scheme.

3. 主要會計政策概要 (續)

僱員福利

有薪假期結轉

本集團根據僱傭合約按曆年基準給予其僱員有薪年假。在若干情況下，於結算日未支取之年假准予結轉，留待有關僱員於來年享用。於結算日，已就僱員於年內獲取並予結轉之有薪年假之預期未來成本作出累算。

僱傭條例長期服務金

根據香港僱傭條例，本集團若干僱員已為本集團服務滿若干年期，因而符合資格於彼等終止聘用時獲享長期服務金。倘有關終止聘用符合僱傭條例所註明之情況，本集團須負責作出該等付款。

本集團就預期可能作出之未來長期服務金提撥準備。該撥備乃按截至結算日，僱員就其對本集團提供之服務已賺取之未來可能付款之最佳估計，減除根據本集團退休金計劃之僱主供款及所得應計利益後計算。

退休金計劃

本集團於香港為所有在香港受僱之員工實施兩項退休福利計劃，即根據強制性公積金計劃條例訂立之強制性公積金計劃（「強積金計劃」）及根據職業退休計劃條例所界定之定額供款退休福利計劃（「職業退休計劃」）。

在強積金計劃下，僱主及僱員各自按僱員有關入息5%之比率供款，供款額最高為每名僱員港幣1,000元。根據強積金計劃條款，僱主之供款於應支付時在損益表內扣除。本公司之僱主供款於繳入強積金計劃後全數歸僱員所有。

3. Summary of significant accounting policies (continued)

Employee benefits (continued)

Pension schemes (continued)

Under the ORSO Scheme, contributions of 5% of the employees' basic salaries are made by the employer and are charged to the profit and loss account as they become payable in accordance with the rules of the ORSO Scheme. The rates of contributions made by the employees are either 0% or 5% of the salary of each employee at the discretion of the employee. When an employee leaves the ORSO Scheme prior to his/her interest in the Group employer contributions vesting fully, the ongoing contributions payable by the Group may be reduced by the relevant amount of forfeited contributions.

The assets of the MPF and ORSO Schemes are held separately from those of the Group in independently administered funds.

The employees of the Group's subsidiaries which operate in Mainland China 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 profit and loss account as they become payable in accordance with the rules of the central pension scheme.

The Company's subsidiary in Singapore participates in a Central Provident Fund Scheme which is a contribution plan established by the Central Provident Fund Board in Singapore.

In Taiwan, as required by the Labour Standards Law, one of the Company's subsidiaries makes regular contributions to a retirement fund to meet its employees' retirement and termination benefits. Currently, the contributions have been approved to be made at 2% of the employees' total salaries. The fund is administered by a committee and is deposited in the committee's name with a government approved financial institution, which acts as the trustee.

3. 主要會計政策概要 (續)

僱員福利 (續)

退休金計劃 (續)

在職業退休計劃下，僱主按僱員底薪5%之比率供款，並根據職業退休計劃的規定，供款於應繳付時在損益表內扣除。而僱員則可選擇按其薪金0%或5%之比率供款。當僱員在取得本集團僱主之全數供款前退出職業退休計劃，本集團可用沒收供款之數額減低其往後應付之供款。

強積金計劃及職業退休計劃之資產，與本集團之資產分開，並由獨立管理之基金持有。

本集團於中國大陸營運之附屬公司的僱員均須參加由地方政府設立之中央退休保障計劃。該等附屬公司須按其工資成本之若干百分比向該中央退休保障計劃作出供款。根據該中央退休保障計劃的規定，供款於應付時在損益表內扣除。

本公司在新加坡之附屬公司參與公積金計劃，此乃一項由新加坡公積金局設立之供款計劃。

在台灣，本公司其中一間附屬公司按照勞動基準法之規定定期向退休基金供款，為其僱員提供退休及離職福利。現時，已獲批准之供款額為僱員總薪酬之2%。該基金由一個委員會管理，並以該委員會名義存放於一間作為基金信託人之政府認可財務機構。

3. Summary of significant accounting policies (continued)

Employee benefits (continued)

Share option scheme

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. The financial impact of share options granted under the share option scheme is not recorded in the Company's or the Group's balance sheet until such time as the options are exercised, and no charge is recorded in the profit and loss account or balance sheet for their cost. Upon the exercise of share options, the resulting shares issued are recorded by the Company as additional share capital at the nominal value of the shares, and the excess of the exercise price per share over the nominal value of the shares is recorded by the Company in the share premium account. Options which are cancelled prior to their exercise date, or which lapse, are deleted from the register of outstanding options.

Related parties

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

Cash and cash equivalents

For the purpose of the consolidated cash flow statement, cash and cash equivalents comprise cash on hand and demand deposits, and short term highly liquid investments which are readily convertible into known amounts of cash and which 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 balance sheet, cash and cash equivalents comprise cash on hand and at banks, including term deposits, which are not restricted as to use.

4. Segment information

Segment information is presented by way of geographical segment as the primary segment. In determining the Group's geographical segments, revenue and results are attributed to the segments based on the location of the customers, and assets are attributed to the segments based on the location of the assets.

Since over 90% of the Group's revenue, results, and assets and liabilities are derived from the retailing, distribution and wholesaling of garments, no separate analysis of financial information by business segment is presented in these financial statements.

3. 主要會計政策概要 (續)

僱員福利 (續)

購股權計劃

本公司設有購股權計劃，旨在向為本集團業務成就作出貢獻之合資格參與人士提供鼓勵及獎勵。根據購股權計劃授出之購股權之財務影響不會記錄於本公司或本集團資產負債表內，直至購股權獲行使為止，亦不會在損益表或資產負債表扣除購股權成本。於行使購股權後，本公司將所發行之股份列作額外股本按股份面值入賬，而每股行使價超出股份面值之部份則由本公司記入股份溢價賬。於行使日期前已註銷或已失效之購股權，乃於尚未行使購股權登記冊中刪除。

關連人士

若一方有能力直接或間接控制另一方，或可對另一方所作之財務及營運決策行使重大影響力，則兩方被視作關連人士。共同受一方控制或影響之人士亦被視作關連人士。關連人士可以是個人或法人團體。

現金及現金等值項目

就綜合現金流量表而言，現金及現金等值項目包括手持現金及活期存款，以及可隨時轉換為可知數額現金而價值變動風險不大，且一般於購入後三個月內到期之短期高流通性投資，減除須應銀行要求償還及構成本集團現金管理整體的一部份之透支。

就資產負債表而言，現金及現金等值項目包括手持及銀行現金，包括並無限制用途之定期存款。

4. 分類資料

分類資料以地域分類為主要分類。於釐定本集團之地域分類時，分類應佔收入及業績乃按顧客所在地計算，而分類應佔資產則按資產所在地計算。

由於本集團逾90%之收入、業績、資產及負債均源自成衣零售、分銷及批發業務，故並無在財務報表中呈列按業務分類之財務資料獨立分析。

4. Segment information (continued)

Geographical segments

The following tables present revenue, profit and certain asset, liability and expenditure information for the Group's geographical segments.

Group 集團	Hong Kong 香港		Mainland China 中國大陸		Taiwan 台灣		Singapore 新加坡		Consolidated 綜合	
in HK\$ thousand 港幣千元	2005	2004	2005	2004	2005	2004	2005	2004	2005	2004
Segment revenue 分類收入										
Sales to external customers 銷售予外間顧客	1,034,644	834,756	442,863	459,359	348,328	315,553	191,106	173,750	2,016,941	1,783,418
Other revenue and gains 其他收入及收益	8,585	1,528	4,456	6,928	3,132	2,627	96	72	16,269	11,155
Total 總計	1,043,229	836,284	447,319	466,287	351,460	318,180	191,202	173,822	2,033,210	1,794,573
Segment results 分類業績	151,801	95,739	31,873	15,421	17,570	16,960	22,640	16,886	223,884	145,006
Interest income 利息收入									1,789	1,233
Profit from operating activities 營運業務溢利									225,673	146,239
Finance costs 融資成本									(635)	(4,387)
Profit before tax 除稅前溢利									225,038	141,852
Tax 稅項									(42,908)	(23,756)
Net profit from ordinary activities attributable to shareholders 股東應佔日常業務淨溢利									182,130	118,096

4. 分類資料 (續)

地域分類

下表呈列本集團按地域分類之收入、溢利及若干資產、負債及開支資料。

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4. Segment information (continued) Geographical segments (continued)

4. 分類資料 (續) 地域分類 (續)

Group 集團	Hong Kong 香港		Mainland China 中國大陸		Taiwan 台灣		Singapore 新加坡		Consolidated 綜合	
in HK\$ thousand 港幣千元	2005	2004	2005	2004	2005	2004	2005	2004	2005	2004
Segment assets 分類資產	435,813	325,515	236,076	182,237	97,222	82,396	52,063	41,952	821,174	632,100
Unallocated assets 未分配資產									2,948	5,360
Total assets 總資產									824,122	637,460
Segment liabilities 分類負債	115,698	74,945	74,826	46,208	21,299	18,971	6,025	5,458	217,848	145,582
Unallocated liabilities 未分配負債									45,236	46,193
Total liabilities 總負債									263,084	191,775
Other segment information 其他分類資料										
Capital expenditure 資本開支	19,694	19,174	21,650	9,453	4,717	2,712	3,985	3,156	50,046	34,495
Depreciation 折舊	16,872	15,364	16,612	17,757	10,374	11,208	3,742	4,668	47,600	48,997
Loss on disposal of fixed assets 出售固定資產之虧損	2,176	140	725	5,598	81	558	–	–	2,982	6,296
Inventory provision/(write-back of inventory provision) 存貨撥備/(撥回存貨撥備)	10,004	8,953	9,758	(2,153)	10,480	7,835	4,403	3,650	34,645	18,285
Recognition of negative goodwill upon liquidation of a subsidiary 確認一附屬公司清盤時之負商譽	–	–	–	(5,199)	–	–	–	–	–	(5,199)
Write-back of impairment in value of leasehold land and buildings 租賃土地及樓宇減值撥回	(8,000)	–	–	–	–	–	–	–	(8,000)	–

5. Turnover, revenue and gains

Turnover represents the aggregate of the net invoiced value of goods sold, after allowances for returns and trade discounts, and the rendering of services, but excludes intra-group transactions.

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

in HK\$ thousand	Group 集團	
	2005	2004
Turnover		
Retailing, distribution and wholesaling of garments	1,987,705	1,752,652
Rendering of garment-related services	29,236	30,766
	2,016,941	1,783,418
Other revenue and gains		
Interest income	1,789	1,233
Claims received	440	1,261
Royalty income	3,573	1,041
Gross rental income	2,371	2,580
Recognition of negative goodwill upon liquidation of a subsidiary	–	5,199
Write-back of impairment in value of leasehold land and buildings	8,000	–
Others	1,885	1,074
	18,058	12,388
	2,034,999	1,795,806

5. 營業額、收入及收益

營業額乃扣除退貨及商品折扣後之售貨發票數額淨值及提供服務所得之總額，惟不包括集團內部之交易。

營業額、其他收入及收益之分析如下：

港幣千元
營業額
成衣零售、分銷及批發
提供成衣相關服務
其他收入及收益
利息收入
已收索償款項
專利費收入
租金收入毛額
確認一附屬公司清盤時之負商譽
租賃土地及樓宇減值撥回
其他

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6. Profit from operating activities

The Group's profit from operating activities is arrived at after charging/(crediting):

in HK\$ thousand	Group 集團	
	2005	2004
Cost of sales		
Cost of inventories sold	984,614	921,573
Inventory provision	34,645	18,285
	1,019,259	939,858
Staff costs (including directors' remuneration – note 7)		
Salaries and wages	281,912	235,515
Pension scheme contributions	12,731	10,358
Less: Forfeited contributions	(884)	(508)
Net pension scheme contributions (note a)	11,847	9,850
	293,759	245,365
Depreciation	47,600	48,997
Minimum lease payments under operating leases		
Land and buildings	230,839	223,704
Contingent rent of retail shops and department stores	50,415	50,569
Plant and machinery	289	112
Auditors' remuneration	1,561	1,455
Loss on disposal of fixed assets	2,982	6,296
Foreign exchange gains, net	(8,511)	(4,969)
Net rental income	(421)	(496)
Recognition of negative goodwill upon liquidation of a subsidiary (note b)	–	(5,199)
Write-back of impairment in value of leasehold land and buildings (note c)	(8,000)	–

6. 營運業務溢利

本集團之營運業務溢利已扣除／(計入)下列項目：

港幣千元
銷售成本
售出存貨之成本
存貨撥備
員工成本(包括董事酬金－附註7)
薪金及工資
退休金計劃供款
減：沒收供款
退休金計劃淨供款(附註a)
折舊
經營租賃下最低租賃付款
土地及樓宇
零售店舖及百貨公司之或然租金
設備及機器
核數師酬金
出售固定資產之虧損
外匯兌換收益，淨值
租金收入淨值
確認一附屬公司清盤時之負商譽(附註b)
租賃土地及樓宇減值撥回(附註c)

6. Profit from operating activities (continued)

Notes:

- (a) As at 31 March 2005, forfeited contributions available to the Group to reduce its contributions to the ORSO Scheme in future years amounted to HK\$178,000 (2004: HK\$749,000).
- (b) The recognition of negative goodwill upon liquidation of a subsidiary in the consolidated profit and loss account in the prior year was included in "Other revenue and gains" on the face of the consolidated profit and loss account.
- (c) The write-back of impairment in value of leasehold land and buildings in the consolidated profit and loss account for the year is included in "Other revenue and gains" on the face of the consolidated profit and loss account.

7. Directors' remuneration

Directors' remuneration for the year, disclosed pursuant to the Listing Rules and Section 161 of the Hong Kong Companies Ordinance, is as follows:

in HK\$ thousand	Group 集團		港幣千元
	2005	2004	
Executive directors			執行董事
Fees	—	—	袍金
Salaries, allowances and benefits in kind	8,678	7,520	薪金、津貼及實物收益
Performance related bonuses	541	722	與表現相關之花紅
Pension scheme contributions	72	72	退休金計劃供款
	9,291	8,314	
Independent non-executive directors			獨立非執行董事
Fees	261	192	袍金
	9,552	8,506	

6. 營運業務溢利 (續)

附註：

- (a) 於二零零五年三月三十一日，本集團可用作減低來年職業退休計劃供款之沒收供款為港幣178,000元(二零零四年：港幣749,000元)。
- (b) 去年於綜合損益表載列之一附屬公司清盤時確認之負商譽已包括在綜合損益表之「其他收入及收益」內。
- (c) 本年度於綜合損益表載列之租賃土地及樓宇減值撥回已包括在綜合損益表之「其他收入及收益」內。

7. 董事酬金

根據上市規則及香港公司條例第161條規定披露之本年度董事酬金如下：

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7. Directors' remuneration (continued)

The total remuneration includes HK\$541,000 (2004: HK\$491,000) of performance related bonuses payable to the executive directors.

The number of directors whose remuneration fell within the following bands is as follows:

	Number of directors 董事數目		
	2005	2004	
Nil to HK\$1,000,000	5	6	零至港幣1,000,000元
HK\$1,000,001 to HK\$1,500,000	3	1	港幣1,000,001元至港幣1,500,000元
HK\$1,500,001 to HK\$2,000,000	2	1	港幣1,500,001元至港幣2,000,000元
HK\$2,000,001 to HK\$2,500,000	1	1	港幣2,000,001元至港幣2,500,000元
	<u>11</u>	<u>9</u>	

There was no arrangement under which a director waived or agreed to waive any remuneration during the year.

During the year, no share options were granted to the directors in respect of their services to the Group under the share option scheme of the Company.

7. 董事酬金 (續)

酬金總額包括應付執行董事與表現相關之花紅為港幣541,000元(二零零四年：港幣491,000元)。

酬金介乎下列範圍之董事數目如下：

年內並無董事放棄或同意放棄任何酬金之安排。

年內，本公司並無就董事向本集團提供服務而向彼等授出本公司購股權計劃項下之任何購股權。

8. Five highest paid employees

The five highest paid employees during the year included four (2004: two) directors, details of whose remuneration are set out in note 7 above. Details of the remuneration of the remaining one (2004: three) non-director, highest paid employee for the year are as follows:

in HK\$ thousand	Group 集團		港幣千元
	2005	2004	
Salaries, allowances and benefits in kind	1,380	3,377	薪金、津貼及實物收益
Performance related bonuses	95	304	與表現相關之花紅
Pension scheme contributions	57	140	退休金計劃供款
	1,532	3,821	

The total remuneration includes HK\$95,000 (2004: HK\$304,000) of performance related bonuses payable to the non-director, highest paid employee.

The number of non-director, highest paid employee whose remuneration fell within the following bands is as follows:

	Group 集團		
	Number of employees 僱員數目		
	2005	2004	
HK\$1,000,001 to HK\$1,500,000	–	3	港幣1,000,001元至港幣1,500,000元
HK\$1,500,001 to HK\$2,000,000	1	–	港幣1,500,001元至港幣2,000,000元
	1	3	

During the year, no share options were granted to the non-director, highest paid employee in respect of his services to the Group under the share option scheme of the Company.

8. 五名最高薪僱員

年內五名最高薪僱員包括四名(二零零四年：兩名)董事，其酬金詳情已載列於上文附註7。其餘一名(二零零四年：三名)最高薪非董事僱員之酬金詳情如下：

酬金總額包括應付最高薪非董事僱員與表現相關之花紅為港幣95,000元(二零零四年：港幣304,000元)。

酬金介乎下列範圍之最高薪非董事僱員數目如下：

年內，本公司並無就最高薪非董事僱員向本集團提供服務而向彼授出本公司購股權計劃項下之任何購股權。

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9. Finance costs

in HK\$ thousand	Group 集團		港幣千元
	2005	2004	
Interest on bank loans and overdrafts wholly repayable within five years	635	4,387	須於五年內悉數償還之銀行貸款及透支利息

10. Tax

Hong Kong profits tax has been provided at the rate of 17.5% (2004: 17.5%) 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 in which the Group operates, based on existing legislation, interpretations and practices in respect thereof.

in HK\$ thousand	Group 集團		港幣千元
	2005	2004	
Current – Hong Kong			本年度 – 香港
Charge for the year	22,974	6,636	年內支出
Overprovision in prior years	(348)	(42)	過往年度超額撥備
Current – Elsewhere			本年度 – 其他地區
Charge for the year	16,556	4,327	年內支出
Underprovision in prior years	815	1,381	過往年度撥備不足
Deferred (note 23)	2,911	11,454	遞延 (附註23)
Total tax charge for the year	42,908	23,756	年內稅項支出總額

9. 融資成本

10. 稅項

香港利得稅已按年內於香港賺取之估計應課稅溢利以稅率17.5% (二零零四年：17.5%) 提撥準備。在其他地區所得應課稅溢利之稅項，乃根據本集團業務經營所在地區之現有法律、詮釋及常規，按其現行稅率計算。

10. Tax (continued)

A reconciliation of the tax expense applicable to profit before tax using the statutory rate for the country in which the Company and the majority of its subsidiaries are domiciled to the tax expense at the effective tax rate, and a reconciliation of the applicable rate (i.e. the statutory tax rate) to the effective tax rate, are as follows:

	2005		2004	
	HK\$'000		HK\$'000	
	港幣千元	%	港幣千元	%
Group				
Profit before tax	225,038		141,852	
Tax at the statutory tax rate	39,382	17.5	24,824	17.5
Effect of different tax rates for companies operating in other jurisdictions	7,523	3.4	5,668	4.0
Adjustments in respect of current tax of previous periods	467	0.2	1,339	0.9
Income not subject to tax	(4,174)	(1.9)	(7,431)	(5.2)
Expenses not deductible for tax	3,462	1.5	3,663	2.5
Unrecognised tax losses and temporary differences	1,845	0.8	176	0.1
Tax losses utilised from previous periods	(5,437)	(2.4)	(4,439)	(3.1)
Others	(160)	–	(44)	–
Tax charge at the Group's effective rate	42,908	19.1	23,756	16.7

10. 稅項 (續)

按採用本公司及其大部份附屬公司所在國家之法定稅率計算且適用於除稅前溢利之稅項開支與按實際稅率計算之稅項開支對賬，以及適用稅率（即法定稅率）與實際稅率之對賬如下：

集團
除稅前溢利
按法定稅率計算之稅項
於其他司法管轄區營運之公司受不同稅率之影響
就過往期間即期稅項作出調整
毋須繳稅之收入
不可作稅項扣減之開支
未確認稅項虧損及暫時性差額
過往期間已動用稅項虧損
其他
按本集團實際稅率計算之稅項支出

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11. Net profit from ordinary activities attributable to shareholders

The net profit from ordinary activities attributable to shareholders for the year ended 31 March 2005 dealt with in the financial statements of the Company was HK\$96,648,000 (2004: HK\$55,125,000) (note 26(b)).

12. Dividends

in HK\$ thousand	2005	2004
Interim – HK1.8 cents (2004: Nil) per ordinary share	28,240	–
Proposed final – HK3.9 cents (2004: HK6 cents*) per ordinary share	61,188	46,288
	89,428	46,288

The proposed final dividend for the year is subject to the approval of the Company's shareholders at the forthcoming annual general meeting.

* declared and approved based on 771,461,697 ordinary shares outstanding as at 31 March 2004.

13. Earnings per share

The basic earnings per share is calculated based on the net profit from ordinary activities attributable to shareholders for the year of HK\$182,130,000 (2004: HK\$118,096,000), and the weighted average of 1,551,467,394 (2004: 1,482,333,708 as restated) ordinary shares in issue during the year, as adjusted to reflect the bonus shares issued during the year.

The calculation of diluted earnings per share is based on the net profit from ordinary activities attributable to shareholders for the year of HK\$182,130,000 (2004: HK\$118,096,000). The weighted average number of ordinary shares used in the calculation is the 1,551,467,394 (2004: 1,482,333,708 as restated) ordinary shares in issue during the year, as used in the basic earnings per share calculation; and the weighted average of 45,235,587 (2004: 13,117,406 as restated) ordinary shares assumed to have been issued at no consideration on the deemed exercise of all share options during the year.

11. 股東應佔日常業務淨溢利

已反映在本公司財務報表內之截至二零零五年三月三十一日止年度股東應佔日常業務淨溢利為港幣96,648,000元(二零零四年：港幣55,125,000元)(附註26(b))。

12. 股息

港幣千元
中期－每股普通股1.8港仙(二零零四年：無)
擬派末期－每股普通股3.9港仙 (二零零四年：6港仙*)

本年度擬派末期股息須待本公司股東於即將舉行之股東週年大會上批准，方可作實。

* 所宣派及批准之股息乃按二零零四年三月三十一日之已發行771,461,697股普通股計算。

13. 每股盈利

每股基本盈利乃根據年內股東應佔日常業務淨溢利港幣182,130,000元(二零零四年：港幣118,096,000元)及年內已發行普通股之加權平均數1,551,467,394股(二零零四年：1,482,333,708股，重列)計算，股數經調整以反映年內進行之紅股。

每股攤薄盈利乃根據年內股東應佔日常業務淨溢利港幣182,130,000元(二零零四年：港幣118,096,000元)計算。計算所用之普通股加權平均數(亦用於計算每股基本盈利)為年內已發行普通股之加權平均數1,551,467,394股(二零零四年：1,482,333,708股，重列)，及假設年內被視作悉數行使購股權而按零代價發行之普通股加權平均數45,235,587股(二零零四年：13,117,406股，重列)。

14. Fixed assets

14. 固定資產

in HK\$ thousand	Leasehold land and buildings 租賃土地及樓宇	Leasehold improvements 租賃物業裝修	Plant and machinery 設備及機器	Furniture, fixtures and office equipment 傢俬、裝置及辦公室設備	Motor vehicles 汽車	Total 總值	港幣千元
Group							集團
Cost or valuation							成本值或估值
At 1 April 2004	82,154	232,493	3,346	100,423	4,334	422,750	於二零零四年四月一日
Additions	–	35,278	7,948	6,667	153	50,046	添置
Disposals	–	(22,650)	–	(15,080)	(399)	(38,129)	出售
Exchange realignment	–	2,246	21	616	36	2,919	滙兌調整
At 31 March 2005	82,154	247,367	11,315	92,626	4,124	437,586	於二零零五年三月三十一日
Analysis of cost or valuation							按成本值或估值分析
At cost	42,154	247,367	11,315	92,626	4,124	397,586	按成本值
At valuation	40,000	–	–	–	–	40,000	按估值
	82,154	247,367	11,315	92,626	4,124	437,586	
Accumulated depreciation and impairment							累積折舊及減值
At 1 April 2004	45,455	187,326	1,836	76,599	3,759	314,975	於二零零四年四月一日
Depreciation provided during the year	2,365	35,325	567	9,106	237	47,600	年內折舊撥備
Reversal of impairment during the year recognised in the profit and loss account	(8,000)	–	–	–	–	(8,000)	已於損益表確認之年內減值撥回
Disposals	–	(21,961)	–	(12,343)	(336)	(34,640)	出售
Exchange realignment	–	1,763	8	442	29	2,242	滙兌調整
At 31 March 2005	39,820	202,453	2,411	73,804	3,689	322,177	於二零零五年三月三十一日
Net book value							賬面淨值
At 31 March 2005	42,334	44,914	8,904	18,822	435	115,409	於二零零五年三月三十一日
At 31 March 2004	36,699	45,167	1,510	23,824	575	107,775	於二零零四年三月三十一日

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14. Fixed assets (continued)

The Group's land and buildings are held under medium term leases and are situated in:

in HK\$ thousand	At cost 按成本值	At valuation 按估值	Total 總值
Hong Kong	21,654	40,000	61,654
Elsewhere	20,500	–	20,500
	<u>42,154</u>	<u>40,000</u>	<u>82,154</u>

Certain leasehold land and buildings were valued on 31 July 1993 by Chesterton Petty Limited, independent professionally qualified valuers, on an open market, existing use basis.

At 31 March 2005, had the Group's revalued land and buildings been carried at cost less accumulated depreciation and impairment losses, they would have been included in the financial statements at approximately HK\$19,384,000 (2004: HK\$12,589,000).

The Group adopted the transitional provision of SSAP 17 "Property, plant and equipment" of not making further regular revaluations of its leasehold land and buildings which had previously been revalued.

15. Interests in subsidiaries

in HK\$ thousand	Company 公司	
	2005	2004
Unlisted shares, at cost	193,962	193,962
Provision for impairment	(77,541)	(77,541)
	<u>116,421</u>	<u>116,421</u>
Due from subsidiaries	269,617	243,223
	<u>386,038</u>	<u>359,644</u>

The amounts due from subsidiaries included in the Company's current assets are unsecured, interest-free and have no fixed terms of repayment.

14. 固定資產 (續)

本集團之土地及樓宇均以中期租約持有並位於：

港幣千元
香港
其他地方

若干租賃土地及樓宇由獨立並具專業資格估值師卓德測計師行有限公司於一九九三年七月三十一日按公開市場及現有用途之基準作估值。

於二零零五年三月三十一日，若本集團經重估之土地及樓宇以成本值減除累積折舊及減值虧損後入賬，其於財務報表所載之價值應約為港幣19,384,000元（二零零四年：港幣12,589,000元）。

本集團已採納會計準則第17條「物業、廠房及設備」之過渡性條款，不會對先前已重估之租賃土地及樓宇再作定期重估。

15. 附屬公司權益

港幣千元
非上市股份，按成本值
減值撥備
應收附屬公司款項

於本公司流動資產計入之應收附屬公司款項均無抵押、免息及無固定還款期。

15. Interests in subsidiaries (continued)

Particulars of the principal subsidiaries are as follows:

Name 名稱	Place of incorporation/ registration and operations 成立／註冊及營運地區	Nominal value of issued/ registered share capital 已發行／註冊股本之面值	Percentage of equity attributable to the Company 本公司應佔股權百分比		Principal activities 主要業務
			Direct 直接	Indirect 間接	
Active Link Limited (note a) 弘譽有限公司 (附註a)	Hong Kong 香港	HK\$ 港幣5,000,000元	—	100	Retailing and wholesaling of garments 成衣零售及批發
Bossini Advertising Agency Limited 堡獅龍廣告代理有限公司	Hong Kong 香港	HK\$ 港幣2元	—	100	Advertising and promotion 廣告及宣傳
Bossini Clothing Limited	Hong Kong 香港	HK\$ 港幣2元	—	100	Retailing and distribution of garments 成衣零售及分銷
Bossini Enterprises Limited 堡獅龍企業有限公司	Hong Kong 香港	HK\$ 港幣2元	—	100	Retailing and wholesaling of garments 成衣零售及批發
Bossini Garment Limited	Hong Kong 香港	HK\$ 港幣2元	—	100	Wholesaling of garments 成衣批發
Bossini Investment Limited	British Virgin Islands 英屬處女群島	US\$11,928美元	100	—	Investment holding 投資控股
Burling Limited	British Virgin Islands 英屬處女群島	US\$100美元	—	100	Licensing of trademarks 商標特許
廣州市堡獅龍實業有限公司 (notes b and d) (附註 b 及 d)	People's Republic of China ("PRC")/Mainland China 中華人民共和國(「中國」)／ 中國大陸	RMB人民幣1,010,000元	—	100	Retailing and wholesaling of garments 成衣零售及批發
J & R Bossini Fashion Pte Ltd	Singapore 新加坡	S\$2,000,000新加坡元	—	100	Retailing and distribution of garments 成衣零售及分銷

15. 附屬公司權益 (續)

主要附屬公司之詳情如下：

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15. Interests in subsidiaries (continued)

15. 附屬公司權益 (續)

Name 名稱	Place of incorporation/ registration and operations 成立／註冊及營運地區	Nominal value of issued/ registered share capital 已發行／註冊股本之面值	Percentage of equity attributable to the Company 本公司應佔股權百分比		Principal activities 主要業務
			Direct 直接	Indirect 間接	
J & R Bossini Holdings Limited 堡獅龍集團有限公司	Hong Kong 香港	HK\$ 港幣2元	—	100	Investment holding 投資控股
Kaono Trading Limited	British Virgin Islands 英屬處女群島	HK\$ 港幣2,000元	—	100	Investment holding 投資控股
Key Value Trading Limited	British Virgin Islands 英屬處女群島	US\$100美元	—	100	Investment holding 投資控股
Land Challenger Limited 朗志有限公司	Hong Kong 香港	HK\$ 港幣2元	—	100	Sub-contracting of garments 成衣分包
Langzhi Fashion (Shenzhen) Co., Ltd. (notes c and d) 朗志時裝(深圳)有限公司(附註c及d)	PRC/Mainland China 中國／中國大陸	HK\$ 港幣6,600,000元	—	100	Manufacturing and sub-contracting of garments 成衣製造及分包
Lead Commence Limited 立啟興業有限公司	Hong Kong 香港	HK\$ 港幣2元	—	100	Retailing and distribution of garments 成衣零售及分銷
Onmay International Limited 上美國際有限公司	Hong Kong 香港	HK\$ 港幣2元	—	100	Retailing and distribution of garments 成衣零售及分銷
Rapid City Limited 捷利城有限公司	Hong Kong 香港	HK\$ 港幣2元	—	100	Property holding and letting 物業持有及租賃
Sun View Properties Limited 日景置業有限公司	Hong Kong 香港	HK\$ 港幣2元	—	100	Property holding and letting 物業持有及租賃

15. Interests in subsidiaries (continued)

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.

Notes:

- (a) The branch of this subsidiary in Taiwan was not audited by Ernst & Young Hong Kong or other Ernst & Young International member firms.
- (b) 廣州市堡獅龍實業有限公司 is a limited liability enterprise established in the PRC which obtained its business registration certificate on 14 July 1993.
- (c) Langzhi Fashion (Shenzhen) Co., Ltd. is a wholly-owned foreign investment enterprise with limited liability established in the PRC which obtained its business registration certificate on 14 June 1993 and is licensed to conduct business for 25 years from the date of its business registration.
- (d) These subsidiaries were not audited by Ernst & Young Hong Kong or other Ernst & Young International member firms.

16. Inventories

in HK\$ thousand	Group 集團		港幣千元
	2005	2004	
Raw materials	4,643	3,726	原料
Finished goods	210,659	178,175	製成品
	215,302	181,901	

15. 附屬公司權益 (續)

上表僅列出董事認為對本集團年內業績有主要影響或構成本集團淨資產重要部份之附屬公司。董事認為若將其他附屬公司之詳情載列於此，篇幅將過於冗長。

附註：

- (a) 該附屬公司於台灣分公司之賬目，並非由安永會計師事務所(香港)或安永會計師事務所之其他國際成員公司審核。
- (b) 廣州市堡獅龍實業有限公司為一間於中國成立之有限責任企業，其於一九九三年七月十四日取得營業執照。
- (c) 朗志時裝(深圳)有限公司為一間於中國成立，由外資全資擁有之有限責任企業。其於一九九三年六月十四日取得營業執照，並獲准由營業執照日起計經營業務25年。
- (d) 此等附屬公司之賬目，並非由安永會計師事務所(香港)或安永會計師事務所之其他國際成員公司審核。

16. 存貨

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17. Debtors

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

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

in HK\$ thousand	Group 集團		港幣千元
	2005	2004	
0 to 30 days	40,059	25,770	0至30天
31 to 60 days	16,319	11,129	31至60天
61 to 90 days	2,690	937	61至90天
Over 90 days	1,284	93	逾90天
	60,352	37,929	

18. Cash and cash equivalents

in HK\$ thousand	Group 集團		Company 公司		港幣千元
	2005	2004	2005	2004	
Cash and bank balances	274,432	183,135	564	126	現金及銀行結餘
Time deposits	51,463	42,357	—	—	定期存款
Cash and cash equivalents	325,895	225,492	564	126	現金及現金等值項目

At the balance sheet date, the cash and cash equivalents of the Group denominated in Renminbi ("RMB") amounted to HK\$83,918,000 (2004: HK\$69,045,000). The 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.

17. 應收賬款

除現金及信用卡銷售外，本集團在一般情況下授予其貿易客戶最高60天信貸期。

以下為按發票日計應收賬款之賬齡分析：

18. 現金及現金等值項目

於結算日，本集團以人民幣（「人民幣」）定值之現金及現金等值項目為港幣83,918,000元（二零零四年：港幣69,045,000元）。人民幣不能自由兌換其他貨幣，惟根據中國大陸外匯管制法條例及結匯、售匯及付匯管理規定，本集團獲准透過獲授權經營外匯業務之銀行將人民幣兌換為外幣。

19. Creditors and accruals

in HK\$ thousand	Group 集團		Company 公司	
	2005	2004	2005	2004
Trade creditors	54,863	40,601	–	–
Accruals	129,462	87,663	1,133	943
	184,325	128,264	1,133	943

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

in HK\$ thousand	Group 集團	
	2005	2004
0 to 30 days	49,640	27,325
31 to 60 days	3,139	11,092
61 to 90 days	1,605	1,890
Over 90 days	479	294
	54,863	40,601

20. Due to related companies

The amounts due to related companies are unsecured, interest-free, and repayable within 30 days of the invoice date.

19. 應付賬款及應計賬項

港幣千元

應付賬款

應計賬項

以下為按發票日計應付賬款之賬齡分析：

港幣千元

0至30天

31至60天

61至90天

逾90天

20. 應付關連公司款項

應付關連公司款項乃無抵押、免息及須於發票日期起計30日內償還。

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21. Interest-bearing bank loans

in HK\$ thousand	Group 集團	
	2005	2004
Bank loans repayable		
Within one year or on demand	15,000	20,000
In the second year	–	15,000
	15,000	35,000
Portion classified as current liabilities	(15,000)	(20,000)
	–	15,000
Long term portion	–	15,000

21. 計息銀行貸款

港幣千元
須償還銀行貸款
於一年內或應要求
於第二年
列作流動負債部份
長期部份

22. Provisions

in HK\$ thousand	Long service payments 長期服務金	
Group		
At 1 April 2004	1,038	
Amounts utilised during the year	(125)	
	913	
At 31 March 2005	–	
Portion classified as current liabilities	–	
	913	
Long term portion	913	

22. 撥備

港幣千元
集團
於二零零四年四月一日
年內動用之款項
於二零零五年三月三十一日
列作流動負債部份
長期部份

The Group provides for the probable future long service payments expected to be made to employees under the Hong Kong Employment Ordinance, as further explained under the heading "Employee benefits" in note 3 to the financial statements. The provision is based on the best estimate of the probable future payments which have been earned by the employees from their services to the Group to the balance sheet date.

本集團根據香港僱傭條例就預期可能須向僱員支付之長期服務金作出撥備，詳情於財務報表附註3「僱員福利」進一步闡釋。撥備乃按僱員於結算日向本集團提供服務可能賺取之日後款額之最合適估計釐訂。

23. Deferred tax

The movements in deferred tax liabilities and assets during the year were as follows:

Deferred tax liabilities – 2005

in HK\$ thousand	Accelerated tax depreciation 加速稅項折舊
Group	
At 1 April 2004	–
Deferred tax charged to the profit and loss account during the year (note 10)	498
Gross deferred tax liabilities at 31 March 2005	498

Deferred tax assets – 2005

in HK\$ thousand	Decelerated tax depreciation 減速稅項折舊	Losses available for offset against future taxable profit 可用作抵銷日後應課稅溢利之虧損	Others 其他	Total 總值
Group				
At 1 April 2004	1,432	3,227	701	5,360
Deferred tax credited/(charged) to the profit and loss account during the year (note 10)	629	(3,227)	185	(2,413)
Gross deferred tax assets at 31 March 2005	2,061	–	886	2,947

in HK\$ thousand	Total 總值
Net deferred tax assets at 31 March 2005	2,449

23. 遞延稅項

年內之遞延稅項負債及資產變動如下：

遞延稅項負債 – 2005

港幣千元
集團
於二零零四年四月一日
年內在損益表扣除之遞延稅項 (附註10)
於二零零五年三月三十一日之遞延稅項負債毛額

遞延稅項資產 – 2005

港幣千元
集團
於二零零四年四月一日
年內在損益表計入／(扣除)之遞延稅項 (附註10)
於二零零五年三月三十一日之遞延稅項資產毛額

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23. Deferred tax (continued)

Deferred tax liabilities – 2004

in HK\$ thousand	Accelerated tax depreciation 加速稅項折舊
Group	
At 1 April 2003	176
Deferred tax charged to the profit and loss account during the year (note 10)	(186)
Exchange realignment	10
Gross deferred tax liabilities at 31 March 2004	–

23. 遞延稅項 (續)

遞延稅項負債 – 2004

港幣千元
集團
於二零零三年四月一日
年內在損益表扣除之遞延稅項 (附註10)
滙兌調整
於二零零四年三月三十一日之遞延稅項負債毛額

Deferred tax assets – 2004

in HK\$ thousand	Decelerated tax depreciation 減速稅項折舊	Losses available for offset against future taxable profit 可用作抵銷日後應課稅溢利之虧損	Others 其他	Total 總值
Group				
At 1 April 2003	2,805	13,546	649	17,000
Deferred tax credited/(charged) to the profit and loss account during the year (note 10)	(1,373)	(10,319)	52	(11,640)
Gross deferred tax assets at 31 March 2004	1,432	3,227	701	5,360

遞延稅項資產 – 2004

港幣千元
集團
於二零零三年四月一日
年內在損益表計入／(扣除)之遞延稅項 (附註10)
於二零零四年三月三十一日之遞延稅項資產毛額

in HK\$ thousand	Total 總值
Net deferred tax assets at 31 March 2004	5,360

港幣千元
於二零零四年三月三十一日之遞延稅項資產淨額

23. Deferred tax (continued)

The Group has estimated tax losses of HK\$11,723,000 (2004: HK\$12,017,000) and estimated deductible temporary differences of HK\$1,068,000 (2004: HK\$1,503,000) arising in Hong Kong, and has no tax losses (2004: HK\$2,365,000) arising in Singapore, that are available indefinitely for offsetting against future taxable profits of the companies in which the losses arose. The Group also has estimated tax losses arising in Mainland China of HK\$426,000 (2004: HK\$4,713,000) and in Taiwan of HK\$20,923,000 (2004: HK\$37,276,000) that can be used to offset against future taxable profits of the companies in which the losses arose for a maximum of five years. Deferred tax assets have not been recognised in respect of these losses as it is uncertain whether sufficient future taxable profits will be generated against which the tax losses can be utilised.

At 31 March 2005, there is no significant unrecognised deferred tax liability (2004: Nil) for taxes that would be payable on the unremitted earnings of a subsidiary of the Group.

There are no income tax consequences attaching to the payment of dividends by the Company to its shareholders.

24. Share capital Shares

in HK\$ thousand	Company 公司	
	2005	2004
Authorised: 2,000,000,000 (2004: 2,000,000,000) ordinary shares of HK\$0.10 each	<u>200,000</u>	<u>200,000</u>
Issued and fully paid: 1,568,911,394 (2004: 771,461,697) ordinary shares of HK\$0.10 each	<u>156,891</u>	<u>77,146</u>

23. 遞延稅項 (續)

本集團於香港產生之估計稅項虧損為港幣11,723,000元(二零零四年：港幣12,017,000元)及估計可扣減暫時性差額為港幣1,068,000元(二零零四年：港幣1,503,000元)，以及於新加坡並無產生稅項虧損(二零零四年：港幣2,365,000元)，有關所產生之虧損可無限期用作抵銷公司日後之應課稅溢利。本集團亦有於中國大陸及台灣產生估計稅項虧損分別為港幣426,000元(二零零四年：港幣4,713,000元)及港幣20,923,000元(二零零四年：港幣37,276,000元)，所產生的虧損可用作抵銷公司日後之應課稅溢利最多5年。由於未能確定日後是否能獲得足夠應課稅溢利以抵銷可動用稅項虧損，遞延稅項資產並無就該等虧損進行確認。

於二零零五年三月三十一日，稅項中並無因本集團附屬公司之不可滙寄盈利引致之重大未確認遞延稅項負債(二零零四年：無)。

本公司向其股東派付股息後，並無導致任何須繳納所得稅之後果。

24. 股本 股份

港幣千元
法定股本： 2,000,000,000股(二零零四年：2,000,000,000股) 每股面值港幣0.10元之普通股
已發行及繳足股本： 1,568,911,394股(二零零四年：771,461,697股) 每股面值港幣0.10元之普通股

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24. Share capital (continued)

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

- (a) Pursuant to the annual general meeting held on 30 August 2004, an aggregate of 771,461,697 ordinary shares of HK\$0.10 each were issued on 14 September 2004 on the basis of one bonus share for every one existing share held, as fully paid bonus shares by capitalising the sum of approximately HK\$68,229,000 and approximately HK\$8,917,000 to the credit of the Company's share premium account and contributed surplus account, respectively.
- (b) The subscription rights attaching to 25,988,000 share options were exercised at the subscription price of HK\$0.175 per share (note 25), resulting in the issue of 25,988,000 ordinary shares of HK\$0.10 each for a total cash consideration, before expenses, of approximately HK\$4,548,000.

A summary of the transactions during the year with reference to the above movements in the Company's issued share capital is as follows:

	Number of shares in issue 已發行股數	Issued capital HK\$'000 已發行股本 港幣千元	Share premium account HK\$'000 股份溢價賬 港幣千元	Total HK\$'000 總值 港幣千元	
At 1 April 2003	514,307,798	51,431	38,209	89,640	於二零零三年四月一日
Issue of rights shares	257,153,899	25,715	30,859	56,574	發行供股股份
Share issue expenses	—	—	(839)	(839)	發行股份開支
At 31 March 2004 and 1 April 2004	771,461,697	77,146	68,229	145,375	於二零零四年三月三十一日及二零零四年四月一日
Issue of bonus shares (a)	771,461,697	77,146	(68,229)	8,917	發行紅股(a)
Exercise of share options (b)	25,988,000	2,599	1,949	4,548	行使購股權(b)
Share issue expenses	—	—	(94)	(94)	發行股份開支
At 31 March 2005	1,568,911,394	156,891	1,855	158,746	於二零零五年三月三十一日

Share options

Details of the Company's share option scheme and the share options issued under the scheme are included in note 25 to the financial statements.

24. 股本 (續)

於本年度，股本變動如下：

- (a) 根據於二零零四年八月三十日舉行之股東週年大會，本公司已於二零零四年九月十四日藉將本公司之股份溢價賬約港幣68,229,000元及繳入盈餘賬約港幣8,917,000元之進賬撥充資本，以發行合共771,461,697股每股面值港幣0.10元之普通股，並入賬列作繳足股款之紅股，發行基準為每持有一股現有股份可獲發一股紅股。
- (b) 25,988,000份購股權所附帶之認購權按每股港幣0.175元之認購價已獲行使(附註25)，致使發行25,988,000股每股面值港幣0.10元之普通股，未經扣除開支之現金代價約為港幣4,548,000元。

年內本公司已發行股本經參考上述變動之交易撮要如下：

購股權

本公司購股權計劃及根據該計劃發行購股權之詳情載列於財務報表附註25。

25. Share option scheme

The Company operates a share option scheme (the “Scheme”) for the purpose of motivating and providing incentives to eligible participants who contribute to the success of the Group’s operations, and to enable the Group to recruit and retain high-calibre employees and attract human resources that are valuable to the Group and any entity in which the Group holds equity interest (the “Invested Entities”).

Eligible participants of the Scheme include executive directors, non-executive directors (including independent non-executive directors), and other full-time or part-time employees of the Company, the Company’s subsidiaries and the Invested Entities. The Scheme became effective on 27 November 2003 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 share options to be granted under the Scheme and any other future share option schemes of the Company (excluding share options lapsed in accordance with the terms of the Scheme or any other future share option schemes of the Company) shall not exceed 10% of the total number of shares in issue on the adoption date, 27 November 2003, unless the Company seeks the approval of the shareholders of the Company in general meeting for refreshing the 10% limit under the Scheme. Pursuant to the annual general meeting of the Company held on 30 August 2004 with the approval of the issuance of bonus shares of 771,461,697 on 14 September 2004, the number of shares issuable under the Scheme was adjusted to approximately 154,292,338 which represented 10% of the Company’s shares in issue as at 14 September 2004. The maximum number of shares issuable under share options to each participant in the Scheme within any 12-month period is limited to 1% of the total number of shares of the Company in issue at any time. Any further grant of share options in excess of this limit is subject to shareholders’ approval in a general meeting with such participant and his associates abstaining from voting.

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

25. 購股權計劃

本公司設立購股權計劃（「計劃」），旨在激發及獎勵該等對本集團業務成績作出貢獻之合資格參與人士，及致使本集團能聘請及挽留能幹僱員，並吸納對本集團及本集團持有其股本權益之任何實體（「投資實體」）而言有價值之人力資源。

計劃之合資格參與人士包括本公司、本公司附屬公司及投資實體之執行董事、非執行董事（包括獨立非執行董事）及其他全職或兼職僱員。計劃於二零零三年十一月二十七日生效，除非計劃以其他方式註銷或修訂，否則自該日起計有效期為10年。

根據計劃及本公司任何將來其他購股權計劃將予授出之所有購股權獲行使時可予發行之股份最高數目（不包括根據計劃或本公司任何將來其他購股權計劃條款失效之購股權），不得超過採納日期二零零三年十一月二十七日之已發行股份總數10%，除非本公司於股東大會徵求本公司股東批准更新計劃上限10%。根據本公司於二零零四年八月三十日舉行之股東週年大會批准於二零零四年九月十四日發行771,461,697股紅股，可發行之股份數目已根據計劃調整至約154,292,338股，佔本公司於二零零四年九月十四日已發行股份之10%。於任何12個月期間內，根據購股權可向各計劃參與人士發行之股份最高數目，以本公司於任何時間已發行股份之1%為限。進一步授出超過該上限之購股權，須待股東於股東大會批准，方為有效，惟有關參與人士及其聯繫人士須就此放棄投票。

向本公司董事、行政總裁或主要股東或彼等各自之聯繫人士授出之購股權，須事先獲獨立非執行董事（不包括同時為購股權承授人之獨立非執行董事）批准。此外，於任何12個月期間向本公司主要股東或獨立非執行董事或彼等各自之聯繫人士授出之任何購股權，倘超過本公司任何時間已發行股份0.1%或總值（按授出日期本公司股份收市價計算）超過港幣5,000,000元，則須獲股東於股東大會事先批准。

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25. Share option scheme (continued)

The offer of a grant of share options may be accepted within 28 days from the date of the offer, upon payment of a nominal consideration of HK\$1 in total by the grantee. The exercise period of the share options granted is determinable by the directors, and commences after a certain vesting period and ends on a date which is not later than 10 years from the date of the grant of the share options. Options granted during the term of this Scheme and remain unexercised immediately prior to the end of the 10-year period of the Scheme shall continue to be exercisable in accordance with their terms of grant within the exercise period for which such options are granted, notwithstanding the expiry of the Scheme.

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

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:

Name or category of participants 姓名或參與人士類別	Number of share options 購股權數目				Date of grant of share options (note 2) 授出購股權日期 (附註2)	Exercise period of share options 購股權行使期	Exercise price of share options (note 3) 購股權行使價 (附註3) HK\$港幣元	Price of the Company's shares at grant date of options (note 4) 授出購股權日期之本公司股價 (附註4) HK\$港幣元	Price of the Company's shares at exercise date of options (note 5) 行使購股權日期之本公司股價 (附註5) HK\$港幣元
	At 1 April 2004 於二零零四年四月一日	Adjustment for bonus issue (note 1) 就發行紅股作出調整 (附註1)	Exercised during the year 年內行使	At 31 March 2005 於二零零五年三月三十一日					
Directors 董事									
Ms. CHAN So Kuen 陳素娟女士	1,666,666	1,666,666	3,332,000	1,332	2 December 2003 二零零三年十二月二日	2 December 2004 to 1 December 2013 二零零四年十二月二日至二零一三年十二月一日	0.175	0.173	1.91
	1,666,667	1,666,667	–	3,333,334	2 December 2003 二零零三年十二月二日	2 December 2006 to 1 December 2013 二零零六年十二月二日至二零一三年十二月一日	0.175	0.173	–
	1,666,667	1,666,667	–	3,333,334	2 December 2003 二零零三年十二月二日	2 December 2008 to 1 December 2013 二零零八年十二月二日至二零一三年十二月一日	0.175	0.173	–
	<u>5,000,000</u>	<u>5,000,000</u>	<u>3,332,000</u>	<u>6,668,000</u>					

25. 購股權計劃 (續)

授出購股權之要約可於授出日期起計28日內在承授人支付合共港幣1元象徵式代價後接納。已授出購股權之行使期由董事局釐訂，並自若干授出期間後開始及於購股權授出日期起計10年內屆滿。於計劃期間授出及於緊接計劃10年期間屆滿前尚未行使之購股權，儘管計劃已屆滿，仍可根據其授出條款於授出購股權行使期間內繼續予以行使。

購股權之行使價由董事局釐訂，惟不得低於以下之最高者：(i)於購股權授出日期本公司股份於聯交所之收市價；(ii)緊接授出日期前5個交易日本公司股份於聯交所之平均收市價；及(iii)本公司股份面值。

購股權並無賦予持有人獲派股息或於股東大會上投票之權利。

年內計劃項下尚未行使之購股權如下：

25. Share option scheme (continued)

25. 購股權計劃 (續)

Name or category of participants 姓名或參與人士類別	Number of share options 購股權數目				Date of grant of share options (note 2) 授出購股權日期 (附註2)	Exercise period of share options 購股權行使期	Exercise price of share options (note 3) 購股權行使價 (附註3) HK\$港幣元	Price of the Company's shares at grant date of options (note 4) 授出購股權日期之 本公司股價 (附註4) HK\$港幣元	Price of the Company's shares at exercise date of options (note 5) 行使購 股權日期之 本公司股價 (附註5) HK\$港幣元
	At 1 April 2004 於二零零四年 四月一日	Adjustment for bonus issue (note 1) 就發行紅股 作出調整 (附註1)	Exercised during the year 年內行使	At 31 March 2005 於二零零五年 三月三十一日					
Directors 董事									
Ms. Pansy CHAU Wai Man 周慧雯女士	1,666,666	1,666,666	3,332,000	1,332	2 December 2003 二零零三年十二月二日	2 December 2004 to 1 December 2013 二零零四年十二月二日至 二零一三年十二月一日	0.175	0.173	1.91
	1,666,667	1,666,667	–	3,333,334	2 December 2003 二零零三年十二月二日	2 December 2006 to 1 December 2013 二零零六年十二月二日至 二零一三年十二月一日	0.175	0.173	–
	1,666,667	1,666,667	–	3,333,334	2 December 2003 二零零三年十二月二日	2 December 2008 to 1 December 2013 二零零八年十二月二日至 二零一三年十二月一日	0.175	0.173	–
	<u>5,000,000</u>	<u>5,000,000</u>	<u>3,332,000</u>	<u>6,668,000</u>					
Mr. Dickie FU Shing Kwan 傅成坤先生	1,666,666	1,666,666	3,332,000	1,332	2 December 2003 二零零三年十二月二日	2 December 2004 to 1 December 2013 二零零四年十二月二日至 二零一三年十二月一日	0.175	0.173	1.91
	1,666,667	1,666,667	–	3,333,334	2 December 2003 二零零三年十二月二日	2 December 2006 to 1 December 2013 二零零六年十二月二日至 二零一三年十二月一日	0.175	0.173	–
	1,666,667	1,666,667	–	3,333,334	2 December 2003 二零零三年十二月二日	2 December 2008 to 1 December 2013 二零零八年十二月二日至 二零一三年十二月一日	0.175	0.173	–
	<u>5,000,000</u>	<u>5,000,000</u>	<u>3,332,000</u>	<u>6,668,000</u>					

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25. Share option scheme (continued)

25. 購股權計劃 (續)

Name or category of participants 姓名或參與人士類別	Number of share options 購股權數目				Date of grant of share options (note 2) 授出購股權日期 (附註2)	Exercise period of share options 購股權行使期	Exercise price of share options (note 3) 購股權行使價 (附註3) HK\$港幣元	Price of the Company's shares at grant date of options (note 4) 授出購股權日期之本公司股價 (附註4) HK\$港幣元	Price of the Company's shares at exercise date of options (note 5) 行使購股權日期之本公司股價 (附註5) HK\$港幣元
	At 1 April 2004 於二零零四年四月一日	Adjustment for bonus issue (note 1) 就發行紅股作出調整 (附註1)	Exercised during the year 年內行使	At 31 March 2005 於二零零五年三月三十一日					
Directors 董事									
Mr. Simon ORR Kuen Fung 柯權峯先生	1,666,666	1,666,666	3,332,000	1,332	2 December 2003 二零零三年十二月二日	2 December 2004 to 1 December 2013 二零零四年十二月二日至二零一三年十二月一日	0.175	0.173	1.91
	1,666,667	1,666,667	–	3,333,334	2 December 2003 二零零三年十二月二日	2 December 2006 to 1 December 2013 二零零六年十二月二日至二零一三年十二月一日	0.175	0.173	–
	1,666,667	1,666,667	–	3,333,334	2 December 2003 二零零三年十二月二日	2 December 2008 to 1 December 2013 二零零八年十二月二日至二零一三年十二月一日	0.175	0.173	–
	<u>5,000,000</u>	<u>5,000,000</u>	<u>3,332,000</u>	<u>6,668,000</u>					
Mr. FUNG Ping Chuen* 馮炳全先生*	1,666,666	1,666,666	3,332,000	1,332	2 December 2003 二零零三年十二月二日	2 December 2004 to 1 December 2013 二零零四年十二月二日至二零一三年十二月一日	0.175	0.173	1.91
	1,666,667	1,666,667	–	3,333,334	2 December 2003 二零零三年十二月二日	2 December 2006 to 1 December 2013 二零零六年十二月二日至二零一三年十二月一日	0.175	0.173	–
	1,666,667	1,666,667	–	3,333,334	2 December 2003 二零零三年十二月二日	2 December 2008 to 1 December 2013 二零零八年十二月二日至二零一三年十二月一日	0.175	0.173	–
	<u>5,000,000</u>	<u>5,000,000</u>	<u>3,332,000</u>	<u>6,668,000</u>					

25. Share option scheme (continued)

Name or category of participants 姓名或參與人士類別	Number of share options 購股權數目				Date of grant of share options (note 2) 授出購股權日期 (附註2)	Exercise period of share options 購股權行使期	Exercise price of share options (note 3) 購股權行使價 (附註3) HK\$港幣元	Price of the Company's shares at grant date of options (note 4) 授出購股權日期之 本公司股價 (附註4) HK\$港幣元	Price of the Company's shares at exercise date of options (note 5) 行使購 股權日期之 本公司股價 (附註5) HK\$港幣元
	At 1 April 2004 於二零零四年 四月一日	Adjustment for bonus issue (note 1) 就發行紅股 作出調整 (附註1)	Exercised during the year 年內行使	At 31 March 2005 於二零零五年 三月三十一日					
Other employees 其他僱員									
In aggregate 合共	4,666,666	4,666,666	9,328,000	5,332	2 December 2003 二零零三年十二月二日	2 December 2004 to 1 December 2013 二零零四年十二月二日至 二零一三年十二月一日	0.175	0.173	1.91
	4,666,667	4,666,667	–	9,333,334	2 December 2003 二零零三年十二月二日	2 December 2006 to 1 December 2013 二零零六年十二月二日至 二零一三年十二月一日	0.175	0.173	–
	4,666,667	4,666,667	–	9,333,334	2 December 2003 二零零三年十二月二日	2 December 2008 to 1 December 2013 二零零八年十二月二日至 二零一三年十二月一日	0.175	0.173	–
	14,000,000	14,000,000	9,328,000	18,672,000					
	39,000,000	39,000,000	25,988,000	52,012,000					

* Mr. FUNG Ping Chuen resigned as a director of the Company on 1 June 2005. All unexercised share options held by him up to 31 August 2005 will be lapsed on the same date in accordance with the Scheme.

* 馮炳全先生已於二零零五年六月一日辭任本公司董事職務，其所有於二零零五年八月三十一日尚未行使之購股權將根據計劃於同日失效。

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25. Share option scheme (continued)

Notes:

1. Pursuant to the annual general meeting of the Company held on 30 August 2004, an aggregate of 771,461,697 ordinary shares of HK\$0.10 each were issued on 14 September 2004 on the basis of one bonus share, credited as fully paid, for every one existing share of HK\$0.10 each in the capital of the Company (the "Bonus Issue"). As a result, the holders of the share options granted on 2 December 2003 were entitled to adjustments to the number of shares of HK\$0.10 each by (i) doubling the quantity of share options and (ii) reducing by half the exercise price to HK\$0.175 per share.
2. The vesting period of the share options is from the date of the grant until the commencement of the exercise period.
3. The exercise price of the share options is subject to adjustments in the case of rights or bonus issues, or other similar changes in the Company's share capital, and was adjusted for the Bonus Issue made on 14 September 2004 from HK\$0.35 to HK\$0.175.
4. The price of the Company's shares disclosed as at the date of the grant of the share options is the closing price on the Stock Exchange on the trading day immediately prior to the date of the grant of the share options and was adjusted for the Bonus Issue on 14 September 2004 from HK\$0.345 to HK\$0.173.
5. The price of the Company's shares disclosed at the date of the exercise of the share options is the weighted average of the Stock Exchange closing prices over all of the exercises of options within the disclosure line.

The 25,988,000 share options exercised during the year resulted in the issue of 25,988,000 ordinary shares of the Company and new share capital of approximately HK\$2,599,000 and share premium of approximately HK\$1,949,000 (before issue expenses) as detailed in note 24 to the financial statements.

At the balance sheet date, the Company had 52,012,000 share options outstanding under the Scheme, which represented approximately 3.3% of the Company's shares in issue as at that date. The exercise in full of these share options would, under the present capital structure of the Company, result in the issue of 52,012,000 additional ordinary shares of the Company and additional share capital of approximately HK\$5,201,000 and share premium of approximately HK\$3,901,000 (before issue expenses).

25. 購股權計劃 (續)

附註：

1. 根據於二零零四年八月三十日舉行之股東週年大會，本公司已於二零零四年九月十四日發行合共771,461,697股每股面值港幣0.10元之普通股，基準為每持有一股本公司股本中每股面值港幣0.10元之現有股份可獲發一股賬列作繳足紅股（「發行紅股」）。因此，於二零零三年十二月二日獲授購股權之持有人有權透過(i)將購股權數量增加一倍及(ii)將行使價減少一半至每股港幣0.175元，以調整每股面值港幣0.10元之股份數目。
2. 購股權歸屬期間為自授出日期起計直至行使期間開始。
3. 倘屬供股或發行紅股或本公司股本有其他類似變動，購股權行使價須作出調整，並已於二零零四年九月十四日就發行紅股由港幣0.35元調整至港幣0.175元。
4. 於購股權授出日期披露之本公司股份價格為緊接授出購股權日期前交易日之聯交所收市價，並於二零零四年九月十四日就發行紅股由港幣0.345元調整至港幣0.173元。
5. 於購股權行使日所披露之本公司股份價格乃聯交所所報之收市價除以於披露期限內之所有購股權行使價之加權平均數。

年內已行使之25,988,000份購股權致使發行本公司25,988,000股普通股，並產生新股本約港幣2,599,000元及股份溢價約港幣1,949,000元(扣除發行開支前)，詳情載於財務報表附註24。

於結算日，本公司計劃項下之尚未行使之購股權有52,012,000份，相當於該日本公司已發行股份約3.3%。按本公司現有股本結構悉數行使購股權，將導致本公司發行約52,012,000股額外普通股股份，而股本及股份溢價將分別增加約港幣5,201,000元及約港幣3,901,000元(扣除發行開支前)。

26. 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 on pages 49 and 50 of the financial statements.

The amounts of goodwill and negative goodwill arising on the acquisition of subsidiaries in prior years remaining in consolidated reserves are as follows:

	Group 集團		
	Goodwill eliminated against capital reserve and retained profits 與資本儲備及保留 溢利對銷之商譽	Negative goodwill included in capital reserve 計入資本儲備內 之負商譽	
in HK\$ thousand			港幣千元
Cost			成本
At 1 April 2004 and at 31 March 2005	(28,174)	2,733	於二零零四年四月一日及二零零五年三月三十一日
Accumulated impairment			累積減值
At 1 April 2004 and at 31 March 2005	2,205	(664)	二零零四年四月一日及於二零零五年三月三十一日
Net amount			淨額
At 31 March 2005	(25,969)	2,069	於二零零五年三月三十一日
At 31 March 2004	(25,969)	2,069	於二零零四年三月三十一日

26. 儲備

(a) 集團

本年度及前年度本集團儲備及其中變動之數額呈列於財務報表第49及50頁之綜合權益變動報表內。

前年度因收購附屬公司而產生，且仍存於綜合儲備內之商譽及負商譽金額如下：

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26. Reserves (continued)

(b) Company

in HK\$ thousand	Notes 附註	Share premium account 股份溢價賬	Contributed surplus 繳入盈餘	Retained profits/ (accumulated losses) 保留溢利/ (累積虧損)	Total 總值	港幣千元
At 1 April 2003		38,209	166,533	(7,881)	196,861	於二零零三年四月一日
Issue of rights shares		30,859	–	–	30,859	發行供股股份
Share issue expenses		(839)	–	–	(839)	發行股份開支
Net profit for the year		–	–	55,125	55,125	年內淨溢利
Proposed final 2004 dividend		–	–	(46,288)	(46,288)	擬派二零零四年末期股息
At 31 March 2004		68,229	166,533	956	235,718	於二零零四年三月三十一日
Issue of bonus shares	24(a)	(68,229)	(8,917)	–	(77,146)	發行紅股
Exercise of share options	24(b)	1,949	–	–	1,949	行使購股權
Share issue expenses		(94)	–	–	(94)	發行股份開支
Net profit for the year		–	–	96,648	96,648	年內淨溢利
Interim 2005 dividend		–	–	(28,240)	(28,240)	二零零五年中期股息
Proposed final 2005 dividend		–	–	(61,188)	(61,188)	擬派二零零五年末期股息
At 31 March 2005		1,855	157,616	8,176	167,647	於二零零五年三月三十一日

The contributed surplus of the Company represents the difference between the nominal value of the Company's shares issued in exchange for the issued share capital of the subsidiaries and the aggregate net asset value of the subsidiaries acquired at the date of acquisition, at the time of the Group reorganisation prior to the listing of the Company's shares in 1993. Under the Companies Act 1981 of Bermuda, the Company may make distributions to its shareholders out of the contributed surplus.

26. 儲備 (續)

(b) 公司

本公司之繳入盈餘乃於一九九三年本公司股份上市前作出集團重組時，本公司為交換附屬公司已發行股本而發行之股份面值，與被收購之附屬公司於收購日的資產淨值總和之差額。根據百慕達一九八一年《公司法》，本公司可將繳入盈餘分派予其股東。

27. Operating lease arrangements

(a) As lessor

The Group sub-leases certain of its retail properties under operating lease arrangements, with the leases negotiated for terms ranging from two to five years. The terms of the leases also require the tenants to pay security deposits and provide for periodic rent adjustments according to the then prevailing market conditions.

At 31 March 2005, the Group had total future minimum lease receivables under non-cancellable operating leases with their tenants falling due as follows:

in HK\$ thousand	Group 集團	
	2005	2004
Within one year	1,758	2,362
In the second to fifth years, inclusive	2,573	4,144
	4,331	6,506

(b) As lessee

The Group leases certain of its offices, retail outlets and warehouse properties under operating lease arrangements. Leases for properties are negotiated for terms ranging from one to ten years.

At 31 March 2005, the Group had total future minimum lease payments under non-cancellable operating leases falling due as follows:

in HK\$ thousand	Group 集團	
	2005	2004
Within one year	230,311	203,249
In the second to fifth years, inclusive	245,606	238,377
After five years	5,256	10,966
	481,173	452,592

The operating lease rentals of certain retail outlets are based solely on the sales of those outlets. In the opinion of the directors, as the future sales of those retail outlets could not be accurately estimated, the relevant rental commitments have not been included above.

At the balance sheet date, the Company did not have any future minimum lease payments under non-cancellable operating leases.

27. 經營租賃之安排

(a) 作為出租人

本集團在經營租賃之安排下，分租其若干零售物業，議定之租期為二至五年不等。該租約之條款亦規定租客須繳付保證按金，並訂明可根據當時之市況行情定期作出租金調整。

於二零零五年三月三十一日，本集團在與租戶簽訂之不可撤銷之經營租賃，日後最低租賃應收款項總額於到期日如下：

港幣千元
於一年內
於第二年至第五年，包括首尾兩年

(b) 作為承租人

本集團在經營租賃之安排下，租用若干辦公室、零售店舖及貨倉物業。該等物業議定之租期由一年至十年不等。

於二零零五年三月三十一日，本集團在不可撤銷之經營租賃下，日後最低租賃付款總額於到期日如下：

港幣千元
於一年內
於第二年至第五年，包括首尾兩年
五年後

若干零售店舖之經營租賃租金純粹按該等店舖之銷售額計算。董事認為，由於難以準確估計該等零售店舖日後之銷售額，故以上並無包括有關租金承擔。

於結算日，本公司在不可撤銷經營租賃下，並無任何日後最低租賃付款。

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28. Commitments

In addition to the operating lease commitments detailed in note 27(b) above, the Group had the following commitments at the balance sheet date:

(a) Capital commitments

in HK\$ thousand	Group 集團		港幣千元
	2005	2004	
Contracted, but not provided for			已訂約但未撥備
Leasehold improvements	704	393	租賃物業裝修
Furniture, fixtures and office equipment	1,349	–	傢俬、裝置及辦公室設備
	<u>2,053</u>	<u>393</u>	

(b) Commitments under forward foreign exchange contracts

in HK\$ thousand	Group 集團		港幣千元
	2005	2004	
Forward foreign exchange contracts	103,656	60,191	遠期外匯合約

At the balance sheet date, the Company did not have any significant commitments.

28. 承擔

除於上文附註27(b)詳述之經營租賃承擔外，本集團於結算日之承擔如下：

(a) 資本承擔

(b) 遠期外匯合約之承擔

於結算日，本公司並無任何重大承擔。

29. Contingent liabilities

(a) Bank guarantees

in HK\$ thousand	Group 集團		港幣千元
	2005	2004	
Bank guarantees given in lieu of utility and property rental deposits	493	36	代替水電及租用物業按金之銀行擔保

The Company has given guarantees in favour of banks to the extent of HK\$384,000,000 (2004: HK\$404,000,000) in respect of banking facilities granted to certain subsidiaries. These were utilised to the extent of HK\$40,880,000 as at 31 March 2005 (2004: HK\$51,988,000).

(b) Tax exposure in relation to certain co-operative arrangements in Taiwan

In October 2004, a Taiwan branch of one of the Group's subsidiaries (the "Taiwan Branch") received a notice of claim from the Taipei National Tax Administration, Ministry of Finance (the "TNTA"), relating to the underpayment of business tax on sales made through certain retail stores which operated under co-operative arrangements with third parties during the period from January 2001 to May 2003, together with penalties of approximately NT\$27.9 million in aggregate (equivalent to approximately HK\$6.9 million).

An amendment letter against the claim was filed by the local tax representative of the Taiwan Branch during the year. If the Taiwan Branch is unsuccessful in the objection to the above claim from TNTA, tax losses of NT\$223 million (equivalent to approximately HK\$55 million) arising from the Taiwan Branch as at 31 March 2003 may be disallowed and will not be available to offset against taxable profits of the Taiwan Branch for the years ended 31 March 2004 and 31 March 2005. Accordingly, the Taiwan Branch may subject to a profits tax charge of NT\$33 million (equivalent to approximately HK\$8.2 million) from the TNTA for the years ended 31 March 2004 and 31 March 2005.

The directors, based on the advice from the local tax representative of the Taiwan Branch, believe that the Taiwan Branch has a valid ground to object the claim from the TNTA, and accordingly, have not made any provision for the tax claim or any potential additional profits tax liabilities as at 31 March 2005.

29. 或然負債

(a) 銀行擔保

本公司就若干附屬公司所獲批之銀行信貸而向銀行作出港幣384,000,000元(二零零四年：港幣404,000,000元)之擔保。於二零零五年三月三十一日已動用之信貸額為港幣40,880,000元(二零零四年：港幣51,988,000元)。

(b) 有關於台灣若干合作協議之稅項

於二零零四年十月，本集團其中一家附屬公司之台灣分公司(「台灣分公司」)接獲財政部台北市國稅局(「台北市國稅局」)發出之索償通知書，內容有關於二零零一年一月至二零零三年五月期間與第三方透過訂立合作安排經營之若干零售店舖少付銷售營業稅，連同罰款合共約27,900,000元新台幣(相等於約港幣6,900,000元)。

年內，台灣分公司之地方稅務代表已入稟反對索償之修訂函件。倘台灣分公司未能成功向台北市國稅局反對上述索償，台灣分公司於二零零三年三月三十一日所產生之稅務虧損223,000,000元新台幣(相等於約港幣55,000,000元)可能不可以用作抵銷台灣分公司截至二零零四年三月三十一日及二零零五年三月三十一日止年度各年之應課稅溢利。因此，台灣分公司可能須向台北市國稅局繳付截至二零零四年三月三十一日及二零零五年三月三十一日止年度之利得稅33,000,000元新台幣(相等於約港幣8,200,000元)。

董事根據台灣分公司之地方稅務代表所提供之意見，相信台灣分公司有足夠有效的理據反對台北市國稅局之索償，因此，於二零零五年三月三十一日，並無就稅務索償或任何潛在額外利得稅負債提供撥備。

30. Litigation

- (a) A High Court action (the “WDC Action”), which commenced on 10 June 1998, was brought against J & R Bossini Trading Limited (“Bossini Trading”), a subsidiary of the Company, by Weiland Development Company Limited (“WDC”), for breach of a lease (the “Lease”) relating to a property used by Bossini Trading as a warehouse for a minimum amount of approximately HK\$7,248,000. Bossini Trading is defending against the WDC Action and has counter-claimed against WDC for a declaration that the Lease was lawfully terminated. As at the date of this report, the directors believe that it is not practicable to estimate the possible extent of the liability of Bossini Trading, if any, in respect of the WDC Action. However, the directors are of the opinion that the WDC claim is unlikely to succeed based on the merits of the case and therefore, the directors consider that no material liability is likely to result therefrom.
- (b) Two High Court actions (the “Actions”), which both commenced on 24 July 1998, were brought against Bossini Trading by Sano Screen Manufacturing Limited and Tri-Star Fabric Printing Works Limited (collectively called the “Plaintiffs”), for breach of leases relating to properties used by Bossini Trading as warehouses. Judgements in respect of the Actions were awarded in favour of the Plaintiffs against Bossini Trading on 16 June 2000 for an amount not exceeding HK\$2,467,000, together with interest thereon from the date of the said judgements to the date of payment at the judgement rate, and the costs of the Actions. As at the date of this report, no payment has been made by Bossini Trading.

A winding-up order was made against Bossini Trading on 28 January 2002. So far as the directors are aware, with a winding-up order having been made against Bossini Trading, WDC would require leave of the courts to continue the WDC Action and such leave has not been obtained.

With respect to the Actions, the Plaintiffs would likely rank as unsecured creditors in the event of any distribution of assets upon the winding-up of Bossini Trading.

As Bossini Trading has minimal assets and neither the Company nor any of its subsidiaries has provided any guarantees or sureties in respect of the liabilities of Bossini Trading, the directors consider that there would be no significant adverse impact on the financial position of the Group as a result of any action taken by the Plaintiffs to enforce the judgements against Bossini Trading or any unfavourable judgement being made against Bossini Trading upon leave of the courts being granted to WDC to continue the WDC Action.

30. 訴訟

- (a) Weiland Development Company Limited (「WDC」) 於一九九八年六月十日，就本公司之附屬公司堡獅龍貿易有限公司 (「堡獅龍貿易」) 違反租用貨倉之物業租約 (該「租約」)，向堡獅龍貿易提出一項高院民事訴訟 (「WDC 訴訟」)，索償最低款額約港幣 7,248,000 元。堡獅龍貿易現正作出抗辯及向 WDC 提出反訴訟，要求法院頒令指該租約已合法終止。於本報告日期，董事相信要估計堡獅龍貿易可能須就 WDC 訴訟承擔之法律責任 (如有) 並不可行。然而，就該訴訟所作之依據，董事認為 WDC 之勝訴機會不大，故堡獅龍貿易不會因而須承擔重大責任。
- (b) Sano Screen Manufacturing Limited 及 Tri-Star Fabric Printing Works Limited (統稱「原訴人」) 於一九九八年七月二十四日就堡獅龍貿易違反租用貨倉之物業租約，向堡獅龍貿易提出兩項高院民事訴訟 (該等「訴訟」)。法院於二零零零年六月十六日就該等訴訟判決裁定原訴人勝訴，堡獅龍貿易須賠償為數不超過港幣 2,467,000 元之款項 (連同由裁決日起至支付該筆款項之日止期間按裁決利率計算之利息) 及堂費。於本報告日期，堡獅龍貿易尚未繳付該等款項。

法院於二零零二年一月二十八日向堡獅龍貿易頒發清盤令。就董事所知，由於堡獅龍貿易已遭法院頒令清盤，WDC 須取得法院准許方可繼續 WDC 訴訟，而至今 WDC 仍未獲發該等准許。

就該等訴訟而言，倘堡獅龍貿易遭清盤而進行任何資產分配，原訴人將被列入無抵押債權人類別。

由於堡獅龍貿易只有少量資產，而本公司及其任何附屬公司概無就堡獅龍貿易之債務提供任何擔保或保證，故董事認為倘原訴人向堡獅龍貿易採取任何法律行動執行裁決，或 WDC 獲法院准許繼續 WDC 訴訟而法院作出任何對堡獅龍貿易不利之裁決，亦不會對本集團之財務狀況構成重大不利影響。

31. Related party transactions

In addition to the transactions and balances detailed elsewhere in the financial statements, the Group had the following material transactions with related parties during the year:

in HK\$ thousand	Notes 附註	Group 集團		港幣千元
		2005	2004	
Rental paid for warehouse premises	(a)	1,074	992	貨倉租金
Rental paid for office premises	(b)	4,640	4,227	辦公室租金
Purchases of garments	(c)	232,340	157,275	購買成衣

Notes:

- (a) The rental was paid to Laws International Group Limited ("Laws International"). Certain directors of Laws International, who have beneficial equity interests therein, are relatives of Mr. LAW Ka Sing and Mr. Simon ORR Kuen Fung, directors of the Company. The rental was determined by reference to open market rentals at the inception of the tenancy agreement.
- (b) The rental was paid to Bright City International Limited ("Bright City"). Certain directors of Bright City, who have beneficial equity interests therein, are relatives of Mr. LAW Ka Sing and Mr. Simon ORR Kuen Fung, directors of the Company. The rental was determined by reference to open market rentals at the inception of the tenancy agreement.
- (c) During the year, garments totalling HK\$232,340,000 (2004: HK\$157,275,000) were purchased from certain wholly-owned subsidiaries of Laws International. Certain directors of these companies, who have beneficial equity interests therein, are relatives of Mr. LAW Ka Sing and Mr. Simon ORR Kuen Fung, directors of the Company. The purchases were determined by reference to the prevailing market prices. Details of the Group's trade balances with these suppliers as at the balance sheet date are included in note 20 to the financial statements.

The related party transactions in respect of the above transactions also constitute continuing connected transactions as defined in Chapter 14A of the Listing Rules.

31. 關連人士交易

除財務報表所詳述之交易及結餘外，本集團於年內與關連人士進行之重大交易如下：

附註：

- (a) 租金乃繳付予羅氏國際集團有限公司（「羅氏國際」）。羅氏國際之若干擁有實益股本權益之董事乃本公司董事羅家聖先生及柯權峯先生之親屬。租金乃參照租約生效時之公開市值租金而釐定。
- (b) 租金乃繳付予澤城國際有限公司（「澤城」）。澤城之若干擁有實益股本權益之董事乃本公司董事羅家聖先生及柯權峯先生之親屬。租金乃參照租約生效時之公開市值租金而釐定。
- (c) 年內，本公司分別向若干羅氏國際全資附屬公司購買港幣232,340,000元（二零零四年：港幣157,275,000元）之成衣。該等公司之若干擁有實益股本權益之董事乃本公司董事羅家聖先生及柯權峯先生之親屬。採購乃參照當時之市價釐訂。於結算日，本集團與該等供應商之貿易結餘詳情載列於財務報表附註20。

有關上述交易之關連人士交易亦構成上市規則第14A章所界定之持續關連交易。

Notes to financial statements 財務報表附註

31 March 2005 二零零五年三月三十一日

32. Comparative amounts

The amounts due from subsidiaries in the prior year of HK\$243,223,000 was included in interests in subsidiaries in non-current assets. To accord with the presentation adopted in the current year, which in the opinion of the directors better reflects the underlying nature of the transactions, it has been reclassified to current assets.

33. Approval of the financial statements

The financial statements were approved and authorised for issue by the board of directors on 5 July 2005.

32. 比較數字

去年應收附屬公司款項港幣243,223,000元已計入非流動資產項下於附屬公司之權益內。為配合本年度董事認為可更清晰反映該等交易之基本性質而採納之呈列方式，應收附屬公司款項已重新分類為流動資產。

33. 財務報表之批准

董事局已於二零零五年七月五日批准及授權發佈本財務報表。

Company information 公司資料

Executive directors

Mr. LAW Ka Sing (Chairman)
Ms. CHAN So Kuen
Ms. Pansy CHAU Wai Man
Mr. Dickie FU Shing Kwan
Mr. Simon ORR Kuen Fung

Independent non-executive directors

Ms. LEUNG Mei Han
Mr. Raymond LEE Man Chun
Mr. WONG Wai Kay

Qualified accountant

Ms. CHAN So Kuen

Company secretary

Ms. CHAN So Kuen

Principal bankers

The Hongkong and Shanghai Banking
Corporation Limited
Standard Chartered Bank
Citibank, N.A.

Auditors

Ernst & Young

Principal solicitor

Deacons

Principal share registrars and transfer office

Butterfield Fund Services (Bermuda) Limited
Rosebank Centre
11 Bermudiana Road
Pembroke HM08
Bermuda

Hong Kong branch share registrars

Computershare Hong Kong Investor Services Limited
Shops 1712-6, 17th Floor
Hopewell Centre
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Hong Kong

Registered office

Canon's Court
22 Victoria Street
Hamilton HM12
Bermuda

Principal office

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Kowloon
Hong Kong

Website

www.bossini.com

執行董事

羅家聖先生 (主席)
陳素娟女士
周慧雯女士
傅成坤先生
柯權峯先生

獨立非執行董事

梁美嫻女士
李文俊先生
王維基先生

合資格會計師

陳素娟女士

公司秘書

陳素娟女士

主要往來銀行

香港上海滙豐銀行有限公司
渣打銀行
花旗銀行

核數師

安永會計師事務所

主要律師

的近律師行

主要股份過戶登記處

Butterfield Fund Services (Bermuda) Limited
Rosebank Centre
11 Bermudiana Road
Pembroke HM08
Bermuda

香港股份過戶登記分處

香港中央證券登記有限公司
香港灣仔皇后大道東183號
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1712-6室

註冊辦事處

Canon's Court
22 Victoria Street
Hamilton HM12
Bermuda

總辦事處

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

(Incorporated in Bermuda with limited liability)
(於百慕達註冊成立之有限公司)

HKSE code: 592

www.bossini.com