

02	CORPORATE PROFILE
04	MILESTONES
06	FINANCIAL AND OPERATIONS HIGHLIGHTS
08	CORPORATE INFORMATION
13	CHAIRMAN'S MESSAGE
18	OPERATIONS REVIEW
32	FINANCIAL REVIEW
36	BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT
41	REPORT OF THE DIRECTORS
63	AUDITORS' REPORT
65	CONSOLIDATED PROFIT AND LOSS ACCOUNT
66	CONSOLIDATED BALANCE SHEET
68	BALANCE SHEET
69	CONSOLIDATED CASH FLOW STATEMENT
71	CONSOLIDATED STATEMENT OF RECOGNISED GAINS AND LOSSES
72	NOTES TO THE ACCOUNTS
135	NOTICE OF ANNUAL GENERAL MEETING

contents

目錄

02	公司簡介
04	大事概要
06	財務及業務摘要
08	公司資料
13	主席獻辭
18	業務回顧
32	財務概況
36	董事及高級管理人員簡介
41	董事會報告
63	核數師報告
65	綜合損益表
66	綜合資產負債表
68	資產負債表
69	綜合現金流量表
71	綜合已確認收益及虧損報表
72	賬目附註
135	股東週年大會通告

Inner Health & Outer Beauty 秀外慧中 完全美麗

Trust Sa Sa to care for your inner health and outer beauty
莎莎為您盡心思，不論內外全面呵護，令您美麗健康更動人

All products featured in this annual report are retailed under Sa Sa's private labels or by Sa Sa as sole agent

此年報印載的產品皆為莎莎專有品牌或莎莎獨家代理的產品



Sa Sa International Holdings Limited ("Sa Sa" or "the Group") is a leading provider of beauty and health products and services in Asia. Listed on the Hong Kong Stock Exchange in 1997 (SEHK:178), Sa Sa employs over 1,800 staff across the region. Its vision is to become the dominant provider of "beauty + health" products and services in Asia.

Established in 1978, Sa Sa has grown from a 40 sq. ft. retail space to become today's regional 'beauty + health' enterprise. Its legendary brand strength in Asia is built on innovative cosmetics retailing at competitive prices in one-stop stores filled with top international brands.

Sa Sa has differentiated itself through the creation of an integrated 'beauty + health' platform, in three distinct business areas:

Retail - The Group sells over 400 brands, covering over 15,000 cosmetics, fragrances, skin care and hair care products including private labels and exclusive products. Its retail network currently comprises an extensive regional network of over 50 **Sa Sa Cosmetics** stores, as well as **La Colline** specialty stores and a new **Selective** store which offers products exclusive to Sa Sa. In mainland China, our subsidiary, **Sa Sa Ebeca**, now features a nationwide network of 162 retail counters. Our e-commerce platform, **sasa.com**, also offers 24-hour online shopping with its International, Hong Kong and Korean sites together with comprehensive product and corporate information.

莎莎國際控股有限公司（「莎莎」或「集團」）在亞洲銷售及經營美容健康產品服務，在業內居領導地位。莎莎於一九九七年在香港交易所上市（股份編號：178），在亞洲區僱用逾一千八百名員工。集團的目標是成為在亞洲銷售及經營「美容+健康」產品服務的翹楚。

於一九七八年成立的莎莎，已從最初面積僅四十平方呎的零售櫃位，發展成為現時業務遍及亞洲各地的「美+健」企業。莎莎品牌在亞洲享負盛名，乃基於其掌握創新的化妝品零售技巧，包括以極具競爭力的定價，通過一站式分店銷售種類繁多的國際名牌產品。

透過旗下三項主要的業務，莎莎正向全面「美+健」業務方向發展，並奠定了其獨特的市場地位：

零售業務 - 集團銷售逾四百個品牌，包括超過一萬五千種化妝品、香水、護膚和頭髮護理用品，以及集團專有品牌和獨家代理的名牌產品。集團亞洲區零售網絡包括逾五十間莎莎化妝品零售店、La Colline專門店，以及專門發售莎莎獨家代理品牌的全新Selective店。在中國大陸，集團的附屬公司莎莎依貝佳共設有一百六十二個零售專櫃，遍布全國。此外，集團電子商貿平台sasa.com現設有國際、香港及韓國網站，提供全日二十四小時網上零售服務，及豐富的產品和集團資訊。





Beauty Services - The Group operates a regional network of nine **Phillip Wain** health and beauty ladies' clubs in Malaysia, Singapore, Thailand and Hong Kong for a select membership of premium customers. **Sa Sa Beauty+** beauty and slimming centre in Hong Kong now offers quality and value-for-money beauty services for Sa Sa's loyal customers, including over 100,000 VIP members. In mainland China, utilising the eight beauty salons under the **Ebeca** brand, the Group offers beauty treatment services to loyal Ebeca customers throughout the PRC.



Exclusive Distributorship and Private Labels -

In addition to selling its private-label products, the Group also operates as the sole agent for many international cosmetic brands in Asia. Sa Sa currently handles over 50 exclusive major brands, including brand management and distribution. This business accounts for approximately 26.4% of the Group's total retail turnover.



美容服務 - 集團在馬來西亞、新加坡、泰國及香港共經營九間菲力偉女士健美中心，為尊貴會員提供卓越服務。香港Sa Sa Beauty+美容及纖體中心現為包括逾十萬位VIP會員的莎莎忠實顧客，提供優質超值的美容服務。在中國內地，集團則透過伊貝佳旗下八間美容中心，為全國各地的依貝佳忠實顧客提供美容護理服務。

獨家代理及專有品牌 - 除銷售專有品牌產品外，集團亦為多個國際化妝品品牌的亞洲區獨家代理。莎莎現獨家代理逾五十個主要品牌，負責這些品牌的形象推廣及分銷工作。此項業務佔集團總零售營業額約百分之二十六點四。





SEPTEMBER 2000
九月 2000

The acquisition of a majority stake in **Phillip Wain** provides the Sa Sa Group with a strong platform to develop a comprehensive 'beauty + health' business.

莎莎集團通過收購行動成為**菲力偉女子健美中心**大股東，為全面發展「美容 + 健康」業務奠定穩固基礎。



OCTOBER 2000
十月 2000

With its chain of **La Colline Specialty Stores**, the Group can now offer customers premium, tailored beauty services, while demonstrating its diverse brand-management capabilities.

設立**La Colline**專門店，為顧客提供高檔美容產品及服務，充分表現莎莎集團另一層面的品牌管理實力。



DECEMBER 2000
十二月 2000

Now providing 24-hour access to Sa Sa products, **sasa.com** offers the Group exciting new e-commerce opportunities.

Sasa.com讓顧客可隨時在網上選購莎莎產品，為集團開拓電子商貿業務。



MARCH 2001
三月 2001

Sa Sa's first exclusive health supplement marks our strategic diversification into the lucrative **health food** market.

莎莎首次取得健康食品的獨家代理權，邁進潛力優厚的**健康食品**市場，亦進一步實踐其多元化發展策略。



DECEMBER 十二月 2000

Our commitment to provide an enjoyable shopping experience for our customers is the driving force behind Sa Sa's new-look stores.

莎莎店舖的新設計，主要是使顧客更輕鬆自在地購物，體現了莎莎一貫「以客為先」的經營理念。



JUNE 六月 2001

Sa Sa Ebeca, as the Group's first step into the mainland China market, provides an extensive retail network across China for the Group's house brands.

莎莎依貝佳是集團進軍中國大陸市場的第一步。莎莎可通過其全國的分銷網絡銷售集團的獨家品牌產品。



JULY 七月 2001

The Launch of our Korean language Site strengthens our penetration of the Korean market, which has one of the highest e-shopping rates in Asia.

莎莎推出韓文版網站，進一步開拓享有亞洲最高網上購物率之一的韓國市場。



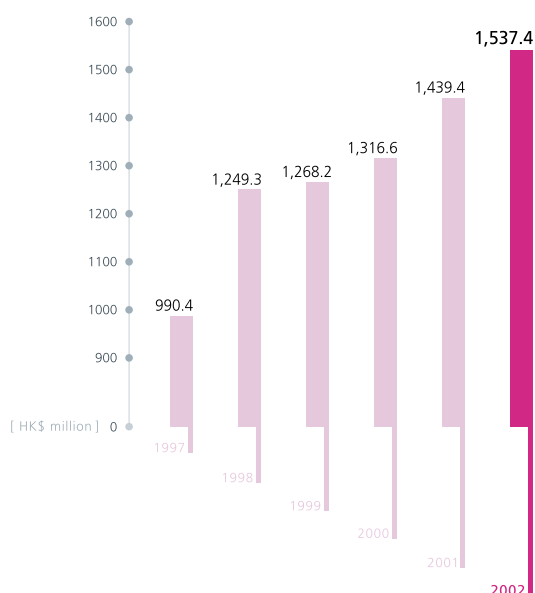
JULY 七月 2002

Sa Sa Beauty+ offers a one-stop cosmetics, beauty and slimming service to Sa Sa's loyal customers and broadens the Group's market base in beauty services.

Sa Sa Beauty+為莎莎的忠實顧客提供一站式化妝、美容及纖體服務，並把集團的美容業務擴大至更廣泛的顧客層。

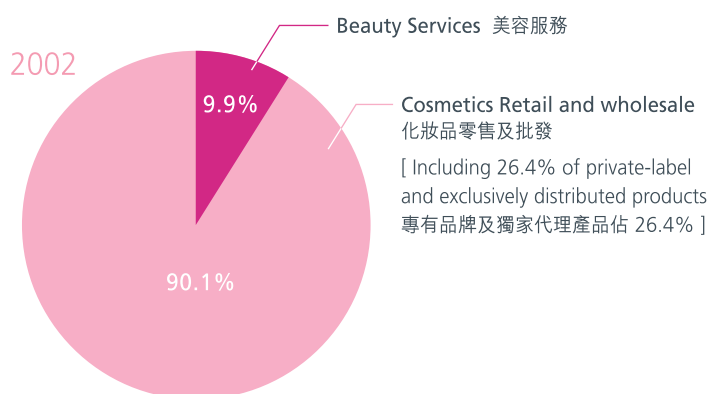
TURNOVER

營業額



TURNOVER BY BUSINESS

營業額按業務比例



FINANCIAL SUMMARY

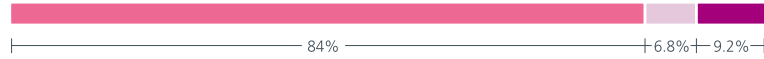
財務撮要

	2002	2001	Change 變動
Turnover (HK\$ million) 營業額 (百萬港元)	1,537.4	1,439.4	+7%
Gross profit (HK\$ million) 毛利 (百萬港元)	662.0	634.6	+4%
Shareholder's equity per share (HK\$/ share) 每股股本 (港元)	0.60	0.71	-15%
Cash & bank balances per share (HK\$/ share) 每股持有現金及銀行結餘 (港元)	0.50	0.44	+12%
Dividend per share (HK\$ cents) 每股股息 (港仙)	5 cents	5 cents	0%
Inventory level (HK\$ million) 存貨量 (百萬港元)	216.6	316.7	-32%
Inventory turnover (days) 存貨週期 (天)	89	142	53days

TURNOVER BY REGION

營業額按地區比例

2002



Total 合共: HK\$ 1,537.4 million 百萬港元

- Greater China (Hong Kong, Macau and mainland China) 大中華 (香港、澳門及中國大陸)
- Taiwan 台灣
- South Asia (Singapore, Malaysia & Thailand) 南亞洲 (新加坡、馬來西亞及泰國)

SA SA INTERNATIONAL GROUP'S BUSINESS NETWORK IN ASIA

莎莎國際集團的亞洲業務網絡



- No. of Sa Sa Retail Outlets
莎莎零售店舖數目
- No. of Sa Sa Ebeca Retail Counters
莎莎依貝佳零售專櫃數目
- ▲ No. of Phillip Wain Health and Beauty Clubs
菲力偉女子健美中心數目
- No. of Ebeca Beauty Salons
依貝佳美容中心數目

(As at 31st March 2002)
(截至二零零二年三月三十一日止)

Existing Operations

現時經營業務之地區:

- Hong Kong 香港
- Macau 澳門
- mainland China 中國大陸
- Taiwan 台灣
- Singapore 新加坡
- Malaysia 馬來西亞
- Thailand 泰國

BOARD OF DIRECTORS

Executive Directors

Mr. KWOK, Siu Ming, Simon

Mrs. KWOK, Law Kwai Chun, Eleanor

Mr. KING, Roger

- service agreement completed on 10th May 2002

Independent Non-executive Directors

Professor CHAN, Yuk Shee

Mr. CHENG, Ming Fun, Paul, JP

Mr. COULL, Gary William John

- retired at the Annual General Meeting held on 30th August 2001

Mrs. LEE, Look Ngan Kwan, Christina

Dr. LEUNG, Kwok Fai, Thomas

COMPANY SECRETARY

Mr. TSE, Ping Shing, FHKSA

HEAD OFFICE

14th Floor, Block B, MP Industrial Centre

18 Ka Yip Street

Chai Wan

Hong Kong

REGISTERED OFFICE

Ugland House

South Church Street

George Town

P.O. Box 309, Grand Cayman

Cayman Islands

British West Indies

董事會成員

執行董事

郭少明先生

郭羅桂珍女士

金樂琦先生

- 其服務協議已於二零零二年五月十日完成

獨立非執行董事

陳玉樹教授

鄭明訓先生JP

顧家利先生

- 於二零零一年八月三十日舉行之股東週年大會上退任

利陸雁群女士

梁國輝博士

公司秘書

謝炳盛先生FHKSA

總辦事處

香港

柴灣

嘉業街18號

明報工業中心B座14樓

註冊辦事處

Ugland House

South Church Street

George Town

P.O. Box 309, Grand Cayman

Cayman Islands

British West Indies

AUDITORS

PricewaterhouseCoopers
Certified Public Accountants

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Bank of Butterfield International (Cayman) Ltd.
Butterfield House
68, Fort Street
George Town
Grand Cayman
Cayman Islands
British West Indies

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Abacus Share Registrars Limited
5th Floor, Wing On Centre
111 Connaught Road Central
Hong Kong

PRINCIPAL BANKERS

Citibank N.A.
Standard Chartered Bank

WEBSITE

<http://www.sasa.com>

核數師

羅兵咸永道會計師事務所
執業會計師

主要股份過戶及登記處

Bank of Butterfield International (Cayman) Ltd.
Butterfield House
68, Fort Street
George Town
Grand Cayman
Cayman Islands
British West Indies

香港股份過戶及登記處

雅柏勤證券登記有限公司
香港
中環干諾道中111號
永安中心5樓

主要往來銀行

萬國寶通銀行
渣打銀行

網站

<http://www.sasa.com>





Suisse Programme is one of Sa Sa's private labels
Suisse Programme 為莎莎專有品牌之一

“Beauty is to be treasured
and nurtured.”





VICE CHAIRMAN ELEANOR KWOK
副主席 郭羅桂珍

CFO GUY LOOK
首席財務總監 陸楷

CHAIRMAN & CEO SIMON KWOK
主席兼行政總裁 郭少明

A weak global economy prevailed during the 2002 fiscal year, and this presented many challenges for businesses in every sector. Sa Sa was no exception, but thanks to our strong financial background and our prudent strategies of consolidation and building for the future, we managed to emerge from the year with some significant achievements. Based on the stability and strengths of our core business, the Board proposes to maintain a dividend at the same level as last year of HK\$5 cents per share. We look forward with growing confidence and efficiency to increased profitability and greater returns for our stakeholders.



The Group's core retailing business considerably outperformed the general economic sentiment, reflecting Sa Sa's sound fundamentals. Apart from the one-off costs and provisions, the Group's retail business remained stable and robust. Our retail operations in Hong Kong again recorded profit and growth.

Strategic measures were also taken to consolidate and rationalize the Group's operations, reflecting Sa Sa's ongoing efforts to constantly improve its business. Non-performing shops were closed in Taiwan and the inventory management of Sa Sa's entire retail network was significantly enhanced. Excess fat has been trimmed from the Group's business, paving the way for increased profitability and growth in the near future.

During the year, we undertook a critical review of Phillip Wain's operations, which led to some important adjustments and restructuring initiatives that will significantly benefit the business in the long term. We believe that Phillip Wain is now better positioned for future growth. **In the 2003 fiscal year, we will continue to review and recalibrate our operations wherever necessary to enhance the performance of all newly acquired businesses.**



於二零零二年度內，全球經濟疲弱，各行各業均面對許多挑戰，莎莎亦不例外。但有賴集團穩健的財務狀況及審慎的整固策略，使集團仍能在業務上取得一些顯著成績。由於集團核心業務穩健，董事會建議派付股息每股五港仙，與去年持平。我們預期未來集團將能更有效提升盈利能力及為股東帶來更大的回報。

集團的核心零售業務表現遠較整體經濟環境為佳，充分反映莎莎的實力。撇除一次性的撥備及費用，集團整體零售業務仍維持穩健。香港的零售業務更再次錄得增長及盈利。

年內集團進行策略性整固及改組業務，顯示了集團不斷改進其業務的努力。我們關閉了台灣表現欠佳的店舖，並顯著提升了莎莎整體零售業務的存貨管理。集團經精簡業務後，更有助提升集團未來的盈利能力及業務增長。

此外，集團對菲力偉的營運情況作出非常嚴謹的審度，並進行重要的調整及重組，有利菲力偉長線的發展。我們深信菲力偉現處於更有利位置以提升未來的增長。於二零零三年度內，我們將繼續檢討及整固營運情況，以進一步提升各項新購業務的表現。





The Group has a clear vision for the future, namely to **become Asia's dominant provider of beauty and health products and services**. This commitment remain unwavering. To achieve this, the Group will continue to leverage its unique competitive strengths - including strong brand equity, extensive industry experience, excellent management skills, a sound financial position and a huge and loyal region-wide customer base - to diversify our base of products and services around the core business concept of 'beauty + health'.

Cosmetic retailing, one of the Group's key business strengths, will remain an essential and vibrant aspect of our future strategies. In addition to strengthening our marketing promotions and continuing to enhance the layout and interiors of our stores, we aim to increase our customer base by targeting the needs of the increased flow of tourists from mainland China following on Hong Kong's relaxation of its PRC tourist quota. To more effectively capture this fast-growing market segment, Sa Sa will continue to adjust its merchandise offerings as appropriate.

Our range of product offerings will be broadened by securing more exclusive distribution rights from international brands, in order to meet the demands of our huge and diversified customer base. By increasing the number of exclusive distribution rights, we can exert further control on the promotion and pricing of products, thereby increasing our profit margin and narrowing competition in the market place. Meanwhile, **we will also extend the channels through which our products are available and increase the scope for revenue generation**. For example, in addition to Sa Sa retail stores, our products can also be found in our Phillip Wain and Sa Sa Beauty+ outlets.



集團的目標堅定，銳意成為亞洲區內最具領導地位的美容及健康產品服務供應商。為實踐這個目標，集團將繼續充分利用其特有的競爭優勢，包括家喻戶曉的「莎莎」品牌知名度、豐富的業內經驗及知識、優良的管理、雄厚的財務實力及亞洲區龐大忠實的客戶基礎等，以集團業務核心概念「美 + 健」為中心，發展多元化業務。

展望未來，莎莎最蓬勃強大的業務仍然是集團基礎業務 - 化妝品零售。除了加強市場推廣及陸續更新店面設計外，我們計劃針對隨著香港放寬內地旅客入境限制而出現的新增內地旅客的需要，擴大客戶基礎。為吸納這急速增長的顧客層，莎莎將繼續不斷在商品組合上作出調整。

集團將洽商獨家代理更多國際品牌產品以增加銷售產品系列，進一步滿足集團龐大及廣闊的客戶層。憑藉增加獨家代理品牌的數量，我們可加強產品市場推廣及在產品定價上有更大的自主權，從而改善集團的邊際毛利及減低市場的競爭。同時，我們將開拓化妝品分銷渠道，提高銷售額。現時集團的產品除在莎莎化妝品零售店外，更會透過菲力偉女子健美中心及Sa Sa Beauty+美容中心銷售。

莎莎首家 Sa Sa Beauty+ 美容及纖體中心最近於香港成立，旨在為莎莎的忠實顧客及新的顧客提供一站式化妝、美容及纖體服務。通過Sa Sa Beauty+及菲力偉，集團可把其美容服務擴大至更廣泛的顧客層及不同的市場。



In this context, we are delighted to celebrate the recent opening of our first Sa Sa Beauty+ beauty and slimming centre in Hong Kong. This initiative aims to provide one-stop cosmetics, beauty and slimming services to Sa Sa's loyal customers and, indeed, new ones too. The launch of Sa Sa Beauty+ will complement the beauty and health services already offered by Phillip Wain, and enable Sa Sa to target the needs of a broader market base.

As we seek to be the dominant health and beauty services provider in the region, **the Group will also continue to strive for enhanced sales and geographical expansion across the region.** Sa Sa Ebeca is the Group's first step into the China market and provides us with valuable market insight, as well as helping us to build a significant platform for exploiting this tremendous market opportunity. Using Sa Sa Ebeca's retail network, we plan to launch several exclusive fragrances nationwide in the upcoming months. We are also confident that a number of other exclusive skin care products can be successfully launched in the year ahead. Even more significantly, Sa Sa aims to set up standalone Sa Sa cosmetic stores in the PRC in the coming year.

By implementing strategic measures to rationalize our operations, we have built a firm foundation for future growth. As the retail sector in Asia starts its path to recovery, we will be poised to benefit from our robust network and extensive coverage in the region.

I would now like to take this opportunity to thank each of our employees for their dedication and commitment to realising Sa Sa's goal of becoming the dominant beauty and health services provider in Asia. To our shareholders, I would like to extend my gratitude for their support and confidence in the Group and its vision of the future. Each of us in the Sa Sa Group remains committed to repaying that confidence with increased shareholder value long into the future.



Simon Kwok 郭少明

Chairman and Chief Executive Officer 主席兼行政總裁

Hong Kong, 19th July 2002 香港·二零零二年七月十九日



在我們積極爭取成為區內具領導地位的健康和美容產品服務供應商的同時，集團仍繼續在區內致力提升銷售及進行地域上的擴展。莎莎依貝佳是集團進軍中國市場的第一步，令集團對中國大陸市場有更深認識，並協助集團為未來進軍龐大國內市場作好準備。我們計劃在未來數月內於依貝佳的全國銷售網絡推出數個獨家品牌香水，並有信心在來年能夠於中國內地推出其他獨家品牌的護膚產品。而最重要的是，集團計劃於來年在中國內地市場開設獨立的莎莎化妝品專門店。

通過策略性整固集團業務，集團已為未來的增長奠定穩固基礎。由於亞洲的零售業務開始復甦，莎莎將受惠於集團在區內強大的網絡及業務覆蓋範圍。

本人現謹此感謝所有員工，為集團實現莎莎成為亞洲區內最具領導地位的美容及健康產品服務供應商這目標所付出的努力，並衷心感謝股東對集團及其未來發展投下的支持和信心。莎莎集團全人將繼續努力，為股東爭取更豐盛的回報。





Exclusive brand fragrances for which Sa Sa is sole agent
莎莎為圖中香水的獨家代理

“Beauty needs no definition.
Beauty speaks for itself.”



For the year ended 31st March 2002, the Group's consolidated turnover amounted to HK\$1,537.4 million, **representing an increase of 6.8%** from HK\$1,439.4 million in the previous year. This growth was achieved through the continued development of the Group's retail business in Hong Kong, as well as the acquisition of new businesses.

The Group's pre-tax profit for the year, excluding non-recurring special items, was HK\$39.2 million. This represents a reduction against last year, mainly due to the substantial decrease in interest income following substantial cuts in bank deposit interest rates, and a drop in the Group's gross profit margin as a result of strategic clearance sales to improve the inventory management and future profitability of our retail operations.

The Group has placed **particular emphasis on inventory management**. As of 31st March 2002, the Group had successfully reduced the inventory turnover days to 89 days, from 142 days in the previous year, and cut stock levels by 31.6 % from HK\$316.7 million to HK\$216.6 million. This improvement lowers stockholding costs, reduces demand for working capital, and enhances the efficiency of inventory management, supply chain management and overall operations. As at 31st March 2002, net cash and bank balances increased to HK\$652.6 million.



截至二零零二年三月三十一日止年度，集團的綜合營業額為十五億三千七百四十萬港元，較去年的十四億三千九百四十萬港元**增加百分之六點八**。營業額的增長主要是由於香港的零售業務持續增長及新購入業務的貢獻。

集團於年內的稅前盈利（不包括非經常性特殊項目）為三千九百二十萬港元，較去年減少主要是因為銀行存款利率大幅下降令利息收入減少，及集團為改善存貨管理和未來盈利能力而作出策略性清貨特賣，令集團的毛利率下降。

在存貨管理方面，集團亦積極採取措施改善。截至二零零二年三月三十一日，集團成功把庫存週期由去年的一百四十二天減至八十九天，存貨量亦減低百分之三十一點六，從三億一千六百七十萬港元降至二億一千六百六十萬港元。存貨量減低不單可減省存貨成本，減少營運資金需求，並可提升存貨及供應鏈管理，以至整體營運的效率。於二零零二年三月三十一日，淨現金及銀行結餘增加至六億五千二百六十萬港元。

Highlights of the Group's achievements for the year ended 31st March 2002, are:

- Group turnover increased by 6.8% to HK\$1,537.4 million
- The retail business in Hong Kong achieved a year-on-year increase of 7.1% in the second half of the year, putting this market's turnover growth at 4.2% in the fiscal year.
- Gross profit increased by 4.3% to HK\$662.0 million.
- The Group's net cash and bank balances increased to HK\$652.6 million as at 31st March 2002, up from HK\$593.1 million the previous year.
- Total inventory was reduced by 31.6% from HK\$316.7 million to HK\$216.6 million and inventory turnover was reduced from 142 days to 89 days.
- The Group's subsidiary in the PRC market, Sa Sa Ebeca, was acquired in July 2001, bringing the Group a total of 162 sales counters and eight beauty salons as of March 2002.
- The Korean-language site of sasa.com was launched in July 2001 successfully, leading to a substantial increase in its annualized sales.

For the year ended 31st March 2002, the Group's results were affected by a number of non-recurring special items, totalling HK\$103.4 million. These included, firstly, provisions and restructuring costs relating to our newly acquired businesses. Secondly, the Group's leasehold land and buildings experienced a revaluation deficit. Thirdly, the Group took the conservative stance of making provision for impairment of the fixed assets of sasa.com. Lastly, the Group incurred shop closure costs in Taiwan, which came as a strategic response to that market's adverse retailing environment.

We are pleased to report that **the core business of the Group - namely, cosmetics retailing - remains strong and profitable, despite the fiscal year's one-off costs and provisions.**



本集團截至二零零二年三月三十一日止財政年度的成績概要：

- 集團總營業額上升百分之六點八，達十五億三千七百四十萬港元
- 香港零售業務於下半年較去年同期增長百分之七點一，而全年度增長為百分之四點二
- 毛利上升百分之四點三，至六億六千二百萬港元
- 集團的淨現金及銀行結餘於二零零二年三月三十一日增至六億五千二百六十萬港元，而去年為五億九千三百一十萬港元
- 總存貨量下降了百分之三十一點六，從三億一千六百七十萬港元下減至二億一千六百六十萬港元，庫存週期亦由一百四十二天減至八十九天
- 集團於二零零一年七月在中國內地收購莎莎依貝佳為附屬公司。截至二零零二年三月止，其在中國共有一百六十二個零售專櫃及八間美容院
- sasa.com韓文版在二零零一年七月成功推出，全年營業額因而大幅上升

截至二零零二年三月三十一日止財政年度內，集團業績受到一些非經常性特殊項目影響，這些項目合計一億零三百四十萬港元，包括：(一)新購入業務的撥備及重組費用，(二)集團自用物業的減值撥備，(三)集團因應謹慎會計政策而為sasa.com的固定資產作出撥備，及(四)由於台灣零售環境惡劣，集團因而作出策略性決定在當地關閉店鋪的費用。

儘管本年度業績受到一次性的撥備及費用所影響，集團的核心業務，即化妝品零售業務，仍然非常穩健及錄得盈利。

PRIVATE LABELS AND EXCLUSIVELY DISTRIBUTED PRODUCTS

The Group's sales of private-label products and exclusively distributed products contributed 26.4% of the Group's total retail sales. The sales of these products in Hong Kong and Macau achieved a growth of 8.3% during the year under review. Our La Colline specialty stores successfully grew alongside our existing retail network, contributing to an increase of over 20% in the overall sales of La Colline products. Our success in boosting both the image and sales of La Colline **clearly demonstrates the Group's brand-management capabilities and now empowers the Group to develop further in this direction.**

During the year, the Group added a number of new brands, including Christian Breton, Pikenz the First, and the fragrances of Benetton and Sergio Tacchini, to its portfolio of exclusively distributed products. The Group believes that continuous development of private labels and expansion of its exclusive-brand portfolio provide a strong base for future development and higher gross profit margins.

The Group extended the distribution channel for its exclusive products by offering them through the Phillip Wain network, further enhancing the visibility and profile of these products.

Following the successful launch of the Yuerong Beauty Preserver in March 2001, the Group has now expanded its health food offerings. We will continue to expand in this market and will consider selling health food products and supplements via the Phillip Wain network and the Group's upcoming beauty salons.



專有品牌及獨家代理產品

集團專有品牌及獨家代理產品的銷售額佔集團總零售營業額的百分之二十六點四。這些產品在香港及澳門市場的銷售年內更取得百分之八點三的增長。而La Colline專門店已成功與現有的莎莎銷售網絡產生協同作用，使整體La Colline 產品的銷售額上升逾百分之二十。我們成功提高了La Colline 的品牌形象及銷售額，充分證明了集團在品牌管理上的能力，並加強集團在此方面作進一步發展。

年內集團在現有的獨家代理產品組合上增添多項新產品，包括Christian Breton、Pikenz the First 及Benetton和Sergio Tacchini 的香水。集團相信持續加強專有及獨家代理的產品組合有助集團未來發展及提升毛利率。

此外，集團為擴大獨家代理產品的顧客層面，更把它們引入菲力偉作銷售，以增加這些獨家產品的銷售渠道。

隨著「悅容養顏」於二零零一年三月成功推出，集團已增加售賣不少健康食品，集團將繼續開拓健康食品市場，並考慮在現有菲力偉及將成立的美容中心銷售有關健康食品。



RETAIL BUSINESS

In the fiscal year 2002, the Group's retail turnover reached HK\$1,344.2 million, a similar level to the previous year's HK\$1,348.3 million. The 4.2% growth of Hong Kong and Macau, the Group's largest market, was to a certain extent offset by a substantial drop in the Taiwan market due to further shop closures. Although the retail environment around the region remains challenging, operating profit for the retail business, before non-recurring items, reached HK\$63.6 million.

Our focused efforts on clearance sales and improved inventory management reduced total stock levels of retail business by HK\$108.4 million. These measures lowered the gross profit margin of the Group's retail sales by more than 2% during the year. **However, the reduction in inventory levels will strengthen our stock management and improve our operational efficiency, which will enhance our future financial performance.**

During the year, the Group pursued a stringent cost-reduction programme to enhance the cost-efficiency of its operations. Measures included reductions in both labour force and compensation packages, which resulted in a decrease of 148 staff. These measures will contribute to an annualized cost saving of about HK\$10 million. Together with other cost-reduction efforts, the Group was able to decrease overall expenses for its retail business by 4.8%.

“What are Sa Sa's main strengths ?”

We have built a great brand that everyone knows, and we have an unmatched range of products for our huge, loyal and region-wide customer base. Our relationships with our vendors are excellent, our sales professionals give quality service, and we have a long-established network of more than 50 retail outlets in prime Asian locations, as well as a retail presence across 40 cities in the burgeoning mainland China market.

We have extensive industry experience and a clear business focus on “beauty + health”, supported by well thought-out corporate strategies, including an attractive online presence. A robust balance sheet and a strong management team are adding fresh new dynamics to this remarkable company.



零售業務

在二零零二年度，集團的零售業務總營業額為十三億四千四百二十萬港元，與去年十三億四千八百三十萬港元相若。集團的最大市場香港及澳門，營業額取得百分之四點二增長，但由於在台灣進一步關閉店舖而令台灣營業額大幅下跌，使集團的整體零售營業額受到影響。儘管區內的零售環境仍然困難，但零售業務未計非經常性特殊項目的經營溢利仍錄得六千三百六十萬港元。

經清貨特賣及改善存貨管理後，零售業務總存貨降低了一億零八百四十萬港元。雖然這些措施使集團零售業務的毛利率在年內下降逾百分之二，但減低存貨量有助加強存貨管理、改善營運效率，更可提高未來的財務表現。

年內，集團推行嚴謹的減省成本措施，以提高業務的成本效益。措施包括精簡人手及薪酬調整，使員工人數減少了一百四十八名。此等措施預計可全年節省有關支出約一千萬港元。加上其他減省成本措施，集團成功把零售業務的總體支出減少了百分之四點八。

莎莎的優勢在哪裡？

莎莎品牌家喻戶曉，產品種類之多無出其右，更有區內龐大而忠實的顧客基礎作支持。我們與各地供應商享有良好的合作關係，專業售貨員服務出色；我們擁有龐大的亞洲區銷售網絡，在亞洲各主要地區設有逾五十間零售店，並在中國大陸四十個城市設有零售網絡，掌握當地市場蓬勃發展。

我們具有豐富的業內經驗及明確的「美容及健康」業務方向，周全的企業策略，更有卓越的電子商務作支持。加上穩健的財務表現及經驗豐富的管理層，我們相信莎莎未來定可更上一層樓。

Q&A

Hong Kong and Macau

Turnover for the year in Hong Kong and Macau increased by 4.2% to HK\$1,157.3 million. **Notably, the Group achieved turnover for the second half of the fiscal year of 16.5% above that of the first half of the year, and 7.1% up on the corresponding period of the previous year.** The Group boosted sales through increased sales drives, opened new stores in prime locations and conducted successful clearance sales. The Group also benefited from increased PRC tourist arrivals since January 2002, following the relaxation of visa quotas for mainland tourists. Set against the backdrop of a sluggish retailing environment, such growth demonstrates the strength of Sa Sa's position in the market.

Three new Sa Sa stores were opened during the year, bringing the total number of outlets in Hong Kong and Macau to 35.



“How does Sa Sa manage to sell quality products at such competitive prices?”

Sa Sa applies its global sourcing and purchasing capabilities to getting the best value products, buying in bulk to increase its bargaining power. A further factor is our excellent long-term relationships with vendors. While we pride ourselves on our ability to offer generous discounts, we also take exceptional care to ensure that everything we sell is genuine and in tip-top condition.



UNITED COLORS
OF BENETTON.

香港及澳門

香港及澳門年內的營業額上升百分之四點二至十一億五千七百三十萬港元，營業額較上半年及去年同期分別增長達百分之十六點五及百分之七點一。集團透過加強鼓勵前線銷售員工、在繁忙地點開設新店以增加營業額。此外，年內的清貨特賣也為營業額帶來貢獻。由於香港在二零零二年一月起放寬內地旅客入境限制，新增的內地旅客亦令集團受惠。相對於呆滯的零售市道，營業額的增長彰顯了莎莎在市場上的實力。

年內集團增設了三間莎莎化妝品店，使香港及澳門的店舖總數增至三十五間。

莎莎為什麼能以這樣相宜的價錢，出售優質的產品？

莎莎憑著環球採購專長，得以精選最物有所值的產品，並透過大量購貨而提高議價能力；而我們與供應商保持長期良好關係也是箇中關鍵。我們的優勢不僅是為顧客提供豐厚的折扣優惠，更竭盡所能確保所售的商品皆是正貨，品質上乘。

Q&A

Taiwan

Poor consumer sentiment, largely attributable to a weak economy, has made Taiwan a challenging market for retailers. In the year ending 31st March 2002, the Group closed five underperforming stores, out of a total of eight, resulting in closure costs of HK\$10.7million. The Group remains confident of this market's long-term growth potential, and will continue to monitor the market situation.

Singapore and Malaysia

Turnover in Singapore and Malaysia decreased as a result of the generally dampened economy but the consolidated results of these markets remain positive. At the end of March 2002, the total number of stores in Singapore and Malaysia was maintained at nine and seven respectively. The Group remains committed to expanding its share of these two markets when their economies start to pick up.

E-TAILING – SASA.COM

Following the launch of our Korean-language site in July 2001, annualized sales of sasa.com substantially increased. Turnover for the year amounted to approximately HK\$10 million. During the year, the logistics and product mix were further enhanced to achieve a higher gross profit margin. With continuing effort, we intend to further increase the gross profit margin and, in combination with stringent cost controls, the Group aims to lower sasa.com's break-even point.

With Hong Kong, Korean and international versions of our Web site, overseas orders currently constitute over 90% of our total online sales. **This multilingual, 24-hour sales platform is doing much to increase Sa Sa's public profile and international market penetration, allowing us to test out markets and establish brand names even in markets where we do not yet have a presence.** It also strengthens our communication with customers, investors, shareholders, as well as existing and prospective business partners, through the provision of comprehensive information on products and promotions, as well as corporate developments.

台灣

由於台灣經濟持續疲弱引致零售市道不景，對零售商而言，台灣市場仍充滿挑戰。年初集團在台灣原有八間店舖，期間關閉了五間表現欠佳的店舖，因而錄得一千零七十萬港元的關閉店舖費用。但集團對台灣市場的長線增長潛力具有信心，因此仍會繼續審慎觀察當地市場發展。

新加坡及馬來西亞

經濟不景令新加坡及馬來西亞營業額下跌，但綜合而言，仍然錄得盈利。於二零零二年三月底，新加坡及馬來西亞的店舖總數分別為九間及七間。待經濟復甦時，集團仍會致力擴大在兩地的市場佔有率。

電子商務 — SASA.COM

網站的韓文版於二零零一年七月推出後，sasa.com的全年營業額大幅增長。而截至二零零二年三月止年度的營業額約為一千萬港元。年內，我們進一步改善物流管理及商品組合，以提高毛利率。這些措施將持續執行，相信毛利率會繼續改善；加上嚴格控制成本，集團希望達到降低sasa.com收支平衡點之目標。

sasa.com自推出香港、韓國及國際版後，海外訂單現時佔整體網上營業額逾百分之九十。這二十四小時運作兼具三種語文的電子銷售平台大大提高莎莎的知名度及加強集團開拓海外市場，也可使集團在未設有店舖的海外市場，先建立莎莎的品牌及測試市場的反應。同時，網站提供了詳盡的產品和推廣資料，以至集團的發展情況，加強了集團與顧客、投資者、股東及業務夥伴的溝通。



유명 화장품



SA SA EBECA

As the Group's first step into the vast PRC market, the Group acquired Shenzhen Sa Sa Ebeca Enterprise Limited on 1st July 2001 at a consideration of approximately HK\$28.4 million for its 55% stake. The remaining 45% stake is held by Shenzhen Ebeca Enterprise Company Limited. In the nine months to March 2002, this new subsidiary contributed HK\$31.3 million to the Group's turnover.

During the year under review, Sa Sa Ebeca provided invaluable information and expertise that will help spearhead the Group's expansion into the PRC. It also assisted the Group in obtaining product approval for its exclusive products.

For the period from July 2001 to March 2002, Sa Sa Ebeca opened five new beauty salons, in Chengdu, Shanghai, Shenzhen and Dalian, bringing the total number of its beauty salons to eight. At the close of the fiscal year, Sa Sa Ebeca was operating 162 retail counters in over 40 cities across the PRC. Forty-nine of these counters were directly managed and 113 franchised. We will continue to review its business operations and retail network, as well as to strengthen its management and business base, in order to enhance its performance and to facilitate Sa Sa's future development in mainland China.



EBECA



莎莎依貝佳

集團於二零零一年七月一日購入深圳莎莎依貝佳實業有限公司(「莎莎依貝佳」)的百分之五十五股權，作價約二千八百四十萬港元，作為開拓中國大陸市場的第一步。其餘的百分之四十五股權由深圳依貝佳實業有限公司持有。在二零零一年七月至二零零二年三月九個月期間，此附屬公司為集團帶來三千一百三十萬港元的營業額。

年內，集團通過莎莎依貝佳加深對國內市場的認識，有助集團在國內擴展業務。同時莎莎依貝佳亦協助集團的獨家產品辦理有關在內地銷售的批檢手續。

在二零零一年七月至二零零二年三月期間，莎莎依貝佳增設了五間美容院，分別位於成都、上海、深圳及大連，使美容院總數增至八間。截至本年度止，莎莎依貝佳在四十多個中國城市設有一百六十二個零售專櫃，四十九個為直接經營，一百一十三個是以特許經營方式運作。我們將繼續檢討其運作及零售網絡，並加強其管理及業務基礎，從而提高其業務表現及協助集團在國內的未來發展。

BEAUTY SERVICES

Phillip Wain

Phillip Wain's turnover for the year ended 31st March 2002 was HK\$151.9 million. This was lower than expected, despite the opening of two new clubs during the fiscal year - one in Malaysia in August 2001, and one in Singapore in September 2001 - taking the total number of clubs to nine. The unexpected events of 11th September 2001 led to a marked downturn in the economies of these two markets, resulting in a reduced demand for premium-brand health and beauty services. In addition, expenses related to the opening of the two new clubs increased our financial burden.



The Group has taken steps to improve the situation at Phillip Wain, including a change of top management, reorganisation and de-layering of middle management, improved management and staff accountability and strengthened internal communication. The Group is in the process of upgrading and enforcing new policies, procedures and systems, as well as considering other strategies and measures to improve Phillip Wain's performance and service to its customers. By understanding the business more fully, we aim to gain more control over future operations.

The Group is pleased with progress relating to the litigation between Sa Sa International and Mr Edwin J. Phillips. The Group's management believes that the litigation will have no material impact on the Phillip Wain operation or the

Group's future performance.



美容服務

菲力偉

截至二零零二年三月三十一日止，菲力偉的營業額為一億五千一百九十萬港元。雖然期內開設了兩間新會所 - 一間於八月在馬來西亞開幕，另一間於九月在新加坡開幕，令會所總數增至九間，但營業額仍較預期為低。二零零一年的九一一事件使星馬市場經濟明顯下滑，導致高檔次的美容及健身服務需求下降。同時，兩間新會所亦加重了整體之財務負擔。

集團已採取一系列措施改善菲力偉的營運情況，包括撤換高級管理層、重組及精簡中級管理層、加強管理層及員工的問責度及內部溝通。本集團正致力改善及嚴格執行有關的制度、程序及系統，並考慮運用其他策略及措施，以提升菲力偉整體表現及客戶服務。在加強對業務上的了解後，集團希望未來能對其業務運作掌握得更好。

至於莎莎國際跟菲力艾雲先生的法律訴訟進展，集團表示滿意。管理層相信訴訟不會對菲力偉的日常營運及集團的未來業績帶來重大影響。

Phillip Wain
FITNESS AND BEAUTY





EMPLOYEES

As at 31st March 2002, the Group had a total of 1,845 employees. The staff costs for the year was HK\$282.9 million. To ensure that the Group is able to attract and retain talented staff, remuneration packages are reviewed on a regular basis and share options, as part of basic remuneration packages, have also been offered to key employees. Staff development initiatives were implemented through in-house training programmes and the provision of financial subsidies for external training courses.

OUTLOOK

In the first few months of fiscal year 2003, the Group's retail sales in Hong Kong and Macau, which represent three-quarters of the Group's total turnover, achieved a **satisfactory growth despite a poor economic environment**. Looking forward, the Group is cautiously optimistic that this momentum will be sustained and will further benefit from the influx of PRC tourists arising from the relaxation of the PRC visitor quotas in Hong Kong in 2002. We will continue to adjust our merchandise selection to more effectively serve these tourists' needs.

Although immediate economic prospects around the region remain uncertain, the Group is confident of continued growth in the long term and is thus committed to regional expansion. We will actively pursue opportunities as they arise to develop new and existing markets. Sa Sa's relatively small overseas base provides significant growth opportunities.



員工

於二零零二年三月三十一日，集團共僱有一千八百四十五名員工。年內的員工成本為二億八千二百九十萬元。為吸引及僱用優秀的員工，集團會定期檢討員工薪酬及福利。除基本薪酬福利外，部份主要員工更獲分配認股權。在員工培訓及發展方面，集團乃通過內部培訓課程進行及為外間培訓課程給員工提供資助。

展望

在二零零三財政年度最初的數月內，佔集團整體營業額約四分之三之香港及澳門零售營業額，**在疲弱的經濟環境下，仍錄得理想增長**，成績令人滿意。展望未來，集團抱審慎樂觀的態度，相信這升勢將會維持。同時，自二零零二年起中國來港旅客的限額已獲放寬，新增的內地旅客亦令集團受惠。在貨品採購方面，我們將繼續作出相應調整，以更有效滿足這些旅客的需要。

縱然區內的經濟前景不明朗，但集團對區內長線的增長潛力仍信心十足，因此我們仍致力在區內擴展，並積極尋找發展機會以進一步拓展現時的市場及開發市場。莎莎在海外市場的業務規模相對較小，相信可為我們帶來較大的增長機會。



Exclusive Distributorship and Private labels

The Group is committed to becoming the exclusive distributor for an increasing portfolio of top international cosmetic brands, and to further expanding our business in exclusive distributorship and private labels. We aim to increase the share of this business to 30% of the Group's total retail turnover. This will strengthen our competitive position, increase our market share and enhance our profit margin. We will continue to grow the sales of our exclusive products by leveraging the full strength of our retail network distribution channels, including Phillip Wain and Sa Sa's new beauty centres as additional channels for retail sales.

Beauty Services

We see growth potential in beauty services and are committed to developing this area by extending our existing service range to different market segments. In addition to the premium ladies' beauty and health clubs of Phillip Wain, the Group opened its first "Sa Sa Beauty+" beauty and slimming centre end of June 2002, covering over 5,000 sq. ft. in the bustling Causeway Bay district of Hong Kong. Designed to extend the range of our services to Sa Sa's solid base of loyal customers and to become their one-stop-shop for cosmetics, beauty and slimming services, Sa Sa Beauty+ offers advanced beauty treatment services with an emphasis on quality and value for money. Sa Sa's loyal customers, including over 100,000 VIP members, have an increasing need for beauty treatment services. To cater for such needs, Sa Sa plans to open more Sa Sa Beauty+ centres in key strategic locations where Sa Sa stores are established.



獨家代理及專有品牌

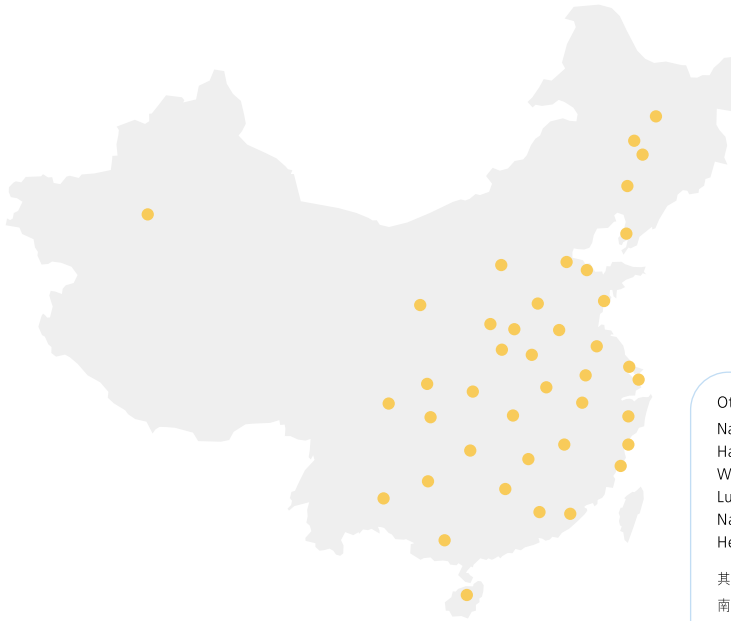
集團矢志拓展獨家代理及專有品牌，未來將積極爭取成為更多著名國際化妝品牌的獨家代理。我們希望把這方面業務在集團零售業務營業額所佔的比率提升至百分之三十。獨家代理品牌將提升集團的競爭優勢、提高集團的市場佔有率及邊際利潤。同時，集團將繼續努力提高獨家產品的銷售額，除在現時的零售網絡銷售外，還會加上菲力偉及莎莎的美容中心作為額外的銷售渠道。

美容服務

有見美容服務業的增長潛力，集團決定在這方面進一步拓展，把現時的服務範疇伸延至不同的市場及顧客層。除了集團現有的菲力偉高級美容及健美會所外，於二零零二年六月底，集團亦於香港繁盛的銅鑼灣區開設首間Sa Sa Beauty+美容及纖體中心，佔地逾五千平方呎。莎莎的忠實顧客，包括逾十萬名尊貴會員，除化妝品外，對美容護理服務的需求亦日趨殷切。為配合這些顧客的需要，集團開設了Sa Sa Beauty+，致力為她們提供更多服務，包括高質素及物超所值的最新美容護理，讓顧客享受一站式化妝、美容及纖體服務。此外，集團並計劃於莎莎的重點零售地區開設更多Sa Sa Beauty+，進一步提升對這些忠實顧客的服務。



Sa Sa Ebeca's Existing Sales Network in the PRC
莎莎依貝佳現時在中國的銷售網絡



- over 40 cities in China
覆蓋中國超過40個城市
- over 162 sales counters located in major department stores and shopping arcades
逾162個銷售專櫃，分設於各大主要百貨公司及商場

Directly-managed sales counters in:
直接管理的銷售專櫃：

- Beijing 北京
- Shanghai 上海
- Shenzhen 深圳
- Guangzhou 廣州
- Chengdu 成都
- Dalian 大連

(As at 31st March 2002)
(截至二零零二年三月三十一日止)

Other cities:

Nanjing, Tianjin, Qingdao, Kunming, Xian, Nanning, Haerbin, Zhengzhou, Handan, Jilin, Changchun, Wulumuqi, Hangzhou, Fuzhou, Jinan, Wuhan, Wuxi, Anshan, Shijiazhuang, Ningbo, Wenzhou, Shenyang, Chongqing, Luoyang, Changsha, Datong, Nanchang, Guiyang, Guilin, Haikou, Huizhou, Nantong, Zhanjiang, Zunyi, Dongguan, Zhongshan, Danshui, Zhuhai, Hefei, Suzhou

其他經銷城市：

南京、天津、青島、昆明、西安、南寧、哈爾濱、鄭州、邯鄲、吉林、長春、烏魯木齊、杭州、福州、濟南、武漢、無錫、鞍山、石家莊、寧波、溫州、瀋陽、重慶、洛陽、長沙、大同、南昌、貴陽、桂林、海口、惠州、南通、湛江、遵義、東莞、中山、淡水、珠海、合肥、蘇州

Growth in Mainland China

The Group's application for product approval in the mainland market is making good progress via Sa Sa Ebeca. Three exclusive-brand fragrances, including Blumarine and Montana, have already been approved and will be launched on Sa Sa Ebeca's nationwide retail network in the near future.

With the PRC's accession to the World Trade Organisation, the retail market in China is growing in vitality. Sa Sa already enjoys strong brand recognition in mainland China and is highly regarded as a trustworthy cosmetics retailer by consumers. Moreover, Sa Sa's one-stop-shop concept of providing a wide range of products and quality service is unique in the mainland China, where large-scale cosmetic chains are unknown and there is a strong demand for overseas cosmetic brands. **For these reasons, we firmly believe that Sa Sa is well positioned to make strong inroads into this emerging market, which offers vast potential for significant growth.** In the coming years, we remain committed to focusing on PRC expansion and plan to set up dedicated Sa Sa stores in China in the near future.

中國業務的發展

集團透過莎莎依貝佳在中國內地辦理化妝品入口申請的進展理想。其中三個獨家代理品牌的香水，包括Blumarine及Montana，已獲成功批核，並將於短期內透過莎莎依貝佳全國零售網絡銷售。

隨著中國加入世貿，中國零售市場正迅速增長。莎莎在國內已享有很高的知名度，並被消費者公認為可信賴之化妝品零售商。此外，莎莎一站式的營銷概念，為顧客提供種類繁多的產品及高質素服務，在國內而言，唯莎莎獨有。國內現時欠缺大型化妝品連鎖店，而且對外國品牌化妝品需求甚殷。因此，我們深信莎莎在這具有龐大發展潛力的新興市場中已佔據有利位置。未來數年，我們仍將致力開拓中國市場，並計劃在短期內在國內開設莎莎化妝品專門店。





SELECTIVE
by SASA

Future Growth

Overall, by leveraging on our competitive strengths, we are building a solid foundation for future growth. Those strengths include established brand awareness and reputation, a strong and loyal customer base (including the PRC tourists), a widespread sales network and market presence in the region, extensive sourcing ability with strong bargaining power, and our proven experience in the cosmetics business.

At the same time, the Group continues to exercise vigilant cost controls, striving to improve operational efficiency and profit margins. In the year ahead, we will make concerted efforts to further enhance the performance of the Group's newly acquired businesses. There is no doubt that our core business, cosmetic retailing, remains strong and provides a solid foundation for the Group's future growth.

未來發展

集團擁有家喻戶曉的「莎莎」品牌、連同中國大陸遊客在內的龐大而忠實的顧客基礎、亞洲區廣泛的銷售及業務網絡、環球的採購能力、強大的議價能力及豐富的化妝品業務經驗等。集團正憑藉這些競爭優勢，積極為未來發展建立穩固基礎。

與此同時，集團將繼續嚴格控制成本，力求進一步改善營運效率和邊際利潤。此外，我們會在未來致力提升集團新購入業務的表現。而集團的核心化妝品零售業務，作為集團未來發展的穩固基礎，將繼續保持強大及穩健增長。



“Make-up is the key
to looking good and
feeling great.”





Cyber Colors is one of Sa Sa's private labels
Cyber Colors 為莎莎專有品牌之一



CAPITAL RESOURCES AND LIQUIDITY

The Group's total shareholders' funds were HK\$792.2 million, of which reserves were HK\$660.3 million at the year end. As at 31st March 2002, the Group continued to maintain a strong financial position with net cash and bank balances at HK\$652.6 million. The Group's working capital was HK\$740.5 million. With solid recurring cash flow from operations and existing cash and bank facilities, the Group has adequate financial resources to fund its future investment and expansion.

Most of the cash and bank balances were deposited in the leading banks and their returns were affected by the substantial drop of bank deposit interest rates during the year.

FINANCIAL POSITION

Total funds employed (including shareholders' funds, bank loans and overdrafts, and obligations under finance leases) for the year ended 31st March 2002 was HK\$803.0 million, which represented a 12.3% decrease over the figure of HK\$915.3 million for the year ended 31st March 2001.

The decrease in inventories from HK\$316.7 million last year to HK\$216.6 million as at 31st March 2002 enhanced the working capital of the Group.

The gearing ratio, defined as the ratio of total loans less cash balances to total assets, was nil as at 31st March 2002 and 2001.

資本及流動資金

集團股東權益達港幣七億九千二百二十萬元，其中截至年底之儲備金達港幣六億六千零三十萬元。截至二零零二年三月三十一日止，集團



之財務狀況維持穩健，銀行淨現金達港幣六億五千二百六十萬元，營運資金為港幣七億四千零五十萬元。基於來自業務營運的穩固循環現金流量、手持現金及現有銀行信貸，集團掌握充裕財務資源以應付未來投資及發展。

集團大部分現金及存款均存放於大銀行，惟其回報因年內銀行利率大幅下降而受到影響。

財務狀況

截至二零零二年三月三十一日止之年度運用資金總額（包括股東權益、銀行貸款及透支、及融資租約之承擔）為港幣八億零三百萬元，較去年同期之港幣九億一千五百三十萬元，下降百分之十二點三。

存貨由去年的港幣三億一千六百七十萬元下降至二零零二年三月三十一日之港幣二億一千六百六十萬元，令集團營運資金更穩厚。

集團於二零零二年及二零零一年三月三十一日之槓桿比率均為零。槓桿比率為總負債減去現金及存款後與總資產之比例。



TREASURY POLICIES

The Group continued to adopt a conservative approach in financial risk management. The majority of the Group borrowings were in Hong Kong dollar and were arranged on a floating rate basis. The Group does not have significant exposure to foreign exchange fluctuations as most of its assets, receipts and payments are in Hong Kong or U.S. dollars. The Group will, however, monitor its foreign exchange position and, when appropriate, the Group will hedge its foreign exchange exposure by way of forward foreign exchange contracts.

The Group's treasury management policy is not to engage in any highly leveraged or speculative derivative products.

CHARGE ON GROUP ASSETS

The assets of certain Group subsidiaries, including fixed assets with a net book value of HK\$13.0 million, have been pledged to secure general banking facilities amounting to HK\$3.6 million, of which HK\$2.6 million has currently been utilized. As at 31st March 2002, a property of a subsidiary with a net book value of HK\$3.0 million had been pledged against an installment loan.

CONTINGENT LIABILITIES

The Group's contingent liabilities as at 31st March 2002 were HK\$28.1 million, comprising letters of credit and bank guarantees issued in lieu of deposits.



庫務政策

集團於財務風險管理方面繼續維持審慎態度。集團大部分的借貸均為港元，利息以浮動利率計算。由於集團大部分資產、收款及付款均為港元或美元，所以不會大幅受到外幣匯率波動之影響。惟集團會審視其外匯狀況，並於適當時候，以遠期外匯合約對沖外幣風險。

集團的理財政策是不參與高風險之投資或投機性的衍生工具。

集團資產之抵押

集團將旗下某些附屬公司之資產（包括帳面淨值達港幣一千三百萬元之固定資產），被用作抵押，以取得港幣三百六十萬元之銀行信貸，其中已行使之款項為港幣二百六十萬元。於二零零二年三月三十一日，集團一間附屬公司一項帳面淨值為港幣三百萬元之物業亦被用作一項貸款之抵押。

或然負債

集團於二零零二年三月三十一日之或然負債為港幣二千八百一十萬元，包括信用證及取代按金之銀行擔保。





Exclusive brand hair care products for which Sa Sa is sole agent
莎莎為圖中頭髮護理產品的獨家代理



“Beauty is the
perfect balance
of inner and outer self.”

EXECUTIVE DIRECTORS**KWOK, Siu Ming, Simon*, Chairman**

Mr. KWOK, Siu Ming, Simon, aged 49, is the Chairman of Sa Sa. Together with his wife, Eleanor, Mr. Kwok founded the company in 1978 and successfully listed the company on the Stock Exchange of Hong Kong in June 1997 with the share offering more than 500 times oversubscribed. Over the past two decades, Mr. Kwok transformed the company from a two-person, 40-sq-ft. store into a regional network of operations with over 1,800 employees, over 50 retail outlets and 160 counters in major Asian markets, successfully carving out the important market niche that the Group now occupies. Mr. Kwok is currently the Honorary President of the Cosmetic & Perfumery Association of Hong Kong.

KWOK, Law Kwai Chun, Eleanor*, Vice-Chairman

Mrs. KWOK, Law Kwai Chun, Eleanor, aged 48, who co-founded the company with her husband, has more than 29 years experience in the sales and marketing of cosmetics products. With extensive professional knowledge and many years of experience in cosmetics retailing, she pioneered the unique operational concept of open-shelf display of products, offering customers the convenience of choosing and sampling from a wide range of products to make shopping a more enjoyable experience. Mrs. Kwok plays a leading role in the development of the Group's corporate image and staff training. Prior to starting the business, she was a beauty consultant for a household cosmetic brand name.

INDEPENDENT NON-EXECUTIVE DIRECTORS**Professor CHAN, Yuk Shee#**

Professor CHAN, Yuk Shee, aged 48, has served as a Non-Executive Director and Chairman of Audit Committee of the Group since November 1999. Professor Chan is currently the Vice President for Academic Affairs as well as Professor of Finance at the Hong Kong University of Science and Technology (HKUST). Previously, he was the Founding Dean of the HKUST Business School from 1993 to 2000. He obtained a Ph.D. in finance, an MBA and M.A. in economics from the University of California at Berkeley. He is a member of the American Finance Association, Asia Pacific Finance Association and Hong Kong Securities Institute.

* A Member of the Executive Committee

A Member of the Audit Committee

^ A Member of the Compensation Committee

執行董事**主席，郭少明***

郭少明先生，四十九歲，集團主席。郭氏於一九七八年與太太羅桂珍共同創立莎莎，並於一九九七年六月成功在香港上市，股份認購率超逾五百倍。過去二十多年，莎莎在郭氏的領導下，由佔地四十平方呎的化妝品零售櫃位，發展至今天的亞洲零售網絡，僱用逾一千八百名員工，於主要亞洲城市設有超過五十間零售店及逾一百六十個零售專櫃。郭氏憑藉過人的市場觸覺，成功抓緊商機，令集團在化妝品零售市場上穩佔重要席位。郭氏現任香港化妝品同業協會榮譽主席。

副主席，郭羅桂珍*

郭羅桂珍女士，四十八歲，與丈夫郭少明同為集團創辦人。郭女士累積逾二十九年營銷及推廣化妝品的經驗，資歷深厚。憑著廣泛的專業知識及多年化妝品零售經驗，郭女士首創開放式產品陳列概念，方便客戶隨意挑選琳琅滿目的貨品，締造更寫意的購物體驗。此外，她亦負責管理集團形象設計及員工培訓工作。創業以前，郭女士曾為一著名化妝品牌擔任美容顧問。

獨立非執行董事**陳玉樹教授#**

陳玉樹教授，四十八歲，一九九九年十一月起出任集團非執行董事兼審核委員會主席，現為香港科技大學「科大」學術副校長及財務系教授。在出任現職之前，陳教授曾於一九九三年至二零零零年間擔任科大商學院第一任院長。陳教授於加州柏克萊大學取得財務學哲學博士、工商管理碩士及經濟學碩士學位，亦是美國財務學會、亞太金融學會及香港證券學院之會員。

* 行政委員會成員

審核委員會成員

^ 薪酬委員會成員

CHENG, Ming Fun, Paul^{#^}, JP

Mr. CHENG, Ming Fun, Paul, JP, aged 65, has been an Independent Non-Executive Director of the Company since February 2000. He was formerly Chairman of Inchape Pacific Limited, N M Rothschild & Sons (Hong Kong) Limited and the Hong Kong General Chamber of Commerce as well as a member of the Hong Kong Legislative Council. He is currently a Steward of The Hong Kong Jockey Club and holds a number of directorships in listed companies in both Hong Kong and the United Kingdom. He has been an adjunct professor of Management of Organizations at the Hong Kong University of Science and Technology and is also a member of the Council of the Chinese University of Hong Kong.

LEE, Look Ngan Kwan, Christina

Mrs. LEE, Look Ngan Kwan, Christina, aged 77, was appointed a Non-Executive Director in May 1997. She is the widow of the founder of Television Broadcasts Limited, Mr. Lee Hsiao-Wo. Mrs. Lee has been a director of Television Broadcasts Limited since 1981 and is actively involved in Caritas, Hong Kong, a local charitable organization.

Dr. LEUNG, Kwok Fai, Thomas^{#^}

Dr. LEUNG, Kwok Fai, Thomas, aged 53, was appointed to the Board in January 2000. He has over 20 years' experience in management consultancy and is an expert in the design and implementation of leading edge human resources policies. Dr. Leung holds a Ph.D. in Business Administration from the University of Illinois. He is very active in public service and was formerly Chief Executive - Asia, for Hay Group, one of the world's leading management consultancies.

SENIOR MANAGEMENT

LOOK, Guy, Chief Financial Officer

Mr. LOOK, Guy, aged 46, was appointed Chief Financial Officer (CFO) of the Group in March 2002. Prior to joining Sa Sa, Mr. Look was the CFO and an Executive Director of Tom.com Limited. Mr. Look has over 20 years of experience in local and overseas financial and general management, and was a Deputy Managing Director of ONFEM Holdings Limited; a Director and the Chief Executive Officer of Tung Wing Steel Holdings Limited (renamed Shougang Concord International Enterprises Co. Ltd.) and a Director of Santai Manufacturing Limited (renamed Shougang Concord Technology Holdings Ltd.); all of which are listed on the Main Board of The Stock Exchange of Hong Kong Ltd. He holds a Bachelor's degree in Commerce from the University of Birmingham, England and is an associate member of the Institute of Chartered Accountants in England and Wales, and an associate member of the Hong Kong Society of Accountants.

鄭明訓^{#^} JP

鄭明訓先生，太平紳士，六十五歲，二零零零年二月起出任獨立非執行董事。鄭氏為英之傑太平洋有限公司、洛希爾父子（香港）有限公司及香港總商會等機構之前主席及香港之前立法局議員。鄭氏現時為香港賽馬會及一些香港及英國上市公司之董事。他同時為香港科技大學之兼任教授及香港中文大學校董。



利陸雁群

利陸雁群女士，七十七歲，一九九七年五月起加入本集團出任非執行董事。利女士是電視廣播有限公司創辦人利孝和先生之遺孀，一九八一年起出任電視廣播有限公司董事。利女士積極參與本地慈善團體香港明愛舉辦之慈善活動。

梁國輝博士^{#^}

梁國輝博士，五十三歲，二零零零年一月起獲委任加入集團董事局。梁博士擁有逾二十年管理顧問工作經驗，擅長設計及推行新穎出色的人力資源政策。梁博士身任多項公職，包括政府多個委員會及各大學董事會成員。梁氏於美國伊利諾大學取得工商管理博士學位，曾任世界著名管理顧問公司Hay Group亞洲區行政總裁。

高級管理人員

首席財務總監，陸楷

陸楷先生，四十六歲，二零零二年三月起出任莎莎之首席財務總監。在出任現職之前，陸氏為Tom.com公司之財務總監兼執行董事。他擁有逾二十年於本港及海外之財務及管理工作經驗，亦曾擔任東方有色集團有限公司副董事總經理、東榮鋼鐵集團有限公司（已改名為首長國際企業有限公司）之董事兼行政總裁及三泰製造有限公司（已改名為首長科技集團有限公司）之董事，全部均在聯交所主板上市。陸氏持有英國伯明翰大學頒發之商科學士學位，並為英國及威爾斯特許會計師公會會員及香港會計師公會會員。

LI, Ping Yee, Louisa, Senior Vice President, Beauty Services

Ms. LI, Ping Yee, Louisa, aged 45, was appointed as Senior Vice President - Beauty Services for the Group in July 2002. She is responsible for the management and development of the Group's Beauty Services business throughout the region, including Phillip Wain and Sa Sa Beauty+. Ms. Li has over 18 years of experience in beauty, slimming and hair care services, including three years managing cosmetic brands at Loreal Group, and the last five years as Operations Director for an international chain of beauty and slimming centers in Asia. Ms. Li graduated in business studies from York University, Canada.

CHAN, Cheuk Kai, Chris, Vice President, Information Technology

Mr. CHAN, Cheuk Kai, Chris, aged 42, joined Sa Sa as Vice President of Information Technology in September 1999. Previously, he worked in Vanda Computer & Equipment Co. Ltd. from which he gained cutting-edge knowledge providing consultancy services for clients of various industries including garment, toys, electronics manufacturing and airfreight. Prior to this, he worked as MIS Director of Giordano Group and was responsible for system development and setting up computer sites in Hong Kong and the PRC. He also served ESPRIT De Corp (Far East) Ltd., Fang Brothers Knitting Ltd. and Carlingford Life & General Assurance. Mr. Chan has the NCC Certificate in System Analysis and Design certified by National Computer Centre in the U.K.

LAW, Kin Ming, Peter, Vice President, Product Development and Purchasing

Mr. LAW, Kin Ming, Peter, aged 46, is Vice President of Product Development and Purchasing. He joined the Group in January 1996. Mr. Law has more than 20 years' experience in the field of sales and marketing, nine of which were in senior management positions. Mr. Law oversees the Group's product development and purchasing including local and regional purchasing operations. He is also responsible for the Group's acquisition of exclusive distribution rights and development of own brands. He holds a bachelor's degree in arts majoring in communication studies from the University of Windsor, Ontario, Canada. Then he pursued a bachelor's degree in commerce in 1981. Mr. Law is Mrs. Kwok's brother.

美容業務高級副總裁，李冰儀

李冰儀小姐，四十五歲，二零零二年七月起出任集團美容業務的高級副總裁，負責集團美容業務，包括菲力偉及Sa Sa Beauty+ 的營運和發展。李小姐擁有逾十八年豐富的亞洲區美容、纖體及頭髮護理服務經驗，包括曾於Loreal Group旗下的化妝品牌擔任了三年管理職位。加盟莎莎前，李小姐於一家國際連鎖經營的美容及纖體中心任職亞洲區營運總監達五年。李小姐畢業於加拿大約克大學，主修商科。

資訊科技副總裁，陳焯楷

陳焯楷先生，四十二歲，一九九九年九月起加入莎莎出任資訊科技副總裁。在此之前，陳氏任職中聯電腦(國際)有限公司，為各行各業的客戶提供顧問服務，當中包括成衣、玩具、電子生產及空運業，累積了不少寶貴的專業知識。加入該公司以前，陳氏曾於佐丹奴集團任職資訊部總監，負責在香港及中國大陸推行系統開發工作及設立電腦中心，此外亦曾任職ESPRIT de Corp (Far East) Ltd.、Fang Brothers Knitting Ltd.及Carlingford Life & General Assurance公司。陳氏取得英國National Computer Centre之系統分析及設計之NCC證書。

產品發展及採購副總裁，羅建明

羅建明先生，四十六歲，一九九六年一月起加入集團出任產品發展及採購副總裁。羅氏擁有逾二十年銷售及市場推廣工作經驗，其中九年歷任高級管理層職位。羅氏負責集團產品發展及採購工作，包括本港及地區性的採購業務，並負責為集團獲取獨家分銷權及開發獨有品牌。羅氏畢業於加拿大安大略省Windsor大學，獲傳理系學士學位。其後彼於一九八一年繼續深造，修讀商業學士學位。羅先生乃郭羅桂珍女士之弟。

LEE, Tee Chin, Vice President, General Manager of Singapore

Mr. LEE, Tee Chin, aged 40, joined Sa Sa in May 1997 and was appointed Vice President - General Manager of Singapore in January 2001. Previously, he was the Financial Controller of the Singapore Operations. He has accumulated over 16 years' experience in finance and general management in the trading & retail industry. Before joining the Company, he served as the Group Chief Accountant at Dickson Trading (Singapore) and a professional accountant at Ernst & Young. Mr. Lee holds a bachelor's degree in Accountancy from the National University of Singapore and is a member of the Institute of Certified Public Accountants of Singapore.

LOI, Wei Sin, Corina, Vice President, General Manager of Malaysia

Ms. LOI, aged 42, joined Sa Sa in October 1997 and was appointed Vice President - General Manager of Malaysia in January 2001. She was a crucial member of the start-up team for Malaysian operations. Ms. Loi has over 19 years of marketing and retail experience ranging from health food products to high fashion. Prior to joining Sa Sa, she was with the Dickson Trading (Singapore).

TANG, Wing Kei, Joe, Vice President, Sales Operations & Administration

Mr. TANG, Wing Kei, Joe, aged 40, joined Sa Sa as Vice President of Sales Operations & Administration in January 2002. He has more than 17 years working experience, of which 10 years were in retail sector. He was the General Manager of "Toy R Us" managing the 5 mega stores in Hong Kong. Before joining Sa Sa, he was the General Manager of Dickson Cyberconcept. He holds a MBA degree from the University of Hull, U.K.

副總裁兼新加坡總經理，李智真

李智真先生，四十歲，一九九七年五月加入莎莎，二零零一年一月獲委任為集團副總裁兼新加坡總經理。在此以前，他出任新加坡辦事處財務總監一職，在貿易及零售業的財務和一般管理有逾十六年經驗。加入集團以前，他於迪生貿易（新加坡）擔任集團總會計師，亦曾為安永會計師事務所任專業會計師。李氏畢業於新加坡國立大學，持有會計學位，亦是新加坡特許會計師公會會員。

副總裁兼馬來西亞總經理，雷慧馨

雷女士，四十二歲，一九九七年十月加入莎莎，並於二零零一年一月獲委任為集團副總裁兼馬來西亞總經理。雷氏為集團開發馬來西亞市場的主要成員。她在健康食品以至高級時裝的市務及零售工作擁有逾十九年經驗。加入莎莎前，她曾於迪生貿易（新加坡）工作。

營運及行政副總裁，鄧永基

鄧永基先生，四十歲，二零零二年一月起加盟莎莎，出任營運及行政副總裁。鄧氏擁有超過十七年工作經驗，其中十年從事零售業。他曾出任玩具反斗城總經理一職，管理香港五間大型店舖。而加入集團以前，他乃Dickson Cyberconcept的總經理。鄧氏持有英國University of Hull之商業管理碩士學位。



TSE, Ping Shing, Ricky, Vice President, Compliance & Internal Control and Company Secretary

Mr. TSE, Ping Shing, Ricky, aged 41, joined Sa Sa as Vice President of Compliance & Internal Control and as Company Secretary in November, 1999. He is a fellow member of the Hong Kong Society of Accountants and the Association of Chartered Certified Accountants. Before joining Sa Sa, he was Finance and Administration Controller of JOS Distribution, a division of Jardine Matheson & Co. Ltd. Prior to that, he also held managerial position with System-Pro Computers Ltd. He started his career in CPA firms and gained substantial experience in internal auditing from working with reputable companies, including Wellcome Co. Ltd. and Inchcape Group. Mr. Tse is a graduate of the University of Leicester, the United Kingdom and holds a Master of Science Degree in Finance.

WONG, Sau Han, Carmen, Vice President, Human Resources

Ms. WONG, Sau Han, Carmen, aged 42, joined Sa Sa in December 2001 as the Vice President - Human Resources. She has over 20 years of professional experience in Human Resources, of which the past 11 years were in the retail industry. Prior to joining Sa Sa, Ms. Wong was the HR Director of a Hong Kong listed retail company. She obtained her Master degree in Human Resources Management from Salford University in the UK.

WONG, Tai Chung, Kenneth, Vice President of Finance & Accounting

Mr. WONG, Tai Chung, Kenneth, aged 39, joined Sa Sa as Vice President of Finance & Accounting in June 2001. He is a fellow member of Chartered Institute of Management Accountants and an associate member of Hong Kong Society of Accountants. Prior to Sa Sa, he held various senior positions in BAA Group, OneResource Group, Wellcome, Dairy Farm Group and A.S. Watson Group where he gained over 15 years solid finance and accounting experience in various industries and extensive experience and knowledge in mergers and acquisition, divestment and setting up joint ventures in Asia, Australasia and Europe. He also has wide experience in retail strategic management, business and shareholders' base diversification, business re-engineering and setting up shared service finance, central procurement and logistics functions.

Mr. Wong received his MBA from the University of Hull, U.K.

內部監控副總裁兼公司秘書，謝炳盛

謝炳盛先生，四十一歲，一九九九年十一月起出任集團內部監控副總裁兼公司秘書。謝氏為香港會計師公會及英國特許公認會計師公會資深會員。加盟莎莎以前，謝氏曾任怡和有限公司旗下怡和科達財務總監。在此之前，他曾於東寶電腦有限公司擔任管理層職位。謝氏早年任職會計師行，並累積了豐富的內部審計經驗，當中包括惠康有限公司與英之傑集團等享負盛名的公司。謝氏畢業於英國列斯特大學，取得財務碩士學位。

人力資源副總裁，黃秀嫻

黃秀嫻女士，四十二歲，二零零一年十二月起加入莎莎，出任集團人力資源部總裁。黃氏在人力資源方面擁有超過二十年之專業經驗，其中十一年任職零售行業。在加入莎莎以前，她為香港一家零售業上市公司的人力資源總監。黃氏持有英國Salford University人力資源管理碩士學位。

財務及會計副總裁，黃大聰

黃大聰先生，三十九歲，於二零零一年六月出任財務及會計副總裁，黃氏為特許管理會計師公會資深會員及香港會計師公會會員。加入莎莎以前，他曾於聚英匯、宏智、惠康、牛奶集團及屈臣氏出任財務要職，積累了逾十五年會計及財務經驗，對合併收購及投資方面具備豐富經驗和知識；曾協助企業在亞洲、澳大利亞及歐洲創建合資和投資公司。黃氏亦曾廣泛參與零售策略管理、擴大業務和股權分佈工作、機構重組、設立財務共享服務、中央採購和物流管理。

黃氏持有英國University of Hull的工商管理碩士學位。



The directors present their report together with the audited accounts of the Company and the Group for the year ended 31st March 2002.

董事會提呈本公司與本集團截至二零零二年三月三十一日止年度之報告及經審核賬目。

PRINCIPAL ACTIVITIES AND GEOGRAPHICAL ANALYSIS OF OPERATIONS

主要業務及按地區分析業務

The principal activity of the Company is investment holding. Its subsidiaries are principally engaged in the retailing and wholesaling of a wide range of brand name cosmetic products and the provision of beauty and health club services.

本公司主要業務為投資控股，其附屬公司主要從事多種名牌化妝品之零售和批發與及提供美容和健美中心服務。

An analysis of the Group's turnover and loss before taxation for the year by principal activities and geographical areas of operation is set out in note 2 to the accounts.

本集團本年度按主要業務及經營地區劃分之營業額及除稅前虧損之分析載於賬目附註2。

RESULTS AND APPROPRIATIONS

業績及溢利分配

The results for the year are set out in the consolidated profit and loss account on page 65.

本集團本年度之業績載於第65頁綜合損益賬內。

An interim dividend of 1.0 HK cents (2001: 1.0 HK cents) per share was paid on 16th January 2002. The directors recommend the payment of a final dividend of 4.0 HK cents (2001: 4.0 HK cents) per share. Total dividends paid and declared for the year ended 31st March 2002 amounted to HK\$64,128,000.

本公司已於二零零二年一月十六日派發中期股息每股1.0港仙(二零零一年:1.0港仙)。董事會現建議派發末期股息每股4.0港仙(二零零一年:4.0港仙)。截至二零零二年三月三十一日止年度已派及擬派股息合共64,128,000港元。

FINANCIAL SUMMARY

財務摘要

A summary of the results, assets and liabilities of the Group for the last five financial years is set out as follows:

本集團過去五個財政年度之業績、資產及負債摘要如下：

		2002	2001	2000	1999	1998
			(Restated)	(Restated)	(Restated)	(Restated)
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
Turnover	營業額	1,537,411	1,439,369	1,316,614	1,268,247	1,249,329
(Loss)/profit before taxation	除稅前(虧損)/溢利	(64,196)	(74,410)	79,012	(91,296)	305,065
Taxation (charge)/credit	稅項(支出)/撥回	(9,652)	(7,746)	(5,516)	3,257	(26,489)
Minority interests	少數股東權益	2,673	(2,095)	—	—	(169)
(Loss)/profit attributable to shareholders	股東應佔 (虧損)/溢利	(71,175)	(84,251)	73,496	(88,039)	278,407
Total assets	資產總值	1,094,152	1,175,472	1,228,456	1,202,865	1,491,213
Total liabilities	負債總值	(295,595)	(262,527)	(106,314)	(100,321)	(159,237)
Minority interests	少數股東權益	(6,379)	32,181	—	—	(4,138)
Net assets	資產淨值	792,178	945,126	1,122,142	1,102,544	1,327,838

Notes:

- Loss before taxation for the year ended 31st March 2001 has been restated to reflect the impairment loss on goodwill as explained in the principal accounting policy set out in note 1(f)(i) to the accounts. This change has no effect on the closing retained earnings for the relevant year.
- In accordance with the revised Statement of Standard Accounting Practice 9 "Events after the Balance Sheet Date" issued by the Hong Kong Society of Accountants, dividends proposed by the Company after the balance sheet date may no longer be treated as a liability at the balance sheet date. Total liabilities and net assets for the year ended 31st March 1998 to the year ended 31st March 2001 inclusive have been restated to reflect this change in accounting policy.

附註:

- 截止二零零一年三月三十一日止年度之除稅前虧損已予重列，以反映賬目附註1(f)(i)主要會計政策所闡釋之商譽減值。此項改變對有關年份之期末滾存溢利並無構成影響。
- 根據香港會計師公會頒佈之經修訂會計準則第九號「資產負債表日後事項」，本公司於結算日後擬派之股息不再確認為結算日之流動負債。截止一九九八年三月三十一日止年度至截止二零零一年三月三十一日止年度之負債總值及資產淨值已予重列，以反映此項會計政策之改變。

MAJOR CUSTOMERS AND SUPPLIERS

The aggregate percentage of sales and purchases attributable to the Group's five largest customers and suppliers respectively are less than 30% of the total sales and purchases for the year.

RESERVES

Movements in reserves during the year are set out in note 20 to the accounts.

FIXED ASSETS

Details of the movements in fixed assets of the Group are set out in note 13 to the accounts.

SHARE CAPITAL

Details of the movements in share capital of the Company during the year are set out in note 19 to the accounts.

SHARE OPTIONS

(I) Share Option Scheme

(a) Purpose

The Company's Share Option Scheme ("the Scheme") was adopted and became effective on 22nd May 1997 for the purpose of providing incentives to directors and eligible employees by the granting of share options.

(b) Qualifying Participants

Under the Scheme, options may be granted to directors, senior executives or employees of the Company or its subsidiaries.

主要客戶及供應商

本集團五大客戶及供應商年內之銷售總額及採購總額分別佔本集團銷售總額及採購總額少於30%。

儲備

年內本集團及本公司儲備之轉撥數額及詳情載列於賬目附註20。

固定資產

本集團固定資產於年內之變動載列於賬目附註13。

股本

年內本公司股本之變動詳情載列於賬目附註19。

購股權

(I) 購股權計劃

(a) 目的

本公司之購股權計劃(「該計劃」)於一九九七年五月二十二日被採納並生效,以通過授出購股權之方式,獎勵董事及合資格僱員。

(b) 參與者資格

根據該計劃,本公司可向本公司或其附屬公司之董事、高級行政人員或僱員授出購股權。

SHARE OPTIONS (CONTINUED)

(c) *Maximum number of Shares*

The maximum number of shares in respect of which options may be granted under the Scheme is 10% of the issued share capital of the Company from time to time (excluding shares issued pursuant to the Scheme). The maximum entitlement of each participant is 25% of the maximum number of shares in respect of which options may be granted as calculated above.

(d) *Option Exercise Period*

The period within which the shares must be taken up under an option is determined by the Board from time to time, except that such period shall not expire later than 10 years from the date of grant of the option. The minimum period, if any, for which an option must be held before it can be exercised is determined by the Board from time to time.

(e) *Exercise Price and Consideration*

The exercise price shall be determined by the Board and shall not be less than the higher of the nominal value of a share and 80% of the average of the closing prices of the shares for the five business days immediately preceding the date of grant of the option. Effective from 1st September 2001, the exercise price must be at least the higher of (i) the closing price of the shares on the date of option grant, which must be a business day, and (ii) the average closing price of the shares for the five business days immediately preceding the date of grant in accordance with paragraph 17.03 of the Listing Rules.

Consideration to be paid on each grant of option is HK\$1.00. Full amount of the exercise price must be paid on the exercise of option.

購股權 (續)

(c) 購股權股份數目上限

根據該計劃，可予授出之購股權所涉及之股份數目上限，最多以本公司不時之已發行股本（不包括根據該計劃而發行之股份）之10%為限。每位參與人有權獲授購股權之股份數目，最多以可予授出之購股權所涉及之股份數目上限（按上述方式計算）之25%為限。

(d) 購股權行使期限

董事會會不時決定可根據購股權認購股份之期間，惟該段期間之屆滿日期不得遲於購股權授出日期起計屆滿十年當日。董事會亦會不時決定購股權於獲行使前須由持有人持有之最短期間（如有）。

(e) 購股權行使價及代價

購股權之行使價乃由董事會決定，惟不得低於以下兩項中之較高款額：(i)股票之面值；及(ii)股份於緊接購股權授出日期前五個營業日之收市價平均數之80%。由二零零一年九月一日起，購股權之行使價必須為以下兩項較高之款額：(i)授出購股權當日股份收市之價格，當天必須為營業日；及(ii)根據香港聯交所上市規則17.03段，股份於緊接購股權授出日期前五個營業日之收市價平均數。

每宗授出之購股權均須收取1港元之代價。

SHARE OPTIONS (CONTINUED)

購股權 (續)

(f) Remaining Life of the Scheme

The Scheme has a life of ten years and shall expire on 21st May 2007.

(f) 購股權計劃之餘下有效期

該計劃之有效期為十年，並將於二零零七年五月二十一日終止。

(g) Options granted to Employees under Continuous Contracts

Details of the share options outstanding as at 31st March 2002 which were granted to employees under continuous contracts are as follows:-

(g) 連續合約僱員之購股權

於二零零二年三月三十一日，授與連續合約僱員之未獲行使購股權詳情如下:-

Date of grant	Subscription price per share	Exercisable period	Vesting period	Options outstanding as at 31st March 2001	Options granted during the year	Options exercised during the year	Options lapsed during the year	Options outstanding as at 31st March 2002
授出日期	每股份認購價	行使期	行使前持有期	於二零零一年三月三十一日未獲行使之購股權	於年內授出之購股權	於年內已獲行使之購股權	於年內失效之購股權	於二零零二年三月三十一日未獲行使之購股權
9th September 1997 一九九七年九月九日	HK\$2.01 2.01港元	9th September 1997 to 8th September 2007 一九九七年九月九日至 二零零七年九月八日	-	1,808,000	-	-	-	1,808,000
9th September 1997 一九九七年九月九日	HK\$2.01 2.01港元	8th September 1998 to 8th September 2007 一九九八年九月八日至 二零零七年九月八日	1 year 一年	1,808,000	-	-	-	1,808,000
9th September 1997 一九九七年九月九日	HK\$1.90 1.90港元	8th September 1998 to 8th September 2007 一九九八年九月八日至 二零零七年九月八日	1 year 一年	7,098,000	-	-	-	7,098,000
7th May 1999 一九九九年五月七日	HK\$0.648 0.648港元	7th May 1999 to 6th May 2009 一九九九年五月七日至 二零零九年五月六日	-	3,240,000	-	(3,240,000) note (ii) 附註(ii)	-	-
10th April 2000 二零零零年四月十日	HK\$1.25 1.25港元	30th September 2002 to 10th April 2010 二零零二年九月三十日至 二零一零年四月十日	2.5 years 二年半	3,194,000	-	-	(3,194,000)	-

SHARE OPTIONS (CONTINUED)

購股權 (續)

Date of grant 授出日期	Subscription price per share 每股股份認購價	Exercisable period 行使期	Vesting period 行使前持有期	Options outstanding as at 31st March 2001 於二零零一年 三月三十一日 未獲行使之購股權	Options granted during the year 於年內授出 之購股權	Options exercised during the year 於年內 已獲行使 之購股權	Options lapsed during the year 於年內 失效 之購股權 note (i) 附註(i)	Options outstanding as at 31st March 2002 於二零零二年 三月三十一日 未獲行使 之購股權
14th April 2000 二零零零年四月十四日	HK\$1.22 1.22港元	14th April 2003 to 14th April 2010 二零零三年四月十四日至 二零零零年四月十四日	3 years 三年	323,000	-	-	(323,000)	-
14th June 2000 二零零零年六月十四日	HK\$0.96 0.96港元	14th June 2003 to 14th June 2010 二零零三年六月十四日至 二零零零年六月十四日	3 years 三年	229,000	-	-	-	229,000
19th June 2000 二零零零年六月十九日	HK\$0.94 0.94港元	19th June 2003 to 19th June 2010 二零零三年六月十九日至 二零零零年六月十九日	3 years 三年	217,391	-	-	-	217,391 note (iv) 附註 (iv)
21st June 2000 二零零零年六月二十一日	HK\$0.93 0.93港元	21st June 2001 to 21st June 2010 二零零一年六月二十一日至 二零零零年六月二十一日	1 year 一年	504,000	-	-	(92,000)	412,000
21st June 2000 二零零零年六月二十一日	K\$0.93 0.93港元	21st June 2002 to 21st June 2010 二零零二年六月二十一日至 二零零零年六月二十一日	2 years 二年	504,000	-	-	(92,000)	412,000
19th July 2000 二零零零年七月十九日	HK\$0.92 0.92港元	19th July 2003 to 19th July 2010 二零零三年七月十九日至 二零零零年七月十九日	3 years 三年	170,940	-	-	(170,940)	-
4th June 2001 二零零一年六月四日	HK\$0.68 0.68港元	4th June 2002 to 4th June 2011 二零零二年六月四日至 二零零一年六月四日	1 year 一年	-	196,078 note (iii) 附註 (iii)	-	-	196,078
4th June 2001 二零零一年六月四日	HK\$0.68 0.68港元	4th June 2003 to 4th June 2011 二零零三年六月四日 至二零零一年六月四日	2 years 二年	-	196,078 note (iii) 附註 (iii)	-	-	196,078
4th June 2001 二零零一年六月四日	HK\$0.68 0.68港元	4th June 2004 to 4th June 2011 二零零四年六月四日至 二零零一年六月四日	3 years 三年	-	196,079 note (iii) 附註(iii)	-	-	196,079

SHARE OPTIONS (CONTINUED)

Notes:

- (i) During the year, 3,871,940 share options lapsed upon resignation of several employees in accordance with the terms of the Scheme.
- (ii) During the year, 3,240,000 share options were exercised by an ex-director of the Company in accordance with the terms of the Scheme. The closing price of the shares immediately before the date of exercise is HK\$0.77.
- (iii) During the year, 588,235 share options were granted to an employee of the Company. The closing price of the shares immediately before the date on which the options were granted is HK\$0.86.
- (iv) Subsequent to the year end, 217,391 share options lapsed upon resignation of an employee in accordance with the terms of the Scheme.
- (v) Subsequent to the year end, 13,791,285 share options were granted to employees of the Company as follows:-
- (1) 4,000,000 share options granted on 24th April 2002 at an exercise price of HK\$0.80 per share which was to become exercisable for the period from 24th April 2003 to 24th April 2012. The vesting period is one year.
 - (2) 5,000,000 share options granted on 24th April 2002 at an exercise price of HK\$0.80 per share which was to become exercisable for the period from 24th April 2004 to 24th April 2012. The vesting period is two years.
 - (3) 4,791,285 share options granted on 24th April 2002 at an exercise price of HK\$0.80 per share which was to become exercisable for the period from 24th April 2005 to 24th April 2012. The vesting period is three years.

The closing price of the shares immediately before the date on which the options were granted is HK\$0.79.

(h) Options granted to Directors

No option has been granted to the directors of the Company during the year under the Scheme (2001: Nil).

購股權 (續)

附註:

- (i) 年內因有數名僱員離職，3,871,940購股權已按該計劃條款失效。
- (ii) 年內一名前董事按該計劃條款行使3,240,000購股權。行使購股權前一天股份之收市價為0.77港元。
- (iii) 年內本公司授予一名僱員588,235購股權。授出購股權前一天之股份收市價為0.86港元。
- (iv) 年結日後，再有一名僱員離職，217,391購股權已按該計劃條款失效。
- (v) 年結日後，本公司授予僱員13,791,285購股權，詳情如下：-
- (1) 於二零零二年四月二十四日以認購價每股0.80港元授出4,000,000購股權。行使期為二零零三年四月二十四日至二零一二年四月二十四日。行使前持有期為一年。
 - (2) 於二零零二年四月二十四日以認購價每股0.80港元授出5,000,000購股權。行使期為二零零四年四月二十四日至二零一二年四月二十四日。行使前持有期為二年。
 - (3) 於二零零二年四月二十四日以認購價每股0.80港元授出4,791,285購股權。行使期為二零零五年四月二十四日至二零一二年四月二十四日。行使前持有期為三年。

授出購股權前一天股份之收市價為0.79港元。

(h) 授予董事之購股權

本公司於年內並無根據該計劃授予董事購股權 (二零零一年：無)。

SHARE OPTIONS (CONTINUED)

購股權 (續)

(II) Share Options under an Ex-director's Service Agreement ("Service Agreement")

The Company has granted to Mr. KING, Roger ("Mr. KING"), an ex-director of the Company, share options in accordance with the terms set out in a service agreement entered between the Company and Mr. KING on 2nd August 1999 which was approved by the shareholders of the Company at an extraordinary general meeting on 14th September 1999. The details of the share options outstanding as at 31st March 2002 which were granted to Mr. KING are set out as follows:

(II) 一位前董事之服務協議(「服務協議」)之購股權

本公司於一九九九年八月二日與本公司一名前董事金樂琦先生(「金先生」)簽訂一份服務協議。該協議已於一九九九年九月十四日經本公司股東特別大會通過。根據該服務協議的條款，本公司授予金先生一批購股權，於二零零二年三月三十一日未獲行使之購股權詳情如下:-

Date of grant	Subscription price per share	Closing price per share immediately before the date of grant	Exercisable period	Vesting period	Options				
					Options outstanding as at 31st March 2001	Options granted during the year	Options exercised during the year	Options lapsed during the year	Options outstanding as at 31st March 2002
授出日期	每股股份認購價	授出購股權前一天之股份收市價	行使期	行使前持有期	於二零零一年三月三十一日未獲行使之購股權	於年內授出之購股權	於年內已獲行使之購股權	於年內失效之購股權	於二零零二年三月三十一日未獲行使之購股權
14th September 1999 to 2nd March 2002	HK\$0.928	HK\$0.52 to HK\$1.52	14th September 1999 to 2nd February 2007	-	14,521,054	9,171,192	-	-	23,692,246
一九九九年九月十四日至二零零二年三月二日	0.928港元	0.52港元至1.52港元	一九九九年九月十四日至二零零七年二月二日	-	14,521,054	9,171,192	-	-	23,692,246

Note:

- (i) Due to the large number of monthly grants of options under the service agreement, certain information such as the date of grant and the closing prices of the shares immediately before the date on which the options were granted are shown in a summarised manner.
- (ii) Subsequent to the year end, a further of 3,821,341 share options were granted to the ex-director.

附註:

- (i) 由於根據服務協議每月授出的購股權為數眾多，若干資料如授出日期及授出購股權前一天之股份收市價均摘要列出。
- (ii) 年結日後，本公司再授予該前董事3,821,341購股權。

SHARE OPTIONS (CONTINUED)

The financial impact of options granted is not recorded in the Group's accounts until such time as the options are exercised. Upon the exercise of the 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 shares is recorded by the Company in the share premium account. Options which are lapsed prior to their exercise date are deleted from the outstanding options.

The directors do not consider it appropriate to state the value of the options granted during the year as a number of variables which are crucial for the calculation of the options value have not been determined. The directors believe that any calculation of the value of the options based on a great number of speculative assumptions would not be meaningful and would be misleading.

The Stock Exchange announced certain amendments to Chapter 17 of the Listing Rules in respect of share option schemes on 23rd August 2001 which came into effect on 1st September 2001. In compliance with the amendments to the Listing Rules, the directors consider that it is in the interests of the Company to terminate the Scheme and to adopt a new share option scheme. An ordinary resolution will be proposed at the Company's forthcoming Annual General Meeting for the approval of the said adoption of the new share option scheme and termination of the Scheme.

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Company's Articles of Association and there are no restrictions against such rights under the laws in the Cayman Islands.

購股權 (續)

已授出的購股權直至行使前，其財務影響不會列於本集團的賬目內。該等購股權被行使後，本公司把因此而發行的股份按其面值列為額外股本，而每股行使價較股份面值高出的金額則列入股份溢價帳內。於行使日期前失效的購股權在尚未行使的購股權中刪除。

由於計算有關購股權的多項重要因素尚未決定，故董事認為就本年度內計算購股權價值並不恰當，而根據各項揣測假設就購股權作出的任何估值均無意義兼且可能誤導。

聯交所已於二零零一年八月二十三日宣佈對聯交所證券上市規則（「上市規則」）第十七章有關購股權計劃作出修訂，而該等修訂已於二零零一年九月一日生效。為遵照上市規則的有關修訂，董事會認為終止該計劃及採納新的購股權計劃乃符合本公司的利益。本公司將於即將舉行的股東週年大會上提呈普通決議案，以批准採納新的購股權計劃及終止該計劃。

優先購買權

本公司組織章程細則並無有關優先購買權之任何規定，而開曼群島法例亦無有關該權利之任何限制。

REPURCHASE, SALE OR REDEMPTION OF SHARES

購回、出售或贖回股份

During the year, the Company has repurchased at HK\$15,618,863 for a total of its 25,444,000 fully paid up shares on the Stock Exchange of Hong Kong Limited, all of which had been duly cancelled, as follows:-

本公司年內於香港聯合交易所有限公司(「聯交所」)購回本公司已繳足股份合共25,444,000股·金額為15,618,863港元·該批股份已悉數註銷·詳情如下:-

Month of Repurchase	購回股份月份	No. of shares repurchased 購回股份數量	Total consideration (Note) 總金額(附註) HK\$ (港元)	Purchase price per share 每股購入價	
				Highest 最高 HK\$ (港元)	Lowest 最低 HK\$ (港元)
April 2001	二零零一年四月	3,340,000	2,601,894	0.78	0.76
September 2001	二零零一年九月	9,554,000	5,497,428	0.60	0.54
October 2001	二零零一年十月	4,260,000	2,973,409	0.71	0.67
December 2001	二零零一年十二月	1,678,000	901,123	0.56	0.53
January 2002	二零零二年一月	4,070,000	2,161,865	0.54	0.51
February 2002	二零零二年二月	1,686,000	974,646	0.58	0.56
March 2002	二零零二年三月	856,000	508,498	0.60	0.58
		25,444,000	15,618,863		

Subsequent to the year end and up to the date of this report, the Company repurchased at HK\$36,213,232 for a total of 47,138,000 fully paid up shares on the Stock Exchange of Hong Kong Limited, all of which had been duly cancelled, as follows:-

年結日後至本報告之日期·本公司於聯交所購回本公司已繳足股份合共47,138,000股·金額為36,213,232港元·該批股份已悉數註銷·詳情如下:-

Month of Repurchase	購回股份月份	No. of shares repurchased 購回股份數量	Total consideration (Note) 總金額(附註) HK\$ (港元)	Purchase price per share 每股購入價	
				Highest 最高 HK\$ (港元)	Lowest 最低 HK\$ (港元)
April 2002	二零零二年四月	10,888,000	8,366,239	0.80	0.66
May 2002	二零零二年五月	11,550,000	8,904,789	0.79	0.72
June 2002	二零零二年六月	24,700,000	18,942,204	0.78	0.75
		47,138,000	36,213,232		

REPURCHASE, SALE OR REDEMPTION OF SHARES

(CONTINUED)

The directors consider the share purchases will lead to an enhancement of the Group's future earnings per share.

On 8th February 2002, the Stock Exchange of Hong Kong Limited has granted to the Company a waiver pursuant to Rule 10.06(2)(g) of Listing Rules in respect of the 25 percent monthly share repurchases restriction set out in Rule 10.06(2)(a) of the Listing Rules. The waiver is effective for a period of six months from 8th February 2002 to 8th August 2002.

Apart from the above, neither the Company nor any of its subsidiaries has repurchased, sold or redeemed any of the Company's listed securities during the year.

Note:

The total consideration included the purchase price, brokerage, transaction levy, trading fee, contract stamp, stock withdrawal fee and CCASS charge.

SUBSIDIARIES

Details of the Company's principal subsidiaries as at 31st March 2002 are set out in note 33 to the accounts.

BANK LOANS AND OVERDRAFTS

Details of the Group's bank loans and overdrafts as at 31st March 2002 are set out in the Consolidated Balance Sheet and notes 25 and 29 to the accounts respectively.

CAPITALISED INTERESTS

No interest was capitalised by the Group during the year.

購回、出售或贖回股份 (續)

董事認為購回股份可提高本集團將來之每股盈利。

於二零零二年二月八日，聯交所根據上市規則第10.06(2)(g)條就上市規則第10.06(2)(a)條所載每月只准購回股份25%之限制給予本公司豁免權。豁免權有效期六個月，由二零零二年二月八日起至二零零二年八月八日屆滿。

除上述者外，本公司及其任何附屬公司於年內概無購回、出售或贖回本公司任何上市證券。

附註：

總金額包括購股價、經紀佣金、交易徵費、交易費、印花稅、提倉手續費及中央結算收費。

附屬公司

本公司於二零零二年三月三十一日之主要附屬公司詳情載於賬目附註33。

銀行貸款及透支

於二零零二年三月三十一日，本集團之銀行貸款及透支之詳情分別載於綜合資產負債表及賬目附註25及附註29。

利息資本化

本集團於年內並無將利息資本化。

DISTRIBUTABLE RESERVES

As at 31st March 2002, the reserves of the Company available for distribution amounted to HK\$1,047,636,000.

DONATIONS

The Group made donations during the year totalling HK\$125,000.

DIRECTORS AND SERVICE CONTRACTS

The directors who held office during the year and up to the date of this report were:—

Executive Directors

Mr. KWOK, Siu Ming, Simon

Mrs. KWOK, Law Kwai Chun, Eleanor

Mr. KING, Roger

- service agreement completed on 10th May 2002

Independent Non-Executive Directors

Mr. COULL, Gary William John

- retired at the Annual General Meeting held on 30th August 2001

Mrs. LEE, Look Ngan Kwan, Christina

Professor CHAN, Yuk Shee

- term of directorship for three years commenced on 1st November 1999

Dr. LEUNG, Kwok Fai, Thomas

- term of directorship for three years commenced on 1st January 2000

Mr. CHENG, Ming Fun, Paul

- term of directorship for two years commenced on 1st February 2001

可分派儲備

於二零零二年三月三十一日，本公司可供分派之儲備達1,047,636,000港元。

捐款

本集團於年內作出的捐款共125,000港元。

董事及服務合約

年內及截至本報告簽發日期止擔任董事職務之人士如下：

執行董事

郭少明先生

郭羅桂珍女士

金樂琦先生

- 其服務協議已於二零零二年五月十日完成

獨立非執行董事

顧家利先生

- 已於二零零一年八月三十日舉行之股東週年大會上
退任

利陸雁群女士

陳玉樹教授

- 董事任期三年，由一九九九年十一月一日起生效

梁國輝博士

- 董事任期三年，由二零零零年一月一日起生效

鄭明訓先生

- 董事任期二年，由二零零一年二月一日起生效

DIRECTORS AND SERVICE CONTRACTS (CONTINUED)

In accordance with Article 116 of the Company's Articles of Association, Professor CHAN, Yuk Shee and Mr. CHENG Ming Fun, Paul retire at the coming Annual General Meeting. Professor CHAN, Yuk Shee being eligible, offers himself for re-election.

Save as disclosed above, the director proposed for re-election at the forthcoming Annual General Meeting does not have a service contract with the Company which is not determinable within one year without payment of compensation, other than statutory compensation.

DIRECTORS' INTERESTS IN CONTRACTS

No contracts of significance in relation to the Company's business to which the Company, its subsidiaries or its holding company was a party, and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

董事及服務合約 (續)

根據本公司組織章程細則第116條之規定，陳玉樹教授及鄭明訓先生於即將舉行之股東週年大會上退任。陳玉樹教授有資格並願膺選連任。

除上文所披露者外，擬於即將舉行之股東週年大會上候選連任之董事並無擁有與本公司訂立於一年內沒有賠償（法定賠償除外）而本公司不可終止的服務合約。

董事之合約權益

各董事概無在本公司、其控股公司或附屬公司於年終或年內任何時間所訂立與本公司業務有關之重要合約中不論直接或間接擁有重大權益。

PARTICULARS OF SHARES HELD BY DIRECTORS, CHIEF EXECUTIVES AND ASSOCIATES

董事、主要行政人員及聯繫人士持有股份之詳情

As at 31st March 2002, the directors, chief executives and their associates had the following interests in the share capital of the Company or any of its associated corporations (within the meaning of the Securities (Disclosure of Interests) Ordinance (the "SDI Ordinance")) which require notification pursuant to Section 28 of the SDI Ordinance or the Model Code for Securities Transactions by Directors of Listed Companies (the "Model Code") or as recorded in the register maintained pursuant to Section 29 of the SDI Ordinance:

於二零零二年三月三十一日，各董事、主要行政人員及彼等之聯繫人士於本公司或其任何相聯法團（定義見證券（披露權益）條例（「披露權益條例」））股本中擁有以下根據披露權益條例第28條或上市公司董事進行證券交易之標準守則（「標準守則」）須予知會之權益，或根據披露權益條例第29條須列入該條例所指之登記冊之權益：

		Number of shares beneficially held 實益持有之股份數目			
		Personal interest 個人權益	Corporate interest 法團權益	Family interest 家屬權益	Other interest 其他權益
Mr. KWOK, Siu Ming, Simon (Note 1)	郭少明先生（附註1）	20,364,000	898,506,400	-	-
Mrs. KWOK, Law Kwai Chun, Eleanor (Note 1)	郭羅桂珍女士（附註1）	-	898,506,400	-	-
Mr. KING, Roger (Note 2)	金樂琦先生（附註2）	7,833,328	-	8,405,172	-
Mrs. LEE, Look Ngan Kwan, Christina	利陸雁群女士	148,000	-	-	-

Note:

- These shares are held as to 696,780,000 shares by Sunrise Height Incorporated and as to 201,726,400 shares by Green Ravine Limited. Both Sunrise Height Incorporated and Green Ravine Limited are owned as to 50% each by Mr. KWOK, Siu Ming, Simon and Mrs. KWOK, Law Kwai Chun, Eleanor.

In addition, Mr. KWOK, Siu Ming, Simon and Mrs. KWOK, Law Kwai Chun, Eleanor are each taken to be interested in all the issued non-voting deferred shares of Sa Sa Cosmetic Company Limited, Sa Sa Investment Limited, Matford Trading Limited and Base Sun Investment Limited, all wholly-owned subsidiaries of the Company. Mrs. KWOK, Law Kwai Chun, Eleanor is also taken to be interested in all the issued non-voting deferred shares of Vance Trading Limited.

- The Service Agreement of Mr. KING was completed on 10th May 2002.

Save as disclosed above, no directors, chief executives and their associates have any beneficial or non-beneficial interests in the share capital of the Company and associated corporations required to be disclosed pursuant to the SDI Ordinance and the Model Code.

附註:

- 該等股份其中696,780,000股由Sunrise Height Incorporated持有，201,726,400股由Green Ravine Limited持有。郭少明先生及郭羅桂珍女士各持有Sunrise Height Incorporated 50% 權益，亦各持有Green Ravine Limited 50% 權益。

此外，郭少明先生及郭羅桂珍女士分別被當作擁有莎莎化妝品有限公司、莎莎投資有限公司、美福貿易有限公司及鵬日投資有限公司之全部已發行無投票權遞延股份之權益，前述公司均為本公司全資附屬公司。郭羅桂珍女士亦被當作擁有榮森貿易有限公司全部已發行無投票權遞延股份之權益。

- 金先生的服務協議已於二零零二年五月十日完成。

除上文所披露者外，各董事、主要行政人員及彼等之聯繫人士概無在本公司或其相聯法團之股本中，擁有按披露權益條例及標準守則規定須予披露之任何其他實益或非實益權益。

DIRECTORS' BENEFITS FROM RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Pursuant to a share option scheme approved by the shareholders of the Company on 22nd May 1997, the Company's directors may, at their discretion, invite executive directors and full time employees of the Group to take up options to subscribe for shares in the Company subject to the terms and conditions stipulated therein.

Save as disclosed under the "Share Option" and "Connected Transaction" sections, at no time during the year was the Company, its holding company or its subsidiaries a party to any arrangements to enable the directors of the Company (including their spouses or children under 18 years of age), to acquire benefits by means of acquisition of shares in or debentures of the Company or any other body corporate.

CONNECTED TRANSACTIONS

During the year, certain members of the Group entered into transactions which were "connected transactions" as defined by the Listing Rules. Details of such transactions are as follows:-

Sa Sa Cosmetic Company Limited and Lisbeth Enterprises Limited[#]

During the year ended 31st March 2002, Sa Sa Cosmetic Company Limited ("Sa Sa Cosmetic"), a wholly-owned subsidiary of the Company, sold goods to Lisbeth Enterprises Limited ("Lisbeth"), a 58.33% owned subsidiary of the Company, in its ordinary course of business and on normal commercial terms. The total purchase price payable by Lisbeth to Sa Sa Cosmetic as at 31st March 2002 was approximately HK\$2,062,000. After adjusting for differences in closing stock between 31st March 2002 and 31st March 2001, net sales from Sa Sa Cosmetic to Lisbeth was approximately HK\$2,221,000 (2001: Sales of approximately HK\$1,365,000 was made by Sa Sa Cosmetic to Lisbeth. After adjusting for closing stock, the net sales amount was approximately HK\$686,000). As at 31st March 2002, the net amount due from Lisbeth to Sa Sa Cosmetic was approximately HK\$1,620,000 (2001: HK\$1,365,000).

董事購買股份或債券權利之利益

一九九七年五月二十二日，本公司股東批准一項購股權計劃。根據購股權計劃，本公司董事可酌情邀請本集團執行董事及全職僱員接納購股權，在該計劃條款及條件之規限下，認購本公司股份。

除於「購股權」及「關連交易」項下披露者外，本公司、其控股公司或其附屬公司於年內任何時間概無參與訂立任何協議，令本公司董事（包括彼等之配偶或十八歲以下之子女）可藉收購本公司或任何其他法人團體之股份或債券而獲益。

關連交易

年內，本集團若干成員公司曾進行屬於上市規則所界定之「關連交易」。該等交易詳情如下：—

莎莎化粧品有限公司與Lisbeth Enterprises Limited[#]

於截至二零零二年三月三十一日止年度內，本公司之全資附屬公司莎莎化粧品有限公司（「莎莎化粧品」），在日常業務過程中按一般商業條款向本公司擁有58.33%權益之附屬公司Lisbeth Enterprises Limited（「Lisbeth」）銷售貨品。截至二零零二年三月三十一日止，Lisbeth應付莎莎化粧品之總採購額約為2,062,000港元。經調整二零零二年三月三十一日與二零零一年三月三十一日之期末存貨差額後，莎莎化粧品向Lisbeth出售貨品之淨銷售額約為2,221,000港元（二零零一年：莎莎化粧品向Lisbeth出售貨品之銷售額約為1,365,000港元。經調整期末存貨後，淨銷售額約為686,000港元）。於二零零二年三月三十一日，Lisbeth欠付莎莎化粧品之款項淨額約為1,620,000港元（二零零一年：1,365,000港元）。

CONNECTED TRANSACTIONS (CONTINUED)**Sa Sa Cosmetic Co. (S) Pte. Ltd. and
Phillip Wain International (Singapore) Pte. Ltd.#**

During the year ended 31st March 2002, Sa Sa Cosmetic Co. (S) Pte. Ltd. ("Sa Sa Singapore"), a wholly-owned subsidiary of the Company, sold goods to Phillip Wain International (Singapore) Pte. Ltd. ("Phillip Wain Singapore"), a 58.33% owned subsidiary of the Company, in its ordinary course of business and on normal commercial terms. The total purchase price payable by Phillip Wain Singapore to Sa Sa Singapore as at 31st March 2002 was approximately HK\$621,000. After adjusting for differences in closing stock between 31st March 2002 and 31st March 2001, net sales from Sa Sa Singapore to Phillip Wain Singapore was approximately HK\$332,000 (2001: nil). As at 31st March 2002, the net amount due from Phillip Wain Singapore to Sa Sa Singapore was approximately HK\$379,000 (2001: nil).

Hong Kong Sa Sa (M) Sdn. Bhd. and Phillip Wain (M) Sdn. Bhd.#

During the year ended 31st March 2002, Hong Kong Sa Sa (M) Sdn. Bhd. ("Sa Sa Malaysia"), a wholly-owned subsidiary of the Company, sold goods to Phillip Wain (M) Sdn. Bhd. ("Phillip Wain Malaysia"), a 58.33% owned subsidiary of the Company, in its ordinary course of business and on normal commercial terms. The total purchase price payable by Phillip Wain Malaysia to Sa Sa Malaysia as at 31st March 2002 was approximately HK\$87,000. After adjusting for differences in closing stock between 31st March 2002 and 31st March 2001, net sales from Sa Sa Malaysia to Phillip Wain Malaysia was approximately HK\$24,000 (2001: nil). As at 31st March 2002, the net amount due from Phillip Wain Malaysia to Sa Sa Malaysia was approximately HK\$11,000 (2001: nil).

關連交易 (續)**Sa Sa Cosmetic Co. (S) Pte. Ltd. 及
Phillip Wain International (Singapore) Pte. Ltd.#**

於截至二零零二年三月三十一日止年度內，本公司之全資附屬公司Sa Sa Cosmetic Co. (S) Pte. Ltd. (「新加坡莎莎」)，在日常業務過程中按一般商業條款向本公司擁有58.33%權益之附屬公司Phillip Wain International (Singapore) Pte. Ltd. (「新加坡PW」)銷售貨品。截至二零零二年三月三十一日止，新加坡PW應付新加坡莎莎之總採購額約為621,000港元。經調整二零零二年三月三十一日與二零零一年三月三十一日之期末存貨差額後，新加坡莎莎向新加坡PW出售貨品之淨銷售額約為332,000港元(二零零一年：無)。於二零零二年三月三十一日，新加坡PW欠付新加坡莎莎之款項淨額約為379,000港元(二零零一年：無)。

**Hong Kong Sa Sa (M) Sdn. Bhd. 及
Phillip Wain (M) Sdn. Bhd.#**

於截至二零零二年三月三十一日止年度內，本公司之全資附屬公司Hong Kong Sa Sa (M) Sdn. Bhd. (「馬來西亞莎莎」)，在日常業務過程中按一般商業條款向本公司擁有58.33%權益之附屬公司Phillip Wain (M) Sdn. Bhd. (「馬來西亞PW」)銷售貨品。截至二零零二年三月三十一日止，馬來西亞PW應付馬來西亞莎莎之總採購額約為87,000港元。經調整二零零二年三月三十一日與二零零一年三月三十一日之期末存貨差額後，馬來西亞莎莎向馬來西亞PW出售貨品之淨銷售額約為24,000港元(二零零一年：無)。於二零零二年三月三十一日，馬來西亞PW欠付馬來西亞莎莎之款項淨額約為11,000港元(二零零一年：無)。

CONNECTED TRANSACTIONS (CONTINUED)

關連交易 (續)

Sa Sa Cosmetic Company Limited and Ebeca Cosmetic (Holding) Limited[#]莎莎化粧品有限公司及依貝佳化妝品集團有限公司[#]

During the year ended 31st March 2002, Sa Sa Cosmetic sold goods to Ebeca Cosmetic (Holding) Limited ("Ebeca"), a wholly-owned subsidiary of Shenzhen Sa Sa Ebeca Enterprise Limited, which is a 55% owned subsidiary of the Company, in its ordinary course of business and on normal commercial terms. The total purchase price payable by Ebeca to Sa Sa Cosmetic as at 31st March 2002 was approximately HK\$578,000 (2001: nil).

於截至二零零二年三月三十一日止年度內，莎莎化粧品在日常業務過程中按一般商業條款向本公司擁有55%權益之附屬公司深圳莎莎依貝佳實業有限公司的全資附屬公司依貝佳化妝品集團有限公司（「依貝佳」）銷售貨品。截至二零零二年三月三十一日止，依貝佳應付莎莎化粧品之總採購額約為578,000港元（二零零一年：無）。

During the year ended 31st March 2002, Ebeca sold goods to Sa Sa Cosmetic in its ordinary course of business and on normal commercial terms. The total purchase price payable by Sa Sa Cosmetic to Ebeca as at 31st March 2002 was approximately HK\$635,000 (2001: nil). As at 31st March 2002, the net amount due from Sa Sa Cosmetic to Ebeca is approximately HK\$105,000 (2001: nil).

於截至二零零二年三月三十一日止年度內，依貝佳在日常業務過程中按一般商業條款向莎莎化粧品銷售貨品。截至二零零二年三月三十一日止，莎莎化粧品應付依貝佳之總採購額約為635,000港元（二零零一年：無）。於二零零二年三月三十一日，莎莎化粧品欠付依貝佳之款項淨額約為105,000港元（二零零一年：無）。

[#] The above transactions were entered into as Lisbeth, its subsidiaries and Ebeca were viewed as an extension of retail outlets of Sa Sa Cosmetic and its subsidiaries.

[#] 上述交易乃因Lisbeth、其附屬公司及依貝佳被視為莎莎化粧品及其附屬公司零售店舖的伸延。

Lisbeth Enterprises Limited and Mr. PHILLIPS, Edwin John

Lisbeth Enterprises Limited及
PHILLIPS, Edwin John先生

Lisbeth Enterprises Limited and Mr. WAIN, Barry Richard

Lisbeth Enterprises Limited及
WAIN, Barry Richard先生

On 31st July 2000, the Company entered into a Sale and Purchase Agreement whereby the Company conditionally agreed to acquire from Mr. WAIN, Barry Richard ("Mr. WAIN") his entire 5,000 shares in Lisbeth, representing 50% of its issued share capital at that time for a consideration of approximately HK\$79 million.

於二零零零年七月三十一日，本公司訂立一項買賣協議，據此，本公司有條件同意向WAIN, Barry Richard先生（「WAIN先生」）購入其持有之全數5,000股Lisbeth Enterprises Limited（「Lisbeth」）股份（佔Lisbeth當時已發行股本50%），代價約為79,000,000港元。

On the same day, the Company entered into a Subscription Agreement, whereby the Company conditionally agreed to subscribe for 2,000 new shares in Lisbeth, which together with the 5,000 shares acquired from Mr. WAIN representing approximately 58.33% of its enlarged issued share capital, for a consideration of approximately HK\$31 million.

同日，本公司訂立一項認購協議，據此，本公司有條件同意認購2,000股Lisbeth新股。該等新股連同向WAIN先生購入之5,000股（佔Lisbeth經擴大已發行股本約58.33%），代價約為31,000,000港元。

CONNECTED TRANSACTIONS (CONTINUED)

Lisbeth Enterprises Limited and Mr. PHILLIPS, Edwin John

Lisbeth Enterprises Limited and Mr. WAIN, Barry Richard (continued)

When the Sale and Purchase Agreement and Subscription Agreement were completed on 31st August 2000, the Company entered into two Option Agreements with Mr. PHILLIPS, Edwin John ("Mr. PHILLIPS"), an ex-director of Lisbeth. Under the first Option Agreement, the Company was given an option to acquire 2,000 shares in Lisbeth, representing 16.67% of the enlarged issued share capital of Lisbeth, from Mr. PHILLIPS within a period of one year from 31st August 2000 for a consideration of approximately HK\$31 million. Under the second Option Agreement, if the first Option Agreement is completed, Mr. PHILLIPS has an option to require the Company to acquire the remaining shares in Lisbeth held by Mr. PHILLIPS, representing 25% of its entire issued share capital within 5 years from completion of the first Option Agreement.

As part of the terms of the Sale and Purchase Agreement and Subscription Agreement, each of Mr. PHILLIPS and Mr. WAIN signed two promissory notes ("the Promissory Notes") on 31st August 2000 in the aggregate amount of HK\$12,024,573 and HK\$12,014,472 respectively in favour of Lisbeth. Of the total loan balances, HK\$1,168,683 is interest-bearing at 8.5% per annum. The remaining loan balances are interest free. All the loans are unsecured and are repayable upon the earlier of (i) one year from 31st August 2000 or (ii) date of completion of the first Option Agreement. In the event that the amount due under the Promissory Notes are not paid in full when due, Lisbeth is entitled to charge interest on such unpaid amount (to the extent permitted by applicable law) for the period from the date such amount was due until such amount shall have been paid in full at such interest rate per annum as is equal to 3% per annum over the prime lending rate quoted from time to time by The Hongkong & Shanghai Banking Corporation Limited ("Default Interest Charges"). Both Mr. PHILLIPS and Mr. WAIN defaulted in payment of the Promissory Notes when they were due on 31st August 2001. As a result of the default in payment by Mr. PHILLIPS and Mr. WAIN, Default Interest Charges on the Promissory Notes were raised against Mr. PHILLIPS and Mr. WAIN. As at 31st March 2002, an amount of HK\$14,168,000 (2001: HK\$11,542,685) and HK\$12,648,000 (2001: HK\$11,119,059) were due from Mr. PHILLIPS and Mr. WAIN respectively.

關連交易 (續)

Lisbeth Enterprises Limited及
PHILLIPS, Edwin John先生Lisbeth Enterprises Limited及
WAIN, Barry Richard先生 (續)

在買賣協議及認購協議於二零零零年八月三十一日完成後，本公司與Lisbeth前任董事PHILLIPS, Edwin John (「PHILLIPS先生」)訂立兩項購股權協議。根據第一項購股權協議，本公司有選擇權自二零零零年八月三十一日起計一年內，向PHILLIPS先生購入2,000股Lisbeth股份(佔Lisbeth經擴大已發行股本16.67%)，代價約為31,000,000港元。根據第二項購股權協議，倘第一項選擇權協議得以完成，PHILLIPS先生有選擇權要求本公司在第一項購股權協議完成後五年內，向PHILLIPS先生購入其所持有之餘下Lisbeth股份(佔Lisbeth全部已發行股本25%)。

作為買賣協議及認購協議的部份條款，於二零零零年八月三十一日，PHILLIPS先生及WAIN先生以Lisbeth為受益人，各自簽訂兩張承付票(「承付票」)，總金額分別為12,024,573港元及12,014,472港元。在貸款結餘總額中，其中1,168,683港元須按年息率8.5厘計算利息，而餘下之貸款結餘則免息。所有貸款均為無抵押，並須在以下較早之日期前償還：(i) 自二零零零年八月三十一日起計一年後，或(ii) 第一項購股權協議之完成日期。倘在承付票下之欠款未能如期全數清付，則Lisbeth有權就上述未付之金額收取利息(以適用法例批准者為限)，由上述金額到期日起至全數付清為止之期間，按香港上海滙豐銀行有限公司不時所報之最優惠年息率加3厘計算利息(「未付欠款利息」)。由於PHILLIPS先生及WAIN先生於二零零一年八月三十一日均未能如期付款，因此就承付票向PHILLIPS先生及WAIN先生收取未付欠款利息。於二零零二年三月三十一日，PHILLIPS先生及WAIN先生之欠款分別為14,168,000港元(二零零一年：11,542,685港元)及12,648,000港元(二零零一年：11,119,059港元)。

CONNECTED TRANSACTIONS (CONTINUED)

Lisbeth Enterprises Limited and Mr. PHILLIPS, Edwin John

Lisbeth Enterprises Limited and Mr. WAIN, Barry Richard (continued)

During the year ended 31st March 2002, interest and Default Interest Charges amounting to HK\$1,603,000 were raised against Mr. PHILLIPS in respect of amount due under the two promissory notes executed by Mr. PHILLIPS in favour of Lisbeth, expenses paid by Lisbeth on behalf of Mr. PHILLIPS and withdrawals made by Mr. PHILLIPS from Lisbeth.

During the year ended 31st March 2002, interest and Default Interest Charges amounting to HK\$1,530,000 were raised against Mr. WAIN in respect of amount due under the two promissory notes executed by Mr. WAIN in favour of Lisbeth.

Loans to Lisbeth Enterprises Limited and its subsidiaries

On 11th June 2002, Sa Sa Cosmetic, Sa Sa Singapore and Sa Sa Malaysia ("the Lenders"), indirect wholly-owned subsidiaries of the Company in Hong Kong, Singapore and Malaysia respectively, advanced loans in the principal sum of HK\$1,000,000, S\$700,000 (equivalent to approximately HK\$3,017,000) and M\$1,000,000 (equivalent to approximately HK\$2,060,000) to Lisbeth, Phillip Wain Singapore and Phillip Wain Malaysia ("the Borrowers") respectively, indirect non-wholly owned subsidiaries of the Company in Hong Kong, Singapore and Malaysia respectively. The loans bear interest at annual rates equal to the prime lending rate quoted by The Hong Kong & Shanghai Banking Corporation Limited at its principal office at Hong Kong for the loan to Lisbeth, the prime lending rate quoted by The Hong Kong & Shanghai Banking Corporation Limited at its principal office in Singapore for the loan to Phillip Wain Singapore and the base lending rate quoted by Malayan Banking Berhad Limited at its principal office in Kuala Lumpur for the loan to Phillip Wain Malaysia and are repayable on demand. No security was granted by the Borrowers to the Lenders in relation to the loans but the Borrowers have executed promissory notes on 11th June 2002 in favour of the Lenders evidencing the loans. The purpose of the loans is to support the business of the Borrowers.

關連交易 (續)

Lisbeth Enterprises Limited 及
PHILLIPS, Edwin John 先生Lisbeth Enterprises Limited 及
WAIN, Barry Richard 先生 (續)

截至二零零二年三月三十一日止年度，向PHILLIPS先生應收取以Lisbeth為受益人而簽立之兩張承付票下之欠款、Lisbeth代PHILLIPS先生支付之費用及PHILLIPS先生在Lisbeth提取之款項之利息及未付欠款利息共1,603,000港元。

截至二零零二年三月三十一日止年度，向WAIN先生應收取以Lisbeth為受益人而簽立之兩張承付票下之欠款之利息及未付欠款利息共1,530,000港元。

向Lisbeth Enterprises Limited 及
其附屬公司提供之貸款

於二零零二年六月十一日，莎莎化粧品、新加坡莎莎及馬來西亞莎莎（「放款人」）（本公司分別在香港、新加坡及馬來西亞間接全資擁有之附屬公司）分別貸款予Lisbeth、新加坡PW及馬來西亞PW（「借款人」）（本公司分別在香港、新加坡及馬來西亞間接非全資擁有之附屬公司），貸款本金額分別為1,000,000港元、700,000新加坡元（約相等於3,017,000港元）及1,000,000馬來西亞元（約相等於2,060,000港元）。該等貸款為計息貸款，就Lisbeth的貸款而言，年利率為香港上海滙豐銀行有限公司香港總行所報的最優惠放款利率；就新加坡PW的貸款而言，年利率為香港上海滙豐銀行有限公司新加坡總行所報的最優惠放款利率；就馬來西亞PW的貸款而言，年利率為Malayan Banking Berhad Limited吉隆坡總行所報的基本放款利率。借款人並無就該等貸款向放款人提供任何擔保，惟借款人已於二零零二年六月十一日為放款人簽立承付票作為該等貸款之憑證。有關貸款用作支援借款人之業務運作。

CONNECTED TRANSACTIONS (CONTINUED)

Service Agreement of an ex-director

On 2nd August 1999, the Company, entered into a service agreement (“Service Agreement”) with Mr. KING, Roger (“Mr. KING”) to appoint Mr. KING as the president and chief executive officer of the Company. At the same time, Mr. KING, who was previously an independent non-executive director of the Company, has been appointed as an executive director of the Company.

Pursuant to the Service Agreement, a total of 9,000,000 new shares in the Company would be issued to Mr. KING over a period of three years as his remuneration and he would also be granted options to subscribe for shares (“Option Shares”) in the Company in accordance with the terms set out in the Service Agreement. The issue of new shares and Option Shares to Mr. KING constituted a connected transaction for the purposes of Chapter 14 of the Listing Rules which transaction was approved by shareholders of the Company at an extraordinary general meeting held on 14th September 1999.

As of 31st March 2002, a total of 16,238,500 shares were issued to Mr. KING pursuant to the above Agreement.

The Service Agreement of Mr. KING was completed on 10th May 2002.

關連交易 (續)

一名前董事之服務協議

本公司於一九九九年八月二日與金樂琦先生(「金先生」)簽訂一份服務協議(「服務協議」)委任金先生為本公司之總裁兼行政總裁。金先生原為本公司之獨立非執行董事，後獲委任為本公司之執行董事。

根據服務協議，本公司須於三年內發行新股份共9,000,000股予金先生作為報酬，及按服務協議所載之條款，金先生已獲授予購股權以認購本公司股份(「購股權股份」)。根據證券上市規則第14章，發行新股及購股權股份予金先生構成一項關連交易。該交易已於本公司一九九九年九月十四日召開之股東特別大會中獲股東批准。

於二零零二年三月三十一日本公司已根據上開協議發行共16,238,500股股份予金先生。

金先生的服務協議已於二零零二年五月十日完成。

SUBSTANTIAL SHAREHOLDERS' INTERESTS

As at 31st March 2002, according to the register of interests kept by the Company under Section 16(1) of the SDI Ordinance, the shareholders who had or were deemed to have interest in 10% or more of the Company's issued share capital were:

Name 股東名稱	Number of ordinary shares beneficially held 實益持有之普通股數目
Sunrise Height Incorporated	696,780,000 (Note) (附註)
Green Ravine Limited	201,726,400 (Note) (附註)

Note:

Both Sunrise Height Incorporated and Green Ravine Limited are owned as to 50% each by Mr. KWOK, Siu Ming, Simon and Mrs. KWOK, Law Kwai Chun, Eleanor.

Save as disclosed above, no person was recorded in the register as having an interest amounting to 10% or more of the issued share capital of the Company as at 31st March 2002.

MANAGEMENT CONTRACTS

No contracts concerning the management and administration of the whole or any substantial part of the business of the Company were entered into or existed during the year.

主要股東權益

於二零零二年三月三十一日，根據披露權益條例第16(1)條之規定存置之權益冊顯示，以下股東擁有或被視作擁有本公司已發行股本10%或以上權益：

Name 股東名稱	Number of ordinary shares beneficially held 實益持有之普通股數目
Sunrise Height Incorporated	696,780,000 (Note) (附註)
Green Ravine Limited	201,726,400 (Note) (附註)

附註:

郭少明先生及郭羅桂珍女士各擁有 Sunrise Height Incorporated 50% 股權，亦各擁有 Green Ravine Limited 50% 股權。

除上文所披露者外，權益冊內再無記錄任何人士於二零零二年三月三十一日擁有本公司已發行股本10%或以上權益。

管理合約

本公司於本年度並無簽訂或存有管理本公司整體或其中重要部份業務的合約。

CODE OF BEST PRACTICE

In the opinion of the directors, the Company has complied with the Code of Best Practice as set out in Appendix 14 of the Listing Rules of the Stock Exchange throughout the year, except that two of the independent non-executive directors are not appointed for a specific term as recommended under paragraph 7 of Appendix 14 of the Listing Rules but are subject to retirement by rotation at the Annual General Meeting in accordance with the Articles of Association of the Company.

AUDIT COMMITTEE

In compliance with the Code of Best Practice as set out in Appendix 14 of the Listing Rules, the Company has established an Audit Committee comprising three independent non-executive directors and has adopted the terms of reference governing the authority and duties of the Audit Committee.

On 4th December 2001, Dr. LEUNG Kwok Fai, Thomas was appointed as a member of the Audit Committee to fill the vacancy left by Mr. COULL, Gary William John who retired as a director of the Company at the Annual General Meeting held on 30th August 2001. The present members of the Audit Committee are Professor CHAN, Yuk Shee, Mr. CHENG, Ming Fun, Paul and Dr. LEUNG, Kwok Fai, Thomas.

AUDITORS

PricewaterhouseCoopers, being eligible, offer themselves for re-appointment, and a resolution to this effect will be proposed at the Annual General Meeting.

By order of the Board
Kwok Siu Ming, Simon
Chairman

Hong Kong, 19th July 2002

最佳應用守則

董事會認為本公司於年內一直遵守聯交所上市規則附錄十四最佳應用守則，惟並無根據上市規則附錄十四第7段建議，於委任兩名獨立非執行董事時訂明其在任期限，而根據本公司之公司組織章程細則規定，本公司之獨立非執行董事須於每年股東週年大會上輪值退任。

審核委員會

根據上市規則附錄十四最佳應用守則之規定，本公司已成立了審核委員會，成員包括三位獨立非執行董事，並已制訂職權範圍書，列明審核委員會會員之職務及責任。

於二零零一年十二月四日，梁國輝博士被委任為審核委員會成員，以填補於二零零一年八月三十日股東週年大會退任本公司董事的顧家利先生的空缺。審核委員會現時成員為陳玉樹教授、鄭明訓先生及梁國輝博士。

核數師

本集團核數師，羅兵咸永道會計師事務所符合資格接受續聘，本公司將於股東週年大會上為此提呈決議案。

承董事會命
 主席
郭少明

香港，二零零二年七月十九日



羅兵咸永道會計師事務所

TO THE SHAREHOLDERS OF
SA SA INTERNATIONAL HOLDINGS LIMITED
(incorporated in the Cayman Islands with limited liability)

We have audited the accounts on pages 65 to 134 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 accounts which give a true and fair view. In preparing accounts 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 accounts and to report our opinion to you.

Basis of opinion

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

致
莎莎國際控股有限公司全體股東
(於開曼群島註冊成立之有限公司)

本核數師已完成審核第65頁至第134頁之賬目，該等賬目乃按照香港普遍採納之會計原則編製。

董事及核數師各自之責任

編製真實兼公平之賬目乃 貴公司董事之責任。在編製該等真實兼公平之賬目時，董事必須採用適當之會計政策，並且貫徹應用該等會計政策。

本核數師之責任是根據審核之結果，對該等賬目作出獨立意見，並向股東報告。

意見之基礎

本核數師已按照香港會計師公會所頒佈之核數準則進行審核工作。審核範圍包括以抽查方式查核與賬目所載數額及披露事項有關之憑證，亦包括評審董事於編製賬目時所作之重大估計和判斷，所採用之會計政策是適合 貴公司與 貴集團之具體情況，及有否貫徹應用並足夠披露該等會計政策。

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 accounts are free from material misstatement. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the accounts. We believe that our audit provides a reasonable basis for our opinion.

Opinion

In our opinion, the accounts give a true and fair view of the state of affairs of the Company and of the Group as at 31st March 2002 and of the loss 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.

PricewaterhouseCoopers
Certified Public Accountants

Hong Kong, 19th July 2002

意見之基礎 (續)

本核數師在策劃和進行審核工作時，均以取得所有本核數師認為必需之資料及解釋為目標，以便獲得充分憑證，就該等賬目是否存有重大錯誤陳述，作出合理之確定。在作出意見時，本核數師亦已評估該等賬目所載之資料在整體上是否足夠。本核數師相信我們之審核工作已為下列意見提供合理之基礎。

意見

本核數師認為，上述之賬目足以真實兼公平地顯示 貴公司與 貴集團於二零零二年三月三十一日結算時之財務狀況，及 貴集團截至該日止年度之虧損及現金流量，並按照香港公司條例之披露規定妥為編製。

羅兵咸永道會計師事務所
香港執業會計師

香港，二零零二年七月十九日

CONSOLIDATED PROFIT AND LOSS ACCOUNT 綜合損益表

For the year ended 31st March 2002

截至二零零二年三月三十一日止年度

65

			2002	Restated
		Note	HK\$'000	重新列示
		附註	港幣千元	2001
				HK\$'000
				港幣千元
Turnover	營業額	2	1,537,411	1,439,369
Cost of goods sold	銷售成本		(875,385)	(804,788)
Gross profit	毛利		662,026	634,581
Other revenues	其他收益	2	28,132	44,150
Staff costs	職工成本		(282,928)	(263,430)
Depreciation and amortisation	折舊及攤銷		(59,193)	(49,893)
Other operating expenses	其他經營費用		(308,568)	(266,870)
Operating profit	經營溢利	3	39,469	98,538
Finance costs	財務費用	4	(289)	(266)
Restructuring costs and provisions for debts of several subsidiaries	數間附屬公司之重組成本及呆賬撥備	5	(64,877)	-
Store closure costs	店舖關閉費用	6	(10,665)	(13,253)
Impairment of fixed assets of an e-commerce business – sasa.com	電子商務 – sasa.com 之固定資產減值	13(f)	(8,915)	-
Deficit on revaluation of leasehold land and buildings	土地及樓宇之重估貶值	13(b)	(18,919)	-
Impairment of goodwill	商譽減值	1(f)	-	(159,429)
Loss before taxation	除稅前虧損		(64,196)	(74,410)
Taxation	稅項	7(a)	(9,652)	(7,746)
Loss after taxation	除稅後虧損		(73,848)	(82,156)
Minority interests	少數股東權益		2,673	(2,095)
Loss attributable to shareholders	股東應佔虧損	8	(71,175)	(84,251)
Dividends	股息	9	64,128	66,632
Loss per share – Basic	每股虧損 – 基本	10	(5.3 cents)	(6.2 cents)

66 — CONSOLIDATED BALANCE SHEET 綜合資產負債表

As at 31st March 2002

二零零二年三月三十一日

			2002	Restated
			HK\$'000	重新列示
		Note	2001	2001
		附註	港幣千元	港幣千元
Fixed assets	固定資產	13	110,394	153,199
Intangible assets	無形資產	15	26,187	1,595
Deposit for investment in subsidiaries	投資附屬公司按金		–	9,000
Investment securities	投資證券		1,070	1,070
Current assets	流動資產			
Inventories	存貨		216,644	316,670
Trade receivable	應收賬款	16	23,784	11,178
Other receivables, deposits and prepayments	其他應收款項·按金及預付款項	17	56,883	87,943
Tax recoverable	預繳稅項	7(b)	2,220	7
Cash and bank balances	現金及銀行結存	29	656,970	594,810
			956,501	1,010,608
Current liabilities	流動負債			
Trade and bills payables	應付賬款及票據	18	62,743	60,126
Other payables and accrued charges	其他應付款項及應計費用		71,274	43,716
Taxation payable	應付稅項	7(c)	10,146	5,564
Current portion of receipts in advance	預收款項之流動負債部份	21	70,833	70,619
Current portion of obligations under finance leases	融資租約承擔之流動負債部份	22	30	237
Current portion of bank loan – secured	銀行借貸之流動負債部份—有抵押	25	156	–
Bank overdrafts – secured	銀行借貸—有抵押	29	851	1,757
			216,033	182,019
Net current assets	淨流動資產		740,468	828,589
Total assets less current liabilities	資產總值減流動負債		878,119	993,453

CONSOLIDATED BALANCE SHEET (CONTINUED)
As at 31st March 2002

綜合資產負債表 (續)
二零零二年三月三十一日

		Note	2002	Restated
		附註	HK\$'000	重新列示
			港幣千元	2001
				HK\$'000
				港幣千元
Financed by:	資本來源:			
Share capital	股本	19	131,833	133,720
Reserves	儲備	20	609,451	757,871
Proposed final dividend	擬派末期股息	20	50,894	53,535
Total capital and reserves	資本及儲備總額		792,178	945,126
Minority interests	少數股東權益		6,379	(32,181)
Non-current liabilities	非流動負債			
Receipts in advance	預收款項	21	71,095	73,036
Obligations under finance leases	融資租約之承擔	22	–	353
Deferred taxation	遞延稅項	23	393	2,041
Provision for long service payments	長期服務金撥備	24	4,697	5,078
Bank loan – secured	銀行借貸 – 有抵押	25	3,377	–
			79,562	80,508
			878,119	993,453

BALANCE SHEET 資產負債表

As at 31st March 2002

二零零二年三月三十一日

			2002	Restated
		Note	HK\$'000	2001
		附註	港幣千元	重新列示 2001 港幣千元
Subsidiaries	附屬公司	14	700,405	785,978
Investment securities	投資證券		950	950
Current assets	流動資產			
Other receivables, deposits and prepayments	其他應收款項、按金及預付款項		1,710	8,832
Cash and bank balances	現金及銀行結存		483,677	446,140
			485,387	454,972
Current liabilities	流動負債			
Other payables and accrued charges	其他應付款項及應計費用		772	999
Net current assets	淨流動資產		484,615	453,973
Total assets less current liabilities	資產總值減流動負債		1,185,970	1,240,901
Financed by:	資本來源:			
Share capital	股本	19	131,833	133,720
Reserves	儲備	20	1,003,243	1,053,646
Proposed final dividend	擬派末期股息	20	50,894	53,535
Total capital and reserves	資本及儲備總額		1,185,970	1,240,901

CONSOLIDATED CASH FLOW STATEMENT 綜合現金流量表

For the year ended 31st March 2002

截至二零零二年三月三十一日止年度

69

		Note	2002	2001
		附註	HK\$'000 港幣千元	HK\$'000 港幣千元
Net cash inflow from operating activities	經營業務之現金流入淨額	26(a)	189,840	33,131
Returns on investments and servicing of finance	投資回報及融資支出			
Interest received	已收利息		22,943	38,322
Interest paid	已付利息		(269)	(80)
Interest element of finance leases	融資租約利息部份		(20)	(186)
Dividends paid	已付股息		(66,771)	(67,307)
Net cash outflow from returns on investments and servicing of finance	投資回報及融資支出之現金流出淨額		(44,117)	(29,251)
Taxation	稅項			
Hong Kong profits tax paid	已繳香港利得稅		(5,010)	(11,691)
Overseas tax paid	已繳海外稅項		(4,954)	(1,940)
Tax paid	已繳稅項		(9,964)	(13,631)
Investing activities	投資業務			
Purchase of fixed assets	購買固定資產		(42,186)	(61,970)
Proceeds from the sale of fixed assets	出售固定資產收入		901	637
Additions to deposit for investment in subsidiaries	投資附屬公司按金增加		–	(9,000)
Addition to investment securities	投資證券增加		–	(200)
Purchase of subsidiaries (net of cash and cash equivalents)	購買附屬公司(扣除現金及現金等值項目)	26(b)	(12,187)	(75,156)
Net cash outflow from investing activities	投資業務之現金流出淨額		(53,472)	(145,689)
Net cash inflow/(outflow) before financing	融資前之現金流入/(流出)淨額		82,287	(155,440)

CONSOLIDATED CASH FLOW STATEMENT (CONTINUED)

For the year ended 31st March 2002

綜合現金流量表 (續)

截至二零零二年三月三十一日止年度

		Note	2002	2001
		附註	HK\$'000	HK\$'000
			港幣千元	港幣千元
Financing	融資	26(c)		
Proceeds from exercise of share options	行使購股權收益		2,099	1,050
Repurchase of own shares	購回本身股份		(15,619)	(23,417)
Repayment of bank loans	償還銀行貸款		(3,690)	(1,000)
Repayment of capital element of finance leases	償還融資租約之資本部份		(560)	(1,409)
Net cash outflow from financing	融資業務之現金流出淨額		(17,770)	(24,776)
Increase/(decrease) in cash and cash equivalents	現金及現金等值項目增加/(減少)		64,517	(180,216)
Cash and cash equivalents at 1st April	於四月一日之現金及現金等值項目		593,053	774,386
Effect of foreign exchange rate changes	匯率變動之影響		(1,451)	(1,117)
Cash and cash equivalents at 31st March	於三月三十一日現金及現金等值項目		656,119	593,053
Analysis of balances of cash and cash equivalents	現金及現金等值項目結存之分析			
Cash and bank balances	現金及銀行結存		656,970	594,810
Bank overdrafts	銀行透支		(851)	(1,757)
			656,119	593,053

CONSOLIDATED STATEMENT OF RECOGNISED GAINS AND LOSSES 綜合已確認收益及虧損報表

For the year ended 31st March 2002

截至二零零二年三月三十一日止年度

			2002	Restated 重新列示 2001
	Note		HK\$'000	HK\$'000
	附註		港幣千元	港幣千元
Exchange differences arising on translation of the accounts of overseas subsidiaries	20(a)	海外附屬公司賬目之換算差額	(1,815)	(3,374)
Net losses not recognised in the consolidated profit and loss account		未於綜合損益賬中確認之淨虧損	(1,815)	(3,374)
Loss for the year		本年度虧損	(71,175)	(84,251)
Goodwill directly eliminated to reserves	20(a)	於儲備中直接抵銷之商譽	-	(159,429)
Total recognised losses		已確認虧損總額	(72,990)	(247,054)
Effect of the adoption of new accounting standards	1(f)	採納新會計準則之影響	-	159,429
			(72,990)	(87,625)

1. Principal accounting policies

The principal accounting policies adopted in the preparation of these consolidated accounts are set out below:

(a) Basis of preparation

The accounts have been prepared under the historical cost convention as modified by the revaluation of leasehold land and buildings, in accordance with accounting principles generally accepted in Hong Kong and comply with accounting standards issued by the Hong Kong Society of Accountants ("HKSA").

In the current year, the Group adopted the following Statements of Standard Accounting Practice ("SSAPs") issued by the HKSA which are effective for accounting periods commencing on or after 1st January 2001:

SSAP 9 (revised)	:	Events after the balance sheet date
SSAP 14 (revised)	:	Leases (effective for periods commencing on or after 1st July 2000)
SSAP 26	:	Segment reporting
SSAP 28	:	Provisions, contingent liabilities and contingent assets
SSAP 29	:	Intangible assets
SSAP 30	:	Business combinations
SSAP 31	:	Impairment of assets
SSAP 32	:	Consolidated financial statements and accounting for investments in subsidiaries

The effect of adopting these new standards is set out in the accounting policies below.

1. 主要會計政策

本綜合賬目乃按以下各主要會計政策編製：

(a) 編製基準

本賬目乃按照歷史成本常規編製，惟就租賃土地及樓宇之重估而予以修訂。賬目並依據香港普遍採納之會計原則及香港會計師公會頒佈之會計準則編製。

於本年度，本集團採納下列由香港會計師公會頒佈之會計實務準則（「會計準則」），該等會計準則於二零零一年一月一日或以後開始之會計期間生效：

會計準則第9號 (經修訂)	:	「資產負債表日後事項」
會計準則第14號 (經修訂)	:	「租賃」(於二零零零年七月一日或以後開始之會計期間生效)
會計準則第26號	:	「分部報告」
會計準則第28號	:	「準備、或然負債和或然資產」
會計準則第29號	:	「無形資產」
會計準則第30號	:	「企業合併」
會計準則第31號	:	「資產減值」
會計準則第32號	:	「綜合財務報表和對附屬公司投資之會計處理」

下文之會計政策已採納此等新準則。

1. Principal accounting policies (CONTINUED)

(b) Basis of consolidation

The consolidated accounts include the accounts of the Company and its subsidiaries made up to 31st March. Subsidiaries are those entities in which the Group controls the composition of the board of directors, controls more than half of the voting power, holds more than half of the issued share capital or the Company has the power, directly or indirectly, to govern the financial and operating policies of the entities so as to obtain benefits from their activities. All significant intercompany transactions and the balances within the Group are eliminated on consolidation.

The results of the subsidiaries acquired or disposed of during the year are included in the consolidated profit and loss account from the effective dates of acquisition or up to the effective dates of disposal. The gain or loss on the disposal of a subsidiary represents the difference between the proceeds of the sale and the Group's share of its net assets together with any goodwill or capital reserve which was not previously charged or recognised in the consolidated profit and loss account.

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

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

1. 主要會計政策 (續)

(b) 綜合基準

綜合賬目包括本公司及其全部附屬公司截至三月三十一日止之賬目。附屬公司指集團控制董事會之組成、控制超過半數投票權、持有過半數發行股本或本公司有權直接或間接管轄該等公司之財務及營業政策，以透過其活動而得益。集團內部之一切重大交易及結餘已於綜合賬目時對銷。

本年度內收購或售出之附屬公司業績由其收購生效日期或截至售出生效日期止計算在綜合損益賬內。出售附屬公司之溢利或虧損指出售收益與本集團所佔淨資產（連同未於綜合損益賬扣除或確認之商譽或資本儲備）兩者之差額。

少數股東權益指集團以外股東在附屬公司內應佔營運業績及資產淨值之權益。

於本公司資產負債表內，附屬公司之投資按成本值扣除減值虧損準備列賬。附屬公司之業績在本公司賬內是以已收及應收之股息計算。

1. Principal accounting policies (CONTINUED)

(c) Revenue recognition

Revenue from the sale of goods is recognised on the transfer of ownership, which generally coincides with the time of cash receipt for retail sale or the time of delivery for wholesale sale.

Revenue from beauty and health club represents membership fee and service fee income in connection with the provision of physical fitness and beauty treatment service. Membership fee is recognised immediately in the month in which payment is received, whereas service fee is recognised on a systematic basis in accordance with service usage over a maximum period of five years.

Slide display rental income is recognised on a time proportion basis.

Interest income is recognised on a time proportion basis, taking into account the principals outstanding and interest rates applicable.

(d) Fixed assets

(i) *Leasehold land and buildings*

Leasehold land and buildings are stated at cost or valuation, being fair value at the date of revaluation, less subsequent accumulated depreciation and impairment loss. Fair value is the amount for which an asset could be exchanged between knowledgeable willing parties in an arm's length transaction, and is determined on the basis of existing use.

1. 主要會計政策 (續)

(c) 收益確認

銷售品之收益於擁有權移交時確認(如屬零售,通常為收取現金之時,如屬批發銷售,通常為付運之時)。

美容及健美中心之收益指與提供健身及美容服務相關之會員費及服務費。會員費於收取付款的月份即時確認,而服務費則按服務提用最多於五年內作規律性確認。

幻燈片陳列租金收入按時間比例基準確認。

利息收入按時間比例基準確認,並計入尚餘本金額及適用之利率。

(d) 固定資產

(i) *租賃土地及樓宇*

租賃土地及樓宇按原值或估值(即重估日期之公平價值)減其後之累計折舊及減值虧損列賬。公平價值指在知情自願人士之公平交易中,某項資產可換取之金額,該價值按資產現時用途釐定。

1. Principal accounting policies (CONTINUED)

(d) Fixed assets (continued)

(i) Leasehold land and buildings (continued)

It is the Group's policy to review regularly the fair value of fixed assets based on independent professional valuations. If the fair value is in excess of the carrying amount of the relevant asset, the surplus is credited to the revaluation reserve to the extent that it is not covered by deficits arising on prior valuations of that asset which have been previously charged to the profit and loss account. If the fair value is less than the carrying amount of the relevant asset the deficit is charged to the profit and loss account to the extent that it is not covered by surpluses arising on prior valuations of that same asset which have been previously credited to the revaluation reserve.

(ii) Depreciation of leasehold land

Leasehold land is depreciated to write off its cost less accumulated impairment loss or valuation over the unexpired period of the lease on a straight line basis. The principal annual rate used for this purpose is 1.96%.

(iii) Depreciation of leasehold buildings and leasehold improvements

Leasehold buildings and leasehold improvements are depreciated to write off their cost less accumulated impairment loss or valuation on the straight line basis over the unexpired periods of the leases or their estimated useful lives of the Group whichever is shorter. The principal annual rates used for this purpose are:

Leasehold buildings	5%
Leasehold improvements	15% – 33.3%

1. 主要會計政策 (續)

(d) 固定資產 (續)

(i) 租賃土地及樓宇 (續)

按照本集團政策，本集團會尋求獨立專業估值定期檢討固定資產之公平價值。倘某項資產之公平價值高於其賬面值，而該資產於先前估值時所產生且原先已於損益賬中扣除之虧損不足以彌補該盈餘，則有關盈餘將列入重估儲備內。倘某項資產之公平價值低於其賬面值，而該資產於先前估值所產生且原先已列入重估儲備之盈餘不足以彌補虧損，則有關虧損將於損益賬中扣除。

(ii) 租賃土地之折舊

租賃土地之折舊乃按租約所餘年期以直線法撇銷其原值減累積減值虧損或估值，為此所採用之主要年率為1.96%。

(iii) 租賃樓宇及租賃物業裝修之折舊

租賃樓宇及租賃物業裝修之折舊乃按租約所餘年期或其對本集團之估計可使用年期（取其較短者）撇銷其原值減累積減值虧損或估值，為此所採用之主要年率為：

租賃樓宇	5%
租賃物業裝修	15%-33.3%

1. Principal accounting policies (CONTINUED)

(d) Fixed assets (continued)

(iv) Other tangible fixed assets

Other tangible fixed assets are stated at cost less accumulated depreciation and impairment losses. Other tangible fixed assets are depreciated at rates sufficient to write off their cost less accumulated impairment losses on the straight line basis over their estimated useful lives to the Group. The principal annual rates used for this purpose are:

Equipment, furniture and fixtures	15% – 33.3%
Machinery and club equipment	15% – 20%
Motor vehicles	20% – 25%
Motor boat	20%

(v) Impairment of fixed assets

At each balance sheet date, both internal and external sources of information are considered to assess whether there is any indication that assets included in leasehold buildings, leasehold improvements and other tangible fixed assets are impaired. If any such indication exists, the recoverable amount of the asset is estimated and where relevant, an impairment loss is recognised to reduce the asset to its recoverable amount. Such impairment losses are recognised in the profit and loss account.

(vi) Gain or loss on disposal of fixed assets

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

1. 主要會計政策 (續)

(d) 固定資產 (續)

(iv) 其他有形固定資產

其他有形固定資產按成本值減去累計折舊及累積減值虧損列賬。其他有形固定資產之折舊乃將資產成本值減去累積減值虧損按其於本集團之預計可使用年期及相應年率以直線法撇銷。為此所採用之主要折舊年率為：

設備、傢俬及裝置	15%-33.3%
會所器材及設備	15%-20%
汽車	20%-25%
汽船	20%

(v) 固定資產之減值

在每年結算日，租賃樓宇、租賃物業裝修及其他有形固定資產內之資產皆透過集團內部及外界所獲得的資訊，評核該等資產有否耗蝕。如有跡象顯示該等資產出現耗蝕，則估算其可收回價值，及在合適情況下將減值虧損入賬以將資產減至其可收回價值。此等減值虧損於損益表內確認。

(vi) 出售固定資產之損益

出售一項固定資產之損益乃出售所得款項淨額與有關資產面值之差額，並於損益賬內確認。

1. Principal accounting policies (CONTINUED)

(d) Fixed assets (continued)

(vii) Cost of restoring and improving fixed assets

Major costs incurred in restoring fixed assets to their normal working condition are charged to the profit and loss account. Improvements are capitalised and depreciated over their estimated useful lives to the Group.

(e) Assets under leases

(i) Finance leases

Leases that substantially transfer to the Group all the risks and rewards of ownership of assets are accounted for as finance leases. Finance leases are capitalised at the inception of the leases at the lower of the fair value of the leased assets or the present value of the minimum lease payments. Each lease payment is allocated between the capital and finance charges so as to achieve a constant rate on the capital balances outstanding. The corresponding rental obligations, net of finance charges, are included in long-term liabilities. The finance charges are charged to the profit and loss account over the lease periods.

Assets held under finance leases are depreciated over the shorter of their estimated useful lives or the lease periods.

(ii) Operating leases

Leases where substantially all the risks and rewards of ownership of assets remain with the leasing company are accounted for as operating leases. Payments made under operating leases net of any incentives received from the leasing company are charged to the profit and loss account on a straight-line basis over the lease periods.

1. 主要會計政策 (續)

(d) 固定資產 (續)

(vii) 修復及改良固定資產之費用

修復固定資產至正常運作狀況所產生之主要費用於損益賬內扣除。改良資產所產生之費用則資本化及按其對本集團之預計可使用年期作出折舊。

(e) 租賃資產

(i) 融資租約

融資租約是指將擁有資產之風險及回報基本上全部轉讓予集團之租賃。融資租約在開始時按租賃資產之公平值或最低租賃付款之現值(以較低者為準)撥充資本。每期租金均以資本及財務費用分配,以達到固定之資本結欠額。相應租約承擔在扣除財務費用後計入長期負債內。財務費用於租約期內在損益賬中支銷。

以融資租約持有之資產按估計可使用年期或租約期(取較短者)計算折舊。

(ii) 經營租約

經營租約是指擁有資產之風險及回報基本上全部由出租公司保留之租賃。根據經營租賃作出之付款在扣除自出租公司收取之任何獎勵金後,於租賃期內以直線法在損益賬中支銷。

1. Principal accounting policies (CONTINUED)

(f) Intangible assets

(i) Goodwill

Goodwill represents the excess of the cost of acquisition over the fair value of the Group's share of the net assets of the acquired subsidiary at the date of acquisition.

In accordance with SSAP 30, goodwill on acquisitions occurring on or after 1st April 2001 is included in intangible assets and is amortised using the straight-line method over its estimated useful life. Goodwill is generally amortised over its estimated useful life to a maximum period of 20 years.

Goodwill on acquisitions that occurred prior to 1st April 2001 was written off against reserves by the Group. The Group has taken advantage of the transitional provision 1(a) in SSAP 30 and goodwill previously written off against reserves has not been restated.

SSAP 31 prescribes procedures to be applied to ensure that assets are carried at not more than their recoverable amounts. The Group is required to assess at each balance sheet date whether there are any indications that assets may be impaired, and if there are such indications, the recoverable amount of the assets is to be determined. Any resulting impairment losses identified are charged to the profit and loss account.

In accordance with the provisions of Interpretation 13, assessments of impairment of goodwill also apply to goodwill previously eliminated against reserves which will not be restated at the time of adoption of SSAP 30. Any impairment loss identified in respect of goodwill previously eliminated against reserves is to be recognised as an expense in the profit and loss account. The adoption of SSAP 30 and the provisions of Interpretation 13 are required to be reflected in accordance with the requirement of SSAP 2.

1. 主要會計政策 (續)

(f) 無形資產

(i) 商譽

商譽指收購成本超出於收購日集團應佔所收購附屬公司淨資產公平值之數額。

根據會計準則第30號，於二零零一年四月一日或以後產生之收購商譽計入無形資產，並於其估計可用年期以直線法攤銷。商譽一般按其估計可用年期於最多為二十年年期攤銷。

於二零零一年四月一日前產生之收購商譽已於本集團儲備中撤銷。集團利用會計準則第30號1(a)之過渡性條款，故此已在儲備撤銷之商譽並無重新列賬。

會計準則第31號規定適用的程序，以確保記入的資產沒有超過其可收回價值。本集團須於每一個結賬日評核，有沒有跡象顯示資產受到減值。如有，則須確定該資產的可收回金額。所確認的任何虧損減值，均在損益表中撇減。

根據詮釋條款第13號規定，商譽減值的評核亦適用於前期在儲備中撇減的商譽。已撇減的商譽不會在採納會計準則第30號規定時予以重列。於前期儲備中撇減並確認的商譽減值，須在損益表中列作開支予以確認。採用會計準則第30號以及詮釋條款第13號，須按會計準則第2號規定反映。

1. Principal accounting policies (CONTINUED)

(f) Intangible assets (continued)

(i) Goodwill (continued)

The Group has performed an assessment of the fair value of goodwill that had previously been charged to the reserves. As a result, the Group has retrospectively restated and decreased its previously reported net profit for the year ended 31st March 2001 by approximately HK\$159,429,000.

(ii) Trademarks

Expenses incurred by the Group in respect of registering the Group's trademarks in various locations are amortised, using the straight-line method, over periods not exceeding three years starting from the date of commencement of operations.

(iii) Impairment of intangible assets

Where an indication of impairment exists, the carrying amount of any intangible asset, is assessed and written down immediately to its recoverable amount.

(g) Investment securities

Investment securities representing the Group's interest in club debentures, are stated at cost less any provision for impairment loss.

The carrying amounts of individual investments are reviewed at each balance sheet date to assess whether the fair values have declined below the carrying amounts. When a decline other than temporary has occurred, the carrying amount of such securities will be reduced to its fair value. The impairment loss is recognised as an expense in the profit and loss account. This impairment loss is written back to the profit and loss account when the circumstances and events that led to the write-downs or write-offs cease to exist and there is persuasive evidence that the new circumstances and events will persist for the foreseeable future.

1. 主要會計政策 (續)

(f) 無形資產 (續)

(i) 商譽 (續)

本集團就之前於儲備中扣除之商譽進行公平價值評估。在作出評估後，本集團已追溯地重列二零零一年三月三十一日止年度所呈報之淨溢利，令有關淨溢利減少約159,429,000港元。

(ii) 商標

本集團就各地註冊其商標產生之開支，以直線法由開業日期起不超過三年之內攤銷。

(iii) 無形資產減值

如有跡象顯示出現減值，則無形資產之賬面值，均需評估及即時減至可收回價值。

(g) 投資證券

投資證券指本集團持有之會籍債券，按成本值減任何減值虧損準備入賬。

個別投資之賬面值於每年結算日均予以檢討，以評估其公平價值是否已跌至低於賬面值。假如下跌並非短期性，則有關投資之賬面值將削減至其公平價值。耗蝕虧損在損益表中列作開支。當引致撇減或撇銷之情況及事件不再存在，而有可信證據顯示新的情況和事件會於可預見將來持續，則將此項減值虧損撥回損益表。

1. Principal accounting policies (CONTINUED)

(h) Inventories

Inventories comprise merchandise and are stated at the lower of cost and net realisable value.

Cost represents the invoiced cost of inventories. In general, costs are assigned to individual items on the weighted average basis. Net realisable value is the price at which inventories can be sold in the normal course of business after allowing for the costs of realisation.

(i) Trade and other receivables

Provision is made against trade and other receivables to the extent that they are considered to be doubtful. Trade and other receivables in the balance sheet are stated net of such provision.

(j) Cash and cash equivalents

Cash and cash equivalents are carried in the balance sheet at cost. For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand, deposits held at call with banks and bank overdrafts.

(k) Deferred taxation

Deferred taxation is accounted for at the current taxation rate in respect of timing differences between profit as computed for taxation purposes and profit as stated in the accounts to the extent that a liability or an asset is expected to be payable or recoverable in the foreseeable future.

(l) Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made.

1. 主要會計政策 (續)

(h) 存貨

存貨指商品，按成本值及可變現淨值（取較低者）入賬。

成本值指存貨之發票原值。一般而言，成本值按加權平均基準分攤至個別項目。可變現淨值為存貨在扣除變現成本後在一般業務程序中可出售之價格。

(i) 應收及其他應收款項

對收回應收及其他應收款項存疑時將作撥備。資產負債表之應收及其他應收款項乃在扣除該等撥備後入賬。

(j) 現金及現金等值項目

現金及現金等值項目按成本在資產負債表內列賬。在現金流量表中，現金及現金等值項目包括庫存現金、銀行通知存款及銀行透支。

(k) 遞延稅項

為課稅而計算之盈利與賬目所示之盈利二者間之時差，若預期將於可預見將來支付或收回，即按現行稅率計算遞延稅項負債或資產。

(l) 撥備

當集團因已發生的事件須承擔現有之法律性或推定性的責任，而解除責任時有可能消耗資源，並在責任金額能夠可靠地作出估算的情況下，需確立撥備。

1. Principal accounting policies (CONTINUED)**(m) Translation of foreign currencies**

Transactions in foreign currencies are translated into Hong Kong dollars at the rates of exchange ruling at the dates of transactions. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated into Hong Kong dollars at the rates of exchange ruling at the balance sheet date. Exchange differences arising therefrom are dealt with in the profit and loss account.

The accounts of subsidiaries expressed in foreign currencies are translated into Hong Kong dollars at the rates of exchange ruling at the balance sheet date. Exchange differences arising in these cases are dealt with as a movement in exchange fluctuation reserve.

(n) Retirement benefit costs

The Group's contributions to retirement benefit schemes are expensed as incurred and where appropriate, are reduced by contributions forfeited by those employees who leave the scheme prior to vesting fully in the contributions. The assets of the schemes are held separately from those of the Group in an independently administered fund.

(o) Borrowing costs

All borrowing costs are charged to the profit and loss account in the year in which they are incurred.

(p) Segment reporting

In accordance with the Group's internal financial reporting, the Group has determined that business segments be presented as the primary reporting format and geographical as the secondary reporting format.

1. 主要會計政策 (續)**(m) 外幣換算**

外幣交易按交易日之滙率換算為港元。以外幣結算之貨幣資產及負債按資產負債表結算日之滙率換算為港元列賬。由此產生之滙兌差額計入損益賬內。

附屬公司之外幣賬目按資產負債表結算日之滙率換算為港元。由此產生之滙兌差額列作外滙波動儲備之變動。

(n) 退休金支出

本集團向退休金計劃所供出之款項於產生期間支銷。而員工因離職未能全數提取之供款額會用作減低僱主之供款額(如適用)。該等計劃之資產由一獨立基金管理,與本集團之資產分開持有。

(o) 借貸成本

所有借貸成本均於其產生年度在損益賬內支銷。

(p) 分部報告

按照本集團之內部財務報告,本集團已決定將業務分部資料作為主要分部報告,而地區分佈資料則作為從屬形式呈列。

1. Principal accounting policies (CONTINUED)

(p) Segment reporting (continued)

Segment assets consist primarily of fixed assets, intangible assets, inventories, receivables and operating cash, and mainly exclude investments securities and tax recoverable. Segment liabilities comprise operating liabilities and exclude items such as taxation and borrowings. Capital expenditure comprises additions to fixed assets (note 13).

In respect of geographical segment reporting, sales are based on the country in which the customer is located. Total assets and capital expenditure are based on where the assets are located.

(q) Dividends

In accordance with the revised SSAP 9, the Group no longer recognises dividends proposed or declared after the balance sheet date as a liability at the balance sheet date. This change in accounting policy has been applied retrospectively so that the comparatives presented have been restated to conform to the changed policy.

As detailed in Note 20, this change has resulted in an increase in opening retained earnings at 1st April 2001 by HK\$53,535,000 (1st April 2000: HK\$54,210,000) which is the reversal of the provision for 2001 (2000) proposed final dividend previously recorded as a liability as at 31st March 2001 (31st March 2000) although not declared until after the balance sheet date.

1. 主要會計政策 (續)

(p) 分部報告 (續)

分部資產主要包括固定資產、無形資產、存貨、應收款項及經營現金，不包括之項目主要為投資證券及預繳稅項。分部負債指經營負債，而不包括例如稅項及借款等項目。資本性開支包括購入固定資產（附註13）的費用。

至於地區分部報告，銷售額乃按照客戶所在國家計算。總資產及資本性開支按資產所在地計算。

(q) 股息

按照經修訂之會計準則第9號，本集團於結算日後才建議或宣佈派發之股息不再於結算日確立為負債。此項新會計政策已追溯應用，而比較數字亦已重列以符合經修訂之政策。

如附註20所詳述，此項改變導致二零零一年四月一日之期初滾存溢利增加了53,535,000港元（二零零零年四月一日：54,210,000港元），此乃二零零一年度（二零零零年度）建議派發之末期股息備付款之撥回數額，此股息於結算日後始宣佈派發，但已於二零零一年三月三十一日（二零零零年三月三十一日）入賬列為負債。

1. Principal accounting policies (CONTINUED)**(r) Contingent liabilities and contingent assets**

A contingent liability is a possible obligation that arises from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. It can also be a present obligation arising from past events that is not recognised because it is not probable that outflow of economic resources will be required or the amount of obligation cannot be measured reliably.

A contingent liability is not recognised but is disclosed in the notes to the accounts. When a change in the probability of an outflow occurs so that outflow is probable, they will then be recognised as a provision.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain events not wholly within the control of the Group.

Contingent assets are not recognised but are disclosed in the notes to the accounts when an inflow of economic benefits is probable. When inflow is virtually certain, an asset is recognised.

(s) Comparative figures

Certain comparative figures have been reclassified to conform with the current year's presentation.

1. 主要會計政策 (續)**(r) 或然負債及或然資產**

或然負債指因已發生的事件而可能引起之責任，此等責任需就某一宗或多宗事件會否發生才能確認，而集團並不能完全控制這些未來事件會否實現。或然負債亦可能是因已發生的事件引致之現有責任，但由於可能不需要消耗經濟資源，或責任金額未能可靠地衡量而未有入賬。

或然負債不會被確認，但會在賬目附註中披露。假若消耗資源之可能性改變導致可能出現資源消耗，此等負債將被確立為撥備。

或然資產指因已發生的事件而可能產生之資產，此等資產需就某一宗或多宗事件會否發生才能確認，而集團並不能完全控制這些未來事件會否實現。

或然資產不會被確認，但會於可能收到經濟效益時在賬目附註中披露。若實質確定有收到經濟效益時，此等效益才被確立為資產。

(s) 比較數字

為配合本財政年度呈報形式之改變，比較數字已按需要作出調整。

2. Revenues, turnover and segment information

The Group is principally engaged in the retailing and wholesaling of a wide range of brand name cosmetic products and the provision of beauty and health club services. Revenues recognised during the year are as follows:

2. 收益、營業額及分類資料

本集團主要業務為從事多種品牌化妝品之零售及批發，及提供美容和健美中心服務。年內確認之收益如下：

		Group 本集團	
		2002 HK\$'000 港幣千元	2001 HK\$'000 港幣千元
Turnover	營業額		
Retail and wholesale	零售及批發	1,385,845	1,351,213
Beauty and health club services	美容及健美中心服務	151,566	88,156
		1,537,411	1,439,369
Other revenues	其他收益		
Interest income	利息收入	20,394	38,161
Slide display rental income	幻燈片陳列租金收入	6,934	5,261
Sundry income	雜項收入	804	728
		28,132	44,150
		1,565,543	1,483,519

2. Revenues, turnover and segment information (CONTINUED) 2. 收益、營業額及分類資料 (續)

(a) Primary reporting format – business segments

(a) 主要分部報告形式 – 業務分部資料

		Retail and wholesale 零售及批發 HK\$'000 港幣千元	Beauty and health club services 美容及 健美中心 服務 HK\$'000 港幣千元	2002 Total 總額 HK\$'000 港幣千元
Turnover	營業額	1,385,845	151,566	1,537,411
Results	業績			
Segment results	分部業績	29,889	(10,814)	19,075
Interest income	利息收入	16,829	3,565	20,394
Interest expenses	利息支出	(157)	(132)	(289)
Restructuring costs and provisions for debts of several subsidiaries	數間附屬公司之重組成本及呆賬撥備	–	(64,877)	(64,877)
Store closure costs	店舖關閉費用	(10,665)	–	(10,665)
Impairment of fixed assets of an e-commerce business – sasa.com	電子商務 – sasa.com 之固定資產減值	(8,915)	–	(8,915)
Deficit on revaluation of leasehold land and buildings	土地及樓宇之重估貶值	(18,919)	–	(18,919)
Profit/(loss) before taxation	除稅前溢利/(虧損)	8,062	(72,258)	(64,196)
Taxation	稅項			(9,652)
Loss after taxation	除稅後虧損			(73,848)
Minority interests	少數股東權益			2,673
Loss attributable to shareholders	股東應佔虧損			(71,175)
Segment assets	分部資產	1,023,151	67,711	1,090,862
Investment securities and tax recoverable	投資證券及預繳稅項			3,290
Total assets	資產總額			1,094,152
Segment liabilities	分部負債	116,879	163,763	280,642
Borrowings and taxation	借貸及稅項			14,953
Total liabilities	負債總額			295,595
Minority interests	少數股東權益			(6,379)
Net assets	資產淨值			792,178
Other information	其他資料			
Capital expenditure	資本性開支	17,500	24,686	42,186
Depreciation and amortisation charges	折舊及攤銷費用	48,228	10,965	59,193
Provision for doubtful debts	呆賬撥備	2,971	290	3,261
Provision for slow moving inventories	滯銷存貨撥備	13,787	530	14,317
Write-off of fixed assets	固定資產撇賬	1,089	–	1,089

2. Revenues, turnover and segment information 2. 收益、營業額及分類資料 (續)

(CONTINUED)

(a) Primary reporting format – business segments (continued)

(a) 主要分部報告形式 – 業務分部資料 (續)

		Retail and wholesale 零售及批發 HK\$'000 港幣千元	Beauty and health club services 美容及 健美中心 服務 HK\$'000 港幣千元	2001 Total 總額 HK\$'000 港幣千元
Turnover	營業額	1,351,213	88,156	1,439,369
Results	業績			
Segment results	分部業績	57,089	3,288	60,377
Interest income	利息收入	37,220	941	38,161
Interest expenses	利息支出	(41)	(225)	(266)
Store closure costs	店舖關閉費用	(13,253)	–	(13,253)
Impairment of goodwill	商譽減值	–	(159,429)	(159,429)
Profit/(loss) before taxation	除稅前溢利/(虧損)	81,015	(155,425)	(74,410)
Taxation	稅項			(7,746)
Loss after taxation	除稅後虧損			(82,156)
Minority interests	少數股東權益			(2,095)
Loss attributable to shareholders	股東應佔虧損			(84,251)
Segment assets	分部資產	1,088,772	85,623	1,174,395
Investment securities and tax recoverable	投資證券及預繳稅項			1,077
Total assets	資產總額			1,175,472
Segment liabilities	分部負債	92,518	160,057	252,575
Borrowings and taxation	借貸及稅項			9,952
Total liabilities	負債總額			262,527
Minority interests	少數股東權益			32,181
Net assets	資產淨值			945,126
Other information	其他資料			
Capital expenditure	資本性開支	53,216	8,754	61,970
Depreciation and amortisation charges	折舊及攤銷費用	45,066	4,827	49,893
Provision for slow moving inventories	滯銷存貨撥備	1,604	–	1,604
Write-off of fixed assets	固定資產撇賬	2,101	–	2,101

2. Revenues, turnover and segment information 2. 收益、營業額及分類資料 (續)

(CONTINUED)

(b) Secondary reporting format – geographical segments

The Group operates in Greater China, Taiwan and South Asia.
Greater China comprises Hong Kong, Macau and Mainland China.
South Asia comprises Thailand, Malaysia and Singapore.

(b) 從屬分部報告形式 – 地區分部資料

集團於大中華、台灣及南亞地區經營業務。大中華包括香港、澳門及中國大陸。南亞地區包括泰國、馬來西亞及新加坡。

		Greater China 大中華 HK\$'000 港幣千元	Taiwan 台灣 HK\$'000 港幣千元	South Asia 南亞地區 HK\$'000 港幣千元	2002 Total 總額 HK\$'000 港幣千元
Turnover	營業額	1,291,655	104,088	141,668	1,537,411
Results	業績				
Segment results	分部業績	36,064	(12,606)	(4,383)	19,075
Interest income	利息收入	18,841	186	1,367	20,394
Interest expenses	利息支出	(261)	–	(28)	(289)
Restructuring costs and provisions for debts of several subsidiaries	數間附屬公司之 重組成本及呆賬撥備	(64,429)	–	(448)	(64,877)
Store closure costs	店舖關閉費用	–	(10,665)	–	(10,665)
Impairment of fixed assets of an e-commerce business – sasa.com	電子商務 – sasa.com 之 固定資產減值	(8,915)	–	–	(8,915)
Deficit on revaluation of leasehold land and buildings	土地及樓宇之重估貶值	(18,919)	–	–	(18,919)
Loss before taxation	除稅前虧損	(37,619)	(23,085)	(3,492)	(64,196)
Segment assets	分部資產	929,886	51,029	109,947	1,090,862
Investment securities and tax recoverable	投資證券及預繳稅項				3,290
Total assets	資產總額				1,094,152
Capital expenditure	資本性開支	15,616	4,142	22,428	42,186

2. Revenues, turnover and segment information 2. 收益、營業額及分類資料 (續)

(CONTINUED)

(b) Secondary reporting format – geographical segments (continued)

(b) 從屬分部報告形式 – 地區分部資料 (續)

		Greater China 大中華 HK\$'000 港幣千元	Taiwan 台灣 HK\$'000 港幣千元	South Asia 南亞地區 HK\$'000 港幣千元	2001 Total 總額 HK\$'000 港幣千元
Turnover	營業額	1,167,412	146,408	125,549	1,439,369
Results	業績				
Segment results	分部業績	71,724	(16,449)	5,102	60,377
Interest income	利息收入	36,477	337	1,347	38,161
Interest expenses	利息支出	(181)	–	(85)	(266)
Store closure costs	店舖關閉費用	–	(13,253)	–	(13,253)
Impairment of goodwill	商譽減值	(68,327)	–	(91,102)	(159,429)
Profit/(loss) before taxation	除稅前溢利/(虧損)	39,693	(29,365)	(84,738)	(74,410)
Segment Assets	分部資產	997,220	79,410	97,765	1,174,395
Investment securities and tax recoverable	投資證券及預繳稅項				1,077
Total assets	資產總額				1,175,472
Capital expenditure	資本性開支	50,649	5,142	6,179	61,970

3. Operating profit

3. 經營溢利

		Group 本集團	
		2002	2001
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Operating profit is stated after crediting and charging the following:	經營溢利已計入及扣除下列項目：		
Crediting	計入		
Gain on disposal of fixed assets	出售固定資產溢利	390	491
Write back of provision for doubtful debts	撥回呆賬準備	-	125
Charging	扣除		
Amortisation of intangible assets	無形資產攤銷	2,401	1,685
Auditors' remuneration	核數師酬金	1,769	1,375
Depreciation of fixed assets held under finance leases	按融資租約持有之固定資產折舊	51	164
Depreciation of owned fixed assets	自置固定資產折舊	56,741	48,044
Net exchange loss	滙兌虧損淨額	2,381	2,691
Operating lease rentals in respect of land and buildings	土地及樓宇之經營租約租金	165,893	137,825
Provision for doubtful debts	呆賬撥備	3,261	-
Provision for slow moving inventories	滯銷存貨撥備	14,317	1,604
Retirement benefit costs	退休金支出	11,655	7,781
Write-off of fixed assets	固定資產撇賬	1,089	2,101

4. Finance costs

4. 財務費用

		Group 本集團	
		2002	2001
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Interest on bank overdrafts	銀行透支之利息	112	80
Interest on bank loans not wholly repayable within five years	全數不需於五年內償還 銀行貸款之利息	157	—
Interest on finance leases	融資租約之利息	20	186
		289	266

5 Restructuring costs and provisions for debts of several subsidiaries

5. 數間附屬公司之重組成本及呆賬撥備

Restructuring costs and provisions for debts are incurred in connection with the restructuring of the beauty and health club operations of Lisbeth Enterprises Limited and its subsidiaries and the outstanding amounts that might not be recoverable from the relevant parties respectively (refer to details in notes 17, 26(c) and 31).

重組成本及呆賬撥備分別涉及 Lisbeth Enterprises Limited 及其附屬公司之美容及健美中心之業務營運重組及有關人士所欠負可能無法收回之未償還款項 (詳見附註17、26(c)及31)。

		Group 本集團	
		2002	2001
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Restructuring costs	重組成本		
Write-off of fixed assets	固定資產撇賬	3,109	—
Severance payments and others	遣散費及其他	2,771	—
Provisions for debts	呆賬撥備		
Provision for amounts due from ex-directors of subsidiaries and their related company (note 17)	應收附屬公司前董事及其有關連公司款項之撥備 (附註17)	26,816	—
Provision for receivables from minority shareholders of subsidiaries (note 26(c))	應收附屬公司少數股東款項之撥備 (附註26(c))	32,181	—
		64,877	—

6. Store closure costs

Store closure costs represent expenses incurred in connection with the closure of several stores in Taiwan. Details are as follows:

6. 店舖關閉費用

店舖關閉費用指與數間台灣店舖關閉相關之費用，詳列如下：

		Group 本集團	
		2002	2001
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Write-off of fixed assets	固定資產撇賬	1,249	4,719
Write-off of trademarks	商標撇賬	1,220	–
Provision for slow moving inventories	滯銷存貨撥備	4,021	2,258
Costs in relation to early termination of leases and other contracts	提前終止租約及其他合約之相關費用	2,949	4,092
Redundancy costs and others	解僱費及其他	1,226	2,184
		10,665	13,253

7. Taxation

(a) The amount of taxation charged to the consolidated profit and loss account represents:

7. 稅項

(a) 在綜合損益表內扣除之稅項支出如下：

		Group 本集團	
		2002	2001
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Hong Kong profits tax	香港利得稅		
Current	本年度	8,660	7,181
Over provision in previous years	往年超額撥備	–	(3,949)
Overseas taxation	海外稅項		
Current	本年度	3,338	6,163
(Over)/under provision in previous years	往年(超額)/撥備不足	(698)	1,641
Deferred taxation (note 23(a))	遞延稅項(附註23(a))	(1,648)	(3,290)
		9,652	7,746

7. Taxation (CONTINUED)

Deferred taxation for the year has not been (recognised)/provided in respect of the following:

		Group 本集團	
		2002	2001
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Accelerated depreciation allowances	加速折舊免稅額	133	(9,152)
Tax losses	稅項虧損	(5,324)	(8,318)
Other timing differences	其他時差	349	(245)
		(4,842)	(17,715)

Hong Kong profits tax has been provided at the rate of 16% (2001: 16%) on the estimated assessable profits for the year. Taxation on overseas profits have been calculated on the estimated assessable profits for the year at the rates of taxation prevailing in the countries in which the Group operates.

香港利得稅按本年度估計應課稅溢利以稅率16% (二零零一年: 16%) 計算。海外稅項按本年度估計應課稅溢利以集團營運國家之現行稅率計算。

- (b) Tax recoverable in the consolidated balance sheet represents the amount of provisional tax paid less the amount of Hong Kong profits tax and overseas tax provided for the current and previous years.
- (c) Taxation payable in the consolidated balance sheet represents the provision for Hong Kong profits tax and overseas tax less the amount of provisional tax paid for the current and previous years.

- (b) 綜合資產負債表之可退回稅項指已付之暫繳稅扣除本年度及往年之香港利得稅及海外稅項準備。
- (c) 綜合資產負債表之應付稅項指本年度及往年之香港利得稅與海外稅項準備扣除已付之暫繳稅。

8. Loss attributable to shareholders

The loss attributable to shareholders is dealt with in the accounts of the Company to the extent of profit of HK\$25,027,000 (2001: profit of HK\$82,857,000).

8. 股東應佔虧損

股東應佔虧損其中25,027,000港元溢利 (二零零一年: 82,857,000港元溢利) 已於本公司賬目內處理。

9. Dividends

9. 股息

		Company 本公司	
		2002	2001
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Interim, paid – 1.0 HK cents (2001: 1.0 HK cents) per ordinary share	已派中期股息—每股普通股1.0港仙 (二零零一年:1.0港仙)	13,234	13,097
Final, proposed – 4.0 HK cents (2001: 4.0 HK cents) per ordinary share	擬派末期股息—每股普通股4.0港仙 (二零零一年:4.0港仙)	50,894	53,535
		64,128	66,632

Notes

- (a) The previously recorded final dividends proposed and declared after the balance sheet date but accrued in the accounts for the year ended 31st March 2000 and 2001 were HK\$54,210,000 and HK\$53,535,000 respectively. Under the Group's new accounting policy as described in Note 1(q), these have been written back against opening reserves as at 1st April 2000 and 2001 in Note 20 and are now charged in the period in which they were proposed.
- (b) At a meeting held on 19th July 2002 the directors declared a final dividend of 4.0 HK cents per ordinary share. This proposed dividend is not reflected as a dividend payable in these accounts, but will be reflected as an appropriation of retained earnings for the year ending 31st March 2003.

附註:

- (a) 過往於結算日後才建議和派發之末期股息分別為54,210,000港元及53,535,000港元。但此等股息在截至二零零零年及二零零一年三月三十一日止年度已計算入賬。根據本集團之新會計政策(見附註1(q))，此等數額已於二零零零年及二零零一年四月一日之期初儲備中撥回(見附註20)，並重新於建議派發股息之期間扣除。
- (b) 於二零零二年七月十九日舉行之會議上，董事宣佈派發末期股息每股普通股4.0港仙。此項擬派股息並無於本賬目中列作應付股息，惟將於截至二零零三年三月三十一日止年度列作滾存溢利分派。

10. Loss per share – Basic

- (a) The calculation of basic loss per ordinary share is based on the Group's loss attributable to shareholders of HK\$71,175,000 (2001: HK\$84,251,000 (restated)).
- (b) The basic loss per ordinary share is based on the weighted average of 1,330,793,393 (2001: 1,348,769,893) ordinary shares in issue during the year.
- (c) No diluted loss per share has been presented as there is no potential dilutive ordinary share during the year.

10. 每股虧損 – 基本

- (a) 每股普通股之基本虧損乃根據本集團股東應佔虧損71,175,000港元(二零零一年:84,251,000港元(重新列示))計算。
- (b) 每股普通股之基本虧損乃按於本年度已發行普通股之加權平均數1,330,793,393(二零零一年:1,348,769,893)股普通股計算。
- (c) 由於年內並無潛在攤薄普通股，故此並無呈列每股攤薄虧損。

11. Directors' and senior management's emoluments 11. 董事及高級管理人員之酬金

(a) Directors' emoluments

The aggregate amounts of emoluments payable to directors of the Company during the year are as follows:

		Group 本集團	
		2002	2001
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Fees	袍金	705	804
Basic salaries, housing allowances, other allowances and benefits in kind (note)	基本薪金、房屋津貼、其他津貼及實物利益(附註)	8,526	9,249
Directors' pension	董事退休金	403	451
		9,634	10,504
Benefit from share options exercised	行使購股權之利益	-	878

Directors' fees of HK\$705,000 (2001: HK\$804,000) were paid to independent non-executive directors.

於本年付予本公司董事酬金總額如下：

付予本公司獨立非執行董事之袍金總額達705,000港元(二零零一年:804,000港元)。

The emoluments of the directors fell within the following bands:

介乎下列酬金範圍之董事人數如下：

Emoluments bands 酬金範圍	Number of directors 董事人數	
	2002	2001
HK\$Nil – HK\$1,000,000	5	7
HK\$2,000,001 – HK\$2,500,000 (note)(附註)	1	1
HK\$3,000,001 – HK\$3,500,000	1	1
HK\$3,500,001 – HK\$4,000,000	1	1
	8	10

Note:

The amount includes 3,333,328 shares issued at par to an ex-director in lieu of cash remuneration (note 11(c)(ii)(1)).

附註：

金額包括按面值發行予一位前董事之股份3,333,328股以代替現金酬金(附註11(c)(ii)(1))。

No compensation for loss of office has been paid to the directors for the year ended 31st March 2002 and 2001.

於二零零二年及二零零一年三月三十一日止年度內，並無給予董事離任補償。

11. Directors' and senior management's emoluments 11. 董事及高級管理人員之酬金 (續)

(CONTINUED)

(b) Five highest paid individuals

The five individuals whose emoluments were the highest in the Group for the year include three directors (2001: three) whose emoluments are reflected in the analysis presented above. The emoluments payable to the remaining two (2001: two) individuals during the year are as follows:

(b) 五位最高薪人士

於本集團五位最高薪酬人士中，三位（二零零一年：三位）為本公司董事。該等董事酬金已於上表列明。而餘下兩位（二零零一年：兩位）人士於年內酬金總額如下：

		2002	2001
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Basic salaries, housing allowances, other allowances and benefits in kinds	基本薪金、房屋津貼、其他津貼及實物利益	2,217	4,276
Pension contributions	退休金供款	79	67
		2,296	4,343

The emoluments fell within the following bands:

介乎下列酬金範圍之僱員人數如下：

Emoluments bands 酬金範圍	Number of individuals 人數	
	2002	2001
HK\$1,000,001 – HK\$1,500,000	2	1
HK\$2,500,001 – HK\$3,000,000	–	1
	2	2

11. Directors' and senior management's emoluments 11. 董事及高級管理人員之酬金 (續)

(CONTINUED)

(c) An ex-director's service agreement ("Service Agreement")

- (i) A Service Agreement was entered between the Company and an ex-director on 2nd August 1999 and it was approved by the shareholders of the Company at an extraordinary general meeting on 14th September 1999. Pursuant to the terms set out in the Service Agreement, the ex-director was entitled to the following:

(1) Remuneration shares

9,000,000 shares of the Company issued to the ex-director at par, credited as fully paid, in lieu of cash remuneration during the term of appointment.

(2) Share Option A

The ex-director was granted an option to subscribe in aggregate up to 27,513,587 shares of the Company at a price of HK\$0.928 per share. 764,266 shares were vested to the ex-director on a monthly basis over three years. The exercise period for Share Option A is between 14th September 1999 to 2nd February 2007.

(3) Share Option B

The ex-director was granted a right to subscribe in aggregate up to an amount of HK\$7,800,000 for the Company's shares at a price of HK\$0.928 per share, equivalent to 8,405,172 shares. The Share Option B had been exercised during the year ended 31st March 2000.

(c) 一位前董事之服務協議(「服務協議」)

- (i) 本公司與一位前董事於一九九九年八月二日簽訂一份服務協議，而該協議已於一九九九年九月十四日之本公司股東特別大會中獲股東批准。依該服務協議條款，該前董事可獲得下列報酬：

(1) 酬金股份

本公司於該前董事聘任期內以面值(已繳足)發行9,000,000股公司股份予該前董事以代替現金酬金。

(2) 購股權A

該前董事可獲公司授予合共27,513,587股公司股份之購股權，認購價為每股0.928港元。該前董事每月可得764,266股，為期三年。購股權A之行使期為一九九九年九月十四日至二零零七年二月二日。

(3) 購股權B

該前董事獲公司授予以每股0.928港元認購公司股份8,405,172股，總金額為7,800,000港元。購股權B已於截至二零零零年三月三十一日止年度內行使。

11. Directors' and senior management's emoluments

(CONTINUED)

(c) An ex-director's service agreement ("Service Agreement")

(continued)

(ii) During the year and pursuant to the terms of the Service Agreement:

(1) 3,333,328 remuneration shares were issued to the ex-director at par, the aggregate market value amounted to HK\$2,272,080 at the dates of issues (note to 11(a) and 19(a));

(2) 9,171,192 share options under Share Option A had been granted to the ex-director. None were exercised during the year.

(iii) Subsequent to the year end, a further 1,166,672 remuneration shares had been issued and 3,821,341 share options had been granted to the ex-director under Share Option A.

12. Retirement benefit scheme

Prior to 1st December 2000, the Group, with exception to certain subsidiaries, operated a defined contribution retirement benefit scheme (the "Scheme") for its employees in Hong Kong. The Scheme is administered by independent trustees. Under the Scheme, the employees are required to contribute 4% to 5% of their monthly salaries, while the employer's contributions are calculated at a range of 4% to 7% of employee's monthly salaries. The employees are entitled to 100% of the employer's contributions after 10 years of completed service, or at a reduced scale after completion of three to nine years' service. The forfeited contributions are to be used to reduce the employer's contributions.

11. 董事及高級管理人員之酬金 (續)

(c) 一位前董事之服務協議 («服務協議») (續)

(ii) 年內依該服務協議條款:

(1) 本公司以面值發行3,333,328酬金股份予該前董事，該等股份於各發行日之總市值為2,272,080港元(附註11(a)及19(a))；

(2) 依購股權A，該前董事獲授予9,171,192購股權。該等購股權於年內並無被行使。

(iii) 年結日後，本公司依購股權A以面值發行1,166,672酬金股份及授予該前董事3,821,341購股權。

12. 退休金計劃

於二零零零年十二月一日以前，本集團(某些附屬公司除外)為其香港僱員推行界定供款公積金計劃(「該計劃」)。該計劃由獨立信託人管理。按該計劃，僱員需按月薪百分之四至五供款，而僱主供款則按僱員月薪百分之四至七計算。僱員於服務滿十年後，可獲百分之百僱主供款，而服務滿三至九年，則以遞減比例計算。被沒收之供款將用作減低僱主供款。

12. Retirement benefit scheme (CONTINUED)

Prior to 1st December 2000, certain subsidiaries of the Group have, however, made provision for long service payments at 70% of the total theoretical long service payments to employees entitling to such payments upon retirement or termination of employment calculated by reference to the length of service and monthly salary in accordance with prevailing employment laws.

Since 1st December 2000, the Group in Hong Kong elected to contribute to the Mandatory Provident Fund Scheme (the "MPF Scheme"). The MPF Scheme is a defined contribution retirement benefit scheme administered by independent trustees. Under the MPF Scheme, both the employer and employees are required to contribute 5% of the employee's monthly salaries (capped at HK\$20,000). The employee can also choose to contribute at rate specified in the rules of the MPF Scheme whereby the employer's contribution is equal to the employee's contribution. Contributions from the employer equivalent to the contribution as specified at the rules of the MPF Scheme are 100% vested as soon as they are paid to the relevant MPF Scheme but all benefits derived from the mandatory contributions must be preserved until the employee reaches the retirement age of 65 subject to a few exceptions. As to the employer's contribution in excess of the portion vested in the MPF Scheme the employees are entitled to 100% of it after 10 years of completed service or at a reduced scale after completion of three to nine years' service. The forfeited contributions are to be used to reduce the employer's contribution.

The retirement benefit schemes for staff of the Group in other countries follow the local statutory requirements of the respective countries.

12. 退休金計劃 (續)

於二零零零年十二月一日以前，某些附屬公司根據僱傭法例，按照服務年資及月薪，就退休或終止僱用時獲取長期服務金之僱員，按理論上長期服務金應付款項總額之百分之七十作出撥備。

自二零零零年十二月一日起，本集團於香港選擇供款予強制性公積金計劃（「強積金計劃」）。強積金計劃為一項界定供款退休金計劃及由獨立信託人管理。在強積金計劃下，僱主及僱員均需按僱員月薪（以二萬港元為上限）百分之五作出供款。僱員亦可選擇以強積金計劃下指定之比率供款，而僱主之供款與僱員相同。僱主按強積金計劃投入規定供款後，其中強制性供款產生之所有權益，全數必須保留至僱員到達六十五歲退休年齡之時，但若干情況除外。僱員於服務滿十年後可獲得僱主為強積金額外供款之全數，而服務滿三至九年，則以遞減比例計算。被沒收之供款將用作減低僱主供款。

本集團於其他國家為僱員設立之退休金計劃遵照當地之法例規定。

12. Retirement benefit scheme (CONTINUED)

12. 退休金計劃 (續)

During the year, the Group's retirement benefit schemes contributions are as follows:

年內，本集團之退休金計劃供款如下：

		2002	2001
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Gross employer's contributions	僱主供款總額	12,677	9,348
Less: Forfeited contributions utilised to reduce employer's contributions for the year	減：被沒收之供款額用以抵銷僱主本年度之供款額	(1,022)	(1,567)
Net employer's contributions charged to the consolidated profit and loss account	於綜合損益賬內扣除之僱主供款淨額	11,655	7,781

13. Fixed assets – Group

13. 固定資產 – 本集團

		Leasehold land and buildings 租賃土地 及樓宇 HK\$'000 港幣千元	Leasehold improve- ments 租賃物業 裝修 HK\$'000 港幣千元	Equipment, furniture and fixtures 設備、傢俬 及裝置 HK\$'000 港幣千元	Machinery and club equipment 會所器材 及設備 HK\$'000 港幣千元	Motor vehicles 汽車 HK\$'000 港幣千元	Motor boat 汽船 HK\$'000 港幣千元	Total 總計 HK\$'000 港幣千元
Cost or valuation	原值或估值							
At 1st April 2001	於二零零一年四月一日	55,190	154,348	116,781	29,484	6,163	4,630	366,596
Exchange adjustments	換算調整	–	(578)	(369)	64	(20)	–	(903)
Acquisition of subsidiaries	收購附屬公司	4,261	–	4,188	–	678	–	9,127
Additions	添置	–	15,523	18,101	7,760	802	–	42,186
Revaluation	重估	(25,941)	–	–	–	–	–	(25,941)
Write-off	撇賬	–	(12,884)	(14,808)	(14,837)	(11)	–	(42,540)
Disposals	出售	–	–	(231)	(44)	(2,660)	–	(2,935)
At 31st March 2002	於二零零二年三月三十一日	33,510	156,409	123,662	22,427	4,952	4,630	345,590
Accumulated depreciation	累計折舊							
At 1st April 2001	於二零零一年四月一日	3,851	108,217	72,477	21,425	3,646	3,781	213,397
Exchange adjustments	換算調整	–	(358)	(293)	59	(16)	–	(608)
Acquisition of subsidiaries	收購附屬公司	1,092	–	1,090	–	569	–	2,751
Charge for the year	本年度折舊	2,079	26,805	22,275	3,764	1,020	849	56,792
Impairment charges (note (f))	耗蝕虧損(附註(f))	–	–	8,915	–	–	–	8,915
Revaluation	重估	(7,022)	–	–	–	–	–	(7,022)
Write-off	撇賬	–	(10,746)	(12,308)	(13,541)	(10)	–	(36,605)
Disposals	出售	–	–	(121)	(10)	(2,293)	–	(2,424)
At 31st March 2002	於二零零二年三月三十一日	–	123,918	92,035	11,697	2,916	4,630	235,196
Net book value	賬面淨值							
At 31st March 2002	於二零零二年三月三十一日	33,510	32,491	31,627	10,730	2,036	–	110,394
At 31st March 2001	於二零零一年三月三十一日	51,339	46,131	44,304	8,059	2,517	849	153,199

13. Fixed assets – Group (CONTINUED)

13. 固定資產 – 本集團 (續)

The analysis of the cost or valuation at 31st March 2002 of the above assets is as follows:

以上資產於二零零二年三月三十一日按原值或估值分析如下：

		Leasehold land and buildings	Leasehold improve- ments	Equipment, furniture and fixtures	Machinery and club equipment	Motor vehicles	Motor boat	Total
		租賃土地 及樓宇	租賃物業 裝修	設備、傢俬 及裝置	會所器材 及設備	汽車	汽船	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
At cost	按原值	-	156,409	123,662	22,427	4,952	4,630	312,080
At 2002 valuation	按二零零二年估值	33,510	-	-	-	-	-	33,510
		33,510	156,409	123,662	22,427	4,952	4,630	345,590

(a) The Group's leasehold land and buildings are situated in Hong Kong and held under medium term leases between 10 to 50 years.

(a) 本集團位於香港之租賃土地及樓宇乃按10至50年中期租約持有。

(b) The Group's leasehold land and buildings were revalued at 31st March 2002 on the basis of their open market value by DTZ Debenham Tie Leung Limited, an independent firm of chartered surveyors. The deficit arising on revaluation of leasehold land and buildings amounted to HK\$18,919,000 is charged to the consolidated profit and loss account.

(b) 本集團之租賃土地及樓宇經由獨立專業估值師戴德梁行於二零零二年三月三十一日按公開市值基準重估。該重估貶值為18,919,000港元，已於綜合損益賬中扣除。

(c) The carrying amount of land and buildings would have been HK\$72,805,000 (2001: HK\$72,814,000) had they been stated at cost less accumulated depreciation.

(c) 倘土地及樓宇按原值減折舊列賬，其賬面值將為72,805,000港元（二零零一年72,814,000港元）。

(d) At 31st March 2002, cost of machinery and club equipment includes an amount of HK\$249,000 (2001: HK\$126,000) in respect of assets under finance leases and the related accumulated depreciation amounts to HK\$125,000 (2001: HK\$9,000).

(d) 於二零零二年三月三十一日，會所器材及設備之原值包括249,000港元（二零零一年：126,000港元）以融資租約持有之資產，而有關累計折舊為125,000港元（二零零一年：9,000港元）。

13. Fixed assets – Group (CONTINUED)

- (e) At 31st March 2002, the net book value of fixed assets pledged as security for the Group's bank loan and banking facilities amounted to HK\$16,036,000 (2001: HK\$13,324,000).
- (f) Impairment charges represent full provision for computer equipment and software costs in relation to an e-commerce business of Sa Sa dot Com Limited, a subsidiary of the Company.

13. 固定資產 – 本集團 (續)

- (e) 於二零零二年三月三十一日，用作集團貸款及信貸抵押之固定資產之賬面淨值為16,036,000港元(二零零一年：13,324,000港元)。
- (f) 耗蝕虧損代表就與一附屬公司Sa Sa dot Com Limited之電子商務有關之電腦儀器及軟件全數所作出之撥備。

14. Subsidiaries

14. 附屬公司

		Company	
		本公司	
		2002	2001
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Unlisted shares, at cost	非上市股份·按成本值	390	390
Amounts due from subsidiaries (note (b))	應收附屬公司之款項(附註(b))	701,499	787,069
Amounts due to subsidiaries (note (b))	應付附屬公司之款項(附註(b))	(1,484)	(1,481)
		700,405	785,978

- (a) Details of the Company's principal subsidiaries are set out in note 33 to the accounts.
- (b) The amounts due from/(to) subsidiaries are unsecured, interest-free and have no fixed repayment term.

- (a) 本公司之主要附屬公司詳情載列於賬目附註33。
- (b) 應收／(應付)附屬公司之款項為無抵押、免息及無特定還款期。

15. Intangible assets

15. 無形資產

		Group 本集團		
		Goodwill 商譽	Trademark 商標	Total 總額
		HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元
At 1st April 2000	於二零零零年四月一日	–	3,410	3,410
Exchange adjustments	換算調整	–	(130)	(130)
Amortisation	攤銷	–	(1,685)	(1,685)
At 31st March 2001 and 1st April 2001	於二零零一年三月三十一日 及二零零一年四月一日	–	1,595	1,595
Exchange adjustments	換算調整	–	(87)	(87)
Acquisition of subsidiaries	收購附屬公司	28,310	–	28,310
Amortisation	攤銷	(2,123)	(278)	(2,401)
Write-off	撇賬	–	(1,230)	(1,230)
At 31st March 2002	於二零零二年三月三十一日	26,187	–	26,187
		Goodwill 商譽	Trademark 商標	
		HK\$'000 港幣千元	HK\$'000 港幣千元	
At 31st March 2002	於二零零二年三月三十一日			
Cost	成本	28,310	5,986	
Accumulated amortisation	累計攤銷	(2,123)	(5,986)	
Net book value	賬面淨值	26,187	–	
At 31st March 2001	於二零零一年三月三十一日			
Cost	成本	–	6,103	
Accumulated amortisation	累計攤銷	–	(4,508)	
Net book value	賬面淨值	–	1,595	

16. Trade receivable

Majority of the Group's turnover are cash or credit card sales. The ageing analysis of trade receivable is as follows:

		Group 本集團	
		2002	2001
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Within 1 month	1個月內	16,741	10,438
1 – 3 months	1 – 3個月	4,632	415
Over 3 months	超過3個月	2,411	325
		23,784	11,178

16. 應收賬款

本集團之營業額主要為現金或信用卡銷售。應收賬款之賬齡分析如下：

17. Other receivables, deposits and prepayments

Included in other receivables are amounts due from ex-directors of a subsidiary and their related company.

		Group 本集團	
		2002	2001
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Gross amount	總額	26,816	22,661
Less: Provision	減：撥備	26,816	–
Net amount	淨額	–	22,661

17. 其他應收款項、按金及預付款項

其他應收款項包括應收附屬公司前董事及其有關連公司之款項。

17. Other receivables, deposits and prepayments 17. 其他應收款項、按金及預付款項 (續)

(CONTINUED)

Particulars of these amounts are as follows:

其詳細資料如下:

Name of borrower 借款人	Edwin John Phillips (Note) (附註)	Barry Richard Wain (Note) (附註)	Platinum Corporation (Note) (附註)
Connected parties 關連人士	Edwin John Phillips	Barry Richard Wain	Edwin John Phillips & Barry Richard Wain
Position 職位	Ex-director of a subsidiary 附屬公司前董事	Ex-director of a subsidiary 附屬公司前董事	Ex-directors of a subsidiary 附屬公司前董事
Terms 條款			
- Duration and repayment terms 借款期及清還條款	On or before 31st August 2001 於二零零一年八月 三十一日或之前	On or before 31st August 2001 於二零零一年八月 三十一日或之前	On or before 31st August 2001 於二零零一年八月 三十一日或之前
- Interest rate on or before 31st August 2001 於二零零一年八月 三十一日或之前利率	8.5% per annum 年息8.5厘	8.5% per annum 年息8.5厘	Interest free 免息
- Interest rate on or after 1st September 2001 於二零零一年九月一日 或之後利率	Prime lending rate + 3% per annum 最優惠利率+3厘年息	Prime lending rate + 3% per annum 最優惠利率+3厘年息	Interest free 免息
- Security 擔保	Unsecured 無抵押	Unsecured 無抵押	Unsecured 無抵押
Balance (including interest receivable) 餘額(包括應收利息)			
- At 31st March 2002 於二零零二年三月三十一日	HK\$3,123,000 3,123,000港元	HK\$1,603,000 1,603,000港元	HK\$22,090,000 22,090,000港元
- At 31st March 2001 於二零零一年三月三十一日	HK\$498,000 498,000港元	HK\$73,000 73,000港元	HK\$22,090,000 22,090,000港元
Maximum balance outstanding during the year 於年內最高欠額	HK\$3,123,000 3,123,000港元	HK\$1,603,000 1,603,000港元	HK\$22,090,000 22,090,000港元
Accrued interest 預計利息			
- At 31st March 2002 於二零零二年三月三十一日	HK\$1,603,000 1,603,000港元	HK\$1,530,000 1,530,000港元	Nil 無
- At 31st March 2001 於二零零一年三月三十一日	Nil 無	Nil 無	Nil 無

17. Other receivables, deposits and prepayments

(CONTINUED)

Note:

The amount due from Platinum Corporation represents historical advances made by Lisbeth Enterprises Limited ("Lisbeth"), a non-wholly owned subsidiary of the Company, prior to the Group's completion of its investment in Lisbeth on 31st August 2000.

To secure repayment of the advances made to Platinum Corporation, Mr. Phillips and Mr. Wain, each of Mr. Phillips and Mr. Wain signed two promissory notes ("the Promissory Notes") on 31st August 2000 in the aggregate amount of HK\$12,024,573 and HK\$12,014,472 respectively in favour of Lisbeth. Of the total loan balances, HK\$1,168,683 is interest-bearing at 8.5% per annum. The remaining loan balances are interest free. All the loans are unsecured and are repayable upon the earlier of (i) one year from 31st August 2000 or (ii) date of completion of the first Option Agreement. In the event that the amount due under the Promissory Notes are not paid in full when due, Lisbeth is entitled to charge interest on such unpaid amount (to the extent permitted by applicable law) for the period from the date such amount was due until such amount shall have been paid in full at such interest rate per annum as is equal to 3% per annum over the prime lending rate quoted from time to time by The Hongkong & Shanghai Banking Corporation Limited ("Default Interest Charges"). Both Mr. Phillips and Mr. Wain defaulted in payment of the Promissory Notes when they were due on 31st August 2001. As a result of the default in payment by Mr. Phillips and Mr. Wain, Default Interest Charges on the Promissory Notes were raised against Mr. Phillips and Mr. Wain with effect from 1st September 2001.

As the directors of the Company are uncertain about the ultimate recoverability of the above amounts, full provision for the outstanding amounts has been made in the Group's financial statements for the year ended 31st March 2002.

17. 其他應收款項、按金及預付款項 (續)

附註:

Platinum Corporation對本公司之非全資附屬公司 Lisbeth Enterprises Limited (「Lisbeth」)之欠款乃本集團於二零零零年八月三十一日完成對Lisbeth之投資前，Lisbeth向Platinum Corporation提供之過往墊款。

為確保Platinum Corporation、Phillips先生及Wain先生償還上述墊款，於二零零零年八月三十一日，Phillips先生及Wain先生各自以Lisbeth為受益人簽訂總金額為12,024,573港元及12,014,472港元之承付票(「承付票」)。在承付票總額中，其中1,168,683港元須按年息率8.5厘計算利息，而餘下之貸款結餘則免息。所有貸款均為無抵押，並須在以下較早之日期前償還：(i)自二零零零年八月三十一日起計一年後，或(ii)第一項購股權協議之完成日期。倘在承付票下之欠款於到期應付時未能全數清付，則Lisbeth有權就上述未付金額收取利息(以適用法例批准者為限)，由有關金額到期之日起至全數付清為止之期間，按香港上海滙豐銀行有限公司不時所報之最優惠年利率加3厘計算利息(「未付欠款利息」)。Phillips先生及Wain先生均未能於二零零一年八月三十一日清付在承付票到期應付之款項。由於Phillips先生及Wain先生未能履行清付款項之責任，因此自二零零一年九月一日起就承付票向Phillips先生及Wain先生收取未付欠款利息。

由於本公司董事會未能確定最終能否收回上述款項，因此本集團已於截至二零零二年三月三十一日止年度之財務報表中就上述欠款作出全數撥備。

18. Trade and bills payables

The ageing analysis of trade and bills payables is as follows:

		Group 本集團	
		2002	2001
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Within 1 month	1個月內	49,622	22,989
1 – 3 months	1 – 3個月	9,365	30,509
Over 3 months	超過3個月	3,756	6,628
		62,743	60,126

18. 應付賬款及票據

應付賬款及票據之賬齡分析如下：

19. Share capital

		Company – Authorised Ordinary shares of HK\$0.1 each 本公司 – 法定 每股面值0.1港元之普通股	
		No. of shares	HK\$'000
		股份數目	港幣千元
At 31st March 2001 and 2002	於二零零一年及二零零二年 三月三十一日	8,000,000,000	800,000

19. 股本

19. Share capital (CONTINUED)

19. 股本 (續)

		Company – Issued and fully paid Ordinary shares of HK\$0.1 each 本公司 – 已發行及繳足 每股面值0.1港元之普通股	
	Note 附註	No. of shares 股份數目	HK\$'000 港幣千元
At 1st April 2000	於二零零零年四月一日	1,356,599,836	135,660
Issuance of shares	發行股份	4,453,336	445
Repurchase of shares	購回股份	(23,850,000)	(2,385)
At 31st March 2001 and 1st April 2001	於二零零一年三月三十一日 及二零零一年四月一日	1,337,203,172	133,720
Issuance of shares	發行股份 (a) & (b)	6,573,328	657
Repurchase of shares	購回股份 (c)	(25,444,000)	(2,544)
At 31st March 2002	於二零零二年三月三十一日	1,318,332,500	131,833

(a) During the year, a total of 3,333,328 ordinary shares were issued at par in lieu of cash remuneration (note 11(c)(ii)(1)) to an ex-director pursuant to the terms of his Service Agreement. Subsequent to the year end, 1,166,672 shares were further issued to the ex-director up to the date of this report.

(b) During the year, 3,240,000 share options were exercised by an ex-director in accordance with the terms of a share option scheme.

(c) Repurchase of shares

During the year, the Company repurchased 25,444,000 of its own shares in the open market through the Stock Exchange of Hong Kong Limited, all of which have been duly cancelled. The total purchase price of the shares was HK\$15,618,863 with the maximum and minimum prices paid for each share being HK\$0.78 and HK\$0.51 respectively.

(a) 於本年度內，公司根據與一前董事簽訂之服務協議條款以面值發行共3,333,328普通股予該前董事以代替現金酬金(附註11(c)(ii)(1))。年結後直至本年報刊發日期為止，再發行了1,166,672股份予該前董事。

(b) 於年內，一位前董事按一項購股權計劃條款行使3,240,000購股權。

(c) 回購股份

於年內，公司透過香港聯合交易所於公開市場購回25,444,000股本公司股份，該等股份已全部註銷。回購該等股份之總代價為15,618,863港元，最高價及最低價分別為每股0.78港元及0.51港元。

19. Share capital (CONTINUED)

(c) Repurchase of shares (continued)

Subsequent to the year end, the Company repurchased 47,138,000 of its own shares in the open market through the Stock Exchange of Hong Kong Limited, all of which have been duly cancelled. The total purchase price of the shares was HK\$36,213,232 with the maximum and minimum prices paid for each share being HK\$0.80 and HK\$0.66 respectively.

(d) Share Option Scheme

Pursuant to the share option scheme adopted on 22nd May 1997 ("the Scheme"), the board of directors is authorised to grant options to directors and eligible employees of the Company or its subsidiaries to subscribe for shares in the Company at prices to be determined by the board in accordance with the terms of the Scheme. The movements in the number of share options under the Scheme during the year are as follows:

19. 股本 (續)

(c) 回購股份 (續)

於年結日後，公司透過香港聯合交易所於公開市場購回47,138,000股本身股份，該等股份已全部註銷。回購該等股份之總代價為36,213,232港元，最高價及最低價分別為每股0.80港元及0.66港元。

(d) 購股權計劃

按一九九七年五月二十二日採納之購股權計劃，董事會可授出購股權予公司及其附屬公司之董事及符合資格之僱員，並根據該計劃條款按董事會決議之價格認購公司股份。年內，購股權計劃之變動如下：

		Number of share options granted 授出購股權數目	
		Under share option scheme 根據購股權計劃	Under Service Agreement with an ex-director 根據與一位前董事 之服務協議 (note 11(c)) (附註11(c))
As at 1st April 2001	於二零零一年四月一日	19,096,331	14,521,054
Add: share options granted during the year	加：年內授出之購股權	588,235	9,171,192
Less: share options exercised during the year	減：年內行使之購股權	(3,240,000)	—
Less: share options cancelled during the year	減：年內註銷之購股權	(3,871,940)	—
As at 31st March 2002	於二零零二年三月三十一日	12,572,626	23,692,246

19. Share capital (CONTINUED)**(d) Share Option Scheme** (continued)

On 4th June 2001, the Company granted to an employee share options to subscribe for an aggregate of 588,235 shares in the Company at a price of HK\$0.68 per share. During the year, 3,240,000 share options were exercised by an ex-director of the Company and 3,871,940 share options were cancelled upon the resignation of several employees. Subsequent to the year end, a further of 13,791,285 share options were granted to several employees of the Company and 217,391 share options were cancelled upon the resignation of several employees.

During the year, 9,171,192 share options were granted to an ex-director of the Company under the Service Agreement entered between the Company and the ex-director. Subsequent to the year end, a further of 3,821,341 share options were granted to the ex-director (note 11(c)).

19. 股本 (續)**(d) 購股權計劃** (續)

於二零零一年六月四日，本公司給予一位員工購股權，可按每股0.68港元認購合共588,235之公司股份。於年內，本公司一位前董事行使3,240,000購股權，而3,871,940購股權則隨著數位員工之離職已被註銷。年結後，本公司給予數位員工13,791,285購股權，而217,391購股權亦隨著數位員工之離職而被註銷。

於年內，就本公司與一名前董事所訂之服務合約，授予該前董事9,171,192購股權。年結後，本公司再授予該前董事3,821,341購股權（附註11(c)）。

20. Reserves

20. 儲備

(a) Group

(a) 本集團

		Share premium 股份溢價 HK\$'000 港幣千元	Capital redemption reserve 資本贖回儲備 HK\$'000 港幣千元	Exchange fluctuation reserve 外匯波動儲備 HK\$'000 港幣千元	Retained earnings 滾存溢利 HK\$'000 港幣千元	Total 總計 HK\$'000 港幣千元
At 1st April 2000 as previously reported	二零零零年四月一日 如前呈報	756,804	1,572	(19,974)	193,870	932,272
Effect of adopting SSAP 9 (revised)	採納會計準則第9號 (經修訂)之影響	–	–	–	54,210	54,210
At 1st April 2000 as restated	二零零零年四月一日經重列	756,804	1,572	(19,974)	248,080	986,482
Exercise of share options	行使購股權	888	–	–	–	888
Repurchase of own shares	購回本身股份	(21,032)	2,385	–	(2,385)	(21,032)
Goodwill eliminated	商譽撇銷	–	–	–	(159,429)	(159,429)
Write-off of goodwill impaired during the year (note 1(f))	於年內商譽減值撇賬 (附註1(f))	–	–	–	159,429	159,429
Exchange differences	換算差額	–	–	(3,374)	–	(3,374)
Loss for the year as restated	本年度虧損經重列	–	–	–	(84,251)	(84,251)
1999/2000 Final dividend paid	一九九九/二零零零年度 已派末期股息	–	–	–	(53,885)	(53,885)
2000/2001 Interim dividend paid	二零零零/二零零一年度 已派中期股息	–	–	–	(13,422)	(13,422)
At 31st March 2001	於二零零一年三月三十一日	736,660	3,957	(23,348)	94,137	811,406
Representing:	組成如下:					
Reserves	儲備					757,871
Proposed dividend	擬派股息					53,535
At 31st March 2001	於二零零一年三月三十一日					811,406

20. Reserves (CONTINUED)

20. 儲備 (續)

(a) Group (continued)

(a) 本集團 (續)

		Share premium 股份溢價 HK\$'000 港幣千元	Capital redemption reserve 資本贖回 儲備 HK\$'000 港幣千元	Exchange fluctuation reserve 外匯波動 儲備 HK\$'000 港幣千元	Accumulated losses 累計虧損 HK\$'000 港幣千元	Total 總計 HK\$'000 港幣千元
At 1st April 2001	二零零一年四月一日					
as previously reported	如前呈報	736,660	3,957	(23,348)	40,602	757,871
Effect of adopting SSAP 9 (revised)	採納會計準則第9號 (經修訂)之影響	—	—	—	53,535	53,535
At 1st April 2001 as restated	二零零一年四月一日經重列	736,660	3,957	(23,348)	94,137	811,406
Exercise of share options	行使購股權	1,775	—	—	—	1,775
Repurchase of own shares	購回本身股份	(13,075)	2,544	—	(2,544)	(13,075)
Exchange differences	換算差額	—	—	(1,815)	—	(1,815)
Loss for the year	本年度虧損	—	—	—	(71,175)	(71,175)
2000/2001 Final dividend paid	二零零零/二零零一年度 已派末期股息	—	—	—	(53,537)	(53,537)
2001/2002 Interim dividend paid	二零零一/二零零二年度 已派中期股息	—	—	—	(13,234)	(13,234)
At 31st March 2002	於二零零二年三月三十一日	725,360	6,501	(25,163)	(46,353)	660,345
Representing:	組成如下:					
Reserves	儲備					609,451
Proposed dividend	擬派股息					50,894
At 31st March 2002	於二零零二年三月三十一日					660,345

20. Reserves (CONTINUED)

20. 儲備 (續)

(b) Company

(b) 本公司

		Share premium 股份溢利 HK\$'000 港幣千元	Capital redemption reserve 資本贖回儲備 HK\$'000 港幣千元	Retained earnings 滾存溢利 HK\$'000 港幣千元	Total 總計 HK\$'000 港幣千元
At 1st April 2000 as previously reported	二零零零年四月一日 如前呈報	1,009,293	1,572	46,700	1,057,565
Effect of adopting SSAP 9 (revised)	採納會計準則第9號 (經修訂)之影響	-	-	54,210	54,210
At 1st April 2000 as restated	二零零零年四月一日經重列	1,009,293	1,572	100,910	1,111,775
Exercise of share options	行使購股權	888	-	-	888
Repurchase of own shares	購回本身股份	(21,032)	2,385	(2,385)	(21,032)
Profit for the year	本年度溢利	-	-	82,857	82,857
1999/2000 Final dividend paid	一九九九/二零零零年度 已派末期股息	-	-	(53,885)	(53,885)
2000/2001 Interim dividend paid	二零零零/二零零一年度 已派中期股息	-	-	(13,422)	(13,422)
At 31st March 2001	於二零零一年三月三十一日	989,149	3,957	114,075	1,107,181
Representing:	組成如下:				
Reserves	儲備				1,053,646
Proposed dividend	擬派股息				53,535
At 31st March 2001	於二零零一年三月三十一日				1,107,181

20. Reserves (CONTINUED)

20. 儲備 (續)

(b) Company (continued)

(b) 本公司 (續)

		Share premium 股份溢價 HK\$'000 港幣千元	Capital redemption reserve 資本贖回儲備 HK\$'000 港幣千元	Retained earnings 滾存溢利 HK\$'000 港幣千元	Total 總計 HK\$'000 港幣千元
At 1st April 2001 as previously reported	二零零一年四月一日 如前呈報	989,149	3,957	60,540	1,053,646
Effect of adopting SSAP 9 (revised)	採納會計準則第9號 (經修訂)之影響	—	—	53,535	53,535
At 1st April 2001 as restated	二零零一年四月一日經重列	989,149	3,957	114,075	1,107,181
Exercise of share options	行使購股權	1,775	—	—	1,775
Repurchase of own shares	購回本身股份	(13,075)	2,544	(2,544)	(13,075)
Profit for the year	本年度溢利	—	—	25,027	25,027
2000/2001 Final dividend paid	二零零零/二零零一年度 已派末期股息	—	—	(53,537)	(53,537)
2001/2002 Interim dividend paid	二零零一/二零零二年度 已派中期股息	—	—	(13,234)	(13,234)
At 31st March 2002	於二零零二年三月三十一日	977,849	6,501	69,787	1,054,137
Representing:	組成如下:				
Reserves	儲備				1,003,243
Proposed dividend	擬派股息				50,894
At 31st March 2002	於二零零二年三月三十一日				1,054,137

Note:

附註:

- (i) The difference of the share premium account between the Group and the Company represents the premium arising from merger accounting of HK\$252,489,000 following the Group reorganisation in preparation for the listing of the Company in 1997.
- (ii) The Company had a distributable reserve of approximately HK\$1,047,636,000 (2001: HK\$1,103,224,000 (restated)) at 31st March 2002.

- (i) 本集團股份溢價賬與本公司股份溢價賬之差額為252,489,000港元，乃一九九七年為籌備本公司上市而進行集團重組後，因合併會計所產生之溢價。
- (ii) 本公司於二零零二年三月三十一日可分派儲備約1,047,636,000港元(二零零一年: 1,103,224,000港元(重新列示))。

21. Receipts in advance

21. 預收款項

		Group 本集團	
		2002	2001
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Total receipts in advance	預收款項總額	141,928	143,655
Less: Amounts payable within one year classified as current liabilities	減：一年內償還之款項， 列作流動負債	(70,833)	(70,619)
Amounts payable within the second to fifth years inclusive	第二年至第五年(包括首尾兩年) 償還之款項	71,095	73,036

22. Obligations under finance leases

22. 融資租約之承擔

At 31st March 2002, the Group's finance leases were repayable as follows:

於二零零二年三月三十一日，融資租約之還款期如下：

		Group 本集團	
		2002	2001
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Within one year	一年內	33	248
In the second year	第二年	-	365
Future finance charges on finance leases	融資租約之未來融資支出	(3)	(23)
Present value of finance leases	融資租約負債之現值	30	590
The present value of finance leases is as follows:	融資租約負債之現值如下：		
Within one year	一年內	30	237
In the second year	第二年	-	353
		30	590

23. Deferred taxation

23. 遞延稅項

(a) Movements on the provision for deferred taxation are as follows:

(a) 遞延稅項準備變動如下:

		Group 本集團	
		2002	2001
		HK\$'000	HK\$'000
		港幣千元	港幣千元
At 1st April	於四月一日	2,041	4,855
Acquisition of subsidiaries	收購附屬公司	—	496
Exchange difference	換算差額	—	(20)
Transferred to consolidated profit and loss account (note 7(a))	撥入綜合損益賬(附註7(a))	(1,648)	(3,290)
At 31st March	於三月三十一日	393	2,041
Provided in the accounts in respect of:	已於賬目內就下列項目作出撥備:		
Accelerated depreciation allowance	加速折舊免稅額	393	3,964
Tax losses	稅項虧損	—	(2,223)
Other timing differences	其他時差	—	300
		393	2,041

23. Deferred taxation (CONTINUED)

23. 遞延稅項 (續)

Deferred taxation (assets)/liabilities for the year have not been (recognised)/provided in respect of the following:

於本年度，遞延稅(資產)/負債並無就下列項目作出(確認)/撥備：

		Group 本集團	
		2002	2001
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Accelerated depreciation allowance	加速折舊免稅額	(7,702)	(7,835)
Tax losses	稅項虧損	(21,455)	(16,131)
Other timing differences	其他時差	104	(245)
		(29,053)	(24,211)

- (b) No provision has been made for deferred tax liability in respect of the timing differences relating to the surplus and deficit from the revaluation of leasehold land and buildings of the Group. The revaluation does not constitute a timing difference for taxation purpose because the Group intends to operate these properties on a long-term basis.

- (b) 本集團並無就重估租賃土地及樓宇產生之盈虧之時差作出遞延稅項準備。由於本集團擬長期經營該等物業，故此就稅務而言，重估並不構成時差。

24. Provision for long service payments

24. 長期服務金撥備

		Group 本集團	
		2002	2001
		HK\$'000	HK\$'000
		港幣千元	港幣千元
At 1st April	於四月一日	5,078	—
Acquisition of subsidiaries	收購附屬公司	—	4,925
Provision during the year	年內撥備	907	153
Utilised during the year	年內耗用	(1,288)	—
At 31st March	於三月三十一日	4,697	5,078

25. Bank loan – secured

25. 銀行借貸 – 有抵押

		Group 本集團	
		2002	2001
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Within one year	一年內	156	—
In the second year	第二年	166	—
In the third to fifth year	第三年至第五年	559	—
After the fifth year	第五年以後	2,652	—
		3,533	—

The bank loan is secured by a leasehold land and building with a net book value of HK\$3,000,000 (2001: Nil) (note 29(c)).

用作銀行借貸抵押之租賃土地及樓宇之賬面淨值為3,000,000港元(二零零一年:無)(附註29(c))。

26. Notes to the consolidated cash flow statement

26. 綜合現金流量表附註

(a) Reconciliation of loss before taxation to net cash inflow from operating activities

(a) 除稅前虧損與經營業務之現金流入淨額之對賬表

		Group 本集團	
		2002	Restated 重新列示
		HK\$'000	2001
		港幣千元	HK\$'000
			港幣千元
Loss before taxation	除稅前虧損	(64,196)	(74,410)
Amortisation of intangible assets	無形資產攤銷	2,401	1,685
Depreciation of owned fixed assets	自置固定資產折舊	56,741	48,044
Depreciation of fixed assets held under finance leases	按融資租約持有之固定資產折舊	51	164
Gain on disposal of fixed assets	出售固定資產之溢利	(390)	(491)
Write-off of fixed assets	固定資產撇賬	5,447	6,729
Decrease/(increase) in inventories	存貨減少／(增加)	104,633	(47,227)
Increase in trade receivable, other receivables, deposits and prepayments	應收賬款、其他應收款項、按金及預付款項之增加	(4,490)	(12,306)
Increase/(decrease) in trade payable, bills payable, other payables and accrued charges	應付賬款、票據、其他應付款項及應計費用之增加／(減少)	25,477	(6,272)
Decrease in receipts in advance	預收款項減少	(3,742)	(4,755)
(Decrease)/increase in provision for long service payments	長期服務金撥備(減少)／增加	(381)	153
Write-off of intangible assets	無形資產撇賬	1,230	-
Interest income	利息收入	(20,394)	(38,161)
Interest on bank loans and overdrafts	銀行貸款及透支利息	269	80
Interest element of finance leases	融資租約利息部分	20	186
Provision for amounts due from ex-directors of subsidiaries and their related company	應收附屬公司前董事及其有關連公司款項之撥備	26,816	-
Provision for receivables from minority shareholders of subsidiaries	應收附屬公司之少數股東款項之撥備	32,181	-
Impairment of fixed assets of an e-commerce business – sasa.com	電子商務 – sasa.com 之固定資產減值	8,915	-
Deficit on revaluation of leasehold land and buildings	土地及樓宇之重估貶值	18,919	-
Impairment of goodwill	商譽減值	-	159,429
Shares granted to an ex-director in lieu of cash remuneration	授予一前董事以代替現金酬金之股份	333	283
Net cash inflow from operating activities	經營業務之現金流入淨額	189,840	33,131

26. Notes to the consolidated cash flow statement 26. 綜合現金流量表附註 (續)

(CONTINUED)

(b) Purchase of subsidiaries

On 30th June 2001, the Group reached an agreement with Shenzhen Ebeca Enterprise Company Limited to obtain a 55% interest in Shenzhen Sa Sa Ebeca Enterprise Limited ("Sa Sa Ebeca"), a company established in the People's Republic of China, and its subsidiary (herewith refer as the "Sa Sa Ebeca Group"). The consideration of HK\$28,374,000 was settled in cash. The proportionate fair value of the net identifiable assets of the Sa Sa Ebeca Group at the date of acquisition was HK\$64,000. The resulting goodwill of HK\$28,310,000 has been amortised on a straight-line basis over a period of 10 years. Sa Sa Ebeca Group contributed revenues of HK\$31,298,000 and loss of HK\$5,940,000 to the Group for the nine months period from 1st July 2001 to 31st March 2002 and its financial position as at 31st March 2002 was HK\$14,176,000.

Note: 2001 figures represent acquisition of Lisbeth Enterprises Limited and its subsidiaries.

(b) 購買附屬公司

於二零零一年六月三十日，本集團與深圳市依貝佳實業有限公司達成協議並取得在中國成立之深圳莎莎依貝佳實業有限公司（「莎莎依貝佳」）及其附屬公司（統稱為「莎莎依貝佳集團」）55%股權，28,374,000港元之代價以現金支付。於收購日，按比例持有「莎莎依貝佳集團」之可辨別淨資產為64,000港元。錄得28,310,000港元之商譽以直線法於十年內攤銷。於二零零一年七月一日至二零零二年三月三十一日九個月期間，「莎莎依貝佳集團」為本集團帶來31,298,000港元營業額及5,940,000港元虧損，其財務狀況於二零零二年三月三十一日為14,176,000港元。

附註：二零零一年度之數字指購入Lisbeth Enterprises Limited及其附屬公司。

26. Notes to the consolidated cash flow statement 26. 綜合現金流量表附註 (續)

(CONTINUED)

(b) Purchase of subsidiaries (continued)

(b) 購買附屬公司 (續)

		Group 本集團	
		2002	2001
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Net assets/(liabilities) acquired:	購入之淨資產／(負債)：		
Fixed assets	固定資產	6,376	15,028
Inventories	存貨	4,607	3,950
Trade and other receivables	應收賬款及其他應收款項	6,421	35,341
Cash and bank balances	現金及銀行結存	7,187	39,452
Trade and other payables	應付賬款及其他應付款項	(5,186)	(16,275)
Receipts in advance	預收款項	(2,015)	(148,410)
Obligations under finance leases	融資租約承擔	-	(1,235)
Bank overdrafts	銀行透支	-	(3,515)
Taxation payable	應付稅項	(1,053)	(1,423)
Deferred taxation	遞延稅項	-	(496)
Bank loans	銀行貸款	(7,223)	(1,000)
Provision for long service payments	長期服務金撥備	-	(4,925)
Minority interests	少數股東權益	(9,050)	35,172
		64	(48,336)
Goodwill on consolidation	綜合賬目商譽	28,310	159,429
		28,374	111,093
Satisfied by:	支付方法：		
Cash consideration	現金代價	27,374	109,217
Expenses incurred in respect of acquisition of subsidiaries	收購附屬公司費用	1,000	1,876
		28,374	111,093

26. Notes to the consolidated cash flow statement 26. 綜合現金流量表附註 (續)

(CONTINUED)

(b) Purchase of subsidiaries (continued)

The subsidiaries acquired during the year reduced the Group's net operating cash inflow by HK\$8,474,000 (2001: increased by HK\$578,000), paid HK\$224,000 in respect of the net returns on investments and servicing of finance (2001: received HK\$719,000), utilized HK\$4,778,000 for investing activities (2001: utilised HK\$8,754,000), paid HK\$3,689,000 in respect of financing activities (2001: paid HK\$1,647,000) and no taxation was paid (2001: paid HK\$2,254,000).

Analysis of the net outflow of cash and cash equivalents in respect of the acquisition of subsidiaries:

(b) 購買附屬公司 (續)

於年內，新收購之附屬公司令本集團之經營業務之現金流入淨額減少8,474,000港元(二零零一年：增加578,000港元)·就投資回報及融資支出淨額支付224,000港元(二零零一年：收取719,000港元)·動用4,778,000港元作投資業務(二零零一年：動用8,754,000港元)及3,689,000港元作融資活動(二零零一年：動用1,647,000港元)·並無繳付稅項(二零零一年：繳付2,254,000港元)。

收購附屬公司之現金及現金等值流出淨額分析：

		Group 本集團	
		2002	2001
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Cash consideration	現金代價	27,374	109,217
Expenses incurred in respect of acquisition of subsidiaries	收購附屬公司費用	1,000	1,876
Cash consideration paid	已付現金代價	28,374	111,093
Cash and cash equivalents acquired	購入之現金及現金等值	(7,187)	(35,937)
Deposit paid in previous year	去年已付按金	(9,000)	-
Net outflow of cash and cash equivalents in respect of acquisition of subsidiaries	收購附屬公司之現金及現金等值流出淨額	12,187	75,156

26. Notes to the consolidated cash flow statement

26. 綜合現金流量表附註 (續)

(CONTINUED)

(c) Analysis of changes in financing during the year

(c) 年內融資變動分析

		Group 本集團			
		Share capital (including share premium) 股本(包括 股本溢價) HK\$'000 港幣千元	Minority interests 少數股東權益 HK\$'000 港幣千元	Bank loans 銀行貸款 HK\$'000 港幣千元	Obligations under finance leases/hire purchase contracts 融資租約/租購 合約之承擔 HK\$'000 港幣千元
At 1st April 2000	於二零零零年四月一日	892,464	-	-	764
Exchange difference	換算差額	-	896	-	-
Issue of shares, net of expenses	發行股份扣除費用後淨額	283	-	-	-
Exercise of share options	行使購股權	1,050	-	-	-
Repurchase of shares	購回股份	(23,417)	-	-	-
Acquisition of subsidiaries	收購附屬公司	-	(35,172)	1,000	1,235
Minority interests' share of profits	少數股東應佔溢利	-	2,095	-	-
Repayments	還款	-	-	(1,000)	(1,409)
At 31st March 2001 and 1st April 2001	於二零零一年三月三十一日 及二零零一年四月一日	870,380	(32,181)	-	590
Exchange difference	換算差額	-	2	-	-
Issue of shares, net of expenses (note 19(a))	發行股份扣除費用後淨額 (附註19(a))	333	-	-	-
Exercise of share options (note 19(b))	行使購股權(附註19(b))	2,099	-	-	-
Repurchase of shares (note 19(c))	購回股份(附註19(c))	(15,619)	-	-	-
Acquisition of subsidiaries	收購附屬公司	-	9,050	7,223	-
Minority interests' share of losses	少數股東應佔虧損	-	(2,673)	-	-
Provision for receivables from minority shareholders of subsidiaries (note 5)	應收附屬公司少數股東 款項之撥備(附註5)	-	32,181	-	-
Repayments	還款	-	-	(3,690)	(560)
At 31st March 2002	於二零零二年三月三十一日	857,193	6,379	3,533	30

27. Commitments

(a) Capital commitments

		Group 本集團	
		2002	2001
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Contracted but not provided for	已簽約但未作出撥備		
– acquisition of subsidiaries	– 購買附屬公司	–	29,374
– acquisition of fixed assets	– 購買固定資產	550	3,225
Authorised but not contracted for	已批准但未簽約		
– acquisition of fixed assets	– 購買固定資產	7,286	1,837

(b) Commitments under operating leases

As at 31st March 2002, the Group had total future aggregate minimum lease payments under non-cancellable operating leases as follows:

27. 承擔

(a) 資本承擔

		Group 本集團	
		2002	2001
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Contracted but not provided for	已簽約但未作出撥備		
– acquisition of subsidiaries	– 購買附屬公司	–	29,374
– acquisition of fixed assets	– 購買固定資產	550	3,225
Authorised but not contracted for	已批准但未簽約		
– acquisition of fixed assets	– 購買固定資產	7,286	1,837

(b) 經營租約承擔

於二零零二年三月三十一日，本集團根據不可撤銷之經營租賃而須於未來支付之最低租賃付款總額如下：

		Group 本集團	
		2002	2001
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Land and buildings	土地及樓宇		Restated 重新列示
Within one year	一年內	142,059	121,981
In the second to fifth year inclusive	第二年至第五年(包括首尾兩年)	170,859	158,697
After the fifth year	第五年以後	5,600	5,461
		318,518	286,139

Comparative figures have been restated as a result of the adoption of the revised SSAP 14.

就會計準則第14號之修訂，比較數字已重新列示。

28. Contingent liabilities

28. 或然負債

		Group 本集團	
		2002	2001
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Letter of credit issued	已發行信用證	21,293	19,461
Bank guarantees in lieu of deposits	銀行保證以代替按金	6,805	5,176
Forward contracts committed	已承諾期貨合同	–	743
		28,098	25,380

		Company 本公司	
		2002	2001
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Letter of credit issued	已發行信用證	20,890	19,461
Bank guarantees in lieu of deposits	銀行保證以代替按金	3,790	3,517
		24,680	22,978

29. Pledge of assets

29. 資產抵押

- (a) As at 31st March 2002, a bank overdraft of HK\$83,000 (2001: HK\$517,000) of one of the Company's subsidiaries is secured by a cash deposit of HK\$630,000 (2001: HK\$605,000).
- (a) 於二零零二年三月三十一日，本公司其下附屬公司獲授予之83,000港元（二零零一年：517,000港元）銀行透支，乃由一筆現金存款630,000港元（二零零一年：605,000港元）作抵押。
- (b) The assets of certain subsidiaries, including fixed assets with a net book value of HK\$13,036,000 (2001: HK\$13,324,000), are subject to fixed and floating charge to secure their general banking facilities amounted to HK\$3,636,000 (2001: HK\$3,672,000), of which HK\$2,603,000 (2001: HK\$2,259,000) has been utilised as at 31st March 2002.
- (b) 某些附屬公司之資產（包括13,036,000港元之固定資產（二零零一年：13,324,000港元））被作為固定及浮動抵押，以取得3,636,000港元（二零零一年：3,672,000港元）銀行信貸，其中2,603,000港元（二零零一年：2,259,000港元）於二零零二年三月三十一日已被動用。
- (c) A leasehold land and building with a net book value of HK\$3,000,000 (2001: Nil) is pledged for a bank loan of HK\$3,533,000 (2001: Nil) (note 25).
- (c) 一項賬面淨值3,000,000港元之租賃土地及樓宇（二零零一年：無）已用作一項3,533,000港元銀行貸款之抵押（二零零一年：無）（附註25）。

30. Related party transactions

Save as those disclosed in other notes to the accounts, during the year, the Group undertook the following material transactions with its non-wholly owned subsidiaries in its ordinary course of business and on normal commercial terms.

30. 有關連人士之交易

除已在賬目其他附註中披露以外，於年內，本集團與其非全資附屬公司，於正常業務範圍內以正常商業條款進行以下重要交易。

		2002	2001
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Transactions with non-wholly owned subsidiaries:-	與非全資附屬公司交易		
Sales to Lisbeth Group (note (i))	售予Lisbeth集團(附註(i))	2,770	1,365
		note (ii)	note (ii)
		附註(ii)	附註(ii)
Sales to Ebeca Cosmetic (Holding) Limited	售予依貝佳化妝品集團有限公司	578	-
Purchase from Ebeca Cosmetic (Holding) Limited	購自依貝佳化妝品集團有限公司	635	-
Balances with non-wholly owned subsidiaries (note (iii)):-	與非全資附屬公司結欠額 (附註(iii))		
Net amount due from Lisbeth Group (note (i))	應收Lisbeth集團淨額(附註(i))	2,010	1,365
Net amount due to Ebeca Cosmetic (Holding) Limited	應付依貝佳化妝品集團有限公司淨額	105	-

Note:

- (i) Lisbeth Group represents Lisbeth Enterprises Limited and its subsidiaries.
- (ii) After adjusting for differences in closing inventories, the net sales amount was approximately HK\$2,577,000 (2001: HK\$686,000).
- (iii) The balances are unsecured, interest free and have no fixed repayment terms.

附註:

- (i) Lisbeth集團指Lisbeth Enterprises Limited及其附屬公司。
- (ii) 扣除期末存貨調整後，淨銷售額約為2,577,000港元(二零零一年:686,000港元)。
- (iii) 結欠額並無抵押、免息及無特定還款期。

31. Litigations

(a) Lisbeth Enterprises Limited vs Edwin John Phillips and Barry Richard Wain

On 29th November 2001, Lisbeth Enterprises Limited ("Lisbeth"), a non-wholly owned subsidiary of the Company, served two statutory demands as follows:

- (a) one on Mr. Edwin John Phillips ("Mr. Phillips") in respect of an unpaid debt and accrued interest under two Promissory Notes amounting to HK\$12,333,282.42; and
- (b) one on Mr. Barry Richard Wain ("Mr. Wain") in respect of an unpaid debt and accrued interest under two Promissory Notes amounting to HK\$12,322,104.91.

On 17th December 2001, the solicitors for Mr. Phillips and Mr. Wain applied to the High Court to set aside the aforementioned statutory demands.

The above statutory demands were withdrawn on 25th January 2002.

On 7th January 2002, Lisbeth served two writs against Mr. Phillips and Mr. Wain for sums due under the aforesaid Promissory Notes (with accrued interest). On 11th March 2002, Mr. Phillips and Mr. Wain filed Defences against the two writs.

The Company's legal advisers have advised that Lisbeth's claims against Mr. Phillips and Mr. Wain have a good chance of succeeding. However, the ultimate recovery of the sums due remains uncertain. Full provision against the four Promissory Notes (with accrued interest) has therefore been made in the Consolidated Profit and Loss Account.

31. 訴訟

(a) Lisbeth Enterprises Limited對Edwin John Phillips及Barry Richard Wain

於二零零一年十一月二十九日，本公司之非全資附屬公司Lisbeth Enterprises Limited (「Lisbeth」) 提出以下兩封法定要求償債書：

- (a) 其中一封乃向Edwin John Phillips先生 (「Phillips先生」) 作出，其關於在兩張承付票下金額為12,333,282.42港元之未付債項及相關利息；及
- (b) 另一封乃向Barry Richard Wain先生 (「Wain先生」) 作出，其關於在兩張承付票下金額為12,322,104.91港元之未付債項及相關利息。

於二零零一年十二月十七日，Phillips先生及Wain先生之律師向高等法院申請撤銷上述法定要求償債書。

上述法定要求償債書已於二零零二年一月二十五日撤回。

於二零零二年一月七日，Lisbeth就上述承付票下之欠款(連同相關利息)，向Phillips先生及Wain先生發出兩項傳訊令狀。於二零零二年三月十一日，Phillips先生及Wain先生就上述兩項令狀提交抗辯。

本公司之法律顧問認為，Lisbeth向Phillips先生及Wain先生提出申索之勝算甚大。然而，最終能否收回欠款仍屬未知之數。因此，已於綜合損益賬中就上述四張承付票(連同相關利息)作出全數撥備。

31. Litigations (CONTINUED)

(b) Edwin John Phillips vs Sa Sa International Holdings Limited

On 3rd December 2001, Mr. Phillips issued and served a writ against the Company claiming, amongst other things, damages of HK\$31.2 million based on alleged oral agreements between the Company and Mr. Phillips that the Company would buy from Mr. Phillips the remainder of Mr. Phillips' shares in Lisbeth. The Company's legal advisers' opinion was that Mr. Phillips' claim was without ground and should be defended. Accordingly, the Company filed a Defence on 24th December 2001.

On 24th December 2001, the Company applied to strike out Mr. Phillips' Statement of Claim on the basis that, amongst other things, it disclosed no reasonable cause of action. The Company's application was to be heard on 15th March, 2002.

On 14th March 2002, Mr. Phillips applied for court's permission to file and serve a Re-Amended Statement of Claim. The Judge refused Mr. Phillips' application to file and serve the proposed Re-Amended Statement of Claim and made a substantial costs order against Mr. Phillips. The Judge set a time limit within which Mr. Phillips may reformulate his claim.

On 15th April 2002, Mr. Phillips filed and served a Re-Amended Statement of Claim. In the opinion of the Company's legal advisers, the Re-Amended Statement of Claim remains substantially defective and is liable to be struck out.

On 4th June 2002, the Company filed and served a Re-Amended Defence and Counterclaim. The Company's Counterclaim against Mr. Phillips and Mr. Wain is based on Mr. Phillips' and Mr. Wain's misrepresentations and breaches of warranty concerning the 1999 Audited Financial Statements of Lisbeth.

31. 訴訟 (續)

(b) Edwin John Phillips對莎莎國際控股有限公司

於二零零一年十二月三日，Phillips先生向本公司發出並送達一項傳訊令狀，申索包括賠償金額達31,200,000港元在內的損失。該索償基於據稱由本公司與Phillips先生訂立之口頭協議，本公司將會向Phillips先生購入Phillips先生所持Lisbeth之餘下股份。本公司之法律顧問認為Phillips先生之申索理據不足及本公司應作出抗辯。因此，本公司已於二零零一年十二月二十四日提交抗辯。

於二零零一年十二月二十四日，本公司向法院申請剔除Phillips先生之申索陳述書，其理由包括該陳述書未能披露合理訴因。本公司之申請於二零零二年三月十五日聆訊。

於二零零二年三月十四日，Phillips先生向法院申請批准提交及送達再修訂之申索陳述書。法官拒絕Phillips先生提交及送達建議再修訂申索陳述書之申請，並向Phillips先生發出繳付重大訴訟費用命令。法官訂出Phillips先生可重新制訂其申索要求之時限。

於二零零二年四月十五日，Phillips先生提交並送達再修訂申索陳述書。本公司之法律顧問認為，該再修訂申索陳述書仍不完備，並有機會會被法院剔除。

於二零零二年六月四日，本公司提交及送達一項再修訂抗辯及反申索。本公司向Phillips先生及Wain先生提出反申索，理據為Phillips先生及Wain先生就Lisbeth一九九九年經審核財務報表作出失實陳述以及違反保證。

31. Litigations (CONTINUED)

(b) Edwin John Phillips vs Sa Sa International Holdings Limited

(continued)

On 5th June 2002, Sa Sa applied to strike out Phillips' Re-Amended Statement of Claim.

In the opinion of the Company's legal advisers, the Company has a reasonable prospect of successfully defending Mr. Phillips' claim against the Company, and a reasonable prospect of succeeding in the Counterclaim against Mr. Phillips and Mr. Wain. Accordingly, no provision for damages and / or any related costs have been made in the accounts.

32. Ultimate holding company

The directors regard, Sunrise Height Incorporated, a company incorporated in the British Virgin Islands, as being the ultimate holding company.

31. 訴訟 (續)

(b) Edwin John Phillips對莎莎國際控股有限公司 (續)

於二零零二年六月五日，莎莎向法院申請剔除Phillips先生之再修訂申索陳述書。

本公司之法律顧問認為，有合理理由相信本公司將可成功駁回Phillips先生對本公司之申索，以及有合理理由相信可成功向Phillips先生及Wain先生作出反申索。因此，並無於賬項內就有關索償及／或任何相關費用作出撥備。

32. 最終控股公司

董事認為Sunrise Height Incorporated（於英屬處女群島註冊成立之公司）為最終控股公司。

33. Group structure

33. 集團架構

The following is a list of the principal subsidiaries at 31st March 2002:

以下是於二零零二年三月三十一日主要附屬公司名單：

Name 名稱	Place of incorporation/ establishment 註冊／成立地點	Principal activities and place of operation (if different from place of incorporation/ establishment) 主要業務及 營業地點 (如與註冊／ 成立地點不同)	Particulars of issued share capital 已發行股本	Indirect interest held 間接 持有之權益
* Alibaster Management Limited	British Virgin Islands 英屬處女群島	Trading and retailing of cosmetic and skin care products in Taiwan 於台灣買賣及零售 化妝品及護膚品	Ordinary US\$6,880,000 普通股 6,880,000 美元	100%
Base Sun Investment Limited 鵬日投資有限公司	Hong Kong 香港	Property holding 物業持有	Ordinary HK\$100 Deferred HK\$2 普通股100港元 遞延股2港元	100%
Cyber Colors Limited	British Virgin Islands 英屬處女群島	Holding of trademarks 持有商標	Ordinary US\$1 普通股1美元	100%
Docile Company Limited	British Virgin Islands 英屬處女群島	Holding of trademarks 持有商標	Ordinary US\$2 普通股2美元	100%
Ebeca Cosmetic (Holding) Limited 依貝佳化妝品集團有限公司	Hong Kong 香港	Trading of cosmetic and skin care products 買賣化妝品及護膚品	Ordinary HK\$1,000,000 普通股 1,000,000港元	55%
Gig Limited	Samoa 薩摩亞	Holding of trademarks 持有商標	Ordinary US\$1 普通股1美元	100%

33. Group structure (CONTINUED)

33. 集團架構 (續)

Name 名稱	Place of incorporation/ establishment 註冊／成立地點	Principal activities and place of operation (if different from place of incorporation/ establishment) 主要業務及 營業地點 (如與註冊／ 成立地點不同)	Particulars of issued share capital 已發行股本	Indirect interest held 間接 持有之權益
* Hong Kong Sa Sa (M) Sdn. Bhd.	Malaysia 馬來西亞	Trading and retailing of cosmetic and skin care products 買賣及零售化妝品 及護膚品	Ordinary RM20,000,000 普通股 馬幣20,000,000元	100%
Lea Limited	Samoa 薩摩亞	Holding of trademarks 持有商標	Ordinary US\$1 普通股1美元	100%
Matford Trading Limited 美福貿易有限公司	Hong Kong 香港	Property holding 物業持有	Ordinary HK\$100 Deferred HK\$6 普通股100港元 遞延股6港元	100%
Sa Sa Overseas Limited	British Virgin Islands 英屬處女群島	Holding of trademarks 持有商標	Ordinary US\$2 普通股2美元	100%
Sa Sa Cosmetic Company Limited 莎莎化粧品有限公司	Hong Kong 香港	Trading and retailing of cosmetic and skin care products 買賣及零售化妝品 及護膚品	Ordinary HK\$100 Deferred HK\$2 普通股100港元 遞延股2港元	100%
* Sa Sa Cosmetic Co. (S) Pte Ltd.	Singapore 新加坡	Trading and retailing of cosmetic and skin care products 買賣及零售化妝品 及護膚品	Ordinary S\$19,500,000 普通股19,500,000 新加坡元	100%

33. Group structure (CONTINUED)

33. 集團架構 (續)

Name 名稱	Place of incorporation/ establishment 註冊／成立地點	Principal activities and place of operation (if different from place of incorporation/ establishment) 主要業務及 營業地點 (如與註冊／ 成立地點不同)	Particulars of issued share capital 已發行股本	Indirect interest held 間接 持有之權益
Sa Sa dot Com Limited	Hong Kong 香港	E-commerce 網上商貿	Ordinary HK\$1,000,000 普通股 1,000,000 港元	100%
Sa Sa Information Technology Limited	British Virgin Islands 英屬處女群島	Provision of information technology services in Hong Kong 於香港提供資訊科技服務	Ordinary US\$1 普通股1美元	100%
Sa Sa Investment Limited 莎莎投資有限公司	Hong Kong 香港	Property holding 物業持有	Ordinary HK\$100 Deferred HK\$2 普通股100港元 遞延股2港元	100%
Sa Sa Property Limited 莎莎地產有限公司	Hong Kong 香港	Property holding 物業持有	Ordinary HK\$100 普通股100港元	100%
* Shenzhen Sa Sa Ebeca Enterprise Limited 深圳莎莎依貝佳實業有限公司	The People's Republic of China 中國	Trading and retailing of cosmetic and skin care products and provision of beauty services 買賣及零售 化妝品及護膚品及 提供美容服務	Registered HK\$36,360,000# 註冊 36,360,000港元#	55%

33. Group structure (CONTINUED)

33. 集團架構 (續)

Name 名稱	Place of incorporation/ establishment 註冊／成立地點	Principal activities and place of operation (if different from place of incorporation/ establishment) 主要業務及 營業地點 (如與註冊／ 成立地點不同)	Particulars of issued share capital 已發行股本	Indirect interest held 間接 持有之權益
Swiss Balance Limited	British Virgin Islands 英屬處女群島	Holding of club debentures 持有會籍債券	Ordinary US\$1 普通股1美元	100%
Suisse Programme Limited	Gibraltar 直布羅陀	Holding of trademarks 持有商標	Ordinary Gibraltar £100 普通股100直布羅陀鎊	100%
Vance Trading Limited 榮森貿易有限公司	Hong Kong 香港	Property holding 物業持有	Ordinary HK\$400,100 Deferred HK\$1,600,000 普通股 400,100港元 遞延股 1,600,000港元	100%
* Lisbeth Enterprises Limited	Hong Kong 香港	Provision of beauty and health club services 提供美容及健美中心服務	Ordinary HK\$120,000 普通股 120,000港元	58.33%
* Phillip Wain International (Singapore) Pte Limited	Singapore 新加坡	Provision of beauty and health club services 提供美容及健美中心服務	Ordinary S\$100,000 普通股 100,000新加坡元	58.33%

33. Group structure (CONTINUED)

33. 集團架構 (續)

Name 名稱	Place of incorporation/ establishment 註冊／成立地點	Principal activities and place of operation (if different from place of incorporation/ establishment) 主要業務及 營業地點 (如與註冊／ 成立地點不同)	Particulars of issued share capital 已發行股本	Indirect interest held 間接 持有之權益
* Phillip Wain (M) Sdn Bhd	Malaysia 馬來西亞	Provision of beauty and health club services 提供美容及健美中心服務	Ordinary RM300,000 普通股 馬幣300,000元	58.33%
* Phillip Wain (Thailand) Limited	Thailand 泰國	Provision of beauty and health club services 提供美容及健美中心服務	Ordinary Baht4,000,000 普通股 4,000,000泰株	58.33%

* Subsidiaries not audited by PricewaterhouseCoopers, Hong Kong. The aggregate net assets of subsidiaries not audited by PricewaterhouseCoopers, Hong Kong amounted to approximately 8% of the Group's total net assets.

* 並非由香港羅兵咸永道會計師事務所審核之附屬公司。該等並非由香港羅兵咸永道會計師事務所審核之附屬公司之資產淨值總計約佔本集團總資產淨值8%。

At 31st March 2002, the paid-up capital amounted to HK\$27,360,000.

於二零零二年三月三十一日，已付資本為27,360,000港元。

The above table includes 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.

根據董事之意見，上列乃主要影響本年度之業績或構成本集團主要資產淨值之附屬公司。詳列其他附屬公司之資料將令致篇幅過長。

34. Approval of Accounts

34. 賬目之批准

The accounts were approved by the board of directors on 19th July 2002.

董事局已於二零零二年七月十九日批准本賬目。

NOTICE IS HEREBY GIVEN that the annual general meeting of Sa Sa International Holdings Limited (the "Company") will be held at Level 7, Bowen Room, Conrad Hong Kong, Pacific Place, 88 Queensway, Hong Kong on Thursday, 29th August 2002 at 11:00 a.m. for the following purposes:-

1. To receive and consider the audited consolidated financial statements and the reports of the directors and auditors for the year ended 31st March 2002.
2. To consider and declare a final dividend for the year ended 31st March 2002.
3. To re-elect the retiring directors and to authorise the board of directors to fix their remuneration.
4. To re-appoint auditors and to authorise the board of directors to fix their remuneration.
5. As special business, to consider and, if thought fit, pass, with or without amendments, the following resolution as an ordinary resolution of the Company:-

"THAT:-

conditional on the Listing Committee of The Stock Exchange of Hong Kong Limited granting the approval for the listing of and permission to deal in the shares of the Company, representing 10% of the issued share capital of the Company as at 29th August 2002, to be issued pursuant to the exercise of any options (the "Options") granted under the share option scheme of the Company (the "Share Option Scheme"), a copy of which has been produced to this meeting marked "A" and signed by the chairman of the meeting for the purpose of identification:-

- (i) the existing share option scheme of the Company adopted on 22nd May 1997 (the "Existing Scheme") be and is hereby terminated and that all outstanding options granted pursuant to the Existing Scheme shall continue to be valid and exercisable in accordance with the rules of the Existing Scheme, subject to the provisions of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited; and

茲通告莎莎國際控股有限公司(「本公司」)謹訂於二零零二年八月二十九日(星期四)上午十一時假座香港金鐘道88號太古廣場港麗酒店7樓寶宏廳舉行股東週年大會,藉以處理下列事項:-

1. 省覽截至二零零二年三月三十一日止年度之經審核綜合財務報表,以及董事會報告與核數師報告。
2. 考慮及宣派截至二零零二年三月三十一日止年度之末期股息。
3. 重選退任董事並授權董事會釐定彼等之酬金。
4. 續聘核數師並授權董事會釐定其酬金。
5. 作為特別事項,考慮並酌情通過或經修訂後通過下述決議案為本公司之普通決議案:-

[動議:-

待香港聯合交易所上市委員會批准按本公司之購股權計劃(「購股權計劃」)授出之任何購股權獲行使而予以發行之本公司股份(代表二零零二年八月二十九日本公司已發行股份之10%)上市及買賣(印有「A」字樣的購股權計劃副本已於大會提呈,並由大會主席簽發以資識別):-

- (i) 本公司於一九九七年五月二十二日採納之現有購股權計劃(「現有計劃」)謹此終止,而根據現有計劃授出之所有尚未行使購股權按照現有計劃規例將繼續有效及可予行使,惟須受香港聯合交易所有限公司證券上市規則之條文所限制;

(ii) the Share Option Scheme be and is hereby approved and adopted and the directors of the Company be and are hereby authorised, at their absolute discretion, to grant Options and to allot and issue shares of the Company.”

6. As special business, to consider and, if thought fit, pass, with or without amendments, the following resolution as an ordinary resolution of the Company:—

“THAT:—

(A) subject to paragraph 6(C) below, the exercise by the directors of the Company (the “Directors”) during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with unissued shares in the capital of the Company and to make or grant offers, agreements and options (including warrants, bonds and debentures convertible into shares of the Company) which might require the exercise of such powers be and is hereby generally and unconditionally approved;

(B) the Directors be and are hereby authorised during the Relevant Period to make or grant offers, agreements and options (including warrants, bonds and debentures convertible into shares of the Company) which might require the exercise of such powers during or after the end of the Relevant Period;

(C) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Directors pursuant to the approval in paragraph 6(A) and (B), otherwise than pursuant to a Rights Issue (as hereinafter defined) or pursuant to the exercise of any options granted under the share option scheme adopted by the Company or an issue of shares upon the exercise of subscription rights attached to the warrants which might be issued by the Company or an issue of shares in lieu of the whole or part of a dividend on shares or any scrip dividend scheme or similar arrangement in accordance with the articles of association of the Company, shall not exceed 20% of the aggregate nominal amount of the share capital of the Company in issue at the time of passing this resolution; and

(ii) 謹此批准及採納購股權計劃，及本公司董事謹此獲授權酌情授出購股權和配發及發行本公司股份。」

6. 作為特別事項，考慮並酌情通過或經修訂後通過下述決議案為本公司之普通決議案：—

「動議：—

(A) 在下文6(C)段之規限下，謹此一般及無條件地批准本公司董事會（「董事會」）於有關期間（定義見下文）行使本公司之一切權力，以配發、發行及處理本公司股本中之未發行股份，並作出或授予可能需要行使該項權力之建議、協議及購股權（包括本公司之認股權證、債券及可換股債券）；

(B) 董事會謹此獲授權，於有關期間作出或授予可能須於有關期間或屆滿後作出或授出可能須行使該等權力之建議、協議及購股權（包括本公司之認股權證、債券及可換股債券）；

(C) 董事會根據6(A)及(B)段批准配發或有條件或無條件地同意配發（不論是否根據購股權或以其他形式配發）之股本面值總額，除根據配售新股（定義見下文）或行使根據本公司所採納之購股權計劃而授出之任何購股權或本公司可予發行之認股權證所附認購權而配發股份或根據本公司組織章程細則發行股份以代替該等股份之全部或部分股息或任何以股代息計劃或類似安排外，不得超過於本決議案通過時本公司已發行股本總面值之20%；及

(D) for the purposes of this resolution:–

“Relevant Period” means the period from the time of the passing of this resolution until whichever is the earliest of:–

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the memorandum and articles of association of the Company or any applicable law of Cayman Islands to be held; and
- (iii) the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in general meeting.

“Rights Issue” means an offer of shares open for a period fixed by the Directors to holders of shares on the register of members on a fixed record date in proportion to their then holdings of such shares (subject to such exclusions or other arrangements as the directors of the Company may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of any relevant jurisdiction, or the requirements of any recognised regulatory body or any stock exchange).”

(D) 就本決議案而言:–

「有關期間」指本決議案獲通過時至下列最早日期止之期間:–

- (i) 本公司下屆股東週年大會結束時;
- (ii) 本公司組織大綱及章程細則或開曼群島任何適用法例規定本公司下屆股東週年大會須予舉行之期限屆滿之時;及
- (iii) 本公司股東於股東大會上通過普通決議案撤銷或修訂本決議案所授予權利。

「配售新股」指董事會於指定期間內向於指定記錄日期名列股東名冊之股份持有人按彼等當時持有該等股份之比例提呈配售股份(惟本公司董事會可就零碎配額或經考慮任何有關司法權區法例規定之任何限制或責任或任何認可監管機構或任何證券交易所之要求,作出彼等認為必須或適當之行動以取消若干股東在此方面之權利或另作安排)。

7. As special business, to consider and, if thought fit, pass, with or without amendments, the following resolution as an ordinary resolution of the Company:—

“THAT:—

- (A) subject to paragraph 7(C) below, the exercise by the directors of the Company (“Directors”) during the Relevant Period (as hereinafter defined) of all powers of the Company to purchase issued shares in the capital of the Company on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) or any other stock exchange on which the shares of the Company may be listed and recognised by the Securities and Futures Commission and the Stock Exchange for this purpose, and that the exercise by the Directors of all powers of the Company to purchase such securities are subject to and in accordance with all applicable laws, be and is hereby, generally and unconditionally approved;
- (B) the approval in paragraph 7(A) shall be in addition to any other authorisation given to the Directors and shall authorise the Directors on behalf of the Company during the Relevant Period to procure the Company to purchase its shares at a price determined by the Directors;
- (C) the aggregate nominal amount of share capital of the Company purchased or agreed conditionally or unconditionally to be purchased by the Company pursuant to the approval in paragraph 7(A) during the Relevant Period shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company as at the time of passing this resolution; and
- (D) for the purposes of this resolution:—

“Relevant Period” means the period from the time of the passing of this resolution until whichever is the earliest of:—

- (i) the conclusion of the next annual general meeting of the Company;

7. 作為特別事項，考慮並酌情通過或經修訂後通過下述決議案為本公司之普通決議案：—

「動議：—

- (A) 受下文7(C)段之限制，謹此一般及無條件地批准本公司董事會（「董事會」）於有關期間（定義見下文）內，行使本公司之一切權力，按照所有適用之法例，於香港聯合交易所有限公司（「聯交所」）或任何其他獲證券及期貨事務監察委員會及聯交所就此認可而本公司股份在該交易所上市之交易所購回本公司資本中已發行股份，及本公司董事會行使本公司一切權力購回該等證券；
- (B) 第7(A)段之批准為賦予董事會之任何其他授權以外所附加者，其授權董事代表本公司於有關期間促使本公司按董事會釐定的價格購回其股份；
- (C) 本公司根據7(A)段之批准，於有關期間購回或有條件或無條件地同意購回之股本面值總額不得超過本公司於此決議案通過時已發行股本面值總額10%；及
- (D) 就本決議案而言：—

「有關期間」指本決議案獲通過時至下列最早日期止之期間：—

- (i) 本公司下屆股東週年大會結束時；

(ii) the expiration of the period within which the next annual general meeting of the Company is required by the memorandum and articles of association of the Company or any applicable law of Cayman Islands to be held; and

(iii) the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in general meeting.”

8. As special business, to consider and, if thought fit, pass, with or without amendments, the following resolution as an ordinary resolution of the Company:—

“THAT conditional upon the passing of the ordinary resolutions numbered 6 and 7 in the notice convening this meeting, the aggregate nominal amount of the shares in the capital of the Company which are purchased by the Company pursuant to and in accordance with the said resolution numbered 7 shall be added to the aggregate nominal amount of the share capital of the Company that may be allotted or agreed conditionally or unconditionally to be allotted by the directors of the Company pursuant to and in accordance with the resolution numbered 6 set out in that notice of meeting.”

By Order of the Board
Tse Ping Shing
Company Secretary

Hong Kong, 19th July 2002

Notes:

1. The register of members of the Company will be closed from 26th August 2002 to 29th August 2002, both days inclusive, during which period no transfer of Shares will be effected. All transfers accompanied by the relevant share certificates must be lodged with the Company's branch share and transfer office, Abacus Share Registrars Limited at 5th Floor, Wing On Centre, 111 Connaught Road, Central, Hong Kong for registration not later than 4:00 p.m. on 23rd August 2002.

(ii) 本公司組織大綱及章程細則或開曼群島任何適用法例規定本公司下屆股東週年大會須予舉行之期限屆滿之時；及

(iii) 本公司股東於股東大會上通過普通決議案撤銷或修訂本決議案所授予權利。」

8. 作為特別事項，考慮並酌情通過或經修訂後通過下述決議案為本公司之普通決議案：—

「動議待召開本大會之通告所載第6項及第7項普通決議案獲通過後，本公司根據及按照上述第7項決議案購回之本公司股本中股份之面值總額須一併計入本公司董事會根據及按照召開本大會之通告所載第6項決議案配發或有條件或無條件地同意配發之本公司股本面值總額內。」

承董事會命
公司秘書
謝炳盛

香港，二零零二年七月十九日

附註：

1. 本公司將於二零零二年八月二十六日至二零零二年八月二十九日（首尾兩天包括在內）期間暫停辦理股份過戶登記手續。股東最遲須於二零零二年八月二十三日下午四時將所有過戶文件連同有關股票送交本公司之香港股份過戶登記分處雅柏勤證券登記有限公司（地址為香港中環干諾道中111號永安中心5樓），辦理登記手續。

2. Any member of the Company entitled to attend and vote at a meeting of the Company shall be entitled to appoint another person (who must be an individual) as his proxy to attend and vote instead of him. On a poll votes may be given either personally or by proxy. A proxy need not be a member of the Company. A member may appoint any number of proxies to attend in his stead at any one general meeting.
 3. The instrument appointing a proxy and (if required by the board of Directors) the power of attorney or other authority, (if any) under which it is signed, or a notarially certified copy of such power or authority shall be delivered at the Company's branch share and transfer office, Abacus Share Registrars Limited at 5th Floor, Wing On Centre, 111 Connaught Road, Central, Hong Kong not less than forty-eight hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll taken subsequently to the date of a meeting or adjourned meeting, not less than forty-eight hours before the time appointed for the taking of the poll, and in default the instrument of proxy shall not be treated as valid provided always that the chairman of the meeting may at his discretion direct that an instrument of proxy shall be deemed to have been duly deposited upon receipt of telex or cable or facsimile confirmation from the appointor that the instrument of proxy duly signed is in the course of transmission to the Company. Delivery of any instrument appointing a proxy shall not preclude a member from attending and voting in person at the meeting or poll concerned and, in such event, the instrument appointing a proxy shall be deemed to be revoked.
 4. Where there are joint registered holders of any share, any one of such persons may vote at any meeting, either personally or by proxy, in respect of such share as if he were solely entitled thereto; but if more than one of such joint holders be present at any meeting personally or by proxy, that one of the said persons so present being the most, or as the case may be, the more senior shall alone be entitled to vote in respect of the relevant joint holding and, for this purpose, seniority shall be determined by reference to the order in which the names of the joint holders stand on the register in respect of the relevant joint holding.
 5. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney authorised in writing or, if the appointor is a corporation, either under its seal or under the hand of an officer, attorney or other person duly authorised to sign the same.
2. 有權出席本公司股東大會及於會上投票之股東可委任其他人士(須為個人)代其出席大會並於會上投票。進行不記名投票時，股東或受委代表均可投票。受委代表毋須為本公司股東。股東可委任多名代表代其出席任何股東大會。
 3. 委任代表之文據連同(倘董事會要求)經簽署之授權書或其他授權文件(如有)或經公證人簽署核實之授權書或授權文件副本，最遲須於大會或文據所指定人士擬於會上投票之任何續會指定舉行時間48小時前或倘不記名投票於大會或續會日期後進行，則於進行不記名投票之指定時間不少於48小時前送達本公司之股份過戶登記分處雅柏勤證券登記有限公司，地址為香港中環干諾道中111號永安中心5樓，否則委任代表之文據將視作無效。惟倘委任人透過電報、電訊或傳真確認已向本公司發出正式簽署之委任代表文據，則大會主席可酌情指示視委任代表文據已正式呈交。交回代表委任文據後，閣下仍可親自出席股東週年大會或進行不記名投票，於該等情況下，代表委任文據將視作已被撤回。
 4. 如屬任何股份之聯名登記持有人，則任何一位聯名登記持有人均可親身或委派代表就其股份於任何大會上投票，猶如彼等為唯一有權就有關股份投票者。惟倘超過一名聯名持有人親身或委派代表出席大會，則僅限於排名首位或排名較高(或視情況而定)之持有人方有權就有關聯名股份投票，就此而言，排名次序乃按聯名股東就有關聯名持有股份於股東名冊之排名先後釐訂。
 5. 代表委任文據須由委任人或以書面正式授權之人士簽署；或倘委任人為公司，則須加印公司印章或由獲正式授權之人員、授權代表或其他正式獲授權人士簽署。