

**INTERIM RESULTS**

The Board of Directors of YangtzeKiang Garment Manufacturing Co., Ltd. (the “Company”) is pleased to announce the unaudited interim results of the Company and its subsidiaries and associates (the “Group”) for the six months ended 30th September, 2004 as follows. The interim results have not been audited, but have been reviewed by the Company’s Audit Committee.

**CONDENSED CONSOLIDATED INCOME STATEMENT – UNAUDITED**

**For the six months ended 30th September, 2004**  
(Expressed in Hong Kong dollars)

**中期業績**

長江製衣廠有限公司(「本公司」)之董事會欣然宣佈本公司及其附屬公司及聯營公司(「本集團」)截至二零零四年九月三十日止六個月之未經審核中期業績。中期業績尚未經審核，但已由本公司之審核委員會審閱。

**簡明綜合損益表 – 未經審核**

**截至二零零四年九月三十日止六個月**  
(以港元計)

		<b>Six months ended</b>		
		<b>30th September,</b>		
		<b>截至九月三十日止六個月</b>		
		<i>Note</i>	<b>2004</b>	2003
		<i>附註</i>	<b>\$'000</b>	<b>\$'000</b>
<b>Turnover</b>	營業額	2	<b>806,226</b>	685,976
Cost of sales	銷售成本		<b>(642,720)</b>	(557,871)
			<b>163,506</b>	128,105
Other revenue	其他收入		<b>2,143</b>	3,011
Other net income	其他收益淨額		<b>9,839</b>	5,767
Selling and distribution expenses	銷售及分銷費用		<b>(60,662)</b>	(44,354)
Administrative expenses	行政費用		<b>(52,355)</b>	(60,193)
Other operating expenses	其他經營費用		<b>(17,756)</b>	(16,807)
<b>Profit from operations</b>	經營溢利		<b>44,715</b>	15,529
Finance costs	融資成本		<b>(15,422)</b>	(13,402)
			<b>29,293</b>	2,127
Share of profits less losses of associates	應佔聯營公司溢利減虧損		<b>(8,415)</b>	20,849
<b>Profit from ordinary activities before taxation</b>	除稅前日常業務溢利	3	<b>20,878</b>	22,976
Income tax	所得稅	4	<b>(2,698)</b>	(7,842)
<b>Profit from ordinary activities after taxation</b>	除稅後日常業務溢利		<b>18,180</b>	15,134
Minority interests	少數股東權益		<b>(4,109)</b>	196
<b>Profit attributable to shareholders</b>	股東應佔溢利		<b>14,071</b>	15,330
Dividend – interim declared	宣派中期股息	5	<b>4,207</b>	1,402
<b>Earnings per share – Basic (Cents)</b>	每股盈利 – 基本 (仙)	6	<b>10.0</b>	10.9

## CONDENSED CONSOLIDATED BALANCE SHEET

At 30th September, 2004

(Expressed in Hong Kong dollars)

## 簡明綜合資產負債表

於二零零四年九月三十日

(以港元計)

		30th September, 2004 二零零四年九月三十日 (Unaudited) (未經審核)		31st March, 2004 二零零四年三月三十一日 (Audited) (已審核)		
		Note 附註	\$'000	\$'000	\$'000	\$'000
<b>Non-current assets</b>	<b>非流動資產</b>					
Fixed assets	固定資產	7		612,622		620,254
Construction in progress	在建工程			32,912		18,508
Intangible assets	無形資產			2,678		3,479
Goodwill	商譽	8		(3,183)		(2,117)
Interest in associates	聯營公司權益			248,063		248,263
Loans receivable	應收貸款			7,917		7,917
Non-trading securities	非交易證券			1,453		1,453
Other investments	其他投資			2,873		2,873
				<u>905,335</u>		<u>900,630</u>
<b>Current assets</b>	<b>流動資產</b>					
Loans receivable	應收貸款			1,693		1,693
Inventories	存貨			239,459		159,821
Trade and other receivables	應收賬款及其他應收款	9		225,705		258,250
Tax recoverable	可發還稅項			1,089		2,143
Pledged deposits	抵押存款			5,226		3,733
Cash and cash equivalents	現金及現金等價物			63,644		59,528
				<u>536,816</u>		<u>485,168</u>
<b>Current liabilities</b>	<b>流動負債</b>					
Trade and other payables	應付賬款及其他應付款	10		374,688		323,964
Bank loans and overdrafts	銀行貸款及透支			340,318		312,948
Tax payable	應付稅項			7,230		4,795
				<u>722,236</u>		<u>641,707</u>
<b>Net current liabilities</b>	<b>淨流動負債</b>			<u>(185,420)</u>		<u>(156,539)</u>
<b>Total assets less current liabilities</b>	<b>資產總額減流動負債</b>			<u>719,915</u>		<u>744,091</u>
<b>Non-current liabilities</b>	<b>非流動負債</b>					
Bank loans	銀行貸款			245,319		275,364
Provision for long service payments	長期服務金準備			8,306		8,948
Deferred tax liabilities	遞延所得稅負債			10,630		10,767
				<u>264,255</u>		<u>295,079</u>
<b>Minority Interests</b>	<b>少數股東權益</b>			<u>38,838</u>		<u>34,651</u>
<b>NET ASSETS</b>	<b>資產淨值</b>			<u>416,822</u>		<u>414,361</u>
<b>CAPITAL AND RESERVES</b>	<b>資本及儲備</b>					
Share capital	股本	11		70,123		70,123
Reserves	儲備	12		346,699		344,238
				<u>416,822</u>		<u>414,361</u>

CONDENSED CONSOLIDATED STATEMENT  
OF CHANGES IN EQUITY – UNAUDITED

For the six months ended 30th September, 2004

(Expressed in Hong Kong dollars)

## 簡明綜合權益變動表 – 未經審核

截至二零零四年九月三十日止六個月

(以港元計)

	Share capital	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
	股本	股份溢價	資本贖回儲備	匯兌儲備	綜合項目所產生之商譽	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	\$'000
At 1st April, 2003	70,123	13,731	481	(17,833)	(46,161)	-	43,267	29,353	2,416	259,060	354,437
2003 final dividend paid	-	-	-	-	-	-	-	-	-	(11,220)	(11,220)
Exchange differences on translation of financial statements of overseas subsidiaries	-	-	-	4,122	-	-	-	-	-	-	4,122
Effect of change in tax rate on deferred tax charged to revaluation reserve	-	-	-	-	-	-	(748)	-	-	-	(748)
Profit for the period	-	-	-	-	-	-	-	-	-	15,330	15,330
Appropriation to other reserves	-	-	-	-	-	-	-	-	217	(217)	-
At 30th September, 2003	<u>70,123</u>	<u>13,731</u>	<u>481</u>	<u>(13,711)</u>	<u>(46,161)</u>	<u>-</u>	<u>42,519</u>	<u>29,353</u>	<u>2,633</u>	<u>262,953</u>	<u>361,921</u>
At 1st April, 2004	70,123	13,731	481	(14,731)	(46,161)	400	42,635	30,793	4,808	312,282	414,361
2004 final dividend paid	-	-	-	-	-	-	-	-	-	(12,622)	(12,622)
Exchange differences on translation of financial statements of overseas subsidiaries	-	-	-	1,030	-	-	-	-	-	-	1,030
Effect of change in tax rate on deferred tax charged to revaluation reserve	-	-	-	-	-	-	(18)	-	-	-	(18)
Profit for the period	-	-	-	-	-	-	-	-	-	14,071	14,071
Appropriation to other reserves	-	-	-	-	-	-	-	-	308	(308)	-
At 30th September, 2004	<u>70,123</u>	<u>13,731</u>	<u>481</u>	<u>(13,701)</u>	<u>(46,161)</u>	<u>400</u>	<u>42,617</u>	<u>30,793</u>	<u>5,116</u>	<u>313,423</u>	<u>416,822</u>

CONDENSED CONSOLIDATED CASH FLOW  
STATEMENT – UNAUDITED

## 簡明綜合現金流量表 – 未經審核

For the six months ended 30th September, 2004

截至二零零四年九月三十日止六個月

(Expressed in Hong Kong dollars)

(以港元計)

		Six months ended 30th September, 截至九月三十日止六個月	
		2004 \$'000	2003 \$'000
Net cash from/(used in) operating activities	經營活動所得／(所用)的現金淨額	79,162	(12,823)
Net cash used in investing activities	投資活動所用的現金淨額	(34,480)	(46,333)
Net cash (used in)/ from financing activities	融資活動(所用)／所得的現金淨額	(42,748)	62,231
Net increase in cash and cash equivalents	現金及現金等價物增加淨額	1,934	3,075
Cash and cash equivalents at beginning of period	於期初之現金及現金等價物	58,905	44,541
Effect of foreign exchange rates changes	外幣兌換率變動之影響	97	404
Cash and cash equivalents at end of period	於期末之現金及現金等價物	<u>60,936</u>	<u>48,020</u>
Analysis of the balances of cash and cash equivalents	現金及現金等價物之結餘分析		
Cash at bank and in hand	銀行活期存款及現金	63,644	49,449
Bank overdrafts	銀行透支	(2,708)	(1,429)
		<u>60,936</u>	<u>48,020</u>

## NOTES TO THE CONDENSED FINANCIAL STATEMENTS

For the six months ended 30th September, 2004

(Expressed in Hong Kong dollars)

### 1. BASIS OF PREPARATION OF THE ACCOUNTS

The unaudited consolidated accounts have been prepared in accordance with Hong Kong Statement of Standard Accounting Practice (“SSAP”) 25 “Interim Financial Reporting” and Appendix 16 of Listing Rules of The Stock Exchange of Hong Kong Limited. The accounting policies and methods of computation used in the preparation of the interim accounts are consistent with those used in the annual accounts for the year ended 31st March, 2004.

### 2. SEGMENT REPORTING

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

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

#### Business segments Six months ended 30th September,

		Manufacture and sale of garments 製造及銷售成衣		Manufacture and sale of textiles 製造及銷售紡織品		Others 其他		Unallocated 未分類		Consolidated 綜合總額	
		2004 \$'000	2003 \$'000	2004 \$'000	2003 \$'000	2004 \$'000	2003 \$'000	2004 \$'000	2003 \$'000	2004 \$'000	2003 \$'000
Revenue from external customers	來自外界客戶的收入	675,812	612,112	128,277	71,661	2,137	2,203	-	-	806,226	685,976
Other revenue	其他收入	1,525	2,020	2	45	372	739	244	207	2,143	3,011
Total revenue	收入總額	<u>677,337</u>	<u>614,132</u>	<u>128,279</u>	<u>71,706</u>	<u>2,509</u>	<u>2,942</u>	<u>244</u>	<u>207</u>	<u>808,369</u>	<u>688,987</u>
Segment result	分部經營結果	19,457	14,348	24,219	(378)	795	1,352	244	207	44,715	15,529
Finance costs	融資成本	(5,772)	(7,186)	(9,650)	(6,216)	-	-	-	-	(15,422)	(13,402)
Share of profits less losses of associates	應佔聯營公司溢利減虧損	100	(2,839)	(169)	9,211	(8,346)	14,477	-	-	(8,415)	20,849
Income tax	所得稅									(2,698)	(7,842)
Minority interests	少數股東權益									(4,109)	196
Profit attributable to shareholders	股東應佔溢利									<u>14,071</u>	<u>15,330</u>
Depreciation and amortisation for the period	期間內折舊及攤銷	<u>17,274</u>	<u>17,601</u>	<u>11,176</u>	<u>6,603</u>	<u>741</u>	<u>834</u>	<u>-</u>	<u>-</u>	<u>29,191</u>	<u>25,038</u>

## 簡明綜合財務報表附註

截至二零零四年九月三十日止六個月

(以港元計)

### 1. 賬項的編製基準

未經審核的綜合中期賬項乃根據香港《會計實務準則》第25條「中期財務報告」及香港聯合交易所有限公司上市規則附錄16而編製。編製本中期賬項所採用的會計政策及計算方法與截至二零零四年三月三十一日止年度的賬項一致。

### 2. 分部報告

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

(a) 本集團由下列主要業務分部組成：

#### 業務分部 截至九月三十日止六個月

## 2. SEGMENT REPORTING (Continued)

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

## Geographical segments

Six months ended 30th September,

## 2. 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：

## 地區分部

截至九月三十日止六個月

		Revenue from external customers 來自外界客戶的收入	
		2004 \$'000	2003 \$'000
- Europe	- 歐洲		
France	法國	128,379	131,322
United Kingdom	英國	92,191	67,342
Other European countries	其他歐洲國家	142,815	126,290
- Asia Pacific	- 亞太地區	229,583	135,804
- North America	- 北美洲	204,945	219,073
- Others	- 其他	8,313	6,145
		<u>806,226</u>	<u>685,976</u>

## 3. PROFIT FROM ORDINARY ACTIVITIES BEFORE TAXATION

Profit from ordinary activities before taxation is arrived at after charging:

## 3. 除稅前日常業務溢利

除稅前日常業務溢利已扣除：

		Six months ended 30th September, 截至九月三十日止六個月	
		2004 \$'000	2003 \$'000
Finance costs (including bank charges)	融資成本 (包括銀行費用)	15,422	13,402
Amortisation of goodwill	商譽攤銷	1,066	1,384
Amortisation of intangible assets	無形資產攤銷	877	-
Depreciation and amortisation	折舊及攤銷	27,248	23,654
		<u>44,613</u>	<u>38,440</u>

## 4. INCOME TAX

## 4. 所得稅

		<b>Six months ended 30th September, 截至九月三十日止六個月</b>	
		<b>2004 \$'000</b>	2003 \$'000
Hong Kong taxation	香港稅項	4,184	3,836
Overseas taxation	海外稅項	-	122
Deferred tax	遞延稅項	(155)	(211)
Share of associates' taxation	應佔聯營公司稅項	(1,331)	4,095
		<u>2,698</u>	<u>7,842</u>

The provision for Hong Kong Profits Tax is calculated at 17.5% (2003: 17.5%) of the estimated assessable profits for the period. Taxation for overseas subsidiaries and branch are similarly charged at the appropriate current rates of taxation ruling in the relevant countries.

香港利得稅準備是按期內之估計應課稅溢利以17.5%之稅率(二零零三年:17.5%)計算。海外附屬公司及分公司之稅項則同樣以相關國家適用之現行稅率計算。

## 5. DIVIDENDS

## 5. 股息

(a) Dividend attributable to the interim period

(a) 本六個月期間之股息

		<b>Six months ended 30th September, 截至九月三十日止六個月</b>	
		<b>2004 \$'000</b>	2003 \$'000
Interim dividend declared after the interim period end of 2 cents per share (2003: 1 cent per share)	於本六個月期間結束後宣派之中期股息每股2仙(二零零三年:每股1仙)	<u>4,207</u>	<u>1,402</u>

The amount of the proposed interim dividend is calculated on the basis of the proposed dividend rate and the 210,368,688 ordinary shares in issue at the date of this report.

建議中期股息之款額乃以建議派息率及於本報告刊發日期已發行之210,368,688股普通股為基準計算。

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

於本六個月期間結束後宣派之中期股息並未於本六個月期間之結算日確認為負債。

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

(b) 本六個月期間批准及派發之過往財政年度股息

		<b>Six months ended 30th September, 截至九月三十日止六個月</b>	
		<b>2004 \$'000</b>	2003 \$'000
Final dividend in respect of the previous financial year, approved and paid during the interim period, of 9 cents per share (2003: 8 cents per share)	於本六個月期間批准及派發之過往財政年度末期股息每股9仙(二零零三年:每股8仙)	<u>12,622</u>	<u>11,220</u>

## 6. EARNINGS PER SHARE

The calculation of basic earnings per share is based on the profit attributable to the shareholders of \$14,071,000 (2003: \$15,330,000) and on the weighted average number of 140,245,792 shares (2003: 140,245,792 shares) in issue during the period.

Diluted earnings per share for the periods ended 30th September, 2004 and 30th September, 2003 have not been presented as no dilutive potential ordinary shares were outstanding during the period.

## 7. FIXED ASSETS

The Group applied to the Town Planning Board for a permit on a proposal of hotel development at No. 22-24, Tai Yau Street, San Po Kong. The application was formally approved by the Town Planning Board on 13th August, 2004.

## 8. GOODWILL

The following is the carrying amount of goodwill at the reporting date:

## 6. 每股盈利

每股基本盈利乃根據股東應佔溢利 14,071,000 元 (二零零三年：15,330,000 元) 及期內已發行股份之加權平均數 140,245,792 股 (二零零三年：140,245,792 股) 計算。

由於截至二零零四年九月三十日及二零零三年九月三十日止期間並無已發行具攤薄作用之潛在普通股，故於期內並無呈列每股攤薄盈利。

## 7. 固定資產

本集團向城市規劃委員會提出將新蒲崗大有街 22 至 24 號之土地作為酒店發展用途，該申請已於二零零四年八月十三日獲城市規劃委員會正式批准。

## 8. 商譽

以下為在報告日期之商譽賬面值：

		30th September, 2004 二零零四年 九月三十日 \$'000	31st March, 2004 二零零四年 三月三十一日 \$'000
Positive goodwill	正商譽	6,607	8,699
Negative goodwill	負商譽	(9,790)	(10,816)
		<u>(3,183)</u>	<u>(2,117)</u>

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 period is included in "other operating expenses" in the Condensed Consolidated Income Statement.

負商譽在四至八年內以直線法攤銷確認為收入，本期間內之正商譽及負商譽攤銷數額已計入簡明綜合損益表內的「其他經營費用」中。



**9. TRADE AND OTHER RECEIVABLES**

The following is an aging analysis and components of trade and other receivables at the reporting date:

		<b>30th September, 2004 二零零四年 九月三十日 \$'000</b>	31st March, 2004 二零零四年 三月三十一日 \$'000
0 - 60 days	0-60日	<b>169,689</b>	171,852
61 - 90 days	61-90日	<b>2,987</b>	1,156
> 90 days	90日以上	<b>1,877</b>	1,867
Trade debtors and bills receivable	應收賬款及 應收票據	<b>174,553</b>	174,875
Deposits, prepayment and other debtors	訂金、預付款及 其他應收款	<b>31,366</b>	66,254
Amounts due from associates and related companies	應收聯營公司及 關連公司款項	<b>14,361</b>	4,976
Dividend receivable from associates	應收聯營公司股息	<b>5,425</b>	12,145
		<b>225,705</b>	258,250

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

**9. 應收賬款及其他應收款**

以下為在報告日期之應收賬款及其他應收款賬齡分析：

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。

**10. TRADE AND OTHER PAYABLES**

The following is an aging analysis and components of trade and other payables at the reporting date:

		<b>30th September, 2004 二零零四年 九月三十日 \$'000</b>	31st March, 2004 二零零四年 三月三十一日 \$'000
0 - 60 days	0-60日	<b>189,973</b>	136,010
61 - 90 days	61-90日	<b>3,758</b>	12,778
> 90 days	90日以上	<b>12,993</b>	8,307
Trade creditors and bills payable	應付賬款及應付 票據	<b>206,724</b>	157,095
Accrued charges and other creditors	應計費用及其他 應付款	<b>159,544</b>	130,589
Amounts due to associates and related companies	應付聯營公司及 關連公司款項	<b>8,420</b>	26,867
Advance from associate for construction in progress	聯營公司借貸用於 支付建築工程款	-	9,413
		<b>374,688</b>	323,964

**10. 應付賬款及其他應付款**

以下為在報告日期之應付賬款及其他應付款賬齡分析：

## 11. SHARE CAPITAL

## 11. 股本

		2004		2003	
		No. of shares '000	Amount \$'000	No. of shares '000	Amount \$'000
<b>Authorised:</b>	法定股本：				
At 1st April, Ordinary shares of \$0.50 each	於四月一日 每股面值0.5元 之普通股	200,000	100,000	200,000	100,000
Capital increase	股本增加	200,000	100,000	—	—
At 30th September,	於九月三十日	<u>400,000</u>	<u>200,000</u>	<u>200,000</u>	<u>100,000</u>
<b>Issued and fully paid:</b>	已發行及繳足股本：				
At 30th September,	於九月三十日	<u>140,246</u>	<u>70,123</u>	<u>140,246</u>	<u>70,123</u>

As approved in the Extraordinary General Meeting held on 20th September, 2004, the authorised share capital increased from \$100,000,000 to \$200,000,000 by the creation of an additional 200,000,000 shares of \$0.50 each.

已於二零零四年九月二十日在股東特別大會上獲得通過，透過增加200,000,000股每股面值0.5元股份，本公司之法定股本由100,000,000元增加至200,000,000元。

## 12. RESERVES

The detailed movements in reserves during the period were disclosed in the Condensed Consolidated Statement of Changes in Equity.

## 12. 儲備

於本期間內之儲備變動詳情於簡明綜合權益變動表中披露。

## 13. CAPITAL COMMITMENTS

Capital commitments outstanding at 30th September, 2004 not provided for in the financial statements were as follows:

## 13. 資本承擔

於二零零四年九月三十日，仍未在財務報表作出準備之資本承擔如下：

		30th September, 2004 二零零四年 九月三十日 \$'000	31st March, 2004 二零零四年 三月三十一日 \$'000
Contracted but not provided for	已訂約但未作出準備		
– construction in progress	– 在建工程	—	847
– capital contribution to a subsidiary	– 附屬公司的 資本投入	3,713	3,713
– capital contribution to associates	– 聯營公司的 資本投入	<u>72,612</u>	<u>6,630</u>
		<u>76,325</u>	<u>11,190</u>

**14. CONTINGENT LIABILITIES**

- (a) At 30th September, 2004, there were bills discounted with banks amounting to approximately \$145,981,000 (at 31st March, 2004: \$139,925,000) for the Group.
- (b) At 30th September, 2004, there were guarantees given to banks by the Company to the extent of \$49,148,000 (at 31st March, 2004: \$49,148,000) in respect of banking facilities extended to its subsidiaries and associates.

**15. MATERIAL RELATED PARTY TRANSACTIONS**

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

**14. 或有負債**

- (a) 於二零零四年九月三十日，本集團跟銀行貼現了約共145,981,000元(於二零零四年三月三十一日: 139,925,000元)的票據。
- (b) 於二零零四年九月三十日，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(於二零零四年三月三十一日: 49,148,000元)。

**15. 與關連人士之重大交易**

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

	Note 附註	Six months ended 30th September, 截至九月三十日止六個月	
		2004 \$'000	2003 \$'000
(i) <b>YGM Trading Limited and its subsidiaries ("YGMT Group")</b> Purchases of traded products by the Group Sales of traded products by the Group Rental income received and receivable by the Group Management fee received and receivable by the Group Building management fee received and receivable by the Group	(a)	867	564
(ii) <b>YGM Marketing Pte Limited</b> Sales of traded products by the Group	(b)	5,136	1,981
(iii) <b>Wuxi Changxin Textile Co., Ltd.</b> Purchases of traded products by the Group Subcontracting fee paid and payable by the Group Processing income received and receivable by the Group	(c)	54,616	40,232
(iv) <b>Allied Textiles Limited</b> Purchases of traded products by the Group Sales of traded products by the Group	(c)	9,371	11,073
(v) <b>Taizhou Changxin Textile (Xinghua) Co., Ltd.</b> Sales of traded products by the Group	(c)	1,275	1,294
(vi) <b>YangtzeKiang Industries Sdn. Bhd.</b> Subcontracting fee paid and payable by the Group	(c)	1,480	-
		-	385

## 15. MATERIAL RELATED PARTY TRANSACTIONS (Continued)

### Notes:

- (a) Certain directors of the Company are collectively the controlling shareholders of both the YGMT Group and the Group.
- (b) YGM Marketing Pte Limited is beneficially owned by certain directors of the Company.
- (c) Wuxi Changxin Textile Co., Ltd., Allied Textiles Limited, Taizhou Changxin Textile (Xinghua) Co., Ltd. and YangtzeKiang Industries Sdn. Bhd. are the associates of the Group.
- (d) 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.

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

### (1.2) Outstanding balances due from/(to) related companies and associates:

		30th September, 2004 二零零四年 九月三十日 \$'000	31st March, 2004 二零零四年 三月三十一日 \$'000
Amount due from YGMT Group	應收YGMT集團款項	9,939	1,690
Amount due from YGM Marketing Pte Limited	應收YGM Marketing Pte Limited款項	4,396	65
Amount due to Wuxi Changxin Textile Co., Ltd.	應付無錫長新紡織有限公司款項	(5,771)	(33,165)
Dividend receivable from Wuxi Changxin Textile Co., Ltd.	應收無錫長新紡織有限公司股息	99	99
Amount due to Allied Textiles Limited	應付新聯興紡織有限公司款項	(2,585)	(2,290)
Amount due to YangtzeKiang Industries Sdn. Bhd.	應付YangtzeKiang Industries Sdn. Bhd.款項	(38)	(167)
		<u>          </u>	<u>          </u>

Balances with related companies are unsecured, interest-free and repayable on demand.

## 15. 與關連人士之重大交易 (續)

### 附註：

- (a) 本公司若干董事統稱為YGMT集團及本集團之控股股東。
- (b) YGM Marketing Pte Limited為本公司若干董事實益擁有之公司。
- (c) 無錫長新紡織有限公司、新聯興紡織有限公司、泰州長新紡織(興化)有限公司及YangtzeKiang Industries Sdn. Bhd.均為本集團之聯營公司。
- (d) 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。

董事會認為上述交易之價格及條件與提供予獨立第三者或由彼等所提供之條件相若。

### (1.2) 應收/(應付) 關連公司及聯營公司款項：

與關連公司之結餘是沒有抵押、不帶利息，並需按通知即時償還。

**15. MATERIAL RELATED PARTY TRANSACTIONS**  
*(Continued)*

- (2) Transactions with Hongkong Knitters Lanka (PVT) Limited (“HKKL”) and Whampoa Textile Limited and its subsidiaries (“Whampoa Group”) for the period 1st April, 2003 to 12th May, 2003.

**15. 與關連人士之重大交易 (續)**

- (2) 與 Hongkong Knitters Lanka (PVT) Limited (「HKKL」) 及黃浦江紡織有限公司及其附屬公司 (「黃浦江集團」) 於二零零三年四月一日至二零零三年五月十二日止期間內進行之交易：

			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
		Note 附註	
(i) <b>HKKL</b>	<b>HKKL</b>	(a)	
Purchase on behalf and sales of traded products by the Group	本集團代購買及銷售貿易產品	(c)	4
Commission income received and receivable by the Group	本集團已收及應收佣金收入	(d)	573
Subcontracting fee paid and payable by the Group	本集團已付及應付外發加工費用		2,528
(ii) <b>Whampoa Group</b>	<b>黃浦江集團</b>	(b)	
Sales of traded products by the Group	本集團銷售貿易產品		1,041
Purchases on behalf by Whampoa Group	黃浦江集團代購買貿易產品	(e)	6,484
Commission expenses paid and payable by the Group	本集團已付及應付佣金費用	(f)	824
Subcontracting fee income received and receivable by the Group	本集團已收及應收 外發加工費收入		3,890
Subcontracting fee paid and payable by the Group	本集團已付及應付外發加工費用		155
Rental income received and receivable by the Group	本集團已收及應收物業租金收入		624
Building management fee received and receivable by the Group	本集團已收及應收樓宇 管理費收入		41
Management fee income received and receivable by the Group	本集團已收及應收管理費收入		828
Interest income received and receivable by the Group	本集團已收及應收利息收入		388

## 15. MATERIAL RELATED PARTY TRANSACTIONS (Continued)

### Notes:

- (a) 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. After completion of the acquisition of HKKL on 13th May, 2003, HKKL became a wholly-owned subsidiary of the Group and various transactions between the Group and HKKL have become transactions between the Company and its wholly-owned subsidiary.
- (b) Whampoa Textile Limited was 75% directly owned by the Company and 25% indirectly owned by a company controlled by certain directors of the Company for the period from 1st April, 2003 to 12th May, 2003. After completion of the acquisition on 13th May, 2003, Whampoa Textile Limited became the wholly-owned subsidiary of the Group and various transactions between the Group and Whampoa Group have become transactions between the Company and its wholly-owned subsidiary or between its wholly-owned subsidiaries.
- (c) The Group purchased traded products on behalf of HKKL which were reimbursed to the Group by HKKL at cost.
- (d) Commission income related to referral of sales by the Group and was charged at an agreed percentage based on the HKKL's turnover.
- (e) Whampoa Group purchased traded products on behalf of other subsidiaries of the Group which were reimbursed to Whampoa Group at cost.
- (f) Commission expenses related to referral of sales by Whampoa Group and was charged at an agreed percentage of the Group's turnover.

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

## 15. 與關連人士之重大交易 (續)

### 附註：

- (a) 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%則由一家本公司若干董事控制之公司擁有。於二零零三年五月十三日收購事項完成後，HKKL成為本集團全資擁有附屬公司及本集團與HKKL之現有多項交易已成為本公司與其全資附屬公司之間之交易。
- (b) 於二零零三年四月一日至二零零三年五月十二日期間，黃浦江紡織有限公司由本公司直接擁有75%，另由一家本公司若干董事控制之公司間接擁有25%。於二零零三年五月十三日收購事項完成後，黃浦江紡織有限公司成為本集團之全資擁有附屬公司及本集團與黃浦江集團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。
- (c) 本集團代HKKL購買貿易產品，有關款項已按成本付還。
- (d) 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。
- (e) 黃浦江集團代本集團之其他附屬公司購買貿易產品，有關款額已按成本付還。
- (f) 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。

董事會認為上述交易之價格及條件與提供予獨立第三者或由彼等所提供之條件相若。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。

**15. MATERIAL RELATED PARTY TRANSACTIONS**  
(Continued)

(3.1) Transactions with YangtzeKiang Industries (Myanmar) Ltd. (“YangtzeKiang Myanmar”):

Subcontracting fee paid and payable by the Group	本集團已付及應付 外發加工費用
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YangtzeKiang Myanmar was a wholly-owned subsidiary of the Company before the disposal by the Company of its entire interests in YangtzeKiang Myanmar to Mr. Wong Pui Lam, Mr. Wong Chun Yu, Mr. Chee Chong Sin and Ms. Tsang Sau Ngor on 30th March, 2004 (“Disposal”). On 8th June, 2004, the Company entered into the Master Subcontracting Agreement with YangtzeKiang Myanmar in relation to subcontracting services. YangtzeKiang Myanmar has been providing subcontracting services to the Group in the past and will continue to provide such services after the disposal. Since Mr. Wong Pui Lam is a director of YangtzeKiang Myanmar before the disposal, Mr. Wong Pui Lam remains a connected person of the Company for 12 months after the disposal. The subcontracting services constitute continuing connected transactions for the Company during the said period.

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

(3.2) Outstanding balances:

Amount due to YangtzeKiang Myanmar	應付YangtzeKiang Myanmar款項
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Balances with YangtzeKiang Myanmar are unsecured, interest-free and repayable on demand.

**15. 與關連人士之重大交易 (續)**

(3.1) 與YangtzeKiang Industries (Myanmar) Ltd. (「YangtzeKiang Myanmar」) 進行之交易：

**Six months ended**  
**30th September, 2004**  
截至二零零四年  
九月三十日止六個月  
\$'000

7,294

於二零零四年三月三十日本公司出售其於YangtzeKiang Myanmar之全部權益予王沛霖先生、王震宇先生、徐崇勝先生及曾秀娥女士(「出售事項」)前，YangtzeKiang Myanmar為本公司之全資擁有附屬公司。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。YangtzeKiang Myanmar在過往一直為本集團提供外發加工服務，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YangtzeKiang Myanmar之董事，故此王沛霖先生在出售事項後之十二個月內仍為本公司之關連人士。於上述期間內之外發加工交易構成本公司之持續關連交易。

董事會認為上述交易之價格及條件與提供予獨立第三者或由彼等所提供之條件相若。

(3.2) 結餘：

**30th September, 2004**  
二零零四年九月三十日  
\$'000

1,919

與YangtzeKiang Myanmar之結餘是沒有抵押、不帶利息，並需按通知即時償還。

## 16. MATERIAL CONTRACTS

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 HK\$1,176,625,000) and RMB200,000,000 (equivalent to HK\$188,260,000) respectively. The total commitment of the Group in this New JV is RMB70,000,000 (equivalent to HK\$65,891,000).

The directors announced on 6th December, 2004 that the Group has agreed with the other joint venture partners to make its first contribution of RMB35,000,000 (approximately HK\$32,900,000) to the registered capital of New JV on or before 8th December, 2004, in order to facilitate the preliminary preparation works for the first phase of the project.

## 16. 重大合約

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港元）及人民幣200,000,000元（等值188,260,000港元）。本集團須向新合營企業出資人民幣70,000,000元（等值65,891,000港元）。

董事會於二零零四年十二月六日公佈，為了加快有關項目第一期之初步籌備工作，本集團已與其他合營方協議於二零零四年十二月八日或之前向新合營企業之註冊資本出繳首批款項人民幣35,000,000元（約32,900,000港元）。



**17. POST BALANCE SHEET EVENTS**

- (1) On 12th October, 2004, the Group has completed the Rights Issue to raise funds of approximately HK\$126,000,000 by issuing 70,122,896 rights shares at a price of HK\$1.8 per rights share on the basis of one rights share for every two existing shares held by qualifying shareholders.
- (2) On 17th December, 2004, Co-Union Limited (“Co-Union”) (a wholly-owned subsidiary of the Company) entered into the Joint Venture Contract with Wuxi No.1 Cotton Mill (“Wuxi No.1”) to establish a PRC Joint Venture, Wuxi YangtzeKiang Textile Company Limited (“New JV”), in Wuxi. Upon its establishment, New JV will be owned as to 70% by Co-Union and 30% by Wuxi No.1, and will principally engage in the manufacturing and sale of high graded compact yarn.

The total investment and the registered capital of New JV amount to US\$29,980,000 (approximately HK\$233,844,000) and US\$12,000,000 (approximately HK\$93,600,000) respectively. The total commitment of the Group in New JV is US\$8,400,000 (approximately HK\$65,520,000).

**18. COMPARATIVE FIGURES**

Certain comparative figures have been reclassified to conform with current period’s presentation.

**17. 結算日後事項**

- (1) 於二零零四年十月十二日，本公司已完成以每股供股股份1.8港元之價格供股配售70,122,896股供股股份予合資格股東，以集資約126,000,000港元。比例以每持有兩股現有股份可獲發一股供股股份計算。
- (2) 於二零零四年十二月十七日，互聯基業有限公司（「互聯基業」）（本公司之全資附屬公司）與無錫市第一棉紡織廠（「無錫一棉」）訂立合營合同；於無錫成立中國合營企業－無錫揚子江精密紡織有限公司（「新合營企業」）。新合營企業於成立後，由互聯基業及無錫一棉分別擁有70%及30%，主要從事製造及銷售高品質精密紡紗。

新合營企業投資總額及註冊資本分別為29,980,000美元（約233,844,000港元）及12,000,000美元（約93,600,000港元）。本集團須向新合營企業出繳之總額為8,400,000美元（約65,520,000港元）。

**18. 比較數字**

為符合本期間之表達方式，若干比較數字已被重列。

## INTERIM DIVIDEND

The Board resolved that an interim dividend of HK2 cents per share (2003: HK1 cent) be payable on 17th January, 2005. The shareholders' register will be closed from 7th January, 2005 to 12th January, 2005 (both days inclusive). In order to qualify for interim dividend, transfer must be lodged at the company registrars, Computershare Hong Kong Investor Services Limited, Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong, not later than 4:00 p.m. on Thursday, 6th January, 2005.

## BUSINESS REVIEW AND PROSPECTS

Sales volume of the Group for the 6 months period was HK\$806,226,000 (2003: HK\$685,976,000), an increase of over 17%.

Overall profits comparison had decreased slightly to HK\$14,071,000 (2003: HK\$15,330,000) due to negative results from a few associated companies. However operating profits had in fact increased significantly for reasons as follows:

1. Garment manufacturing and garment trading business enjoyed a relatively good period. Sales revenue and results of all our factories have improved with the exception of Lesotho factory which continued to incur heavy losses due mainly to surge in exchange rate of the Rand (Lesotho's local currency) thus resulting a heavy increase in our manufacturing costs.
2. The increase of Euro and Pound Sterling exchange rates against Hong Kong dollars and U.S. dollars also added to the positive improvement for garment export to Europe and the U.K.
3. Our new investment in Wuxi China - Wuxi YGM Textile Co., Ltd. of which our Group owns 70% had achieved excellent profits as compared with a slight loss for the same period last year which was caused by the startup costs. We expect to further increase our investment in this textile factory for the next stage of expansion.

## 中期股息

董事會議決將於二零零五年一月十七日派付中期股息每股2港仙(二零零三年:每股1港仙)。本公司之股份過戶登記手續將由二零零五年一月七日起至二零零五年一月十二日止(包括首尾兩天)暫停辦理。如欲符合收取中期股息之資格,必須於二零零五年一月六日(星期四)下午四時正之前將過戶表格送交本公司之股份過戶登記處香港中央證券登記有限公司,地址為香港皇后大道東183號合和中心17樓1712-1716室。

## 業務回顧及前景

本集團於過去六個月期間之銷售額為806,226,000港元(二零零三年:685,976,000港元),升幅超過17%。

溢利總額輕微下跌至14,071,000港元(二零零三年:15,330,000港元),此乃少部分聯營公司經營虧蝕所致。然而,經營溢利實際大幅上升,原因如下:

1. 成衣製造及成衣貿易業務表現不俗。本集團旗下全部廠房之銷售收益及業績均有所增長,只有萊索托廠房繼續出現嚴重虧損,主要因為萊索托當地貨幣蘭特之匯率飆升,導致生產成本大幅上漲。
2. 歐羅及英磅兌港元及美元之匯率上升,令運銷至歐洲及英國之成衣出口進一步增加。
3. 本集團於中國無錫擁有70%權益之新投資項目—無錫長江精密紡織有限公司錄得可觀溢利,反之去年同期因產生開辦成本而錄得輕微虧損。本集團預期為下一階段之擴充計劃,進一步增加此紡織廠之投資。

## BUSINESS REVIEW AND PROSPECTS (Continued)

The decrease of our overall net profits was attributed mainly by the losses incurred by our associated companies. Qinghai Changqing Aluminium Corporation, one of our associated companies suffered a loss in this period due to high material and energy costs. Another associated company, Wuxi Changxin Textile Co., Ltd. of which we own 33% had made a small loss due mainly to carrying high cost inventory of raw cotton in this period. We have anticipated this to happen and have reported it in our March 2004 annual report.

As the year 2005 is approaching when export of garments to most countries in the world will be free of quota, we will review the position of all our factories carefully to best fit into this quota free environment.

## LIQUIDITY AND FINANCIAL RESOURCES

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

As at 30th September, 2004, the cash and bank balances (including pledged deposits) of the Group were approximately HK\$69,000,000 (as at 31st March, 2004: HK\$63,000,000). As at 30th September, 2004, the bank borrowings of the Group were approximately HK\$585,000,000 (as at 31st March, 2004: HK\$588,000,000), of which approximately HK\$340,000,000 (as at 31st March, 2004: HK\$313,000,000) was short term while approximately HK\$245,000,000 (as at 31st March, 2004: HK\$275,000,000) was long term. The gearing ratio (calculated by dividing total bank borrowings net of cash and bank balances by shareholders' equity) of the Group as at 30th September, 2004 was 124% (as at 31st March, 2004: 127%). The bank borrowings including bank loans and overdrafts are mainly in Hong Kong dollars, United States dollars and Renminbi.

## 業務回顧及前景 (續)

本集團之整體溢利淨額下降，乃主要受到聯營公司產生之虧損拖累所致。本集團其中一家聯營公司青海長青鋁業有限公司，因物料及能源成本高昂，於期內錄得虧損。本集團擁有33%權益之另一家聯營公司無錫長新紡織有限公司，亦因期內承受高成本的原棉而錄得輕微虧損。本集團早已預料出現此情況，並於二零零四年三月刊發之年報作出報告。

二零零五年快將來臨，屆時全球大部分國家均取消成衣進口配額限制，本集團將審慎為旗下全部廠房重新定位，務求更切合配額限制取消後之營商環境。

## 流動資金及資本來源

於回顧期間內，本集團仍以其內部資源及銀行貸款作為營運資金。

於二零零四年九月三十日，本集團之現金及銀行結餘(包括抵押存款)約為69,000,000港元(於二零零四年三月三十一日：63,000,000港元)。於二零零四年九月三十日，本集團之銀行借貸約為585,000,000港元(於二零零四年三月三十一日：588,000,000港元)，當中約340,000,000港元(於二零零四年三月三十一日：313,000,000港元)為短期借貸，約245,000,000港元(於二零零四年三月三十一日：275,000,000港元)為長期借貸。於二零零四年九月三十日，本集團之資本負債比率(銀行借貸總額扣除現金及銀行結餘後再除以股東權益)為124%(於二零零四年三月三十一日：127%)。銀行借貸包括銀行貸款及透支均以港幣、美元及人民幣為主。

## LIQUIDITY AND FINANCIAL RESOURCES (Continued)

To strengthen the Group's financial position, on 12th October, 2004, the Group has successfully raised funds of approximately HK\$126,000,000 by way of rights issue on the basis of one rights share for every two existing shares held by qualifying shareholders. The net proceeds of the right issue is applied for repayment of part of the Group's bank loans, for possible expansion of textile business and for general working capital purposes.

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 receivables and payables denominated in foreign currencies against the exchange rate fluctuations.

## PLEDGE OF ASSETS

As at 30th September, 2004, the Group had pledged certain assets with carrying values of HK\$276,000,000 (as at 31st March, 2004: HK\$276,000,000) to secure banking facilities granted to the Group.

## EMPLOYMENT AND REMUNERATION POLICIES

As at 30th September, 2004, the Group, including its subsidiaries but excluding associates, employed approximately of 7,000 employees. Remuneration package is determined with reference to their performance and the prevailing salary levels in the market. In addition, the Group provides year end double pay, provident fund scheme, medical insurances and trainings to staff.

## 流動資金及資本來源 (續)

為增強本集團之財政狀況，於二零零四年十月十二日本集團通過發行供股成功集資約126,000,000港元，發行供股予合資格股東，以每持有兩股現有股份可獲發一股供股股份為基準。並動用上述發行供股股份之所得款項償還本集團之部分銀行貸款，以支付可能擴充紡織業務計劃之開支及撥作一般營運資金。

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。

## 資產抵押

於二零零四年九月三十日，本集團將若干資產賬面值為276,000,000港元(於二零零四年三月三十一日: 276,000,000港元)予以抵押，以作為授予本集團銀行信貸之擔保。

## 僱員及薪酬政策

於二零零四年九月三十日，除聯營公司以外，本集團包括其附屬公司聘用約7,000名僱員。薪酬組合乃參照員工之表現及市場當時之薪金水平而釐定。此外，本集團為僱員提供年終雙糧、公積金計劃、醫療保險及培訓。

**DIRECTORS' INTEREST**

(a) As at 30th September, 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:

**董事權益**

(a) 於二零零四年九月三十日，本公司各董事及彼等之聯繫人士於本公司或任何聯營公司（按證券及期貨條例（「證券條例」）第XV部之涵義）股份、相關股份及債券中擁有根據證券條例第XV部第7及8分部、上市公司董事進行證券交易之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	-	-	-	-
Lin Keping	林克平	-	-	-	-

**DIRECTORS' INTEREST** (Continued)

- (a) (Continued)
- (i) 17,535,668 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 indirectly owned by Messrs Chan Wing Fui Peter, Chan Wing Kee, Chan Wing To and Chan Wing Sun Samuel, Madam Chan Suk Ling Shirley and Madam Chan Suk Man and other members of the Chan Family.
- (iii) 1,574,480 shares of the Company were held by Hearty Development Limited which is indirectly owned by Messrs Chan Wing Fui Peter, Chan Wing Kee, Chan Wing To and Chan Wing Sun Samuel, Madam Chan Suk Ling Shirley and Madam Chan Suk Man and other members of the Chan Family.
- (iv) 1,589,000 shares of the Company were held by Super Team International Limited which is indirectly 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 30th September, 2004, none of the directors or their associates, had, under Division 7 and 8 of Part XV of the SFO, nor were they are 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.

**董事權益** (續)

- (a) (續)
- (i) 合共17,535,668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、陳永棋先生、陳永滔先生、陳永樂先生及陳永澤先生、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、陳永棋先生、陳永滔先生及陳永樂先生、周陳淑玲女士及劉陳淑文女士及其他陳氏家族成員間接擁有。
- (iii) 合共1,574,480股本公司股份乃由 Hearty Development Limited 持有。該公司由陳永奎先生、陳永棋先生、陳永滔先生及陳永樂先生、周陳淑玲女士及劉陳淑文女士及其他陳氏家族成員間接擁有。
- (iv) 合共1,589,000股本公司股份乃由 Super Team International Limited 持有。該公司由陳永棋先生、陳永滔先生、陳永澤先生、劉陳淑文女士及其他陳氏家族成員間接擁有。
- (b) 除上文所披露者外，於二零零四年九月三十日，各董事或彼等之聯繫人士概無於本公司或任何聯營公司 (按證券條例第XV部之涵義) 股份、相關股份或債券中擁有根據證券條例第XV部第7及8分部須知會本公司或聯交所之任何權益或空倉 (或彼等根據該等證券條例規定被視作或當作擁有之任何權益或空倉)，或須登記於本公司根據證券條例第352條存置之登記冊之任何權益，或根據上市規則內上市公司董事進行證券交易標準守則之規定須知會本公司及聯交所之任何權益。

## SUBSTANTIAL SHAREHOLDERS

Save as disclosed herein, the directors are not aware of any 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 30th September, 2004.

## SHARE OPTIONS SCHEME

On 23rd September, 2004, the Company adopted a new share option scheme to provide incentives or rewards to the eligible participants thereunder for their contribution to the Group and/or to enable the Group to recruit and retain high-calibre employees and attract human resources that are valuable to the Group and any invested entity.

No share options under the Scheme were outstanding at the beginning and at the end of the six months ended 30th September, 2004 and no share options were granted, exercised, cancelled or lapsed during the financial period.

## PURCHASE, SALE OR REDEMPTION OF SHARES

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities during the period ended 30th September, 2004.

## 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 period, 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.

## 主要股東

除本文所披露者外，於二零零四年九月三十日，各董事並不知悉有任何人士直接或間接擁有根據證券條例第XV部第2及3分部之條文規定而須向本公司及聯交所披露之股份或相關股份中之權益及淡倉，亦無於附有可在一切情況下於本公司之股東週年大會上投票之權利之已發行股本中，直接或間接擁有其面值10%或以上之權益，或有關該等股本涉及之任何購股權。

## 購股權計劃

於二零零四年九月二十三日，本公司採納一項新購股權計劃，旨在鼓勵或回報合資格參與者為本集團作出貢獻及/或令本集團得以羅致具才幹之僱員，以及吸納對本集團及任何投資實體具價值之人才。

於截至二零零四年九月三十日止六個月期初及期末，該計劃項下概無任何購股權尚未行使，亦無任何購股權於本財務期間內獲授出、行使、註銷或失效。

## 收購、出售或贖回股份

截至二零零四年九月三十日止六個月內，本公司或其任何附屬公司並無收購、出售或贖回本公司任何上市證券。

## 最佳應用守則

本公司於此期間內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非按特定條款委任，彼等須按照本公司之公司組織章程細則第95條及第104條於股東週年大會上輪值告退。

**AUDIT COMMITTEE**

The audit committee, which consists of three independent non-executive directors of the Company, has reviewed with management the accounting principles and practices adopted by the Group and discussed auditing, internal controls and financial reporting matters including a review of the unaudited Interim Accounts for the six months ended 30th September, 2004.

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

Hong Kong, 17th December, 2004

**審核委員會**

由本公司三名獨立非執行董事所組成之審核委員會已審閱本集團採用之會計政策及慣例，並曾就審核、內部控制及財務申報等事宜進行討論，當中包括審閱截至二零零四年九月三十日止六個月之未經審核中期賬目。

承董事會命  
主席  
陳瑞球

香港，二零零四年十二月十七日