

**CORPORATE INFORMATION****BOARD OF DIRECTORS**

Chan Sui Kau, GBS, OBE, JP – *Chairman*  
 Chan Wing Fui, Peter, MA – *Vice Chairman*  
 Chan Wing Kee, GBS, OBE, JP – *Managing Director*  
 Chan Wing To, PhD – *Deputy Managing Director*  
 Chan Suk Man, MSc  
 Chan Wing Sun, Samuel, FCA  
 Yeung Wing Tak\*  
 Chan Wing Chak, David  
 Chan Suk Ling, Shirley  
 Leung Hok Lim, FCPA (Aust.), CPA (Macau), FHKSA, CPA\*\*  
 Wong Lam, OBE, JP\*\*

\* *Non-executive Director*

\*\* *Independent Non-executive Director*

**BANKERS**

The Hongkong and Shanghai Banking  
 Corporation Limited  
 1 Queen's Road Central  
 Hong Kong

**SOLICITORS**

Johnson Stokes & Master  
 Prince's Building  
 16-19th Floor  
 10 Chater Road  
 Hong Kong

**AUDITORS**

KPMG  
 Prince's Building  
 8th Floor  
 10 Chater Road  
 Hong Kong

**SECRETARY AND REGISTERED OFFICE**

Hui Sau Ling  
 22 Tai Yau Street  
 San Po Kong  
 Kowloon

**REGISTRARS AND TRANSFER OFFICE**

Computershare Hong Kong Investor Services Limited  
 17th Floor, Hopewell Centre  
 Hong Kong

**公司資料****董事會**

陳瑞球 (主席)  
 陳永奎 (副主席)  
 陳永棋 (董事總經理)  
 陳永滔 (副董事總經理)  
 劉陳淑文  
 陳永榮  
 楊永德\*  
 陳永澤  
 周陳淑玲  
 梁學濂\*\*  
 王霖\*\*

\* 非執行董事

\*\* 獨立非執行董事

**銀行**

香港上海滙豐銀行有限公司  
 香港皇后大道中一號

**律師**

孖士打律師行  
 香港遮打道十號  
 太子大廈十六至十九樓

**核數師**

畢馬威會計師事務所  
 香港遮打道十號  
 太子大廈八樓

**秘書及註冊辦事處**

許秀玲  
 九龍新蒲崗  
 大有街二十二號

**股份過戶登記處**

香港中央證券登記有限公司  
 香港合和中心十七樓

**CHAIRMAN'S STATEMENT****GROUP RESULTS**

We are pleased to announce that the sales turnover of the Group for the year is HK\$1,493 million, an increase of 21% comparing to the same period last year and a substantial improvement of net profit of HK\$36 million, an increase of 109%.

**BUSINESS REVIEW AND PROSPECTS**

Despite a continual trend of price reductions, our garment division including manufacturing and trading combined produced satisfactory results in this current year. This was achieved by an increase in sales volume and by better than expected results from some of our manufacturing facilities. All other investments remained profitable and contributed greatly to the overall profits of the Group. These investments are: Wuxi Changxin Textile Co., Ltd. – a spinning and weaving factory in Wuxi China; Wuxi YGM Textile Co., Ltd. – also in Wuxi China, a new investment which we own 70%; Qinghai Changqing Aluminium Corporation – an aluminium smelter in Qinghai China and YangtzeKiang S.A. – a garment import company in France.

**OUTLOOK**

In the coming year of 2005 when most of the world will have quota free access for garments to the U.S.A. and E.U., there will be more severe competition in the garment industry. Since there will be no limit to access, we can expect to see a substantial increase in manufacturing facilities driving prices down further. This will bring new opportunities for many but on the other hand, only the most competitive factories in terms of costs, efficiency and quality can hope to survive. Facing this unprecedented challenge, our company believes that the following steps should be taken to position ourselves in this new environment:–

1. Make sure all our production plants in China and around the world are even more competitive.

**主席報告****集團業務**

我們欣然宣佈，本集團之年度銷售額為1,493,000,000港元，較去年同期上升21%，淨溢利大幅上升36,000,000港元，升幅109%。

**業務回顧及展望**

雖然成衣價格持續下降，但由於銷售額增加及部份生產設施之生產力較預期理想，所以包括製衣及貿易之成衣業務於本年度錄得理想業績。所有其他投資均帶來利潤，對本集團之整體溢利有莫大裨益。該等投資包括：中國無錫之紡紗及紡織廠無錫長新紡織有限公司；我們於中國無錫擁有70%權益之新投資無錫長江精密紡織有限公司；中國青海之熔鋁廠青海長青鋁業有限公司及法國之成衣進口公司 YangtzeKiang S.A.。

**前景**

於即將來臨之二零零五年，全球大部份國家成衣出口至美國及歐洲將不受配額限制，成衣業之競爭將更見激烈。由於豁免配額限制，故此，我們預期會有更多之製造商，並引發價格進一步下跌。此情況會衍生大量機會，但同時亦只有在成本、效益及品質各方面均最具競爭力之公司才能夠生存。面對此史無前例之挑戰，我們認為必須採取以下措施，才能夠在新環境中佔一席位：–

1. 提升國內及全球各地廠房之競爭力。

**CHAIRMAN'S STATEMENT**

2. As China will probably be the most competitive nation in garment manufacturing, we shall concentrate in China both in expanding our manufacturing facilities and by joint-ventures with other factories selling their production to expand our garment trading business.
3. We still have further plans to expand our textile plants in Wuxi as we believe more garment factories will be opened up in China to take advantage of the quota free access to the U.S.A. and E.U. and therefore there will be more demand for yarns and fabrics.
4. We will look for opportunities to develop more business in the marketing side in both the U.S. and Europe as we have done with Yangtzekiang S.A., in France.
5. We will continue to invest in our non-garment related business such as the investments we have in the aluminium smelter in Qinghai China and W. Haking Enterprises Ltd., etc. Along this line, we have signed an agreement as announced on 14th July, 2004, subject to final PRC state approval, to invest in a coal-fired power station in Qinghai. This will compliment our existing investment in the aluminium smelting business there.

**APPRECIATION**

I would like, on behalf of the Board and shareholders, to express our appreciation to the Company's employees for their efforts and loyal service to the Company during the past year.

By Order of the Board  
**Chan Sui Kau**  
*Chairman*

Hong Kong, 19th July, 2004

**主席報告**

2. 由於中國會成為成衣業最具競爭力之國家，我們將會專注於在中國擴充生產廠房，並與其他公司組成合營企業銷售其產品，藉以擴大我們的成衣貿易業務。
3. 我們有進一步計劃擴充在無錫之紡織廠。我們相信，由於為抓緊出口至美國及歐洲不受配額限制之良機，越來越多製衣廠將會在中國成立，故此，對紗線及紡織品之需求將會增加。
4. 一如我們在法國 Yangtzekiang S.A. 推行，我們會在美國及歐洲循市場推廣方面開拓更多商機。
5. 我們將持續投資於非成衣相關業務如在中國青海之熔鋁廠及寶源基業有限公司。承接此發展方向，我們於二零零四年七月十四日宣佈訂立了一份協議，藉以待中國政府最終批准後，投資於青海之燃煤發電廠。此舉可配合我們於熔鋁業務之現有投資。

**鳴謝**

本人謹代表董事會及全體股東向本公司之僱員在過去一年內所付出之努力及盡忠職守深表謝意。

承董事會命  
 主席  
**陳瑞球**

香港，二零零四年七月十九日

**MANAGEMENT DISCUSSION AND ANALYSIS****管理層討論與分析****RESULTS OF OPERATIONS**

The Group's turnover for the year ended 31st March, 2004 was HK\$1,493 million compared with HK\$1,238 million for the year ended 31st March, 2003. The Group's profit from ordinary activities after share of profits less losses of associates, taxation and minority interest was HK\$69 million compared with last year's profit of HK\$33 million

**GARMENT BUSINESS**

We operate our woven clothing business under the name of YangtzeKiang Garment Mfg. Co., Ltd. and knitted business under the name of Hong Kong Knitters Ltd. Our products include men's and women's shirts, trousers, shorts, polo shirts, T-shirts and fleeces. Our head office in Hong Kong is the sales and management office for the whole Group. In Hong Kong, we concentrate on the role of garment trading as well as all the sales and overall control of our production facilities in China, Macau, Malaysia, Myanmar, Bangladesh, Sri Lanka, Cambodia and Lesotho in Africa.

Exquisite Knitters (Guangzhou) Ltd. in Panyu, China operates a vertical setup factory from knitting, dyeing and finishing of fabrics to the manufacturing of garments – mainly high quality mercerized knitted polo shirts.

Whampo Garment Mfg. (Guangzhou) Co., Ltd. also in Panyu China was set up in November 2002 mainly for the manufacture of high quality men's and ladies woven shirts to non-quota markets. After 2005 when there will be no quota required to export to the U.S. and E.U., we can use the facilities of this factory to export to these places.

**經營業績**

本集團截至二零零四年三月三十一日止年度之營業額為十四億九千三百萬港元，比對截至二零零三年三月三十一日止年度之營業額則為十二億三千八百萬港元。本集團在計入應佔聯營公司溢利減虧損及扣除稅項與少數股東權益後之日常業務溢利為六千九百萬港元，比對上年度之有關溢利則為三千三百萬港元。

**成衣業務**

本集團以長江製衣廠有限公司之名義經營梭織成衣業務，並以香港織造有限公司之名義經營針織業務。本集團產品包括男仕及女仕恤衫、褲、短褲、馬球襯衫、T恤及毛衣。本集團之香港總部負責本集團整體之銷售及管理。本集團在香港專責成衣貿易業務，並全面控制設於中國、澳門、馬來西亞、緬甸、孟加拉、斯里蘭卡、柬埔寨及非洲萊索托之生產廠房。

位於中國番禺之卓越織造(廣州)有限公司，其經營之廠房負責全套縱向製衣工序，包括針織、漂染及棉布處理以至成衣製造等工序，主要生產優質絲光棉針織馬球襯衫。

位於中國番禺之黃浦江製衣(廣州)有限公司於二零零二年十一月成立，以生產優質男仕及女仕梭織恤衫並出口至無配額限制市場為主。二零零五年後，出口至美國及歐洲不再受配額限制，本集團可利用此廠房之生產設施並出口至該等地區。

**MANAGEMENT DISCUSSION AND ANALYSIS****管理層討論與分析****GARMENT BUSINESS (continued)****成衣業務 (續)**

We have two factories in high manufacturing cost locations. One is in Macau – Tac Cheong Lda and the other one is in Malaysia – YangtzeKiang Industries Sdn. Bhd. These two factories have been drastically trimmed down and as a result we have reduced the losses incurred by these factories over the last few years.

本集團兩間廠房現位於生產成本較高之地區。其中一間為澳門之德祥製衣廠，另一間為馬來西亞之YangtzeKiang Industries Sdn. Bhd.。本集團已大幅削減此兩間廠房之規模，過往年度該等廠房所產生之虧損已經減少。

During the current year of 2003/04, we have sold our factory in Myanmar – YangtzeKiang Industries (Myanmar) Ltd. to the local management. However we have entered into an agreement with the local management to continue manufacturing garments for us to sell to our existing customers, thus expanding our garment trading business.

於本年度，我們已將緬甸之廠房YangtzeKiang Industries (Myanmar) Ltd.出售予當地管理層。然而，我們仍保留與管理層達成之協議，藉以讓該廠房繼續為本集團生產成衣並出售予現有客戶，擴展本集團之成衣貿易業務。

Bangladesh remains an important area for us in woven shirts production. We have over a dozen factories that we have production agreements with. We have over 30 staff in our Bangladesh office overseeing all this production and our products are mainly for the European market. However after 2005 when there will be no more quota, we may see a shift of business to China.

孟加拉仍為本集團在梭織恤衫生產方面的一個重要地區，我們在當地設有逾十二間已訂立生產協議之廠房。本集團在孟加拉之辦事處聘用逾30名員工，負責監察該等廠房之運作，而產品主要外銷至歐洲市場。然而，於二零零五年後，由於取消配額限制，預期業務將轉向中國。

Hongkong Knitters Lanka (PVT) Ltd. in Sri Lanka recorded another year of losses. We shall review whether this factory will have the potential to be profitable after 2005 when we will no longer need to pay for quota in the open market.

位於斯里蘭卡之Hongkong Knitters Lanka (PVT) Ltd.繼續錄得虧損。由於二零零五年後在公開市場毋須購買配額，我們將檢討此廠房此後是否具備溢利潛力。

Our factory in Cambodia – YGM (Cambodia) Ltd. started production in the year 2000 manufacturing woven bottoms as well as some polo shirts. We had not been profitable in Cambodia since the beginning. However this year there was a big turn around as all our production lines were fully booked and our productivity has increased significantly due to good management and lack of labour disputes which often happened in the past. The Cambodian Government is working to obtain duty free access into the U.S. and E.U. If this is successful, we may expect more opportunities for growth in Cambodia.

我們之柬埔寨廠房YGM (Cambodia) Ltd.於二零零零年開始投產，製造褲類梭織品及若干馬球襯衫，惟自開業以來，我們在柬埔寨之廠房未曾錄得溢利。然而，本年度形勢扭轉，該公司之生產線獲全部訂滿，同時由於管理妥善，加上沒有發生過往經常出現之勞資糾紛，故該公司之生產力大增。柬埔寨政府現正申請出口至美國及歐洲之免稅待遇。如此舉成功，預期在柬埔寨業務增長之可能性會大大提高。



**MANAGEMENT DISCUSSION AND ANALYSIS****管理層討論與分析****GARMENT BUSINESS (continued)**

H.K. International Knitters (Proprietary) Ltd. in Lesotho Africa was set up in September 2002 to take advantage of its quota free status for garment export to the U.S.A. and import duty concessions granted by the U.S. Government to Lesotho. This preferential treatment, which was due to expire this year, was further extended by the U.S. Government till 2007. However as the productivity there was relatively lower and due to the appreciation of South African currency (Rand) which is basically pegged to Gold prices, we have suffered losses in this operation in the current year.

**成衣業務 (續)**

位於非洲萊索托之H.K. International Knitters (Proprietary) Ltd.於二零零二年九月成立，以發揮其成衣出口至美國無需配額之優勢，並利用美國政府給予萊索托之進口關稅優惠。此項優惠待遇雖然將於本年度屆滿，但已獲美國政府延長至二零零七年。然而，由於生產力相對疲弱，加上基本上與黃金價格掛鈎之南非貨幣蘭德升值，因此本年度該廠房之業務錄得虧損。

**OTHER BUSINESS**

In Wuxi China we have two spinning and weaving mills. Wuxi Changxin Textile Co., Ltd. had recorded another year of good results, while Wuxi YGM Textiles Co., Ltd. of which we own 70% has produced good profit for the first year of operation. Wuxi is the place where we anticipate further expansion in textiles as we believe there will be many factories setting up to take advantage of the quota free access to the U.S. and E.U. and hence great demand for textile products will be inevitable. However we expect that profits for the forthcoming year will be reduced because we have in our inventory at 31st March, 2004 some high priced cotton that was purchased when cotton prices were at the high end.

**其他業務**

本集團在中國無錫設有兩間紡紗及紡織廠。無錫長新紡織有限公司再度獲得不俗之業績，而本集團擁有70%權益之無錫長江精密紡織有限公司更於投產首年錄得良好溢利。我們相信不少廠房將會在內地開設，以抓緊取消出口至美國及歐洲配額限制之機遇，故預期無錫之製衣業將會進一步擴展，而市場對紡織品之需求亦會非常殷切。然而，我們預期來年之溢利將會減少，蓋因於二零零四年三月三十一日，存貨中部份貴價棉紗是在棉紗價格高峰時期購入。

Qinghai Changqing Aluminium Corporation in Qinghai, China – an aluminium smelter has seen another profitable year despite our earlier concern about the power shortage and high raw material costs. However we do expect that this concern may negatively impact its result next year.

位於中國青海之青海長青鋁業有限公司乃一間熔鋁廠，縱使較早前擔憂受電力供應短缺及高昂原材料成本之影響，但我們還是再次獲得盈利。然而，我們亦預期此問題將對來年之業務造成負面影響。

**MANAGEMENT DISCUSSION AND ANALYSIS****管理層討論與分析****OTHER BUSINESS (continued)****其他業務(續)**

YangtzeKiang S.A. recorded another year of profits while the general market in France was not buoyant. We were helped by the continual strength of the Euro exchange rate. However our newly acquired men's underwear brand JIL has suffered losses due to lower than expected sales and very heavy overhead expenses. We plan to drastically cut down the expenses for the coming year and the losses of JIL should be somewhat contained. Our main customers for YangtzeKiang S.A. are hyper markets in France. In these past two years, we have signed many well known brands as licensees such as NAFNAF and Daniel Hechter etc, for such customers. We hope this will increase sales and profits in the future.

YangtzeKiang S.A. 在法國市場普遍淡靜之情況下再次錄得利潤，原因之一為歐元匯率持續強勁。然而，我們新收購之法國男士內衣品牌「JIL」由於銷售額較預期差，加上營運費用龐大，因而錄得虧損。我們大幅削減來年之開支，希望有助緩和JIL之虧損情況。YangtzeKiang S.A.之主要客戶為大型自助市場。過去兩年來，我們為該等客戶簽約獲准特許使用權如NAFNAF及Daniel Hechter等多個名牌。希望此舉可增加未來之銷售額及溢利。

W. Haking Enterprises Ltd. had added a new electrical razor product to its production. With the increase in production, we expect satisfactory results in this coming year.

寶源基業有限公司增加了一項新電鬚刨產品。由於生產量增加，我們預期來年可錄得理想之業績。

**LIQUIDITY AND FINANCIAL RESOURCES****流動資金及資本來源**

As at 31st March, 2004, the Group has cash and bank balances and total bank borrowings of HK\$63 million (as at 31st March, 2003: HK\$45 million) and HK\$588 million (as at 31st March, 2003: HK\$419 million) respectively. The Group's gearing ratio, calculated on the basis of net bank borrowings (i.e. total bank borrowings less cash and bank balances) over shareholders' equity, was 127% (as at 31st March, 2003: 106%).

於二零零四年三月三十一日，本集團之現金及銀行結餘及總銀行貸款分別為63,000,000港元(二零零三年三月三十一日：45,000,000港元)及588,000,000港元(二零零三年三月三十一日：419,000,000港元)。本集團根據銀行貸款淨額(即總銀行貸款減現金及銀行結餘)相對股東資金之百分比計算所得之資本負債比率為127%(二零零三年三月三十一日：106%)。

**MANAGEMENT DISCUSSION AND ANALYSIS****管理層討論與分析****LIQUIDITY AND FINANCIAL RESOURCES  
(continued)****流動資金及資本來源 (續)**

The increase in bank borrowings was mainly due to the funding requirement of a joint venture, Wuxi YGM Textile, for its business development and construction of plant and machinery. During the year under review, two medium term loans amounting to US\$18 million and RMB58 million have been drawn down by Wuxi YGM Textile, which are secured by its machinery and certain land and buildings. As at 31st March, 2004, Wuxi YGM Textile has unsecured revolving bank loans amounting to RMB191 million, which are repayable within one year and are guaranteed by Wuxi Changxin Textile Co., Ltd. The Group is confident that Wuxi YGM Textile has sufficient liquidity and financial resources to meet its commitment and working capital requirements.

銀行貸款增加主要由於合營公司無錫長江精密紡織資金需求，以撥付其業務發展及興建廠房及機器之需要。於回顧年度內，無錫長江精密紡織取得兩筆為數18,000,000美元及人民幣58,000,000元之中期貸款，有關貸款乃以其機器及若干土地及樓宇抵押。於二零零四年三月三十一日，無錫長江精密紡織之未抵押循環銀行貸款為人民幣191,000,000元，須於一年內償還，並由無錫長新紡織有限公司擔保。本集團有信心無錫長江精密紡織具備足夠之流動資金及財務資源，以應付其承擔項目及營運資金之需求。

Except for the guarantee provided by Wuxi Changxin Textile Co., Ltd disclosed above, the Group does not provide any further guarantees for loans borrowed by Wuxi YGM Textile. The maximum potential liability to the Group is the net assets of this associate attributable to the Group.

除上文披露無錫長新紡織有限公司所提供之擔保外，本集團就無錫長江精密紡織之借貸並無進一步提供任何擔保。本集團之最高潛在負債為本集團應佔此聯營公司之淨資產。

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.

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。

**EMPLOYMENT AND REMUNERATION  
POLICIES****僱員及薪酬政策**

As at 31st March, 2004, the Group, including its subsidiaries but excluding associates, employed approximately of 6,400 employees. Remuneration package 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.

於二零零四年三月三十一日，除聯營公司外，本集團(包括其附屬公司)聘用約6,400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。



**REPORT OF THE DIRECTORS**

The directors have pleasure in submitting their annual report together with the audited financial statements for the year ended 31st March, 2004.

**PRINCIPAL ACTIVITIES**

The principal activities of the Company are the manufacture and sale of garments and rental of properties. The principal activities and other particulars of the subsidiaries are set out on pages 126 to 128.

The analysis of the principal activities and geographical locations of the operations of the Company and its subsidiaries during the financial year are set out in note 12 on the financial statements.

**FINANCIAL STATEMENTS**

The profit of the Group for the year ended 31st March, 2004 and the state of the Company's and the Group's affairs as at that date are set out in the financial statements on pages 24 to 130.

An interim dividend of HK1 cent (2003: HK2 cents) per share was paid on 15th January, 2004. The directors now recommend the payment of a final dividend of HK9 cents (2003: HK8 cents) per share in respect of the year ended 31st March, 2004.

**TRANSFER TO RESERVES**

Profits attributable to shareholders, before dividends, of HK\$69,085,000 (2003 (restated): HK\$33,077,000) has been transferred to reserves.

**FIXED ASSETS**

Details of additions to and other movements of fixed assets during the year are set out in note 14 on the financial statements.

**董事會報告書**

董事會同寅欣然提呈截至二零零四年三月三十一日止年度之年報及經審核賬目。

**主要業務**

本公司之主要業務是製造及銷售成衣和物業租賃。附屬公司之主要業務及其他詳情詳列於第126頁至128頁。

本公司及其附屬公司於本財政年度之主要業務及業務經營地區分析載於財務報表附註第12項。

**財務報表**

本集團截至二零零四年三月三十一日止年度之溢利及本公司與本集團於該日之財務狀況載於第24頁至130頁之財務報表內。

本公司已於二零零四年一月十五日派發中期股息每股1港仙(二零零三年: 2港仙)。董事會現建議派發截至二零零四年三月三十一日止年度之末期股息每股9港仙(二零零三年: 8港仙)。

**轉入儲備的數額**

股東應佔溢利(未扣除股息)69,085,000港元(二零零三年(重列): 33,077,000港元)已轉入儲備。

**固定資產**

增購之詳情及年內固定資產之其他變動詳情載於財務報表附註第14項。

**REPORT OF THE DIRECTORS****INVESTMENT PROPERTIES**

Particulars of the Group's investment properties are set out in note 14 on the financial statements.

**BANK LOANS AND OTHER BORROWINGS**

Particulars of bank loans and other borrowings of the Group and the Company at 31st March, 2004 are set out in notes 29 and 30 on the financial statements.

Interest expenses of HK\$2,082,000 were capitalised by the Group during the year (2003: HK\$585,000).

**CHARITABLE DONATIONS**

Donations made by the Group during the year amounted to HK\$555,000 (2003: HK\$342,000).

**MAJOR CUSTOMERS AND SUPPLIERS**

During the year, the Group's sales to the five largest customers and purchases from the five largest suppliers accounted for less than 30% of the Group's turnover and purchases respectively.

**董事會報告書****投資物業**

本集團投資物業之詳情載於財務報表附註第14項。

**銀行貸款及其他借款**

本集團及本公司於二零零四年三月三十一日之銀行貸款及其他借款之詳情載於財務報表附註第29及30項。

年內本集團資本化利息為2,082,000港元(二零零三年：585,000港元)。

**慈善捐款**

年內本集團之捐款達555,000港元(二零零三年：342,000港元)。

**主要客戶及供應商**

年內本集團首五大銷售客戶及供應商佔本集團營業額及購貨量分別少於30%。

**REPORT OF THE DIRECTORS****DIRECTORS**

The present directors of the Company are listed on page 2.

On 10th April, 2003, Mr. Takashi Inoue resigned as Non-executive Director of the Company.

In accordance with provisions of Articles 95 and 104 of the Company's Articles of Associations, Messrs Chan Wing Fui Peter, Chan Wing To and Chan Wing Sun Samuel, retire by rotation and, being eligible, offer themselves for re-election.

The Company confirms that it has received from each of the Independent Non-executive Directors an annual confirmation of their respective independency pursuant to the Listing Rules and the Company considers that the Independent Non-executive Directors to be independent.

**DIRECTORS' SERVICE CONTRACTS**

No director proposed for re-election at the forthcoming annual general meeting has an unexpired service contract which is not determinable by the Company or any of its subsidiaries within one year without payment of compensation, other than normal statutory obligations.

**DIRECTORS' INTERESTS IN CONTRACTS**

Apart from the connected transactions under Chapter 14A of the Listing Rules as set out in note 38(a), (b), (d), (h), (i), (j) and (k), no contract of significance to which the Company or any of its subsidiaries was a party and in which a director of the Company had a material interest, subsisted at the end of the year or at any time during the year.

**董事會報告書****董事**

本公司之現任董事芳名載於本年報第2頁。

於二零零三年四月十日，井上隆司先生辭任本公司非執行董事之職。

根據本公司之組織章程細則第95條及第104條，陳永奎先生、陳永滔先生及陳永榮先生任期依次屆滿，彼等願膺選連任。

本公司確認根據上市規則收到各位獨立非執行董事具有獨立身份之週年確認書，且本公司認為獨立非執行董事具有獨立身份。

**董事服務合約**

擬於行將召開之股東週年大會上連任之董事，概無本公司或其任何附屬公司於一年內不可在不予賠償(除一般法定賠償外)之情況下終止之尚未屆滿服務合約。

**董事之合約權益**

除根據上市規則第14A章所列之關連交易詳情載於賬項附註38(a)、(b)、(d)、(h)、(i)、(j)及(k)外，本公司各董事概無於本公司或其任何附屬公司所訂立，而在本年度結算日或年內任何時間仍屬有效之重大合約中佔有重大權益。

## REPORT OF THE DIRECTORS

## 董事會報告書

## DIRECTORS' INTERESTS IN SHARES

## 董事之股份權益

(a) As at 31st March, 2004, 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 Companies and which were required to be entered in the register required to be kept under section 352 of the SFO were as follows:

(a) 於二零零四年三月三十一日，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	4,216,464	2,666,236	3,740,820	(i)
Chan Wing Fui, Peter	陳永奎	324,068	1,059,420	-	(i) & (ii) & (iii)
Chan Wing Kee	陳永棋	1,174,416	138,904	-	(i) & (ii) & (iii) & (iv)
Chan Wing To	陳永滔	1,956,036	-	-	(i) & (ii) & (iii) & (iv)
Chan Wing Sun, Samuel	陳永榮	7,496	-	2,028,720	(i) & (ii) & (iii)
Yeung Wing Tak	楊永德	1,446,200	-	265,364	-
Chan Wing Chak, David	陳永澤	1,541,792	-	-	(i) & (iv)
Chan Suk Ling, Shirley	周陳淑玲	1,152,544	16,000	-	(i) & (ii) & (iii)
Chan Suk Man	劉陳淑文	1,023,420	208	-	(i) & (ii) & (iii) & (iv)
Leung Hok Lim	梁學濂	-	-	-	-
Wong Lam	王霖	-	-	-	-

## REPORT OF THE DIRECTORS

## 董事會報告書

DIRECTORS' INTERESTS IN SHARES  
(continued)

## 董事之股份權益 (續)

## Notes:

- (i) 16,795,668 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, Chan Wing Sun Samuel and Chan Wing Chak David, 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 beneficially 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 beneficially owned by Messrs Chan Wing Fui Peter, Chan Wing Kee, Chan Wing To, Chan Wing Sun Samuel, Madam Chan Suk Ling Shirley, Madam Chan Suk Man and other members of the Chan Family.
- (iv) 1,589,000 shares of the Company were held by Super Team International Limited which is beneficially owned by Messrs Chan Wing Kee, Chan Wing To, Chan Wing Chak David, Madam Chan Suk Man and other members of the Chan family.
- (b) Save as disclosed above, as at 31st March, 2004, 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 Companies in the Listing Rules.

## 附註：

- (i) 合共16,795,668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、陳永祺先生、陳永滔先生、陳永燦先生及陳永澤先生、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、陳永祺先生、陳永滔先生及陳永燦先生、周陳淑玲女士及劉陳淑文女士及其他陳氏家族成員實益擁有。
- (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、陳永祺先生、陳永滔先生及陳永燦先生、周陳淑玲女士及劉陳淑文女士及其他陳氏家族成員實益擁有。
- (iv) 合共1,589,000股本公司股份乃由Super Team International Limited持有。該公司由陳永祺先生、陳永滔先生、陳永澤先生、劉陳淑文女士及其他陳氏家族成員實益擁有。
- (b) 除上文所披露者外，於二零零四年三月三十一日，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分部須知會本公司及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及空倉)，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。



**REPORT OF THE DIRECTORS****SUBSTANTIAL SHAREHOLDERS**

Save as disclosed herein, the Directors are not aware of any person 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 31st March, 2004.

**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 year ended 31st March, 2004.

**CONNECTED TRANSACTIONS**

Details of connected transactions under Chapter 14A of the Listing Rules are set out in note 38(a), (b), (d), (h), (i), (j) and (k) on the financial statements. In the opinion of the independent non-executive directors, these transactions were entered into by the Group:

- (i) in the ordinary and usual course of its respective business;
- (ii) conducted either on normal commercial terms (which expression will be applied by reference to transactions of a similar nature and to be made by similar entities) or where there is no available comparison, on terms that are fair and reasonable so far as the independent shareholders of the Company are concerned;
- (iii) entered into in accordance with the terms of the agreements governing the transactions; and
- (iv) the transactions are in accordance with the pricing policies of the Group, where applicable.

**董事會報告書****主要股東**

除本文所披露者外，於二零零四年三月三十一日，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。

**收購、出售或贖回股份**

截至二零零四年三月三十一日止年度內，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。

**關連交易**

根據上市規則第14A章所列之關連交易詳情載於財務報表附註38(a)、(b)、(d)、(h)、(i)、(j)及(k)內，本公司之獨立非執行董事認為，本集團所進行之關連交易均：

- (i) 於一般及日常業務過程中進行；
- (ii) 按正常商業條款(所指之「正常商業條款」將參考類似機構進行性質相若之交易時所依據之條款)或倘並無可供比較之條款，則按對本公司之獨立股東而言屬公平合理之條款進行；
- (iii) 根據規管該等交易之協議條款訂立；及
- (iv) 該等交易是否根據集團之定價政策(如有)進行，

**REPORT OF THE DIRECTORS****RETIREMENT SCHEMES**

Particulars of the retirement schemes of the Group are set out in note 13 on the financial statements.

**COMPLIANCE WITH THE CODE OF BEST PRACTICE**

The Company has complied with the Code of Best Practice, as set out by The Stock Exchange of Hong Kong Limited in Appendix 14 to the Listing Rules throughout the year, except that the non-executive directors of the Company were not appointed for a specific term but are subject to rotation in Annual General Meeting pursuant to Articles 95 and 104 of the Company's Articles of Association.

**AUDIT COMMITTEE**

To comply with the revised Code of Best Practice as set out in Appendix 14 of the Listing Rules of The Stock Exchange of Hong Kong Limited, the Company set up an audit committee (the "Committee") with written terms of reference, for the purpose of reviewing and providing supervision on the financial reporting process and internal control of the Group. The Committee comprises two independent non-executive directors.

**FIVE YEAR SUMMARY**

A summary of the results and of the assets and liabilities of the Group for the last five financial years is set out on pages 131 and 132 of the annual report.

**AUDITORS**

KPMG retire and, being eligible, offer themselves for re-appointment. A resolution for the re-appointment of KPMG as auditors of the Company is to be proposed at the forthcoming Annual General Meeting.

By Order of the Board  
**Chan Sui Kau**  
Chairman

Hong Kong, 19th July, 2004

**董事會報告書****退休金計劃**

本集團退休金計劃之詳情載於財務報表附註第13項。

**遵守最佳應用守則**

本公司於整年度均有遵守香港聯合交易所有限公司上市規則附錄14所載之最佳應用守則，惟本公司之非執行董事並無特定任期，彼等須按本公司之公司章程細則第95及第104條於股東週年大會上輪值告退。

**審核委員會**

根據香港聯合交易所有限公司上市規則附錄14所載之最佳應用守則(經修訂)之規定，本公司已成立一個審核委員會(「委員會」)並已備妥職權範圍書，藉以檢討及監察本集團之財務申報程序及內部控制事務。委員會成員包括兩名獨立非執行董事。

**五年概要**

本集團在過去五個財政年度之業績及資產與負債概要載於本年報第131頁及132頁。

**核數師**

畢馬威會計師事務所依章告退，惟願膺選連任。在行將召開之股東週年大會上，董事會將提呈決議案，動議續聘畢馬威會計師事務所為本公司核數師。

承董事會命  
主席  
陳瑞球

香港，二零零四年七月十九日

**DIRECTORS AND MANAGEMENT****董事及管理人員****DIRECTORS****董事*****Chan Sui Kau, GBS, OBE, JP******陳瑞球***

Age 79. Dr. Chan is the founder of our Group. He established YangtzeKiang Garment Mfg. Co., Ltd. in 1949 and is the Executive Chairman of the Group as well as YGM Trading Ltd. Dr. Chan had been a member of the 8th & 9th Chinese People's Political Consultative Committee. In 2002 Dr. Chan was awarded the Gold Bauhinia Star of the HKSAR and in 2001 he was being conferred upon by the Hong Kong Polytechnic University the Doctoral Degree of Business Administration. Dr. Chan is the former Chairman of Clothing Industry Training Authority (1986); former Chairman of Textile Council of Hong Kong from (1988-1994) and presently its Honorary Chairman; former President of Federation of Hong Kong Garment Manufacturers (1977-1988) and currently its Life Honorary President; Honorary President of Hong Kong Woollen & Synthetic Knitting Manufacturers' Association since 1980 and former member of Textile Advisory Board of Hong Kong (1971-1989) and Labour Advisory Board of Hong Kong (1985-1995).

七十九歲，一九四九年創辦長江製衣廠，為本集團之創辦人，亦為本集團及YGM貿易有限公司之執行主席，中國人民政治協商會議第八及九屆全國委員會委員，二零零二年獲香港特別行政區政府頒授金紫荊星章，二零零一年獲香港理工大學頒授榮譽博士學位，陳博士於一九八六年成為製衣業訓練局主席；一九八八年至一九九四年為香港紡織業聯會主席，現為該會的榮譽主席；一九七七年至一九八八年為香港製衣業總商會主席，現為該會的終生榮譽主席；一九八零年成為香港羊毛化纖針織業廠商會榮譽主席；一九七一年至一九八九年為香港政府紡織業諮詢委員會委員；一九八五年至一九九五年為香港政府勞工顧問委員會委員。

***Chan Wing Fui, Peter, MA******陳永奎***

Age 58. Received a Master's degree in Administrative Science from Yale University USA in 1969 and joined the Group in the same year. Appointed Director in 1971, Managing Director in 1980 and Vice Chairman of the Group and YGM Trading Ltd in 1987. Mr Chan has been actively involved in garment manufacturing and marketing in the Far East and the USA for over 30 years. He is the son of Mr Chan Sui Kau and the brother of Mr Chan Wing Sun Samuel and Ms Chan Suk Ling Shirley.

五十八歲，一九六九年獲美國耶魯大學頒發行政管理學碩士學位，並於同年加入本集團。彼於一九七一年獲委任為本集團董事，一九八零年為董事總經理，一九八七年分別任本集團及YGM貿易有限公司副主席。陳先生積極參與遠東及美國之成衣製造及市場推廣逾三十年之久。彼為陳瑞球先生之公子及陳永樂先生及周陳淑玲女士之兄。

**DIRECTORS AND MANAGEMENT****董事及管理人員****DIRECTORS (continued)****董事(續)****Chan Wing Kee, GBS, OBE, JP**

Age 57. Received a Bachelor's degree in Industrial Engineering in 1970. Joined the Group in 1970 as Production Manager and later on as Sales Manager. Appointed Director in 1977 and Managing Director in 1987. He is also a Director of YGM Trading Ltd. Mr Chan has participated in many textile negotiations with the US and Europe for Hong Kong and Macau. He is a member of the Textile Advisory Board of Hong Kong, a member of Economic Council of Macau S.A.R.; Standing Committee Member of The People's Political Consultative Committee of the People's Republic of China; Deputy of the 8th & 9th National People's Congress of China; Ex-Committee Member of the Preparatory Committee for Hong Kong Special Administrative Region and Ex-Advisor of Hong Kong Affairs. He is the brother of Mr Chan Wing Chak David, Mr Chan Wing To and Ms Chan Suk Man.

**陳永棋**

五十七歲，於一九七零年獲工業工程學士學位。於一九七零年加入本集團，先後任生產經理、營業經理，一九七七年獲委任為董事，一九八七年任董事總經理。彼亦為YGM貿易有限公司董事，曾多次參與歐美與港澳之間之紡織品談判。陳先生為中華人民共和國第十屆全國政協常務委員、中華人民共和國第八屆及九屆全國人民代表大會代表、香港特別行政區紡織品諮詢委員會委員、澳門特別行政區經濟委員會委員、前香港特別行政區籌備委員會委員及前中國國務院香港事務顧問。彼為陳永澤先生之弟及陳永滔先生及劉陳淑文女士之兄。

**Chan Wing To, PhD**

Age 53. Joined YGM Singapore in 1978 and appointed Managing Director in 1980. Also appointed Director of the Group in 1983 and YGM Trading Ltd in 1987. He is the brother of Mr Chan Wing Chak David, Mr Chan Wing Kee and Ms Chan Suk Man.

**陳永滔**

五十三歲，於一九七八年加入新加坡長江，且於一九八零年獲委任為董事總經理，並先後於一九八三年及一九八七年獲委任為本集團及YGM貿易有限公司董事。陳先生為陳永澤先生、陳永棋先生及劉陳淑文女士之弟。

**Chan Suk Man, MSc**

Age 56. Received Master of Science Degrees from the University of Windsor, Canada in 1973 and Case Western Reserve University USA in 1975. Joined the Group in 1976 and appointed Director in 1993. She is the sister of Mr Chan Wing Kee, Mr Chan Wing To and Mr Chan Wing Chak David.

**劉陳淑文**

五十六歲，分別於一九七三年及一九七五年獲得加拿大University of Windsor及美國Case Western Reserve University 理科碩士學位，於一九七六年加入本集團，並於一九九三年獲委任為董事。陳女士為陳永棋先生及陳永澤先生之妹及為陳永滔先生之姊。

**DIRECTORS AND MANAGEMENT****董事及管理人員****DIRECTORS (continued)****董事(續)****Chan Wing Sun, Samuel, FCA**

Age 56. Received a Bachelor's degree from University of Manchester, United Kingdom in 1970 and qualified as a Chartered Accountant in 1973. Company Secretary of the Group from 1974 to 1988 and a Director since 1977. Appointed Managing Director of YGM Trading Ltd since 1987 and Chairman of Hang Ten Group Holdings Ltd since 2003. He is the son of Mr Chan Sui Kau and the brother of Mr Chan Wing Fui Peter and Ms Chan Suk Ling Shirley.

**陳永樂**

五十六歲，一九七零年獲英國曼徹斯特大會頒授學士學位，並於一九七三年成為特許會計師。彼於一九七四年至一九八八年間出任本集團之公司秘書，一九七七年獲委任為董事，自一九八七年起即為YGM貿易有限公司董事總經理及於二零零三年任漢登集團控股有限公司主席。陳先生為陳瑞球先生之公子、陳永奎先生之弟及周陳淑玲女士之兄。

**Yeung Wing Tak**

Age 83. Appointed Director in 1970. Mr Yeung is also the Managing Director of Yee Woo Loong Rice Trading Co Ltd and Perfekta Enterprises Ltd. He is an honorary citizen of Guangzhou, Kaozhou and Heshan.

**楊永德**

八十三歲，於一九七零年獲委任為董事，亦出任義和隆米業有限公司及寶法德企業有限公司董事總經理。楊先生為廣州、高州及鶴山之榮譽市民。

**Chan Wing Chak, David**

Age 68. Joined the Group in 1960 and appointed Director in 1970. He is the brother of Mr Chan Wing Kee, Mr Chan Wing To and Ms Chan Suk Man.

**陳永澤**

六十八歲，於一九六零年加入本集團，並於一九七零年獲委任為董事。彼為陳永棋先生、陳永滔先生及劉陳淑文女士之兄長。

**Chan Suk Ling, Shirley**

Age 53. Received a Bachelor's degree from Trent University, United Kingdom in 1973. Joined the Group in 1973. Appointed Director of the Group in 1983 and Deputy Managing Director of YGM Trading Ltd in 1987. She has extensive experience of management in the garment retail and wholesale business. She is a Member of the Hong Kong Trade Development Council Garment Advisory Committee and the Executive Committee Member of the Hong Kong Retail Management Association. Committee Member of the Chinese Manufacturers' Association of Hong Kong. She is the daughter of Mr Chan Sui Kau and the sister of Mr Chan Wing Fui Peter and Mr Chan Wing Sun Samuel.

**周陳淑玲**

五十三歲，於一九七三年獲英國 Trent University頒發學士學位，同年加入本集團。一九八三年出任本集團董事及一九八七年獲委任為YGM貿易有限公司副董事總經理。彼於管理成衣零售及批發業務有廣泛之經驗。現為香港貿易發展局成衣業諮詢委員會成員及香港零售管理協會執委會成員。香港中華廠商聯合會會董。彼為陳瑞球先生之千金及陳永奎先生與陳永樂之妹。



**DIRECTORS AND MANAGEMENT****DIRECTORS (continued)****Leung Hok Lim, FCPA (Aust.), CPA (Macau), FHKSA, CPA**

Age 69. An independent non-executive Director of the Company, is the founding and senior partner of PKF, Certified Public Accountants. Mr. Leung obtained his fellowship with Hong Kong Society of Accountants in 1973. He is the vice chairman of the Business Enterprises Management Centre of the Hong Kong Management Association, a non-executive director of Beijing Hong Kong Exchange of Personnel Centre Limited and a number of listed companies.

**Wong Lam, OBE, JP**

Age 85. Appointed as an independent non-executive Director in 1995. Mr Wong is a former member of the Legislative Council, Standing Committee Member of Chinese People's Political Consultative Conference of Dongguan. A Director of Lung Cheong International Holdings Ltd. and Hung Tung Paper Product Ltd.

**MANAGEMENT****Lau Shing Choy**

Age 56. Received a Bachelor's degree from the Chinese University of Hong Kong in 1969, and a Doctor of Philosophy Degree from Case Western Reserve University, USA in 1978. Mr Lau joined the Group in 1978 to develop the China business. He is the Director of Hong Kong Knitters Ltd. He is the husband of Ms Chan Suk Man.

**So Ying Woon, Alan**

Age 54. Received a Bachelor's degree from the Chinese University of Hong Kong in 1974. Mr So joined the Group in 1974 and promoted to Sales Manager in 1976. He has been the General Manager since 1993.

**董事及管理人員****董事(續)****梁學濂**

六十九歲，本公司獨立非執行董事，為梁學濂會計師事務所(執業會計師)之創辦人及高級合夥人。梁先生於一九七三年取得香港會計師公會資深會員資格。彼為香港管理專業協會企業管理發展中心之副主席，京港人才交流中心有限公司及多間上市公司之非執行董事。

**王霖**

八十五歲，於一九九五年獲委任為獨立非執行董事。王先生為前立法局議員、東莞市政協常務委員、龍昌國際控股有限公司及雄東紙業有限公司之董事。

**管理人員****劉盛材**

五十六歲，於一九六九年獲得香港中文大學學士學位，及於一九七八年獲得美國Case Western Reserve University 哲學博士學位。劉先生於一九七八年加入本集團，負責開拓中國業務。彼亦為香港織造有限公司之董事，劉陳淑文女士之丈夫。

**蘇應垣**

五十四歲，於一九七四年獲得香港中文大學學士學位，蘇先生於一九七四年加入本集團，於一九七六年升任營業部經理，自一九九三年出任營業總經理。

**DIRECTORS AND MANAGEMENT****MANAGEMENT (continued)*****Leung Ming Wai, Alan***

Age 46. General Manager of Sales Department, obtained the diploma in Management Studies at Hong Kong Polytechnic University and Master Degree in Business Administration at University of East Asia, Macau. He Joined the Company as Sales Manager in 1986.

***Chui Wai Ha, Catherine***

Age 42, obtained the Diploma in Management Studies at Hong Kong Polytechnic University. She has over 15 years' experience of management in the knit garment merchandising business. She joined our Hong Kong Knitters Ltd. as Sales Manager in 1994.

***Hui Sau Ling***

Age 38. Appointed as Financial Controller and Company Secretary of the Group in 2000. She is a fellow member of the Association of Chartered Certified Accountants and an associate member of the Hong Kong Society of Accountants. She has 15 years' experience in auditing, accounting and business finance.

**OVERSEAS COMPANIES*****Lo Hin Kwong, Henry***

Age 47. Received a Bachelor's degree from the University of Toronto, Canada in 1980 and worked in our Macau factory in the same year until 1987. He rejoined as Assistant General Manager in 1997.

***Poon Kwok Cheung***

Age 61. Worked in our Macau factory since 1960. Mr Poon has been the Factory Manager in Macau since 1975.

**董事及管理人員****管理人員 (續)****梁銘惠**

四十六歲，現任營業部經理。曾於香港理工大學攻讀管理學文憑，及畢業於澳門東亞大學，選修工商管理碩士課程。一九八六年加入本集團任職營業部經理。

**崔偉霞**

四十二歲，獲得香港理工大學管理學文憑，崔小姐於管理針織成衣銷售業務有十五年以上之經驗。於一九九四年加入香港織造有限公司，任職營業部經理。

**許秀玲**

三十八歲，於二零零零年加入本集團出任財務總監及公司秘書。彼為英國特許公認會計師公會資深會員及香港會計師公會會員，擁有十五年審計、財務及會計方面之經驗。

**海外公司****老顯光**

四十七歲，於一九八零年獲加拿大多倫多大學之學士學位，並於同年任職本集團之澳門廠房至一九八七年為止。彼於一九九七年重新加入，任副經理之職。

**潘國樟**

六十一歲，一九六零年起任職於本集團之澳門廠房，潘先生自一九七五年開始擔任廠長之職。

**REPORT OF THE AUDITORS****核數師報告****AUDITORS' REPORT TO THE  
SHAREHOLDERS OF YANGTZEKIANG  
GARMENT MANUFACTURING COMPANY  
LIMITED**

*(Incorporated in Hong Kong with limited liability)*

We have audited the financial statements on pages 24 to 130 which have been prepared in accordance with accounting principles generally accepted in Hong Kong.

**RESPECTIVE RESPONSIBILITIES OF  
DIRECTORS AND AUDITORS**

The Hong Kong Companies Ordinance requires the directors to prepare 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, that judgements and estimates are made which are prudent and reasonable and that the reasons for any significant departure from applicable accounting standards are stated.

It is our responsibility to form an independent opinion, based on our audit, on those financial statements and to report our opinion solely to you, as a body, in accordance with section 141 of the Hong Kong Companies Ordinance, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

致：長江製衣廠有限公司各股東  
(於香港註冊成立之有限公司)

本核數師(以下簡稱「我們」)已審核刊於第24頁至130頁按照香港公認會計原則編製的財務報表。

**董事及核數師的責任**

香港《公司條例》規定董事須編製真實與公允的財務報表。在編製這些財務報表時，董事必須貫徹採用合適的會計政策，作出審慎及合理的判斷和估計，並說明任何重大背離適用會計準則的原因。

我們的責任是根據我們審核工作的結果，對這些財務報表提出獨立意見，並按照香港《公司條例》第141條的規定，僅向整體股東報告。除此以外，我們的報告書不可用作其他用途。我們概不就本報告書的內容，對任何其他人士負責或承擔法律責任。

**REPORT OF THE AUDITORS****核數師報告****BASIS OF OPINION**

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

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

**OPINION**

In our opinion, the financial statements give a true and fair view of the state of affairs of the Company and of the Group as at 31st March, 2004 and of the Group's profit and cash flows for the year then ended and have been properly prepared in accordance with the Hong Kong Companies Ordinance.

**KPMG**

*Certified Public Accountants*

Hong Kong, 19th July, 2004

**意見的基礎**

我們是按照香港會計師公會頒佈的《核數準則》進行審核工作。審核範圍包括以抽查方式查核與財務報表所載數額及披露事項有關的憑證，亦包括評估董事於編製財務報表時所作的主要估計和判斷、所釐定的會計政策是否適合 貴公司及 貴集團的具體情況，以及有否貫徹運用並足夠披露這些會計政策。

我們在策劃和進行審核工作時，是以取得一切我們認為必須的資料及解釋為目標，使我們能獲得充份的憑證，就財務報表是否存在重大的錯誤陳述，作合理的確定。在提出意見時，我們亦已衡量財務報表所載資料在整體上是否足夠。我們相信，我們的審核工作已為下列意見建立合理的基礎。

**意見**

我們認為，上述的財務報表均真實與公允地反映 貴公司及 貴集團於二零零四年三月三十一日的財政狀況和 貴集團截至該日止年度的溢利及現金流量，並已按照香港《公司條例》適當地編製。

**畢馬威會計師事務所**  
執業會計師

香港，二零零四年七月十九日

## CONSOLIDATED INCOME STATEMENT

For the year ended 31st March, 2004

(Expressed in Hong Kong dollars)

## 綜合損益表

截至二零零四年三月三十一日止年度

(以港元計)

		Note 附註	2004 \$'000 千元	2003 (restated) (重列) \$'000 千元
<b>Turnover</b>	<b>營業額</b>	2	<b>1,493,488</b>	1,238,363
Cost of sales	銷售成本		<b>(1,177,771)</b>	<b>(1,039,303)</b>
			<b>315,717</b>	199,060
Other revenue	其他收入	3	<b>10,598</b>	14,081
Other net income	其他收益淨額	3	<b>26,609</b>	26,260
Selling and distribution expenses	銷售及分銷費用		<b>(121,609)</b>	(92,726)
Administrative expenses	行政費用		<b>(120,081)</b>	(88,987)
Other operating expenses	其他經營費用		<b>(40,701)</b>	(28,937)
<b>Profit from operations</b>	<b>經營溢利</b>		<b>70,533</b>	28,751
Finance costs	融資成本	4(a)	<b>(26,206)</b>	<b>(15,213)</b>
			<b>44,327</b>	13,538
Share of profits less losses of associates	應佔聯營公司溢利減虧損		<b>49,466</b>	33,887
<b>Profit from ordinary activities before taxation</b>	<b>除稅前日常業務溢利</b>	4	<b>93,793</b>	47,425
Income tax	所得稅	5(a)	<b>(20,323)</b>	<b>(9,237)</b>
<b>Profit from ordinary activities after taxation</b>	<b>除稅後日常業務溢利</b>		<b>73,470</b>	38,188
Minority interests	少數股東權益		<b>(4,385)</b>	<b>(5,111)</b>
<b>Profit attributable to shareholders</b>	<b>股東應佔溢利</b>	8	<b>69,085</b>	33,077
<b>Dividends attributable to the year:</b>	<b>本年度股息：</b>	9		
Interim dividend declared during the year	於年內已宣派之中期股息		<b>1,402</b>	2,805
Final dividend proposed after the balance sheet date	於結算日後建議派發末期股息		<b>12,622</b>	11,220
			<b>14,024</b>	14,025
<b>Earnings per share</b>	<b>每股盈利</b>			
Basic	基本	10	<b>\$0.49</b>	\$0.24

The notes on pages 35 to 130 form part of these financial statements.

第35頁至130頁的附註屬本財務報表之一部份。



YANGTZEKIANG GARMENT MFG. CO., LTD. 長江製衣廠有限公司

## CONSOLIDATED BALANCE SHEET

At 31st March, 2004

(Expressed in Hong Kong dollars)

## 綜合資產負債表

於二零零四年三月三十一日

(以港元計)

		2004		2003 (restated) (重列)		
		Note	\$'000	\$'000	\$'000	\$'000
		附註	千元	千元	千元	千元
<b>Non-current assets</b>	<b>非流動資產</b>					
Fixed assets	固定資產	14(a)	620,254		259,543	
Construction in progress	在建工程	15	18,508		341,607	
Intangible assets	無形資產	16	3,479		-	
Goodwill	商譽	17	(2,117)		4,875	
Interest in associates	聯營公司權益	19	248,263		219,322	
Permanent quota	永久配額	20	-		-	
Loans receivable	應收貸款	21	7,917		-	
Non-trading securities	非交易證券	22	1,453		1,053	
Other investments	其他投資	23	2,873		2,873	
				900,630		829,273
<b>Current assets</b>	<b>流動資產</b>					
Loans receivable	應收貸款	21	1,693		-	
Inventories	存貨	24	159,821		96,332	
Trade and other receivables	應收賬款及其他應收款	25	258,250		249,472	
Tax recoverable	可發還稅項	31(a)	2,143		2,145	
Pledged deposits	抵押存款	26	3,733		141	
Cash and cash equivalents	現金及現金等價物	27	59,528		44,541	
			485,168		392,631	
<b>Current liabilities</b>	<b>流動負債</b>					
Trade and other payables	應付賬款及其他應付款	28	323,964		391,309	
Bank loans and overdrafts	銀行貸款及透支	29	312,948		327,676	
Tax payable	應付稅項	31(a)	4,795		5,197	
			641,707		724,182	
<b>Net current liabilities</b>	<b>淨流動負債</b>	32	(156,539)		(331,551)	
<b>Total assets less current liabilities</b>	<b>資產總額減流動負債</b>		<b>744,091</b>		<b>497,722</b>	

## CONSOLIDATED BALANCE SHEET

At 31st March, 2004

(Expressed in Hong Kong dollars)

## 綜合資產負債表

於二零零四年三月三十一日

(以港元計)

		2004		2003 (restated) (重列)		
		Note	\$'000	\$'000	\$'000	\$'000
		附註	千元	千元	千元	千元
<b>Non-current liabilities</b>	<b>非流動負債</b>					
Bank loans	銀行貸款	30	275,364		91,733	
Provision for long service payments	長期服務金準備	33	8,948		9,027	
Deferred tax liabilities	遞延所得稅負債	31(b)	10,767		10,944	
				295,079		111,704
				449,012		386,018
<b>Minority interests</b>	<b>少數股東權益</b>			34,651		33,850
<b>NET ASSETS</b>	<b>資產淨值</b>			414,361		352,168
<b>CAPITAL AND RESERVES</b>	<b>資本及儲備</b>					
Share capital	股本	34	70,123		70,123	
Reserves	儲備	35(a)	344,238		282,045	
				414,361		352,168

Approved and authorised for issue by the board of directors on 19th July, 2004.

Chan Sui Kau )  
 )  
 ) Directors  
 Chan Wing Kee )  
 )

董事會已於二零零四年七月十九日核准及授權發佈上列賬目。

陳瑞球 )  
 )  
 ) 董事  
 陳永棋 )  
 )

The notes on pages 35 to 130 form part of these financial statements.

第35頁至130頁的附註屬本財務報表之一部份。

**BALANCE SHEET****At 31st March, 2004***(Expressed in Hong Kong dollars)***資產負債表****於二零零四年三月三十一日***(以港元計)*

		2004		2003 (restated) (重列)		
		Note	\$'000	\$'000	\$'000	\$'000
		附註	千元	千元	千元	千元
<b>Non-current assets</b>	<b>非流動資產</b>					
Fixed assets	固定資產	14(b)	104,586			109,870
Interest in subsidiaries	附屬公司權益	18	301,472			227,254
Interest in associates	聯營公司權益	19	22,365			22,211
Permanent quota	永久配額	20	-			-
Loans receivable	應收貸款	21	7,917			-
Non-trading securities	非交易證券	22	1,453			1,053
Other investments	其他投資	23	2,384			2,384
				440,177		362,772
<b>Current assets</b>	<b>流動資產</b>					
Loans receivable	應收貸款	21	1,693			-
Inventories	存貨	24	17,751			9,743
Trade and other receivables	應收賬款及 其他應收款	25	141,221			179,391
Cash and cash equivalents	現金及現金等價物	27	26,981			9,621
			187,646			198,755
<b>Current liabilities</b>	<b>流動負債</b>					
Trade and other payables	應付賬款及 其他應付款	28	100,956			85,484
Bank loans and overdrafts	銀行貸款及透支	29	79,818			118,092
Tax payable	應付稅項	31(a)	1,447			526
			182,221			204,102
<b>Net current assets/ (liabilities)</b>	<b>流動資產/ (負債)淨值</b>			5,425		(5,347)
<b>Total assets less current liabilities</b>	<b>資產總額減 流動負債</b>			445,602		357,425

**BALANCE SHEET****At 31st March, 2004***(Expressed in Hong Kong dollars)***資產負債表****於二零零四年三月三十一日***(以港元計)*

		2004		2003 (restated) (重列)		
		Note	\$'000	\$'000	\$'000	\$'000
		附註	千元	千元	千元	千元
<b>Non-current liabilities</b>	<b>非流動負債</b>					
Bank loans	銀行貸款	30	37,500		27,000	
Provision for long service payments	長期服務金準備	33	4,872		5,063	
Deferred tax liabilities	遞延所得稅負債	31(b)	10,535		10,703	
				<u>52,907</u>		<u>42,766</u>
<b>NET ASSETS</b>	<b>資產淨值</b>			<u><u>392,695</u></u>		<u><u>314,659</u></u>
<b>CAPITAL AND RESERVES</b>	<b>資本及儲備</b>					
Share capital	股本	34	70,123		70,123	
Reserves	儲備	35(b)	322,572		244,536	
				<u><u>392,695</u></u>		<u><u>314,659</u></u>

Approved and authorised for issue by the board of directors on 19th July, 2004

)  
**Chan Sui Kau** )  
 ) Directors  
**Chan Wing Kee** )  
 )

董事會已於二零零四年七月十九日核准及授權發佈上列賬目。

)  
 陳瑞球 )  
 ) 董事  
 陳永棋 )  
 )

The notes on pages 35 to 130 form part of these financial statements.

第35頁至130頁的附註屬本財務報表之一部份。

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31st March, 2004  
(Expressed in Hong Kong dollars)

## 綜合權益股本變動表

截至二零零四年三月三十一日止年度  
(以港元計)

			2004	2003 (restated) (重列)
		Note 附註	\$'000 千元	\$'000 千元
Shareholders' equity at 1st April	股東權益			
– as previously reported	– 上年度報告		361,761	354,094
– prior year adjustment arising from change in accounting policy for deferred tax	– 修訂遞延所得稅的會計政策所產生的前期調整	11	(9,593)	(9,864)
Shareholders' equity at 1st April as restated	於四月一日重列之股東權益		352,168	344,230
Surplus/(deficit) on revaluation of:	重估盈餘/(虧損):			
– investment properties, net of deferred tax	– 扣除遞延所得稅後的投資物業淨額	35(a)	558	(1,662)
– investments in securities	– 證券投資	35(a)	400	(39)
Impairment loss on land and buildings, net of deferred tax	扣除遞延所得稅後土地及樓宇減值虧損	35(a)	–	(1,373)
Share of associate's revaluation surplus on investment properties	應佔聯營公司投資物業重估盈餘	35(a)	973	157
Share of associates' other reserves	應佔聯營公司其他儲備	35(a)	697	–
Share of associates' exchange reserve	應佔聯營公司匯兌儲備	35(a)	1,186	(1,987)
Exchange differences on translation of the financial statements of foreign entities	換算海外公司財務報表之匯兌差額	35(a)	2,038	679
<b>Net gains/(losses) not recognised in the income statement</b>	<b>未在損益表確認之淨收益/(虧損)</b>		<b>5,852</b>	<b>(4,225)</b>
Net profit for the year:	本年度淨溢利			
– as previously reported	– 上年度報告			33,079
– prior year adjustment arising from change in accounting policy for deferred tax	– 修訂遞延所得稅的會計政策所產生的前期調整			(2)
Net profit for the year (2003 as restated)	本年度淨溢利 (2003年已重列)	35(a)	69,085	33,077
Dividends approved during the year	年度內核准的股息	9	(12,622)	(14,025)
Reserves transferred to the income statement on:	儲備撥往			
– disposal of subsidiaries	損益表:	35(a)		
– deconsolidation of subsidiaries in liquidation	– 出售附屬公司		(122)	(662)
	– 不再綜合計算在清盤中之附屬公司		–	(6,227)
			(122)	(6,889)
Shareholders' equity at 31st March	於三月三十一日之股東權益		414,361	352,168

The notes on pages 35 to 130 form part of these financial statements.

第35頁至130頁的附註屬本財務報表之一部份。

## CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31st March, 2004

(Expressed in Hong Kong dollars)

## 綜合現金流量表

截至二零零四年三月三十一日止年度

(以港元計)

			2004	2003
		Note	\$'000	(restated)
		附註	千元	(重列)
				\$'000
				千元
<b>Operating activities</b>	<b>經營活動</b>			
Profit from ordinary activities before taxation	除稅前日常業務溢利		93,793	47,425
Adjustments for:	調整項目：			
– Share of profits less losses of associates	– 應佔聯營公司溢利減虧損		(49,466)	(33,887)
– Depreciation	– 折舊		56,486	28,808
– (Gain)/loss on disposal of subsidiary	– 出售附屬公司(收益)/虧損		(672)	712
– Gain on deconsolidation of subsidiaries in liquidation	– 不再綜合計算在清盤中之附屬公司收益		–	(6,082)
– (Gain)/loss on disposal of fixed assets	– 出售固定資產(收益)/虧損		(792)	521
– Net realised losses on disposal of non-trading securities	– 出售非交易證券之已確認虧損淨額		–	190
– Amortisation of positive goodwill	– 正商譽攤銷		3,852	2,338
– Amortisation of negative goodwill	– 負商譽攤銷		(1,772)	(494)
– Amortisation of intangible assets	– 無形資產攤銷		1,753	–
– Amortisation of borrowing costs	– 借貸成本攤銷		333	333
– Interest expenses	– 利息支出		26,206	15,213
– Interest income	– 利息收入		(264)	(195)
– Dividend income from unlisted equity securities	– 非上市股本證券之股息收入		(388)	(350)
– Tax refund of an associate upon reinvestment of dividend income	– 退回聯營公司利潤再投資的稅項		(2,595)	–
– Foreign exchange gain	– 匯兌收益		(1,457)	(2,546)
<b>Operating profit before changes in working capital</b>	<b>營運資金變動前經營溢利</b>		<b>125,017</b>	<b>51,986</b>



**CONSOLIDATED CASH FLOW STATEMENT (Continued)**

**For the year ended 31st March, 2004**  
(Expressed in Hong Kong dollars)

**綜合現金流量表(續)**

**截至二零零四年三月三十一日止年度**  
(以港元計)

			2004	2003
		Note	\$'000	(restated)
		附註	千元	(重列)
			\$'000	\$'000
			千元	千元
Increase in inventories	存貨增加		(61,916)	(10,427)
Decrease/(increase) in debtors, deposits and prepayments	應收賬款、按金及預付款項減少/(增加)		5,528	(42,138)
Increase in bills receivable	應收票據增加		(31,287)	(17,239)
(Increase)/decrease in amounts due from related companies	應收關連公司款項(增加)/減少		(1,459)	5,642
Decrease/(increase) in amounts due from associates	應收聯營公司款項減少/(增加)		22,837	(2,527)
Increase/(decrease) in creditors and accrued charges	應付賬款及應計費用增加/(減少)		36,515	(17,367)
(Decrease)/increase in bills payable	應付票據(減少)/增加		(11,691)	48,256
(Decrease)/increase in amounts due to related companies	應付關連公司款項(減少)/增加		(192)	40
(Decrease)/increase in amounts due to associates	應付聯營公司款項(減少)/增加		(13,257)	16,804
(Decrease)/increase in long service payments	長期服務金(減少)/增加		(79)	2,901
<b>Cash generated from operations</b>	<b>經營業務所得現金</b>		<b>70,016</b>	<b>35,931</b>
Tax paid	已付稅項			
– Hong Kong profits tax (paid)/refunded	– 已(付)/退回香港利得稅		(7,414)	785
– Overseas tax paid	– 已付海外稅項		(1,359)	(3,010)
<b>Net cash from operating activities</b>	<b>經營活動所得的現金淨額</b>		<b>61,243</b>	<b>33,706</b>

## CONSOLIDATED CASH FLOW STATEMENT (Continued)

For the year ended 31st March, 2004

(Expressed in Hong Kong dollars)

## 綜合現金流量表(續)

截至二零零四年三月三十一日止年度

(以港元計)

			2004	2003
		Note	\$'000	(restated)
		附註	千元	(重列)
				\$'000
				千元
<b>Investing activities</b>	<b>投資活動</b>			
Payments for purchase of fixed assets	購買固定資產付款		(21,864)	(71,818)
Proceeds from sales of fixed assets	出售固定資產所得款項		2,181	2,413
Payments for construction in progress	在建工程付款		(110,587)	(304,536)
Payments for purchase of intangible assets	購買無形資產付款		(5,232)	-
Placement of pledged deposits	訂立有抵押銀行存款		(3,592)	(141)
Proceeds from sales of non-trading securities	出售非交易證券所得款項		-	167
Interest received	已收利息		264	195
Dividends received from associates	已收聯營公司之股息		33,682	23,230
Dividend received from unlisted equity securities	已收非上市股本證券之股息		388	350
Tax refund of an associate upon reinvestment of dividend income	退回聯營公司利潤再投資的稅項		5,775	-
Net cash outflow from acquisition of minority interest	購入少數股東權益之現金流出淨額	(a)	(5,000)	-
Net cash inflow from acquisition of a subsidiary	收購附屬公司之現金流入淨額	(b)	824	6,204
Payment for capital contribution and additional investment in associates	聯營公司資本投入及增加投資付款		(8,507)	-
Net cash (outflow)/inflow from disposal of subsidiaries	出售附屬公司所得款項	(c)	(272)	2,638
<b>Net cash used in investing activities</b>	<b>投資活動所用的現金淨額</b>		<b>(111,940)</b>	<b>(341,298)</b>
<b>Financing activities</b>	<b>融資活動</b>			
Repayment to associate for construction in progress	償還聯營公司借款－用於支付在建工程款		(83,824)	-
Advance from associate for construction in progress	聯營公司借款－用於支付在建工程款		18,905	74,332
Repayment of bank loans	償還銀行貸款		(278,106)	(187,215)
New bank loans	新增銀行貸款		429,233	418,431
Repayment of trust receipt loans	償還信託收據貸款		(207,421)	(193,686)
New trust receipt loans	新增信託收據貸款		213,375	211,691
Capital contribution from minority shareholders	少數股東的股本投入		11,207	13,239
Proceed of government grants	政府補助金收入		-	22,446
Interest paid	已付利息		(26,478)	(15,798)
Dividends paid	已派股息		(12,622)	(14,025)
<b>Net cash from financing activities</b>	<b>融資活動所得的現金淨額</b>		<b>64,269</b>	<b>329,415</b>
<b>Net increase in cash and cash equivalents</b>	<b>現金及現金等價物增加淨額</b>		<b>13,572</b>	<b>21,823</b>
<b>Cash and cash equivalents at 1st April</b>	<b>於四月一日之現金及現金等價物</b>		<b>44,541</b>	<b>22,718</b>
<b>Effect of foreign exchange rates changes</b>	<b>外幣兌換變動之影響</b>		<b>793</b>	<b>-</b>
<b>Cash and cash equivalents at 31st March</b>	<b>於三月三十一日之現金及現金等價物</b>	27	<b>58,906</b>	<b>44,541</b>

## NOTES ON THE CONSOLIDATED CASH FLOW STATEMENT

## For the year ended 31st March, 2004

(Expressed in Hong Kong dollars)

## (a) Acquisition of minority interest

On 13th May, 2003, the group increased its equity interest in Whampoa Textile Limited to 100% by acquiring the remaining 25% from the minority shareholders with a consideration of \$5,000,000.

		\$'000 千元
Minority interest acquired	購入少數股東權益	14,733
Negative goodwill	負商譽	(10,033)
Interest in associate as at 13th May, 2003	於二零零三年五月十三日 聯營公司權益	300
Total purchase price paid	購入價格的總付款	<u>5,000</u>
Net cash outflow in respect of the acquisition of minority interest	購入少數股東權益之 現金流出淨額	<u>5,000</u>

## (b) Acquisition of a subsidiary

On 13th May, 2003, the Group also increased its equity interest in Hongkong Knitters Lanka (PVT) Limited to 100% by acquiring an additional 50% equity interest with a consideration of \$1.

		\$'000 千元
<b>Net assets acquired:</b>	<b>已收購資產淨值：</b>	
Fixed assets	固定資產	10,496
Inventories	存貨	1,573
Trade debtors, deposits and prepayments	應收賬款、存款 及預付款	14,863
Cash and cash equivalents	現金及現金等價物	824
Trade creditors and accrued charges	應付賬款及應計費用	(5,262)
Amount due to an associate	應付聯營公司款項	(22,259)
Short term bank loans	短期銀行貸款	(11,822)
		<u>(11,587)</u>
Positive goodwill arising on consolidation	綜合計算時產生 的正商譽	5,538
Interest in associate as at 13th May, 2003	於二零零三年五月十三日 之聯營公司權益	6,049
Total purchase price paid	已支付總購入價	<u>-</u>
<b>Net cash inflow in respect of the acquisition of a subsidiary:</b>	<b>購入附屬公司的 現金流入淨額：</b>	
Cash and cash equivalents	現金及現金等價物	<u>824</u>

## 綜合現金流量表附註

## 截至二零零四年三月三十一日止年度

(以港元計)

## (a) 購入少數股東權益

於二零零三年五月十三日，本集團從黃浦江紡織有限公司少數股東購入該公司餘下的25%權益達至100%，代價為5,000,000元。

## (b) 收購附屬公司

於二零零三年五月十三日，本集團多購入50% Hongkong Knitters Lanka (PVT) Limited 的公司權益，達至100%，代價為1元。

## NOTES ON THE CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31st March, 2004

(Expressed in Hong Kong dollars)

## (c) Disposal of subsidiaries

At 30th March, 2004, the Group disposed of 100% equity interest in YangtzeKiang (Myanmar) Limited, YangtzeKiang Industries (Myanmar) Limited and Victoria Harbor Limited for a consideration of \$9,610,000 (note 21).

## 綜合現金流量表附註

截至二零零四年三月三十一日止年度

(以港元計)

## (c) 出售附屬公司

於二零零四年三月三十日，本集團出售於 YangtzeKiang (Myanmar) Limited、YangtzeKiang Industries (Myanmar) Limited 及 Victoria Harbor Limited 之 100% 權益，代價為 9,610,000 元 (附註 21)。

		\$'000 千元
<b>Net assets disposed of:</b>	<b>售出資產淨值：</b>	
Fixed assets	固定資產	12,306
Trade debtors, deposits and prepayments	應收賬款、 存款及預付款	404
Cash and cash equivalents	現金及現金等價物	272
Trade creditors and accrued charges	應付賬款及應計費用	(3,044)
Tax payable	應付稅項	(1,000)
		<hr/>
		8,938
Gain on disposal of subsidiaries	出售附屬公司收益	672
		<hr/>
Disposal proceeds	出售所得款	9,610
		<hr/> <hr/>
<b>Net cash outflow from disposal of subsidiaries</b>	<b>出售附屬公司 現金流出淨額</b>	<hr/> <hr/> 272

**NOTES ON THE FINANCIAL STATEMENTS****For the year ended 31st March, 2004***(Expressed in Hong Kong dollars)***1. SIGNIFICANT ACCOUNTING POLICIES****(a) Statement of compliance**

These financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards (which includes all applicable Statements of Standard Accounting Practice and Interpretations) issued by the Hong Kong Society of Accountants, accounting principles generally accepted in Hong Kong and the requirements of the Hong Kong Companies Ordinance. These financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. A summary of the significant accounting policies adopted by the Group is set out below.

**(b) Basis of preparation of the financial statements**

The measurement basis used in the preparation of the financial statements is historical cost modified by the revaluation of investment properties and land and buildings, and the marking to market of certain investments in securities as explained in the accounting policies set out below.

**(c) Subsidiaries and controlled enterprises**

A subsidiary, in accordance with the Hong Kong Companies Ordinance, is a company in which the Group, directly or indirectly, holds more than half of the issued share capital, or controls more than half the voting power, or controls the composition of the board of directors. Subsidiaries are considered to be controlled if the Company has the power, directly or indirectly, to govern the financial and operating policies, so as to obtain benefits from their activities.

**財務報表附註****截至二零零四年三月三十一日止年度***(以港元計)***1. 主要會計政策****(a) 遵例聲明**

本財務報表已按照香港會計師公會頒佈所有適用的《香港財務報告準則》(包括所有適用的《會計實務準則》及解釋)香港公認會計原則及香港《公司條例》的規定編製。本財務報表同時符合適用的《香港聯合交易所有限公司證券上市規則》披露規定。本集團採用之主要會計政策概述如下。

**(b) 財務報表編製基準**

除投資物業、土地及樓宇按重估值和部份證券投資按市值入賬(見下文所載的會計政策)外,本財務報表是以歷史成本作為編製基準。

**(c) 附屬公司及受控制企業**

按照香港《公司條例》規定,附屬公司是指本集團直接或間接持有其過半數已發行股份,或控制其過半數投票權,或控制其董事會組成的公司。當本公司有權直接或間接支配附屬公司的財務及經營政策,並藉此從其活動中取得利益,均視為受本公司控制。

**NOTES ON THE FINANCIAL STATEMENTS****For the year ended 31st March, 2004***(Expressed in Hong Kong dollars)***1. SIGNIFICANT ACCOUNTING POLICIES**  
*(continued)***(c) Subsidiaries and controlled enterprises**  
*(continued)*

An investment in a controlled subsidiary is consolidated into the consolidated financial statements, unless it is acquired and held exclusively with a view to subsequent disposal in the near future or operates under severe long-term restrictions which significantly impair its ability to transfer funds to the Group, in which case, it is stated in the consolidated balance sheet at fair value with changes in fair value recognised in the same manner as for non-trading securities.

Intra-group balances and transactions, and any unrealised profits arising from intra-group transactions, are eliminated in full in preparing the consolidated financial statements. Unrealised losses resulting from intra-group transactions are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

Minority interests at the balance sheet date, being the portion of the net assets of subsidiaries attributable to equity interests that are not owned by the Company, whether directly or indirectly through subsidiaries, are presented in the consolidated balance sheet separately from liabilities and the shareholders' equity. Minority interests in the results of the Group for the year are also separately presented in the consolidated income statement.

**財務報表附註****截至二零零四年三月三十一日止年度***(以港元計)***1. 主要會計政策 (續)****(c) 附屬公司及受控制企業 (續)**

集團於受控制附屬公司的投資均在綜合財務報表中綜合計算。然而，如購入並持有這些投資的唯一目的是在短期內將之出售，或受控制附屬公司是長期在嚴格限制條件下經營，以致其向本集團轉移資金的能力嚴重受損，則這些投資會按公平價值記入綜合資產負債表。公平價值的變動在綜合損益表確認的方法，與非交易證券相同。

集團內部往來的餘額和集團內部交易及其產生的未變現溢利，均在編製綜合財務報表時全數抵銷。集團內部交易所產生的未變現虧損的抵銷方法與未變現溢利相同，但抵銷額只限於沒有證據顯示已轉讓資產已出現減值。

於結算日的少數股東權益是指並非由本公司直接或透過附屬公司間接擁有的股權所佔附屬公司資產淨值的部分；這些權益在綜合資產負債表內是與負債及股東權益分開列示。少數股東所佔本集團本年度業績的權益在損益表內亦會分開列示。



**NOTES ON THE FINANCIAL STATEMENTS****For the year ended 31st March, 2004***(Expressed in Hong Kong dollars)***1. SIGNIFICANT ACCOUNTING POLICIES  
(continued)****(c) Subsidiaries and controlled enterprises  
(continued)**

Where losses attributable to the minority exceed the minority interest in the net assets of a subsidiary, the excess, and any further losses attributable to the minority, are charged against the Group's interest except to the extent that the minority has a binding obligation to, and is able to, make good the losses. All subsequent profits of the subsidiary are allocated to the Group until the minority's share of losses previously absorbed by the Group has been recovered.

In the Company's balance sheet, an investment in a subsidiary is stated at cost less impairment losses (see note 1(m)), unless it is acquired and held exclusively with a view to subsequent disposal in the near future or operates under severe long-term restrictions which significantly impair its ability to transfer funds to the Company, in which case, it is stated at fair value with changes in fair value recognised in the same manner as for non-trading securities.

**(d) Associates**

An associate is an entity in which the Group or Company has significant influence, but not control or joint control, over its management, including participation in the financial and operating policy decisions.

**財務報表附註****截至二零零四年三月三十一日止年度***(以港元計)***1. 主要會計政策 (續)****(c) 附屬公司及受控制企業 (續)**

如果少數股東應佔的虧損超過其所佔附屬公司資產淨值的權益，超額部分和任何歸屬於少數股東的進一步虧損便會沖減本集團所佔權益；但如少數股東須承擔具有約束力的義務並有能力彌補虧損則除外。附屬公司的所有其後溢利均會分配予本集團，直至本集團收回以往承擔的少數股東應佔虧損為止。

本公司資產負債表所示於附屬公司的投資，是按成本減去減值虧損(參閱附註1(m))後入賬。然而，如購入並持有這些投資的唯一目的是在短期內將之出售，或附屬公司是長期在嚴格限制條件下經營，以致其向本公司轉移資金的能力嚴重受損，則這些投資會按公平價值入賬。公平價值的變動在損益表確認的方法，與非交易證券相同。

**(d) 聯營公司**

聯營公司是指本集團或本公司可以對其管理層發揮重大影響的實體，包括參與其財務及經營決策，但不是控制或聯合控制管理層。

**NOTES ON THE FINANCIAL STATEMENTS**

**For the year ended 31st March, 2004**  
(Expressed in Hong Kong dollars)

**1. SIGNIFICANT ACCOUNTING POLICIES**  
(continued)

**(d) Associates (continued)**

An investment in an associate is accounted for in the consolidated financial statements under the equity method and is initially recorded at cost and adjusted thereafter for the post acquisition change in the Group's share of the associate's net assets, unless it is acquired and held exclusively with a view to subsequent disposal in the near future or operates under severe long-term restrictions that significantly impair its ability to transfer funds to the investor, in which case it is stated at fair value with changes in fair value recognised in the same manner as for non-trading securities. The consolidated income statement reflects the Group's share of the post-acquisition results of the associates for the year, including any amortisation of positive or negative goodwill charged or credited during the year in accordance with note 1(e). Where the Group's share of losses exceeds the carrying amount of the associate, the carrying amount is reduced to nil and recognition of further losses is discontinued except to the extent that the Group has incurred obligations in respect of the associate. Where the associate has a financial year end other than 31st March, its latest audited financial statements made up to 31st December are used for equity accounting purposes.

Unrealised profits and losses resulting from transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associate, except where unrealised losses provide evidence of an impairment of the asset transferred, in which case they are recognised immediately in the income statement.

**財務報表附註**

**截至二零零四年三月三十一日止年度**  
(以港元計)

**1. 主要會計政策 (續)**

**(d) 聯營公司 (續)**

於聯營公司的投資是按權益法記入綜合財務報表，並且先以成本入賬，然後就本集團佔該聯營公司淨資產在收購後的變動作出調整。然而，如購入並持有這些投資的唯一目的是在短期內將之出售，或聯營公司是長期在嚴格限制條件下經營，以致其向本集團轉移資金的能力嚴重受損，則這些投資會按公平價值入賬。公平價值的變動在綜合損益表確認的方法，與非交易證券相同。綜合損益表反映出年內本集團所佔聯營公司於收購後的業績，包括按照附註1(e)在本年度列支或計入的正商譽或負商譽的任何攤銷。當本集團對聯營公司虧損的承擔額超出本集團於該聯營公司的賬面金額時，賬面金額將會減至零，並且不再確認其他虧損；但如本集團須向該聯營公司承擔義務則除外。如聯營公司之會計年度不是截至三月三十一日，則聯營公司截至十二月三十一日之審計財務報表會用作權益會計法之用途。

本集團與各聯營公司之間交易所產生的未變現損益，均按本集團在聯營公司所佔之權益比率抵銷；但假如未變現虧損顯示已轉讓資產出現減值，則這些未變現虧損會即時在損益表內確認。

**NOTES ON THE FINANCIAL STATEMENTS****For the year ended 31st March, 2004***(Expressed in Hong Kong dollars)***1. SIGNIFICANT ACCOUNTING POLICIES  
(continued)****(d) Associates (continued)**

In the Company's balance sheet, an investment in an associate is stated at cost less impairment losses (see note 1(m)), unless it is acquired and held exclusively with a view to subsequent disposal in the near future or operates under severe long-term restrictions that significantly impair its ability to transfer funds to the investor, in which case, it is stated at fair value with changes in fair value recognised in the same manner as for non-trading securities.

**(e) Goodwill**

Positive goodwill arising on consolidation represents the excess of the cost of the acquisition over the Group's share of the fair value of the identifiable assets and liabilities acquired. In respect of controlled subsidiaries:

- for acquisitions before 1st April, 2001, positive goodwill is eliminated against reserves and is reduced by impairment losses (see note 1(m)); and
- for acquisitions on or after 1st April, 2001, positive goodwill is amortised to the consolidated income statement on a straight-line basis over its estimated useful life. Positive goodwill is stated in the consolidated balance sheet at cost less accumulated amortisation and impairment losses (see note 1(m)).

**財務報表附註****截至二零零四年三月三十一日止年度***(以港元計)***1. 主要會計政策 (續)****(d) 聯營公司 (續)**

本公司資產負債表所示於聯營公司的投資，是按成本減去減值虧損(參閱附註1(m))後入賬。然而，如購入並持有這些投資的唯一目的是在短期內將之出售，或聯營公司是長期在嚴格限制條件下經營，以致其向本集團轉移資金的能力嚴重受損，則這些投資會按公平價值入賬。公平價值的變動在損益表確認的方法，與非交易證券相同。

**(e) 商譽**

編製綜合財務報表時產生的正商譽是指投資成本超過本集團佔所收購可分資產與負債公平價值的數額。就受控制附屬公司而言：

- 對於在二零零一年四月一日之前作出的收購，正商譽與儲備抵銷，並且減去減值虧損(參閱附註1(m))之數；及
- 對於在二零零一年四月一日或之後作出的收購，正商譽是按其預計可用年限，以直線法在綜合損益表內攤銷。正商譽是以成本減去任何累計攤銷及減值虧損(參閱附註1(m))後，記入綜合資產負債表。

**NOTES ON THE FINANCIAL STATEMENTS****For the year ended 31st March, 2004***(Expressed in Hong Kong dollars)***1. SIGNIFICANT ACCOUNTING POLICIES  
(continued)****(e) Goodwill (continued)**

In respect of acquisitions of associates, positive goodwill is amortised to the consolidated income statement on a straight-line basis over its estimated useful life. The cost of positive goodwill less accumulated amortisation and impairment losses (see note 1(m)) is included in the carrying amount of the interest in associates.

Negative goodwill arising on acquisitions of controlled subsidiaries and associates represents the excess of the Group's share of the fair value of the identifiable assets and liabilities acquired over the cost of the acquisition.

To the extent that negative goodwill relates to an expectation of future losses and expenses that are identified in the plan of acquisition and can be measured reliably, but which have not yet been recognised, it is recognised in the consolidated income statement when the future losses and expenses are recognised. Any remaining negative goodwill, but not exceeding the fair values of the non-monetary assets acquired, is recognised in the consolidated income statement over the weighted average useful life of those non-monetary assets that are depreciable/amortisable. Negative goodwill in excess of the fair values of the non-monetary assets acquired is recognised immediately in the consolidated income statement.

**財務報表附註****截至二零零四年三月三十一日止年度***(以港元計)***1. 主要會計政策 (續)****(e) 商譽 (續)**

至於收購聯營公司方面，正商譽是按其預計可用年限，以直線法在綜合損益表內攤銷。正商譽是以成本減去累計攤銷及減值虧損(參閱附註1(m))後，計入購聯營公司權益中。

收購受控制附屬公司、聯營公司所產生的負商譽是指本集團佔所收購可分資產與負債公平價值超過投資成本的數額。

假如負商譽關乎已在收購計劃中確定及可以可靠地計算，但尚未確認的預計未來虧損及支出，便會在未來虧損和支出確認時，在綜合損益表內確認。任何尚餘的負商譽(但以所收購非貨幣資產公平價值為限)則按應計折舊／攤銷的非貨幣資產的加權平均可用年限，在綜合損益表內確認。然而，如尚餘的負商譽數額高於所收購非貨幣資產公平價值，這部份負商譽便會立即在綜合損益表內確認。

**NOTES ON THE FINANCIAL STATEMENTS****For the year ended 31st March, 2004***(Expressed in Hong Kong dollars)***1. SIGNIFICANT ACCOUNTING POLICIES**  
*(continued)***(e) Goodwill (continued)**

In respect of any negative goodwill not yet recognised in the consolidated income statement:

- for controlled subsidiaries, such negative goodwill is shown in the consolidated balance sheet as a deduction from assets in the same balance sheet classification as positive goodwill; and
- for associates, such negative goodwill is included in the carrying amount of the interest in associates.

On disposal of a controlled subsidiary or an associate during the year, any attributable amount of purchased goodwill which has previously been dealt with as a movement on Group reserves is included in the calculation of the profit or loss on disposal.

**(f) Non-trading securities**

The Group's and the Company's policies for investments in non-trading securities other than investments in subsidiaries and associates are as follows:

- (i) Non-trading securities are stated in the balance sheet at fair value. Changes in fair value are recognised in the investment revaluation reserve until the security is sold, collected, or otherwise disposed of, or until there is objective evidence that the security is impaired, at which time the relevant cumulative gain or loss is transferred from the investment revaluation reserve to the income statement.

**財務報表附註****截至二零零四年三月三十一日止年度***(以港元計)***1. 主要會計政策 (續)****(e) 商譽 (續)**

至於尚未在綜合損益表內確認的任何商譽：

- 如為受控制附屬公司，有關的負商譽會在綜合資產負債表內列示為資產的減項，與正商譽屬於同一個資產負債表類別；及
- 如為聯營公司，有關的負商譽會計入聯營公司權益中。

如於年內出售受控制附屬公司或聯營公司，以往作為集團儲備變動處理的應佔購入商譽的數額，均在計算出售的溢利或虧損時包括在內。

**(f) 非交易證券**

本集團及本公司就非交易證券(於附屬公司及聯營公司之投資除外)之政策如下：

- (i) 非交易證券是以公平值記入資產負債表內。公平價值之變動在投資重估儲備內確認，直至出售、收回或以其他方式處理證券，或是有客觀憑證顯示證券出現減值為止。當出現這些情況時，相關之累計盈虧會由投資重估儲備轉入損益表內。

**NOTES ON THE FINANCIAL STATEMENTS****For the year ended 31st March, 2004***(Expressed in Hong Kong dollars)***1. SIGNIFICANT ACCOUNTING POLICIES**  
*(continued)***(f) Non-trading securities (continued)**

(ii) Transfers from the investment revaluation reserve to the income statement as a result of impairments are reversed when the circumstances and events that led to the impairment cease to exist and there is persuasive evidence that the new circumstances and events will persist for the foreseeable future.

(iii) Profits or losses on disposal of investments in securities are determined as the difference between the estimated net disposal proceeds and the carrying amount of the investments and are accounted for in the income statement as they arise. The profit or loss includes any amount previously held in the investment revaluation reserve in respect of that security.

**(g) Other investments**

Other investments represent club debentures and are stated in the balance sheet at cost less provisions for diminution in value as determined by the directors.

**(h) Fixed assets**

(i) Fixed assets are carried in the balance sheets on the following bases:

- investment properties with an unexpired lease term of more than 20 years are stated in the balance sheet at their open market value which is assessed annually by external qualified valuers;
- land and buildings held for own use are stated in the balance sheet at cost or valuation less accumulated depreciation (see note 1(k)) and impairment losses (see note 1(m)).

**財務報表附註****截至二零零四年三月三十一日止年度***(以港元計)***1. 主要會計政策 (續)****(f) 非交易證券 (續)**

(ii) 在引致減值之情況及事項不再存在，並有具說服力之憑證顯示新之情況及事項將會在可預見之將來持續下去時，因減值而從投資重估儲備轉入損益表之數額便會撥回。

(iii) 出售證券投資之損益乃按估計出售所得淨額與投資賬面值之差額釐定，並在產生時記入損益表。損益包括之前就有關證券撥入投資重估儲備之任何數額。

**(g) 其他投資**

其他投資指會籍，乃按成本減去董事會決定之任何減值準備入賬。

**(h) 固定資產**

(i) 固定資產按下列基準列入資產負債表內：

- 剩餘租約年期超過二十年之投資物業按其公開市值列入資產負債表，公開市值乃由外聘的合資格估值師按年評估；
- 持作自用之土地及樓宇按成本或重估值減累計折舊(參閱附註1(k))及減值虧損(參閱附註1(m))列入資產負債表內。



**NOTES ON THE FINANCIAL STATEMENTS****For the year ended 31st March, 2004***(Expressed in Hong Kong dollars)***1. SIGNIFICANT ACCOUNTING POLICIES  
(continued)****(h) Fixed assets (continued)**

In preparing these financial statements, advantage has been taken of the transitional provisions set out in paragraph 80 of the Statement of Standard Accounting Practice 17 "Property, plant and equipment" issued by the Hong Kong Society of Accountants, with the effect that land and buildings have not been revalued to fair value at the balance sheet date. Such properties are stated at their carrying value and will not be revalued in future years; and

- plant, machinery and other fixed assets are stated in the balance sheet at cost less accumulated depreciation (see note 1(k)) and impairment losses (see note 1(m)).

**財務報表附註****截至二零零四年三月三十一日止年度***(以港元計)***1. 主要會計政策 (續)****(h) 固定資產 (續)**

於編製這份財務報表時，土地及樓宇利用香港會計師公會頒佈之會計實用準則第十七條「物業、廠房及機器」之八十段之過渡附例而並未於結算日重估至公平價值。那些物業是按賬面值記賬，而且並不會在未來年度作出評估；及

- 廠房、機器及其他固定資產按成本減累計折舊(參閱附註1(k))及減值虧損(參閱附註1(m))列入資產負債表內。

**NOTES ON THE FINANCIAL STATEMENTS****For the year ended 31st March, 2004***(Expressed in Hong Kong dollars)***1. SIGNIFICANT ACCOUNTING POLICIES  
(continued)****(h) Fixed assets (continued)**

(ii) Changes arising on the revaluation of investment properties and land and buildings held for own use are generally dealt with in reserves. The only exceptions are as follows:

- when a deficit arises on revaluation, it will be charged to the income statement, if and to the extent that it exceeds the amount held in the reserve in respect of that same asset, or solely in the case of investment properties, the portfolio of investment properties, immediately prior to the revaluation; and
- when a surplus arises on revaluation, it will be credited to the income statement, if and to the extent that a deficit on revaluation in respect of that same asset, or solely in the case of investment properties, the portfolio of investment properties, had previously been charged to the income statement.

**財務報表附註****截至二零零四年三月三十一日止年度***(以港元計)***1. 主要會計政策 (續)****(h) 固定資產 (續)**

(ii) 因重估投資物業及持作自用之土地及樓宇而出現之變動一般會在儲備中處理。唯一例外情況如下：

- 如果出現重估虧損，而且有關的虧損額超過就該項資產或只限於投資物業的投資物業組合在截至重估前計入儲備的數額，便會在損益表列支；及
- 如果以往曾將同一項資產或只限於投資物業組合的重估虧損在收益表列支，則在出現重估盈餘時，便會撥入損益表計算。

**NOTES ON THE FINANCIAL STATEMENTS****For the year ended 31st March, 2004***(Expressed in Hong Kong dollars)***1. SIGNIFICANT ACCOUNTING POLICIES***(continued)***(h) Fixed assets (continued)**

(iii) Subsequent expenditure relating to a fixed asset that has already been recognised is added to the carrying amount of the asset when it is probable that future economic benefits, in excess of the originally assessed standard of performance of the existing asset, will flow to the enterprise. All other subsequent expenditure is recognised as an expense in the period in which it is incurred.

(iv) Gains or losses arising from the retirement or disposal of a fixed asset are determined as the difference between the estimated net disposal proceeds and the carrying amount of the asset and are recognised in the income statement on the date of retirement or disposal. On disposal of an investment property, the related portion of surpluses or deficits previously taken to the investment properties revaluation reserve is also transferred to the income statement for the year. For all other fixed assets, any related revaluation surplus is transferred from the revaluation reserve to retained profits.

**(i) Construction in progress**

Construction in progress is stated at cost, including interest capitalised if appropriate, less provision as is considered necessary by the directors.

**(j) Intangible assets (other than goodwill)**

(i) Intangible assets that are acquired by the Group are stated in the balance sheet at cost less accumulated amortisation (see note 1(k)) and impairment losses (see note 1(m)).

**財務報表附註****截至二零零四年三月三十一日止年度***(以港元計)***1. 主要會計政策 (續)****(h) 固定資產 (續)**

(iii) 在超過現有資產原先評估的表現水平的未來經濟效益很可能流入企業時，與固定資產有關而且已獲確認的其後支出便會加入資產的賬面金額。其後之一切其他支出在產生之期間確認為支出。

(iv) 報廢或出售固定資產所產生的損益以估計出售所得淨額與資產的賬面金額之間的差額釐定，並於報廢或出售當日在損益表確認。出售投資物業時，早前記入投資物業重估儲備的有關盈餘或虧損部份亦會轉入該年度的損益表內。就所有其他固定資產而言，任何相關的重估盈餘會由重估儲備轉入保留溢利。

**(i) 在建工程**

在建工程均按成本，包括資本化之利息（如適用），減董事會認為必需之準備列賬。

**(j) 無形資產 (商譽除外)**

(i) 由本集團購入的無形資產按成本減去累計攤銷（參閱附註1(k)）及減值虧損（參閱附註1(m)）後列入資產負債表。

**NOTES ON THE FINANCIAL STATEMENTS****For the year ended 31st March, 2004***(Expressed in Hong Kong dollars)***1. SIGNIFICANT ACCOUNTING POLICIES  
(continued)****(j) Intangible assets (other than goodwill)  
(continued)**

- (ii) Subsequent expenditure on an intangible asset after its purchase or its completion is recognised as an expense when it is incurred unless it is probable that this expenditure will enable the asset to generate future economic benefits in excess of its originally assessed standard of performance and this expenditure can be measured and attributed to the asset reliably. If these conditions are met, the subsequent expenditure is added to the cost of the intangible asset.

**(k) Amortisation and depreciation**

- (i) No depreciation is provided on investment properties with an unexpired lease term of over 20 years or on freehold land.
- (ii) Depreciation is calculated to write off the cost or valuation of other fixed assets over their estimated useful lives as follows:
- leasehold land is depreciated on a straight-line basis over the remaining term of the lease;
  - land use rights are included under land and buildings and are amortised on a straight-line basis over a period of 50 years;
  - buildings are depreciated on a straight-line basis over their estimated useful lives of 10 to 40 years; and

**財務報表附註****截至二零零四年三月三十一日止年度***(以港元計)***1. 主要會計政策 (續)****(j) 無形資產(商譽除外) (續)**

- (ii) 在購入或完成無形資產後出現的其後開支均在產生時確認為支出；但如這些開支很可能令資產所產生的未來經濟效益超過原先評估的表現水平，而且開支的數額可以可靠地計算並歸屬於某項資產則除外。假如符合上述條件，其後開支會計入無形資產的成本。

**(k) 攤銷與折舊**

- (i) 剩餘租約年期超過二十年之投資物業或永久業權之土地不計提任何折舊。
- (ii) 其他固定資產之折舊乃按其估計可使用年期沖銷其成本或估值，計算方法如下：
- 租賃土地按租賃尚餘年期以直線法計算折舊；
  - 包括於土地及樓宇內之土地使用權乃按五十年期限以直線法攤銷；
  - 樓宇乃按照其估計可用年期(即十年至四十年不等)以直線法計算折舊；及

**NOTES ON THE FINANCIAL STATEMENTS****For the year ended 31st March, 2004***(Expressed in Hong Kong dollars)***1. SIGNIFICANT ACCOUNTING POLICIES***(continued)***(k) Amortisation and depreciation***(continued)*

- other fixed assets are depreciated on a straight-line basis over the estimated useful lives as follows:

Plant and machinery  
2.5% to 25% per annum

Other fixed assets  
20% to 30% per annum

- (iii) Amortisation of intangible asset is charged to the income statement on a straight-line basis over its estimated useful lives of 3 years.

**(l) Leased assets**

Leases of assets under which the lessor has not transferred all the risks and benefits of ownership are classified as operating leases.

- (i) *Assets held for use in operating leases*  
Where the Group leases out assets under operating leases, the assets are included in the balance sheet according to their nature and, where applicable, are depreciated in accordance with the Group's depreciation policies, as set out in note 1(k) above. Impairment losses are accounted for in accordance with the accounting policy as set out in note 1(m). Revenue arising from operating leases is recognised in accordance with the Group's revenue recognition policies, as set out in note 1(n)(ii) below.

**財務報表附註****截至二零零四年三月三十一日止年度***(以港元計)***1. 主要會計政策 (續)****(k) 攤銷與折舊 (續)**

- 其他固定資產之折舊，均按其估計可使用年期以直線法之基準計算折舊，折舊率如下：

廠房及機器  
每年2.5%至25%

其他固定資產  
每年20%至30%

- (iii) 無形資產的攤銷是按預計可用三年年限以直線法在損益表列支。

**(l) 租賃資產**

租賃人並無將資產擁有權之全部風險及利益轉讓之租賃乃列為經營租賃。

- (i) *可作經營租賃之資產*  
倘本集團根據經營租約租出資產，則資產會按其性質列入資產負債表，並在適用情況下，根據本集團之折舊政策(如上文附註1(k)所列)計算折舊。減值虧損按照附註1(m)所述的會計政策入賬。經營租賃所產生之收入則根據本集團之確認收入政策(如下文附註1(n)(ii)所列)予以確認。

**NOTES ON THE FINANCIAL STATEMENTS****For the year ended 31st March, 2004***(Expressed in Hong Kong dollars)***1. SIGNIFICANT ACCOUNTING POLICIES  
(continued)****(l) Leased assets (continued)***(ii) Operating lease charges*

Where the Group has the use of assets under operating leases, payments made under the leases are charged to the income statement in equal instalments over the accounting periods covered by the lease term, except where an alternative basis is more representative of the pattern of benefits to be derived from the leased asset. Lease incentives received are recognised in the income statement as an integral part of the aggregate net lease payments made. Contingent rentals are charged to the income statement in the accounting period in which they are incurred.

**(m) Impairment of assets**

Internal and external sources of information are reviewed at each balance sheet date to identify indications that the following assets may be impaired or an impairment loss previously recognised no longer exists or may have decreased:

- fixed assets (other than properties carried at revalued amounts);
- investments in subsidiaries and associates (except for those accounted for at fair value under notes 1(c) and (d));
- positive goodwill (whether taken initially to reserves or recognised as an asset); and
- intangible assets.

**財務報表附註****截至二零零四年三月三十一日止年度***(以港元計)***1. 主要會計政策 (續)****(l) 租賃資產 (續)***(ii) 經營租賃支出*

如屬本集團透過經營租賃使用資產的情況，則根據租賃作出的付款會在租賃期所涵蓋的會計期間內，以等額在損益表扣除；但如有其他基準能更清楚地反映租賃資產所產生的收益模式則除外。經營租賃協議所涉及的激勵措施均在損益表中確認為租賃淨付款總額的組成部份。或有租金在其產生的會計期間內在損益表扣除。

**(m) 資產減值**

董事在每個結算日審閱內部和外來的信息，以確定下列資產有否出現減值跡象，或是以往確認的減值虧損不復存在或以經減少。

- 固定資產 (按重估數額列賬的物業除外)；
- 於附屬公司及聯營公司的投資 (根據附註1(c)及(d)所述，按公允價值列賬者除外)；
- 正商譽 (不論是在產生時與儲備抵銷或確認為資產)；及
- 無形資產



**NOTES ON THE FINANCIAL STATEMENTS****For the year ended 31st March, 2004***(Expressed in Hong Kong dollars)***1. SIGNIFICANT ACCOUNTING POLICIES**  
*(continued)***(m) Impairment of assets (continued)**

If any such indication exists, the asset's recoverable amount is estimated. For goodwill that is amortised over 20 years from initial recognition, the recoverable amount is estimated at each balance sheet date. An impairment loss is recognised in the income statement whenever the carrying amount of such an asset (including positive goodwill taken directly to reserves) exceeds its recoverable amount.

*(i) Calculation of recoverable amount*

The recoverable amount of an asset is the greater of its net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of time value of money and the risks specific to the asset. Where an asset does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the smallest group of assets that generates cash inflows independently (i.e. a cash-generating unit).

**財務報表附註****截至二零零四年三月三十一日止年度***(以港元計)***1. 主要會計政策 (續)****(m) 資產減值 (續)**

如果出現減值跡象，資產的可收回數額便會作估計。對於由最初獲確認時起計按二十年以上攤銷的商譽，均會在每個結算日評估其可收回數額。當資產(包括已直接撥入儲值的正商譽)的賬面金額高於可收回數額時，便會在損益表確認減值虧損。

*(i) 計算可收回數額*

資產的可收回數額以其銷售淨價和使用價值兩者中的較高數額為準。在評估使用價值時，會使用除稅前折讓率將估計未來現金流量折讓至現值。該折讓率應是反映市場當時所評估的貨幣時間價值和該資產的獨有風險。如果資產所產生的現金流入基本上不獨立於其他資產所產生的現金流入，則以能獨立產生現金流入的最小資產類別(即現金產生單位)來釐定可收回數額。

**NOTES ON THE FINANCIAL STATEMENTS****For the year ended 31st March, 2004***(Expressed in Hong Kong dollars)***1. SIGNIFICANT ACCOUNTING POLICIES***(continued)**(ii) Reversals of impairment losses*

In respect of assets other than goodwill, an impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss in respect of goodwill is reversed only if the loss was caused by a specific external event of an exceptional nature that is not expected to recur, and the increase in recoverable amount relates clearly to the reversal of the effect of that specific event.

A reversal of impairment losses is limited to the asset's carrying amount that would have been determined had no impairment loss been recognised in prior years. Reversals of impairment losses are credited to the income statement in the year in which the reversals are recognised.

**(n) Revenue recognition**

Provided it is probable that the economic benefits will flow to the Group and the revenue and costs, if applicable, can be measured reliably, revenue is recognised in the income statement as follows:

*(i) Sale of goods*

Revenue is recognised when goods are delivered at the customers' premises which is taken to be the point in time when the customer has accepted the goods and the related risks and rewards of ownership. Revenue excludes value added or other sales taxes and is after deduction of any trade discounts.

**財務報表附註****截至二零零四年三月三十一日止年度***(以港元計)***1. 主要會計政策 (續)***(ii) 減值虧損轉回*

倘若用以釐定可收回數額的估計發生有利的變化，便會將資產減值虧損轉回；但商譽除外。至於商譽的減值虧損，倘若虧損是由性質獨特及預計不會再出現的特殊外界因素所造成，而且可收回數額的增加明顯是與該特殊因素轉固有關，才會將減值虧損轉回。

所轉回的減值虧損以假設沒有在往年確認減值虧而應已釐定的資產賬面金額為限。所轉回的減值虧損在確認轉回的年度內計入損益表。

**(n) 收入確認**

收入是在經濟效益可能會流入本集團，以及能夠可靠地計算收入和成本(如適用)時，根據下列方法在損益表內確認：

*(i) 貨品銷售*

收入在貨品送達客戶場地，而且客戶接收貨品及其他有權相關的風險及回報時確認。收入不包括增值稅及其他銷售稅，並已扣除任何營業折扣。

**NOTES ON THE FINANCIAL STATEMENTS****For the year ended 31st March, 2004***(Expressed in Hong Kong dollars)***1. SIGNIFICANT ACCOUNTING POLICIES  
(continued)****(n) Revenue recognition (continued)***(ii) Rental income from operating leases*

Rental income receivable under operating leases is recognised in the income statement in equal instalments over the accounting periods covered by the lease term, except where an alternative basis is more representative of the pattern of benefits to be derived from the leased asset. Lease incentives granted are recognised in the income statement as an integral part of the aggregate net lease payments receivable. Contingent rentals are recognised as income in the accounting period in which they are earned.

*(iii) Dividends*

Dividend income from unlisted investments is recognised when the shareholder's right to receive payment is established. This is taken to be, for interim dividends, when the directors of the investee companies declare such dividends and for final dividends, when the shareholders of the investee companies at the general meeting approve the dividends proposed by the directors.

Dividend income from listed investments is recognised when the share price of the investment goes ex-dividend.

*(iv) Interest income*

Interest income from bank deposits is accrued on a time-apportioned basis by reference to the principal outstanding and the rate applicable.

**財務報表附註****截至二零零四年三月三十一日止年度***(以港元計)***1. 主要會計政策 (續)****(n) 收入確認 (續)***(ii) 經營租賃之租金收入*

經營租賃之應收租金收入在租賃期所涵蓋的會計期間內，以等額在損益表確認；但如有其他基準能更清楚地反映租賃資產所產生的收益模式則除外。經營租賃協議所涉及的激勵措施均在損益表中確認應收租賃淨付款總額的組成部份。或有租金在其產生的會計期間內確認為收入。

*(iii) 股息*

非上市投資之股息收入在股東收取股息之權利被確認時入賬確認。就中期股息而言，當該項投資之董事會宣派股息之時入賬確認；而就末期股息而言，則在該項投資之股東在股東週年大會上批准由董事會建議派發股息時入賬確認。

上市投資之股息收入在有關投資股份之價格除息時入賬確認。

*(iv) 利息收入*

銀行存款之利息收入根據時間比例基準，按銀行存款金額及適用利率計算並入賬確認。

**NOTES ON THE FINANCIAL STATEMENTS****For the year ended 31st March, 2004***(Expressed in Hong Kong dollars)***1. SIGNIFICANT ACCOUNTING POLICIES  
(continued)****(n) Revenue recognition (continued)***(v) Government grants*

Government grants are recognised in the balance sheet initially as deferred income when there is reasonable assurance that they will be received and that the Group will comply with the conditions attaching to them. Grants that compensate the Group for expenses incurred are recognised as revenue in the income statement on a systematic basis in the same periods in which the expenses are incurred. Grants that compensate the Group for the cost of an asset are recognised in the income statement as revenue on a systematic basis over the useful life of the asset.

**(o) Inventories**

Inventories are carried at the lower of cost and net realisable value.

Cost is calculated using the weighted average cost formula and comprises all costs of purchase, costs of conversion and other costs incurred directly in bringing the inventories to their present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

When inventories are sold, the carrying amount of those inventories is recognised as an expense in the period in which the related revenue is recognised. The amount of any write-down of inventories to net realisable value and all losses of inventories are recognised as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories, arising from an increase in net realisable value, is recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

**財務報表附註****截至二零零四年三月三十一日止年度***(以港元計)***1. 主要會計政策 (續)****(n) 收入確認 (續)***(v) 政府補貼*

當可以合理確定本集團將會收到政府補助並會履行該補助的附帶條件時，便會初次在資產負債表將政府補助確認為遞延收入。用於彌補本集團已產生開支的補助，會在開支產生的期間有系統地在損益表確認為收入。用於彌補本集團資產成本的補助，則按該資產的可用年限有系統地在損益表確認為收入。

**(o) 存貨**

存貨乃以成本或可變現淨值兩者中之較低數額入賬。

成本以加權平均成本法計算，其中包括所有採購成本、加工成本以及令存貨變成現狀和運輸之成本。

可變現淨值為正常業務之預期售價減去完成生產及銷售所需之估計成本後所得之數。

所出售存貨的賬面值在相關收入確認期間內確認為支出。存貨撇減至可變現淨值及所有存貨虧損會確認為減值或虧損期間之支出。因可變現淨值增加而需逆轉之任何存貨減值會扣減逆轉發生期間所確認之存貨成本。

**NOTES ON THE FINANCIAL STATEMENTS****For the year ended 31st March, 2004***(Expressed in Hong Kong dollars)***1. SIGNIFICANT ACCOUNTING POLICIES  
(continued)****(p) Quota**

Cost of acquisition of permanent quota is amortised on a straight-line basis over a period of three to five years.

Income and expenses on temporary transfers of quota are dealt with in the income statement as they arise.

**(q) Income tax**

(i) Income tax for the year comprises current tax and movements in deferred tax assets and liabilities. Current tax and movements in deferred tax assets and liabilities are recognised in the income statement except to the extent that they relate to items recognised directly in equity, in which case they are recognised in equity.

(ii) Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

(iii) Deferred tax assets and liabilities arise from deductible and taxable temporary differences respectively, being the differences between the carrying amounts of assets and liabilities for financial reporting purposes and their tax bases. Deferred tax assets also arise from unused tax losses and unused tax credits.

**財務報表附註****截至二零零四年三月三十一日止年度***(以港元計)***1. 主要會計政策 (續)****(p) 配額**

購入永久配額之成本以直線法於三至五年內攤銷。

暫時轉讓配額之收入及開支於產生時計入損益表。

**(q) 所得稅**

(i) 本年度所得稅包括本期所得稅及遞延所得稅資產和負債的變動。本期所得稅及遞延所得稅資產和負債的變動均在損益表內確認，但與直接確認為股東權益項目相關的，則確認為股東權益。

(ii) 本期所得稅是按本年度應稅收入根據已執行或在結算日實質上已執行的稅率計算的預期應付稅項，加上以往年度應付稅項的任何調整。

(iii) 遞延所得稅資產和負債分別由可抵扣和應稅暫時差異產生。暫時差異是指資產和負債在財務報表上的賬面金額與這些資產和負債的計稅基礎的差異。遞延所得稅資產也可以由未利用可抵扣虧損和未利用稅款抵減產生。

**NOTES ON THE FINANCIAL STATEMENTS****For the year ended 31st March, 2004***(Expressed in Hong Kong dollars)***1. SIGNIFICANT ACCOUNTING POLICIES  
(continued)****(q) Income tax (continued)**

Apart from certain limited exceptions, all deferred tax liabilities and all deferred tax assets, to the extent that it is probable that future taxable profits will be available against which the asset can be utilised, are recognised. Future taxable profits that may support the recognition of deferred tax assets arising from deductible temporary differences include those that will arise from the reversal of existing taxable temporary differences, provided those differences relate to the same taxation authority and the same taxable entity, and are expected to reverse either in the same period as the expected reversal of the deductible temporary difference or in periods into which a tax loss arising from the deferred tax asset can be carried back or forward. The same criteria are adopted when determining whether existing taxable temporary differences support the recognition of deferred tax assets arising from unused tax losses and credits, that is, those differences are taken into account if they relate to the same taxation authority and the same taxable entity, and are expected to reverse in a period, or periods, in which the tax loss or credit can be utilised.

**財務報表附註****截至二零零四年三月三十一日止年度***(以港元計)***1. 主要會計政策 (續)****(q) 所得稅 (續)**

除了某些有限的例外情況外，所有遞延所得稅負債和遞延所得稅資產(只限於很可能獲得能利用該遞延所得稅資產來抵扣的未來應稅溢利)都會確認。支持確認由可抵扣暫時差異所產生遞延所得稅資產的未來應稅溢利包括因轉回目前存在的應稅暫時差異而產生的數額；但這些轉回的差異必須與同一稅務機關及同一應稅實體有關，並預期在可抵扣暫時差異預計轉回的同一年間或遞延所得稅資產所產生可抵扣虧損可向後期或向前期結轉的期間內轉回。在決定目前存在的應稅暫時差異是否足以支持確認由未利用可抵扣虧損和稅款抵減所產生的遞延所得稅資產時，亦會採用同一準則，即差異是否與同一稅務機關及同一應稅實體有關，並是否預期在能使用未利用可抵扣虧損和稅款抵減撥回的同一年間內轉回。



**NOTES ON THE FINANCIAL STATEMENTS****For the year ended 31st March, 2004***(Expressed in Hong Kong dollars)***1. SIGNIFICANT ACCOUNTING POLICIES  
(continued)****(q) Income tax (continued)**

The limited exceptions to recognition of deferred tax assets and liabilities are those temporary differences arising from goodwill not deductible for tax purposes, negative goodwill treated as deferred income, the initial recognition of assets or liabilities that affect neither accounting nor taxable profit (provided they are not part of a business combination), and temporary differences relating to investments in subsidiaries to the extent that, in the case of taxable differences, the Group controls the timing of the reversal and it is probable that the differences will not reverse in the foreseeable future, or in the case of deductible differences, unless it is probable that they will reverse in the future.

The amount of deferred tax recognised is measured based on the expected manner of realisation or settlement of the carrying amount of the assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date. Deferred tax assets and liabilities are not discounted.

The carrying amount of a deferred tax asset is reviewed at each balance sheet date and is reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow the related tax benefit to be utilised. Any such reduction is reversed to the extent that it becomes probable that sufficient taxable profits will be available.

**財務報表附註****截至二零零四年三月三十一日止年度***(以港元計)***1. 主要會計政策 (續)****(q) 所得稅 (續)**

不確認為遞延所得稅資產和負債的暫時差異是產生自以下有限的例外情況：不可在稅務方面獲得扣減的商譽；作為遞延收入處理的負商譽；不影響會計或應稅溢利的資產或負債的初始確認(如屬業務合併的一部分則除外)；以及投資附屬公司(如屬應稅差異，只限於本集團可以控制轉回的時間，而且在可預見的將來不大可能轉回的暫時差異；或如屬可抵扣差異，則只限於很可能在將來轉回的差異)。

遞延所得稅額是按照資產和負債賬面金額的預期實現或清償方式，根據已執行或在結算日實質上已執行的稅率計量。遞延所得稅資產和負債均不貼現計算。

本集團會在每個結算日評估遞延所得稅資產的賬面金額。如果本集團預期不再可能獲得足夠的應稅溢利以抵扣相關的稅務利益，該遞延所得稅資產的賬面金額便會調低；但是如果日後又可能獲得足夠的應稅溢利，有關減額便會轉回。

## NOTES ON THE FINANCIAL STATEMENTS

For the year ended 31st March, 2004

(Expressed in Hong Kong dollars)

### 1. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### (q) Income tax (continued)

Additional income taxes that arise from the distribution of dividends are recognised when the liability to pay the related dividends is recognised.

(iv) Current tax balances and deferred tax balances, and movements therein, are presented separately from each other and are not offset. Current tax assets are offset against current tax liabilities, and deferred tax assets against deferred tax liabilities if, and only if, the Company or the Group has the legally enforceable right to set off current tax assets against current tax liabilities and the following additional conditions are met:

- in the case of current tax assets and liabilities, the Company or the Group intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously; or
- in the case of deferred tax assets and liabilities, if they relate to income taxes levied by the same taxation authority on either:
  - the same taxable entity; or
  - different taxable entities, which, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered, intend to realise the current tax assets and settle the current tax liabilities on a net basis or realise and settle simultaneously.

## 財務報表附註

截至二零零四年三月三十一日止年度

(以港元計)

### 1. 主要會計政策 (續)

#### (q) 所得稅 (續)

因分派股息而額外產生的所得稅是在支付相關股息的責任確立時確認。

(iv) 本期和遞延所得稅結餘及其變動額會分開列示，並且不予抵銷。本期和遞延所得稅資產只會在本公司或本集團有法定行使權以本期所得稅資產抵銷本期所得稅負債，並且符合以下附帶條件的情況下，才可以分別抵銷本期和遞延所得稅負債：

- 本期所得稅資產和負債：本公司或本集團計劃按淨額基準結算，或同時變現該資產和清償該負債；或
- 遞延所得稅資產和負債：這些資產和負債必須與同一稅務機關就以下其中一項徵收的所得稅有關：
  - 同一應稅實體；或
  - 不同的應稅實體。這些實體計劃在日後每個預計有大額遞延所得稅負債需要清償或大額遞延所得稅資產可以收回的期間，按淨額基準實現本期所得稅資產和清償本期所得稅負債，或同時變現該資產和清償該負債。

**NOTES ON THE FINANCIAL STATEMENTS****For the year ended 31st March, 2004***(Expressed in Hong Kong dollars)***1. SIGNIFICANT ACCOUNTING POLICIES  
(continued)****(r) Translation of foreign currencies**

Foreign currency transactions during the year are translated into Hong Kong dollars at the exchange rates ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated into Hong Kong dollars at the exchange rates ruling at the balance sheet date. Foreign currency assets, being equity investments or other long-term non-monetary assets, the holding or the use or the subsequent disposal of which will generate receipts in a foreign currency, hedged by foreign currency borrowings, are translated into Hong Kong dollars at the exchange rates ruling at the balance sheet date.

Exchange gains and losses are dealt with in the income statement, except those arising from the translation at closing rates of foreign currency assets hedged by foreign currency borrowings, and the gains and losses on those foreign currency borrowings (to the extent of exchange differences arising on the foreign currency assets), which are taken directly to reserves.

The results of foreign enterprises are translated into Hong Kong dollars at the average exchange rates for the year; balance sheet items are translated into Hong Kong dollars at the rates of exchange ruling at the balance sheet date. The resulting exchange differences are dealt with as a movement in reserves.

On disposal of a foreign enterprise, the cumulative amount of the exchange differences which relate to that foreign enterprise is included in the calculation of the profit or loss on disposal.

**財務報表附註****截至二零零四年三月三十一日止年度***(以港元計)***1. 主要會計政策 (續)****(r) 外幣換算**

年度內的外幣交易按交易日的匯率換算為港幣。以外幣為單位的貨幣資產及負債則按結算日的匯率換算為港幣。以外幣借款作出對沖的外幣資產(即會在持有或使用或日後出售時產生外幣收益的股本投資或其他長期非貨幣資產)均按結算日的匯率換算為港幣。

匯兌盈虧撥入損益表處理，但以外幣借款作出對沖的外幣資產按收市匯率換算及有關外幣借款所產生的匯兌盈虧(以外幣資產所產生的匯兌差額為限)，則直接撥入儲備。

海外企業的業績按年內的平均匯率換算為港幣；資產負債表項目則按結算日的匯率換算為港幣。所產生的匯兌差額作為儲備變動處理。

在出售海外企業時，與該海外企業有關的累計匯兌差額會在計算出售的溢利或虧損時包括在內。

**NOTES ON THE FINANCIAL STATEMENTS****For the year ended 31st March, 2004***(Expressed in Hong Kong dollars)***1. SIGNIFICANT ACCOUNTING POLICIES  
(continued)****(s) Pre-operating costs**

Pre-operating costs are written off in the income statement when incurred.

**(t) Borrowing costs**

Borrowing costs are expensed in the income statement in the period in which they are incurred, except to the extent that they are capitalised as being directly attributable to the acquisition, construction or production of an asset which necessarily takes a substantial period of time to get ready for its intended use or sale.

The capitalisation of borrowing costs as part of the cost of a qualifying asset commences when expenditure for the asset is being incurred, borrowing costs are being incurred and activities that are necessary to prepare the asset for its intended use or sale are in progress. Capitalisation of borrowing costs is suspended or ceases when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are interrupted or complete.

**(u) Cash equivalents**

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other financial institutions, and short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, having been within three months of maturity at acquisition. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are also included as a component of cash and cash equivalents for the purpose of the consolidated cash flow statement.

**財務報表附註****截至二零零四年三月三十一日止年度***(以港元計)***1. 主要會計政策 (續)****(s) 經營前開支**

經營前開支於發生時沖銷至損益表。

**(t) 借貸成本**

除直接用作收購、建設或生產而需要相當長時間才可以投入原定用途或銷售的資產的借貸成本予以資本化外，借貸成本均在產生的期間內在損益表列支。

屬於合資格資產成本一部分的借貸成本在資產產生開支、借貸成本產生及使資產投入原定用途或銷售所必須的準備工作進行期間開始資本化。在使合資格資產投入原定用途或銷售所必須的絕大部分準備工作中止或完成時，借貸成本便會暫停或停止資本化。

**(u) 現金等價物**

現金及現金等價物包含銀行存款及現金、存放於銀行和其他財務機構的活期存款，以及短期和流動性極高的投資項目。這些項目可以容易地換算為已知的現金數額、所須承受的價值變動風險甚小，並在購入後三個月內到期。就編製現金流量表而言，現金及現金等價物也包括須於接獲通知時償還，並構成本集團現金管理一部分的銀行透支。

**NOTES ON THE FINANCIAL STATEMENTS****For the year ended 31st March, 2004***(Expressed in Hong Kong dollars)***1. SIGNIFICANT ACCOUNTING POLICIES  
(continued)****(v) Employee benefits**

- (i) Salaries, annual bonuses, paid annual leave, leave passage and the cost to the Group of non-monetary benefits are accrued in the year in which the associated services are rendered by employees of the Group. Where payment or settlement is deferred and the effect would be material, these amounts are stated at their present values.
- (ii) Contributions to Mandatory Provident Funds as required under the Hong Kong Mandatory Provident Fund Schemes Ordinance and other defined contribution schemes in which the Group participates, are recognised as an expense in the income statement as incurred. Particulars of the retirement schemes in which the Group participates are set out in note 13 on the financial statements.
- (iii) Subsidiaries incorporated in the People's Republic of China (the "PRC") participate in retirement schemes operated by the local authorities for employees in the PRC. Contributions to these schemes are charged to the income statement when incurred.

**(w) Provisions and contingent liabilities**

Provisions are recognised for liabilities of uncertain timing or amount when the Company or Group has a legal or constructive obligation arising as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made.

**財務報表附註****截至二零零四年三月三十一日止年度***(以港元計)***1. 主要會計政策 (續)****(v) 僱員福利**

- (i) 薪金、年度獎金、有薪年假、假期旅遊津貼及各項非貨幣福利令本集團產生的成本，均在本集團僱員提供相關服務的年度內累計。如延遲付款或結算會構成重大的貨幣時間價值，則上述數額須按現值列賬。
- (ii) 根據香港《強制性公積金計劃條例》及既定供款計劃的規定作出的強制性公積金供款，均於產生時在損益表列支；退休金計劃詳情載於財務報表附註13。
- (iii) 設於中國的附屬公司給予僱員參與當地機構管理的退休計劃，該等計劃的供款於發生時記入損益表。

**(w) 準備及或有負債**

倘若本公司或本集團須就已發生的事件承擔法律或推定義務，而履行該義務預期會導致含有經濟效益的資源外流，並可作出可靠的估計，便會就該時間或數額不定的負債計提準備。如果貨幣時間價值重大，則按預計履行義務所需資源的現值計列準備。



**NOTES ON THE FINANCIAL STATEMENTS****For the year ended 31st March, 2004***(Expressed in Hong Kong dollars)***1. SIGNIFICANT ACCOUNTING POLICIES  
(continued)****(w) Provisions and contingent liabilities  
(continued)**

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

**(x) Related parties**

For the purposes of these financial statements, parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

**(y) Segment reporting**

A segment is a distinguishable component of the Group that is engaged either in providing products or services (business segment), or in providing products or services within a particular economic environment (geographical segment), which is subject to risks and rewards that are different from those of other segments.

In accordance with the Group's internal financial reporting system, the Group has chosen business segment information as the primary reporting format and geographical segment information as the secondary reporting format for the purposes of these financial statements.

**財務報表附註****截至二零零四年三月三十一日止年度***(以港元計)***1. 主要會計政策 (續)****(w) 準備及或有負債 (續)**

倘若含有經濟效益的資源外流的可能性較低，或是無法對有關數額作出可靠的估計，便會將該義務披露為或有負債；但假如這類資源外流的可能性極低則除外。須視乎某宗或多宗未來事件是否發生才能確定存在與否的潛在義務，亦會披露為或有負債；但假如這類資源外流的可能性極低則除外。

**(x) 關連人士**

就本財務報表而言，如果本集團能夠直接或間接監控另一方人士或對另一方人士之財務及經營決策發揮重大之影響力，或另一方人士能夠直接或間接監控本集團或對本集團之財務及經營決策發揮重大之影響力，或本集團與另一方人士均受制於共同之監控或共同之重大影響下，有關人士即被視為本集團的關連人士。關連人士可以是個別人士或其他實體。

**(y) 分部報告**

分部是指本集團內可明顯區分的組成部分，並且負責提供單項或一組相關的產品或服務(業務分部)，或在一個特定的經濟環境中提供產品或服務(地區分部)，並且承擔着不同於其他分部的風險和回報。

按照本集團的內部財務報告模式，本集團已就本財務報表選擇以地區分部為報告分部信息的主要形式，而業務分部則是次要的分部報告形式。



**NOTES ON THE FINANCIAL STATEMENTS****For the year ended 31st March, 2004***(Expressed in Hong Kong dollars)***1. SIGNIFICANT ACCOUNTING POLICIES  
(continued)****(y) Segment reporting (continued)**

Segment revenue, expenses, results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis to that segment. For example, segment assets may include inventories, trade receivables and fixed assets. Segment revenue, expenses, assets, and liabilities are determined before intra-group balances and intra-group transactions are eliminated as part of the consolidation process, except to the extent that such intra-group balances and transactions are between group enterprises within a single segment. Inter-segment pricing is based on similar terms as those available to other external parties.

Segment capital expenditure is the total cost incurred during the period to acquire segment assets (both tangible and intangible) that are expected to be used for more than one period.

Unallocated items mainly comprise financial and corporate assets and minority interests.

**財務報表附註****截至二零零四年三月三十一日止年度***(以港元計)***1. 主要會計政策 (續)****(y) 分部報告 (續)**

分部收入、支出、經營成果、資產及負債包含直接歸屬某一分部，以及可按合理的基準分配至該分部的項目的數額。例如，分部資產可能包括存貨、應收賬款及固定資產。分部收入、支出、資產及負債包含須在編製綜合財務報表時抵銷的集團內部往來的餘額和集團內部交易；但同屬一個分部的集團企業之間的集團內部往來的餘額和交易除外。分部之間的轉移事項定價按與其他外界人士相若的條款計算。

分部資本開支是指在期內購入預計可於超過一個會計期間使用的分部資產(包括有形和無形資產)所產生的成本總額。

未能分配至分部的項目主要包括財務及企業資產及少數股東權益。

## NOTES ON THE FINANCIAL STATEMENTS

For the year ended 31st March, 2004

(Expressed in Hong Kong dollars)

## 2. TURNOVER

The principal activities of the Company are the manufacture and sale of garments and rental of properties. The principal activities and other particulars of the subsidiaries are set out on pages 126 to 128. Starting from 1st April, 2003, the principal activities of the Group also include the manufacture and sale of textiles and the provision of processing services.

Turnover represents the sales value of goods supplied to customers, fee income from processing services and rental income from external customers, including associates, and is analysed as follows:

## 財務報表附註

截至二零零四年三月三十一日止年度

(以港元計)

## 2. 營業額

本公司之主要業務是製造及銷售成衣和物業租賃。附屬公司之主要業務及其他資料詳載於第126頁至128頁。自二零零三年四月一日起，主要業務亦包括製造及銷售紡織品及提供加工服務收入。

營業額為供應給客戶(包括聯營公司)貨品的銷售價值、加入服務收入及租金收入，並分析如下：

		2004	2003 (restated) (重列)
		\$'000 千元	\$'000 千元
Manufacture and sale of garments	製造及銷售成衣	1,311,181	1,216,831
Manufacture and sale of textiles	製造及銷售紡織品	129,574	17,483
Processing services	加工服務收入	48,566	-
Property rental	物業租賃	4,167	4,049
		<b>1,493,488</b>	<b>1,238,363</b>

## NOTES ON THE FINANCIAL STATEMENTS

For the year ended 31st March, 2004

(Expressed in Hong Kong dollars)

## 財務報表附註

截至二零零四年三月三十一日止年度

(以港元計)

## 3. OTHER REVENUE AND NET INCOME

## 3. 其他收入及收益淨額

		2004 \$'000 千元	2003 \$'000 千元
<b>Other revenue</b>	<b>其他收入</b>		
Commission income	佣金收入	-	5,228
Tax refund of an associate upon reinvestment of dividend income	退回聯營公司利潤再投資的稅項	<b>2,595</b>	3,180
Dividend income from unlisted equity securities	非上市股本證券之股息收入	<b>388</b>	350
Interest income	利息收入	<b>264</b>	195
Management fee income	管理費用收入	<b>804</b>	804
Sundry income	其他收入	<b>6,547</b>	4,324
		<b>10,598</b>	14,081
<b>Other net income</b>	<b>其他收入淨額</b>		
Gain on disposal of quota	出售配額收益	<b>15,535</b>	18,565
Gain/(loss) on disposal of subsidiaries	出售附屬公司收益／(虧損)	<b>672</b>	(712)
Gain on deconsolidation of subsidiaries in liquidation	不再綜合計算在清盤中之附屬公司收益	-	6,082
Net exchange gain	匯兌淨收益	<b>7,138</b>	3,888
Profit on sale of raw materials	銷售原材料溢利	<b>1,185</b>	1,705
Gain on disposal of land	出售土地收益	-	247
Gain/(loss) on disposal of other fixed assets	出售其他固定資產收益／(虧損)	<b>792</b>	(768)
Net claims paid	賠償淨支出	<b>(1,120)</b>	(5,546)
Net realised losses on disposal of non-trading securities	出售非交易證券已確認淨虧損	-	(190)
Others	其他	<b>2,407</b>	2,989
		<b>26,609</b>	26,260

## NOTES ON THE FINANCIAL STATEMENTS

For the year ended 31st March, 2004

(Expressed in Hong Kong dollars)

4. PROFIT FROM ORDINARY  
ACTIVITIES BEFORE TAXATION

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

## 財務報表附註

截至二零零四年三月三十一日止年度

(以港元計)

## 4. 除稅前日常業務溢利

除稅前日常業務溢利已扣除／(計入)：

		2004 \$'000 千元	2003 \$'000 千元
(a) Finance costs: Interest on bank loans repayable within five years (including bank charges) Less: Borrowing costs capitalised*	(a) 融資成本： 須於五年內償還 之銀行貸款利息 (包括銀行費用) 減：借貸成本 資本化*	28,288	15,798
		(2,082)	(585)
		<u>26,206</u>	<u>15,213</u>

\* The borrowing costs have been capitalised at a rate of 4.93% (2003: 4.788%) per annum for construction in progress.

\* 在建工程之借貸成本已按每年4.93% (二零零三年：4.788%) 的比率資本化。

## NOTES ON THE FINANCIAL STATEMENTS

For the year ended 31st March, 2004

(Expressed in Hong Kong dollars)

## 財務報表附註

截至二零零四年三月三十一日止年度

(以港元計)

4. PROFIT FROM ORDINARY  
ACTIVITIES BEFORE TAXATION  
(continued)

## 4. 除稅前日常業務溢利(續)

Profit from ordinary activities before taxation is arrived at after charging/(crediting): (continued)

除稅前日常業務溢利已扣除/(計入): (續)

		2004 \$'000 千元	2003 \$'000 千元
(b) Staff costs:	(b) 員工成本:		
Salaries, wages and other benefits	薪金、工資及其他福利	221,906	187,372
Contributions to defined contribution retirement schemes	既定供款退休計劃供款	3,663	2,311
Provision for long service payments	長期服務金準備	-	3,210
		<u>225,569</u>	<u>192,893</u>
(c) Other items:	(c) 其他項目:		
Amortisation of positive goodwill	正商譽攤銷	3,852	2,338
Amortisation of negative goodwill	負商譽攤銷	(1,772)	(494)
Amortisation of negative goodwill included in share of profits less losses of associates	負商譽攤銷已包括在應佔聯營公司溢利減虧損	(8,471)	(7,517)
Amortisation of intangible asset	無形資產攤銷	1,753	-
Auditors' remuneration	核數師酬金	1,512	1,536
Cost of inventories*	存貨成本*	1,177,771	1,039,303
Depreciation	折舊	56,486	28,808
Operating lease charges:	經營租賃費用:		
minimum lease payments	最低租賃付款額		
- property rentals	- 物業之租金	4,294	5,746
Rental receivable from investment properties less direct outgoings of \$1,572,000 (2003: \$1,257,000)	投資物業租金收入、已扣除1,572,000元(二零零三年: 1,257,000元)之直接開支	<u>(2,595)</u>	<u>(2,792)</u>

**NOTES ON THE FINANCIAL STATEMENTS****For the year ended 31st March, 2004***(Expressed in Hong Kong dollars)***4. PROFIT FROM ORDINARY  
ACTIVITIES BEFORE TAXATION  
(continued)**

- \* Cost of inventories includes \$113,529,000 (2003: \$101,211,000) relating to staff costs, depreciation expenses and operating lease charges, which amount is also included in the respective total amounts disclosed separately above for each of these type of expenses.

**財務報表附註****截至二零零四年三月三十一日止年度***(以港元計)***4. 除稅前日常業務溢利 (續)**

- \* 存貨成本包括員工成本、折舊費用及經營租賃費用，有關款項共113,529,000元（二零零三年：101,211,000元）。有關數額亦已記入在上文分開列示之各項有關費用總額中。



## NOTES ON THE FINANCIAL STATEMENTS

For the year ended 31st March, 2004

(Expressed in Hong Kong dollars)

## 5. INCOME TAX IN THE CONSOLIDATED INCOME STATEMENT

(a) Taxation in the consolidated income statement represents:

## 財務報表附註

截至二零零四年三月三十一日止年度

(以港元計)

## 5. 綜合損益表所示的所得稅

(a) 綜合損益表中所示的稅項為：

		2004	2003
		\$'000	(restated)
		千元	(重列)
		\$'000	\$'000
		千元	千元
<b>Current tax – Provision for Hong Kong Profits Tax</b>	<b>本年稅項 – 香港利得稅準備</b>		
Tax for the year	本年稅項	9,152	7,675
Over-provision in respect of prior years	以往年度過剩撥備	(1,394)	(625)
		<u>7,758</u>	<u>7,050</u>
<b>Current tax – Overseas</b>	<b>本年稅項 – 海外</b>		
Tax for the year	本年稅項	2,397	1,871
Over-provision in respect of prior years	以往年度過剩撥備	(782)	(1,975)
		<u>1,615</u>	<u>(104)</u>
<b>Deferred tax</b>	<b>遞延所得稅</b>		
Origination and reversal of temporary differences	暫時差異的產生和撥回	(405)	(9)
Effect of increase in tax rate on deferred tax balances at 1st April	稅率調高對遞延所得稅於四月一日結餘之影響	209	–
		<u>(196)</u>	<u>(9)</u>
Share of associates' taxation	聯營公司稅項	<u>11,146</u>	<u>2,300</u>
		<u>20,323</u>	<u>9,237</u>

**NOTES ON THE FINANCIAL STATEMENTS****For the year ended 31st March, 2004***(Expressed in Hong Kong dollars)***5. INCOME TAX IN THE  
CONSOLIDATED INCOME  
STATEMENT (continued)**

In March 2003, the Hong Kong Government announced an increase in the Profits Tax rate applicable to the Group's operations in Hong Kong from 16% to 17.5%. This increase is taken into account in the preparation of the Group's 2004 financial statements. Accordingly, the provision for Hong Kong Profits Tax for 2004 is calculated at 17.5% (2003: 16%) of the estimated assessable profits for the year. Taxation for overseas subsidiaries is charged at the appropriate current rates of taxation ruling in the relevant countries.

**財務報表附註****截至二零零四年三月三十一日止年度***(以港元計)***5. 綜合損益表中所示的所得稅 (續)**

於二零零三年三月，香港政府宣佈將利得稅率由16%調高至17.5%。該稅率適用於本集團的香港業務。在編製二零零四年度財務報表時，本集團已考慮到稅率調高的影響。因此，二零零四年度的香港利得稅準備是按本年度的估計應評稅溢利以17.5% (二零零三年：16%) 的稅率計算。海外附屬公司稅項以相關國家適用的現行稅率計算。

## NOTES ON THE FINANCIAL STATEMENTS

For the year ended 31st March, 2004

(Expressed in Hong Kong dollars)

## 財務報表附註

截至二零零四年三月三十一日止年度

(以港元計)

5. INCOME TAX IN THE  
CONSOLIDATED INCOME  
STATEMENT (continued)

## 5. 綜合損益表所示的所得稅(續)

(b) Reconciliation between tax expense and  
accounting profit at applicable tax rates:(b) 所得稅支出和會計溢利按適用稅率  
計算的對賬：

		2004	2003 (restated) (重列)
		\$'000 千元	\$'000 千元
Profit from ordinary activities before taxation	除稅前日常業務 溢利	<u>93,793</u>	<u>47,425</u>
Notional tax on profit before tax, calculated at the rates applicable to profits in the countries concerned	按照在相關國家獲得 溢利的適用稅率 計算除稅前溢利 的名義稅項	17,505	13,376
Tax effect of non-deductible expenses	不可扣減支出的 稅項影響	925	290
Tax effect of non-taxable revenue	毋須計稅收入的 稅項影響	(2,544)	(4,467)
Tax effect of unused tax losses not recognised	未使用而且未確認 的可抵扣虧損的 稅項影響	10,360	2,725
Effect on opening deferred tax balances resulting from an increase in tax rate during the year	本年度稅率調高 對遞延所得稅期初 結餘造成 的影響	209	-
Over-provision in respect of prior years	以往年度準備 過剩	(2,176)	(2,600)
Tax effect on waived debts included in capital reserve	列入資本儲備的債務 撤銷的稅項影響	762	-
Tax effect of tax exempted entities	企業獲免稅優惠的 稅務影響	(4,718)	(87)
Actual tax expense	實際稅項支出	<u>20,323</u>	<u>9,237</u>

## NOTES ON THE FINANCIAL STATEMENTS

For the year ended 31st March, 2004

(Expressed in Hong Kong dollars)

## 6. DIRECTORS' REMUNERATION

Directors' remuneration disclosed pursuant to section 161 of the Hong Kong Companies Ordinance is as follows:

		2004	2003
		\$'000	\$'000
		千元	千元
Fees	袍金	370	400
Salaries and other emoluments	薪金及其他酬金	6,757	7,597
Discretionary bonuses	酌定花紅	7,030	3,005
Retirement scheme contributions	退休計劃供款	180	180
		<u>14,337</u>	<u>11,182</u>

The remuneration of the directors is within the following bands:

		Number of directors 董事人數	
		2004	2003
\$Nil – \$1,000,000	0 – 1,000,000元	6	8
\$1,000,001 – \$1,500,000	1,000,001元 – 1,500,000元	1	–
\$1,500,001 – \$2,000,000	1,500,001元 – 2,000,000元	–	1
\$2,000,001 – \$2,500,000	2,000,001元 – 2,500,000元	1	2
\$2,500,001 – \$3,000,000	2,500,001元 – 3,000,000元	2	–
\$3,000,001 – \$3,500,000	3,000,001元 – 3,500,000元	–	–
\$3,500,001 – \$4,000,000	3,500,001元 – 4,000,000元	–	1
\$4,000,001 – \$4,500,000	4,000,001元 – 4,500,000元	–	–
\$4,500,001 – \$5,000,000	4,500,001元 – 5,000,000元	1	–
		<u>11</u>	<u>12</u>

Included in the directors' fees were fees of \$100,000 (2003: \$100,000) paid to independent non-executive directors during the year.

## 財務報表附註

截至二零零四年三月三十一日止年度

(以港元計)

## 6. 董事酬金

根據香港《公司條例》第一六一條披露之董事酬金如下：

酬金在以下範圍內的董事人數如下：

董事袍金中包括本年度內支付予獨立非執行董事之100,000元(二零零三年：100,000元)之袍金。

## NOTES ON THE FINANCIAL STATEMENTS

**For the year ended 31st March, 2004**  
(Expressed in Hong Kong dollars)

### 7. INDIVIDUALS WITH HIGHEST EMOLUMENTS

Of the five individuals with the highest emoluments, four (2003: four) are directors whose emoluments are disclosed in note 6. The emoluments in respect of the remaining individual are as follows:

## 財務報表附註

截至二零零四年三月三十一日止年度  
(以港元計)

## 7. 最高酬金人士

五位最高酬金人士中，四位(二零零三年：四位)為本公司董事，彼等之酬金見上文附註第6項。其餘最高酬金人士之酬金如下：

		<b>2004</b>	2003
		<b>\$'000</b>	\$'000
		千元	千元
Salaries and other emoluments	薪金及其他酬金	<b>1,078</b>	956
Discretionary bonuses	酌定花紅	<b>435</b>	415
Retirement scheme contributions	退休計劃供款	<b>49</b>	97
		<b>1,562</b>	1,468

## NOTES ON THE FINANCIAL STATEMENTS

For the year ended 31st March, 2004

*(Expressed in Hong Kong dollars)*

## 8. PROFIT ATTRIBUTABLE TO SHAREHOLDERS

The consolidated profit attributable to shareholders includes a profit of \$38,448,000 (2003 (restated): \$7,210,000) which has been dealt with in the financial statements of the Company.

Reconciliation of the above amount to the Company's profit for the year:

## 財務報表附註

截至二零零四年三月三十一日止年度

*(以港元計)*

## 8. 股東應佔溢利

股東應佔綜合溢利包括一筆已列入本公司財務報表的\$38,448,000元(二零零三年(重列): 7,210,000元)溢利。

上述數額與本公司本年度溢利的對賬:

		2004 \$'000 千元	2003 (restated) (重列) \$'000 千元
Amount of consolidated profit attributable to shareholders dealt with in the Company's financial statements	已列入本公司財務報表的股東應佔綜合溢利數額	38,448	7,210
Final dividends from subsidiaries attributable to the profits of the previous financial year, approved and paid during the year	來自附屬公司上一財務年度溢利，並於本年度核准及支付的末期股息	51,252	335
Company's profit for the year <i>(note 35(b))</i>	本公司本年度溢利 <i>(附註35(b))</i>	<u>89,700</u>	<u>7,545</u>



## NOTES ON THE FINANCIAL STATEMENTS

For the year ended 31st March, 2004

(Expressed in Hong Kong dollars)

## 財務報表附註

截至二零零四年三月三十一日止年度

(以港元計)

## 9. DIVIDENDS

## 9. 股息

## (a) Dividends attributable to the year

## (a) 本年度股息

		2004 \$'000 千元	2003 \$'000 千元
Interim dividend declared and paid of \$0.01 (2003: \$0.02) per share	支付已宣派中期股息每股0.01元 (二零零三年：每股0.02元)	1,402	2,805
Final dividend proposed after the balance sheet date of \$0.09 (2003: \$0.08) per share	於結算日後建議派發末期股息每股0.09元 (二零零三年：每股0.08元)	12,622	11,220
		<u>14,024</u>	<u>14,025</u>

The final dividend proposed after the balance sheet date has not been recognised as a liability at the balance sheet date.

於結算日後建議分派的末期股息尚未在結算日確認為負債。

## (b) Dividends attributable to the previous financial year, approved and paid during the year

## (b) 屬於上一財政年度，並於本年度核准及支付的股息

		2004 \$'000 千元	2003 \$'000 千元
Final dividend in respect of the previous financial year, approved and paid during the year, of \$0.08 (2003: \$0.08) per share	屬於上一財政年度，並於本年度核准及支付末期股息每股0.08元 (二零零三年：0.08元)	11,220	11,220

**NOTES ON THE FINANCIAL STATEMENTS****For the year ended 31st March, 2004***(Expressed in Hong Kong dollars)***10. EARNINGS PER SHARE****(a) Basic earnings per share**

The calculation of basic earnings per share is based on the profit attributable to shareholders of \$69,085,000 (2003 (restated): \$33,077,000) and 140,245,792 shares (2003: 140,245,792 shares) in issue during the year.

**(b) Diluted earnings per share**

There were no dilutive potential ordinary shares in existence during the year ended 31st March, 2004 and therefore diluted earnings per share is not presented.

**11. CHANGE IN ACCOUNTING POLICY**

In prior years, deferred tax liabilities were provided using the liability method in respect of the taxation effect arising from all material timing differences between the accounting and tax treatment of income and expenditure, which were expected with reasonable probability to crystallise in the foreseeable future. Deferred tax assets were not recognised unless their realisation was assured beyond reasonable doubt. With effect from 1st April, 2003, in order to comply with Statement of Standard Accounting Practice 12 (revised) issued by the Hong Kong Society of Accountants, the Group adopted a new policy for deferred tax as set out in note 1(q). As a result of the adoption of this accounting policy, the Group's profit for the year has been decreased by \$2,067,000 (2003: \$2,000) and the net assets as at the year end have been decreased by \$11,679,000 (2003: \$9,593,000).

**財務報表附註****截至二零零四年三月三十一日止年度***(以港元計)***10. 每股盈利****(a) 每股基本盈利**

每股基本盈利乃根據股東應佔溢利 69,085,000元(二零零三年(重列): 33,077,000元)及年內已發行 140,245,792股(二零零三年: 140,245,792股)計算。

**(b) 每股攤薄盈利**

由於二零零四年三月三十一日止年度並無潛在攤薄普通股，因此並無呈列每股攤薄盈利。

**11. 會計政策的修訂**

在以往年度，遞延所得稅負債是就收益及支出的會計與稅務處理方法之間，由所有重大時差產生而相當可能於可見將來實現的稅項影響，以負債法計提準備。同時，遞延所得稅資產也只會合理確定可實現時才會確認。由二零零三年四月一日起，為了符合香港會計師公會頒佈的《會計實務準則》第12號(經修訂)的規定，本集團在遞延所得稅方面採用了附註1(q)所載的新會計政策。由於採用了這項會計政策，本集團本年度的溢利減少了2,067,000元(二零零三年: 2,000元)，於年結時的資產淨值則減少了11,679,000元(二零零三年: 9,593,000元)。

**NOTES ON THE FINANCIAL STATEMENTS****For the year ended 31st March, 2004***(Expressed in Hong Kong dollars)***11. CHANGE IN ACCOUNTING POLICY  
(continued)**

The new accounting policy has been adopted retrospectively, with the opening balances of retained profits and reserves and the comparative information adjusted for the amounts relating to prior periods as disclosed in the consolidated statement of changes in equity.

**12. SEGMENT REPORTING**

In prior years, the Group was principally engaged in the manufacturing and sale of garment products. During the year under review, a subsidiary operating in the People's Republic of China ("the PRC"), Wuxi YGM Textile Co., Ltd., which is principally engaged in the manufacturing and sale of textiles, commenced commercial operation. Accordingly, the Group's business now participates in two principal operations classified by the following business segments:

- (a) Manufacture and sale of garments
- (b) Manufacture and sale of textiles

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.

In prior years the Group chose geographical segment information as its primary reporting format for segment information. The current year's presentation has been changed such that business segment information has been chosen as the primary reporting format for segment information as the directors consider that this revised presentation better reflects the current operations of the Group.

Geographical segment information has been chosen as the secondary reporting format for the purpose of these financial statements. Where appropriate comparative figures have been restated in the new presentation format.

**財務報表附註****截至二零零四年三月三十一日止年度***(以港元計)***11. 會計政策的修訂 (續)**

本集團追溯採用這項新的會計政策，在綜合權益變動表中與以往年度有關的數額，均已在保留溢利和儲備的期初結餘及比較資料作出相應的前期調整。

**12. 分部報告**

於過往年度，本集團主要從事成衣製造及銷售業務。在中華人民共和國（「中國」）之附屬公司無錫長江精密紡織有限公司於回顧年度內開業，主要經營紡織品製造及銷售業務，因此，本集團之業務現涉及兩項主要業務，可按以下業務分部劃分：

- (a) 製造及銷售成衣
- (b) 製造及銷售紡織品

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。

於過往年度，本集團選擇地區分部資料作為分部資料之主要呈報方式。本年度之呈報已作出改動，以致業務分部資料獲選用作為分部資料之主要呈報方式，蓋因董事認為此經修訂之呈報方式更能反映本集團目前之業務狀況。

地區分部資料獲選用作為本財務報告分部資料之次要呈報方式，比較數字已就新的呈報方式作出相應的調整。

## NOTES ON THE FINANCIAL STATEMENTS

For the year ended 31st March, 2004

(Expressed in Hong Kong dollars)

## 12. SEGMENT REPORTING (continued)

(a) The Group comprises the following main business segments:

## 財務報表附註

截至二零零四年三月三十一日止年度

(以港元計)

## 12. 分部報告 (續)

(a) 本集團由下列主要業務分部組成：

Business segments		業務分部											
		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		Inter-segment elimination 分部間抵銷		Unallocated 未分類		Consolidated 綜合總額	
		2004	2003	2004	2003	2004	2003	2004	2003	2004	2003	2004	2003
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
		千元	千元	千元	千元	千元	千元	千元	千元	千元	千元	千元	千元
Revenue from external customers	來自外界客戶的收入	1,321,610	1,216,831	167,711	17,483	4,167	4,049	-	-	-	-	1,493,488	1,238,363
Inter-segment revenue	來自其他分部的收入	-	-	-	17,412	-	-	-	(17,412)	-	-	-	-
Other revenue	其他收入	5,865	8,917	-	-	1,486	1,439	-	-	3,247	3,725	10,598	14,081
<b>Total revenue</b>	<b>收入總額</b>	<b>1,327,475</b>	<b>1,225,748</b>	<b>167,711</b>	<b>34,895</b>	<b>5,653</b>	<b>5,488</b>	<b>-</b>	<b>(17,412)</b>	<b>3,247</b>	<b>3,725</b>	<b>1,504,086</b>	<b>1,252,444</b>
Segment result	分部經營結果	42,006	23,043	22,795	(432)	2,485	2,415	-	-	3,247	3,725	70,533	28,751
Finance costs	融資成本	(13,694)	(15,055)	(12,512)	(158)	-	-	-	-	-	-	(26,206)	(15,213)
Share of profits less losses of associates	應佔聯營公司溢利減虧損	(4,538)	(7,212)	30,630	21,735	23,374	19,364	-	-	-	-	49,466	33,887
Income tax	所得稅	-	-	-	-	-	-	-	-	-	-	(20,323)	(9,237)
Minority interests	少數股東權益	-	-	-	-	-	-	-	-	-	-	(4,385)	(5,111)
<b>Profit attributable to shareholders</b>	<b>股東應佔溢利</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>69,085</b>	<b>33,077</b>
Depreciation and amortisation for the year	年度內折舊及攤銷	35,203	28,972	23,406	-	1,710	1,680	-	-	-	-	60,319	30,652

## NOTES ON THE FINANCIAL STATEMENTS

For the year ended 31st March, 2004

(Expressed in Hong Kong dollars)

## 財務報表附註

截至二零零四年三月三十一日止年度

(以港元計)

## 12. SEGMENT REPORTING (continued)

## 12. 分部報告 (續)

		Manufacture and sale		Manufacture and sale		Others		Inter-segment		Consolidated	
		of garments		of textiles		Others		elimination		綜合總額	
		製造及銷售成衣		製造及銷售紡織品		其他		分部間抵銷			
		2004	2003	2004	2003	2004	2003	2004	2003	2004	2003
										(restated)	
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
		千元	千元	千元	千元	千元	千元	千元	千元	千元	
Segment assets	分部資產	575,232	554,796	506,079	395,265	28,000	27,423	-	-	1,109,311	977,484
Interest in associates	於聯營公司權益	23,881	23,456	58,279	51,278	166,103	144,588	-	-	248,263	219,322
Unallocated assets	未分類資產									28,224	25,098
Total assets	資產總值									1,385,798	1,221,904
Segment liabilities	分部負債	521,101	494,124	400,123	325,621	-	-	-	-	921,224	819,745
Unallocated liabilities	未分類負債									15,562	16,141
Total liabilities	負債總額									936,786	835,886
Capital expenditure incurred during the year	年度內資本開支	17,221	58,401	82,456	367,028	-	-			99,677	425,429

## NOTES ON THE FINANCIAL STATEMENTS

For the year ended 31st March, 2004

(Expressed in Hong Kong dollars)

## 12. SEGMENT REPORTING (continued)

- (b) The Group's business is managed on a worldwide basis, but participates in four principal economic environments.

In presenting information on the basis of geographical segments, segment revenue is based on the geographical location of customers. Segment assets and capital expenditure are based on the geographical location of the assets.

## Geographical Segments

## 財務報表附註

截至二零零四年三月三十一日止年度

(以港元計)

## 12. 分部報告 (續)

- (b) 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。

在呈述地區分部信息時，分部收入是以客戶的所在地為計算基準。分部資產及資本開支則以資產的所在地為計算基準。

## 地區分部

		Revenue from external customers 來自外界客戶的收入	
		2004 \$'000 千元	2003 \$'000 千元
- Europe	- 歐洲		
United Kingdom	英國	151,784	183,004
Germany	德國	64,318	89,510
France	法國	284,614	203,731
Other European countries	其他歐洲國家	243,954	222,146
- North America	- 北美洲	405,684	340,209
- Asia Pacific	- 亞太地區	336,978	182,905
- Others	- 其他	6,156	16,858
		<b>1,493,488</b>	<b>1,238,363</b>



## NOTES ON THE FINANCIAL STATEMENTS

For the year ended 31st March, 2004

(Expressed in Hong Kong dollars)

## 12. SEGMENT REPORTING (continued)

		Capital expenditure incurred during the year			
		Segment assets		年度內資本開支	
		分部資產		年度內資本開支	
		2004	2003	2004	2003
		\$'000	\$'000	\$'000	\$'000
		千元	千元	千元	千元
- Hong Kong	- 香港	284,653	228,824	856	3,890
- The People's Republic of China (PRC)	- 中國	651,204	543,551	87,507	416,050
- South East Asia	- 東南亞	48,725	105,246	1,481	1,503
- Europe	- 歐洲	117,610	94,539	7,404	1,302
- Others	- 其他	7,119	5,324	2,429	2,684
		<u>1,109,311</u>	<u>977,484</u>	<u>99,677</u>	<u>425,429</u>

## 13. RETIREMENT BENEFIT SCHEMES

In Hong Kong, the Group operates a defined contribution Mandatory Provident Fund retirement benefit scheme (the "MPF Scheme") under the Mandatory Provident Fund Schemes Ordinance, for those employees who are eligible to participate in the MPF Scheme. The MPF Scheme has operated since 1st December, 2000. Contributions are made based on a percentage of the employees' basic salaries and are charged to the income statement as they become payable in accordance with the rules of the MPF Scheme. The assets of the MPF Scheme are held separately from those of the Group in an independently administered fund. The Group's employer contributions vest fully with the employees when contributed into the MPF Scheme.

## 財務報表附註

截至二零零四年三月三十一日止年度

(以港元計)

## 12. 分部報告 (續)

## 13. 退休福利計劃

於香港，本集團已按照強制性公積金計劃條例為所有合資格參與強積金計劃之僱員設有既定供款強制性公積金計劃（「強積金計劃」）。強積金計劃自二零零零年十二月一日起運作。供款乃按照僱員底薪百分比計算，當需要按照強積金計劃條款規定供款時，即在損益表中計入有關供款。強積金計劃資產乃由獨立管理基金持有並與本集團資產分開管理。當向強積金計劃供款時，本集團之僱主強制供款將全數歸於僱員所得。

**NOTES ON THE FINANCIAL STATEMENTS****For the year ended 31st March, 2004***(Expressed in Hong Kong dollars)***13. RETIREMENT BENEFIT SCHEMES***(continued)*

The Group also operated a Mandatory Provident Fund Exempted ORSO retirement benefit scheme for those employees who were eligible to participate in the scheme. This scheme is operated in a way similar to the MPF scheme, except that when an employee leaves the scheme prior to his/her interest in the Group's employee contributions vesting fully, the ongoing contributions payable by the Group are reduced by the relevant amount of forfeited employer's contributions or refunded to the employer. The amount of employer contributions forfeited during the year was immaterial.

The employees of a subsidiary in the People's Republic of China ("the PRC") and Sri Lanka are members of a state-sponsored retirement benefit scheme organised by the local government in the PRC and members of an Approved Provident Fund and Employees' Trust Fund in Sri Lanka, respectively. The subsidiaries are required to contribute, based on a certain percentage of payroll, to the retirement benefit scheme to fund the benefits. The only obligation of the Group with respect to these retirement benefit schemes is to make the required contributions under the terms of the schemes.

In addition, long service payments are also provided by the Group in accordance with Part VB of the Hong Kong Employment Ordinance based on the employees' service to date and current salary levels for those employees in Hong Kong who have been employed by the Group for at least 5 years. Movements in the provision for long service payments are set out in note 33 on the financial statements.

**財務報表附註****截至二零零四年三月三十一日止年度***(以港元計)***13. 退休福利計劃 (續)**

本集團亦為合資格參與強制性公積金豁免職業退休計劃之僱員設有計劃。該計劃以類似強積金計劃之方式經營，惟當僱員於符合資格全數享有本集團僱員供款前離職，被沒收之僱主供款將用作減低集團日後之供款或退還僱主，年度內被沒收之僱主供款之數額不大。

在中華人民共和國及斯里蘭卡境內集團附屬公司之僱員乃當地政府組織之職工社會養老保險計劃之成員。該等附屬公司須按僱員工資之若干百分比作出退休福利計劃供款。本集團就退休福利計劃所承擔之唯一責任是支付該計劃規定之供款。

再者，是項準備指根據《僱傭條例》第五乙部份為在職不少於五年之僱員，按其在職年資及現時薪酬水平，提撥長期服務金。長期服務金準備之變動列於財務報表附註33。

## NOTES ON THE FINANCIAL STATEMENTS

For the year ended 31st March, 2004

(Expressed in Hong Kong dollars)

## 14. FIXED ASSETS

## (a) The Group

Cost or valuation:	成本或估值：
At 1st April, 2003	於二零零三年 四月一日
Exchange adjustments	匯兌調整
Transfer from construction in progress (note 15)	轉撥自在建工程 (附註15)
Additions	增置
- through acquisition of a subsidiary	- 透過收購 附屬公司
- others	- 其他
Disposals	出售
- through disposals of subsidiaries	- 透過出售附屬公司
- others	- 其他
Surplus on revaluation	重估盈餘
At 31st March, 2004	於二零零四年 三月三十一日
Representing:	代表：
Cost	成本
Valuation - 1988	估值 - 一九八八年
- 1991	- 一九九一年
- 2004	- 二零零四年
Accumulated amortisation and depreciation:	累計攤銷及折舊：
At 1st April, 2003	於二零零三年四月一日
Exchange adjustments	匯兌調整
Through acquisition of a subsidiary	透過收購附屬公司
Charge for the year	本年度攤銷及折舊
Written back on disposals	出售時撥回
- through disposals of subsidiaries	- 透過出售附屬公司
- others	- 其他
At 31st March, 2004	於二零零四年 三月三十一日
Net book value:	賬面淨值：
At 31st March, 2004	於二零零四年 三月三十一日
At 31st March, 2003	於二零零三年 三月三十一日

## 財務報表附註

截至二零零四年三月三十一日止年度

(以港元計)

## 14. 固定資產

## (a) 本集團

Land and buildings	Investment properties	Plant and machinery	Other fixed assets	Total
土地及樓宇	投資物業	廠房及機器	其他固定資產	合計
\$'000	\$'000	\$'000	\$'000	\$'000
千元	千元	千元	千元	千元
167,346	27,424	193,997	98,128	486,895
1,471	-	995	1,587	4,053
81,267	-	312,094	2,682	396,043
14,302	-	11,561	2,311	28,174
-	-	13,930	7,934	21,864
(6,389)	-	(15,505)	(4,670)	(26,564)
-	-	(5,864)	(1,326)	(7,190)
-	577	-	-	577
<u>257,997</u>	<u>28,001</u>	<u>511,208</u>	<u>106,646</u>	<u>903,852</u>
178,002	-	511,208	106,646	795,856
77,152	-	-	-	77,152
2,843	-	-	-	2,843
-	28,001	-	-	28,001
<u>257,997</u>	<u>28,001</u>	<u>511,208</u>	<u>106,646</u>	<u>903,852</u>
46,232	-	112,017	69,103	227,352
875	-	297	969	2,141
6,970	-	9,021	1,687	17,678
6,294	-	41,235	8,957	56,486
(1,202)	-	(9,288)	(3,768)	(14,258)
-	-	(4,540)	(1,261)	(5,801)
<u>59,169</u>	<u>-</u>	<u>148,742</u>	<u>75,687</u>	<u>283,598</u>
<u>198,828</u>	<u>28,001</u>	<u>362,466</u>	<u>30,959</u>	<u>620,254</u>
121,114	27,424	81,980	29,025	259,543

## NOTES ON THE FINANCIAL STATEMENTS

For the year ended 31st March, 2004  
(Expressed in Hong Kong dollars)

## 14. FIXED ASSETS (continued)

## (b) The Company

## 財務報表附註

截至二零零四年三月三十一日止年度  
(以港元計)

## 14. 固定資產(續)

## (b) 本公司

		Land and buildings 土地 及樓宇 \$'000 千元	Investment properties 投資 物業 \$'000 千元	Plant and machinery 廠房 及機器 \$'000 千元	Other fixed assets 其他 固定資產 \$'000 千元	Total 合計 \$'000 千元
<b>Cost or valuation:</b>	成本或估值：					
At 1st April, 2003	於二零零三年 四月一日	86,863	27,424	26,336	50,413	191,036
Additions	增置	—	—	—	225	225
Disposals	出售	—	—	(4,684)	(327)	(5,011)
Surplus on revaluation	重估盈餘	—	577	—	—	577
		<u>86,863</u>	<u>28,001</u>	<u>21,652</u>	<u>50,311</u>	<u>186,827</u>
<b>At 31st March, 2004</b>	於二零零四年 三月三十一日	<b>86,863</b>	<b>28,001</b>	<b>21,652</b>	<b>50,311</b>	<b>186,827</b>
<b>Representing:</b>	代表：					
Cost	成本	6,868	—	21,652	50,311	78,831
Valuation – 1988	估值—一九八八年	77,152	—	—	—	77,152
– 1991	–一九九一年	2,843	—	—	—	2,843
– 2004	–二零零四年	—	28,001	—	—	28,001
		<u>86,863</u>	<u>28,001</u>	<u>21,652</u>	<u>50,311</u>	<u>186,827</u>
<b>Accumulated amortisation and depreciation:</b>	累計攤銷及折舊：					
At 1st April, 2003	於二零零三年 四月一日	20,494	—	23,427	37,245	81,166
Charge for the year	本年度攤銷及折舊	2,014	—	547	3,354	5,915
Written back on disposals	出售時撥回	—	—	(4,516)	(324)	(4,840)
		<u>22,508</u>	<u>—</u>	<u>19,458</u>	<u>40,275</u>	<u>82,241</u>
<b>At 31st March, 2004</b>	於二零零四年 三月三十一日	<b>22,508</b>	<b>—</b>	<b>19,458</b>	<b>40,275</b>	<b>82,241</b>
<b>Net book value: At 31st March, 2004</b>	賬面淨值： 於二零零四年 三月三十一日	<b>64,355</b>	<b>28,001</b>	<b>2,194</b>	<b>10,036</b>	<b>104,586</b>
At 31st March, 2003	於二零零三年 三月三十一日	<u>66,369</u>	<u>27,424</u>	<u>2,909</u>	<u>13,168</u>	<u>109,870</u>

## NOTES ON THE FINANCIAL STATEMENTS

For the year ended 31st March, 2004

(Expressed in Hong Kong dollars)

## 14. FIXED ASSETS (continued)

- (c) The analysis of net book value of land and buildings and investment properties at 31st March, 2004 is as follows:

## 財務報表附註

截至二零零四年三月三十一日止年度

(以港元計)

## 14. 固定資產 (續)

- (c) 於二零零四年三月三十一日，土地及樓宇以及投資物業之賬面淨值分析如下：

		Land and buildings 土地及樓宇				Investment properties 投資物業	
		The Group 本集團		The Company 本公司		The Group and The Company 本集團及本公司	
		2004 \$'000 千元	2003 \$'000 千元	2004 \$'000 千元	2003 \$'000 千元	2004 \$'000 千元	2003 \$'000 千元
Long term leases - outside Hong Kong	長期租約 - 香港 以外地區	107,460	27,559	229	229	-	-
Medium term leases - in Hong Kong - outside Hong Kong	中期租約 - 香港 - 香港 以外地區	43,191 27,242	44,876 27,415	43,191 -	44,876 -	28,001 -	27,424 -
Freehold - outside Hong Kong	永久業權 - 香港 以外地區	20,935	21,264	20,935	21,264	-	-
		<u>198,828</u>	<u>121,114</u>	<u>64,355</u>	<u>66,369</u>	<u>28,001</u>	<u>27,424</u>

## NOTES ON THE FINANCIAL STATEMENTS

For the year ended 31st March, 2004

(Expressed in Hong Kong dollars)

## 14. FIXED ASSETS (continued)

- (d) The net book value of the land and buildings stated at valuation in the balance sheets would have been as follows had the assets been carried at cost less accumulated depreciation:

		The Group 本集團		The Company 本公司	
		2004 \$'000 千元	2003 \$'000 千元	2004 \$'000 千元	2003 \$'000 千元
Cost	成本	217,079	123,537	43,054	43,054
Accumulated depreciation	累計折舊	(54,941)	(40,327)	(15,389)	(14,589)
		<u>162,138</u>	<u>83,210</u>	<u>27,665</u>	<u>28,465</u>

- (e) Details of the Group's and the Company's investment properties, held for use in operating leases which are all held under medium term leases, are as follows:

Location	Existing use
22 and 24, Tai Yau Street, San Po Kong, Kowloon.	Warehouse and office

The investment properties of the Group and the Company were valued at 31st March, 2004 by an independent firm of surveyors, Chesterton Petty Limited, on an open market basis. The revaluation surplus of \$577,000 has been transferred to the investment properties revaluation reserve (note 35).

## 財務報表附註

截至二零零四年三月三十一日止年度

(以港元計)

## 14. 固定資產(續)

- (d) 倘資產按成本值減累計折舊列賬，則於結算日按估值列賬之土地及樓宇之賬面淨值應如下列：

- (e) 本集團及本公司以中期租約持有用作經營租賃之投資物業詳情如下：

地點	現時用途
九龍 新蒲崗 大有街 22號及24號	貨倉及寫字樓

本集團及本公司之投資物業由卓德測計師行(獨立測量師行)於二零零四年三月三十一日按公開市值之基準重估。為數577,000元之重估盈餘已直接轉撥到投資物業重估儲備(附註35)。



## NOTES ON THE FINANCIAL STATEMENTS

For the year ended 31st March, 2004  
(Expressed in Hong Kong dollars)

## 財務報表附註

截至二零零四年三月三十一日止年度  
(以港元計)

## 15. CONSTRUCTION IN PROGRESS

## 15. 在建工程

		The Group 本集團	
		2004 \$'000 千元	2003 \$'000 千元
At 1st April	於四月一日	341,607	2,401
Exchange adjustments	滙兌調整	363	(5)
Additions	增置	72,581	353,611
Transfer to fixed assets (note 14(a))	轉撥往固定資產 (附註14(a))	(396,043)	(14,400)
At 31st March	於三月三十一日	<u>18,508</u>	<u>341,607</u>

## 16. INTANGIBLE ASSETS

## 16. 無形資產

		The Group 本集團 \$'000 千元
<i>Cost:</i>	<i>成本:</i>	
Additions and at 31st March, 2004	於二零零四年三月三十一日及增置	<u>5,232</u>
<i>Accumulated amortisation:</i>	<i>累計攤銷:</i>	
Charge for the year and at 31st March, 2004	於二零零四年三月三十一日及 本年度攤銷	<u>(1,753)</u>
<i>Net book value:</i>	<i>賬面淨值:</i>	
At 31st March, 2004	於二零零四年三月三十一日	<u>3,479</u>

Intangible assets represent the cost of purchase of the right to brand names from an independent third party. The amortisation charge for the year is included in "other operating expenses" in the consolidated income statement.

無形資產乃從獨立第三者購入品牌使用權的成本，本年度攤銷已記入綜合損益表的「其他經營費用」中。

## NOTES ON THE FINANCIAL STATEMENTS

For the year ended 31st March, 2004

(Expressed in Hong Kong dollars)

## 財務報表附註

截至二零零四年三月三十一日止年度

(以港元計)

## 17. GOODWILL

## 17. 商譽

		Positive goodwill	Negative goodwill	Positive goodwill carried in reserves
		正商譽	負商譽	撥入儲備
		\$'000	\$'000	\$'000
		千元	千元	千元
<i>Cost:</i>	<i>成本：</i>			
At 1st April, 2003	於二零零三年四月一日	10,390	(2,632)	46,161
Additions through acquisition of subsidiaries	透過收購 附屬公司增置	5,538	(10,450)	—
<b>At 31st March, 2004</b>	<b>於二零零四年三月三十一日</b>	<b>15,928</b>	<b>(13,082)</b>	<b>46,161</b>
<i>Accumulated amortisation:</i>	<i>累計攤銷：</i>			
At 1st April, 2003	於二零零三年四月一日	3,377	(494)	—
Amortisation for the year	本年度攤銷	3,852	(1,772)	—
<b>At 31st March, 2004</b>	<b>於二零零四年三月三十一日</b>	<b>7,229</b>	<b>(2,266)</b>	<b>—</b>
<i>Carrying amount:</i>	<i>賬面金額：</i>			
<b>At 31st March, 2004</b>	<b>於二零零四年三月三十一日</b>	<b>8,699</b>	<b>(10,816)</b>	<b>46,161</b>
At 31st March, 2003	於二零零三年三月三十一日	7,013	(2,138)	46,161

Positive goodwill is amortised to the income statement on a straight line basis over 3 years.

Negative goodwill is recognised as income on a straight line basis over 4 to 8 years. The amortisation of positive and negative goodwill for the year is included in “other operating expenses” in the consolidated income statement.

正商譽在三年內以直線法在損益表內攤銷。

負商譽在四年至八年內以直線法攤銷確認為收入。每年之正商譽及負商譽攤銷數額已計入綜合損益表內的「其他經營費用」中。

## NOTES ON THE FINANCIAL STATEMENTS

For the year ended 31st March, 2004  
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## 財務報表附註

截至二零零四年三月三十一日止年度  
(以港元計)

## 18. INTEREST IN SUBSIDIARIES

## 18. 附屬公司權益

		2004	2003
		\$'000	\$'000
		千元	千元
Unlisted investments, at cost	非上市投資，按成本	64,122	47,222
Amounts due from subsidiaries	應收附屬公司款項	244,452	211,993
Amounts due to subsidiaries	應付附屬公司款項	308,574 (602)	259,215 (3,461)
Less: Impairment losses	減：減值虧損	307,972 (6,500)	255,754 (28,500)
		<u>301,472</u>	<u>227,254</u>

Balances with subsidiaries are unsecured, not repayable within one year and are analysed as follows:

附屬公司所欠款項是沒有抵押，不需於一年內償還，並分析如下：

		2004	2003
		\$'000	\$'000
		千元	千元
<b>Amounts due from subsidiaries:</b>	<b>附屬公司所欠款項：</b>		
Interest free	不帶利息	215,104	187,041
Interest bearing at Hong Kong Prime Rate	以香港最優惠利率計算利息	29,348	24,952
		<u>244,452</u>	<u>211,993</u>
<b>Amounts due to subsidiaries:</b>	<b>應付附屬公司款項：</b>		
Interest free	不帶利息	(602)	(3,461)

**NOTES ON THE FINANCIAL STATEMENTS****For the year ended 31st March, 2004***(Expressed in Hong Kong dollars)***18. INTEREST IN SUBSIDIARIES***(continued)*

On 13th May, 2003, the Group increased its interest in Whampoa Textile Limited (“Whampoa”) from 75% to 100% by acquiring shares from Chan Family Investment Corporation Limited, an entity connected with the Company, for a cash consideration of \$5,000,000. On 13th May, 2003, the Group also increased its interest in Hongkong Knitters Lanka (PVT) Limited (“HKKL”) from 50% to 100% by acquisition of the remaining issued share capital of HKKL from Sevenoaks Associates, Inc., an entity connected with the Company, for a cash consideration of \$1. After completion of the acquisitions, Whampoa and its subsidiaries and HKKL became wholly-owned subsidiaries of the Group.

On 23rd October, 2003, the Group increased its interest in YangtzeKiang S.A. (“YSA”) from 86.92% to 90.19% through an additional allotment of 50,000 shares for a consideration of Euro 800,000 (equivalent to \$7,203,000).

On 30th March, 2004, YangtzeKiang (Myanmar) Limited (“YML”), YangtzeKiang Industries (Myanmar) Limited (“YIML”) and Victoria Harbor Limited (“VHL”), subsidiaries of the Group, were disposed of to the directors of YIML for a total consideration of US\$1,360,000 (equivalent to \$10,608,000). The consideration is payable by the purchasers by instalments over 6 years and the related loan bears interest at a rate of 3% per annum. The gain on disposal of these subsidiaries amounted to \$672,000 (note 3).

Details of the principal subsidiaries at 31st March, 2004 are set out on pages 126 to 128.

**財務報表附註****截至二零零四年三月三十一日止年度***(以港元計)***18. 附屬公司權益 (續)**

於二零零三年五月十三日，本集團向屬本公司關連公司之一的 Chan Family Investment Corporation Limited 收購黃浦江紡織有限公司「黃浦江」的股份，權益由 75% 增至 100%，現金代價 5,000,000 元。於二零零三年五月十三日，本集團亦向屬本公司關連公司之一的 Sevenoaks Associates, Inc. 收購 Hongkong Knitters Lanka (PVT) Limited (「HKKL」) 的其餘已發行股本，權益由 50% 增加至 100%，現金代價為 1 元。於該等收購事項完成後，黃浦江及其附屬公司及 HKKL 成為本集團之全資擁有附屬公司。

於二零零三年十月二十三日，本集團透過增加配發 50,000 股 YangtzeKiang S.A. (「YSA」) 的股份，權益由 86.92% 增加至 90.19%，代價為 800,000 歐元 (等值 7,203,000 元)。

於二零零四年三月三十日，出售集團附屬公司 YangtzeKiang (Myanmar) Limited (「YML」)、YangtzeKiang Industries (Myanmar) Limited (「YIML」) 及 Victoria Harbor Limited (「VHL」) 予 YIML 之董事，總代價為 1,360,000 美元 (等值 10,608,000 元)，代價由買方須按六年每年分期付款之方式支付，有關貸款以每年 3% 計算利息，出售該等附屬公司之收益為 672,000 元 (附註 3)。

於二零零四年三月三十一日主要附屬公司之資料載列於第 126 頁至 128 頁。

## NOTES ON THE FINANCIAL STATEMENTS

For the year ended 31st March, 2004

(Expressed in Hong Kong dollars)

## 19. INTEREST IN ASSOCIATES

## 財務報表附註

截至二零零四年三月三十一日止年度

(以港元計)

## 19. 聯營公司權益

		The Group 本集團		The Company 本公司	
		2004	2003 (restated) (重列)	2004	2003
		\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元
Unlisted investments, at cost	非上市投資， 按成本	—	—	22,881	27,728
Less: Impairment losses	減：減值虧損	—	—	(516)	(5,517)
		—	—	22,365	22,211
Share of net assets	應佔資產淨值	282,150	256,908	—	—
Negative goodwill	負商譽	(33,887)	(37,586)	—	—
		248,263	219,322	22,365	22,211

Negative goodwill is amortised over the remaining weighted average useful life of the identifiable acquired depreciable assets. The calculation of the negative goodwill is based on the Group's share of the fair value of the identifiable assets and liabilities acquired as determined by the directors.

Details of the principal associates at 31st March, 2004 are set out on pages 129 and 130.

**Information on material associates**

The financial information of the associates, Qinghai Changqing Aluminium Corporation and Wuxi Changxin Textile Co., Ltd. which are material in the context of the Group's financial statements, as extracted from the audited financial statements of those companies, after making such adjustments considered necessary by the Company's directors in order to comply with the Group's accounting policies, for the year ended 31st March, 2004 are summarised below:

負商譽按所收購可分資產的加權平均餘下可用年限攤銷。負商譽乃根據董事確定本集團佔所收購可分資產與負債公平價值的數額計算。

於二零零四年三月三十一日主要聯營公司之資料載列於第129頁及130頁。

**重要聯營公司資料**

對本集團賬目而言屬重要之聯營公司—青海長青鋁業有限公司及無錫長新紡織有限公司之財務報表乃摘錄自截至二零零四年三月三十一日止年度之經審核財務報表，包括經由本公司董事認為合適以符合集團的會計政策之調整，概要如下：

## NOTES ON THE FINANCIAL STATEMENTS

For the year ended 31st March, 2004  
(Expressed in Hong Kong dollars)

## 19. INTEREST IN ASSOCIATES (continued)

## Information on material associates: (continued)

## 財務報表附註

截至二零零四年三月三十一日止年度  
(以港元計)

## 19. 聯營公司權益 (續)

## 重要聯營公司資料：(續)

		Qinghai Changqing Aluminium Corporation 青海長青鋁業 有限公司		Wuxi Changxin Textile Co., Ltd. 無錫長新紡織 有限公司	
		2004 \$'000 千元	2003 (restated) (重列) \$'000 千元	2004 \$'000 千元	2003 (restated) (重列) \$'000 千元
<b>Income statement</b>	<b>損益表</b>				
- year ended 31st March	- 截至三月三十一日止年度				
<b>Turnover</b>	<b>營業額</b>	<b>547,994</b>	436,391	<b>1,009,047</b>	798,534
Cost of sales	銷售成本	<b>(460,748)</b>	(361,477)	<b>(877,296)</b>	(694,628)
		<b>87,246</b>	74,914	<b>131,751</b>	103,906
Other revenue	其他收入	<b>452</b>	353	<b>10,942</b>	5,546
Other net income	其他收益淨額	<b>1,333</b>	780	-	-
Distribution expenses	分銷費用	<b>(11,323)</b>	(6,695)	<b>(9,573)</b>	(6,334)
Administrative expenses	行政費用	<b>(6,945)</b>	(5,145)	<b>(20,292)</b>	(27,266)
Other operating expenses	其他經營費用	<b>(15,608)</b>	(20,121)	<b>(3,722)</b>	(2,367)
<b>Profit from operations</b>	<b>經營溢利</b>	<b>55,155</b>	44,086	<b>109,106</b>	73,485
Finance costs	融資成本	<b>(15,820)</b>	(14,591)	<b>(21,904)</b>	(15,795)
<b>Profit from ordinary activities before taxation</b>	<b>除稅前日常業務虧損</b>	<b>39,335</b>	29,495	<b>87,202</b>	57,690
Income tax	所得稅	<b>3,532</b>	7,235	<b>(26,520)</b>	(15,654)
<b>Profit from ordinary activities after taxation</b>	<b>除稅後日常業務溢利</b>	<b>42,867</b>	36,730	<b>60,682</b>	42,036
<b>Profit attributable to the Group</b>	<b>本集團應佔之溢利</b>	<b>15,402</b>	13,197	<b>20,225</b>	14,010
<b>Balance sheet</b>	<b>資產負債表</b>				
- 31st March	- 三月三十一日				
Non-current assets	非流動資產	<b>395,731</b>	403,005	<b>191,799</b>	200,297
Current assets	流動資產	<b>227,880</b>	191,971	<b>407,001</b>	439,865
Current liabilities	流動負債	<b>(354,975)</b>	(321,422)	<b>(320,026)</b>	(340,325)
Non-current liabilities	非流動負債	<b>(24,474)</b>	(46,075)	<b>(128,515)</b>	(166,148)
Net assets	資產淨值	<b>244,162</b>	227,479	<b>150,259</b>	133,689
<b>Net assets attributable to the Group</b>	<b>本集團應佔資產淨值</b>	<b>87,727</b>	81,733	<b>50,081</b>	44,559

## NOTES ON THE FINANCIAL STATEMENTS

For the year ended 31st March, 2004  
(Expressed in Hong Kong dollars)

## 19. INTEREST IN ASSOCIATES (continued)

**Information on material associates (continued)**

The financial information of an associate, W. Haking Enterprises Limited, as extracted from its latest audited financial statements for the year ended 31st December, 2003 is summarised below.

## 財務報表附註

截至二零零四年三月三十一日止年度  
(以港元計)

## 19. 聯營公司權益 (續)

**重要聯營公司資料 (續)**

摘錄自截至二零零三年十二月三十一日止年度聯營公司寶源基業有限公司之經審核財務報表，其財務資料概要如下：

		<b>W. Haking Enterprises Limited 寶源基業有限公司</b>	
		<b>2003</b>	2002
		<b>\$'000</b>	\$'000
		千元	千元
<b>Income statement</b>	<b>損益表</b>		
– year ended 31st December	– 截至十二月三十一日止年度		
<b>Turnover</b>	<b>營業額</b>	<b>61,730</b>	105,542
Cost of sales	銷售成本	<b>(55,039)</b>	(89,994)
		<b>6,691</b>	15,548
Other revenue	其他收入	<b>38,242</b>	1,150
Other net income	其他收益淨額	<b>4,415</b>	13,139
Negative goodwill recognised	已確認負商譽	–	13,778
Distribution expenses	分銷費用	<b>(714)</b>	(2,687)
Administrative expenses	行政費用	<b>(20,931)</b>	(39,759)
Other operating expenses	其他經營費用	<b>(47,875)</b>	(1,051)
<b>(Loss)/profit from operations</b>	<b>經營 (虧損) / 溢利</b>	<b>(20,172)</b>	118
Finance costs	融資成本	<b>(51)</b>	(277)
<b>Loss from ordinary activities before taxation</b>	<b>除稅前日常業務虧損</b>	<b>(20,223)</b>	(159)
Income tax	所得稅	–	–
<b>Loss for the year</b>	<b>本年度虧損</b>	<b>(20,223)</b>	(159)
<b>(Loss)/profit attributable to the Group</b>	<b>本集團應佔之 (虧損) / 溢利</b>	<b>(5,865)</b>	1,537
<b>Balance sheet</b>	<b>資產負債表</b>		
– 31st December	– 十二月三十一日		
Non-current assets	非流動資產	<b>132,883</b>	213,877
Current assets	流動資產	<b>144,235</b>	167,433
Current liabilities	流動負債	<b>(27,363)</b>	(93,109)
Non-current liabilities	非流動負債	<b>(462)</b>	(17,649)
Net assets	資產淨值	<b>249,293</b>	270,552
<b>Net assets attributable to the Group</b>	<b>本集團應佔資產淨值</b>	<b>74,314</b>	71,777



## NOTES ON THE FINANCIAL STATEMENTS

For the year ended 31st March, 2004  
(Expressed in Hong Kong dollars)

## 20. PERMANENT QUOTA

<i>Cost:</i> At 1st April and 31st March	成本： 於四月一日及 三月三十一日
<i>Accumulated amortisation:</i> At 1st April and 31st March	累計攤銷： 於四月一日及 三月三十一日
<i>Net book value:</i> At 31st March	賬面淨值： 於三月三十一日

## 21. LOANS RECEIVABLE

At 31st March 2004, the loans receivable were repayable as follows:

Within 1 year	一年內
After 1 year but within 2 years	一年後但兩年內
After 2 years but within 5 years	兩年後但五年內

The loans receivable represent the consideration received from the disposal of subsidiaries (note 38(k)). They are interest bearing at 3% per annum on the principal outstanding.

## 財務報表附註

截至二零零四年三月三十一日止年度  
(以港元計)

## 20. 永久配額

The Group 本集團		The Company 本公司	
2004 \$'000 千元	2003 \$'000 千元	2004 \$'000 千元	2003 \$'000 千元
13,144	13,144	9,002	9,002
13,144	13,144	9,002	9,002
-	-	-	-

## 21. 應收貸款

於二零零四年三月三十一日，應收貸款之還款期如下：

The Group and the Company  
本集團及本公司

2004 \$'000 千元	2003 \$'000 千元
1,693	-
1,693	-
6,224	-
7,917	-
9,610	-

應收貸款為收取出售附屬公司之代價(附註 38(k))。未償還的本金以3%計算利息。

## NOTES ON THE FINANCIAL STATEMENTS

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## 財務報表附註

截至二零零四年三月三十一日止年度  
(以港元計)

## 22. NON-TRADING SECURITIES

## 22. 非交易證券

		The Group 本集團		The Company 本公司	
		2004 \$'000 千元	2003 \$'000 千元	2004 \$'000 千元	2003 \$'000 千元
Unlisted equity securities	非上市股本證券	895	895	895	895
Listed equity securities outside Hong Kong	香港以外之 上市股本證券	558	158	558	158
		<u>1,453</u>	<u>1,053</u>	<u>1,453</u>	<u>1,053</u>
Market value of listed equity securities	上市股本 證券市值	<u>558</u>	<u>158</u>	<u>558</u>	<u>158</u>

## 23. OTHER INVESTMENTS

## 23. 其他投資

		The Group 本集團		The Company 本公司	
		2004 \$'000 千元	2003 \$'000 千元	2004 \$'000 千元	2003 \$'000 千元
Club debentures, at cost	會藉，按成本	<u>2,873</u>	<u>2,873</u>	<u>2,384</u>	<u>2,384</u>

## 24. INVENTORIES

## 24. 存貨

		The Group 本集團		The Company 本公司	
		2004 \$'000 千元	2003 \$'000 千元	2004 \$'000 千元	2003 \$'000 千元
Raw materials	原材料	54,017	14,240	1,735	1,452
Work in progress	在製品	68,150	45,745	15,963	7,210
Finished goods	製成品	37,624	21,568	23	1,065
Goods in transit	在途貨品	30	14,779	30	16
		<u>159,821</u>	<u>96,332</u>	<u>17,751</u>	<u>9,743</u>

## NOTES ON THE FINANCIAL STATEMENTS

For the year ended 31st March, 2004  
(Expressed in Hong Kong dollars)

## 24. INVENTORIES (continued)

Amounts included in the Group's and the Company's inventories of \$43,912,000 (2003: \$12,382,000) and \$633,000 (2003: \$2,491,000) are stated net of a specific provision of \$18,745,000 (2003: \$20,935,000) and \$3,799,000 (2003: \$7,251,000) respectively. In addition, there is a general provision made against the remaining inventories of the Group and the Company of \$21,722,000 (2003: \$22,011,000) and \$1,819,000 (2003: \$5,664,000) respectively. These provisions have been made in order to state these inventories at the lower of their cost and estimated net realisable value. The amount of reversal of a write-down of inventories to estimated net realisable value, recognised in the consolidated income statement as a reduction in the amount of inventories recognised as an expense during the year, is \$4,195,000 (2003: \$2,656,000). This reversal arose due to an increase in the estimated net realisable value of certain garments as a result of a change in consumer preferences.

## 25. TRADE AND OTHER RECEIVABLES

Trade debtors	應收賬款
Bills receivable	應收票據
Deposits, prepayments and other debtors	訂金、預付款及其他應收款
Amounts due from related companies	應收關連公司款項
Amounts due from associates	應收聯營公司款項
Amounts due from subsidiaries	應收附屬公司款項
Dividends receivable from associates	應收聯營公司股息

## 財務報表附註

截至二零零四年三月三十一日止年度  
(以港元計)

## 24. 存貨 (續)

該金額包括分別為本集團與本公司之存貨金額 43,912,000 元 (二零零三年: 12,382,000 元) 及 633,000 元 (二零零三年: 2,491,000 元), 已分別扣除個別減值撥備 18,745,000 元 (二零零三年: 20,935,000 元) 及 3,799,000 元 (二零零三年: 7,251,000 元)。此外, 本集團與本公司之其餘存貨已分別作出一般減值撥備 21,722,000 元 (二零零三年: 22,011,000 元) 及 1,819,000 元 (二零零三年: 5,664,000 元)。撥出該等存貨減值準備乃按成本或預計可變現淨值兩者之較低者將存貨數額列賬。存貨數額撇減至估計可變現淨值之逆轉金額為 4,195,000 元 (二零零三年: 2,656,000 元)。這數額已於年內在綜合損益表中確認, 為列作支出的存貨數額的減少。產生該撥回金額乃由於客戶的喜好改變令若干成衣之估計可變現淨值增加所致。

## 25. 應收賬款及其他應收款

		The Group 本集團		The Company 本公司	
		2004 \$'000 千元	2003 \$'000 千元	2004 \$'000 千元	2003 \$'000 千元
Trade debtors	應收賬款	80,610	96,078	21,178	23,701
Bills receivable	應收票據	94,265	62,978	32,668	26,198
Deposits, prepayments and other debtors	訂金、預付款及其他應收款	66,254	41,855	10,397	1,596
Amounts due from related companies	應收關連公司款項	4,976	3,517	270	322
Amounts due from associates	應收聯營公司款項	-	26,017	5	846
Amounts due from subsidiaries	應收附屬公司款項	-	-	76,703	126,728
Dividends receivable from associates	應收聯營公司股息	12,145	19,027	-	-
		<b>258,250</b>	<b>249,472</b>	<b>141,221</b>	<b>179,391</b>

**NOTES ON THE FINANCIAL STATEMENTS****For the year ended 31st March, 2004***(Expressed in Hong Kong dollars)***25. TRADE AND OTHER RECEIVABLES**  
*(continued)*

The amounts due from related companies and associates are unsecured, interest-free and repayable on demand.

All of the trade and other receivables are expected to be recovered within one year.

Included in trade and other receivables are trade debtors and bills receivable (net of provisions for bad and doubtful debts) with the following ageing analysis:

		The Group 本集團		The Company 本公司	
		2004 \$'000 千元	2003 \$'000 千元	2004 \$'000 千元	2003 \$'000 千元
0 – 60 days	0 – 60日	171,852	154,153	52,530	49,415
61 – 90 days	61 – 90日	1,156	1,823	806	403
> 90 days	90日以上	1,867	3,080	510	81
Trade debtors and bills receivable	應收賬款及 應收票據	<u>174,875</u>	<u>159,056</u>	<u>53,846</u>	<u>49,899</u>

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 is performed periodically.

**財務報表附註****截至二零零四年三月三十一日止年度***(以港元計)***25. 應收賬款及其他應收款 (續)**

應收關連公司及聯營公司款項是沒有抵押、不帶利息，並需按通知即時償還。

所有應收賬款及其他應收款預期將於一年內收回。

包括在應收賬款及其他應收款內為具有以下賬齡分析之應收賬款及應收票據(已扣除呆壞賬準備)：

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。

## NOTES ON THE FINANCIAL STATEMENTS

For the year ended 31st March, 2004

(Expressed in Hong Kong dollars)

## 26. PLEDGED DEPOSITS

Pledged deposits as at 31st March, 2004 represents deposits pledged to designated banks for the guarantee of imported processing materials with an aggregate value of \$52,844,000. Pledged deposits as at 31st March, 2003 represents deposits pledged to designated banks for the letter of credit facilities granted to the Group amounting to EUR3,267,000 (equivalent to \$27,176,000).

## 27. CASH AND CASH EQUIVALENTS

## 財務報表附註

截至二零零四年三月三十一日止年度

(以港元計)

## 26. 抵押存款

於二零零四年三月三十一日，抵押存款乃存款抵押於指定銀行以用作擔保合共52,844,000元的進口加工材料。於二零零三年三月三十一日，抵押存款乃存款抵押於指定銀行以獲授予本集團合共3,267,000 歐元 (等值27,176,000 元) 的信用證額度。

## 27. 現金及現金等價物

		The Group 本集團		The Company 本公司	
		2004 \$'000 千元	2003 \$'000 千元	2004 \$'000 千元	2003 \$'000 千元
Deposits with banks	銀行存款	3,505	1,335	-	-
Cash at bank and in hand	銀行活期存款 及現金	56,023	43,206	26,981	9,621
Cash and cash equivalents in the balance sheet	於資產負債表內 之現金及現金 等價物	59,528	44,541	26,981	9,621
Bank overdraft (note 29)	銀行透支 (附註29)	(622)	-		
Cash and cash equivalents in the consolidated cash flow statement	於綜合現金流量 表內之現金及 現金等價物	58,906	44,541		

## NOTES ON THE FINANCIAL STATEMENTS

For the year ended 31st March, 2004

(Expressed in Hong Kong dollars)

## 財務報表附註

截至二零零四年三月三十一日止年度

(以港元計)

## 28. TRADE AND OTHER PAYABLES

## 28. 應付賬款及其他應付款

		The Group 本集團		The Company 本公司	
		2004 \$'000 千元	2003 \$'000 千元	2004 \$'000 千元	2003 \$'000 千元
Trade creditors	應付賬款	110,100	95,212	26,627	18,868
Bills payable	應付票款	46,995	58,686	6,213	11,696
Accrued charges and other creditors	應計費用及 其他應付款	119,520	95,947	51,009	31,997
Payable for construction in progress (note 32)	應付在建工程款 (附註32)	11,069	49,075	—	—
Amounts due to related companies	應付關連公司 款項	659	851	590	150
Amounts due to associates	應付聯營公司 款項	26,208	17,206	2,988	354
Advance from associate for construction in progress (note 32)	聯營公司借貸 用於支付建築 工程款 (附註32)	9,413	74,332	—	—
Amounts due to subsidiaries	應付附屬公司 款項	—	—	13,529	22,419
		<b>323,964</b>	<b>391,309</b>	<b>100,956</b>	<b>85,484</b>

The amounts and advance due to related companies and associates are unsecured, interest-free and repayable on demand.

All of the trade and other payables are expected to be settled within one year.

應付關連公司及聯營公司款項是沒有抵押、不帶利息，並需按通知即時償還。

所有應付賬款及其他應付款預期將於一年內償付。

## NOTES ON THE FINANCIAL STATEMENTS

For the year ended 31st March, 2004

(Expressed in Hong Kong dollars)

28. TRADE AND OTHER PAYABLES  
(continued)

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

		The Group 本集團		The Company 本公司	
		2004 \$'000 千元	2003 \$'000 千元	2004 \$'000 千元	2003 \$'000 千元
0 – 60 days	0 – 60日	136,010	142,358	30,745	29,655
61 – 90 days	61 – 90日	12,778	7,618	919	167
> 90 days	90日以上	8,307	3,922	1,176	742
Trade creditors and bills payable	應付賬款及 應付票據	<u>157,095</u>	<u>153,898</u>	<u>32,840</u>	<u>30,564</u>

## 29. BANK LOANS AND OVERDRAFTS

At 31st March, 2004, the bank loans and overdrafts (including trust receipt loans) were repayable as follows:

		The Group 本集團		The Company 本公司	
		2004 \$'000 千元	2003 \$'000 千元	2004 \$'000 千元	2003 \$'000 千元
Trust receipt loans	信託收據貸款	55,524	49,570	50,276	43,093
Other bank loans and overdrafts – within 1 year or on demand	其他銀行貸款及透支 – 一年內或按通知	257,424	278,106	29,542	74,999
		<u>312,948</u>	<u>327,676</u>	<u>79,818</u>	<u>118,092</u>
Other bank loans – after 1 year but within 2 years	其他銀行貸款 – 一年後但兩年內	102,083	44,500	22,500	27,000
– after 2 years but within 5 years	– 兩年後但五年內	173,281	47,233	15,000	–
		<u>275,364</u>	<u>91,733</u>	<u>37,500</u>	<u>27,000</u>
		<u>588,312</u>	<u>419,409</u>	<u>117,318</u>	<u>145,092</u>

## 財務報表附註

截至二零零四年三月三十一日止年度

(以港元計)

28. 應付賬款及其他應付款及應付票據  
(續)

包括在應付賬款及其他應付款內為具有以下賬齡分析之應付賬款及應付票據：

		The Group 本集團		The Company 本公司	
		2004 \$'000 千元	2003 \$'000 千元	2004 \$'000 千元	2003 \$'000 千元
0 – 60 days	0 – 60日	136,010	142,358	30,745	29,655
61 – 90 days	61 – 90日	12,778	7,618	919	167
> 90 days	90日以上	8,307	3,922	1,176	742
Trade creditors and bills payable	應付賬款及 應付票據	<u>157,095</u>	<u>153,898</u>	<u>32,840</u>	<u>30,564</u>

## 29. 銀行貸款及透支

於二零零四年三月三十一日，銀行貸款及透支(包括信託收據貸款)之還款期如下：

		The Group 本集團		The Company 本公司	
		2004 \$'000 千元	2003 \$'000 千元	2004 \$'000 千元	2003 \$'000 千元
Trust receipt loans	信託收據貸款	55,524	49,570	50,276	43,093
Other bank loans and overdrafts – within 1 year or on demand	其他銀行貸款及透支 – 一年內或按通知	257,424	278,106	29,542	74,999
		<u>312,948</u>	<u>327,676</u>	<u>79,818</u>	<u>118,092</u>
Other bank loans – after 1 year but within 2 years	其他銀行貸款 – 一年後但兩年內	102,083	44,500	22,500	27,000
– after 2 years but within 5 years	– 兩年後但五年內	173,281	47,233	15,000	–
		<u>275,364</u>	<u>91,733</u>	<u>37,500</u>	<u>27,000</u>
		<u>588,312</u>	<u>419,409</u>	<u>117,318</u>	<u>145,092</u>



## NOTES ON THE FINANCIAL STATEMENTS

For the year ended 31st March, 2004

(Expressed in Hong Kong dollars)

29. BANK LOANS AND OVERDRAFTS  
(continued)

At 31st March, 2004, the bank loans and overdrafts were secured as follows:

		The Group 本集團		The Company 本公司	
		2004 \$'000 千元	2003 \$'000 千元	2004 \$'000 千元	2003 \$'000 千元
Bank overdrafts	銀行透支				
– unsecured	– 無抵押	622	–	42	–
Bank loans	銀行貸款				
– secured	– 有抵押	194,443	49,570	–	–
– unsecured	– 無抵押	393,247	369,839	117,276	145,092
		<b>588,312</b>	<b>419,409</b>	<b>117,318</b>	<b>145,092</b>

Bank loans amounting to \$194,443,000 (2003: \$Nil) are secured by machinery and certain land and buildings with an aggregate net book value of \$275,758,000 (2003: \$Nil).

Unsecured bank loans amounting to \$179,789,000 (2003: \$187,806,000) and secured bank loans amounting to \$54,595,000 as at 31st March, 2004 are guaranteed by an associate, Wuxi Changxin Textile Co., Ltd.

## 財務報表附註

截至二零零四年三月三十一日止年度

(以港元計)

## 29. 銀行貸款及透支(續)

於二零零四年三月三十一日，銀行貸款及透支之抵押情況如下：

		The Group 本集團		The Company 本公司	
		2004 \$'000 千元	2003 \$'000 千元	2004 \$'000 千元	2003 \$'000 千元
Bank overdrafts	銀行透支				
– unsecured	– 無抵押	622	–	42	–
Bank loans	銀行貸款				
– secured	– 有抵押	194,443	49,570	–	–
– unsecured	– 無抵押	393,247	369,839	117,276	145,092
		<b>588,312</b>	<b>419,409</b>	<b>117,318</b>	<b>145,092</b>

銀行貸款194,443,000元(二零零三年：無)是以累計賬面淨值為275,758,000元(二零零三年：無)的機器及部份土地及建築物作出抵押。

於二零零四年三月三十一日，獲聯營公司無錫長新紡織有限公司提供無抵押銀行貸款179,789,000元(二零零三年：187,806,000元)及有抵押貸款54,595,000元的擔保。

## NOTES ON THE FINANCIAL STATEMENTS

For the year ended 31st March, 2004

(Expressed in Hong Kong dollars)

## 財務報表附註

截至二零零四年三月三十一日止年度

(以港元計)

## 30. NON-CURRENT BANK LOANS

## 30. 非流動銀行貸款

		The Group 本集團		The Company 本公司	
		2004 \$'000 千元	2003 \$'000 千元	2004 \$'000 千元	2003 \$'000 千元
Bank loans (note 29) – unsecured	銀行貸款 (附註29) – 無抵押	<u>275,364</u>	<u>91,733</u>	<u>37,500</u>	<u>27,000</u>

## 31. INCOME TAX IN THE BALANCE SHEET

## 31. 資產負債表所示的所得稅

(a) Current taxation in the balance sheet represents:

(a) 資產負債表所示的本期所得稅為：

		The Group 本集團		The Company 本公司	
		2004 \$'000 千元	2003 \$'000 千元	2004 \$'000 千元	2003 \$'000 千元
Provision for Hong Kong Profits Tax for the year	本年度香港利得稅準備	<u>9,152</u>	7,675	<u>3,397</u>	3,027
Provisional Profits Tax paid	已付暫繳利得稅	<u>(4,486)</u>	<u>(3,353)</u>	<u>(1,985)</u>	<u>(2,666)</u>
		<u>4,666</u>	4,322	<u>1,412</u>	361
Provision/(tax recoverable) for overseas subsidiaries and branches	海外附屬公司及分公司暫繳稅項準備 / (可退回稅項)				
– current year	– 本年度	<u>(2,039)</u>	(1,943)	<u>35</u>	103
– prior year	– 過往年度	<u>25</u>	<u>673</u>	<u>–</u>	<u>62</u>
Net tax payable	應付稅項淨額	<u>2,652</u>	<u>3,052</u>	<u>1,447</u>	<u>526</u>
Representing:	代表：				
Tax recoverable	可退回稅項	<u>(2,143)</u>	(2,145)	<u>–</u>	<u>–</u>
Tax payable	應付稅項	<u>4,795</u>	<u>5,197</u>	<u>1,447</u>	<u>526</u>
		<u>2,652</u>	<u>3,052</u>	<u>1,447</u>	<u>526</u>

## NOTES ON THE FINANCIAL STATEMENTS

For the year ended 31st March, 2004

(Expressed in Hong Kong dollars)

## 31. INCOME TAX IN THE BALANCE SHEET (continued)

## (b) Deferred tax liabilities recognised:

## (i) The Group

The components of deferred tax liabilities recognised in the consolidated balance sheet and the movements during the year are as follows:

## 財務報表附註

截至二零零四年三月三十一日止年度

(以港元計)

## 31. 資產負債表所示的所得稅 (續)

## (b) 已確認遞延所得稅負債：

## (i) 本集團

已在綜合資產負債表確認的遞延所得稅負債的組成部分和本年度變動如下：

		Revaluation of properties 物業重估 \$'000 千元	Depreciation allowances in excess of the related depreciation 超過相關折舊的折舊 免稅額 \$'000 千元	Total 總額 \$'000 千元
<i>Deferred tax arising from:</i>	來自下列各項的 遞延稅項：			
At 1st April, 2002	於二零零二年四月一日			
– as previously reported	– 上年度報告	–	–	–
– prior period adjustments	– 前期調整	8,986	2,240	11,226
– as restated	– 已重列	8,986	2,240	11,226
Credited to the consolidated income statement	在綜合損益表計入	–	(9)	(9)
Credited to reserves (note 35(a))	在儲備計入 (附註35(a))	(273)	–	(273)
At 31st March, 2003 (restated)	於二零零三年三月三十一日 (重列)	8,713	2,231	10,944
At 1st April, 2003	於二零零三年四月一日			
– as previously reported	– 上年度報告	–	–	–
– prior period adjustments	– 前期調整	8,713	2,231	10,944
– as restated	– 已重列	8,713	2,231	10,944
Credited to the consolidated income statement	在綜合損益表計入	–	(196)	(196)
Charged to reserves (note 35(a))	在儲備列支 (附註35(a))	19	–	19
At 31st March, 2004	於二零零四年三月三十一日	8,732	2,035	10,767

## NOTES ON THE FINANCIAL STATEMENTS

For the year ended 31st March, 2004

(Expressed in Hong Kong dollars)

## 31. INCOME TAX IN THE BALANCE SHEET (continued)

## (b) Deferred tax liabilities recognised: (continued)

## (ii) The Company

The components of deferred taxation recognised in the balance sheet and the movements during the year are as follows:

## 財務報表附註

截至二零零四年三月三十一日止年度

(以港元計)

## 31. 資產負債表所示的所得稅 (續)

## (b) 已確認遞延所得稅負債：(續)

## (ii) 本公司

已在資產負債表確認的遞延所得稅負債的組成部分和本年度變動如下：

		Revaluation of properties 物業重估 \$'000 千元	Depreciation allowances in excess of the related depreciation 超過相關折舊的折舊 免稅額 \$'000 千元	Total 總額 \$'000 千元
<i>Deferred tax arising from:</i>	來自下列各項的遞延稅項：			
At 1st April, 2002	於二零零二年四月一日			
– as previously reported	– 上年度報告	–	–	–
– prior period adjustments	– 前期調整	8,986	1,999	10,985
– as restated	– 已重列	8,986	1,999	10,985
Credited to the income statement	在損益表列計入	–	(9)	(9)
Credited to reserves (note 35(b))	在儲備計入 (附註35(b))	(273)	–	(273)
At 31st March, 2003 (restated)	於二零零三年三月三十一日 (重列)	8,713	1,990	10,703
At 1st April, 2003	於二零零三年四月一日			
– as previously reported	– 上年度報告	–	–	–
– prior period adjustments	– 前期調整	8,713	1,990	10,703
– as restated	– 已重列	8,713	1,990	10,703
Credited to the income statement	在損益表計入	–	(187)	(187)
Charged to reserves (note 35(b))	在儲備列支 (附註35(b))	19	–	19
<b>At 31st March, 2004</b>	<b>於二零零四年三月三十一日</b>	<b>8,732</b>	<b>1,803</b>	<b>10,535</b>

## NOTES ON THE FINANCIAL STATEMENTS

For the year ended 31st March, 2004  
(Expressed in Hong Kong dollars)

## 31. INCOME TAX IN THE BALANCE SHEET (continued)

## (b) Deferred tax liabilities recognised: (continued)

		The Group		The Company	
		2004	2003	2004	2003
			(restated)		(restated)
		\$'000	\$'000	\$'000	\$'000
		千元	千元	千元	千元
Net deferred tax assets recognised on the balance sheet	在資產負債表確認的遞延所得稅資產淨值	-	-	-	-
Net deferred tax liabilities recognised on the balance sheet	在資產負債表確認的遞延所得稅負債淨額	10,767	10,944	10,535	10,703
		<b>10,767</b>	10,944	<b>10,535</b>	10,703

## (c) Deferred tax assets not recognised

The Group has not recognised deferred tax assets in respect of tax losses of \$19,300,000 attributable to the PRC subsidiaries (2003: \$5,000,000) as the directors consider it is not probable that these companies will generate sufficient taxable profits in the foreseeable future to utilise the tax losses. The tax losses expire in 5 years.

## 財務報表附註

截至二零零四年三月三十一日止年度  
(以港元計)

## 31. 資產負債表所示的所得稅 (續)

## (b) 已確認遞延所得稅負債：(續)

## (c) 未確認的遞延所得稅資產

本集團尚未就中國的附屬公司為數 19,300,000 元 (二零零三年：5,000,000 元) 的可抵扣虧損確認有關的遞延所得稅資產，因董事認為公司在可能的將來不可能產生足夠應稅溢利來使用可抵扣虧損。這些可抵扣虧損應用限期為五年。

**NOTES ON THE FINANCIAL STATEMENTS**

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**32. NET CURRENT LIABILITIES**

The following current liabilities were incurred by a subsidiary, Wuxi YGM Textile Co., Ltd.:

		<b>2004</b>	2003
		<b>\$'000</b>	\$'000
		千元	千元
Payables for construction in progress (note 28)	在建工程應付款 (附註28)	<b>11,069</b>	49,075
Advance from associate for construction in progress (note 28)	聯營公司借貸—用於支付建築工程款 (附註28)	<b>9,413</b>	74,332
Short-term bank loans	短期銀行貸款	<b>199,226</b>	187,806
		<b>219,708</b>	311,213

The short term bank loans are renewable on a six month basis at the option of the bank. The directors are confident that these bank loans will be renewed upon expiry for the foreseeable future.

**財務報表附註**

**截至二零零四年三月三十一日止年度**  
(以港元計)

**32. 淨流動負債**

附屬公司無錫長江精密紡織有限公司產生之流動負債如下：

短期銀行貸款是根據銀行的要求每六個月續期，董事有信心該等銀行貸款在可預見的將來於限期屆滿時再續期。

**33. PROVISION FOR LONG SERVICE PAYMENTS****33. 長期服務金準備**

		<b>The Group</b>		<b>The Company</b>	
		<b>本集團</b>		<b>本公司</b>	
		<b>2004</b>	2003	<b>2004</b>	2003
		<b>\$'000</b>	\$'000	<b>\$'000</b>	\$'000
		千元	千元	千元	千元
At 1st April	於四月一日	<b>9,027</b>	6,126	<b>5,063</b>	3,331
Add: Provision for the year	加：本年度之準備	—	3,210	—	1,799
		<b>9,027</b>	9,336	<b>5,063</b>	5,130
Less: Payments during the year	減：年內付款	<b>(79)</b>	(309)	<b>(191)</b>	(67)
At 31st March	於三月三十一日	<b>8,948</b>	9,027	<b>4,872</b>	5,063

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## 財務報表附註

截至二零零四年三月三十一日止年度  
(以港元計)

## 34. SHARE CAPITAL

## 34. 股本

		2004		2003	
		No. of shares '000	Amount \$'000	No. of shares '000	Amount \$'000
<b>Authorised:</b> Ordinary shares of \$0.50 each	法定股本： 每股面值0.50元 之普通股	<u>200,000</u>	<u>100,000</u>	<u>200,000</u>	<u>100,000</u>
<b>Issued and fully paid:</b> At 31st March	已發行及繳足股本： 於三月三十一日	<u>140,246</u>	<u>70,123</u>	<u>140,246</u>	<u>70,123</u>

## 35. RESERVES

## 35. 儲備

## (a) The Group

## (a) 本集團

		Share premium	Capital redemption reserve	Exchange reserve	Goodwill arising on consolidation	Investment revaluation reserve	Land and buildings revaluation reserve	Investment properties revaluation reserve	Other reserves	Retained profits	Total
		股份溢價	資本贖回儲備	匯兌儲備	綜合賬目所產生之商譽	投資重估儲備	土地及樓宇重估儲備	投資物業重估儲備	其他儲備	保留溢利	總額
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
		千元	千元	千元	千元	千元	千元	千元	千元	千元	千元
As at 1st April, 2002	於二零零二年四月一日										
- as previously reported	- 上年度報告	13,731	481	(9,810)	(45,987)	39	52,921	30,840	2,038	239,718	283,971
- prior period adjustment in respect of deferred tax (note 11)	- 遞延稅所得稅的前期調整(附註11)	-	-	-	-	-	(8,913)	(73)	-	(878)	(9,864)
- as restated	- 已重列	13,731	481	(9,810)	(45,987)	39	44,008	30,767	2,038	238,840	274,107
Dividend approved in respect of the previous year (note 9(b))	本年度內批准屬於上一年度的股息(附註9(b))	-	-	-	-	-	-	-	-	(11,220)	(11,220)
Exchange differences on translation of the financial statements of foreign entities	換算海外附屬公司財務報表之匯兌差額	-	-	679	-	-	-	-	-	-	679
Revaluation deficit	重估虧蝕	-	-	-	-	(39)	-	(1,644)	-	-	(1,683)
Deferred tax (note 31(b))	遞延所得稅(附註31(b))	-	-	-	-	-	291	(18)	-	-	273
Share of associates' revaluation surplus	應佔聯營公司重估盈餘	-	-	-	-	-	-	157	-	-	157
Share of associates' exchange reserve	應佔聯營公司匯兌儲備	-	-	(1,987)	-	-	-	-	-	-	(1,987)
Impairment loss	減值虧損	-	-	-	-	-	(1,664)	-	-	-	(1,664)
Disposal of subsidiaries	出售附屬公司	-	-	(662)	-	-	-	-	-	-	(662)
Deconsolidation of subsidiaries in liquidation	不再綜合計算在清盤中的附屬公司	-	-	(6,053)	(174)	-	-	-	-	-	(6,227)
Profit for the year (as restated)	本年度溢利(已重列)	-	-	-	-	-	-	-	-	33,077	33,077
Dividend declared for the year (note 9(a))	本年度已宣派股息(附註9(a))	-	-	-	-	-	-	-	-	(2,805)	(2,805)
Appropriation to other reserves	撥往一般儲備	-	-	-	-	-	-	-	378	(378)	-
As at 31st March, 2003	於二零零三年三月三十一日	<u>13,731</u>	<u>481</u>	<u>(17,833)</u>	<u>(46,161)</u>	<u>-</u>	<u>42,635</u>	<u>29,262</u>	<u>2,416</u>	<u>257,514</u>	<u>282,045</u>



## NOTES ON THE FINANCIAL STATEMENTS

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(Expressed in Hong Kong dollars)

## 財務報表附註

截至二零零四年三月三十一日止年度

(以港元計)

## 35. RESERVES (continued)

## 35. 儲備 (續)

## (a) The Group (continued)

## (a) 本集團 (續)

		Share premium	Capital redemption reserve	Exchange reserve	Goodwill arising on consolidation	Investment revaluation reserve	Land and buildings revaluation reserve	Investment properties revaluation reserve	Other reserves	Retained profits	Total
		股份溢價	資本贖回儲備	匯兌儲備	綜合賬目所產生之商譽	投資重估儲備	土地及樓宇重估儲備	投資物業重估儲備	其他儲備	保留溢利	總額
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
		千元	千元	千元	千元	千元	千元	千元	千元	千元	千元
As at 1st April, 2003	於二零零三年四月一日										
- as previously reported	- 上年度報告	13,731	481	(17,833)	(46,161)	-	51,257	29,353	2,416	258,394	291,638
- prior period adjustment in respect of deferred tax (note 11)	- 遞延所得稅的前期調整 (附註 11)	-	-	-	-	-	(8,622)	(91)	-	(880)	(9,593)
- as restated	- 已重列	13,731	481	(17,833)	(46,161)	-	42,635	29,262	2,416	257,514	282,045
Dividend approved in respect of the previous year (note 9(b))	本年度內批准屬於上一年度的股息 (附註 9(b))	-	-	-	-	-	-	-	-	(11,220)	(11,220)
Exchange differences on translation of the financial statements of foreign entities	換算海外附屬公司財務報表之匯兌差額	-	-	2,038	-	-	-	-	-	-	2,038
Revaluation surplus	重估盈餘	-	-	-	-	400	-	577	-	-	977
Deferred tax (note 31(b))	遞延所得稅 (附註 31(b))	-	-	-	-	-	-	(19)	-	-	(19)
Share of associates' revaluation surplus	應佔聯營公司重估盈餘	-	-	-	-	-	-	973	-	-	973
Share of associates' other reserves	應佔聯營公司其他儲備	-	-	-	-	-	-	-	697	-	697
Share of associates' exchange reserve	應佔聯營公司匯兌儲備	-	-	1,186	-	-	-	-	-	-	1,186
Disposal of subsidiaries	出售附屬公司	-	-	(122)	-	-	-	-	-	-	(122)
Profit for the year	本年度溢利	-	-	-	-	-	-	-	-	69,085	69,085
Dividend declared for the year (note 9(a))	本年度已宣派股息 (附註 9(a))	-	-	-	-	-	-	-	-	(1,402)	(1,402)
Appropriation to other reserves	撥往其他儲備	-	-	-	-	-	-	-	1,695	(1,695)	-
As at 31st March, 2004	於二零零四年三月三十一日	13,731	481	(14,731)	(46,161)	400	42,635	30,793	4,808	312,282	344,238

**NOTES ON THE FINANCIAL STATEMENTS****For the year ended 31st March, 2004***(Expressed in Hong Kong dollars)***35. RESERVES (continued)****(a) The Group (continued)**

Included in the Group's retained profits is a net profit of \$21,000 (2003 (restated): loss of \$10,765,000) being the Group's share of accumulated profits less losses attributable to the associates.

The application of the share premium account and the capital redemption reserve is governed by Sections 48B and 49H respectively of the Hong Kong Companies Ordinance. The revaluation reserves have been set up and will be dealt with in accordance with the accounting policies adopted for the revaluation of properties.

In accordance with the relevant PRC laws applicable to wholly foreign owned enterprises, a PRC subsidiary is required to make appropriations of at least 10% of its after-tax profit, determined under the relevant PRC accounting regulations to other reserves. Other reserves attributable to the PRC subsidiary can be used to make good losses or may be converted into paid-up capital.

**財務報表附註****截至二零零四年三月三十一日止年度***(以港元計)***35. 儲備 (續)****(a) 本集團 (續)**

本集團保留溢利內包括溢利淨額 21,000 元 (二零零三年 (重列) : 虧損 10,765,000 元) , 即集團應佔聯營公司之累計溢利減虧損。

資本贖回儲備的用途分別受到香港《公司條例》第48B條及第49H條所管轄。本公司已設立重估儲備, 並會根據就重估投資物業所採用的會計政策處理這些儲備。

根據適用於國外獨資企業之有關中國法律, 中國附屬公司必須將其稅後溢利最少10% (由有關中國會計規例釐定) 撥往其他儲備。應佔中國附屬公司之其他儲備可用以抵銷虧損及轉換為繳足股本。

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(Expressed in Hong Kong dollars)

## 財務報表附註

截至二零零四年三月三十一日止年度

(以港元計)

## 35. RESERVES (continued)

## 35. 儲備 (續)

## (b) The Company

## (b) 本公司

		Share premium 股份溢價 \$'000 千元	Capital redemption reserve 資本 贖回儲備 \$'000 千元	Investment revaluation reserve 投資 重估儲備 \$'000 千元	Land and buildings revaluation reserve 土地及樓宇 重估儲備 \$'000 千元	Investment properties revaluation reserve 投資物業 重估儲備 \$'000 千元	Retained profits 保留溢利 \$'000 千元	Total 總額 \$'000 千元
At 1st April, 2002	於二零零二年 四月一日							
- as previously reported	- 上年度 報告	13,731	481	39	52,921	28,298	169,605	265,075
- prior period adjustment in respect of deferred tax (note 11)	- 遞延 所得稅 的前期 調整 (附註11)	-	-	-	(8,913)	(73)	(1,999)	(10,985)
- as restated	- 已重列	13,731	481	39	44,008	28,225	167,606	254,090
Dividends approved in respect of the previous year (note 9(b))	本年度內批准 屬於上一年度的 股息(附註9(b))	-	-	-	-	-	(11,220)	(11,220)
Impairment loss	減值虧損	-	-	-	(1,664)	-	-	(1,664)
Deferred tax (note 31(b))	遞延所得稅 (附註31(b))	-	-	-	291	(18)	-	273
Revaluation deficit	重估虧絀	-	-	(39)	-	(1,644)	-	(1,683)
Profit for the year (as restated)	本年度溢利 (已重列)	-	-	-	-	-	7,545	7,545
Dividends declared in respect of the current year (note 9(a))	本年度已 宣派股息 (附註9(a))	-	-	-	-	-	(2,805)	(2,805)
At 31st March, 2003	於二零零三年 三月三十一日	13,731	481	-	42,635	26,563	161,126	244,536
At 1st April, 2003	於二零零三年 四月一日							
- as previously reported	- 上年度 報告	13,731	481	-	51,257	26,654	163,116	255,239
- prior period adjustment in respect of deferred tax (note 11)	- 遞延所得稅 的前期 調整 (附註11)	-	-	-	(8,622)	(91)	(1,990)	(10,703)
- as restated	- 已重列	13,731	481	-	42,635	26,563	161,126	244,536
Dividends approved in respect of the previous year (note 9(b))	本年度內批准屬 於上一年度的 股息(附註9(b))	-	-	-	-	-	(11,220)	(11,220)
Revaluation surpluses	重估盈餘	-	-	400	-	577	-	977
Deferred tax (note 31(b))	遞延所得稅 (附註31(b))	-	-	-	-	(19)	-	(19)
Profit for the year	本年度溢利	-	-	-	-	-	89,700	89,700
Dividends declared in respect of the current year (note 9(a))	本年度已 宣派股息 (附註9(a))	-	-	-	-	-	(1,402)	(1,402)
At 31st March, 2004	於二零零四年 三月三十一日	13,731	481	400	42,635	27,121	238,204	322,572

**NOTES ON THE FINANCIAL STATEMENTS**

**For the year ended 31st March, 2004**  
(Expressed in Hong Kong dollars)

**35. RESERVES (continued)****(b) The Company (continued)**

The revaluation reserves in respect of investments, investment properties and land and buildings are not available for distribution to shareholders because they do not constitute realised profits within the meaning of section 79B(2) of the Hong Kong Companies Ordinance.

The distributable reserves of the Company as at 31st March, 2004 were \$238,204,000 (2003 (restated): \$161,126,000).

**36. COMMITMENTS**

- (a) Capital commitments outstanding at 31st March, 2004 not provided for in the financial statements were as follows:

		<b>The Group</b> 本集團	
		<b>2004</b> \$'000 千元	2003 \$'000 千元
Contracted for	已訂約		
– construction in progress	– 在建工程	847	51,337
– fixed assets	– 固定資產	–	230
– capital contribution to a subsidiary	– 附屬公司的資本投入	3,713	49,095
– capital contribution to an associate	– 聯營公司的資本投入	6,630	6,630
		<u>11,190</u>	<u>107,292</u>
Authorised but not contracted for	已授權但未訂約		
– construction in progress	– 在建工程	–	8,087
		<u>11,190</u>	<u>115,379</u>

**財務報表附註**

**截至二零零四年三月三十一日止年度**  
(以港元計)

**35. 儲備 (續)****(b) 本公司 (續)**

就投資、投資物業及土地及樓宇之重估儲備並不可供分派予股東，此乃因為該等儲備並不構成香港《公司條例》第79B(2)條涵義所指定之可變現溢利。

本公司於二零零四年三月三十一日之可供分派儲備為238,204,000元(二零零三年(重列)：161,126,000元)。

**36. 承擔**

- (a) 於二零零四年三月三十一日，仍未在財務報表作出準備之資本承擔如下：

## NOTES ON THE FINANCIAL STATEMENTS

For the year ended 31st March, 2004

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## 財務報表附註

截至二零零四年三月三十一日止年度

(以港元計)

## 36. COMMITMENTS (continued)

## (a) (continued)

The Group's share of the capital commitments of associates outstanding at 31st March, 2004 were as follows:

		The Group 本集團	
		2004 \$'000 千元	2003 \$'000 千元
Authorised but not contracted for	已授權但未訂約	1,010	138
Contracted but not provided for	已訂約但未作出準備	648	864
		<u>1,658</u>	<u>1,002</u>

(b) At 31st March, 2004, the total future minimum lease payments under non-cancellable operating leases are payable as follows:

		The Group 本集團	
		2004 \$'000 千元	2003 \$'000 千元
Within 1 year	一年內	2,579	722
After 1 year but within 2 years	一年後至兩年內	2,732	527
After 2 years but within 5 years	兩年後至五年內	3,515	351
More than 5 years	五年以上	8,220	8,221
		<u>17,046</u>	<u>9,821</u>

The Group leases a number of properties and a piece of land under operating leases. The leases run for a period of 4 to 60 years. None of the leases includes contingent rentals.

## 36. 承擔 (續)

## (a) (續)

於二零零四年三月三十一日，本集團佔聯營公司未償付的資本承擔如下：

(b) 於二零零四年三月三十一日，根據不可解除的經營租賃在日後應付的最低租賃付款額總數如下：

本集團以經營租賃租用部分物業及一幅土地，這些租賃為期四至六十年。各項經營租賃均不包含或有租金。

**NOTES ON THE FINANCIAL STATEMENTS****For the year ended 31st March, 2004***(Expressed in Hong Kong dollars)***36. COMMITMENTS (continued)**

- (c) At 31st March, 2004, the Group and the Company had cancelled the commitments in respect of outstanding foreign exchange forward contracts (2003: \$47,981,000), which were non-speculative hedges of the Group's and the Company's foreign currency denominated trade receivables.

**37 CONTINGENT LIABILITIES**

At 31st March, 2004, there were contingent liabilities in respect of the following:

- (a) Bills discounted with banks amounting to approximately \$139,925,000 (2003: \$148,764,000) for the Group and \$67,135,000 (2003: \$77,622,000) for the Company.
- (b) Guarantees given to banks by the Company to the extent of \$49,148,000 (2003: \$55,628,000) in respect of banking facilities extended to its subsidiaries and associates.

**財務報表附註****截至二零零四年三月三十一日止年度***(以港元計)***36. 承擔 (續)**

- (c) 於二零零四年三月三十一日，本集團及本公司已撤銷為遠期外匯期貨合同作承擔（二零零三年：47,981,000元）。按非投機性對沖保值方法，本集團及本公司為外幣結算之應收賬款而訂立此等外匯期貨合同。

**37. 或有負債**

於二零零四年三月三十一日，本集團之或有負債如下：

- (a) 本集團及本公司分別跟銀行貼現了約共139,925,000元（二零零三年：148,764,000元）及67,135,000元（二零零三年：77,622,000元）的票據。
- (b) 本公司就其附屬公司及聯營公司之銀行備用信貸而向銀行作出之擔保共49,148,000元（二零零三年：55,628,000元）。

**NOTES ON THE FINANCIAL STATEMENTS****For the year ended 31st March, 2004***(Expressed in Hong Kong dollars)***38. MATERIAL RELATED PARTY TRANSACTIONS**

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

- (a) Transactions with and income from YGM Trading Limited and its subsidiaries (“YGMT Group”). (Certain directors of the Company are collectively the controlling shareholders of both the YGMT Group and the Group):

		<b>2004</b>	2003
		<b>\$'000</b>	\$'000
		千元	千元
Purchases of traded products	購買貿易產品	<b>2,813</b>	65
Sales of traded products	銷售貿易產品	<b>23,771</b>	10,585
Rental income from properties	物業租金收入	<b>3,902</b>	3,904
Management fee income	管理費收入	<b>804</b>	804
Building management fee income	樓宇管理費收入	<b>324</b>	324
		<b>324</b>	324

Purchases and sales of traded products and rental transactions were, in the opinion of the directors, carried out on prices and terms comparable to those offered to or by independent third parties. 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.

**財務報表附註****截至二零零四年三月三十一日止年度***(以港元計)***38. 與關連人士之重大交易**

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：

- (a) 與YGM貿易有限公司及其附屬公司（「YGMT集團」）進行之交易及就此收取之收入（本公司若干董事統稱為YGMT集團及本集團之控股股東）：

董事會認為購買及銷售貿易產品及收取物業租金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。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。



## NOTES ON THE FINANCIAL STATEMENTS

For the year ended 31st March, 2004  
(Expressed in Hong Kong dollars)

38. MATERIAL RELATED PARTY  
TRANSACTIONS (continued)

(a) (continued)

		2004 \$'000 千元	2003 \$'000 千元
Amounts due from YGMT Group	應收 YGMT 集團款項	<u>1,690</u>	<u>3,242</u>

(b) Transactions with YGM Marketing Pte Limited, which is beneficially owned by certain directors of the Company:

		2004 \$'000 千元	2003 \$'000 千元
Sales of traded products	銷售貿易產品	<u>4,867</u>	<u>5,303</u>

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

## 財務報表附註

截至二零零四年三月三十一日止年度  
(以港元計)

## 38. 與關連人士之重大交易 (續)

(a) (續)

		2004 \$'000 千元	2003 \$'000 千元
Amounts due from YGMT Group	應收 YGMT 集團款項	<u>1,690</u>	<u>3,242</u>

(b) 與 YGM Marketing Pte Limited 進行之交易 (該公司為本公司若干董事實益擁有之公司) :

		2004 \$'000 千元	2003 \$'000 千元
Sales of traded products	銷售貿易產品	<u>4,867</u>	<u>5,303</u>

董事會認為以上交易之條件與提供予獨立第三者之條件相若。

		2004 \$'000 千元	2003 \$'000 千元
Amount due from/(to) YGM Marketing Pte Limited	應收 / (應付) YGM Marketing Pte Limited 款項	<u>65</u>	<u>(576)</u>

## NOTES ON THE FINANCIAL STATEMENTS

For the year ended 31st March, 2004

(Expressed in Hong Kong dollars)

38. MATERIAL RELATED PARTY  
TRANSACTIONS (continued)

(c) Transactions with Wuxi Changxin Textile Co., Ltd., an associate:

		2004 \$'000 千元	2003 \$'000 千元
Purchases of traded products	購買貿易產品	101,047	15,827
Sales of traded products	銷售貿易產品	7,480	-
Processing income	加工收入	38,137	-
Subcontracting fee expenses	外發加工費用	15,205	12,256
Management and marketing supporting fee paid	管理及銷售支援費用	-	282
		<u>          </u>	<u>          </u>

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

## 財務報表附註

截至二零零四年三月三十一日止年度

(以港元計)

## 38. 與關連人士之重大交易 (續)

(c) 與一間聯營公司無錫長新紡織有限公司進行之交易：

董事會認為以上交易之條件與獨立第三者所提供之條件相若。

		2004 \$'000 千元	2003 \$'000 千元
Amount due to Wuxi Changxin Textile Co., Ltd.	應付無錫長新紡織有限公司款項	(33,165)	(91,184)
Dividend receivable	應收股息	99	11,570
		<u>          </u>	<u>          </u>

## NOTES ON THE FINANCIAL STATEMENTS

For the year ended 31st March, 2004

(Expressed in Hong Kong dollars)

38. MATERIAL RELATED PARTY  
TRANSACTIONS (continued)

- (d) Transactions with Hongkong Knitters Lanka (PVT) Limited (“HKKL”), as an associate for the period from 1st April, 2003 to 12th May, 2003:

		Period from 1st April, 2003 to 12th May, 2003 二零零三年 四月一日至 二零零三年 五月十二日 止期間 \$'000 千元	For the year ended 31st March, 2003 截至 二零零三年 三月三十一日 止年度 \$'000 千元
Purchases on behalf and sales of traded products	代購買及銷售 貿易產品	4	47,416
Commission income	佣金收入	572	3,992
Subcontracting fee expense	外發加工費用	2,528	—

During the year ended 31st March, 2003, the Group purchased traded products on behalf of HKKL which were reimbursed to the Group by HKKL at cost. Commission income relates to referral of sales by the Group and was charged at an agreed percentage based on the HKKL's turnover. Subcontracting fee expenses was, in the opinion of the directors, carried out on terms comparable to those offered to independent third parties.

The Company has cancelled a corporate guarantee to a bank in respect of general banking facilities granted by such bank to HKKL (2003: \$2,730,000). HKKL was 50% owned by the Company and 50% owned by a company controlled by certain directors of the Company for the period from 1st April, 2003 to 12th May, 2003. The general banking facilities were used for funding HKKL's daily working capital requirements.

## 財務報表附註

截至二零零四年三月三十一日止年度

(以港元計)

## 38. 與關連人士之重大交易 (續)

- (d) 與一間聯營公司 Hongkong Knitters Lanka (PVT) Limited (「HKKL」) 於二零零三年四月一日至二零零三年五月十二日期間進行之交易：

截至二零零三年三月三十一日止年度內，本集團代HKKL購買貿易產品，有關款項已按成本付還。佣金收入乃本集團代其尋找客戶所收取之佣金，該佣金乃根據HKKL之營業額按一個雙方議定之百分比率收取。董事會認為外發加工費用之條件與提供予獨立第三者之條件相若。

本公司已撤銷向一家銀行提供相等於該銀行向HKKL授出之一般銀行備用信貸之公司擔保(二零零三年：2,730,000元)。於二零零三年四月一日至二零零三年五月十二日期間，HKKL由本公司擁有50%，另50%則由一家由本公司若干董事控制之公司擁有。有關銀行之備用信貸旨在為該公司提供日常流動資金。

## NOTES ON THE FINANCIAL STATEMENTS

For the year ended 31st March, 2004

(Expressed in Hong Kong dollars)

38. MATERIAL RELATED PARTY  
TRANSACTIONS (continued)

(d) (continued)

		2004 \$'000 千元	2003 \$'000 千元
Amount due from HKKL as an associate	應收聯營公司 HKKL款項	-	25,761

On 13th May, 2003 HKKL became a wholly-owned subsidiary of the Group.

(e) Transactions with YangtzeKiang Industries Sdn. Bhd. ("YISB"), an associate:

		2004 \$'000 千元	2003 \$'000 千元
Subcontracting fee expense	外發加工費用	-	2,844
Commission income	佣金收入	-	1,033

No subcontracting fee expense was paid and no commission income was received during the year ended 31st March, 2004. During the year ended 31st March, 2003, the subcontracting fee was, in the opinion of the directors, carried out on terms comparable to those offered to independent third parties. Commission income relates to referral of sales by the Group to YISB and was charged at an agreed percentage based on the associate's turnover.

## 財務報表附註

截至二零零四年三月三十一日止年度

(以港元計)

## 38. 與關連人士之重大交易 (續)

(d) (續)

		2004 \$'000 千元	2003 \$'000 千元
Amount due from HKKL as an associate	應收聯營公司 HKKL款項	-	25,761

於二零零三年五月十三日，HKKL 成為本集團全資擁有附屬公司。

(e) 與一間聯營公司 YangtzeKiang Industries Sdn. Bhd. (「YISB」) 進行之交易：

		2004 \$'000 千元	2003 \$'000 千元
Subcontracting fee expense	外發加工費用	-	2,844
Commission income	佣金收入	-	1,033

於二零零四年三月三十一日止年度內，並沒有外發加工費用支出及佣金收入。於二零零三年三月三十一日止年度內，董事會認為外發加工費用之條件與提供予獨立第三者之條件相若。佣金收入乃本集團代YISB尋找客戶所收取之服務佣金，該佣金乃根據該聯營公司之營業額按一個雙方議定之百分比率收取。

## NOTES ON THE FINANCIAL STATEMENTS

For the year ended 31st March, 2004  
(Expressed in Hong Kong dollars)

38. MATERIAL RELATED PARTY  
TRANSACTIONS (continued)

(e) (continued)

		2004 \$'000 千元	2003 \$'000 千元
Amount due (to)/from YISB	(應付) / 應收 YISB款項	<u>(167)</u>	<u>256</u>

(f) Transactions with Allied Textiles Limited  
("Allied Textiles"), an associate:

		2004 \$'000 千元	2003 \$'000 千元
Purchases of traded products	購買貿易產品	<b>18,338</b>	3,026
Purchases on behalf and sales of traded products	代購買及銷售 貿易產品	<u>2,027</u>	<u>871</u>

The purchases of traded products were, in the opinion of the directors, carried out on prices and terms comparable to those offered to or by independent third parties. The Group purchased traded products on behalf of Allied Textiles which were reimbursed to the Group by Allied Textiles at cost.

## 財務報表附註

截至二零零四年三月三十一日止年度  
(以港元計)

## 38. 與關連人士之重大交易 (續)

(e) (續)

		2004 \$'000 千元	2003 \$'000 千元
Amount due (to)/from YISB	(應付) / 應收 YISB款項	<u>(167)</u>	<u>256</u>

(f) 與一間聯營公司新聯興紡織有限公司  
("新聯興") 進行之交易：

		2004 \$'000 千元	2003 \$'000 千元
Purchases of traded products	購買貿易產品	<b>18,338</b>	3,026
Purchases on behalf and sales of traded products	代購買及銷售 貿易產品	<u>2,027</u>	<u>871</u>

董事會認為以上交易之條件與提供予獨立第三者或由彼等所提供之條件相若。本集團代新聯興購買之貿易產品均全數由新聯興按成本付還。

		2004 \$'000 千元	2003 \$'000 千元
Amount due to Allied Textiles	應付新聯興款項	<u>2,290</u>	<u>354</u>

## NOTES ON THE FINANCIAL STATEMENTS

For the year ended 31st March, 2004

(Expressed in Hong Kong dollars)

38. MATERIAL RELATED PARTY  
TRANSACTIONS (continued)

- (g) Transactions with Taizhou Changxin Textile (Xinghua) Co., Ltd., an associate:

		2004 \$'000 千元	2003 \$'000 千元
Sales of traded products	銷售貿易產品	2,149	-

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

- (h) Transactions with non-wholly owned subsidiaries, Whampoa Textile Limited and its subsidiaries ("Whampoa Group"):

		Period from 1st April, 2003 to 12th May, 2003 二零零三年 四月一日至 二零零三年 五月十二日 \$'000 千元	For the year ended 31st March, 2003 2003 截至 二零零三年 三月三十一日 止年度 \$'000 千元
Sales of traded products	銷售貿易產品	1,041	17,412
Purchases on behalf and sales of traded products	代購買及銷售貿易產品	6,484	111,247
Commission expenses paid	佣金費用	824	4,806
Subcontracting fee income	外發加工費收入	3,890	5,752
Subcontracting fee paid	外發加工費用	155	-
Rental income from properties	物業租金收入	624	2,117
Building management fee income	樓宇管理費收入	41	120
Management fee income	管理費收入	828	3,960
Interest income	利息收入	388	3,340
Sales of fixed assets	出售固定資產	-	585

## 財務報表附註

截至二零零四年三月三十一日止年度

(以港元計)

## 38. 與關連人士之重大交易 (續)

- (g) 與一間聯營公司泰州長新紡織(興化)有限公司進行之交易:

董事會認為以上交易之條件與獨立第三者所提供之條件相若。

- (h) 與非全資附屬公司黃浦江紡織有限公司及其附屬公司(「黃浦江集團」)進行之交易:

**NOTES ON THE FINANCIAL STATEMENTS****For the year ended 31st March, 2004***(Expressed in Hong Kong dollars)***38. MATERIAL RELATED PARTY  
TRANSACTIONS (continued)**(h) *(continued)*

Whampoa Group purchased traded products on behalf of other subsidiaries of the Group which were reimbursed to Whampoa Group at cost. Commission expenses relate to referral of sales by Whampoa Group and are charged at an agreed percentage on the Group's turnover.

The above transactions, were in the opinion of the directors, carried out on the terms comparable to those offered to independent third parties. Year end trade balances have been eliminated on consolidation.

On 13th May, 2003, the Group increased its interest in Whampoa Textile Limited to 100% and Whampoa Group became wholly-owned by the Group.

**財務報表附註****截至二零零四年三月三十一日止年度***(以港元計)***38. 與關連人士之重大交易 (續)**(h) *(續)*

黃浦江集團代本集團之其他附屬公司購買貿易產品，有關款項已按成本付還。佣金費用乃黃浦江集團代尋找客戶所收取之佣金，該佣金乃根據本集團之營業額按一個雙方議定之百分比率收取。

董事會認為以上交易之條件與提供予獨立第三者之條件相若，及彼等在期末時之公司往來結餘均已在編製綜合賬目時予以抵銷。

於二零零三年五月十三日，本集團於黃浦江集團之權益增加至100%及黃浦江集團成為本集團之全資擁有附屬公司。



## NOTES ON THE FINANCIAL STATEMENTS

For the year ended 31st March, 2004

(Expressed in Hong Kong dollars)

38. MATERIAL RELATED PARTY  
TRANSACTIONS (continued)

(h) (continued)

Guarantees given to banks in respect of credit facilities granted to the extent of the Company's proportional equity interest held	就銀行授出之備用信貸作出之擔保，以本公司所持有之股權比例為限
--	--------------------------------

The Company had issued corporate guarantees for a total amount of \$49,148,000 to bankers, to secure general banking facilities granted by such banks to Hong Kong Knitters Limited ("HKK"), a subsidiary of the Whampoa Group. The general banking facilities were used for funding HKK's daily working capital requirements.

- (i) The acquisitions of Whampoa Textile Limited ("Whampoa") and Hongkong Knitters Lanka (PVT) Limited ("HKKL"):

The Company had entered into the following agreements ("the Agreements"):

- (i) an agreement on 10th February, 2003 and a supplemental agreement thereto on 24th March, 2003 in relation to the acquisition of 25% of the issued share capital of Whampoa from Chan Family Investment Corporation Limited, an entity connected with the Company for the purpose of the Listing Rules, for a cash consideration of \$5,000,000; and
- (ii) an agreement on 10th February, 2003 and a supplemental agreement thereto on 24th March, 2003 in relation to the acquisition of 50% of the issued share capital of HKKL from Sevenoaks Associates, Inc., an entity connected with the Company for the purpose of the Listing Rules, for a cash consideration of \$1.

## 財務報表附註

截至二零零四年三月三十一日止年度

(以港元計)

## 38. 與關連人士之重大交易 (續)

(h) (續)

2004 \$'000 千元	2003 \$'000 千元
<u>49,148</u>	<u>49,148</u>

本公司就銀行向黃浦江集團之附屬公司香港織造有限公司(「香港織造」)授出之備用信貸作出之擔保總額為49,148,000元。有關之銀行備用信貸旨在為香港織造提供日常流動資金。

- (i) 收購黃浦江紡織有關公司(「黃浦江」)及Hongkong Knitters Lanka (PVT) Limited(「HKKL」):

本公司訂立下列協議(「該等協議」):

- (i) 於二零零三年二月十日訂立一項協議及二零零三年三月二十四日訂立一項補充協議，有關向就上市規則而言屬本公司關連人士之一的Chan Family Investment Corporation Limited收購黃浦江已發行股本25%，現金代價為5,000,000元。
- (ii) 於二零零三年二月十日訂立一項協議及二零零三年三月二十四日訂立一項補充協議，有關向就上市規則而言屬本公司關連人士之一的Sevenoaks Associates, Inc.收購HKKL已發行股本50%，現金代價為1元。

**NOTES ON THE FINANCIAL STATEMENTS****For the year ended 31st March, 2004***(Expressed in Hong Kong dollars)***38. MATERIAL RELATED PARTY  
TRANSACTIONS (continued)**(i) *(continued)*

The Agreements were approved by the Independent Shareholders of the Company at the Extraordinary General Meeting on 5th May, 2003 and the acquisitions were completed on 13th May, 2003. After completion of the acquisitions, various existing transactions between the Group, Whampoa Group and HKKL have become transactions between the Company and its wholly-owned subsidiaries or between its wholly-owned subsidiaries and are not subject to disclosure or shareholders' approval requirements under Chapter 14 of the Listing Rules.

## (j) Continuing connected transaction with YGMT Group:

The Group sells garment products (such as shirts and knit wear products) from time to time to YGMT Group on an order by order basis for trading purposes. As the Chan Family is the controlling shareholder (as defined in the Listing Rules) of the Companies, the Transactions constitute connected transactions for YangtzeKiang Garment and YGM Trading 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 Rules 14.26 of the Listing Rules on each occasion when the transactions occur for a period up to 31st March, 2006.

The aggregate amount of the transactions for each financial year shall not exceed 8% of the latest published audited consolidated net tangible assets of the Group in that financial year.

**財務報表附註****截至二零零四年三月三十一日止年度***(以港元計)***38. 與關連人士之重大交易 (續)**(i) *(續)*

該等協議已獲本公司獨立股東於二零零三年五月五日舉行之股東特別大會上批准；並於二零零三年五月十三日完成該等收購事項。在該等收購事項完成後，本集團與黃浦江集團及HKKL之現有多項交易已成為本公司與其全資附屬公司或其全資附屬公司之間之交易，且將無須根據上市規則第14章作出披露或亦無須尋求股東批准。

## (j) 與YGMT集團之持續關連交易：

本集團不時按訂單方式向YGMT集團銷售成衣產品(例如襯衫及針織衣物產品)以作貿易之用。由於陳氏家族為該等公司之控股股東(定義見上市規則)，故根據上市規則，該等交易構成長江製衣及YGM貿易之關連交易。

本公司已獲得聯交所授出豁免，豁免於截至二零零六年三月三十一日止期間內，就每次進行該等交易而嚴格遵守上市規則第14.26條項下之披露規定及取得獨立股東批准之規定。

該等交易於各財政年度內之總額不得超逾本集團於該財政年度之最近公佈之經審核綜合有形資產淨值之8%。

**NOTES ON THE FINANCIAL STATEMENTS****For the year ended 31st March, 2004***(Expressed in Hong Kong dollars)***38. MATERIAL RELATED PARTY  
TRANSACTIONS (continued)**

- (k) Disposal of YangtzeKiang Industries (Myanmar) Limited (“YangtzeKiang Myanmar”):

A share purchase agreement was entered into on 30th March, 2004 between the Company as vendor and Mr. Wong Pui Lam, Mr. Wong Chun Yu, Mr. Chee Chong Sin and Ms. Tsang Sau Ngor as purchasers in relation to the entire issued share capital of YangtzeKiang (Myanmar) Limited (“YML”), YangtzeKiang Myanmar and Victoria Harbor Limited (“VHL”) and a non-interest bearing loan of approximately US\$1,860,000 (approximately \$14,500,000) owing by YML and YangtzeKiang Myanmar to the Company as at 30th March, 2004 (“YML Group Loan”) for a total cash consideration of US\$1,360,000 (approximately HK\$10,608,000). The consideration will be payable by instalments over six years (note 21).

YML and VHL were both investment holding companies and wholly-owned subsidiaries of the Company. YML was beneficially interested in the entire issued share capital of YangtzeKiang Myanmar. VHL held 50% of the issued share capital of YangtzeKiang Myanmar on trust for YML. As Mr. Wong Pui Lam is a director of YangtzeKiang Myanmar and Mr. Wong Chun Yu is the son of Mr. Wong Pui Lam, the Disposal constitutes a connected transaction of the Company.

Completion of the Disposal (other than the assignment of YML Group Loan) took place immediately after the signing of the Share Purchase Agreement. Completion of the assignment of the YML Group Loan shall take place at the sixth anniversary of completion upon payment in full of the consideration.

**財務報表附註****截至二零零四年三月三十一日止年度***(以港元計)***38. 與關連人士之重大交易 (續)**

- (k) 出售 YangtzeKiang Industries (Myanmar) Limited (「YangtzeKiang Myanmar」) :

於二零零四年三月三十日，本公司(作為賣方)與王沛霖先生、王震宇先生、徐崇勝先生及曾秀娥女士(作為買方)訂立股份購買協議，內容乃有關 YangtzeKiang (Myanmar) Limited (「YML」)，YangtzeKiang Myanmar及 Victoria Harbor Limited (「VHL」)之全部已發行股本及於二零零四年三月三十日，YML及 YangtzeKiang Myanmar結欠本公司之免息貸款約1,860,000美元(約14,500,000元)(「YML集團貸款」)，涉及之總現金代價為1,360,000美元(約10,608,000元)。代價將按六年每年分期付款之方式支付(附註21)。

YML及VHL均為投資控股公司及本公司之全資附屬公司。YML實益擁有 YangtzeKiang Myanmar之全部已發行股本。VHL以YML信託之身份持有 YangtzeKiang Myanmar之全部已發行股本之50%。由於王沛霖先生為 YangtzeKiang Myanmar之董事，而王震宇先生為王沛霖先生之兒子，故此出售事項構成本公司之關連交易。

出售事項之完成緊隨簽訂股份購買協議後完成(不包括轉讓YML集團貸款)。於完成後之第六週年在悉數支付代價後，轉讓YML集團貸款將完成。

**NOTES ON THE FINANCIAL STATEMENTS****For the year ended 31st March, 2004***(Expressed in Hong Kong dollars)***39. SUBSEQUENT EVENTS**

- (i) Subcontracting transactions with YangtzeKiang Myanmar:

On 8th June, 2004, the Company entered into the Master Subcontracting Agreement with YangtzeKiang Myanmar in relation to subcontracting services. As detailed in note 38(k), the Group disposed of its interests in YangtzeKiang Myanmar on 30th March, 2004. YangtzeKiang Myanmar has been providing subcontracting services to the Company in the past and will continue to provide such services after the disposal. Since Mr. Wong Pui Lam is a director of YangtzeKiang Myanmar, a subsidiary of the Company before the disposal, Mr. Wong Pui Lam remains a connected person of the Company for 12 months after completion of the disposal on 30th March, 2004. The subcontracting services will constitute continuing connected transactions for the Company during the said period.

The Stock Exchange has granted the Company a waiver from strict compliance with the requirement to hold a shareholders' meeting to approve the subcontracting services and the maximum aggregate annual value for the subcontracting services for the financial year ending 31st March, 2005, is US\$2 million (approximately \$15.6 million).

**財務報表附註****截至二零零四年三月三十一日止年度***(以港元計)***39. 期後事項**

- (i) 與YangtzeKiang Myanmar進行外發加工交易：

於二零零四年六月八日，本公司與YangtzeKiang Myanmar就外發加工服務訂立主要外發加工協議。載於附註38(k)，於二零零四年三月三十日本集團出售YangtzeKiang Myanmar之權益。YangtzeKiang Myanmar在過往一直為本公司提供外發加工服務，並將於出售事項後繼續提供該等服務。由於王沛霖先生於出售事項前為本公司附屬公司YangtzeKiang Myanmar之董事，故此王沛霖先生在出售事項於二零零四年三月三十日完成後之十二個月內仍為本公司之關連人士。外發加工交易將於上述期間內構成本公司之持續關連交易。

本公司已獲得聯交所授出豁免，毋須嚴格遵守須舉行股東大會以批准外發加工交易及外發加工服務於截至二零零五年三月三十一日止財政年度之最高年度總值2,000,000美元（約15,600,000元）之規定。

**NOTES ON THE FINANCIAL STATEMENTS****For the year ended 31st March, 2004***(Expressed in Hong Kong dollars)***39. SUBSEQUENT EVENTS (continued)****(ii) Investment in a PRC Joint Venture**

The directors announced that on 10th July, 2004, Broad Plan Investment Limited (“Broad Plan”) (a wholly-owned subsidiary of the Company) entered into a Joint Venture Agreement with Qinghai Wanli Investment Company Ltd. (“Wanli”), Qinghai Province Qiaodian Company (“Qiaodian”) and Qinghai Electric Power Company (“Qinghai Power”) to establish a PRC Joint Venture, Qinghai Wan Zhao Ningbei Electric Corporation Ltd. (“New JV”) for the purpose of development and operating power plants in Qinghai. Upon its establishment, New JV will be owned as to 35% by Broad Plan, 40% by Wanli, 20% by Qiaodian and 5% by Qinghai Power. The total investment and registered capital of the New JV are RMB1,250,000,000 (equivalent to \$1,176,625,000) and RMB200,000,000 (equivalent to \$188,260,000) respectively. The total commitment of the Group in this New JV is RMB70,000,000 (equivalent to \$65,891,000). The Group will only contribute to the registered capital of the New JV after the New JV has received the approval of National Development and Reform Commission and certain other conditions as set out in the Joint Venture Agreement have been met.

**財務報表附註****截至二零零四年三月三十一日止年度***(以港元計)***39. 期後事項 (續)****(ii) 於一間中國合營企業之投資：**

董事會謹公佈，於二零零四年七月十日，兆策投資有限公司（「兆策」）（本公司之全資附屬公司）與青海萬立投資股份有限公司（「萬立」）、青海橋電實業總公司（「橋電」）及青海省電力公司（「青海電力」）訂立合營協議成立中國合營企業青海萬兆寧北發電有限公司（「新合營企業」），以發展及經營青海省之發電廠。新合營企業於成立後將由兆策、萬立、橋電及青海電力分別擁有35%、40%、20%及5%。新合營企業之投資總額及註冊資本分別為人民幣1,250,000,000元（等值1,176,625,000元）及人民幣200,000,000元（等值188,260,000元）。本集團須向新合營企業出資人民幣70,000,000元（約65,891,000元）。本集團將於新合營企業取得國家發展及改革委員會審批及符合合營企業合同規定的部分其他條件後，向新合營企業出繳註冊資本。

**NOTES ON THE FINANCIAL STATEMENTS**

**For the year ended 31st March, 2004**  
(Expressed in Hong Kong dollars)

**40. COMPARATIVE FIGURES**

Certain comparative figures have been adjusted as a result of the change in accounting policy for deferred tax, details of which are set out in note 11 and as a result of the change in presentation of segment information as set out in note 12.

In addition, certain administrative expenses in 2003 have been reclassified to selling and distribution costs and trust receipt loans as at 31st March, 2003 have been reclassified from trade and other payables to bank loans in order to conform with current year's presentation.

**財務報表附註**

**截至二零零四年三月三十一日止年度**  
(以港元計)

**40. 比較數字**

由於修訂了關於遞延所得稅的會計政策，故部分比較數字已作出調整，有關詳情載於附註11；及修訂了分部報告的列示形式，詳情載於附註12。

此外，為符合本年度之表達形式，二零零三年部分行政費用已被重列記入銷售及分銷費用，及於二零零三年三月三十一日之信託收據貸款，從應付賬款及其他應付款重列至銀行貸款中。



## PRINCIPAL SUBSIDIARIES

at 31st March, 2004

## 主要附屬公司

於二零零四年三月三十一日

The following list contains only the particulars of principal subsidiaries which materially affected the results or assets of the Group. The class of shares held is ordinary unless otherwise stated.

對本集團業績或資產有重大影響之主要附屬公司之詳情如下。除另有註明外，所持有之股份均為普通股。

Company 公司名稱	Place of incorporation/ establishment and operation 註冊／成立 及經營地點	Issued and paid up share capital/registered capital 已發行及繳足 股本／註冊資本	Percentage of equity held by the		Principal activity 主要業務
			Group 本集團	Company 本公司	
Whampoa Textile Limited 黃浦江紡織有限公司	Hong Kong 香港	HK\$25,000,000	100	100	Investment holding 投資控股
Hong Kong Knitters Limited 香港織造有限公司	Hong Kong 香港	HK\$3,000,000	100	—	Garment manufacturing and investment holding 成衣製造及 投資控股
Easeley Knitwear Limited 依時針織廠 有限公司	Hong Kong 香港	HK\$100,000	100	—	Garment manufacturing 成衣製造
Exquisite Knitters (Guangzhou) Limited* 卓越織造(廣州) 有限公司*	The PRC/ wholly foreign owned enterprise 中國／ 國外獨資企業	HK\$75,600,000	100	—	Knitting and dyeing of fabrics and manufacturing of garments 布料織造、 印染及 成衣製造
YangtzeKiang Cambodia Limited	British Virgin Islands 英屬處女群島	US\$1	100	100	Investment holding 投資控股
YGM (Cambodia) Limited	Cambodia 柬埔寨	US\$750,000	100	—	Garment manufacturing 成衣製造



## PRINCIPAL SUBSIDIARIES

at 31st March, 2004

## 主要附屬公司

於二零零四年三月三十一日

Company 公司名稱	Place of incorporation/ establishment and operation 註冊／成立 及經營地點	Issued and paid up share capital/registered capital 已發行及繳足 股本／註冊資本	Percentage of equity held by the the Group Company 持有股本百份率 本集團 本公司		Principal activity 主要業務
Co-Union Limited 互聯基業有限公司	Hong Kong 香港	HK\$2	100	100	Investment holding 投資控股
Broad Plan Investment Limited 兆策投資有限公司	Hong Kong 香港	HK\$2	100	—	Investment holding 投資控股
Wuxi YGM Textile Co., Ltd. 無錫長江精密 紡織有限公司	The PRC/ Sino-foreign equity joint venture 中國／中外合資 經營企業	US\$12,000,000	70	—	Manufacture and sale of textiles 製造及銷售 紡織品
Guardo Limited 熹年有限公司	Hong Kong 香港	HK\$20	100	100	Investment holding 投資控股
H.K. International Knitters (Proprietary) Limited*	Lesotho 萊索托	R1,000	100	—	Garment manufacturing 成衣製造
Whampoa Garment Manufacturing (Guangzhou) Co., Ltd.* 黃浦江製衣(廣州) 有限公司*	The PRC/ wholly foreign owned enterprise 中國／ 國外獨資企業	HK\$11,286,700	100	—	Garment manufacturing 成衣製造

## PRINCIPAL SUBSIDIARIES

at 31st March, 2004

## 主要附屬公司

於二零零四年三月三十一日

Company 公司名稱	Place of incorporation/ establishment and operation 註冊／成立 及經營地點	Issued and paid up share capital/registered capital 已發行及繳足 股本／註冊資本	Percentage of equity held by the the		Principal activity 主要業務
			Group 本集團	Company 本公司	
YangtzeKiang S.A.*	France 法國	Euro3,086,735	90.19	90.19	Garment wholesaling 成衣批發
JIL International*	France 法國	Euro37,000	90.19	—	Garment retailing 成衣零售
Hongkong Knitters Lanka (PVT) Limited	Sri Lanka 斯里蘭卡	Rs50,000,000	100	100	Garment manufacturing 成衣製造

\* Companies not audited by KPMG. The financial statements of the subsidiaries not audited by KPMG reflect total net assets and total turnover constituting approximately 26% of consolidated net assets and 29% of the consolidated turnover respectively.

\* 並非由畢馬威會計師事務所審核之公司。並非由畢馬威會計師事務所審核之附屬公司財務報表反映出之淨資產和營業額分別構成個別綜合淨資產約26%及綜合營業額29%。

**PRINCIPAL ASSOCIATES**

at 31st March, 2004

**主要聯營公司**

於二零零四年三月三十一日

The following list contains only the particulars of principal associates, all of which are unlisted corporate entities, which materially affected the results or assets of the Group:

對本集團業績或資產有重大影響之主要聯營公司之詳情如下。除另有註明外，所持有之股份均為普通股。

Company 公司名稱	Place of incorporation/ establishment and operation 註冊／成立 及經營地點	Percentage of ownership interest held by		Principal activity 主要業務
		the Group 本集團	the Company 本公司	
Qinghai Changqing Aluminium Corporation 青海長青鋁業 有限公司	The PRC/ Sino-foreign equity joint venture 中國／中外合資 經營企業	35.93	—	Production and distribution of aluminium products 生產及分銷 鋁質產品
Qinghai Changchun Tansu Co., Ltd.* 青海長春炭素 有限公司*	The PRC/ Sino-foreign equity joint venture 中國／中外合資 經營企業	28.59	—	Production and distribution of carbon used in aluminium production 鋁用炭素產品 的生產、銷售 及服務
Wuxi Changxin Textile Co., Ltd. 無錫長新紡織 有限公司	The PRC/ Sino-foreign equity joint venture 中國／中外合資 經營企業	33.33	—	Manufacturing of yarns and fabrics 紗及布料製造
Wuxi Changxin Real Estate Development Co., Ltd. 無錫長新房地產 開發有限公司	The PRC/ Sino-foreign equity joint venture 中國／中外合資 經營企業	33.33	—	Property development and investment 物業發展及 投資

## PRINCIPAL ASSOCIATES

at 31st March, 2004

## 主要聯營公司

於二零零四年三月三十一日

Company 公司名稱	Place of incorporation/ establishment and operation 註冊／成立 及經營地點	Percentage of ownership interest held by the Group      the Company 持有股本百分率		Principal activity 主要業務
		本集團	本公司	
Allied Textiles Limited ** 新聯興紡織有限公司**	The PRC/ Sino-foreign equity joint venture 中國／中外合資 經營企業	37.5	—	Manufacturing of garments and textiles 紡織品製造
Taizhou Changxin Textile (Xinghua) Co., Ltd. 泰州長新紡織 (興化)有限公司	The PRC/ Sino-foreign equity joint venture 中國／中外合資 經營企業	33.33	—	Manufacturing of textile products 紡織品製造
YangtzeKiang Industries Sdn. Bhd.	Malaysia 馬來西亞	49.0	49.0	Garment manufacturing 成衣製造
W. Haking Enterprises Limited ** 寶源基業有限公司**	Hong Kong 香港	29.81	—	Design, manufacture and sale of cameras and binoculars 設計、製造及 銷售照相機 及望遠鏡

\* Companies not audited by KPMG.

\* 並非由畢馬威會計師事務所審核之公司。

# Audited financial statements as at 31st December, 2003 are used for equity accounting purposes.

# 二零零三年十二月三十一日之經審核賬目乃作為權益會計法用途。

## FIVE YEAR SUMMARY

## 五年概要

		2000 (restated) (重列) <i>note (i)</i> 附註 (i) HK\$'000 千港元	2001 (restated) (重列) <i>note (i)</i> 附註 (i) HK\$'000 千港元	2002 HK\$'000 千港元	2003 (restated) (重列) <i>note (ii)</i> 附註 (ii) HK\$'000 千港元	2004 HK\$'000 千港元
<b>Income statement</b>	<b>損益表</b>					
Group turnover	集團營業額	<u>1,103,925</u>	<u>1,243,679</u>	<u>1,159,929</u>	<u>1,238,363</u>	<u>1,493,488</u>
Profit from operations	經營溢利	61,321	67,788	38,317	28,751	70,533
Finance costs	融資成本	(23,461)	(23,935)	(17,346)	(15,213)	(26,206)
Non-operating expenses	非經營開支	(11,865)	-	-	-	-
Share of profits less losses of associates	應佔聯營公司溢利 減虧損	<u>30,510</u>	<u>23,623</u>	<u>20,950</u>	<u>33,887</u>	<u>49,466</u>
Profit from ordinary activities before taxation	除稅前日常業務 溢利	56,505	67,476	41,921	47,425	93,793
Income tax	所得稅	(8,811)	(12,837)	(10,520)	(9,237)	(20,323)
Minority interests	少數股東權益	<u>(360)</u>	<u>(6,671)</u>	<u>(3,810)</u>	<u>(5,111)</u>	<u>(4,385)</u>
Profit attributable to shareholders	股東應佔溢利	<u>47,334</u>	<u>47,968</u>	<u>27,591</u>	<u>33,077</u>	<u>69,085</u>

## FIVE YEAR SUMMARY

## 五年概要

		2000 (restated) (重列) note (i) 附註 (i) HK\$'000 千港元	2001 (restated) (重列) note (i) 附註 (i) HK\$'000 千港元	2002 HK\$'000 千港元	2003 (restated) (重列) note (ii) 附註 (ii) HK\$'000 千港元	2004 HK\$'000 千港元
<b>Assets and liabilities</b>	<b>資產及負債</b>					
Fixed assets	固定資產	213,412	223,987	232,797	259,543	<b>620,254</b>
Construction in progress	在建工程	3,568	–	2,401	341,607	<b>18,508</b>
Intangible assets	無形資產	–	–	–	–	<b>3,479</b>
Goodwill	商譽	–	–	9,351	4,875	<b>(2,117)</b>
Interest in associates	應佔聯營公司權益	186,224	169,936	201,930	219,322	<b>248,263</b>
Loans receivable	應收貸款	–	–	–	–	<b>7,917</b>
Investments	投資	6,637	4,717	4,322	3,926	<b>4,326</b>
Net current (liabilities)/ assets	流動(負債)/ 資產淨額	(19,698)	11,655	20,611	(331,551)	<b>(156,539)</b>
Total assets less current liabilities	資產總額減流動 負債	390,143	410,295	471,412	497,722	<b>744,091</b>
Non-current liabilities	非流動負債	(74,804)	(58,772)	(99,691)	(111,704)	<b>(295,079)</b>
Minority interests	少數股東權益	(2,719)	(9,390)	(17,627)	(33,850)	<b>(34,651)</b>
		<u>312,620</u>	<u>342,133</u>	<u>354,094</u>	<u>352,168</u>	<u><b>414,361</b></u>
Share capital	股本	70,561	70,326	70,123	70,123	<b>70,123</b>
Reserves	儲備	242,059	271,807	283,971	282,045	<b>344,238</b>
		<u>312,620</u>	<u>342,133</u>	<u>354,094</u>	<u>352,168</u>	<u><b>414,361</b></u>
<b>Per share basis</b>	<b>以每股計算</b>					
Earnings per share	每股盈利	HK\$0.34	HK\$0.34	HK\$0.20	HK\$0.24	<b>HK\$0.49</b>
Dividend per share	每股股息	HK\$0.12	HK\$0.13	HK\$0.10	HK\$0.10	<b>HK\$0.10</b>

## Note:

- (i) As a result of a change in accounting policy for dividends, in accordance with Hong Kong Statement of Standard Accounting Practice No. 9 (revised) in 2002, figures for each of 2000 and 2001 have been restated for comparison purposes.
- (ii) Hong Kong Statement of Standard Accounting Practice No. 12 (revised) "Income taxes" was first effective for accounting periods beginning on or after 1st April, 2003. Figures for the year 2003 have been restated. However, it is not practicable to restate earlier years for comparison purposes.

## 附註:

- (i) 由於本集團於二零零二年度改變了股息之會計政策，以及採用了會計實務準則第9號(經修訂)二零零零年及二零零一年度之數字已重新報告以作比較用途。
- (ii) 香港《會計實務準則》第12號(經修訂)「所得稅」在由二零零三年四月一日或之後起計的會計期間開始生效。二零零三年度的數字已作調整，但是難以重報較早年度的數字以作比較。