

 **TEXWINCA**  
HOLDINGS LIMITED 德永佳集團有限公司

TEXWINCA HOLDINGS LIMITED TEXWINCA HOLDINGS LIMITED TEXWINCA HOLDINGS LIMITED TEXWINCA HOLDINGS LIMITED TEXWINCA HOLDINGS LIMITED

**99** Annual Report **年報**

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

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## Directors

Poon Bun Chak (Chairman and Managing Director)  
Poon Kai Chak  
Poon Kei Chak  
Poon Kwan Chak  
Ting Kit Chung  
Au Son Yiu\*  
Cheng Shu Wing\*  
Lu Gong\* (Resigned on 30 July 1998)

\* Independent Non-executive Directors

## Company Secretary

Chan Chi Hon

## Registered Office

Clarendon House,  
Church Street,  
Hamilton HM11,  
Bermuda.

## Head Office and Principal Place of Business

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

## Principal Registrar and Transfer Office

Butterfield Corporate Services Limited  
Rosebank Centre,  
14 Bermudiana Road,  
Pembroke,  
Bermuda.

## 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  
區燦耀\*  
鄭樹榮\*  
魯恭\* (於一九九八年七月三十日辭任)

\* 獨立非執行董事

## 公司秘書

陳志漢

## 註冊辦事處

Clarendon House,  
Church Street,  
Hamilton HM11,  
Bermuda.

## 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

## 主要股份登記及過戶處

Butterfield Corporate Services Limited  
Rosebank Centre,  
14 Bermudiana Road,  
Pembroke,  
Bermuda.

### Hong Kong Branch Registrar and Transfer Office

Tengjs Limited  
1601 Hutchison House,  
10 Harcourt Road, Central,  
Hong Kong.

### 香港股份登記及過戶分處

登捷時有限公司  
香港中環  
夏慤道10號  
和記大廈1601室

### Auditors

Ernst & Young  
Certified Public Accountants

### 核樓師

安永會計師事務所  
執業會計師

### Legal Advisors

Jennifer Cheung & Co.  
Wilkinson & Grist

### 法律顧問

張美霞律師行  
高露雲律師行

### Principal Bankers

Dao Heng Bank  
Bank of China  
Hongkong Bank  
The Fuji Bank  
Bank of America (Asia)  
Credit Commercial De France  
ABN-AMRO Bank  
Banque National De Paris

### 主要往來銀行

道亨銀行  
中國銀行  
匯豐銀行  
富士銀行  
美國亞洲銀行  
法國商業銀行  
荷蘭銀行  
法國國家巴黎銀行

### Website

<http://www.irasia.com/listco/hk/texwinca>

### 網址

<http://www.irasia.com/listco/hk/texwinca>

(Amounts expressed in HK\$ Million, unless specified) (以港幣百萬元為單位，除非特別註明)		Notes 附註	98/99	97/98	96/97	95/96	94/95
Turnover	營業額		<b>2,725</b>	2,812	1,805	1,048	859
Net profit attributable to shareholders	股東應佔 溢利淨額		<b>182</b>	249	246	152	120
Shareholders' equity	股東資金		<b>1,129</b>	1,012	825	491	377
Total assets	資產總值		<b>1,879</b>	2,030	1,588	1,083	875
Total liabilities to equity ratio	總負債與資本比率		<b>0.7</b>	1.0	0.9	1.2	1.3
Bank borrowings to equity ratio	銀行借貸與資本比率		<b>0.3</b>	0.6	0.5	0.7	0.7
Current ratio	流動比率		<b>1.8</b>	1.8	2.0	1.4	1.1
Receivables turnover on sales (days)	應收帳之週轉期(日)		<b>32</b>	54	73	96	79
Inventory turnover on sales (days)	銷售存貨 之週轉期(日)		<b>55</b>	64	76	76	66
Net asset value per share (cents)	每股資產淨值(仙)	1	<b>88.3</b>	79.1	66.5	43.8	33.6
Return on total assets (%)	總資產回報率(%)		<b>9.7</b>	12.3	15.5	14.0	13.7
Return on sales (%)	銷售回報率(%)		<b>6.7</b>	8.9	13.6	14.5	14.0
Interest cover (times)	利息比率(倍數)	2	<b>4.9</b>	5.0	9.1	7.1	5.3

(Amounts expressed in HK\$ Million, unless specified) (以港幣百萬元為單位，除非特別註明)		Notes 附註	98/99	97/98	96/97	95/96	94/95
Earnings per share (cents)	每股盈利(仙)	1, 3	<b>14.2</b>	19.4	20.4	13.6	10.8
Dividends per share (cents)	每股股息(仙)	1	<b>5.0</b>	4.5	4.0	3.3	2.8
Dividend yield (%)	股息回報率(%)	1, 4	<b>8.6</b>	3.8	1.3	4.5	3.5
Number of issued shares (million)	已發行股份(百萬)	1	<b>1,279</b>	1,280	1,241	1,120	1,120
Number of employees	僱員人數						
The People's Republic of China	中華人民共和國						
Hong Kong	香港		<b>394</b>	408	297	194	276
Elsewhere	其他地方		<b>4,967</b>	5,587	4,052	2,814	1,853
Taiwan	台灣		<b>145</b>	152	—	—	—
Total	總數		<b>5,506</b>	6,147	4,349	3,008	2,129

Notes:

- The net asset value per share, earnings per share, dividends per share, dividend yield and number of issued shares for prior years have been adjusted to reflect the subdivision of shares of HK\$0.10 each into two shares of HK\$0.05 each on 25 September 1997.
- Interest cover was calculated by dividing the profit before interest and tax by the interest payables.
- Number of shares was on weighted average basis.
- Dividend yield was calculated by dividing the dividends per share by the closing market price per share as at the respective balance sheet date.
- All figures used were as at the respective balance sheet date, unless specified.

附註:

- 以往年度每股資產淨值、每股盈利、每股股息、股息回報率及已發行股份已經調整，以反映一九九七年九月二十五日每股面值0.10港元股份分拆為兩股每股面值0.05港元股份。
- 利息比率之計算為稅及利息前之溢利與應付利息之比率。
- 股份數目按加權平均基準計算。
- 股息回報率之計算為每股股息與本公司於有關年結日每股收市價之比率。
- 除特別註明外，所有數字概為於年底之數字。

## REVIEW OF OPERATIONS AND PROSPECTS

In this financial year, the Group's turnover and net profit attributable to shareholders decreased by 3% and 27%, respectively. The Board recommended a final dividend of 3.0 cents per share (last year: 2.75 cents). Including interim dividend, total dividend per share for the year was 5.0 cents, an increase of 11% over last year's 4.5 cents.

In the face of the Asian economic turmoil, the Management had opted for a cautious financial policy. Inventory turnover days on sales improved from 64 days of last year to 55 days, and accounts receivable turnover on sales also decreased from 54 days of last year to 32 days. Bank borrowings were reduced by HK\$255 million, causing bank borrowings to equity ratio to drop from 0.6 of last year to 0.3. At the end of this fiscal year, the Group's cash and bank balance amounted to HK\$265 million.

Revenue from the textile business was 4.5% lower at HK\$1,895 million, which was 70% of total turnover. The decrease was due mainly to a downward pressure on pricing, and the tightening of credit control by the Management. In order to maintain profit margin, the Management had taken active measures to reduce costs and increase productivity. Our major markets remained the United States (about 65%) and Europe (about 25%), orders from which had not been affected by volatility in the Asian markets. With Asia showing signs of recovery, we expect that business from this area will increase relatively.

"Baleno", the retail business, contributed a revenue of HK\$796 million, an increase of 5.9%, which represented 29% of total turnover. The past year had been a difficult period for retail business as a whole as consumer confidence was badly shaken by the Asian economic crisis. However, there have been signs of recovery, and as rents and other costs have gone down, the business performance of "Baleno" has improved. China

## 業務回顧及展望

本集團本年度之營業額及股東應佔溢利淨額較去年分別下跌3%及27%。董事會建議派發末期股息每股3.0仙(去年:2.75仙)。連同中期股息,每股股息總額為5.0仙,較去年之4.5仙增加約11%。

在亞洲金融風暴下,管理層採取審慎之財務政策。銷售存貨週轉期由去年之64日減為55日,而應收帳款週轉期亦由去年之54日減至32日。期內減少銀行借貸約2億5千5百萬港元,使銀行借貸與資本比率因而由去年之0.6減至0.3。本會計年度結算時,本集團之現金及銀行結餘約為2億6千5百萬港元。

紡織業業務收入為18億9千5百萬港元,下跌4.5%,佔總營業額約70%。收入減少主要由於貨品價格有下調壓力及管理層收緊貨款信貸所致。為維持邊際利潤,管理層已採取積極行動緊縮成本及加強生產效益。主要業務市場仍以美國(約佔65%)及歐洲(約佔25%)為主,單量亦沒有受亞洲金融動蕩影響。亞洲市場近月來有改善趨勢,預計來年業務比例將有所提升。

Baleno零售收入為7億9千6百萬港元,增長5.9%,佔總營業額29%。亞洲金融危機令消費者信心大失,零售業務於期內處於困難時期。然近月來零售市道已轉好,加上租金及其他成本下降,Baleno業績已有改善。零售業務仍以中國為主,現有零售店約250間,較去年增加約40間。預計來年

was still the mainstay of our retail business, with about 250 shops, 40 more shops compared with last year. We plan to open 50 new shops in China in the coming year, most of them will be franchised shops. There are 17 shops and 37 shops in Hong Kong and Taiwan, respectively. The Group is actively exploring other retail markets in Asia, and such development plans are progressing smoothly.

For this financial year, the Management employed a conservative strategy to ensure that the Group remained financially strong. As the economic conditions in Asia and Hong Kong ameliorate, the Group will expedite its business expansion plans with prudence. The Management is confident that a progress will be seen in the results of the coming year.

**Poon Bun Chak**

Chairman

Hong Kong, 17 August 1999

中國將再增店約50間，以開設特許經營店為主。香港及台灣則各有零售店17間及37間。本集團亦已積極開展亞洲其他零售市場，各計劃項目已在順利進行中。

本財政年度管理層之策略以穩健為主，務求使本集團有良好之財務狀況。隨著香港及亞洲經濟環境改善，本集團已審慎地加快業務擴展。管理層對來年爭取進步成績充滿信心。

主席

潘彬澤

香港，一九九九年八月十七日

**NOTICE IS HEREBY GIVEN** that an Annual General Meeting of the Members of the Company will be held at Grand Royal Club, Level 6, Metroplaza Tower II, 223 Hing Fong Road, Kwai Chung, New Territories, Hong Kong at 11:45 A.M. on Friday, 24 September 1999 for the following purposes:

1. To receive and consider the audited consolidated financial statements and the Reports of the Directors and the Auditors for the year ended 31 March 1999;
2. To declare a final dividend;
3. To elect Directors and to authorize the Board of Directors to fix their remuneration;
4. To appoint Auditors and to authorize the Board of Directors to fix their remuneration;
5. To consider as special business and, if thought fit, pass with or without amendments, the following resolution as an Ordinary Resolution:

**"THAT:**

- (a) the exercise by the Directors during the Relevant Period of all the powers of the Company to purchase shares of HK\$0.05 each in the capital of the Company, subject to and in accordance with the applicable laws, be and is hereby generally and unconditionally approved;
- (b) the total nominal amount of the shares to be purchased pursuant to the approval in paragraph (a) above shall not exceed 10% of the total nominal amount of the share capital of the Company in issue on the date of this Resolution and the said approval shall be limited accordingly; and

**茲通告**德永佳集團有限公司(「本公司」)謹訂於一九九九年九月二十四日星期五上午十一時四十五分，假座香港新界葵涌興芳路223號新都會廣場二座6樓帝豪會召開股東週年大會，以處理下列事項：

1. 省覽截至一九九九年三月三十一日止年度之經審核綜合財務報表及董事會報告與核數師報告；
2. 宣佈派發末期股息；
3. 選舉董事並授權董事會釐定董事之酬金；
4. 委聘核數師並授權董事會釐定其酬金；
5. 作為特別事項，考慮及酌情通過下列決議案(不論修訂與否)為普通決議案：

**「動議：**

- (a) 一般性及無條件批准本公司董事會在符合適用法例之情況下，於有關期間內行使本公司全部權力，以回購本公司股本中每股面值港幣0.05元股份；
- (b) 根據上述(a)段所述之批准，獲授權回購股本之面值總額不得超過本公司於截至本決議案日期之已發行股本面值總額百分之十，而上述批准亦須受到此數額限制；及

- (c) for the purpose of this Resolution, "Relevant Period" means the period from the passing of this Resolution until whichever is the earlier of:
- (i) the conclusion of the next Annual General Meeting of the Company;
  - (ii) the revocation or variation of the authority given under this Resolution by ordinary resolution of the members in general meeting; and
  - (iii) the expiration of the period within which the next Annual General Meeting of the Company is required by the Company's Bye-laws or any applicable laws to be held.";
6. To consider as special business and, if thought fit, pass with or without amendments, the following resolution as an Ordinary Resolution;
- "THAT:**
- (a) subject to paragraph (c) of this Resolution, the exercise by the Directors during the Relevant Period of all the powers of the Company to allot, issue and deal with additional shares in the capital of the Company and to make or grant offers, agreements and options which might require the exercise of such power be and is hereby generally and unconditionally approved;
- (c) 就本決議案而言，「有關期間」意指由本決議案通過之日起直至下列之較早日期為止之期間：
- (i) 本公司下屆股東週年大會結束之日；
  - (ii) 本決議案所述授權經由股東大會通過普通決議案予以撤銷或修改之日期；及
  - (iii) 根據本公司細則或任何適用法例規定，本公司須予召開下屆股東週年大會期限屆滿之日。」；
6. 作為特別事項，考慮及酌情通過下列決議案（不論修訂與否）為普通決議案：
- 「動議：**
- (a) 在本決議案(c)段之規限下，一般性及無條件授權董事會在有關期間內行使本公司一切權力以配發、發行及處置本公司股本中之新增股份，以及在或需行使該等權力之情況下訂立或授予售股建議、協議及認購權；

- (b) the approval in paragraph (a) shall authorize the Directors of the Company during the Relevant Period to make or grant offers, agreements and options which might require the exercise of such power after the end of the Relevant Period;
- (c) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted by the Directors of the Company pursuant to the approval in paragraph (a), otherwise than pursuant to (i) a Rights Issue; or (ii) any option scheme or similar arrangement for the time being adopted for the grant or issue to officers and/or employees of the Company and/or any of its subsidiaries of shares or rights to acquire shares of the Company; or (iii) any scrip dividend or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on shares of the Company in accordance with the Bye-laws of the Company, shall not exceed 20% of the total nominal amount of the share capital of the Company in issue on the date of this Resolution and the said approval shall be limited accordingly; and
- (d) for the purpose of this Resolution, "Relevant Period" means the period from the passing of this Resolution until whichever is the earlier of:
- (i) the conclusion of the next Annual General Meeting of the Company;
- (b) (a)段之批准授權本公司董事會在有關期間內訂立或授予或需在有關期間以後行使該等權力之售股建議、協議及認購權；
- (c) 本公司董事會依據(a)段之批准而配發或同意有條件或無條件配發之股本總面值(除因(i)配售新股；或(ii)當時已採納之任何認股權計劃或類似安排，以向本公司及／或其任何附屬公司之高級職員及／或僱員授予或發行股份或購買本公司股份之權利，或(iii)依照本公司細則實行之任何以股代息計劃或類似安排，以配發股份代替本公司股份之全部或部分股息外)不得超過本公司於本決議案通過日期已發行股本面值總額之20%，而上述批准須據此而受限制；及
- (d) 就本決議案而言，「有關期間」意指由本決議案通過之日起直至下列之較早日期止之期間：
- (i) 本公司下屆股東週年大會結束之日；

- (ii) the revocation or variation of the authority given under this Resolution by ordinary resolution of the members in general meeting; and
- (iii) the expiration of the period within which the next Annual General Meeting of the Company is required by the Company's Bye-laws or any applicable laws to be held.

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

7. To consider as special business and, if thought fit, pass with or without amendments, the following resolution as an Ordinary Resolution:

**"THAT** the general mandate granted to the Directors of the Company and for the time being in force to exercise the powers of the Company to allot shares and to make or grant offers, agreements and options which might require the exercise of such powers be and is hereby extended by the addition to the total nominal amount of share capital which may be allotted or agreed conditionally or unconditionally to be allotted by the Directors of the Company pursuant to such general mandate an amount representing the total nominal amount of shares in the capital of the Company which has been purchased by the Company since the granting of such general mandate pursuant to the exercise by the Directors of the Company of the powers of the Company to

- (ii) 本決議案所述授權經由股東大會通過普通決議案予以撤銷或修改之日期；及
- (iii) 根據本公司細則或任何適用法例規定，本公司須予召開下屆股東週年大會期限屆滿之日。

「配售新股」指在本公司董事會指定之期間，向於指定記錄日期名列股東名冊之股份持有人按其當時持股比例配售股份（惟本公司董事會有權就零碎股份或就任何司法地區之法律或任何認可監管機構或證券交易所之規定所引致之任何限制或責任而必須或權宜取消若干股東在此方面之權利或作出其他安排）。」；

7. 作為特別事項，考慮及酌情通過下列決議案（不論修訂與否）為普通決議案：

「**動議**擴大本公司董事會獲授與可行使本公司權力以配發股份，並作出或授予或有需要行使該等權力之一般授權限額，在本公司董事會依據該項一般授權可配發或同意有條件或無條件配發之股本總面值上，加以相等於本公司依據獲授予之權力自獲授權後購回本公

purchase such shares, provided that such amount shall not exceed 10% of the total nominal amount of the share capital of the Company in issue on the date of this Resolution.”

司股本之總面值總額，惟此數額不得超逾本公司在本決議案通過日期之已發行股本總面值百分之十。」

By Order of the Board

**Chan Chi Hon**

Secretary

承董事會命

秘書

陳志漢

Hong Kong, 17 August 1999

香港，一九九九年八月十七日

Notes:

附註：

- (a) The Register of Members will be closed from Friday, 17 September 1999 to Friday, 24 September 1999 (both days inclusive), during which period no transfer of shares can be registered.
- (a) 本公司將於一九九九年九月十七日星期五至一九九九年九月二十四日星期五(首尾兩天包括在內)，暫停辦理股票過戶登記手續。
- (b) In order to qualify for the proposed final dividend, all transfers accompanied by the relevant share certificate must be lodged with the Company's Registrar in Hong Kong, Tengis Limited at 1601 Hutchison House, 10 Harcourt Road, Central, Hong Kong not later than 4:00 p.m. on Thursday, 16 September 1999.
- (b) 股東如欲享有建議派發之末期股息，須於一九九九年九月十六日星期四下午四時正以前，將股票連同有關股票過戶文件，送達本公司在香港之股份過戶登記處登捷時有限公司，地址為香港中環夏慤道10號和記大廈1601室，辦理過戶登記手續。
- (c) A Member entitled to attend and vote at the Meeting is entitled to appoint one or more proxies to attend and vote on his/her behalf. A proxy need not be a Member of the Company.
- (c) 凡有權出席上述大會並於會上投票之股東，均可委派一位或以上代表出席，並代其投票。委任代表毋須為本公司之股東。
- (d) To be valid, a form of proxy and the power of attorney or other authority, if any, under which it is signed, or a notarially certified copy of such power of authority, must be lodged with the Company's Registrar in Hong Kong, Tengis Limited at 1601 Hutchison House, 10 Harcourt Road, Central, Hong Kong not less than 48 hours before the time for holding the Meeting.
- (d) 代表委任表格連同委任人簽署之授權書或其他授權文件(如有)，或經由公證人證明之授權書或授權文件副本，最遲須於大會指定召開時間四十八小時前，送達本公司在香港之股份過戶登記處登捷時有限公司，地址為香港中環夏慤道10號和記大廈1601室，方為有效。
- (e) An explanatory statement containing further details regarding Resolutions 5 to 7 above will be sent to Members together with the 1999 Annual Report.
- (e) 一份載有上述有關第5至7項決議案進一步資料之說明文件連同一九九九年年報，將一併寄予各股東。
- (f) Subject to the approval of the Directors' recommendation, the final dividend will be paid on Friday, 22 October 1999.
- (f) 待董事會之建議獲得批准後，本公司將於一九九九年十月二十二日星期五派發末期股息。

The directors herein present their annual report and the audited financial statements of the Company and the Group for the year ended 31 March 1999.

## 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 accessories, the provision of repair and maintenance services of motor vehicles and generators and trading of generators, and the provision of franchise services. There were no changes in the nature of the Group's activities during the year.

The principal activity of the Company is investment holding.

## Segmented Information

The Group turnover and contribution to operating profit are predominately derived from activities in the People's Republic of China, including Hong Kong.

董事會謹此呈奉截至一九九九年三月三十一日止年度之年報及本公司與本集團之經審核財務報表，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、提供汽車及發電機之維修及保養服務、銷售發電機及提供特許經營服務。本集團之業務在本年度並無轉變。

本公司之主要業務為投資控股。

## 分類資料

本集團營業額及經營溢利貢獻主要源自中華人民共和國(包括香港)之業務。

An analysis of the Group turnover and contribution to operating profit by principal activity for the year ended 31 March 1999 is as follows:

截至一九九九年三月三十一日止年度，本集團主要業務之營業額及溢利貢獻分析如下：

		Turnover 營業額 HK\$'000 港幣千元	Contribution 溢利貢獻 HK\$'000 港幣千元
Production, dyeing and sale of knitted fabric	針織布之產銷及整染	1,502,697	383,169
Production, dyeing and sale of yarn	棉紗之產銷及整染	391,855	64,961
Retailing and distribution of casual apparel and accessories	便服及飾物之零售及經銷	796,251	302,147
Repair and maintenance services of motor vehicles and generators and trading of generators	汽車及發電機之維修保養及銷售發電機	26,280	4,021
Franchise income	特許經營收入	8,210	3,005
		<u>2,725,293</u>	<u>757,303</u>
Less: General, administrative and financial expenses	減：常務、行政及財務開銷		<u>(568,210)</u>
Operating profit	經營溢利		189,093
Share of profit of an associated company	應佔聯營公司溢利		12,382
Profit before taxation	除稅前溢利		<u>201,475</u>

## Results and Dividends

The Group's profit for the year ended 31 March 1999 and the state of affairs of the Company and the Group at that date are set out in the financial statements on pages 33 to 75.

An interim dividend of 2.0 cents per share was paid on 10 February 1999. The directors recommend the payment of a final dividend of 3.0 cents per share in respect of the year to shareholders whose names appear on the register of members on 24 September 1999. This recommendation has been incorporated in the financial statements.

## 業績與股息

本集團於截至一九九九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33至75頁之財務報表。

中期股息每股2.0仙已於一九九九年二月十日派發。董事會茲建議派發本年度末期股息每股3.0仙予一九九九年九月二十四日名列股東名冊之股東，是項建議股息已列入財務報表。

## Summary Financial Information

The table below summarises the results and the assets and liabilities of the Group for the last five financial years, as extracted from the published audited financial statements and reclassified as appropriate.

## 財務資料概要

下表為本集團於過往五個財政年度之業績、資產與負債之概述，乃摘自已公佈之經審核財務報表，並已按需要重新分類。

RESULTS	業績	Year ended 31 March 截至三月三十一日止年度				
		1999 HK\$'000 港幣千元	1998 HK\$'000 港幣千元	1997 HK\$'000 港幣千元	1996 HK\$'000 港幣千元	1995 HK\$'000 港幣千元
TURNOVER	營業額	<b>2,725,293</b>	2,811,580	1,805,104	1,048,287	858,650
OPERATING PROFIT	經營溢利	<b>189,093</b>	243,727	264,101	155,812	126,737
Share of profit of an associated company	應佔聯營公司溢利	<b>12,382</b>	6,823	—	—	—
PROFIT BEFORE TAXATION	除稅前溢利	<b>201,475</b>	250,550	264,101	155,812	126,737
Taxation	稅項	<b>(19,414)</b>	(25,804)	(17,685)	(4,092)	(6,567)
PROFIT BEFORE MINORITY INTERESTS	未計少數股東權益前溢利	<b>182,061</b>	224,746	246,416	151,720	120,170
Minority interests	少數股東權益	—	24,259	(623)	—	—
NET PROFIT ATTRIBUTABLE TO SHAREHOLDERS	股東應佔溢利淨額	<b>182,061</b>	249,005	245,793	151,720	120,170
ASSETS AND LIABILITIES	資產與負債	As at 31 March 於三月三十一日				
		1999 HK\$'000 港幣千元	1998 HK\$'000 港幣千元	1997 HK\$'000 港幣千元	1996 HK\$'000 港幣千元	1995 HK\$'000 港幣千元
TOTAL ASSETS	資產總值	<b>1,879,452</b>	2,030,233	1,588,101	1,083,244	874,733
TOTAL LIABILITIES	負債總值	<b>(753,238)</b>	(1,020,387)	(741,685)	(571,559)	(485,150)
MINORITY INTERESTS	少數股東權益	<b>2,522</b>	2,600	(21,659)	(21,000)	(13,000)
NET ASSETS	資產淨值	<b>1,128,736</b>	1,012,446	824,757	490,685	376,583

## Fixed Assets and Investment Properties

Details of movements in the fixed assets and investment properties of the Group are set out in notes 8 and 9 to the financial statements, respectively.

## Major Customers and Suppliers

In the year under review, both purchases and sales from/to the five largest suppliers/customers accounted for less than 30% of the total purchases and sales for the year.

No directors, their associates or shareholders which to the knowledge of the directors owned more than 5% of the Company's share capital, had any interest in the above five largest customers or suppliers.

## Bank Loans, Overdrafts and Other Borrowings

The amounts of bank loans, overdrafts and other borrowings of the Company and the Group at 31 March 1999 are set out in notes 17, 18 and 19 to the financial statements, respectively.

## Share Capital and Share Options

Details of movements in the share capital and share options of the Company during the year, together with the reasons therefor, are set out in note 21 to the financial statements.

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.

## 固定資產及投資物業

本集團之固定資產及投資物業變動情況分別列載於財務報表附註8及9。

## 主要客戶及供應商

於本審核年度，五大供應商／客戶佔本年度總採購額／銷售額均不足30%。

各董事、彼等之聯繫人等或就董事會所知擁有本公司股本5%以上之股東並無擁有該五大客戶或供應商之任何權益。

## 銀行貸款、透支及其他借貸

本公司及本集團於一九九九年三月三十一日之銀行貸款、透支及其他借貸金額分別列載於財務報表附註17、18及19。

## 股本及購股權

本公司於年內股本及購股權變動之詳情連同有關之原因列載於財務報表附註21。

根據本公司細則或百慕達法例，並無有關本公司須按比例向現有股東配售新股之優先購股權規定。

## Reserves

Details of movements in the reserves of the Company and the Group during the year are set out in note 22 to the financial statements.

## Subsidiaries and Associated Company

Particulars of the Company's subsidiaries and the Group's associated company are set out in notes 23 and 12 to the financial statements, respectively.

## Distributable Reserves

At 31 March 1999, the Company's reserves available for cash distribution and/or distribution in specie amounted to HK\$302,566,000. In addition, the Company's share premium account may be distributed in the form of fully paid-up bonus shares.

## Directors

The directors of the Company during the year were:

### Executive Directors:

Poon Bun Chak  
Poon Kai Chak  
Poon Kei Chak  
Poon Kwan Chak  
Ting Kit Chung

### Independent Non-executive Directors:

Au Son Yiu  
Cheng Shu Wing  
Lu Gong (resigned on 30 July 1998)

## 儲備

本公司及本集團於本年度內之儲備變動詳情列載於財務表附註22。

## 附屬公司及聯營公司

本公司各附屬公司及本集團之聯營公司之詳情已分別列載於財務報表附註23及12。

## 可供分派儲備

於一九九九年三月三十一日，本公司可供作現金及／或實物分派之儲備為港幣302,566,000元。此外，本公司股本溢價賬亦可以繳足紅股方式予以分派。

## 董事

本年內本公司董事芳名如下：

### 執行董事

潘彬澤  
潘佳澤  
潘機澤  
潘鈞澤  
丁傑忠

### 獨立非執行董事

區樂耀  
鄭樹榮  
魯恭 (於一九九八年七月三十日辭任)

## Directors (continued)

In accordance with the Company's Bye-laws, all existing directors will retire and, being eligible, offer themselves for re-election at the forthcoming Annual General Meeting.

## Directors' Remuneration

		HK\$'000 港幣千元
Fees:	袍金：	
Independent non-executive directors	獨立非執行董事	240
Other emoluments:	其他酬金：	
Executive directors:	執行董事：	
Basic salaries, housing, other allowances and benefits in kind	基本薪金、房屋及其他津貼與實物利益	20,558
Bonuses paid and payable	已付及應付花紅	12,600
		<u>33,398</u>

The number of directors including independent non-executive directors, whose remuneration fell within the bands set out below is as follows:

		Number of directors 董事人數
Nil — HK\$1,000,000	零至港幣1,000,000元	3
HK\$4,000,001 — HK\$4,500,000	港幣4,000,001元至港幣4,500,000元	2
HK\$5,500,001 — HK\$6,000,000	港幣5,500,001元至港幣6,000,000元	1
HK\$6,000,001 — HK\$6,500,000	港幣6,000,001元至港幣6,500,000元	1
HK\$11,500,001 — HK\$12,000,000	港幣11,500,001元至港幣12,000,000元	1
		<u>8</u>

There were no arrangements under which a director waived or agreed to waive any remuneration.

## 董事 (續)

根據本公司細則，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。

## 董事酬金

酬金屬以下數額之董事(包括獨立非執行董事)之數目如下：

並無董事已放棄或同意放棄任何酬金之安排。

## Employee Costs

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

## Employees

As at 31 March 1999, the Group had approximately 394 employees in Hong Kong, as well as 4,967 and 145 employees in the People's Republic of China ("PRC") and Taiwan, respectively. The Group remunerates its employees largely based on industrial practice.

## Pension Schemes and Costs

The Group had no pension arrangement for its employees during the year.

## Directors' Service Contracts

On 15 July 1992, the Company entered into a service contract with each of the following directors for a term of three years from 1 July 1992, terminable by either party by giving not less than three months' written notice. These service contracts were extended on their original expiry date and on 28 June 1998, the Company further extended the service contracts with these directors for another term of three years.

Poon Bun Chak

Poon Kai Chak

Poon Kei Chak

Poon Kwan Chak

Ting Kit Chung

## 僱員酬金

於年內，本集團五位最高薪人士均為董事，彼等之酬金詳情載列如上。

## 僱員

於一九九九年三月三十一日，本集團於香港、中華人民共和國（「中國」）及台灣，分別僱有約394、4,967及145名僱員。本集團主要按有關行業標準釐定僱員酬金。

## 退休金計劃及費用

本集團於年內並沒有為僱員設立退休保障安排。

## 董事服務合約

於一九九二年七月十五日，本公司與下列各位董事簽訂服務合約，由一九九二年七月一日起計為期三年，可由任何一方以不少於三個月書面通知予以終止。於一九九八年六月二十八日，即前合約之到期日，本公司延長與該等董事之服務合約三年。

潘彬澤

潘佳澤

潘機澤

潘鈞澤

丁傑忠

### Directors' Service Contracts (continued)

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 other than statutory compensation.

### Directors' Interests in Contracts

Save as disclosed in note 28 to the financial statements, no director had a beneficial interest in any material contract to which the Company, its holding company or any of its subsidiaries was a party during the year.

## Biographical Details of Directors and Senior Management

### Executive Directors

Mr. Poon Bun Chak, aged 51, is the Chairman and Managing Director overseeing the planning, organisation and development of the Group. He founded the Group in 1975 and has over 24 years' experience in the textile field.

Mr. Poon Kai Chak, aged 49, is a younger brother of Mr. Poon Bun Chak. He joined the Group in 1980 and has over 19 years' experience in the industry. He is responsible for the knitting operations of the Group.

Mr. Poon Kei Chak, aged 47, is a younger brother of Mr. Poon Bun Chak. He joined the Group on its establishment in 1975 and has over 24 years' experience in the field. He looks after the dyeing operations and assists in the overall management of the Group.

### 董事服務合約 (續)

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。

### 董事合約權益

除財務報表附註28披露者外，各董事於年內概無在本公司、其控股公司或附屬公司所簽訂之任何重大合約中佔有實際權益。

### 董事及高級管理人員履歷

#### 執行董事

潘彬澤先生，五十一歲，主席兼董事總經理，負責監督本集團之規劃、組織及發展。彼於一九七五年創辦本集團，擁有逾二十四年紡織業經驗。

潘佳澤先生，四十九歲，潘彬澤先生之胞弟。彼於一九八零年加入本集團，擁有逾十九年本行業經驗，負責管理本集團織布業務。

潘機澤先生，四十七歲，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，擁有逾二十四年紡織業經驗，負責管理整染業務及協助管理本集團一般業務。

## Biographical Details of Directors and Senior Management (continued)

### Executive Directors (continued)

Mr. Poon Kwan Chak, aged 53, is the elder brother of Mr. Poon Bun Chak. He joined the Group in 1976 and has over 23 years' related experience. He is responsible for the Group's merchandising and sales management.

Mr. Ting Kit Chung, aged 43, is responsible for the general administration and financial management. He joined the Group in 1991 and has over 10 years' banking experience. He holds a Bachelor of Arts degree from the University of Hong Kong.

### Independent Non-executive Directors

Mr. Au Son Yiu, aged 54, is a registered investment adviser and has extensive experience in the securities industry. He is a dealing director of HLG Securities (H.K.) Limited, a director of China Point Stock Brokers Limited and I & P Securities Limited, a consultant to Dao Heng Securities Limited, and a non-executive director for several public companies listed on The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). In addition, he is an ex-deputy chairman of the Hong Kong Securities Clearing Company Limited (1992-1994) and an ex-council member of the Stock Exchange (1988-1994).

Mr. Cheng Shu Wing, aged 49, is a director of Laidlaw Pacific (Asia) Limited. He holds a Bachelor of Business Administration degree from the Chinese University of Hong Kong and has over 23 years' experience in the banking and securities industries in Hong Kong.

Mr. Lu Gong, aged 41, is a director of Super Worth Holdings Limited. Prior to joining the Company in 1997. Mr. Lu was a controller in the China division of Hong Kong Telecom. He resigned as an independent non-executive director on 30 July 1998

## 董事及高級管理人員覆歷 (續)

### 執行董事 (續)

潘鈞澤先生，五十三歲，潘彬澤先生之胞兄。彼於一九七六年加入本集團，擁有逾二十三年本業務經驗，負責管理採購及銷售業務。

丁傑忠先生，四十三歲，負責行政及財務管理。彼於一九九一年加入本集團，擁有逾十一年銀行業經驗。彼持有香港大學文學士學位。

### 獨立非執行董事

區樂耀先生，五十四歲，註冊投資顧問，有豐富證券業經驗。彼為HLG Securities (H.K.) Limited之交易董事，亦為中方證券有限公司兼慶昌證券有限公司之董事及道亨證券有限公司之顧問，並擔任若干在香港聯合交易所有限公司(「聯交所」)上市之公眾公司非執行董事。此外，彼為香港中央結算有限公司(一九九二年至一九九四年)前任副主席與聯交所(一九八八年至一九九四年)前任理事。

鄭樹榮先生，四十九歲，利萊(亞洲)有限公司董事，彼持有香港中文大學工商管理學士學位。有逾二十三年香港銀行業及證券業經驗。

魯恭先生，四十一歲，富緯集團有限公司董事。彼於一九九七年加入本公司之前，曾出任香港電訊中國業務部總監。於一九九八年七月三十日，魯先生辭去獨立非執行董事一職。

## Senior Management

Mr. Chan Min, aged 44, is a director of the Group's retail operations. He is a graduate of Hong Kong Polytechnic (now Hong Kong Polytechnic University) and is a member of the British Computer Society. Prior to joining the Group in 1996, Mr. Chan had over 13 years' experience as a business and management information consultant in retail business.

Mr. Chan Chi Hon, aged 37, joined the Group in 1997 and is the Group Financial Controller and Company Secretary. Mr. Chan holds a masters degree in Commerce from the University of New South Wales and is an associate member of the Hong Kong Society of Accountants and a certified practising accountant of the Australian Society of Certified Practising Accountants. He has over 12 years' experience in auditing and accounting.

Mr. Chau Kuen Kai, aged 41, is a factory manager of the knitting operations of the Group. He joined the Group in 1979 and has over 19 years' experience in the knitting industry.

Mr. Fung Wai Lun, aged 42, is a director of the Group's retail operations. Before joining the Group in 1996, Mr. Fung had over 20 years' experience in the retailing industry.

Mr. Hon Siu Kit, aged 39, is a sales 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 over 21 years' experience in the textile industry.

Ms. Leung Mei Yin, aged 34, is a sales director of Nice Dyeing Factory Limited, a subsidiary of the Group engaged in the sale of finished knitted fabric. She joined the Group in 1990 and has over 13 years' experience in the textile industry.

## 高級管理人員

陳勉先生，四十四歲，本集團零售業務之董事。彼於香港理工學院(現稱香港理工大學)畢業，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顧問超過十三年。

陳志漢先生，三十七歲，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及澳洲會計師公會會員，具有超過十二年的核數與會計經驗。

周權佳先生，四十一歲，本集團針織業務工廠經理。彼於一九七九年加入本集團，擁有超過十九年針織業經驗。

封偉倫先生，四十二歲，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，三十九歲，本集團從事針織布銷售之永佳染廠有限公司營業董事。彼於一九九三年加入本集團，擁有超過二十一年紡織業經驗。

梁美賢小姐，三十四歲，本集團從事針織布銷售之永佳染廠有限公司營業董事。彼於一九九零年加入本集團，擁有超過十三年紡織業經驗。

**Senior Management (continued)**

Mr. Ling Man, aged 46, is a factory manager of the yarn dyeing operations of the Group. He joined the Group in 1998 and has over 23 years' experience in the dyeing and finishing industry.

Mr. Liu Ying Che, aged 34, is a factory manager of the fabric dyeing operations of the Group. He joined the Group in 1989 and has over 15 years' experience in the dyeing and finishing industry.

Mr. Ting Kit Hung, aged 47, is a director and chief executive of the Group's motor and generator services operations in the PRC. Mr. Ting 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 Masters degree in Business Administration from the University of East Asia, Macau. He joined the Group in 1995 and has over 29 years' experience in the motor industry. He is the elder brother of Mr. Ting Kit Chung.

Mr. Wong Tung Yiu, aged 44, is a sales director and 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 over 25 years' experience in the textile industry.

**高級管理人員 (續)**

凌文先生，四十六歲，本集團染紗業務部工廠經理。於一九九八年加入本集團，擁有超過二十三年整染業經驗。

廖英智先生，三十四歲，本集團染布及整理業務工廠經理。彼於一九八九年加入本集團，擁有超過十五年整染業經驗。

丁傑雄先生，四十七歲，本集團在中國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，擁有逾二十九年汽車維修業經驗。彼為丁傑忠先生之長兄。

王東耀先生，四十四歲，本集團從事針織布銷售之永佳染廠有限公司營業董事兼總經理。彼於一九九四年加入本集團，擁有超過二十五年紡織業經驗。

## Directors' Interests in Share Capital

At 31 March 1999, the interests of the directors and their associates in the share capital of the Company and its associated corporations as recorded in the register maintained by the Company pursuant to Section 29 of the Securities (Disclosure of Interests) Ordinance ("SDI Ordinance") were as follows:

## 董事之股本權益

一九九九年三月三十一日，根據證券(公開權益)條例(「公開權益條例」)第29條規定而由本公司置存之股東名冊所記錄各董事及其聯繫人等所擁有之本公司及各聯營公司之股本權益如下：

Name of director	董事姓名		Name of shares and nature of interest 持有本公司股份數目及權益性質			Total 合計
			Personal interests 個人權益	Family interests 家族權益	Corporate interests 公司權益	
Poon Bun Chak	潘彬澤	Note	33,720,000	234,800,104	571,200,000	839,720,104
Poon Kai Chak	潘佳澤	附註	6,502,800	—	—	6,502,800
Poon Kei Chak	潘機澤		27,377,200	—	—	27,377,200
Poon Kwan Chak	潘鈞澤		9,442,800	—	—	9,442,800
Ting Kit Chung	丁傑忠		3,000,000	—	—	3,000,000
Au Son Yiu	區樂耀		60,000	—	—	60,000
Cheng Shu Wing	鄭樹榮		60,000	—	—	60,000

Note: 234,800,104 shares are owned by Farrow Star Limited, which is wholly-owned by Perfection Inc. as trustee for The Evergreen Trust, a discretionary trust, the objects of which include the family members of Poon Bun Chak. These shares are held as family interests under the SDI Ordinance.

附註：234,800,104股股份由一全權信託The Evergreen Trust之信託人Farrow Star Limited (Perfection Inc.全資擁有)所擁有，該全權信託之受益人包括潘彬澤之家族成員。根據公開權益條例，該等股份屬於以家族權益持有。

571,200,000 shares are owned by Giant Wizard Corporation in which Farrow Star Limited has an 80% equity interest, and are held as corporate interests under the SDI Ordinance. A 12.4% interest in Giant Wizard Corporation is owned by Poon Kai Chak, Poon Kei Chak and Poon Kwan Chak.

571,200,000股股份由Farrow Star Limited擁有80%股本權益之Giant Wizard Corporation擁有，根據公開權益條例，屬於以公司權益持有。Giant Wizard Corporation之12.4%權益由潘佳澤、潘機澤及潘鈞澤擁有。

### Directors' Interests in Share Capital (continued)

Save as disclosed above, none of the directors, or the spouses or children under 18 years of age of any of the directors or chief executives or their associates, had any personal, family, corporate or other interests in the share capital of the Company or any of its associated corporations as defined in the SDI Ordinance.

### Directors' Rights to Acquire Shares

Apart from the share option scheme as detailed below under the heading "Share option scheme" and in note 21 to the financial statements, at no time during the year was the Company or any of its subsidiaries a party to any arrangements to enable the Company's directors, their respective spouses, or children under 18 years of age to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

### Substantial Shareholders

At 31 March 1999, no person, other than Mr. Poon Bun Chak whose interests are set out above, had registered an interest in the share capital of the Company that was required to be recorded under Section 16(1) of the SDI Ordinance.

### Purchase, Redemption or Sale of Listed Securities

Particulars of the repurchases of shares by the Company during the year are set out in note 21 to the financial statements. Except for the foregoing, neither the Company nor any of its subsidiaries purchased, redeemed or sold any of the Company's listed securities during the year.

### 董事之股本權益 (續)

除上文所披露者外，本公司各董事或任何董事或主要行政人員之配偶或十八歲以下之子女或其聯繫人等概無以個人、家族、公司或其他權益方式擁有本公司或任何聯營公司(定義見公開權益條例)之股本權益。

### 董事之購股權利

除在標題「購股權計劃」下及財務報表附註21所述之購股權計劃外，於本年度任何時間內，本公司或各附屬公司概無訂立任何安排致使本公司董事或其配偶或十八歲以下之子女可藉收購本公司或任何其法人團體之股份或債券而獲益。

### 主要股東

於一九九九年三月三十一日，除潘彬澤先生擁有前述之權益外並無其他人士擁有本公司之股本權益，而根據公開權益條例第16(1)條規定須予記錄。

### 購入、贖回或出售上市證券

本公司於本年度回購股份之詳情載於財務報表附註21。除前所述，本公司、其附屬公司於本年度概無購入、贖回或出售本公司之任何上市證券。

## Connected Transactions

Nice Dyeing Factory Limited, a wholly-owned subsidiary of the Company, provided advances totalling HK\$246,064,808 to Baleno Kingdom Limited, a non-wholly-owned subsidiary, at prime rate minus 1.75% per annum from April 1998 to November 1998 and at prime rate minus 1% per annum from December 1998 to March 1999. The advances are unsecured and have no fixed terms of repayment. The principal purpose of these advances is to finance the non-wholly-owned subsidiary's operations.

## Share Option Scheme

On 15 July 1992, the Company adopted a share option scheme the details of which are set out in note 21 to the financial statements.

Details of options granted in prior years to the directors under this scheme are as follows:

Name of director		Number of options in respect of shares held as at 31 March 1999
董事名稱		在一九九九年三月三十一日關於股份之購股權數目
Poon Bun Chak	潘彬澤	29,000,000
Poon Kai Chak	潘佳澤	8,300,000
Poon Kei Chak	潘機澤	10,600,000
Poon Kwan Chak	潘鈞澤	3,300,000
Ting Kit Chung	丁傑忠	9,600,000
Au Son Yiu	區樂耀	400,000
Cheng Shu Wing	鄭樹榮	400,000
Lu Gong (Resigned on 30 July 1998)	魯恭(於一九九八年七月三十日辭任)	200,000
		61,800,000

## 關連交易

本公司之全資擁有附屬公司永佳染廠有限公司於本年中，向本公司之非全資擁有附屬公司班尼路有限公司繼續提供貸款，累計未償還貸款為港幣246,064,808元，年利息於一九九八年四月至十一月為最優惠利率減1.75%，由一九九八年十二月至一九九九年三月為最優惠利率減1%，有關貸款並無抵押及無協定之還款期。貸款主要用作支持非全資附屬公司之日常營運。

## 購股權計劃

於一九九二年七月十五日，本公司採納購股權計劃，有關詳情列載於財務報表附註21。

本年度之前根據此計劃所授予董事之購股權之詳細資料如下：

## Share Option Scheme (continued)

All the above options were granted pursuant to the Company's share option scheme as detailed in note 21 to the financial statements.

## Audit Committee

In accordance with the Code of Best Practice set out in Appendix 14 of the Listing Rules of The Stock Exchange of Hong Kong Limited (the "Stock Exchange"), the Company established an Audit Committee (the "Committee") on 15th March 1999. The members of the Committee comprise the two independent non-executive directors of the Company, Mr. Au Son Yiu and Mr. Cheng Shu Wing.

The terms of reference and duties have been laid down as a guideline for the Committee. The principal duties of the Committee include the review and supervision of the financial reporting process and internal control. Being a sub-committee of the Board, the Committee reports and makes recommendations to the Board directly.

## Disclosure Requirements of Practice Note 19 of the Listing Rules of the Stock Exchange

The Company entered into two syndicated bank loan agreements which required disclosure in accordance with Practice Note 19 of the Listing Rules of the Stock Exchange. Under the loan agreements, the controlling shareholders, the Poon family (Mr. Poon Bun Chak and his family members), are required to maintain controlling interests in the management and hold an aggregate shareholding of not less than 51% of the issued capital of the Company during the tenure of the loans to 27 August 2001. A breach of these criteria in respect of the management and shareholding is considered to be a default under the loan agreements. During the year, no breach of these criteria was noted. As at 31 March 1999, the aggregate loan balance was HK\$280 million, representing 25% of the Group's net asset value.

## 購股權計劃 (續)

以上根據公司之購股權計劃所授予之購股權已詳細載於財務報表附註21。

## 審核委員會

本公司遵照香港聯合交易所有限公司(「聯交所」)的《證券上市規則》附錄十四所載之《最佳應用守則》，於一九九九年三月十五日成立審核委員會，其成員包括本公司之兩位獨立非執行董事，分別為區樂耀先生及鄭樹榮先生。

委員會備有明確之條文及職責細則作指引。委員會之主要職責包括審核本集團的財務報告及內部監控制度。作為董事會下之一個委員會，審核委員會直接向董事會報告及提交意見。

## 聯交所《證券上市規則》第十九項指引須披露資料

按聯交所《證券上市規則》第十九項指引須披露之資料，本公司已訂立之兩項銀團貸款協議須予以披露。根據貸款協議，控股股東潘氏家族(潘彬澤先生及其家族成員)須於該等貸款協議有效期間(貸款協議至二零零一年八月二十七日維持彼對公司控制權及持有本公司已發行股本不少於51%，若違反以上管理及控股之標準，將被視為不履行貸款協議。於年內，有關標準並未被違反。於一九九九年三月三十一日，未償還貸款總額為港幣2億8千萬，即約佔集團資產淨值25%。

## Disclosure Requirements of Practice Note 19 of the Listing Rules of the Stock Exchange (continued)

Save as disclosed above, there are no other disclosures required under Practice Note 19.

## Code of Best Practice

In the opinion of the directors, the Company has complied with the Code of Best Practice as set out in Appendix 14 of the Listing Rules of the Stock Exchange throughout the accounting period covered by the annual report except that the independent non-executive directors of the Company are not appointed for specific terms. Independent non-executive directors are subject to retirement and re-election at the Annual General Meeting of the Company in accordance with the provisions of the Company's Bye-laws.

## Year 2000 Computer Problem

The Group has recognised the Year 2000 ("Y2K") problem. The problem could arise as a result of the two-digit representation of year on some computer systems. This storage method may lead to malfunction when computer systems attempt to retrieve or process time-related information after or during the year 2000.

The Group has completed in-depth technical testing and evaluation on all systems and believes that it has addressed the Y2K issues. As most computer applications are developed by in-house technicians, and the Y2K issue has been addressed at the system design stage, no Y2K problem is expected. For systems provided by third parties, the Group has confirmed the Y2K compliance of the systems with the vendors. The Group is also enquiring as to the Y2K compliance of its major business partners, including suppliers and customers.

## 聯交所《證券上市規則》第十九項指引須披露資料 (續)

除以上披露外，其他概無根據第十九項指引須予以披露事項。

## 最佳應用守則

董事會認為，除並無按指定任期委任獨立非執行董事外，本公司於本年報所述之會計期間均遵守根據聯交所《證券上市規則》附錄十四指引所載之《最佳應用守則》。根據本公司細則，本公司獨立非執行董事須依章退任，並於本公司股東週年大會重選連任。

## 公元二千年電腦問題

本集團對公元二千年之電腦問題（「千年蟲」）非常重視。千年蟲之問題主要是由於電腦系統以兩位數字代表年份，此種年份儲存方法將於二零零零年或之後引至電腦於提取或處理與時間有關之資料時可能出現問題。

本集團已完成系統的深入技術測試及檢查，及相信已能應付有關千年蟲之問題。由於大部份電腦應用系統乃由本集團自行開發，而有關千年蟲之問題已於設計時被解決，因此系統將不會因千年蟲而發生問題。另外，有關從外添置的系統，本集團亦已與有關之供應商商討及檢定，並已確定有關系統之過渡性。本集團同時向主要商業伙伴包括供應商和客戶查詢其對千年蟲之過渡性。

### Year 2000 Computer Problem (continued)

To avoid any unexpected disruption which may be caused by the Y2K problem, the Group has set up a contingency plan which comprises the followings:

- 1) Back-up all data and system programs on or before 31 December 1999;
- 2) Programs and system files set up on an independent network server to restore or resume the system in case of any problems caused by Y2K;
- 3) Print hard copies of all financial reports and ledgers;
- 4) Obtain hard copies of bank statements before 31 December 1999;
- 5) Print financial reports and ledgers on 1 January 2000 and reconcile them against reports listed above; and
- 6) All computer technicians are to standby during the transition period from the end of December 1999 to early January 2000 to deal with any Y2K problems which may arise.

As at 31 March 1999, the total Y2K project cost spent was HK\$320,000 and no material further cost is expected.

### 公元二千年電腦問題 (續)

為防止任何因千年蟲引致而又未能預料之影響，本集團已擬定以下之緊急應變計劃：

- 1) 於一九九九年十二月三十一日或之前，將所有資料檔案及系統程式備存；
- 2) 在獨立的電腦網絡系統上，設置有關之電腦程式及系統檔案，以備隨時拯救因千年蟲引致之系統失效；
- 3) 打印出所有財務報告及帳冊；
- 4) 於一九九九年十二月三十一日前收取所有往來銀行之戶口月結表；
- 5) 於二零零零年一月一日列印財務報表及帳冊，並將之核對以上之報告；及
- 6) 所有電腦技術人員必須於一九九九年底至二零零零年初值勤準備，以應付任何關於千年蟲可能引致之問題。

截至一九九九年三月三十一日止，本集團已用了港幣320,000元作解決千年蟲之支出，亦預計沒有其他重大的支出。

## 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 August 1999

## 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周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，一九九九年八月十七日



**To the members**

**Texwinca Holdings Limited**

*(Incorporated in Bermuda with limited liability)*

We have audited the financial statements on pages 33 to 75 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 statements and to report our opinion to you.

**Basis of Opinion**

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

**致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**

本核數師已根據香港審核標準，審核列載於本年報第33頁至75頁之財務報表。

**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審核工作之結果，對該等財務報表作出獨立意見，並向 貴股東報告。

**意見基礎**

本核數師乃根據香港會計師公會頒佈之審核準則進行審核。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。

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, in all material respects, of the state of affairs of the Company and of the Group as at 31 March 1999 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 August 1999

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 貴集團於一九九九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，一九九九年八月十七日

# Consolidated Profit and Loss Account

## 綜合損益表

1999 ANNUAL REPORT  
一九九九年年報

Year ended 31 March 1999  
截至一九九九年三月三十一日止年度

		Notes 附註	1999 HK\$'000 港幣千元	1998 HK\$'000 港幣千元
TURNOVER	營業額	2	<b>2,725,293</b>	2,811,580
OPERATING PROFIT	經營溢利	3	<b>189,093</b>	243,727
Share of profit of an associated company	應佔聯營公司溢利		<b>12,382</b>	6,823
PROFIT BEFORE TAXATION	除稅前溢利		<b>201,475</b>	250,550
Taxation	稅項	4	<b>(19,414)</b>	(25,804)
PROFIT BEFORE MINORITY INTERESTS	未計少數股東 權益前溢利		<b>182,061</b>	224,746
Minority interests	少數股東權益		—	24,259
NET PROFIT ATTRIBUTABLE TO SHAREHOLDERS	股東應佔溢利 淨額	5, 22	<b>182,061</b>	249,005
DIVIDENDS	股息	6, 22	<b>63,936</b>	57,601
EARNINGS PER SHARE (cents)	每股盈利 (仙)	7		
Basic	基本		<b>14.2</b>	19.4
Diluted	攤薄後		<b>N/A 不適用</b>	19.0

# Consolidated Balance Sheet

## 綜合資產負債表

1999 ANNUAL REPORT  
一九九九年年報

31 March 1999  
一九九九年三月三十一日

		Notes 附註	1999 HK\$'000 港幣千元	1998 HK\$'000 港幣千元
FIXED ASSETS	固定資產	8	700,327	750,593
INVESTMENT PROPERTIES	投資物業	9	30,500	27,000
CONSTRUCTION IN PROGRESS	在建工程	10	—	18,141
TRADEMARKS	商標	11	47,314	46,859
INTEREST IN AN ASSOCIATED COMPANY	於聯營公司 之權益	12	58,525	46,393
DEFERRED PRE-OPERATING EXPENDITURE	遞延開辦費用	13	12,085	20,621
RENTAL DEPOSITS	租金按金		20,695	22,077
CURRENT ASSETS	流動資產	14	1,010,006	1,098,549
CURRENT LIABILITIES	流動負債	16	(573,662)	(618,127)
NET CURRENT ASSETS	流動資產淨額		436,344	480,422
TOTAL ASSETS LESS CURRENT LIABILITIES	總資產減 流動負債		1,305,790	1,412,106
LONG TERM BANK LOANS	長期銀行貸款	18	(176,666)	(380,516)
LONG TERM PORTION OF FINANCE LEASE PAYABLES	應付融資租約之 長期部份	19	(1,841)	(19,820)
DEFERRED TAXATION	遞延稅項	20	(1,069)	(1,924)
MINORITY INTERESTS	少數股東權益		2,522	2,600
			<b>1,128,736</b>	<b>1,012,446</b>
SHARE CAPITAL	股本	21	63,936	63,985
RESERVES	儲備	22	1,064,800	948,461
			<b>1,128,736</b>	<b>1,012,446</b>

Poon Bun Chak  
Director

Ting Kit Chung  
Director

董事  
潘彬澤

董事  
丁傑忠

# Consolidated Cash Flow Statement

## 綜合現金流量表

1999 ANNUAL REPORT  
一九九九年年報

Year ended 31 March 1999  
截至一九九九年三月三十一日止年度

		Notes	1999 HK\$'000 港幣千元	1998 HK\$'000 港幣千元
		附註		
NET CASH INFLOW FROM OPERATING ACTIVITIES	經營所得現金 流入淨額	24(a)	<b>616,591</b>	273,214
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE	投資回報 及融資費用			
Interest received	利息收入		<b>8,846</b>	1,540
Interest paid	利息支出		<b>(47,982)</b>	(56,197)
Interest element of finance lease rental payments	融資租約 租金利息		<b>(3,345)</b>	(5,840)
Dividends paid	股息支出		<b>(60,739)</b>	(54,765)
Net cash outflow from returns on investments and servicing of finance	投資回報及融資 費用現金流出淨額		<b>(103,220)</b>	(115,262)
TAXATION	稅項			
Hong Kong and PRC taxes paid	香港及中國之稅務支出		<b>(6,683)</b>	(7,337)
Hong Kong profits tax rebate relating to prior year	上年度香港 利得稅退還		<b>700</b>	—
			<b>(5,983)</b>	(7,337)
INVESTING ACTIVITIES	投資業務			
Purchases of fixed assets	購置固定資產		<b>(33,194)</b>	(214,263)
Trademarks additions	商標支出		<b>(2,168)</b>	(4,484)
Construction in progress additions	在建工程支出		<b>(1,101)</b>	(45,203)
Payments in respect of deferred pre-operating expenditure	遞延開辦費用 支出		—	(24)
Proceeds from disposal of fixed assets	出售固定資產收入		<b>774</b>	2,005
Payments in respect of acquisition of an associated company	收購 聯營公司		—	(37,500)
Increase in pledged time deposits	擔保性定期存款之增加		<b>(1,474)</b>	—
Net cash outflow from investing activities	投資業務現金流出淨額		<b>(37,163)</b>	(299,469)
NET CASH INFLOW/(OUTFLOW) BEFORE FINANCING ACTIVITIES	融資活動前之現金 流入/(流出)淨額		<b>470,225</b>	(148,854)

# Consolidated Cash Flow Statement (continued)

## 綜合現金流量表 (續)

1999 ANNUAL REPORT  
一九九九年年報

Year ended 31 March 1999  
截至一九九九年三月三十一日止年度

		Notes 附註	1999 HK\$'000 港幣千元	1998 HK\$'000 港幣千元
NET CASH INFLOW/(OUTFLOW) BEFORE FINANCING ACTIVITIES	融資活動前之現金 流入/(流出)淨額		470,225	(148,854)
FINANCING ACTIVITIES	融資活動	24(b)		
Issue of new shares	發售新股		—	11,505
Payments on repurchase of own shares	購回公司股份	21	(558)	(16,198)
Minority interests	少數股東權益		78	—
New long term bank loans	新長期銀行貸款		9,502	283,450
Repayment of bank loans	償還銀行貸款		(192,161)	(121,068)
Capital element of finance lease rental payments	融資租約租金之 資本部份		(25,866)	(36,622)
Net cash inflow/ (outflow) from financing activities	融資活動之現金 流入/(流出)淨額		(209,005)	121,067
INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	現金及等同現金項目 之增加/(減少)		261,220	(27,787)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	年初之現金及 等同現金項目		(15,904)	11,846
Foreign exchange adjustments	外匯調整		(28)	37
CASH AND CASH EQUIVALENTS AT END OF YEAR	於三月三十一日之 現金及等同現金項目		245,288	(15,904)
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS	現金及等同現金項目 結餘分析			
Cash and bank balances	現金及銀行結存		105,673	42,238
Time deposits	定期存款		157,608	6,000
Bank overdrafts	銀行透支		(2,243)	(16)
Short term bank loans	短期銀行貸款		(15,750)	(64,126)
			245,288	(15,904)

# Balance Sheet 資產負債表

1999 ANNUAL REPORT  
一九九九年年報

31 March 1999  
一九九九年三月三十一日

		Notes 附註	1999 HK\$'000 港幣千元	1998 HK\$'000 港幣千元
INTERESTS IN SUBSIDIARIES	於附屬公司之權益	23	829,747	883,041
CURRENT ASSETS	流動資產			
Cash and bank balances	現金及銀行結存		90	478
Prepayments and other receivables	預付款及其他應收賬款		2,049	3,364
Dividend receivable	應收股息		170,000	141,000
			<u>172,139</u>	<u>144,842</u>
CURRENT LIABILITIES	流動負債			
Current portion of long term bank loans	長期銀行貸款現期部份	17	132,400	108,000
Accrued liabilities	應計負債		801	1,263
Proposed final dividend	擬派末期股息	6	38,362	35,165
			<u>171,563</u>	<u>144,428</u>
NET CURRENT ASSETS	流動資產淨額		<u>576</u>	<u>414</u>
TOTAL ASSETS LESS CURRENT LIABILITIES	總資產減流動負債		830,323	883,455
LONG TERM BANK LOANS	長期銀行貸款	18	(147,600)	(330,000)
			<u>682,723</u>	<u>553,455</u>
SHARE CAPITAL	股本	21	63,936	63,985
RESERVES	儲備	22	618,787	489,470
			<u>682,723</u>	<u>553,455</u>

Poon Bun Chak  
Director

Ting Kit Chung  
Director

董事  
潘彬澤

董事  
丁傑忠

31 March 1999  
一九九九年三月三十一日

## 1. Summary of Significant Accounting Policies

### Basis of Accounting

These financial statements have been prepared in accordance with accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance.

### Basis of Consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries for the year ended 31 March 1999. The results of subsidiaries acquired or disposed of during the year are consolidated from or to their effective dates of acquisition or disposal, respectively. All significant intercompany transactions and balances within the Group are eliminated on consolidation.

### Subsidiaries

A subsidiary is a company in which the Company, directly or indirectly, controls more than half of its voting power or issued share capital or controls the composition of its board of directors.

Interests in subsidiaries are stated at cost unless, in the opinion of the directors, there have been permanent diminutions in value, when they are written down to values determined by the directors.

### Associated Companies

An associated company is a company, not being a subsidiary, in which the Group has a long term interest in 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 associated companies is included in the consolidated profit and loss account and consolidated reserves, respectively. The Group's investments in associated companies are stated in the consolidated balance sheet at the Group's share of net assets under the equity method of accounting less any provisions for permanent diminutions in values deemed necessary by the directors.

## 1. 主要會計政策摘要

### 會計基準

財務報表乃根據香港公認會計準則及香港公司法有關資料披露之規定而編撰。

### 綜合基準

綜合財務報表包括本公司及各附屬公司截至一九九九年三月三十一日止年度之財務報表。於本年度內收購或出售之附屬公司之業績分別由其實際收購日期起或截至出售日期止綜合計算。所有本集團內部重大交易及結餘均於綜合時對銷。

### 附屬公司

附屬公司為本公司直接或間接控制其一半以上之投票權，或持有其一半以上之已發行股本，或本公司控制其董事會組成之公司。

附屬公司權益按原值入賬，如董事會認為有永久減值，則撇減至董事估值。

### 聯營公司

聯營公司乃附屬公司以外，本集團長期持有股本投票權及本集團之地位足以對其發揮相當影響力之公司。

本集團應佔聯營公司收購日後之業績及儲備，已分別列入綜合損益賬及綜合儲備內，而本集團於聯營公司之投資則按本集團應佔之資產淨值按權益法計算，再減董事會認為必需之永久減值準備後，列入綜合資產負債表內。

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## 1. Summary of Significant Accounting Policies (continued)

### Goodwill and Capital Reserve

Goodwill arising on consolidation of subsidiaries and on acquisition of associated companies represents the excess purchase consideration paid for such companies over the fair values ascribed to the net underlying assets and is eliminated against reserves in the year of acquisition.

Negative goodwill arising on consolidation of subsidiaries and acquisition of associated companies represents the excess fair values ascribed to the net underlying assets acquired over the purchase consideration paid for such companies and is credited to capital reserve in the year of acquisition.

Upon disposal of subsidiaries or associated companies, the relevant portion of attributable goodwill previously eliminated against or credited to reserves is realised and taken into account in arriving at the gain or loss on sale of the investments.

### Revenue

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) on 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) on rendering of services, when the services are provided;
- (c) rental income, in accordance with the terms of the rental agreements;
- (d) franchise income, in accordance with the contract payment terms of the franchise agreements;

## 1. 主要會計政策摘要 (續)

### 商譽及股本儲備

綜合附屬公司賬目及收購聯營公司所產生之商譽，指附屬公司／聯營公司之收購代價超過所收購有關資產淨值之公平價值之差額，乃於收購年度以儲備對銷。

在綜合附屬公司賬目及收購聯營公司所產生之負商譽，指於收購日之可分拆資產公平淨值高於收購代價之差額，計入儲備。

出售附屬公司或聯營公司，在計算出售所得之溢利或虧損時，須計入先前自儲備撇銷或計入儲備之應佔商譽之有關部份。

### 收益

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轉移至買方，惟本集團並不對所出售貨品保持與擁有權有關之管理層參與，亦無實際控制該等貨品；
- (b) 如提供服務，則當該等服務提供時；
- (c) 租金，按照租約之條款；
- (d) 特許經營收入，按特許經營協議之合約規定付款；

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## 1. Summary of Significant Accounting Policies (continued)

### Revenue (continued)

- (e) interest income, on a time proportion basis, taking into account the principal outstanding and the effective interest rate applicable; and
- (f) dividends, when the shareholders' right to receive payment is established.

### Fixed Assets and Depreciation

Fixed assets, other than investment properties, are stated at cost or valuation less accumulated depreciation. The cost of an asset comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use. Expenditure incurred after the fixed asset has been put into operation, such as repairs and maintenance, is normally charged to the profit and loss account in the period in which it is incurred. In situations where it can be clearly demonstrated that the expenditure has resulted in an increase in the future economic benefits expected to be obtained from the use of the asset, the expenditure is capitalised as an additional cost of that asset.

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

Leasehold land	Over the remaining lease terms
Buildings	25 years or over the terms of the lease, if shorter
Leasehold improvements	Over the terms of the lease
Plant and machinery	10 years
Furniture, fixtures and office equipment	5 years
Motor vehicles	5 years
Yacht	5 years

## 1. 主要會計政策摘要 (續)

### 收益 (續)

- (e) 利息，以本金及應計利率按時間比例計算；及
- (f) 股息，則當確定股東收取款項之權利時。

### 固定資產及折舊

除投資物業外，固定資產均按原值或估值減累計折舊入賬。資產之成本包括資產之購買價及將資產達至運作狀況及地點及作計劃用途之任何直接應計成本。固定資產投入運作後之開支(如維修及保養之費用)，一般在產生期間於損益賬中扣除。當明顯證明上述開支已致使預期日後因使用該固定資產而取得之經濟利益增加，則該開支會撥作資本，列為該固定資產之額外成本。

折舊之計算方法乃按個別資產之估計可使用年期以直線法撇銷其原值，其估計使用期如下：

租約土地	按餘下之租約年期
樓宇	25年或租約年期(倘為較短者)
租賃樓宇裝修	按租約年期
廠房設備及機械	10年
傢俬裝置及辦公室設備	5年
汽車	5年
遊艇	5年

31 March 1999  
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## 1. Summary of Significant Accounting Policies (continued)

### Fixed Assets and Depreciation (continued)

The gain or loss on disposal or retirement of a fixed asset recognised in the profit and loss account is the difference between the sales proceeds and the carrying amount of the relevant asset. On disposal or retirement, the attributable revaluation surplus not previously dealt with in retained profits is transferred directly to retained profits.

### Investment Properties

Investment properties are interests in land and buildings in respect of which construction work and development have been completed and which are intended to be held on a long term basis for their investment potential. Such properties are not depreciated and are stated at their open market values on the basis of annual professional valuations. Changes in the value of investment properties are dealt with as movements in the investment properties revaluation reserve. If the total of this reserve is insufficient to cover a deficit, on a portfolio basis, the excess of the deficit is charged to the profit and loss account.

Upon the disposal of an investment property, the relevant portion of the investment properties revaluation reserve realised in respect of previous valuations is released to the profit and loss account.

### Construction in Progress

Construction in progress is stated at cost. No depreciation is provided until the construction is completed and the related asset is put into use.

### Trademarks

Trademarks are stated at cost less accumulated amortisation. Amortisation is calculated on a straight-line basis to write off the cost over their estimated useful lives of 30 years.

## 1. 主要會計政策摘要 (續)

### 固定資產及折舊 (續)

於損益賬中入賬關於固定資產在出售或棄用時之收益或虧損，乃出售所得款項與有關資產結存值之差額。於出售或棄用時，原先無撥入保留溢利之應佔重估增值均直接撥入保留溢利。

### 投資物業

投資物業乃已完成建築及發展工程並擬長期持有作投資用途之土地及樓宇權益。此等物業不予折舊，並於每年按專業估值基準以其公開市值入賬。投資物業價值之變動將計入投資物業重估儲備。如儲備總額不足以抵銷減值，則差額會於損益賬內扣除。

投資物業於出售時，過往估值變現列入投資物業重估儲備賬內之部份須列入損益賬內計算。

### 在建工程

在建工程按原值入賬。在工程未完成及有關資產未使用以前，不計折舊。

### 商標

商標乃以成本減累積攤銷入賬。攤銷乃按直線法之基準在估計可使用年期三十年內撇銷成本計算。

31 March 1999  
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## 1. Summary of Significant Accounting Policies (continued)

### Deferred Pre-operating Expenditure

Deferred pre-operating expenditure incurred prior to the commencement of full operations of certain factory facilities in Dongguan, Guangdong Province, the People's Republic of China, are capitalised and amortised, using a straight-line basis, over a period of five years from the commencement of full operations of the respective facilities.

### Leased Assets

Leases that transfer substantially all the rewards and risks of ownership of the 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 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 fixed assets and depreciated over the shorter of the lease terms and estimated useful lives of the assets.

Leases where substantially all the rewards and risks of ownership of assets remain with the leasing company are accounted for as operating leases. Rentals applicable to such operating leases are charged to the profit and loss account on a straight-line basis over the lease terms.

### Inventories

Inventories are stated at the lower of cost and net realisable value. For fabric and yarn, cost is determined on a first-in, first-out 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 accessories, cost is determined on a first-in, first-out basis and includes all costs of purchase and other costs incurred in bringing the inventories to their present location and condition. Net realisable value is based on estimated selling prices less further costs expected to be incurred to completion and disposal or to make the sale.

## 1. 主要會計政策摘要 (續)

### 遞延開辦費用

位於中華人民共和國廣東省東莞市之廠房於全面投產前之遞延開辦費用撥作資產，並以直線法按個別設施全面投產後分期五年予以攤銷。

### 租約資產

凡將所有資產擁有權之收益及風險(法定業權除外)實際上轉讓予本集團之租約均列作融資租約。於融資租約開始時，資產原值乃按最低租金之現值資本化，並連同有關債務(不包括利息)一併列出，以反映其購置及融資。撥充資本之融資租約資產列入固定資產內，並按資產估計可使用年期折舊。

凡租賃公司仍實際上保留資產擁有權之所有收益及風險之租約，視作經營租約處理。經營租約之租金支出按租期採用直線法計入損益賬內。

### 存貨

貨物乃按原值或可變現淨值二者之較低者入賬。布和紗方面，成本乃按先入先出法計算，至於半成品與成品方面，其成本包括直接材料、直接工資及適當比例之間接費用。另外有關便服及飾物成本則以先入先出法計算，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。

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## 1. Summary of Significant Accounting Policies (continued)

### Deferred Taxation

Deferred taxation is provided, using the liability method, on all significant timing differences to the extent it is probable that the liability will crystallise in the foreseeable future. A deferred tax asset is not recognised until its realisation is assured beyond reasonable doubt.

### Cash Equivalents

Cash equivalents represent short term highly liquid investments which are readily convertible into known amounts of cash and which were within three months of maturity when acquired, less advances from banks repayable within three months from the date of the advance.

### Foreign Currencies

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

On consolidation, the financial statements of subsidiaries denominated in foreign currencies are translated to Hong Kong dollars at the applicable rates of exchange ruling at the balance sheet date. The resulting translation differences are included in the exchange fluctuation reserve.

### Related Parties

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

## 1. 主要會計政策摘要 (續)

### 遞延稅項

遞延稅項乃採用負債法就所有重大時差於可見將來可能引起之負債而提撥準備。除非遞延稅項資產肯定會出現，否則不予確認。

### 現金等同項目

現金等同項目即年期短而變現能力高之投資（可隨時兌換為已知金額之現金及投資期在三個月內），減去須於三個月內（由提供墊款之日起計）償還之銀行墊款。

### 外幣

外幣交易按個別交易日之概約匯率計算。於結算日，以外幣結算之貨幣資產及負債均按該日之概約匯率換算。匯兌差額均列入損益賬。

於綜合時，以外幣結算之附屬公司財務報表均按結算日之概約匯率換算為港元。匯兌差價列入外匯變動儲備賬。

### 關連人士

關連人士乃指其中一方能直接或間接控制另外一方，或能對另一方之財務或運作決策施予重大之影響。有關人士亦將被視為關連，如該等人士是受到共同的控制或重大影響。

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## 2. Turnover

Turnover represents the aggregate of the net invoiced value of goods sold, after allowances for goods returned and trade discounts, and the rendering of services; but excludes intra-group transactions. Revenue from the following activities has been included in turnover :

## 2. 營業額

營業額指銷貨及所提供服務之發票淨值但分別扣除退貨額及貿易折扣與集團內部交易。下列業務之收入已計入營業額內：

		Group 集團	
		1999	1998
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Sale of goods	銷售貨品	2,643,103	2,652,645
Rendering of services	提供服務	73,980	135,502
Franchise income	特許經營收入	8,210	23,433
		<u>2,725,293</u>	<u>2,811,580</u>

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### 3. Operating Profit

Operating profit is arrived at after charging/(crediting):

### 3. 經營溢利

經營溢利已扣除/(加上)下列各項：

		Group 集團	
		1999 HK\$'000 港幣千元	1998 HK\$'000 港幣千元
Cost of inventories sold	已售之貨物成本	1,908,755	1,991,628
Depreciation:	折舊：		
Owned fixed assets	已擁有固定資產	86,171	69,773
Leased fixed assets	租約固定資產	9,975	12,211
Amortisation of trademarks	商標攤銷	1,713	1,500
Amortisation of deferred pre-operating expenditure	遞延開辦費用 之攤銷	8,538	9,466
Operating lease rentals of land and buildings	土地及樓宇經營 租約租金	150,180	124,273
Interest Payable:	應付利息：		
Bank loans and facilities	銀行貸款	46,466	56,197
Others	其他	1,516	—
Interest on obligations under finance leases	融資租約 利息	3,345	5,840
Auditors' remuneration	核數師酬金	1,283	1,825
Directors' remuneration:	董事酬金：		
Fees	袍金	240	240
Other emoluments	其他酬金	33,158	36,125
Provision for doubtful debts	壞賬準備	21,638	531
Loss on disposal of fixed assets	出售固定資產 虧損	1,258	50
Deficit on revaluation of investment properties	投資物業 重估減值	944	4,150
Interest income	利息收入	(8,846)	(1,540)
Net rental income	租金收入淨額	(4,656)	(3,025)
Exchange losses/(gains), net	滙兌虧損/(收益)，淨額	(3,757)	5,324

Last year, options to acquire shares of the Company were granted to certain directors. In the absence of a readily available market value for such options, the directors were unable to arrive at an accurate assessment of the value of these options. No value in respect of such has been charged to the profit and loss account.

於上年度，若干董事獲授可認購本公司股份之購股權。由於該等購股權無市場可參考之價格，故此董事會未能準確估計該等購股權之價值。有關價值亦未被反影於損益帳中。

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#### 4. Taxation

Hong Kong profits tax has been provided at the rate of 16.0% (1998: 16.5%) on the estimated assessable profits arising in Hong Kong during the year. Taxes on profits in respect of subsidiaries operating overseas have been calculated at the rates of taxation prevailing in the respective tax jurisdictions in which they operate based on existing legislation, interpretations and practices in respect thereof.

#### 4. 稅項

香港利得稅乃根據年內源於香港之估計應課稅溢利，按適用之稅率16.0%(一九九八年：16.5%)撥備。海外附屬公司之稅項則依據現時當地法例、解釋及推行，並按有關司法權區之現行稅率計算。

		Group 集團	
		1999 HK\$'000 港幣千元	1998 HK\$'000 港幣千元
<b>Group:</b>	<b>集團：</b>		
Hong Kong and PRC tax	香港及中國稅項		
Current year provision	本年度準備	20,749	25,923
Overprovision in prior year	上年度超額準備	(30)	(390)
Hong Kong profits tax rebate relating to prior year	上年度香港利得稅退款	(700)	—
Deferred taxation (note 20)	遞延稅項(附註20)	(855)	489
Associated company	聯營公司	250	(218)
		<u>19,414</u>	<u>25,804</u>
Taxation charge for the year	年內稅項支出		

#### 5. Net Profit Attributable to Shareholders

The net profit attributable to shareholders dealt with in the financial statements of the Company is HK\$193,762,000 (1998: HK\$131,740,000).

The Group's share of profit retained by the associated company for the year amounts to HK\$12,132,000 (1998: HK\$7,041,000).

#### 5. 股東應佔純利

列入本公司之財務報表內之股東應佔溢利淨額為港幣193,762,000元(一九九八年：港幣131,740,000元)。

集團於本年度應佔聯營公司溢利為港幣12,132,000元(一九九八年：港幣7,041,000元)。

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## 6. Dividends

Interim of 2.0 cents (1998: 1.75 cents) per share	中期股息每股2.0仙 (一九九八年：1.75仙)
Proposed final of 3.0 cents (1998: 2.75 cents) per share	擬派發末期股息每股3.0仙 (一九九八年：2.75仙)

## 6. 股息

	1999 HK\$'000 港幣千元	1998 HK\$'000 港幣千元
	25,574	22,436
	38,362	35,165
	<u>63,936</u>	<u>57,601</u>

## 7. Earnings Per Share

The basic and diluted earnings per share of the year ended 31 March 1999 have been calculated, and the basic and diluted earnings per share for the year ended 31 March 1998 have been restated, in accordance with the provisions of Statement of Standard Accounting Practice No.5 (revised) issued by the Hong Kong Society of Accountants in May 1998.

### (a) Basic earnings per share

The calculation of basic earnings per share is based on the net profit attributable to shareholders for the year of HK\$182,061,000 (1998: HK\$249,005,000) and the weighted average of 1,278,947,918 (1998: 1,285,063,178) shares in issue during the year.

## 7. 每股盈利

本年度之每股基本及攤薄後之盈利，及上年度每股基本及攤薄後之盈利，乃根據香港會計師公會在一九九八年五月發出香港會計標準守則第五項指引(修訂)計算及重新修訂。

### (a) 基本每股盈利

每股基本盈利乃按本年度之股東應佔溢利淨額港幣182,061,000元(一九九八年：港幣249,005,000元)及已發行股份之加權平均數1,278,947,918(一九九八年：1,285,063,178)股計算。

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## 7. Earnings Per Share (continued)

### (b) Diluted earnings per share

Diluted earnings per share for the year ended 31 March 1999 has not been shown as the outstanding share options were antidilutive during the year.

The calculation of diluted earnings per share for the year ended 31 March 1998 was based on the net profit attributable to shareholders for the year of HK\$249,005,000 and the weighted average number of 1,309,330,211 shares in issue and adjusted to reflect the effects of all dilutive potential shares during the year.

The reconciliation of weighted average number of shares in calculation of basic earnings per share and diluted earnings per share was as follows:

## 7. 每股盈利 (續)

### (b) 攤薄後之每股盈利

本年度截至一九九九年三月三十一日止之攤薄後之每股盈利未有列出，乃由於未行使之購股權於本年度有反攤薄影響。

上年度截至一九九八年三月三十一日止之攤薄後之每股盈利乃按股東應佔溢利淨額港幣249,005,000元及已發行股份之加權平均數1,309,330,211股，乃經調整反映所有有攤薄影響之普通股。

以下為用作計算每股基本盈利及攤薄後之每股盈利之加權平均普通股股數闡釋表：

		1998 一九九八年
Weighted average number of shares used in calculation of basic earnings per share	用作計算每股基本盈利之加權平均普通股股數	1,285,063,178
Shares deemed to be issued for no consideration on deemed exercise of share options	因購股權產生而被視作無代價發行之普通股	<u>24,267,033</u>
Weighted average number of shares used in calculation of diluted earnings per share	用作計算攤薄後每股盈利之加權平均普通股股數	<u><u>1,309,330,211</u></u>

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## 8. Fixed Assets

## 8. 固定資產

### Group

### 集團

	Land and buildings	Leasehold improvements	Plant and machinery	Furniture, fixtures and office equipment	Motor vehicles	Yacht	Total
	土地 及樓宇	租賃樓宇 裝修	廠房設備 及機械	傢俬、裝置 及辦公室 設備	汽車	遊艇	合計
	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
Cost or valuation: 成本或估值:							
At beginning of year 年初	333,516	57,032	576,143	62,675	38,568	4,736	1,072,670
Transfer to investment properties (note 9) 轉撥投資物業(附註9)	(5,291)	—	—	—	—	—	(5,291)
Transfer from construction in progress (note 10) 撥自在建工程(附註10)	19,276	—	—	—	—	—	19,276
Additions 添置	605	10,919	14,017	5,677	1,976	—	33,194
Disposals 出售	—	(2,741)	(1,806)	(174)	(118)	—	(4,839)
Foreign exchange adjustments 外匯調整	65	(165)	5	(58)	1	—	(152)
At 31 March 1999 於一九九九年三月三十一日	348,171	65,045	588,359	68,120	40,427	4,736	1,114,858
Accumulated depreciation: 累計折舊							
At beginning of year 年初	49,140	16,191	197,248	34,049	23,161	2,288	322,077
Transfer to investment properties (note 9) 轉撥投資物業(附註9)	(847)	—	—	—	—	—	(847)
Provided during the year 本年準備	12,248	17,833	49,623	9,302	6,486	654	96,146
Disposals 出售	—	(1,486)	(1,107)	(104)	(110)	—	(2,807)
Foreign exchange adjustments 外匯調整	8	(43)	1	(5)	1	—	(38)
At 31 March 1999 於一九九九年三月三十一日	60,549	32,495	245,765	43,242	29,538	2,942	414,531
Net book value: 賬面淨值:							
At 31 March 1999 於一九九九年三月三十一日	<u>287,622</u>	<u>32,550</u>	<u>342,594</u>	<u>24,878</u>	<u>10,889</u>	<u>1,794</u>	<u>700,327</u>
At 31 March 1998 於一九九八年三月三十一日	<u>284,376</u>	<u>40,841</u>	<u>378,895</u>	<u>28,626</u>	<u>15,407</u>	<u>2,448</u>	<u>750,593</u>

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## 8. Fixed Assets (continued)

The analysis of the leasehold land and buildings at 31 March 1999 is as follows:

Medium term leasehold land and buildings situated in Hong Kong	位於香港之 中期租約土地及樓宇
Medium term leasehold land and buildings situated outside Hong Kong	位於香港以外之 中期租約土地 及樓宇

## 8. 固定資產 (續)

於一九九九年三月三十一日之租約土地及樓宇分析如下：

	1992 professional valuation 專業估值 HK\$'000 港幣千元	Cost 成本值 HK\$'000 港幣千元	Total 合計 HK\$'000 港幣千元
	27,769	72,724	100,493
	—	247,678	247,678
	<u>27,769</u>	<u>320,402</u>	<u>348,171</u>

All the other fixed assets are stated at cost less accumulated depreciation.

Certain medium term leasehold land and buildings were revalued in 1992. The Group has adopted the transitional provisions of Statement of Standard Accounting Practice No. 17 "Property, plant and equipment", issued in 1995, of not making further regular revaluations by class of those assets stated at revalued amounts based on revaluations which were reflected in previous financial statements. Had such land and buildings been carried at cost less accumulated depreciation, their carrying values would have been stated at approximately HK\$15,624,000 (1998: HK\$19,360,000).

The properties situated in Hong Kong are pledged to the Group's bankers to secure the Group's bank borrowings (notes 17 and 18).

The net book value of assets held under finance leases included in the total amount of fixed assets at 31 March 1999 amounted to HK\$64,012,000 (1998: HK\$86,339,000).

其他所有固定資產均按成本減累計折舊列賬。

部份中期租約土地及樓宇曾於一九九二年進行重估。本集團採用於一九九五年發出之標準會計守則第17條「物業、機器及設備」之過渡性規定，不再對已於過往財務報表以重估價值入賬之分類資產進行定期重估。倘該等土地及樓宇按成本減累計折舊列賬，其賬面值應約為港幣15,624,000元（一九九八年：港幣19,360,000元）。

位於香港之物業已抵押予本集團之往來銀行，作為本集團獲取銀行信貸之擔保（附註17及18）。

於一九九九年三月三十一日，列入固定資產總額中按融資租約持有之賬面資產淨值為港幣64,012,000元（一九九八年：港幣86,339,000元）。

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## 9. Investment Properties

## 9. 投資物業

		Group 集團	
		1999 HK\$'000 港幣千元	1998 HK\$'000 港幣千元
At beginning of year	年初	27,000	32,600
Transfer from land and buildings (note8)	從土地及樓宇轉撥 (附註8)	4,444	—
Revaluation deficit charged to investment properties revaluation reserve	於投資物業重估儲備中 扣除之重估減值	—	(1,450)
Revaluation deficit charged to profit and loss account	於損益賬中扣除之 重估減值	(944)	(4,150)
At balance sheet date	於三月三十一日	<u>30,500</u>	<u>27,000</u>

The investment properties are all situated in Hong Kong and are held under medium term leases. At 31 March 1999, the investment properties were revalued on an open market existing use basis by A.G. Wilkinson & Associates, Chartered Surveyors.

投資物業全部位於香港，並按中期租約持有。於一九九九年三月三十一日，投資物業曾由特許測量師A.G. Wilkinson & Associates按公開市場現有用途基準進行重估。

The gross rental income earned from investment properties during the year amounted to HK\$4,656,000 (1998: HK\$3,025,000).

年內賺取自投資物業之總租金收入為港幣4,656,000元(一九九八年：港幣3,025,000元)。

The investment properties are pledged to the Group's bankers to secure the Group's bank borrowings (notes 17 and 18).

投資物業已抵押予本集團之往來銀行作為本集團銀行借款之擔保(附註17及18)。

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## 10. Construction in Progress

## 10. 在建工程

		Group 集團	
		1999 HK\$'000 港幣千元	1998 HK\$'000 港幣千元
At beginning of year	年初	18,141	232
Additions	添置	1,101	45,203
Transfer to fixed assets (note 8)	撥往固定資產(附註8)	(19,276)	(27,294)
Foreign exchange adjustment	外匯調整	34	—
		<hr/>	<hr/>
At balance sheet date	於三月三十一日	<u>—</u>	<u>18,141</u>

Construction in progress represented costs incurred for the development and building of factories in Dongguan, Guangdong Province, the People's Republic of China and was stated at cost, which comprised all development expenditure and other direct costs attributable to the construction.

在建工程代表在中華人民共和國廣東省東莞市發展及興建廠房所需之成本，按成本值入賬，並包括所有發展開銷及建築工程之應佔其他直接成本。

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## 11. Trademarks

## 11. 商標

		Group 集團 HK\$'000 港幣千元
Cost:	成本：	
At beginning of year	年初	49,484
Additions	添置	2,168
		<hr/>
At 31 March 1999	於一九九九年三月三十一日	51,652
		<hr/>
Accumulated amortisation:	累計攤銷：	
At beginning of year	年初	2,625
Amortised during the year	本年內攤銷	1,713
		<hr/>
At 31 March 1999	於一九九九年三月三十一日	4,338
		<hr/>
Net book value:	賬面淨值：	
At 31 March 1999	於一九九九年三月三十一日	47,314
		<hr/> <hr/>
At 31 March 1998	於一九九八年三月三十一日	46,859
		<hr/> <hr/>

## 12. Interest in an Associated Company

## 12. 於聯營公司之權益

		Group 集團	
		1999 HK\$'000 港幣千元	1998 HK\$'000 港幣千元
Share of net assets	應佔資產淨值	<hr/> <hr/> <b>58,525</b>	<hr/> <hr/> <b>46,393</b>

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## 12. Interest in an Associated Company (continued)

Particulars of an associated company are as follows:

Name 名稱	Place of incorporation and operations 註冊成立及 營業地點	Percentage of equity attributable to the Group 本集團應佔股權 百分比	Principal activities 主要業務
Megawell Industrial Limited	Hong Kong	50%	Manufacturing of garments
Megawell Industrial Limited	香港	50%	成衣生產

A summary of the financial information of Megawell Industrial Limited, based on its audited financial statements for the year ended 31 March 1999, is as follows:

## 12. 於聯營公司之權益 (續)

聯營公司之資料如下：

以下為Megawell Industrial Limited根據截至一九九九年三月三十一日止，本年度經核實財務報表之簡略財務資料：

		1999 HK\$'000 港幣千元	1998 HK\$'000 港幣千元
Profit and loss account :	損益賬：		
Turnover	營業額	375,550	499,055
Profit before taxation	稅前溢利	<u>28,254</u>	<u>13,646</u>

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### 13. Deferred Pre-operating Expenditure

### 13. 遞延開辦費用

		Group 集團
		HK\$'000 港幣千元
Cost:	成本：	
At beginning of year	年初	47,399
Foreign exchange adjustment	外匯調整	3
		<hr/>
At 31 March 1999	於一九九九年三月三十一日	47,402
		<hr/>
Accumulated amortisation:	累計攤銷：	
At beginning of year	年初	26,778
Amortised during the year	年內攤銷	8,538
Foreign exchange adjustment	外匯調整	1
		<hr/>
At 31 March 1999	於一九九九年三月三十一日	35,317
		<hr/>
Net book value:	賬面淨值：	
At 31 March 1999	於一九九九年三月三十一日	12,085
		<hr/> <hr/>
At 31 March 1998	於一九九八年三月三十一日	20,621
		<hr/> <hr/>

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## 14. Current Assets

Cash and bank balances	現金及銀行結存
Time deposits	定期儲蓄
Accounts receivable and bills receivable	應收賬款及 應收票據
Inventories	存貨
Prepayments, deposits and other receivables	預付款項、訂金及 其他應收賬款
Due from an associated company	應收聯營公司

## 14. 流動資產

Note 附註	Group 集團	
	1999 HK\$'000 港幣千元	1998 HK\$'000 港幣千元
	105,673	42,238
	159,082	6,000
	236,128	414,758
15	411,675	493,256
	74,668	86,385
	22,780	55,912
	<b>1,010,006</b>	<b>1,098,549</b>

The balance with the associated company is unsecured, interest-bearing at prime rate for the period from April to July 1998 and at prime rate plus 4% for the rest of the year (1998: prime rate) and is repayable on agreed credit terms.

聯營公司欠款乃無抵押，於一九九八年四至七月利息為最優惠利率，本年度其餘時間則為最優惠利率加四厘（1998：最優惠利率），及按協定還款期還款。

## 15. Inventories

Raw materials	原料
Work in progress	在製品
Finished goods	製成品

## 15. 存貨

Group 集團	
1999 HK\$'000 港幣千元	1998 HK\$'000 港幣千元
191,582	206,956
31,973	41,296
188,120	245,004
<b>411,675</b>	<b>493,256</b>

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## 16. Current Liabilities

## 16. 流動負債

		Group 集團	
		1999 HK\$'000 港幣千元	1998 HK\$'000 港幣千元
		Notes 附註	
Short term bank loans and overdrafts	短期銀行貸款及透支	17	193,161
Accounts payable and accrued liabilities	應付賬款及應計負債		330,914
Current portion of finance lease payables	應付融資租約之本期部份	19	26,057
Taxation	稅項		32,830
Proposed final dividend	擬派末期股息	6	35,165
			<u>618,127</u>
			<u>573,662</u>

## 17. Short Term Bank Loans and Overdrafts

## 17. 短期銀行貸款及透支

		Group 集團		Company 公司	
		1999 HK\$'000 港幣千元	1998 HK\$'000 港幣千元	1999 HK\$'000 港幣千元	1998 HK\$'000 港幣千元
Secured	有抵押	—	—	—	—
Unsecured	無抵押	<u>168,203</u>	193,161	<u>132,400</u>	108,000
		<u>168,203</u>	193,161	<u>132,400</u>	108,000
Bank overdrafts	銀行透支	2,243	16	—	—
Short term bank loans	短期銀行貸款	15,750	64,126	—	—
Portion of long term bank loans due within one year (note 18)	長期銀行貸款於一年內到期償還之部份(附註18)	<u>150,210</u>	129,019	<u>132,400</u>	108,000
		<u>168,203</u>	193,161	<u>132,400</u>	108,000

Certain bank loans and overdrafts are secured by pledges of certain land and buildings and investment properties of the Group.

若干銀行貸款及透支乃以本集團部份土地及樓宇及投資物業作抵押。

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## 18. Long Term Bank Loans

## 18. 長期銀行貸款

		Group 集團		Company 公司	
		1999 HK\$'000 港幣千元	1998 HK\$'000 港幣千元	1999 HK\$'000 港幣千元	1998 HK\$'000 港幣千元
Secured	有抵押	11,034	15,015	—	—
Unsecured	無抵押	315,842	494,520	280,000	438,000
		<b>326,876</b>	<b>509,535</b>	<b>280,000</b>	<b>438,000</b>

The maturity of the above amounts are as follows:

上述貸款之償還期如下：

		Group 集團		Company 公司	
		1999 HK\$'000 港幣千元	1998 HK\$'000 港幣千元	1999 HK\$'000 港幣千元	1998 HK\$'000 港幣千元
Bank loans wholly repayable:	須於下列期間全部清還之銀行貸款：				
Within one year	一年內	70,000	61,375	70,000	48,000
In the second year	第二年	6,501	150,000	—	150,000
In the third to fifth years, inclusive	第三年至第五年(包括首尾兩年)	250,375	298,160	210,000	240,000
		<b>326,876</b>	<b>509,535</b>	<b>280,000</b>	<b>438,000</b>
Less: Portion due within one year, included under current liabilities (note 17)	減：於一年內到期而包括在流動負債內之部份(附註17)	150,210	129,019	132,400	108,000
Long term portion	長期部份	<b>176,666</b>	<b>380,516</b>	<b>147,600</b>	<b>330,000</b>

Certain bank loans are secured by pledges of certain land and buildings and investment properties of the Group.

若干銀行貸款乃以本集團部份土地及樓宇及投資物業作抵押。

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## 19. Finance Lease Payables

There were obligations under finance leases at the balance sheet date as follows:

## 19. 應付融資租約

於結算日，融資租約之承擔如下：

		Group 集團	
		1999 HK\$'000 港幣千元	1998 HK\$'000 港幣千元
Amounts wholly repayable:	須於下列期間全部支付之融資租約：		
Within one year	一年內	11,846	1,664
In the second year	第二年	8,165	29,874
In the third to fifth years, inclusive	第三年至第五年(包括首尾兩年)	—	14,339
		<hr/>	<hr/>
Total finance lease payables	應付融資租約總額	20,011	45,877
Portion classified as current liabilities (note 16)	列為流動負債部份 (附註16)	(18,170)	(26,057)
		<hr/>	<hr/>
Long term portion of finance lease payables	應付融資租約之 長期部份	1,841	19,820
		<hr/> <hr/>	<hr/> <hr/>

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## 20. Deferred Taxation

## 20. 遞延稅項

		Group 集團	
		1999 HK\$'000 港幣千元	1998 HK\$'000 港幣千元
Balance at beginning of year	年初結餘	1,924	1,435
Provided/(written back) for the year (note 4)	本年度撥備/ (撥回) (附註4)	(855)	489
At balance sheet date	於三月三十一日	<u>1,069</u>	<u>1,924</u>

The provision for deferred taxation relates to timing differences arising from accelerated depreciation allowances.

遞延稅項乃就按加速資本免稅額引起之時差而提撥準備。

There are no significant potential deferred tax liabilities for which provision has not been made.

本年內並無未作撥備之重大遞延稅務負債。

The revaluations of the Group's properties do not constitute timing differences and, consequently, the amount of potential deferred tax thereon has not been quantified.

重估本集團之物業並不構成時差，因此不必計算可能由此產生之遞延稅項。

## 21. Share Capital

## 21. 股本

		1999 HK\$'000 港幣千元	1998 HK\$'000 港幣千元
<b>Shares</b>	<b>股份</b>		
Authorised:	法定：		
2,000,000,000 shares of HK\$0.05 each	2,000,000,000股每股面值 0.05港元	<u>100,000</u>	<u>100,000</u>
Issued and fully paid:	已發行及繳足：		
1,278,720,104 shares of HK\$0.05 each (1998: 1,279,704,104 shares of HK\$0.05 each)	1,278,720,104股每股面值 0.05港元(一九九八年： 1,279,704,104股每股 面值0.05港元)	<u>63,936</u>	<u>63,985</u>

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## 21. Share Capital (continued)

During the year, the Company repurchased a number of its own shares on The Stock Exchange of Hong Kong Limited as follows:

Repurchase month	Number of shares repurchased	Consideration	Price per share	
			Highest	Lowest
購回月份	購回股份數目	代價	最高	最低
		HK\$	HK\$	HK\$
		港幣元	港幣元	港幣元
May 1998	一九九八年五月 32,000	25,720	0.84	0.73
June 1998	一九九八年六月 422,000	272,420	0.70	0.58
July 1998	一九九八年七月 530,000	255,100	0.55	0.45
	<u>984,000</u>	<u>553,240</u>		
Add: brokerage and commission charges	加：經紀費及佣金	4,549		
Total cash paid	支付現金總額	<u>557,789</u>		

The directors believe that the repurchases are in the best interests of the Company and its shareholders and will lead to an enhancement of the earnings per share of the Company.

### Share Option Scheme

On 15 July 1992, the Company adopted a share option scheme under which the directors may, at their discretion, grant to directors and employees of the Group the right to subscribe for shares in the share capital of the Company. The maximum number of shares in respect of which options may be granted under the scheme may not exceed 10% of the issued share capital of the Company. The scheme will remain in force for a period of ten years from the date of its adoption.

On 3 August 1998, the Company cancelled the options granted to the directors of the Company (at nil consideration), which carried the right to subscribe for 30,000,000 shares of HK\$0.05 each at a price of HK\$0.97 per share at any time within 5 years from 17 November 1997.

## 21. 股本 (續)

於本年度，本公司在香港聯合交易所有限公司購回下列本公司股份：

董事會認為購回符合本公司及各股東之利益，同時上述購回使本公司每股盈利有增加。

### 購股權計劃

於一九九二年七月十五日，本公司通過一項購股權計劃。據此，董事會可酌情向本集團董事及僱員授予可認購本公司股份之權利。根據購股權計劃可授出之購股權有關股份數目，不可超過本公司已發行股本10%。該計劃由通過之日起計有效期十年。

於一九九八年八月三日，本公司取銷已授出予(以零代價)本公司董事於一九九七年十一月十七日五年內可認購30,000,000股每股面值港幣0.05元之購股權，該等購股權之行使價為每股港幣0.97元。

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## 21. Share Capital (continued)

### Share Option Scheme (continued)

The movements in share options during the year were as follows:

Number of options (in '000)		Granted on	Granted on	Granted on	Total
		28 May 1996**	17 November 1997	26 February 1998	
購股權數目		一九九六年	一九九七年	一九九八年	總額
(千)		五月二十六日	十一月十七日	二月二十六日	
		授出	授出	授出	
At beginning of year	年初	20,000	30,000	42,430	92,430
Cancelled during the year	年內取消	—	(30,000)	—	(30,000)
At balance sheet date	於三月三十一日	<u>20,000</u>	<u>—</u>	<u>42,430</u>	<u>62,430</u>
Exercise price per share (HK\$) after subdivision of shares**	股份分拆後每股行使價 (港幣元)	0.885	0.970	0.720	
Exercise period	行使期	Within 6 years from 28 May 1996 一九九六年五月二十八日起六年內	Within 5 years from 17 November 1997 一九九七年十一月十七日起五年內	*	

\* Senior management are permitted to exercise the options at any time from 1 July 1998 to 27 May 2002 and the directors are permitted to exercise the options at any time on or before 27 May 2002.

\*\* The number of options and exercise price per share have been adjusted to reflect the subdivision of the Company's shares of HK\$0.10 each into two shares of HK\$0.05 each pursuant to the ordinary resolution passed by a special general meeting on 25 September 1997.

The exercise in full of the outstanding share options would, under the present capital structure of the Company, result in the issue of 62,430,000 additional shares and cash proceeds, before the related share issue expenses, to the Company of HK\$48,249,600.

## 21. 股本 (續)

### 購股權計劃 (續)

本年度之購股權變動如下：

Number of options (in '000)		Granted on	Granted on	Granted on	Total
		28 May 1996**	17 November 1997	26 February 1998	
購股權數目		一九九六年	一九九七年	一九九八年	總額
(千)		五月二十六日	十一月十七日	二月二十六日	
		授出	授出	授出	
At beginning of year	年初	20,000	30,000	42,430	92,430
Cancelled during the year	年內取消	—	(30,000)	—	(30,000)
At balance sheet date	於三月三十一日	<u>20,000</u>	<u>—</u>	<u>42,430</u>	<u>62,430</u>
Exercise price per share (HK\$) after subdivision of shares**	股份分拆後每股行使價 (港幣元)	0.885	0.970	0.720	
Exercise period	行使期	Within 6 years from 28 May 1996 一九九六年五月二十八日起六年內	Within 5 years from 17 November 1997 一九九七年十一月十七日起五年內	*	

\* 高級管理人員可於一九九八年七月一日至二零零二年五月二十七日日期間行使購股權，而董事可於二零零二年五月二十七日或之前行使購股權。

\*\* 購股權之數目與行使價已調整，以反映於一九九七年九月二十五日於特別股東大會通過普通決議之股份分拆，將每股港幣0.1元，拆為兩股每股港幣0.05元。

以本公司現時股本結構計算，全數行使現有購股權將會發行62,430,000股新普通股，而本公司將獲得現金收益港幣48,249,600元 (未扣除發行股份費用)。

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## 22. Reserves

### Group

	Share premium account 股本溢價賬 HK\$'000 港幣千元	Capital redemption reserve 股本贖回儲備 HK\$'000 港幣千元	Contributed surplus 實繳盈餘 HK\$'000 港幣千元	Goodwill on acquisition 收購產生之商譽儲備 HK\$'000 港幣千元	Exchange fluctuation reserve 外匯變動 HK\$'000 港幣千元	Investment properties revaluation reserve 投資物業重估儲備 HK\$'000 港幣千元	Asset revaluation reserve 資產重估儲備 HK\$'000 港幣千元	Retained profits 保留溢利 HK\$'000 港幣千元	Total 總額 HK\$'000 港幣千元
At beginning of year 年初	316,008	673	3,986	(110,648)	(14,434)	5,744	9,334	737,798	948,461
Transfer on reclassification of fixed assets to investment properties 固定資產重新編為投資物業之轉撥	—	—	—	—	—	1,494	(1,494)	—	—
Transfer on repurchase of own shares 購回股份而轉撥	(509)	49	—	—	—	—	—	(49)	(509)
Profit for the year 本年度溢利	—	—	—	—	—	—	—	182,061	182,061
Dividends for the year (note 6) 本年度股息(附註6)	—	—	—	—	—	—	—	(63,936)	(63,936)
Foreign exchange adjustments 外匯調整	—	—	—	—	(1,277)	—	—	—	(1,277)
At 31 March 1999 於一九九九年三月三十一日	<u>315,499</u>	<u>722</u>	<u>3,986</u>	<u>(110,648)</u>	<u>(15,711)</u>	<u>7,238</u>	<u>7,840</u>	<u>855,874</u>	<u>1,064,800</u>
Represented by: 來自:									
Company and subsidiaries 本公司及附屬公司	315,499	722	3,986	(110,648)	(15,711)	7,238	7,840	836,701	1,045,627
Associated company 聯營公司	—	—	—	—	—	—	—	19,173	19,173
	<u>315,499</u>	<u>722</u>	<u>3,986</u>	<u>(110,648)</u>	<u>(15,711)</u>	<u>7,238</u>	<u>7,840</u>	<u>855,874</u>	<u>1,064,800</u>

The Group's contributed surplus derives from the difference between the nominal value of the share capital issued by the Company and the nominal value of the share capital of the subsidiaries acquired on the date of acquisition.

本集團之實繳盈餘，即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。

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## 22. Reserves (continued)

### Company

		Share premium account 股本溢價 HK\$'000 港幣千元	Capital redemption reserve 股本贖回 儲備 HK\$'000 港幣千元	Contributed surplus 實繳盈餘 HK\$'000 港幣千元	Retained profits 保留溢利 HK\$'000 港幣千元	Total 總額 HK\$'000 港幣千元
At beginning of year	年初	316,008	673	48,708	124,081	489,470
Transfer on repurchase of own shares	購回股份 而轉撥	(509)	49	—	(49)	(509)
Profit for the year	本年度溢利	—	—	—	193,762	193,762
Dividends for the year (note 6)	本年度股息 (附註6)	—	—	—	(63,936)	(63,936)
		<u>315,499</u>	<u>722</u>	<u>48,708</u>	<u>253,858</u>	<u>618,787</u>

The Company's contributed surplus represents the difference between the nominal value of the share capital issued by the Company and the then combined net assets of the subsidiaries acquired on the date of acquisition. Under the Companies Act 1981 of Bermuda (as amended), a distribution may be made out of the contributed surplus under certain circumstances.

本公司之實繳盈餘，即本公司已發行股本之面值，與所收購附屬公司於收購日期當時之合併資產淨值之差額。根據百慕達一九八一年公司法(修訂本)，可於若干情況下可派發實繳盈餘。

## 23. Interests in Subsidiaries

		Company 公司	
		1999 HK\$'000 港幣千元	1998 HK\$'000 港幣千元
Unlisted shares, at cost	非上市股份，成本值	48,908	48,908
Due from subsidiaries	附屬公司欠款	804,985	1,975,587
Due to subsidiaries	欠附屬公司款	(24,146)	(1,141,454)
		<u>829,747</u>	<u>883,041</u>

## 23. 附屬公司權益

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### 23. Interests in Subsidiaries (continued)

All subsidiaries other than Trustland Inc. are indirectly held by the Company. The particulars of the Company's subsidiaries are as follows:

### 23. 附屬公司權益 (續)

除Trustland Inc.外，所有附屬公司均由本公司間接控股。本公司之附屬公司詳情如下：

Company name 公司名稱	Place of incorporation/ registration and operations 註冊成立/ 登記及營業地點	Nominal value of issued ordinary/ registered capital 已發行普通股/ 註冊股本面值	Percentage of equity attributable to the Group 本集團應佔股權 之百分比	Principal activities 主要業務
Trustland Inc.	British Virgin Islands 英屬處女群島	US\$18,000	100%	Investment holding 投資控股
Trustland Inc.	British Virgin Islands 英屬處女群島	18,000美元	100%	Investment holding 投資控股
Nice Dyeing Factory Limited	Hong Kong	Ordinary HK\$1,000 Non-voting deferred	100%	Sale of dyed knitted fabric
永佳染廠有限公司	香港	HK\$3,125,000 港幣1,000元 普通股本 港幣3,125,000元 無投票權 遞延股本	100%	銷售色織布
Winson Knitting Factory Company Limited	Hong Kong	Ordinary HK\$10 Non-voting deferred	100%	Sale of raw knitted fabric
永信針織廠有限公司	香港	HK\$1,000,000 港幣10元 普通股本 港幣1,000,000元 無投票權 遞延股本	100%	銷售胚織布
Nice View Dyeing & Bleaching Limited	Hong Kong	HK\$3,000,000	100%	Sale of raw/ dyed yarn
永景實業有限公司	香港	港幣3,000,000元	100%	漂染及 銷售胚紗及色紗

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23. Interests in Subsidiaries (continued)

23. 附屬公司權益 (續)

Company name 公司名稱	Place of incorporation/ registration and operations 註冊成立/ 登記及營業地點	Nominal value of issued ordinary/ registered capital 已發行普通股/ 註冊股本面值	Percentage of equity attributable to the Group 本集團應佔股權 之百分比	Principal activities 主要業務
Win Ready Industrial Limited	Hong Kong	Ordinary HK\$10	100%	Property holding
永備實業有限公司	香港	Non-voting deferred HK\$2 港幣10元 普通股本 港幣2元 無投票權 遞延股本	100%	持有物業
Texwinca Enterprises Limited	Hong Kong	HK\$2	100%	Provision of management services
德永佳實業有限公司	香港	港幣2元	100%	提供管理服務
Texwinca Enterprises (China) Limited	British Virgin Islands	US\$1	100%	Investment holding and provision of sub-contracting services
德永佳(中國)發展有限公司	英屬處女群島	1美元	100%	投資控股及 提供加工服務
Winca Investments (China) Limited	British Virgin Islands	US\$1	100%	Investment holding
永佳中國投資有限公司	英屬處女群島	1美元	100%	投資控股
Fantasy World Limited	British Virgin Islands	US\$1	100%	Inactive
奇妙世界有限公司	英屬處女群島	1美元	100%	暫無營業
Winca Trading Limited	British Virgin Islands	US\$1	100%	Provision of repair and maintenance services of generators and trading of generators
永佳貿易有限公司	英屬處女群島	1美元	100%	提供發電機之 維修及銷售

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23. Interests in Subsidiaries (continued)

23. 附屬公司權益 (續)

Company name 公司名稱	Place of incorporation/ registration and operations 註冊成立/ 登記及營業地點	Nominal value of issued ordinary/ registered capital 已發行普通股/ 註冊股本面值	Percentage of equity attributable to the Group 本集團應佔股權 之百分比	Principal activities 主要業務
Dongguan Texwinca Textile & Garment Limited * 東莞德永佳紡織製衣 有限公司*	The People's Republic of China 中華人民 共和國	HK\$757,000,000 港幣757,000,000元	98%	Production, dyeing and sale of knitted fabric and yarn 針織布及棉紗 之產銷及整染
Winca (Dongguan) Motor Service Limited ** 永佳(東莞)汽車維修 服務有限公司**	The People's Republic of China 中華人民 共和國	HK\$31,820,000 港幣31,820,000元	100%	Provision of repair and maintenance services of motors 提供汽車之維修
Dongguan Texwinca Knitting Limited *** 東莞德永佳針織 有限公司***	The People's Republic of China 中華人民 共和國	HK\$66,700,000 港幣66,700,000元	92%	Production and sale of knitted fabric 產銷針織布
Bigpoint Limited 大班有限公司	British Virgin Islands 英屬處女群島	US\$1 1美元	100%	Licensing of trademarks 提供商標服務
Baleno Holdings Limited 班尼路集團有限公司	British Virgin Islands 英屬處女群島	US\$10,000 10,000美元	54%	Investment holding 投資控股
Baleno Kingdom Limited 班尼路有限公司	Hong Kong 香港	HK\$10,000 港幣10,000元	54%	Retailing and distribution of casual apparel and accessories 便服及飾物 零售及經銷
Highrich Corporation 大富有限公司	British Virgin Islands 英屬處女群島	US\$1 1美元	54%	Provision of management services and sub-licensing of trademarks 提供管理服務 及代理版權服務

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23. Interests in Subsidiaries (continued)

23. 附屬公司權益 (續)

Company name 公司名稱	Place of incorporation/ registration and operations 註冊成立/ 登記及營業地點	Nominal value of issued ordinary/ registered capital 已發行普通股/ 註冊股本面值	Percentage of equity attributable to the Group 本集團應佔股權 之百分比	Principal activities 主要業務
Guangzhou Friendship Baleno Company Limited	The People's Republic of China	HK\$4,680,000	54%	Retailing and distribution of casual apparel and accessories
廣州友誼班尼路服飾 有限公司	中華人民 共和國	港幣4,680,000元	54%	便服及飾物 零售及經銷
Chongqing Dasheng Baleno Company Limited	The People's Republic of China	HK\$3,880,000	54%	Retailing and distribution of casual apparel and accessories
重慶大生班尼路 服飾有限公司	中華人民 共和國	港幣3,880,000元	54%	便服及飾物 零售及經銷
Beijing Xingyu Baleno Garment & Decoration Company Limited	The People's Republic of China	US\$500,000	54%	Retailing and distribution of casual apparel and accessories
北京興宇班尼路服裝 服飾有限公司	中華人民 共和國	500,000美元	54%	便服及飾物 零售及經銷
Shanghai Haiwen Baleno Company Limited	The People's Republic of China	US\$210,000	51.4%	Retailing and distribution of casual apparel and accessories
上海海文班尼路服飾 有限公司	中華人民 共和國	210,000美元	51.4%	便服及飾物 零售及經銷
Silver Kingdom Limited	British Virgin Islands	US\$1	54%	Retailing and distribution of casual apparel and accessories
銀鯨有限公司	英屬處女群島	1美元	54%	便服及飾物 零售及經銷

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## 23. Interests in Subsidiaries (continued)

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

- \* Dongguan Texwinca Textile & Garment Limited ("DGT") was formed as a joint venture in the PRC under a joint venture agreement with a term of 50 years with effect from 28 July 1992. This agreement is subject to renewal by mutual consent of the joint venture partners upon expiry. The registered capital was increased from HK\$732,000,000 to HK\$757,000,000 during the year. The paid-up capital thereof as at 31 March 1999 was HK\$719,012,620.

Pursuant to a revised agreement between the Group and the other joint venture partners dated 28 July 1993, the entire operations of DGT became subject to the management and control of the Group and all profits and losses arising from DGT's operations became wholly attributable to the Group. In return, the Group has agreed to pay an annual fee to the other joint venture partners which will be reflected as a Group operating expense.

- \*\* Winca (Dongguan) Motor Service Limited was formed as a wholly foreign-owned enterprise with a term of 50 years in the PRC with effect from 26 July 1994. The registered capital was reduced from HK\$43,000,000 to HK\$31,820,000 during the year. The paid-up capital as at 31 March 1999 was HK\$28,465,550.

- \*\*\* Dongguan Texwinca Knitting Limited ("DTKL") was formed as a joint venture in the PRC under a joint venture agreement with a term of 50 years with effect from 21 June 1995. This agreement is subject to renewal by mutual consent of the joint venture partners upon expiry. The paid-up capital as at 31 March 1999 was HK\$61,659,682.

Pursuant to a revised agreement between the Group and the joint venture partner dated 8 August 1995, the entire operations of DTKL became subject to the management and control of the Group and all profits and losses arising from DTKL's operations became wholly attributable to the Group.

## 23. 附屬公司權益 (續)

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。董事認為詳列其他附屬公司會令篇幅過於冗長。

- \* 東莞德永佳紡織製衣有限公司(「東莞德永佳」)根據一項合營協議，以合營企業方式在中華人民共和國(「中國」)成立，合營期由一九九二年七月二十八日起計五十年。該項協議在到期時可由合營各方同意續期。在本年內，註冊股本由港幣732,000,000元增加至港幣757,000,000元。於一九九九年三月三十一日已繳股本為港幣719,012,620元。

根據本集團與其他合營方在一九九三年七月二十八日訂立之修訂協議，東莞德永佳之一切業務由本集團全權管理及控制，而其業務所產生之盈虧全部撥歸本集團或由本集團承擔。本集團則同意向其他合營方支付年費，年費將作集團之經營開支。

- \*\* 永佳(東莞)汽車維修服務有限公司以外商獨資企業方式在中國成立，經營期由一九九四年七月二十六日起計五十年。在本年內註冊股本由港幣43,000,000元減至港幣31,820,000元。已繳股本於一九九九年三月三十一日為港幣28,465,550元。

- \*\*\* 東莞德永佳針織有限公司(「東莞德永佳針織」)根據一項合營協議，以合營企業方式在中國成立。合營期由一九九五年六月二十一日起計五十年。該項協議在到期時可由合營各方同意續期。於一九九九年三月三十一日已繳股本為港幣61,659,682元。

根據本集團與合營方於一九九五年八月八日訂立之修訂協議，東莞德永佳針織之一切業務由本集團全權管理及控制，且東莞德永佳針織業務所產生之盈虧全部撥歸本集團或由本集團承擔。

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## 24. Notes to the Consolidated Cash Flow Statement

## 24. 綜合現金流量表附註

### (a) Reconciliation of operating profit to net cash inflow from operating activities

### (a) 經營溢利與經營所得現金流入淨額之調節表

		1999 HK\$'000 港幣千元	1998 HK\$'000 港幣千元
Operating profit	經營溢利	189,093	243,727
Interest income	利息收入	(8,846)	(1,540)
Interest expense	利息支出	47,982	56,197
Interest on obligations under finance leases	融資租約利息	3,345	5,840
Depreciation	折舊	96,146	81,984
Amortisation of trademarks	商標攤銷	1,713	1,500
Amortisation of deferred pre-operating expenditure	遞延開辦費用之攤銷	8,538	9,466
Loss on disposal of fixed assets	出售固定資產虧損	1,258	50
Deficit on revaluation of investment properties	投資物業重估減值	944	4,150
Decrease/(increase) in accounts receivable and bills receivable	應收賬款及應收票據減少/(增加)	178,630	(51,765)
Decrease/(increase) in inventories	存貨減少/(增加)	81,581	(118,920)
Decrease/(increase) in prepayments, deposits and other receivables	預付賬款、訂金及其他應收款項減少/(增加)	13,099	(32,277)
Decrease/(increase) in amount due from an associated company	應收聯營公司款項之減少/(增加)	33,132	(11,331)
Increase/(decrease) in accounts payable and accrued liabilities	應付賬款及應計負債增加/(減少)	(28,853)	85,895
Foreign exchange adjustments	外匯調整	(1,171)	238
Net cash inflow from operating activities	經營所得現金流入淨額	<b>616,591</b>	<b>273,214</b>

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**24. Notes to the Consolidated Cash Flow Statement (continued)**

**(b) Analysis of changes in financing during the year**

Balance at 1 April 1997	於一九九七年 四月一日之結存	272,186	403,788	21,659
Net cash inflow/(outflow) from financing	源自融資活動之現金 流入/(流出)淨額	(4,693)	125,760	—
Share of subsidiaries' loss	所佔附屬公司之虧損	—	—	(24,259)
Inception of finance lease contracts	訂立融資租約	—	25,864	—
Share issued in respect of the acquisition of an associated company	發行股份以收購 一間聯營公司	112,500	—	—
Balance at 31 March 1998 and at 1 April 1998	於一九九八年 三月三十一日及 一九九八年 四月一日之結存	379,993	555,412	(2,600)
Net cash inflow/(outflow) from financing	源自融資活動之 現金流入/ (流出)淨額	(558)	(208,525)	78
Balance at 31 March 1999	於一九九九年 三月三十一日之結存	379,435	346,887	(2,522)

**(c) Major non-cash transactions**

During the year ended 31 March 1998, the Group entered into finance lease arrangements in respect of assets with a total capital value at the inception of the leases of HK\$25,864,000.

During the year ended 31 March 1998, the Group acquired a 50% equity interest of an associated company, Megawell Industrial Limited at a consideration of HK\$150 million, which was satisfied by a cash payment of HK\$37,500,000 and the issue of 19,430,052 new ordinary shares of the Company at HK\$5.79 per share aggregating HK\$112,500,000.

**24. 綜合現金流量表附註 (續)**

**(b) 本年度融資狀況變動分析**

Share capital and premium 股本及溢價 HK\$'000 港幣千元	Loans and finance lease obligations 貸款及融資租約債務 HK\$'000 港幣千元	Minority interests 少數股東權益 HK\$'000 港幣千元
272,186	403,788	21,659
(4,693)	125,760	—
—	—	(24,259)
—	25,864	—
112,500	—	—
379,993	555,412	(2,600)
(558)	(208,525)	78
379,435	346,887	(2,522)

**(c) 主要非現金交易**

於截至一九九八年三月三十一日止年度，本集團為原值港幣25,864,000元之資產訂立融資租約安排。

於截至一九九八年三月三十一日止年度，本集團以代價港幣150,000,000元收購Megawell Industrial Limited (聯營公司) 50%股本權益，有關代價其中港幣37,500,000元以現金支付，其餘港幣112,500,000元則以每股港幣5.79元發行本公司新普通股19,430,052股支付。

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## 25. Contingent Liabilities

Guarantees of banking facilities granted to an associated company	為聯營公司 銀行信貸 所作之担保
Export bills discounted with recourse	有追索權之 出口票據貼現

Irrevocable and unconditional guarantees aggregating HK\$837 million (1998: HK\$1,120 million) have been given by the Company in respect of an associated company's and certain subsidiaries' banking facilities. At the balance sheet date, banking facilities utilised by the associated company and subsidiaries amounted to HK\$70,727,000 (1998: HK\$155,389,000).

## 26. Capital Commitments

Commitments for capital expenditure at the balance sheet date were as follows:

In respect of fixed assets, contracted for	已就固定 資產訂約
In respect of investment in a subsidiary in the PRC contracted for	已就於中華人民共和國 投資於附屬公司之訂約

## 25. 或然負債

		Group 集團	
		1999 HK\$'000 港幣千元	1998 HK\$'000 港幣千元
		23,000	37,805
		<b>48,165</b>	<b>54,034</b>

本公司就若干附屬公司及一聯營公司之銀行信貸及借款，作出不可撤回及無條件之擔保共港幣8億3千7百萬(1998：港幣11億2千萬元)。於結算日，有關附屬公司及聯營公司共用去銀行信貸港幣70,727,000元(1998：港幣155,389,000元)。

## 26. 資本承擔

於結算日，資本支出承擔如下：

		Group 集團	
		1999 HK\$'000 港幣千元	1998 HK\$'000 港幣千元
		1,590	7,909
		<b>16,750</b>	<b>—</b>
		<b>18,340</b>	<b>7,909</b>

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## 27. Operating Lease Commitments

## 27. 經營租約承擔

		Group 集團	
		1999 HK\$'000 港幣千元	1998 HK\$'000 港幣千元
Annual commitments under non-cancellable operating leases for land and buildings expiring:	於下列期間到期 不可註銷土地及樓宇經營租約之 每年承擔：		
Within one year	一年內	27,460	20,376
In the second to fifth years, inclusive	第二年至第五年 (包括首尾兩年)	94,081	140,577
After five years	第五年後	13,795	2,577
		<u>135,336</u>	<u>163,530</u>
Annual commitments under non-cancellable operating leases for machinery expiring after five years	於五年後到期 不可註銷 機器經營租約之 每年承擔	9,358	—
		<u>9,358</u>	<u>—</u>

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## 28. Related Party Transactions

- (a) During the year, the Group had the following transactions with its associated company:

Sales to Megawell Industrial Limited "Megawell"	銷售予Megawell Industrial Limited (「Megawell」)
Purchases from Megawell	向Megawell採購
Interest income received from Megawell	收取Megawell之利息
Interest expenses paid to Megawell	支付Megawell之利息

- (b) During the year, the Group had transactions with the following companies of which Mr. Poon Bun Chak, a director of the Company, is a director and the controlling shareholder:

Rental expenses:	租金支出：
Tak Shun Piecegoods Company Limited	德信紗布有限公司
Nice Market Limited	美市有限公司
Winlife Trading Limited	永生行有限公司
Boat rentals:	船舶租金支出：
Tak Shun Piecegoods Company Limited	德信紗布有限公司

- (c) The Company paid rental expenses of HK\$600,000 (1998: HK\$600,000) to Sonway Enterprises Limited of which Mr. Ting Kit Chung, a director of the Company, is a director and the controlling shareholder. The rental expenses were in connection with a residence provided to Mr. Ting Kit Chung, which were charged with reference to open market rentals.

## 28. 關連人士交易

- (a) 本年度，本集團曾與其聯營公司進行下列交易：

Notes 附註	Group 集團	
	1999 HK\$'000 港幣千元	1998 HK\$'000 港幣千元
(i)	165,884	229,306
(ii)	78,240	169,560
(iii)	1,396	547
(iii)	1,516	—

- (b) 本年度，本集團曾與下列由本集團董事潘彬澤先生兼任董事及控權股東之公司進行交易：

(iv)	—	1,493
(iv)	1,693	—
(v)	3,840	3,840
(vi)	<u>1,000</u>	<u>1,200</u>

- (c) 本公司向Sonway Enterprises Limited繳付租金港幣600,000元(一九九八年：港幣600,000元)，而本公司董事丁傑忠先生乃該公司之董事兼控權股東。該租金開支乃就向丁傑忠先生提供住宅所支付，並按公開市場租金計算。

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## 28. Related Party Transactions (continued)

- (d) During the year ended 31 March 1998 ("1998"), Baleno Holdings Limited ("Baleno"), a 54% owned subsidiary of the Group, incurred a net operating loss of approximately HK\$52 million. Pursuant to a shareholders' agreement dated 30 May 1996, the minority shareholders have agreed to share the profits and losses of Baleno in proportion to their shareholdings, including any losses which exceed their share capital. Accordingly, the 1998 loss attributable to the minority shareholders, amounting to HK\$24 million, was debited to the minority interests account as at 31 March 1998. In respect of the minority shareholders' share of the loss for the year ended 31 March 1998 only, Mr. Poon Bun Chak, a director of the Company, has indemnified the Group should the minority shareholders be unable to meet their obligations, in whole or in part, in marking up such loss.

Notes:

- (i) Sales to Megawell, the associated company, were made according to the prices and conditions offered to the major customers of the Group.
- (ii) The directors consider that purchases from Megawell were made according to the prices and conditions similar to those of the other customers of the associated company.
- (iii) Interest was charged on the current account balances with Megawell at prime rate for the period from April to July 1998, and at prime rate plus 4% for the period from August 1998 to March 1999.
- (iv) Rentals paid to Nice Market Limited and Tak Shun Piecegoods Company Limited were for a director's residential purposes and were charged with reference to open market rentals.
- (v) Rentals paid to Winlife Trading Limited were for office premises and were charged with reference to open market rentals.
- (vi) Boat rentals paid to Tak Shun Piecegoods Company Limited were charged with reference to open market rentals.

## 29. Ultimate Holding Company

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

## 30. Approval of the Financial Statements

The financial statements were approved by the board of directors on 17 August 1999.

## 28. 關連人士交易 (續)

- (d) 截至一九九八年三月三十一日止年度，本集團擁有54%權益之附屬公司班尼路集團有限公司(「班尼路」)出現經營虧損淨額約港幣52,000,000元。根據一九九六年五月三十日訂立之股東協議，少數股東同意按彼等之股權比例分擔盈虧。因此，少數股東應佔虧損港幣24,000,000元已計入一九九八年三月三十一日之少數股東權益賬。有關少數股東於一九九八年三月三十一日止年度之應佔虧損，本公司董事潘彬澤先生已向本集團作出賠償保證，以確保若少數股東未能履行全部或部份責任，而引致之虧損。

附註：

- (i) 向聯營公司Megawell銷售乃根據向本集團主要客戶提供之價格及條件進行。
- (ii) 董事認為向Megawell採購之價格及條件，與聯營公司向其客戶所提供之價格及條件相若。
- (iii) Megawell之往來賬戶結餘於一九九八年四月至七月及一九九八年八月至一九九九年三月期間之利息分別按最優惠利率及最優惠利率加4厘計算。
- (iv) 就一名董事之住宅單位向美市有限公司及德信紗布有限公司支付之租金乃按公開市場租金計算。
- (v) 就辦公室物業向永生行有限公司支付租金乃按公開市場租金計算。
- (vi) 向德信紗布有限公司支付船舶租金乃按公開市場租金計算。

## 29. 最終控股公司

董事會認為，最終控股公司為於英屬處女羣島註冊成立之Farrow Star Limited。

## 30. 財務報表之核准

本年報之財務報表已於一九九九年八月十七日由董事會核准。

# Schedule of Investment Properties Held by the Group

## 集團持有之投資物業

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一九九九年三月三十一日

Location 地點	Lot Number 地段	Existing Use 用途	Approximate gross floor area (sq. m) 大約建築總面值 (平方米)	Group's ownership 集團所佔權益
Workshop No. 48-53, G/F., Tsing Yi Industrial Centre Phase II, Nos. 1-33 Cheung Tat Road, Tsing Yi, New Territories	TYTL No. 65	Industrial	16,954	100%
新界青衣長達路1-33號 青衣工業中心二期 地下48-53	TYTL No. 65	工業	16,954	100%
Unit B, 20/F., Units B, C, D, E & Storeroom D & E, 21/F., Car Parking Space No. 5, 27 & 28, 1/F., Southeast Industrial Building, Nos. 611-619 Castle Peak Road, Tsuen Wan, New Territories	Section A of Tsuen Wan Inland Lot No. 17 and the extension thereto Section A of Tsuen Wan Marine Lot No. 7	Industrial	27,971	100%
新界荃灣青山道611-619號 東南工業大廈20樓B, 21樓B, C, D, E 及儲物房D及E, 1樓車位5, 27, 28	Section A of Tsuen Wan Inland Lot No. 17 and the extension thereto Section A of Tsuen Wan Marine Lot No. 7	工業	27,971	100%
Workshop No. 3,4,6,8,10, 4/F., Block E, Tsing Yi Industrial Centre Phase II, Nos. 1-33 Cheung Tat Road, Tsing Yi, New Territories	TYTL No. 65	Industrial	9,617	100%
新界青衣長達路1-33號 青衣工業中心二期E座 四樓3,4,6,8,10室	TYTL No. 65	工業	9,617	100%

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