

長江製衣有限公司
YANGTZEKIANG GARMENT LIMITED

07/08 ANNUAL
REPORT
年度年報

股份代號 Stock code : 294
For the year ended 31st March, 2008
截至二零零八年三月三十一日止年度

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CORPORATE INFORMATION 公司資料

BOARD OF DIRECTORS

Chan Sui Kau, GBM, GBS, 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
 Chan Suk Ling, Shirley
 So Ying Woon, Alan
 Leung Hok Lim, FCPA(Aust.), CPA(Macau), FCPA(Practising)**
 Wong Lam, OBE, JP**
 Lin Keping**

** Independent Non-executive Director

BANKERS

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

DBS Bank (Hong Kong) Limited
 Ground Floor, The Centre
 99 Queen's Road Central
 Hong Kong

SOLICITORS

MAYER • BROWN JSM
 16-19th Floor
 Prince's Building
 10 Chater Road
 Hong Kong

AUDITORS

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

SECRETARY AND QUALIFIED ACCOUNTANT REGISTERED OFFICE

Hui Sau Ling
 22 Tai Yau Street
 San Po Kong
 Kowloon

REGISTRARS AND TRANSFER OFFICE

Computershare Hong Kong Investor Services Limited
 Shops 1712 – 1716
 17th Floor, Hopewell Centre
 Hong Kong

WEBSITE

www.ygm.com.hk

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
 陳永樂
 周陳淑玲
 蘇應垣
 梁學濂**
 王霖**
 林克平**

** 獨立非執行董事

銀行

香港上海匯豐銀行有限公司
 香港
 皇后大道中一號

星展銀行
 香港
 皇后大道中九十九號
 中環中心地下

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

秘書及專業會計師 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
 1712 – 1716室

公司網址

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CHAIRMAN'S STATEMENT 主席報告

GROUP RESULTS

Turnover of the Group for the current year of 2007/08 is HK\$1,540 million as compared with last year's HK\$1,725 million, and the overall profit has increased significantly to HK\$142 million (2006/07: HK\$96 million).

BUSINESS REVIEW AND PROSPECT

The increase in our overall profits as compared with last year is mainly attributable to the following reasons:

1. Our garment business continues to benefit from foreign exchange gain on Euro and Pound Sterling during the current year.
2. Compensation received for the relocation of one of our principal jointly controlled entities' factory in Wuxi.
3. Closing down of all losing operations such as the Cambodia factory.

OUTLOOK

The coming year will be a difficult one for all our garment operations. Our manufacturing costs in China have gone up sharply due to the appreciation of the Renminbi, the new labour ordinance and the rising cost of labour, fuel and raw materials. In addition we are facing a severe downturn in both the U.S. and European markets. In order to combat this adverse situation, our garment factories in Panyu endeavour to improve our competitiveness by introducing new mode of operation and to allocate more resources on the development of our domestic business in China.

As to our Wuxi investment, we do not expect our spinning and weaving operation to make much profit for the coming year due to the weak market condition. However the compensation for the relocation of one of its factories will continue to contribute profits to its operation.

集團業務

本集團之二零零七／零八年度營業額為15億4千萬港元，去年則為17億2千5百萬港元，整體溢利大幅上升至1億4千2百萬港元（二零零六／零七年度：9千6百萬港元）。

業務回顧及展望

本集團整體溢利較去年度有所上升，主要由於下列原因：

1. 本集團之成衣業務持續因本年度內歐羅及英鎊之匯兌盈利收益而有所裨益。
2. 本集團於無錫之主要合營公司之一間廠房因搬遷而獲得補償。
3. 關閉所有虧損業務，如位於柬埔寨之廠房。

前景

對於本集團所有成衣業務而言，來年將是困難重重的一年。由於人民幣升值、新勞工條例頒佈以及人工、燃料和原材料成本不斷上漲，本集團於中國之製造成本急劇飆升。此外，本集團亦面臨歐美市場之嚴重衰退。為戰勝此不利狀況，本集團位於番禺之成衣廠房致力引入新型業務模式，同時就本集團於中國內地業務之發展投放更多資源，藉此提升集團競爭力。

至於本集團於無錫之投資，鑒於市況疲弱，本集團預計紡織業務來年不會產生大量溢利。儘管如此，因該地一間廠房搬遷而獲得之補償仍將為其業務帶來盈利貢獻。

CHAIRMAN'S STATEMENT 主席報告

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, 28th July, 2008

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，二零零八年七月二十八日

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, 2008 was HK\$1,540 million compared with HK\$1,725 million for the year ended 31st March, 2007, and the Group's profit from ordinary activities after share of profits less losses of associates and jointly controlled entities and taxation was HK\$142 million compared with last year's profit of HK\$96 million, an increase of 48%.

GARMENT BUSINESS

We operate our textiles and garment business under the names of Yangtzekiang Garment Ltd. and Hong Kong Knitters Ltd. Our products include men's and women's shirts, trousers, shorts, polo shirts, t-shirts and fleeces. The office in Hong Kong is the headquarters for our whole group where we concentrate on the role of garment trading, sourcing and the overall control of our own production facilities in the PRC as well as our partnership garment factories in the PRC, Bangladesh, India, Cambodia, Myanmar and Vietnam. We also have sales offices in the PRC at Panyu, Guangzhou and Shanghai which oversee our domestic sales in the regions.

Our fully-owned production facilities in the PRC are all located in Panyu Guangzhou. They are Exquisite Knitters (Guangzhou) Ltd. ("EQK"); Whampoa Garment Mfg. (Guangzhou) Co., Ltd. ("WGM") and Guangzhou Top Yield Garment Ltd. ("TYG"). Our setup is a vertical one from knitting, dyeing and finishing of fabrics to the manufacturing of garments. Both EQK and WGM are compliant factories manufacturing mainly high-end garments. Business has been steady in general but the adverse factors in the PRC in the recent months as mentioned in the paragraph headed "Outlook" of the Chairman's Statement have put a lot of pressure on our operation. In order to stay competitive and to survive this unprecedented hardship, we are introducing innovative manufacturing concepts to our operation, upgrading our production equipments as well as putting in significant resources to open up more of the PRC market for our products. Results have been encouraging and we do expect both of our export and domestic business to grow steadily in the coming year.

經營業績

本集團截至二零零八年三月三十一日止年度之營業額為15億4千萬港元，而截至二零零七年三月三十一日止年度之營業額為17億2千5百萬港元。本集團在計入應佔聯營公司及合營公司溢利減虧損及扣除稅項後之溢利為1億4千2百萬港元，對比去年之有關溢利9千6百萬港元，上升48%。

成衣業務

本集團以長江製衣有限公司及香港織造有限公司之名義經營紡織品及成衣業務。本集團產品包括男士及女士恤衫、長褲、短褲、polo恤、T恤及毛衣。位於香港之辦事處為本集團之總部，專責成衣貿易及採購業務，並全面監控中國之生產設施，以及本集團與中國、孟加拉、印度、柬埔寨、緬甸及越南夥伴製衣廠。本集團亦在中國廣州番禺及上海設有營業處，監督本集團於中國內地之銷售。

本集團於中國全資擁有之生產廠房均位於廣州番禺。這些廠房包括卓越織造(廣州)有限公司(「卓越織造」)、黃浦江製衣(廣州)有限公司(「黃浦江製衣」)及廣州同越製衣有限公司(「同越製衣」)。本集團之廠房負責全套縱向製衣工序，包括紡織、漂染及棉布處理以至成衣製造等工序。卓越織造及黃浦江製衣均為遵約廠房，主要生產高端成衣。業務整體而言表現穩定，就主席報告「前景」一段所述，中國近幾個月來出現之不利因素給本集團之經營施加了不小的壓力。為了保持競爭力，渡過這個前所未有的困難，我們已著手將創新製造理念引入經營中，並提升本集團之生產設備以及投入大量資源為本集團產品開拓更廣闊之中國市場。本集團所得成績令人鼓舞，我們預期來年本集團之出口及國內業務均將穩步增長。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

In Bangladesh we have a small shirt factory named Lavender Garment Ltd. (“Lavender”) which was established in early 2007. It incurred a slight loss last year due to the fact that it was a new establishment. As Bangladesh is an important area for us in the woven shirts production and despite the fact that Lavender is not generating any profit at the present stage, its presence is essential in the sense that it not only oversees all the production at our partnership factories in Bangladesh but also provides contingent support to both these factories as well as our customers.

As previously advised, our factory in Cambodia after years of deficit was finally closed down and the sale of its property had generated a slight profit to the company.

OTHER BUSINESS

Wuxi Talak Investment Co., Ltd. (“Wuxi Talak”) in which we have a 49% shareholding is our jointly controlled entity that fully owns several textiles related companies in Wuxi, the PRC, namely Wuxi Changxin Textile Co., Ltd., Wuxi YGM Textile Co., Ltd. and Wuxi YangtzeKiang Textile Co., Ltd. (collectively the “Wuxi Talak Group”). The core business of the Wuxi Talak Group is the production of medium range to high end yarn. In view of the relatively higher entry level, this is a less competitive industry and thus the Wuxi Talak Group is able to maintain a steady market share with higher profit margin. However due to all the adverse factors mentioned previously, we expect profits generated from the textile business in the coming year will be drastically reduced. Nonetheless, the compensation derived from the relocation of one of its factory will continue to contribute profits to the Wuxi Talak Group.

本集團在孟加拉有一間於二零零七年初成立的小型恤衫廠—Lavender Garment Ltd. (「Lavender」)。該廠房去年錄得輕微虧損，這是由於其為一間新成立的廠房，並無一整年的營運業績作會計處理。孟加拉為本集團在梭織恤衫生產方面之一個重要地區，儘管現階段Lavender並無錄得任何溢利，該廠房仍然具有重大的存在意義，因為其不僅監察本集團於孟加拉之夥伴廠房之全部生產，也可為相關工廠及本集團之客戶提供應急支援。

誠如前文所述，本集團位於柬埔寨之廠房因長年虧損而最終關閉，而出售其物業為公司帶來輕微溢利。

其他業務

無錫長聯投資有限公司 (「無錫長聯」) 為本集團擁有49%股權之合營公司，該公司在中國無錫全資擁有多間紡織相關公司，其中包括無錫長新紡織有限公司、無錫長江精密紡織有限公司及無錫揚子江精密紡織有限公司 (統稱「無錫長聯集團」)。無錫長聯集團之核心業務為生產中檔至高端紗線。由於從事該行業之要求相對較高，因此行業之競爭較低，無錫長聯集團從而得以維持穩定之市場佔有率及高邊際利潤。然而，鑒於前文提及的所有不利因素，我們預期來年由紡織業務所得之溢利將大幅下降。儘管如此，搬遷其中一間廠房所得之補償仍將為無錫長聯集團帶來溢利。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

LIQUIDITY AND FINANCIAL POSITION

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

As at 31st March, 2008, the cash and bank balances of the Group were approximately HK\$96,838,000 (2007: HK\$80,055,000). As at 31st March, 2008, the bank borrowings of the Group has short term borrowings of approximately HK\$78,434,000 (2007: HK\$104,624,000) and there was no long term borrowing (2007: HK\$11,250,000). The gearing ratio (calculated by dividing total bank borrowings by total equity) of the Group was 0.09 (2007: 0.17). The bank borrowings including bank loans and overdrafts are mainly in Hong Kong dollars.

The Group adopts a prudent policy to hedge the fluctuation of foreign exchange rates. Most of the operating activities are denominated in Hong Kong dollars, United States dollars, Euros, Pounds Sterling or Renminbi. For those denominated in other currencies, the Group may enter into forward foreign exchange contracts to hedge its receivables and payables denominated in foreign currencies against the exchange rate fluctuation when the exposure is significant.

PLEDGE OF ASSETS

As at 31st March, 2008, the Group had pledged certain assets with carrying values of HK\$42,184,000 (2007: HK\$38,334,000) mainly for security of banking facilities granted to the Group.

EMPLOYMENT AND REMUNERATION POLICIES

As at 31st March, 2008, the Group, including its subsidiaries but excluding its associates and jointly controlled entities, employed approximately of 6,000 employees. Remuneration packages are determined by reference to employees' performance and the prevailing salary levels in the market. In addition, the Group provides year end double pay, provident fund scheme, medical insurance and training to staff.

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。

於二零零八年三月三十一日，本集團之現金及銀行結餘約為96,838,000港元（二零零七年：80,055,000港元）。於二零零八年三月三十一日，本集團之銀行短期借貸約為78,434,000港元（二零零七年：104,624,000港元），並無長期借貸（二零零七年：11,250,000港元）。本集團之資本負債比率（銀行借貸總額除以權益總額）為0.09（二零零七年：0.17）。銀行借貸包括銀行貸款及透支均以港幣為主。

本集團採用審慎政策以對沖匯率波動。本集團大部份業務均主要以港元、美元、歐羅、英鎊或人民幣結算。至於以其他貨幣結算之業務，當風險重大時，本集團或會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

於二零零八年三月三十一日，本集團將若干資產賬面值42,184,000港元（二零零七年：38,334,000港元）抵押，主要作為授予本集團銀行信貸之擔保。

僱員及薪酬政策

於二零零八年三月三十一日，除聯營公司及合營公司外，本集團（包括其附屬公司）聘用約6,000名僱員。薪酬組合乃參照員工之表現及市場當時之薪金水平而釐定。此外，本集團為僱員提供年終雙薪、公積金計劃、醫療保險及培訓。

REPORT OF THE DIRECTORS 董事會報告書

The directors have pleasure in submitting their annual report together with the audited financial statements of YangtzeKiang Garment Limited (the "Company"), and together with its subsidiaries, associates and jointly controlled entities (the "Group") for the year ended 31st March, 2008.

PRINCIPAL ACTIVITIES

The Group is principally engaged in the manufacturing and sale of garment products and textiles, the provision of processing services and the rental of properties. The principal activities and other particulars of the Company's subsidiaries are set out on pages 147 to 148.

The analysis of the principal activities and geographical locations of the operations of the Group during the financial year are set out in note 12 to the financial statements.

FINANCIAL STATEMENTS

The profit of the Group for the year ended 31st March, 2008 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 28 to 146.

An interim dividend of HK5 cents (2007: HK3 cents) per share was declared and paid on 15th January, 2008. The directors now recommend the payment of a final dividend of HK18 cents (2007: HK15 cents) per share in respect of the year ended 31st March, 2008.

SHARE CAPITAL

Details of the movements in the Company's share capital are set out in note 29(c) to the financial statements.

TRANSFER TO RESERVES

Profit attributable to equity shareholders of the Company, before dividends, for the year ended 31st March, 2008 of HK\$142,240,000 (2007: HK\$96,706,000) has been transferred to reserves.

FIXED ASSETS

Details of additions to and other movements in fixed assets during the year are set out in note 13 to the financial statements.

董事會同寅欣然提呈長江製衣有限公司(「本公司」)及其附屬公司、聯營公司及合營公司(「本集團」)，截至二零零八年三月三十一日止年度之年報及經審核賬目。

主要業務

本集團主要從事成衣及紡織品之製造及銷售，提供加工服務及物業租賃。本公司附屬公司之主要業務及其他詳情詳列於第147頁至148頁。

本集團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

本集團截至二零零八年三月三十一日止年度之溢利及本公司和本集團於該日之財務狀況載於第28頁至第146頁之財務報表內。

本公司已於二零零八年一月十五日派發中期股息每股5港仙(二零零七年：3港仙)。董事會現建議派發截至二零零八年三月三十一日止年度之末期股息每股18港仙(二零零七年：15港仙)。

股本

本公司股本之變動詳情載於財務報表附註第29(c)項。

轉入儲備的數額

二零零八年三月三十一日止年度本公司股權持有人應佔溢利(未扣除股息)142,240,000港元(二零零七年：96,706,000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13項。

REPORT OF THE DIRECTORS 董事會報告書

INVESTMENT PROPERTIES

Particulars of the Group's investment properties as at 31st March, 2008 are set out in note 13 to the financial statements.

BANK LOANS AND OTHER BORROWINGS

Particulars of bank loans and other borrowings of the Group and the Company as at 31st March, 2008 are set out in notes 25 to the financial statements.

No interest expenses were capitalised by the Group during the year.

CHARITABLE DONATIONS

Donations made by the Group during the year amounted to HK\$159,000 (2007: HK\$160,000).

MAJOR CUSTOMERS AND SUPPLIERS

The information in respect of the Group's sales and purchases attributable to the major customers and suppliers respectively during the financial year is as follows :

The largest customer	最大客戶	15%
Five largest customers in aggregate	五位最大客戶合計	42%

During the year, the Group's purchases from the five largest suppliers accounted for less than 30% of the Group's purchases.

At no time during the year have the Directors, their associates or any shareholder of the Company (which to the knowledge of the Directors owns more than 5% of the Company's share capital) had any interest in these major customers and suppliers.

投資物業

本集團於二零零八年三月三十一日之投資物業詳情載於財務報表附註第13項。

銀行貸款及其他借款

本集團及本公司於二零零八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25項。

年內本集團並無資本化利息。

慈善捐款

年內本集團之捐款達159,000港元(二零零七年: 160,000港元)。

主要客戶及主要供應商

於本財政年度內主要客戶及供應商佔本集團之總銷售額及採購額分析如下:

**Percentage of
the Group's total sales
佔本集團銷售總額**

年內本集團首五大供應商佔本集團購貨額少於30%。

各董事、彼等之聯繫人士或任何股東(就董事會所知擁有本公司股本百分之五以上者)在本年度任何時間內並無擁有上述主要客戶或供應商之權益。

REPORT OF THE DIRECTORS 董事會報告書

DIRECTORS

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

Pursuant to Article 104 of the Company's Articles of Association, Messrs. Leung Hok Lim and Lin Keping, Madam Chan Suk Man and Madam Chan Suk Ling Shirley will retire from the Board by rotation and, being eligible, will offer themselves for re-election at the forthcoming annual general meeting of the Company.

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

DIRECTORS' SERVICE CONTRACTS

None of the directors who offered themselves for re-election at the forthcoming annual general meeting of the Company has entered into any service contract with the Company or any other member of the Group which is not determinable by the relevant employer within one year without payment of compensation, other than normal statutory compensation.

DIRECTORS' INTERESTS IN CONTRACTS

Apart from the connected transactions under Chapter 14A of the Listing Rules as set out in note 34 to the financial statements, 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

本公司之現任董事芳名載於本年報第2頁。

根據本公司組織章程細則第104條，梁學濂先生、林克平先生、劉陳淑文女士及周陳淑玲女士將輪值退出董事會，惟彼等有資格並願意於行將召開之本公司股東週年大會上膺選連任。

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

擬於行將召開之本公司股東週年大會上彼等願意膺選連任之董事，概無與本公司或本集團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財務報表附註第34項外，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

(a) As at 31st March, 2008, the interests and short positions of the Directors and their associates in the shares, underlying shares and debentures of the Company or any associated corporation (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) which were required to be notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to Division 7 and 8 of Part XV of the SFO (including interests and short positions which they are taken or deemed to have under such provisions of the SFO), the Model Code for Securities Transactions by Directors of Listed Issuers and which were required to be entered in the register kept by the Company under section 352 of the SFO were as follows:

董事之股份權益

(a) 於二零零八年三月三十一日，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：

Name of Director	董事姓名	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			
		Personal interest 個人權益	Family interests 家族權益	Corporate interests 公司權益	Other interests 其他權益
Chan Sui Kau	陳瑞球	6,324,696	3,999,354	5,611,230	(i)
Chan Wing Fui, Peter	陳永奎	486,102	1,539,130	—	(i) & (ii) & (iii)
Chan Wing Kee	陳永棋	1,761,624	208,356	—	(i) & (ii) & (iii) & (iv)
Chan Wing To	陳永滔	2,934,054	—	—	(i) & (ii) & (iii) & (iv)
Chan Wing Sun, Samuel	陳永樂	11,244	—	3,043,080	(i) & (ii) & (iii)
Chan Suk Ling, Shirley	周陳淑玲	1,728,816	24,000	—	(i) & (ii) & (iii)
Chan Suk Man	劉陳淑文	1,535,442	—	—	(i) & (ii) & (iii) & (iv)
So Ying Woon, Alan	蘇應垣	12,000	—	—	—
Leung Hok Lim	梁學濂	—	—	—	—
Wong Lam	王霖	—	—	—	—
Lin Keping	林克平	—	—	—	—

REPORT OF THE DIRECTORS 董事會報告書

Notes:

- (i) 44,600,260 shares of the Company were held by Chan Family Investment Corporation Ltd. (which is owned by Messrs Chan Sui Kau, Chan Wing Fui Peter, Chan Wing Kee, Chan Wing To and Chan Wing Sun Samuel, Madam Chan Suk Ling Shirley and Madam Chan Suk Man and other members of the Chan Family) and its subsidiaries.
- (ii) 34,595,908 shares of the Company were held by Joycome Limited, which is indirectly owned by Messrs Chan Wing Fui Peter, Chan Wing Kee, Chan Wing To and Chan Wing Sun Samuel, Madam Chan Suk Ling Shirley and Madam Chan Suk Man and other members of the Chan Family.
- (iii) 1,574,480 shares of the Company were held by Hearty Development Limited which is indirectly owned by Messrs Chan Wing Fui Peter, Chan Wing Kee, Chan Wing To, Chan Wing Sun Samuel, Madam Chan Suk Ling Shirley, Madam Chan Suk Man and other members of the Chan Family.
- (iv) 2,383,500 shares of the Company were held by Super Team International Limited which is indirectly owned by Messrs Chan Wing Kee, Chan Wing To, Madam Chan Suk Man and other members of the Chan family.
- (b) Save as disclosed above, as at 31st March, 2008, none of the Directors or their associates, had, under Division 7 and 8 of Part XV of the SFO, nor were they taken to or deemed to have under such provisions of the SFO, any interests or short positions in the shares, underlying shares or debentures of the Company or any associated corporations (within the meaning of Part XV of the SFO) or any interests which are required to be entered into the register kept by the Company pursuant to section 352 of the SFO or any interests which are required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers in the Listing Rules.

附註：

- (i) 合共44,600,260股本公司股份乃由 Chan Family Investment Corporation Ltd. (包括陳瑞球先生、陳永奎先生、陳永棋先生、陳永滔先生及陳永樂先生、周陳淑玲女士及劉陳淑文女士及其他家族成員)及其附屬公司所持有。
- (ii) 合共34,595,908股本公司股份乃由 Joycome Limited持有。該公司由陳永奎先生、陳永棋先生、陳永滔先生及陳永樂先生、周陳淑玲女士及劉陳淑文女士及其他陳氏家族成員間接擁有。
- (iii) 合共1,574,480股本公司股份乃由 Hearty Development Limited持有。該公司由陳永奎先生、陳永棋先生、陳永滔先生及陳永樂先生、周陳淑玲女士及劉陳淑文女士及其他陳氏家族成員間接擁有。
- (iv) 合共2,383,500股本公司股份乃由 Super Team International Limited持有。該公司由陳永棋先生、陳永滔先生、劉陳淑文女士及其他陳氏家族成員間接擁有。
- (b) 除上文所披露者外，於二零零八年三月三十一日，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 董事會報告書

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 Divisions 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, 2008.

SHARE OPTION SCHEME

On 23rd September, 2004, the Company adopted a share option scheme (the "Share Option Scheme") which will remain in force until 22nd September, 2014. Pursuant to the terms of the Share Option Scheme, the Company may grant options to directors and employees of the Group and other eligible participants to subscribe for shares in the Company, provided that the total number of shares in the Company which may be issued upon exercise of all options to be granted under the Share Option Scheme and any other share option schemes of the Company does not exceed 10% of the shares of the Company in issue at the date of adoption of the Share Option Scheme, which was 14,024,579 shares. On 19th September, 2006, it was approved in the Annual General Meeting that the maximum number of options to be granted under the Share Option Scheme was increased to 21,036,868 shares, representing 10% of the number of ordinary shares in issue on that day.

No options were granted under the Share Option Scheme during the year.

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, 2008.

主要股東

除本文所披露者外，於二零零八年三月三十一日，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。

購股權計劃

於二零零四年九月二十三日，本公司採納購股權計劃（「購股權計劃」），購股權計劃將一直有效，直至二零一四年九月二十二日到期。根據購股權計劃之條款，本公司可向本集團董事及僱員及其他合資格參與者授出購股權，以認購本公司股份，惟根據購股權計劃及本公司任何其他購股權計劃授出之所有購股權獲行使時，為此發行之本公司股份總數不得超過採納購股權計劃當日本公司已發行股份之10%，即上限為14,024,579股股份。於二零零六年九月十九日之股東週年大會上，獲批准增加購股權計劃可授出之購股權限額至21,036,868股，即當日已發行百分之十之普通股數目。

年內並無根據購股權計劃授出任何購股權。

收購、出售或贖回股份

截至二零零八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。

REPORT OF THE DIRECTORS 董事會報告書

CONNECTED TRANSACTIONS

Details of connected transactions under Chapter 14A of the Listing Rules are set out in note 34 to 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 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) in accordance with the terms of the agreements governing the transactions; and
- (iv) in accordance with the pricing policies of the Group, where applicable.

RETIREMENT BENEFIT SCHEMES

Particulars of the retirement benefit schemes of the Group are set out in note 26 to the financial statements.

AUDIT COMMITTEE

To comply with the revised Code of Best Practice as set out in Appendix 14 to 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 purposes of reviewing and providing supervision on the financial reporting process and internal control of the Group. The Committee comprises three Independent Non-executive Directors.

FIVE YEAR SUMMARY

A summary of the results and the assets and liabilities of the Group for the last five financial years is set out on pages 151 and 152 of the annual report.

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第34項內，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) 根據集團之定價政策(如有)進行。

退休福利計劃

本集團退休福利計劃之詳情載於財務報表附註第26項。

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。委員會成員包括三名獨立非執行董事。

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151頁及152頁。

REPORT OF THE DIRECTORS 董事會報告書

PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the directors, as at the date of this report, there is sufficient public float of not less than 25% of the Company's issued shares as required under the Listing Rules.

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 of the Company.

By Order of the Board

Chan Sui Kau

Chairman

Hong Kong, 28th July, 2008

公眾持股量

根據本公司獲得之公開資料並就本公司董事所知，本公司於刊發本年報之日已維持公眾持股量不少於上市規則規定之公司已發行股本之25%。

核數師

畢馬威會計師事務所依章告退，惟願膺選連任。在行將召開之本公司股東週年大會上，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，二零零八年七月二十八日

CORPORATE GOVERNANCE REPORT 企業管治報告

Pursuant to Appendix 23 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”), the Board of Directors (the “Board”) of YangtzeKiang Garment Limited (the “Company”) presents this Corporate Governance Report for the year under review.

CORPORATE GOVERNANCE PRACTICES

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

The Company has complied with the Code of Best Practice, as set out in Appendix 14 to the Listing Rules of The Stock Exchange of Hong Kong Limited 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 of the Company pursuant to Articles 95 and 104 of the Company’s Articles of Association.

DIRECTORS’ SECURITIES TRANSACTIONS

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

BOARD OF DIRECTORS

The major responsibilities of the Board include formulation of strategic plans, adoption of corporate strategies, assessment of investment projects, monitoring and controlling the Group’s operating and financial performance, assessment and management of risk to which the Group is exposed.

根據香港聯合交易所有限公司證券上市規則（「上市規則」）附錄23，長江製衣有限公司（「本公司」）之董事會（「董事會」）呈報於回顧本年內之企業管治報告書。

企業管治常規

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

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條於本公司之股東週年大會上輪值告退。

董事之證券交易

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

董事會

董事會的主要職責包括制定策略性計劃、採納企業策略、評估投資項目、監察及控制本集團的經營及財務表現，以及評估及管理本集團所承受的風險。

CORPORATE GOVERNANCE REPORT 企業管治報告

The Board comprises eight Executive Directors, being Messrs. Chan Sui Kau, Chan Wing Fui Peter, Chan Wing Kee, Chan Wing To, Chan Wing Sun Samuel, and So Ying Woon Alan and Madam Chan Suk Man and Madam Chan Suk Ling Shirley, and three Independent Non-Executive Directors, being Messrs. Leung Hok Lim, Wong Lam and Lin Keping.

The information of directorship is detailed in pages 21 to 25.

The Company has appointed a sufficient number of Independent Non-executive Directors with suitable professional qualifications, such as expertise in accounting and financial management, in accordance with the requirements of the Listing Rules. The Company has received from each of the Independent Non-executive Directors an annual confirmation of his independence pursuant to Rule 3.13 of the Listing Rules.

The Board held four meetings during the year ended 31st March, 2008. The attendance of the Directors was as follows:

董事會包括8名執行董事，分別為陳瑞球先生、陳永奎先生、陳永棋先生、陳永滔先生、陳永燦先生、蘇應垣先生及劉陳淑文女士及周陳淑玲女士，以及3名獨立非執行董事，分別為梁學濂先生、王霖先生及林克平先生。

董事之資料詳列於第21頁至25頁。

本公司已根據上市規則的規定委任足夠人數的獨立非執行董事，彼等均具備合適的專業資格，例如有關會計及財務管理的專業知識。本公司已接獲各獨立非執行董事根據上市規則第3.13條有關其獨立性的年度確認函件。

董事會於年內舉行了四次會議，各董事之出席記錄載列如下：

Directors	董事	Meeting attended/Held 出席／舉行會議次數
Chan Sui Kau (Chairman)	陳瑞球 (主席)	4/4
Chan Wing Fui Peter (Vice Chairman)	陳永奎 (副主席)	4/4
Chan Wing Kee (Managing Director)	陳永棋 (董事總經理)	4/4
Chan Wing To (Deputy Managing Director)	陳永滔 (副董事總經理)	4/4
Chan Suk Man	劉陳淑文	4/4
Chan Wing Sun Samuel	陳永燦	4/4
Chan Suk Ling Shirley	周陳淑玲	4/4
So Ying Woon Alan	蘇應垣	4/4
Leung Hok Lim	梁學濂	4/4
Wong Lam	王霖	4/4
Lin Keping	林克平	4/4

CHAIRMAN AND MANAGING DIRECTOR

The roles of the Chairman of the Board and the Managing Director of the Company are separated, with a clear division of responsibilities. The Chairman of the Board is responsible for formulating corporate strategies and overall business development planning. The Managing Director's duty is to oversee the execution of daily business activities. The division of responsibilities at the board level is to ensure a balance of power and authority.

主席及董事總經理

董事會主席及本公司董事總經理之角色互相分立，各自有明確之職責區分。董事會聯席主席負責制定企業策略及整體業務發展規劃；董事總經理則負責監督日常業務活動之執行。在董事會層面，清楚區分這兩者之職責，旨在確保權力及授權分佈均衡。

CORPORATE GOVERNANCE REPORT 企業管治報告

AUDIT COMMITTEE

The Company formulated written terms of reference for the Audit Committee in accordance with the requirements of the Listing Rules. The Audit Committee consists of three Independent Non-executive Directors, namely Mr. Leung Hok Lim, Mr. Wong Lam and Mr. Lin Keping. Mr. Leung Hok Lim is the chairman of the Audit Committee. The Audit Committee held two meetings during the year with attendance rate of 100%.

The Audit Committee is mainly responsible for monitoring the integrity of the Company's financial statements, reviewing the Company's internal control system and its execution, through the review of the work undertaken by the internal and external auditors, evaluating financial information and related disclosure and reviewing connected transactions.

The Group's audited financial statements, internal control system and connected transactions for the year ended 31st March, 2008 have been reviewed by the Audit Committee.

REMUNERATION COMMITTEE

The Remuneration Committee consists of two Executive Directors, namely Mr. Chan Wing Fui Peter (chairman of the remuneration committee) and Mr. Chan Wing Kee, and three Independent Non-executive Directors, namely Mr. Leung Hok Lim, Mr. Wong Lam and Mr. Lin Keping. The Company had formulated written terms of reference for the Remuneration Committee in accordance with the requirements of the Listing Rules.

The Remuneration Committee is responsible for ensuring formal and transparent procedures for developing remuneration policies and in overseeing remuneration packages of the Directors. It takes into consideration factors such as salaries and compensation packages paid by comparable companies, time commitment and responsibilities of the Directors. It also takes into account whether the emoluments offered are appropriate to the duties and performance of the respective individuals concerned and whether such emoluments are competitive and sufficiently attractive to retain such individuals.

The Remuneration Committee convened one meeting during the year with an attendance rate of 100%.

審核委員會

根據上市規則之規定，本公司為審核委員會制訂書面職權範圍。審核委員會由三名獨立非執行董事組成，即梁學濂先生、王霖先生及林克平先生，審核委員會主席為梁學濂先生。審核委員會於年內曾召開兩次會議，出席率為百分之百。

審核委員會主要負責監管本公司財務報表之完整性、透過檢討內部和外聘核數師進行的工作審閱本公司內部監控制度及其執行、評估財務資料及有關披露，及審閱重大關連交易。

審核委員會已審閱截至二零零八年三月三十一日止年度之本集團經審核財務報表、內部監控制度及關連交易。

酬金委員會

酬金委員會由2名執行董事陳永奎先生（酬金委員會主席）及陳永棋先生，以及3名獨立非執行董事，即梁學濂先生、王霖先生及林克平先生組成。本公司已根據上市規則的規定制定酬金委員會的書面職權範圍。

酬金委員會負責確保制定酬金政策的程序合乎規範及透明，以及監督董事的酬金組合，當中會考慮可作比較公司支付的薪金及薪酬、董事投放的時間及責任等因素，委員會亦會考慮所提供酬金就各有關人士的職務及表現而言是否恰當，以及該等酬金有否競爭力及吸引力是否足以挽留該等人士。

薪酬委員會於年內曾召開一次會議，出席率為百分之百。

CORPORATE GOVERNANCE REPORT 企業管治報告

NOMINATION COMMITTEE

The Company has not established a Nomination Committee. To maintain high quality of the Board with a balance of skills and experience, the Board will identify individuals suitably qualified to become directors when necessary. In evaluating whether an appointee is suitable to act as a director, the Board will consider the experience, qualification and other relevant factors. During the year, there was no change in the composition of the Board.

DIRECTORS' RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Directors are responsible for overseeing the preparation of financial statements for each financial period with a view to ensuring such financial statements give a true and fair view of the state of affairs of the Group and of the results and cash flow for that period. The Company's financial statements are prepared in accordance with all relevant statutory requirements and applicable accounting standards. The Directors are responsible for ensuring that appropriate accounting policies are selected and applied consistently; and that judgments and estimates made are prudent and reasonable.

The reporting responsibilities of KPMG, the Company's auditors, are set out in the Independent Auditor's Report on pages 26 to 27 of this Annual Report.

AUDITORS' REMUNERATION

Total auditors' remuneration in relation to statutory audit work of the Group amounted to HK\$1,773,000 (2007: HK\$1,812,000), of which a sum of HK\$1,676,000 (2007: HK\$1,696,000) was paid or payable to the Group's principal auditors, KPMG.

提名委員會

本公司並無設立提名委員會。為維持董事會具備高質素之所需技巧及經驗，董事會將在需要時物色合資格之人士出任董事。在評審某一名被提名人士是否適合出任為董事時，董事會會考慮該被提名人士之經驗、資格及其他相關因素。年內，董事會成員並無變動。

董事就財務報表所承擔之責任

董事負責監督每個財政期間之財務報表之編製工作，以確保該等財務報表能夠真實與公平地反映本集團於有關期間之財政狀況、業績及現金流量。本公司財務報表之編製均符合所有有關法規及適用會計準則之規定。董事有責任確保選擇及貫徹應用合適之會計政策，以及作出審慎及合理之判斷及估計。

本公司核數師畢馬威會計師事務所之申報責任載於本年報第26頁至第27頁獨立核數師報告內。

核數師之酬金

本集團就法定審核工作而支付之核數師酬金總額為1,773,000港元（二零零七年：1,812,000港元），其中1,676,000港元（二零零七年：1,696,000港元）支付予本集團之主要核數師畢馬威會計師事務所。

CORPORATE GOVERNANCE REPORT 企業管治報告

The fees paid to KPMG for services rendered are set out as below:

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Statutory audit	法定審核	1,676	1,696
Non-audit services	非審核工作	174	237
Total	總額	1,850	1,933

本集團就畢馬威會計師事務所提供之服務而支付之費用如下：

INTERNAL CONTROL AND RISK MANAGEMENT

The Board recognises its responsibility for maintaining an adequate and sound internal control system and through the Audit Committee and the internal auditors, conducts reviews on the effectiveness of these systems at least annually, covering all material controls, financial, operational and compliance controls and risk management functions. The process used in reviewing the effectiveness of these internal control systems includes discussion with management on risk areas identified by management. The purpose of the Company's internal control is to provide reasonable, but not absolute, assurance against material misstatement or loss and to manage rather than eliminate risks of failure in operational systems so that the Company's objectives can be achieved.

INTERNAL AUDIT FUNCTION

There was no in-house internal audit function during the year, but the Company has outsourced internal audit services to a firm of professional accountants to review annually specific areas of concern identified by the management or the Audit Committee. The outsourced internal auditors undertook an annual review of the effectiveness of the system of internal control of the Company for the year ended 31st March, 2008 so as to furnish some degree of comfort to the Audit Committee and the Board on the reliability and integrity of the system and control process. The results of the internal control review were submitted to the Audit Committee for consideration. The Audit Committee has reviewed the results of the internal control review and is satisfied that the existing system of internal controls is effective and adequate.

內部監控及風險管理

董事會明白其維持足夠及健全內部監控制度的責任，並透過為審核委員會及內部核數師，每年對該等制度之有效性進行檢討最少一次，有關檢討涵蓋所有重大監控、財務、營運及遵例監控，以及風險管理工作。檢討該等內部監控制度之有效性時所運用之程序包括與管理層共同研討由管理層辨識之風險範疇。本公司之內部監控制度旨在提供合理（但非絕對保證）保證營運制度不會出現重大錯誤或損失，以及管理（而非消除）營運系統失責之風險，藉以協助本公司達致目標。

內部審核職能

年內，本公司並無建立內部審核部門，但已外聘內部審核服務，對管理層或審核委員會所關注的特定範圍進行年度檢討。外聘內部核數師對本公司截至二零零八年三月三十一日止年度的內部監控制度及程序進行了檢討，以便向審核委員會及本公司董事會提供有關制度及監控程序可靠性及完整性的一定信心保證。有關檢討的結果已提供給審核委員會參考，審核委員會在審閱該有關內部監控的檢討結果後，認為本公司內部監控機制健全及妥善。

DIRECTORS AND MANAGEMENT 董事及管理人員

DIRECTORS

Chan Sui Kau, GBM, GBS, JP

Aged 83. Dr. Chan is the founder of our Group. He established the Company in 1949 and is the Executive Chairman of the Company as well as YGM Trading Ltd. Dr. Chan used to serve as a member of the 8th & 9th term of the Chinese People's Political Consultative Committee until he reached the retirement age. Having been a Justices of the Peace since 1983, Dr. Chan was awarded the Gold Bauhinia Star in 2002 and 6 years later in 2008 Dr. Chan was awarded the Grand Bauhinia Medal. Dr. Chan received a Doctoral Degree of Business Administration from Hong Kong Polytechnic University in 2001; then in 2007 an Honorary Doctoral Degree of Social Sciences from City University of Hong Kong and in the same year, an Honorary University Fellowship from University of Hong Kong. Dr. Chan is the former Chairman of Clothing Industry Training Authority (1986); former Chairman of Textile Council of Hong Kong (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) as well as the Hong Kong Labour Advisory Board (1985-1995).

Chan Wing Fui, Peter, MA

Aged 62. 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 Dr. Chan Sui Kau and the brother of Mr. Chan Wing Sun Samuel and Ms. Chan Suk Ling Shirley.

董事

陳瑞球

八十三歲，一九四九年創辦本公司，為本集團之創辦人，亦為本公司及YGM貿易有限公司之執行主席，曾任中國人民政治協商會議第八及九屆全國委員會委員直至到達退休年齡，自一九八三年獲委任為太平紳士的陳博士於二零零二年獲香港特別行政區政府頒授金紫荊星章並於六年後二零零八年獲頒授大紫荊勳章。陳博士於二零零一年獲香港理工大學頒授榮譽工商管理博士銜；及後於二零零七年分別獲香港城市大學及香港大學頒授榮譽社會科學博士銜及名譽大學院士銜。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。

陳永奎

六十二歲，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。彼為陳瑞球博士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

Chan Wing Kee, GBS, OBE, JP

Aged 61. Received a Bachelor's degree in Industrial Engineering in 1970. Joined the Group in 1970 as Production Manager and later became Sales Manager. Appointed Director in 1977 and Managing Director in 1987. He is also a Director of YGM Trading Limited; independent non-executive Director of Times Limited, China Travel International Investment Hong Kong Limited and China Construction Bank (Asia) Corporation Limited. Mr. Chan has participated in many textile negotiations with the USA and Europe for Hong Kong and Macau. He is a Standing Committee Member of The 10th and 11th of The Chinese People's Political Consultative Conference; Deputy of the 8th & 9th National People's Congress of China; Member of Commission on Strategic Development of Hong Kong Special Administrative Region; Ex-member of Economic Council of Macau Special Administrative Region; Ex-member of the Textile Advisory Board; 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 To and Ms. Chan Suk Man.

Chan Wing To, PhD

Aged 57. Joined YGM Singapore in 1978. Appointed Director of the Group in 1983 and YGM Trading Ltd in 1987. He is the brother of Mr. Chan Wing Kee and Ms. Chan Suk Man.

Chan Suk Man, MSc

Aged 60. Received Master of Science Degrees from the University of Windsor, Canada in 1973 and Case Western Reserve University USA in 1975. Madam Chan joined the Group in 1976 and was appointed as Director in 1993. She is the sister of Mr. Chan Wing Kee and Mr. Chan Wing To.

陳永棋

六十一歲，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；時代零售集團有限公司、香港中旅國際投資有限公司及中國建設銀行(亞洲)股份有限公司之獨立非執行董事，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及第十一屆全國政協常務委員；中華人民共和國第八屆及第九屆全國人民代表大會代表；香港特別行政區政府策略發展委員會委員；前澳門特別行政區經濟委員會委員；前香港特別行政區紡織業諮詢委員會委員；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。彼為陳永滔先生及劉陳淑文女士之兄。

陳永滔

五十七歲，於一九七八年加入新加坡長江。並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。陳先生為陳永棋先生及劉陳淑文女士之弟。

劉陳淑文

六十歲，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，陳女士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之妹及為陳永滔先生之姊。

DIRECTORS AND MANAGEMENT 董事及管理人員

Chan Wing Sun, Samuel, FCA

Aged 60. 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. Has been the Chief Executive Officer of YGM Trading Ltd in 2006. He is the son of Dr. Chan Sui Kau and the brother of Mr. Chan Wing Fui Peter and Ms. Chan Suk Ling Shirley.

Chan Suk Ling, Shirley

Madam Chan has been the Managing Director of the YGM Trading Group since 2006. She joined the Group in 1973, was 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. Madam Chan is a Member of the Textiles Advisory Board of Hong Kong S.A.R., a Member of the Hong Kong-France Business Partnership Committee of the Hong Kong Trade Development Council, a Member of the Board of Directors of the Hong Kong Tourism Board, a Member of Quality Tourism Services Committee of the Hong Kong Tourism Board, a Member of Board of Directors of Ocean Park Corporation, Vice Chairman of the Hong Kong Retail Management Association, a Member of the Executive Committee of the Chinese Manufacturers' Association of Hong Kong, the Chairman of the Hong Kong Brand Development Council, the Director of Hong Kong Design Centre, a member of DesignSmart Initiative Assessment Panel, a Committee Member of the Tianjin Municipal Committee of the Chinese People's Political Consultative Conference and Vice President of Guangdong Association of Enterprises with Foreign Investment. She received a Bachelor's degree from Trent University, the United Kingdom in 1973. Madam Chan, aged 57, is the daughter of Dr. Chan Sui Kau and the sister of Mr. Chan Wing Fui Peter and Mr. Chan Wing Sun Samuel.

陳永燊

六十歲，一九七零年獲英國曼徹斯特大學頒授學士學位，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。於二零零六年出任YGM貿易有限公司之行政總裁。陳先生為陳瑞球博士之公子、陳永奎先生之弟及周陳淑玲女士之兄。

周陳淑玲

陳女士自二零零六年出任為YGM貿易集團董事總經理。彼於一九七三年加入本集團，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。陳女士於管理成衣零售及批發業務有廣泛之經驗。現為香港特別行政區政府紡織業諮詢委員會委員、香港貿易發展局港法貿易伙伴委員會成員、香港旅遊發展局董事局成員、香港旅遊發展局優質旅遊服務委員會成員、海洋公園公司董事局成員、香港零售管理協會副主席、香港中華廠商聯合會常務會董、香港品牌發展局主席、香港設計中心董事、設計智優計劃評審小組成員、中國人民政治協商會議天津市委員會委員及廣東外商投資企業協會副會長。彼於一九七三年獲英國Trent University頒發學士學位。陳女士現年五十七歲及為陳瑞球博士之千金、陳永奎先生與陳永燊先生之妹。

DIRECTORS AND MANAGEMENT 董事及管理人員

So Ying Woon, Alan

Aged 58. Received a Bachelor's degree from the Chinese University of Hong Kong in 1974. Mr. So joined the Group in 1974 and was promoted to the position of Sales Manager in 1976. He has been the General Manager since 1993. On 29th November, 2005, Mr. So has been appointed as Executive Director of the Company.

Leung Hok Lim, FCPA(Aust.), CPA(Macau), FCPA(Practising)

Aged 73. An independent non-executive Director of the Company, is the founding and senior partner of PKF, Accountants & Business Advisers. Mr. Leung obtained his fellowship with Hong Kong Institute of Certified Public Accountants in 1973. He is a non-executive director of Beijing Hong Kong Exchange of Personnel Centre Limited and a number of listed companies.

Wong Lam, OBE, JP

Aged 89. Appointed as an independent non-executive Director in 1995. Mr. Wong is a former member of the Legislative Council, a former Standing Committee Member of Chinese People's Political Consultative Conference of Dongguan and a Director of Lung Cheong International Holdings Ltd.

Lin Keping

Aged 69. Appointed as an independent non-executive Director of the Company in 2004. Mr. Lin is an engineer, graduated from Beijing University of Posts and Telecommunications in 1963. He is a member of the Eighth National Committee of the Chinese People's Political Consultation Conference and an executive member of the Eighth All-China Federation of Industry and Commerce. He has served in postal and telecommunication research institutes, the Ministry of Posts and Telecommunications and other organisations for years, and was an executive vice president of China Minsheng Bank Corp. Ltd.

蘇應垣

五十八歲，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。於二零零五年十一月二十九日，蘇先生獲委任為本公司執行董事。

梁學濂

七十三歲，本公司獨立非執行董事，為PKF大信梁學濂(香港)會計師事務所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執業資深會計師資格。彼為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

八十九歲，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、前東莞市政協常務委員及龍昌國際控股有限公司之董事。

林克平

六十九歲，於二零零四年獲委任為本公司獨立非執行董事。林先生為工程師，一九六三年畢業於北京郵電大學。為中國人民政治協商會議第八屆全國委員會委員、第八屆中華全國工商聯合會執行委員。曾在郵電科研機構、郵電部及其他部門任職，曾任中國民生銀行副行長。

DIRECTORS AND MANAGEMENT 董事及管理人員

MANAGEMENT

Lau Shing Choy

Aged 60. 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.

Leung Ming Wai, Alan

Aged 50. 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, MBA

Aged 46, General Sales Manager. Ms. Chui joined the Group in 1994, and has over 20 years' managerial experience in fashion business. She was awarded Master of Business Administration (Fashion Business) by the Hong Kong Polytechnic University in 2004.

Hui Sau Ling

Aged 42. 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 Hong Kong Institute of Certified Public Accountants. She has over 15 years of experience in auditing, accounting and business finance.

管理人員

劉盛材

六十歲，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。

梁銘惠

五十歲，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

四十六歲，營業總經理，於一九九四年加入本集團。擁有二十年以上服裝銷售業務管理經驗。並於二零零四年獲香港理工大學頒授工商管理(服裝企業)碩士學位。

許秀玲

四十二歲，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，擁有十五年以上審計、財務及會計方面之經驗。

INDEPENDENT AUDITOR'S REPORT 獨立核數師報告

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF YANGTZEKIANG GARMENT LIMITED

(Incorporated in Hong Kong with limited liability)

We have audited the consolidated financial statements of YangtzeKiang Garment Limited (the "Company") set out on pages 28 to 146, which comprise the consolidated and Company balance sheets as at 31st March, 2008, the consolidated income statement, the consolidated statement of changes in equity and the consolidated cash flow statement for the year then ended and a summary of significant accounting policies and other explanatory notes.

DIRECTORS' RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The directors of the Company are responsible for the preparation and the true and fair presentation of these financial statements in accordance with Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants and the Hong Kong Companies Ordinance. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and the true and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies, and making accounting estimates that are reasonable in the circumstances.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these financial statements based on our audit. This report is made 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.

We conducted our audit in accordance with Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free from material misstatement.

致長江製衣有限公司
股東之獨立核數師報告
(於香港註冊成立之有限公司)

我們已審核列載第28頁至146頁長江製衣有限公司(「貴公司」)的綜合財務報表，此綜合財務報表包括於二零零八年三月三十一日的綜合及公司資產負債表與截至該日止年度的綜合損益表、綜合權益變動表和綜合現金流量表，以及主要會計政策概要及其他附註解釋。

董事就財務報表須承擔的責任

貴公司董事須負責根據香港會計師公會頒佈的《香港財務報告準則》及香港《公司條例》編製及真實而公平地列報該等財務報表。這責任包括設計、實施及維護與編製及真實而公平地列報財務報表相關的內部控制，以使財務報表不存在由於欺詐或錯誤而導致的重大錯誤陳述；選擇和應用適當的會計政策；及按情況下作出合理的會計估計。

核數師的責任

我們的責任是根據我們的審核對該等財務報表作出意見，按照香港《公司條例》第141條的規定，僅向整體股東報告。除此之外，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。

我們已根據香港會計師公會頒佈的香港審計準則進行審核。這些準則要求我們遵守道德規範，並規劃及執行審核，以合理確定此等財務報表是否不存有任何重大錯誤陳述。

INDEPENDENT AUDITOR'S REPORT 獨立核數師報告

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and true and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

OPINION

In our opinion, the consolidated financial statements give a true and fair view of the state of affairs of the Company and of the Group as at 31st March, 2008 and of the Group's profit and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in accordance with the Hong Kong Companies Ordinance.

KPMG

Certified Public Accountants

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

28th July, 2008

審核涉及執行情序以獲取有關財務報表所載金額及披露資料的審核憑證。所選定的程序取決於核數師的判斷，包括評估由於欺詐或錯誤而導致財務報表存有重大錯誤陳述的風險。在評估該等風險時，核數師考慮與該公司編製及真實而公平地列報財務報表相關的內部控制，以設計適當的審核程序，但並非為對公司的內部控制的效能發表意見。審核工作亦包括評價董事所採用的會計政策的合適性及所作出的會計估計的合理性，以及評價財務報表的整體列報方式。

我們相信，我們所獲得的審核憑證是充足和適當地為我們的審核意見提供基礎。

意見

我們認為，綜合財務報表已根據香港財務報告準則真實與公平地反映 貴公司及貴集團於二零零八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

香港中環
遮打道十號
太子大廈八樓

二零零八年七月二十八日

CONSOLIDATED INCOME STATEMENT

綜合損益表

For the year ended 31st March, 2008 (Expressed in Hong Kong dollars)

截至二零零八年三月三十一日止年度(以港元計)

		Note	2008 二零零八年 \$'000 千元	2007 二零零七年 \$'000 千元
		附註		
Turnover	營業額	3	1,540,276	1,725,435
Cost of sales	銷售成本		(1,269,541)	(1,382,430)
Gross profit	毛利		270,735	343,005
Other revenue	其他收入	4	6,843	12,471
Other net income	其他收益淨額	4	40,324	24,482
Selling and distribution expenses	銷售及分銷費用		(132,484)	(131,862)
Administrative expenses	行政費用		(93,879)	(87,960)
Other operating expenses	其他經營費用		(22,988)	(45,610)
Profit from operations	經營溢利		68,551	114,526
Finance costs	融資成本	5(a)	(10,803)	(19,099)
Share of profits less losses of associates	應佔聯營公司溢利 減虧損		1,523	(343)
Share of profits less losses of jointly controlled entities	應佔合營公司 溢利減虧損	19	76,987	14,121
Loss on disposal of subsidiaries	出售附屬公司虧損		-	(9,296)
Impairment loss of an associate	聯營公司減值虧損	18	(4,000)	-
Net valuation gains on investment properties	投資物業估值收益 淨額		18,866	10,231
Profit before taxation	除稅前溢利	5	151,124	110,140
Income tax	所得稅	6(a)	(9,174)	(13,670)
Profit for the year	本年度溢利		141,950	96,470
Attributable to:	應撥歸於：			
Equity shareholders of the Company	本公司股權 持有人		142,240	96,706
Minority interests	少數股東權益		(290)	(236)
Profit for the year	本年度溢利		141,950	96,470

CONSOLIDATED INCOME STATEMENT

綜合損益表

For the year ended 31st March, 2008 (Expressed in Hong Kong dollars)

截至二零零八年三月三十一日止年度(以港元計)

		Note	2008	2007
		附註	二零零八年	二零零七年
			\$'000	\$'000
			千元	千元
Dividends payable to equity shareholders of the Company attributable to the year:	應付本公司股權持有人本年度股息：			
Interim dividend declared during the year	於年內已宣派之中期股息	10	10,518	6,311
Final dividend proposed after the balance sheet date	於結算日後建議派發末期股息		37,866	31,555
			<u>48,384</u>	<u>37,866</u>
Earnings per share	每股盈利			
Basic	基本	11	<u>\$0.68</u>	<u>\$0.46</u>

The notes on pages 40 to 146 form part of these financial statements.

第40頁至146頁的附註屬本財務報表之一部份。

CONSOLIDATED BALANCE SHEET

綜合資產負債表

At 31st March, 2008 (Expressed in Hong Kong dollars)

於二零零八年三月三十一日(以港元計)

	Note 附註	2008 二零零八年		2007 二零零七年	
		\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元
Non-current assets					
Fixed assets	13(a)				
Investment properties		100,432		86,677	
Other property, plant and equipment		160,292		146,607	
Interests in leasehold land held for own use under operating leases		2,125	262,849	6,955	240,239
Construction in progress	14		291		42
Intangible assets	15		2,874		2,874
Goodwill	16		–		–
Interest in associates	18		12,110		14,671
Interest in jointly controlled entities	19		428,655		314,042
Other financial assets	20		1,453		4,586
Deferred tax assets	27(b)		1,204		–
			709,436		576,454
Current assets					
Inventories	21	162,114		139,038	
Trade and other receivables	22	288,557		324,105	
Tax recoverable	27(a)	1,008		1,493	
Cash and cash equivalents	23	96,838		80,055	
			548,517		544,691
Current liabilities					
Trade and other payables	24	288,339		301,578	
Bank loans	25	78,434		104,624	
Tax payable	27(a)	10,702		3,806	
			377,475		410,008
Net current assets			171,042		134,683
Total assets less current liabilities			880,478		711,137

CONSOLIDATED BALANCE SHEET

綜合資產負債表

At 31st March, 2008 (Expressed in Hong Kong dollars)
於二零零八年三月三十一日 (以港元計)

	Note 附註	2008 二零零八年		2007 二零零七年	
		\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元
Non-current liabilities					
Bank loans	25	-		11,250	
Provision for long service payments	28	24,531		3,591	
Deferred tax liabilities	27(b)	16,997	41,528	16,819	31,660
NET ASSETS			838,950		679,477
CAPITAL AND RESERVES					
Share capital	29(a)		105,184		105,184
Reserves			732,996		573,547
Total equity attributable to equity shareholders of the Company			838,180		678,731
Minority interests			770		746
TOTAL EQUITY			838,950		679,477

Approved and authorised for issue by the board of directors on 28th July, 2008.

董事會已於二零零八年七月二十八日核准及授權發佈上列賬目。

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

)
) 陳瑞球)
) 董事
) 陳永棋)
)

The notes on pages 40 to 146 form part of these financial statements.

第40頁至146頁的附註屬本財務報表之一部份。

BALANCE SHEET

資產負債表

At 31st March, 2008 (Expressed in Hong Kong dollars)

於二零零八年三月三十一日 (以港元計)

	Note 附註	2008 二零零八年		2007 二零零七年	
		\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元
Non-current assets					
Fixed assets	13(b)				
Investment properties		119,114		101,094	
Other property, plant and equipment		40,673		35,490	
			159,787		136,584
Intangible assets	15		2,384		2,384
Interest in subsidiaries	17		133,841		137,120
Interest in associates	18		10,436		10,436
Interest in jointly controlled entities	19		230,818		230,818
Other financial assets	20		1,453		4,586
			538,719		521,928
Current assets					
Inventories	21	37,196		56,585	
Trade and other receivables	22	239,265		284,646	
Cash and cash equivalents	23	41,681		25,116	
			318,142		366,347
Current liabilities					
Trade and other payables	24	161,668		207,886	
Bank loans	25	67,420		49,013	
Tax payable	27(a)	8,513		2,163	
			237,601		259,062
Net current assets			80,541		107,285
Total assets less current liabilities			619,260		629,213

BALANCE SHEET

資產負債表

At 31st March, 2008 (Expressed in Hong Kong dollars)
於二零零八年三月三十一日 (以港元計)

	Note 附註	2008 二零零八年		2007 二零零七年	
		\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元
Non-current liabilities					
Bank loans	25	-		7,500	
Provision for long service payments	28	2,084		1,946	
Deferred tax liabilities	27(b)	21,521		17,654	
			23,605		27,100
NET ASSETS			595,655		602,113
CAPITAL AND RESERVES					
Share capital	29(b)		105,184		105,184
Reserves			490,471		496,929
TOTAL EQUITY			595,655		602,113

Approved and authorised for issue by the board of directors on 28th July, 2008.

董事會已於二零零八年七月二十八日核准及授權發佈上列賬目。

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

)
)
) 董事
)
)
)

The notes on pages 40 to 146 form part of these financial statements.

第40頁至146頁的附註屬本財務報表之一部份。

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY 綜合權益變動表

For the year ended 31st March, 2008 (Expressed in Hong Kong dollars)
截至二零零八年三月三十一日止年度 (以港元計)

	Note 附註	2008 二零零八年		2007 二零零七年	
		\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元
Total equity at 1st April					
– attributable to equity shareholders of the Company	29(a)	678,731		583,615	
– minority interests	29(a)	746		–	
			679,477		583,615
Net income recognised directly in equity:					
Exchange differences on translation of financial statements of subsidiaries outside Hong Kong	29(a)		19,986		5,359
Surplus on revaluation of land and buildings, net of deferred tax	29(a)		–		253
Share of associates' and jointly controlled entity's exchange reserve	29(a)		39,296		18,929
			59,282		24,541
Net profit for the year	29(a)		141,950		96,470
Total recognised income and expense for the year			201,232		121,011

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

For the year ended 31st March, 2008 (Expressed in Hong Kong dollars)

截至二零零八年三月三十一日止年度(以港元計)

	Note 附註	2008 二零零八年		2007 二零零七年	
		\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元
Attributable to:					
Equity shareholders of the Company		201,522		121,247	
Minority interests		(290)		(236)	
		<u>201,232</u>		<u>121,011</u>	
Dividends declared or approved during the year					
	29(a)		(42,073)		(23,140)
Movements in equity arising from capital transactions:					
– capital injection by minority shareholders	29(a)		314		982
Reserves transferred to the income statement on:					
– disposal of subsidiaries and associates	29(a)		–		(2,991)
Total equity at 31st March			<u>838,950</u>		<u>679,477</u>

The notes on pages 40 to 146 form part of these financial statements.

第40頁至146頁的附註屬本財務報表之一部份。

CONSOLIDATED CASH FLOW STATEMENT

綜合現金流量表

For the year ended 31st March, 2008 (Expressed in Hong Kong dollars)

截至二零零八年三月三十一日止年度 (以港元計)

			2008 二零零八年 \$'000 千元	2007 二零零七年 \$'000 千元
		Note 附註		
Operating activities	經營活動			
Profit before taxation	除稅前溢利		151,124	110,140
Adjustments for:	調整項目：			
– Share of profits less losses of associates	– 應佔聯營公司溢利減虧損		(1,523)	343
– Share of profits less losses of jointly controlled entities	– 應佔合營公司溢利減虧損		(76,987)	(14,121)
– Depreciation	– 折舊	5(c)	24,243	27,733
– Net valuation gains on investment properties	– 投資物業估值收益淨額		(18,866)	(10,231)
– Loss on disposal of subsidiaries	– 出售附屬公司虧損		–	9,296
– Gain on disposal of fixed assets	– 出售固定資產收益	4	(18,625)	(16,085)
– (Reversal of)/ impairment losses on trade, other receivables and loans receivable	– 應收賬款、 其他應收款及應收貸款 之(撥回)/減值虧損	5(c)	(924)	21,375
– Impairment loss of an associate	– 聯營公司減值虧損		4,000	–
– Amortisation of land lease premium	– 租賃土地款項攤銷	5(c)	111	147
– Interest expenses	– 利息支出	5(a)	10,803	19,099
– Interest income	– 利息收入	4	(1,456)	(993)
– Loss on interest rate swap agreement	– 利率掉期合約之虧損	4	219	809
– Gain on fair value of forward exchange contracts	– 遠期外匯合約公平價值之收益	4	(1,162)	–
– Dividend income from unlisted equity securities	– 非上市股本證券之 股息收入	4	(403)	(386)
– Tax refund upon reinvestment of dividend income from a former associate	– 前聯營公司股息收入 再投資之退稅	4	–	(2,114)
– Foreign exchange gain	– 匯兌收益		2,562	(1,480)
Operating profit before changes in working capital	營運資金變動前經營溢利		73,116	143,532

CONSOLIDATED CASH FLOW STATEMENT

綜合現金流量表

For the year ended 31st March, 2008 (Expressed in Hong Kong dollars)

截至二零零八年三月三十一日止年度(以港元計)

	Note 附註	2008 二零零八年 \$'000 千元	2007 二零零七年 \$'000 千元
Increase in inventories	存貨增加	(23,076)	(14,369)
Increase in debtors, deposits and prepayments	應收賬款、按金及預付款項 增加	(12,562)	(63,234)
Decrease in bills receivable	應收票據減少	39,108	21,535
Decrease/(increase) in amounts due from related companies	應收關連公司款項 減少/(增加)	1,825	(748)
(Decrease)/increase in creditors and accrued charges	應付賬款及應計費用 (減少)/增加	(12,197)	19,462
(Decrease)/increase in bills payable	應付票據(減少)/增加	(8,112)	23,912
Increase/(decrease) in amounts due to related companies	應付關連公司款項 增加/(減少)	3,492	(2,660)
Increase/(decrease) in amounts due to associates and jointly controlled entities	應付聯營公司及合營公司款項 增加/(減少)	3,538	(1,319)
Increase/(decrease) in amount due to a shareholder	應付一股東款項增加/(減少)	40	(434)
Increase/(decrease) in long service payments	長期服務金增加/(減少)	20,940	(681)
Cash generated from operations	經營業務所得現金	86,112	124,996
Tax paid	已付稅項		
– Hong Kong profits tax paid	– 已付香港利得稅	(5,339)	(3,083)
– Tax refunded/(paid) outside Hong Kong	– 退還/(已付) 香港以外稅項	2,198	(4,236)
Net cash generated from operating activities	經營活動所得的現金淨額	82,971	117,677

CONSOLIDATED CASH FLOW STATEMENT

綜合現金流量表

For the year ended 31st March, 2008 (Expressed in Hong Kong dollars)

截至二零零八年三月三十一日止年度(以港元計)

			2008 二零零八年 \$'000 千元	2007 二零零七年 \$'000 千元
Investing activities	投資活動			
Payments for purchase of fixed assets	購買固定資產付款		(21,825)	(31,238)
Proceeds from sales of fixed assets	出售固定資產所得款項		24,311	26,854
Payments for construction in progress	在建工程付款		(1,373)	(11,550)
Interest received	已收利息		1,456	993
Dividend received from associates	已收聯營公司之股息		2,965	11,757
Dividend received from unlisted equity securities	已收非上市股本證券之股息		403	386
Net cash outflow from disposal of subsidiaries	出售附屬公司之現金流入淨額	30(a)	-	(3,845)
Refund of tax paid by an associate from reinvestment of dividend income	聯營公司股息收入再投資之退稅		-	2,114
Refund of prepayment of investment	投資預付款退回		-	33,235
Proceeds from sale of associates in the previous year	上年度出售聯營公司所得款		16,000	83,061
New loans to suppliers	新增供應商貸款		(5,000)	-
Repayment of loans receivable	償還應收貸款		2,211	2,459
Net cash generated from investing activities	投資活動所得的現金淨額		19,148	114,226

CONSOLIDATED CASH FLOW STATEMENT

綜合現金流量表

For the year ended 31st March, 2008 (Expressed in Hong Kong dollars)
截至二零零八年三月三十一日止年度 (以港元計)

			2008 二零零八年 \$'000 千元	2007 二零零七年 \$'000 千元
		Note 附註		
Financing activities	融資活動			
Repayment of bank loans	償還銀行貸款		(323,562)	(868,985)
New bank loans	新增銀行貸款		286,122	714,841
Capital contribution from minority shareholders	少數股東的股本投入		314	982
Interest paid	已付利息		(10,803)	(17,329)
Dividend paid	已派股息		(42,073)	(23,140)
			<hr/>	<hr/>
Net cash used in financing activities	融資活動所用的現金淨額		(90,002)	(193,631)
			<hr/>	<hr/>
Net increase in cash and cash equivalents	現金及現金等價物增加淨額		12,117	38,272
Cash and cash equivalents at 1st April	於四月一日之現金及現金等價物		80,055	39,870
Effect of foreign exchange rates changes	外幣兌換變動之影響		4,666	1,913
			<hr/>	<hr/>
Cash and cash equivalents at 31st March	於三月三十一日之現金及現金等價物	23	96,838	80,055
			<hr/>	<hr/>

The notes on pages 40 to 146 form part of these financial statements.

第40頁至146頁的附註屬本財務報表之一部份。

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 31st March, 2008 (Expressed in Hong Kong dollars)
截至二零零八年三月三十一日止年度(以港元計)

I. SIGNIFICANT ACCOUNTING POLICIES

(a) Statement of compliance

These financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards (“HKFRSs”), which collective term includes all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (“HKASs”) and Interpretations issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”), 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.

The HKICPA has issued certain new and revised HKFRSs that are first effective or available for early adoption for the current accounting period of the Group and the Company. Note 2 provides information of any changes in accounting policies resulting from initial application of these developments to the extent that they are relevant to the Group for the current and prior accounting periods reflected in these financial statements.

(b) Basis of preparation and measurement

The consolidated financial statements for the year ended 31st March, 2008 comprise the Company and its subsidiaries (together referred to as the “Group”) and the Group’s interest in associates and jointly controlled entities.

Items included in the financial statements of each of the Group’s subsidiaries, associates and jointly controlled entities are measured using the currency of the primary economic environment in which the entity operates (“the functional currency”). The consolidated financial statements are presented in Hong Kong dollars, which is the Company’s functional and presentation currency.

The measurement basis used in the preparation of the financial statements is the historical cost basis, except as set out in the accounting policies below.

I. 主要會計政策

(a) 遵例聲明

本財務報表是按照所有適用之香港財務報告準則(「香港財務報告準則」)(此乃香港會計師公會(香港會計師公會)頒佈之所有適用之個別香港財務報告準則、香港會計準則(「香港會計準則」)和詮釋、香港公認會計原則和香港公司條例之規定之統稱)編製。本財務報表亦符合香港聯合交易所有限公司證券上市規則之適用披露規定。以下為本集團採用之主要會計政策概要。

香港會計師公會已頒佈若干新訂及經修訂之香港財務報告準則，並於本集團及本公司之本會計期間首次生效或可供提早採納。因初次應用此等新發展本集團現行及過往會計期間所造成之會計政策變動而反映於該等財務報表之資料，載列於附註2。

(b) 編製及計算基準

截至二零零八年三月三十一日止年度的綜合財務報表，包括本公司及其附屬公司(統稱為「本集團」)及本集團於聯營公司及合營公司之權益。

本集團附屬公司、聯營公司及合營公司各自之財務報表所包括之項目約使用該實體營運之主要經濟環境之貨幣計量(「功能貨幣」)。綜合財務報表以本公司的功能貨幣港元呈列。

本財務報表是根據歷史成本基準編製，惟下列會計政策所述者則除外。

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 31st March, 2008 (Expressed in Hong Kong dollars)
截至二零零八年三月三十一日止年度 (以港元計)

I. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(b) Basis of preparation and measurement (continued)

The preparation of the financial statements in conformity with HKFRSs requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Judgements made by management in the application of HKFRSs that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are discussed in note 36.

(c) Subsidiaries and minority interests

Subsidiaries are entities controlled by the Group. Control exists when the Group has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, potential voting rights that presently are exercisable are taken into account.

An investment in a subsidiary is consolidated into the consolidated financial statements from the date that control commences until the date that control ceases.

I. 主要會計政策 (續)

(b) 編製及計算基準 (續)

按照財務報告準則編製的財務資料需要管理層為有關財務資料作出判斷、估計及假設，該等判斷、估計及假設影響會計政策的應用，以及所呈報之資產、負債、收入及支出的金額。資產及負債的賬面金額如果未能明顯地從其他來源取得，其金額將根據歷史經驗和在相關情況下認為合理的其他因素作出評估。實際結果可能與估計出現差異。

本司持續進行估計及相關假設的評估。會計估計的改變如果只影響當期，則有關的影響在估計變更的當期確認。如果該項會計估計的更改影響當期和以後的期間，則有關的影響在當期和以後期間確認。

管理層於應用財務報告準則時所作出而將會對財務報表有重大影響的判斷和可能於下年度作出重大調整的估計，已列於附註36。

(c) 附屬公司及少數股東權益

附屬公司是指受本集團控制的實體。當本集團有權管轄一實體之財務及經營政策，並透過該實體之業務得益，本集團便擁有該實體的控制權。在評估控制權時，目前可行使或可轉換的潛在投票權將被考慮在內。

於附屬公司投資，其賬項是由受控制日起直至控制終止日歸納入綜合財務報表內。

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 31st March, 2008 (Expressed in Hong Kong dollars)
截至二零零八年三月三十一日止年度 (以港元計)

I. SIGNIFICANT ACCOUNTING POLICIES (continued)

(c) Subsidiaries and minority interests (continued)

Intra-group balances and transactions, and any unrealised profits arising from intra-group consolidated transactions, are eliminated in full in preparing the 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 represent the portion of the net assets of subsidiaries attributable to interests that are not owned by the Company, whether directly or indirectly through subsidiaries and in respect of which the Group has not agreed any additional terms with the holders of those interests which would result in the Group as a whole having a contractual obligation in respect of those interests that meets the definition of a financial liability. Minority interests are presented in the consolidated balance sheet and consolidated statement of changes in equity within equity, separately from equity attributable to the equity shareholders of the Company. Minority interests in the results of the Group are presented on the face of the consolidated income statement as an allocation of the total profit or loss for the year between minority interests and the equity shareholders of the Company.

Where losses applicable to the minority exceed the minority interests in the equity 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 additional investment to cover the losses. If the subsidiary subsequently reports profits, the Group interest is allocated all such profits 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 I(m)).

I. 主要會計政策 (續)

(c) 附屬公司及少數股東權益 (續)

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，均在編製財務資料時全數抵銷。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。

少數股東權益，即非本公司直接或間接通過附屬公司擁有的應佔附屬公司淨資產部分及有關部分本集團並未與該等權益的持有者同意任何額外條款而令集團整體對該等權益有推定責任並而符合財務負債的定義。少數股東權益在綜合資產負債表及綜合權益變動表的權益項目中與本集團的股權持有人應佔權益分開列示。而少數股東所佔本集團期內業績的權益則在綜合損益表內列為在少數股東權益與本公司的股權持有人之間分配的年內利潤及虧損總額。

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。

在本公司的資產負債表中，附屬公司投資是以成本減除減值虧損 (參閱附註 I(m)) 列賬。

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 31st March, 2008 (Expressed in Hong Kong dollars)
截至二零零八年三月三十一日止年度 (以港元計)

I. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(d) Associates and jointly controlled entities

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.

A jointly controlled entity is an entity which operates under a contractual arrangement between the Group or the Company and other parties, where the contractual arrangement establishes that the Group or the Company and one or more of the other parties share joint control over the economic activity of the entity.

An investment in an associate or a jointly controlled entity 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 associates' or the jointly controlled entities' net assets, unless it is classified as held for sale (or included in a disposal group that is classified as held for sale). The consolidated income statement includes the Group's share of the post-acquisition, post-tax results of the associates and jointly controlled entities for the year, including any impairment of goodwill relating to the investment in associates and jointly controlled entities recognised for the year (see note I(e) and I(m)).

When the Group's share of loss exceeds its interest in the associate or the jointly controlled entity, the Group's interest is reduced to nil and recognition of further losses is discontinued except to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or the jointly controlled entity. For this purpose, the Group's interest in the associate or the jointly controlled entity is the carrying amount of the investment under the equity method together with the Group's long-term interests that in substance form part of the Group's net investment in the associate or the jointly controlled entity.

I. 主要會計政策 (續)

(d) 聯營公司及合營公司

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。

合營公司是指本集團或本公司與第三者在合約安排下經營之企業，而有關合約安排亦訂定本集團或本公司與一個或多個第三者對該企業之經濟活動分享共同控制。

於聯營公司或合營公司之投資在綜合財務報表是按權益會計法入賬，最初是以成本列賬，隨後則按本集團應佔該聯營公司或合營公司之購入後應佔淨資產變動作調整，除非有關投資是分類為持有作出售之投資或包括在分類為持有作出售之出售組別。綜合損益表已反映本集團應佔購入聯營公司與合營公司權益後年度除稅後之業績，及減除於有關年度內聯營公司與合營公司投資的商譽減值損失 (參閱附註I(e)及I(m))。

當本集團分擔聯營公司或合營公司的虧損大於其所持的權益，該投資的賬面值會減至零；除非本集團另有法律責任、推定責任或曾代聯營公司或合營公司付款，否則會停止分擔聯營公司或合營公司的虧損。就此而言，本集團於聯營公司或合營公司之權益乃根據權益會計法計算之投資項目賬面值連同本集團之長期權益，即實際上構成本集團於該聯營公司或合營公司之部份投資淨額。

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 31st March, 2008 (Expressed in Hong Kong dollars)
截至二零零八年三月三十一日止年度 (以港元計)

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(d) Associates and jointly controlled entities (continued)

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

In the Company's balance sheet, its investments in associates and jointly controlled entities are stated at cost less impairment losses (see note 1(m)), unless they are classified as held for sale (or included in a disposal group that is classified as held for sale (see note 1(y))).

(e) Goodwill

Goodwill represents the excess of the cost of a business combination or an investment in an associate or a jointly controlled entity over the Group's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities.

Goodwill is stated at cost less accumulated impairment losses (see note 1(m)). Goodwill is allocated to cash-generating units and is tested annually for impairment. In respect of associates or jointly controlled entities, the carrying amount of goodwill is included in the carrying amount of the interest in the associate or jointly controlled entity.

Any excess of the Group's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over the cost of a business combination or an investment in an associate or a jointly controlled entity is recognised immediately in the income statement.

On disposal of a cash generating unit, an associate or a jointly controlled entity during the year, any attributable amount of purchased goodwill is included in the calculation of the profit or loss on disposal.

1. 主要會計政策 (續)

(d) 聯營公司及合營公司 (續)

本集團與其聯營公司及合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或合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合併損益表內確認。

本公司資產負債表所示於聯營公司及合營公司的投資，是按成本減去減值虧損(參閱附註1(m))後入賬，除非有關投資是分類為持有作出售之投資或包括在分類為持有作出售之出售組別(參閱附註1(y))。

(e) 商譽

商譽即商業合併或投資聯營公司或合營公司的成本超過本集團應佔被收購者的可辨別資產、負債及或有負債的公平淨值。

商譽按成本減累計減值虧損列賬(參閱附註1(m))。商譽被分配予現金生產單位，並須每年作減值測試。就聯營公司或合營公司而言，商譽的賬面值已包括於聯營公司或合營公司權益之賬面值內。

在商業合併或投資聯營公司或合營公司時，若本集團應佔被收購者的可辨別資產、負債及或有負債的公平淨值高於成本價，超出的金額立即在損益表確認。

在年度內出售單一現金生產單位或聯營公司或合營公司，計算出售溢利或虧損時會計入任何可歸屬的購入商譽金額。

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 31st March, 2008 (Expressed in Hong Kong dollars)
截至二零零八年三月三十一日止年度 (以港元計)

I. SIGNIFICANT ACCOUNTING POLICIES (continued)

(e) Goodwill (continued)

Goodwill, which arose prior to 1st January, 2001, which had previously been taken directly to reserves will not be recognised in the income statement on disposal or impairment of the acquired business, or under any other circumstances. On disposal of the acquired business, the related goodwill will be transferred to retained profits.

(f) Other investments in equity securities

The Group's and the Company's policies for investments in equity securities other than investments in subsidiaries, associates and jointly controlled entities, are as follows:

Investments in equity securities that do not have a quoted market price in an active market and whose fair value cannot be reliably measured are recognised in the balance sheet at cost less impairment losses (see note I(m)).

Investments in other securities are classified as available-for-sale securities. At each balance sheet date the fair value is remeasured, with any resultant gain or loss being recognised directly in equity, except for impairment losses (see note I(m)).

Investments are recognised/derecognised on the date the Group commits to purchase/sell the investments or they expire.

(g) Derivative financial instruments

Derivative financial instruments are recognised initially at fair value. At each balance sheet date the fair value is remeasured. The gain or loss on remeasurement to fair value is charged immediately to the income statement, except where the derivatives qualify for cash flow hedge accounting in which case recognition of any resultant gain or loss depends on the nature of the item being hedged (see note I(h)).

I. 主要會計政策 (續)

(e) 商譽 (續)

於二零零一年一月一日前產生並已直接計入儲備的商譽，當所收購的業務被出售或出現減值時亦不會於損益表內確認。於出售有關收購業務時，相關的商譽將會被轉入保留溢利。

(f) 其他股權證券投資

本集團及本公司於股權證券(於附屬公司、聯營公司及合營公司之投資除外)之投資政策如下：

就股權證券投資，如未能從活躍市場中取得市場報價，其公平價值亦不能夠可靠的計量，則該等投資會以成本減除減值虧損列賬於資產負債表(參閱附註I(m))。

其他證券投資則分類為可供出售證券。而公平價值會於每一結算日作重新計量，除減值虧損外(參閱附註I(m))，所得盈虧直接在股東權益中被確認。

在本集團於承諾購入／出售投資或投資已到期當日，有關投資會被確認／取消確認。

(g) 衍生金融工具

衍生金融工具於始初時以公平價值確認。而公平價值會於每一結算日作重新計量，公平價值重新計量所產生之盈虧會即時於損益表反映，除非該衍生工具符合現金流量對沖，在此情況下其最終盈虧之確認會視乎所對沖之專案而定(參閱附註I(h))。

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I. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(h) Cash flow hedges

Where a derivative financial instrument is designated as a hedge of the variability in cash flows of a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk of a committed future transaction, the effective portion of any gain or loss on remeasurement of the derivative financial instrument to fair value is recognised directly in equity. The ineffective portion of any gain or loss is recognised immediately in the income statement.

If a hedge of a forecast transaction subsequently results in the recognition of a non-financial asset or non-financial liability, the associated gain or loss is removed from equity and included in the initial cost or other carrying amount of the non-financial asset or liability.

If a hedge of a forecast transaction subsequently results in the recognition of a financial asset or a financial liability, the associated gain or loss is removed from equity and recognised in the income statement in the same period or periods during which the asset acquired or liability assumed affects the income statement (such as when interest income or expense is recognised).

For cash flow hedges, other than those covered by the preceding two policy statements, the associated gain or loss is removed from equity and recognised in the income statement in the same period or periods during which the hedged forecast transaction affects the income statement.

When a hedging instrument expires or is sold, terminated or exercised, or the entity revokes designation of the hedge relationship but the hedged forecast transaction is still expected to occur, the cumulative gain or loss at that point remains in equity and is recognised in accordance with the above policy when the transaction occurs. If the hedged transaction is no longer expected to take place, the cumulative unrealised gain or loss recognised in equity is recognised immediately in the income statement.

I. 主要會計政策(續)

(h) 現金流量對沖

如果某項衍生金融工具已被界定為已確認資產或負債的現金流量變動、或很可能發生的預期交易、或已承諾未來交易的外幣風險的對沖，按公平價值重新計量衍生金融工具時產生的任何收益或虧損的有效部分會直接在權益中確認。任何收益或虧損的非有效部分則即時在損益表中確認。

如果預期交易的對沖其後引致需確認非金融資產或非金融負債，相關的收益或虧損便會從權益中轉出，然後計入非金融資產或負債的初始成本或其他賬面金額內。

如果預期交易的對沖其後引致需確認金融資產或金融負債，相關的收益或虧損便會從權益中轉出，然後在收購相關資產或所承擔負債對損益造成影響(例如確認利息收入或支出時)的同一或多個期間內在損益表中確認。

至於上述兩項會計政策沒有覆蓋的現金流量對沖，相關的收益或虧損便會從權益中轉出，然後在所對沖預期交易對損益造成影響的同一或多個期間內在損益表中確認。

當對沖工具到期或被出售、終止或行使，或公司撤銷了界定的對沖關係但仍然預計會進行對沖預期交易時，截至當時為止的累計收益或虧損會留在權益中，並於交易進行時按照上述會計政策確認。如果預計不會進行對沖交易，已在權益中確認的累計未變現收益或虧損便會即時在損益表中確認。

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I. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(i) Fixed assets

(i) Investment properties

Investment properties are land and/or buildings which are owned or held under a leasehold interest (see note I(l)) to earn rental income and/or for capital appreciation. These include land held for a currently undetermined future use.

Investment properties are stated in the balance sheet at fair value. Any gain or loss arising from a change in fair value or from the retirement or disposal of an investment property is recognised in the income statement. Rental income from investment properties is accounted for as described in note I(v)(ii).

When the Group holds a property interest under an operating lease to earn rental income and/or for capital appreciation, the interest is classified and accounted for as an investment property on a property-by-property basis. Any such property interest which has been classified as an investment property is accounted for as if it were held under a finance lease, and the same accounting policies are applied to other investment properties leased under finance leases.

I. 主要會計政策 (續)

(i) 固定資產

(i) 投資物業

投資物業乃為賺取租金收入及／或資本增值而以租賃權益擁有或持有之土地及／或樓宇 (參閱附註 I(l))，包括尚未決定日後用途之土地。

投資物業乃按公平價值於資產負債表列賬。公平價值變動或報廢或出售投資物業所產生之任何損益乃於損益表確認。投資物業的租金收入按附註 I(v)(ii) 所述基準入賬。

本集團以經營租賃方式持有用作租金收入及／或資本增值的物業權益是按個別物業作投資物業分類。此等被分類為投資物業之物業權益是假定以融資租賃方式持有入賬，與應用在其他以融資租賃方式持有的投資物業權益之會計政策相同。

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I. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(i) Fixed assets (continued)

(ii) Other property, plant and equipment

The following items of property, plant and equipment are stated in the balance sheet at cost less accumulated depreciation and impairment losses (see note I(m)):

- freehold land;
- land held under operating leases and buildings thereon, where the fair values of the leasehold interest in the land and buildings cannot be measured separately at the inception of the lease and the building is not clearly held under an operating lease (see note I(l)(i));

In preparing these financial statements, advantage has been taken of the provisions set out in paragraph 80A of HKAS 16 "Property, plant and equipment" with the effect that land and buildings which have been revalued in prior years have not been revalued at the balance sheet date. Such properties are stated at their carrying value less accumulated depreciation and impairment losses and will not be revalued in future years.

- buildings held for own use which are situated on leasehold land, where the fair value of the building could be measured separately from the fair value of the leasehold land at the inception of the lease (see note I(l)(i)); and
- other items of plant and equipment.

I. 主要會計政策 (續)

(i) 固定資產 (續)

(ii) 其他物業、廠房及機器

以下各項物業、廠房及設備乃按原值扣除累計折舊及減值虧損於資產負債表列賬 (參閱附註 I(m)):

- 永久業權土地;
- 根據經營租賃持有之土地及建於其上之樓宇，而有關土地及樓宇之租賃權益的公平價值無法於租賃開始時分開計量，以及有關樓宇並非根據經營租賃持有 (參閱附註 I(l)(i));

於編製本財務報表時，曾於過往年度重估之土地及樓宇利用會計準則第16號「物業、廠房及設備」之80A段之附例而並未於結算日作出重估。那些物業是按賬面值扣除累計折舊及減值虧損入賬，而且並不會在未來年度作出重估。

- 存在於租賃土地持有作自用的樓宇，而其公平價值是能夠與租賃初始時已存在之租賃土地的公平價值分開計量 (參閱附註 I(l)(i)); 與
- 其他廠房及機器

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I. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(i) Fixed assets (continued)

(ii) Other property, plant and equipment (continued)

Gains or losses arising from the retirement or disposal of an item of property, plant and equipment are determined as the difference between the net disposal proceeds and the carrying amount of the item and are recognised in the income statement on the date of retirement or disposal.

Upon disposal of land and buildings which were revalued in prior years, the attributable revaluation surplus is transferred from the land and building revaluation reserve to retained profits.

Depreciation is calculated to write off the cost of items of property, plant and equipment, less their estimated residual value, if any, using the straight line method over their estimated useful lives as follows:

- Freehold land is not depreciated;
- Leasehold land is depreciated on a straight-line basis over the remaining term of the lease;
- Buildings situated on leasehold land are depreciated over the shorter of the unexpired term of the lease and their estimated useful lives, being no more than 40 years after the date of completion;
- Plant and machinery between 4 to 10 years;
- Other fixed assets between 3 to 5 years.

Where parts of an item of property, plant and equipment have different useful lives, the cost of the item is allocated on a reasonable basis between the parts and each part is depreciated separately. Both the useful life of an asset and its residual value, if any, are reviewed annually.

I. 主要會計政策 (續)

(i) 固定資產 (續)

(ii) 其他物業、廠房及機器 (續)

報廢或出售物業、廠房及設備所產生的損益以出售所得淨額與該項目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。

當在過往年度曾作重估的土地及樓宇出售時，相關之重估盈餘會由土地及樓宇重估儲備轉至保留溢利。

物業、廠房及設備的折舊是按下列預計可用年限，在扣除估計剩餘值後，以直線法撇銷其成本計算：

- 永久業權土地不計算折舊；
- 租賃土地按租賃尚餘年期以直線法計算折舊；
- 存在於租賃土地的樓宇以租約年期與估計可用年限較短者計算折舊，但不多於樓宇完成後四十年；
- 廠房及機器按可用年期 (四年至十年) 計算折舊；
- 其他固定資產按可用年期 (三年至五年) 計算折舊。

當一項物業、廠房及設備的各部份有不同的可使用年期，這項目各部份的成本將按合理基礎分配，而每部份將作個別折舊。剩餘價值 (如適用)、可使用年期和折舊方法於每年進行檢討和修正。

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I. SIGNIFICANT ACCOUNTING POLICIES (continued)

(j) Construction in progress

Construction in progress is stated at cost less impairment losses (see note I(m)). Cost comprises direct costs of construction incurred, including any attributable financing costs, during the periods of construction and installation. The asset concerned is transferred to property, plant and equipment when substantially all the activities necessary to prepare the asset for its intended use are completed, at which time it commences to be depreciated in accordance with the Group's depreciation policy.

(k) Intangible assets (other than goodwill)

Intangible assets that are acquired by the Group are stated in the balance sheet at cost less accumulated amortisation (where the estimated useful life is definite) and impairment losses (see note I(m)). Expenditure on internally generated goodwill and brands is recognised as an expense in the period in which it is incurred.

Amortisation of intangible assets with finite useful lives is charged to the income statement on a straight-line basis over the assets' estimated useful lives.

Both the period and method of amortisation and any conclusion that the useful life of an intangible asset is indefinite are reviewed annually.

Intangible assets are not amortised while their useful lives are assessed to be indefinite. Any conclusion that the useful life of an intangible asset is indefinite is reviewed annually to determine whether events and circumstances continue to support the indefinite useful life assessment for that asset. If they do not, the change in the useful life assessment from indefinite to finite is accounted for prospectively from the date of change and in accordance with the policy for amortisation of intangible assets with finite lives as set out above.

I. 主要會計政策 (續)

(j) 在建工程

在建工程以成本減除減值虧損列賬 (參閱附註 I(m))。成本包括建設與安裝期內的直接建設成本 (包括借貸成本)。待資產投入擬定用途所需的準備工作大致完成時, 在建工程便會被轉撥往物業、廠房及設備, 之後按照本集團折舊政策折舊。

(k) 無形資產 (商譽除外)

由本集團購入的無形資產按成本減去累計攤銷 (如估計可使用年期為有限) 及減值虧損 (參閱附註 I(m)) 後列入資產負債表。內部產生之商譽和品牌開支於產生期內確認為開支。

有限定使用年期的無形資產攤銷乃按資產的估計可用年期以直線法在損益表扣除。

攤銷之期間及方法及無形資產之可使用年期為不確定之任何結論乃每年予以檢討。

被評估為具有不確定使用年期的無形資產不作攤銷。不確定可使用年期之無形資產的任何結論須每年檢討, 以確定該資產的情況及形勢會否繼續證明不確定使用年期的評估, 否則, 若可使用年期的評估從不確定轉變為確定, 須按照上文所載有確定使用年期的無形資產的攤銷政策自轉變當日開始入賬。

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I. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(I) Leased assets

An arrangement, comprising a transaction or a series of transactions, is or contains a lease if the Group determines that the arrangement conveys a right to use a specific asset or assets for an agreed period of time in return for a payment or a series of payments. Such a determination is made based on an evaluation of the substance of the arrangement and is regardless of whether the arrangement takes the legal form of a lease.

(i) Classification of leased assets to the Group

Assets that are held by the Group under leases which transfer to the Group substantially all the risks and rewards of ownership are classified as being held under finance leases. Leases which do not transfer substantially all the risks and rewards of ownership to the Group are classified as operating leases, with the following exceptions:

- property held under operating leases that would otherwise meet the definition of an investment property is classified as an investment property on a property-by-property basis and, if classified as investment property, is accounted for as if held under a finance lease (see note I(i)(i)); and
- land held for own use under an operating lease, the fair value of which cannot be measured separately from the fair value of a building situated thereon at the inception of the lease, is accounted for as being held under a finance lease, unless the building is also clearly held under an operating lease. For these purposes, the inception of the lease is the time that the lease was first entered into by the Group, or taken over from the previous lessee.

I. 主要會計政策 (續)

(I) 租賃資產

如果集團認定安排乃轉移權力去使用某特定資產或資產而在同一同意期間去換取單一或一連串費用作回報，該安排包括一次交易或一連串交易的安排乃租賃合約或包括一租賃合約。該決定應基於該安排的實則評估而不會考慮該安排在法律上是否為一租賃合約。

(i) 租賃與本集團的資產分類

本集團根據租約持有之資產，而其中絕大部份風險及擁有權利益均轉移至本集團之租賃乃分類為融資租賃。不會轉移絕大部份風險及擁有權利益之租賃乃分類為經營租賃，惟以下例外：

- 倘根據經營租賃持有之物業可另行符合投資物業之定義，則按個別物業之基準分類為投資物業，而倘分類為投資物業，則入賬列作猶如根據融資租賃持有 (參閱附註 I(i)(i))；及
- 若根據經營租賃持有的自用土地的公平價值無法於租賃開始時與位於其上的樓宇的公平價值分開計算，將視作根據融資租賃持有，除非該樓宇明確根據經營租賃持有。就此而言，租賃開始日期指本集團首次訂立租約時、或承接先前承租人租約之日。

NOTES TO THE FINANCIAL STATEMENTS

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I. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(l) Leased assets (continued)

(ii) Operating lease charges

Where the Group has the use of assets held 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.

The cost of acquiring land held under an operating lease is amortised on a straight line basis over the period of the lease term except where the property is classified as an investment property (see note I(i)).

(m) Impairment of assets

(i) Impairment of investments in equity securities and other receivables

Investments in equity securities (other than investments in subsidiaries, associates and jointly controlled entities: see note I(m)(ii)) and other current and non-current receivables that are stated at cost or amortised cost or are classified as available-for-sale securities are reviewed at each balance sheet date to determine whether there is objective evidence of impairment.

I. 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。

根據經營租賃所持有土地之收購成本乃於租賃期內以直線法攤銷，惟該物業分類為投資物業則例外 (參閱附註 I(i))。

(m) 資產減值

(i) 股本證券投資及其他應收款減值

股權證券投資 (於附屬公司、聯營公司及合營公司之投資除外 (參閱附註 I(m)(ii)) 及按成本或經攤銷成本或分類為可出售證券列賬之股權證券投資的其他即期及其他非即期應收款於每個結算日進行審閱，以確定是否出現減值之客觀憑證。

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I. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(m) Impairment of assets (continued)

(i) Impairment of investments in equity securities and other receivables (continued)

Objective evidence of impairment includes observable data that comes to the attention of the group about one or more of the following loss events:

- significant financial difficulty of the debtor;
- a breach of contract, such as a default or delinquency in interest or principal payments;
- it becoming probable that the debtor will enter bankruptcy or other financial reorganisation;
- significant changes in the technological, market, economic or legal environment that have an adverse effect on the debtor; and
- a significant or prolonged decline in the fair value of an investment in an equity instrument below its cost.

If any such evidence exists, any impairment loss is determined and recognised as follows:

- For unquoted equity securities carried at cost, the impairment loss is measured as the difference between the carrying amount of the financial assets and the estimated future cash flows, discounted at the current market rate of return for a similar financial asset where the effect of discounting is material. Impairment losses for equity securities are not reversed.

I. 主要會計政策 (續)

(m) 資產減值 (續)

(i) 股本證券投資及其他應收款減值 (續)

減值的客觀憑證包括以下本集團關注的一項或多項虧損事項的可觀察數據：

- 債務人重大的財務困難；
- 違反合約，例如拖欠或逾期償還利息或本金；
- 債務人很可能將會申請破產或進行其他財務重組；
- 科技、市場、經濟或法律環境的重大改變為債務人帶來負面影響；及
- 股權證券投資的公平價值出現重大或持續下降至低於成本。

倘存在任何該項憑證，則按以下方式計算及確認任何減值虧損：

- 就按成本列賬之非上市股權證券而言，減值虧損乃按金融資產之賬面值與估計未來現金流量之差額，並按類似金融資產之目前市場回報率貼現計算 (倘貼現產生重大影響)。股權證券減值虧損將不會撥回。

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

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I. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(m) Impairment of assets (continued)

(i) Impairment of investments in equity securities and other receivables (continued)

- For trade and other current receivables and other financial assets carried at amortised cost, the impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate (i.e. the effective interest rate computed at initial recognition of the asset), where the effect of discounting is material. This assessment is made collectively where financial assets carried at amortised cost share similar risk characteristics, such as similar past due status, and have not been individually assessed as impaired. Future cash flows for financial assets which are assessed for impairment collectively are based on historical loss experience for assets with credit risk characteristics similar to the collective group.

For trade and other current receivables carried at cost, the impairment loss is measured as the difference between the carrying amount of the financial asset and the estimated future cash flows, discounted at the current market rate of return for a similar financial asset where the effect of discounting is material.

If in a subsequent period the amount of an impairment loss decreases and the decrease can be linked objectively to an event occurring after the impairment loss was recognised, the impairment loss is reversed through the income statement. A reversal of an impairment loss shall not result in the asset's carrying amount exceeding that which would have been determined had no impairment loss been recognised in prior years.

I. 主要會計政策(續)

(m) 資產減值(續)

(i) 股本證券投資及其他應收款減值(續)

- 就經攤銷成本列賬之應收賬款及其他應收款以及金融資產，如貼現的影響重大，減值虧損乃按金融資產之賬面值與估計未來現金流量現值之差額並按金融資產之原先實際利率貼現計算(即按初步確認該等資產計算之實際利率)。按攤銷成本列賬的金融資產若擁有類似風險性質(如相近的逾期未付情況)及並無被獨立評估減值，均按整體評估。該等被評估減值的金融資產的未來現金流量乃根據該等信貸風險性質相似的資產的過往虧損經驗釐定。

應收賬款及其他流動應收款以成本列賬，減值虧損是以金融資產的賬面值及估計未來現金流量的差額計算，倘貼現影響重大時，以類似金融資產以現行市場回報率貼現。

倘減值虧損數額於隨後期間減少，而有關減少可客觀地連繫至於確認減值虧損後之事件，則減值虧損乃於損益表撥回。撥回減值虧損將不會導致資產之賬面值超過倘並無於先前年度確認減值虧損而計算之賬面值。

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

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I. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(m) Impairment of assets (continued)

(i) Impairment of investments in equity securities and other receivables (continued)

- For available-for-sale securities, the cumulative loss that has been recognised directly in equity is removed from equity and is recognised in the income statement. The amount of the cumulative loss that is recognised in the income statement is the difference between the acquisition cost (net of any principal repayment and amortisation) and current fair value, less any impairment loss on that asset previously recognised in the income statement.

Impairment losses recognised in the income statement in respect of available-for-sale equity securities are not reversed through the income statement. Any subsequent increase in the fair value of such assets is recognised directly in equity.

Impairment losses are written off against the corresponding assets directly, except for impairment losses recognised in respect of trade debtors and bills receivable included within trade and other receivables, whose recovery is considered doubtful but not remote. In this case, the impairment losses for doubtful debts are recorded using an allowance account. When the group is satisfied that recovery is remote, the amount considered irrecoverable is written off against trade debtors and bills receivable directly and any amounts held in the allowance account relating to that debt are reversed. Subsequent recoveries of amounts previously charged to the allowance account are reversed against the allowance account. Other changes in the allowance account and subsequent recoveries of amounts previously written off directly are recognised in the income statement.

I. 主要會計政策 (續)

(m) 資產減值 (續)

(i) 股本證券投資及其他應收款減值 (續)

- 就可供出售證券，已直接確認在股東權益內的累積虧損將會從股東權益中剔除，並於損益表內確認。須於損益表內確認累積虧損之金額，是購入價(減除任何本金償還及攤銷)與現時公平價值二者之差額，再減除往年已於損益表內確認的減值虧損。

有關已確認可供出售股權證券的減值虧損是不能轉回損益表的。其後該資產之公平價值增加須直接在股東權益內確認。

減值虧損直接在相關資產撇銷，除了對包括在應收賬款及其他應收款中的應收賬款及應收票據已確認的減值虧損，而該等應收賬款及應收票據可收回的機會是被懷疑而不是沒有機會。在此情況下，呆壞賬的減值虧損則於撥備賬計提。如集團認為收回機會渺茫時，被視為不會收回的金額直接在應收賬款及應收票據內撇銷，而在撥備賬的有關數額則須撥回。如已計提在撥備賬中的金額已被收回，其將從撥備賬中撥回。其他在撥備賬內的變動及以往已直接撇銷而其後收回數額則在損益表內確認。

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 31st March, 2008 (Expressed in Hong Kong dollars)
截至二零零八年三月三十一日止年度 (以港元計)

I. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(m) Impairment of assets (continued)

(ii) Impairment of other 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, except in the case of goodwill, an impairment loss previously recognised no longer exists or may have decreased.

- property, plant and equipment (other than properties carried at revalued amounts);
- pre-paid interests in leasehold land classified as being held under an operating lease;
- intangible assets;
- investments in subsidiaries, associates and jointly controlled entities; and
- goodwill.

If any such indication exists, the asset's recoverable amount is estimated.

- 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).

I. 主要會計政策 (續)

(m) 資產減值 (續)

(ii) 其他資產減值

在每個結算日內部和外來的信息均用作審閱，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已經減少 (商譽則除外)。

- 物業、廠房及設備 (按重估數額列賬的物業除外)；
- 預付租賃土地權益分類為按經營租賃持有；
- 無形資產；
- 於附屬公司、聯營公司及合營公司的投資；及
- 商譽。

如果出現減值跡象，便會估計該資產的可收回數額。

- 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，會使用除稅前折現率將估計未來現金流量折現至現值。該折現率應是反映市場當時所評估的金錢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 TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 31st March, 2008 (Expressed in Hong Kong dollars)
截至二零零八年三月三十一日止年度 (以港元計)

I. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(m) Impairment of assets (continued)

(ii) Impairment of other assets (continued)

- Recognition of impairment losses

An impairment loss is recognised in the income statement whenever the carrying amount of an asset, or the cash-generating unit to which it belongs, exceeds its recoverable amount. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the cash-generating unit (or group of units) and then, to reduce the carrying amount of the other assets in the unit (or group of units) on a pro rata basis, except that the carrying value of an asset will not be reduced below its individual fair value less costs to sell, or value in use, if determinable.

- Reversals of impairment losses

In respect of assets other than goodwill, an impairment loss is reversed if there has been a favourable change in the estimates used to determine the recoverable amount. An impairment loss in respect of goodwill is not reversed.

A reversal of an 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.

I. 主要會計政策 (續)

(m) 資產減值 (續)

(ii) 其他資產減值 (續)

- 確認減值虧損

倘資產或其所屬之賺取現金業務之賬面值超過其可收回額，則於損益表確認減值虧損。就現金產生單位確認之減值虧損首先分配作為減少分配至現金產生單位 (或單位類別) 之任何商譽之賬面數額，繼而按比例基準作為減少單位 (或單位類別) 之其他資產之賬面數，惟資產之賬面值將不會減少至低於其個別公平價值減出售成本或使用價值 (倘能計算)。

- 減值虧損轉回

除商譽外之資產，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。商譽之減值虧損不會撥回。

所轉回的減值虧損以假設沒有在往年確認減值虧損而應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。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

For the year ended 31st March, 2008 (Expressed in Hong Kong dollars)
截至二零零八年三月三十一日止年度 (以港元計)

I. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(m) Impairment of assets (continued)

(iii) Interim financial reporting and impairment

Under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, the Group is required to prepare an interim financial report in compliance with HKAS 34, Interim financial reporting, in respect of the first six months of the financial year. At the end of the interim period, the Group applies the same impairment testing, recognition, and reversal criteria as it would at the end of the financial year (see notes I(m)(i) and (ii)).

Impairment losses recognised in an interim period in respect of goodwill, available-for-sale equity securities and unquoted equity securities carried at cost are not reversed in a subsequent period. This is the case even if no loss, or a smaller loss, would have been recognised had the impairment been assessed only at the end of the financial year to which the interim period relates.

(n) 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 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.

I. 主要會計政策 (續)

(m) 資產減值 (續)

(iii) 中期財務報告及減值

香港聯合交易所有限公司證券上市規則規定，本集團須符合會計準則34「中期財務報告」之規定編製有關財政年度首六個月的中期財務報告。於中期期末，本集團應用於財政年度終結時所應用的相同減值測試、確認及撥回規限 (參閱附註 I(m)(i) 及 (ii))。

在中期期間確認有關商譽、可供出售股權證券和以成本列賬非上市股權證券的減值虧損在往後期間不會撥回。縱然只於包括該中期期間的財政年度年終時所作出的減值評估應該確認無虧損或較少虧損，在中期期間確認的減值虧損仍不會撥回。

(n) 存貨

存貨乃以成本及可變現淨值兩者中的較低數額入賬。

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。

可變現淨值是以日常業務過程中的估計售價減去完成生產及銷售所需的估計成本後所得之數。

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

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I. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(n) Inventories (continued)

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 is recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

(o) Trade and other receivables

Trade and other receivables are initially recognised at fair value and thereafter are stated at amortised cost less allowance for impairment of doubtful debts (see note I(m)), except where the receivables are interest-free loans made to related parties without any fixed repayment terms or the effect of discounting would be immaterial. In such cases, the receivables are stated at cost less allowance for impairment of doubtful debts.

(p) Interest-bearing borrowings

Interest-bearing borrowings are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost with any difference between the amount initially recognised and redemption value being recognised in the income statement over the period of the borrowings, together with any interest and fees payable, using the effective interest method.

(q) Trade and other payables

Trade and other payables are initially recognised at fair value. Except for financial guarantee liabilities measured in accordance with note I(u)(i), trade and other payables are subsequently stated at amortised cost unless the effect of discounting would be immaterial, in which case they are stated at cost.

I. 主要會計政策 (續)

(n) 存貨 (續)

所有出售存貨的賬面金額在相關收入確認的期間內確認為支出。存貨數額撇減至可變現淨值及存貨的所有虧損均在出現減值或虧損的期間內確認為支出。存貨的任何減值轉回的數額，均在出現轉回的期間內確認為已列作支出的存貨數額減少。

(o) 應收賬款及其他應收款

應收賬款及其他應收款初步按公平價值入賬，其後則按經攤銷成本扣除呆壞賬減值虧損(參閱附註I(m))，惟應收款屬於向關連人士所提供並無任何固定還款期之免息貸款或貼現並無重大影響則除外。於該等情況下，應收款乃按成本扣除呆壞賬減值虧損列賬。

(p) 帶息借款

帶息借款首次確認時以公平價值減有關交易成本入賬。首次確認後，帶息借款按攤銷成本列示。首次確認的金額與贖回價值的差異，連同任何應付利息及應付費用按實際利率法在有關期間於損益中確認。

(q) 應付賬款及其他應付款

應付賬款及其他應付款初步按公平價值入賬，除了按附註I(u)(i)計量的財務擔保負債之外，應付賬款及其他應付款則按經攤銷成本列賬，惟貼現之影響屬輕微則除外，於該情況下則按成本列賬。

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For the year ended 31st March, 2008 (Expressed in Hong Kong dollars)
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I. SIGNIFICANT ACCOUNTING POLICIES (continued)

(r) Cash and 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.

(s) Employee benefits

(i) Short-term employee benefits and contributions to defined contribution retirement plans

Salaries, annual bonuses, paid annual leave, contributions to defined contribution retirement plans and the cost of nonmonetary benefits are accrued in the year in which the associated services are rendered by employees. Where payment or settlement is deferred and the effect would be material, these amounts are stated at their present values.

(ii) Termination benefits

Termination benefits are recognised when, and only when, the Group demonstrably commits itself to terminate employment or to provide benefits as a result of voluntary redundancy by having a detailed formal plan which is without realistic possibility of withdrawal.

(t) Income tax

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.

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.

I. 主要會計政策 (續)

(r) 現金及現金等價物

現金及現金等價物包含銀行存款及現金、存放於銀行和其他金融機構的活期存款，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。

(s) 僱員福利

(i) 短期僱員福利及既定供款退休計劃供款

薪金、年終獎金、有薪年假、既定供款退休計劃供款及各項非金錢福利的成本，均在僱員提供相關服務的年度內累計。倘遞延支付或結算款項，且影響重大，則按現值將該等款項入賬。

(ii) 終止受僱福利

終止受僱福利僅於本集團具備詳細、正式及不可能撤回方案的情況下，明確顯示終止僱傭關係或因採取自願離職措施而提供福利時，方予確認。

(t) 所得稅

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。

本期所得稅是按本年度應稅收入按結算日已執行或實質上已執行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。

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

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I. SIGNIFICANT ACCOUNTING POLICIES (continued)

(t) Income tax (continued)

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.

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.

The limited exceptions to recognition of deferred tax assets and liabilities are those temporary differences arising from goodwill not deductible for tax purposes, 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.

I. 主要會計政策 (續)

(t) 所得稅 (續)

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告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。

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稅款抵減撥回的同一年間內轉回。

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；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）。

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財務報表附註

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I. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(t) Income tax (continued)

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.

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

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 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

I. 主要會計政策 (續)

(t) 所得稅 (續)

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，就結算日已生效或實際已生效的稅率計算。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審閱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。

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。

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償還該負債；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

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財務報表附註

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I. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(t) Income tax (continued)

- 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.

(u) Financial guarantees issued, provisions and contingent liabilities

(i) Financial guarantees

Financial guarantees are contracts that require the issuer (i.e. the guarantor) to make specified payments to reimburse the beneficiary of the guarantee (the "holder") for a loss the holder incurs because a specified debtor fails to make payment when due in accordance with the terms of a debt instrument.

Where the Company or the Group issues a financial guarantee, the fair value of the guarantee (being the transaction price, unless the fair value can otherwise be reliably estimated) is initially recognised as deferred income within trade and other payables. Where consideration is received or receivable for the issuance of the guarantee, the consideration is recognised in accordance with the Group's policies applicable to that category of asset. Where no such consideration is received or receivable, an immediate expense is recognised in the income statement on initial recognition of any deferred income. Where the guarantee is issued by the Company in respect of the banking facilities granted to its subsidiaries, the asset identified is a form of capital contribution, i.e. an addition to the cost of the investment in the subsidiary.

I. 主要會計政策 (續)

(t) 所得稅 (續)

- 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償還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償還本期所得稅負債，或同時變現該資產和償還該負債。

(u) 財務擔保發出、撥備及或有負債

(i) 財務擔保

財務擔保乃要求發行人 (即擔保人) 就擔保受益人 (「持有人」) 因特定債務人未能根據債項工具的條款於到期時付款而蒙受的損失，而向持有人支付特定款項的合約。

倘本公司或本集團發出財務擔保，該擔保的公平價值 (即交易價格，除非該公平價值能確實地估計) 最初確認為應付賬款及其他應付款內的遞延收入。倘在發行該擔保時收取或可收取代價，該代價則根據適用於該類資產的本集團政策而予確認。倘有關代價尚未收取或應予收取，於最初確認任何遞延收入時，即時開支於損益表內確認。倘本公司就給予其附屬公司的銀行信貸發出擔保，所確定的資產乃以註資之形式，即於附屬公司之投資成本之增添。

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截至二零零八年三月三十一日止年度(以港元計)

I. SIGNIFICANT ACCOUNTING POLICIES (continued)

(u) Financial guarantees issued, provisions and contingent liabilities (continued)

(i) Financial guarantees (continued)

The amount of the guarantee initially recognised as deferred income is amortised in the income statement over the term of the guarantee as income from financial guarantees issued. In addition, provisions are recognised in accordance with note 1(u)(iii) if and when (i) it becomes probable that the holder of the guarantee will call upon the Company or the Group under the guarantee, and (ii) the amount of that claim on the Company or the Group is expected to exceed the amount currently carried in trade and other payables in respect of that guarantee i.e. the amount initially recognised, less accumulated amortisation.

(ii) Contingent liabilities acquired in business combinations

Contingent liabilities acquired as part of a business combination are initially recognised at fair value, provided the fair value can be reliably measured. After their initial recognition at fair value, such contingent liabilities are recognised at the higher of the amount initially recognised, less accumulated amortisation, where appropriate, and the amount that would be determined in accordance with note 1(u)(iii). Contingent liabilities acquired in a business combination that cannot be reliably fair valued are disclosed in accordance with note 1(u)(iii).

(iii) Other provisions and contingent liabilities

Provisions are recognised for other liabilities of uncertain timing or amount when the Group or the Company 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. Where the time value of money is material, provisions are stated at the present value of the expenditure expected to settle the obligation.

I. 主要會計政策(續)

(u) 財務擔保發出、撥備及或有負債(續)

(i) 財務擔保(續)

最初確認為遞延收入的擔保款額按擔保年期於損益表內攤銷為所發出的財務擔保收入。此外，倘(i)擔保持有人有可能就該項擔保要求本公司或本集團履行擔保；及(ii)向本公司或本集團提出的申索款額預期超過現時列於該擔保的應付賬款及其他應付款(即最初確認的金額減累計攤銷)，則按附註1(u)(iii)確認撥備。

(ii) 於業務合併時取得的或有負債

在業務合併中取得的或有負債，只要能夠可靠地計量公平價值，則最初以公平價值予以確認。於最初以公平價值確認後，該等或有負債則按最初確認數額扣除累計攤銷(如適用)後的金額，與根據附註1(u)(iii)所釐定的金額兩者的較高者確認。在業務合併中取得的或有負債不能可靠地作出公平價值，詳情根據附註1(u)(iii)予以披露。

(iii) 其他準備及或有負債

倘若本集團或本公司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其他負債計提準備。如果金錢時間價值的影響重大，準備的金額是履行義務預期所需支出的現值。

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I. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(u) Financial guarantees issued, provisions and contingent liabilities (continued)

(iii) Other 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.

(v) 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) Sales of goods

Revenue is recognised when goods are delivered at the customers' premises which are 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.

(ii) Rental income from operating leases

Rental income receivable under operating leases is recognised in the income statement in equal instalments over the periods covered by the lease term, except where an alternative basis is more representative of the pattern of benefits to be derived from the use of 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.

I. 主要會計政策 (續)

(u) 財務擔保發出、撥備及或有負債 (續)

(iii) 其他準備及或有負債 (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。

(v) 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，並已扣除任何貿易折扣。

(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。

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I. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(v) Revenue recognition (continued)

(iii) Dividends

- Dividend income from unlisted investments is recognised when the shareholder's right to receive payment is established.
- Dividend income from listed investments is recognised when the share price of the investment goes ex-dividend.

(iv) Interest income

Interest income is recognised as it accrues using the effective interest method.

(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.

(w) Translation of foreign currencies

Foreign currency transactions during the year are translated at the foreign exchange rates ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the foreign exchange rates ruling at the balance sheet date. Exchange gains and losses are recognised in the income statement.

Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rates ruling at the transaction dates. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated at foreign exchange rates ruling at the dates the fair value was determined.

I. 主要會計政策 (續)

(v) 收入確認 (續)

(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。
- 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

利息收入是在產生時按實際利息法確認。

(v) 政府補助金

當可以合理確定本集團將會收到政府補助金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，則按該資產的預計可用年限有系統地在損益表確認為收入。

(w) 外幣換算

相關年度內的外幣交易按交易日外幣兌換率換算。以外幣計值的貨幣資產及負債均按結算日的外幣兌換率換算。匯兌盈虧均撥入損益表處理。

以歷史成本計量的外幣非貨幣資產與負債按交易日的匯率換算。以公平價值計量的外幣非貨幣資產及負債，則以釐定其公平價值當日的匯率換算。

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財務報表附註

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I. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(w) Translation of foreign currencies (continued)

The results of foreign operations are translated into Hong Kong dollars at the exchange rates approximating the foreign exchange rates ruling at the dates of the transactions. Balance sheet items, including goodwill arising on consolidation of foreign operations acquired on or after 1st January, 2005, are translated into Hong Kong dollars at the foreign exchange rates ruling at the balance sheet date. The resulting exchange differences are recognised directly in a separate component of equity. Goodwill arising on consolidation of a foreign operation acquired before 1st January, 2005 is translated at the foreign exchange rate that applied at the date of acquisition of the foreign operation.

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

(x) 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.

I. 主要會計政策 (續)

(w) 外幣換算 (續)

海外業務之業績是按照貼近交易日的匯率折算為港幣。資產負債表項目 (包括二零零五年一月一日或以後購入之海外業務在綜合賬目時所產生之商譽) 以結算日的匯率折算。所得匯兌差額會直接於權益內作獨立確認。就二零零五年一月一日或以前購入之海外業務在綜合賬目時所產生之商譽，以在購入該海外業務當日的匯率作折算。

計算出售海外業務的損益包括該業務所確認於權益內的累積匯兌差額。

(x) 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。

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I. SIGNIFICANT ACCOUNTING POLICIES (continued)

(y) Non-current assets held for sale

A non-current asset (or disposal group) is classified as held for sale if it is highly probable that its carrying amount will be recovered through a sale transaction rather than through continuing use and the asset (or disposal group) is available for sale in its present condition. A disposal group is a group of assets to be disposed of together as a group in a single transaction, and liabilities directly associated with those assets that will be transferred in the transaction.

Immediately before classification as held for sale, the measurement of the non-current assets (and all individual assets and liabilities in a disposal group) is brought up-to-date in accordance with the accounting policies before the classification. Then, on initial classification as held for sale and until disposal, the non-current assets (except for certain assets as explained below), or disposal groups, are recognised at the lower of their carrying amount and fair value less costs to sell. The principal exceptions to this measurement policy so far as the financial statements of the Group and the Company are concerned are deferred tax assets, assets arising from employee benefits, financial assets (other than investments in subsidiaries, associates and joint ventures) and investment properties. These assets, even if held for sale, would continue to be measured in accordance with the policies set out elsewhere in note I.

Impairment losses on initial classification as held for sale, and on subsequent remeasurement while held for sale, are recognised in the income statement. As long as a non-current asset is classified as held for sale, or is included in a disposal group that is classified as held for sale, the non-current asset is not depreciated or amortised.

I. 主要會計政策 (續)

(y) 持作可供出售的非流動資產

當非流動資產 (或處置組) 的賬面餘額很有可能是通過銷售交易而非通過持續使用收回及當該資產 (或處置組) 可以現狀立即出售時, 則會分類為持作可供出售。處置組是指在一次交易中一同處置的一組資產及與該資產直接相關的並一同轉出的一組負債。

分類為持作可供出售之前, 非流動資產 (處置組中所有的資產及負債) 的計算與被分類前所採用的會計政策應保持一致。初次分類為持作可供出售後直至處置完畢期間, 非流動資產或處置組按其賬面值和公平價值減銷售成本中的較低者列示 (以下列示的某些資產除外)。該計算政策對於本集團和本公司的會計報表中的一些資產有所例外, 這些資產包括遞延稅項資產、員工福利產生的資產、除附屬公司、聯營公司及合營公司投資之外的金融資產以及投資物業。這些資產即使持作可供出售, 也繼續依照附註I中所述的會計政策計量。

初次分類為持作可供出售及期後的重新計量而產生的減值虧損均在損益表中確認。一旦一項非流動資產被分類為持作可供出售或包含在持作可供出售的處置組中, 該項資產就不再計提折舊或攤銷。

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I. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(z) Related parties

For the purposes of these financial statements, a party is considered to be related to the Group if:

- (i) the party has the ability, directly or indirectly through one or more intermediaries, to control the Group or exercise significant influence over the Group in making financial and operating policy decisions, or has joint control over the group;
- (ii) the Group and the party are subject to common control;
- (iii) the party is an associate of the Group or a joint venture in which the Group is a venturer;
- (iv) the party is a member of key management personnel of the Group, or a close family member of such an individual, or is an entity under the control, joint control or significant influence of such individuals;
- (v) the party is a close family member of a party referred to in (i) or is an entity under the control, joint control or significant influence of such individuals; or
- (vi) the party is a post-employment benefit plan which is for the benefit of employees of the Group or of any entity that is a related party of the Group.

Close family members of an individual are those family members who may be expected to influence, or be influenced by, that individual in their dealings with the entity.

I. 主要會計政策 (續)

(z) 關連人士

在編製本財務報表時，與本集團關連人士是指：

- (i) 該人士有能力直接或間接透過一個或多個中介人控制，或可發揮重大影響本集團的財務及經營決策，或共同控制本集團；
- (ii) 本集團及該人士均受共同控制；
- (iii) 該人士屬本集團的聯營公司或本集團為合資一方的合資公司；
- (iv) 該人士屬本集團主要管理人員的成員、或屬個人的近親家庭成員、或受該等個人人士控制、或共同控制或重大影響的實體；
- (v) 該人士如屬(i)所指的近親家庭成員或受該等個人人士控制、或共同控制或重大影響的實體；或
- (vi) 屬提供福利予本集團或與本集團關連的實體的僱員離職後福利計劃。

個人的近親家庭成員指預期可影響，或受該個人影響他們與該實體交易的家庭成員。

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I. SIGNIFICANT ACCOUNTING POLICIES (continued)

(aa) 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.

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, interest-bearing loans, borrowings, tax balances, corporate and financing expenses.

I. 主要會計政策 (續)

(aa) 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業務分部為報告分部信息的主要形式，而地區分部則是次要的分部報告形式。

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本集團內部往來的餘額和集團內部交易；但同屬一個分部的本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、帶息借款、借款、稅項餘款、企業及融資支出。

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2. CHANGES IN ACCOUNTING POLICIES

The HKICPA has issued a number of new and revised HKFRSs and Interpretations that are first effective or available for early adoption for the current accounting period of the Group and the Company.

There have been no significant changes to the accounting policies applied in these financial statements for the years presented as a result of these developments. However, as a result of the adoption of HKFRS 7, *Financial instruments: Disclosures* and the amendment to HKAS 1, *Presentation of financial statements: Capital disclosures*, there have been some additional disclosures provided as follows:

As a result of the adoption of HKFRS 7, the financial statements include expanded disclosure about the significance of the Group's financial instruments and the nature and extent of risks arising from those instruments, compared with the information previously required to be disclosed by HKAS 32, *Financial instruments: Disclosure and presentation*. These disclosures are provided throughout these financial statements, in particular in note 31.

The amendment to HKAS 1 introduces additional disclosure requirements to provide information about the level of capital and the Group's and the Company's objectives, policies and processes for managing capital. These new disclosures are set out in note 29(f).

Both HKFRS 7 and the amendment to HKAS 1 do not have any material impact on the classification, recognition and measurement of the amounts recognised in the financial instruments.

The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period (see note 37).

2. 會計政策變動

香港會計師公會已頒佈若干新訂及經修訂之香港財務報告準則及詮釋，於本集團和本公司之本會計期間首次生效或可供提早採納。

在呈示年度的財務報表中採用的會計政策並無因這些準則變化而出現任何重大的修訂。由於採納了《香港財務報告準則》第7號「金融工具：披露」及《香港會計準則》第1號修訂條文「財務報表的列報：資本披露」，茲提供若干額外披露如下：

經採納《香港財務報告準則》第7號，財務報表包括額外披露有關本集團之金融工具的重要性、該等工具引致之風險的性質及範圍，此等披露較以往按《香港會計準則》第32號「金融工具：披露及呈報」所規定之披露水平為高，在本財務報表附註31中有更具體披露。

《香港會計準則》第1號修訂引入了額外的披露要求，以便就資本水平、本集團及本公司管理資本的目標、政策及流程提供資料。該等新披露資料載於附註29(f)。

《香港財務報告準則》第7號及《香港會計準則》第1號修訂均沒有對在財務報表中所確認的數額的分類、確認及計量構成任何重大的影響。

本集團並無採納任何在當前會計期間尚未生效的新準則或詮釋(參閱附註37)。

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3. TURNOVER

The principal activities of the Group are the manufacture and sale of garments and textiles, the provision of processing services and the rental of properties. The principal activities and other particulars of the subsidiaries are set out on pages 147 to 148.

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

		2008 二零零八年 \$'000 千元	2007 二零零七年 \$'000 千元
Manufacture and sale of garments	製造及銷售成衣	1,513,490	1,699,720
Manufacture and sale of textiles	製造及銷售紡織品	6,412	4,839
Processing services	加工服務收入	11,675	12,928
Property rental	物業租賃	8,699	7,948
		1,540,276	1,725,435

3. 營業額

本集團之主要業務是製造及銷售成衣及紡織品、提供加工服務和物業租賃。附屬公司之主要業務及其他資料詳載於第147頁至148頁。

營業額為供應給客戶貨品的銷售價值、加工服務收入及租金收入，並分析如下：

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4. OTHER REVENUE AND NET INCOME

4. 其他收入及收益淨額

		2008 二零零八年 \$'000 千元	2007 二零零七年 \$'000 千元
Other revenue	其他收入		
Commission income	佣金收入	2,501	3,927
Tax refund upon reinvestment of dividend income from a former associate	由前聯營公司股息收入 再投資之退稅	-	2,114
Dividend income from unlisted equity securities	非上市股權證券之 股息收入	403	386
Interest income	利息收入	1,456	993
Management fee income	管理費用收入	804	804
Sundry income	其他收入	1,679	4,247
		6,843	12,471
Other net income	其他收入淨額		
Gain on disposal of quota	出售配額收益	10,165	1,305
Net exchange gain	匯兌淨收益	5,763	8,726
Profit on sale of raw materials	銷售原材料溢利	2,541	4,009
Gain on disposal of fixed assets	出售固定資產收益	18,625	16,085
Net claims income/ (expense)	賠償淨收入/(支出)	1,814	(7,852)
Loss on interest rate swap agreement	利率掉期合約之虧損	(219)	(809)
Gain on fair value of forward exchange contracts	遠期外匯合約公平價值 之收益	1,162	-
Others	其他	473	3,018
		40,324	24,482

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5. PROFIT BEFORE TAXATION

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

5. 除稅前溢利

除稅前溢利已扣除/(計入):

		2008 二零零八年 \$'000 千元	2007 二零零七年 \$'000 千元
(a) Finance costs: Interest on bank loans wholly repayable within five years (including bank charges) Loss on discounting of loans receivable stated at amortised cost	(a) 融資成本： 須於五年內悉數償還之銀行貸款利息 (包括銀行費用) 貼現應收貸款虧損，按經攤銷成本列賬	10,803	17,329
		—	1,770
		<u>10,803</u>	<u>19,099</u>
(b) Staff costs: # Salaries, wages and other benefits Contributions to defined contribution retirement schemes Provision/ (reversal) for long service payments	(b) 員工成本：# 薪金、工資及其他福利 既定供款退休計劃供款 長期服務金準備／(撥回)	217,827	195,710
		3,738	3,484
		<u>20,940</u>	<u>(137)</u>
		<u>242,505</u>	<u>199,057</u>

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5. PROFIT BEFORE TAXATION (continued)

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

5. 除稅前溢利(續)

除稅前溢利已扣除/(計入): (續)

		2008 二零零八年 \$'000 千元	2007 二零零七年 \$'000 千元
(c) Other items:	(c) 其他項目:		
Cost of inventories [#]	存貨成本 [#]	1,269,541	1,382,430
Amortisation of land lease premium [#]	租賃土地款項攤銷 [#]	111	147
Depreciation [#]	折舊 [#]	24,243	27,733
(Reversal of)/ impairment losses on trade, other receivables and loans receivables	應收賬款、其他應收款及應收貸款之(撥回)/減值虧損	(924)	21,375
Auditors' remuneration	核數師酬金	1,773	1,812
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	4,102	3,491
Rentals receivable from investment properties less direct outgoings of \$1,803,000 (2007: \$1,815,000)	投資物業應收租金減直接支出 1,803,000元 (二零零七年: 1,815,000元)	(6,896)	(6,133)

[#] Cost of inventories includes \$111,254,000 (2007: \$91,842,000) relating to staff costs, depreciation expenses, amortisation of land lease premium and operating lease charges, which amount is also included in the respective total amounts disclosed separately above for each of these type of expenses.

[#] 存貨成本包括員工成本、折舊費用、租賃土地款項攤銷及經營租賃費用，有關款項共111,254,000元(二零零七年: 91,842,000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。

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6. INCOME TAX IN THE CONSOLIDATED INCOME STATEMENT

(a) Income tax in the consolidated income statement represents:

		2008 二零零八年 \$'000 千元	2007 二零零七年 \$'000 千元
Current tax – Hong Kong Profits Tax	本年稅項 – 香港利得稅		
Provision for the year	本年稅項準備	8,728	7,714
Under-provision in respect of prior years	以往年度撥備不足	310	154
		<u>9,038</u>	<u>7,868</u>
Current tax – Tax outside Hong Kong	本年稅項 – 香港境外		
Provision for the year	本年稅項準備	1,472	3,414
		<u>1,472</u>	<u>3,414</u>
Deferred tax (Reversal)/ origination of temporary differences (note 27(b))	遞延所得稅 暫時差異的 (撥回)/產生 (附註27(b))	(1,216)	2,388
Effect of decrease in tax rate on deferred tax balances at 1 April	調低稅率對四月一日 遞延所得稅結餘 之影響	(120)	–
		<u>(1,336)</u>	<u>2,388</u>
		<u>9,174</u>	<u>13,670</u>

The provision for Hong Kong Profits Tax for 2008 is calculated at 17.5% (2007: 17.5%) of the estimated assessable profits for the year.

6. 綜合損益表所示的所得稅

(a) 綜合損益表中所示的所得稅為：

	2008 二零零八年 \$'000 千元	2007 二零零七年 \$'000 千元
Current tax – Hong Kong Profits Tax		
Provision for the year	8,728	7,714
Under-provision in respect of prior years	310	154
	<u>9,038</u>	<u>7,868</u>
Current tax – Tax outside Hong Kong		
Provision for the year	1,472	3,414
	<u>1,472</u>	<u>3,414</u>
Deferred tax (Reversal)/ origination of temporary differences (note 27(b))	(1,216)	2,388
Effect of decrease in tax rate on deferred tax balances at 1 April	(120)	–
	<u>(1,336)</u>	<u>2,388</u>
	<u>9,174</u>	<u>13,670</u>

二零零八年度香港利得稅準備是按本年度之估計應評稅溢利以17.5% (二零零七年：17.5%) 的稅率計算。

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

On 27th February, 2008, the Financial Secretary of the Hong Kong SAR Government announced his annual Budget which proposes a cut in the profits tax rate from 17.5% to 16.5% with effect from the fiscal year 2008/09. Accordingly, whilst the provision for Hong Kong Profit Tax for 2008 is calculated at 17.5% of the estimated assessable profits for the year, deferred tax is calculated at 16.5% (2007: 17.5%) of the temporary difference at the balance sheet date.

On 16th March, 2007, the Fifth Plenary Session of the Tenth National People's Congress passed the Corporate Income Tax Law of the People's Republic of China (the "New Tax Law") which has taken effect on 1st January, 2008. Further, on 6th December, 2007, the State Council released the Implementation Rules to the Corporate Income Tax Law (the "Implementation Rules"). Effective from 1st January, 2008, the New Tax Law and Implementation Rules enact the standard tax rate of 25% for the Group's PRC subsidiaries, associates and jointly controlled entities, which had applicable tax rate of 27% and 33%. Taxation for these PRC's subsidiaries, associates and jointly controlled entities were calculated at either 27% or 33% of the estimated assessable profits prior to 1st January, 2008.

Pursuant to the relevant laws and regulations of the PRC, certain of the Group's PRC subsidiaries is eligible for the exemption from income tax for two years starting from the first profitable year of operations and thereafter, a 50 percent relief from their applicable tax rate for the following three years (the "tax holiday"). Pursuant to the notice on the Implementation Rules of the Grandfather Relief under the New Tax Law, Guofa (2007) No.39 issued on 26th December, 2007 by the State Council, these PRC subsidiaries will continue to enjoy the tax holiday under the grandfathering provision of the New Tax Law. The applicable tax rate for these PRC subsidiaries was revised to 25% effective from 1st January, 2008. These PRC subsidiaries will be subject to the standard tax rate of 25% after the tax holiday.

6. 綜合損益表所示的所得稅(續)

於二零零八年二月二十七日，香港特別行政區政府財政司司長公佈財政預算案，建議將二零零八／二零零九年財政年度之利得稅稅率由17.5%調低至16.5%。故此，二零零八年度香港利得稅準備金按當年預計評估利潤的17.5%計算，遞延稅項按在結算日暫時差異的16.5% (二零零七年：17.5%) 計算。

於二零零七年三月十六日，第十屆全國人民代表大會第五次會議通過了《中華人民共和國企業所得稅法》(「新稅法」)，新稅法於二零零八年一月一日起生效。此外，國務院在二零零七年十二月六日頒布了《企業所得稅法實施條例》(「實施條例」)。由二零零八年一月一日起，新稅法和實施條例規定本集團於中國的附屬公司、聯營公司和合營公司的標準稅率為25%，這些公司以往採用的適用稅率為27%和33%。在二零零八年一月一日前，這些國內附屬公司、聯營公司和合營公司的稅項是按估計應評稅溢利以27%或33%的稅率計算。

根據中國的相關法規，本集團的部分中國附屬公司可自首個獲利年度起的兩年免徵所得稅，並在其後三年減半徵收其中國附屬公司的適用稅率(「免稅期」)。按照國務院在二零零七年十二月二十六日頒布的《關於實施企業所得稅過渡優惠政策的通知》(國發[2007]39號)，這些中國附屬公司將根據新稅法的過渡規定繼續享有免稅期。由二零零八年一月一日起，該等附屬公司適用之法定稅率修訂為25%。這些中國附屬公司須於免稅期後按25%的標準稅率繳納所得稅。

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

Pursuant to the New Tax Law passed on 16th March, 2007, a 10% withholding tax will be levied on dividends declared to foreign investors from the PRC effective from 1st January, 2008. A lower withholding tax rate may be applied if there is a tax treaty arrangement between the PRC and the jurisdiction of the foreign investors. Further to the issuance of Guofa (2007) No. 39, the Ministry of Finance and State Administration of Taxation released notice Caishui (2008) No.1 on 22nd February, 2008, stating that the distributions of the pre-2008 earnings of a foreign invested enterprise to a foreign investor in 2008 or later will be exempted from withholding tax.

Taxation for other overseas subsidiaries is charged at the appropriate current rates of taxation ruling in the relevant countries.

6. 綜合損益表所示的所得稅 (續)

按照二零零七年三月十六日通過的新稅法，中國企業向外國投資者宣派的股息由二零零八年一月一日起須繳納10%的預扣稅。中國與外國投資者的司法管轄區之間如有稅收協定安排，則可採用較低的預扣稅稅率。在頒布國發[2007]39號後，財政部和國家稅務總局於二零零八年二月二十二日進一步發出了財稅[2008]1號的通知，當中列明外商投資企業於二零零八年或以後向外國投資者分配二零零八年之前的盈利，免徵企業預扣稅。

海外附屬公司之稅項則同樣以相關國家適用之現行稅率計算。

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

(b) Reconciliation between tax expense and accounting profit at applicable tax rates:

6. 綜合損益表所示的所得稅(續)

(b) 所得稅支出和會計溢利按適用稅率計算的對賬：

		2008 二零零八年 \$'000 千元	2007 二零零七年 \$'000 千元
Profit before taxation	除稅前溢利	<u>151,124</u>	<u>110,140</u>
Notional tax on profit before taxation, 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	26,230	29,539
Tax effect of non-deductible expenses	不可扣減支出的稅項影響	4,238	6,007
Tax effect of non-taxable revenue	毋須計稅收入的稅項影響	(15,729)	(9,947)
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	288	1,529
Tax effect of tax losses not previously recognised but utilised in the current year	本年度使用先前未確認可抵扣虧損之稅項影響	(1,193)	(5,331)
Tax effect of tax exempted entities	企業獲免稅優惠的稅務影響	(5,090)	(8,281)
Under-provision in respect of prior years	以往年度撥備不足	310	154
Effect of changes in tax rate on deferred tax	稅率變動對遞延稅項的影響	120	-
Actual tax expense	實際稅項支出	<u>9,174</u>	<u>13,670</u>

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7. DIRECTORS' REMUNERATION

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

7. 董事酬金

根據香港公司條例第161條之規定而須披露之董事酬金如下：

Name of director	Director's fees	Salaries, allowances and benefits	Discretionary bonuses	Retirement scheme contributions	2008 Total	
		in kind		in kind		
	\$'000	\$'000	\$'000	\$'000	\$'000	
	千元	千元	千元	千元	千元	
Executive directors	執行董事					
Mr. Chan Sui Kau	陳瑞球先生	30	1,463	1,200	-	2,693
Mr. Chan Wing Fui Peter	陳永奎先生	30	2,964	1,025	60	4,079
Mr. Chan Wing Kee	陳永棋先生	30	2,730	1,550	60	4,370
Mr. Chan Wing To	陳永滔先生	30	480	1,000	-	1,510
Ms. Chan Suk Man	劉陳淑文女士	30	1,664	1,000	60	2,754
Mr. Chan Wing Sun Samuel	陳永榮先生	30	-	-	-	30
Ms. Chan Suk Ling Shirley	周陳淑玲女士	30	-	-	-	30
Mr. So Ying Woon Alan	蘇應垣先生	30	1,303	750	58	2,141
Independent non-executive directors	獨立非執行董事					
Mr. Leung Hok Lim	梁學濂先生	160	-	-	-	160
Mr. Wong Lam	王霖先生	60	-	-	-	60
Mr. Lin Keping	林克平先生	60	-	-	-	60
		520	10,604	6,525	238	17,887

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7. DIRECTORS' REMUNERATION (continued)

7. 董事酬金(續)

Name of director	董事姓名	Directors' fees	Salaries, allowances and benefits	Discretionary bonuses	Retirement scheme contributions	2007 Total
			in kind		in kind	
			薪金、津貼及其他福利	酌情花紅	退休計劃供款	合計
		\$'000	\$'000	\$'000	\$'000	\$'000
		千元	千元	千元	千元	千元
Executive directors	執行董事					
Mr. Chan Sui Kau	陳瑞球先生	30	1,463	700	–	2,193
Mr. Chan Wing Fui Peter	陳永奎先生	30	2,496	525	60	3,111
Mr. Chan Wing Kee	陳永棋先生	30	2,470	1,050	60	3,610
Mr. Chan Wing To	陳永滔先生	30	–	375	–	405
Ms. Chan Suk Man	劉陳淑文女士	30	1,560	700	60	2,350
Mr. Chan Wing Sun Samuel	陳永燦先生	30	–	–	–	30
Ms. Chan Suk Ling Shirley	周陳淑玲女士	30	–	–	–	30
Mr. So Ying Woon Alan	蘇應垣先生	30	1,221	560	55	1,866
Independent non-executive directors	獨立非執行董事					
Mr. Leung Hok Lim	梁學濂先生	160	–	–	–	160
Mr. Wong Lam	王霖先生	60	–	–	–	60
Mr. Lin Keping	林克平先生	60	–	–	–	60
		520	9,210	3,910	235	13,875

8. INDIVIDUALS WITH HIGHEST EMOLUMENTS

The five highest paid individuals of the Group for both years presented are all directors of the Company and details of their emoluments are set out in note 7 above.

9. PROFIT ATTRIBUTABLE TO EQUITY SHAREHOLDERS OF THE COMPANY

The consolidated profit attributable to equity shareholders of the Company includes a profit of \$35,615,000 (2007: \$39,684,000) which has been dealt with in the financial statements of the Company.

8. 最高酬金人士

本集團於兩年間列報之五位最高酬金人士均為本公司董事，彼等酬金之分析見上文附註7。

9. 本公司股權持有人應佔溢利

本公司股權持有人應佔綜合溢利包括一筆已列入本公司財務報表的溢利35,615,000元(二零零七年: 39,684,000元)。

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10. DIVIDENDS

(a) Dividends payable to equity shareholders of the Company attributable to the year

		2008 二零零八年 \$'000 千元	2007 二零零七年 \$'000 千元
Interim dividend declared and paid of \$0.05 per share (2007: \$0.03)	已宣派及支付中期股息每股0.05元 (二零零七年: 0.03元)	10,518	6,311
Final dividend proposed after the balance sheet date of \$0.18 (2007: \$0.15) per share	於結算日後建議派發末期股息每股0.18元 (二零零七年: 每股0.15元)	37,866	31,555
		<u>48,384</u>	<u>37,866</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 payable to equity shareholders of the Company attributable to the previous financial year, approved and paid during the year

		2008 二零零八年 \$'000 千元	2007 二零零七年 \$'000 千元
Final dividend in respect of the previous financial year, approved and paid during the year of \$0.15 (2007: \$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0.15元 (二零零七年: 每股0.08元)	31,555	16,829

10. 股息

(a) 應付本公司股權持有人本年度股息

(b) 應付本公司股權持有人屬於上一財政年度，並於本年度核准及支付的股息

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11. EARNINGS PER SHARE

(a) Basic earnings per share

The calculation of basic earnings per share is based on the profit attributable to equity shareholders of the Company of \$142,240,000 (2007: \$96,706,000) and on 210,369,000 ordinary shares (2007: 210,369,000 shares) in issue throughout the year.

(b) Diluted earnings per share

The diluted earnings per share is not presented as there were no dilutive potential ordinary shares in existence during the years ended 31st March, 2007 and 2008.

12. SEGMENT REPORTING

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

Business segments

The Group comprises the following main business segments:

- Manufacture and sale of garments: the manufacture, process, retail and wholesale of garments
- Manufacture and sale of textiles: the manufacture and wholesale of textiles

11. 每股盈利

(a) 每股基本盈利

每股基本盈利乃根據應撥歸於本公司股權持有人應佔溢利142,240,000元(二零零七年: 96,706,000元)及年內已發行普通股股份210,369,000股(二零零七年: 210,369,000股)計算。

(b) 每股攤薄盈利

截至二零零七年及二零零八年三月三十一日止年度,本公司並無具有潛在攤薄能力之普通股;因此,攤薄後每股盈利並無予以呈報。

12. 分部報告

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

業務分部

本集團由下列主要業務分部組成:

- 製造及銷售成衣: 製造、加工、零售及批發成衣
- 製造及銷售紡織品: 製造及批發紡織品

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12. SEGMENT REPORTING (continued)**12. 分部報告(續)****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		Unallocated 未分類		Consolidated 綜合總額	
		2008	2007	2008	2007	2008	2007	2008	2007	2008	2007
		二零零八年	二零零七年	二零零八年	二零零七年	二零零八年	二零零七年	二零零八年	二零零七年	二零零八年	二零零七年
		\$'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	
Revenue from external customers	來自外界客戶的收入	1,525,165	1,712,648	6,412	4,839	8,699	7,948	-	-	1,540,276	1,725,435
Other revenue	其他收入	4,181	8,174	-	-	804	804	1,858	3,493	6,843	12,471
Total revenue	收入總額	1,529,346	1,720,822	6,412	4,839	9,503	8,752	1,858	3,493	1,547,119	1,737,906
Segment result	分部經營結果	58,493	104,633	691	452	7,509	5,948	1,858	3,493	68,551	114,526
Finance costs	融資成本	-	-	-	-	-	-	-	-	(10,803)	(19,099)
Share of profits less losses of associates and jointly controlled entities	應佔聯營公司及合營公司溢利減虧損	(787)	289	83,641	9,559	(4,344)	3,930	-	-	78,510	13,778
Loss on disposal of subsidiaries	出售附屬公司虧損	-	-	-	-	-	-	-	-	-	(9,296)
Impairment of an associate	一家聯營公司減值	-	-	-	-	-	-	-	-	(4,000)	-
Net valuation gains on investment properties	投資物業估值淨收益	-	-	-	-	-	-	-	-	18,866	10,231
Income tax	所得稅	-	-	-	-	-	-	-	-	(9,174)	(13,670)
Profit for the year	本年度溢利									141,950	96,470
Depreciation and amortisation for the year	年度內折舊及攤銷	23,835	27,356	21	45	498	479	-	-	24,354	27,880
Segment assets	分部資產	679,597	665,296	1,180	2,052	130,166	113,020	-	-	810,943	780,368
Interest in associates and jointly controlled entities	於聯營公司及合營公司權益	5,853	9,828	428,655	314,042	6,257	4,843	-	-	440,765	328,713
Unallocated assets	未分類負債	-	-	-	-	-	-	-	-	6,245	12,064
Total assets	資產總額									1,257,953	1,121,145
Segment liabilities	分部負債	393,275	419,557	24	1,438	46	47	-	-	393,345	421,042
Unallocated liabilities	未分類負債	-	-	-	-	-	-	-	-	25,658	20,626
Total liabilities	負債總額									419,003	441,668
Capital expenditure incurred during the year	年度內資本開支	23,829	48,254	-	-	-	2,449	-	-	23,829	50,703

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12. SEGMENT REPORTING (continued)

Geographical segments

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.

12. 分部報告(續)

地區分部

本集團的業務遍及世界各地，可劃分為四個主要的經濟環境經營。

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。

		Revenue from external customers 來自外界客戶的收入	
		2008 二零零八年 \$'000 千元	2007 二零零七年 \$'000 千元
- Europe	- 歐洲		
United Kingdom	英國	352,301	521,254
France	法國	44,474	116,553
Other European countries	其他歐洲國家	492,160	439,479
- North America	- 北美洲	239,989	245,136
- Asia Pacific	- 亞太地區	376,083	372,746
- Others	- 其他	35,269	30,267
		1,540,276	1,725,435

		Segment assets 分部資料		Capital expenditure incurred during the year 年度內資本開支	
		2008 二零零八年 \$'000 千元	2007 二零零七年 \$'000 千元	2008 二零零八年 \$'000 千元	2007 二零零七年 \$'000 千元
- Hong Kong	- 香港	413,357	473,407	4,259	8,783
- The PRC	- 中國	395,972	297,205	19,352	39,504
- South East Asia	- 東南亞	1,614	9,756	218	2,121
- Europe	- 歐洲	-	-	-	295
		810,943	780,368	23,829	50,703

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13. FIXED ASSETS

(a) The Group

		Land and buildings held for own use 持作自用 的土地 及樓宇 \$'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	Sub-total 小計 \$'000 千元	Investment properties 投資物業 \$'000 千元	Interests in leasehold land held for own use under operating leases 持作經營 租賃之自用 租賃土地 \$'000 千元	Total 合計 \$'000 千元
Cost or valuation:	成本或估值：							
At 1st April, 2006	於二零零六年四月一日	121,796	187,211	107,535	416,542	79,638	8,525	504,705
Exchange adjustments	匯兌調整	3,552	5,871	949	10,372	498	144	11,014
Transfer from construction in progress (note 14)	轉撥自在建工程 (附註14)	–	10,341	1,195	11,536	–	–	11,536
Additions	增置	9,841	12,189	6,488	28,518	2,449	271	31,238
Disposals	出售							
– through disposal of subsidiaries	– 透過出售附屬公司	(6,558)	–	(5,049)	(11,607)	–	–	(11,607)
– others	– 其他	(22,588)	(14,864)	(6,560)	(44,012)	–	(607)	(44,619)
Reclassification from land and buildings to investment properties	由土地及樓宇重新分類至 投資物業	(561)	–	–	(561)	561	–	–
Reclassification from investment properties to land and buildings	由投資物業重新分類至 土地及樓宇	6,700	–	–	6,700	(6,700)	–	–
Surplus on revaluation	重估盈餘	289	–	–	289	10,231	–	10,520
At 31st March, 2007	於二零零七年三月三十一日	112,471	200,748	104,558	417,777	86,677	8,333	512,787
Representing:	代表：							
Cost	成本	112,471	200,748	104,558	417,777	–	8,333	426,110
Valuation – 2007	估值 – 二零零七年	–	–	–	–	86,677	–	86,677
		112,471	200,748	104,558	417,777	86,677	8,333	512,787

13. 固定資產

(a) 本集團

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截至二零零八年三月三十一日止年度 (以港元計)

13. FIXED ASSETS (continued)

(a) The Group (continued)

		Land and buildings held for own use 持作自用 的土地 及樓宇	Plant and machinery 廠房 及機器	Other fixed assets 其他 固定資產	Sub-total 小計	Investment properties 投資物業	Interests in leasehold land held for own use under operating leases 持作經營 租賃之自用 租賃土地	Total 合計
		\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元
Cost or valuation:	成本或估值：							
At 1st April, 2007	於二零零七年四月一日	112,471	200,748	104,558	417,777	86,677	8,333	512,787
Exchange adjustments	匯兌調整	5,290	14,889	3,655	23,834	1,649	240	25,723
Transfer from construction in progress (note 14)	轉撥自在建工程 (附註 14)	-	424	667	1,091	-	38	1,129
Additions	增置	-	10,483	11,342	21,825	-	-	21,825
Disposals	出售	(8,637)	(21,195)	(6,544)	(36,376)	-	(5,629)	(42,005)
Reclassification from investment properties to land and buildings	由投資物業重新分類至 土地及樓宇	6,760	-	-	6,760	(6,760)	-	-
Surplus on revaluation	重估盈餘	-	-	-	-	18,866	-	18,866
At 31st March, 2008	於二零零八年三月三十一日	115,884	205,349	113,678	434,911	100,432	2,982	538,325
Representing:	代表：							
Cost	成本	115,884	205,349	113,678	434,911	-	2,982	437,893
Valuation - 2008	估值 - 二零零八年	-	-	-	-	100,432	-	100,432
		115,884	205,349	113,678	434,911	100,432	2,982	538,325

13. 固定資產 (續)

(a) 本集團 (續)

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13. FIXED ASSETS (continued)

(a) The Group (continued)

		Land and buildings held for own use 持作自用 的土地 及樓宇	Plant and machinery 廠房 及機器	Other fixed assets 其他 固定資產	Sub-total 小計	Investment properties 投資物業	Interests in leasehold land held for own use under operating leases 持作經營 租賃之自用 租賃土地	Total 合計
		\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元
Accumulated amortisation and depreciation:	累計攤銷及折舊：							
At 1st April, 2006	於二零零六年四月一日	55,780	144,856	78,450	279,086	-	1,285	280,371
Exchange adjustments	匯兌調整	2,085	4,017	1,508	7,610	-	34	7,644
Charge for the year	本年度攤銷及折舊	8,106	8,999	10,628	27,733	-	147	27,880
Written back on disposals	出售時撥回							
- through disposal of subsidiaries	- 透過出售附屬公司	(6,266)	-	(3,231)	(9,497)	-	-	(9,497)
- others	- 其他	(15,493)	(12,747)	(5,522)	(33,762)	-	(88)	(33,850)
At 31st March, 2007	於二零零七年三月三十一日	44,212	145,125	81,833	271,170	-	1,378	272,548
At 1st April, 2007	於二零零七年四月一日	44,212	145,125	81,833	271,170	-	1,378	272,548
Exchange adjustments	匯兌調整	2,210	9,854	2,757	14,821	-	72	14,893
Charge for the year	本年度攤銷及折舊	3,685	10,958	9,600	24,243	-	111	24,354
Written back on disposals	出售時撥回	(7,267)	(19,432)	(8,916)	(35,615)	-	(704)	(36,319)
At 31st March, 2008	於二零零八年三月三十一日	42,840	146,505	85,274	274,619	-	857	275,476
Net book value:	賬面淨值：							
At 31st March, 2008	於二零零八年三月三十一日	73,044	58,844	28,404	160,292	100,432	2,125	262,849
At 31st March, 2007	於二零零七年三月三十一日	68,259	55,623	22,725	146,607	86,677	6,955	240,239

13. 固定資產(續)

(a) 本集團(續)

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For the year ended 31st March, 2008 (Expressed in Hong Kong dollars)

截至二零零八年三月三十一日止年度(以港元計)

13. FIXED ASSETS (continued)

13. 固定資產(續)

(b) The Company

(b) 本公司

		Land and buildings	Plant and machinery	Other fixed assets	Sub-total	Investment properties	Total
		held for own use					
		持作自用的 土地及樓宇	廠房 及機器	其他 固定資產	小計	投資物業	合計
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
		千元	千元	千元	千元	千元	千元
Cost or valuation:	成本或估值：						
At 1st April, 2006	於二零零六年四月一日	32,830	15,544	48,287	96,661	93,156	189,817
Additions	增置	-	1,677	1,094	2,771	-	2,771
Disposals	出售	-	(1,984)	(323)	(2,307)	-	(2,307)
Reclassification from land and buildings to investment properties	由土地及樓宇重新分類至 投資物業	(561)	-	-	(561)	561	-
Reclassification from investment properties to land and buildings	由投資物業重新分類至 土地及樓宇	6,700	-	-	6,700	(6,700)	-
Surplus on revaluation	重估盈餘	289	-	-	289	14,077	14,366
At 31st March, 2007	於二零零七年三月三十一日	39,258	15,237	49,058	103,553	101,094	204,647
Representing:	代表：						
Cost	成本	39,258	15,237	49,058	103,553	-	103,553
Valuation - 2007	估值 - 二零零七年	-	-	-	-	101,094	101,094
		39,258	15,237	49,058	103,553	101,094	204,647
Cost or valuation:	成本或估值：						
At 1st April, 2007	於二零零七年四月一日	39,258	15,237	49,058	103,553	101,094	204,647
Additions	增置	-	-	3,277	3,277	-	3,277
Disposals	出售	(229)	(4,258)	(1,846)	(6,333)	-	(6,333)
Reclassification from investment properties to land and buildings	由投資物業重新分類至 土地及樓宇	6,760	-	-	6,760	(6,760)	-
Surplus on revaluation	重估盈餘	-	-	-	-	24,780	24,780
At 31st March, 2008	於二零零八年三月三十一日	45,789	10,979	50,489	107,257	119,114	226,371
Representing:	代表：						
Cost	成本	45,789	10,979	50,489	107,257	-	107,257
Valuation - 2008	估值 - 二零零八年	-	-	-	-	119,114	119,114
		45,789	10,979	50,489	107,257	119,114	226,371

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截至二零零八年三月三十一日止年度 (以港元計)

13. FIXED ASSETS (continued)

(b) The Company (continued)

		Land and buildings held for own use 持作自用的土地及樓宇 \$'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	Sub-total 小計 \$'000 千元	Investment properties 投資物業 \$'000 千元	Total 合計 \$'000 千元
Accumulated amortisation and depreciation:	累計攤銷及折舊：						
At 1st April, 2006	於二零零六年四月一日	10,156	14,963	41,336	66,455	-	66,455
Charge for the year	本年度攤銷及折舊	1,024	1,218	1,653	3,895	-	3,895
Written back on disposals	出售時撥回	-	(1,968)	(319)	(2,287)	-	(2,287)
At 31st March, 2007	於二零零七年三月三十一日	11,180	14,213	42,670	68,063	-	68,063
At 1st April, 2007	於二零零七年四月一日	11,180	14,213	42,670	68,063	-	68,063
Charge for the year	本年度攤銷及折舊	1,136	-	1,910	3,046	-	3,046
Written back on disposals	出售時撥回	-	(3,234)	(1,291)	(4,525)	-	(4,525)
At 31st March, 2008	於二零零八年三月三十一日	12,316	10,979	43,289	66,584	-	66,584
Net book value:	賬面淨值：						
At 31st March, 2008	於二零零八年三月三十一日	33,473	-	7,200	40,673	119,114	159,787
At 31st March, 2007	於二零零七年三月三十一日	28,078	1,024	6,388	35,490	101,094	136,584

(c) All investment properties of the Group were revalued at 31st March, 2008 on an open market value basis calculated by reference to net rental income allowing for reversionary income potential. The valuations were carried out by independent firms of surveyors, Knight Frank Petty Limited and RHL Appraisal Limited, who have among their staff Fellows of the Hong Kong Institute of Surveyors with recent experience in the location and category of the properties being valued.

13. 固定資產 (續)

(b) 本公司 (續)

(c) 於二零零八年三月三十一日本集團的投資物業按租金收入淨額並且考慮到物業市場潛在租金變化作為計算公開市值的評估基準重估。並經由獨立測量師行卓德萊坊測計師行有限公司及永利行評估顧問有限公司作出估值，該等測量師行之職員為香港測量師學會資深會員，對近期所估物業之地點及類別具備豐富經驗。

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13. FIXED ASSETS (continued)

13. 固定資產(續)

(d) The analysis of net book value of properties is as follows:

(d) 物業之賬面淨值分析如下:

		The Group		The Company	
		本集團		本公司	
		2008	2007	2008	2007
		二零零八年	二零零七年	二零零八年	二零零七年
		\$'000	\$'000	\$'000	\$'000
		千元	千元	千元	千元
Long term leases	長期租約				
– outside Hong Kong	– 香港以外地區	–	6,700	–	229
Medium term leases	中期租約				
– in Hong Kong	– 香港	80,229	69,052	112,934	93,542
– outside Hong Kong	– 香港以外地區	55,719	50,738	–	–
Freehold	永久業權				
– outside Hong Kong	– 香港以外地區	39,653	35,401	39,653	35,401
		175,601	161,891	152,587	129,172
Representing:	代表:				
Land and buildings	土地及樓宇	73,044	68,259	33,473	28,078
Investment properties	投資物業	100,432	86,677	119,114	101,094
		173,476	154,936	152,587	129,172
Interests in leasehold land held for own use under operating leases	持作經營租賃之自用租賃土地	2,125	6,955	–	–
		175,601	161,891	152,587	129,172

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13. FIXED ASSETS (continued)

- (e) The Group and the Company leases out investment properties under operating leases. The leases typically run for an initial period of one to three years, with an option to renew the lease after that date at which time all terms are renegotiated. None of the leases includes contingent rentals.

The gross carrying amounts of investment properties of the Group and the Company held for use in operating leases were \$100,432,000 and \$119,114,000 respectively (2007: \$86,677,000 and 101,094,000 respectively).

All properties held under operating leases that would otherwise meet the definition of an investment property are classified as investment properties.

- (f) The Group's total future minimum lease payments under non-cancellable operating leases are receivable as follows:

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

13. 固定資產(續)

- (e) 本集團及本公司以經營租賃合約出租投資物業。租賃合約初期一般為一年至三年，並且有權選擇在約滿後續約，屆時所有租約條款均重新協議。所有租賃合約並不包括或有租金。

本集團及本公司持作經營租賃的投資物業總賬面值分別為100,432,000元及119,114,000元(二零零七年：分別為86,677,000元及101,094,000元)。

所有符合投資物業定義以經營租賃持有的物業分類為投資物業。

- (f) 本集團根據不可解除的經營租賃在日後應收的最低租賃付款額總數如下：

2008 二零零八年 \$'000 千元	2007 二零零七年 \$'000 千元
7,435	8,497
861	234
8,296	8,731

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截至二零零八年三月三十一日止年度(以港元計)

14. CONSTRUCTION IN PROGRESS

14. 在建工程

		The Group 本集團	
		2008 二零零八年 \$'000 千元	2007 二零零七年 \$'000 千元
At 1st April	於四月一日	42	26
Exchange adjustments	匯兌調整	5	2
Additions	增置	1,373	11,550
Transfer to fixed assets (note 13(a))	轉撥往固定資產 (附註13(a))	(1,129)	(11,536)
At 31st March	於三月三十一日	<u>291</u>	<u>42</u>

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截至二零零八年三月三十一日止年度 (以港元計)

15. INTANGIBLE ASSETS

15. 無形資產

		The Group			The Company
		本集團			本公司
		Club debentures	Brand names	Total	Club Debentures
		會籍	品牌	合計	會籍
		\$'000	\$'000	\$'000	\$'000
		千元	千元	千元	千元
Cost:	成本：				
At 1st April, 2006	於二零零六年四月一日	2,874	5,170	8,044	2,384
Exchange adjustments	匯兌調整	-	563	563	-
Reduction through disposal of subsidiaries	減少 — 透過出售附屬公司	-	(5,733)	(5,733)	-
At 31st March, 2007	於二零零七年三月三十一日	2,874	-	2,874	2,384
At 1st April, 2007 and at 31st March, 2008	於二零零七年四月一日 及二零零八年三月三十一日	2,874	-	2,874	2,384
Accumulated amortisation:	累計攤銷：				
At 1st April, 2006	於二零零六年四月一日	-	(5,170)	(5,170)	-
Exchange adjustments	匯兌調整	-	(563)	(563)	-
Written back through disposal of subsidiaries	撥回 — 透過出售附屬公司	-	5,733	5,733	-
At 31st March, 2007	於二零零七年三月三十一日	-	-	-	-
At 1st April, 2007 and at 31st March, 2008	於二零零七年四月一日 及二零零八年三月三十一日	-	-	-	-
Net book value:	賬面淨值：				
At 31st March, 2007 and at 31st March, 2008	於二零零七年三月三十一日 及二零零八年三月三十一日	2,874	-	2,874	2,384

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15. INTANGIBLE ASSETS (continued)

Club debentures represent the rights to use the club facilities over an indefinite period of time.

Brand names represent the cost of purchase of the right to brand names from an independent third party which was disposed during the year ended 31st March, 2007.

16. GOODWILL

15. 無形資產(續)

會籍指於不限期時間內使用會所設施之權利。

品牌指向一名獨立第三方購買品牌權利之成本並已於二零零七年三月三十一日年內出售。

16. 商譽

The Group
本集團
Positive goodwill
正商譽
\$'000
千元

Costs: At 31st March, 2007, and at 31st March, 2008	成本： 於二零零七年三月三十一日 及二零零八年三月三十一日	2,177
Accumulated amortisation and impairment losses: At 31st March, 2007 and at 31st March, 2008	累計攤銷及減值虧損： 於二零零七年三月三十一日 及二零零八年三月三十一日	2,177
Carrying amount: At 31st March, 2008 and at 31st March, 2007	賬面金額： 於二零零八年三月三十一日 及二零零七年三月三十一日	—

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17. INTEREST IN SUBSIDIARIES

Unlisted investments, at cost	非上市投資，按成本
Amounts due from subsidiaries	應收附屬公司款項
Less: Impairment loss	減：減值虧損

Balances with subsidiaries are unsecured, interest-free and not expected to be repayable within one year of the balance sheet date.

Details of principal subsidiaries at 31st March, 2008 are set out on pages 147 to 148.

17. 附屬公司權益

The Company 本公司	
2008 二零零八年 \$'000 千元	2007 二零零七年 \$'000 千元
32,245	32,245
108,096	111,375
140,341	143,620
(6,500)	(6,500)
133,841	137,120

附屬公司所欠款項是沒有抵押、不帶利息及預期於結算日一年內不會償還。

於二零零八年三月三十一日主要附屬公司之資料載於第147頁至148頁。

18. INTEREST IN ASSOCIATES

Unlisted shares, at cost	非上市股本，按成本
Share of net assets	應佔資產淨值
Less: impairment loss	減：減值虧損

Details of the principal associates at 31st March, 2008 are set out on pages 149 to 150.

18. 聯營公司權益

The Group 本集團		The Company 本公司	
2008 二零零八年 \$'000 千元	2007 二零零七年 \$'000 千元	2008 二零零八年 \$'000 千元	2007 二零零七年 \$'000 千元
-	-	22,881	22,881
16,110	14,671	-	-
16,110	14,671	22,881	22,881
(4,000)	-	(12,445)	(12,445)
12,110	14,671	10,436	10,436

於二零零八年三月三十一日主要聯營公司之資料載列於第149頁至150頁。

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18. INTEREST IN ASSOCIATES (continued)

18. 聯營公司權益 (續)

Summary financial information on associates

聯營公司財務資料概要

		Assets	Liabilities	Equity	Revenue	Profit/(loss)
		資產	負債	權益	收入	溢利/ 溢利/ (虧損)
		\$'000	\$'000	\$'000	\$'000	\$'000
		千元	千元	千元	千元	千元
2008	二零零八年					
100 per cent	百分之一百	118,002	71,738	46,264	182,314	8,232
Group's effective	本集團實際權益					
interest		<u>34,523</u>	<u>18,413</u>	<u>16,110</u>	<u>53,879</u>	<u>1,523</u>
2007	二零零七年					
100 per cent	百分之一百	71,775	32,201	39,574	69,733	500
Group's effective	本集團實際權益					
interest		<u>23,412</u>	<u>8,741</u>	<u>14,671</u>	<u>26,391</u>	<u>(343)</u>

19. INTEREST IN JOINTLY CONTROLLED ENTITIES

19. 合營公司權益

		The Group		The Company	
		本集團	本公司	本公司	本公司
		2008	2007	2008	2007
		二零零八年	二零零七年	二零零八年	二零零七年
		\$'000	\$'000	\$'000	\$'000
		千元	千元	千元	千元
Unlisted shares, at cost	非上市股本，按成本	-	-	230,818	230,818
Share of net assets	應估資產淨值	428,655	314,042	-	-
		<u>428,655</u>	<u>314,042</u>	<u>230,818</u>	<u>230,818</u>

Details of the Group's interest in jointly controlled entities are set out on pages 149 to 150.

本集團於合營公司權益之資料載列於第149頁至150頁。

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19. INTEREST IN JOINTLY CONTROLLED ENTITIES (continued)

Summary financial information on the jointly controlled entities – Group's effective interest:

Non-current assets	非流動資產
Current assets	流動資產
Current liabilities	流動負債
Non-current liabilities	非流動負債
Net assets	資產淨值
Income	收入
Expenses	支出
Profit for the year	本年度溢利

The Group's share of the net assets of the jointly controlled entity as at 31st March, 2008 and 2007 includes an amount of \$12,118,000 which represents the unrealised losses on disposal of certain associates and subsidiaries to Wuxi Talak Investment Co., Ltd. by the Group during the year ended 31st March, 2006. Such unrealised losses have been accounted for to the extent that they have been retained within the Group.

During the year ended 31st March, 2008, the Group's 49% owned jointly controlled entity, Wuxi Talak Investment Co., Ltd., and two of its wholly owned subsidiaries, namely Wuxi Changxin Textile Co., Ltd. and Wuxi Changxin Real Estate Co., Ltd. (collectively the "Wuxi Talak Group") recognised compensation income of RMB412,000,000 (equivalent to HK\$452,826,000) for vacating certain plots of land occupied by the Wuxi Talak Group. The Wuxi Talak Group also recognised impairment losses on buildings, and plant and machinery situated on the land of approximately RMB183,000,000 (equivalent to HK\$202,910,000). The compensation income, impairment losses recognised during the year ended 31st March, 2008, and other losses and relocation expenses incurred as a result of vacating the land occupied by the Wuxi Group, contributed approximately RMB133,000,000 (equivalent to HK\$147,470,000) to the net profit of the Wuxi Talak Group.

19. 合營公司權益(續)

合營公司財務資料概要 – 本集團實際權益：

	2008 二零零八年 \$'000 千元	2007 二零零七年 \$'000 千元
Non-current assets	569,998	585,305
Current assets	446,359	251,022
Current liabilities	(443,325)	(378,320)
Non-current liabilities	(144,377)	(143,965)
Net assets	<u>428,655</u>	<u>314,042</u>
Income	685,717	533,372
Expenses	(608,730)	(519,251)
Profit for the year	<u>76,987</u>	<u>14,121</u>

本集團應佔於二零零八年及二零零七年三月三十一日之合營公司淨資產包括一筆12,118,000元之款額，該款額為於截至二零零六年三月三十一日止年度內本集團出售若干聯營公司及附屬公司予無錫長聯投資有限公司之未變現虧損。該等未變現虧損已按本集團保留之部份為限入賬。

截至二零零八年三月三十一日止年度，本集團擁有百分之四十九股權之合營公司 – 無錫長聯投資有限公司，及其兩間全資附屬公司，名為無錫長新紡織有限公司及無錫長新置業有限公司(統稱「無錫長聯集團」)確認一筆金額為人民幣412,000,000元之補償金(相等於港幣452,826,000元)，用以空置無錫長聯集團所佔據之某些土地。無錫長聯集團亦已確認這幅土地上之建築物、廠房及設備之減值準備，約為人民幣183,000,000元(相等於港幣202,910,000元)。截至二零零八年三月三十一日止年度，所確認的補償金收入扣除減值虧損，及因空置無錫長聯集團佔據土地而發生的其他虧損及重置費用，貢獻無錫長聯集團淨利潤約人民幣133,000,000元(相等於港幣147,470,000元)。

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19. INTEREST IN JOINTLY CONTROLLED ENTITIES (continued)

The Wuxi Talak Group received compensation in cash of RMB424,000,000 (equivalent to HK\$470,131,000) during the year ended 31st March, 2008, of which RMB412,000,000 (equivalent to HK\$456,825,000) was in the income statement as it has fulfilled the required obligations set out in the compensation agreement. The remaining RMB12,000,000 (equivalent to HK\$13,306,000) and the last instalment of RMB88,000,000 (equivalent to HK\$97,574,000) will be recognised as compensation income subject to the fulfillment of the certain obligations set out in the compensation agreement.

20. OTHER FINANCIAL ASSETS

Available-for-sale equity securities:	可供出售股本權益：
– Unlisted	– 非上市
– Listed outside Hong Kong, at market value	– 香港以外上市，按市值
Loans receivable	應收貸款

19. 合營公司權益 (續)

截至二零零八年三月三十一日止年度，無錫長聯集團以現金方式收取補償金收入人民幣424,000,000元（相等於港幣470,131,000元），由於已履行補償合約中的責任，該筆款項中人民幣412,000,000元（相等於港幣456,825,000元）已計入利潤表內。餘下人民幣12,000,000元（相等於港幣13,306,000元）及最後一期為數人民幣88,000,000（相等於港幣97,574,000元）之款項，則於達成補償合約中某些責任後才確認為補償收入。

20. 其他金融資產

The Group and the Company 本集團及本公司

	2008 二零零八年 \$'000 千元	2007 二零零七年 \$'000 千元
	895	895
	558	558
	1,453	1,453
	–	3,133
	1,453	4,586

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For the year ended 31st March, 2008 (Expressed in Hong Kong dollars)
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20. OTHER FINANCIAL ASSETS (continued)

At 31st March, 2008, the loans receivable were repayable as follows:

		The Group 本集團		The Company 本公司	
		2008 二零零八年 \$'000 千元	2007 二零零七年 \$'000 千元	2008 二零零八年 \$'000 千元	2007 二零零七年 \$'000 千元
Within 1 year (note 22)	於年內 (附註22)	4,711	3,109	544	3,109
After 1 year but within 2 years	一年後但兩年內	-	1,932	-	-
After 2 years but within 5 years	兩年後但五年內	-	1,201	-	-
		-	3,133	-	-
		4,711	6,242	544	3,109

As at 31st March, 2008, the loans receivable represent the carrying amount of i) the consideration receivable from the disposal of subsidiary during the year ended 31st March, 2004 amounting to \$389,000 (2007: \$4,709,000); ii) a loan receivable from a supplier of the Group amounting to \$4,168,000 (2007: Nil); and iii) the loan receivable from YangtzeKiang S.A. ("YSA") amounting to \$154,000 (2007: \$1,533,000).

In respect of consideration receivable from the disposal of subsidiary, the Group has written off the loan receivable amounting to \$4,320,000 during the year ended 31st March, 2008. The written down amount of \$389,000 is expected to be settled within one year with no interest bearing.

The loan receivable from a supplier is interest bearing at 7.75% per annum on the principal outstanding, the entire amount is expected to be settled in 2008.

The loan receivable from YSA is unsecured and interest-free, which represents the written down amount of the loan receivable as at the balance sheet date.

20. 其他金融資產 (續)

於二零零八年三月三十一日，應收貸款之還款期如下：

於二零零八年三月三十一日，應收貸款賬面值包括 i) 於二零零四年三月三十一日止年度內出售附屬公司之代價所欠應收款389,000元 (二零零七年：4,709,000元)；ii) 一家供應商所欠本集團之應收貸款4,168,000元 (二零零七年：無)；及 iii) YangtzeKiang S.A. (「YSA」) 所欠之應收貸款154,000元 (二零零七年：1,533,000元)。

有關出售附屬公司之代價所欠應收款，本集團已於二零零八年三月三十一日年度內撇減4,320,000元；撇減餘額389,000元不帶利息，預期於一年內償還。

一家供應商所欠之應收貸款總額以年利率7.75% 計算利息，預期於二零零八年全數清還。

YSA 所欠之應收貸款為於結算日之撇減餘額，沒有抵押及不帶利息。

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21. INVENTORIES

21. 存貨

(a) Inventories in the balance sheet comprises:

(a) 存貨於資產負債表包括：

		The Group 本集團		The Company 本公司	
		2008 二零零八年 \$'000 千元	2007 二零零七年 \$'000 千元	2008 二零零八年 \$'000 千元	2007 二零零七年 \$'000 千元
Raw materials	原材料	38,771	27,112	2,928	1,900
Work in progress	在製品	104,085	95,445	31,979	53,412
Finished goods	製成品	19,258	16,481	2,289	1,273
		162,114	139,038	37,196	56,585

(b) The analysis of the amount of inventories recognised as an expense is as follows:

(b) 存貨數額列作支出分析如下：

		The Group 本集團	
		2008 二零零八年 \$'000 千元	2007 二零零七年 \$'000 千元
Carrying amount of inventories sold	存貨銷售賬面值	1,270,989	1,379,531
Write down of inventories	存貨撇減	2,456	4,249
Reversal of write-down of inventories	存貨撇減撥回	(3,904)	(1,350)
		1,269,541	1,382,430

The reversal of write-down of inventories mainly due to subsequent sales value of garment exceeded its previously written down value.

撥回撇減之存貨主要因為成衣後期銷售金額超逾之前撇減金額。

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22. TRADE AND OTHER RECEIVABLES

22. 應收賬款及其他應收款

		The Group 本集團		The Company 本公司	
		2008 二零零八年 \$'000 千元	2007 二零零七年 \$'000 千元	2008 二零零八年 \$'000 千元	2007 二零零七年 \$'000 千元
Trade receivable	應收賬款	146,908	140,944	50,905	58,873
Bills receivable	應收票據	74,798	113,906	54,726	78,003
Less: allowances for doubtful debts	減：呆壞賬撥備	(2,324)	(7,568)	(381)	(1,770)
		219,382	247,282	105,250	135,106
Loans receivables (note 20)	應收貸款 (附註20)	4,711	3,109	544	3,109
Deposits, prepayments and other debtors	訂金、預付款及 其他應收款	25,912	34,413	6,403	6,483
Amount due from subsidiaries	應收附屬公司款項	-	-	127,008	138,828
Amount due from related companies	應收關連公司款項	6,452	8,277	60	-
Dividend receivable from associates and jointly controlled entities	應收聯營公司及 合營公司股息	30,938	29,904	-	-
Derivative financial Instruments	衍生金融工具	1,162	1,120	-	1,120
		69,175	76,823	134,015	149,540
		288,557	324,105	239,265	284,646

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22. TRADE AND OTHER RECEIVABLES (continued)

As at 31st March, 2008, bills receivable of the Group and the Company amounting to \$42,184,000 and \$34,920,000 (2007: \$38,334,000 and \$26,513,000) have been pledged to secure bank loans of \$42,184,000 and \$34,920,000 (2007: \$38,334,000 and \$26,513,000) respectively (note 25). Except for bills receivable, as at 31st March, 2008 and 2007, there is no trade debtor which has been pledged to secure bank loans of the Group.

In order to satisfy certain financial covenants relating to the banking facilities drawn by Wuxi YGM Textile Co., Ltd., a wholly owned subsidiary of the Group's jointly controlled entity, a dividend receivable from Wuxi YGM Textile Co., Ltd. amounting to \$28,046,000 at 31st March, 2008 is expected to be recovered in full when the related bank facilities mature in 2009. Except for the above mentioned dividend, all of the trade and other receivables are expected to be recovered within one year.

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

22. 應收賬款及其他應收款(續)

於二零零八年三月三十一日，本集團及本公司將42,184,000元及34,920,000元(二零零七年：38,334,000元及26,513,000元)之應收票據分別作為抵押42,184,000元及34,920,000元(二零零七年：38,334,000元及26,513,000元)(附註25)之銀行貸款擔保。除應收票據外，於二零零八年及二零零七年三月三十一日，本集團沒有將任何應收賬款作為抵押任何銀行貸款擔保。

為配合無錫長江精密紡織有限公司(本集團合營公司中之一家全資附屬公司)若干銀行信貸之財務條款，於二零零八年三月三十一日共28,046,000元之應收股息可預計於二零零九年當有關銀行信貸到期時能全數償還。除上述股息外，所有應收賬款及其他應收款均可預期於一年內償還。

其他所有應收附屬公司、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。

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22. TRADE AND OTHER RECEIVABLES (continued)

(a) Ageing Analysis

Included in trade and other receivables are trade debtors and bills receivable (net of allowance for doubtful debts) with the following ageing analysis as of the balance sheet date:

		The Group 本集團		The Company 本公司	
		2008 二零零八年 \$'000 千元	2007 二零零七年 \$'000 千元	2008 二零零八年 \$'000 千元	2007 二零零七年 \$'000 千元
Current	未逾期	150,629	171,941	81,289	102,687
Less than 60 days past due	逾期少於60日	56,137	63,669	21,413	30,716
61 – 90 days past due	逾期61 – 90日	4,240	8,993	781	534
More than 90 days past due	逾期90日以上	8,376	2,679	1,767	1,169
Amount past due	逾期金額	68,753	75,341	23,961	32,419
Trade debtors and bills receivable	應收賬款及 應收票據	219,382	247,282	105,250	135,106

Trade debtors and bills receivable are due between 30 days to 90 days from the date of billing. Further details on the Group's credit policy are set out in note 31(a).

22. 應收賬款及其他應收款(續)

(a) 賬齡分析

於結算日包括在應收賬款及其他應收款內有以下賬齡分析之應收賬款及應收票據 (已扣除呆壞賬撥備) :

應收賬款及應收票據在發單日期後30日至90日內到期。本集團的信貸政策的進一步詳情載於附註31(a)。

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22. TRADE AND OTHER RECEIVABLES (continued)

(b) Impairment of trade debtors and bills receivable

Impairment losses in respect of trade debtors and bills receivable are recorded using an allowance account unless the Group is satisfied that recovery of the amount is remote, in which case the impairment loss is written off against trade debtors and bills receivable directly (see note 1(m)(i)).

The movement in the allowance for doubtful debts during the year, including both specific and collective loss components, is as follows:

		The Group 本集團		The Company 本公司	
		2008 二零零八年 \$'000 千元	2007 二零零七年 \$'000 千元	2008 二零零八年 \$'000 千元	2007 二零零七年 \$'000 千元
At 1st April (Reversal of) / impairment loss recognised	於四月一日 (撥回) / 已確認之 減值虧損	7,568 (5,244)	2,021 5,547	1,770 (1,389)	640 1,130
At 31st March	於三月三十一日	<u>2,324</u>	<u>7,568</u>	<u>381</u>	<u>1,770</u>

At 31st March, 2008, the Group's and the Company's trade debtors and bills receivable of \$14,112,000 (2007: \$21,232,000) and \$8,702,000 (2007: \$13,513,000) respectively were individually determined to be impaired. The individually impaired receivables related to customers that were in financial difficulties and management assessed that only a portion of the receivables is expected to be recovered. Consequently, specific allowances for doubtful debts of \$2,324,000 (2007: \$7,568,000) and \$381,000 (2007: \$1,770,000) respectively were recognised. The Group does not hold any collateral over these balances.

22. 應收賬款及其他應收款(續)

(b) 應收賬款及應收票據減值

就應收賬款及應收票據之減值虧損，本集團會確認於撥備賬中。除非本集團相信日後收回該款項的可能性極低，有關的減值虧損將直接於應收賬款及應收票據中撇銷(參閱附註1(m)(i))。

年內呆壞賬撥備的變動(包括個別及共同虧損部份)如下：

於二零零八年三月三十一日，本集團及本公司分別為14,112,000元(二零零七年：21,232,000元)及8,702,000元(二零零七年：13,513,000元)之應收賬款及應收票據被個別釐定為出現減值。該等賬款與有財政困難之客戶有關，而管理層評估預期僅可收回該等應收款之一部份。因此，已被確認之個別呆壞賬撥備分別為2,324,000元(二零零七年：7,568,000元)及381,000元(二零零七年：1,770,000元)。本集團並無就該等結餘持有任何抵押品。

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22. TRADE AND OTHER RECEIVABLES (continued)

(c) Trade debtors and bills receivable that are not impaired

The ageing analysis of trade debtors and bills receivable that are neither individually nor collectively considered to be impaired are as follows:

22. 應收賬款及其他應收款(續)

(c) 尚未減值之應收賬款及應收票據

並未個別或共同被視作減值之應收賬款及應收票據賬齡分析如下:

		The Group 本集團		The Company 本公司	
		2008 二零零八年 \$'000 千元	2007 二零零七年 \$'000 千元	2008 二零零八年 \$'000 千元	2007 二零零七年 \$'000 千元
Neither past due nor impaired	並未逾期或減值	150,629	171,941	81,289	102,687
Less than 60 days past due	逾期少於60天	45,323	45,220	13,816	18,610
61-90 days past due	逾期61-90日	3,820	8,488	414	241
More than 90 days past due	逾期90日以上	7,820	401	1,409	56
		56,963	54,109	15,639	18,907
		207,592	226,050	96,928	121,594

Receivables that were neither past due nor impaired relate to a wide range of customers for whom there was no recent history of default.

概無逾期或減值之應收賬款與眾多並無近期欠款記錄之客戶有關。

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22. TRADE AND OTHER RECEIVABLES (continued)**(c) Trade debtors and bills receivable that are not impaired (continued)**

Receivables that were past due but not impaired relate to a number of independent customers that have a good track record with the Group. Based on past experience, management believes that no impairment allowance is necessary in respect of these balances as there has not been a significant change in credit quality and the balances are still considered fully recoverable. The Group does not hold any collateral over these balances.

The Group's credit policy is set out in note 31(a).

22. 應收賬款及其他應收款(續)**(c) 尚未減值之應收賬款及應收票據(續)**

逾期但並未減值之應收賬款與多名獨立客戶有關，該等客戶對本集團的信貸記錄良好。根據過往經驗，管理層認為，該等結餘無須減值撥備，因為信貸質素並無重大變動，且結餘仍被視作可全數收回。本集團並無就該等結餘持有任何抵押品。

本集團的信貸政策載於附註31(a)。

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

		The Group 本集團		The Company 本公司	
		2008 二零零八年 \$'000 千元	2007 二零零七年 \$'000 千元	2008 二零零八年 \$'000 千元	2007 二零零七年 \$'000 千元
Deposits with banks	銀行存款	32,700	19,536	32,700	19,536
Cash at bank and in hand	銀行活期存款 及現金	64,138	60,519	8,981	5,580
Cash and cash equivalents	現金及現金等價物	96,838	80,055	41,681	25,116

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24. TRADE AND OTHER PAYABLES

24. 應付賬款及其他應付款

		The Group 本集團		The Company 本公司	
		2008 二零零八年 \$'000 千元	2007 二零零七年 \$'000 千元	2008 二零零八年 \$'000 千元	2007 二零零七年 \$'000 千元
Trade creditors	應付賬款	156,594	163,724	81,752	87,220
Bills payable	應付票據	8,891	17,003	4,342	10,529
Accrued charges and other creditors	應計費用及其他 應付款	108,133	113,200	31,201	34,166
Amounts due to related companies	應付關連公司 款項	3,709	217	–	217
Amounts due to associates and jointly controlled entities	應付聯營公司 及合營公司 款項	7,686	4,148	1,515	753
Amount due to a shareholder	應付一股東款項	3,326	3,286	–	–
Amounts due to subsidiaries	應付附屬公司款項	–	–	42,858	75,001
		288,339	301,578	161,668	207,886

The amounts due to subsidiaries, related companies, associates and jointly controlled entities, and a shareholder are unsecured, interest-free and repayable on demand.

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

應付附屬公司、關連公司、聯營公司及合營公司及一股東款項是沒有抵押、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還。

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24. TRADE AND OTHER PAYABLES (continued)

Included in trade and other payables are trade creditors and bills payable with the following ageing analysis as of the balance sheet date:

		The Group 本集團		The Company 本公司	
		2008 二零零八年 \$'000 千元	2007 二零零七年 \$'000 千元	2008 二零零八年 \$'000 千元	2007 二零零七年 \$'000 千元
Less than 60 days	少於60日	129,181	155,715	61,028	92,938
61 – 90 days	61日至90日	11,562	11,392	8,907	2,914
More than 90 days	90日以上	24,742	13,620	16,159	1,897
Trade creditors and bills payable	應付賬款及應付票據	165,485	180,727	86,094	97,749

24. 應付賬款及其他應付款(續)

於結算日包括在應付賬款及其他應付款內有以下賬齡分析之應付賬款及應付票據：

25. BANK LOANS

At 31st March, 2008, the bank loans were repayable as follows:

		The Group 本集團		The Company 本公司	
		2008 二零零八年 \$'000 千元	2007 二零零七年 \$'000 千元	2008 二零零八年 \$'000 千元	2007 二零零七年 \$'000 千元
Within 1 year or on demand	一年內或按通知	78,434	104,624	67,420	49,013
After 1 year but within 2 years	一年後但兩年內	-	11,250	-	7,500
		78,434	115,874	67,420	56,513

25. 銀行貸款

於二零零八年三月三十一日，銀行貸款之還款期如下：

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25. BANK LOANS (continued)

At 31st March, 2008, the bank loans were secured as follows:

		The Group 本集團		The Company 本公司	
		2008 二零零八年 \$'000 千元	2007 二零零七年 \$'000 千元	2008 二零零八年 \$'000 千元	2007 二零零七年 \$'000 千元
Bank loans	銀行貸款				
– secured	– 有抵押	42,184	38,334	34,920	26,513
– unsecured	– 無抵押	36,250	77,540	32,500	30,000
		78,434	115,874	67,420	56,513

As at 31st March, 2008, bank loans of the Group and the Company amounting to \$42,184,000 and \$34,920,000 (2007: \$38,334,000 and \$26,513,000) were secured by bills receivable of the Group and the Company amounting to \$42,184,000 and \$34,920,000 (2007: \$38,334,000 and \$26,513,000) respectively (see note 22).

Except for the above, as at 31st March, 2008, there is no bank loan which is secured by any of the Group's assets.

25. 銀行貸款 (續)

於二零零八年三月三十一日，銀行貸款之抵押情況如下：

於二零零八年三月三十一日，本集團及本公司分別將42,184,000元及34,920,000元（二零零七年：38,334,000元及26,513,000元）之應收票據42,184,000元及34,920,000元（二零零七年：38,334,000元及26,513,000元）之銀行貸款作出抵押（參閱附註22）。

除上述以外，於二零零八年三月三十一日，本集團並沒有以本集團的資產為任何銀行貸款作出抵押。

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26. EMPLOYEE RETIREMENT BENEFITS

In Hong Kong, the Group operates a defined contribution Mandatory Provident Fund retirement benefit scheme (“the MPF scheme”) under the Hong Kong Mandatory Provident Fund Schemes Ordinance for employees employed under the jurisdiction of the Hong Kong Employment Ordinance and not previously covered by the defined benefit retirement plan. The MPF scheme is a defined contribution retirement plan administered by independent trustees. Under the MPF scheme, the employer and its employees are each required to make contributions to the scheme at 5% of the employees’ relevant income, subject to a cap of monthly relevant income of \$20,000. The Group’s employer’s contributions vest fully with the employees when contributed into the MPF Scheme.

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 certain subsidiaries in the PRC are members of a state-sponsored retirement benefit scheme organised by the local government in the PRC. The subsidiaries are required to contribute, based on a certain percentage of payrolls, 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.

26. 僱員退休福利

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」）。為在香港僱傭條例下受僱及不受先前界定福利退休計劃保障之僱員，經營強制性公積金計劃。強積金計劃為界定供款退休計劃，由獨立信託人管理。根據強積金計劃，僱主及其僱員均須對該計劃按僱員有關之收入百分之五作出供款。惟每月有關收入之上限為港幣二萬元。作出之供款即時投入該計劃。當向強積金計劃供款時，本集團僱主強制供款將全數歸於僱員所得。

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。

在中國境內集團數家附屬公司之僱員乃中國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。

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27. INCOME TAX IN THE BALANCE SHEET

27. 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	
		2008 二零零八年 \$'000 千元	2007 二零零七年 \$'000 千元	2008 二零零八年 \$'000 千元	2007 二零零七年 \$'000 千元
Provision for Hong Kong Profits Tax for the year	本年度 香港利得稅準備	8,728	7,714	6,894	3,879
Provisional Profits Tax paid	已付暫繳利得稅	(3,963)	(3,908)	(1,121)	(1,716)
		4,765	3,806	5,773	2,163
Balance of Profits Tax provision relating to prior years	過往年度所得稅 準備結餘	2,740	–	2,740	–
		7,505	3,806	8,513	2,163
Tax provision/ (recoverable) of overseas subsidiaries	海外附屬公司 準備/(可發還) 應付稅項	2,189	(1,493)	–	–
Net tax payable	應付稅項淨額	9,694	2,313	8,513	2,163
Representing:	代表：				
Tax recoverable	可發還稅項	(1,008)	(1,493)	–	–
Tax payable	應付稅項	10,702	3,806	8,513	2,163
		9,694	2,313	8,513	2,163

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27. INCOME TAX IN THE BALANCE SHEET

(continued)

(b) Deferred tax (assets)/liabilities recognised:

(i) The Group

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

		Future benefit of tax losses 可抵扣 虧損之 未來利益 \$'000 千元	Revaluation of investment properties 投資 物業重估 \$'000 千元	Revaluation of other properties 其他物業 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	Others 其他 \$'000 千元	Total 總額 \$'000 千元
Deferred tax arising from:	來自下列各項的 遞延稅項:						
At 1st April, 2006	於二零零六年四月一日	(1,885)	11,250	3,782	200	(607)	12,740
Exchange adjustment Charged to the income statement	匯兌調整 在損益表列支	(437)	109	-	-	-	(328)
Charged to reserves	在儲備列支	339	1,563	-	234	252	2,388
Disposal of subsidiaries	出售附屬公司	-	-	36	-	-	36
		1,983	-	-	-	-	1,983
At 31st March, 2007	於二零零七年 三月三十一日	-	12,922	3,818	434	(355)	16,819
At 1st April, 2007	於二零零七年四月一日	-	12,922	3,818	434	(355)	16,819
Exchange adjustment Charged/ (credited) to the income statement	匯兌調整 在損益表列支/ (計入)	-	310	-	-	-	310
Effect of change of tax rate	稅率變動之影響	-	2,782	-	918	(4,916)	(1,216)
		-	(100)	-	(20)	-	(120)
At 31st March, 2008	於二零零八年 三月三十一日	-	15,914	3,818	1,332	(5,271)	15,793

27. 資產負債表所示的所得稅(續)

(b) 已確認遞延所得稅(資產)/負債:

(i) 本集團

已在綜合資產負債表確認的遞延所得稅(資產)/負債淨值的組成部份和本年度變動如下:

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27. INCOME TAX IN THE BALANCE SHEET

(continued)

(b) Deferred tax (assets)/liabilities recognised: (continued)

(ii) The Company

The components of deferred tax (assets)/liabilities recognised in the balance sheet and the movements during the year are as follows:

		Revaluation of investment properties	Revaluation of other properties	Depreciation allowances in excess of the related depreciation 超過相關 折舊的折舊 免稅額	Others	Total
		投資物業 重估 \$'000 千元	其他物業 重估 \$'000 千元	折舊的折舊 免稅額 \$'000 千元	其他 \$'000 千元	總額 \$'000 千元
Deferred tax arising from:	來自下列各項的 遞延稅項:					
At 1st April, 2006	於二零零六年 四月一日	11,617	3,782	47	(561)	14,885
Charged to the income statement	在損益表列支	2,247	-	234	252	2,733
Charged to reserves	在儲備列支	-	36	-	-	36
At 31st March, 2007	於二零零七年 三月三十一日	13,864	3,818	281	(309)	17,654
At 1st April, 2007	於二零零七年 四月一日	13,864	3,818	281	(309)	17,654
Charged to the income statement	在損益表列支	2,960	-	918	309	4,187
Effect of change of tax rate	稅率變動之影響	(300)	-	(20)	-	(320)
At 31st March, 2008	於二零零八年三月 三十一日	16,524	3,818	1,179	-	21,521

27. 資產負債表所示的所得稅(續)

(b) 已確認遞延所得稅(資產)/負債: (續)

(ii) 本公司

已在資產負債表確認的遞延所得稅(資產)/負債的組成部份和本年度變動如下:

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27. INCOME TAX IN THE BALANCE SHEET

(continued)

(b) Deferred tax (assets)/liabilities recognised: (continued)

27. 資產負債表所示的所得稅(續)

(b) 已確認遞延所得稅(資產)/負債：
(續)

		The Group 本集團		The Company 本公司	
		2008 二零零八年 \$'000 千元	2007 二零零七年 \$'000 千元	2008 二零零八年 \$'000 千元	2007 二零零七年 \$'000 千元
Net deferred tax assets recognised in the balance sheet	在資產負債表確認的遞延所得稅資產淨值	(1,204)	-	-	-
Net deferred tax liabilities recognised in the balance sheet	在資產負債表確認的遞延所得稅負債淨值	16,997	16,819	21,521	17,654
		15,793	16,819	21,521	17,654

(c) Deferred tax assets not recognised:

In accordance with the accounting policy set out in note 1(t), the Group has not recognised deferred tax assets in respect of tax losses of \$4,585,000 (2007: \$8,235,000) attributable to certain subsidiaries as the directors consider it is not probable that future taxable profits against which the losses can be utilised will be available in the relevant tax jurisdiction and entity. The tax losses expire five years after they are incurred.

(c) 未確認的遞延所得稅資產

根據附註1(t)所載之會計政策，本集團尚未就若干附屬公司為數4,585,000元(二零零七年：8,235,000元)的可抵扣虧損確認有關的遞延所得稅資產，因董事認為由於在有關之稅務司法權區及就有關實體而言，有可供動用之虧損以抵銷未來應課稅溢利之可能性很低。這些可抵扣虧損應用限期為五年。

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28. PROVISION FOR LONG SERVICE PAYMENTS

28. 長期服務金準備

		The Group 本集團		The Company 本公司	
		2008 二零零八年 \$'000 千元	2007 二零零七年 \$'000 千元	2008 二零零八年 \$'000 千元	2007 二零零七年 \$'000 千元
At 1st April	於四月一日	3,591	4,272	1,946	2,065
Add: Additional provisions made	加：年內準備增加	21,131	591	138	155
Less: Payments during the year	減：年內付款	-	(544)	-	-
Less: Reversal of provision	減：準備撥回	(191)	(728)	-	(274)
At 31st March	於三月三十一日	24,531	3,591	2,084	1,946

Long service payments i) 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 five years, and ii) Labour Contract Law of the PRC ("Labour Contract Law") based on the employees' service to date and the current salary levels for all employees with labour contracts in the PRC. Addition provision made during the year ended 31st March 2008 was mainly due to the Labour Contract Law enacted on 29th June 2007.

長期服務金準備 i)根據《香港僱傭條例》第五節乙部份為本集團在職不少於五年之僱員，按其在職年資及現時薪酬水平計算，及 ii)根據中國勞動合同法《「勞動合同法」》，為所有具有勞動合同之中國僱員，按其在職年資及現時薪酬水平計算。於二零零八年三月三十一日年度內增加之準備，主要由於勞動合同法於二零零七年六月二十九日正式通過。

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29. CAPITAL AND RESERVES

(a) The Group

29. 股本及儲備

(a) 本集團

		Attributable to equity shareholders of the Company 應歸於本公司股權持有人											
		Share capital	Share premium	Capital redemption reserve	Exchange reserve	Goodwill arising on consolidation	Investment revaluation reserve	Land and buildings revaluation reserve	Other reserve	Retained profits	Total	Minority interests	Total Equity
		股本	股份溢價	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	其他儲備	保留溢利	總額	少數股東權益	權益總額
		\$'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
As at 1st April, 2006	於二零零六年四月一日	105,184	102,753	481	(14,480)	(46,161)	400	20,056	5,507	409,875	583,615	-	583,615
Dividend approved in respect of the previous year (note 10 (b))	本年度內批准屬於上一年度的股息(附註10(b))	-	-	-	-	-	-	-	-	(16,829)	(16,829)	-	(16,829)
Exchange differences on translation of the financial statements of subsidiaries outside Hong Kong	換算香港以外附屬公司財務報表之匯兌差額	-	-	-	5,359	-	-	-	-	-	5,359	-	5,359
Exchange differences on translation of the share of interests in associates and jointly controlled entities	換算聯營公司/合營公司匯兌之匯兌差額	-	-	-	18,929	-	-	-	-	-	18,929	-	18,929
Profit for the year	本年度溢利	-	-	-	-	-	-	-	-	96,706	96,706	(236)	96,470
Dividend declared in respect of the current year (note 10(a))	本年度已宣派股息(附註10(a))	-	-	-	-	-	-	-	-	(6,311)	(6,311)	-	(6,311)
Capital injection by minority interest	少數股東股本投入	-	-	-	-	-	-	-	-	-	-	982	982
Disposal of subsidiaries and associates	出售附屬公司及聯營公司	-	-	-	(2,991)	3,987	-	-	-	(3,987)	(2,991)	-	(2,991)
Valuation surplus on transfer of land and buildings to investments properties, net of deferred tax	土地及樓宇轉撥至投資物業之估值盈餘，已扣除遞延稅項	-	-	-	-	-	-	253	-	-	253	-	253
As at 31st March, 2007	於二零零七年三月三十一日	105,184	102,753	481	6,817	(42,174)	400	20,309	5,507	479,454	678,731	746	679,477

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截至二零零八年三月三十一日止年度 (以港元計)

29. CAPITAL AND RESERVES (continued)

29. 股本及儲備(續)

(a) The Group (continued)

(a) 本集團(續)

		Attributable to equity shareholders of the Company 應歸於本公司股權持有人											
		Share capital	Share premium	Capital redemption reserve	Exchange reserve	Goodwill arising on consolidation	Investment revaluation reserve	Land and buildings revaluation reserve	Other reserve	Retained profits	Total	Minority interests	Total Equity
		股本	股份溢價	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	其他儲備	保留溢利	總額	少數股東權益	權益總額
		\$'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
As at 1st April, 2007	於二零零七年四月一日	105,184	102,753	481	6,817	(42,174)	400	20,309	5,507	479,454	678,731	746	679,477
Dividend approved in respect of the previous year (note 10(b))	本年度內批准屬於上一年度的股息(附註10(b))	-	-	-	-	-	-	-	-	(31,555)	(31,555)	-	(31,555)
Exchange differences on translation of the financial statements of subsidiaries outside Hong Kong	換算香港以外附屬公司財務報表之匯兌差額	-	-	-	20,231	-	-	-	-	-	20,231	-	20,231
Exchange differences on translation of the share of interests in associates and jointly controlled entities	換算聯營公司/合營公司匯兌之匯兌差額	-	-	-	39,051	-	-	-	-	-	39,051	-	39,051
Profit for the year	本年度溢利	-	-	-	-	-	-	-	-	142,240	142,240	(290)	141,950
Appropriation of reserves	撥往儲備	-	-	-	-	-	-	-	1,729	(1,729)	-	-	-
Dividend declared in respect of the current year (note 10(a))	本年度已宣派股息(附註10(a))	-	-	-	-	-	-	-	-	(10,518)	(10,518)	-	(10,518)
Capital injection by minority interest	少數股東股本投入	-	-	-	-	-	-	-	-	-	-	314	314
As at 31st March, 2008	於二零零八年三月三十一日	105,184	102,753	481	66,099	(42,174)	400	20,309	7,236	577,892	838,180	770	838,950

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29. CAPITAL AND RESERVES (continued)

(b) The Company

		Share capital	Share premium	Capital redemption reserve	Investment revaluation reserve	Land and buildings revaluation reserve	Retained profits	Total
		股本	股份溢價	贖回儲備	投資重估儲備	土地及樓宇重估儲備	保留溢利	總額
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
		千元	千元	千元	千元	千元	千元	千元
As at 1st April, 2006	於二零零六年四月一日	105,184	102,753	481	400	20,056	356,442	585,316
Dividend approved in respect of the previous year (note 10(b))	本年度內批准屬於上一年度的股息 (附註10(b))	-	-	-	-	-	(16,829)	(16,829)
Valuation surplus on transfer of land and buildings to investments properties, net deferred tax	土地及樓宇轉撥至投資物業之估值盈餘，已扣除遞延稅項	-	-	-	-	253	-	253
Profit for the year	本年度溢利	-	-	-	-	-	39,684	39,684
Dividend declared in respect of the current year (note 10(a))	本年度已宣派股息 (附註10(a))	-	-	-	-	-	(6,311)	(6,311)
As at 31st March, 2007	於二零零七年三月三十一日	105,184	102,753	481	400	20,309	372,986	602,113
		Share capital	Share premium	Capital redemption reserve	Investment revaluation reserve	Land and buildings revaluation reserve	Retained profits	Total
		股本	股份溢價	贖回儲備	投資重估儲備	土地及樓宇重估儲備	保留溢利	總額
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
		千元	千元	千元	千元	千元	千元	千元
As at 1st April, 2007	於二零零七年四月一日	105,184	102,753	481	400	20,309	372,986	602,113
Dividend approved in respect of the previous year (note 10(b))	本年度內批准屬於上一年度的股息 (附註10(b))	-	-	-	-	-	(31,555)	(31,555)
Profit for the year	本年度溢利	-	-	-	-	-	35,615	35,615
Dividend declared in respect of the current year (note 10(a))	本年度已宣派股息 (附註10(a))	-	-	-	-	-	(10,518)	(10,518)
As at 31st March, 2008	於二零零八年三月三十一日	105,184	102,753	481	400	20,309	366,528	595,655

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29. CAPITAL AND RESERVES (continued)

29. 股本及儲備(續)

(c) Share capital

(c) 股本

(i) Authorised and issued share capital

(i) 法定及已發行股本

		2008		2007	
		二零零八年		二零零七年	
		No. of shares '000 千股	Amount \$'000 千元	No. of shares '000 千股	Amount \$'000 千元
Authorised:	法定股本：				
Ordinary shares of \$0.50 each	每股面值0.5元之 普通股	400,000	200,000	400,000	200,000
Issued and fully paid:	已發行及繳足股本：				
At 1st April	於四月一日	210,369	105,184	210,369	105,184
At 31st March	於三月三十一日	210,369	105,184	210,369	105,184

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All ordinary shares rank equally with regard to the Company's residual assets.

普通股持有者有權收取不時宣派的股息，並且有權在本公司股東大會上按照每股一票的比例參與投票。所有普通股在本公司餘剩資產上均享有同等權利。

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財務報表附註

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29. CAPITAL AND RESERVES (continued)

(d) Nature and purpose of reserves

- (i) *Share premium and capital redemption reserve*
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.
- (ii) *Exchange reserve*
The exchange reserve comprises all foreign exchange differences arising from the translation of the financial statements of operations outside Hong Kong. The reserve is dealt with in accordance with the accounting policies set out in note I(w).
- (iii) *Land and buildings revaluation reserve*
The revaluation reserve has been set up and is dealt with in accordance with the accounting policies adopted for land and buildings in note I(i)(ii).
- The land and buildings revaluation reserve is not available for distribution to equity shareholders of the Company.
- (iv) *Investment revaluation reserve*
The investment revaluation reserve comprises the cumulative net change in the fair value of available-for-sale securities held at the balance sheet date and is dealt with in accordance with the accounting policies in notes I(f) and (m).
- The investment revaluation reserve is not available for distribution to equity shareholders of the Company.
- (v) *Goodwill arising on consolidation*
Upon disposal of YSA as described in note 30(a), goodwill previously recognised in reserve was transferred to retained profit in accordance with the accounting policies in note I(e).

29. 股本及儲備(續)

(d) 儲備的性質及用途

- (i) *股份溢價及資本贖回儲備*
股份溢價及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。
- (ii) *匯兌儲備*
匯兌儲備包括因換算香港以外業務之財務報表而產生之所有匯兌差額。該儲備乃根據附註I(w)所載之會計政策處理。
- (iii) *土地及樓宇重估儲備*
本公司已設立重估儲備，並根據就重估所採用的會計政策(附註I(i)(ii))處理這些儲備。
- 土地及樓宇之重估儲備並不可供分派予本公司股權持有人。
- (iv) *投資重估儲備*
投資重估儲備包含於結算日持有可供出售證券公平價值的累計淨變動，並根據載於附註I(f)及I(m)的會計政策處理。
- 投資重估儲備不可供分派予本公司股權持有人。
- (v) *綜合賬目所產生之商譽*
按附註30(a)所述，當YSA出售時，根據附註I(e)所載之會計政策，商譽已於儲備內確認，並將會被轉入保留溢利。

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29. CAPITAL AND RESERVES (continued)

(e) Distributability of reserves

At 31st March, 2008, the aggregate amount of reserves available for distribution to equity shareholders of the Company was \$366,528,000 (2007: \$372,986,000). After the balance sheet date the directors proposed a final dividend of \$0.18 per share (2007: \$0.15 per share), amounting to \$37,866,000 (2007: \$31,555,000). This dividend has not been recognised as a liability at the balance sheet date.

(f) Capital management

The Group's primary objectives when managing capital are to safeguard the Group's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders, by pricing products and services commensurately with the level of risk and by securing access to finance at a reasonable cost.

The Group actively and regularly reviews and manages its capital structure to maintain a balance between the higher shareholder returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position, and makes adjustments to the capital structure in light of changes in economic conditions.

Consistent with industry practice, the Group monitors its capital structure on the basis of a net debt-to-adjusted capital ratio. For this purpose the Group defines net debt as total debt (which includes interest-bearing loans and borrowings, and trade and other payables) plus unaccrued proposed dividends less cash and cash equivalents. Capital comprises all component of equity, less unaccrued proposed dividend.

During the current financial year, the Group's strategy, which was unchanged from the previous financial year, was to maintain the debt-to-adjusted capital ratio at a reasonable level. In order to maintain or adjust the ratio, the Group may adjust the amount of dividends paid to shareholders, issue new shares, return capital to shareholders, raise new debt financing or sell assets to reduce debt.

29. 股本及儲備(續)

(e) 可供分派儲備

於二零零八年三月三十一日，本公司可供分派予本公司股權持有人的儲備總額為366,528,000元(二零零七年：372,986,000元)。於結算日後，董事建議派發末期股息每股0.18元(二零零七年：每股0.15元)，合計37,866,000元(二零零七年：31,555,000元)。該股息於結算日尚未確認為負債。

(f) 資本管理

本集團管理資本的主要目的為確保集團能夠持續經營，透過釐定與風險水平相稱的貨品及服務價格及以合理的成本融資，從而能持續向股東提供回報及其他相關人士提供利益。

本集團積極及定期檢討及管理其資本架構，務求維持借貸水平及資本狀況的平衡。較高借貸水平可能獲得較高股東回報而雄厚的資本狀況則穩健有利。本集團根據經濟情況的變動而對資本架構作出調整。

與業界慣例一致，本集團按照淨負債對經調整資本比率的基準監察資本架構。就此而言，本集團把債務淨額界定為負債總額(包括帶息貸款及借貸、應付賬款及其他應付款)，加上未累計的建議股息減現金及現金等價物資本包括股東權益減未累計的建議股息。

於本財政年度，本集團秉承過往財政年度之策略，維持淨負債對經調整資本比率於一個合理水平。為維持或調整淨負債對經調整資本比率，本集團會對派付予股東的股息金額作出調整、發行新股份、向股東返還資本、籌措新的債務融資或出售資產以減債。

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29. CAPITAL AND RESERVES (continued)

(f) Capital management (continued)

The net debt-to-adjusted capital ratio at 31st March, 2008 and 2007 was as follows:

29. 股本及儲備(續)

(f) 資本管理(續)

於二零零八年及二零零七年三月三十一日，淨負債對經調整資本比率如下：

		The Group 本集團		The Company 本公司	
		2008 二零零八年 \$'000 千元	2007 二零零七年 \$'000 千元	2008 二零零八年 \$'000 千元	2007 二零零七年 \$'000 千元
Current Liabilities:	流動負債：				
Trade and other payables	應付賬款及其他應付款	24	288,339	301,578	161,668
Bank loans	銀行借款	25	78,434	104,624	67,420
			366,773	406,202	229,088
Non-current liabilities:	非流動負債：				
Bank loans	銀行借款	25	-	11,250	-
Provision for long service payments	長期服務金準備	28	24,531	3,591	2,084
			391,304	421,043	231,172
Total debt	負債總額				
Add: Proposed dividends	加：擬派股息	10(a)	37,866	31,555	37,866
Less: Cash and cash equivalents	減：現金及現金等價物	23	(96,838)	(80,055)	(41,681)
			332,332	372,543	227,357
Net debt	淨負債				
Total equity	權益總額		838,950	679,477	595,655
Less: Proposed dividends	減：擬派股息		(37,866)	(31,555)	(37,866)
			801,084	647,922	557,789
Adjusted Capital	經調整資本				
Net debt-to-capital	淨負債對資本比率		41%	57%	41%
					48%

Neither the company nor any of its subsidiaries are subject to externally imposed capital requirements.

本公司及其附屬公司均不受任何外部的資本規定所限制。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

For the year ended 31st March, 2008 (Expressed in Hong Kong dollars)

截至二零零八年三月三十一日止年度 (以港元計)

30. SUPPLEMENTAL INFORMATION TO THE
CONSOLIDATED CASH FLOW STATEMENT

(a) Disposal of subsidiaries

In November 2006, the Group disposed of two subsidiaries, namely YangtzeKiang S.A. ("YSA") and JIL International, to a director of YSA for an unconditional consideration and a conditional consideration of \$619,000 and \$2,474,000 respectively. The conditional consideration had not been recognised as the conditions attached were not probable to be achieved.

The net assets of the subsidiaries at the dates of disposal were as follows:

30. 綜合現金流量表之補充資料

(a) 出售附屬公司

於二零零六年十一月，本集團出售兩間附屬公司予YangtzeKiang S.A. (「YSA」) 之一董事，包括YSA及JIL International，代價分別為619,000元之無條件代價及2,474,000元之有條件代價。該有條件代價並未確認。

於出售日該等附屬公司之資產淨值如下：

		2007 二零零七年 \$'000 千元
Interests in land and buildings held for own use	持作自用的租賃土地及樓宇	292
Property, plant and equipment	物業、廠房及設備	1,818
Construction in progress	在建工程	-
Other financial assets	其他金融資產	2,885
Deferred tax assets	遞延稅項資產	1,983
Inventories	存貨	27,172
Trade and other receivables	應收賬款及其他應收款	68,235
Tax recoverable	可發還稅項	-
Pledged deposits	抵押存款	-
Cash and cash equivalents	現金及現金等價物	4,103
Bank loans and overdrafts	銀行貸款及透支	(23,730)
Trade and other payables	應付賬款及其他應付款	(69,307)
Tax payable	應付稅項	(545)
Exchange reserve	匯兌儲備	(2,991)
Minority interests	少數股東權益	9,915
Loss on disposal	出售虧損	-
		(9,296)
		619

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

For the year ended 31st March, 2008 (Expressed in Hong Kong dollars)

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30. SUPPLEMENTAL INFORMATION TO THE
CONSOLIDATED CASH FLOW STATEMENT
(continued)

30. 綜合現金流量表之補充資料(續)

(a) Disposal of subsidiaries (continued)

(a) 出售附屬公司(續)

		2007 二零零七年 \$'000 千元
Satisfied by:	收取方式：	
Cash received	已收取現金	358
Cash receivable	應收現金	261
		<u>619</u>
Analysis of net outflow of cash and cash equivalents in respect of disposal of subsidiaries:	出售附屬公司之現金及現金等價物流出淨額分析如下：	
Cash consideration	現金代價	258
Cash and cash equivalents of the subsidiaries disposed of	出售附屬公司之現金及現金等價物	(4,103)
Net outflow of cash and cash equivalents in respect of disposal of subsidiaries	出售附屬公司之現金及現金等價物流出淨額	<u>(3,845)</u>

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31. FINANCIAL INSTRUMENTS

Exposure to credit, liquidity, interest rate and currency risks arises in the normal course of the Group's business. The Group is also exposed to equity price risk from its equity investment in other entities. These risks are limited by the Group's financial management policies and practices described below.

(a) Credit risk

The Group's credit risk is primarily attributable to time deposits with financial institutions, trade and other receivables and loans receivable. Management has a credit policy in place and the exposures to these credit risks are monitored on an ongoing basis.

In respect of time deposits with financial institutions, the Group only places time deposits with major financial institutions, which management believe are of high credit rating.

In respect of trade and other receivables, individual credit evaluations are performed on all customers requiring credit over a certain amount and for all new customers. These evaluations focus on the customer's past history of making payments when due and current ability to pay, and take into account information specific to the customer as well as pertaining to the economic environment in which the customer operates. These receivables are due between 30 days to 90 days from the date of billing. Normally, the Group does not obtain collateral from customers.

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The default risk of the industry and country in which customers operate also has an influence on credit risk but to a lesser extent. At the balance sheet date, the Group has a certain concentration of credit risk as 10.7% (2007: 12.3%) and 33.9% (2007: 36.3%) of the total trade receivables was due from the Group's largest customer and the five largest customers respectively within the manufacturing and sale of garments business segment.

31. 金融工具

本集團會在正常業務過程中出現信貸、流動資金、利率和外幣風險。本集團亦承受來自其他實體證券投資的股價風險。本集團是透過下述財務管理政策及慣常做法，對這些風險加以限制。

(a) 信貸風險

本集團的信貸風險主要來自金融機構定期存款、應收賬款、其他應收款及應收貸款。管理層已實施信貸政策，並且不斷監察所承受信貸風險的程度。

就存放於金融機構之定期存款而言，本集團只與管理層認為有優良信貸評級之主要金融機構訂立定期存款。

就應收賬款及其他應收款而言，本集團對要求超過一定金額信貸的所有客戶及所有新客戶均會進行個別信貸評估。本評估集中於客戶過往繳付到期款項之歷史及現時付款之能力，以及考慮到客戶之具體資料及客戶營運所在地之經濟環境。該等應收款乃於賬單日期後30至90日內到期。本集團一般不會自客戶獲取抵押品。

本集團的信用風險受每名客戶的個別情況所影響。客戶營運的行業與國家的違約風險對信用風險也有影響，但程度較輕。於結算日，本集團有若干分別來自其於製造及銷售成衣業務中的最大客戶和五家最大客戶應收賬款及其他應收款項之信用風險集中度分別為10.7% (二零零七年：12.3%) 及33.9% (二零零七年：36.3%)。

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31. FINANCIAL INSTRUMENTS (continued)

(a) Credit risk (continued)

In respect of loans receivable, individual credit evaluations are performed before granting of loans.

The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the balance sheet including derivative financial instrument in the balance sheet after deducting any impairment allowance. Except for the financial guarantees given by the Group or the Company as set out in note 33, the Group or the Company does not provide any other guarantees which would expose the Group or the Company to credit risk. The maximum exposure to credit risk in respect of these financial guarantees at the balance sheet date is disclosed in note 33.

Further quantitative disclosures in respect of the Group's exposure to credit risk arising from trade and other receivables are set out in note 22.

(b) Liquidity risk

Individual operating entities within the Group are responsible for their own cash management. The Group's policy is to regularly monitor current and expected liquidity requirements to ensure that it maintains sufficient reserves of cash and readily realisable marketable securities and adequate committed lines of funding from major financial institutions to meet its liquidity requirements in the short and longer term.

31. 金融工具(續)

(a) 信貸風險(續)

關於應收貸款，獨立信貸評估會在授予貸款前執行。

本集團所承受的信貸風險上限為資產負債表中每項金融資產的賬面值，包括資產負債表中的衍生金融工具(扣除減值撥備後)。除附註33所述之由本集團或本公司發出之財務擔保外，本集團或本公司並不會提供使其承受信貸風險的其他擔保。於結算日，此等財務擔保之信貸風險上限詳列於附註33。

有關本集團因應收賬款及其他應收款而承受之信貸風險之進一步數量披露載於附註第22。

(b) 流動資金風險

本集團內之個別經營實體須自行負責本身之現金管理。本集團之政策為定期監察目前及預期之流動資金需要，以確保其維持足夠現金儲備及來自主要金融機構之充裕承諾資金限額，以應付其短期至長期流動資金需要。

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31. FINANCIAL INSTRUMENTS (continued)

(b) Liquidity risk (continued)

The following table details the remaining contractual maturities at the balance sheet date of the Group's and the Company's non-derivative financial liabilities, which are based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on rates current at the balance sheet date) and the earliest date the Group and the Company can be required to pay.

The Group

本集團

	2008 二零零八年			2007 二零零七年			
	Total contractual carrying amount	Within 1 year or on demand	More than 2 years but less than 5 years	Total contractual carrying amount	Within 1 year or on demand	More than 2 years but less than 5 years	More than 5 years
	合約上未折現的現金流量總額	一年內或按要求償還	二年以上但少於五年	賬面價值	賬面價值	賬面價值	賬面價值
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
	千元	千元	千元	千元	千元	千元	千元
Bank loans	78,434	(78,959)	(78,959)	115,874	(118,582)	(107,191)	(11,391)
Trade creditors	156,594	(156,594)	(156,594)	163,724	(163,724)	(163,724)	-
Bills payable	8,891	(8,891)	(8,891)	17,003	(17,003)	(17,003)	-
Accrued charges and other creditors	108,133	(108,133)	(108,133)	113,200	(113,200)	(113,200)	-
Amounts due to related companies	3,709	(3,709)	(3,709)	217	(217)	(217)	-
Amount due to associates and jointly controlled entities	7,686	(7,686)	(7,686)	4,148	(4,148)	(4,148)	-
Amounts due to a shareholder	3,326	(3,326)	(3,326)	3,286	(3,286)	(3,286)	-
	366,773	(367,298)	(367,298)	417,452	(420,160)	(408,769)	(11,391)

31. 金融工具(續)

(b) 流動資金風險(續)

下表詳列本集團及本公司的非衍生金融負債於結算日的尚餘合約期限，其所依據是合約上未折現的現金流量(包括按合約利率，或如屬浮息按結算日當時利率計算的利息付款)及本集團及本公司最早須支付日期。

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31. FINANCIAL INSTRUMENTS (continued)

(b) Liquidity risk (continued)

The Company

本公司

	2008 二零零八年			2007 二零零七年				
	Total contractual Carrying amount	undiscounted cash flow	Within 1 year or on demand	Carrying amount	Total contractual undiscounted cash flow	Within 1 year or on demand	More than 2 years but less than 5 years	
	合約上未折現的現金 賬面價值 \$'000 千元	流量總額 \$'000 千元	一年內或按 要求償還 \$'000 千元	賬面價值 \$'000 千元	合約上未折現的現金 流量總額 \$'000 千元	一年內或按 要求償還 \$'000 千元	二年以上但少於 五年 \$'000 千元	
Bank loans	銀行貸款	67,420	(67,480)	(67,480)	56,513	(58,049)	(50,454)	(7,595)
Trade creditors	應付賬款	81,752	(81,752)	(81,752)	87,220	(87,220)	(87,220)	-
Bills payable	應付票據	4,342	(4,342)	(4,342)	10,529	(10,529)	(10,529)	-
Accrued charges and other creditors	應計費用及其他應付款	31,201	(31,201)	(31,201)	34,166	(34,166)	(34,166)	-
Amounts due to related companies	應付關連公司款項	-	-	-	217	(217)	(217)	-
Amount due to associates and jointly controlled entities	應付聯營公司及合營公司款項	1,515	(1,515)	(1,515)	753	(753)	(753)	-
Amounts due to subsidiaries	應付附屬公司	42,858	(42,858)	(42,858)	75,001	(75,001)	(75,001)	-
		229,088	(229,148)	(229,148)	264,399	(265,935)	(258,340)	(7,595)

31. 金融工具(續)

(b) 流動資金風險(續)

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31. FINANCIAL INSTRUMENTS (continued)

(c) Interest rate risk

The Group's interest rate risk arises primarily from long-term borrowings. Borrowings issued at variable rates and at fixed rates expose the Group to cash flow interest rate risk and fair value interest rate risk respectively. The Group monitors the level of its fixed rate and variable rate borrowings, either through managing the contractual terms of the interest-bearing financial assets and liabilities or through the use of interest rate swaps. The Group's interest rate profile as monitored by management is set out in (ii) below. The Group's interest rate swaps can not fulfill the criteria for hedge accounting because the hedge relationship was not documented at the inception of the hedge. Accordingly, the gain or loss on remeasurement to fair value is charged to the income statement.

As at 31st March, 2008 the aggregate notional contract amount of the outstanding interest rate swap agreement was approximately \$100,000,000 (2007:\$100,000,000) which will expire in April 2008. A loss of \$219,000 arising from the changes in the fair value subsequent to initial recognition was recognised during the year ended 31st March, 2008 (2007: loss of \$809,000).

(ii) Interest rate profile

The following table details the interest rate profile of the Group's and the Company's net borrowings at the balance sheet date. The Group defines net borrowings as being all interest-bearing financial liabilities. The Group's interest rate profile as monitored by management is set out below.

31. 金融工具(續)

(c) 利率風險

本集團之利率風險主要來自長期借貸。按可變利率及固定利率借入之借貸使本集團分別承受現金流量利率風險及公平價值利率風險。本集團藉金融資產及負債的契約條款或使用利率掉期合約，以監控其固定利率及可變利率借貸水平。由管理層對本集團的利率概況的監察在如下(ii)列示。本集團的利率掉期不符合對沖會計處理的條件。因此，公平價值的變化所產生的收益已直接在損益表中列支。

於二零零八年三月三十一日餘下之利率掉期協議名義金額約為100,000,000元(二零零七年：100,000,000元)，將於二零零八年四月到期。截至二零零八年三月三十一日止年度內於首次確認後因公平價值的變化所產生219,000元的虧損(二零零七年：虧損809,000元)已被確認。

(ii) 利率結構

下表詳列本集團本及本司於結算日淨借貸利率結構，由管理層對本集團的利率概況的監察在如下列示。

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31. FINANCIAL INSTRUMENTS (continued)

(c) Interest rate risk (continued)

(ii) Interest rate profile (continued)

		The Group 本集團				The Company 本公司			
		2008 二零零八年		2007 二零零七年		2008 二零零八年		2007 二零零七年	
		Effective interest rate		Effective interest rate		Effective interest rate		Effective interest rate	
		rate	Amount	rate	Amount	rate	Amount	rate	Amount
		實際利率	金額	實際利率	金額	實際利率	金額	實際利率	金額
		%	\$'000	%	\$'000	%	\$'000	%	\$'000
		百分比	千元	百分比	千元	百分比	千元	百分比	千元
Fixed rate borrowings:	固定利率借貸：								
Bank loans	銀行貸款	4.26%	42,184	4.80%	38,334	4.22%	34,920	4.70%	26,513
Variable rate borrowings:	可變利率借貸：								
Bank loans	銀行貸款	4.54%	36,250	5.20%	77,540	4.54%	32,500	5.10%	30,000
Total net borrowings	借貸總額		<u>78,434</u>		<u>115,874</u>		<u>67,420</u>		<u>56,513</u>
Net fixed rate borrowings as a percentage of total borrowings	定息貸款淨額佔貸款總淨額之百分比		<u>53.8%</u>		<u>33.1%</u>		<u>51.8%</u>		<u>46.9%</u>

(iii) Sensitivity analysis

At 31st March 2008, it is estimated that a general increase/decrease of 100 basis points in interest rates, with all other variables held constant, would decrease/increase the Group's profit after tax and retained profits by approximately \$303,000 (2007: \$640,000).

The sensitivity analysis above has been determined assuming that the change in interest rates had occurred at the balance sheet date and had been applied to the exposure to interest rate risk for both derivative and non-derivative financial instruments in existence at that date. The 100 basis point increase or decrease represents management's assessment of a reasonably possible change in interest rates over the period until the next annual balance sheet date. The analysis is performed on the same basis for 2007.

31. 金融工具(續)

(c) 利率風險(續)

(ii) 利率結構(續)

(iii) 敏感度分析

於二零零八年三月三十一日，假設其他變數保持不變，利率整體上升／下降100個基點估計會導致本集團之除稅後溢利及保留溢利減少／增加約303,000元(二零零七年：640,000元)。

上述敏感度分析乃假設利率變動於結算日已經發生，並已應用於本集團於該日對衍生金融工具及非衍生金融工具所承受之利率風險而釐定。上升或下降100個基點乃管理層於直至下個年度結算日止期間就利率之合理可能變動之評估。該分析乃按與二零零七年相同之基準進行。

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31. FINANCIAL INSTRUMENTS (continued)

(d) Foreign currency risk

(i) Forecast transactions

The Group is exposed to foreign currency risk primarily through sales and purchases that are denominated in a currency other than the functional currency of the operations to which they relate. The currencies giving rise to this risk are primarily Euros, United States dollars ("USD"), Hong Kong dollars ("HKD") and Renminbi ("RMB").

As the HKD is pegged to USD, the Group does not expect any significant movements in the USD/HKD exchange rate. However, management acknowledges that the Group is exposed to fluctuations in the exchange rates for other currencies.

All the Group's borrowings are denominated in the functional currency of the entity taking out the loan or, in the case of Group entities whose functional currency is HKD, in either HKD or USD. Given this, management does not expect that there will be any significant currency risk associated with the Group's borrowings.

The Group uses forward exchange contracts to hedge its currency risk. All the forward contracts have maturities of less than one year after the balance sheet date. At 31 March 2008, the Group had forward exchange contracts with a net fair value of \$1,162,000 (2007: \$Nil), recognised as derivative financial instruments and are included within "Trade and other receivables" (note 22). The changes in fair value of the forward exchange contracts were recognised in the income statements (note 4).

(ii) Exposure to currency risk

The following table details the Group's and the Company's exposure at the balance sheet date to currency risk arising from forecast transactions or recognised assets or liabilities denominated in a currency other than the functional currency of the entity to which they relate.

31. 金融工具(續)

(d) 外幣風險

(i) 預期交易

本集團涉及的外幣風險主要來自有關業務所涉及功能貨幣以外的外幣計值的買賣交易。引致此項風險的貨幣主要為歐羅、美元、港元及人民幣。

由於港幣與美元掛鈎，本集團預期美元／港幣匯率並不會有重大波動。然而，管理層認為，本集團面對其他貨幣匯率變動的風險。

本集團的借貸均以借取貸款的實體的功能貨幣計值或，倘功能貨幣為港幣的本集團公司，則以港幣或美元計值。因此，管理層並不預期本集團的借貸會附帶任何重大的外幣風險。

本集團訂立外幣遠期合約以對沖其外幣風險，於結算日後起計，所有遠期合約之年期均不足一年。於二零零八年三月三十一日，本集團被確認為衍生金融工具之外幣遠期合約公平價值為1,162,000元(二零零七年：無)並已計入應收賬款及其他應收賬內(附註22)。外幣遠期合約公平價值變動已在損益表中確認(附註4)。

(ii) 承受外幣風險

下表詳列本集團及本公司於結算日所承受之外幣風險，該等外幣風險乃因所涉實體之預期交易或已確認資產或負債以本公司功能貨幣以外之貨幣計值而產生。

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31. FINANCIAL INSTRUMENTS (continued)

(d) Foreign currency risk (continued)

(ii) Exposure to currency risk (continued)

31. 金融工具(續)

(d) 外幣風險(續)

(ii) 承受外幣風險(續)

		2008 二零零八年				2007 二零零七年			
		United States Dollars	Euros	Renminbi	Hong Kong Dollars	United States Dollars	Euros	Renminbi	Hong Kong Dollars
		美元	歐羅	人民幣	港元	美元	歐羅	人民幣	港元
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
		千元	千元	千元	千元	千元	千元	千元	千元
The Group	本集團								
Trade and other receivables	應收賬款及其他應收款	13,779	3,305	29,462	-	22,491	4,268	31,584	-
Cash and cash equivalents	現金及現金等價物	5,030	75	-	1,659	168	3	-	3,437
Trade and other payables	應付賬款及其他應付款	(9,551)	(33)	-	-	(9,935)	(171)	-	-
Amount due from/(to) Group companies	應收/(應付)集團公司款項	-	-	-	39,673	-	-	-	(5,555)
Overall net exposure	總淨風險	<u>9,258</u>	<u>3,347</u>	<u>29,462</u>	<u>41,332</u>	<u>12,724</u>	<u>4,100</u>	<u>31,584</u>	<u>(2,118)</u>
The Company	本公司								
Trade and other receivables	應收賬款及其他應收款	7,965	1,718	1,258	-	15,729	2,227	1,988	-
Cash and cash equivalents	現金及現金等價物	4,358	75	-	-	87	3	-	-
Trade and other payables	應付賬款及其他應付款	(6,800)	(33)	-	-	(6,056)	(45)	-	-
Overall net exposure	總淨風險	<u>5,523</u>	<u>1,760</u>	<u>1,258</u>	<u>-</u>	<u>9,760</u>	<u>2,185</u>	<u>1,988</u>	<u>-</u>

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31. FINANCIAL INSTRUMENTS (continued)

(d) Foreign currency risk (continued)

(iii) Sensitivity analysis

The following table indicates the approximate change in the Group's and the Company's profit after tax (and retained profits) in response to reasonably possible changes in the foreign exchange rates to which the Group and the Company has significant exposure at the balance sheet date. The sensitivity analysis includes balances between group companies where the denomination of the balances is in a currency other than the functional currencies of the lender or the borrower.

31. 金融工具(續)

(d) 外幣風險(續)

(iii) 敏感度分析

下表列示本集團及本公司之除稅後溢利(及保留溢利)因於結算日匯率之合理可能變動(本集團及本公司須就此變動承受重大風險)而產生之概約變動。敏感度分析包括集團公司間的結餘,而有關結餘乃以放款人或借款人的功能貨幣以外的貨幣計算。

		The Group 本集團		2007 二零零七年	
		2008 二零零八年			
		Increase/ (decrease) in foreign exchange rates 匯率上升/ (下跌) %	Effect on profit after tax and retained profits 對除稅後溢利及 保留溢利之影響 \$'000 千元	Increase/ (decrease) in foreign exchange rate 匯率上升/ (下跌) %	Effect on profit after tax and retained profits 對除稅後溢利及 保留溢利之影響 \$'000 千元
		百分比	千元	百分比	千元
Euros	歐羅	5%	1,176	5%	1,763
		(5%)	(1,176)	(5%)	(1,763)
Renminbi	人民幣	8%	2,568	8%	2,525
Hong Kong Dollars	港元	(8%)	(2,464)	(8%)	(123)

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31. FINANCIAL INSTRUMENTS (continued)

(d) Foreign currency risk (continued)

(iii) Sensitivity analysis (continued)

The sensitivity analysis has been determined assuming that the change in foreign exchange rates had occurred at the balance sheet date and had been applied to each of the Group entities' exposure to currency risk in existence at that date, and that all other variables, in particular interest rates, remain constant.

The stated changes represent management's assessment of reasonably possible changes in foreign exchange rates over the period until the next annual balance sheet date. In this respect, it is assumed that the pegged rate between the Hong Kong dollar and the United States dollar would be materially unaffected by any changes in movement in value of the United States dollar against other currencies. Results of the analysis as presented in the above table represent an aggregation of the effects on each of the Group entities' profit after tax and equity measured in the respective functional currencies, translated into Hong Kong dollars at the exchange rate ruling at the balance sheet date for presentation purposes. The analysis is performed on the same basis for 2007.

31. 金融工具(續)

(d) 外幣風險(續)

(iii) 敏感度分析(續)

敏感度分析乃假設匯率變動於結算日已經發生，並已應用於本集團各實體於該日所承受之貨幣風險而釐定，以及假設所有其他變數(尤其是利率)維持不變。

所述變動乃管理層對於直至下個年度結算日止期間就匯率之合理可能變動之評估。就此而言，有關變動乃假設港元與美元之聯繫匯率將不會受美元兌其他貨幣之任何幣值變動之重大影響。上表呈列之分析結果乃對本集團各實體之除稅後溢利及權益(按各自之功能貨幣計量，並就呈報目的而按結算日之適用匯率換算為港元)之合計影響。該分析乃按與二零零七年所用之相同基準進行。

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31. FINANCIAL INSTRUMENTS (continued)

(e) Equity price risk

The Group's unquoted investment is held for long term strategic purpose. Their performance is assessed at least bi-annually performance of similar listed entities, based on the limited information available to the Group, together with an assessment of their relevance to the Group's long term strategic plans. The Group has insignificant listed investments on the Stock Exchange of Hong Kong. The Group considered its exposure to equity price risk is insignificant.

(f) Fair values

All financial instruments are carried at amounts not materially different from their fair values as at 31st March, 2008 and 2007.

(g) Estimation of fair values

The following summarises the major methods and assumptions used in estimating fair values of financial instruments set out in note 31(f) above.

(i) Securities

Fair value is based on quoted market prices at the balance sheet date without any deduction for transaction costs. Fair values for the unquoted equity investments are estimated using the applicable price/earning ratios for similar listed companies adjusted for the specific circumstances of the issuer.

(ii) Interest-bearing loans and borrowings

The fair value is estimated as the present value of future cash flows, discounted at current market interest rates for similar financial instruments.

(iii) Financial guarantees

The fair value of financial guarantees issued is determined by reference to fees charged in an arm's length transaction for similar services, when such information is obtainable, or is otherwise estimated by reference to interest rate differentials, by comparing the actual rates charged by lenders when the guarantee is made available with the estimated rates that lenders would have charged, had the guarantees not been available, where reliable estimates of such information can be made.

31. 金融工具(續)

(e) 股價風險

本集團所有非上市投資乃持作長期策略用途。其表現乃根據類似上市實體之表現及本集團所得其他資料進行至少一年兩次評估。本集團擁有於香港聯合交易所上市投資並不重大，本集團認為其承受股價風險不重大。

(f) 公平價值

所有金融工具所列賬之金額均與其於二零零七年及二零零八年三月三十一日之公平價值相差不大。

(g) 公平價值之估計

以下簡述了載於上述附註31(f)用以估計金融工具之公平價值的主要方法及假設。

(i) 證券

公平價值按結算日之市場報價計算，不會扣除交易成本。非上市證券投資之公平價值按上市公司之適用類似市盈率估計，及按發行人之個別情況調整。

(ii) 帶息貸款及借款

公平價值是按未來現金流量貼現價值，並按類似金融工具的現行市場利率貼現計算。

(iii) 財務擔保

已發出財務擔保的公平價值乃參照按公平原則就類似服務所收取的費用而釐定(如能取得此等資料)，或參照利率差距而釐定，即將貸款機構在有擔保情況下所收取的實際利率，與估計在無擔保情況下所收取的利率作出比較(如能對有關資料作出可靠的估計)。

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32. COMMITMENTS

(a) Capital commitments outstanding at 31st March, 2008 not provided for in the financial statements were as follows:

32. 承擔

(a) 於二零零八年三月三十一日，仍未在財務報表作出準備之資本承擔如下：

		The Group 本集團		The Company 本公司	
		2008 二零零八年 \$'000 千元	2007 二零零七年 \$'000 千元	2008 二零零八年 \$'000 千元	2007 二零零七年 \$'000 千元
Capital commitment excluding share of jointly controlled entities:	資本承擔 (不包括合營公司)				
Contracted for	已訂約				
– fixed assets	– 固定資產	281	91	281	91
Authorised but not contracted for	已授權 但未訂約				
– fixed assets	– 固定資產	768	–	298	–
		1,049	91	579	91
Group's share of the capital commitments of jointly controlled entities:	本集團佔合營公司未償付的資本承擔：				
Authorised but not contracted for	已授權但未訂約	4,045	136,801	–	–
Contracted but not provided for	已訂約 但未作出準備	37,355	47,877	–	–
		41,400	184,678	–	–
		42,449	184,769	579	91

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For the year ended 31st March, 2008 (Expressed in Hong Kong dollars)
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32. COMMITMENTS (continued)

- (b) At 31st March, 2008, the total future minimum lease payments under non-cancellable operating leases are payable as follows:

Within 1 year	一年內
After 1 year but within 2 years	一年後至兩年內
After 2 years but within 5 years	二年後至五年內
More than 5 years	五年以上

Significant leasing arrangements in respect of land and buildings classified as being held under finance lease and land held under operating leases are described in note 13.

Apart from these leases, the Group is the lessee in respect of a number of properties held under operating leases. The leases typically run for an initial period of one to three years, with an option to renew the lease upon expiry when all terms are renegotiated.

33. CONTINGENT ASSETS AND LIABILITIES

Financial guarantees issued

As at the balance sheet date, the Company has issued guarantees to banks in respect of banking facilities granted to its wholly owned subsidiaries. The directors do not consider it is probable that a claim will be made against the Company under any of the guarantees. The maximum liability of the Company at the balance sheet date under the guarantees issued is the total amount of facilities drawn down by subsidiaries at the balance sheet date which amounts to \$11,813,000 (2007: \$64,304,000).

The Company has not recognised any deferred income in respect of the guarantees issued as the directors consider the fair value of the guarantees issued to be insignificant.

32. 承擔 (續)

- (b) 於二零零八年三月三十一日，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：

The Group 本集團	
2008 二零零八年 \$'000 千元	2007 二零零七年 \$'000 千元
7,816	2,810
105	186
122	271
439	7,888
8,482	11,155

歸類為按融資租約持有的有關土地及樓宇及按經營租約持有的土地的重大租賃安排載於附註13。

除該等租賃外，本集團為數項按經營租約持有的物業的承租人。這些租賃一般初步為期一至三年，並且有權選擇在到期日後續期，屆時所有條款均可重新商定。

33. 或有資產及負債

已發出的財務擔保

於結算日，本公司已就若干全資附屬公司獲授予之銀行融資向銀行提供擔保，董事不認為可能出現根據任何擔保向本公司提起的訴訟。本公司於結算日擔保承擔的最高負債為附屬公司於結算日引致的11,813,000元貸款（二零零七年：64,304,000元）。

董事認為發出該等擔保之公平價值並不重大，本公司並未就該等擔保確認任何遞延收入。

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34. MATERIAL RELATED PARTY TRANSACTIONS

(a) Recurring transactions

34. 與關連人士之重大交易

(a) 經常性交易

			2008 二零零八年 \$'000 千元	2007 二零零七年 \$'000 千元
		Notes 附註		
YGM Trading Limited and its subsidiaries ("YGMT Group")	YGM貿易有限公司及其附屬公司 (「YGMT集團」)			
Purchases of traded products by the Group	本集團購買貿易產品	(i)		
Sales of traded products by the Group	本集團銷售貿易產品	(v)	594	6,840
Rental income received and receivable by the Group	本集團已收及應收物業租金收入	(v)	40,845	39,805
Management fee received and receivable by the Group	本集團已收及應收管理費	(v)	3,755	3,906
Building management fee received and receivable by the Group	本集團已收及應收樓宇管理費	(vi)	804	804
			312	324
YGM Marketing Pte Limited	YGM Marketing Pte Limited	(ii)		
Sales of traded products by the Group	本集團銷售貿易產品	(v)	4,212	3,227
Wuxi Changxin Textile Co., Ltd.	無錫長新紡織有限公司	(iii)		
Purchases of traded products by the Group	本集團購買貿易產品		48,993	46,412
Allied Textiles Limited	新聯興紡織有限公司	(iii)		
Purchases of traded products by the Group	本集團購買貿易產品		3,073	7,874
Purchases on behalf of and sales of traded products by the Group	本集團代購買及銷售貿易產品	(vii)	33	311
Subcontracting fee paid and payable by the Group	本集團已付及應付外發加工費用		-	862

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For the year ended 31st March, 2008 (Expressed in Hong Kong dollars)
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34. MATERIAL RELATED PARTY TRANSACTIONS (continued)

(a) Recurring transactions (continued)

			2008 二零零八年 \$'000 千元	2007 二零零七年 \$'000 千元
		Notes 附註		
YangtzeKiang Industries Sdn. Bhd. (“YTK Industries Sdn. Bhd.”)	YangtzeKiang Industries Sdn. Bhd. (「YTK Industries Sdn. Bhd.」)	(viii)		
Subcontracting fee received and receivable by the Group	本集團已收及應收外發加工費用		-	1,683
Sales of traded products by the Group	本集團銷售貿易產品		-	1,600
Wuxi No. 1 Cotton Mill Import and Export Co., Ltd.	無錫一棉進出口有限公司	(iv)		
Purchases of traded products by the Group	本集團購買貿易產品		-	5
Commission income received and receivable by the Group	本集團已收及應收佣金收入		-	214
YangtzeKiang S.A. (“YSA”)	YangtzeKiang S.A. (「YSA」)			
Sales of traded products by the Group	本集團銷售貿易產品	(ix)	26,573	16,722
Director of YSA	YSA董事			
Sales of subsidiaries	出售附屬公司	30(a)	-	619

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.

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。

34. 與關連人士之重大交易 (續)

(a) 經常性交易 (續)

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34. MATERIAL RELATED PARTY TRANSACTIONS (continued)

(a) Recurring transactions (continued)

Notes:

- (i) Certain directors of the Company are collectively the controlling shareholders of both the YGMT Group and the Group.
- (ii) YGM Marketing Pte Limited was beneficially owned by certain directors of the Company. The relevant directors disposed of their interests in YGM Marketing Pte Limited in November 2007. YGM Marketing Pte Limited ceased to be a connected party to the Group upon the disposal. The related party transactions represent the sales of traded products by the Group to YGM Marketing Pte Limited prior to the disposal.
- (iii) Wuxi Changxin Textile Co., Ltd. and Allied Textiles Limited were the associates of the Group which were disposed of to Wuxi Talak Investment Co., Ltd. ("Wuxi Talak"), a jointly controlled entity of the Group in March 2006.

During the year, Wuxi Changxin Textile Co., Ltd., Allied Textiles Limited and Taizhou Changxin Textile (Xinghua) Co., Ltd. were wholly owned subsidiaries of Wuxi Talak.

- (iv) Wuxi No. 1 Cotton Mill Import and Export Co., Ltd. is a subsidiary of Wuxi No. 1 Cotton Mill which was a minority shareholder of Wuxi YGM Textile Co., Ltd. ("Wuxi YGM"), a subsidiary of the Group. Wuxi YGM was disposed of by the Group to Wuxi Talak Investment Co., Ltd., a jointly controlled entity of the Group, in March 2006.

During the year, Wuxi YGM was a wholly owned subsidiary of Wuxi Talak.

34. 與關連人士之重大交易(續)

(a) 經常性交易(續)

附註：

- (i) 本公司若干董事統稱為YGMT集團及本集團之控股股東。
- (ii) YGM Marketing Pte Limited為本公司若干董事實益擁有之公司。有關董事已於二零零七年十一月出售其於YGM Marketing Pte Limited之權益。出售後，YGM Marketing Pte Limited停止成為本集團的關連人士。關連人士之交易為出售前本集團銷售貿易產品予YGM Marketing Pte Limited。
- (iii) 無錫長新紡織有限公司及新聯興紡織有限公司均為本集團之聯營公司。此等公司已於二零零六年三月被出售予本集團一家合營公司－無錫長聯投資有限公司(「無錫長聯」)。

於年內，無錫長新紡織有限公司、新聯興紡織有限公司及泰州長新紡織(興化)有限公司均為無錫長聯之全資擁有附屬公司。

- (iv) 無錫一棉進出口有限公司為無錫市第一棉紡織廠之附屬公司，而無錫市第一棉紡織廠為無錫長江精密紡織有限公司(「無錫長江精密」)(本公司之附屬公司)一名少數股東。於二零零六年三月，無錫長江精密紡織有限公司已被本集團出售予本集團一家合營公司－無錫長聯投資有限公司。

於年內，無錫長江精密為無錫長聯之全資擁有附屬公司。

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截至二零零八年三月三十一日止年度 (以港元計)

34. MATERIAL RELATED PARTY TRANSACTIONS

(continued)

(a) Recurring transactions (continued)

- (v) As certain directors and their associates are collectively the controlling shareholder (as defined in the Listing Rules) of YGMT Group and the Group and ultimate beneficial owner of YGM Marketing Pte Limited, the continuing connected transactions and the license arrangement constitute connected transactions for the Group under the Listing Rules. The SEHK has granted to the Company waivers from strict compliance with the disclosure and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.
- (vi) 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.
- (vii) The Group purchased traded products on behalf of Allied Textiles Limited which reimbursed the Group at cost.
- (viii) YangtzeKiang Industries Sdn. Bhd. is an associate of the Group.
- (ix) Following the completion of disposal of YSA by the Group in December 2006, YSA was a connected person of the Group, under the Listing Rules on the ground that it was an associate of the director of YSA, who was a connected person by virtue of Rule 14A.11(2). YSA ceased to be a connected party to the Group effective from January 2008. The related party transactions for the year ended 31st March, 2008 represent the sales of traded products by the Group to YSA during the period from April 2007 to December 2007.

34. 與關連人士之重大交易 (續)

(a) 經常性交易 (續)

- (v) 若干董事統稱為YGMT集團及本集團之控股股東(定義見上市規則)及YGM Marketing Pte Limited之最終實益擁有人, 因此, 持續關連交易及使用權安排構成本集團之關連交易。聯交所已授出豁免就每次進行該等交易而嚴格遵守上市規則第14A章披露及取得獨立股東批准之規定。
- (vi) 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。
- (vii) 本集團代新聯興紡織有限公司購買之貿易產品均全數按成本付還。
- (viii) YangtzeKiang Industries Sdn. Bhd. 為本集團之聯營公司。
- (ix) 出售YSA事項完成後, YSA由於其為YSA董事(根據上市規則第14A.11(2)條, YSA董事屬於關連人士)之聯繫人士而成為上市規則所指之本集團關連人士。自二零零八年一月開始, YSA停止成為本集團的關連人士。截至二零零八年三月三十一日止年度, 關連人士之交易為二零零七年四月至二零零七年十二月期間本集團銷售貿易產品予YSA。

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34. MATERIAL RELATED PARTY TRANSACTIONS

(continued)

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

34. 與關連人士之重大交易(續)

(b) 應收/(應付)關連公司、聯營公司及合營公司款項：

		2008 二零零八年 \$'000 千元	2007 二零零七年 \$'000 千元
Amount due from YGMT Group	應收YGMT集團款項	6,414	8,213
Amount due to YGMT Group	應付YGMT集團款項	(3,623)	(80)
Amount due (to)/from YGM Marketing Pte Limited	(應付)/應收 YGM Marketing Pte Limited款項	(86)	43
Amount due from Chanson Ltd.	應收長新貿易有限公司款項	38	21
Amount due to Yangtzekiang Investment Co., Ltd.	應付長江置業有限公司款項	-	(137)
Amount due to Wuxi Changxin Textile Co., Ltd.	應付無錫長新紡織 有限公司款項	(6,511)	(4,143)
Amount due to Allied Textiles Limited	應付新聯興紡織有限 公司款項	(1,175)	(1)
Amount due to YTK Industries Sdn. Bhd.	應付YTK Industries Sdn. Bhd.款項	-	(4)
Amount due to a shareholder, Chan Family Investment Corporation Ltd.	應付一股東款項 — Chan Family Investment Corporation Ltd.	(3,326)	(3,286)

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35. COMPARATIVE FIGURES

As a result of adopting HKFRS 7, Financial instruments: Disclosures, and the amendments to HKAS 1, Presentation of financial statements: Capital disclosures, certain comparative figures have been adjusted to conform with changes in disclosures in the current year and to show separately comparative amounts in respect of items disclosed for the first time in the financial year ended 31st March, 2008. Further details of these developments are disclosed in note 2.

36. ACCOUNTING ESTIMATES AND JUDGEMENTS

(a) Impairment of trade and loans receivables

If circumstances indicate that the carrying amount of trade and loans receivables may not be recoverable, the assets may be considered "impaired" and an impairment loss may be recognised in accordance with HKAS 36 "Impairment of assets". The carrying amounts of trade and loans receivables are reviewed periodically in order to assess whether the recoverable amounts have declined below the carrying amounts. The recoverable amount of trade and loans receivables is the estimated future cash flows discounted at the current market rate of return of similar assets. The Group uses all readily available information in determining an amount that is a reasonable approximation of the recoverable amount.

(b) Write down of inventories

The Group performs regular reviews of the carrying amounts of inventories with reference to aged inventories analyses, projections of expected future saleability of goods and management experience and judgments. Based on this review, a write down of inventories will be made when the carrying amounts of inventories decline below their estimated net realisable value. Due to changes in customers' preferences, actual saleability of goods may be different from estimations and the income statement in future accounting periods could be affected by differences in these estimations.

35. 比較數字

由於採納了《香港財務報告準則》第7號金融工具：披露及《香港會計準則》第1號修訂條文財務報表的列報：資本披露，若干比較數字已經調整，以符合本年度之披露變動，並就於截至二零零八年三月三十一日止財政年度首次披露之項目單獨列示比較數字。有關該等變動之更多詳情於附註第2項披露。

36. 會計估計及判斷

(a) 應收賬款及貸款減值

倘有情況顯示應收賬款及貸款的賬面值可能無法收回，該等資產可能被視為「已減值」，而減值虧損可能會根據香港會計準則第36號「資產減值」作出確認。應收賬款及貸款的賬面值均定期作出審閱，以評估有關可收回金額有否降至賬面值以下。應收賬款及貸款的可收回金額按當時類似資產的市場回報率對預計未來現金流量作出貼現。本集團運用所有可用的資料以釐定與可收回額合理地接近的金額。

(b) 撇減存貨

本集團參考存貨賬齡分析、預期未來貨物銷售的預測及管理層的經驗及判斷來對存貨的賬面值作出定期審閱。倘存貨的賬面值跌至低於其估計可變現淨值，則本集團會根據審閱的結果而撇減存貨的價值。鑒於客戶的表現可能發生變動，實際貨物銷售可能與估計的不同，而此估計的出入可能影響盈利或虧損。

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 31st March, 2008 (Expressed in Hong Kong dollars)
截至二零零八年三月三十一日止年度 (以港元計)

36. ACCOUNTING ESTIMATES AND JUDGEMENTS (continued)

(c) Income tax

The Group is subject to income taxes in various jurisdictions. Judgement is required in determining the provision for income tax. There are transactions during the ordinary course of business, for which calculation of the ultimate tax determination is uncertain. Where the final tax outcome is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the year in which such determination is made.

Recognition of deferred tax assets depends on the management's expectation of future taxable profit that will be available against which the tax losses can be utilised. The outcome of their actual utilisation may be different.

(d) Valuation of Investment Properties

The valuation of investment properties requires management's input of various assumptions and factors relevant to the valuation. The Group conducts annual revaluation of its investment properties by independent professionally qualified valuers based on these assumptions agreed with the valuers prior to adoption.

(e) Impairment of investments in associates

The Group conducts impairment reviews of investments in associates whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable or tests for impairment annually in accordance with the relevant accounting standards. Determining whether an asset is impaired requires an estimation of the value in use, which requires the Group to estimate the future cash flows and a suitable discount rate in order to calculate the present value. Where the actual future cash flows are less than expected, a material impairment loss may arise. After reviewing the business environment as well as the Group's objectives and past performance of the investments, management has concluded that an impairment loss of \$4,000,000 is made for the investments in associates at 31st March, 2008.

36. 會計估計及判斷 (續)

(c) 所得稅

本集團須於多個司法權區內繳納所得稅。在釐定所得稅撥備時須作出判斷。於日常業務過程中，就諸多交易所計算的最終稅項無法確定。倘最終須繳納的稅款有別於最初記錄金額，該等差異將會對作出該決定的年度的所得稅及遞延稅項撥備構成影響。

遞延稅項資產的確認主要與稅項虧損有關，取決於管理層對可用作抵銷稅項虧損的未來應課稅溢利的估計。稅項虧損的實際動用情況或會與估計者不同。

(d) 投資物業估值

投資物業估值要求管理層採用與估值有關的各項假設及因素。集團聘用獨立專業合資格的估價師，依據於採納前與估價師協定的該等假設，對其投資物業進行年度評估。

(e) 於聯營公司之投資減值

當任何事件發生或情況變化顯示資產賬面值可能無法收回時，本集團會對於聯營公司之投資進行減值檢討，或根據有關會計準則對資產進行年度減值檢測。釐定資產是否出現減值時需估計其使用價值。在計算使用價值時，本集團須估計日後現金流量，並以適當的貼現率計算現值。倘實際日後現金流量低於預期，則可能會出現重大減值虧損。在檢討營商環境以及本集團投資目標及過往表現後，管理層認為，於二零零八年三月三十一日，聯營公司投資須提取減值虧損4,000,000元。

NOTES TO THE FINANCIAL STATEMENTS 財務報表附註

For the year ended 31st March, 2008 (Expressed in Hong Kong dollars)
截至二零零八年三月三十一日止年度 (以港元計)

37. POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE ANNUAL ACCOUNTING YEAR ENDED 31ST MARCH, 2008

Up to the date of issue of these financial statements, the HKICPA has issued a number of amendments, new standards and interpretations which are not yet effective for the accounting year ended 31st March, 2008 and which have not been adopted in these financial statements.

The Group is in the process of making an assessment of what the impact of these amendments, new standards and new interpretations is expected to be in the period of initial application. So far it has concluded that their adoption is unlikely to have a significant impact on the Group's results of operations and financial position.

In addition, the following developments may result in new or amended disclosures in the financial statements:

37. 於截至二零零八年三月三十一日止全年會計年度已頒佈但尚未生效的修訂、新準則及詮釋可能構成的影響

直至本財務報表簽發之日，香港會計師公會已頒佈下列的修訂、新準則及詮釋，但於二零零八年三月三十一日止，會計年度尚未生效，及並尚未有被採納於本財務報表內。

本集團正在評估此等修訂、新準則及新詮釋對初次應用期間內所帶來的影響，至今認為採納此等修訂、新準則及新詮釋對集團的經營業績和財務狀況構成重大影響的可能性不大。

此外，以下發展可能造成財務報表披露的內容作出新增或修訂：

				Effective for accounting periods beginning on or after	會計期間開始於 或其後生效
Revised HKAS 1	修訂會計準則第1號	Presentation of financial statements	財務報表的列報	1st January, 2009	二零零九年一月一日
Revised HKAS 23	修訂會計準則第23號	Borrowing costs	借貸成本	1st January, 2009	二零零九年一月一日
HKFRS 8	財務報告準則第8號	Operating segments	營運分部	1st January, 2009	二零零九年一月一日

PRINCIPAL SUBSIDIARIES

主要附屬公司

At 31st March, 2008 (Expressed in Hong Kong dollars)

於二零零八年三月三十一日

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 the Group Company 持有股本百分比		Principal activity 主要業務
			本集團	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
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\$17,800,000	100	–	Garment manufacturing 成衣製造

PRINCIPAL SUBSIDIARIES

主要附屬公司

At 31st March, 2008

於二零零八年三月三十一日

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		Principal activity 主要業務
			Group 本集團	Company 本公司	
Guangzhou Top Yield Garment Limited 廣州同越製衣有限公司	The PRC/ wholly foreign owned enterprise 中國/ 國外獨資企業	HK\$6,000,000	100	–	Garment manufacturing 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
Lavender Garment Limited	Bangladesh 孟加拉	Taka33,400,119	67	–	Garment manufacturing 成衣製造
Vestis Limited	United Kingdom 英國	GBP2	100	100	Garment wholesaling 成衣批發

PRINCIPAL ASSOCIATES AND JOINTLY CONTROLLED ENTITIES 主要聯營公司及合營公司

At 31st March, 2008

於二零零八年三月三十一日

The following list contains only the particulars of principal associates and jointly controlled entities, 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及合營公司(所有聯營公司均為非上市法人公司)之詳情如下:

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 the Group Company 持有股本百分比 本集團 本公司		Principal activity 主要業務
Qinghai Changchun Carbon 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	25	-	Production and distribution of carbon used in aluminium production 鋁用炭素產品的生產、 銷售及服務
YangtzeKiang Industries Sdn. Bhd.	Malaysia 馬來西亞	49	49	Garment manufacturing 成衣製造
Wuxi Talak Investment Co., Ltd. 無錫長聯投資有限公司	The PRC/ Sino-foreign equity joint venture 中國/中外合資 經營企業	49	49	Investment holding 投資控股
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	49	-	Manufacturing of textile products 紡織品製造
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	49	-	Manufacturing of garments and textiles 成衣及紡織品製造

PRINCIPAL ASSOCIATES AND JOINTLY CONTROLLED ENTITIES

主要聯營公司及合營公司

At 31st March, 2008

於二零零八年三月三十一日

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 the Group Company 持有股本百分比 本集團 本公司		Principal activity 主要業務
Wuxi Changxin Real Estate Co., Ltd.* 無錫長新置業有限公司*	The PRC/ Sino-foreign equity joint venture 中國/中外合資 經營企業	49	-	Property development and investment 物業發展及投資
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	49	-	Manufacturing of yarns and fabrics 紗及布料製造
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	49	-	Manufacture and sale of textiles 製造及銷售 紡織品
Wuxi YangtzeKiang Textile Co., Ltd.* 無錫揚子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	49	-	Manufacture and sale of textiles 製造及銷售 紡織品
Dongtai NAA Textiles Co., Ltd.* 東台新澳紡織有限公司*	The PRC/ Sino-foreign equity joint venture 中國/中外合資 經營企業	49	-	Manufacturing of garments and textiles 成衣及紡織品製造

* Wholly owned subsidiaries of Wuxi Talak Investment Co., Ltd.

* 無錫長聯投資有限公司之全資擁有附屬公司。

FIVE YEAR SUMMARY

五年概要

		2004 (restated) (重列) note (i) 附註(i) HK\$'000 千港元	2005 (restated) (重列) note (ii) 附註(ii) HK\$'000 千港元	2006 HK\$'000 千港元	2007 HK\$'000 千港元	2008 HK\$'000 千港元
Income statement	損益表					
Group turnover	集團營業額	1,493,488	1,665,835	1,600,981	1,725,435	1,540,276
Profit from operations	經營溢利	70,533	73,188	65,278	114,526	68,551
Finance costs	融資成本	(26,206)	(31,800)	(40,848)	(19,099)	(10,803)
Share of profits less losses of associates	應佔聯營公司溢利減虧損	49,466	(33)	3,474	(343)	1,523
Share of profits of jointly controlled entities	應佔合營公司溢利	-	-	40,619	14,121	76,987
Loss on disposal of associates	出售聯營公司虧損	-	-	(39,272)	-	-
Loss/(gain) on disposal of subsidiaries	出售附屬公司虧損/(收益)	-	-	960	(9,296)	-
Impairment loss of an associate	聯營公司減值	-	-	(14,493)	-	(4,000)
Net valuation gains on investment properties	投資物業估值收益淨額	-	6,180	23,299	10,231	18,866
Profit before taxation	除稅前溢利	93,793	47,535	39,017	110,410	151,124
Income tax	所得稅	(20,323)	(4,364)	(11,002)	(13,670)	(9,174)
Profit for the year	本年度溢利	73,470	43,171	28,015	96,470	141,950
Attributable to:	應撥歸於:					
Equity shareholders of the Company	本公司股權持有人	69,085	39,195	25,275	96,706	142,240
Minority interests	少數股東權益	4,385	3,976	2,740	(236)	(290)
Profit for the year	本年度溢利	73,470	43,171	28,015	96,470	141,950

FIVE YEAR SUMMARY

五年概要

		2004 (restated) (重列) note (i) 附註(i) HK\$'000 千港元	2005 (restated) (重列) note (ii) 附註(ii) HK\$'000 千港元	2006 HK\$'000 千港元	2007 HK\$'000 千港元	2008 HK\$'000 千港元
Assets and liabilities	資產及負債					
Fixed assets	固定資產	620,254	599,369	224,334	240,239	262,849
Construction in progress	在建工程	18,508	877	26	42	291
Intangible assets	無形資產	3,479	4,726	2,874	2,874	2,874
Goodwill	商譽	(2,117)	(6,588)	–	–	–
Interest in associates	應佔聯營公司權益	248,263	246,912	14,810	14,671	12,110
Interest in jointly controlled entities	合營公司權益	–	–	281,788	314,042	428,655
Loans receivable	應收貸款	7,917	–	–	–	–
Investments	投資	4,326	–	–	–	–
Other financial assets	其他金融資產	–	7,786	9,014	4,586	1,453
Deferred tax assets	遞延所得稅資產	–	4,367	1,553	–	1,204
Net current assets/(liabilities)	流動資產/(負債)淨額	(156,539)	(41,989)	132,805	134,683	171,042
Total assets less current liabilities	資產總額減流動負債	744,091	815,460	667,204	711,137	880,478
Non-current liabilities	非流動負債	(295,079)	(231,663)	(83,589)	(31,660)	(41,528)
		449,012	583,797	583,615	679,477	838,950
Share capital	股本	70,123	105,184	105,184	105,184	105,184
Reserves	儲備	344,238	439,740	478,431	573,547	732,996
Total equity attributable to equity shareholders of the Company	應撥歸於本公司股權持有人權益總額	414,361	544,924	583,615	678,731	838,180
Minority interests	少數股東權益	34,651	38,873	–	746	770
Total equity	權益總額	449,012	583,797	583,615	679,477	838,950
Per share basis	以每股計算					
Earnings per share	每股盈利	HK\$0.48	HK\$0.22	HK\$0.12	HK\$0.46	HK\$0.68

Note:

- (i) As a result of the rights issue during the year ended 31st March, 2005, in accordance with the Hong Kong Statement of Standard Accounting Practice No. 5, figures for 2004 have been restated for comparison purposes.
- (ii) The HKICPA issued a number of new and revised HKFRSs that were effective or available for early adoption for accounting periods beginning on or after 1st January, 2005. Figures for the year 2005 have been restated. However, it is not practicable to restate earlier years for comparison purposes except for the presentation of minority interests.

附註:

- (i) 已就於二零零五年三月三十一日止年度內之供股，採用了會計實務準則第5號，二零零四年度之數字已重新報告以作比較用途。
- (ii) 香港會計師公會已頒佈若干全新及修訂之財務報告準則，並於二零零五年一月一日或其後開始之會計期間生效或可以提早採納。二零零五年度之數字已予重列，但重報較早年度數字以作比較並不可行(除少數股東權益的呈列方式例外)。

長江製衣有限公司
YANGTZEKIANG GARMENT LIMITED

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