



**Texwinca holdings limited**  
德永佳集團有限公司

Stock Code 股份代號 : 321

**2006 annual report**

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**Directors 董事**

Poon Bun Chak (Chairman and Chief Executive Officer)	潘彬澤 (主席兼董事總經理)
Poon Kai Chak	潘佳澤
Poon Kei Chak	潘機澤
Poon Kwan Chak	潘鈞澤
Ting Kit Chung	丁傑忠
Au Son Yiu*	區榮耀*
Cheng Shu Wing*	鄭樹榮*
Wong Tze Kin, David*	黃自建*

\* Independent Non-executive Directors

\* 獨立非執行董事

**Company Secretary 公司秘書**

Chan Chi Hon 陳志漢

**Registered Office 註冊辦事處**

Clarendon House,  
2 Church Street,  
Hamilton HM 11,  
Bermuda.

Clarendon House,  
2 Church Street,  
Hamilton HM 11,  
Bermuda.

**Head Office and Principal Place of Business**

16th Floor, Metroplaza, Tower II,  
223 Hing Fong Road,  
Kwai Chung, New Territories,  
Hong Kong.

**總辦事處及主要營業地點**

香港  
新界葵涌  
興芳路223號  
新都會廣場第二座16樓

**Principal Share Registrar and Transfer Office**

Butterfield Fund Services (Bermuda) Limited  
Rosebank Centre,  
14 Bermudiana Road,  
Pembroke,  
Bermuda.

**主要股份登記及過戶處**

Butterfield Fund Services (Bermuda) Limited  
Rosebank Centre,  
14 Bermudiana Road,  
Pembroke,  
Bermuda.

**Hong Kong Branch Share Registrar and Transfer Office**
**香港股份登記及過戶分處**

Tengis Limited	登捷時有限公司
26/F., Tesbury Centre,	香港灣仔
28 Queen's Road East,	皇后大道東二十八號
Wanchai, Hong Kong	金鐘匯中心二十六樓

**Auditors**
**核數師**

Ernst & Young	安永會計師事務所
Certified Public Accountants	執業會計師

**Legal Advisors**
**法律顧問**

Jennifer Cheung & Co.	張美霞律師行
Wilkinson & Grist	高露雲律師行

**Principal Bankers**
**主要往來銀行**

Bank of China (Hong Kong) Ltd.	中國銀行(香港)有限公司
BNP Paribas	法國巴黎銀行
Citibank, N.A.	花旗銀行
Hongkong Bank	滙豐銀行
Hang Seng Bank	恒生銀行
Mizuho Corporate Bank, Ltd.	瑞穗實業銀行
The Bank of East Asia, Ltd.	東亞銀行有限公司

**Websites**
**網址**

<a href="http://www.texwinca.com/">http://www.texwinca.com/</a>	<a href="http://www.texwinca.com/">http://www.texwinca.com/</a>
<a href="http://www.baleno.com.hk/">http://www.baleno.com.hk/</a>	<a href="http://www.baleno.com.hk/">http://www.baleno.com.hk/</a>
<a href="http://www.irasia.com/listco/hk/texwinca/">http://www.irasia.com/listco/hk/texwinca/</a>	<a href="http://www.irasia.com/listco/hk/texwinca/">http://www.irasia.com/listco/hk/texwinca/</a>

(Amounts expressed in HK\$ million, unless specified) (以港幣百萬元為單位，除特別註明外)		Notes 附註	2006	2005 (Restated) (經修訂)	2004 (Restated) (經修訂)	2003	2002
Turnover	營業額		<b>7,749</b>	7,303	6,216	5,199	4,720
Net profit from ordinary activities attributable to equity holders of the parent	母公司權益 所有者應佔 經常業務 溢利淨額		<b>480</b>	462	422	591	530
Total equity	總權益	6	<b>2,930</b>	2,731	2,529	2,366	2,062
Total assets	總資產		<b>5,266</b>	4,822	4,391	3,368	2,794
Total liabilities to equity ratio	總負債與 權益比率	6	<b>0.8</b>	0.8	0.7	0.4	0.4
Bank borrowings to equity ratio	銀行貸款與 權益比率	6	<b>0.3</b>	0.2	0.1	—	—
Current ratio	流動比率		<b>1.5</b>	1.5	1.8	2.0	2.3
Receivables turnover on sales (days)	應收賬款比較銷售 之周轉期(日)		<b>41</b>	21	31	27	26
Inventory turnover on sales (days)	存貨比較銷售 之周轉期(日)		<b>61</b>	53	61	60	41
Net assets per share (HK cents)	每股資產淨值 (港幣仙)	6	<b>221</b>	206	191	179	156
Return on total assets (%)	總資產回報率(%)		<b>9.1</b>	9.6	9.6	17.5	19.0
Return on sales (%)	銷售回報率(%)		<b>6.2</b>	6.3	6.8	11.4	11.2
Interest cover (times)	利息保障比率(倍數) 1, 6		<b>14</b>	54	130	238	103
EBITDA	未計利息、稅項、 折舊及攤銷費用 前溢利	2, 6	<b>826</b>	792	709	826	742
EBITDA on sales (%)	未計利息、稅項、 折舊及攤銷費用 前溢利比較銷售 比率(%)	6	<b>10.7</b>	10.8	11.4	15.9	15.7



(Amounts expressed in HK\$ million, unless specified) (以港幣百萬元為單位，除特別註明外)		Notes 附註	2006	2005 (Restated) (經修訂)	2004	2003	2002
Earnings per share (HK cents)	每股盈利 (港幣仙)	3	36.2	34.8	31.9	44.6	41.5
Dividends per share (HK cents)	每股股息 (港幣仙)		22	21	20	25	20
Dividend yield (%)	股息回報率(%)	4	3.7	3.2	3.3	4.3	4.5
Number of issued shares (million)	已發行股份數目 (百萬)		1,326	1,326	1,325	1,324	1,324
Number of employees	僱員人數						
The People's Republic of China ("PRC")	中華人民共和國 (「中國」)						
Hong Kong & Macau	香港及澳門		1,007	881	759	614	444
Taiwan	台灣		737	851	717	633	564
Mainland China	中國大陸		20,249	19,691	16,376	13,145	10,372
Singapore	新加坡		343	333	248	137	122
Malaysia	馬來西亞		464	61	—	—	—
Total	總數		22,800	21,817	18,100	14,529	11,502

## Notes:

## 附註：

- |   |  |
|---|--|
| <p>1. Interest cover was calculated by dividing the profit before interest and tax by the interest expenses.</p> <p>2. EBITDA is the earnings before interest, tax, depreciation and amortisation expenses.</p> <p>3. Number of shares was on weighted average basis.</p> <p>4. Dividend yield was calculated by dividing the dividends per share by the closing market price per share as at the respective balance sheet dates.</p> <p>5. The financial results of the above refer to the results of the Group for each financial year. And, the other figures used were the position of the Group as at the respective balance sheet dates.</p> <p>6. The amounts for the years 2002 to 2005 have been adjusted for the effects of the retrospective changes in accounting policy as detailed in note 2.2 to the financial statements.</p> | <p>1. 利息保障比率之計算為稅項及利息前之溢利與利息支出之比率。</p> <p>2. EBITDA 為未計利息、稅項、折舊及攤銷費用前溢利。</p> <p>3. 股份數目按加權平均基準計算。</p> <p>4. 股息回報率之計算為每股股息與本公司於相關結算日每股收市價之比率。</p> <p>5. 以上業績乃指本集團於每個財政年度的業績，而其他數字則指本集團於有關年度結算日之情況。</p> <p>6. 有關二零零二年至二零零五年之金額已作調整，以反映會計政策的追溯變更，詳細資料載於財務報表附註2.2。</p> |
|---|--|

The Group recorded a new high turnover of HK\$7,749 million in this fiscal year. Net profit from ordinary activities attributable to shareholders was HK\$480 million, an increase of 4%.

The overall business environment had slight improvement in the period. Raw material prices were stable and trade disputes on textile products were resolved. However, profit margins were under pressure in view of high energy costs, wage increment, the surge of interest rates and the appreciation of Renminbi.

The textile business had a stable performance in the year. The industry has been under consolidation as a result of China's stricter pollution rules. The Group is equipped with excellent environmental facilities and will continue its capacity expansion to capture further market shares. The garment business achieved a remarkable growth both in revenue and profitability and is expected to have continuous improvement in the coming year. After last two years' aggressive expansion, the retail operation will slow down its store growth but to focus on store performance.

本集團本財政年度之營業額再創新高達港幣7,749百萬元。股東應佔經常業務溢利為港幣480百萬元，增長4%。

期內整體業務環境略有改善。原料價格平穩而紡織產品貿易之爭議亦得到解決。然而，邊際利潤卻因能源成本高企、工資上揚、利率上升及人民幣升值帶來壓力。

紡織業務於期內表現平穩。此行業因受中國環保條例日嚴而逐漸整固。本集團擁有最優良之環保設施，將會持續擴展生產力以加強市場佔有率。製衣業務於營業額及利潤均取得良好之增長而來年相信更有進一步之表現。零售業務經過過去兩年之具野心擴展，將會減慢開店之速度而專注於店舖業績之表現。

The Group will continue its stringent cost control measures and will place strong effort to raise its business competitiveness. The Management remains an optimistic view on the Group's results in the coming year. On behalf of the board, I would like to take this opportunity to thank our business partners and shareholders for their ongoing support and our colleagues for their hard work and loyalty.

本集團將繼續採取嚴控成本之措施及努力提高本集團之業務競爭能力。管理層對來年之業績仍表樂觀。本人藉此代表董事會多謝各業務夥伴及股東之不斷支持，亦向各同事之勤勞及忠誠致謝。

**Poon Bun Chak**

*Chairman*

主席

**潘彬澤**

Hong Kong, 17 July 2006

香港，二零零六年七月十七日



## BUSINESS REVIEW

For this financial year ended 31 March 2006, the Group's total turnover increased by 6%, to HK\$7,749 million (2005: HK\$7,303 million). Net profit for the year attributable to the equity holders of the parent was HK\$480 million (2005: HK\$462 million, restated), an increase of 4% over last year. The Board has recommended a final dividend of HK11.0 cents (2005: HK11.0 cents) per ordinary share. Including interim dividend, total dividend per ordinary share amounts to HK22.0 cents, an increase of 5% over last year's HK21.0 cents.

### Textile business

The fabric business had a turnover of HK\$4,258 million (2005: HK\$4,109 million), a growth of 4% compared with last year. The amount was 55% of the Group's total turnover. Despite the Group had a capacity expansion of about 20% in the year, only slight revenue growth was achieved mainly due to the reduction of the average selling price as a result of the decrease of raw material prices. Business environment was more favourable that operating profit margin increased to 12.1% from last year's 10.3%. However, operating costs increased due to the upsurge of fuel prices, wage inflation, rise in interest expenses and the appreciation of Renminbi. The Group maintained strict control on costs in order to improve the profit margin. Order flow had been stable throughout the year. For the year under review, USA remained our major market and accounted for about 72% of the textile revenue.

## 業務回顧

截至二零零六年三月三十一日止之本財政年度，本集團之總營業額上升6%至港幣7,749百萬元（二零零五年：港幣7,303百萬元）。母公司普通權益所有者應佔溢利淨額為港幣480百萬元（二零零五年：港幣462百萬元，經修訂），較去年增長4%。董事會建議派發末期股息每股港幣11.0仙（二零零五年：港幣11.0仙）。連同中期股息，每股股息總額為港幣22.0仙，較去年之港幣21.0仙增加5%。

### 紡織業務

針織布業務營業額為港幣4,258百萬元（二零零五年：港幣4,109百萬元），較去年上升4%。此為本集團總營業額之55%。雖然本集團於年內增加產量約20%，銷售額卻祇錄得輕微增長，主要是由於原料價格回落令平均銷售價格亦同步下調。業務經營環境有所改善令經營溢利由去年之10.3%上升至12.1%。然而，經營成本卻因燃料上揚、工資通漲、利息費用上升與及人民幣升值而增加。本集團已嚴控成本以改善邊際利潤。貨品訂單於全年皆保持穩定。年內本集團之主要市場仍為美國，佔紡織業務銷售額約72%。

### Retail and distribution business

Sales of this operation amounted to HK\$3,444 million (2005: HK\$3,146 million), a rise of 9%, and represented 44% of the Group's total turnover. The business made a loss in the year mainly due to the rapid store expansion in the previous year that incurred substantial expenses. The business performance improved in the second half of the fiscal year to resume a small profit. Mainland China remains the focus of our retail operation where shops are existed in over 260 cities. At the year end, the development in different markets was as below :

### 零售及分銷業務

此業務之銷售額達港幣3,444百萬元(二零零五年：港幣3,146百萬元)，上升9%，佔本集團總營業額44%。此業務於年內錄得虧損主要由於上年店舖擴展迅速帶來龐大之支出。業務表現於本財政年度下半年已有所改善而錄得小額盈利。中國大陸仍為零售業務發展之重心，在超過260個城市設有店舖。於本年度完結時，在各地市場之發展情況如下：

#### Mainland China

#### 中國大陸

		2006	2005	2004	2003	2002
Net sales (HK\$ million)	銷售淨額(港幣百萬元)	<b>2,219</b>	1,963	1,598	1,432	1,359
Net sales increase	銷售淨額之增加					
in percentage	百分率	<b>13</b>	23	12	5	13
Retail floor area (sq.ft.)**	零售樓面面積(平方呎)**	<b>1,601,473</b>	1,322,547	621,294	411,454	274,280
Number of sales associates*	售貨員數目*	<b>10,119</b>	10,534	6,395	4,770	3,741
Number of outlets* <sup>Δ</sup>	門市數目* <sup>Δ</sup>	<b>3,143</b>	2,837	1,750	1,060	831

#### Hong Kong and Macau

#### 香港及澳門

		2006	2005	2004	2003	2002
Net sales (HK\$ million)	銷售淨額(港幣百萬元)	<b>496</b>	463	393	330	310
Net sales increase	銷售淨額之增加					
in percentage	百分率	<b>7</b>	18	19	6	5
Retail floor area (sq.ft.)**	零售樓面面積(平方呎)**	<b>78,285</b>	81,442	64,930	55,096	33,627
Number of sales associates*	售貨員數目*	<b>624</b>	536	382	298	212
Number of outlets*	門市數目*	<b>94</b>	85	62	45	37

**Taiwan**
**台灣**

		2006	2005	2004	2003	2002
Net sales (HK\$ million)	銷售淨額 (港幣百萬元)	<b>513</b>	557	440	319	282
Net sales increase	銷售淨額之增加					
in percentage	百分率	<b>(8)</b>	27	38	13	50
Retail floor area (sq.ft.)**	零售樓面面積 (平方呎)**	<b>208,925</b>	219,625	150,965	124,649	106,321
Number of sales associates*	售貨員數目*	<b>603</b>	706	614	541	469
Number of outlets*	門市數目*	<b>266</b>	270	196	155	114

**Singapore and Malaysia**
**新加坡及馬來西亞**

		2006	2005	2004	2003	2002
Net sales (HK\$ million)	銷售淨額 (港幣百萬元)	<b>216</b>	163	117	64	43
Net sales increase	銷售淨額之增加					
in percentage	百分率	<b>33</b>	39	83	49	—
Retail floor area (sq.ft.)**	零售樓面面積 (平方呎)**	<b>92,462</b>	49,748	31,289	12,894	11,107
Number of sales associates*	售貨員數目*	<b>563</b>	355	234	119	112
Number of outlets*	門市數目*	<b>76</b>	74	32	17	15

\* As at 31 March

# For self-managed stores

△ Including self-managed and franchise stores

\* 於三月三十一日

# 自營店

△ 包括自營店及特許經營店

**Garment business**

Turnover of our garment associate amounted to HK\$979 million (2005: HK\$816 million), a growth of 20%. Net profit contribution to the Group was HK\$54 million (2005: HK\$38 million), a sharp increase of 42%. During the fiscal year, about 55% of the fabric consumed was supplied by our textile business. Sales to the retail division was about 21% of its revenue.

**製衣業務**

聯營製衣業務營業額為港幣979百萬元 (二零零五年：港幣816百萬元)，增長20%。對本集團淨溢利貢獻為港幣54百萬元 (二零零五年：港幣38百萬元)，大幅上升42%。於年內約55%使用之布料由本集團之紡織業務供應。銷貨予本集團零售業務則佔其銷售額約21%。

## FINANCIAL CONDITION

### Liquidity and financial resources

The financial position of the Group remained strong. The current ratio, the cash and cash equivalents and the total equity were 1.5, HK\$251 million and HK\$2,930 million at the year end respectively. The net cash inflow from operating activities for the year was HK\$51 million. The receivable turnover days increased by 20 days to 41 days over the last year. The receivables turnover days refer to the ratio of the year-end balance of receivables to the turnover of the year in days. The reasons for the increase were twofold. First, the discounted bills of HK\$240 million were not accounted for in the financial statements of last year. Following the adoption of the HKAS 39 this year, the discounted bills of HK\$149 million was included in the trade and bills receivable and interest-bearing bank borrowings in the financial statements in current year. Second, the surge in customer demand in the later part of the year has resulted in the significant increase in the sales and the undue receivable balance at the year end. The inventory turnover days increased by 8 days to 61 days over the last year. The increase in current year was mainly for satisfying the short delivery time of rush orders from customers. During the year, the Group financed its expansion mainly by cash inflow from its operation and bank borrowings. At the year end, the unutilised banking facilities amounted to HK\$2,363 million and the gearing ratio was 0.8. The gearing ratio refers to the ratio of total liabilities to total equity. With ample financial resources, the Group will continue to increase its production capacity to satisfy the increasing customer orders.

## 財務狀況

### 流動資金及財務資源

本集團財務狀況維持強勁。於年結日，流動比率、現金及現金等價物及權益分別為1.5、港幣251百萬元及港幣2,930百萬元。本年度之集團經營所得現金流入為港幣51百萬元。應收賬款周轉期較去年上升20天至本年的41天。應收賬款周轉期乃指以天數代表的年結日應收賬款結餘與全年營業額的比率。應收賬款周轉期的上升原因有兩方面，（一）於去年，已貼現票據港幣240百萬元無需於財務報表列賬，但由於本年採納了香港會計準則第39號，已貼現票據港幣149百萬元，則須計入本年度的應收賬款及應收票據及附息銀行貸款中；（二）於本年末，客戶訂單急升，因此銷售及期末未到期應收賬款結餘大幅上升。存貨周轉期較去年上升8天至本年的61天。主要為應付較短交貨期的客戶急單。本集團主要以其營運所得之資金及銀行貸款等不斷擴充。於年結日，未使用之銀行信貸額為港幣2,363百萬元，資本負債比率為0.8。資本負債比率乃指總負債及總權益之比率。由於財務資源充裕，本集團將繼續擴充以滿足不斷增加之客戶訂單。

**Contingent liabilities**

As at 31 March 2006, the contingent liabilities of the Group amounted to HK\$38 million. These mainly represented (1) the corporate guarantee of HK\$13 million made for the banking facilities of an associated company; (2) the corporate guarantee of HK\$9 million made for the issuance of bank guarantee in lieu of property rental deposits for certain subsidiaries; (3) the contingent liabilities of HK\$12 million related to the claim of business tax against a subsidiary of the Group in Taiwan.

**Capital expenditure**

Total capital expenditures of the Group for the year amounted to HK\$351 million, of which HK\$148 million was incurred by the textile business for the expansion of its production facilities. On the other hand, HK\$203 million was incurred by the retail and distribution business mainly for the addition of retail outlets.

**Pledge of assets**

No significant assets were pledged as at 31 March 2006.

**或有負債**

於二零零六年三月三十一日，本集團之或有負債為港幣38百萬元。這主要包括（一）為聯營公司銀行額度所作之擔保港幣13百萬元；（二）為部份附屬公司以銀行擔保代替物業租金訂金所作之擔保港幣9百萬元；（三）與本集團台灣一附屬公司營業稅索賠有關的或有負債港幣12百萬元。

**資本性支出**

於本年度，本集團總資本性支出為港幣351百萬元，其中紡織業務之資本性開支為港幣148百萬元，主要用作擴大生產設施。此外，零售業務之資本性支出為港幣203百萬元，主要用作擴大銷售網絡。

**資產抵押**

於二零零六年三月三十一日，並無重大資產已作抵押。

### Foreign exchange and interest rate risks

The Group continued to adopt a strict and prudent policy in managing its interest rate and currency exchange risks. The major interest bearing bank borrowings of the Group were HIBOR based Hong Kong dollar borrowings with maturity due within three years. To reduce the interest rate risks, the Group had entered into derivative financial instrument contracts with international financial institutions. During the year, the major revenues, expenses and procurements of the Group were denominated in HKD, USD, Renminbi, Yen, EURO and NTD. The Group had entered into forward contracts to reduce its currency exchange risk.

### HUMAN RESOURCES

As at 31 March 2006, the Group had about 22,800 employees in the PRC, Singapore and Malaysia. The remuneration of the employees was largely based on industry practice and the performance of individual employee.

### OUTLOOK

Raw material prices have been stable and export disputes on textile products have been temporarily resolved. Interest rates will most likely to decline by early next year. Looking into 2007, the Management expects business environment will continue to improve.

### 滙兌及利率風險

本集團維持嚴格及審慎政策管理利率與滙率風險。本集團主要附息銀行貸款為港元，利率以香港銀行同業拆息為基礎計算，並於三年內到期。為減低利息風險，本集團已與國際性金融機構安排金融工具合約。於年內，本集團主要收入、支出及採購皆以港元、美元、人民幣、日元、歐羅及新台幣進行。本集團已安排遠期外滙合約以減低滙率風險。

### 人力資源

於二零零六年三月三十一日，本集團於中國、新加坡及馬來西亞共有僱員約22,800人。員工薪酬之釐定主要基於行業之情況及員工個人之表現。

### 展望

原料價格已趨平穩而紡織品出口爭議已獲初步解決。利率亦似乎會於明年初回落。展望2007年，管理層預料業務環境將繼續改善。

**OUTLOOK** *(continued)*

The knitted-fabric industry is still under consolidation mainly due to high entry barrier and strict environmental regulations imposed by most countries. The Group will continue to grow its textile capacity to enlarge market shares. Production expansion will still be centralized in our existing Dongguan site where the Group occupies about 10 million sq.ft. of land. The factories at the site are equipped with most advanced production and environmental facilities. The Group also operates an environmentally friendly coal-fired system to supply in house electricity. Ample space adjacent to the site has also been reserved for future capacity expansion.

The garment associate will also expand its capacity by about 20% in the coming year. The business has a good customer base and improved results are still expected in the new year.

The retail operation will slow down its store expansion but to focus on performance acceleration. Many new outlets opened in 2005 are now having mature performance. The business is anticipated to have a significant improvement in the year ahead.

The Management will maintain firm control on costs and will place the greatest effort to improve the Group's business competitiveness. The Management remains optimistic to report positive results in the coming year.

**展望 (續)**

針織布行業仍在整固中，主要由於入行困難及大部份國家皆實施嚴謹環保條例。本集團將繼續增產以擴大市場佔有率。擴展生產力仍將集中現時擁有約一千萬平方呎之東莞廠地。在此之廠房已配備最先進之生產及環保設施。本集團亦設有環保煤爐發電系統以供廠房用電。在廠地周邊亦儲備龐大土地以供將來擴產用途。

製衣業務於來年仍將擴產約20%。此業務具有良好客戶基礎，預計來年業績仍將再進一步。

零售業務將減慢店舖之開設而專注於表現之提升。許多於二零零五年開設之新店已有成熟之表現。預料此業務於來年將有明顯之進步。

管理層仍將繼續嚴控成本及致力增強本集團之業務競爭能力。管理層對來年取得進步之業績仍具信心。



The directors have pleasure in presenting their report and the audited financial statements of the Company and the Group for the year ended 31 March 2006.

## PRINCIPAL ACTIVITIES

The Group's principal activities during the year consisted of the production, dyeing and sale of knitted fabric and yarn, the retailing and distribution of casual apparel and accessory, the provision of franchise services, and the provision of repair and maintenance services for motors and generators. There were no significant changes in the nature of the Group's principal activities during the year.

The principal activity of the Company is investment holding.

## RESULTS AND DIVIDENDS

The Group's profit for the year ended 31 March 2006 and the state of affairs of the Company and the Group at that date are set out in the financial statements on pages 41 to 184.

An interim dividend of HK11.0 cents per ordinary share was paid on 10 February 2006. The directors recommend the payment of a final dividend of HK11.0 cents per ordinary share in respect of the year, to shareholders on the register of members on 25 August 2006. This recommendation has been incorporated in the financial statements as an allocation of retained profits within the equity section of the balance sheet.

董事會欣然呈奉本公司與本集團截至二零零六年三月三十一日止年度之年報及經審核財務報表，敬祈省覽。

## 主要業務

本年度本集團之主要業務包括針織布及棉紗之產銷及整染、便服及飾物之銷售、提供特許經營服務、提供汽車及發電機之維修及保養服務。本集團之業務性質在本年度並無重大轉變。

本公司之主要業務為投資控股。

## 業績與股息

本集團於截至二零零六年三月三十一日止年度之溢利及本公司與本集團截至該日期之業務狀況列載於第41至184頁之財務報表。

中期股息每股港幣11.0仙已於二零零六年二月十日派發。董事會茲建議派發本年度末期股息每股港幣11.0仙予二零零六年八月二十五日名列股東名冊之股東，是項建議股息已列入本財務報表，亦即於資產負債表的權益中由保留溢利撥出。



## SUMMARY FINANCIAL INFORMATION

A summary of the results and of the assets, liabilities and minority interests of the Group for the last five financial years, as extracted from the published audited financial statements and restated/reclassified as appropriate, is set out below.

The amounts for the years 2002 to 2005 in the five year financial summary have been adjusted for the effects of the retrospective changes in accounting policy as detailed in note 2.2 to the financial statements.

## 財務資料概要

下表為本集團於過往五個財政年度之業績及資產、負債與少數股東權益之摘要，乃摘自已公佈之經審核財務報表及按需要經修訂／重新分類。

在此五個財政年度財務資料概要中，有關二零零二年至二零零五年之金額已作調整，以反映會計政策的追溯變更，詳細資料載於財務報表附註2.2。

## RESULTS

## 業績

		Year ended 31 March				
		截至三月三十一日止年度				
		2006	2005	2004	2003	2002
		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
		(Restated)	(Restated)			
		(經修訂)	(經修訂)			
<b>REVENUE</b>	<b>收入</b>	<b>7,749,112</b>	7,302,697	6,216,465	5,198,585	4,720,333
<b>PROFIT BEFORE TAX</b>	<b>除稅前溢利</b>	<b>505,690</b>	544,798	525,097	660,315	586,844
Tax	稅項	<b>(70,473)</b>	(61,113)	(55,554)	(35,664)	(28,540)
<b>PROFIT FOR THE YEAR</b>	<b>本年度溢利</b>	<b>435,217</b>	483,685	469,543	624,651	558,304
Attributable to:	歸屬：					
Equity holders of the parent	母公司權益所有者	<b>480,253</b>	461,799	421,877	590,562	530,107
Minority interests	少數股東權益	<b>(45,036)</b>	21,886	47,666	34,089	28,197
		<b>435,217</b>	483,685	469,543	624,651	558,304

**ASSETS, LIABILITIES AND  
MINORITY INTERESTS**
**資產、負債與  
少數股東權益**

		<b>As at 31 March</b>				
		<b>於三月三十一日</b>				
		<b>2006</b>	2005	2004	2003	2002
		<b>HK\$'000</b>	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		<b>港幣千元</b>	港幣千元	港幣千元	港幣千元	港幣千元
			(Restated)	(Restated)		
			(經修訂)	(經修訂)		
<b>TOTAL ASSETS</b>	<b>資產總值</b>	<b>5,265,840</b>	4,822,286	4,390,685	3,368,333	2,793,575
<b>TOTAL LIABILITIES</b>	<b>負債總值</b>	<b>(2,335,891)</b>	(2,090,945)	(1,861,347)	(1,001,912)	(731,945)
<b>MINORITY INTERESTS</b>	<b>少數股東權益</b>	<b>(58,148)</b>	(103,498)	(82,766)	(50,710)	(36,971)
		<b>2,871,801</b>	2,627,843	2,446,572	2,315,711	2,024,659

**PROPERTY, PLANT AND EQUIPMENT AND  
INVESTMENT PROPERTIES**

Details of movements in the property, plant and equipment and investment properties of the Group during the year are set out in notes 13 and 14 to the financial statements, respectively.

**物業、廠房及設備與  
投資物業**

本集團於本年度之物業、廠房及設備與投資物業之變動詳情分別列載於財務報表附註13及14。

**SHARE CAPITAL AND SHARE OPTIONS**

Details of movements in the Company's share capital and share options during the year, together with the reasons therefor, are set out in notes 30 and 31 to the financial statements, respectively.

**股本及購股權**

本公司於年內股本及購股權變動之詳情及有關原因分別列載於財務報表附註30及31。

### PRE-EMPTIVE RIGHTS

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

### PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY

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

### RESERVES

Details of movements in the reserves of the Company and the Group during the year are set out in note 32(b) to the financial statements and in the consolidated statement of changes in equity, respectively.

### DISTRIBUTABLE RESERVES

At 31 March 2006, the Company's reserves available for cash distribution and/or distribution in specie amounted to HK\$585,328,000, of which HK\$145,892,000 has been proposed as a final dividend for the year. In addition, the Company's share premium account, in the amount of HK\$344,158,000, may be distributed in the form of fully paid bonus shares.

### 優先認購權

本公司之組織細則及百慕達之法例概無優先認購權條文要求本公司須按比例向現有股東發行新股。

### 購入、贖回或出售

#### 本公司上市證券

本公司及任何附屬公司於年內概無購入、贖回或出售任何本公司之上市證券。

### 儲備

本公司及本集團於本年度之儲備變動詳情分別列載於財務表附註32(b)及綜合權益變動表。

### 可供分派儲備

於二零零六年三月三十一日，本公司可供作現金及／或實物分派之儲備為港幣585,328,000元，其中將擬派發的本年度末期股息為港幣145,892,000元。此外，本公司股本溢價賬港幣344,158,000元亦可以繳足紅股方式予以分派。

## MAJOR CUSTOMERS AND SUPPLIERS

In the year under review, sales to the Group's five largest customers accounted for 9% of the total sales for the year and sales to the largest customer included therein amounted to 2%. Purchases from the Group's five largest suppliers accounted for 33% of the total purchases for the year and purchases from the largest supplier included therein amounted to 15%.

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

## DIRECTORS

The directors of the Company during the year were:

### Executive directors:

Poon Bun Chak (*Chairman and Chief Executive Officer*)  
Poon Kai Chak  
Poon Kei Chak  
Poon Kwan Chak  
Ting Kit Chung

### Independent non-executive directors ("INEDs"):

Au Son Yiu  
Cheng Shu Wing  
Wong Tze Kin, David

In accordance with the Company's bye-laws, all the existing directors will retire and, being eligible, will offer themselves for re-election at the forthcoming annual general meeting.

## 主要客戶及供應商

於本年度，售予本集團最大五個客戶之金額佔總銷售之9%，其中售予最大客戶佔總銷售2%。本集團從最大五個供應商之採購佔全年之總採購33%，其中最大供應商採購則佔全年總採購15%。

並無任何本公司董事或其聯系人士或任何股東（按董事知悉佔本公司已發行股本5%或以上）對本集團最大五個客戶及供應商有任何實際利益。

## 董事

本年內本公司董事如下：

### 執行董事：

潘彬澤（主席兼董事總經理）  
潘佳澤  
潘機澤  
潘鈞澤  
丁傑忠

### 獨立非執行董事：

區榮耀  
鄭樹榮  
黃自建

根據本公司組織細則，所有現任董事將於即將舉行之股東週年大會上退任，惟彼等符合資格並願膺選連任。

### DIRECTORS' SERVICE CONTRACTS

The service contracts entered into between the Company and each of the executive directors as listed above may be terminated by either party by giving not less than three months' written notice or compensation in lieu.

Save as disclosed above, no director proposed for re-election at the forthcoming annual general meeting has a service contract with the Company which is not determinable by the Company within one year without payment of compensation, other than statutory compensation.

### DIRECTORS' REMUNERATION

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

### DIRECTORS' INTERESTS IN CONTRACTS

Mr. Poon Bun Chak, being an executive director and also a substantial shareholder of the Company, was interested in shareholder loan agreement for advance granted to the Group during the year. The shareholder loan was repaid in full during the year. Details of the shareholder loan are set out in the section "Continuing Connected Transactions" and notes 27 and 38(c) to the financial statements.

Save as disclosed above, no director had a material interest, either directly or indirectly, in any contract of significance to the business of the Group to which the Company, its holding company or any of its subsidiaries was a party during the year.

### 董事服務合約

本公司與上列執行董事簽訂之服務合約要求雙方於終止服務合約時，其中一方須給予不少於三個月之書面通知或代通知補償。

除上文所披露者外，本公司與建議在即將舉行之股東週年大會上重選連任之董事一概無簽訂本公司於一年內不作補償，法定賠償除外，則不可終止之服務合約。

### 董事酬金

董事袍金須待股東於股東大會通過。其他酬金則由公司之董事會根據董事之工作、責任及表現與集團之業績而釐定。

### 董事合約權益

於年內，本公司執行董事兼主要股東潘彬澤先生向本集團提供貸款。於年內，股東貸款已全部償還。股東貸款明細載於「持續關連交易」一段及財務報表附註27及38(c)。

除以上披露外，各董事於年內概無在本公司、其控股公司或其任何附屬公司所簽訂之任何重大合約中直接或間接佔有重大權益。

**BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR  
MANAGEMENT****Executive directors**

Mr. Poon Bun Chak, aged 58, is the chairman and managing director overseeing the planning and development of the Group. He founded the Group in 1975 and has more than 31 years' experience in the textile field.

Mr. Poon Kai Chak, aged 56, is a younger brother of Mr. Poon Bun Chak. He joined the Group in 1980 and has more than 26 years' experience in the industry. He is responsible for the management of the manufacturing operations of the Group.

Mr. Poon Kei Chak, aged 54, is a younger brother of Mr. Poon Bun Chak. He joined the Group on its establishment in 1975 and has more than 31 years' experience in the field. He is responsible for the purchases, sales and the overall management of the Group.

Mr. Poon Kwan Chak, aged 60, is the elder brother of Mr. Poon Bun Chak. He joined the Group in 1976 and has more than 30 years' related experience. He is responsible for the Group's merchandising and sales management.

Mr. Ting Kit Chung, aged 50, is responsible for the general administration and financial management of the Group. He joined the Group in 1991 and has more than 10 years' banking experience. He holds a Bachelor of Arts degree from The University of Hong Kong.

**董事及高級管理人員履歷****執行董事**

潘彬澤先生，五十八歲，主席兼董事總經理，負責監督本集團之規劃及發展。彼於一九七五年創辦本集團並擁有逾三十一年紡織業經驗。

潘佳澤先生，五十六歲，潘彬澤先生之胞弟。彼於一九八零年加入本集團，擁有逾二十六年本行業經驗，負責本集團的生產管理。

潘機澤先生，五十四歲，潘彬澤先生之胞弟。彼於一九七五年本集團創立時加入本集團，擁有逾三十一年紡織業經驗，負責採購、銷售及協助管理本集團一般業務。

潘鈞澤先生，六十歲，潘彬澤先生之胞兄。彼於一九七六年加入本集團，擁有逾三十年有關業務經驗，負責管理本集團採購及銷售業務。

丁傑忠先生，五十歲，負責本集團行政及財務管理。彼於一九九一年加入本集團，擁有逾十年銀行業經驗。彼持有香港大學文學士學位。

### Independent non-executive directors

Mr. Au Son Yiu, aged 61, has extensive experience in the securities industry. He is a director of The Association of Former Council Members of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") and The Institute of Securities Dealers Limited, a consultant to Dao Heng Securities Limited and a member of the Election Committee for the financial services subsector election for the 1998 Legislative Council. He is also an independent non-executive director for several public companies listed on The Stock Exchange of Hong Kong Limited. In addition, he is the ex-deputy chairman of The Hong Kong Securities Clearing Company Limited (1992–1994) and ex-council member of the Stock Exchange (1988–1994). He was appointed as an independent non-executive director of the Company in July 1995 and a member of the Audit Committee of the Company in March 1999.

Mr. Cheng Shu Wing, aged 56, is a director of Worldvest Capital Limited. He holds a Bachelor of Business Administration degree from The Chinese University of Hong Kong and has more than 30 years' experience in the banking and securities industries in Hong Kong.

Mr. Wong Tze Kin, David, aged 43, is a director of CFL Anchor Limited. Mr. Wong holds a Bachelor of Science degree from the University of California at Berkeley. He is a member of the American Institute of Certified Public Accountants and a fellow member of the Hong Kong Institute of Certified Public Accountants. He has approximately 20 years' experience in accounting, corporate finance, fund management and stockbroking.

### 獨立非執行董事

區樂耀先生，六十一歲，於證券界積累廣泛經驗。彼為香港聯合交易所（「聯交所」）歷屆理事聯誼會有限公司及證券商協會有限公司董事，道亨證券有限公司顧問，以及一九九八年立法會選舉委員會金融服務界別分組之選舉委員。彼亦為多間在聯交所上市之公眾公司之獨立非執行董事。此外，彼亦為香港中央結算有限公司前任副主席（一九九二年至一九九四年）及聯交所前任理事會成員（一九八八年至一九九四年）。於一九九五年七月獲委任為本公司之獨立非執行董事，並於一九九九年三月獲委任為本公司之審核委員會成員。

鄭樹榮先生，五十六歲，寶盛融資有限公司董事。彼持有香港中文大學工商管理學士學位並有逾三十年香港銀行業及證券業經驗。

黃自建先生，四十三歲，現為安格爾有限公司董事。黃先生持有加州大學柏克萊分校理學士學位，並為美國會計師協會會員及香港會計師公會之資深會員。黃先生於會計、企業融資、基金管理以及證券經紀業務擁有約20年經驗。

### Senior management

Mr. Chan Min, Samuel, aged 51, is a director of the Group's retail operations. He holds a Master's degree in business administration from the Northwestern University and The Hong Kong University of Science and Technology. He is a member of the British Computer Society. Prior to joining the Group in 1996, Mr. Chan had over 13 years' experience in retail operations and MIS management.

Mr. Chan Chi Hon, aged 44, joined the Group in 1997 and is the Group's financial controller and company secretary. Mr. Chan holds a Master's degree in commerce from The University of New South Wales, Australia, and is a fellow member of the Hong Kong Institute of Certified Public Accountants and is a certified practising accountant of the CPA Australia. He has more than 19 years' experience in auditing and accounting.

Mr. Chau Kuen Kai, aged 48, is a factory manager of the knitting operations of the Group. He joined the Group in 1979 and has more than 26 years' experience in the knitting industry.

Mr. Fung Wai Lun, Daniel, aged 49, is a director of the Group's retail operations. Before joining the Group in 1996, Mr. Fung had more than 20 years' experience in the retailing industry.

Mr. Hon Siu Kit, aged 46, is an associate director of Nice Dyeing Factory Limited, a subsidiary of the Group engaged in the sale of finished knitted fabric. He joined the Group in 1993 and has more than 28 years' experience in the textile industry.

### 高級管理人員

陳勉先生，五十一歲，本集團零售業務之董事。彼持有美國西北大學及香港科技大學合作的工商管理碩士學位。彼為英國電腦學會會員。於一九九六年加入本集團前，陳先生曾從事零售業之業務及資訊科技管理超過十三年。

陳志漢先生，四十四歲，本集團財務總監兼公司秘書。彼於一九九七年加入本集團。彼持有澳洲新南威爾斯大學商科碩士學位，並為香港會計師公會資深會員及澳洲會計師公會會員，具有超過十九年的核數與會計經驗。

周權佳先生，四十八歲，本集團針織業務工廠經理。彼於一九七九年加入本集團，擁有超過二十六年針織業經驗。

封偉倫先生，四十九歲，本集團零售業務董事。於一九九六年加入本集團之前，已具有超過二十年零售業經驗。

韓少傑先生，四十六歲，本集團從事針織布銷售之附屬公司永佳染廠有限公司業務董事。彼於一九九三年加入本集團，擁有超過二十八年紡織業經驗。



**Senior management** *(continued)*

Mr. Ling Man, aged 53, is a factory manager in charge of the yarn dyeing operations of the Group. He joined the Group in 1998 and has more than 30 years' experience in the dyeing and finishing industry.

Mr. Liu Wei Chao, aged 41, joined the Group in 1996 and is the chief financial officer of the Group's retail operations. He has more than 22 years' experience in accounting. Mr. Liu holds a Master's degree in business administration from the University of Western Sydney, Australia. He is a member of the Chinese Institute of Certified Public Accountants and CIA (Certified Internal Auditor).

Mr. Su Keng Wen, aged 42, is a general manager of the Group's retail operations in Shanghai. He joined the Group in 1998 and has more than 17 years' experience in the retailing industry.

Mr. Ting Kit Hung, aged 54, is the director and chief executive of the Group's motor and generator services operations in the Mainland China. He is an associate member of the Institute of Motor Industry, the Chartered Institute of Transport and the British Institute of Management. He also holds a Master's degree in business administration from The University of East Asia, Macau. He joined the Group in 1995 and has more than 36 years' experience in the motor industry. He is the elder brother of Mr. Ting Kit Chung.

Mr. Wong Tung Yiu, aged 51, is an associate director and the general manager of Nice Dyeing Factory Limited, a subsidiary of the Group engaged in the sale of finished knitted fabric. He joined the Group in 1994 and has more than 32 years' experience in the textile industry.

**高級管理人員 (續)**

凌文先生，五十三歲，本集團染紗業務部工廠經理。於一九九八年加入本集團，擁有超過三十年整染業經驗。

劉偉超先生，四十一歲，於一九九六年加入本集團，彼為集團零售業務財務總監，彼具有超過二十二年財務及會計經驗。彼持有澳洲西悉尼大學工商管理碩士學位，並為中國註冊會計師及國際內部審計師會員。

蘇耿文先生，四十二歲，本集團零售業務上海區總經理。於一九九八年加入本集團及已具有超過十七年零售經驗。

丁傑雄先生，五十四歲，本集團在中國大陸汽車及發電機維修部董事兼行政總裁。彼為英國汽車工業學會、英國特許運輸學會及英國管理學會會員，亦擁有澳門東亞大學工商管理碩士學位。彼於一九九五年加入本集團，擁有逾三十六年汽車維修業經驗。彼為丁傑忠先生之胞兄。

王東耀先生，五十一歲，本集團從事針織布銷售之附屬公司永佳染廠有限公司業務董事兼總經理。彼於一九九四年加入本集團，擁有超過三十二年紡織業經驗。

# DIRECTORS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

At 31 March 2006, the interests and short positions of the directors in the share capital and underlying shares of the Company or its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")), as recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code"), were as follows:

Long positions in ordinary shares of the Company:

# 董事於股份及相關股份 之權益及淡倉

於二零零六年三月三十一日，根據《證券及期貨條例》第352條而備存的登記冊，或根據《上市公司董事進行證券交易的標準守則》通知本公司及聯交所，各董事在本公司及其聯繫法團（定義見《證券及期貨條例》第XV部）的股本權益及淡倉如下：

於本公司好倉之普通股份：

Name of director	董事姓名	Number of shares held, capacity and nature of interest 持股數量、身份及權益的性質			Total	Percentage of the Company's issued share capital 佔本公司 已發行 股本百份率
		Directly, beneficially owned 直接、 實益擁有	Through spouse or minor children 藉配偶或 未成年子女	Through controlled corporations 藉受控制 公司		
Poon Bun Chak	潘彬澤	29,720,000	168,800,104*	505,200,000#	703,720,104	53.1
Poon Kai Chak	潘佳澤	7,802,800	—	—	7,802,800	0.6
Poon Kei Chak	潘機澤	21,477,200	—	—	21,477,200	1.6
Poon Kwan Chak	潘鈞澤	6,442,800	—	—	6,442,800	0.5
Ting Kit Chung	丁傑忠	1,600,000	—	—	1,600,000	0.1
		67,042,800	168,800,104	505,200,000	741,042,904	55.9

**DIRECTORS' INTERESTS AND SHORT POSITIONS IN****SHARES AND UNDERLYING SHARES** *(continued)*

- \* The 168,800,104 shares are owned by Farrow Star Limited, which is wholly-owned by Perfection Inc. as a trustee for The Evergreen Trust, a discretionary trust, the beneficiaries of which include the family members of Mr. Poon Bun Chak. These shares are held through his spouse or minor children in accordance with the SFO.
- # The 505,200,000 shares are owned by Giant Wizard Corporation in which Farrow Star Limited has an 87.51% equity interest. A 12.4% interest in Giant Wizard Corporation is owned by Messrs. Poon Bun Chak, Poon Kei Chak and Poon Kwan Chak.

The interests of the directors in the share options of the Company are separately disclosed in note 31 to the financial statements.

Save as disclosed above, as at 31 March 2006, none of the directors had registered an interest or short position in the shares, underlying shares of the Company or any of its associated corporations that was required to be recorded pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

**DIRECTORS' RIGHTS TO ACQUIRE SHARES**

Save as disclosed in the share option scheme disclosures in note 31 to the financial statements, at no time during the year were rights to acquire benefits by means of the acquisition of shares in the Company granted to any director or their respective spouse or minor children, or were any such rights exercised by them; or was the Company, its holding company or any of its subsidiaries a party to any arrangement to enable the directors to acquire such rights in any other body corporate.

**董事於股份及相關股份****之權益及淡倉 (續)**

- \* 168,800,104股股份由 Farrow Star Limited 持有，而 Perfection Inc. 則以 The Evergreen Trust 之信托人身份完全擁有 Farrow Star Limited，該全權信託之受益人包括潘彬澤先生之家族成員。根據《證券及期貨條例》，該等股份屬於以配偶及未成年子女持有。
- # 505,200,000股股份由 Farrow Star Limited 擁有87.51%股本權益之 Giant Wizard Corporation 擁有。Giant Wizard Corporation 之12.4%權益由潘彬澤先生、潘機澤先生及潘鈞澤先生擁有。

各董事所持有本公司之購股權權益已披露於財務報表附註31。

除上文所述外，於二零零六年三月三十一日，董事概無於本公司或其任何聯繫法團之股份、相關股份中，擁有須遵照《證券及期貨條例》第352條予以記錄之權益或淡倉，或根據《上市公司董事進行證券交易的標準守則》須知會本公司及聯交所。

**董事之購股權利**

除於財務報表附註31所載的購股權計劃披露以外，於年內任何時間，概無任何董事或彼等各自的配偶或未成年子女獲授可藉購入本公司的股份而獲益的權利，或彼等概無行使此等權利；或本公司或其控股公司或其任何附屬公司概無參與任何安排，致令董事可於任何其他法人團體獲得此等權利。

## SHARE OPTION SCHEME

Details of the Company's share option scheme are set out in note 31 to the financial statements.

## 購股權計劃

本公司購股權計劃詳細資料已列載於財務報表附註31。

## SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSON'S INTERESTS IN SHARES AND UNDERLYING SHARES

At 31 March 2006, the following interests of 5% or more of the issued share capital of the Company were recorded in the register of interests required to be kept by the Company pursuant to Section 336 of the SFO:

## 主要股東及其他人士於股份及相關股份權益

於二零零六年三月三十一日，以下股東擁有本公司已發行股本之5%或以上權益，已根據《證券及期貨條例》第336條規定記載於權益登記冊內：

Name	Capacity and nature of interest	Number of ordinary shares held	Percentage of the Company's issued share capital 佔本公司已發行股本百分率
名稱	身份及權益種類	持有普通股數目	已發行股本百分率
Mondrian Investment Partners Ltd.	Investment manager 投資經理	93,437,000	7.0

Save as disclosed above, as at 31 March 2006, no person, other than the directors of the Company, whose interests are set out in the section "Directors' interests and short positions in shares and underlying shares" above, had registered an interest in the shares or underlying shares of the Company that was required to be recorded pursuant to Section 336 of the SFO.

除上述披露外，於二零零六年三月三十一日，無任何人士（除本公司董事權益已詳述於「董事於股份及相關股份之權益及淡倉」）根據《證券及期貨條例》第336條須登記其於本公司股份或相關股份的權益。

### CONTINUING CONNECTED TRANSACTIONS

The independent non-executive directors of the Company have reviewed the continuing connected transactions set out in notes 27, 38(a)(iii) and 38(c) to the financial statements, disclosed in compliance with the requirements of Chapter 14A of the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules"), and have confirmed that these continuing transactions were entered into:

- (i) in the ordinary and usual course of business of the Group;
- (ii) on normal commercial terms or on terms no less favourable to the Group than terms available to or from independent third parties; and
- (iii) in accordance with the relevant agreements governing them on terms that are fair and reasonable and in the interests of the shareholders of the Company as a whole.

### SUFFICIENCY OF PUBLIC FLOAT

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

### 持續關連交易

本公司獨立非執行董事已審閱按《證券上市規則》第14A章須予披露的財務報表附註27、38(a)(iii)及38(c)的持續關連交易，並確認該等交易按以下進行：

- (i) 該等交易屬本集團的日常業務；
- (ii) 按照一般商業條款進行，或對本集團而言，該等交易的條款不遜於獨立第三者可取得或提供的條款；及
- (iii) 該等交易是根據有關交易的協議條款進行，而交易條款公平合理，並且符合本公司股東的整體利益。

### 公眾持股量之符合

按本公司獲得之公眾資料及董事會之理解，於本報告日，公眾已持有本公司不少於合計已發行股本之25%。



## AUDITORS

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

ON BEHALF OF THE BOARD

**Poon Bun Chak**

*Chairman*

Hong Kong, 17 July 2006

## 核數師

安永會計師事務所任滿告退，惟本公司將於應屆股東週年大會上提呈續聘該核數師之決議案。

承董事會命

主席

潘彬澤

香港，二零零六年七月十七日

The Group is committed to maintaining high standards of corporate governance and enhancing corporate value and accountability.

本集團積極維持高標準的企業管治及提升企業價值和問責性。

## BOARD STRUCTURE AND BOARD PROCESS

The overall management of the Group is vested with the board of directors (the “Board”) and the day-to-day management of the business is delegated to the executive management.

## 董事會架構及會議程序

董事會負責整體集團的管治，執行的管理層則獲授權負責日常業務上的管理。

The principal roles of the Board are:

- (1) to lay down the Group’s objectives, strategies, policies and business plan;
- (2) to monitor the performance of each business segment;
- (3) to set appropriate policies to manage risks in pursuit of the Group’s strategic objectives.

董事會的主要職能：

- (1) 釐訂本集團目標、策略及業務計劃；
- (2) 監察每個業務分類的表現；
- (3) 制訂合適的政策按本集團策略性目標管理風險。

The Board comprises of eight members. The five executive directors include Messrs. Poon Bun Chak, Poon Kei Chak, Poon Kwan Chak, Poon Kai Chak and Ting Kit Chung. The three independent non-executive directors include Messrs. Au Son Yiu, Cheng Shu Wing and Wong Tze Kin, David. Mr. Poon Bun Chak is the chairman and chief executive officer (“CEO”) of the Company.

董事會包括八名成員。五位執行董事包括潘彬澤先生、潘機澤先生、潘鈞澤先生、潘佳澤先生及丁傑忠先生。三位獨立非執行董事包括區樂耀先生、鄭樹榮先生及黃自建先生。潘彬澤先生為董事會主席兼董事總經理。



## **BOARD STRUCTURE AND BOARD PROCESS** *(continued)*

The Company has in place clear board process. Regular board meetings are scheduled at least four times per year. Agendas and accompanying board papers are served to all directors at least 14 days in advance of each board meeting to facilitate informed discussion and decision-making. Directors may include any matters they wish to discuss in the meeting in the agendas. Draft minutes of the board and committee meetings are prepared by the Company Secretary of the Company. The board and committee minutes are kept by the Company Secretary and are open for inspection by directors upon request. All directors have access to the advice and services of the Company Secretary, and are allowed to seek external professional advice if needed. All directors are kept informed of the latest update of the Listing Rules and other applicable regulatory requirements.

Newly appointed directors will receive a comprehensive, formal and tailored induction on the first occasion of their appointment so as to ensure that they have appropriate understanding of the business of the Company and the obligation and responsibility of being a director.

## **INDEPENDENCE AND QUALIFICATION OF**

### **INDEPENDENT NON-EXECUTIVE DIRECTORS**

The Company has three INEDs on its Board in compliance with Rule 3.10(1) of the Listing Rules. All the INEDs possess a wide range of business and financial experience. One of the INEDs, Mr. Wong Tze Kin, David, possesses professional accounting qualification in full compliance with Rule 3.10(2) of the Listing Rules. In accordance with Rule 3.13 of the Listing Rules, all the INEDs have confirmed their independence for the year ended 31 March 2006.

## **董事會架構及會議程序 (續)**

本公司已有清晰的董事會會議程序。每年常規董事會會議不少於四次。為促進深入討論及進行決議，每次董事會舉行前不少於十四天所有董事皆收到會議議程及會議資料。董事亦可要求於會議議程中增加任何他希望討論的事項。本公司公司秘書負責草擬及存放董事會及委員會的會議記錄，董事有權要求審閱有關的董事會及委員會會議記錄。所有董事有權要求公司秘書提供意見及服務，並在有需要時要求獲得外界的專業意見。所有董事一直保持對最新的上市條例及其他相關法例的認識。

獲新委聘的董事，在其第一次獲委聘時，也會接受一全面性的、正規的及特別制訂的介紹，以確保其對本公司業務的認識及了解作為一個董事的責任。

## **獨立非執行董事的獨立性及資歷**

本公司符合上市規則第3.10(1)條的要求，其董事會現有三名獨立非執行董事，所有獨立非執行董事皆擁有廣闊的業務及財務經驗。其中一位獨立非執行董事黃自建先生擁有專業會計資格，並完全符合上市規則第3.10(2)條的要求。於截至二零零六年三月三十一日年度，所有獨立非執行董事已按上市規則第3.13條確認其獨立身份。



## INDEPENDENCE AND QUALIFICATION OF

## 獨立非執行董事的獨立性及資歷 (續)

### INDEPENDENT NON-EXECUTIVE DIRECTORS (continued)

Attendance of board or committee meetings during the year:

年內參與董事會或委員會會議次數：

		Number of meetings attended/held during the year			
		本年內參與／舉行會議次數			
		Audit		Remuneration	Nomination
Directors		Board	Committee	Committee	Committee
董事		董事會	審核委員會	薪酬委員會	提名委員會
<b>Executive directors</b>		<b>執行董事</b>			
Poon Bun Chak	潘彬澤				
(Chairman & CEO)	(主席兼董事總經理)	4/4	N/A 不適用	N/A 不適用	N/A 不適用
Poon Kai Chak	潘佳澤	4/4	N/A 不適用	N/A 不適用	N/A 不適用
Poon Kei Chak	潘機澤	4/4	N/A 不適用	N/A 不適用	N/A 不適用
Poon Kwan Chak	潘鈞澤	4/4	N/A 不適用	N/A 不適用	N/A 不適用
Ting Kit Chung	丁傑忠	4/4	N/A 不適用	2/2	N/A 不適用
<b>Independent non-executive directors</b>		<b>獨立非執行董事</b>			
Au Son Yiu	區樂耀	4/4	3/3	2/2	1/1
Cheng Shu Wing	鄭樹榮	4/4	3/3	2/2	1/1
Wong Tze Kin, David	黃自建	4/4	3/3	2/2	1/1

## BOARD COMMITTEES

## 董事委員會

The Board has established several board committees to oversee certain aspects of the Company's affairs.

董事會已成立數個委員會以監察本公司個別方面事項。



## AUDIT COMMITTEE

The Audit Committee consists of the three independent non-executive directors of the Board namely Messrs. Wong Tze Kin, David, Au Son Yiu and Cheng Shu Wing. The committee is chaired by Mr. Wong Tze Kin, David, a qualified accounting professional. At the time of establishment, the terms of reference and duties have been laid down as a guideline for the committee. The principal duties of the committee include:

- (a) monitoring the preparation of the financial statements;
- (b) monitoring and assessing the internal controls system of the Group;
- (c) monitoring the performance of Group's internal audit team;
- (d) considering the appointment and removal of the external auditors, the audit fee and the terms of engagement;
- (e) reviewing and commenting on the connected transactions of the Group.

The committee held three meetings during the year to review the followings:

- (a) the internal controls and risk management of the Group; and
- (b) the financial reporting process and the financial statements of the Group.

## 審核委員會

審核委員會包括董事會的三名獨立非執行董事，分別為黃自建先生、區樂耀先生及鄭樹榮先生。黃自建先生為委員會的主席，擁有專業會計資格。於成立時，委員會備有明確之條文及職責細則作指引。委員會主要職責包括：

- (a) 監察財務報表的製訂；
- (b) 監察及評估本集團內部監控系統；
- (c) 監察集團內部審計組之表現；
- (d) 考慮外部核數師的聘用及解約、審計費用及委聘條款；
- (e) 審核本集團之關連交易並提出意見。

於年內，委員會曾舉行三次會議以審核以下：

- (a) 本集團的內部監控制度及風險管理；及
- (b) 本集團財務匯報程序及財務報告。

## REMUNERATION COMMITTEE

The Remuneration Committee consists of three independent non-executive directors and one executive director namely Messrs. Au Son Yiu, Cheng Shu Wing, Wong Tze Kin, David and Ting Kit Chung respectively. The committee is chaired by Mr. Au Son Yiu. At the time of establishment, terms of reference and duties have been laid down as a guideline for the committee. The committee is responsible for making recommendation on the company's policy and structure for all the remuneration of directors and other senior management, and reviewing and approving compensations payable to directors. The remuneration of the directors and other senior management is determined with reference to the performance of each individual and the Company, the market conditions and the industry practice. Besides, the committee will ensure that no director or any of his/her associate may be involved in the determination of his/her own remuneration. During the year, the committee held two meetings to review and approve the remuneration adjustment and performance bonus of executive directors and other senior management.

## NOMINATION COMMITTEE

The Nomination Committee consists of three independent non-executive directors namely Messrs. Cheng Shu Wing, Au Son Yiu and Wong Tze Kin, David and the committee is chaired by Mr. Cheng Shu Wing. The Nomination Committee is responsible for the recommendation of candidates with appropriate experience and qualification to become members of the Board.

## 薪酬委員會

薪酬委員會包括三位獨立非執行董事及一位執行董事，分別為區樂耀先生、鄭樹榮先生、黃自建先生及丁傑忠先生。區樂耀先生為委員會的主席。於成立的時候，委員會備有明確的條文及職責細則作指引。委員會主要負責就本公司董事及其他高層管理人員的薪酬制度及架構提供意見，並審批應付董事的賠償。於釐訂董事及其他高層管理人員的薪酬，委員會參考該人員的表現、公司表現、市場情況及行業的慣例。此外，委員會亦會確保並無任何董事及其聯系人士參與釐訂該董事的薪酬。於年內，委員會曾舉行會議二次，以審批執行董事及其他高層人員的薪酬調整及按表現發放的花紅。

## 提名委員會

提名委員會包括三名獨立非執行董事，包括鄭樹榮先生、區樂耀先生及黃自建先生。鄭樹榮先生為委員會之主席。提名委員會負責提名擁有適合經驗及學歷之人士作為董事會成員。



## DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers of the Listing Rules as the Company's code of conduct for dealings in securities of the Company by the directors. Based on specific enquiry of the Company's directors, they have all complied with the required standard set out in the Model Code throughout the accounting period covered by the Annual Report.

## 董事進行之證券交易

本公司已採納《證券上市規則》之《上市公司董事進行證券交易的標準守則》，作為本公司董事進行本公司證券交易之守則。按本公司向各董事之查詢，各董事已於本年報所述之會計期間均遵守《上市公司董事進行證券交易的標準守則》之規定。

## COMPLIANCE WITH THE CODE PROVISIONS SET OUT IN THE CODE ON CORPORATE GOVERNANCE PRACTICES ("Code")

In the opinion of the directors, the Company complied with the code provisions of the Code contained in Appendix 14 of the Listing Rules throughout the accounting period covered by the Annual report, except for the following deviations:

- (1) Under code provision A.4.1 of the Code, non-executive directors should be appointed for a specific term and be subject to re-election.

All the existing non-executive directors of the Company are not appointed for specific term, but are subject to retirement and re-election at the Company's annual general meeting in accordance with Clause 86(1) of the bye-laws of the Company.

## 符合企業管治常規守則（「守則」）

按董事的意見，本公司於本年報所述之會計期間一直符合上市規則附錄十四所載之守則，惟下列條文除外：

- (1) 守則A.4.1條規定非執行董事應獲委任指定任期，及須膺選連任。

目前，本公司所有非執行董事並非獲委任指定任期，而是根據公司之細則第86(1)條於本公司之股東週年大會上膺選連任。

**COMPLIANCE WITH THE CODE PROVISIONS SET OUT  
IN THE CODE ON CORPORATE GOVERNANCE**

**PRACTICES ("Code")** *(continued)*

- (2) Under code provision A.2.1 of the Code, the roles of chairman and chief executive officer should be separate and should not be performed by the same individual.

The Company does not have a policy of separating the roles of chairman and chief executive officer of the Board. The Board considers the current arrangement can help maintaining a strong management position and at the same time improving the communication efficiency. The Board may consider the separation of the roles of chairman and chief executive officer upon the then circumstances.

- (3) Under code provision E.1.2 of the Code, the chairman of the Board should attend the annual general meeting of the Company.

The chairman of the Board of the Company has delegated the duty of attending the annual general meeting to an executive director of the Company. The chairman considers the executive director a suitable person for taking up such duty as the executive director has been serving for similar duties for many years and he has good a understanding of each business segment of the Group.

**符合企業管治常規守則(「守則」)(續)**

- (2) 守則A.2.1條規定主席及行政總裁之角色應區別，並不應由同一人擔任。

目前，本公司並沒有制度區別董事會之主席及行政總裁角色。董事會認為現時安排有助保持強勢的管治，並能同時提升溝通效率。董事會會視乎情況考慮區別主席及行政總裁的角色。

- (3) 守則E.1.2條規定董事會之主席須出席本公司之股東週年大會。

本公司董事會主席將出席股東週年大會之職務委任本公司一執行董事執行。主席認為該執行董事對本集團各種業務也十分了解，並且該董事已有多年執行同類職務的經驗。

**AUDITORS' REMUNERATION**

During the year, fees paid for audit and non-audit services by the Company were as follows:

**核數師酬金**

於年內，本公司支付的審計與非審計服務費為：

<b>Services</b>		<b>Fee paid/payable</b>
<b>服務</b>		<b>已付／應付費用</b>
		<i>HKD'000</i>
		港幣千元
Audit services rendered	已提供審計服務	2,192
Non-audit services rendered	已提供非審計服務	650
		2,842

**DIRECTORS' AND AUDITORS' RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS**

The Board is responsible for preparing the financial statements of the Company. The statement from the external auditors of the Company about their responsibilities has been set out in the Auditors' Report on page 39.

**董事會及核數師對財務報表之責任**

董事會負責編製本公司財務報表。本公司外部核數師有關其對財務報表之責任聲明已載於第39頁之核數師報告。

**REVIEW OF THE INTERNAL CONTROLS**

The system of internal controls is defined as the internal control procedures with which the Company uses to ensure the accuracy of its accounting records, safeguard the assets of the Company and ensure the compliance with the relevant rules and regulations. The Board is responsible for maintaining efficient and effective internal controls of the Company. During the year, the internal audit team, which reports directly to the Audit Committee, has reviewed the internal controls of each major business segment of the Company and has reported its findings to the Audit Committee. The Audit Committee is satisfied with the effective internal controls of the Company.

**內部監控之審核**

內部監控系統乃指本公司採用之內部監控制度，以保障本公司會計記錄的準確性、保衛本公司資產及確保本公司符合有關的規則及法例。董事會負責維持本公司有效率及效益的內部監控制度。於年內，直接向審核委員會負責的內部審計組，已審核本公司每個主要業務的內部監控制度，並將其結果向審核委員會匯報。審核委員會對本公司的內部監控制度表示滿意。

**INVESTOR RELATIONS AND COMMUNICATION****投資者關係及與股東溝通****WITH SHAREHOLDERS**

To enhance the communications with shareholders and investors, the Company has adopted the following channels:

為加強與股東及投資者的溝通，本公司已採用以下渠道：

(1) meeting shareholders in the annual general meetings to explain the results of the Company and answering questions of shareholders;

(1) 於週年股東會與股東會面，向其解釋公司業績及解答股東的問題；

(2) disseminating corporate information to shareholders according to the rules and regulations;

(2) 按有關規則及條例，向股東發放公司資料；

(3) meeting fund managers to promote the business of the Company; and

(3) 與基金經理會面，並推廣本公司業務；及

(4) publishing the background, the latest development and the results of the Group on the Company's website.

(4) 於公司網站公佈本集背景、最新發展及業績資料。

**To the members****Texwinca Holdings Limited**

*(Incorporated in Bermuda with limited liability)*

We have audited the financial statements on pages 41 to 184 which have been prepared in accordance with accounting principles generally accepted in Hong Kong.

**RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS**

The Company's directors are responsible for the preparation of financial statements which give a true and fair view. In preparing financial statements which give a true and fair view it is fundamental that appropriate accounting policies are selected and applied consistently. It is our responsibility to form an independent opinion, based on our audit, on those financial statements and to report our opinion solely to you, as a body, in accordance with Section 90 of the Bermuda Companies Act 1981, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

**致德永佳集團有限公司**

*(在百慕達註冊成立之有限公司)*

**列位股東**

本核數師已完成審核列載於第41頁至184頁按照香港公認會計原則編製之財務報表。

**董事及核數師之責任**

貴公司董事須負責編製真實及公平之財務報表。在編製該等財務報表時，董事必須選擇並貫徹採用合適之會計政策。本核數師之責任乃根據本核數師審核工作之結果，對該等財務報表作出獨立意見，並按照百慕達1981年《公司法》第90條的規定，僅向整體股東作出報告。除此以外，本報告不可用作其他用途。本核數師不會就本報告之內容，對任何其他人士負上或承擔任何責任。



## BASIS OF OPINION

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

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance as to whether the financial statements are free from material misstatement. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements. We believe that our audit provides a reasonable basis for our opinion.

## OPINION

In our opinion the financial statements give a true and fair view of the state of affairs of the Company and of the Group as at 31 March 2006 and of the profit and cash flows of the Group for the year then ended and have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.

### Ernst & Young

*Certified Public Accountants*

Hong Kong, 17 July 2006

## 意見基礎

本核數師乃根據香港會計師公會頒佈之香港核數準則進行審核。審核包括以抽查方式，審查財務報表所載數額及披露之有關證據，亦包括評估董事於編製財務報表期間提供之重要估計及判斷、所採用之會計政策是否適合 貴公司及 貴集團之狀況，是否貫徹使用及詳盡披露。

本核數師在策劃及進行審核工作時，務求取得一切認為需要之資料及解釋，作為充份之證據，以合理地保證財務報表內並無重大之錯誤陳述。本核數師在作出意見時，亦評估財務報表內所載資料整體上是否足夠。本核數師相信審核工作已為本核數師之意見提供合理基礎。

## 意見

依本核數師意見，上述財務報表足以真實及公平地顯示 貴公司及 貴集團於二零零六年三月三十一日之財務狀況及 貴集團截至該日止年度內之溢利及現金流量，並根據香港公司條例有關資料披露之規定適當地編製。

執業會計師

安永會計師事務所

香港，二零零六年七月十七日



## Consolidated Income Statement 綜合利潤表

Year ended 31 March 2006 截至二零零六年三月三十一日止年度

		Notes 附註	2006 HK\$'000 港幣千元	2005 HK\$'000 港幣千元 (Restated) (經修訂)
<b>REVENUE</b>	<b>收入</b>	5	<b>7,749,112</b>	7,302,697
Cost of sales	銷售成本		<b>(5,371,343)</b>	(5,118,121)
Gross profit	毛利		<b>2,377,769</b>	2,184,576
Other income and gains	其他收入及收益	5	<b>74,545</b>	88,919
Selling and distribution costs	銷售及分銷費用		<b>(1,458,618)</b>	(1,294,989)
Administrative expenses	行政費用		<b>(506,539)</b>	(450,362)
Other operating expenses, net	其他營運費用，淨額		<b>4,361</b>	(9,395)
Finance costs	財務費用	8	<b>(38,533)</b>	(10,224)
Share of profit of an associate, net of tax	應佔聯營公司溢利， 除稅後淨額		<b>52,705</b>	36,273
<b>PROFIT BEFORE TAX</b>	<b>除稅前溢利</b>	6	<b>505,690</b>	544,798
Tax	稅項	9	<b>(70,473)</b>	(61,113)
<b>PROFIT FOR THE YEAR</b>	<b>本年度溢利</b>		<b>435,217</b>	483,685
Attributable to:	歸屬：			
Equity holders of the parent	母公司權益所有者		<b>480,253</b>	461,799
Minority interests	少數股東權益		<b>(45,036)</b>	21,886
			<b>435,217</b>	483,685
<b>DIVIDENDS</b>	<b>股息</b>	11		
Interim	中期		<b>145,889</b>	132,598
Proposed final	擬派末期		<b>145,892</b>	145,881
			<b>291,781</b>	278,479
<b>EARNINGS PER SHARE</b>	<b>歸屬母公司</b>			
<b>ATTRIBUTABLE TO ORDINARY</b>	<b>普通權益所有者</b>			
<b>EQUITY HOLDERS OF THE</b>	<b>每股盈利</b>			
<b>PARENT (HK cents)</b>	<b>(港幣仙)</b>	12		
Basic	基本		<b>36.2</b>	34.8
Diluted	攤薄後		<b>36.1</b>	34.5

# Consolidated Balance Sheet 綜合資產負債表

31 March 2006 二零零六年三月三十一日

		Notes 附註	2006 HK\$'000 港幣千元	2005 HK\$'000 港幣千元 (Restated) (經修訂)
<b>NON-CURRENT ASSETS</b>				
<b>非流動資產</b>				
Property, plant and equipment	物業、廠房及設備	13	<b>1,936,397</b>	1,905,805
Investment properties	投資物業	14	<b>66,822</b>	52,850
Prepaid land lease payments	預付土地租賃款	15	<b>25,175</b>	22,117
Construction in progress	在建工程	16	<b>83,540</b>	19,589
Trademarks	商標	17	<b>33,227</b>	33,119
Interest in an associate	於聯營公司之權益	18	<b>157,253</b>	139,548
Long term rental deposits	長期租金按金		<b>107,763</b>	115,323
Long term time deposit	長期定期存款	23	—	15,600
Total non-current assets	總非流動資產		<b>2,410,177</b>	2,303,951
<b>CURRENT ASSETS</b>				
<b>流動資產</b>				
Inventories	存貨	20	<b>1,298,085</b>	1,055,106
Trade and bills receivable	應收賬款及應收票據	21	<b>879,700</b>	424,015
Prepayments, deposits and other receivables	預付款項、訂金及 其他應收賬款		<b>415,150</b>	339,375
Derivative financial assets	衍生金融資產	22	<b>11,807</b>	18,249
Cash and cash equivalents	現金及現金等價物	23	<b>250,921</b>	681,590
Total current assets	總流動資產		<b>2,855,663</b>	2,518,335
<b>CURRENT LIABILITIES</b>				
<b>流動負債</b>				
Due to an associate	應付聯營公司	19	<b>83,813</b>	55,536
Trade and bills payable	應付賬款及應付票據	24	<b>1,008,500</b>	875,323
Other payables and accrued liabilities	其他應付賬款及應計負債	25	<b>178,422</b>	210,150
Derivative financial liabilities	衍生金融負債	22	<b>2,852</b>	1,854
Tax payable	應付稅項		<b>156,627</b>	116,574
Interest-bearing bank borrowings	附息銀行貸款	26	<b>415,316</b>	418,684
Total current liabilities	總流動負債		<b>1,845,530</b>	1,678,121
<b>NET CURRENT ASSETS</b>	<b>流動資產淨額</b>		<b>1,010,133</b>	840,214



## Consolidated Balance Sheet 綜合資產負債表

31 March 2006 二零零六年三月三十一日

			2006	2005
		Notes	HK\$'000	HK\$'000
		附註	港幣千元	港幣千元
				(Restated)
				(經修訂)
<b>TOTAL ASSETS LESS</b>	<b>總資產減流動負債</b>			
<b>CURRENT LIABILITIES</b>			<b>3,420,310</b>	3,144,165
<b>NON-CURRENT LIABILITIES</b>	<b>非流動負債</b>			
Interest-bearing bank borrowings	付息銀行貸款	26	<b>478,000</b>	135,278
Long term shareholder loan	長期股東貸款	27	—	266,376
Provision for long service payments	長期服務金撥備	28	<b>8,773</b>	8,111
Deferred tax	遞延稅項	29	<b>3,588</b>	3,059
Total non-current liabilities	總非流動負債		<b>490,361</b>	412,824
Net assets	淨資產		<b>2,929,949</b>	2,731,341
<b>EQUITY</b>	<b>權益</b>			
<b>Equity attributable to equity holders of parent</b>	<b>母公司權益所有者應佔權益</b>			
Issued capital	已發行股本	30	<b>66,314</b>	66,305
Reserves	儲備	32(a)	<b>2,659,595</b>	2,415,657
Proposed final dividend	擬派末期股息	11	<b>145,892</b>	145,881
			<b>2,871,801</b>	2,627,843
<b>Minority interests</b>	<b>少數股東權益</b>		<b>58,148</b>	103,498
Total equity	總權益		<b>2,929,949</b>	2,731,341

**Poon Bun Chak**  
Director

**Ting Kit Chung**  
Director

董事  
潘彬澤

董事  
丁傑忠



# Consolidated Statement of Changes in Equity 綜合權益變動表

Year ended 31 March 2006 截至二零零六年三月三十一日止年度

Attributable to equity holders of the parent 母公司權益所有者應佔													
	Issued share capital	Share premium account*	Share option reserve*	Capital redemption reserve*	Contributed surplus* (note 32(a))	Goodwill on acquisition* (note 32(a))	Exchange fluctuation reserve*	Investment property revaluation reserve*	Asset revaluation reserve*	Retained profits*	Proposed final dividend	Minority interests	Total equity
	已發行股本	股本溢價賬*	購股權儲備*	股本贖回儲備*	實繳盈餘* (附註32(a))	收購產生之商譽* (附註32(a))	外匯變動儲備*	投資物業重估儲備*	資產重估儲備*	保留溢利*	擬派末期股息	少數股東權益	總權益
At 1 April 2004 於二零零四年四月一日													
As previously reported 過往呈報	66,239	336,728	—	1,587	3,986	(110,603)	(13,238)	1,722	15,078	1,987,912	159,047	82,766	2,531,224
Prior year adjustments (note 2.4)	—	—	93	—	—	—	—	(301)	(1,585)	(93)	—	—	(1,886)
As restated 經修訂	66,239	336,728	93	1,587	3,986	(110,603)	(13,238)	1,421	13,493	1,987,819	159,047	82,766	2,529,338
Exchange realignment 匯兌調整	—	—	—	—	—	—	(769)	—	—	—	—	(1,154)	(1,923)
Total income and expense recognised directly in equity 總收入及支出直接於權益確認	—	—	—	—	—	—	(769)	—	—	—	—	(1,154)	(1,923)
Net profit for the year (as restated)	—	—	—	—	—	—	—	—	—	461,799	—	21,886	483,685
Total income and expense for the year 本年度總收入及支出	—	—	—	—	—	—	(769)	—	—	461,799	—	20,732	481,762
Final 2004 dividend declared 二零零四年已宣派末期股息	—	—	—	—	—	—	—	—	—	—	(159,047)	—	(159,047)
Exercise of share options (note 30) 行使購股權 (附註30)	66	6,544	—	—	—	—	—	—	—	—	—	—	6,610
Equity-settled share option arrangement (note 31) 以權益結算的購股權安排 (附註31)	—	—	5,276	—	—	—	—	—	—	—	—	—	5,276
Interim 2005 dividend (note 11) 二零零五年中期股息 (附註11)	—	—	—	—	—	—	—	—	—	(132,598)	—	—	(132,598)
Proposed final 2005 dividend (note 11) 二零零五年擬派末期股息 (附註11)	—	—	—	—	—	—	—	—	—	(145,881)	145,881	—	—
At 31 March 2005 於二零零五年三月三十一日	66,305	343,272	5,369	1,587	3,986	(110,603)	(14,007)	1,421	13,493	2,171,139	145,881	103,498	2,731,341



# Consolidated Statement of Changes in Equity 綜合權益變動表

Year ended 31 March 2006 截至二零零六年三月三十一日止年度

	Attributable to equity holders of the parent 母公司權益所有者應佔										Minority interests 少數 股東權益	Total equity 總權益
	Issued share capital 已發行 股本	Share premium account* 股本 溢價賬*	Share option reserve* 購股權 儲備*	Capital redemption reserve* 股本贖回 儲備*	Contributed surplus* (note 32(a)) 實繳溢餘* (附註32(a))	Goodwill on acquisition* (note 32(a)) 收購產生 之商譽* (附註32(a))	Exchange fluctuation reserve* 外匯 變動儲備*	Investment property revaluation reserve* 投資物業 重估儲備*	Asset revaluation reserve* 資產 重估儲備*	Retained profits* 保留溢利*	Proposed final dividend 建議 末期股息	
At 31 March 2005 and 1 April 2005 於二零零五年 三月三十一日及 二零零五年 四月一日	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元
As previously reported Prior year adjustments (note 2.4) 過往呈報 往年度調整 (附註2.4)	66,305	343,272	—	1,587	3,986	(110,603)	(14,007)	1,722	15,078	2,177,664	145,881	2,630,885
Opening adjustments (note 2.4) 期初調整 (附註2.4)	—	—	5,369	—	—	—	—	(301)	(1,585)	(6,525)	—	(3,042)
As restated Exchange realignment 經修訂 匯兌調整	66,305	343,272	5,369	1,587	3,986	—	(14,007)	—	13,493	2,076,863	145,881	2,642,749
Total income and expense recognised directly in equity Net profit for the year 總收入及支出 直接於權益 確認 年內溢利淨額	—	—	—	—	—	—	34,767	—	—	480,253	—	34,767
Total income and expense for the year Final 2005 dividend declared 二零零五年已宣派 末期股息	—	—	—	—	—	—	34,767	—	—	480,253	—	515,020
Exercise of share options (note 30) Equity-settled share option arrangement (note 31) 以權益結算的 購股權安排 (附註30) (附註31)	9	886	—	—	—	—	—	—	—	—	—	(145,881)
Interim 2006 dividend (note 11) 二零零六年中期股息 (附註11)	—	—	4,907	—	—	—	—	—	—	—	—	4,907
Proposed final 2006 dividend (note 11) 二零零六年建議末期股息 (附註11)	—	—	—	—	—	—	—	—	—	(145,889)	—	(145,889)
At 31 March 2006 於二零零六年 三月三十一日	66,314	344,158	10,276	1,587	3,986	—	20,760	—	13,493	2,265,335	145,892	2,871,801
												58,148
												2,929,949

\* These reserve accounts comprise the consolidated reserves of HK\$2,659,595,000 (2005: HK\$2,415,657,000, restated) in the consolidated balance sheet. (二零零五年：港幣2,415,657,000元，經修訂)。

# Consolidated Cash Flow Statement 綜合現金流量表

Year ended 31 March 2006 截至二零零六年三月三十一日止年度

	Notes 附註	2006 HK\$'000 港幣千元	2005 HK\$'000 港幣千元 (Restated) (經修訂)
<b>CASH FLOWS FROM OPERATING ACTIVITIES 經營所得現金流量</b>			
Profit before tax 除稅前溢利		<b>505,690</b>	544,798
Adjustments for: 調整：			
Finance costs 財務費用	8	<b>38,533</b>	10,224
Share of profit of an associate, net of tax 應佔聯營公司溢利，除稅後淨額		<b>(52,705)</b>	(36,273)
Interest income 利息收入	5	<b>(13,436)</b>	(13,541)
Net fair value gains on foreign exchange derivative financial instruments 外匯衍生金融工具公允值收益淨額	5	<b>(14,702)</b>	(26,936)
Fair value gains on investment properties 投資物業公允值收益	5	<b>(8,354)</b>	(6,881)
Depreciation 折舊	6	<b>281,454</b>	233,328
Recognition of prepaid land lease payments 預付土地租賃款攤銷	6	<b>567</b>	558
Amortisation of trademarks 商標攤銷	6	<b>—</b>	2,926
Loss on disposal of items of property, plant and equipment 出售物業、廠房及設備虧損	6	<b>4,067</b>	3,610
Provision/(write-back of provision) for slow-moving inventories 呆滯存貨撥備／(撥回)	6	<b>537</b>	(12,375)
Impairment/(write-back of impairment) of trade receivables 應收賬款之減值／(減值之撥回)	6	<b>(9,715)</b>	5,763
Equity-settled share option expenses 以權益結算的購股權支出		<b>4,907</b>	5,276
Operating profit before working capital changes 營運資金變動前經營溢利		<b>736,843</b>	710,477
Increase in inventories 存貨增加		<b>(242,659)</b>	(1,053)
Decrease/(increase) in trade and bills receivable 應收賬款及應收票據減少／(增加)		<b>(445,970)</b>	105,056
Increase in prepayments, deposits and other receivables 預付款項、訂金及其他應收賬款增加		<b>(93,090)</b>	(11,959)
Increase/(decrease) in an amount due to an associate 應付聯營公司增加／(減少)		<b>28,277</b>	(38,798)
Increase in trade and bills payable 應付賬款及應付票據增加		<b>133,058</b>	116,995
Increase/(decrease) in other payables and accrued liabilities 其他應付賬款及應計負債增加／(減少)		<b>(33,452)</b>	21,741
Increase in provision for long service payments 長期服務金撥備增加		<b>662</b>	157
Cash generated from operations 經營所得現金		<b>83,669</b>	902,616
Profits taxes paid 已付所得稅		<b>(32,900)</b>	(26,058)
Net cash inflow from operating activities 經營所得現金流入淨額		<b>50,769</b>	876,558



# Consolidated Cash Flow Statement 綜合現金流量表

Year ended 31 March 2006 截至二零零六年三月三十一日止年度

	Notes 附註	2006 HK\$'000 港幣千元	2005 HK\$'000 港幣千元 (Restated) (經修訂)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	<b>投資活動現金流量</b>		
Interest received	已收利息	13,436	13,541
Proceeds from derivative financial instruments	衍生金融工具收入	40,057	21,177
Dividends received from an associate	已收聯營公司股息	35,000	30,000
Purchases of items of property, plant and equipment	購置物業、廠房及設備項目	13 (223,700)	(477,722)
Acquisition of a subsidiary	收購一附屬公司	34 1,643	—
Additions to construction in progress	在建工程支出	16 (110,899)	(149,921)
Additions to trademarks	商標支出	17 (108)	(50)
Additions to prepaid land lease payments	預付土地租賃款支出	15 (3,533)	—
Proceeds from disposal of items of property, plant and equipment	出售物業、廠房及設備項目收入	4,196	5,632
Decrease/(increase) in long term rental deposits	長期租金按金減少/(增加)	7,560	(42,497)
Increase in long term time deposit	長期定期存款增加	—	(15,600)
Decrease/(increase) in non-pledged short term time deposits with original maturity longer than three months when acquired	於訂立日三個月以上到期之無抵押短期定期存款減少/(增加)	21,060	(21,060)
Net cash outflow from investing activities	投資活動現金流出淨額	(215,288)	(636,500)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>	<b>融資活動現金流量</b>		
Issue of new shares	發行新股	30 895	6,610
New bank loans and trust receipt loans	新銀行貸款及信託貸款	764,642	406,187
Repayment of bank loans and trust receipt loans	償還銀行貸款及信託貸款	(425,312)	(219,334)
Repayment of shareholder loan	償還股東貸款	(266,376)	(93,829)
Interest paid	已付利息	(38,533)	(10,224)
Dividends paid	已付股息	(291,770)	(291,645)
Net cash outflow from financing activities	融資活動之現金流出淨額	(256,454)	(202,235)
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>現金及現金等價物之增加/(減少)淨額</b>	<b>(420,973)</b>	<b>37,823</b>
Cash and cash equivalents at beginning of year	年初之現金及現金等價物	660,530	633,355
Foreign exchange adjustments	外匯調整	(4,260)	(10,648)
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	<b>於年結日之現金及現金等價物</b>	<b>235,297</b>	<b>660,530</b>
<b>ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS</b>	<b>現金及現金等價物結餘分析</b>		
Cash and bank balances	現金及銀行結餘	23 167,341	193,459
Non-pledged short term time deposits with original maturity within three months when acquired	於訂立日三個月內到期之無抵押短期定期存款	67,980	467,071
Bank overdrafts, unsecured	銀行透支，無抵押	26 (24)	—
		<b>235,297</b>	<b>660,530</b>



# Company Balance Sheet 公司資產負債表

31 March 2006 二零零六年三月三十一日

			2006	2005
		Notes	HK\$'000	HK\$'000
		附註	港幣千元	港幣千元
				(Restated)
				(經修訂)
<b>NON-CURRENT ASSETS</b>	<b>非流動資產</b>			
Interests in subsidiaries	於附屬公司之權益	33	<b>852,457</b>	844,735
<b>CURRENT ASSETS</b>	<b>流動資產</b>			
Prepayments and other receivables	預付款項及其他應收賬款		<b>203</b>	202
Dividends receivable	應收股息		<b>146,000</b>	147,000
Cash and cash equivalents	現金及現金等價物	23	<b>—</b>	92
Total current assets	總流動資產		<b>146,203</b>	147,294
<b>CURRENT LIABILITIES</b>	<b>流動負債</b>			
Accrued liabilities	應計負債		<b>1,273</b>	1,002
Total current liabilities	總流動負債		<b>1,273</b>	1,002
NET CURRENT ASSETS	流動資產淨額		<b>144,930</b>	146,292
Net assets	淨資產		<b>997,387</b>	991,027
<b>EQUITY</b>	<b>權益</b>			
Issued capital	已發行股本	30	<b>66,314</b>	66,305
Reserves	儲備	32(b)	<b>785,181</b>	778,841
Proposed final dividend	擬派末期股息	11	<b>145,892</b>	145,881
Total equity	總權益		<b>997,387</b>	991,027

**Poon Bun Chak**  
Director

**Ting Kit Chung**  
Director

董事  
潘彬澤

董事  
丁傑忠

**1. CORPORATE INFORMATION**

Texwinca Holdings Limited is a limited liability company incorporated in Bermuda. The registered office of the Company is located at Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda. The principal place of business of Texwinca Holdings Limited is located at 16th Floor, Metroplaza II, 223 Hing Fong Road, Kwai Chung, New Territories, Hong Kong.

During the year, the Group was involved in the following principal activities:

- Production, dyeing and sale of knitted fabric and yarn
- Retailing and distribution of casual apparel and accessory
- Provision of franchise services
- Provision of repair and maintenance services for motors and generators

In the opinion of the directors, the ultimate holding company is Farrow Star Limited, which was incorporated in the British Virgin Islands.

**1. 公司資料**

德永佳集團有限公司為於百慕達註冊成立之有限公司，本公司之註冊辦事處為 Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda。德永佳集團有限公司主要營業地址為香港新界葵涌興芳路223號新都會廣場第二座十六樓。

於本年度，集團主要經營以下業務：

- 針織布及棉紗之產銷及整染
- 便服及飾物之零售及分銷
- 特許經營服務
- 汽車及發電機之維修保養

按董事之意見，最終控股公司為於英屬處女群島成立之 Farrow Star Limited。

31 March 2006 二零零六年三月三十一日

## 2.1 BASIS OF PREPARATION

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

### Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries for the year ended 31 March 2006. Adjustments are made to bring into line any dissimilar accounting policies that may exist. The results of subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases. All significant intercompany transactions and balances within the Group are eliminated on consolidation.

## 2.1 編製基本原則

本財務報表乃根據香港會計師公會頒佈之香港財務報告準則(同時包括香港會計準則及詮釋)、香港公認會計原則及香港公司條例之披露要求所編製而成。除投資物業、部份包括在物業、廠房及設備內的租賃土地及樓宇及衍生金融工具按公允值計算外,本財務報表乃依照原始成本會計慣例所編製。除另有註明外,本財務報表乃以港元(「港幣」)呈列,所有數值均四捨五入至千位數。

### 綜合基準

綜合財務報表包括本公司及各附屬公司截至二零零六年三月三十一日止年度之財務報表。經已作出調整以使任何可能存在之不同會計政策一致。附屬公司之業績由收購日,即本集團獲得控制權之日,起計入綜合財務表內,直至有關控制權終止之日為止。本集團公司之間所有重大交易及結餘均在綜合時對銷。

**2.1 BASIS OF PREPARATION** *(continued)***Basis of consolidation** *(continued)*

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

Minority interests represent the interests of outside shareholders in the results and net assets of the Company's subsidiaries.

**2.1 編製基本原則 (續)****綜合基準 (續)**

本年度內收購之附屬公司已使用購買法計算。此方法涉及將業務合併成本分配至所收購資產之公允值，而負債及或然負債則於收購之日承擔。收購成本乃按交易當日之資產公允值、或已發行權益工具及已產生或已承擔負債之總額，加收購應佔之直接成本計算。

少數股東權益指外界股東佔本公司附屬公司業績及淨資產之權益。

31 March 2006 二零零六年三月三十一日

## 2.2 IMPACT OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS

The following new and revised HKFRSs affect the Group and are adopted for the first time for the current year's financial statements:

HKAS 1	Presentation of Financial Statements
HKAS 2	Inventories
HKAS 7	Cash Flow Statements
HKAS 8	Accounting Policies, Changes in Accounting Estimates and Errors
HKAS 10	Events after the Balance Sheet Date
HKAS 12	Income Taxes
HKAS 14	Segment Reporting
HKAS 16	Property, Plant and Equipment
HKAS 17	Leases
HKAS 18	Revenue
HKAS 19	Employee Benefits
HKAS 21	The Effects of Changes in Foreign Exchange Rates
HKAS 23	Borrowing Costs

## 2.2 新及經修訂香港財務報告準則 之影響

下列新及經修訂香港財務報告準則影響本集團，並於本年度財務報表首次採用：

香港會計準則 第1號	財務報表的列報
香港會計準則 第2號	存貨
香港會計準則 第7號	現金流量表
香港會計準則 第8號	會計政策、會計 估計變更及錯誤
香港會計準則 第10號	資產負債表日後 事項
香港會計準則 第12號	所得稅
香港會計準則 第14號	分類報告
香港會計準則 第16號	物業、廠房及設備
香港會計準則 第17號	租賃
香港會計準則 第18號	收入
香港會計準則 第19號	僱員福利
香港會計準則 第21號	外幣匯率變動影響
香港會計準則 第23號	借款費用

## 2.2 IMPACT OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (continued)

HKAS 24	Related Party Disclosures
HKAS 27	Consolidated and Separate Financial Statements
HKAS 28	Investments in Associates
HKAS 32	Financial Instruments: Disclosure and Presentation
HKAS 33	Earnings per Share
HKAS 36	Impairment of Assets
HKAS 37	Provisions, Contingent Liabilities and Contingent Assets
HKAS 38	Intangible Assets
HKAS 39	Financial Instruments: Recognition and Measurement
HKAS 39 Amendment	Transition and Initial Recognition of Financial Assets and Financial Liabilities
HKAS 40	Investment Property
HKFRS 2	Share-based Payment
HKFRS 3	Business Combinations
HK(SIC)-Int 21	Income Taxes — Recovery of Revalued Non-depreciable Assets

## 2.2 新及經修訂香港財務報告準則 之影響 (續)

香港會計準則 第24號	關連方披露
香港會計準則 第27號	合併及獨立財務 報表
香港會計準則 第28號	於聯營公司的投資
香港會計準則 第32號	金融工具：披露與 列報
香港會計準則 第33號	每股盈利
香港會計準則 第36號	資產減值
香港會計準則 第37號	撥備、或有負債及 或有資產
香港會計準則 第38號	無形資產
香港會計準則 第39號	金融工具：確認和 計量
香港會計準則 第39號 (修訂本)	財務資產及財務 負債的過渡及 首次確認
香港會計準則 第40號	投資物業
香港財務報告 準則第2號	基於股權的支付
香港財務報告 準則第3號	企業合併
香港(會計準則 詮釋委員會) — 詮釋第21號	所得稅 — 已重估 非折舊性資產的 收回

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## 2.2 IMPACT OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (continued)

HK-Int 4	Leases — Determination of the Length of Lease Term in respect of Hong Kong Land Leases
HK(IFRIC)-Int 1	Changes in Existing Decommissioning, Restoration and Similar Liabilities

The adoption of HKASs 2, 7, 8, 10, 12, 14, 16, 18, 19, 21, 23, 27, 28, 33, 37 and HK-Int 4 has had no material impact on the accounting policies of the Group and the Company and the methods of computation in the Group's and the Company's financial statements.

HKAS 1 has affected the presentation of minority interests on the face of the consolidated balance sheet, consolidated income statement, consolidated statement of changes in equity and other disclosures. In addition, in prior periods, the Group's share of tax attributable to an associate was presented as a component of the Group's total tax charge in the consolidated income statement. Upon the adoption of HKAS 1, the Group's share of the post-acquisition results of an associate is presented net of the Group's share of tax attributable to an associate. The comparative amounts have been reclassified to conform with the current year's presentation.

## 2.2 新及經修訂香港財務報告準則 之影響 (續)

香港 — 詮釋 第4號	租賃 — 關於香港 土地租賃的租賃 期長度的確定
香港(國際財務 報告準則詮釋 委員會) — 詮釋第1號	現存的拆除、修復 及同類債務的 變更

採用香港會計準則第2、7、8、10、12、14、16、18、19、21、23、27、28、33、37號及香港 — 詮釋第4號對本集團及本公司之會計政策及本集團及本公司財務報表之計量方法並無構成重大影響。

香港會計準則第1號已影響綜合資產負債表、綜合利潤表、綜合權益變動表中少數股東權益之列報方式及其他披露事項。此外，於以往年度，本集團應佔聯營公司稅項乃於綜合利潤表中列為本集團稅項開支總額之部分。採納香港會計準則第1號後，本集團應佔聯營公司之收購後業績乃以扣除本集團應佔聯營公司稅項後列報。比較數字經已重新分類，以符合本年度之呈報方式。

**2.2 IMPACT OF NEW AND REVISED HONG KONG****FINANCIAL REPORTING STANDARDS** (continued)

HKAS 24 has expanded the definition of related parties and affected the Group's related party disclosures.

The impact of adopting the other HKFRSs is summarised as follows:

**(a) HKAS 17 — Leases**

In prior years, leasehold land and buildings held for own use were stated at cost or 1992 valuation less accumulated depreciation and any impairment losses.

Upon the adoption of HKAS 17, the Group's leasehold interest in land and buildings is separated into leasehold land and buildings where possible. The Group's leasehold land is classified as an operating lease, because the title of the land is not expected to pass to the Group by the end of the lease term, and is reclassified from property, plant and equipment to prepaid land lease payments, while buildings continue to be classified as part of property, plant and equipment. Prepaid land premiums for land lease payments under operating leases are initially stated at cost and subsequently amortised on the straight-line basis over the lease term. When the lease payments cannot be allocated reliably between the land and buildings elements, the entire lease payments are included in the cost of the land and buildings as a finance lease in property, plant and equipment.

**2.2 新及經修訂香港財務報告準則****之影響 (續)**

香港會計準則第24號已延伸有關連人士之釋義，並影響本集團之有關連人士披露事項。

採用其他香港財務報告準則之影響概述如下：

**(a) 香港會計準則第17號 — 租賃**

於以往年度，持作自用之租賃土地及樓宇以成本或一九九二年度之估值減去累計折舊及任何減值虧損列賬。

採用香港會計準則第17號後，本集團於土地及樓宇之租賃權益盡可能分為租賃土地及樓宇。由於在租賃期末土地之所有權預期不會轉給本集團，因此本集團之租賃土地分類為經營租賃，並從物業、廠房及設備重新分類至預付土地租賃款，而租賃樓宇則仍分類為物業、廠房及設備之部分。在經營租賃下的預付作為土地租賃款的溢價初始以成本列賬，之後在租賃期內以直線法攤銷。當租賃款無法可靠地分配在土地及樓宇兩部份之間時，則整個租賃款作為物業、廠房及設備之融資租賃，包括在土地及樓宇之成本中。



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## 2.2 IMPACT OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (continued)

### (a) HKAS 17 — Leases (continued)

This change in accounting policy has had no effect on the consolidated income statement and retained profits. The comparative amounts for the year ended 31 March 2005 in the consolidated balance sheet have been restated to reflect the reclassification of the leasehold land. The effects of the above changes are summarised in note 2.4 to the financial statements.

### (b) HKAS 32 and HKAS 39 — Financial Instruments

#### (i) *Derivative financial instruments*

The Group had entered into different kinds of foreign exchange derivative financial instruments for either hedging or speculative purpose. In prior years, other than those derivative financial instruments which were held to hedge against the exchange rate risks were deferred from recognition until the items hedged were itself recognised, the other derivative financial instruments were being accounted for as held-for-trading investments and were stated at their fair values with unrealised gains and losses being recognised in the income statement.

## 2.2 新及經修訂香港財務報告準則 之影響 (續)

### (a) 香港會計準則第17號 — 租賃 (續)

此會計政策之變動對綜合利潤表及保留溢利並無影響。截至二零零五年三月三十一日止年度之比較數字已經修訂，以反映租賃土地之重新分類。上述變更的影響已簡述於財務報表的附註2.4中。

### (b) 香港會計準則第32號及39號 — 金融工具

#### (i) *衍生金融工具*

本集團已安排不同種類的外匯衍生金融工具作為對沖及投資目的。於往年度，除持有作對沖匯率風險外的衍生金融工具乃延遲確認入賬至被對沖的項目已確認外，其餘的衍生金融工具以持作貿易的投資列賬，並以其公允值確認未實現損益於利潤表。

## 2.2 IMPACT OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (continued)

### (b) HKAS 32 and HKAS 39 — Financial Instruments (continued)

#### (i) Derivative financial instruments (continued)

Upon the adoption of HKAS 39, those derivative financial instruments, which do not meet the criteria as designated hedging instruments under HKAS 39, are deemed as derivatives for speculative purposes under the transitional provisions of HKAS 39, and accordingly are recorded at their fair values with unrealised gains and losses being recognised in the income statement.

In accordance with the transitional provisions of HKAS 39, the difference between the carrying amount and the fair value of those derivative financial instruments which was deferred from recognition as at 1 April 2005, amounting to HK\$14,906,000, net of tax of HK\$3,009,000, has been recognised as an adjustment to the opening balance of retained profits as at 1 April 2005, and the comparative amounts have not been restated. The effect of the above changes are summarised in note 2.4 to the financial statements.

## 2.2 新及經修訂香港財務報告準則 之影響 (續)

### (b) 香港會計準則第32號及39號 — 金融工具 (續)

#### (i) 衍生金融工具 (續)

於採納香港會計準則第39號，有關未能符合按香港會計準則第39號的指定對沖工具條件的衍生金融工具，則按香港會計準則第39號過渡性條文視作為投資目的之衍生工具，並按其公允值將未實現損益確認於利潤表。

按香港會計準則第39號的過渡性條文，於二零零五年四月一日已遞延確認的衍生金融工具的賬面值與公允值之差，金額為港幣14,906,000元（已扣除稅項港幣3,009,000元），已確認為二零零五年四月一日的保留溢利期初結餘之調整，而相關的比較數字並未作出修訂。上述變更的影響已簡述於財務報表附註2.4。

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## 2.2 IMPACT OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (continued)

### (b) HKAS 32 and HKAS 39 — Financial Instruments (continued)

#### (ii) Loans and receivables, including rental deposits

In prior years, long term loans and receivables, including long term rental deposits, were stated at cost.

Upon the adoption of HKAS 39, long term loans and receivables, including long term rental deposits, which are non-derivative financial assets with fixed or determinable payments and are not quoted in an active market, are stated at amortised cost using the effective interest method. Gains and losses are recognised in the income statement when the loans and receivables are derecognised or impaired, as well as through the amortisation process, and accordingly interest income is recognised through income statement over the lease terms of the deposits. In accordance with the revised HKAS 17, the difference between the nominal values of rental deposits and the fair values are considered as additional rent payable and are expensed on the straight-line basis over the lease term.

## 2.2 新及經修訂香港財務報告準則 之影響 (續)

### (b) 香港會計準則第32號及39號 — 金融工具 (續)

#### (ii) 貸款和應收款，包括租金按 金

於往年，長期貸款及應收款，包括長期租金按金，以成本列賬。

於採納香港會計準則第39號，屬於固定或定額支出的非衍生金融資產且並無於活躍市場上報價的長期貸款及應收款，包括長期租金按金，乃按引用實際利息法計算的已攤銷成本列賬。倘該等貸款及應收款被取消確認或減值，或經過攤銷過程，損益則於利潤表確認入賬，因此，利息收入按該等按金的可使用年期於利潤表確認入賬。按經修訂的香港會計準則第17號，租金按金的賬面值與其公允值之差被視作應付租金的增加，並按直線法於租期列支。

## 2.2 IMPACT OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (continued)

### (b) HKAS 32 and HKAS 39 — Financial Instruments (continued)

#### (ii) Loans and receivables, including rental deposits (continued)

The above changes have had no significant impact on these financial statements and the comparative amounts have not been restated.

#### (iii) Discounted bills with recourse

In prior years, discounted bills with recourse were accounted for as contingent liabilities.

Upon the adoption of HKAS 39, the discounted bills with recourse are accounted for as bank advances as the financial liability derecognition conditions as stipulated in HKAS 39 have not been fulfilled, and accordingly the discounted bills receivable and the related proceeds of the same amount are included in the Group's "trade and bills receivables" and "interest-bearing bank borrowings", respectively, on the balance sheet date.

In accordance with the transitional provisions of HKAS 39, comparative amounts have not been restated. The effects of the above changes are summarised in note 2.4 to the financial statements.

## 2.2 新及經修訂香港財務報告準則 之影響 (續)

### (b) 香港會計準則第32號及39號 — 金融工具 (續)

#### (ii) 貸款和應收款，包括租金按 金 (續)

以上變更對本財務報表並無重大影響，而比較數字並未重編。

#### (iii) 有追索權的已貼現票據

於以往年度，有追索權的已貼現票據作為或有負債處理。

於採納香港會計準則第39號，由於未能符合香港會計準則第39號不確認財務債項的條件，有追索權的已貼現票據須作為銀行墊款處理。因此，於結算日，有關的已貼現應收票據，及相同有關的已收金額，已分別包括於本集團的「應收賬款及應收票據」及「附息銀行貸款」。

按香港會計準則第39號的過渡性條文，比較數字並未作出修訂，以上有關變更的影響已簡述於財務報表附註2.4。

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## 2.2 IMPACT OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (continued)

### (c) HKAS 38

#### — Intangible Assets

In prior years, trademarks were stated at cost less accumulated amortisation and impairment losses. Amortisation was calculated on the straight-line basis to write off the cost of each trademark over its estimated useful life of 20 years. Upon the adoption of the HKAS 38, intangible assets with indefinite lives, are not subject to amortisation but are tested for impairment annually or whenever there is an indication that the intangible assets may be impaired.

In accordance with the transitional provisions of HKAS 38, the Group reassessed the useful lives of its trademarks and determined that they have indefinite useful lives and are not subject to amortisation and the change is accounted for as a change in the accounting estimates, and accordingly, the Group discontinued amortising the trademarks from 1 April 2005 prospectively. Comparative amounts have not been restated in accordance with the transitional provisions of the HKAS 38. The effects of the above changes are summarised in note 2.4 to the financial statements.

## 2.2 新及經修訂香港財務報告準則 之影響 (續)

### (c) 香港會計準則第38號

#### — 無形資產

於往年，商標乃按扣除累計攤銷及減值後的成本入賬。攤銷乃以直線法計算，並按估計可用年限20年註銷每個商標的成本。於採納香港會計準則第38號，無盡年限的無形資產，無須作出攤銷，惟需每年或於有顯示該無形資產需減值時，作出減值測試。

按香港會計準則第38號過渡性條文，本集團已重新評估現有商標的可用年限，及認定其可用年限為無盡，及不需作出攤銷，並且有關的變更作為會計估計的變更。因此，本集團從二零零五年四月一日起，停止繼續攤銷商標。按香港會計準則第38號的過渡性條文，比較數字並未作出修訂，以上有關變更的影響已簡述於財務報表附註2.4。

## 2.2 IMPACT OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (continued)

### (d) HKAS 40

#### — Investment Property

In prior years, changes in the fair values of investment properties were dealt with as movements in the investment property revaluation reserve. If the total of this reserve was insufficient to cover a deficit, on a portfolio basis, the excess of the deficit was charged to the income statement. Any subsequent revaluation surplus was credited to the income statement to the extent of the deficit previously charged.

Upon the adoption of HKAS 40, gains or losses arising from changes in the fair values of investment properties are included in the income statement in the year in which they arise.

The Group has taken advantage of the transitional provisions of HKAS 40 to adjust the investment property revaluation reserve to the opening balance of retained profits as at 1 April 2005. Accordingly, comparative amounts have not been restated. The effects of the above changes are summarised in note 2.4 to the financial statements.

## 2.2 新及經修訂香港財務報告準則 之影響 (續)

### (d) 香港會計準則第40號

#### — 投資物業

於以往年度，投資物業公允值之變動作為投資物業重估儲備之變動處理。倘此儲備之總額以組合基準計算不足以彌補虧絀，則超額虧絀會於利潤表中扣除。凡其後出現之重估盈餘會計入利潤表，惟不得超過先前扣除之虧絀。

採用香港會計準則第40號後，投資物業公允值變動所產生之損益均包括在發生當年之利潤表中。

本集團已引用香港會計準則第40號之過渡性條文，已於二零零五年四月一日將投資物業重估儲備調整至保留溢利之期初餘額。因此，比較數字未有修訂。以上之變更之影響已簡述於財務報表附註2.4。

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## 2.2 IMPACT OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (continued)

### (e) HKFRS 2

#### — Share-based Payment

In prior years, no recognition and measurement of share-based payment transactions in which employees (including directors) were granted share options over shares in the Company were required, until such options were exercised by employees, at which time the share capital and share premium were credited with the proceeds received.

Upon the adoption of HKFRS 2, when employees (including directors) render services as consideration for equity instruments ("equity-settled transactions"), the cost of the equity-settled transactions with employees is measured by reference to the fair value at the date at which the instruments are granted. The fair value is determined by the Company using a binomial model. In valuing equity-settled transactions, no account is taken of any performance conditions, other than conditions linked to the price of the shares of the Company, if applicable.

The main impact of HKFRS 2 on the Group is the recognition of the cost of these transactions and a corresponding entry to equity for employee share options. The revised accounting policy for share-based payment transactions is described in more detail in note 2.5 "Summary of significant accounting policies" below.

## 2.2 新及經修訂香港財務報告準則 之影響 (續)

### (e) 香港財務報告準則第2號

#### — 基於股權的支付

於以往年度，對於授予僱員（包括董事）涉及本公司股份之購股權之基於股權的支付交易無須確認及計量，直至僱員行使該購股權時為止，屆時收到之所得款項將貸記入股本及股份溢價。

採用香港財務報告準則第2號後，當僱員（包括董事）提供服務作為權益工具之對價時（「權益結算交易」），與僱員之權益結算交易之成本以權益工具授予日之公允值計量。本公司以二項式模式計算公允價值。於計算股權結算交易的價值，除與本公司股份價格有關的條件外，如適用，其餘任何與表現有關的條件，概不作考慮。

香港財務報告準則第2號對本集團之主要影響為確認此等交易之成本，並於權益中就僱員購股權相應入賬。此基於股權的支付交易的經修訂會計政策已詳載於附註2.5「主要會計政策的概要」。

## 2.2 IMPACT OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS *(continued)*

### (e) HKFRS 2

#### — Share-based Payment *(continued)*

The Group has adopted the transitional provisions of HKFRS 2 under which the new measurement policies have not been applied to (i) options granted to employees on or before 7 November 2002; and (ii) options granted to employees after 7 November 2002 but which had vested before 1 April 2005. Comparative amounts have been restated in accordance with HKFRS 2. The effects of adopting HKFRS 2 are summarised in note 2.4 to the financial statements.

### (f) HKFRS 3 — Business Combinations and HKAS 36 — Impairment of Assets

In prior years, goodwill and negative goodwill arising on acquisitions prior to 1 April 2001 were eliminated against the goodwill on acquisition reserve in the year of acquisition and were not recognised in the income statement until disposal or impairment of the acquired businesses.

## 2.2 新及經修訂香港財務報告準則 之影響 (續)

### (e) 香港財務報告準則第2號

#### — 基於股權的支付 (續)

本集團已採用香港財務報告準則第2號之過渡性條文，據此，新計量政策並未應用於(i)二零零二年十一月七日或之前授予僱員之購股權；及(ii)二零零二年十一月七日後授予僱員，但於二零零五年四月一日前已歸屬之購股權。根據香港財務報告準則第2號，比較數字經已重述。採用香港財務報告準則第2號的影響已列示在財務報表附註2.4中。

### (f) 香港財務報告準則第3號 — 企 業合併和香港會計準則第36號 — 資產減值

於以往年度，對於在二零零一年四月一日以前的業務收購而產生的商譽及負商譽已在收購當年的收購商譽儲備中抵減，除非對收購的業務進行處置或減值，該商譽及負商譽不會於利潤表中確認。



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## 2.2 IMPACT OF NEW AND REVISED HONG KONG

### FINANCIAL REPORTING STANDARDS (continued)

#### (f) HKFRS 3 — Business Combinations and HKAS 36 — Impairment of Assets (continued)

In accordance with the transitional provisions of HKFRS 3, the Group derecognised at 1 April 2005 the carrying amount of negative goodwill previously credited to the goodwill on acquisition reserve against retained profits. Goodwill previously eliminated against the goodwill on acquisition reserve within the equity of HK\$110,648,000 arising from the acquisition of the Group's associate in a prior year was transferred to the opening balance of the retained profits as at 1 April 2005. The goodwill previously eliminated against reserve was no longer required to be recognised in the income statement when all or any part of the business to which the goodwill related was disposed of or when a cash-generating unit to which the goodwill related becomes impaired.

The effects of the above changes are summarised in note 2.4 to the financial statements. In accordance with the transitional provisions of HKFRS 3, comparative amounts have not been restated.

## 2.2 新及經修訂香港財務報告準則

### 之影響 (續)

#### (f) 香港財務報告準則第3號 — 企業合併和香港會計準則第36號 — 資產減值 (續)

按香港財務報告準則第3號的過渡性條文，本集團於二零零五年四月一日終止確認收購時貸記於收購商譽儲備的負商譽賬面值，並計入保留溢利。之前於權益中的收購商譽儲備中對銷的，因以往年度收購本集團聯營公司所產生的商譽港幣110,648,000元，已轉撥至二零零五年四月一日保留溢利的期初結餘之內。倘出售與該項商譽有關的整盤或部分業務時，或與該項商譽有關的現金產生單位出現減值時，之前於儲備對銷的商譽將無需於利潤表內確認入賬。

以上變更的影響已簡述於財務報表附註2.4。按香港財務報告準則第3號的過渡性條文，比較數字並未作出修訂。

**2.2 IMPACT OF NEW AND REVISED HONG KONG****FINANCIAL REPORTING STANDARDS** (continued)**(g) HK(SIC)-Int 21 — Income Taxes — Recovery of Revalued Non-depreciable Assets**

In prior years, deferred tax arising on the revaluation of properties was recognised based on the tax rate that would be applicable upon the sale of the properties.

Upon the adoption of HK(SIC)-Int 21, deferred tax arising on the revaluation of the Group's properties is determined depending on whether the properties will be recovered through use or through sale. The Group has determined that its properties will be recovered through use, and accordingly the profits tax rate has been applied to the calculation of deferred tax.

The effects of the above changes are summarised in note 2.4 to the financial statements. The change has been adopted retrospectively from the earliest period presented and comparative amounts have been restated.

**2.2 新及經修訂香港財務報告準則****之影響 (續)****(g) 香港(會計準則詮釋委員會)詮釋第21號 — 所得稅 — 已重估非折舊性資產的收回**

於以往年度，重估物業產生之遞延稅項按照銷售物業所適用之稅率確認。

採用香港(會計準則詮釋委員會) — 詮釋第21號後，重估本集團物業所產生之遞延稅項是取決於物業是透過使用或銷售來回收其賬面值確定。本集團確定將以使用物業來回收其賬面值，因此透過其使用物業所適用之利得稅率計算遞延稅項。

上述變更的影響在財務報表的附註2.4中簡述。該等變更從最早列報期間追溯採用，而比較數字經已修訂。

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## 2.2 IMPACT OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (continued)

### (h) HK(IFRIC)-Int 1 — Changes in Existing Decommissioning, Restoration and Similar Liabilities

The Group has obligations to dismantle, remove and restore certain items of property, plant and equipment in respect of the premises under operating leases. In prior years, no provision was made for these obligations.

Upon the adoption of HK(IFRIC)-Int 1, such obligations are referred to as 'decommissioning, restoration and similar liabilities'. Under HKAS 16, the cost of an item of property, plant and equipment includes the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which an entity incurs either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period. HKAS 37 contains requirements on how to measure decommissioning, restoration and similar liabilities. This Interpretation applies to changes in the measurement of any existing decommissioning, restoration or similar liability that is both:

- (a) recognised as part of the cost of an item of property, plant and equipment in accordance with HKAS 16, and amortised over its useful life; and

## 2.2 新及經修訂香港財務報告準則 之影響 (續)

### (h) 香港(國際財務報告詮釋委員會) — 詮釋第1號 — 現存的拆除、 修復及同類債務的變更

本集團有責任清拆、移除及修復經營租賃房產的若干物業、廠房及設備項目。於以往年度，並無條款要求作出前述責任。

按採納香港(國際財務報告詮釋委員會) — 詮釋第1號，該責任稱為「拆除、復修及同類債務」。按香港會計準則第16號，一項物業、廠房及設備項目之成本包括清拆及移除該項目以及修復其所在位置之地盤之初步估計成本，責任發生於購入項目時或，除於該期間生產存貨外，因在特定期間使用該項目而招致。香港會計準則第37號載有有關計量拆除、復修及同類債務的方法之規定。該詮釋適用於計量任何現有拆除、復修及同類債務之變動，而有關變動均為：

- (a) 按香港會計準則第16號，確認為一個物業、廠房及設備項目的成本部份，並按可用年限攤銷；及

## 2.2 IMPACT OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (continued)

### (h) HK(IFRIC)-Int 1 — Changes in Existing Decommissioning, Restoration and Similar Liabilities (continued)

- (b) recognised as a liability in accordance with HKAS 37.

The effects of the above changes are summarised in note 2.4 to the financial statements. The change has been adopted retrospectively for the earliest period presented and comparative amounts have been restated.

## 2.3 IMPACT OF ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS

The Group has not applied the following new and revised HKFRSs, that have been issued but are not yet effective, in these financial statements. Unless otherwise stated, these HKFRSs are effective for annual periods beginning on or after 1 April 2006:

HKAS 1 Amendment	Capital Disclosures
HKAS 19 Amendment	Actuarial Gains and Losses, Group Plans and Disclosures
HKAS 21 Amendment	The Effects of Changes in Foreign Exchange Rates — Net Investment in a Foreign Operation

## 2.2 新及經修訂香港財務報告準則之影響 (續)

### (h) 香港(國際財務報告詮釋委員會) — 詮釋第1號 — 現存的拆除、修復及同類債務的變更 (續)

- (b) 按香港會計準則第37號，確認為負債；

上述變更的影響在財務報表的附註2.4中簡述。該等變更從最早列報期間追溯採用，而比較數字經已修訂。

## 2.3 已頒佈但未生效之香港財務報告準則之影響

本集團並無於本財務報表應用以下已頒佈但未生效之新及經修訂香港財務報告準則。除非另有指明，否則該等香港財務報告準則由二零零六年四月一日或之後之年度間生效：

香港會計準則第1號(修訂本)	資本披露
香港會計準則第19號(修訂本)	精算損益、集團計劃及披露
香港會計準則第21號(修訂本)	外幣匯率變動之影響 — 於海外業務之淨投資

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## 2.3 IMPACT OF ISSUED BUT NOT YET EFFECTIVE

### HONG KONG FINANCIAL REPORTING

#### STANDARDS (continued)

HKAS 39 Amendment	Cash Flow Hedge Accounting of Forecast Intragroup Transactions
HKAS 39 Amendment	The Fair Value Option
HKAS 39 & HKFRS 4 Amendments	Financial Guarantee Contracts
HKFRSs 1 & 6 Amendments	First-time Adoption of Hong Kong Financial Reporting Standards and Exploration for and Evaluation of Mineral Resources
HKFRS 6	Exploration for and Evaluation of Mineral Resources
HKFRS 7	Financial Instruments: Disclosures
HK(IFRIC)-Int 4	Determining whether an Arrangement contains a Lease
HK(IFRIC)-Int 5	Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds

## 2.3 已頒佈但未生效之香港財務報告

### 準則之影響 (續)

香港會計準則 第39號 (修訂本)	預測集團間交易之 現金流量套期 會計法
香港會計準則 第39號 (修訂本)	公允值期權
香港會計準則 第39號及 香港財務報告 準則第4號 (修訂本)	財務擔保合約
香港財務報告 準則第1號及 6號(修訂本)	首次採納香港財務 報告準則及開採 及評估礦物資源
香港財務報告 準則第6號	開採及評估礦物 資源
香港財務報告 準則第7號	金融工具：披露
香港(國際財務 報告詮釋 委員會) — 詮釋第4號	釐定一項安排是否 包含租賃
香港(國際財務 報告詮釋 委員會) — 詮釋第5號	因解除、修復及 環境恢復基金 產生之權利

## 2.3 IMPACT OF ISSUED BUT NOT YET EFFECTIVE

### HONG KONG FINANCIAL REPORTING

#### STANDARDS (continued)

HK(IFRIC)-Int 6	Liabilities arising from Participating in a Specific Market — Waste Electrical and Electronic Equipment
HK(IFRIC)-Int 7	Applying the Restatement Approach under HKAS 29 Financial Reporting in Hyperinflationary Economies
HK(IFRIC)-Int 8	Scope of HKFRS 2
HK(IFRIC)-Int 9	Reassessment of Embedded Derivatives

The HKAS 1 Amendment shall be applied for annual periods beginning on or after 1 April 2007. The revised standard will affect the disclosures about qualitative information about the Group's objective, policies and processes for managing capital; quantitative data about what the Company regards as capital; and compliance with any capital requirements and the consequences of any non-compliance.

## 2.3 已頒佈但未生效之香港財務報告 準則之影響 (續)

香港 (國際財務 報告詮釋 委員會) — 詮釋第6號	因參與特定市場 — 廢棄電力及電子 設備產生之負債
香港 (國際財務 報告詮釋 委員會) — 詮釋第7號	按過度通貨膨脹的 經濟情況財務 報告之香港會計 準則第29號實施 重列的處理
香港 (國際財務 報告詮釋 委員會) — 詮釋第8號	香港財務報告準則 第2號之適用 範圍
香港 (國際財務 報告詮釋 委員會) — 詮釋第9號	嵌入衍生工具之 價值重估

香港會計準則第1號(修訂本)將應用於二零零七年四月一日或其後開始的年度期間。經修訂之準則將影響有關本集團之目標、政策及資本管理過程中量化資料之披露；有關本公司視為資本之量化數據；以及任何資本需求規定及不符合規定之後果。

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## 2.3 IMPACT OF ISSUED BUT NOT YET EFFECTIVE

### HONG KONG FINANCIAL REPORTING

#### STANDARDS (continued)

HKFRS 7 requires disclosures relating to financial instruments and incorporates many of the disclosure requirements of HKAS 32. This HKFRS shall be applied for annual periods beginning on or after 1 April 2007.

In accordance with the amendments to HKAS 39 regarding financial guarantee contracts, financial guarantee contracts are initially recognised at fair value and are subsequently measured at the higher of (i) the amount determined in accordance with HKAS 37 and (ii) the amount initially recognised, less, when appropriate, cumulative amortisation recognised in accordance with HKAS 18. The adoption of the amendments to HKAS 39 and HKFRS 4 will result in the recognition of a financial liability in the Company's and the Group's balance sheet in respect of corporate guarantees given by the Company in connection with banking facilities granted to its subsidiaries and associate.

## 2.3 已頒佈但未生效之香港財務報告

### 準則之影響 (續)

香港財務報告準則第7號要求關於金融工具的披露，並加入香港會計準則第32號的披露要求。此項香港財務報告準則適用於二零零七年四月一日或其後開始的年度期間。

根據有關財務擔保合約的香港會計準則第39號修訂本，財務擔保合約原先乃按公允值確認，之後則按以下較高者計量(i)按香港會計準則第37號釐定的金額；及(ii)原先確認的金額，減除，當適用，按香港會計準則第18號已確認的累計攤銷。採納香港會計準則第39號修訂本及香港財務報告準則第4號，本公司為附屬公司及聯營公司獲授的銀行信貸額所作的公司擔保，須作為財務負債確認於本公司及本集團的資產負債表中。

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

The HKAS 19 Amendment, HKAS 21 Amendment, HKAS 39 Amendment regarding cash flow hedge accounting of forecast intragroup transactions, HKFRSs 1 and 6 Amendments, HKFRS 6, HK(IFRIC)-Int 5 and HK(IFRIC)-Int 6, HK(IFRIC)-Int 7, HK(IFRIC)-Int 8 and HK(IFRIC)-Int 9 do not apply to the activities of the Group. HK(IFRIC)-Int 6 and HK(IFRIC)-Int 7 shall be applied for annual periods beginning on or after 1 April 2006. HK(IFRIC)-Int 8 and HK(IFRIC)-Int 9 shall be applied for annual periods beginning on or after 1 April 2007.

Except as stated above, the Group expects that the adoption of the pronouncements listed above will not have any significant impact on the Group's financial statements in the period of initial application.

**2.3 已頒佈但未生效之香港財務報告  
準則之影響 (續)**

香港會計準則第19號(修訂本)、香港會計準則第21號(修訂本)、香港會計準則第39號(修訂本)關於預測集團內公司間交易的現金流量對沖會計處理、香港財務報告準則第1號及第6號(修訂本)、香港財務報告準則第6號、香港(國際財務報告詮釋委員會) — 詮釋第5號、香港(國際財務報告詮釋委員會) — 詮釋第6號、香港(國際財務報告詮釋委員會) — 詮釋第7號、香港(國際財務報告詮釋委員會) — 詮釋第8號及香港(國際財務報告詮釋委員會) — 詮釋第9號均不適用於本集團業務。香港(國際財務報告詮釋委員會) — 詮釋第6號及香港(國際財務報告詮釋委員會) — 詮釋第7號分別適用於二零零六年四月一日或其後開始的年度期間。香港(國際財務報告詮釋委員會) — 詮釋第8號及香港(國際財務報告詮釋委員會) — 詮釋第9號將適用於從二零零七年四月一日或其後開始的年度期間。

除上文呈列者外，本集團預期採用上述財務報告準則於初期應用時將不會對本集團的財務報告表產生任何重大影響。



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## 2.4 SUMMARY OF THE IMPACT OF CHANGES IN ACCOUNTING POLICIES

### (a) Effect on the consolidated balance sheet

## 2.4 會計政策變動之影響概要

### (a) 對綜合資產負債表之影響

Effect of adopting 採用下列之影響									
Effect of new policies (Increase/(decrease))	HKAS 17 # Prepaid land lease payments	HKAS 39 * Derivative financial instruments	HKAS 39 * Discounted bills with recourse	HKAS 40 * Surplus on revaluation of investment properties	HKFRS 2# Equity-settled share option arrangement	HKFRS 3 *	HK(SIC)-Int 21# Deferred tax on revaluation of investment properties	HK(IFRIC)-Int 1# Provision for obligations on decommissioning, restoration and similar liabilities	Total
						Derecognition			
						of goodwill			
						and negative			
						goodwill			
previously eliminated against reserves									
香港財務報告 準則第3號*									
香港會計準則 第17號#									
香港會計準則 第39號*									
香港會計準則 第39號*									
香港會計準則 第40號*									
香港財務報告 準則第2號#									
儲備對銷之									
商譽及負商譽									
物業之									
同類債務									
責任的撥備									
總計									
	HK\$'000	HK\$'000	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	港幣千元	港幣千元

At 1 April 2005	於二零零五年 四月一日									
Assets	資產									
Property, plant and equipment	物業、廠房及設備	(19,052 )	—	—	—	—	—	1,869	(17,183 )	
Prepaid land lease payments	預付土地租賃款	22,117	—	—	—	—	—	—	22,117	
Prepayments, deposits and other receivables	預付款項、訂金及 其他應收賬款	(3,065 )	—	—	—	—	—	—	(3,065 )	
Derivative financial assets	衍生金融資產	—	17,915	—	—	—	—	—	17,915	
Trade and bills receivable	應收賬款及應收票據	—	—	239,543	—	—	—	—	239,543	
									259,327	
Liabilities/equity	負債／權益									
Deferred tax liabilities	遞延稅項負債	—	3,009	—	—	—	1,886	—	4,895	
Interest-bearing bank borrowings	附息銀行貸款	—	—	239,543	—	—	—	—	239,543	
Other payables and accrued liabilities	其他應付賬款及 應計負債	—	—	—	—	—	—	3,025	3,025	
Goodwill on acquisition reserve	收購產生之商譽儲備	—	—	—	—	110,603	—	—	110,603	
Investment property revaluation reserve	投資物業重估 儲備	—	—	—	(1,421 )	—	(301 )	—	(1,722 )	
Asset revaluation reserve	資產重估儲備	—	—	—	—	—	(1,585 )	—	(1,585 )	
Share option reserve	購股權儲備	—	—	—	5,369	—	—	—	5,369	
Retained profits	保留溢利	—	14,906	—	1,421	(5,369 )	(110,603 )	(1,156 )	(100,801 )	
									259,327	

\* Adjustments taken effect prospectively from 1 April 2005

# Adjustments/presentation taken effect retrospectively

\* 二零零五年四月一日起生效之調整

# 追溯生效之調整/列報

## 2.4 SUMMARY OF THE IMPACT OF CHANGES IN

### ACCOUNTING POLICIES (continued)

#### (a) Effect on the consolidated balance sheet

(continued)

## 2.4 會計政策變動之影響概要 (續)

#### (a) 對綜合資產負債表之影響 (續)

		Effect of adopting 採用下列之影響								Total
		HKAS 17 Prepaid land lease payments	HKAS 39 Derivative financial instruments	HKAS 39 Discounted bills with recourse	HKAS 40 Surplus on revaluation of investment properties	HKFRS 2 Equity-settled share option arrangement	HKFRS 3 Derecognition of goodwill and negative goodwill previously eliminated against reserves	HK(SIC)-Int 21 Deferred tax on revaluation of investment properties	HK(IFRIC)-Int 1 Provision for decommissioning, restoration and similar liabilities	
Effect of new policies (increase/(decrease))							香港財務報告 準則第3號	香港(會計準則 詮釋委員會)一 號 詮釋第21號	香港(國際財務報告 詮釋委員會)一 號 詮釋第1號	
		香港會計準則 第17號 預付 土地租賃款	香港會計準則 第39號 衍生 金融工具	香港會計準則 第39號 有追索權之 票據貼現	香港會計準則 第40號 投資物業 重估盈餘	香港財務報告 準則第2號 權益結算 購股權安排	在前期已於 儲備對銷之 商譽及負商譽 的終止確認	詮釋第21號 重估投資 物業之 遞延稅項	詮釋第1號 拆除、修復及 同類債務 責任的撥備	
		HK\$'000	HK\$'000	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	港幣千元	港幣千元
31 March 2006	於二零零六年 三月三十一日									
Assets	資產									
Property, plant and equipment	物業、廠房及設備	(22,093 )	—	—	—	—	—	—	3,453	(18,640 )
Prepaid land lease payments	預付土地租賃款	25,175	—	—	—	—	—	—	—	25,175
Prepayments, deposits and other receivables	預付款項、訂金及 其他應收賬款	(3,082 )	—	—	—	—	—	—	—	(3,082 )
Trade and bills receivable	應收賬款及應收票據	—	—	149,069	—	—	—	—	—	149,069
										152,522
Liabilities/equity	負債／權益									
Deferred tax liabilities	遞延稅項負債	—	—	—	—	—	—	2,584	—	2,584
Interest-bearing bank borrowings	附息銀行貸款	—	—	149,069	—	—	—	—	—	149,069
Other payables and accrued liabilities	其他應付賬款及 應計負債	—	—	—	—	—	—	—	5,200	5,200
Goodwill on acquisition reserve	收購產生之商譽儲備	—	—	—	—	—	110,603	—	—	110,603
Investment property revaluation reserve	投資物業重估 儲備	—	—	—	(4,714 )	—	—	—	—	(4,714 )
Asset revaluation reserve	資產重估儲備	—	—	—	—	—	—	(1,585 )	—	(1,585 )
Share option reserve	購股權儲備	—	—	—	—	10,276	—	—	—	10,276
Retained profits	保留溢利	—	—	—	4,714	(10,276 )	(110,603 )	(999 )	(1,747 )	(118,911 )
										152,522

31 March 2006 二零零六年三月三十一日

## 2.4 SUMMARY OF THE IMPACT OF CHANGES IN

### ACCOUNTING POLICIES (continued)

#### (b) Effect on the balances of equity at 1 April 2004 and at 1 April 2005

## 2.4 會計政策變動之影響概要 (續)

#### (b) 對二零零四年四月一日及二零零五年四月一日之權益結餘之影響

Effect of new policies (Increase/(decrease))	Effect of adopting 採用下列之影響						Total
	HKAS 39 Derivative financial instruments	HKAS 40 Surplus on revaluation of investment properties	HKFRS 2 Equity-settled share option arrangements	HKFRS 3 Derecognition of goodwill and negative goodwill previously eliminated against reserves	HK(SIC)-Int 21 Deferred tax on revaluation of investment properties	HK(IFRIC)-Int 1 Provision for obligations on decommissioning, restoration and similar liabilities	
	香港會計準則 第39號 衍生 金融工具	香港會計準則 第40號 投資物業 重估盈餘	香港財務報告 準則第2號 權益結算 購股權安排	香港財務報告 準則第3號 在前期已於 儲備對銷 之商譽及負商 譽之終止確認	香港(會計準則 詮釋委員會)－ 詮釋第21號 重估投資 物業之 遞延稅項	香港(國際財務報告 詮釋委員會)－ 詮釋第1號 拆除、修復及 同類債務 責任的撥備	總計
	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元
1 April 2004 二零零四年四月一日							
Investment property 投資物業重估							
revaluation reserve 儲備	—	—	—	—	(301)	—	(301)
Asset revaluation reserve 資產重估儲備	—	—	—	—	(1,585)	—	(1,585)
Share option reserve 購股權儲備	—	—	93	—	—	—	93
Retained profits 保留溢利	—	—	(93)	—	—	—	(93)
							(1,886)
1 April 2005 二零零五年四月一日							
Goodwill on acquisition 收購產生之商譽							
reserve 儲備	—	—	—	110,603	—	—	110,603
Investment property 投資物業重估							
revaluation reserve 儲備	—	(1,421)	—	—	(301)	—	(1,722)
Asset revaluation reserve 資產重估儲備	—	—	—	—	(1,585)	—	(1,585)
Share option reserve 購股權儲備	—	—	5,369	—	—	—	5,369
Retained profits 保留溢利	14,906	1,421	(5,369)	(110,603)	—	(1,156)	(100,801)
							11,864



31 March 2006 二零零六年三月三十一日

**2.4 SUMMARY OF THE IMPACT OF CHANGES IN****ACCOUNTING POLICIES** (continued)**(c) Effect on the consolidated income statements for the years ended 31 March 2006 and 2005****2.4 會計政策變動之影響概要 (續)****(c) 對截至二零零六年及二零零五年三月三十一日止年度之綜合利潤表之影響**

		Effect of adopting 採用下列之影響							Total
		HKAS 39 Derivative financial instruments	HKAS 40 Surplus on revaluation of investment properties	HKAS 1 Share of post-tax profit and loss of an associate	HKAS 38 Intangible assets	HKFRS 2 Employee share option scheme	HK(SIC)-Int 21 Deferred tax on revaluation of investment properties	HK(IFRIC)-Int 1 Provision for obligations on decommissioning, restoration and similar liabilities	
Effect of new policies		香港會計準則 第39號 衍生 金融工具	香港會計準則 第40號 投資物業 重估盈餘	香港會計 準則第1號 應佔聯營公司 除稅後溢利及虧損	香港會計 準則第38號 無形資產	香港財務報告 準則第2號 僱員購股權計劃	香港（會計準則 詮釋委員會） — 詮釋第21號 重估投資物業之 遞延稅項	香港（國際財務報告 詮釋委員會） — 詮釋第1號 拆除、修復及同類 債務責任的撥備	
		HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元
Year ended 31 March 2006	截至二零零六年 三月三十一日止年度								
Decrease in other income	其他收入減少	—	(3,991)	—	—	—	—	—	(3,991)
Decrease/(increase) in administrative expenses	行政費用之減少／ （增加）	—	—	—	2,926	(4,907)	—	(1,747)	(3,728)
Decrease in share of profit of an associate	應佔聯營公司溢利之 減少	—	—	(5,617)	—	—	—	—	(5,617)
Decrease in tax	稅項之減少	—	—	5,617	—	—	698	—	6,315
Total increase/(decrease) in profit	溢利增加／（減少） 總額	—	(3,991)	—	2,926	(4,907)	698	(1,747)	(7,021)
Increase/(decrease) in basic earnings per share (HK cents)	每股基本盈利 增加／（減少） （港幣仙）	—	(0.3)	—	0.22	(0.37)	0.05	(0.13)	(0.53)
Increase/(decrease) in diluted earnings per share (HK cents)	每股攤薄後盈利 增加／（減少） （港幣仙）	—	(0.3)	—	0.22	(0.37)	0.05	(0.13)	(0.53)

31 March 2006 二零零六年三月三十一日

## 2.4 會計政策變動之影響概要 (續)

**ACCOUNTING POLICIES** (continued)

**(c) Effect on the consolidated income statements for the years ended 31 March 2006 and 2005 (continued)**

(c) 對截至二零零六年及二零零五年三月三十一日止年度之綜合利潤表之影響(續)

		Effect of adopting 採用下列之影響								
							HK(IFRIC)-Int 1 Provision for obligations on decommissioning, restoration and similar liabilities	Total		
		HKAS 39 Derivative financial instruments	HKAS 40 Surplus on revaluation of investment properties	HKAS 1 Share of post-tax profit and loss of an associate	HKAS 38 Intangible assets	HKFRS 2 Employee share option scheme	HKFRS 3 Discontinuing of amortisation of goodwill/ recognition of negative goodwill	HK(SIC)-Int 21 Deferred tax on revaluation of investment properties	香港(會計準則 詮釋委員會) — 詮釋第21號 遞延稅項	香港(國際財務報告 詮釋委員會) — 詮釋第1號 拆除、修復及同類 債務責任的撥備
Effect of new policies		香港會計準則 第39號 衍生 金融工具	香港會計準則 第40號 投資物業 重估盈餘	香港會計 準則第1號 應佔聯營公司 除稅後 溢利及虧損	香港會計 準則第38號 無形資產	香港財務報告 準則第2號 僱員購股權計劃	香港財務報告 準則第3號 終止商譽之攤銷／ 負商譽之確認	香港(會計準則 詮釋委員會) — 詮釋第21號 遞延稅項	香港(國際財務報告 詮釋委員會) — 詮釋第1號 拆除、修復及同類 債務責任的撥備	總計
		HK\$'000	HK\$'000	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	港幣千元	港幣千元
Year ended 31 March 2005	截至二零零五年 三月三十一日 止年度									
Increase in administrative expenses	行政費用之 增加	—	—	—	—	(5,276 )	—	—	(1,156 )	(6,432 )
Decrease in share of profit of an associate	應佔聯營公司溢利 之減少	—	—	(4,003 )	—	—	—	—	—	(4,003 )
Decrease in tax	稅項之減少	—	—	4,003	—	—	—	—	—	4,003
Total decrease in profit	溢利減少總額	—	—	—	—	(5,276 )	—	—	(1,156 )	(6,432 )
Decrease in basic earnings per share (HK cents)	每股基本盈利減少 (港幣仙)	—	—	—	—	(0.4 )	—	—	(0.09 )	(0.49 )
Decrease in diluted earnings per share (HK cents)	每股攤薄盈利減少 (港幣仙)	—	—	—	—	(0.39 )	—	—	(0.09 )	(0.48 )

## 2.5 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### Subsidiaries

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

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

### Associates

An associate is an entity, not being a subsidiary, in which the Group has a long term interest of generally not less than 20% of the equity voting rights and over which it is in a position to exercise significant influence.

The Group's share of the post-acquisition results and reserves of an associate is included in the consolidated income statement and consolidated reserves, respectively. The Group's interest in an associate is stated in the consolidated balance sheet at the Group's share of net assets under the equity method of accounting, less any impairment loss. Adjustments are made to bring into line any dissimilar accounting policies that may exist.

## 2.5 主要會計政策的概要

### 附屬公司

附屬公司乃本公司直接或間接地控制其財務及營運政策之實體，藉以從其業務得益。

附屬公司業績計入本公司利潤表，以已收及應收股息為限。本公司於附屬公司權益按原值入賬，撇減任何減值損失。

### 聯營公司

聯營公司乃附屬公司以外之實體，本集團長期持有其實質擁有投票權一般不少於20%及本集團之地位足以對其行使重大影響力之公司。

本集團應佔聯營公司收購日後之業績及儲備，已分別列入綜合利潤表及綜合儲備內。而本集團於聯營公司權益則按本集團應佔之資產淨值按權益法計算減去任何減值損失，列入綜合資產負債表內。本報表經已作出調整以使任何可能存在之不同會計政策一致。

31 March 2006 二零零六年三月三十一日

## 2.5 SUMMARY OF SIGNIFICANT ACCOUNTING

### POLICIES (continued)

#### Goodwill

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

*Goodwill on acquisitions for which the agreement date is on or after 1 April 2005*

Goodwill arising on acquisition is initially recognised in the consolidated balance sheet as an asset at cost and is subsequently measured at cost less any accumulated impairment losses. In the case of associates, goodwill is included in the carrying amount thereof, rather than as a separately identified asset on the consolidated balance sheet.

The carrying amount of goodwill is reviewed for impairment annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired.

## 2.5 主要會計政策的概要 (續)

#### 商譽

收購附屬公司及聯營公司所產生之商譽指業務合併成本超逾本集團所佔於收購日期所收購之可識別資產與負債和或有負債之公允值淨額之差額。

*協議日期為二零零五年四月一日或之後的因收購而產生之商譽*

收購所產生之商譽乃於綜合資產負債表中以資產確認，初步按成本計算，並於隨後按成本減任何累計減值虧損計量。如屬聯營公司，商譽乃包括在其賬面金額之內，而非在綜合資產負債表中作獨立識別資產。

商譽之賬面值須每年進行減值檢討，或某些事項或情形之變動顯示賬面值可能發生減值時更頻繁地進行檢討。

## 2.5 SUMMARY OF SIGNIFICANT ACCOUNTING

### POLICIES (continued)

#### Goodwill (continued)

Goodwill on acquisitions for which the agreement date is on or after 1 April 2005 (continued)

For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units, or groups of cash-generating units, that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the Group are assigned to those units or groups of units. Each unit or group of units to which the goodwill is so allocated:

- represents the lowest level within the Group at which the goodwill is monitored for internal management purposes; and
- is not larger than a segment based on either the Group's primary or the Group's secondary reporting format determined in accordance with HKAS 14 "Segment Reporting".

Impairment is determined by assessing the recoverable amount of the cash-generating unit (group of cash-generating units), to which the goodwill relates. Where the recoverable amount of the cash-generating unit (group of cash-generating units) is less than the carrying amount, an impairment loss is recognised.

## 2.5 主要會計政策的概要 (續)

#### 商譽 (續)

協議日期為二零零五年四月一日或之後的因收購而產生之商譽(續)

就進行減值測試而言，於業務合併時所得到的商譽於收購日起分配至預期可受惠於合併協同效益之本集團各個現金產生單元或現金產生單元組別，而不論本集團其他資產或負債是否已分配予該等單元或單元組別。獲分配商譽之各單位或單位組別：

- 指就內部管理目的，本集團最低監察商譽的層次；及
- 不得超出根據香港會計準則第14號「分部報告」釐定之本集團主要或次要呈報方式為基礎之分類。

減值乃取決評估與商譽有關之現金產生單位(現金產生單位組別)之可收回金額釐定。倘現金產生單位(現金產生單位組別)之可收回金額少於賬面金額，則確認減值虧損。



31 March 2006 二零零六年三月三十一日

## 2.5 SUMMARY OF SIGNIFICANT ACCOUNTING

### POLICIES (continued)

#### Goodwill (continued)

*Goodwill on acquisitions for which the agreement date is on or after 1 April 2005 (continued)*

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

An impairment loss recognised for goodwill is not reversed in a subsequent period.

*Goodwill previously eliminated against the consolidated reserves*

Prior to the adoption of SSAP 30 "Business Combinations" in 2001, goodwill arising on acquisition was eliminated against the consolidated reserves in the year of acquisition. On the adoption of HKFRS 3, such goodwill is transferred to the opening balance of consolidated retained profits and is not recognised in profit or loss when all or part of the business to which the goodwill relates is disposed of or when a cash-generating unit to which the goodwill relates becomes impaired.

## 2.5 主要會計政策的概要 (續)

#### 商譽 (續)

*協議日期為二零零五年四月一日或之後的因收購而產生之商譽 (續)*

倘商譽構成現金產生單位 (現金產生單位組別) 之一部份，而該現金產生單位之部份業務已出售，則與該已出售業務相關之商譽於釐定出售該業務之損益時計入該業務之賬面金額。在此情況下出售之商譽乃根據所出售業務之相關價值及保留之現金產生單位部分計算。

商譽減值虧損不會於期後回撥。

*過往於綜合儲備中撇銷之商譽*

於二零零一年採納會計實務準則第30號「企業合併」前，因收購所產生之商譽乃於收購年度與綜合儲備撇銷。於採納香港財務報告準則第3號後，該等商譽已調撥至綜合保留溢利的期初結餘，且於與商譽有關之全部或部份業務被出售或與商譽有關之現金產生單位出現減值時不會於損益中確認。

**2.5 SUMMARY OF SIGNIFICANT ACCOUNTING****POLICIES** *(continued)***Impairment of assets**

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

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

**2.5 主要會計政策的概要 (續)****資產減值**

倘有跡象顯示出現減值或須就資產進行年度減值測試(存貨、金融資產、投資物業及商譽除外)，則會估計收回金額。資產之可收回金額按資產或產生現金單位的使用價值或公允值減出售成本(以較高者為準)而計算，並就個別資產而釐定，除非有關資產並無產生大致上獨立於其他資產或資產組別之現金流量，在此情況下，可收回金額就資產所屬的現金產生單位而釐定。

只有當資產之賬面值超逾其可收回金額時始會確認減值虧損。於評估使用價值時，估計日後現金流量按可反映現時市場評估之貨幣時間價值及資產特定風險之稅前貼現率貼現至現值。減值虧損乃於產生期內從利潤表中扣除，惟倘資產乃按重估金額入賬，則須按照重估資產所適用之有關會計政策處理減值虧損。

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## 2.5 SUMMARY OF SIGNIFICANT ACCOUNTING

### POLICIES (continued)

#### Impairment of assets (continued)

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

#### Related parties

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

- (a) the party, directly or indirectly through one or more intermediaries, (i) controls, is controlled by, or is under common control with, the Group; (ii) has an interest in the Group that gives it significant influence over the Group; or (iii) has joint control over the Group;

## 2.5 主要會計政策的概要 (續)

#### 資產減值 (續)

於各申報日均評估有否跡象顯示以往確認之減值虧損可能不再存在或已減少。如存在該等跡象，則須評估可收回金額。過往已獲確認之資產(商譽除外)減值虧損僅會於可收回金額釐定基準出現變動時方予撥回過去已確認的減值虧損。撥回之結果不會令該賬面金額高於倘該資產往年並無確認減值虧損，惟扣除任何折舊／攤銷後而釐訂之賬面值。獲撤銷之減值虧損乃於產生期內計入利潤表，惟倘有關資產乃按重估金額列賬，則須按照往重估資產所適用之有關會計政策處理獲撤銷之減值虧損。

#### 關連人士

關連人士在下列情況下，有關人士將視為本集團之關連人士：

- (a) 有關人士直接或透過一名或多名中介人間接：(i)控制本集團、受控於本集團或與本集團共同受控制；(ii)其於本集團之權益使其得以對本集團發揮重大影響力；或(iii)與他人共同擁有本集團之控制權；

**2.5 SUMMARY OF SIGNIFICANT ACCOUNTING****POLICIES** *(continued)***Related parties** *(continued)*

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

**2.5 主要會計政策的概要 (續)****關連人士 (續)**

- (b) 有關人士為一間聯營公司；
- (c) 有關人士為本集團或其母公司之主要管理人員；
- (d) 有關人士為(a)或(c)項所述人士之家庭成員；
- (e) 有關人士為(c)或(d)所指之任何人士所直接或間接控制、與他人共同控制或能對其發影響力或於當中行使重大投票權之實體；或
- (f) 有關人士為就本集團或屬於本集團關連人士的任何實體為僱員利益而設立的受僱後福利計劃。

31 March 2006 二零零六年三月三十一日

## 2.5 SUMMARY OF SIGNIFICANT ACCOUNTING

### POLICIES (continued)

#### Property, plant and equipment and depreciation

Property, plant and equipment, other than investment properties and construction in progress, are stated at cost or valuation less accumulated depreciation and any impairment losses. The cost of an item of property, plant and equipment comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use. Expenditure incurred after items of property, plant and equipment have been put into operation, such as repairs and maintenance, is normally charged to the income statement in the period in which it is incurred. In situations where it can be clearly demonstrated that the expenditure has resulted in an increase in the future economic benefits expected to be obtained from the use of an item of property, plant and equipment and the cost of the item can be measured reliably, the expenditure is capitalised as an additional cost of that asset or as a replacement.

Changes in the values of property, plant and equipment are dealt with as movements in the asset revaluation reserve. If the total of this reserve is insufficient to cover a deficit, on an individual asset basis, the excess of the deficit is charged to the income statement. Any subsequent revaluation surplus is credited to the income statement to the extent of the deficit previously charged. On disposal of a revalued asset, the relevant portion of the asset revaluation reserve realised in respect of previous valuations is transferred to retained profits as a movement in reserves.

## 2.5 主要會計政策的概要 (續)

#### 物業、廠房及設備與折舊

除投資物業及在建工程外，物業、廠房及設備均按原值或估值減累計折舊及減值虧損入賬。物業、廠房及設備之成本包括資產之購買價及將資產達至運作狀況及地點以作其計劃用途所產生之任何直接應計成本。物業、廠房及設備投入運作後之開支，如維修及保養之費用，一般在產生期間於利潤表中扣除。當明顯證明上述開支已致使預期日後因使用該物業、廠房及設備而取得之經濟利益增加，則該開支會作資本化，列為該固定資產之增加成本。

物業、廠房及設備價值之變動計入資產重估儲備。如儲備總額不足以抵銷減值（按個別資產為基準），則差額會於利潤表內扣除。之後任何估值溢價也直接反映於利潤表中，直至完全抵銷以往反映於利潤表的不足額為止。於出售已重估之資產時，過往估值列入資產重估儲備賬內之相關部份須變現及轉至保留溢利作儲備變動。

## 2.5 SUMMARY OF SIGNIFICANT ACCOUNTING

### POLICIES (continued)

#### Property, plant and equipment and depreciation

(continued)

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

Leasehold land and buildings	25 years or over the remaining lease terms, whichever is shorter
Leasehold improvements	Over the remaining lease terms
Plant and machinery	10 – 20 years
Furniture, fixtures and office equipment	5 years
Motor vehicles	5 years
Yacht	5 years

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

Residual values, useful lives and the depreciation method are reviewed, and adjusted if appropriate, at each balance sheet date.

## 2.5 主要會計政策的概要 (續)

#### 物業、廠房及設備與折舊 (續)

折舊之計算方法乃按個別物業、廠房及設備之估計可使用年期以直線法撇銷其原值或估值至剩餘價值。就此目的而估計之可使用年期如下：

租賃土地及樓宇	25年或按餘下之租賃年期，按其中較短者
租賃樓宇裝修	按餘下之租賃年期
廠房及機械	10 – 20年
傢俬、裝置及辦公室設備	5年
汽車	5年
遊艇	5年

倘一項物業、廠房及設備之部份擁有不同之可使用年期，該項目之成本或估值按合理基礎分配於其各部份，並單獨計提其折舊。

剩餘價值、可使用年期和折舊方法於每個結算日進行檢討和適當修正。

31 March 2006 二零零六年三月三十一日

## 2.5 SUMMARY OF SIGNIFICANT ACCOUNTING

### POLICIES (continued)

#### Property, plant and equipment and depreciation (continued)

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

#### Construction in progress

Construction in progress represents a building under construction, which is stated at cost less any impairment losses, and is not depreciated. Cost comprises the direct costs of construction. Construction in progress is reclassified to the appropriate category of property, plant and equipment when completed and ready for use.

#### Investment properties

Investment properties are interests in land and buildings (including the leasehold interest under an operating lease for property which would otherwise meet the definition of an investment property) held to earn rental income and/or for capital appreciation, rather than for use in the production or supply of goods or services or for administrative purposes; or for sale in the ordinary course of business. Such properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at fair value, which reflects market conditions at the balance sheet date.

## 2.5 主要會計政策的概要 (續)

#### 物業、廠房及設備與折舊 (續)

物業、廠房及設備項目於出售或預期使用或出售該項目將不會帶來未來經濟利益時終止確認。於資產終止確認之年度於利潤表確認之任何出售或報廢之損益，為銷售所得款項淨額與相關資產賬面金額之差額。

#### 在建工程

在建工程指興建中之樓宇，其乃按成本值減任何減值虧損列賬，且不予折舊。成本為直接建築成本。當在建工程完工及可作使用會重新分類至適當之物業、廠房及設備類別。

#### 投資物業

投資物業指持有土地及樓宇權益作賺取租金收入及／或資本增值用途，而非用於生產或供應貨物或服務或作行政用途；或作一般業務過程中出售用途之土地及樓宇權益（包括在此情況以外符合投資物業定義之物業經營租賃項下之租賃權益）。該等物業初步按成本，包括交易成本，列賬。於初步確認後，投資物業乃按反映於結算日之市場狀況之公允值列賬。

**2.5 SUMMARY OF SIGNIFICANT ACCOUNTING****POLICIES** *(continued)***Investment properties** *(continued)*

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

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

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

**2.5 主要會計政策的概要 (續)****投資物業 (續)**

因投資物業公允值變更產生之損益於其產生年度計入利潤表。

投資物業報廢或出售產生之損益於其報廢或出售年度於利潤表確認。

當投資物業轉撥為業主擁有之物業時，改變用途當日之公允值視作為於期後會計時所用之物業成本。倘本集團以業主擁有物業佔用之物業成為投資物業，則本集團將根據「物業、廠房及設備與折舊」所述之政策將該物業入賬，直至更改用途該日為止，而該物業之賬面價值及公允值間於當日之差額，則根據上述「物業、廠房及設備與折舊」所述之政策列為重估入帳。



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## 2.5 SUMMARY OF SIGNIFICANT ACCOUNTING

### POLICIES (continued)

#### Trademarks

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

#### Leases

Leases that transfer substantially all the rewards and risks of ownership of assets to the Group, other than legal title, are accounted for as finance leases. At the inception of a finance lease, the cost of the leased asset is capitalised at the present value of the minimum lease payments and recorded together with the obligation, excluding the interest element, to reflect the purchase and financing. Assets held under capitalised finance leases are included in property, plant and equipment, and depreciated over the shorter of the lease terms and the estimated useful lives of the assets. The finance costs of such leases are charged to the income statement so as to provide a constant periodic rate of charge over the lease terms.

## 2.5 主要會計政策的概要 (續)

#### 商標

商標的可用年限已評估為無盡，本公司每年將對無盡年限的商標以個體或產生現金流的單位層面作減值測試。現時並無對該等無形資產作出攤銷。本公司每年對無盡年限的商標作出檢討，以確定有關無盡年限的評估是否繼續成立。否則，則關於由無盡年限改作有盡年限的變更，將影響未來的會計處理。

#### 租賃

凡將絕大部份資產擁有權之收益及風險，法定業權除外，轉讓予本集團之租約均列作融資租賃。於融資租賃開始時，資產原值乃按最低租金之現值資本化，並連同有關責任，不包括利息，一併列出，以反映其購置及融資。撥充資本之融資租賃資產列入物業、廠房及設備內，並按資產估計可使用年期或租賃年期，二者取較短之年期，折舊。為於租約期內在利潤表中反映穩定支出，有關租賃的財務支出須直接反映於利潤表中。

**2.5 SUMMARY OF SIGNIFICANT ACCOUNTING****POLICIES** *(continued)***Leases** *(continued)*

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

Prepaid land lease payments under operating leases are initially stated at cost and subsequently recognised on the straight-line basis over the lease terms. When the lease payments cannot be allocated reliably between the land and buildings elements, the entire lease payments are included in the cost of the land and buildings as a finance lease in property, plant and equipment.

**2.5 主要會計政策的概要 (續)****租賃 (續)**

凡出租人實際上仍保留資產擁有權之絕大部分收益及風險之租賃，均以經營租賃入賬。倘本集團為出租人，本集團按經營租賃之資產列作非流動資產及該等經營租賃之應收租金乃按租賃年期，以直線法計入利潤表。倘本集團為承租人，則按經營租賃應付之租金按租賃年期以直線法計入利潤表中。

經營租賃項下之預付土地租賃款初步按成本列賬，期後按直線法於租賃期內確認。倘租賃款項不能可靠地分配至土地及樓宇部份，則所有租賃款項均計入土地及樓宇成本作為物業、廠房及設備之融資租賃。

31 March 2006 二零零六年三月三十一日

## 2.5 SUMMARY OF SIGNIFICANT ACCOUNTING

### POLICIES (continued)

#### Inventories

Inventories are stated at the lower of cost and net realisable value. For fabric and yarn, cost is determined on a weighted average basis and, for work in progress and finished goods, cost comprises direct materials, direct labour and an appropriate proportion of overheads. For casual apparel and accessory, cost is determined on a weighted average basis and includes all costs of purchases and other costs incurred in bringing the inventories to their present location and condition. Net realisable value is based on estimated selling prices less further costs expected to be incurred to completion and disposal or to make the sale.

#### Derivative financial instruments (Applicable to the year ended 31 March 2006)

The Group uses derivative financial instruments to hedge its risks associated with interest rate and foreign currency fluctuations. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as assets when the fair value is positive and as liabilities when the fair value is negative.

Any gains or losses arising from changes in fair value on derivatives that do not qualify for hedge accounting are taken directly to net profit or loss for the year.

## 2.5 主要會計政策的概要 (續)

#### 存貨

存貨乃按原值或可變現淨值兩者之較低者入賬。布和紗方面，成本乃按加權平均法計算。半成品與成品之成本包括直接材料、直接工資及適當比例之間接費用。另外有關便服及飾物之成本則以加權平均法計算，並包括所有購進費用及其他將貨物送達至目前地點及保持狀況之成本。可變現淨值乃根據預算銷售價減去於完成及出售所需之成本計算。

#### 衍生金融工具 (適用於二零零六年三月三十一日止年度)

本集團運用衍生金融工具，以對沖其利息及外匯率波動的風險。該等衍生金融工具原初按安排合約日期的公允價值確認入賬，之後再按其後的公允價值計量。當衍生工具的公允值為正數，則以資產處理，若其公允值為負數，則以負債處理。

任何未能符合對沖會計的衍生工具，其公允值轉變的損益，須確認為該年的損益。

**2.5 SUMMARY OF SIGNIFICANT ACCOUNTING****POLICIES** *(continued)*

**Derivative financial instruments** (Applicable to the year ended 31 March 2006) *(continued)*

The fair value of forward currency contracts is calculated by reference to current forward exchange rates for contracts with similar maturity profiles.

**Loans and receivables** (Applicable to the year ended 31 March 2006)

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are carried at amortised cost using the effective interest method. Gains and losses are recognised in the income statement when the loans and receivables are derecognised or impaired, as well as through the amortisation process.

**Impairment of financial assets** (Applicable to the year ended 31 March 2006)

The Group assesses at each balance sheet date whether there is any objective evidence that a financial asset or group of financial assets is impaired.

**2.5 主要會計政策的概要 (續)**

**衍生金融工具** (適用於二零零六年三月三十一日止年度) (續)

外幣期貨合約公允值乃參照同類到期日的現有外匯期貨匯率計算。

**貸款及應收賬款** (適用於截至二零零六年三月三十一日止年度)

貸款及應收賬款指有固定或可釐定還款期且並無活躍市場報價之非衍生財務資產。該等資產以實際利率法按攤銷成本入賬。損益則於貸款及應收款項終止確認或減值時以及於攤銷過程中於利潤表中確認。

**財務資產減值** (適用於截至二零零六年三月三十一日止年度)

本集團於各結算日評估是否有客觀證據顯示一項財務資產或一個財務資產組別出現減值。

31 March 2006 二零零六年三月三十一日

## 2.5 SUMMARY OF SIGNIFICANT ACCOUNTING

### POLICIES (continued)

**Impairment of financial assets** (Applicable to the year ended 31 March 2006) (continued)

#### *Assets carried at amortised cost*

If there is objective evidence that an impairment loss on loans and receivables carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate (i.e., the effective interest rate computed at initial recognition). The carrying amount of the asset is reduced either directly or through the use of an allowance account. The amount of the impairment loss is recognised in profit or loss.

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

## 2.5 主要會計政策的概要 (續)

**財務資產減值** (適用於截至二零零六年三月三十一日止年度) (續)

#### *按已攤銷成本入賬之資產*

倘有客觀證據顯示按攤銷成本入賬貸款及應收賬款出現減值虧損，則虧損金額之計量為資產之賬面價值與按該財務資產之原來實際利率 (即原先確認時計算的實際利率) 貼現之估計未來現金流量現值價之差額 (不計未產生之未來信貸虧損)。資產之賬面金額將直接或利用準備賬扣減。減值虧損金額於損益中確認。

本集團首先評估是否有個別的客觀證據顯示個別重大之財務資產存在減值，以及評估是否有個別或共同存在的客觀證據顯示個別但不屬重大之財務存在減值。倘認為並無客觀證據顯示個別評估之財務資產，不論屬重大與否，存在減值，該資產將計入有同類信貸之風險之不同組別的財務資產，而該組別將被共同評估減值。而個別評估減值的資產及其獲確認的或將繼續確認的減值虧損將不會被計入。

**2.5 SUMMARY OF SIGNIFICANT ACCOUNTING****POLICIES** *(continued)*

**Impairment of financial assets** (Applicable to the year ended 31 March 2006) *(continued)*

*Assets carried at amortised cost (continued)*

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed. Any subsequent reversal of an impairment loss is recognised in the income statement, to the extent that the carrying value of the asset does not exceed its amortised cost at the reversal date.

**Derecognition of financial assets** (Applicable to the year ended 31 March 2006)

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

- the rights to receive cash flows from the asset have expired;
- the Group retains the rights to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a "pass-through" arrangement; or

**2.5 主要會計政策的概要 (續)**

**財務資產減值** (適用於截至二零零六年三月三十一日止年度) (續)

*按已攤銷成本入賬之資產 (續)*

倘減值虧損金額在期後減少，而該減少可客觀認為與確定減值虧損後之發生之事件有關，則撥回以往確認之減值虧損。減值虧損之任何期後撥回於利潤表確認，惟該資產之賬面價值不得超過於撥回當日之攤銷成本。

**終止確認財務資產** (適用於截至二零零六年三月三十一日止年度)

財務資產 (或如適用，一項或一組類似財務資產之一部分) 在以下情況下終止確認：

- 自資產收取現金之權利屆滿；
- 本集團保留自資產收取現金之權利，但承擔責任在沒有重大延誤直接將之交與第三者；或

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## 2.5 SUMMARY OF SIGNIFICANT ACCOUNTING

### POLICIES (continued)

**Derecognition of financial assets** (Applicable to the year ended 31 March 2006) (continued)

- the Group has transferred its rights to receive cash flows from the asset and either (a) has transferred substantially all the risks and rewards of the asset, or (b) has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Where the Group has transferred its rights to receive cash flows from an asset and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognised to the extent of the Group's continuing involvement in the asset. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Where continuing involvement takes the form of a written and/or purchased option (including a cash-settled option or similar provision) on the transferred asset, the extent of the Group's continuing involvement is the amount of the transferred asset that the Group may repurchase, except that in the case of a written put option (including a cash-settled option or similar provision) on an asset measured at fair value, the extent of the Group's continuing involvement is limited to the lower of the fair value of the transferred asset and the option exercise price.

## 2.5 主要會計政策的概要 (續)

**終止確認財務資產** (適用於截至二零零六年三月三十一日止年度) (續)

- 本集團將自資產收取現金之權利轉讓，並(a)將資產之絕大部分風險及回報轉移，或(b)概無轉讓或保留資產之絕大部分風險及回報，但已將資產控制權轉讓。

倘本集團已將自資產收取現金之權利轉讓，且概無轉讓或保留資產之絕大部分風險及回報，亦無將資產控制權轉讓，則資產將按本集團對該資產之持續參與程度確認。透過對已轉讓資產作出擔保之形式持續參與乃按資產之原來賬面金額與本集團可能須償還之最高代價中之較低者入賬。

倘透過書面及／或購入期權(包括以現金結算期權或類似條文)方式持續參與已轉讓資產，則本集團之持續參與限於本集團可購回之已轉讓資產金額，惟在資產之書面認沽期權(包括以現金結算期權或類似條文)按公允值計量之情況下除外，在此情況下，本集團之持續參與限於已轉讓資產公允值與期權行使價中之較低者。

**2.5 SUMMARY OF SIGNIFICANT ACCOUNTING****POLICIES** *(continued)***Interest-bearing loans and borrowings**

All loans and borrowings are initially recognised at the fair value of the consideration received less directly attributable transaction costs.

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method.

Gains and losses are recognised in net profit or loss when the liabilities are derecognised as well as through the amortisation process.

**Derecognition of financial liabilities** (Applicable to the year ended 31 March 2006)

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

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

**2.5 主要會計政策的概要 (續)****付息貸款及借貸**

所有貸款及借貸初步按已收代價之公允價值減直接應佔交易成本確認。

於初步確認後，付息貸款及借貸期後以實際利率法按攤銷成本入賬。

負債終止確認及於攤銷過程中產生之損益，須予確認於淨利潤或虧損中。

**終止確認財務負債** (適用於截至二零零六年三月三十一日止年度)

當負債責任獲解除或註銷或屆滿時，即終止確認財務負債。

倘現有財務負債由來自同一借方之另一筆財務負債替代，而其條款不大相同或現有負債之條款大幅修訂，則該變動或修訂被視作終止確認原有負債並確認新負債，而其賬面金額間之差異則於損益中確認。



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## 2.5 SUMMARY OF SIGNIFICANT ACCOUNTING

### POLICIES (continued)

#### Income tax

Income tax comprises current and deferred tax. Income tax is recognised in the income statement or in equity if it relates to items that are recognised, in the same or a different periods, directly in equity.

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

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

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

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

## 2.5 主要會計政策的概要 (續)

#### 所得稅

所得稅包括本期及遞延稅項。所得稅乃於利潤表確認，倘與在同一或不同時期直接於股本權益確認之項目有關，則於股本權益確認入賬。

本年度及過往年度之本期稅項資產及負債乃以預期可向稅務機關收回或支付金額計量。

就於結算日資產及負債之稅基與彼等就財務申報而言之賬面值間之所有暫時性差額，乃以負債法提撥遞延稅項準備。

遞延稅項負債乃就所有應課稅暫時性差額確認入賬，除了：

- 當遞延稅項負債乃因商譽或在一項非業務合併交易時既不影響會計溢利亦不影響應課稅溢利或虧損之交易中初步確認資產或負債而產生；及
- 就關乎投資於附屬公司及聯營公司之應課稅暫時性差額，倘暫時性差額之回撥時間可予控制或暫時性差額於可見將來可能不會回撥則除外。

**2.5 SUMMARY OF SIGNIFICANT ACCOUNTING****POLICIES** *(continued)***Income tax** *(continued)*

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

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

**2.5 主要會計政策的概要 (續)****所得稅 (續)**

遞延稅項資產乃於可能有應課稅溢利可用於抵銷可扣減暫時性差額及結轉未動用稅項資產及未動用稅項虧損時，就所有可扣減暫時性差額、結轉未動用稅項資產及未動用稅項虧損確認，除了：

- 當遞延稅項資產乃與在一項非業務合併交易時既不影響會計溢利亦不影響應課稅溢利或虧損之交易中初步確認資產或負債而產生可扣減暫時性差異有關；及
- 就關乎投資於附屬公司及聯營公司之可扣減暫時性差額而言，遞延稅項資產僅會在暫時性差額於可見將來可能會回撥及應課稅溢利可用於抵銷暫時性差額時確認。

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## 2.5 SUMMARY OF SIGNIFICANT ACCOUNTING

### POLICIES (continued)

#### Income tax (continued)

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

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

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

## 2.5 主要會計政策的概要 (續)

### 所得稅 (續)

遞延稅項資產之賬面值會於每個結算日檢討，倘不再可能有足夠應課稅溢利可用於抵銷全部或部份遞延稅項資產則會予以扣減。相反，倘可能有足夠應課稅溢利可用於抵銷全部或部份遞延稅項資產，則過往未確認之遞延稅項資產將於各結算日期重新評估及予以確認。

遞延稅項資產及負債乃依據於結算日已頒佈或實際實行之稅率(及稅法)，按預期於負債獲償還或資產獲變現期間適用之稅率計算。

倘於法律上有可執行權利將本期稅項資產與本期稅項負債抵銷而遞延稅項乃與相同之應課稅企業及相同之稅務機關有關時，遞延稅項資產及遞延稅項負債將予以抵銷。

**2.5 SUMMARY OF SIGNIFICANT ACCOUNTING****POLICIES** *(continued)***Cash and cash equivalents**

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

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

**Revenue recognition**

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

- (a) from the sale of goods, when the significant risks and rewards of ownership have been transferred to the buyer, provided that the Group maintains neither managerial involvement to the degree usually associated with ownership, nor effective control over the goods sold;
- (b) from the rendering of services, when the services have been provided;

**2.5 主要會計政策的概要 (續)****現金及現金等價物**

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

就資產負債表而言，現金及現金等價物包括手持及存於銀行之現金，及包括並無限制用途之定期存款。

**收益確認**

倘本集團可能獲得經濟利益及當收益可按下列基準作可靠計算時，則收益確認入賬：

- (a) 如銷售貨品，則當擁有權之重大風險及收益已轉移至買方，並且本集團並不對所出售貨品保持與擁有權相若之管理參與，亦無實際控制該等貨品；
- (b) 如提供服務，則當已提供該等服務時；

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## 2.5 SUMMARY OF SIGNIFICANT ACCOUNTING

### POLICIES *(continued)*

#### Revenue recognition *(continued)*

- (c) rental income, on a time proportion basis, over the lease terms;
- (d) franchise income, on a time proportion basis, over the franchise periods;
- (e) interest income, on an accrual basis using the effective interest method by applying the rate that discounts the estimated future cash receipts through the expected life of the financial instrument to the net carrying amount of the financial asset; and
- (f) dividend income, when the shareholders' right to receive payment has been established.

#### Dividends

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

## 2.5 主要會計政策的概要 (續)

#### 收益確認 (續)

- (c) 租金收入，以租賃期內時間的比例為基礎；
- (d) 特許經營收入，於特許經營期內時間的比例為基礎；
- (e) 利息收入，以累計基準按實際利率法於財務工具之預計可用年期，將估計未來可收取現金折價至財務資產之賬面淨額確認入賬；及
- (f) 股息收入，則當股東收取款項之權利已確立時。

#### 股息

董事建議派發之末期股息於資產負債表之權益項下重新分類，列作保留溢利之獨立分配，直至股東於股東大會批准派發該等股息。倘該等股息獲股東批准，並予以宣派，則確認為負債入賬。

**2.5 SUMMARY OF SIGNIFICANT ACCOUNTING****POLICIES** *(continued)***Dividends** *(continued)*

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

**Employee benefits***Share-based payment transactions*

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

The cost of equity-settled transactions with employees is measured by reference to the fair value at the date at which they are granted. The fair value is determined using a binomial model, further details of which are given in note 31. In valuing equity-settled transactions, no account is taken of any performance conditions, other than conditions linked to the price of the shares of the Company ("market conditions"), if applicable.

**2.5 主要會計政策的概要 (續)****股息 (續)**

中期股息由本公司同時建議及宣派，因本公司組織細則授權董事有宣派中期股息之權利。故此，中期股息於建議及宣派時隨即確認為負債。

**僱員福利***基於股權的支付交易*

本公司設有購股權計劃，為對本集團業務營運成功有所貢獻之合資格參與者提供獎勵及回報。本集團僱員（包括董事）收取以股份付款交易之方式的酬金，並據此提供服務作為取得權益工具的代價（「權益結算交易」）。

與僱員進行權益結算交易之成本乃參照其於授出日期之公允值計算。公允值乃按二項式模式釐定，詳情載於附註31。於釐定權益結算交易之價值時，除了考慮與本公司股份價格有關之條件（「市場條件」）外，如適用，其他關於表現的條件概不考慮。

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## 2.5 SUMMARY OF SIGNIFICANT ACCOUNTING

### POLICIES (continued)

#### Employee benefits (continued)

##### Share-based payment transactions (continued)

The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled, ending on the date on which the relevant employees become fully entitled to the award (the “vesting date”). The cumulative expense recognised for equity-settled transactions at each balance sheet date until the vesting date reflects the extent to which the vesting period has expired and the Group’s best estimate of the number of equity instruments that will ultimately vest. The charge or credit to the income statement for a period represents the movement in the cumulative expense recognised as at the beginning and end of that period.

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

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

## 2.5 主要會計政策的概要 (續)

### 僱員福利 (續)

#### 基於股權的支付交易 (續)

權益結算交易之成本，連同權益之相應增加，於達致有關表現及／或服務條件之期間予以確認，直至相關僱員完全獲得獎勵（「賦權日期」）為止。於賦權日期之前各結算日就權益結算交易確認之累計開支，乃反映賦權期間的終結情況及本集團對於最終將予歸屬之權益工具之最佳估計。期內利潤表扣除或撥回的金額乃代表該期間初及期末所確認的累計開支之變動。

除按市場條件歸屬的報酬外，對於最終未予歸屬的報酬，則不予確認費用。而對於按市場條件歸屬的報酬，在滿足所有其他表現條件的情況下，不論市場條件是否達到要求，均視作已歸屬。

倘修訂權益結算獎勵之條款，至少將引致確認開支，猶如有關係款並無修訂。此外，倘任何修訂增加以股份支付安排之公允值，或按於修訂日期計算在其他方面對僱員有利，則確認開支。

**2.5 SUMMARY OF SIGNIFICANT ACCOUNTING****POLICIES** *(continued)***Employee benefits** *(continued)**Share-based payment transactions (continued)*

Where an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. However, if a new award is substituted for the cancelled award, and designated as a replacement award on the date that it is granted, the cancelled and new awards are treated as if they were a modification of the original award, as described in the previous paragraph.

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

The Group has adopted the transitional provisions of HKFRS 2 in respect of equity-settled awards and has applied HKFRS 2 only to equity-settled awards granted after 7 November 2002 that had not vested on 1 April 2005 and to those granted on or after 1 April 2005.

**2.5 主要會計政策的概要 (續)****僱員福利 (續)***基於股權的支付交易 (續)*

倘註銷權益結算之獎勵，則會視作已於註銷日歸屬，而任何未確認之開支將即時確認。然而，倘以新獎勵取代被註銷獎勵，且其於授出日期被指定為替代獎勵，則如前段之描述，該已註銷及新獎勵乃視作猶如其為原先獎勵之修訂。

尚未行使購股權之攤薄影響乃於計算每股盈利時反映為額外股份攤薄。

本集團對權益結算獎賞已採納香港財務報告準則第2號過渡性條文，及已應用香港財務報告準則第2號於二零零二年十一月七日後授出，但於二零零五年四月一日仍未歸屬，及二零零五年四月一日或以後授出之權益結算獎賞。



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## 2.5 SUMMARY OF SIGNIFICANT ACCOUNTING

### **POLICIES** *(continued)*

#### **Employee benefits** *(continued)*

##### *Employment Ordinance long service payments*

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

A provision is recognised in respect of the probable future long service payments expected to be made. The provision is based on the best estimate of the probable future payments which have been earned by the employees from their service to the Group to the balance sheet date.

A further contingent liability is disclosed in respect of possible future long service payments to employees, as a number of current employees have achieved the required number of years of service to the Group, to the balance sheet date, in order to be eligible for long service payments under the Employment Ordinance if their employment is terminated in the circumstances specified. A provision has not been recognised in respect of such possible payments, as it is not considered probable that the situation will result in a material future outflow of resources from the Group.

## 2.5 主要會計政策的概要 (續)

### **僱員福利 (續)**

#### *僱傭條例長期服務金*

本集團香港僱員於完成若干服務年期後，可依據香港僱傭條例在終止僱用時，享有長期服務金。當終止僱用的情形符合僱傭條例的特定情況，本集團有責任支付該等費用。

撥備將會就預期可能須支付日後的長期服務金確認。有關撥備乃根據於結算日就僱員向本集團提供服務而可能在日後取得之金額之最佳評估款項而計算。

於結算日，由於若干現任僱員服務本集團之年數，根據僱傭條例，已屆合資格於若干情況下終止任職而可獲取長期服務金之指定年數，故已就日後可能須付予僱員之長期服務金作出或然負債披露。由於預期該等情況不大可能會導致本集團日後出現重大資源流出，故並無就有關可能支付之款項確認撥備。

**2.5 SUMMARY OF SIGNIFICANT ACCOUNTING****POLICIES** *(continued)***Employee benefits** *(continued)**Retirement benefits schemes*

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

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

**2.5 主要會計政策的概要 (續)****僱員福利 (續)***退休福利計劃*

本集團根據強制性公積金計劃條例，為所有在香港僱員設立一項定額供款強制性退休福利計劃（「強積金計劃」）。按照強積金計劃之規則，供款乃按僱員基本薪金之百分比作出，並於應付時計入利潤表。強積金計劃的資產由獨立管理之基金持有，並與本集團之資產分開。本集團作出之僱主供款繳入計劃後即全數歸僱員。

本集團於海外營運之附屬公司的僱員均須參加由地方市政府設立之中央退休保障計劃。該等附屬公司須按其收入之若干百分比向該中央退休保障計劃作出供款。根據該中央退休保障計劃的規定，供款於應付時在利潤表內扣除。

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## 2.5 SUMMARY OF SIGNIFICANT ACCOUNTING

### **POLICIES** *(continued)*

#### **Foreign currencies**

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

## 2.5 主要會計政策的概要 (續)

#### **外幣**

本財務報表乃以港幣，即本公司之功能及呈報貨幣呈列。本集團內各企業釐定其本身之功能貨幣，而計入各企業財務報表之項目將用該功能貨幣計算。外幣交易初步以功能貨幣匯率於交易日期入賬。以外幣為單位之貨幣資產及負債乃按結算日之功能貨幣匯款換算。所有差額乃計入損益。非貨幣項目乃以外幣按歷史成本法計算，並以初步交易日期之匯率換算。以外幣按公允值計算之非貨幣項目釐定公允值當日按匯率換算。

**2.5 SUMMARY OF SIGNIFICANT ACCOUNTING****POLICIES** *(continued)***Foreign currencies** *(continued)*

The functional currencies of certain overseas subsidiaries and an associate are currencies other than the Hong Kong dollar. As at the balance sheet date, the assets and liabilities of these entities are translated into the presentation currency of the Company at exchange rates ruling at the balance sheet date and, their income statements are translated into Hong Kong dollars at the weighted average exchange rates for the year. The resulting exchange differences are included in the exchange fluctuation reserve. On disposal of a foreign entity, the deferred cumulative amount recognised in equity relating to that particular foreign operation is recognised in the income statement.

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

**2.5 主要會計政策的概要 (續)****外幣 (續)**

若干海外附屬公司及聯營公司之功能貨幣為港幣以外之貨幣。於結算日，該等企業之資產及負債乃按結算日之滙率換算為本公司之呈列貨幣，而其利潤表乃按年內之加權平均滙率換算成港幣。所產生之滙兌差額乃計入滙率波動儲備。於出售海外企業時，與該海外營運相關且確認於權益中之遞延累計金額須於利潤表確認。

就綜合現金流量表而言，海外營運之附屬公司及聯營公司之現金流量以現金流量日期之適用滙率換算為港幣。海外營運之附屬公司及聯營公司於年內出現頻繁之現金流量以年內之加權平均滙率換算為港幣。

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### 3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

#### Judgements

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

#### *Classification between investment properties and owner-occupied properties*

The Group determines whether a property qualifies as an investment property and has developed criteria in making that judgement. Investment property is a property held to earn rentals or for capital appreciation or both. Therefore, the Group considers whether a property generates cash flows largely independently of the other assets held by the Group.

Some properties comprise a portion that is held to earn rentals or for capital appreciation and another portion that is held for use in the production or supply of goods or services or for administrative purposes. If these portions could be sold separately (or leased out separately under a finance lease), the Group accounts for the portions separately. If the portions could not be sold separately, the property is an investment property only if an insignificant portion is held for use in the production or supply of goods or services or for administrative purposes.

### 3. 主要會計判斷 及估計

#### 判斷

於應用本集團之會計政策之過程中，管理層已作出以下判斷，除涉及估計外，該等判斷對於財務報表中確認之金額有最大影響：

#### *投資物業及業主佔用物業 之分類*

本集團釐定一項物業是否符合投資物業資格，並已發展出作出該判斷之標準。投資物業為持有以賺取租金或資本增值或兩者之物業。因此，本集團考慮一個物業能否很大程度上獨立於本集團持有之其他資產產生現金流量。

一些物業組成以賺取租金或資本增值之部份而另一部份為持有作生產或供應貨物或服務或作行政用途。倘該等部份能作獨立出售（或以融資租賃獨立出租），則本集團將該部份作獨立處理。如該部份不能作獨立出售，則僅當該物業之重大部份為持作生產或供應貨物或服務或作行政用途之情況下，該物業方屬於投資物業。

**3. SIGNIFICANT ACCOUNTING JUDGEMENTS****AND ESTIMATES** *(continued)***Judgements** *(continued)*

*Classification between investment properties and owner-occupied properties (continued)*

Judgement is made on an individual property basis to determine whether ancillary services are so significant that a property does not qualify as investment property.

*Impairment of assets*

The Group has to exercise judgement in determining whether an asset is impaired or the event previously causing the asset impairment no longer exists, particularly in assessing: (1) whether an event has occurred that may affect the asset value or such event affecting the asset value has not been in existence; (2) whether the carrying value of an asset can be supported by the net present value of future cash flows which are estimated based upon the continued use of the asset or derecognition; and (3) the appropriate key assumptions to be applied in preparing cash flow projections including whether these cash flow projections are discounted using an appropriate rate. Changing the assumptions selected by management to determine the level of impairment, including the discount rates or the growth rate assumptions in the cash flow projections, could material affect the net present value used in the impairment test.

**3. 主要會計判斷****及估計** *(續)***判斷** *(續)*

*投資物業及業主佔用物業  
之分類(續)*

判斷乃按個別物業為基準以釐定輔助服務是否重大，致使該物業不符合投資物業資格。

*資產的減值*

本集團須行使判斷力以釐定資產有否減值或先前導致資產減值之事件是否不再存在，尤其在評估：(1)有否發生可能影響資產值之事件，或該影響資產值之事件是否已存在；(2)資產之賬面值是否可由未來現金流量之現值淨額支持，該現值淨額乃根據持續使用該資產或終止確認之基礎進行估計；及(3)編製現金流量估計將予應用之合適主要假設包括該等現金流量估計是否以合適利率貼現。改變管理層選定以釐定減值程度之假設，包括流動現金估計之貼現率或增長率假設，可能嚴重影響用於減值測試之現值淨額。

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### 3. SIGNIFICANT ACCOUNTING JUDGEMENTS

#### AND ESTIMATES (continued)

##### *Income taxes*

The Group is subject to income taxes in numerous jurisdictions. Significant judgement is required in determining the provision for income taxes worldwide. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

##### **Estimation uncertainty**

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

### 3. 主要會計判斷

#### 及估計 (續)

##### *所得稅*

本集團須繳納多個司法權區之所得稅。在釐定全球所得稅的撥備時，本集團須作出重大判斷。在一般業務過程中，有許多交易及計算均難以明確釐定最終稅項。本集團須估計未來會否繳納額外稅項，從而確認對預期稅務審核事宜之責任。倘該等事宜之最終稅務結果與起初入賬之金額不同，該等差額將影響稅務釐定期內之所得稅及遞延稅項撥備。

##### **估計不明朗因素**

有關於結日之未來及其他主要不明朗估計的主要來源之主要假設，而於下一個財政年度對資產及負債之賬面金額有造成重大調整之風險者論述如下。

**3. SIGNIFICANT ACCOUNTING JUDGEMENTS****AND ESTIMATES** *(continued)***Estimation uncertainty** *(continued)**Impairment of trademarks*

In accordance with HKAS 36 "Impairment of Assets", the Group determines whether trademarks are impaired at least on an annual basis. This requires an estimation of the value in use of the cash-generating units to which the trademarks are related. Estimating the value in use requires the Group to make an estimate of the expected future cash flows from the cash-generating unit and also to choose a suitable discount rate in order to calculate the present value of those cash flows.

*Estimation of useful lives of trademarks*

The Group assessed the useful lives of previously recognised trademarks. As a result of this assessment, the trademarks were classified as intangible assets with indefinite useful lives. This conclusion is supported by the fact that the Group's trademark legal rights are capable of being renewed indefinitely at insignificant cost and therefore are perpetual in duration, related to well known and long established fashion brands, and based on future financial performance of the Group, they are expected to generate positive cash flows indefinitely. Under HKAS 38, the Group re-evaluates the useful lives of the trademarks each year to determine whether events or circumstances continues to support the view of the indefinite useful lives of the trademarks.

**3. 主要會計判斷****及估計** *(續)***估計不明朗因素** *(續)**商譽的減值*

按香港會計準則第36號「資產的減值」，本集團至少每年檢訂一次商標是否存在減值，此須估計與該商標有關之現金產生單位之使用價值。為估計使用價值，本集團須估計現金產生單位預期將來產生的現金流量，及選擇一個合適貼現率以計算該等現金流量的淨現值。

*商標可使用年期之估計*

本集團評估以往確認的商標的可用年限。基於該評估，該等商標被分類作無盡使用年限的無形資產。由於本集團可以不重大成本不斷的更新對商標的合法權益，因此年期屬無盡。此等商標為已為人熟識及長久建立的時裝品牌，再基於本集團未來的財務表現，預期能不斷產生正現金流。根據香港會計準則第38號，本集團每年重新測算商標的可用年限，以決定有關事件或情況能否繼續支持商標為無盡使用年限的看法。



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#### 4. SEGMENT INFORMATION

Segment information is presented by way of two segment formats: (i) on a primary segment reporting basis, by business segment; and (ii) on a secondary segment reporting basis, by geographical segment.

The Group's operating businesses are structured and managed separately according to the nature of their operations and the products and services they provide. Each of the Group's business segments represents a strategic business unit that offers products and services which are subject to risks and returns that are different from those of the other business segments. Summary details of the business segments are as follows:

- (a) the production, dyeing and sale of knitted fabric and yarn segment;
- (b) the casual apparel and accessory retailing and distribution segment; and
- (c) the "others" segment principally comprises the provision of motor and generator repair and maintenance services, and the provision of franchise services.

In determining the Group's geographical segments, revenues are attributed to the segments based on the location of the markets, and assets are attributed to the segments based on the location of the assets.

#### 4. 分類資料

分類資料乃按兩種分類方式呈列：(i)主要分類呈報方式乃按業務分類；及(ii)次要分類呈報方式乃按地域分類。

本集團之營運業務劃分乃按其業務性質、產品及服務分類及管理。集團每一個業務分類代表該策略性業務之產品及服務之風險回報與其他業務不同，業務分類之摘要明細如下：

- (a) 針織布及棉紗之產銷及整染分類；
- (b) 便服及飾物零售及分銷分類；及
- (c) 「其他」分類主要包含集團汽車及發電機之維修保養和特許經營服務。

集團地域分類之決定，乃按收入之來源市場地域分類，而資產則按資產之所在地分類。

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#### 4. SEGMENT INFORMATION (continued)

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

##### (a) Business segments

The following tables present revenue, profit/(loss) and certain asset, liability and expenditure information for the Group's business segments for the years ended 31 March 2006 and 2005:

#### 4. 分類資料 (續)

業務分類間之銷售及轉撥交易之售價乃參照售予第三者之當時市場價格訂定。

##### (a) 業務分類

下表為本集團截至二零零六年及二零零五年三月三十一日止年度之業務分類收入、溢利／(虧損)及部份資產、負債及支出資料：

Group		集團									
		Production, dyeing and sale of knitted fabric and yarn 針織布及棉紗之產銷及整染		Casual apparel and accessory retailing and distribution 便服及飾物零售及分銷		Others 其他		Eliminations 對銷		Consolidated 綜合	
		2006 HK\$'000 港幣千元	2005 HK\$'000 港幣千元	2006 HK\$'000 港幣千元	2005 HK\$'000 港幣千元	2006 HK\$'000 港幣千元	2005 HK\$'000 港幣千元	2006 HK\$'000 港幣千元	2005 HK\$'000 港幣千元	2006 HK\$'000 港幣千元	2005 HK\$'000 港幣千元
			(Restated) (經修訂)		(Restated) (經修訂)						(Restated) (經修訂)
Segment revenue:	分類收入：										
Sales to external customers	售予集團外客戶	4,257,965	4,108,693	3,443,855	3,146,485	47,292	47,519	—	—	7,749,112	7,302,697
Intersegment sales	業務間之銷售	—	—	—	—	1,293	1,765	(1,293)	(1,765)	—	—
Other revenue	其他收入	39,385	48,639	18,752	23,597	2,972	4,517	—	(1,375)	61,109	75,378
Total	合計	4,297,350	4,157,332	3,462,607	3,170,082	51,557	53,801	(1,293)	(3,140)	7,810,221	7,378,075
Segment results	分類業績	516,882	425,209	(50,976)	64,237	14,857	15,943	(2,681)	(181)	478,082	505,208
Interest income	利息收入									13,436	13,541
Share of profit of an associate, net of tax	應佔聯營公司溢利， 已扣除稅項									52,705	36,273
Finance costs	財務費用									(38,533)	(10,224)
Profit before tax	除稅前溢利									505,690	544,798
Tax	稅項									(70,473)	(61,113)
Profit for the year	本年度溢利									435,217	483,685

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**4. SEGMENT INFORMATION** (continued)

**(a) Business segments** (continued)

**4. 分類資料** (續)

**(a) 業務分類** (續)

Group		集團									
		Production, dyeing and sale of knitted fabric and yarn 針織布及棉紗之產銷及整染		Casual apparel and accessory retailing and distribution 便服及飾物零售及分銷		Others 其他		Eliminations 對銷		Consolidated 綜合	
		2006	2005	2006	2005	2006	2005	2006	2005	2006	2005
		HK\$'000	HK\$'000	HK\$'000	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	港幣千元	港幣千元	港幣千元
			(Restated)		(Restated)		(Restated)				(Restated)
			(經修訂)		(經修訂)		(經修訂)				(經修訂)
<b>Assets and liabilities</b>	<b>資產及負債</b>										
Segment assets	分類資產	4,455,015	3,558,901	1,373,195	1,241,177	77,012	73,153	(880,215)	(600,136)	5,025,007	4,273,095
Interest in an associate	於聯營公司之權益									157,253	139,548
Unallocated assets	未分配資產									83,580	409,643
Total assets	總資產									5,265,840	4,822,286
Segment liabilities	分類負債	800,638	906,387	1,249,548	1,004,839	103,145	99,069	(867,358)	(589,887)	1,285,973	1,420,408
Unallocated liabilities	未分配負債									1,049,918	670,537
Total liabilities	總負債									2,335,891	2,090,945
<b>Other segment information:</b>	<b>其他分類資料:</b>										
Depreciation and amortisation	折舊及攤銷	162,646	145,409	117,244	86,409	2,131	4,994	—	—	282,021	236,812
Capital expenditure	資本性開支	147,609	391,700	203,515	235,558	136	385	—	—	351,260	627,643
Other non-cash expenses/(income)	其他非現金支出/(收入)	(10,541)	(11,620)	5,435	7,637	4,902	5,276	—	—	(204)	1,293
Changes in fair value of investment properties	投資物業公允值變更	—	—	—	—	(8,354)	(6,881)	—	—	(8,354)	(6,881)

#### 4. 分類資料 (續)

### (b) 地域分類

下表為本集團截至二零零六年及二零零五年三月三十一日止年度之地域分類收入及部份資產及支出資料：

## Group

31 March 2006 二零零六年三月三十一日

## 5. REVENUE, OTHER INCOME AND GAINS

Revenue, which is also the Group's turnover, represents the net invoiced value of goods sold, after allowances for returns and trade discounts, and the value of services rendered and franchise income, but excludes intra-group transactions.

An analysis of the Group's revenue, other income and gains is as follows:

## 5. 收入、其他收入及收益

收入，亦為本集團營業額，指扣除退貨及貿易折扣後之銷貨發票淨值，及提供服務價值及特許經營收入，但不包括集團內部交易。

本集團之收入、其他收入及收益分析如下：

		Group 集團	
		2006	2005
		HK\$'000	HK\$'000
		港幣千元	港幣千元
			(Restated)
			(經修訂)
Revenue:	收入：		
Sale of goods	銷售貨品	7,696,511	7,250,027
Rendering of services	提供服務	31,720	31,623
Franchise income	特許經營收入	20,881	21,047
		7,749,112	7,302,697
Other income and gains:	其他收入及收益：		
Interest income	利息收入	13,436	13,541
Gross rental income	總租金收入	5,785	5,449
Net fair value gains on foreign exchange derivative	外匯衍生金融 工具公允值		
financial instruments	淨收益	14,702	26,936
Fair value gains on investment properties	投資物業公允值 收益	14 8,354	6,881
Scrap sales	餘料銷售	10,122	10,621
Sundry income	雜項收入	22,146	25,491
		74,545	88,919

## 6. PROFIT BEFORE TAX

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

## 6. 除稅前溢利

本集團之稅前利潤已扣除／（加上）下列各項：

			<b>Group</b> <b>集團</b>	
		<b>2006</b> <b>HK\$'000</b> <b>港幣千元</b>	<b>2005</b> <b>HK\$'000</b> <b>港幣千元</b> <b>(Restated)</b> <b>(經修訂)</b>	
	<i>Notes</i> <i>附註</i>			
Cost of inventories sold	已售之貨物成本	<b>5,371,343</b>	5,118,121	
Depreciation	折舊	<b>281,454</b>	233,328	13
Recognition of prepaid land lease payments	預付土地租賃款之 確認	<b>567</b>	558	15
Amortisation of trademarks included in cost of sales	已包括在銷售成本中 商標攤銷	<b>—</b>	2,926	17
Employee benefits expenses, including directors' remuneration (note 7):	僱員福利開支， 包括董事 酬金（附註7）：			
Wages, salaries and other allowances	工資、薪金及 其他津貼	<b>799,426</b>	692,534	
Equity-settled share option expense	股權結算購股權 開支	<b>4,907</b>	5,276	32(b)
Provision for long service payments	長期服務金 撥備	<b>764</b>	1,155	28
Retirement benefits schemes contributions	退休福利計劃 供款	<b>13,356</b>	8,774	
Minimum lease payments under operating leases:	經營租賃下之最低 租賃款：			
Land and buildings	土地及樓宇	<b>791,001</b>	671,011	
Plant and machinery	設備及機械	<b>7,634</b>	8,006	
Auditors' remuneration	核數師酬金	<b>2,192</b>	1,838	
Loss on disposal of items of property, plant and equipment	出售物業、廠房及 設備項目虧損	<b>4,067</b>	3,610	
Net foreign exchange gains, excluding net fair value gains on foreign exchange derivative financial instruments	滙兌收益淨額， 不包括外滙衍生 金融工具公允價值 淨收益	<b>(15,088)</b>	(10,534)	
Net rental income	租金收入淨額	<b>(5,051)</b>	(5,449)	
Provision/(write-back of provision) for slow-moving inventories included in cost of sales	已包括在銷售成本中 呆滯存貨撥備／ （撥回）	<b>537</b>	(12,375)	
Impairment/(write-back of impairment) of trade receivables	應收賬款減值／ （減值撥回）	<b>(9,715)</b>	5,763	

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## 6. PROFIT BEFORE TAX (continued)

As at 31 March 2006, the Group had no forfeited contributions available to reduce its contributions to the retirement benefits schemes in future years (2005: Nil).

## 6. 除稅前溢利 (續)

於二零零六年三月三十一日，本集團並無(二零零五年：無)已作充公的退休福利計劃供款，以減少其於將來年度的供款。

## 7. DIRECTORS' REMUNERATION AND FIVE HIGHEST PAID EMPLOYEES

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

## 7. 董事酬金及五位最高薪酬僱員

按《證券上市規則》及香港公司法第161條，本年度董事酬金之披露如下：

		Group 集團	
		2006 HK\$'000 港幣千元	2005 HK\$'000 港幣千元
Fees:	袍金：		
Executive directors	執行董事	50	50
Independent non-executive directors	獨立非執行董事	675	630
		<b>725</b>	680
Other emoluments:	其他酬金：		
Executive directors:	執行董事：		
Salaries, allowances and benefits in kind	薪金、津貼及非現金福利	29,577	22,901
Performance related bonuses*	表現掛鈎花紅*	32,810	29,435
Retirement benefits schemes contributions	退休福利計劃供款	60	60
		<b>62,447</b>	52,396
		<b>63,172</b>	53,076

## 7. DIRECTORS' REMUNERATION AND FIVE HIGHEST

### PAID EMPLOYEES (continued)

- \* Executive directors of the Company are entitled to discretionary performance payments not exceeding a certain percentage of the profit after tax of the Group.

The directors were granted share options in prior years, in respect of their services to the Group, under the share option scheme of the Company. The share options granted to the directors in prior years were not subject to HKFRS 2 in accordance with the transitional provisions of HKFRS 2. Further details are set out in notes 2.2(e) and 31 to the financial statements.

#### (a) Independent non-executive directors

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

		2006	2005
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Au Son Yiu	區樂耀	225	210
Cheng Shu Wing	鄭樹榮	225	210
Wong Tze Kin, David	黃自建	225	210
		675	630

There were no other emoluments payable to the independent non-executive directors during the year (2005: Nil).

## 7. 董事酬金及五位最高薪酬僱員 (續)

- \* 本公司執行董事享有不超過本集團某個百分比的稅後利潤作為酌情支付表現掛鈎花紅。

於往年度，按本公司購股權計劃，董事就對本集團的服務獲授購股權。按香港財務報告準則第2號過渡性條文，該等於以往年度已授予董事之購股權無須按香港財務報告準則第2號入賬。詳情載於財務報表附註2.2(e)與31。

#### (a) 獨立非執行董事

於年內已支付予獨立非執行董事之袍金如下：

於年內，並無(二零零五年：無)向獨立非執行董事支付其他酬金。



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**7. DIRECTORS' REMUNERATION AND FIVE HIGHEST PAID EMPLOYEES** (continued)

**7. 董事酬金及五位最高薪酬僱員 (續)**

**(b) Executive directors**

**(b) 執行董事**

		Salaries, allowances and benefits	Performance related bonuses	Retirement benefits schemes	Total
		Fees in kind		contributions	remuneration
		薪金、 津貼及非 袍金	表現 掛鈎花紅	退休福利 計劃供款	酬金總額
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元
<b>2006</b>					
<b>Executive directors:</b>	<b>執行董事：</b>				
Poon Bun Chak	潘彬澤	10	9,003	16,330	25,355
Poon Kai Chak	潘佳澤	10	4,746	4,200	8,968
Poon Kei Chak	潘機澤	10	6,535	4,150	10,707
Poon Kwan Chak	潘鈞澤	10	4,626	4,200	8,848
Ting Kit Chung	丁傑忠	10	4,667	3,930	8,619
		<b>50</b>	<b>29,577</b>	<b>32,810</b>	<b>62,497</b>
<b>2005</b>					
<b>Executive directors:</b>	<b>執行董事：</b>				
Poon Bun Chak	潘彬澤	10	6,933	16,328	23,283
Poon Kai Chak	潘佳澤	10	3,956	4,069	8,047
Poon Kei Chak	潘機澤	10	5,218	4,039	9,279
Poon Kwan Chak	潘鈞澤	10	3,026	4,089	7,137
Ting Kit Chung	丁傑忠	10	3,768	910	4,700
		<b>50</b>	<b>22,901</b>	<b>29,435</b>	<b>52,446</b>

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## 7. DIRECTORS' REMUNERATION AND FIVE HIGHEST PAID EMPLOYEES (continued)

### (b) Executive directors (continued)

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

The five highest paid individuals employed by the Group during the year were all directors, details of whose remuneration are set out above.

## 7. 董事酬金及五位最高薪酬僱員 (續)

### (b) 執行董事 (續)

並無董事於年內放棄或同意放棄任何酬金的安排。

五位本集團最高薪酬人士於年內全為董事，其薪酬明細已呈列如上。

## 8. FINANCE COSTS

## 8. 財務費用

		Group 集團	
		2006 HK\$'000 港幣千元	2005 HK\$'000 港幣千元
Interest on bank loans and overdrafts	銀行貸款及透支利息	28,285	7,345
Interest on shareholder loan wholly repaid during the year	於年內已全數償還的股東貸款的利息	10,248	2,879
		38,533	10,224

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## 9. TAX

Hong Kong profits tax has been provided at the rate of 17.5% (2005: 17.5%) on the estimated assessable profits arising in Hong Kong during the year. Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the countries in which the Group operates, based on existing legislation, interpretations and practices in respect thereof.

## 9. 稅項

香港利得稅已按年內於香港賺取之估計應課稅溢利以稅率17.5%(二零零五年: 17.5%)提撥準備。在其他地區的應課的利得稅項,乃根據本集團業務經營所在國家之現有法律、詮釋及常規,按其現行稅率計算。

		2006	2005
		HK\$'000	HK\$'000
		港幣千元	港幣千元
			(Restated)
			(經修訂)
Group:	集團:		
Hong Kong and PRC taxes:	香港及中國稅項:		
Current year provision	本年度準備	<b>72,953</b>	62,940
Deferred tax credit (note 29)	遞延稅項回撥 (附註29)	<b>(2,480)</b>	(1,827)
Tax charge for the year	本年度稅項	<b>70,473</b>	61,113

## 9. TAX (continued)

A reconciliation of the tax expense applicable to profit before tax using the applicable rates for the countries in which the Company and its subsidiaries are domiciled to the tax charge for the year is as follows:

## 9. 稅項 (續)

按採用本公司及其附屬公司所在國家之除稅前溢利及其法定稅率計算之稅項開支與本年度稅項對賬如下：

		<b>Group</b>	
		<b>集團</b>	
		<b>2006</b>	2005
		<b>HK\$'000</b>	HK\$'000
		<b>港幣千元</b>	港幣千元
			(Restated)
			(經修訂)
Profit before tax	除稅前溢利	<b>505,690</b>	544,798
Tax at the domestic tax rates applicable to profits in the countries concerned	按有關當地國家適用於溢利之稅率計算的稅項	<b>36,025</b>	68,051
Profits and losses attributable to an associate	應佔聯營公司損益	<b>(6,878)</b>	(2,162)
Income not subject to tax	毋須繳稅之收入	<b>(20,617)</b>	(34,834)
Expenses not deductible for tax	不可作稅項扣減之費用	<b>10,946</b>	15,277
Unrecognised deferred tax assets on tax losses	有關稅項虧損之未確認遞延稅項資產	<b>60,958</b>	14,523
Tax losses utilised from previous periods	已動用過往期間之稅項虧損	<b>(1,128)</b>	(2,048)
Others	其他	<b>(8,833)</b>	2,306
Tax charge for the year	本年度稅項	<b>70,473</b>	61,113

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## 9. TAX (continued)

The share of tax attributable to an associate amounting to HK\$5,617,000 (2005: HK\$4,003,000) is included in "Share of profit of an associate" on the face of the consolidated income statement.

## 9. 稅項 (續)

應佔聯營公司稅項為港幣5,617,000元 (二零零五年：港幣4,003,000元) 已計入綜合利潤表之「應佔聯營公司溢利」中。

## 10. NET PROFIT FROM ORDINARY ACTIVITIES ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT

The net profit from ordinary activities attributable to equity holders of the parent for the year ended 31 March 2006 dealt with in the financial statements of the Company was HK\$292,328,000 (2005: HK\$279,386,000) (note 32(b)).

## 10. 母公司權益所有者應佔經常業務溢利淨額

於二零零六年三月三十一日止年度，列入本公司之財務報表內之母公司權益所有者應佔經常業務溢利淨額為港幣292,328,000元 (二零零五年：港幣279,386,000元) (附註32(b))。

## 11. DIVIDENDS

## 11. 股息

		2006 HK\$'000 港幣千元	2005 HK\$'000 港幣千元
Interim of HK11.0 cents	中期每股港幣11.0仙		
(2005: HK10.0 cents) per share	(二零零五年：港幣10.0仙)	145,889	132,598
Proposed final of HK11.0 cents	擬派末期每股港幣11.0仙		
(2005: HK11.0 cents) per share	(二零零五年：港幣11.0仙)	145,892	145,881
		291,781	278,479

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

本年度擬派之末期股息須待本公司股東於即將來臨的股東週年大會上通過。

**12. EARNINGS PER SHARE ATTRIBUTABLE TO****ORDINARY EQUITY HOLDERS OF THE PARENT**

The basic and diluted earnings per share amounts for the year ended 31 March 2006 have been calculated as follows:

**(a) Basic earnings per share**

The calculation of basic earnings per share amount is based on the net profit for the year attributable to ordinary equity holders of the parent and the weighted average number of ordinary shares in issue during the year.

**(b) Diluted earnings per share**

The calculation of diluted earnings per share amount is based on the net profit for the year attributable to ordinary equity holders of the parent. The weighted average number of ordinary shares used in the calculation is the ordinary shares in issue during the year, as used in the basic earnings per share calculation and the weighted average number of ordinary shares assumed to have been issued at no consideration on the deemed exercise or conversion of all dilutive potential ordinary shares into ordinary shares.

**12. 歸屬母公司普通權益所有者****每股盈利**

二零零六年三月三十一日止年度之基本及攤薄後之每股盈利計算如下：

**(a) 基本每股盈利**

基本每股盈利乃按母公司普通權益所有者應佔本年度溢利淨額及已發行股份之加權平均數計算。

**(b) 攤薄後之每股盈利**

攤薄後之每股盈利乃按本年度之母公司普通權益所有者應佔本年度溢利淨額。用於計算年內已發行普通股之加權平均股數乃用於計算基本每股盈利之股數，及被視作以無償行使或轉換所有具攤薄潛力普通股為普通股的加權平均股數。

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**12. EARNINGS PER SHARE ATTRIBUTABLE TO**
**ORDINARY EQUITY HOLDERS OF THE PARENT**
*(continued)*

The calculations of basic and diluted earnings per share are based on:

**12. 歸屬母公司普通權益所有者**
**每股盈利 (續)**

基本及攤薄後之每股盈利計算如下：

		<b>2006</b>	2005
		<b>HK\$'000</b>	HK\$'000
		<b>港幣千元</b>	港幣千元
			<i>(Restated)</i>
			<i>(經修訂)</i>
<b>Earnings</b>	<b>盈利</b>		
Net profit attributable to	母公司普通權益		
ordinary equity holders	所有者應佔溢利		
of the parent, used in	淨額，用於		
the basic earnings per	計算每股		
share calculation	基本盈利	<b>480,253</b>	461,799



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**12. EARNINGS PER SHARE ATTRIBUTABLE TO  
ORDINARY EQUITY HOLDERS OF THE PARENT**

(continued)

**12. 歸屬母公司普通權益所有者  
每股盈利 (續)**

		<b>Number of shares</b>	
		<b>股份數目</b>	
		<b>2006</b>	<b>2005</b>
<b>Shares</b>	<b>股份</b>		
Weighted average number	用作計算基本		
of shares in issue during	每股盈利之年內		
the year used in the basic	已發行股份		
earnings per share	加權平均		
calculation	股數	<b>1,326,212,625</b>	1,325,596,142
Effect of dilution —	攤薄之影響 —		
weighted average number	加權平均普通股		
of ordinary shares:	股數：		
Share options	購股權	<b>5,221,935</b>	11,783,568
		<b>1,331,434,560</b>	1,337,379,710



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### 13. PROPERTY, PLANT AND EQUIPMENT

#### Group

### 13. 物業、廠房及設備

#### 集團

		Leasehold land and buildings	Leasehold improvements	Plant and machinery	Furniture, fixtures and office equipment	Motor vehicles and yacht	Total
		租賃土地 及樓宇	租賃 樓宇裝修	廠房 及機械	傢俬、 裝置及 辦公室設備	汽車及 遊艇	合計
		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
<b>31 March 2006</b>	<b>二零零六年三月三十一日</b>						
At 31 March 2005 and 1 April 2005:	於二零零五年三月三十一日及 二零零五年四月一日：						
Cost or valuation, as restated	成本或估值，經修訂	850,319	421,356	1,621,715	174,804	73,312	3,141,506
Accumulated depreciation, as restated	累計折舊，經修訂	(147,864)	(269,826)	(653,276)	(105,370)	(59,365)	(1,235,701)
Net carrying amount	賬面淨值	702,455	151,530	968,439	69,434	13,947	1,905,805
At 1 April 2005, net of accumulated depreciation	於二零零五年四月一日，已扣除 累計折舊	702,455	151,530	968,439	69,434	13,947	1,905,805
Additions	添置	35,567	95,642	67,039	22,160	3,292	223,700
Acquisition of a subsidiary (note 34)	收購一附屬公司 (附註34)	16,393	—	—	268	—	16,661
Disposals	出售	(246)	(5,957)	(261)	(1,513)	(286)	(8,263)
Depreciation provided during the year	年內折舊準備	(34,800)	(92,898)	(126,369)	(21,837)	(5,550)	(281,454)
Transfers from construction in progress (note 16)	在建工程撥入 (附註16)	48,813	—	—	153	—	48,966
Transfers to investment properties (note 14)	撥往投資物業 (附註14)	(5,618)	—	—	—	—	(5,618)
Foreign exchange adjustments	外匯調整	10,546	572	24,469	687	326	36,600
At 31 March 2006, net of accumulated depreciation	於二零零六年三月三十一日， 已扣除累計折舊	773,110	148,889	933,317	69,352	11,729	1,936,397
At 31 March 2006:	於二零零六年三月三十一日：						
Cost or valuation	成本或估值	960,998	489,920	1,715,255	188,391	74,174	3,428,738
Accumulated depreciation	累計折舊	(187,888)	(341,031)	(781,938)	(119,039)	(62,445)	(1,492,341)
Net carrying amount	賬面淨值	773,110	148,889	933,317	69,352	11,729	1,936,397
Analysis of cost or valuation:	成本或估值分析：						
At cost	成本	939,662	489,920	1,715,255	188,391	74,174	3,407,402
At 31 March 1992 valuation	於一九九二年三月三十一日估值	21,336	—	—	—	—	21,336
		960,998	489,920	1,715,255	188,391	74,174	3,428,738

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**13. PROPERTY, PLANT AND EQUIPMENT (continued)**
**13. 物業、廠房及設備 (續)**

		Leasehold land and buildings	Leasehold improvements	Plant and machinery	Furniture, fixtures and office equipment	Motor vehicles and yacht	Total
		租賃土地 及樓宇	租賃 樓宇裝修	廠房 及機械	傢俬、 裝置及 辦公室設備	汽車及 遊艇	合計
		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
		(Restated)	(Restated)				(Restated)
		(經修訂)	(經修訂)				(經修訂)
<b>31 March 2005</b>	<b>二零零五年三月三十一日</b>						
At 1 April 2004:	於二零零四年四月一日：						
Cost or valuation	成本或估值	580,917	303,091	1,284,429	141,076	69,430	2,378,943
Accumulated depreciation	累計折舊	(123,801)	(209,683)	(546,929)	(93,148)	(54,801)	(1,028,362)
Net carrying amount	賬面淨值	457,116	93,408	737,500	47,928	14,629	1,350,581
At 1 April 2004, net of accumulated depreciation	於二零零四年四月一日，已扣除 累計折舊	457,116	93,408	737,500	47,928	14,629	1,350,581
Additions	添置	13,870	130,452	291,262	37,125	5,013	477,722
Disposals	出售	(448)	(5,449)	(797)	(2,256)	(292)	(9,242)
Depreciation provided during the year	年內折舊準備	(26,394)	(69,218)	(114,426)	(17,825)	(5,465)	(233,328)
Transfers from construction in progress (note 16)	在建工程撥入 (附註16)	260,012	—	54,414	3,957	—	318,383
Transfers to investment properties (note 14)	撥往投資物業(附註14)	(4,049)	—	—	—	—	(4,049)
Foreign exchange adjustments	外匯調整	2,348	2,337	486	505	62	5,738
At 31 March 2005, net of accumulated depreciation	於二零零五年三月三十一日， 已扣除累計折舊	702,455	151,530	968,439	69,434	13,947	1,905,805
At 31 March 2005:	於二零零五年三月三十一日：						
Cost or valuation	成本或估值	850,319	421,356	1,621,715	174,804	73,312	3,141,506
Accumulated depreciation	累計折舊	(147,864)	(269,826)	(653,276)	(105,370)	(59,365)	(1,235,701)
Net carrying amount	賬面淨值	702,455	151,530	968,439	69,434	13,947	1,905,805
Analysis of cost or valuation:	成本或估值分析						
At cost	成本	828,983	421,356	1,621,715	174,804	73,312	3,120,170
At 31 March 1992 valuation	於一九九二年三月三十一日 估值	21,336	—	—	—	—	21,336
		850,319	421,356	1,621,715	174,804	73,312	3,141,506

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### 13. PROPERTY, PLANT AND EQUIPMENT (continued)

An analysis of the leasehold land and buildings at 31 March 2006 is as follows:

### 13. 物業、廠房及設備 (續)

於二零零六年三月三十一日之租賃土地及樓宇分析如下：

		1992		2006
		Professional	Cost	Total
		valuation		
		一九九二年		二零零六年
		專業估值	成本值	合計
		HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元
Medium term leasehold land	位於香港之			
and buildings situated in	中期租賃土地			
Hong Kong	及樓宇	21,336	101,443	122,779
Medium term leasehold land	位於香港以外之			
and buildings situated outside	中期租賃土地			
Hong Kong	及樓宇	—	838,219	838,219
		21,336	939,662	960,998

**13. PROPERTY, PLANT AND EQUIPMENT** (continued)

Certain medium term leasehold land and buildings were revalued in 1992 by independent professionally qualified valuers. Since 1993, no further revaluation of the Group's leasehold land and buildings has been carried out as the Group has relied upon the exemption granted under the transitional provisions in paragraph 80A of HKAS 16 "Property, plant and equipment", from the requirement to carry out future revaluations of its property, plant and equipment which were stated at valuation at that time. During the year, certain of these revalued leasehold land and buildings with a total net carrying amount of HK\$5,619,000 (2005: HK\$4,049,000) were transferred from property, plant and equipment to investment properties (note 14), and the relevant amount frozen in the asset revaluation reserve upon the transfer was nil (2005: HK\$1,816,000). Had such leasehold land and buildings been carried at historical cost less accumulated depreciation, their carrying amount would have been approximately HK\$8,661,000 (2005: HK\$9,151,000).

As at 31 March 2005, certain leasehold land and buildings situated outside Hong Kong of net carrying amount of HK\$6,881,000 were pledged to the Group's bankers to secure the Group's banking facilities (note 26).

**13. 物業、廠房及設備** (續)

部份中期租賃土地及樓宇曾於一九九二年經獨立專業評估師進行重估。本集團自一九九三年起，並無對其土地及樓宇作進一步重新估值，因按香港會計準則第16號「物業、廠房及設備」第80A段過渡性條文，豁免為其曾以當時估值入賬的物業、廠房及設備重新於將來再作重估。於年內，部份已作重估之租賃土地及樓宇，其賬面金額共港幣5,619,000元（二零零五年：港幣4,049,000元），已由物業、廠房及設備轉撥至投資物業（附註14），及其相關的資產重估儲備為零（二零零五年：港幣1,816,000元），於轉撥時已作凍結。倘該等租賃土地及樓宇按歷史成本減累計折舊列賬，其賬面金額應約為港幣8,661,000元（二零零五年：港幣9,151,000元）。

於二零零五年三月三十一日，部份位於香港以外，賬面淨值港幣6,881,000元之租賃土地及樓宇已抵押予集團往來銀行作本集團銀行信貸之用（附註26）。

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# 14. INVESTMENT PROPERTIES

## Group

# 14. 投資物業

## 集團

		2006 HK\$'000 港幣千元	2005 HK\$'000 港幣千元
Carrying amount at beginning of year	於年初 賬面值	52,850	41,920
Transfers from owner-occupied property included in property, plant and equipment (note 13)	轉撥自包括於物業、 廠房及設備的自用 物業 (附註13)	5,618	4,049
Net profit from fair value adjustments (note 5)	以公允價值調整的 淨利潤 (附註5)	8,354	6,881
Carrying amount at 31 March	於三月三十一日賬面值	66,822	52,850

The investment properties are all situated in Hong Kong and held under medium term leases. All investment properties were revalued on 31 March 2006 on an open market, existing use basis with reference to the estimation made by Chung, Chan & Associates, Chartered Surveyors, independent professionally qualified valuers. The investment properties are leased to third parties under operating leases, further summary details of which are included in note 36(a) to the financial statements.

投資物業全部位於香港，並按中期租約持有。於二零零六年三月三十一日，全部投資物業之重估皆參考獨立專業評估師、特許測量師 Chung, Chan & Associates, Chartered Surveyors 之估值，按公開市場及現有用途基準進行重估。此投資物業以經營租約租予第三者，詳細資料載於財務表附註36(a)。

**14. INVESTMENT PROPERTIES** *(continued)*

Certain investment properties were transferred from leasehold land and buildings in Hong Kong of property, plant and equipment at their 1992 professional valuation. The related asset revaluation reserve of HK\$9,054,000 (2005: HK\$9,054,000) was frozen upon the transfer and will be released directly to retained profits upon the disposal of the related investment properties.

The gross rental income earned from the investment properties during the year amounted to HK\$5,082,000 (2005: HK\$5,449,000).

**14. 投資物業 (續)**

若干投資物業乃轉撥自按一九九二年專業估值的物業、廠房及設備中位於香港的租賃土地及樓宇。有關的資產重估儲備港幣9,054,000元（二零零五年：港幣9,054,000元），已於轉撥時凍結，並將於出售有關投資物業時直接撥往保留溢利。

年內源於投資物業之總租金收入為港幣5,082,000元（二零零五年：港幣5,449,000元）。

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**15. PREPAID LAND LEASE PAYMENTS**
**15. 預付土地租賃款**

		<b>Group</b>	
		<b>集團</b>	
		<b>2006</b>	2005
		<b>HK\$'000</b>	HK\$'000
		<b>港幣千元</b>	港幣千元
			(Restated)
			(經修訂)
Carrying amount at beginning of year	年初之賬面值		
As previously reported	如前呈報	—	—
Effect of adopting HKAS 17 (note 2.2(a))	採納香港會計準則第17號之影響 (附註2.2(a))	<b>22,684</b>	21,996
As restated	經修訂	<b>22,684</b>	21,996
Exchange realignment	滙兌調整	<b>95</b>	2
Additions	添置	<b>3,533</b>	1,244
Recognised during the year	年內確認	<b>(567)</b>	(558)
Carrying amount at 31 March	於三月三十一日之賬面值	<b>25,745</b>	22,684
Current portion included in prepayments, deposits and other receivables	包括於預付款項、訂金及其他應收賬款的流動部份	<b>(570)</b>	(567)
Non-current portion	非流動部份	<b>25,175</b>	22,117

The above leasehold lands are all held under medium term leases and are situated outside Hong Kong.

以上之租賃土地均以中期租約持有及位於香港以外地方。

**16. CONSTRUCTION IN PROGRESS**
**16. 在建工程**

		<b>Group</b>	
		<b>集團</b>	
		<b>2006</b>	2005
		<b>HK\$'000</b>	HK\$'000
		<b>港幣千元</b>	港幣千元
At beginning of year	年初	<b>19,589</b>	185,064
Additions	添置	<b>110,899</b>	149,921
Transfer to property, plant and equipment (note 13)	撥往物業、廠房及設備 (附註13)	<b>(48,966)</b>	(318,383)
Foreign exchange realignment	外匯調整	<b>2,018</b>	2,987
At 31 March	於三月三十一日	<b>83,540</b>	19,589



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**17. TRADEMARKS**
**17. 商標**

**Group**  
**集團**  
HK\$'000  
港幣千元

<b>31 March 2006</b>	<b>二零零六年三月三十一日</b>	
At 1 April 2005:	於二零零五年四月一日：	
Cost as previously reported	如前呈報之成本	52,614
Effect of adopting HKAS 38 (note 2.2(c))	採納香港會計準則第38號之影響 (附註2.2(c))	(19,495)
Cost as restated	經修訂之成本	33,119
Accumulated amortisation as previously reported	如前呈報之 累計攤銷	19,495
Effect of adopting HKAS 38 (note 2.2(c))	採納香港會計準則第38號之影響 (附註2.2(c))	(19,495)
Accumulated amortisation as restated	經修訂之累計攤銷	—
Net carrying amount as restated	經修訂之賬面淨值	33,119
Cost at 1 April 2005, net of accumulated amortisation, as restated	於二零零五年四月一日， 已扣除累計攤銷之成本，經修訂	33,119
Additions	添置	108
Cost and carrying amount at 31 March 2006	於二零零六年三月三十一日 成本及賬面值	33,227
<b>31 March 2005</b>	<b>二零零五年三月三十一日</b>	
At 1 April 2004:	於二零零四年四月一日：	
Cost	成本	52,564
Accumulated amortisation	累計攤銷	(16,569)
Net carrying amount	賬面淨值	35,995
Cost at 1 April 2004, net of accumulated amortisation	於二零零四年四月一日成本， 已扣除累計攤銷	35,995
Additions	添置	50
Amortisation provided during the year	年內攤銷	(2,926)
At 31 March 2005	於二零零五年三月三十一日	33,119
At 31 March 2005:	於二零零五年三月三十一日：	
Cost	成本	52,614
Accumulated amortisation	累計攤銷	(19,495)
Net carrying amount	賬面淨值	33,119

**18. INTEREST IN AN ASSOCIATE**
**18. 於聯營公司之權益**

		<b>Group</b>	
		<b>集團</b>	
		<b>2006</b>	2005
		<b>HK\$'000</b>	HK\$'000
		<b>港幣千元</b>	港幣千元
Share of net assets	應佔資產淨值	<b>157,253</b>	139,548

Upon the adoption of HKFRS 3 on 1 April 2005, the Group transferred the goodwill previously eliminated against the consolidated reserves of HK\$110,648,000 to the opening balance of retained profits.

於二零零五年四月一日採納香港財務報告準則第3號，本集團將前期沖銷於綜合儲備金額為港幣110,648,000元的商譽，轉撥至保留溢利的期初結餘中。

Particulars of the associate are as follows:

聯營公司之資料如下：

Name	Particulars of issued shares held	Place of incorporation and operations	Percentage of ownership interest attributable to the Group	Principal activity
			本集團應佔權益 百份比	
名稱	持有已發行 股本的資料	註冊成立及 營業地點		主要業務
Megawell Industrial Limited	Ordinary shares of HK\$1 each	Hong Kong/ PRC and Vietnam	50	Manufacture of garments
偉佳針織 有限公司	每股普通股 港幣1元	香港／中國及越南		成衣生產

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## 18. INTEREST IN AN ASSOCIATE (continued)

The following table illustrates the summarised financial information of Megawell Industrial Limited extracted from its financial statements:

		2006	2005
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Assets	資產	453,047	392,523
Liabilities	負債	166,123	133,004
Revenues	收入	978,582	815,525
Profit after tax	除稅後溢利	107,405	75,717

## 19. DUE TO AN ASSOCIATE

The amount due to an associate is unsecured, interest-free and repayable on agreed credit terms. The carrying amount of the amount due to the associate approximates to its fair value.

## 18. 於聯營公司之權益 (續)

下表載列摘自偉佳針織有限公司財務報表之財務資料概要：

## 19. 應付聯營公司

應付聯營公司欠款乃無抵押、無利息及須按協訂賬期還款。應付聯營公司賬面值與其公允值相若。

**20. INVENTORIES**
**20. 存貨**

		<b>Group</b>	
		<b>集團</b>	
		<b>2006</b>	2005
		<b>HK\$'000</b>	HK\$'000
		<b>港幣千元</b>	港幣千元
Raw materials	原料	<b>715,192</b>	545,780
Work in progress	在製品	<b>56,318</b>	46,304
Finished goods	製成品	<b>526,575</b>	463,022
		<b>1,298,085</b>	1,055,106

**21. TRADE AND BILLS RECEIVABLE**
**21. 應收賬款及應收票據**

		<b>Group</b>	
		<b>集團</b>	
		<b>2006</b>	2005
		<b>HK\$'000</b>	HK\$'000
		<b>港幣千元</b>	港幣千元
Trade receivables	應收賬款	<b>447,658</b>	407,652
Bills receivable	應收票據	<b>282,973</b>	16,363
Bills receivable discounted with recourse (note 26)	有追索權的已貼現 應收票據 (附註26)	<b>149,069</b>	—
		<b>432,042</b>	16,363
		<b>879,700</b>	424,015

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## 21. TRADE AND BILLS RECEIVABLE (continued)

The Group's trading terms with customers are largely on credit. Invoices are normally payable within 90 days of issue, except for certain well-established customers, where the terms are extended up to 120 days, subject to the approval of directors. The Group seeks to maintain strict control over its outstanding receivables and has a credit control policy to minimise credit risk. Overdue balances are regularly reviewed by directors. In view of the aforementioned and the fact that the Group's trade receivables relate to a large number of diversified customers, there is no significant concentration of credit risk. Trade receivables are non-interest-bearing.

An aged analysis of the trade receivables as at the balance sheet date, based on the invoice date and net of impairment, is as follows:

## 21. 應收賬款及應收票據 (續)

本集團與客戶交易一般為賒銷。除部份基礎良好客戶獲董事批予賬期達120天外，其餘基本按發票發出日90天內到期付款。本集團對應收款實施一套嚴謹監察制度控制授信風險，董事亦會定期檢討逾期賬款。基於上述及本集團之應收賬款的客戶較為分散，因此本集團無重大的信貸風險。應收賬款為非附息。

於結算日，按發票日期扣除減值後之應收賬款賬齡分析如下：

		Group 集團	
		2006	2005
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Within 90 days	90日內	425,898	397,383
Over 90 days	90日以上	21,760	10,269
		447,658	407,652

**21. TRADE AND BILLS RECEIVABLE** *(continued)*

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

		<b>Group</b>	
		<b>集團</b>	
		<b>2006</b>	2005
		<b>HK\$'000</b>	HK\$'000
		<b>港幣千元</b>	港幣千元
Within 90 days	90日內	<b>415,457</b>	16,158
Over 90 days	90日以上	<b>16,585</b>	205
		<b>432,042</b>	16,363

**22. DERIVATIVE FINANCIAL INSTRUMENTS**
**Group**

		<b>2006</b>	2005
		<b>HK\$'000</b>	HK\$'000
		<b>港幣千元</b>	港幣千元
Forward currency contracts:	遠期外匯合約：		
Assets	資產	<b>11,807</b>	18,249
Liabilities	負債	<b>2,852</b>	1,854

The carrying amounts of forward currency contracts are the same as their fair values.

**21. 應收賬款及應收票據 (續)**

於結算日，按發票日期之應收票據賬齡分析如下：

**22. 衍生金融工具**
**集團**

遠期外匯合約之賬面值與其公允值相同。

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**23. CASH AND CASH EQUIVALENTS**
**23. 現金及現金等價物**

		<b>Group</b>		<b>Company</b>	
		<b>集團</b>		<b>公司</b>	
		<b>2006</b>	2005	<b>2006</b>	2005
		<b>HK\$'000</b>	HK\$'000	<b>HK\$'000</b>	HK\$'000
		<b>港幣千元</b>	港幣千元	<b>港幣千元</b>	港幣千元
Cash and bank balances	現金及銀行結餘	<b>167,341</b>	193,459	—	92
Time deposits	定期存款	<b>67,980</b>	503,731	—	—
Short term portion of long	長期定期存款				
term time deposit	短期部份	<b>15,600</b>	—	—	—
		<b>250,921</b>	697,190	—	92
Less: Long term time deposit	減：長期定期存款	—	(15,600)	—	—
Cash and cash equivalents	現金及現金等價物	<b>250,921</b>	681,590	—	92

At the balance sheet date, the cash and bank balances of the Group denominated in Renminbi ("RMB") amounted to HK\$107,932,000 (2005: HK\$136,416,000) and the time deposits of the Group denominated in RMB amounted to HK\$871,000 (2005: HK\$94,751,000). RMB is not freely convertible into other currencies, however, under PRC's Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for other currencies through banks authorised to conduct foreign exchange business.

於結算日，本集團以人民幣結算之現金及銀行結餘為港幣107,932,000元（二零零五年：港幣136,416,000元），人民幣定期存款則為港幣871,000元（二零零五年：港幣94,751,000元）。人民幣不能自由兌換其他貨幣，惟根據中國的結匯、售匯及付匯管理規定，本集團獲准透過獲授權進行外匯業務之銀行將人民幣兌換為其他貨幣。

### 23. CASH AND CASH EQUIVALENTS (continued)

Cash at banks earns interest at floating rates based on daily bank deposit rates. Short term time deposits are made for varying periods of between 3 days and 90 days depending on the immediate cash requirements of the Group, and earn interest at the respective short term time deposit rates. The long term time deposit is non-interest-bearing but is embedded with a foreign currency derivative, the fair value movements of which have been recorded in the income statement. The carrying amounts of the cash and bank balances and time deposits approximate to their fair values.

### 23. 現金及現金等價物 (續)

銀行現金根據每日銀行存款利率賺取利息。短期定期存款之存款期由3日至90日不等，視乎本集團之即時現金需求而定，並按各短期定期存款利率賺取利息。長期定期存款為非付息及外匯衍生，其公允值變動已計入利潤表中。現金及銀行結餘及定期存款之賬面值與其公允值相若。

### 24. TRADE AND BILLS PAYABLE

### 24. 應付賬款及應付票據

		Group 集團	
		2006	2005
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Trade payables	應付賬款	965,063	858,823
Bills payable	應付票據	43,437	16,500
		1,008,500	875,323



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**24. TRADE AND BILLS PAYABLES** (continued)

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

		<b>Group</b>	
		<b>集團</b>	
		<b>2006</b>	2005
		<b>HK\$'000</b>	HK\$'000
		<b>港幣千元</b>	港幣千元
Within 90 days	90日內	<b>939,351</b>	815,097
Over 90 days	90日以上	<b>25,712</b>	43,726
		<b>965,063</b>	858,823

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

		<b>Group</b>	
		<b>集團</b>	
		<b>2006</b>	2005
		<b>HK\$'000</b>	HK\$'000
		<b>港幣千元</b>	港幣千元
Within 90 days	90日內	—	12,401
Over 90 days	90日以上	<b>43,437</b>	4,099
		<b>43,437</b>	16,500

The trade payables are non-interest-bearing and are normally settled on 90-day terms.

**24. 應付賬款及應付票據 (續)**

於結算日，按發票日期之應付賬款賬齡分析如下：

於結算日，按發票日期之應付票據賬齡分析如下：

應付賬款為非附息及一般為90天的賬期。

## 25. OTHER PAYABLES AND ACCRUED LIABILITIES

Other payables are non-interest-bearing and have an average term of three months.

## 25. 其他應付賬款及應計負債

其他應付賬款為無利息，且平均賬期為三個月。

## 26. INTEREST-BEARING BANK BORROWINGS

## 26. 附息銀行貸款

		Effective interest rate per annum (%) 實際年利率 (%)	Maturity 到期日	Group 集團	
				2006	2005
				HK\$'000	HK\$'000
				港幣千元	港幣千元
<b>Current</b>	<b>流動</b>				
Bank overdrafts — unsecured	銀行透支 — 無抵押	8.0–8.3	On demand 在通知時	<b>24</b>	—
Trust receipt loans	信託票據貸款	4.6–4.7	30 days 三十天	<b>28,390</b>	140,060
Bank advances for discounted bills receivable (note 21)	就已貼現應收票據 的銀行墊款 (附註21)	4.5–5.6	3 months 三個月	<b>149,069</b>	—
Bank loans — unsecured	銀行貸款 — 無抵押	4.5–4.7	Within 1 year 一年內	<b>237,833</b>	269,198
Bank loans — secured	銀行貸款 — 有抵押	—	—	<b>—</b>	9,426
				<b>415,316</b>	418,684
<b>Non-current</b>	<b>非流動</b>				
Bank loans — unsecured	銀行貸款 — 無抵押	4.5–4.7	2007 – 2009	<b>478,000</b>	135,278
				<b>893,316</b>	553,962

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**26. INTEREST-BEARING BANK BORROWINGS**
*(continued)*
**26. 附息銀行貸款 (續)**

		<b>Group</b>	
		<b>集團</b>	
		<b>2006</b>	2005
		<b>HK\$'000</b>	HK\$'000
		<b>港幣千元</b>	港幣千元
Analysed into:	分析歸納：		
Bank loans and overdrafts	銀行貸款及透支須於		
repayable:	下列期間清還：		
Within one year or on	於一年內償還或		
demand	按要求	<b>415,316</b>	418,684
In the second year	第二年	<b>274,498</b>	88,889
In the third to fifth years,	第三至第五年，		
inclusive	包括首尾兩年	<b>203,502</b>	46,389
		<b>893,316</b>	553,962

As at 31 March 2006, all the Group's bank borrowings are in Hong Kong dollars and bear interest at floating rates (2005: floating rates) and the carrying amounts of the Group's bank borrowings approximate to their fair values.

As at 31 March 2005, certain bank loans were secured by the pledge of certain leasehold land and buildings of net carrying amount of HK\$6,881,000 (note 13).

於二零零六年三月三十一日，本集團之所有銀行貸款均為港幣及浮動利率（二零零五：浮動利率），並且本集團銀行貸款之賬面值與其公允值相若。

於二零零五年三月三十一日，部份銀行貸款乃以賬面淨值為港幣6,881,000元的部份租賃土地及樓宇作抵押（附註13）。

## 27. SHAREHOLDER LOAN

As at 31 March 2005, the shareholder loan was unsecured, interest-bearing at the HIBOR plus 0.4% per annum and had no fixed terms of repayment. The shareholder loan was repaid in full during the year. The carrying amount of the shareholder loan approximated to its fair value.

## 27. 股東貸款

於二零零五年三月三十一日，股東貸款乃無抵押、年利息為香港銀行同業拆息加0.4%及並無固定還款年期。於年內，該股東貸款已全數清還。股東貸款的賬面值與其公允值相若。

## 28. PROVISION FOR LONG SERVICE PAYMENTS

## 28. 長期服務金撥備

		Group 集團	
		2006 HK\$'000 港幣千元	2005 HK\$'000 港幣千元
At beginning of year	年初	8,111	7,954
Additional provision (note 6)	額外撥備 (附註6)	764	1,155
Amount utilised during the year	年內使用金額	(102)	(998)
At 31 March	於三月三十一日	8,773	8,111

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## 29. DEFERRED TAX

## 29. 遞延稅項

		Accelerated tax depreciation		Revaluation of properties		Fair values of derivative financial instruments		Others		Group	
		加速稅項折舊		物業重估		公允價值		其他		本集團	
		2006	2005	2006	2005	2006	2005	2006	2005	2006	2005
		HK\$'000	HK\$'000	HK\$'000	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	港幣千元	港幣千元	港幣千元
					(Restated)						(Restated)
					(經修訂)						(經修訂)
At beginning of year	年初										
As previously reported	如前呈報	394	795	—	—	—	—	779	2,205	1,173	3,000
Effect of adopting HK(SIC)	採納香港(會計詮釋委員會)										
— Int 21	— 詮釋第21號之影響										
(note 2.2(g))	(附註2.2(g))	—	—	1,886	1,886	—	—	—	—	1,886	1,886
Opening adjustment of	採納香港會計準則第39號										
adopting HKAS 39	之期初調整										
— (noted 2.2 (b))	— (附註2.2(b))	—	—	—	—	3,009	—	—	—	3,009	—
As restated	經修訂	394	795	1,886	1,886	3,009	—	779	2,205	6,068	4,886
Deferred tax charge/(credit)	年內計入利潤表的										
to the income statement	遞延稅項										
during the year (note 9)	準備/(回撥) (附註9)	(904)	(1,384)	—	—	(3,009)	—	1,433	(443)	(2,480)	(1,827)
At 31 March	於三月三十一日	(510)	(589)	1,886	1,886	—	—	2,212	1,762	3,588	3,059

The Group has tax losses arising in Hong Kong of HK\$398,431,000 (2005: HK\$325,046,000) that are available indefinitely for offsetting against future taxable profits of the companies in which the losses arose. Deferred tax assets have not been recognised in respect of these losses as they have arisen in subsidiaries of which no assessable profits are expected to be generated in the foreseeable future.

本集團於香港產生之稅項虧損為港幣398,431,000元(二零零五年:港幣325,046,000元),該等公司的稅項虧損可無限期用作抵銷日後之應課稅溢利。由於未能確定產生有關虧損之附屬公司於可見將來會否產生應課稅溢利,遞延稅項資產並無就該等虧損進行確認。

**29. DEFERRED TAX (continued)**

At 31 March 2006, there was no significant unrecognised deferred tax liability (2005: Nil) for taxes that would be payable on the unremitted earnings of certain of the Group's subsidiaries and associate, as the Group has no liability to additional tax should such amounts be remitted.

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

**29. 遞延稅項 (續)**

於二零零六年三月三十一日，稅項中並無因本集團附屬公司及聯營公司之未匯寄盈利有重大未確認遞延稅項負債(二零零五年：無)，因倘若該盈利得以匯寄，本集團並無額外稅項負債。

本公司向其股東派發之股息，並無導致任何須繳納所得稅之後果。

**30. SHARE CAPITAL**
**Shares**
**30. 股本**
**股份**

		<b>2006</b>	2005
		<b>HK\$'000</b>	HK\$'000
		<b>港幣千元</b>	港幣千元
Authorised:	法定：		
2,000,000,000 shares of	2,000,000,000股		
HK\$0.05 each in nominal	每股面值港幣		
value	0.05元	<b>100,000</b>	100,000
Issued and fully paid:	已發行及繳足：		
1,326,288,104	1,326,288,104		
(2005: 1,326,108,104)	(二零零五年：		
shares of HK\$0.05 each in	1,326,108,104) 股		
nominal value	每股面值港幣0.05元	<b>66,314</b>	66,305

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### 30. SHARE CAPITAL (continued)

A summary of the movements in the Company's share capital during the year is as follows:

### 30. 股本 (續)

於本年內，本公司股本之變動簡述如下：

		Number of shares in issue 已發行 股份數量	Issued share capital 已發行 股本 HK\$'000 港幣千元	Share premium account 股本 溢價賬 HK\$'000 港幣千元	Total 總額 HK\$'000 港幣千元
At 1 April 2004	於二零零四年 四月一日	1,324,778,104	66,239	336,728	402,967
Exercise of share options	購股權之行使	1,330,000	66	6,544	6,610
At 31 March 2005 and 1 April 2005	於二零零五年 三月三十一日 及二零零五年 四月一日	1,326,108,104	66,305	343,272	409,577
Exercise of share options	購股權之行使	180,000	9	886	895
At 31 March 2006	於二零零六年 三月三十一日	1,326,288,104	66,314	344,158	410,472

#### Share options

Details of the Company's share option scheme and the share options issued under the scheme are included in note 31 to the financial statements.

#### 購股權

本公司之購股權計劃及根據該計劃發行之購股權之詳細資料已載於財務報表附註31。

**31. SHARE OPTION SCHEME**

The Company operates a share option scheme (the "Scheme"), in compliance with the requirements of Chapter 17 of the Listing Rules, for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's operations. Eligible participants of the Scheme include the Company's directors (including independent non-executive directors), and other employees of the Group. The Scheme became effective on 28 August 2002 and will remain in force for ten years from that date.

The maximum number of share options permitted to be granted under the Scheme was an amount equivalent, upon their exercise, to 10% of the shares of the Company in issue at any time. The maximum number of shares issuable under share options to each eligible participant in the Scheme within any 12-month period is limited to 1% of the shares of the Company in issue at any time. Any further grant of share options in excess of this limit is subject to shareholders' approval in a general meeting.

**31. 購股權計劃**

本公司採納一個符合《證券上市規則》第十七章要求的購股權計劃（「該計劃」），主要目的是向符合資格及曾對本集團作出貢獻的參與者給與獎勵及報酬。該計劃符合資格參與者包括本公司董事（包括獨立非執行董事）及本集團其他僱員。該計劃有效期為由二零零二年八月二十八日起計之十年內。

該計劃允許之最多可授予之購股權為相等於本公司任何時間之10%已發行股份。於任何十二個月期間內根據購股權計劃可向每名合資格參與人士發行之股份數目，最多不得超逾任何時間之本公司已發行股份1%。任何進一步授出超過該限額之購股權必須獲股東於股東大會批准。



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### 31. SHARE OPTION SCHEME (continued)

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

The offer of a grant of share options may be accepted within 28 days from the date of the offer upon payment of a nominal consideration of HK\$1 in total by the grantee. The exercise period of the share options granted is determinable by the directors but is not more than 10 years from the date of grant.

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

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

### 31. 購股權計劃 (續)

向董事、董事總經理或主要股東，或彼等任何聯繫人士授出購股權必須獲獨立非執行董事事先批准。此外，於任何十二個月期間內任何購股權授予主要股東或獨立非執行董事，或彼等聯繫人士超過本公司在任何時間已發行股本0.1%或總值(按本公司股份於該授予日期之價格計算)超逾港幣5百萬元，必須事先獲股東於股東大會批准。

購股權之被授予人必須於頒授日起之28日內支付名義代價港幣1元。購股權之行使限期由董事會決定，但最長不超過頒授日起計之十年。

購股權之認購價由董事釐定，惟不得低於以下之較高者：(i)本公司股份於頒授購股權日期在聯交所之收市價；(ii)本公司股份於緊接頒授日期前五個交易日在聯交所之平均收市價；及(iii)股份票面值。

購股權並無賦予持有者享有股息的權利或於股東會投票的權利。



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**31. SHARE OPTION SCHEME (continued)**

The following share options were outstanding under the Scheme at the balance sheet date:

**31. 購股權計劃 (續)**

於結算日，未行使之購股權如下：

Number of share options 購股權數目								Price of Company's shares*** 本公司股價***		
Name or category of participant 參與者 名稱或類別	Date of grant of share options* 購股權 頒授日期*	Exercise price of share options** 購股權 行使價格** HK\$ 港幣元	At 1 April 2005 於二零零五年 四月一日	Exercised during the year 年內 已行使	Cancelled during the year 年內 已取消	At 31 March 2006 於二零零六年 三月三十一日	Exercise period of share options 購股權行使期限	At grant date of options 於頒授 購股權日 HK\$ 港幣元	Immediately before the exercise date	At exercise date of options
									緊接於 行使日前 HK\$ 港幣元	於購股權行使日 HK\$ 港幣元
Directors 董事										
Poon Bun Chak 潘彬澤	11 September 2002 二零零二年九月十一日	4.97	1,000,000	—	—	1,000,000	11 September 2002 to 10 September 2012 二零零二年九月十一日至二零零二年九月十日	4.80	—	—
Poon Kai Chak 潘佳澤	11 September 2002 二零零二年九月十一日	4.97	7,500,000	—	—	7,500,000	11 September 2002 to 10 September 2012 二零零二年九月十一日至二零零二年九月十日	4.80	—	—
	26 March 2004 二零零四年三月二十六日	5.60	3,000,000	—	—	3,000,000	26 March 2004 to 25 March 2014 二零零四年三月二十六日至二零零四年三月二十五日	5.55	—	—
			10,500,000	—	—	10,500,000				
Poon Kei Chak 潘熾澤	11 September 2002 二零零二年九月十一日	4.97	7,500,000	—	—	7,500,000	11 September 2002 to 10 September 2012 二零零二年九月十一日至二零零二年九月十日	4.80	—	—
	26 March 2004 二零零四年三月二十六日	5.60	3,000,000	—	—	3,000,000	26 March 2004 to 25 March 2014 二零零四年三月二十六日至二零零四年三月二十五日	5.55	—	—
			10,500,000	—	—	10,500,000				
Poon Kwan Chak 潘鈞澤	11 September 2002 二零零二年九月十一日	4.97	4,000,000	—	—	4,000,000	11 September 2002 to 10 September 2012 二零零二年九月十一日至二零零二年九月十日	4.80	—	—
	26 March 2004 二零零四年三月二十六日	5.60	6,000,000	—	—	6,000,000	26 March 2004 to 25 March 2014 二零零四年三月二十六日至二零零四年三月二十五日	5.55	—	—
			10,000,000	—	—	10,000,000				
Ting Kit Chung 丁傑忠	11 September 2002 二零零二年九月十一日	4.97	4,000,000	—	—	4,000,000	11 September 2002 to 10 September 2012 二零零二年九月十一日至二零零二年九月十日	4.80	—	—
	26 March 2004 二零零四年三月二十六日	5.60	6,000,000	—	—	6,000,000	26 March 2004 to 25 March 2014 二零零四年三月二十六日至二零零四年三月二十五日	5.55	—	—
			10,000,000	—	—	10,000,000				

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### 31. SHARE OPTION SCHEME (continued)

### 31. 購股權計劃 (續)

Number of share options 購股權數目								Price of Company's shares*** 本公司股價***		
Name or category of participant 參與者 名稱或類別	Date of grant of share options* 購股權 頒授日期*	Exercise price of share options** 購股權 行使價格** HK\$ 港幣元	At 1 April 2005 於二零零五年 四月一日	Exercised during the year 年內 已行使	Cancelled during the year 年內 已取消	At 31 March 2006 於二零零六年 三月三十一日	Exercise period of share options 購股權行使期限	At grant date of options 於頒授 購股權日 HK\$ 港幣元	Immediately before the exercise date 緊接於 行使日前 HK\$ 港幣元	At exercise date of options 於購股權行使日 HK\$ 港幣元
Directors 董事										
Au Son Yiu 區燊耀	11 September 2002 二零零二年九月十一日	4.97	200,000	—	—	200,000	11 September 2002 to 10 September 2012 二零零二年九月十一日至二零零二年九月十日	4.80	—	—
	26 March 2004 二零零四年三月二十六日	5.60	200,000	—	—	200,000	26 March 2004 to 25 March 2014 二零零四年三月二十六日至二零零四年三月二十五日	5.55	—	—
			400,000	—	—	400,000				
Cheng Shu Wing 鄭樹榮	11 September 2002 二零零二年九月十一日	4.97	200,000	—	—	200,000	11 September 2002 to 10 September 2012 二零零二年九月十一日至二零零二年九月十日	4.80	—	—
	26 March 2004 二零零四年三月二十六日	5.60	200,000	—	—	200,000	26 March 2004 to 25 March 2014 二零零四年三月二十六日至二零零四年三月二十五日	5.55	—	—
			400,000	—	—	400,000				
Wong Tze Kin, David 黃自建	26 March 2004 二零零四年三月二十六日	5.60	200,000	—	—	200,000	26 March 2004 to 25 March 2014 二零零四年三月二十六日至二零零四年三月二十五日	5.55	—	—
Other employees 其他僱員										
In aggregate 合共	11 September 2002 二零零二年九月十一日	4.97	1,470,000	(180,000)	—	1,290,000	11 September 2002 to 10 September 2012 二零零二年九月十一日至二零零二年九月十日	4.80	6.05	6.03
	26 March 2004 二零零四年三月二十六日	5.60	7,100,000	—	(250,000)	6,850,000	1 April 2006 to 25 March 2014 二零零六年四月一日至二零零四年三月二十五日	5.55	—	—
			8,570,000	(180,000)	(250,000)	8,140,000				
			51,570,000	(180,000)	(250,000)	51,140,000				

Notes:

\* The vesting period of the share options is from the date of the grant until the commencement of the exercise period.

\*\* The exercise price of the share options is subject to adjustment in the case of rights or bonus issues, or other similar changes in the Company's share capital.

備註：

\* 購股權賦權日期乃由頒授購股權日起至行使期開始止。

\*\* 購股權的行使價於本公司配股或派發紅股或在股本中有其他類似轉變時可予調整。

### 31. SHARE OPTION SCHEME (continued)

Notes: (continued)

\*\*\* The price of the Company's shares disclosed as at the date of the grant of the share options is the Stock Exchange closing price on the trading day immediately prior to the date of the grant of the options. The price of the Company's shares disclosed immediately before the exercise date of the share options is the weighted average of the Stock Exchange closing prices immediately before the dates on which the options were exercised over all of the exercises of options within the disclosure line.

The fair value of equity-settled share options was estimated as at the date of grant using a binomial model, taking into account the terms and conditions upon which the options were granted. The following table lists the inputs to the model used:

Dividend yield (%)	3.3
Expected volatility (%)	24.1
Historical volatility (%)	24.1
Risk-free interest rate (%)	3.8
Expected life of option (year)	10
Weighted average share price (HK\$)	5.6

The expected life of the options is based on the historical data over the past two years and is not necessarily indicative of the exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility is indicative of future trends, which may also not necessarily be the actual outcome.

### 31. 購股權計劃 (續)

備註：(續)

\*\*\* 於購股權授出日期披露之本公司股份價格為緊接授出購股權日期前交易日之聯交所收市價。本公司於緊接購股權行使日期前所披露的股份價格，指本公司股份於緊接購股權行使日期前聯交所收市價的加權平均數除以披露類別內已行使購股權數目。

權益結算購股權之公允值乃以二項式模式估計在授出日期之價值，當中考慮授出購股權之條款及情況。下表列載所用之模式須輸入之數據：

股息率 (%)	3.3
預期引伸波幅 (%)	24.1
歷史引伸波幅 (%)	24.1
無風險利率 (%)	3.8
購股權預計年期 (年)	10
加權平均股價 (港元)	5.6

購股權之預計年期乃根據過往兩年內歷史資料為基礎，不一定表示可能出現有關的行使模式。預期引伸波幅反映歷史波幅趨勢是一項假設，此亦不一定表示實際結果。

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### 31. SHARE OPTION SCHEME (continued)

No other feature of the options granted was incorporated into the measurement of fair value.

The 180,000 share options exercised during the year resulted in the issue of 180,000 ordinary shares of the Company and new share capital of HK\$9,000 and share premium of HK\$886,000, as detailed in note 30 to the financial statements. 250,000 share options were cancelled upon resignation of employees during the year.

At 31 March 2006, the Company had 51,140,000 share options outstanding under the Scheme. The exercise in full of the outstanding share options would, under the present capital structure of the Company, result in the issue of 51,140,000 additional ordinary shares of the Company and additional share capital of HK\$2,557,000 and share premium of HK\$267,642,000 (before issue expenses).

Subsequent to the balance sheet date, on 5 July 2006, a total of 100,000 shares options were cancelled upon resignation of certain employees of the Group.

At the date of approval of these financial statements, the Company had 51,040,000 share options outstanding under the Scheme, which represented approximately 3.8% of the Company's shares in issue as at that date.

### 31. 購股權計劃 (續)

計量公允值時並未計及已授出購股權之任何其他特色。

於年內，180,000份購股權獲行使，導致發行180,000股本公司普通股，並產生新股本港幣9,000元及股份溢價港幣886,000元，詳細資料載於財務報表附註30。於年內，由於本集團部份僱員離職，250,000份購股權因而被取消。

於二零零六年三月三十一日，本公司在該計劃下尚有51,140,000份購股權未獲行使。根據本公司之現有資本架構，全面行使餘下之購股權將導致額外發行51,140,000股本公司之普通股，並額外產生股本港幣2,557,000元及股份溢價港幣267,642,000元（未計發行開支）。

結算日後，於二零零六年七月五日，由於本集團部份僱員離職，100,000份購股權因而被取消。

於財務報表之核准日，本公司在該計劃下尚有51,040,000份購股權未獲行使，相當於該日本公司已發行股份約3.8%。

**32. RESERVES****(a) Group**

The amounts of the Group's reserves and the movements therein for the current and prior years are presented in the consolidated statement of changes in equity on pages 44 to 45 of the financial statements.

The Group's contributed surplus represents the difference between the nominal value of the issued share capital of the Company and the then nominal value of the issued share capital of the subsidiaries acquired at the date of acquisition, as a result of the reorganisation which occurred before the listing of the Company's shares in 1992.

As detailed in notes 2.2 (f) and 18 to the financial statements, goodwill and negative goodwill arising on the acquisitions of an associate and a subsidiary in prior years, of HK\$110,648,000 and HK\$45,000, respectively, were transferred and derecognised, respectively, to the opening balance of retained profits as at 1 April 2005 upon the adoption of HKFRS 3.

**32. 儲備****(a) 集團**

本年度及前年度本集團儲備及其間之變動呈列於財務報表第44及45頁之綜合權益變動報表內。

因應本公司在一九九二年上市前的重組，本集團之實繳盈餘為本公司已發行股本之面值與所收購附屬公司於收購日期之股本面值之差額。

載於財務報表附註2.2(f)及18已列明，往年度收購一聯營及一附屬公司產生之商譽及負商譽分別為港幣110,648,000元及港幣45,000元，已根據採納香港財務報告準則第3號，於二零零五年四月一日已分別轉撥及終止確認至保留溢利期初結餘。

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**32. RESERVES (continued)**
**(b) Company**
**32. 儲備 (續)**
**(b) 公司**

			Share premium account 股本溢價賬	Share option reserve 購股權儲備	Capital redemption reserve 股本贖回儲備	Contributed surplus 實繳盈餘	Retained profits 保留溢利	Total 總額
	Notes 附註		HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元
				(Restated) (經修訂)				(Restated) (經修訂)
At 1 April 2004	於二零零四年四月一日							
As previously reported	前期呈報		336,728	—	1,587	48,708	378,998	766,021
Prior year adjustment	前年度調整	2.4	—	93	—	—	—	93
As restated	經修訂		336,728	93	1,587	48,708	378,998	766,114
Exercise of share options	行使購股權	30	6,544	—	—	—	—	6,544
Net profit for the year	本年度溢利淨額		—	—	—	—	279,386	279,386
Equity-settled share option arrangement	權益結算購股權 安排		—	5,276	—	—	—	5,276
Interim 2005 dividend	二零零五年中期股息	11	—	—	—	—	(132,598)	(132,598)
Proposed final 2005 dividend	二零零五年擬派 末期股息	11	—	—	—	—	(145,881)	(145,881)
At 31 March 2005	於二零零五年 三月三十一日		343,272	5,369	1,587	48,708	379,905	778,841

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**32. RESERVES (continued)**
**(b) Company (continued)**
**32. 儲備 (續)**
**(b) 公司 (續)**

			Share premium account 股本溢價賬	Share option reserve 購股權儲備	Capital redemption reserve 股本贖回儲備	Contributed surplus 實繳盈餘	Retained profits 保留溢利	Total 總額
Notes			HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
附註			港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
				(Restated) (經修訂)				(Restated) (經修訂)
At 1 April 2005	二零零五年四月一日							
As previously reported	前期呈報		343,272	—	1,587	48,708	379,905	773,472
Prior year adjustment	前年度調整	2.4	—	5,369	—	—	—	5,369
As restated	經修訂		343,272	5,369	1,587	48,708	379,905	778,841
Exercise of share options	行使購股權	30	886	—	—	—	—	886
Net profit for the year	本年度溢利淨額		—	—	—	—	292,328	292,328
Equity-settled share option arrangement	權益結算購股權 安排		—	4,907	—	—	—	4,907
Interim 2006 dividend	二零零六年中期股息	11	—	—	—	—	(145,889)	(145,889)
Proposed final 2006 dividend	二零零六年擬派 末期股息	11	—	—	—	—	(145,892)	(145,892)
At 31 March 2006	於二零零六年 三月三十一日		344,158	10,276	1,587	48,708	380,452	785,181



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### 32. RESERVES (continued)

#### (b) Company (continued)

The Company's contributed surplus represents the difference between the nominal value of the issued share capital of the Company and the then combined net assets of the subsidiaries acquired on the date of acquisition, as a result of the reorganisation which occurred before the listing of the Company's shares in 1992. Under the Companies Act 1981 of Bermuda (as amended), a distribution may be made out of the contributed surplus under certain circumstances.

### 32. 儲備 (續)

#### (b) 公司 (續)

因應本公司在一九九二年上市前的重組，本公司之實繳盈餘為本公司已發行股本之面值與所收購附屬公司於收購日之合併資產淨值之差額。根據百慕達一九八一年公司法(經修改)，可於若干情況下派發實繳盈餘。

### 33. INTERESTS IN SUBSIDIARIES

### 33. 於附屬公司之權益

		Company	
		本公司	
		2006	2005
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Unlisted shares, at cost	非上市股份，成本	48,908	48,908
Due from subsidiaries	應收附屬公司賬款	1,957,221	2,126,538
Due to subsidiaries	應付附屬公司賬款	(1,153,672)	(1,330,711)
		852,457	844,735

The balances with subsidiaries are unsecured, interest-free and not repayable within one year. The carrying amounts of the balances with subsidiaries approximate to their fair values.

與附屬公司之賬款結餘，乃無抵押、無利息及無須於一年內償還。該與附屬公司之賬款結餘的賬面值與其公允值相若。

### 33. INTERESTS IN SUBSIDIARIES (continued)

All subsidiaries, other than Trustland Inc., are indirectly held by the Company. Particulars of the principal subsidiaries are as follows:

### 33. 於附屬公司之權益 (續)

除 Trustland Inc. 外，所有附屬公司均由本公司間接持有。主要附屬公司詳情如下：

Name 名稱	Place of incorporation/ registration and operations 註冊成立／ 登記及營業地點	Nominal value of issued ordinary/ registered share capital 已發行普通股／ 已登記股本面值	Percentage of equity attributable to the Company 本公司應佔權益 之百分率		Principal activities 主要業務
			2006	2005	
Trustland Inc.	British Virgin Islands/ Hong Kong 英屬處女群島／ 香港	US\$18,000  18,000美元	<b>100</b>	100	Investment holding  投資控股
Nice Dyeing Factory Limited  永佳染廠有限公司	Hong Kong  香港	Ordinary HK\$1,000 Non-voting deferred HK\$3,125,000 普通股本港幣1,000元 無投票權遞延股本 港幣3,125,000元	<b>100</b>	100	Sale of finished knitted fabric and dyed yarn 銷售針織布及色紗
Texwinca Enterprises (China) Limited	British Virgin Islands/ PRC	US\$1	<b>100</b>	100	Investment holding and provision of subcontracting services
德永佳(中國)發展 有限公司	英屬處女群島／ 中國	1美元			投資控股及提供 加工服務
Dongguan Texwinca Textile & Garment Limited 東莞德永佳紡織製衣 有限公司	PRC  中國	HK\$1,326,710,052  港幣1,326,710,052元	<b>100</b>	100	Production of finished knitted fabric and dyed yarn 生產染整針織布及 色紗

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**33. INTERESTS IN SUBSIDIARIES** (continued)

**33. 於附屬公司之權益** (續)

Name 名稱	Place of incorporation/ registration and operations 註冊成立/ 登記及營業地點	Nominal value of issued ordinary/ registered share capital 已發行普通股/ 已登記股本面值	Percentage of equity attributable to the Company 本公司應佔權益 之百分率		Principal activities 主要業務
			2006	2005	
Texwinca Enterprises Limited	Hong Kong	HK\$2	100	100	Provision of management services
德永佳實業有限公司	香港	港幣2元			提供管理服務
Win Ready Industrial Limited	Hong Kong	Ordinary HK\$10 Non-voting deferred HK\$2	100	100	Property holding
永備實業有限公司	香港	普通股本港幣10元 無投票權遞延股本 港幣2元			持有物業
Winlife Trading Limited	Hong Kong	HK\$15,903,100	100	100	Property holding
永生行有限公司	香港	港幣15,903,100元			持有物業
Baleno Holdings Limited	British Virgin Islands	US\$10,000	54	54	Investment holding
班尼路集團有限公司	英屬處女群島	10,000美元			投資控股
Baleno Kingdom Limited	Hong Kong	HK\$10,000	54	54	Retail and distribution of casual apparel and accessory
班尼路有限公司	香港	港幣10,000元			便服及飾物 零售及分銷
Guangzhou Friendship Baleno Company Limited	PRC	HK\$48,800,000	54	54	Retail and distribution of casual apparel and accessory
廣州友誼班尼路服飾有限公司	中國	港幣48,800,000元			便服及飾物 零售及分銷

**33. INTERESTS IN SUBSIDIARIES** (continued)

**33. 於附屬公司之權益 (續)**

Name 名稱	Place of incorporation/ registration and operations 註冊成立/ 登記及營業地點	Nominal value of issued ordinary/ registered share capital 已發行普通股/ 已登記股本面值	Percentage of equity attributable to the Company 本公司應佔權益 之百分率		Principal activities 主要業務
			2006	2005	
Shanghai Haiwen Baleno Garment Company Limited 上海海文班尼路服飾 有限公司	PRC 中國	US\$210,000 210,000美元	<b>51.4</b>	51.4	Retail and distribution of casual apparel and accessory 便服及飾物 零售及分銷
Beijing Xingyu Baleno Garment & Decoration Company Limited 北京興宇班尼路服裝 服飾有限公司	PRC 中國	US\$500,000 500,000美元	<b>54</b>	54	Retail and distribution of casual apparel and accessory 便服及飾物 零售及分銷
Chongqing Dasheng Baleno Fashion Company Limited 重慶大生班尼路服飾 有限公司	PRC 中國	HK\$3,880,000 港幣3,880,000元	<b>54</b>	54	Retail and distribution of casual apparel and accessory 便服及飾物 零售及分銷
天津市班尼路服飾 有限公司	PRC 中國	RMB500,000 人民幣500,000元	<b>54</b>	54	Retail and distribution of casual apparel and accessory 便服及飾物零售及 分銷
Silver Kingdom Limited 銀鯨有限公司	British Virgin Islands/ Taiwan 英屬處女群島/ 台灣	US\$1 1美元	<b>54</b>	54	Retail and distribution of casual apparel and accessory 便服及飾物零售及 分銷

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**33. INTERESTS IN SUBSIDIARIES** (continued)

**33. 於附屬公司之權益** (續)

Name 名稱	Place of incorporation/ registration and operations 註冊成立/ 登記及營業地點	Nominal value of issued ordinary/ registered share capital 已發行普通股/ 已登記股本面值	Percentage of equity attributable to the Company 本公司應佔權益 之百分率		Principal activities 主要業務
			2006	2005	
Bigpoint Limited	British Virgin Islands/ PRC	US\$1	<b>100</b>	100	Holding of trademarks and provision of franchise services
大班有限公司	英屬處女群島/ 中國	1美元			持有商標及提供 特許經營服務
Highrich Corporation	British Virgin Islands/ PRC	US\$1	<b>54</b>	54	Provision of management services and sub-licensing of trademarks
大富有限公司	英屬處女群島/ 中國	1美元			提供管理服務 及代理版權服務
Winca Trading Limited	British Virgin Islands/ Hong Kong	US\$1	<b>100</b>	100	Provision of repair and maintenance services for generators
永佳貿易有限公司	英屬處女群島/香港	1美元			提供發電機之維修及 保養服務
Winca (Dongguan) Motor Service Limited	PRC	HK\$28,460,000	<b>100</b>	100	Provision of repair and maintenance services for motors
永佳(東莞)汽車維修 股務有限公司	中國	港幣28,460,000元			提供汽車之維修及 保養服務
Overseas Union Limited 聯合海外有限公司	Hong Kong 香港	HK\$2 港幣2元	<b>54</b>	54	Leasing of properties 租賃物業

**33. INTERESTS IN SUBSIDIARIES** (continued)

**33. 於附屬公司之權益 (續)**

Name 名稱	Place of incorporation/ registration and operations 註冊成立/ 登記及營業地點	Nominal value of issued ordinary/ registered share capital 已發行普通股/ 已登記股本面值	Percentage of equity attributable to the Company 本公司應佔權益 之百分率		Principal activities 主要業務
			2006	2005	
Successful Channel Corporation	British Virgin Islands/ PRC 英屬處女群島/ 中國	US\$1 1美元	<b>54</b>	54	Property holding 持有物業
Samuel & Kevin Macau Fashion Company Limited	Macau	MOP25,000	<b>54</b>	54	Retail and distribution of casual apparel and accessory
Samuel & Kevin 服裝服飾澳門有限公司	澳門	葡幣25,000元			便服及飾物零售及分銷
Billion Global Limited	British Virgin Islands/ Taiwan	US\$1	<b>54</b>	54	Retail and distribution of casual apparel and accessory
億皓股份有限公司	英屬處女群島/ 台灣	1美元			便服及飾物零售及分銷
南京班尼路服飾有限公司	PRC 中國	RMB1,010,000 人民幣1,010,000元	<b>54</b>	54	Retail and distribution of casual apparel and accessory
					便服及飾物零售及分銷
武漢班尼路商貿有限公司	PRC 中國	RMB1,080,000 人民幣1,080,000元	<b>54</b>	54	Retail and distribution of casual apparel and accessory
					便服及飾物零售及分銷

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**33. INTERESTS IN SUBSIDIARIES** (continued)

**33. 於附屬公司之權益** (續)

Name 名稱	Place of incorporation/ registration and operations 註冊成立/ 登記及營業地點	Nominal value of issued ordinary/ registered share capital 已發行普通股/ 已登記股本面值	Percentage of equity attributable to the Company 本公司應佔權益 之百分率		Principal activities 主要業務
			2006	2005	
長沙班尼路服飾 有限公司	PRC 中國	RMB500,000 人民幣500,000元	<b>54</b>	54	Retail and distribution of casual apparel and accessory 便服及飾物零售及 分銷
陝西班尼路服飾 有限公司	PRC 中國	RMB600,000 人民幣600,000元	<b>54</b>	54	Retail and distribution of casual apparel and accessory 便服及飾物零售及 分銷
Baleno Kingdom (Singapore) Private Limited	Singapore 新加坡	SG\$2,000,000 坡幣2,000,000元	<b>54</b>	54	Retail and distribution of casual apparel and accessory 便服及飾物零售及 分銷
Grand Nice Development Limited 嘉麗發展有限公司	Hong Kong 香港	HK\$2 港幣2元	<b>54</b>	54	Leasing of properties 租賃物業
Excel Billion Inc. 永億國際有限公司	British Virgin Islands/ Taiwan 英屬處女群島/ 台灣	US\$1 1美元	<b>54</b>	54	Property holding 持有物業

**33. INTERESTS IN SUBSIDIARIES** (continued)

**33. 於附屬公司之權益 (續)**

Name 名稱	Place of incorporation/ registration and operations 註冊成立/ 登記及營業地點	Nominal value of issued ordinary/ registered share capital 已發行普通股/ 已登記股本面值	Percentage of equity attributable to the Company 本公司應佔權益 之百分率		Principal activities 主要業務
			2006	2005	
大連班尼路服飾 有限公司	PRC  中國	HK\$2,100,000  港幣2,100,000元	<b>54</b>	54	Retail and distribution of casual apparel and accessory 便服及飾物零售及 分銷
上海生活幾何服飾 有限公司#	PRC  中國	US\$1,210,000  1,210,000美元	<b>54</b>	—	Retail and distribution of casual apparel and accessory 便服及飾物之零售 及分銷
Nice Dyeing Factory (Macau Commercial Offshore) Limited 永佳染廠(澳門離岸 商業服務)有限公司	Macau  澳門	MOP100,000  葡幣100,000元	<b>100</b>	—	Procurement of raw materials  採購原材料
Modus Global Limited 商蒙特詩國際股份 有限公司	British Virgin Islands/ Taiwan 英屬處女群島/ 台灣	US\$50,000  50,000美元	<b>32.4</b>	—	Retail and distribution of cosmetic products 化妝品零售及分銷



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**33. INTERESTS IN SUBSIDIARIES** (continued)

**33. 於附屬公司之權益** (續)

Name 名稱	Place of incorporation/ registration and operations 註冊成立/ 登記及營業地點	Nominal value of issued ordinary/ registered share capital 已發行普通股/ 已登記股本面值	Percentage of equity attributable to the Company 本公司應佔權益 之百分率		Principal activities 主要業務
			2006	2005	
Baleno (Malaysia) Bhd Sdn	Malaysia 馬來西亞	MY\$300,000 馬幣300,000	54	54	Retail and distribution of casual apparel and accessory 便服及飾物零售及 分銷

# During the year, the Group acquired a 100% equity interest in this subsidiary, further details of the acquisition were included in note 34 to the financial statements.

# 於年內，本集團收購該附屬公司100%權益，有關收購之詳細資料已載於財務報表附註34。

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

上表僅列出本公司之主要附屬公司，董事認為彼等對本集團之業績構成主要影響或組成本集團淨資產之主要部份。董事認為詳列所有附屬公司會令篇幅過於冗長。

### 34. BUSINESS COMBINATION

On 1 December 2005, the Group acquired a 100% interest in 上海生活幾何服飾有限公司 from an independent third party. 上海生活幾何服飾有限公司 is engaged in the retail and distribution of casual apparel and accessory. The purchase consideration for the acquisition of HK\$18,194,000 was paid in the prior year and included in the balance of the prepayments, deposits and other receivables as at 31 March 2005.

The fair values of the identifiable assets and liabilities of 上海生活幾何服飾有限公司 as at the date of acquisition and the corresponding carrying amounts immediately before the acquisition were as follows:

### 34. 業務合併

於二零零五年十二月一日，本集團已向獨立第三者完成收購上海生活幾何服飾有限公司之100%權益。上海生活幾何服飾有限公司經營便服及飾物零售及分銷業務。該收購之代價為港幣18,194,000元，於往年已支付及包括於二零零五年三月三十一日之預付款項、訂金及其他應收賬款結餘內。

於收購日，上海生活幾何服飾有限公司之可辨識之資產及負債之公允值及緊接收購前之相應賬面值如下：

			Fair value recognised on acquisition 於收購時確認 之公允價值	Carrying amount 賬面值
		Note 附註	HK\$'000 港幣千元	HK\$'000 港幣千元
Property, plant and equipment	物業、廠房及設備	13	16,661	268
Cash and bank balances	現金及銀行結餘		1,643	1,643
Prepayments, deposits and other receivables	預付款項、訂金及 其他應收賬款		876	876
Inventories	存貨		857	857
Trade payables	應付賬款		(119)	(119)
Other payables and accrued liabilities	其他應付及應計 負債		(1,724)	(1,724)
			18,194	1,801
Satisfied by a deposit paid	以訂金支付		18,194	

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### 34. BUSINESS COMBINATION (continued)

An analysis of the net outflow of cash and cash equivalents in respect of the acquisition of a subsidiary is as follows:

		HK\$'000
		港幣千元
Cash and bank balances	得到之現金及銀行結餘及	
acquired and net inflow of	有關收購一附屬公司之	
cash and cash equivalents in	現金及現金等價物淨流入	
respect of the acquisition of		
a subsidiary		1,643

Since its acquisition, 上海生活幾何服飾有限公司 contributed HK\$1.2 million to the Group's turnover and a loss of HK\$0.4 million to the consolidated profit for the year ended 31 March 2006.

Had the combination taken place at the beginning of the year, the revenue and the loss attributable to the Group for the year would have been HK\$5.8 million and HK\$0.2 million, respectively.

### 34. 業務合併 (續)

有關收購一附屬公司之現金及現金等價物淨流出之分析如下：

自收購後，上海生活幾何服飾有限公司於二零零六年三月三十一日止年度內計入本集團之營業額為港幣1.2百萬元，及計入本集團綜合溢利的虧損為港幣0.4百萬元。

倘若該合併發生於年初，則歸屬本集團之收入及虧損分別為港幣5.8百萬元及港幣0.2百萬元。

### 35. CONTINGENT LIABILITIES

- (a) At the balance sheet date, contingent liabilities not provided for in the financial statements were as follows:

### 35. 或有負債

- (a) 於結算日，於財務報表未作撥備之或有負債如下：

		Group		Company	
		本集團		本公司	
		2006	2005	2006	2005
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元
Bank guarantees given in lieu of property rental deposits	代替租用物業按金之銀行擔保	8,921	3,734	—	—
Guarantees of banking facilities granted to an associate	為聯營公司銀行信貸所作之擔保	12,500	12,500	12,500	12,500
Guarantees of banking facilities granted to subsidiaries	為附屬公司銀行信貸所作之擔保	—	—	3,256,050	3,157,000
Export bills discounted with recourse*	有追索權之出口票據貼現*	—	239,543	—	—

\* Upon the adoption of HKAS 39, the discounted bills with recourse have been accounted for as bank advances since 1 April 2005, further details of which are set out in note 2.2(b)(iii) to the financial statements.

\* 根據採納香港會計準則第39號，自二零零五年四月一日起，有追索權之出口票據貼現已計入為銀行墊款，詳細資料載於財務報表附註2.2(b)(iii)。

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### 35. CONTINGENT LIABILITIES (continued)

#### (a) (continued)

As at 31 March 2006, the banking facilities granted to an associate and subsidiaries with guarantees given to the banks by the Company were not utilised (2005: Nil) and were utilised to the extent of approximately HK\$893 million (2005: HK\$545 million), respectively.

- (b) In respect of possible future long service payments to employees under the Hong Kong Employment Ordinance as further explained under the heading "Employee benefits" in note 2.5 to the financial statements, the Group has made a provision of HK\$8,773,000 (2005: HK\$8,111,000) and has a further contingent liability with a maximum possible amount of HK\$4,744,000 (2005: HK\$3,647,000) as at 31 March 2006.

The contingent liability has arisen because, at the balance sheet date, certain employees of the Group were eligible for long service payments under the Employment Ordinance if their employment was terminated under certain circumstances. A provision has not been recognised in respect of such possible payments, as it is not considered probable that the situation will result in a material future outflow of resources from the Group.

### 35. 或有負債 (續)

#### (a) (續)

截至二零零六年三月三十一日，聯營公司並無動用本公司已作擔保之銀行額度（二零零五年：無），而附屬公司則已動用港幣893百萬元（二零零五年：港幣545百萬元）。

- (b) 根據香港僱傭條例可能須於未來向僱員支付長期服務金，如財務報表附註2.5「僱員福利」一節所詳述，於二零零六年三月三十一日，本集團已撥備港幣8,773,000元（二零零五年：港幣8,111,000元）而或有負債可能涉及之金額最多為港幣4,744,000元（二零零五年：港幣3,647,000元）。

或有負債產生之原因為於結算日，若干本集團僱員已符合僱傭條例下的資格，於若干情況下被終止聘用時可享有長期服務金之規定。由於預期該等情況不大可能會對本集團日後資源流出有重大影響，故並無就有關可能支付之款項確認撥備。

**35. CONTINGENT LIABILITIES** (continued)

- (c) A subsidiary of the Group in Taiwan is currently subject to a claim from the National Tax Authority (the "NTA") of Taiwan for the underpayment of business tax on sales made through certain local stores in Taiwan during the period from November 1998 to December 2002 together with penalties, of NTD50 million in aggregate (equivalent to HK\$12 million). An amendment letter against the claims was filed by the local tax representative of the subsidiary in a prior year. The directors, based on the advice from the local tax representative of the subsidiary, consider that the subsidiary has a valid ground to object the claims from the NTA, and accordingly, the Group has not made any provision for the tax claim as at 31 March 2006 (2005: Nil).

**36. OPERATING LEASE ARRANGEMENTS****(a) As lessor**

The Group leases its investment properties (note 14) under operating lease arrangements, with leases negotiated for terms ranging from two to three years. The terms of the leases generally also require the tenants to pay security deposits and provide for periodic rent adjustments according to the then prevailing market conditions.

**35. 或有負債 (續)**

- (c) 本集團於台灣之一附屬公司受到台灣國稅局追索有關透過部份當地店舖擁有者於一九九八年十一月至二零零二年十二月期間銷售之少付營業稅及罰款，總額共新台幣50百萬元（相等於港幣12百萬元）。該附屬公司之當地稅務代表於往年已呈交抗辯信反對該索償。按該附屬公司當地稅務代表之意見，董事相信該附屬公司有充份理據反對國稅局之索償，因此，本集團並沒有於二零零六年三月三十一日為此稅務索償作出撥備（二零零五年：無）。

**36. 經營租賃安排****(a) 作為出租人**

本集團根據經營租賃安排出租旗下投資物業（附註14），議訂租期由兩年至三年不等。租約條款一般規定租戶須繳付保證按金及訂明可根據當時市場情況定期作出租金調整。

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**36. OPERATING LEASE ARRANGEMENTS** (continued)

**(a) As lessor** (continued)

At 31 March 2006, the Group had total future minimum lease receivables under non-cancellable operating leases with its tenants falling due as follows:

		<b>Group</b>	
		<b>集團</b>	
		<b>2006</b>	2005
		<b>HK\$'000</b>	HK\$'000
		<b>港幣千元</b>	港幣千元
Within one year	於一年內	<b>7,098</b>	3,155
In the second to fifth years,	第二年至第五年		
inclusive	(包括首尾兩年)	<b>3,502</b>	2,258
After five years	於五年後	<b>—</b>	14
		<b>10,600</b>	5,427

**(b) As lessee**

The Group leases certain of its land for factories, retail stores, plant and machinery, and staff and directors' quarters under operating lease arrangements. Such leases are negotiated for terms of not more than 50 years.

**36. 經營租賃安排 (續)**
**(a) 作為出租人 (續)**

於二零零六年三月三十一日，本集團根據有關之不可撤銷經營租賃合約未來最低應收租金總額到期情況如下：

**(b) 作為承租人**

本集團根據經營租賃安排租用若干土地用作工廠、零售商店、廠房及機械、員工及董事宿舍。該等租約議訂租期不超過五十年。

**36. OPERATING LEASE ARRANGEMENTS** (continued)

**(b) As lessee** (continued)

At 31 March 2006, the Group had total future minimum lease payments under non-cancellable operating leases falling due as follows:

		<b>Group</b>	
		<b>集團</b>	
		<b>2006</b>	2005
		<b>HK\$'000</b>	HK\$'000
		<b>港幣千元</b>	港幣千元
Within one year	於一年內	<b>538,656</b>	451,792
In the second to fifth years,	第二年至第五年		
inclusive	(包括首尾兩年)	<b>828,961</b>	698,222
After five years	於五年後	<b>772,954</b>	495,220
		<b>2,140,571</b>	1,645,234

At the balance sheet date, the Company had no commitments under operating lease arrangements (2005: Nil).

**36. 經營租賃安排** (續)

**(b) 作為承租人** (續)

於二零零六年三月三十一日，本集團根據有關之不可撤銷經營租賃合約未來最低應付租金總額到期情況如下：

於結算日，本公司並無經營租賃安排承擔（二零零五年：無）。



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### 37. CAPITAL COMMITMENTS

The commitments for capital expenditure of the Group at the balance sheet date were as follows:

### 37. 資本性承擔

於結算日，本集團資本性支出承擔如下：

		<b>Group</b>	
		<b>集團</b>	
		<b>2006</b>	2005
		<b>HK\$'000</b>	HK\$'000
		<b>港幣千元</b>	港幣千元
In respect of property, plant and equipment, contracted, but not provided for	已就物業、廠房及設備訂約，但未提撥備	<b>276,918</b>	40,373
In respect of property, plant and equipment, authorised, but not contracted for	已就物業、廠房及設備核準，但沒有訂約	<b>330,331</b>	332,361
		<b>607,249</b>	372,734

At the balance sheet date, the Company had no capital commitments (2005: Nil).

於結算日，本公司並無資本性承擔（二零零五年：無）。

### 38. RELATED PARTY TRANSACTIONS

- (a) During the year, the Group had the following related party transactions:

			2006	2005
	Notes		HK\$'000	HK\$'000
	附註		港幣千元	港幣千元
Sales to Megawell Industrial Limited ("Megawell")	銷售予偉佳針織有限公司(「偉佳」)	(i)	266,101	317,944
Purchases from Megawell	向偉佳採購	(ii)	210,321	208,692
Rental expenses paid to related companies	租金費用支付予關連公司	(iii)	5,174	1,878

#### Notes:

- (i) The sales to Megawell, an associate of the Group, were made according to the prices and conditions offered to the major customers of the Group.
- (ii) The directors considered that the purchases from Megawell were made according to the prices and conditions similar to those offered to other customers of the associate.
- (iii) The rental expenses were paid to related companies, of which certain directors of the Company are also the directors and beneficial shareholders, for the provision of directors' quarters and a yacht. The directors considered that the monthly rentals were charged based on the prevailing market rates at the dates of the tenancy agreements. The rental expenses of the directors' quarters were included in the directors' remuneration as detailed in note 7 to the financial statements.

#### 附註：

- (i) 本集團向聯營公司偉佳之銷售乃根據本集團向主要客戶提供之價格及條件訂立。
- (ii) 董事認為向偉佳採購之價格及條件，與該聯營公司向其他客戶所提供之價格及條件相若。
- (iii) 租金費用是支付予關連公司作為董事宿舍及提供一艘遊艇，該等公司之董事及實益股東亦為本公司之董事。董事認為每月之租金乃根據租賃合同簽訂日之市場價格。付出之董事宿舍租金費用已包括於董事酬金，並詳列於財務報表附註7。

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### 38. RELATED PARTY TRANSACTIONS (continued)

(a) (continued)

In addition, the Company and the Group have provided certain guarantees for banking facilities granted to the associate, as detailed in note 35(a) to the financial statements.

- (b) As at 31 March 2006, Nice Dyeing Factory Limited, a wholly-owned subsidiary of the Company, has provided advances of HK\$640,168,000 (2005: HK\$497,949,000) to Baleno Kingdom Limited, a non-wholly-owned subsidiary, at HIBOR plus 2% p.a. (2005: HIBOR plus 2% p.a.).

In addition, Nice Dyeing Factory (Macau Commercial Offshore) Limited, a wholly-owned subsidiary of the Company, has provided advances of HK\$93,930,000 (2005: Nil) to Baleno Holdings Limited, a non-wholly-owned subsidiary, at 83% of HIBOR plus 2%.

The principal purpose of these advances is to finance the operations of Baleno Holdings Limited and its subsidiaries. The advances are unsecured and have no fixed terms of repayment.

### 38. 關連人士交易 (續)

(a) (續)

此外，本公司及本集團為聯營公司作出若干銀行信貸擔保，詳細資料載於財務報表附註35(a)。

- (b) 於二零零六年三月三十一日，本公司之全資擁有附屬公司永佳染廠有限公司向本公司之非全資擁有附屬公司班尼路有限公司提供之貸款為港幣640,168,000元(二零零五年：港幣497,949,000元)，年利率為香港銀行同業拆息加2%，(二零零五：香港銀行同業拆息加2%)。

此外，本公司全資擁有附屬公司永佳染廠(澳門離岸商業服務)有限公司向本公司非全資擁有附屬公司班尼路集團有限公司提供貸款港幣93,930,000元(二零零五年：無)，年利率為香港銀行同業拆息加2%的83%。

該等貸款主要用作班尼路集團有限公司及其附屬公司之營運資金。上述貸款並無抵押及無協定還款日期。

**38. RELATED PARTY TRANSACTIONS** (continued)

(c) In a prior year, a shareholder loan was granted to the Group by a substantial shareholder and also director of the Company, details of which were set out in note 27 to the financial statements. Total interest expenses of the shareholder loan during the year were HK\$10,248,000 (2005: HK\$2,879,000). The shareholder loan was repaid in full by the Group during the year.

(d) A minority shareholder of the Group's 54%-owned subsidiary had provided an unconditional guarantee to indemnify the Group from any loss arising from the recoverability of prepayments made to a supplier of the Group of HK\$24,155,000 (2005: HK\$24,155,000) as included in the balance of the prepayments, deposits and other receivables of the Group as at the balance sheet date.

(e) Compensation of key management personnel of the Group

**38. 關連人士交易** (續)

(c) 於往年，本公司之主要股東兼董事借出股東貸款予本集團，詳情載於財務報表附註27。本年度股東貸款之利息支出總額為港幣10,248,000元（二零零五年：港幣2,879,000元）。本集團已於年內全部清還此股東貸款。

(d) 本集團擁有54%權益附屬公司之其中一少數股東就本集團預付一供應商貨款港幣24,155,000元（二零零五年：港幣24,155,000元），提供無條件擔保以保償任何回收上之損失。於結算日，該款已包括於預付款項、訂金及其他應收賬款結餘中。

(e) 本集團主要管理人員薪酬

		2006	2005
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Short term employee benefits	短期僱員福利	63,112	53,016
Post-employment benefits	離職後福利	60	60
Total compensation paid to key management personnel	主要管理人員薪酬總額	63,172	53,076

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### 38. RELATED PARTY TRANSACTIONS (continued)

(e) (continued)

Further details of directors' emoluments are included in note 7 to the financial statements.

The related party transactions in respect of items (a)(iii) and (c) above constitute continuing connected transactions which are exempted from the reporting, announcement and independent shareholders' approval requirement as defined in Chapter 14A Rule 65(4) of the Listing Rules.

### 39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's principal financial instruments, other than derivatives, comprise bank loans and overdrafts, shareholder loans, and cash and short term deposits. The main purpose of these financial instruments is to raise finance for the Group's operations. The Group has various other financial assets and liabilities such as trade receivables and trade payables, which arise directly from its operations.

The Group also enters into derivative transactions, including principally forward currency contracts. The purpose is to manage the interest rate and currency risks arising from the Group's operations and its sources of finance.

### 38. 關連人士交易 (續)

(e) (續)

董事酬金詳情載於財務報表附註第7。

根據上市條例第十四A章第六十五條四段之定義，以上(a)(iii)及(c)項之關連人士交易構成已豁免披露、公佈及獨立股東批准之要求的持續關連交易。

### 39. 財務風險管理目標及政策

本集團之主要金融工具(衍生工具除外)包括銀行借貸及透支、股東貸款、現金及短期存款。該等金融工具之主要目的是為本集團籌集營運資金。本集團有其他不同的金融資產及負債，包括應收賬款及應付賬款等，乃源自其營運。

本集團亦參與衍生工具交易，主要包括遠期外匯合約，旨在管理本集團營運及融資所產生之利率及貨幣風險。

**39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES** *(continued)*

The main risks arising from the Group's financial instruments are cash flow interest rate risk, foreign currency risk, credit risk and liquidity risk. The board reviews and agrees policies for managing each of these risks and they are summarised below. The Group's accounting policies in relation to derivatives are set out in note 2.5 to the financial statements.

**Cash flow interest rate risk**

The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long term debt obligations with a floating interest rate.

The Group's policy is to manage its interest cost using an appropriate mix of fixed and variable rate debts. To manage this mix in a cost-effective manner, the Group may enter into interest rate swap contracts to reduce its exposure to interest rate fluctuations. These interest rate swap contracts are deemed as derivatives and their fair value changes are recorded in the income statement. At 31 March 2006, all the Group's interest-bearing borrowings bore interest at floating rates.

**39. 財務風險管理目標及政策 (續)**

本集團金融工具所產生之主要風險為現金流量利率風險、外幣風險、信貸風險及流動性風險。董事會審閱並同意管理此等風險之政策，該等政策概述如下。本集團有關衍生工具之會計政策載於財務報表附註2.5。

**現金流量利率風險**

本集團面對市場利率變動風險主要與本集團之浮息長期債務責任有關。

本集團的政策是利用合適的定息及浮息借貸組合管理其利息成本。為以具成本效益管理該組合，本集團會安排利率掉期合約以減低其面對利率波動之風險。該些利率掉期合約被視作衍生工具及其公允值須計入利潤表內。於二零零六年三月三十一日，本集團的所有附息貸款為浮息貸款。

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### 39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

#### Foreign currency risk

The Group has transactional currency exposures. Such exposures arise from sales or purchases by operating units in currencies other than the units' functional currency. Approximately 35% (2005: 26%) of the Group's sales are denominated in currencies other than the functional currency of the operating units making the sale, whilst almost 50% (2005: 43%) of purchases are denominated in currencies other than unit's functional currency.

The Group uses various forward currency contracts to manage the currency exposures on sale and purchase transactions. These foreign currency derivative contracts are deemed as derivatives and their fair value changes are recorded in the income statement.

#### Credit risk

The Group trades only with recognised and creditworthy third parties. It is the Group's policy that only well-established customers will be considered for open account terms and the approval of credit terms is subject to stringent credit check procedures. In addition, receivable balances are monitored on an ongoing basis and the Group's exposure to bad debts is not significant.

### 39. 財務風險管理目標及政策 (續)

#### 外幣風險

本集團存在交易貨幣風險，該風險源自經營單位以該單位功能貨幣以外之貨幣進行銷售或採購。本集團約35%(二零零五年：26%)之銷售以經營單位之功能貨幣以外的貨幣進行，而約50%(二零零五年：43%)之採購則以單位之功能貨幣以外的貨幣進行。

本集團利用不同的遠期貨幣合約以管理銷售及採購交易之貨幣風險。該等外幣衍生合約被視為衍生工具及其公允值將被計入利潤表內。

#### 信貸風險

本集團僅與被確認信譽良好之第三者交易。本集團之政策為只考慮與良好基礎之客戶開立未結平賬戶及實施嚴格之信貸審核程序。此外，本集團會持續監察應收款項結餘，而本集團並無重大之壞賬風險。

**39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES** *(continued)***Credit risk** *(continued)*

The credit risk of the Group's other financial assets, which comprise cash and cash equivalents and derivative financial instruments, arises from default of the counterparties, with a maximum exposure equal to the carrying amount of these instruments, which is considered by the directors as not significant as the counterparties of these other financial assets are all well-recognised financial institutions.

Since the Group trades only with recognised and creditworthy third parties, there is no requirement for collateral.

**Liquidity risk**

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, bank loans and shareholder loan. As at 31 March 2006, 54% (2005: 49%) and 46% (2005: 51%) of the Group's total aforesaid borrowings will mature over one year, and in less than one year, respectively.

**39. 財務風險管理目標及政策 (續)****信貸風險 (續)**

本集團其他金融資產(包括現金及現金等價物、衍生金融工具)之信貸風險源自交易對手違約而產生，最高風險相等於該等工具之賬面值。由於交易對手為備受公認信譽良好之金融機構，因此董事認為該等風險並不重大。

由於本集團僅與被確認信譽良好之第三者交易，故無須提供抵押品。

**流動性風險**

本集團目標是利用銀行透支、銀行貸款及股東貸款以保持資金的連續性及靈活性之間的平衡。於二零零六年三月三十一日，本集團54%(二零零五年：49%)及46%(二零零五年：51%)的上述總借貸中，分別將於一年後及一年內到期。



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#### 40. COMPARATIVE AMOUNTS

As further explained in notes 2.2 and 2.4 to the financial statements, due to the adoption of new and revised HKFRSs during the current year, the accounting treatment and presentation of certain items and balances in the financial statements have been revised to comply with the new requirements. Accordingly, certain prior year and opening balance adjustments have been made and certain comparative amounts have been reclassified and restated to conform with the current year's presentation and accounting treatment.

#### 41. APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the board of directors on 17 July 2006.

#### 40. 比較數字

如財務報表附註2.2及2.4所詳述，由於本年度採納新及經修訂的香港財務報告準則，財務報表中若干項目及結餘之會計理方法及呈報方式已作修訂，以符合新規定。因此，已作出若干往年及期初調整，並已將若干比較數字重新分類及重編，以符合本年度之呈報方式及會計處理方法。

#### 41. 財務報表之核准

本財務報表已於二零零六年七月十七日由董事會核准及授權刊發。



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