

長江製衣有限公司
YANGTZEKIANG GARMENT LIMITED

股份代號 Stock code : 294

INTERIM REPORT 中期報告

06/07

For the Six Months Ended 30th September, 2006
截至二零零六年九月三十日止六個月

INTERIM RESULTS

The Board of Directors of Yangtzekiang Garment Limited (the “Company”) is pleased to announce the unaudited interim results of the Company and its subsidiaries, associates and jointly controlled entities (the “Group”) for the six months ended 30th September, 2006 as follows. The interim results have not been audited, but have been reviewed by the Company’s Audit Committee.

CONSOLIDATED INCOME STATEMENT – UNAUDITED

For the six months ended 30th September, 2006
(Expressed in Hong Kong dollars)

中期業績

長江製衣有限公司(「本公司」)之董事會欣然宣佈本公司及其附屬公司、聯營公司及合營公司(「本集團」)截至二零零六年九月三十日止六個月之未經審核中期業績。中期業績尚未經審核，但已由本公司之審核委員會審閱。

綜合損益表 – 未經審核

截至二零零六年九月三十日止六個月
(以港元計)

		Six months ended 30th September, 截至九月三十日止六個月		
		Note	2006	2005 (restated) (重列)
		附註	\$'000	\$'000
Turnover	營業額	3	783,323	753,585
Cost of sales	銷售成本		(624,395)	(592,887)
Gross Profit	毛利		158,928	160,698
Other revenue	其他收入		5,529	2,665
Other net income	其他收益淨額		16,128	(3,504)
Selling and distribution expenses	銷售及分銷費用		(64,415)	(59,333)
Administrative expenses	行政費用		(51,261)	(54,125)
Other operating expenses	其他經營費用		(14,989)	(18,992)
Profit from operations	經營溢利		49,920	27,409
Finance costs	融資成本		(9,015)	(17,602)
Share of profits less losses of associates	應佔聯營公司溢利 減虧損		(210)	(3,494)
Share of profits of jointly controlled entities	應佔合營公司 溢利		5,499	–
Impairment of a subsidiary	一家附屬公司減值	9(b)	(8,517)	–
Profit before taxation	除稅前溢利	4	37,677	6,313
Income tax	所得稅	5	(9,291)	(1,743)
Profit after taxation	除稅後溢利		28,386	4,570
Attributable to:	應撥歸於：			
Equity shareholders of the Company	本公司股權持有人		28,417	3,034
Minority interests	少數股東權益		(31)	1,536
Profit after taxation	除稅後溢利		28,386	4,570
Dividend – interim declared	宣派中期股息	6	6,311	–
Earnings per share – Basic (Cents)	每股盈利 – 基本 (仙)	7	13.5	1.4

CONSOLIDATED BALANCE SHEET –
UNAUDITED

At 30th September, 2006

(Expressed in Hong Kong dollars)

綜合資產負債表 – 未經審核

於二零零六年九月三十日

(以港元計)

	Note 附註	At 30th September, 2006 於二零零六年九月三十日		At 31st March, 2006 於二零零六年三月三十一日	
		\$'000	\$'000	\$'000	\$'000
Non-current assets					
Fixed assets					
Investment properties		79,873		79,638	
Other property, plant and equipment		127,429		137,456	
Interests in leasehold land held for own use under operating leases		6,702	214,004	7,240	224,334
Construction in progress			2,584		26
Intangible assets			2,874		2,874
Interest in associates			14,547		14,810
Interest in jointly controlled entities			296,979		281,788
Other financial assets			6,129		9,014
Deferred tax assets			–		1,553
			537,117		534,399
Current assets					
Inventories		140,209		151,841	
Trade and other receivables	8	360,612		441,208	
Tax recoverable		455		1,743	
Cash and cash equivalents		35,041		43,820	
			536,317		638,612
Non-current assets and assets of a disposal group classified as held for sale					
	9	151,593		60,000	
		687,910		698,612	
Current liabilities					
Trade and other payables		308,910		332,924	
Bank loans and overdrafts		158,395		232,318	
Tax payable		4,918		565	
		472,223		565,807	
Liabilities directly associated with assets of a disposal group classified as held for sale					
	9	88,410		–	
		560,633		565,807	
Net current assets			127,277		132,805

**CONSOLIDATED BALANCE SHEET –
 UNAUDITED (Continued)**

At 30th September, 2006
 (Expressed in Hong Kong dollars)

綜合資產負債表 – 未經審核 (續)

於二零零六年九月三十日
 (以港元計)

		Note 附註	At 30th September, 2006 於二零零六年九月三十日		At 31st March, 2006 於二零零六年三月三十一日	
			\$'000	\$'000	\$'000	\$'000
Total assets less current liabilities	資產總額減 流動負債			664,394		667,204
Non-current liabilities	非流動負債					
Bank loans	銀行貸款		38,983		65,024	
Provision for long service payments	長期服務金 準備		4,271		4,272	
Deferred tax liabilities	遞延所得稅負債		14,332	57,586	14,293	83,589
NET ASSETS	資產淨值			606,808		583,615
CAPITAL AND RESERVES	資本及儲備	11				
Share capital	股本			105,184		105,184
Reserves	儲備			502,759		478,431
Amounts recognized directly in equity relating to assets of a disposal group classified as held for sale	直接於權益確認 有關分類為 持有作銷售 之出售組合 資產之 金額			(1,549)		-
Total equity attributable to equity shareholders of the Company	應撥歸於本公司 股權持有人 權益總額			606,394		583,615
Minority interests	少數股東權益			414		-
TOTAL EQUITY	權益總額			606,808		583,615

CONSOLIDATED STATEMENT OF CHANGES
IN EQUITY – UNAUDITEDFor the six months ended 30th September, 2006
(Expressed in Hong Kong dollars)

綜合權益變動表 – 未經審核

截至二零零六年九月三十日止六個月
(以港元計)

	Note 附註	Six months ended 30th September, 截至九月三十日止六個月	
		2006 \$'000	2005 \$'000
Total equity at 1st April,	於四月一日之權益總額		637,317
Exchange difference on translation of financial statements of overseas subsidiaries	換算海外附屬公司財務報表之匯兌差額 11	583,615	
Share of associates' exchange reserve	應佔聯營公司匯兌儲備 11	11,191	5,010
Valuation of interest rate swap agreement	利率掉期協議估值 11	-	2,832
Contribution by minority shareholders	少數股東資本投入 11	-	2,557
Net profit for the period	本期間淨溢利 11	445	28,080
		28,386	4,570
Total recognized income and expenses for the period	本期間已確認收益及支出總額	40,022	43,049
<i>Attributable to:</i>	應撥歸於:		
Equity shareholders of the Company	本公司股權持有人	39,608	12,490
Minority interests	少數股東權益	414	30,559
		40,022	43,049
Dividends declared	已宣派之股息 6	(16,829)	(16,829)
Total equity at 30th September,	於九月三十日之權益總額	606,808	663,537

CONSOLIDATED CASH FLOW STATEMENT
– UNAUDITED

綜合現金流量表 – 未經審核

For the six months ended 30th September, 2006

截至二零零六年九月三十日止六個月

(Expressed in Hong Kong dollars)

(以港元計)

		Six months ended 30th September, 截至九月三十日止六個月	
		2006 \$'000	2005 \$'000
Net cash generated from/(used in) operating activities	經營活動所得／(所用)的現金淨額	90,864	(4,298)
Net cash generated from/(used in) investing activities	投資活動所得／(所用)的現金淨額	6,064	(133,861)
Net cash (used in)/generated from financing activities	融資活動(所用)／所得的現金淨額	(98,808)	123,208
Net decrease in cash and cash equivalents	現金及現金等價物減少淨額	(1,880)	(14,951)
Cash and cash equivalents at beginning of period	於期初之現金及現金等價物	39,870	90,309
Cash and cash equivalents included in assets of a disposal group classified as held for sale	計入分類為持有作銷售之出售組合資產之現金及現金等價物	(3,909)	–
Effect of foreign exchange rates changes	外幣兌換率變動之影響	960	(729)
Cash and cash equivalents at end of period	於期末之現金及現金等價物	<u>35,041</u>	<u>74,629</u>
Analysis of the balances of cash and cash equivalents	現金及現金等價物之結餘分析		
Cash at bank and in hand	銀行活期存款及現金	35,041	79,972
Bank overdrafts	銀行透支	–	(5,343)
		<u>35,041</u>	<u>74,629</u>

NOTES TO THE CONSOLIDATED
FINANCIAL STATEMENTS

For the six months ended 30th September, 2006

(Expressed in Hong Kong dollars)

1. BASIS OF PREPARATION

These consolidated interim financial statements are unaudited and have been prepared in accordance with the applicable disclosure requirements as set out in Appendix 16 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, and with Hong Kong Accounting Standard (“HKAS”) 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”).

2. PRINCIPAL ACCOUNTING POLICIES

The principal accounting policies adopted are consistent with those followed in the preparation of the annual financial statements of the Group for the year ended 31st March, 2006 except as disclosed below.

For the six months ended 30th September, 2006, the Group has also applied the new standards, amendments and interpretations issued by the HKICPA that are effective for the accounting periods beginning on or after 1st January, 2006. However, the adoption of these new standards does not have any significant effect on the accounting policies or results and financial position of the Group.

The Group has not early applied the following new standard, amendment or interpretations that have been issued but are not yet effective. The directors of the Company anticipate that the application of these new standard, amendment or interpretations will have no material impact on the results and the financial positions of the Group.

HKAS 1 (Amendment)	Presentation of Financial Statements: Capital Disclosures ¹
HKFRS 7	Financial Instruments: Disclosures ¹
HK(IFRIC) – INT 8	Scope of HKFRS 2 ²
HK(IFRIC) – INT 9	Reassessment of Embedded Derivatives ³
HK(IFRIC) – INT 10	Interim Financial Reporting and Impairment ⁴

¹ Effective for annual periods beginning on or after 1st January, 2007.

² Effective for annual periods beginning on or after 1st May, 2006.

³ Effective for annual periods beginning on or after 1st June, 2006.

⁴ Effective for annual periods beginning on or after 1st November, 2006.

綜合財務報表附註

截至二零零六年九月三十日止六個月

(以港元計)

1. 編製基準

本綜合中期財務報表未經審核，並根據香港聯合交易所有限公司證券上市規則附錄16及香港會計師公會頒佈之香港會計準則（「會計準則」）第34號「中期財務報告」之規定所編製。

2. 主要會計政策

本綜合財務報表所採納之會計政策與本集團編製截至二零零六年三月三十一日止年度之全年財務報表所採用者均為一致，惟下文所述者除外。

於截至二零零六年九月三十日止六個月，本集團亦採納香港會計師公會頒佈而對始於二零零六年一月一日或該日以後之會計期間生效之新訂準則、修訂及詮釋。然而，採納此等新訂準則對本集團之會計政策或業績及財務狀況並無任何重大影響。

本集團並無提早應用下列已頒佈但未生效之新準則、修訂或詮釋。本公司董事預期，應用該等新準則、修訂或詮釋將不會對本集團之業績及財務狀況造成任何重大影響。

會計準則 第1號(修訂)	財務報表之呈列： 資本披露 ¹
香港財務報告 準則第7號	金融工具：披露 ¹
香港(IFRIC) 詮釋第8號	根據香港財務報告準則 第2號之範圍 ²
香港(IFRIC) 詮釋第9號	重新評估內含衍生工具 ³
香港(IFRIC) 詮釋第10號	中期財務報告及減值 ⁴

¹ 於二零零七年一月一日或之後開始之年度期間生效。

² 於二零零六年五月一日或之後開始之年度期間生效。

³ 於二零零六年六月一日或之後開始之年度期間生效。

⁴ 於二零零六年十一月一日或之後開始之年度期間生效。

3. SEGMENT REPORTING

Segment information is presented in respect of the Group's business and geographical segments. Business segment information is chosen as the primary reporting format because it is more relevant to the Group's internal financial reporting. Geographical segment information has been chosen as the secondary reporting format.

(a) Business segments

The Group comprises the following main business segments:

Six months ended 30th September,

		Manufacture and sale of garments 製造及銷售成衣		Manufacture and sale of textiles 製造及銷售紡織品		Others 其他		Unallocated 未分類		Consolidated 綜合總額	
		2006 \$'000	2005 \$'000	2006 \$'000	2005 \$'000	2006 \$'000	2005 \$'000	2006 \$'000	2005 \$'000	2006 \$'000	2005 (restated) \$'000 (重列)
Revenue from external customers	來自外界客戶的收入	776,901	643,864	2,493	106,135	3,929	3,586	-	-	783,323	753,585
Other revenue	其他收入	2,497	1,971	-	-	372	372	2,660	322	5,529	2,665
Total revenue	收入總額	<u>779,398</u>	<u>645,835</u>	<u>2,493</u>	<u>106,135</u>	<u>4,301</u>	<u>3,958</u>	<u>2,660</u>	<u>322</u>	<u>788,852</u>	<u>756,250</u>
Segment result	分部經營結果	44,570	7,431	400	19,019	2,290	637	2,660	322	49,920	27,409
Finance costs	融資成本									(9,015)	(17,602)
Share of profits less losses of associates and jointly controlled entities	應佔聯營公司及合營公司溢利減虧損	(73)	41	4,812	1,684	550	(5,219)	-	-	5,289	(3,494)
Impairment of a subsidiary	一家附屬公司減值									(8,517)	-
Income tax	所得稅									(9,291)	(1,743)
Profit for the period	本期間溢利									<u>28,386</u>	<u>4,570</u>

3. 分部報告

分部資料乃按本集團之業務及地區分部呈列。業務分部資料獲選用作為主要呈報方式，蓋因業務分部資料較切合本集團之內部財務報告。地區分部資料則獲選用作為次要呈報方式。

(a) 業務分部

本集團由下列主要業務分部組成：

截至九月三十日止六個月

3. SEGMENT REPORTING (Continued)

(b) Geographical segments

The Group's business is managed on a worldwide basis, but participates in four principal economic environments:

Six months ended 30th September,

		Revenue from external customers 來自外界客戶的收入	
		2006 \$'000	2005 \$'000
- Europe	- 歐洲		
United Kingdom	英國	222,634	117,668
France	法國	86,016	107,585
Italy	意大利	103,445	96,281
Other European countries	其他歐洲國家	78,612	90,893
- Asia Pacific	- 亞太地區	179,822	209,145
- North America	- 北美洲	95,878	117,692
- Others	- 其他	16,916	14,321
		783,323	753,585

3. 分部報告(續)

(b) 地區分部

本集團的業務遍及世界各地，可劃分為四個主要的經濟環境經營：

截至九月三十日止六個月

4. PROFIT BEFORE TAXATION

Profit before taxation is arrived at after charging/(crediting):

4. 除稅前溢利

除稅前溢利已扣除/(計入)：

		Six months ended 30th September, 截至九月三十日止六個月	
		2006 \$'000	2005 \$'000
Finance costs (including bank charges)	融資成本(包括銀行費用)	9,015	17,602
Amortization of land lease premium	土地租賃費攤銷	73	133
Amortization of intangible assets	無形資產攤銷	-	874
Depreciation	折舊	14,377	25,472
Change in fair value of interest rate swap agreement	利率掉期協議公平價值之改變	1,135	-
Impairment of a subsidiary	一家附屬公司減值	8,517	-
Tax refund upon reinvestment of dividend income from an associate	一家聯營公司股息收入再投資之退稅	(2,114)	-
Gain on disposal of fixed assets	出售固定資產收益	(13,259)	(596)
Dividends income and interest income	股息及利息收入	(545)	(322)
		(545)	(322)

Note
附註

9(b)

5. INCOME TAX

5. 所得稅

		Six months ended 30th September, 截至九月三十日止六個月	
		2006	2005 (restated) (重列)
		\$'000	\$'000
Current tax – Hong Kong Profits Tax	本年稅項 – 香港 利得稅	7,521	1,926
Current tax – Overseas	本年稅項 – 海外	1,770	8
Deferred taxation	遞延稅項	–	(191)
		<u>9,291</u>	<u>1,743</u>

The provision for Hong Kong Profits Tax is calculated at 17.5% (2005: 17.5%) of the estimated assessable profits for the period. Taxation for overseas subsidiaries is charged at the appropriate current rates of taxation ruling in the relevant countries.

香港利得稅準備是按期內之估計應課稅溢利以17.5%之稅率(二零零五年: 17.5%)計算。海外附屬公司之稅項則同樣以相關國家適用之現行稅率計算。

6. DIVIDENDS

6. 股息

(a) Dividend attributable to the interim period

(a) 本六個月期間之股息

		Six months ended 30th September, 截至九月三十日止六個月	
		2006	2005
		\$'000	\$'000
Interim dividend declared after the interim period end of 3 cents per share (2005: Nil)	於本六個月期間結束後宣派之中期股息 每股3仙 (二零零五年: 無)	<u>6,311</u>	<u>–</u>

The interim dividend declared after the interim period end has not been recognized as a liability at the interim period end date.

於本六個月期間結束後宣派之中期股息並未在中期完結當日確認為負債。

(b) Dividend attributable to the previous financial year, approved and paid during the interim period

(b) 本六個月期間批准及派發之過往財政年度股息

		Six months ended 30th September, 截至九月三十日止六個月	
		2006	2005
		\$'000	\$'000
Final dividend in respect of the previous financial year, approved and paid during the interim period, of 8 cents per share (2005: 8 cents per share)	於本六個月期間批准及派發之過往財政年度末期股息每股8仙 (二零零五年: 每股8仙)	<u>16,829</u>	<u>16,829</u>

7. EARNINGS PER SHARE

The calculation of basic earnings per share is based on the profit attributable to the equity shareholders of the Company of \$28,417,000 (2005: \$3,034,000) and the weighted average number of 210,368,688 shares (2005: 210,368,688 shares) in issue during the period.

The diluted earnings per share is not presented as there were no dilutive potential ordinary shares in existence during the period ended 30th September, 2006 and 30th September, 2005.

8. TRADE AND OTHER RECEIVABLES

Included in trade and other receivables are trade debtors and bills receivable (net of impairment losses) with the following aging analysis:

		30th September, 2006 二零零六年 九月三十日 \$'000	31st March, 2006 二零零六年 三月三十一日 \$'000
0 – 60 days	0 – 60日	242,555	266,101
61 – 90 days	61 – 90日	2,609	14,521
> 90 days	90日以上	2,835	5,152
Trade debtors and bills receivable	應收賬款及 應收票據	247,999	285,774
Loans receivable	應收貸款	1,680	1,680
Deposits, prepayments and other debtors	訂金、預付款及 其他應收款	61,213	73,565
Prepayment for investments	投資預付款	–	33,235
Amounts due from related companies	應收關連公司款項	6,171	7,529
Amounts due from associates and jointly controlled entities	應收聯營公司及 合營公司款項	3,183	–
Dividend receivable from associates and jointly controlled entities	應收聯營公司 及合營公司 股息	40,366	39,425
		360,612	441,208

The credit terms given to trade debtors vary and are generally based on the financial strengths of individual debtors. In order to effectively manage the credit risks associated with trade debtors, credit evaluation of debtors are performed periodically.

7. 每股盈利

每股基本盈利乃根據本公司股權持有人應佔溢利 28,417,000 元（二零零五年：3,034,000 元）及期內已發行股份之加權平均數 210,368,688 股（二零零五年：210,368,688 股）計算。

截至二零零六年九月三十日及二零零五年九月三十日止期間，本公司並無具有潛在攤薄能力之普通股；因此，攤薄後每股盈利並無予以呈列。

8. 應收賬款及其他應收款

應收賬款及其他應收款包括以下經扣除減值虧損後的應收賬款及應收票據，其賬齡分析如下：

給予應收賬款之信貸期各有不同，一般根據個別債務人之財政實力而定。為有效管理應收賬款之信貸風險，本集團會定期評估債務人之信貸。

9. **NON-CURRENT ASSETS AND ASSETS OF A DISPOSAL GROUP CLASSIFIED AS HELD FOR SALE**

The carrying amount of major classes of assets and liabilities classified as non-current assets and assets of a disposal group classified as held for sale are analysed as follows:

9. 分類為持有作銷售之非流動資產及出售組合資產

分類為持有作銷售之非流動資產及出售組合資產之主要資產及負債類別之賬面值分析如下：

		Note 附註	30th September, 2006 二零零六年 九月三十日 \$'000	31st March, 2006 二零零六年 三月三十一日 \$'000
Non-current assets classified as held for sale	分類為持有作銷售之非流動資產	(a)	60,000	60,000
Assets of a disposal group classified as held for sale	分類為持有作銷售之出售組合資產	(b)		
Fixed assets	固定資產		3,299	-
Other financial assets	其他金融資產		3,047	-
Deferred tax assets	遞延所得稅資產		1,889	-
Inventories	存貨		17,367	-
Trade and other receivable, deposits and prepayments	應收賬款及其他應收款、按金及預付款		62,082	-
Cash and cash equivalents	現金及現金等價物		3,909	-
			91,593	-
			151,593	60,000
Liabilities directly associated with assets of a disposal group classified as held for sale	直接與分類為持有作銷售之出售組合資產有關之負債	(b)		
Trade and other payables	應付賬款及其他應付款		65,805	-
Bank loans	銀行貸款		22,605	-
			88,410	-

9. NON-CURRENT ASSETS AND ASSETS OF A DISPOSAL GROUP CLASSIFIED AS HELD FOR SALE (Continued)

Note:

- (a) On 31st March, 2006, the Group entered into an agreement to dispose of its entire 39.12% interest in W. Haking Enterprises Limited (“W. Haking”), an associate of the Group, with one of the major shareholders of W. Haking for a consideration of \$60,000,000. The disposal is scheduled to be completed in March 2007.
- (b) Before the period ended 30th September, 2006, the management of the Company has committed a plan to dispose of its entire shares in a subsidiary, YangtzeKiang S.A., and as a result, a potential buyer is identified. On 17th November, 2006, the Company entered into a share purchase agreement with a director of the subsidiary to dispose of its entire shares in that subsidiary at a consideration of EURO300,000 (approximately HK\$3,000,000). The disposal is expected to be completed no later than 22nd December, 2006. Details of this disposal have been disclosed in the Company’s circular to shareholders dated 12th December, 2006. Accordingly, the related assets and liabilities of YangtzeKiang S.A. have been presented as a disposal group held for sale as at 30th September, 2006. Immediately before classification as disposal group held for sale, based on the expected disposal proceeds, the carrying amount of the assets within the disposal group has been written down by \$8,517,000 to reflect their recoverable value.

10. TRADE AND OTHER PAYABLES

Included in trade and other payables are trade creditors and bills payables with the following aging analysis:

		30th September, 2006 二零零六年 九月三十日 \$'000	31st March, 2006 二零零六年 三月三十一日 \$'000
0 – 60 days	0 – 60日	125,655	118,633
61 – 90 days	61 – 90日	5,045	17,812
> 90 days	90日以上	14,974	18,168
Trade creditors and bills payable	應付賬款及應付票據	145,674	154,613
Accrued charges and other creditors	應計費用及其他應付款	152,065	166,247
Amounts due to related companies	應付關連公司款項	658	2,877
Amounts due to associates and jointly controlled entities	應付聯營公司及合營公司款項	6,889	5,467
Amount due to a shareholder	應付一股東款項	3,624	3,720
		308,910	332,924

9. 分類為持有作銷售之非流動資產及出售組合資產 (續)

附註：

- (a) 於二零零六年三月三十一日，本集團訂立協議出售其於寶源基業有限公司（「寶源」）（本集團的聯營公司）之全部39.12%權益予寶源其中一名主要股東，總代價為60,000,000元。出售事項擬訂於二零零七年三月內完成。
- (b) 於二零零六年九月三十日止期間前，本公司管理層已作出了計劃，出售其於一附屬公司—YangtzeKiang S.A. 所持有之全部權益，因此，一潛在的買家被認定。於二零零六年十一月十七日，本公司與該附屬公司之一位董事訂立購股協議，出售其於該附屬公司所持有之全部權益，總代價為300,000歐羅（約3,000,000港元）。完成出售事項之日期預期將不會遲於二零零六年十二月二十二日。出售事項之詳情載列於二零零六年十二月十二日刊發之本公司致股東通函內。因此，YangtzeKiang S.A.之有關資產及負債已於二零零六年九月三十日呈列為持有作銷售之出售組合。根據預計出售所得款項，緊接於持有作銷售之出售組合進行分類前，出售組合內之資產之賬面值已被撇減8,517,000元，以反映其可收回金額。

10. 應付賬款及其他應付款

應付賬款及其他應付款包括下列應付賬款及應付票據，其賬齡分析如下：

12. CAPITAL COMMITMENTS

Capital commitments outstanding at 30th September, 2006 not provided for in the interim financial report were as follows:

		30th September, 2006 二零零六年 九月三十日 \$'000	31st March, 2006 二零零六年 三月三十一日 \$'000
Authorized but not contracted for – construction in progress	已授權但未訂約 – 在建工程	308	–
Contracted but not provided for – fixed assets	已訂約但未作出準備 – 固定資產	1,453	1,066
		1,761	1,066

The Group's share of the capital commitments of jointly controlled entities outstanding at 30th September, 2006 were as follows:

		30th September, 2006 二零零六年 九月三十日 \$'000	31st March, 2006 二零零六年 三月三十一日 \$'000
Authorized but not contracted for	已授權但未訂約	4,414	6,920
Contracted but not provided for	已訂約但未作出準備	13,373	2,117
		17,787	9,037

12. 資本承擔

於二零零六年九月三十日，仍未在中期財務報告作出準備之資本承擔如下：

於二零零六年九月三十日，本集團應佔合營公司未償付的資本承擔如下：

13. MATERIAL RELATED PARTY TRANSACTIONS

13. 與關連人士之重大交易

(1.1) The following material transactions with related parties were, in the opinion of the directors, carried out in the ordinary course of business on normal commercial terms:

(1.1) 董事會認為，下列與關連人士進行之重大交易乃於日常業務中按一般商業條款作出：

		Six months ended 30th September, 截至九月三十日止六個月			
		Note 附註	2006 \$'000	2005 \$'000	
(i)	YGM Trading Limited and its subsidiaries ("YGMT Group")	YGM貿易有限公司及其附屬公司(「YGMT集團」)			
	Purchases of traded products by the Group	本集團購買貿易產品	(a)		
	Sales of traded products by the Group	本集團銷售貿易產品	(e)	4,051	1,178
	Rental income received and receivable by the Group	本集團已收及應收物業租金收入	(e)	15,662	20,908
	Management fee received and receivable by the Group	本集團已收及應收管理費	(f)	1,948	1,948
	Building management fee received and receivable by the Group	本集團已收及應收樓宇管理費	(f)	372	372
(ii)	YGM Marketing Pte Limited	YGM Marketing Pte Limited	(b)		
	Sales of traded products by the Group	本集團銷售貿易產品	(e)	2,225	2,343
(iii)	Wuxi Talak Investment Co., Ltd. and its subsidiaries ("TALAK Group")	無錫長聯投資有限公司及其附屬公司(「長聯集團」)	(c)		
	Purchases of traded products by the Group	本集團購買貿易產品		26,197	-
	Subcontracting fee paid and payable by the Group	本集團已付及應付外發加工費用		862	-
	Purchase on behalf and sales of traded products by the Group	本集團代購買及銷售貿易產品	(g)	215	-
(iv)	Wuxi Changxin Textile Co., Ltd.	無錫長新紡織有限公司	(c)		
	Purchases of traded products by the Group	本集團購買貿易產品		-	30,858
	Sales of traded products by the Group	本集團銷售貿易產品		-	8,200
	Subcontracting fee paid and payable by the Group	本集團已付及應付外發加工費用		-	122
(v)	Allied Textiles Limited	新聯興紡織有限公司	(c)		
	Purchases of traded products by the Group	本集團購買貿易產品		-	13,234
	Purchase on behalf and sales of traded products by the Group	本集團代購買及銷售貿易產品		-	765
	Subcontracting fee paid and payable by the Group	本集團已付及應付外發加工費用		-	113
	Net claims paid and payable by the Group	本集團已付及應付賠償淨額		-	(239)
(vi)	Taizhou Changxin Textile (Xinghua) Co., Ltd.	泰州長新紡織(興化)有限公司	(c)		
Sales of traded products by the Group	本集團銷售貿易產品		-	1,585	
(vii)	Yangtzekiang Industries Sdn. Bhd.	Yangtzekiang Industries Sdn. Bhd.	(d)		
	Purchases of traded products by the Group	本集團購買貿易產品		-	3,516
	Subcontracting fee received and receivable by the Group	本集團已收及應收外發加工費用		1,683	-
	Sales of traded products by the Group	本集團銷售貿易產品		1,102	-
			<u>1,102</u>	<u>-</u>	

13. MATERIAL RELATED PARTY TRANSACTIONS
(Continued)

Notes:

- (a) Certain directors of the Company are collectively the controlling shareholders of both the YGMT Group and the Group.
- (b) YGM Marketing Pte Limited is beneficially owned by certain directors of the Company.
- (c) Wuxi Changxin Textile Co., Ltd., Allied Textiles Limited and Taizhou Changxin Textile (Xinghua) Co., Ltd. are the subsidiaries of Wuxi Talak Investment Co., Ltd., a jointly controlled entity of the Group.
- (d) YangtzeKiang Industries Sdn. Bhd. is an associate of the Group.
- (e) Continuing connected transactions:
- As certain directors and their associates are collectively the controlling shareholder (as defined in the Listing Rules) of YGMT Group and the Group and ultimate beneficial owner of YGM Marketing Pte Limited, the continuing connected transactions and the licence arrangement constitute connected transactions for the Group under the Listing Rules. The Stock Exchange has granted to the Company waivers from strict compliance with the disclosure and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.
- (f) The management fees were charged for administrative, business strategy, personnel, legal and company secretarial work, accounting and management services provided, which are determined annually between the respective parties after negotiations having regard to the cost of services provided.
- (g) The Group purchased traded products on behalf of TALAK Group which were reimbursed to the Group at cost.

The above transactions were, in the opinion of the directors, carried out on prices and terms comparable to those offered to or by independent third parties.

13. 與關連人士之重大交易 (續)

附註：

- (a) 本公司若干董事統稱為YGMT集團及本集團之控股股東。
- (b) YGM Marketing Pte Limited為本公司若干董事實益擁有之公司。
- (c) 無錫長新紡織有限公司、新聯興紡織有限公司及泰州長新紡織(興化)有限公司均為本集團一家合營公司 - 無錫長聯投資有限公司之附屬公司。
- (d) YangtzeKiang Industries Sdn. Bhd. 為本集團之聯營公司。
- (e) 集團之持續關連交易：
- 若干董事統稱為YGMT集團及本集團之控股股東(定義見上市規則)及YGM Marketing Pte Limited之最終實益擁有人，因此，持續關連交易及使用權安排構成本集團之關連交易。聯交所已授出豁免就每次進行該等交易而嚴格遵守上市規則第14A章披露及取得獨立股東批准之規定。
- (f) 管理費收入與提供行政工作、業務策略、人事、法律及公司秘書工作、會計與管理服務有關，該費用是由有關人士每年按磋商後釐定。
- (g) 本集團代長聯集團購買之貿易產品均全數按成本付還。

董事會認為上述交易之價格及條件與提供予獨立第三者或由彼等所提供之條件相若。

13. MATERIAL RELATED PARTY TRANSACTIONS
(Continued)

(1.2) Outstanding balances due from/(to) related companies, associates and jointly controlled entities:

13. 與關連人士之重大交易 (續)

(1.2) 應收／(付) 關連公司、聯營公司及合營公司款項：

		30th September, 2006 二零零六年 九月三十日 \$'000	31st March, 2006 二零零六年 三月三十一日 \$'000
Amount due from YGMT Group	應收YGMT集團款項	4,928	7,529
Amount due to YGMT Group	應付YGMT集團款項	(658)	(2,815)
Amount due from/(to) YGM Marketing Pte Limited	應收／(付) YGM Marketing Pte Limited款項	1,243	(62)
Amount due to TALAK Group	應付長聯集團款項	(6,821)	-
Amount due to Wuxi Changxin Textile Co., Ltd.	應付無錫長新紡織有限公司款項	-	(3,651)
Amount due to Allied Textiles Limited	應付新聯興紡織有限公司款項	-	(1,689)
Amount due to a shareholder, Chan Family Investment Corporation Ltd.	應付一股東款項－Chan Family Investment Corporation Ltd.	(3,624)	(3,720)
Amount due from/(to) YangtzeKiang Industries Sdn. Bhd.	應收／(付) YangtzeKiang Industries Sdn. Bhd. 款項	3,183	(92)
Amount due to YISB Services Pte Ltd	應付YISB Services Pte Ltd款項	(68)	(35)

Balances with related companies, associates and jointly controlled entities are unsecured, interest-free and repayable on demand.

與關連公司、聯營公司及合營公司之結餘是沒有抵押、不帶利息，並需按通知即時償還。

INTERIM DIVIDEND

The Board resolved that an interim dividend of HK3 cents per share (2005: Nil) be payable on 16th January, 2007. The shareholders' register will be closed from 5th January, 2007 to 10th January, 2007 (both days inclusive). In order to qualify for interim dividend, transfer must be lodged at the company registrars, Computershare Hong Kong Investor Services Limited, Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong, not later than 4:00 p.m. on Thursday, 4th January, 2007.

BUSINESS REVIEW AND PROSPECTS

We are pleased to announce that the sales revenue of the Group for the six month period was HK\$783,323,000 (2005: HK\$753,585,000) and our overall profits had increased to HK\$28,386,000 (2005: HK\$4,570,000) due to the following reasons:

1. Results of our garment manufacturing and trading business in both woven and knits had improved;
2. Gain in exchange profits from the strength of both Euro and Pound Sterling during this period; and
3. Our concentration on garment and textile business and the disposal of our interest last year in those less favourable investments – aluminium plant in Qinghai and W. Haking Enterprises Ltd. as well as factories in Sri Lanka and Lesotho.

The Group as aforesaid had recorded an increase in profits for the first six month period despite the impairment loss incurred when we sold our interest in our French company – Yangtzekiang S.A. Details of the transaction had already been announced as per the Company's circular to shareholders dated 12th December, 2006. Barring any unforeseen circumstance, we expect the above condition to persist in the second half of the fiscal year and overall profits will continue to improve.

中期股息

董事會議決將於二零零七年一月十六日派付中期股息每股3港仙(二零零五年:無)。本公司之股份過戶登記手續將由二零零七年一月五日起至二零零七年一月十日止(包括首尾兩天)暫停辦理。如欲符合收取中期股息之資格,必須於二零零七年一月四日(星期四)下午四時正之前將過戶表格送交本公司之股份過戶登記處香港中央證券登記有限公司,地址為香港皇后大道東183號合和中心17樓1712-1716室。

業務回顧及前景

本集團欣然宣佈本集團於六個月期間之銷售收益為783,323,000港元(二零零五年:753,585,000港元)。整體盈利上升至28,386,000港元(二零零五年:4,570,000港元),原因如下:

1. 本集團於梭織及針織的成衣製造及貿易業務業績均錄得改善;
2. 歐羅及英鎊於本期間內表現強勁,因此帶來匯兌盈利收益;及
3. 本集團專注於成衣及紡織業務及於去年出售表現欠佳投資項目之權益,即青海之鋁廠及寶源基業有限公司,以及於斯里蘭卡及萊索托之工廠。

一如上文所述,雖然本集團因出售於旗下法國公司—Yangtzekiang S.A.之權益而產生減值虧損,但本公司於首六個月期間仍錄得盈利上升。該交易之詳情已於二零零六年十二月十二日之本公司致股東通函內宣佈。除出現任何無法預見之情況外,本集團預期上述情況將於本財政年度下半年持續,而整體盈利將繼續改善。

FINANCIAL POSITION AND CAPITAL STRUCTURE

During the period under review, the Group's operations continued to be financed by the internal resources and bank borrowings.

As at 30th September, 2006, the cash and bank balances of the Group were approximately HK\$35,041,000 (as at 31st March, 2006: HK\$43,820,000). As at 30th September, 2006, the bank borrowings of the Group were approximately HK\$197,378,000 (as at 31st March, 2006: HK\$297,342,000), of which approximately HK\$158,395,000 (as at 31st March, 2006: HK\$232,318,000) was short term while approximately HK\$38,983,000 (as at 31st March, 2006: HK\$65,024,000) was long term. The gearing ratio (calculated by dividing total bank borrowings net of cash and bank balances by total equity) of the Group as at 30th September, 2006 was 27% (as at 31st March, 2006: 43%). The bank borrowings including bank loans and overdrafts are mainly in Hong Kong dollars.

The Group adopts a prudent policy to hedge the fluctuation of exchange rates. Most of the operating activities are denominated in Hong Kong dollars or United States dollars. For those denominated in other currencies, the Group may enter into forward contracts to hedge its receivable and payable denominated in foreign currencies against the exchange rate fluctuations.

The share capital of the Company remained unchanged during the period under review.

PLEDGE OF ASSETS

As at 30th September, 2006, the Group had pledged certain assets with carrying values of HK\$85,000,000 (as at 31st March, 2006: HK\$130,000,000) to secure banking facilities granted to the Group.

EMPLOYMENT AND REMUNERATION POLICIES

As at 30th September, 2006, the Group, including its subsidiaries but excluding associates and jointly controlled entities, employed approximately of 7,000 employees. Remuneration packages are determined by reference to employees' performance and the prevailing salary levels in the market. In addition, the Group provides year end double pay, provident fund scheme, medical insurance and training to staff.

財務狀況及股本架構

於回顧期間內，本集團仍以其內部資源及銀行貸款作為營運資金。

於二零零六年九月三十日，本集團之現金及銀行結餘約為35,041,000港元(於二零零六年三月三十一日：43,820,000港元)。於二零零六年九月三十日，本集團之銀行借貸約為197,378,000港元(於二零零六年三月三十一日：297,342,000港元)，當中約158,395,000港元(於二零零六年三月三十一日：232,318,000港元)為短期借貸，約38,983,000港元(於二零零六年三月三十一日：65,024,000港元)為長期借貸。於二零零六年九月三十日，本集團之資本負債比率(銀行借貸總額扣除現金及銀行結餘後再除以權益總額)為27%(於二零零六年三月三十一日：43%)。銀行借貸包括銀行貸款及透支均以港幣為主。

本集團採用審慎政策以對沖匯率波動。本集團大部份業務均主要以港元及美元結算。至於以其他貨幣結算之業務，本集團已就其以外幣結算之應收及應付款訂立若干遠期合約，以對沖外匯波動。

本公司之股本於本回顧期內並無任何變動。

資產抵押

於二零零六年九月三十日，本集團將若干資產賬面值為85,000,000港元(於二零零六年三月三十一日：130,000,000港元)予以抵押，以作為授予本集團銀行信貸之擔保。

僱員及薪酬政策

於二零零六年九月三十日，除聯營公司及合營公司外，本集團(包括其附屬公司)聘用約7,000名僱員。薪酬組合乃參照員工之表現及市場當時之薪金水平而釐定。此外，本集團為僱員提供年終雙薪、公積金計劃、醫療保險及培訓。

DIRECTORS' INTEREST

(a) As at 30th September, 2006, the interests and short positions of the directors and their associates in the shares, underlying shares and debentures of the Company or any associated corporation (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) which were required to be notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to Division 7 and 8 of Part XV of the SFO (including interests and short positions which they are taken or deemed to have under such provisions of the SFO), the Model Code for Securities Transactions by directors of Listed Issuers and which were required to be entered in the register kept by the Company under section 352 of the SFO were as follows:

董事權益

(a) 於二零零六年九月三十日，本公司各董事及彼等之聯繫人士於本公司或任何聯營公司（按證券及期貨條例（「證券條例」）第XV部之涵義）股份、相關股份及債券中擁有根據證券條例第XV部第7及8分部、上市公司董事進行證券交易的標準守則之規定須知會本公司及香港聯合交易所有限公司（「聯交所」）之權益及空倉（包括彼等根據該等證券條例規定被視作或當作擁有之權益及空倉），並須登記於根據證券條例第352條存置之登記冊之權益及空倉如下：

Number of Ordinary Shares of HK\$0.50 each
每股面值港幣0.50元之普通股份數目

Name of Director	董事姓名	Personal interest 個人權益	Family interests 家族權益	Corporate interests 公司權益	Other interests 其他權益
Chan Sui Kau	陳瑞球	6,324,696	3,999,354	5,611,230	(i)
Chan Wing Fui, Peter	陳永奎	486,102	1,589,130	-	(i) & (ii) & (iii)
Chan Wing Kee	陳永棋	1,761,624	208,356	-	(i) & (ii) & (iii) & (iv)
Chan Wing To	陳永滔	2,934,054	-	-	(i) & (ii) & (iii) & (iv)
Chan Wing Sun, Samuel	陳永榮	11,244	-	3,043,080	(i) & (ii) & (iii)
Chan Suk Ling, Shirley	周陳淑玲	1,728,816	24,000	-	(i) & (ii) & (iii)
Chan Suk Man	劉陳淑文	1,535,442	-	-	(i) & (ii) & (iii) & (iv)
So Ying Woon, Alan	蘇應垣	12,000	-	-	-
Leung Hok Lim	梁學濂	-	-	-	-
Wong Lam	王霖	-	-	-	-
Lin Keping	林克平	-	-	-	-

DIRECTORS' INTEREST (Continued)

(a) (Continued)

Notes:

- (i) 44,600,260 shares of the Company were held by Chan Family Investment Corporation Ltd. (which is owned by Messrs Chan Sui Kau, Chan Wing Fui Peter, Chan Wing Kee, Chan Wing To and Chan Wing Sun Samuel, Madam Chan Suk Ling Shirley and Madam Chan Suk Man and other members of the Chan Family) and its subsidiaries.
 - (ii) 34,595,908 shares of the Company were held by Joycome Limited, which is indirectly owned by Messrs Chan Wing Fui Peter, Chan Wing Kee, Chan Wing To and Chan Wing Sun Samuel, Madam Chan Suk Ling Shirley and Madam Chan Suk Man and other members of the Chan Family.
 - (iii) 1,574,480 shares of the Company were held by Hearty Development Limited which is indirectly owned by Messrs Chan Wing Fui Peter, Chan Wing Kee, Chan Wing To and Chan Wing Sun Samuel, Madam Chan Suk Ling Shirley and Madam Chan Suk Man and other members of the Chan Family.
 - (iv) 2,383,500 shares of the Company were held by Super Team International Limited which is indirectly owned by Messrs Chan Wing Kee, Chan Wing To, Madam Chan Suk Man and other members of the Chan family.
- (b) Save as disclosed above, as at 30th September, 2006, none of the directors or their associates, had, under Division 7 and 8 of Part XV of the SFO, nor were they taken to or deemed to have under such provisions of the SFO, any interests or short positions in the shares, underlying shares or debentures of the Company or any associated corporations (within the meaning of Part XV of the SFO) or any interests which are required to be entered into the register kept by the Company pursuant to section 352 of the SFO or any interests which are required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by directors of Listed Issuers in the Listing Rules.

董事權益 (續)

(a) (續)

附註：

- (i) 合共44,600,260股本公司股份乃由Chan Family Investment Corporation Ltd. (包括陳瑞球先生、陳永奎先生、陳永棋先生、陳永滔先生及陳永樂先生、周陳淑玲女士及劉陳淑文女士及其他家族成員)及其附屬公司所持有。
 - (ii) 合共34,595,908股本公司股份乃由Joycome Limited持有。該公司由陳永奎先生、陳永棋先生、陳永滔先生及陳永樂先生、周陳淑玲女士及劉陳淑文女士及其他陳氏家族成員間接擁有。
 - (iii) 合共1,574,480股本公司股份乃由Hearty Development Limited持有。該公司由陳永奎先生、陳永棋先生、陳永滔先生及陳永樂先生、周陳淑玲女士及劉陳淑文女士及其他陳氏家族成員間接擁有。
 - (iv) 合共2,383,500股本公司股份乃由Super Team International Limited持有。該公司由陳永棋先生、陳永滔先生、劉陳淑文女士及其他陳氏家族成員間接擁有。
- (b) 除上文所披露者外，於二零零六年九月三十日，各董事或彼等之聯繫人士概無於本公司或任何聯營公司(按證券條例第XV部之涵義)股份、相關股份或債券中擁有根據證券條例第XV部第7及8分部須知會本公司或聯交所之任何權益或空倉(或彼等根據該等證券條例規定被視作或當作擁有之任何權益或空倉)，或須登記於本公司根據證券條例第352條存置之登記冊之任何權益，或根據上市規則內上市公司董事進行證券交易標準守則之規定須知會本公司及聯交所之任何權益。

SUBSTANTIAL SHAREHOLDERS

Save as disclosed herein, the directors are not aware of any persons who was, directly or indirectly, interested or had short position in the shares or underlying shares which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Division 2 and 3 of Part XV of the SFO or, was directly or indirectly, interested in 10% or more of the nominal value of the issued share capital carrying rights to vote in all circumstances at general meetings of the Company or any options in respect of such capital as at 30th September, 2006.

SHARE OPTIONS SCHEME

On 23rd September, 2004, the Company adopted a share option scheme (the “Share Option Scheme”) which will remain in force until 22nd September, 2014. Pursuant to the terms of the Share Option Scheme, the Company may grant options to directors and employees of the Group and other eligible participants to subscribe for shares in the Company, provided that the total number of shares in the Company which may be issued upon exercise of all options to be granted under the Share Option Scheme and any other share option schemes of the Company does not exceed 10% of the shares of the Company in issue as at the date of adoption of the Share Option Scheme, which was 21,036,868 shares. No options were granted under the Share Option Scheme during the period.

PURCHASE, SALE OR REDEMPTION OF SHARES

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company’s listed securities during the period ended 30th September, 2006.

主要股東

除本文所披露者外，於二零零六年九月三十日，各董事並不知悉有任何人士直接或間接擁有根據證券條例第XV部第2及3分部之條文規定而須向本公司及聯交所披露之股份或相關股份中之權益及淡倉，亦無於附有可在一切情況下於本公司之股東週年大會上投票之權利之已發行股本中，直接或間接擁有其面值10%或以上之權益，或有關該等股本涉及之任何購股權。

購股權計劃

於二零零四年九月二十三日，本公司採納購股權計劃（「購股權計劃」），購股權計劃將一直有效，直至二零一四年九月二十二日到期。根據購股權計劃之條款，本公司可向本集團董事及僱員及其他合資格參與者授出購股權，以認購本公司股份，惟根據購股權計劃及本公司任何其他購股權計劃授出之所有購股權獲行使時，為此發行之本公司股份總數不得超過採納購股權計劃當日本公司已發行股份之10%，即上限為21,036,868股股份。本期間內並無根據購股權計劃授出任何購股權。

收購、出售或贖回股份

截至二零零六年九月三十日止六個月內，本公司或其任何附屬公司並無收購、出售或贖回本公司任何上市證券。

AUDIT COMMITTEE

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

The audit committee of the Company has reviewed with the management the accounting principles and practices adopted by the Group and the unaudited interim financial statement of the Group for the period ended 30th September, 2006.

CORPORATE GOVERNANCE PRACTICES

The Board firmly believes that corporate governance is essential to the success of the Company and has adopted various measures to ensure its strict compliance with relevant regulatory requirements, a high level of transparency in corporate governance and an excellent performance in operation.

In the opinion of the Board, the Company has complied throughout the period ended 30th September, 2006 with the Code on Corporate Governance Practices as set out in Appendix 14 of the Listing Rules, except that the Non-executive Directors were not appointed for a specific term but are subject to retirement by rotation and re-election at the Company's annual general meetings in accordance with the Company's articles of association.

審核委員會

本公司依照上市規則第3.21條成立審核委員會，旨在審核及監察本集團之財務申報過程及內部控制。該審核委員會由本公司三位獨立非執行董事組成。

本公司之審核委員會已與管理階層審閱本集團所採納的會計原則及慣例，以及本集團截至二零零六年九月三十日止期間之未經審核財務報表。

企業管治常規

董事會確信公司管治為本公司成功的關鍵，並已採取多項措施，以建立規範透明及績優的上市集團。

董事會認為，除非執行董事並無指定明確任期而須根據本公司組織章程於本公司股東週年大會輪值告退及重選外，本公司於截至二零零六年九月三十日止期間內一直遵守上市規則附錄14所載之企業管治常規守則。

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted a Securities Dealing Code regarding director's securities transactions on terms no less exacting than required standard set out in the Model Code for Securities Transactions by Directors of Listed Issuers ("Model Code") contained in Appendix 10 of the Listing Rules. All Directors have confirmed, upon specific enquiry by the Company, that they have complied with the required standard set out in the Model Code and its Securities Dealing Code throughout the period under review.

By Order of the Board
Chan Sui Kau
Chairman

Hong Kong, 19th December, 2006

董事之證券交易

本公司已採納有關董事證券交易之證券買賣守則，其條款不遜於上市規則附錄10所載標準守則（「標準守則」）載列之規定準則。經過本公司向所有董事作出具體查詢後，本公司董事已確認，彼等於回顧本期間內，一直遵守標準守則載列之規定準則及其有關董事證券交易之證券買賣守則。

承董事會命
主席
陳瑞球

香港，二零零六年十二月十九日