



PACIFIC TEXTILES HOLDINGS LIMITED
互太紡織控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(於開曼群島註冊成立之有限公司)

(Stock Code 股份代號 : 01382)

Annual Report 年報
2011/2012

CONTENTS 目錄

Corporate Information	公司資料	2
Chairman's Statement	主席報告書	4
Management Discussion and Analysis	管理層討論與分析	
<i>Business Review</i>	業務回顧	7
<i>Financial Review</i>	財務回顧	11
Profiles of Directors and Senior Management	董事及高級管理人員簡介	14
Directors' Report	董事局報告	17
Corporate Governance Report	企業管治報告	33
Independent Auditor's Report	獨立核數師報告	42
Financial Information	財務資料	
<i>Consolidated Income Statement</i>	綜合收益表	44
<i>Consolidated Statement of Comprehensive Income</i>	綜合全面收益表	45
<i>Consolidated Balance Sheet</i>	綜合資產負債表	46
<i>Balance Sheet</i>	資產負債表	48
<i>Consolidated Statement of Changes in Equity</i>	綜合權益變動表	49
<i>Consolidated Statement of Cash Flows</i>	綜合現金流量表	50
<i>Notes to the Consolidated Financial Statements</i>	綜合財務報表附註	51
Financial Summary	財務概要	122
Glossary	專用詞彙	123

CORPORATE INFORMATION

公司資料

BOARD OF DIRECTORS

Executive Directors

Mr. WAN Wai Loi (*Chairman*)
Mr. TSANG Kang Po (*Vice Chairman*)
Mr. LAM Wing Tak (*Chief Executive Officer*)
Dr. LAM King Man
Mr. LAM Hing Chau, Leon

Non-executive Directors

Mr. CHOI Kin Chung
Mr. IP Ping Im
Mr. LAU Yiu Tong

Independent Non-executive Directors

Mr. CHAN Yue Kwong, Michael
Mr. NG Ching Wah
Mr. SZE Kwok Wing, Nigel

AUDIT COMMITTEE

Mr. SZE Kwok Wing, Nigel (*Chairman*)
Mr. CHAN Yue Kwong, Michael
Mr. NG Ching Wah

REMUNERATION COMMITTEE

Mr. CHAN Yue Kwong, Michael (*Chairman*)
Mr. NG Ching Wah
Mr. SZE Kwok Wing, Nigel
Mr. LAM Wing Tak
Mr. TSANG Kang Po

NOMINATION COMMITTEE

Mr. NG Ching Wah (*Chairman*)
Mr. CHAN Yue Kwong, Michael
Mr. SZE Kwok Wing, Nigel
Mr. LAM Wing Tak
Mr. TSANG Kang Po

COMPANY SECRETARY

Mr. LAM Hing Chau, Leon, *FCPA*

PRINCIPAL BANKERS

BNP Paribas, Hong Kong Branch
Citibank N.A.
DBS Bank (Hong Kong) Ltd.
Hang Seng Bank Ltd.
The Hongkong and Shanghai Banking Corp. Ltd.
Standard Chartered Bank (Hong Kong) Ltd.

董事局

執行董事

尹惠來先生 (*主席*)
曾鏡波先生 (*副主席*)
林榮德先生 (*行政總裁*)
林景文博士
林興就先生

非執行董事

蔡建中先生
葉炳棧先生
劉耀棠先生

獨立非執行董事

陳裕光先生
伍清華先生
施國榮先生

審核委員會

施國榮先生 (*主席*)
陳裕光先生
伍清華先生

薪酬委員會

陳裕光先生 (*主席*)
伍清華先生
施國榮先生
林榮德先生
曾鏡波先生

提名委員會

伍清華先生 (*主席*)
陳裕光先生
施國榮先生
林榮德先生
曾鏡波先生

公司秘書

林興就先生, *FCPA*

主要往來銀行

法國巴黎銀行香港分行
花旗銀行
星展銀行(香港)有限公司
恒生銀行有限公司
香港上海滙豐銀行有限公司
渣打銀行(香港)有限公司

CORPORATE INFORMATION

公司資料

AUDITOR

PricewaterhouseCoopers
Certified Public Accountants

REGISTERED OFFICE

P.O. Box 309GT, Ugland House
South Church Street
George Town, Grand Cayman
Cayman Islands

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

7/F, Block B, Eastern Sea Industrial Building
48-56 Tai Lin Pai Road, Kwai Chung
New Territories, Hong Kong

PRINCIPAL PLACE OF BUSINESS IN THE PRC

Liu Chong Tong Xin County,
Wan Qing Sha Town
Nansha, Guangzhou City,
Guangdong Province, PRC

PRINCIPAL SHARE REGISTRAR

Butterfield Fulcrum Group (Cayman) Limited
Butterfield House, 68 Fort Street
P.O. Box 705, George Town
Grand Cayman, Cayman Islands

HONG KONG BRANCH SHARE REGISTRAR

Computershare Hong Kong Investor Services Limited
Shops 1712-1716, 17/F., Hopewell Centre
183 Queen's Road East
Wanchai, Hong Kong

HONG KONG STOCK EXCHANGE STOCK CODE

01382

COMPANY WEBSITE

www.pacific-textiles.com

核數師

羅兵咸永道會計師事務所
香港執業會計師

註冊辦事處

P.O. Box 309GT, Ugland House
South Church Street
George Town, Grand Cayman
Cayman Islands

總辦事處及香港主要營業地點

香港新界葵涌
大連排道48-56號
東海工業大廈B座8樓

中國主要營業地點

中國廣東省
廣州市南沙
萬頃沙鎮
六涌同興村

主要股份過戶登記處

Butterfield Fulcrum Group (Cayman) Limited
Butterfield House, 68 Fort Street
P.O. Box 705, George Town
Grand Cayman, Cayman Islands

股份過戶登記處香港分處

香港中央證券登記有限公司
香港灣仔
皇后大道東183號
合和中心17樓1712-1716室

香港聯合交易所股份代號

01382

公司網址

www.pacific-textiles.com

CHAIRMAN'S STATEMENT

主席報告書

Dear Shareholders,

On behalf of the Board, it is my pleasure to present the Group's consolidated financial results for the 2012 Financial Year and to give an overview of the Group's strategy and business outlook.

ECONOMIC OVERVIEW AND FINANCIAL PERFORMANCE

The 2012 Financial Year was a very challenging year during which the textiles industry has experienced one of the sluggish market conditions in the decade. Persistent high unemployment rate in US and the sovereign debt crisis in Eurozone faltered the consumer demand of these advanced economies. Despite weak consumer demand, there was no corresponding reduction in commodity prices and production costs. Even though the cotton price came down significantly from the peak, the correction was stalled by the quantitative easing policies of US and guaranteed price offered by the Chinese government to the growers. As a result, the cotton price has been stabilized at a relatively high level. Together with weak consumer demand, surging labour cost and Renminbi appreciation, the industry was under tremendous pressure in the year under review.

Anticipating the operating environment continues to be increasingly competitive, we have been putting efforts in improving operating efficiency and strengthening production capability since the sub-prime crisis. Despite suffering from more than 20% drop in sales volume, the Group managed to minimize our revenue decline and to protect our profit margin for the year under review. The Group has registered consolidated turnover of HK\$6,420.0 million for the 2012 Financial Year, which shows a decline of 10.6% over previous year. The Group's sales volume decreased correspondingly by 26% at 154.6 million pounds, compared to 209.1 million pounds of the last financial year. The decline was partly due to the sluggish market environment and also partly due to the spin-off of Sri Lanka joint venture — PT Sri Lanka. Starting from June 2011, PT Sri Lanka results were accounted for on equity basis and therefore its revenue was not consolidated. If the impact of the non-consolidation of PT Sri Lanka is excluded, the year on year decline in revenue and volume will be 4% and 20% respectively.

In connection with the spin-off of PT Sri Lanka, a gain on disposal of a subsidiary of HK\$233.4 million and a goodwill of HK\$155.3 million was recognized in the first half of this financial year. However, after reviewing its stock price volatility and the operating environment of the industry, the management determined an impairment of HK\$155.3 million against the carrying value of PT Sri Lanka at the end of the financial year. With the impairment and the gain on disposal of PT Sri Lanka, profit attributable to shareholders amounted to HK\$893.1 million (2011: HK\$876.4 million).

The Board has proposed a final dividend of HK 30 cents per share. Together with a special and an interim dividend of HK 25 cents and HK 15 cents per share respectively declared in November 2011, the total dividend for the 2012 Financial Year will be HK 70 cents per share.

致各股東：

本人謹代表董事局欣然提呈本集團2012年財政年度之綜合財務業績，並提供本集團策略及業務展望之概覽。

經濟綜覽與財務表現

2012年財政年度可說是充滿挑戰的一年，紡織業經歷十年來其中一次蕭條市況。美國失業率持續高企及歐元區國債危機削弱該等先進經濟體系的消費者需求。儘管消費者需求疲弱，但商品價格及生產成本並無相應下調。即使棉花價格已從高位大幅回落，但該等整固受到美國量化寬鬆政策及中國政府向棉花種植者提供價格保證所拖累。因此，棉花價格維持在相對高水平。加上消費者需求疲弱、勞工成本上漲及人民幣升值，業界於回顧年度內承受巨大壓力。

預期經營環境競爭日趨激烈，自次按危機後，我們已盡力改善經營效率及提升生產能力。儘管銷售量減少超過20%，本集團於回顧年度得以盡量減少收入下跌，以保障溢利率。於2012年財政年度，本集團錄得綜合營業額6,420.0百萬港元，較去年減少10.6%。本集團銷售量較上一財政年度的209.1百萬磅，相應減少26%至154.6百萬磅。減少部分原因為市場環境淡靜，亦由於分拆斯里蘭卡合營公司—PT斯里蘭卡所致。由2011年6月起，PT斯里蘭卡之業績按權益列賬，故收入並無綜合入賬。倘剔除PT斯里蘭卡並無綜合入賬之影響，收入及銷售量將分別按年下降4%及20%。

於本財政年度上半年就PT斯里蘭卡之分拆確認出售一間附屬公司收益233.4百萬港元與商譽155.3百萬港元。然而，經檢討其股份價格波動及業內經營環境後，管理層決定把PT斯里蘭卡之賬面值於財政年度結束時減值為155.3百萬港元。基於減值與出售PT斯里蘭卡之收益後，股東應佔溢利為893.1百萬港元(2011年：876.4百萬港元)。

董事局擬派末期股息每股港幣30仙。連同分別於2011年11月宣派每股港幣25仙之特別股息及每股港幣15仙之中期股息，2012年財政年度股息總額將為每股港幣70仙。

CHAIRMAN'S STATEMENT

主席報告書

BUSINESS OVERVIEW AND OUTLOOK

Despite recently there are some signs of recovery in US market, the pan-European plan to slash government spending has been challenged by popular referendum which raises the concern about the future of Euro and the Eurozone. Against this backdrop, it is anticipated that the global economy in the next few years will still be shaky and uncertain. However, we believe that this is a good opportunity for the Group to strengthen our competitive position and market share. With our solid balance sheet, efficient cost structure, excellent working relationship with brand owners and expertise in value-added fabrics, the Group will continue to build on our strength and consolidate ourselves as one of the strongest players in the highly competitive textiles industry.

One of our key initiatives in the next few years is to diversify production base and to set up a new production facility in Vietnam. With the duty exemption from Japan and lower labour cost, the new plant will further strengthen our competitive position and improve our profitability. Despite there is a delay in land acquisition process, we anticipate that the Vietnam plant will start commercial production in 2014. The target capacity for the first phase will constitute about one-third of the Group's current capacity.

The Group will also continue to strengthen our production capability and technology on value-added fabrics. In January 2012, our Panyu operation was granted a patent by the State Intellectual Property Office of the People's Republic of China. The patent recognizes our invention on pre-treatment of cotton fabric and elastic fabric before dyeing which is the result of dedicated efforts in technological innovation of production processes. In April 2012, we were awarded the first class honor on two premium fabrics with unique elasticity by an expert panel of the Guangzhou Textiles Industry Association (廣州市紡織行業協會).

As a responsible corporate citizen, the Group is strongly committed in developing ecological sustainable practices. The Group received a number of awards by governmental authorities and leading environment accreditation organizations in recognition of our efforts to enhance environmental contributions. In March 2012, our Panyu plant was invited and teamed up with the local government authorities and other research institutions to establish Guangdong Provincial Cleaner Production Association (廣東省清潔生產協會) in order to promote clean production in the region.

We look forward to a new era for the textiles industry in coming years after the market consolidation. We will continue to enhance our product expertise and strengthen our technical capabilities to capture the increasing demand of innovative fabrics from different markets.

With our strong business strategy and competent execution, we believe that we have the unique capabilities to forge ahead.

業務綜覽與展望

儘管近期美國市場展現復甦跡象，惟整個歐洲的削減政府開支計劃受到全民公投的挑戰，令人憂慮歐元及歐元區前景。有鑑於此，預期環球經濟在未來數年仍然動盪不穩及充滿未知數。然而，我們相信這是本集團強化競爭地位及市場份額的大好時機。透過穩健的資產負債狀況、有效的成本架構、與品牌擁有人之密切工作關係及備有增值布料之專門技能，本集團將繼續擴大我們的優勢，並鞏固我們在競爭激烈的紡織業內優越地位。

未來數年，我們的主要計劃之一為多元化發展生產基地，並在越南設立新生產設施。鑑於日本提供稅項豁免及勞工成本下降，該新廠房有助我們進一步加強競爭地位及改善我們的盈利能力。儘管在土地收購過程中出現延誤，我們預期越南廠房可於2014年投入商業生產。第一期之目標產能將佔本集團現時產能約三分之一。

本集團亦將繼續提升其增值布料的生產能力及技術。於2012年1月，番禺營運獲中華人民共和國國家知識產權局授出專利權。該專利權對我們以一種棉及棉彈力織物漂染前處理工藝之發明予以肯定，標誌著我們致力於生產工序引進創新科技的成果。於2012年4月，我們兩款具備獨特彈性的優質面料獲得廣州市紡織行業協會專家組頒發一等獎。

作為負責任的企業公民，本集團積極履行生態持續實踐的發展。本集團獲政府機關及主要環境評級機構頒發多個獎項，以表彰我們於改善環境所作貢獻。於2012年3月，我們的番禺廠房應邀與當地政府機關及其他研究機構發起籌建廣東省清潔生產協會，務求推動區內清潔生產。

來年，我們期待市場整合後引領紡織業邁進新紀元。我們將繼續提升產品專業知識及加強技術能力，以迎合不同市場對創新布料日益增加的需求。

憑藉積極進取的業務策略及出色的執行力，我們相信我們具備超卓能力再開拓向前。

CHAIRMAN'S STATEMENT

主席報告書

APPRECIATION

On behalf of the Board, I would like to take this opportunity to express my appreciation to our loyal customers, business partners, suppliers and bankers for their continuous support to the Group at such challenging times and I would also like to express my gratitude to all the colleagues who endeavoured to lead the Group into another year of success.

I would also thank our shareholders for their kind support and confidence in the Group during the past year.

On behalf of the Board

Wan Wai Loi
CHAIRMAN

Hong Kong, 22 June 2012

鳴謝

本人謹代表董事局藉此向我們忠實的客戶、業務夥伴、供應商及往來銀行於這充滿挑戰的時間對本集團之不斷支持致以謝意，並衷心感謝全體成員盡力帶領本集團邁向成功的另一年。

本人感謝我們的股東於往年對本集團之鼎力支持與信心。

承董事局命

主席
尹惠來

香港，2012年6月22日

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

BUSINESS REVIEW

Overview

The 2012 Financial Year was full of challenges both for the industry and the Group. High unemployment rate and shaky economies in US and Eurozone undermined the consumer demand considerably. Even though the cotton price came down a lot from the historical peak, the correction was stalled by the quantitative easing policies of US and the guaranteed price offered by the Chinese government to the cotton growers. As a result, the cotton price remained at a relatively high level. Together with the weak consumer demand, surging labour cost, high energy cost and Renminbi appreciation, the whole industry experienced one of the toughest operating environment in the decade.

The Group's sales volume decreased by 26% at 154.6 million pounds, compared to 209.1 million pounds of the last financial year. The impact of the drop in sale volume was mitigated by the increase in average selling price which was resulted from our focus on value-added fabrics and improved product mix. The average selling price improved by 21% to HK\$41.5 per pound. The Group has registered consolidated turnover of HK\$6,420.0 million for the 2012 Financial Year, which shows a year on year decline of 10.6%. The decline was partly due to the sluggish market environment and also partly due to the spin-off of the Sri Lanka joint venture — PT Sri Lanka. Starting from June 2011, PT Sri Lanka results were accounted for on equity basis and therefore its revenue was not consolidated. If the impact of the non-consolidation of PT Sri Lanka was excluded, the year on year decline in revenue and volume would be 4% and 20% respectively.

Despite more than 20% volume drop, the Group managed to minimize the impact on our profit margin by improving our cost efficiency and product mix. The Group's gross profit and operating profit reached HK\$1,098.8 million and HK\$957.8 million respectively. Gross profit margin and operating profit margin were 17.1% and 14.9% which represent modest decline in compare with the previous year at 18.0% and 15.3% respectively.

With the spin-off of PT Sri Lanka in June 2011, the Group recorded a gain on disposal of PT Sri Lanka of HK\$233.4 million including which a goodwill of HK\$155.3 million was recognized in the first half of this financial year as per Hong Kong Accounting Standards ("HKAS") 27 (Revised). However, in view of the share price volatility of PT Sri Lanka and tough operating environment of the industry, the management reassessed the carrying value of PT Sri Lanka and determined an impairment of HK\$155.3 million at the end of the financial year according to HKAS 36. With the impairment and the gain on disposal of PT Sri Lanka, the profit attributable to equity holders of the Company was HK\$893.1 million (2011: HK\$876.4 million). If these one-off items were excluded, the profit attributable to equity holders would be HK\$815.0 million.

業務回顧 綜述

2012年財政年度對業界及本集團而言皆充滿挑戰。美國及歐元區失業率高企及經濟動盪削弱消費者需求。即使棉花價格從歷史高位回落，惟美國之量化寬鬆政策及中國政府向棉花種植者提供價格保證拖累有關調整。因此，棉花價格維持於相對高位。加上消費者需求疲弱、勞工成本急升、能源成本高企及人民幣升值，使業界面臨近十年來最嚴峻的經營環境。

本集團之銷售量較上一個財政年度之209.1百萬磅下降26%至154.6百萬磅。本集團透過重點生產增值布料及改善產品組合調高平均售價，從而減輕銷售量下降之影響。平均售價上升21%至每磅41.5港元。本集團於2012年財政年度錄得綜合營業額6,420.0百萬港元，按年下降10.6%。綜合營業額下降，部分原因為市場環境淡靜，亦由於分拆斯里蘭卡合營公司—PT斯里蘭卡所致。由2011年6月起，PT斯里蘭卡之業績按權益列賬，故收入並無綜合入賬。倘剔除PT斯里蘭卡並無綜合入賬之影響，收入及銷售量將分別按年下降4%及20%。

儘管銷售量下降超過20%，本集團透過改善成本效益及產品組合，盡量減輕對溢利率造成之影響。本集團之毛利及經營溢利分別達至1,098.8百萬港元及957.8百萬港元。毛利率及經營溢利率分別為17.1%及14.9%，較去年分別為18.0%及15.3%適度下降。

PT斯里蘭卡於2011年6月分拆後，本集團根據香港會計準則（「香港會計準則」）第27號（經修訂），於本財政年度上半年就出售PT斯里蘭卡錄得收益233.4百萬港元，其中包括確認商譽155.3百萬港元。然而，鑑於PT斯里蘭卡股價波動及業界經營環境嚴峻，根據香港會計準則第36號，管理層重估PT斯里蘭卡之賬面值並決定於財政年度結束時減值155.3百萬港元。基於減值與出售PT斯里蘭卡之收益後，本公司權益持有人應佔溢利為893.1百萬港元（2011年：876.4百萬港元）。倘剔除此等一次性項目，權益持有人應佔溢利將為815.0百萬港元。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

BUSINESS REVIEW (Cont'd)

Overview (Cont'd)

The Group's distribution and selling expenses and general and administrative expenses were HK\$74.0 million and HK\$162.5 million respectively which represent a year on year decrease of 19.1% and 16.0% respectively. The drop in the expenses was partly due to the non-consolidation of PT Sri Lanka and partly due to our improved operational efficiency and effective cost control. If the impact of the non-consolidation of PT Sri Lanka was excluded, the year on year decline in distribution and selling expenses and general and administrative expenses would be 15% and 9% respectively. As a percentage of revenue, the total of distribution and selling expenses and general and administrative expenses decreased from 4.0% to 3.7% for the year under review.

Focused Development on Customers, Products and Markets

While 2012 Financial Year was a tough year, the Group managed to mitigate the challenges by sharpening its competitive edge in value-added products offering.

In January 2012, we were granted patent by the State Intellectual Property Office of the People's Republic of China. The patent recognizes our invention on pre-treatment of cotton fabric and elastic fabric before dyeing which is the result of dedicated efforts in technological innovation of production processes.

One of our award winning products, a knitted fabric with magic tape functionality received the first class honor by Guangzhou Textiles Industry Association (廣州市紡織行業協會) in April 2011 and further awarded by China Dyeing and Printing Association (中國印染行業協會) in March 2012 in recognition of our contributions on technological and innovative advancement of premium fabric.

In April 2012, we were also awarded the first class honor on two premium fabrics with unique elasticity by an expert panel of the Guangzhou Textiles Industry Association (廣州市紡織行業協會).

These awards recognize our innovative ideas that turned into knitting processes and resulting in unique premium fabrics. The Group, with our strong financial position, solid market positioning and expertise on research and development of value-added fabrics, further consolidated as one of the leading players in the industry.

The Group maintained a very strong relationship with a large portfolio of renowned international brands. The top five customers and brand owners accounted for approximately 53.7% and 62.5% respectively of the Group's total revenue during the year under review, versus 49.5% and 52.2% of the previous year.

業務回顧 (續)

綜述 (續)

本集團之分銷及銷售開支與一般及行政開支分別按年下降19.1%及16.0%至74.0百萬港元及162.5百萬港元。該等開支下降，部分原因為PT斯里蘭卡並無綜合入賬，同時亦由於本集團提升經營效率及有效控制成本。倘剔除PT斯里蘭卡並無綜合入賬之影響，分銷及銷售開支與一般及行政開支分別按年下降15%及9%。分銷及銷售開支與一般及行政開支總額佔收入百分比於回顧年度由4.0%減至3.7%。

客戶、產品之市場重點發展

雖然2012財政年度為艱鉅的一年，本集團透過強化其於提供增值產品方面之競爭優勢，成功克服重重挑戰。

於2012年1月，我們獲得中華人民共和國國家知識產權局授出之專利權。該專利權對我們以一種棉及棉彈力織物漂染前處理工藝之發明予以肯定，標誌著我們致力於生產工序引進創新科技的成果。

具有魔術貼效果的針織面料為我們其中一項得獎產品，於2011年4月獲得廣州市紡織行業協會頒發一等獎，其後於2012年3月再獲中國印染行業協會嘉許，表揚我們在提升優質面料科技及創新技術方面的貢獻。

於2012年4月，我們兩款具備獨特彈性的優質面料獲得廣州市紡織行業協會專家組頒發一等獎。

該等獎項認定我們將創新意念轉化為針織工序及與別不同的優質面料方面之努力。本集團憑藉強大財務狀況、穩健市場定位及研究與開發增值布料之專業知識，進一步鞏固其於業內之領導地位。

本集團與多個國際品牌維持非常密切之關係。五大客戶及品牌擁有人於回顧年度內分別佔本集團收入總額約53.7%及62.5%，而上年則分別為49.5%及52.2%。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

BUSINESS REVIEW (Cont'd)

Continual Investment in Infrastructure

Despite the market conditions were very sluggish, the Group continued to invest in infrastructure and information systems. A new nine-storey factory building is being constructed in Panyu plant and would be ready for use very soon. The Group is also planning to install SAP as our enterprise resources planning systems in order to improve our operational efficiency and productivity.

To secure a continuous long term development, the Group also acquired a parcel of land of approximately 87,000 square meters adjacent to the existing Panyu plant. With the additional land and increase in water discharge quota, the potential production capacity of the Panyu operation will be doubled.

Environmental Best Practice and Awards

The Group is committed to corporate social responsibility and environmental protection. The Group actively promotes safety workplace and environmental best practice. We are dedicated to conduct all our activities in an environmentally sensitive and prudent manner, thereby minimizing impact and risks to the environment. In line with this corporate strategy, we have been dedicating efforts in maintaining high standards in environmental protection and have actively participated in a wide range of activities to promote environmental best practices. The Group's environmental best practices have earned recognitions from local and regional authorities as well as leading environmental agencies.

Since 2007, we have been receiving Honor Certificates as Advanced Entity in Energy Conservation (廣東省節能先進單位) promulgated by the Energy Saving and Air Emission Committee, Guangdong Provincial Government. With foresight on cleaner production in minimizing air emissions and maximizing noise abatement, since 2008 we have implemented a number of environmental projects at our Panyu plant including upgrading critical supporting facilities such as dyeing machines, power plant, and in particular, expanding water treatment capacity of water recycling plant. The awards of 3 years+ Entrant and Green Medalist of Hang Seng Pearl River Delta Environmental Award jointly issued by the Federation of Hong Kong Industries and Hang Seng Bank in the last three years were evidence of our keen participation in environmental protection. The benchmark of our commitments towards best practices within manufacturing sector in Hong Kong has been signified with the Sectoral Award of Certificate of Merit on green management by Environmental Campaign Committee, Hong Kong during the last two consecutive years.

We were the first dyeing and printing entity in China awarded the Certificate of Registration issued by BSI (China) on Energy Management System GB/T23331-2009. We were also the first textile manufacturer granted the Greenhouse Gases Emission Verification Statement of BSI (China) in meeting the principles as set out in ISO 14064-1:2006. Additionally, in October 2011, we received the BSI Energy Management Pioneer Award under the 2011 BSI Outstanding Customer Selection Program.

業務回顧(續)

基建之持續投資

儘管市況停滯不前，本集團仍繼續投資於基建及資訊系統。本集團正於番禺廠址興建一幢全新樓高九層的工業大廈並即將啟用。本集團亦正計劃安裝SAP作為公司資源的規劃系統，務求改善我們的經營效率及生產力。

為應付持續長遠發展，本集團最近於現有番禺廠址毗鄰購入一幅佔地約87,000平方米之地皮。隨著土地增加及排水上限放寬，番禺營運之潛在產能將較現時增加一倍。

最佳環保實踐與獎項

本集團致力履行企業社會責任及環保。本集團積極推動安全工作間及最佳環保實踐。我們致力於以對環境保持高度警覺及謹慎的態度從事所有活動，盡量減少對環境的影響及危害。為配合此公司策略，我們繼續致力維持環保高標準，積極參與多項推動最佳環保實踐的活動。本集團的最佳環保實踐已得到本地及地區部門及著名環保機構的認可。

自2007年以來，我們已獲廣東省人民政府節能減排工作領導小組辦公室頒授廣東省節能先進單位榮譽證書。本集團於潔淨生產方面具先見之明，盡量降低氣體排放以及盡力阻隔噪音，自2008年以來我們已於番禺廠房實施多項環保計劃，包括提升關鍵支援設施，例如漂染機、發電廠、特別是擴充污水處理廠之產能。我們於過去三年獲得香港工業總會及恒生銀行共同頒授之「恒生珠三角環保大獎：綠色獎章」及「3年+參與」獎章，是我們熱心參與環保事務的證明。我們連續兩年榮獲香環境保護運動委員會頒發的界別卓越獎優異獎，彰顯我們在香港製造業落實最佳實踐方面的努力。

我們為中國首家符合能源管理系統GB/T 23331-2009而獲BSI (China)頒發註冊證書的漂染及印刷機構。我們亦為中國首家因符合ISO 14064-1:2006所載原則而獲BSI (China)發出溫室氣體排放查證聲明書的紡織業機構。此外，於2011年10月，我們在BSI優秀客戶推選活動中獲得BSI能源管理先鋒獎。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

BUSINESS REVIEW (Cont'd)

Environmental Best Practice and Awards (Cont'd)

In March 2012, we were granted AAAA rated the top rating on Good Standardizing Practice Certificate (標準化良好行為證書) in recognizing our fulfillment of various National Standards as developed and administrated by Standardization Administration of the Peoples' Republic of China (國家標準化管理委員會).

In April 2012, we were awarded Advanced Entity in Environmental Excellence, Energy Conservation and Air Emission (環境優化、節能減排優秀企業稱號) by the China Textile Industry Association (中國針織工業協會).

The Chinese government authorities are highly committed in ensuring the industry participants to operate their business activities in accordance with environmental responsible standard. In line with this objective, as the foremost fabric manufacturer, not only does it improve our techniques and measures with aims at conforming to environmental protection standard set down by the governing body, but also articulate our commitment in environmental protection and share our best practice. We were proud to take part in the consultative committee by formulating policies and laying down the standard in respect of the calculation method of water usage in knitted goods wet processing and unit consumption quota (針織印染產品取水計算辦法及單耗基本定額) organized by the China Textile Industry Association (中國針織工業協會) and with due respect, such standard was promulgated by the Ministry of Industry and Information Technology (中華人民共和國工業和信息化部) as Textiles Industry Standard, FZ/T01105-2010. In March 2012, our Panyu plant was invited and teamed up with local government authorities and other research institutions to establish Guangdong Provincial Cleaner Production Association (廣東省清潔生產協會) in order to promote clean production in the region.

Diversification of Production Base

The establishment of the joint venture for knitted fabric manufacturing business in Vietnam was progressing well. The investment license was approved by the government authorities in Vietnam and the land acquisition process is underway. Despite there is a delay in the land acquisition, it is projected that commercial production will start in 2014. The target capacity for the first phase will constitute about one-third of the Group's current capacity.

The scale back of Bangladesh joint venture was on track and the loss of the operation was reduced significantly during the year under review. In February 2012, the garment operation of the joint venture was sold back to our joint venture partner, leaving the land as the major asset in Bangladesh. It is anticipated that the cost of maintaining the joint venture will be insignificant in the years to come.

業務回顧(續)

最佳環保實踐與獎項(續)

於2012年3月，我們獲頒標準化良好行為證書AAAA評級，確認我們達到由國家標準化管理委員會發展及管理之各項國家標準之最高評級。

於2012年4月，我們榮獲中國針織工業協會頒授之環境優化、節能減排優秀企業稱號。

中國政府當局一直致力確保行業按照環境保護的標準經營業務。為配合此項目目標，我們作為一家領先布料生產商，不僅要以遵守政府制訂的環保標準為目標改善我們的技術及措施，還要闡明我們對環保的承諾，並分享我們的最佳做法。我們有幸參與諮詢委員會制訂政策，並就中國針織工業協會統籌的針織印染產品取水計算辦法及單耗基本定額制訂標準，該標準獲中華人民共和國工業和信息化部頒布為紡織業標準FZ/T01105-2010。於2012年3月，我們的番禺廠房應邀與當地政府機關及其他研究機構發起籌建廣東省清潔生產協會，務求推動區內清潔生產。

多元化的生產基地

於越南就針織布料製造業務成立合營公司進度理想。越南政府當局已批授投資許可，並正進行土地收購程序。雖然土地收購有所延誤，預期仍可於2014年展開商業生產。第一期之目標產能將佔本集團現時產能約三分之一。

孟加拉合營公司正進一步退出市場，其經營虧損於回顧年度大幅減少。於2012年2月，合營公司之成衣營運已售回予我們的合營公司夥伴，而餘下的土地更成為孟加拉之主要資產，預期於未來數年維持合營公司之成本並不顯著。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

BUSINESS REVIEW (Cont'd)

Spin-off of PT Sri Lanka

The Group had disposed part of its shareholding interest in its Sri Lanka joint venture under the Pre-IPO Private Placement in May 2011. The gross proceeds received by the Group before deducting the related legal and professional expenses amounted to US\$11.4 million (approximately HK\$89.1 million). Immediately after the Pre-IPO Private Placement, the Group's shareholding in the PT Sri Lanka was reduced from 60% to 45.57% and PT Sri Lanka would be accounted for by the Group on equity basis as an associate starting from June 2011.

The listing of PT Sri Lanka on the Main Board of Colombo Stock Exchange was launched in August 2011. Upon the success of IPO, PT Sri Lanka issued new shares to the public and the equity interest held by the Group was further diluted to 40%. Nevertheless, the Group is still the largest shareholder of the PT Sri Lanka and will continue to enjoy the benefits from the growth and development of business through our shareholding interest. The gross proceeds received by PT Sri Lanka before deducting related legal and professional expenses was US\$11.0 million (approximately HK\$85.9 million). The move further strengthened the financial position of both the Group and that of PT Sri Lanka. In addition, the listing will enhance the profile of PT Sri Lanka and provide the operation a funding platform for future business development.

In accordance with HKAS 27 (Revised), the Group re-measured its 40% retained interest in PT Sri Lanka to its fair value with the change in carrying amount recognized in profit or loss. As a result, a total gain on disposal (including the change in the carrying amount of the Group's 40% interest in PT Sri Lanka) of HK\$233.4 million out of which a goodwill for the remaining 40% equity interest in the PT Sri Lanka of HK\$155.3 million was recognized in the first half of 2012 Financial Year. However, in view of the volatility of the share price of PT Sri Lanka and the tough operating environment of the industry, the management believe that it is appropriate to recognize an impairment of HK\$155.3 million at the end of the financial year according to HKAS 36.

FINANCIAL REVIEW

Liquidity and Financial Information

As at 31 March 2012, the Group had total cash and bank balances and time deposits of HK\$1,893.2 million (2011: HK\$947.5 million), including HK\$451.3 million, the equivalent of HK\$928.2 million in US Dollar, the equivalent of HK\$491.7 million in Renminbi and the equivalent of HK\$22.0 million in other currencies. The cash and bank balances and time deposits are to finance the Group's working capital and capital expenditure plans.

After the Spin-off of PT Sri Lanka, the Group does not have any bank loan. The borrowings represent the portion of shareholder's loan contributed by our joint venture partner to our Vietnam subsidiary. The loan is of equity nature and is unlikely to be repaid within one year.

業務回顧(續)

PT斯里蘭卡之分拆

本集團已於2011年5月以首次公開發售前私人配售方式出售其於斯里蘭卡合營公司的部分股權。本集團所得款項總額(未扣除相關法律與專業服務費用)為11.4百萬美元(約89.1百萬港元)。緊隨首次公開發售前私人配售，本集團於PT斯里蘭卡之股權由60%降至45.57%，而PT斯里蘭卡由2011年6月開始被本集團以聯營公司方式按權益列賬。

PT斯里蘭卡於2011年8月在科倫坡證券交易所主板上市。首次公開發售後，PT斯里蘭卡隨即向公眾發行新股票，而本集團所持股權進一步攤薄至40%。儘管如此，本集團將仍然是PT斯里蘭卡之最大股東，並將繼續透過我們的股權而受惠於PT斯里蘭卡業務增長與發展之裨益。PT斯里蘭卡所得款項總額(未扣除相關法律和專業服務費用)為11.0百萬美元(約85.9百萬港元)。此舉將進一步加強本集團與PT斯里蘭卡之財務狀況。此外，上市將提升PT斯里蘭卡之形象，並為未來業務發展提供一個融資平台。

根據香港會計準則第27號(經修訂)，本集團將會對其於PT斯里蘭卡之40%保留權益按公允值重新計量，而賬面值之變動將會於損益確認。因此，出售收益總額(包括本集團於PT斯里蘭卡之40%權益之賬面值變動)為233.4百萬港元，其中包括PT斯里蘭卡餘下40%股權而產生的商譽約155.3百萬港元已於2012年財政年度上半年確認入賬。然而，鑑於PT斯里蘭卡股價波動及業界經營環境嚴峻，根據香港會計準則第36號，管理層相信確認於財政年度結束時之減值為155.3百萬港元乃合適之做法。

財務回顧

資金流動性與財務資料

於2012年3月31日，本集團擁有現金及銀行結餘連同定期存款總額為1,893.2百萬港元(2011年：947.5百萬港元)，當中包括451.3百萬港元，相等於928.2百萬港元之美元，相等於491.7百萬港元之人民幣及相等於22.0百萬港元之其他貨幣。現金及銀行結餘連同定期存款為本集團之營運資金及資本開支計劃提供資本來源。

於PT斯里蘭卡分拆之後，本集團並沒任何銀行貸款。借貸指我們的合營公司夥伴向我們越南附屬公司提供的部分股東貸款。貸款為權益性質，並不太可能於年內償還。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

FINANCIAL REVIEW (Cont'd)

Liquidity and Financial Information (Cont'd)

For the 2012 Financial Year, the Group's total assets amounted to HK\$5,362.0 million (2011: HK\$5,299.9 million), representing an increase of 1.2%. Non-current assets and current assets were HK\$1,489.8 million and HK\$3,872.2 million respectively. The above assets were financed by current liabilities of HK\$1,319.2 million, non-current liabilities of HK\$80.8 million, non-controlling interests of HK\$7.3 million and equity attributable to shareholders of HK\$3,954.7 million.

As at 31 March 2012, the current ratio (which is calculated on the basis of current assets over current liabilities) was 2.9 (2011: 2.7). The gearing ratio, being the ratio of total debts (including current and non-current borrowings) to total equity, was 1.2% (2011: 4.5%). The reduction in gearing was attributable mainly to the Spin-off of PT Sri Lanka which has a higher level of borrowings. As at 31 March 2012, the Group was in a net cash position of HK\$1,845.7 million (2011: HK\$773.3 million).

The Group adopted measures and fine-tuned its capital expenditure in response to the market demand. During the year under review, total capital expenditure declined 4% to HK\$196.8 million (2011: HK\$205.1 million), which was mainly used to purchase land, plant and machinery, and on construction projects of the Panyu Plant and others.

Foreign Exchange Risk Management

The Group is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the US dollar and Renminbi. The Group manages its foreign exchange risks by performing regular review and monitoring its foreign exchange exposure. The Group hedges against the exposure and reduce the risk involved as appropriate.

Pledge of Assets

As at 31 March 2012, the Group did not have any bank loans (2011: HK\$160.5 million).

Employees and Remuneration Policies

As at 31 March 2012, the Group had approximately 4,746 full-time employees (2011: 7,360). The drop in the number of headcount is mainly due to the Spin-off of PT Sri Lanka and streamlining of Panyu operation. There is no significant change in the Group's remuneration policy. The Group's remuneration package for its employees includes salary, bonuses, allowances and retirement benefits, based on employee's performance, skills and knowledge. The Group will continue to provide regular training and competitive remuneration packages to its staff. The Group also provides additional benefits to its employees, such as subsidised accommodation and meals for workers at the production facilities, and accident and medical insurance.

財務回顧(續)

資金流動性與財務資料(續)

於2012年財政年度，本集團資產總值為5,362.0百萬元(2011年：5,299.9百萬元)，增加1.2%。非流動資產及流動資產分別為1,489.8百萬元及3,872.2百萬元。上述資產由流動負債1,319.2百萬元、非流動負債80.8百萬元、非控制性權益7.3百萬元及股東應佔權益3,954.7百萬元提供融資。

於2012年3月31日，流動比率(根據流動資產除以流動負債計算)為2.9(2011年：2.7)。負債比率即負債總額(包括流動及非流動借貸)與權益總額之比率為1.2%(2011年：4.5%)。負債比率下降主要由於PT斯里蘭卡分拆，而PT斯里蘭卡有較多借貸所致。於2012年3月31日，本集團之淨現金水平為1,845.7百萬元(2011年：773.3百萬元)。

本集團採取謹慎的措施，並根據市場的需求而微調資本支出。於回顧年度，本集團錄得資本開支總額減少4%至196.8百萬元(2011年：205.1百萬元)，主要應用於購買土地、設備及機器及興建番禺廠房及其他項目。

匯率風險管理

本集團面對多項貨幣之匯率風險，主要涉及美元及人民幣。本集團通過定期檢討與監察其持有外幣之情況以管理匯兌風險。本集團在適當時對沖風險與減少風險。

資產抵押

於2012年3月31日，本集團並無任何銀行貸款(2011年：160.5百萬元)。

僱員及薪酬政策

於2012年3月31日，本集團共僱用約4,746名全職僱員(2011年：7,360名)。人數下降主要由於分拆PT斯里蘭卡與精簡番禺營運所致。本集團薪酬政策並無重大的變動。本集團僱員薪酬待遇組合包括基本薪金、花紅、津貼及退休福利，其乃根據僱員表現、技能及知識釐訂。本集團將持續提供定期訓練與具競爭性的薪酬予員工。本集團亦提供額外福利予僱員，如食宿津貼予駐生產設施之工人、提供意外及醫療保險等。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

FINANCIAL REVIEW (Cont'd)

Employees and Remuneration Policies (Cont'd)

The Group has adopted a Share Option Scheme. Pursuant to the scheme, the Company granted options to eligible employees. The fair value of share options granted, was fully amortised in the last financial year and no amortised costs was charged to the income statement for the 2012 Financial Year (2011: HK\$1.4 million).

Dividends

The Board proposed to pay a final dividend of HK 30 cents (2011: HK 19 cents) per share for the 2012 Financial Year, subject to the approval of the shareholders at the forthcoming AGM. Together with an interim dividend of HK 15 cents (2011: HK 14 cents) per share and a special dividend of HK 25 cents (2011: Nil) per share, the total dividend for the 2012 Financial Year amount to HK 70 cents (2011: HK 33 cents) per share.

Outlook and Prospect

We look forward to a new era for the textiles industry in coming years after the market consolidation. We will continue to enhance our product expertise and strengthen our technical capabilities to capture the increasing demand of innovative fabrics from different markets. With our strong business strategy and competent execution, we believe that we have the unique capabilities to forge ahead.

財務回顧(續)

僱員及薪酬政策(續)

本集團授出購股權計劃。根據該計劃，本公司授出購股權予合資格僱員。購股權之公允值於去年財政年度已經全部攤銷，而於2012年財政年度，並無經攤銷公允值於收益表內入賬(2011年：1.4百萬港元)。

股息

董事局建議就2012年財政年度派發末期股息每股港幣30仙(2011年：港幣19仙)惟須待股東於應屆股東週年大會上批准。連同中期股息每股港幣15仙(2011年：港幣14仙)與特別股息每股港幣25仙(2011年：無)，2012年財政年度之股息總額為每股港幣70仙(2011年：港幣33仙)。

前景及展望

來年，我們期待市場整合後引領紡織業邁進新紀元。我們將繼續提升產品專業知識及加強技術能力，以迎合不同市場對創新布料日益增加的需求。憑藉積極進取的業務策略及出色的執行力，我們相信我們具備超卓能力再開拓向前。

PROFILES OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理人員簡介

EXECUTIVE DIRECTORS

Mr. WAN Wai Loi, aged 62, is an executive Director and Chairman and a founder of the Group. Mr. Wan is responsible for production of the products and the formulation of the overall corporate direction and business strategies of the Group. Mr. Wan has over 39 years of experience in the textile industry. He obtained a Bachelor of Science Degree in Chemical Engineering from Taiwan National Cheng Kung University. Mr. Wan joined the Group in 1997 and was appointed as a Director in 2004. He is also a director of various subsidiaries of the Group.

Mr. TSANG Kang Po, aged 61, is an executive Director and the Vice Chairman and a founder of the Group. Mr. Tsang is responsible for sales and marketing and the formulation of the overall corporate direction and business strategies for the Group. Mr. Tsang has over 33 years of experience in the textile industry. Mr. Tsang obtained a MBA degree from The Open University of Hong Kong and a Master of Science in Business Economics from The Chinese University of Hong Kong. Mr. Tsang joined the Group in 1997 and was appointed as a Director in 2004. He is also a director of various subsidiaries of the Group.

Mr. LAM Wing Tak, aged 61, is an executive Director and the Chief Executive Officer of the Group. Mr. Lam is responsible for sales and marketing and the formulation of the overall corporate direction and business strategies for the Group. Mr. Lam has over 37 years of experience in the textile industry. Mr. Lam obtained a MBA degree from The University of Macau and a Bachelor of Business Administration from The Chinese University of Hong Kong. Mr. Lam is a member of Board of Trustee of New Asia College, The Chinese University of Hong Kong. Mr. Lam joined the Group in 1998 and was appointed as a Director in 2004. He is also a director of various subsidiaries of the Group.

Dr. LAM King Man, aged 56, is an executive Director. Dr. Lam is responsible for overseeing manufacturing, research and development. Dr. Lam has over 30 years of experience in the textile, garment, dyeing and finishing industry. Dr. Lam obtained a Ph.D. degree from the Postgraduate School of Colour Chemistry and Colour Technology at the University of Bradford, United Kingdom and a Higher Diploma in Textile Chemistry from Hong Kong Polytechnic. He is a Chartered Colourist and a Fellow of The Society of Dyers and Colourists, United Kingdom. Dr. Lam joined the Group in 1998 and was appointed as a Director in 2004. He is also a director of various subsidiaries of the Group.

Mr. LAM Hing Chau, Leon, aged 54, is an executive Director, Chief Financial Officer and Company Secretary of the Group. Mr. Lam holds a Bachelor's Degree in Social Sciences from the University of Hong Kong. He is a member of the Hong Kong Institute of Certified Public Accountants, CPA Australia, the Association of Chartered Certified Accountants and the Institute of Chartered Accountants in England and Wales. Mr. Lam also holds Master's degrees in Business Administration, Information Systems, Applied Finance, Electronic Commerce and Fashion and Textiles. Prior to joining the Group, he was the executive director, vice president and chief financial officer of CK Life Sciences Int'l (Holdings) Inc., a company listed on the Stock Exchange. Mr. Lam joined the Group in 2005 and was appointed as a Director in 2009 and Company Secretary in 2010.

執行董事

尹惠來先生，62歲，本集團執行董事兼主席及創辦人之一。尹先生負責本集團產品生產，並為本集團制定整體企業方向及業務策略。尹先生有逾39年紡織業經驗。彼持有台灣國立成功大學頒授之化學工程學理學士學位。尹先生於1997年加入本集團，並於2004年獲委任為董事。彼亦為本集團多間附屬公司的董事。

曾鏡波先生，61歲，本集團執行董事兼副主席及創辦人之一。曾先生負責本集團銷售及市場推廣工作，並為本集團制定整體企業方向及業務策略。曾先生在紡織業有逾33年經驗。曾先生持有香港公開大學頒授之工商管理學碩士學位及香港中文大學頒授之商業經濟學理碩士學位。曾先生於1997年加入本集團，並於2004年獲委任為董事。彼亦為本集團多間附屬公司的董事。

林榮德先生，61歲，本集團執行董事兼行政總裁。林先生負責銷售及市場推廣工作，並為本集團制定整體企業方向及業務策略。林先生在紡織業有逾37年經驗。林先生持有澳門大學頒授之工商管理學碩士學位及香港中文大學頒授之工商管理學學士學位。林先生為香港中文大學新亞書院校董會成員。林先生於1998年加入本集團，並於2004年獲委任為董事。彼亦為本集團多間附屬公司的董事。

林景文博士，56歲，執行董事。林博士負責生產、研究及開發工作。林博士於紡織、成衣、漂染及整理業有逾30年經驗。林博士持有英國 University of Bradford 之 Postgraduate School of Colour Chemistry and Colour Technology 頒授之博士學位及香港理工學院頒授之紡織化學高級文憑。彼為特許著色師 (Chartered Colourist) 及英國 The Society of Dyers and Colourists 之資深會員。林博士於1998年加入本集團，並於2004年獲委任為董事。彼亦是本集團多間附屬公司的董事。

林興就先生，54歲，本集團執行董事、財務總監及公司秘書。林先生持有香港大學頒授之社會科學學士學位，為香港會計師公會、澳洲註冊會計師公會、英國特許公認會計師公會及英格蘭及威爾斯特許會計師公會會員。林先生另持有工商管理學、資訊系統、應用財務、電子商貿及服裝及紡織多個碩士學位。於加入本集團前，彼曾出任聯交所上市公司長江生命科技集團有限公司之執行董事、副總裁及財務總監。林先生於2005年加入本集團，並於2009年獲委任為董事及於2010年獲委任為公司秘書。

PROFILES OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理人員簡介

NON-EXECUTIVE DIRECTORS

Mr. CHOI Kin Chung, aged 76, is a non-executive Director and a founder of the Group. Mr. Choi co-founded our Group in 1997 and has been the chairman of the Group since its inception until 2005. Mr. Choi is the emeritus chairman of the Company and is a director of several subsidiaries of the Group. He has approximately 44 years of experience in the textile industry. Mr. Choi was educated in 華南理工大學，建築系(School of Architecture, South China University of Technology) and is a Honorary Professor of the University. He is also a Honorary Citizen of Guangzhou City and Jiangmen City. Mr. Choi has been awarded 中國針織行業終身成就獎 (China Knitting Industry Lifetime Achievement Award) by 中國針織工業協會第四屆理事會 (4th Council of the China Knitting Industry Association) in 2010. Mr. Choi was appointed as a Director in 2004.

Mr. IP Ping Im, aged 75, is a non-executive Director. He is a co-founder and senior partner of our Group. Mr. Ip has over 35 years of experience in the textile industry. Mr. Ip was appointed as a Director in 2004. He is also a director of several subsidiaries of the Group.

Mr. LAU Yiu Tong, aged 64, is a non-executive Director. Mr. Lau has over 35 years of experience in the textile industry. Mr. Lau holds a Higher Diploma in Textile Technology from the Hong Kong Technical College. He is a member of the General Committee of Federation of Hong Kong Industries. Mr. Lau was appointed as a non-executive Director in 2007. He is also a director of several subsidiaries of the Group.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. CHAN Yue Kwong, Michael, aged 60, is an independent non-executive Director. He is currently the chairman of Café de Coral Holdings Limited, a Hong Kong listed company which he joined in 1984, and has considerable experience in planning and management. Mr. Chan is also an independent non-executive director of Starlite Holdings Limited since 1993, Kingboard Laminates Holdings Limited since 2006 and Tse Sui Luen Jewellery (International) Limited since 2010 and a non-executive director of Tao Heung Holdings Limited in 2007, all four companies are listed on the Main Board of the Hong Kong Stock Exchange. Mr. Chan holds a Bachelor of Arts, a Master degree in City Planning from the University of Manitoba, Canada, an Honorary Doctorate Degree in Business Administration and is also bestowed as Honorary Fellow from Lingnan University. He is also a member of the Political Consultative Committee of Nanshan District, Shenzhen in the People's Republic of China. He is currently an executive committee member of the Hong Kong Retail Management Association, the general committee member of the Employers' Federation of Hong Kong, the Adviser of the Quality Tourism Services Association, a full member of the Canadian and the Hong Kong Institute of Planners, a Fellow of the Chartered Institute of Marketing, as well as being appointed by the HKSAR Government as board member of the Hong Kong Tourism Board and a member of the Business Facilitation Advisory Committee. He is also the Honorary Chairman of the Hong Kong Institute of Marketing and the chairman of the Business Enterprise Management Centre of the Hong Kong Management Association. Mr. Chan was appointed as an independent non-executive Director in 2007.

非執行董事

蔡建中先生，76歲，本集團非執行董事及創辦人之一。蔡先生於1997年連同其他人士共同創辦本集團，由本公司開業至2005年出任本集團主席。蔡先生為本公司榮譽主席與本集團數間附屬公司的董事，在紡織業擁有約44年經驗。蔡先生曾就讀於華南理工大學建築系，現為該大學榮譽教授。彼亦為廣州市與江門市榮譽市民。蔡先生於2010年獲中國針織工業協會第四屆理事會頒授中國針織行業終身成就獎。蔡先生於2004年獲委任為董事。

葉炳樑先生，75歲，非執行董事。彼為本集團創辦人之一，並為資深合夥人。葉先生在紡織業有逾35年經驗。葉先生於2004年獲委任為董事。彼亦是本集團數間附屬公司的董事。

劉耀棠先生，64歲，非執行董事。劉先生在紡織業有逾35年經驗。劉先生持有香港工業學院頒授之紡織工藝高級文憑，並為香港工業總會理事。劉先生於2007年獲委任為非執行董事。彼亦為本集團數間附屬公司的董事。

獨立非執行董事

陳裕光先生，60歲，獨立非執行董事。彼現為香港上市公司大家樂集團有限公司之主席。彼於1984年加入該公司，於策劃及管理工作方面擁有豐富經驗。陳先生自1993年起出任星光集團有限公司之獨立非執行董事，自2006年起出任建滔積層板控股有限公司之獨立非執行董事，於2010年獲委任為謝瑞麟珠寶(國際)有限公司之獨立非執行董事及於2007年出任稻香控股有限公司之非執行董事，此四間公司均於香港聯交所主板上市。陳先生持有加拿大曼尼托巴大學(University of Manitoba)文學士學位及城市規劃碩士學位，更獲頒授工商管理榮譽博士學位及榮膺嶺南大學之榮譽院士殊榮。現為中華人民共和國深圳市南山區政協委員。彼現為香港零售管理協會執委會成員、香港僱主聯合會理事會成員、優質旅遊服務協會顧問、加拿大及香港規劃師學會會員、英國特許市務學會資深會員，並獲香港特別行政區政府委任為香港旅遊發展局及方便營商諮詢委員會成員。陳先生現時擔任香港市務學會榮譽主席及香港管理專業協會之企業管理發展中心主席。陳先生於2007年獲委任為獨立非執行董事。

PROFILES OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理人員簡介

INDEPENDENT NON-EXECUTIVE DIRECTORS (Cont'd)

Mr. NG Ching Wah, aged 63, is an independent non-executive Director. Mr. Ng has over 25 years of senior management experience in the telecommunications industry. Mr. Ng is currently an independent director of China Digital TV Holding Co. Ltd., a New York Stock Exchange listed company and director and member of the executive committee for Advanced Info Service Public Company Limited, a Thailand listed company. He was a non-executive director of HKC International Holdings Limited, a Hong Kong listed company. He was the chief executive officer of Hong Kong CSL Limited. He was the chief executive officer of SmarTone Telecommunications Holdings Limited, a Hong Kong listed company and the President of PCCW Mobility Services Limited. Mr. Ng is the Honorary Advisor of the Communications Association of Hong Kong and is the appointed member of Communications Authority, an independent statutory body established under the Communications Authority Ordinance in April 2012. Mr. Ng was a member of the Digital 21 Strategy Advisory Committee (D21SAC). Mr. Ng graduated from the Chinese University of Hong Kong in 1975, with a Bachelor of Business and Administration. Mr. Ng was appointed as an independent non-executive Director in 2007.

Mr. SZE Kwok Wing, Nigel, aged 55, is an independent non-executive Director. Mr. Sze has senior management experience in the private and investment banking industry serving high net worth clients and institutions. He currently serves as chief executive officer of EFG Asset Management (Hong Kong) Limited for Asia Pacific Region. He was the managing director, head of investment of Citi Wealth Management for Asia Pacific region, the chief executive officer of Asia-Pacific for International Private Bank, Barclays Wealth and an executive director in the private clients division at Morgan Stanley Asia Limited, Hong Kong. Mr. Sze holds a Master of Business from the University of Newcastle, Australia. He is a Fellow of CPA Australia. Mr. Sze was appointed as an independent non-executive Director in 2007.

獨立非執行董事(續)

伍清華先生，63歲，獨立非執行董事。伍先生於電訊業有逾25年資深管理經驗。伍先生現為於紐約證券交易所上市之公司中華數字電視控股有限公司之獨立董事及泰國上市公司Advanced Info Service Public Company Limited之董事與執行委員會成員。彼曾出任香港上市公司香港通訊國際控股有限公司之非執行董事。彼曾出任香港流動通訊有限公司行政總裁，香港上市公司數碼通電訊集團有限公司行政總裁及PCCW Mobility Services Limited總裁。伍先生為香港通訊業聯會榮譽顧問及根據2012年4月生效的《通訊事務管理條例》成立為法定機構之通訊事務管理局成員。伍先生曾為數碼21資訊科技策略委員會(D21SAC)委員。伍先生於1975年自香港中文大學畢業，獲頒工商管理學士學位。伍先生於2007年獲委任為獨立非執行董事。

施國榮先生，55歲，獨立非執行董事。施先生於私人及投資銀行業擁有高級管理經驗，服務高資產淨值客戶及機構。彼現為EFG Asset Management (Hong Kong) Limited之亞太區行政總裁。彼曾出任Citi Wealth Management亞太區投資部主管與董事總經理；International Private Bank, Barclays Wealth亞太區之行政總裁與香港Morgan Stanley Asia Limited私人客戶部之執行董事。施先生持有澳洲University of Newcastle頒授之工商管理學碩士學位，並為澳洲註冊會計師公會資深會員。施先生於2007年獲委任為獨立非執行董事。

DIRECTORS' REPORT

董事局報告

The Board is pleased to present the annual report together with the audited consolidated financial statements of the Company and the Group for the 2012 Financial Year.

PRINCIPAL ACTIVITIES

The Company acts as an investment holding company. The Group is principally engaged in the manufacturing and trading of textile products.

An analysis of the performance of the Group for the 2012 Financial Year by geographical location of business operation is set out in note 5 to the consolidated financial statements.

SUBSIDIARIES

Details of the principal activities of the Company's subsidiaries at 31 March 2012 are set out in note 8 to the consolidated financial statements.

RESULTS AND DIVIDENDS

The results of the Group for the 2012 Financial Year are set out in the consolidated income statement on page 44 of this annual report.

An interim dividend of HK 15 cents (2011: HK 14 cents) per share and a special dividend of HK 25 cents (2011: Nil) per share were paid on 5 January 2012 to shareholders. The Board has recommended the payment of a final dividend of HK 30 cents (2011: HK 19 cents) per share. Subject to the approval of the shareholders at the forthcoming AGM, the final dividend will be paid on or around 30 August 2012 to shareholders whose names appear on the Register of Members of the Company on 20 August 2012.

CLOSURE OF REGISTER OF MEMBERS

The Register of the Members of the Company will be closed from 7 August 2012 to 10 August 2012 (both days inclusive) for the purpose of determining the identity of members who are entitled to attend and vote at the AGM, during which period no transfer of shares of the Company will be registered. In order to qualify for attending the AGM, all transfers accompanied by the relevant share certificates, must be lodged with the Company's Hong Kong Branch Share Registrar, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17/F., Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on 6 August 2012.

The Register of Members of the Company will be closed from 16 August 2012 to 20 August 2012 (both days inclusive) for the purpose of determining the identity of members who are entitled to the final dividend for the year ended 31 March 2012, during which period no transfer of shares of the Company will be registered. In order to qualify for the final dividend, all transfers accompanied by the relevant share certificates, must be lodged with the Company's Hong Kong Branch Share Registrar, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17/F., Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on 15 August 2012.

董事局欣然提呈本公司及本集團2012年財政年度之年報連同經審核綜合財務報表。

主要業務

本公司為一間投資控股公司，本集團主要從事紡織產品之製造及貿易。

本集團按商業營運之地區劃分的2012年財政年度之表現分析載於綜合財務報表附註5。

附屬公司

本公司附屬公司於2012年3月31日之主要業務詳情載於綜合財務報表附註8。

業績及股息

本集團之2012年財政年度業績載於本年報第44頁綜合收益表。

中期股息每股港幣15仙(2011年：港幣14仙)與特別股息每股港幣25仙(2011年：無)已於2012年1月5日派發予股東。董事局已建議派發末期股息每股港幣30仙(2011年：港幣19仙)。待股東於應屆股東週年大會上批准後，末期股息將於2012年8月30日前派付予於2012年8月20日結束時，名列於本公司股東名冊之股東。

暫停辦理股份過戶登記

本公司將由2012年8月7日至2012年8月10日(首尾兩天包括在內)暫停辦理股份過戶登記手續，以便釐定股東有權出席股東週年大會並於會上投票之資格。為符合出席股東週年大會之資格，股東必須將所有過戶文件連同有關股票最遲須於2012年8月6日下午4時30分前交回本公司股份過戶登記處香港分處之香港中央證券登記有限公司，地址為香港灣仔皇后大道東183號合和中心17樓1712-1716室。

本公司將由2012年8月16日至2012年8月20日(首尾兩天包括在內)暫停辦理股份過戶登記手續，以便釐定股東有權獲派截至2012年3月31日止年度之末期股息資格之資格。為符合獲派末期股息之資格，股東必須將所有過戶文件連同有關股票最遲須於2012年8月15日下午4時30分前交回本公司股份過戶登記處香港分處之香港中央證券登記有限公司，地址為香港灣仔皇后大道東183號合和中心17樓1712-1716室。

DIRECTORS' REPORT

董事局報告

SHARE CAPITAL

Details of the movements in the issued share capital of the Company during the 2012 Financial Year are set out in note 18 to the consolidated financial statements.

RESERVES

Details of the movements in the reserves of the Group and of the Company during the 2012 Financial Year are set out in note 19 to the consolidated financial statements.

DISTRIBUTABLE RESERVES

As at 31 March 2012, the distributable reserves of the Company amounted to approximately HK\$2,284 million (2011: HK\$2,381 million), comprising the share premium, the capital reserve, share-based reserve and the retained earnings of the Company.

Under the Companies Law, Cap. 22 of the Cayman Islands, in addition to the retained earnings of the Company, the share premium and capital reserves of the Company are also available for distribution to shareholders provided that the Company will be able to pay its debts as they fall due in the ordinary course of business immediately following the date on which any such distribution is proposed to be paid.

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Articles, or the law of Cayman Islands, being the jurisdiction in which the Company is incorporated under which would oblige the Company to offer new shares on a pro-rata basis to existing shareholders.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

Neither the Company, nor any of its subsidiaries purchased, redeemed or sold any of the Company's listed securities during the 2012 Financial Year.

TAX RELIEF AND EXEMPTION

The Directors are not aware of any tax relief and exemption available to the shareholders of the Company by reason of their holdings of the Shares.

ARRANGEMENTS TO PURCHASE SHARES OR DEBENTURES

At no time during the 2012 Financial Year was the Company, its holding companies, or any of its subsidiaries or fellow subsidiaries, a party to any arrangements to enable the Directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

MANAGEMENT CONTRACTS

No contract concerning the management and administration of the whole or any substantial part of the business of the Company was entered into or existed during the 2012 Financial Year.

股本

本公司已發行股本於2012年財政年度期間之變動詳情載於綜合財務報表附註18。

儲備

本集團與本公司儲備於2012年財政年度期間之變動詳情載於綜合財務報表附註19。

可供分派儲備

於2012年3月31日，本公司之可供分派儲備總額約為2,284百萬港元(2011年：2,381百萬港元)，包括股份溢價、資本儲備、以股份為基準儲備及保留溢利。

根據開曼群島公司法第22章，除本公司之保留溢利外，本公司之股份溢價和資本儲備亦可向股東分派，惟於緊隨建議進行上述分派當日之後，本公司必須仍有能力償還在日常業務中到期支付之欠款。

優先認購權

本公司之章程細則或本公司註冊成立地點開曼群島之法例並無關於優先認購權之規定，要求本公司須按比例向現有股東發行新股。

購入、出售或贖回本公司之上市證券

於2012年財政年度期間，本公司或其任何附屬公司概無購買、出售或贖回本公司上市之證券。

稅務減免與豁免

董事並不知悉任何本公司之股東因持有本公司股份而可享有任何稅務減免與豁免。

購買股份或債券之安排

本公司、其控股公司或其任何附屬公司或同系附屬公司於2012年財政年度期間任何時間概無參與訂立任何安排，致使本公司董事可藉購入本公司或任何其他法人團體之股份或債券而獲益。

管理合約

本公司於2012年財政年度期間並無就整體業務或任何重要業務之管理或行政工作簽訂或存有任何合約。

DIRECTORS' REPORT

董事局報告

DONATIONS

During the 2012 Financial Year, the Group made charitable and other donation totalling approximately HK\$475,000 (2011: HK\$7,430,000).

PROPERTY, PLANT AND EQUIPMENT

Expenditure of approximately HK\$158 million (2011: HK\$205 million) was incurred during the 2012 Financial Year primarily to expand the production capacity of the Group.

Details of the movements in property, plant and equipment of the Group are set out in note 7 to the consolidated financial statements.

CAPITALIZED INTERESTS

During the 2012 Financial Year, no interest had been capitalized (2011: Nil).

MAJOR CUSTOMERS AND SUPPLIERS

During the 2012 Financial Year, sales to the Group's five largest customers accounted for approximately 53.7% of the Group's total sales and sales to the Group's largest customer included therein amounted to approximately 29.2%. Purchases from the Group's five largest suppliers accounted for approximately 50.3% of the Group's total purchases and purchase from to the Group's largest supplier included therein amounted to approximately 33.5%.

None of 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 issued shares) had any interests in the Group's five largest customers or suppliers noted above.

FINANCIAL SUMMARY

A summary of the consolidated results and consolidated balance sheet of the Group for the last five financial years is set out on page 122 of this annual report.

SHARE OPTION SCHEME

Pursuant to the written resolutions of shareholders of the Company passed on 27 April 2007, the Company adopted the Share Option Scheme subject to the terms and conditions therein. The options shall expire on 18 July 2017. The closing price of the share of the Company immediately before the date of grant was HK\$4.86 per share.

A. Summary of the Share Option Scheme

1. Purpose

The purpose of the Share Option Scheme is to provide the Company with a flexible means of retaining, incentivising, rewarding, remunerating, compensating and/or providing benefits to Eligible Persons (as defined in paragraph 2 below).

捐款

本集團於2012年財政年度期間作出之慈善及其他捐款共約475,000港元(2011年：7,430,000港元)。

物業、廠房及設備

於2012年財政年度期間，主要就擴充本集團生產設施之支出約158百萬港元(2011年：205百萬港元)。

本集團物業、廠房及設備的變動詳情載於綜合財務報表附註7。

利息資本化

本集團於2012年財政年度期間並無將利息資本化(2011年：無)。

主要客戶及供應商

於2012年財政年度期間，向本集團五大客戶作出之銷售佔本集團銷售總額約為53.7%，而當中包括向本集團最大客戶作出之銷售佔其中總額約為29.2%。向本集團五大供應商作出之採購佔本集團採購總額約為50.3%，而當中包括向本集團最大供應商作出之採購佔其中總額約為33.5%。

本公司各董事、其聯繫人或任何股東(就董事所知擁有本公司已發行股份5%以上)概無擁有上述本集團五大客戶或供應商之任何權益。

財務概要

本集團於過去五個財政年度之綜合業績和綜合資產負債表概要載於本年報第122頁。

購股權計劃

根據本公司股東於2007年4月27日通過之書面決議案，本公司已採納購股權計劃所訂之條款及條件。購股權將於2017年7月18日屆滿。本公司股份於緊接授出購股權日期前之收市價為每股4.86港元。

A. 購股權計劃概要

1. 目的

購股權計劃之目的為使本公司能靈活地挽留、激勵、回饋、酬報、補償及/或提供利益予合資格人士(定義見下文第2段)。

DIRECTORS' REPORT

董事局報告

SHARE OPTION SCHEME (Cont'd)

A. Summary of the Share Option Scheme (Cont'd)

2. Participants

The Board may grant options to any "Eligible Person", namely an employee, director or non-executive director (including INED) of any Member of the Group.

"Member of the Group" means the Company, any holding company, subsidiaries or affiliates of the Company or other companies or associated companies of the Company which the Board determines will be subject to the Share Option Scheme.

3. Maximum number of Shares

The total number of Shares which may be issued upon exercise of all options to be granted under the Share Option Scheme and any other schemes must not in aggregate exceed 10% of the Shares in issue as at the date of Listing of the Shares on the Stock Exchange on 18 May 2007 (the "Listing Date"), representing 143,293,600 Shares or 30% of the Shares of the Company in issue from time to time.

4. Maximum entitlement of each participant

The total number of Shares issued and to be issued upon exercise of the options granted to each Eligible Person (including exercised and outstanding options) in any 12-month period must not exceed 1% of the Shares in issue at the date of grant of the option.

5. Time of exercise of options and duration of Share Option Scheme

(a) General vesting period

The general vesting period for options granted under the Share Option Scheme is 5 anniversary of grant date unless the Board specifies a different vesting period under the terms of the offer. The option period will not be more than 10 years from the date of grant.

An option may be exercised to the extent that it has vested and any performance conditions or targets set by the Board have been met.

(b) Duration of the Share Option Scheme

The duration of the Share Option Scheme shall be 10 years from the Listing Date.

購股權計劃(續)

A. 購股權計劃概要(續)

2. 參與者

董事局可向任何「合資格人士」，包括本集團任何成員公司之僱員、董事或非執行董事(包括獨立非執行董事)授出購股權。

「本集團成員公司」指本公司、任何本公司之控股公司、附屬公司或聯屬公司或董事局認為符合購股權計劃之其他公司或本公司聯營公司。

3. 最高本公司股份數目

根據購股權計劃及任何其他計劃可能授出之所有購股權獲行使而可發行之本公司股份總數，合共不得超過於本公司股份於2007年5月18日於聯交所上市日期(「上市日」)本公司已發行股本之10%，相當於143,293,600股本公司股份或不時已發行本公司股份之30%。

4. 每名參與者可獲授權益上限

在任何12個月期間，因合資格人士行使獲授之購股權(包括已行使及尚未行使之購股權)而已經或將予發行之股份總數，不得超過購股權授出之日已發行股份之1%。

5. 行使購股權之時間及購股權計劃之有效期

(a) 一般歸屬期

根據購股權計劃授出購股權之一般歸屬期為授出日期5週年，除非董事局根據授予之條款指明另一歸屬期。購股權期間將不會超過授出日期起計10年。

購股權按已歸屬程度於達致任何由董事局釐定之表現條件或目標時行使。

(b) 購股權計劃之期限

購股權計劃之期限為上市日期起計10年。

DIRECTORS' REPORT

董事局報告

SHARE OPTION SCHEME (Cont'd)

A. Summary of the Share Option Scheme (Cont'd)

6. Exercise price and payment on grant

- (a) Exercise price
The exercise price for the Shares under the Share Option Scheme shall be the price determined by the Board and notified to the option holder which shall not be less than the higher of:
- (i) the average closing price of the Shares for the five business days immediately preceding the date of grant of the option as stated in the Stock Exchange's daily quotation sheets;
 - (ii) the closing price of the Shares as stated on the Stock Exchange's daily quotations sheet of the Shares on the date of grant of the option; and
 - (iii) the nominal value of the Shares.
- (b) Payment on grant
Eligible Persons are not required to pay for the acceptance of an option granted to them.

7. Remaining life of the Share Option Scheme

The Share Option Scheme will terminate automatically at midnight on the day immediately before the 10th anniversary of the Listing Date.

B. Options granted by the Company

As at 31 March 2012, options to subscribe for an aggregate of 17,030,000 Shares granted to a director and eligible full-time employees pursuant to the terms of the Share Option Scheme remained outstanding, details of which were as follows:

Grantee 承授人	Date of Grant 授出日期	Exercise Price 行使價 HK\$ 港元	Exercisable Period 行使期	As at 01/04/2011 於2011年 4月1日	Number of share options 購股權數目				As at 31/03/2012 於2012年 3月31日	Closing Price immediately before the date of exercise 緊接行使 日期前 之收市價 HK\$ 港元
					Granted 授出	Changes during the period 期內變動	Exercised 行使	Lapsed 失效		
Executive Director 執行董事										
Lam Hing Chau, Leon 林興就	18/07/2007	5.04	18/07/2010- 17/07/2017	600,000	—	—	—	—	600,000	—
Eligible Employees 合資格僱員										
	18/07/2007	5.04	18/07/2010- 17/07/2017	18,030,000	—	150,000	1,450,000	—	16,430,000	4.81
				18,630,000	—	150,000	1,450,000	—	17,030,000	

購股權計劃(續)

A. 購股權計劃概要(續)

6. 行使價及授出時付款

- (a) 行使價
購股權計劃項下之股份行使價將由董事局釐定並通知購股權持有人，惟該價格不得低於以下各項之最高者：
- (i) 緊接購股權授出日期前五個營業日根據聯交所每日報價表所示股份之平均收市價；
 - (ii) 於購股權授出日期根據聯交所每日報價表所示股份之收市價；及
 - (iii) 股份之面值。
- (b) 授出時付款
合資格人士毋須於接納授予購股權時付款。

7. 購股權計劃尚餘的有效期

購股權計劃將於緊接上市日期第10週年屆滿當日前一日零晨起自動終止。

B. 本公司已授出之購股權

於2012年3月31日，根據購股權計劃之條款授予一名董事及合資格全職僱員以認購合共17,030,000股本公司股份之購股權尚未行使，有關詳情如下：

DIRECTORS' REPORT

董事局報告

SHARE OPTION SCHEME (Cont'd)

B. Options granted by the Company (Cont'd)

The fair value of options granted is approximately at an average of HK\$1.222 per share on the basis of binominal model (the "Model"). The significant inputs into the Model were the closing price of the Share of the Company at the date of grant of HK\$4.8 per share, annual risk-free interest rate of approximately 4.8%, an expected option life of approximate 6 years, expected volatility of 32% and annual dividend yield of 4%. No amortised fair value of share options for the 2012 Financial Year was charged to the consolidated income statement (2011: HK\$1.4 million).

The Model was developed for use in estimating fair value of traded options that are fully transferable. The Model requires input of highly subjective assumptions, including the expected stock price volatility. Since the Company's share options have characteristics significantly different from those of traded options, and because change in the subjective input assumptions can materially affect the fair value estimate, the Model does not necessarily provide a reliable measure of the fair value of the share options.

Save as disclosed above, no option had been granted to the Directors, chief executive or substantial shareholders of the Company or their respective associates under the Share Option Scheme since its adoption.

DIRECTORS

The Directors during the 2012 Financial Year and up to the date of this report were:

Executive Directors

Mr. WAN Wai Loi (Chairman)
Mr. TSANG Kang Po (Vice Chairman)
Mr. LAM Wing Tak (Chief Executive Officer)
Dr. LAM King Man
Mr. LAM Hing Chau, Leon

Non-executive Directors

Mr. CHOI Kin Chung
Mr. IP Ping Im
Mr. LAU Yiu Tong

Independent Non-executive Directors

Mr. CHAN Yue Kwong, Michael
Mr. NG Ching Wah
Mr. SZE Kwok Wing, Nigel

Pursuant to article 130 of the Articles, at every AGM one-third of the Directors for the time being, or, if their number is not three or a multiple of three, then the number nearest to, but not less than, one-third, shall retire from office by rotation provided that every Director (including those appointed for a specific term) shall be subject to retirement by rotation at least once every three years.

購股權計劃(續)

B. 本公司已授出之購股權(續)

根據二項式期權定價模式(「定價模式」)，所授出購股權之公允值平均約為每股1.222港元。該定價模式主要基於本公司股份於授出購股權日期之收市價為每股4.8港元、每年約4.8%的無風險利率、約6年的預期購股權有效期、32%的預期引伸波幅及每年4%的股息回報率計算。於2012年財政年度，並無購股權之經攤銷公允值已於綜合收益表內入賬(2011年：1.4百萬港元)。

定價模式是為評估所買賣的可悉數轉讓期權的公允值而設。該定價模式涉及大量主觀假設，包括預期股價波動。由於本公司的購股權與所買賣的期權截然不同，加上主觀假設更改可能對公允值估計有重大影響，故此該定價模式不一定能對購股權的公允值作出可靠的評估。

除上文披露者外，自採納購股權計劃，本公司董事、最高行政人員或主要股東或彼等個別的聯繫人士概無根據購股權計劃獲授購股權。

董事

於2012年財政年度期間及截至本報告日期止之董事如下：

執行董事

尹惠來先生(主席)
曾鏡波先生(副主席)
林榮德先生(行政總裁)
林景文博士
林興就先生

非執行董事

蔡建中先生
葉炳棧先生
劉耀棠先生

獨立非執行董事

陳裕光先生
伍清華先生
施國榮先生

根據章程細則第130條，於每屆股東週年大會上三分之一的當時在任董事(或倘董事人數並非三或三的倍數，則為最接近但不少於三分之一的人數)須輪席告退，惟每位董事(包括委任為特定任期的董事)須最少每三年輪席告退一次。

DIRECTORS' REPORT

董事局報告

DIRECTORS (Cont'd)

Accordingly, Mr. Lam Wing Tak, Dr. Lam King Man, Mr. Lam Hing Chau, Leon and Mr. Ip Ping Im will retire by rotation from the Board at the forthcoming AGM. Except for Dr. Lam King Man and Mr. Lam Hing Chau, Leon have indicated that they will not offer themselves for re-election, Mr. Lam Wing Tak and Mr. Ip Ping Im, being eligible, will offer themselves for re-election as Directors at the forthcoming AGM.

PROFILES OF DIRECTORS

Profiles of the Directors are set out on pages 14 to 16 of this annual report.

DIRECTORS' SERVICE CONTRACTS

Each of the executive Directors had entered into a service agreement with the Company for an initial term of two years. Each service agreement will continue thereafter until terminated by either party by giving to the other party at least six months' prior notice in writing.

Each of the non-executive and independent non-executive Directors had been appointed for an initial term of two years with effect from 1 May 2007. The term of the appointment has been extended thereafter.

All Directors are subject to retirement by rotation in accordance with the Articles and the Listing Rules. None of the Directors proposed for re-election at the forthcoming AGM of the Company has a service contract with the Company or any of its subsidiaries which is not determinable by the Group within one year without payment of compensation (other than statutory compensation).

REMUNERATION OF THE DIRECTORS

The remuneration of the Directors are reviewed and determined by the Remuneration Committee on the basis of the relevant Director's experience, responsibility and the time devoted to the business of the Group.

Details of the emoluments of every Director for the 2012 Financial Year is set out in note 26 to the consolidated financial statements.

DIRECTORS' INTERESTS IN CONTRACTS

There was no contract of significance in relation to the business of the Group to which the Company or any of its subsidiaries, was a party and in which a Director had a material interest, whether directly or indirectly, subsisted at the end of the 2012 Financial Year or at any time during the 2012 Financial Year.

COMPETING INTEREST AND NON-COMPETE UNDERTAKING

None of Directors had, either directly or indirectly, an interest in a business which causes or may cause any significant competition with the business of the Group and any other conflicts of interest which any such person has or may have with the Group.

董事(續)

因此，林榮德先生、林景文博士、林興就先生和葉炳樑先生將於應屆股東週年大會輪席告退。除了林景文博士和林興就先生已表示不會膺選連任外，林榮德先生和葉炳樑先生皆合乎資格並願於應屆股東週年大會上膺選連任。

董事之簡介

董事之簡介詳列於本年報第14至16頁。

董事之服務合約

各執行董事已與本公司訂立初步為期兩年服務協議。每份服務合約於其後將繼續有效，直至其中一方向另一方發出不少於六個月書面通知終止合約為止。

各非執行董事及獨立非執行董事之任期由2007年5月1日起，初步為期兩年。其後委任任期已延長。

全體董事須根據章程細則及上市規則輪值退任。擬於本公司應屆股東週年大會上膺選連任之董事概無與本公司或任何附屬公司訂立任何不可於一年內終止而毋須作出賠償(法定賠償除外)之服務合約。

董事薪酬

董事之薪酬由薪酬委員會按有關董事之經驗、職責及於本集團所投放之時間而審閱與釐定。

各位董事酬金於2012年財政年度之詳情載於綜合財務報表附註26。

董事於合同的權益

於2012年財政年度終結或於2012年財政年度期間任何時間內，概無存續任何與本集團業務相關，而本公司、其控股公司或其任何附屬公司為訂約方及董事直接或間接擁有重大權益的重大合約。

競爭權益及不競爭承諾

董事概無在與本集團業務構成或可能構成任何重大競爭的業務中直接或間接擁有任何權益，而任何該等人士與本集團亦無存在或可能存在其他利益衝突。

DIRECTORS' REPORT

董事局報告

DIRECTORS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As at 31 March 2012, the interests and short positions of the Directors and chief executives of the Company in the Shares, underlying Shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept under Section 352 of the SFO; or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code were as follows:

董事於本公司股份和相關股份之權益及淡倉

於2012年3月31日，董事及本公司行政總裁於本公司或其任何相聯法團（定義見證券及期貨條例第XV部）的股份、相關股份及債券中，擁有須根據證券及期貨條例第352條須予存置的登記冊所記錄或根據標準守則須知會本公司及聯交所的權益及淡倉如下：

Long positions in Shares

本公司股份之好倉

Name of Directors/ Chief Executives 董事／行政總裁名稱	Number of issued Shares held and nature of interest 持已發行本公司股份數目及權益性質				Total Interests 權益總額	Approximate percentage of issued share capital of the Company 於本公司 已發行股本 之概約百分比
	Personal Interests (beneficial owner) 個人權益 (實益擁有人)	Family Interests (interests of spouse) 家屬權益 (配偶之權益)	Corporate Interests (interests of a controlled corporation) 法團權益 (於共同控制 實體之權益)	Trusts and similar interests 信託及類似權益		
Choi Kin Chung 蔡建中	—	—	—	171,102,000 (Note 1) (附註1)	171,102,000	11.94%
Ip Ping Im 葉炳棻	—	2,000,000	403,394,000 (Note 2) (附註2)	—	405,394,000	28.29%
Lam Hing Chau, Leon 林興就	100,000	—	—	—	100,000	0.01%
Lam King Man 林景文	697,000 (Note 3) (附註3)	—	30,000,000 (Note 4) (附註4)	—	30,697,000	2.14%
Lam Wing Tak 林榮德	14,541,000	1,087,000	—	100,000,000 (Note 5) (附註5)	115,628,000	8.07%
Lau Yiu Tong 劉耀棠	51,866,000	—	—	—	51,866,000	3.62%
Tsang Kang Po 曾鏡波	1,988,000	2,501,000	100,000,000 (Note 6) (附註6)	—	104,489,000	7.29%
Wan Wai Loi 尹惠來	14,768,000	820,000	—	101,304,000 (Note 7) (附註7)	116,892,000	8.16%

DIRECTORS' REPORT

董事局報告

DIRECTORS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES (Cont'd)

Long positions in Shares (Cont'd)

Notes:

1. These Shares are directly held by Silver Bay International Holdings Limited, whose issued share capital is wholly-owned by Fiducia Suisse SA, the trustee of the Cypress Pacific Trust, a discretionary trust. For the purposes of the SFO, Mr. Choi Kin Chung is the founder of the Cypress Pacific Trust.
2. These Shares are directly held by Far East Asia Limited, whose issued share capital is wholly-owned by Mr. Ip Ping Im.
3. These Shares are held jointly by Dr. Lam King Man and the spouse of Dr. Lam King Man.
4. These Shares are directly held by Effective Approach Technology Limited, whose issued share capital is 50% owned by Dr. Lam King Man and 50% owned by the spouse of Dr. Lam King Man.
5. These Shares are directly held by Fifth Element Enterprises Limited, whose issued share capital is wholly-owned by BLWT Company Limited. The issued share capital of BLWT Company Limited is wholly-owned by HSBC International Trustee Limited, the trustee of the family trust of Mr. Lam Wing Tak. For the purpose of the SFO, Mr. Lam Wing Tak is the founder of the family trust.
6. These Shares are directly held by Top Strong Holdings Limited, whose issued share capital is 50% owned by Mr. Tsang Kang Po and 50% owned by the spouse of Mr. Tsang Kang Po.
7. These Shares are directly held by Hollywood Pacific Limited, whose issued share capital is 50% owned by Mr. Wan Wai Loi and 50% owned by WWL Assets Limited. The issued share capital of WWL Assets Limited is wholly-owned by HSBC International Trustee Limited, the trustee of the family trust of Mr. Wan Wai Loi. For the purpose of the SFO, Mr. Wan Wai Loi is the founder of the family trust.

Save as disclosed above, as at 31 March 2012, none of the Directors or chief executive of the Company, had any interests or short positions in the Shares, underlying Shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept under section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

At no time during the 2012 Financial Year were the rights to acquire benefits by means of the acquisition of Shares in the Company granted to any directors or their respective spouse or minor children, or were any such rights exercised by them; or was the Company, its holding company or any of its subsidiaries a party to any arrangement to enable the Directors to acquire such rights in any other body corporate.

董事於本公司股份和相關股份之權益及淡倉(續)

本公司股份之好倉(續)

附註：

1. 該等本公司股份由 Silver Bay International Holdings Limited 直接持有，而 Fiducia Suisse SA 全數擁有 Silver Bay International Holdings Limited 之已發行股本。Fiducia Suisse SA 為酌權信託 Cypress Pacific Trust 之信託人。就證券及期貨條例而言，蔡建中先生為 Cypress Pacific Trust 之創辦人。
2. 該等本公司股份由 Far East Asia Limited 直接持有，而葉炳樞先生全數擁有 Far East Asia Limited 之已發行股本。
3. 該等本公司股份由林景文博士及其配偶共同持有。
4. 該等本公司股份由 Effective Approach Technology Limited 直接持有，而林景文博士及其配偶分別擁有 Effective Approach Technology Limited 之 50% 已發行股本。
5. 該等本公司股份由 Fifth Element Enterprises Limited 直接持有，而 BLWT Company Limited 全數擁有 Fifth Element Enterprises Limited 之已發行股本。HSBC International Trustee Limited 為林榮德先生之家族信託之信託人，全數擁有 BLWT Company Limited 之已發行股本。就證券及期貨條例而言，林榮德先生為家族信託之創辦人。
6. 該等本公司股份由 Top Strong Holdings Limited 直接持有，而曾鏡波先生及其配偶分別擁有 Top Strong Holdings Limited 之 50% 已發行股本。
7. 該等本公司股份由 Hollywood Pacific Limited 直接持有，而尹惠來先生及 WWL Assets Limited 分別擁有 Hollywood Pacific Limited 之 50% 已發行股本。HSBC International Trustee Limited 為尹惠來先生之家族信託之信託人，全數擁有 WWL Assets Limited 之已發行股本。就證券及期貨條例而言，尹惠來先生為家族信託之創辦人。

除上文披露者外，於 2012 年 3 月 31 日，根據證券及期貨條例第 352 條規定須予存置的登記冊的記錄，又或根據標準手冊向本公司及聯交所發出的通知，概無董事或本公司行政總裁於本公司或其任何相聯法團(定義見證券及期貨條例第 XV 部)的股份、相關股份及債券中，擁有任何權益及淡倉。

於 2012 年財政年度期間任何時間，概無任何董事或彼等各自的配偶或未成子女獲授權可藉購入本公司股份而獲益的權利，或彼等行使任何此等權利而獲利；或本公司、其控股公司或其任何附屬公司概無參與任何安排，致令董事可於任何其他法人團體獲得此等權利。

DIRECTORS' REPORT

董事局報告

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As at 31 March 2012, the following persons (other than a Director or chief executive of the Company) had interests or short positions in the Shares or underlying shares of the Company as recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO:

主要股東及其他人士於本公司股份和相關股份之權益及淡倉

於2012年3月31日，根據本公司按證券及期貨條例第336條規定存置之登記冊所紀錄，以下人士（董事或本公司行政總裁除外）於本公司股份或相關股份中擁有之權益或淡倉：

Long positions in Shares

本公司股份之好倉

Name of shareholders 股東名稱	Number of issued Shares held and nature of interest 持已發行本公司股份數目及權益性質				Total Interests 權益總額	Approximate percentage of issued share capital of the Company 於本公司已發行股本之概約百分比
	Personal Interests (beneficial owner) 個人權益 (實益擁有人)	Family Interests (interests of spouse) 家屬權益 (配偶之權益)	Corporate Interests (interests of a controlled corporation) 法團權益 (於共同控制實體之權益)	Trusts and similar interests 信託及類似權益		
Chiu Bo Lan 趙寶蘭	820,000	14,768,000 (Note 1) (附註1)	—	101,304,000 (Note 2) (附註2)	116,892,000	8.16%
WWL Assets Limited	—	—	—	101,304,000 (Note 2) (附註2)	101,304,000	7.07%
Hollywood Pacific Limited	—	—	—	101,304,000 (Note 2) (附註2)	101,304,000	7.07%
Lam Wai Yee 林慧儀	2,000,000	403,394,000 (Note 3) (附註3)	—	—	405,394,000	28.29%
Far East Asia Limited	403,394,000 (Note 4) (附註4)	—	—	—	403,394,000	28.15%
Wong Bik Ha 黃碧霞	1,087,000	14,541,000 (Note 5) (附註5)	—	100,000,000 (Note 6) (附註6)	115,628,000	8.07%
BLWT Company Limited	—	—	—	100,000,000 (Note 6) (附註6)	100,000,000	6.98%
Fifth Element Enterprises Limited	—	—	—	100,000,000 (Note 6) (附註6)	100,000,000	6.98%
HSBC International Trustee Limited	—	—	—	201,304,000 (Note 2 & 6) (附註2和6)	201,304,000	14.04%

DIRECTORS' REPORT

董事局報告

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES (Cont'd)

Long positions in Shares (Cont'd)

主要股東及其他人士於本公司股份和相關股份之權益及淡倉(續)

本公司股份之好倉(續)

Name of shareholders 股東名稱	Number of issued Shares held and nature of interest 持已發行本公司股份數目及權益性質				Total Interests 權益總額	Approximate percentage of issued share capital of the Company 於本公司已發行股本之概約百分比
	Personal Interests (beneficial owner) 個人權益(實益擁有人)	Family Interests (interests of spouse) 家屬權益(配偶之權益)	Corporate Interests (interests of a controlled corporation) 法團權益(於共同控制實體之權益)	Trusts and similar interests 信託及類似權益		
Law Oi Mui 羅愛梅	—	—	—	171,102,000 (Note 7 & 8) (附註7和8)	171,102,000	11.94%
Fiducia Suisse SA	—	—	—	171,102,000 (Note 8) (附註8)	171,102,000	11.94%
Silver Bay International Holdings Limited	—	—	—	171,102,000 (Note 8) (附註8)	171,102,000	11.94%
Wong Mei Ling 黃美玲	2,501,000	1,988,000 (Note 9) (附註9)	100,000,000 (Note 10) (附註10)	—	104,489,000	7.29%
Top Strong Holdings Limited	100,000,000 (Note 10) (附註10)	—	—	—	100,000,000	6.98%

Notes:

- Ms. Chiu Bo Lan is the spouse of Mr. Wan Wai Loi, a Director.
- Hollywood Pacific Limited is 50% owned by Mr. Wan Wai Loi and 50% owned by WWL Assets Limited. WWL Assets Limited is wholly-owned by HSBC International Trustee Limited, the trustee of the family trust of Mr. Wan Wai Loi. For the purpose of the SFO, Mr. Wan Wai Loi is the founder of the family trust.
- Ms. Lam Wai Yee is the spouse of Mr. Ip Ping Im, a Director.
- Far East Asia Limited is wholly-owned by Mr. Ip Ping Im, a Director.
- Ms. Wong Bik Ha is the spouse of Mr. Lam Wing Tak, a Director.
- Fifth Element Enterprises Limited is wholly-owned by BLWT Company Limited. BLWT Company Limited is wholly-owned by HSBC International Trustee Limited, the trustee of the family trust of Mr. Lam Wing Tak. For the purpose of the SFO, Mr. Lam Wing Tak is the founder of the family trust.

附註：

- 趙寶蘭女士為董事尹惠來先生之配偶。
- 尹惠來先生及WWL Assets Limited分別擁有Hollywood Pacific Limited之50%權益。HSBC International Trustee Limited為尹惠來先生之家族信託之信託人，全數擁有WWL Assets Limited之權益。就證券及期貨條例而言，尹惠來先生為家族信託之創辦人。
- 林慧儀女士為董事葉炳棧先生之配偶。
- Far East Asia Limited由董事葉炳棧先生全數擁有。
- 黃碧霞女士為董事林榮德先生之配偶。
- Fifth Element Enterprises Limited由BLWT Company Limited全數擁有。HSBC International Trustee Limited為林榮德先生之家族信託之信託人，全數擁有BLWT Company Limited之權益。就證券及期貨條例而言，林榮德先生為家族信託之創辦人。

DIRECTORS' REPORT

董事局報告

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES (Cont'd)

Long positions in Shares (Cont'd)

Notes: (Cont'd)

- Ms. Law Oi Mui is the spouse of Mr. Choi Kin Chung, a Director.
- Silver Bay International Holdings Limited is wholly-owned by Fiducia Suisse SA, the trustee of the Cypress Pacific Trust, a discretionary trust. For the purposes of the SFO, Mr. Choi Kin Chung, a Director, is the founder of the Cypress Pacific Trust.
- Ms. Wong Mei Ling is the spouse of Mr. Tsang Kang Po, a Director.
- Top Strong Holdings Limited is 50% owned by Mr. Tsang Kang Po and 50% owned by Ms. Wong Mei Ling, the spouse of Mr. Tsang Kang Po.

Long positions in shares and underlying shares of any other member in the Group

主要股東及其他人士於本公司股份和相關股份之權益及淡倉(續)

本公司股份之好倉(續)

附註：(續)

- 羅愛梅女士為董事蔡建中先生之配偶。
- Silver Bay International Holdings Limited由Fiducia Suisse SA全數擁有，Fiducia Suisse SA為酌權信託Cypress Pacific Trust之信託人。就證券及期貨條例而言，董事蔡建中先生為Cypress Pacific Trust之創辦人。
- 黃美玲女士為董事曾鏡波先生之配偶。
- 曾鏡波先生及其配偶黃美玲女士分別擁有Top Strong Holdings Limited之50%權益。

於本集團任何其他成員公司之股份及相關股份之好倉

Name of members of the Group 本集團成員公司名稱	Name of substantial shareholders 主要股東名稱	Notes 附註	Nature of interest 權益性質	Number of issued shares 股份數目	Approximate percentage of issued share capital 於本公司權益之概約百分比
PT Sri Lanka PT斯里蘭卡	Brandix Lanka Limited	1, 2 & 3	Beneficial owner 實益擁有人	197,000,976	30.08%
PCGT Limited	Crystal Peak International Limited 激峰國際有限公司	4 & 5	Beneficial owner 實益擁有人	975,000	25.00%

Notes:

- PT Sri Lanka is owned as to 40% by Pacific Textured Jersey Holdings Ltd., a wholly-owned subsidiary of the Company, and 30.08% by Brandix Lanka Limited.
- On 25 March 2011, PT Sri Lanka had effected a sub-division of the shares on a 3.6:1 basis, resulting in the total number of shares in issue to 575,002,440 shares from 159,722,900 shares.
- On 9 August 2011, 80,000,000 new shares of PT Sri Lanka were issued under PT Sri Lanka IPO.
- PCGT Limited is owned as to 75% by Pacific GT Limited and 25% by Crystal Peak International Limited, a wholly-owned subsidiary of Crystal.
- Pacific GT Limited is owned as to 95% by Product Champion Limited, a wholly-owned subsidiary of the Company, and 2.5% by GSI Trading Hong Kong Limited and 2.5% by Toray Industries (H.K.) Limited.

附註：

- PT斯里蘭卡由本公司之全資附屬公司Pacific Textured Jersey Holdings Ltd.擁有40%權益及Brandix Lanka Limited擁有30.08%權益。
- 於2011年3月25日，PT斯里蘭卡按3.6比1細分，使得已發行股份總數由159,722,900股增至575,002,440股。
- 於2011年8月9日，PT斯里蘭卡以PT斯里蘭卡首次公開發售80,000,000新股。
- PCGT Limited由Pacific GT Limited擁有75%權益及晶苑之全資附屬公司激峰國際有限公司擁有25%權益。
- Pacific GT Limited由本公司之全資附屬公司Product Champion Limited擁有95%權益及都產香港有限公司擁有2.5%權益及東麗(香港)有限公司擁有2.5%權益。

Save as disclosed above, so far as is known to any Director or chief executive of the Company, as at 31 March 2012, no other person had an interest or short position in the Shares or underlying Shares of the Company that was required to be kept pursuant to Section 336 of the SFO.

除上文所披露者外，就本公司任何董事或行政總裁所知，於2012年3月31日，概無其他人士於本公司股份或相關股份中擁有根據證券及期貨條例第336條規定紀錄之權益或淡倉。

DIRECTORS' REPORT

董事局報告

CONTINUING CONNECTED TRANSACTIONS

Certain related party transactions set out in note 34 to the consolidated financial statements also constitute continuing connected transaction under the Listing Rules.

During the 2012 Financial Year, the Group had the following continuing connected transactions not exempted under the Listing Rules 14A.33 respectively:

(1) Sale of Products to Brandix Group and its associates

Sale of knitted fabric to Brandix together with its subsidiaries ("Brandix Group") and its associate pursuant to a sale of products master agreement (the "Brandix Sale of Products Master Agreement") dated 27 August 2007 between the Company and Brandix Group. The term of the Brandix Sale of Products Master Agreement has been automatically renewed for a further term of three years ending 31 March 2013. Details of the Brandix Sale of Products Master Agreement, annual caps was set out in the circular of the Company dated 14 September 2007, and revised annual caps were set out in the circular of the Company dated 11 March 2010 and circular of the Company dated 11 April 2011 (the "April 2011 Circular") where appropriate. Details of the revised annual caps for the continuing connected transactions were set out in the April 2011 Circular. Transactions under the Brandix Sale of Products Master Agreement for the 2012 Financial Year did not exceed the revised annual cap of the April 2011 Circular of HK\$675 million (2011: HK\$450 million).

According to the Listing Rules, Brandix, by virtue of its shareholding in PT Sri Lanka, a subsidiary of the Company, is a substantial shareholder (as defined in the Listing Rules) and hence a connected person of the Company. Brandix Group and its associates are therefore also regarded as connected persons of the Company. Brandix Group and its associates ceased to be connected persons of the Company upon the completion of the Pre-IPO Private Placement, PT Sri Lanka IPO and PT Sri Lanka Listing.

(2) Fabric Printing Services from Brandix Group

Fabric printing services from Brandix Group to the Group pursuant to a printing service master agreement (the "Brandix Printing Services Master Agreement") dated 27 August 2007 between the Company and Brandix Group. The term of the Brandix Printing Services Master Agreement has been automatically renewed for a further term of three years ending 31 March 2013. Details of the Brandix Printing Services Master Agreement and annual caps were set out in the announcement of the Company dated 30 August 2007 and the announcement of the Company dated 26 February 2010. Transactions under the Brandix Printing Services Master Agreement for the 2012 Financial Year did not exceed the annual cap of HK\$44 million (2011: HK\$33 million).

持續關連交易

詳載於綜合財務報表附註34的若干關連人士交易，亦屬上市規則所界定的持續關連交易。

於2012年財政年度期間，本集團有下列分局不獲上市規則第14A.33條豁免之持續關連交易：

(1) 向Brandix集團及其聯繫人銷售產品

向Brandix連同其附屬公司(「Brandix集團」)及其聯繫人銷售針織布是根據本公司與Brandix於2007年8月27日訂立之產品銷售總目協議(「Brandix產品銷售總目協議」)作出。Brandix產品銷售總目協議之年期自動續期三年至2013年3月31日止。Brandix產品銷售總目協議、年度上限之詳情載於2007年9月14日之通函，與修訂年度上限之詳情載於2010年3月11日之通函與於2011年4月11日之通函(「2011年4月通函」)(倘適用)。於2012年財政年度，根據Brandix產品銷售總目協議之交易不多於2011年4月通函之修訂年度上限675百萬港元(2011年：450百萬港元)。

根據上市規則，基於Brandix擁有本公司一間附屬公司PT斯里蘭卡股權，Brandix為主要股東(依上市規則之定義)因而為本公司之關連人士。因此，Brandix集團及其聯繫人亦被視為本公司之關連人士。於分拆、首次公开发售前私人配售、PT斯里蘭卡首次公开发售與PT斯里蘭卡上市事宜完成後，Brandix集團及其聯繫人不再為本公司之關連人士。

(2) Brandix集團提供之布料印刷服務

Brandix集團向本集團提供之布料印刷服務是根據本公司與Brandix於2007年8月27日訂立之印刷服務總目協議(「Brandix印刷服務總目協議」)作出。Brandix印刷服務總目協議之年期自動續期三年至2013年3月31日止。Brandix印刷服務總目協議與年度上限之詳情載於2007年8月30日之本公司公告與2010年2月26日之本公司公告。於2012年財政年度，根據Brandix印刷服務總目協議之交易不多於年度上限44百萬港元(2011年：33百萬港元)。

DIRECTORS' REPORT

董事局報告

CONTINUING CONNECTED TRANSACTIONS (Cont'd)

(2) Fabric Printing Services from Brandix Group (Cont'd)

As mentioned above, Brandix is a connected person of the Company under the Listing Rules. Brandix Group and its associates ceased to be connected persons of the Company upon the completion of the Pre-IPO Private Placement, PT Sri Lanka IPO and PT Sri Lanka Listing.

(3) Sale and Purchase of Knitted Fabric to Crystal Group

Sale and purchase of knitted fabrics to Crystal together with its subsidiaries ("Crystal Group") and associates pursuant to the new agreement (the "Crystal Group Sale and Purchase of Knitted Fabric New Master Agreement") dated 25 November 2011 between the Company and Crystal relating to the sale and purchase of knitted fabric manufactured or owned by the Group with an initial term extended to 31 March 2014, other terms and conditions of a master agreement dated 19 August 2010 between the Company and Crystal remain unchanged. Details of the Crystal Group Sale and Purchase of Knitted Fabric New Master Agreement, annual caps and revised annual caps were set out in the circular of the Company dated 8 September 2010 (the "September 2010 Circular") and the circular of the Company dated 16 December 2011 (the "December 2011 Circular").

Due to the unexpected rapid growth in both sales volume and average selling price of knitted fabrics manufactured or owned by the Group to the Crystal Group under the Crystal Group Sale and Purchase of Knitted Fabric New Master Agreement for the 2012 Financial Year was expected to exceed the annual cap disclosed in the September 2010 Circular; therefore, the Company revised the annual caps for the continuing connected transactions for each of the three years ending 31 March 2014. Details of the revised annual caps for the continuing connected transactions were set out in the December 2011 Circular. Transactions under the Crystal Group Sale and Purchase of Knitted Fabric New Master Agreement for the 2012 Financial Year did not exceed the revised annual cap of the December 2011 Circular of HK\$950 million (2011: HK\$494 million).

According to the Listing Rules, Crystal, by virtue of its shareholding in PCGT Limited, an indirect non-wholly-owned subsidiary of the Company, is a substantial shareholder (as defined in the Listing Rules) and hence a connected person of the Company. Crystal Group is therefore also regarded as connected person of the Company.

持續關連交易(續)

(2) Brandix集團提供之布料印刷服務(續)

如上述者，根據上市規則，Brandix為本公司之關連人士。於分拆、首次公開發售前私人配售、PT斯里蘭卡首次公開發售與PT斯里蘭卡上市事宜完成後，Brandix集團及其聯繫人不再為本公司之關連人士。

(3) 向晶苑集團銷售與採購針織布

向晶苑連同其附屬公司(「晶苑集團」)及其聯繫人銷售與採購針織布是根據本公司與晶苑國際就本集團製造或擁有之針織布銷售與購買而於2011年11月25日訂立之新總目協議(「晶苑針織布產品銷售與採購新總目協議」)，初步年期延長至2014年3月31日止，而本公司與晶苑於2010年8月19日訂立之總目協議之其它條款與條件維持不變。晶苑針織布產品銷售與採購新總目協議、年度上限與修訂年度上限之詳情載於本公司於2010年9月8日之通函(「2010年9月通函」)與本公司於2011年12月16日之通函(「2011年12月通函」)。

由於本集團向晶苑集團銷售由本集團製造或擁有之針織布之銷售量及平均銷售價格皆超乎預期急速增長所致，本集團根據晶苑針織布產品銷售與採購新總目協議於2012年財政年度售予晶苑集團之針織布總銷售交易金額預期超出載於2010年9月通函之年度上限，因此，本公司修訂截至2014年3月31日止三個年度各年之持續關連交易之年度上限。修訂持續關連交易之年度上限之詳情載於2011年12月通函內。於2012年財政年度，根據晶苑針織布產品銷售與採購新總目協議之交易不多於2011年12月通函之修訂年度上限950百萬港元(2011年：494百萬港元)。

根據上市規則，基於晶苑擁有本公司間接非全資附屬公司PCGT Limited股權，晶苑為主要股東(依上市規則之定義)因而為本公司之關連人士。因此，晶苑集團亦被視為本公司之關連人士。

DIRECTORS' REPORT

董事局報告

CONTINUING CONNECTED TRANSACTIONS (Cont'd)

(4) Sale of Products to PT Sri Lanka

Sale of knitted fabrics and greige fabrics to PT Sri Lanka pursuant to a master agreement (the "PT Sri Lanka Sale of Products Master Agreement") dated 30 April 2007 between the Company and PT Sri Lanka. The term of the PT Sri Lanka Sale of Products Master Agreement has been automatically renewed for a further term of three years ending 31 March 2013. Details of PT Sri Lanka Sale of Products Master Agreement and annual caps were set out in the Prospectus and the announcement of the Company dated 26 February 2010. Transactions under the PT Sri Lanka Sale of Products Master Agreement for the 2012 Financial Year did not exceed the annual cap of HK\$48million (2011: HK\$37million).

According to the Listing Rules, PT Sri Lanka is regarded as a connected person as PT Sri Lanka is an associate of connected person as mentioned above. PT Sri Lanka ceased to be connected persons of the Company upon the completion of the Pre-IPO Private Placement, PT Sri Lanka IPO and PT Sri Lanka Listing.

(5) Sale of Products to HC Companies

Sale of knitted fabrics to companies in which Mr. Henry Choi has substantial interest (the "HC Companies") pursuant to a master agreement (the "HC Companies Sale of Products Master Agreement") dated 30 April 2007 between the Company and the HC Companies. The term of the HC Companies Sale of Products Master Agreement has been automatically renewed for a further term of three years ending 31 March 2013. Details of HC Companies Sale of Products Master Agreement and annual caps were set out in the Prospectus and the announcement of the Company dated 26 February 2010. Transactions under the HC Companies Sale of Products Master Agreement for the 2012 Financial Year did not exceed the annual cap of HK\$21million (2011: HK\$16million).

Mr. Henry Choi, who is the son of Mr. Choi Kin Chung (a Director), is regarded as a connected person of the Company by virtue of Listing Rule 14A.11(4)(b).

The Directors, including the INEDs, have reviewed the above-mentioned continuing connected transactions made during the 2012 Financial Year and confirmed that these transactions were entered into:

- (1) in the ordinary and usual course of business of the Group;
- (2) on normal commercial terms or on terms no less favourable to the Company than terms available to or from independent third parties; and
- (3) in accordance with each of the relevant agreements governing them on terms that are fair and reasonable and in the interests of the shareholders of the Company as a whole.

持續關連交易 (續)

(4) 向PT斯里蘭卡銷售產品

向PT斯里蘭卡銷售針織布與胚布是根據本公司與PT斯里蘭卡於2007年4月30日訂立之總目協議(「PT斯里蘭卡產品銷售總目協議」)作出。PT斯里蘭卡產品銷售總目協議之年期自動續期三年至2013年3月31日止。PT斯里蘭卡產品銷售總目協議與年度上限之詳情載於本公司之招股章程與2010年2月26日之公告。於2012年財政年度，根據PT斯里蘭卡產品銷售總目協議之交易不多於年度上限48百萬港元(2011年：37百萬港元)。

根據上市規則，PT斯里蘭卡被視為本公司之關連人士基於PT斯里蘭卡被視為如上述本公司關連人士之聯繫人。於分拆、首次公開發售前私人配售、PT斯里蘭卡首次公開發售與PT斯里蘭卡上市事宜完成後，PT斯里蘭卡不再為本公司之關連人士。

(5) 向HC公司銷售產品

向蔡穎剛先生擁有重大權益之公司(「HC公司」)銷售針織布是根據本公司與HC公司於2007年4月30日訂立之總目協議(「HC公司產品銷售總目協議」)作出。HC公司產品銷售總目協議之年期自動續期三年至2013年3月31日止。HC公司產品銷售總目協議與年度上限之詳情載於招股章程與2010年2月26日之公告。於2012年財政年度，根據HC公司產品銷售總目協議之交易不多於年度上限21百萬港元(2011年：16百萬港元)。

根據上市規則第14A.11(4)(b)條，董事蔡建中先生之兒子蔡穎剛先生被視為本公司的關連人士。

董事(包括獨立非執行董事)已審閱截至2012年財政年度期間進行的上述持續關連交易，並確認該等交易：

- (1) 屬本集團的日常業務；
- (2) 按照一般商務條款進行或不遜於獨立第三方可取得或提供的條款；及
- (3) 根據有關交易的協議條款進行，而交易條款公平合理，並且符合本公司股東的整體利益。

DIRECTORS' REPORT

董事局報告

CONTINUING CONNECTED TRANSACTIONS (Cont'd)

The auditor of the Company was engaged to report on the Group's continuing connected transactions in accordance with Hong Kong Standard on Assurance Engagements 3000 "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information" and with reference to Practice Note 740 "Auditor's Letter on Continuing Connected Transactions under the Hong Kong Listing Rules" issued by the Hong Kong Institute of Certified Public Accountants. The auditor has issued an unqualified letter containing the findings and conclusions in respect of the continuing connected transactions disclosed by the Group above in accordance with the Listing Rules 14A.38. A copy of the auditor's letter has been provided by the Company to the Stock Exchange.

AUDIT COMMITTEE

An audit committee (the "Audit Committee") was established by the Board with written terms of reference in compliance with the CG Code contained in Appendix 14 to the Listing Rules. The Audit Committee comprises three INEDs, namely Mr. Sze Kwok Wing, Nigel, Mr. Ng Ching Wah and Mr. Chan Yue Kwong, Michael. Mr. Sze Kwok Wing, Nigel is the chairman of the Audit Committee.

CORPORATE GOVERNANCE

Principal corporate governance practices adopted by the Company are set out in the Corporate Governance Report from page 33 to page 41 of this annual report.

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the Directors, as the latest practicable date prior to the issue of this annual report, there is sufficient public float of more than 25% of the issued shares of the Company as required under the Listing Rules.

EVENTS AFTER REPORTING PERIOD

The Group had no significant events after the 2012 Financial Year.

AUDITOR

The financial statements for the 2012 Financial Year have been audited by PricewaterhouseCoopers. A resolution to re-appoint PricewaterhouseCoopers as auditor of the Company will be proposed for approval by shareholders of the Company at the forthcoming AGM of the Company.

On behalf of the Board

Wan Wai Loi
CHAIRMAN
Hong Kong, 22 June 2012

持續關連交易(續)

根據香港會計師公會發佈的香港鑒證業務準則 3000 號「歷史財務資料審核或審閱以外的鑒證工作」並參考實務說明 740 號「香港上市規則規定的持續關連交易的核數師函件」，本公司核數師已受聘對本集團持續關連交易作出報告。根據上市規則第 14A.38 條，核數師已就本集團以上披露的持續關連交易，發出無保留意見之函件，並載有其發現和結論。本公司已將核數師之函件副本向聯交所提供。

審核委員會

董事局成立審核委員會（「審核委員會」），其職權範圍符合上市規則附錄 14 所載的企業管治守則。審核委員會的成員由三位獨立非執行董事組成，即施國榮先生、伍清華先生及陳裕光先生。施國榮先生為審核委員會的主席。

企業管治

本公司所採納的主要企業管治常規載列於本年報第 33 頁至 41 頁企業管治報告中。

充足公眾持股量

根據本公司可獲得之公開資料顯示及就董事所知，於刊發本年報前之最後實際可行日期，本公司已發行股份有足夠並超過上市規則規定 25% 之公眾持股量。

報告期後事項

本集團於 2012 年財政年度後並無重大事項。

核數師

羅兵咸永道會計師事務所已審核 2012 年財政年度的財務報表。於本公司應屆股東週年大會上將提呈決議案，以取得股東批准續聘羅兵咸永道會計師事務所為本公司核數師。

承董事局命

主席
尹惠來
香港，2012 年 6 月 22 日

CORPORATE GOVERNANCE REPORT

企業管治報告

The Board is committed to maintaining high standard of corporate governance which is essential to enhancement of corporate value, transparency and accountability. The Group reviews the corporate governance practices from time to time to ensure that the business activities and decision making processes are properly regulated.

CORPORATE GOVERNANCE PRACTICES

The Company has complied with the code provisions and certain recommended best practices set out in the CG Code contained in Appendix 14 to the Listing Rules where suitable to the Company so as to enhance the corporate governance standard of the Company throughout the 2012 Financial Year.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the Model Code set out in Appendix 10 to the Listing Rules as its own code of conduct regarding securities transactions by the Directors. Having made specific enquiries of all Directors, all Directors have confirmed that they had complied with the Model Code throughout the 2012 Financial Year.

THE BOARD

The overall management of the business of the Group is vested to the Board. The Board is responsible for the formulation of strategic, management and financial objectives of the Group and ensuring that the interest of shareholders are protected. Daily operations and administration of the Group are delegated to the executive Directors and the management.

The Board currently has 11 members consisting of 5 executive Directors, namely Mr. Wan Wai Loi (Chairman), Mr. Tsang Kang Po (Vice Chairman), Mr. Lam Wing Tak (Chief Executive Officer), Dr. Lam King Man and Mr. Lam Hing Chau, Leon; 3 non-executive Directors, namely Mr. Choi Kin Chung, Mr. Ip Ping Im and Mr. Lau Yiu Tong; and 3 INEDs, namely Mr. Chan Yue Kwong, Michael, Mr. Ng Ching Wah and Mr. Sze Kwok Wing, Nigel. The list of Directors and their role and function are published on the website of the Stock Exchange and the Company.

The composition of the Board is well balanced with Directors having sales and marketing experience and technical knowledge in fabric business, administration and management experience in the PRC factories, financial and accounting skill is appropriate for effective decision making, taking into account the nature and scope of the business operations and development of the Group. The Board considers that each of the Non-executive Directors and INEDs brings his own relevant expertise to the Board. Profiles of the Directors is set out on pages 14 to 16 of this annual report and is updated on the website of the Company.

As permitted under the Articles, the Company has arranged Directors and Officers Liability Insurance in respect of any legal actions which may be taken against Directors and management in execution and discharge of their duties or in relation thereto.

董事局致力維持高水平的企業管治，此對提高企業價值、透明度與問責性尤為重要。本集團不時檢討企業管治常規，藉以確保業務及決策程序受到適當的規管。

企業管治常規

於2012年財政年度內，本公司一直遵守上市規則附錄14所載的企業管治守則載列的守則條文與若干建議最佳常規，以提高本公司的企業管治標準。

董事的證券交易

本公司已採納上市規則附錄10所載列的標準守則，作為其內部有關董事所進行證券交易的行為守則。在向全體董事作出特定查詢後，全體董事已確認，彼等於2012年財政年度內已遵守標準守則。

董事局

本集團整體業務由董事局負責管理。董事局負責制定本集團策略、管理和財務目標，以及確保股東的權益得以保障。本集團的日常營運及行政管理委派執行董事和管理層處理。

董事局現由11位成員組成，包括5位執行董事尹惠來先生(主席)、曾鏡波先生(副主席)、林榮德先生(行政總裁)、林景文博士及林興就先生；3位非執行董事蔡建中先生、葉炳棧先生及劉耀棠先生；與3位獨立非執行董事陳裕光先生、伍清華先生及施國榮先生。董事名單與其角色和職能已刊載於聯交所及本公司網頁。

董事局之均衡組成，有乃董事具備有關布料業務之銷售及市場推廣經驗及技術知識、中國工廠之行政及管理經驗、財務及會計技能，而鑑於本集團之業務營運與發展性質及規模，對其決策效率而言實屬合適。董事局認為各非執行董事及獨立非執行董事均能將其本身之專業知識帶入董事局。有關各董事的簡介載於本年報第14至16頁及於本公司網頁更新。

於章程細則允許下，本公司已為董事和管理層就履行其職責或相關事宜時可能承擔之法律行動安排董事和管理人員責任保險。

CORPORATE GOVERNANCE REPORT

企業管治報告

THE BOARD (Cont'd)

The Board Meeting

The Board meets at least 4 times per year and additional meetings are convened when deemed necessary by Board. The schedule of regular meetings for the whole year has been informed to each Director. The attendance record of the Directors is set out in the table on page 35 of this annual report.

During the 2012 Financial Year, the Board held 4 meetings to approve interim and final results announcements, interim report and annual report, to consider dividend policy, to revise the terms of reference of the Audit Committee, Nomination Committee and Remuneration Committee with reference to the CG Code and to discuss significant issues and the general operation of the Company.

Notices of Board meeting will be served to all the Directors at least 14 days before the meeting. Notices and agenda of the Board meeting are prepared by the Company Secretary as delegated by the Chairman. All the Directors are given the opportunity to include any matters which they believe to be appropriate in the agenda of the Board meetings.

Agenda and relevant information of Board meeting with adequate background information and supporting analysis are made available to the Directors at least 3 days before the intended date of the Board meeting. All the Directors are given separate and independent access to the Company's senior management for further information and enquiries. The Company Secretary and senior management attends all the meetings of the Board and Board committees to advise on corporate governance, statutory compliance and financial matters.

Any material matters that would have conflict of interest between the directors/substantial shareholders and the Company will be dealt with in the Board meeting. Pursuant to the Articles, a Director is not entitled to vote on (nor is counted in the quorum) any resolution of the Board in respect of any contract or arrangement or any other proposal whatsoever in which he or any of his associates (including any person who would be deemed to be an "associate" of the Directors under the Listing Rules) has any material interest, except in certain special circumstances. The chairman of the Board meeting is required to ensure that each Director is aware of such requirement at the commencement of each Board meeting and declaration of interest is properly made in the Board meeting where conflicts of interest arise.

Directors have access to the advices and services of the Company Secretary and key officers of the Company in relation to the board procedures. Draft minutes of Board/Board committee meetings recorded in sufficient details the matters considered by the participants of such meetings and decisions reached are forwarded to the participants for comments within a reasonable time after the meetings and final versions of minutes of Board meetings and meetings of Board committee are kept by the Company Secretary, which are open for inspection by any Directors at any reasonable time on reasonable notice.

董事局(續)

董事局會議

董事局每年召開會議不少於4次，並根據需要隨時增開會議。全年定期會議時間表已通知各董事。董事出席會議記錄載於本年報第35頁之表內。

於2012年財政年度期間，董事局舉行4次會議以批准中期與全年業績之公佈、中期報告與年報、商討派息政策、參照企業管治守則而修訂審核委員會、薪酬委員會及提名委員會之職權範圍、討論本公司重要事項及一般運作。

召開董事局會議通告將會於會議舉行前不少於14天送呈全體董事。召開董事局會議通告及議程由董事局主席委派公司秘書負責編製。全體董事皆有機會提出任何認為合適商討之事項列入董事局會議議程。

董事局會議議程及相關文件附有適時的背景資料與相關支持的分析在預期的董事局會議前最少3天送呈各董事查閱。所有董事可各自接觸本公司高級管理人員索取進一步的資訊與查詢。公司秘書與高級管理人員參與所有董事局會議，與董事局成員就企業管治、遵守法則和財務方面提供意見。

任何重要事項中存有董事／大股東和公司有利益衝突時，將在董事局會議上處理。根據章程細則規定，除若干特殊情況外，董事無權就彼或彼任何聯繫人(包括上市規則項下被視為董事「聯繫人」之任何人士)擁有任何重大權益之任何合約或安排或任何其他建議，就董事局決議案投票(或就此計入法定人數)。董事局主席須於每次董事局會議舉行時確保每名董事均知悉有關規定，並於出現利益衝突時妥為向董事局申報其權益。

董事有權要求本公司公司秘書和主要職員提供有關董事局程序的意見和服務。董事局／其轄下委員會會議草稿詳細記錄該等會議所考慮的事項及達致的決定。於會議後的合理時間內送呈會議草稿與議會者表達意見。董事局／其轄下委員會會議最後定稿由公司秘書存檔。任何董事於合理時間內，發出合理通知後可查閱有關文件。

CORPORATE GOVERNANCE REPORT

企業管治報告

THE BOARD (Cont'd)

The Board Meeting (Cont'd)

Board members are provided with complete, adequate and timely information to allow the Directors to fulfill their duties properly. Directors may seek independent professional advice at the Company's expense, if necessary, with the approval of the Board.

MANAGEMENT FUNCTION

The Articles set out matters which are specifically reserved to the Board for its decision. Executive Directors normally meet on an informal basis and participate in senior management meetings on a regular basis to keep abreast of the latest operations and performance of the Group and to monitor and ensure the management carry out the directions and strategies set by the Board correctly and appropriately.

ATTENDANCE RECORD AT THE MEETINGS

The attendance record of each Director at the meetings of the Board, the Audit Committee, Remuneration Committee and Nomination Committee during the 2012 Financial Year are set out as follows:

		Meetings attended/Meetings held 出席會議次數/會議次數			
		Board 董事局	Audit Committee 審核委員會	Remuneration Committee 薪酬委員會	Nomination Committee 提名委員會
Executive Directors		執行董事			
Mr. WAN Wai Loi (Chairman)	尹惠來先生(主席)	4/4	N/A	N/A	N/A
Mr. TSANG Kang Po (Vice Chairman)	曾鏡波先生(副主席)	3/4	N/A	1/1	1/1
Mr. LAM Wing Tak (Chief Executive Officer)	林榮德先生(行政總裁)	3/4	N/A	1/1	1/1
Dr. LAM King Man	林景文博士	4/4	N/A	N/A	N/A
Mr. LAM Hing Chau, Leon	林興就先生	4/4	N/A	N/A	N/A
Non-executive Directors		非執行董事			
Mr. CHOI Kin Chung	蔡建中先生	2/4	N/A	N/A	N/A
Mr. IP Ping Im	葉炳樑先生	3/4	N/A	N/A	N/A
Mr. LAU Yiu Tong	劉耀棠先生	2/4	N/A	N/A	N/A
Independent Non-executive Directors		獨立非執行董事			
Mr. CHAN Yue Kwong, Michael	陳裕光先生	4/4	4/4	1/1	1/1
Mr. NG Ching Wah	伍清華先生	4/4	4/4	1/1	1/1
Mr. SZE Kwok Wing, Nigel	施國榮先生	3/4	4/4	1/1	1/1

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

To ensure a balance of power and authority, the roles of the Chairman and the Chief Executive Officer are segregated and not exercised by the same individual. The Chairman is responsible for the leadership and effective running of the Board and ensuring that all material issues are discussed by the Board in a timely and constructive manner. The Chief Executive Officer is responsible for the management of the day-to-day operations of the Group's business and the implementation of the approved strategies of the Group. The Board is headed by the Chairman Mr. Wan Wai Loi, with the assistance of the Vice Chairman, Mr. Tsang Kang Po and the Chief Executive Officer is Mr. Lam Wing Tak.

董事局(續)

董事局會議(續)

董事局向其成員提供完整、適當、及時之資料，以使董事能夠恰當地履行其職責。董事如有需要時，於得到董事局批准後，可尋求獨立專業意見，費用由本公司支付。

管理功能

章程細則載列指明須由董事局決定之事項。執行董事一般定期舉行非正式會議，並定期參與高級管理層之會議，以便掌握本集團近期之營運及表現，且監察及確保管理層正確及恰當地執行董事局制訂之指示及策略。

出席會議記錄

各董事於2012年財政年度期間出席董事局、審核委員會、薪酬委員會及提名委員會會議之記錄載列如下：

		Meetings attended/Meetings held 出席會議次數/會議次數			
		Board 董事局	Audit Committee 審核委員會	Remuneration Committee 薪酬委員會	Nomination Committee 提名委員會

主席及行政總裁

為確保權力平衡，主席及行政總裁各有獨立職務，非由一人擔任。主席負責董事局的領導及有效管理，並須確保董事局以合時及建設性的方式討論一切重大事項。行政總裁則負責經營本集團業務的日常運作及執行本集團所批准的策略。董事局由主席尹惠來先生領導，副主席曾鏡波先生協助，而行政總裁為林榮德先生。

CORPORATE GOVERNANCE REPORT

企業管治報告

CHAIRMAN AND CHIEF EXECUTIVE OFFICER (Cont'd)

With the support of the Company Secretary, the Chairman ensures all the Directors are properly briefed on issues arising at the Board meetings and be provided with adequate information in a timely manner.

INEDs

The Board at all times met the requirements of the Listing Rules relating to the appointment of at least 3 INEDs with at least one INED possessing appropriate professional qualifications, or accounting or related financial management expertise throughout the 2012 Financial Year.

The Company has received an annual written confirmation from each of the INEDs of their independence pursuant to Rule 3.13 of the Listing Rules and considers them to be independent of the management and free of any relationship that could materially interfere with the exercise of their independent judgment.

RESPONSIBILITIES OF DIRECTORS

The Company and the Board require each Director to keep abreast of his responsibilities as a Director of the Company and of the business and operating activities and development of the Company. Every Director is required to devote sufficient time and involvement in the affairs of the Board and the material matters of the Company and to serve the Board with such degree of care and due diligence given his own expertise, qualification and professionalism.

Each executive Director is responsible for the management of the different functions of the business of the Group. The non-executive Directors attended the Board meetings and advised their opinion on the business strategy of the Company and reviewed the financial and operation performance of the Group.

The INEDs serve the relevant function of bringing independent judgment on the issues of strategic direction, development, performance and risk management of the Group. The INEDs are all or a majority of members of the Audit Committee, the Remuneration Committee and the Nomination Committee.

Every newly appointed Director has been provided with comprehensive and tailored induction of business operation of the Group, including a site visit of our factory in China on the first occasion of his appointment. A comprehensive Compliance Manual has been provided to each Director and has been updated. All Directors have been updated and briefed the relevant changes in legal and regulatory matters to ensure that they have a proper understanding of the operations and the business of the Company and that they are fully aware of their responsibilities under the applicable laws and regulations.

主席及行政總裁(續)

在公司秘書協助下，主席致力確保董事局會議上所有董事均適當知悉當前的事項，並適時獲得充份及可靠的資料。

獨立非執行董事

董事局於於2012年財政年度期間所有時間均符合上市規則之規定，委任最少3名獨立非執行董事，而其中一名獨立非執行董事具備適當專業資格，或會計或有關財務管理之專業知識。

本公司已接獲各獨立非執行董事根據上市規則第3.13條之規定發出之年度獨立性書面確認函，並認同獨立非執行董事乃獨立於管理層，且並無任何足以重大干預彼等進行獨立判斷之任何關係。

董事責任

本公司及董事局要求每名董事清楚彼作為本公司董事之職責，以及了解本公司之經營和業務活動及發展。每名董事均須投入足夠時間及精神處理董事局事務及本公司重要事宜，並按照各自之專門知識、資歷及專業技能，以謹慎盡責之態度為董事局服務。

各執行董事於本集團的業務上擔當不同的職責。非執行董事參與董事局會議及就本公司業務策略提供意見和審閱本集團財務和營運表現。

獨立非執行董事負責就本集團策略方針、發展、表現及風險管理作出獨立判斷。獨立非執行董事為審核委員會、薪酬委員會和提名委員會全部或大部分成員。

每名新委任董事均會獲得本集團詳盡而合適的業務營運導言包括實地考察本集團於中國的廠房。詳盡的合規守則已提供給每一位董事，並會不時更新。每位董事皆獲得最新有關法例和監管事項的變動簡要提示。以確保彼等清楚了解本公司之營運及業務，且充分明瞭彼等於法律及規定下之責任。

CORPORATE GOVERNANCE REPORT

企業管治報告

APPOINTMENT AND RE-ELECTION OF DIRECTORS

The Board is empowered under the Articles to appoint any person as a Director to fill a casual vacancy on or as an additional member of the Board. Suitable candidates who are experienced and competent and able to fulfill the fiduciary duties and duties of skill, care and diligence would be recommended to the Board.

If a shareholder wishes to propose a person for election as a Director at the AGM, the shareholder can deposit a written notice to that effect at the registered office of the Company for the attention of the Company Secretary. Procedures for shareholders to propose a person for election as a director is published on the website of the Company.

Each of the executive Directors was appointed for an initial term of two years and each service agreement will continue thereafter until terminated by either party by giving to the other party at least six months' prior notice in writing.

Each of the non-executive Directors (including the INEDs) was appointed for a specific term of two years. The term of the appointment has been extended thereafter.

All Directors are subject to retirement by rotation and are eligible for re-election pursuant to the Articles.

Pursuant to the Articles, any Director appointed by the Board either to fill a casual vacancy or as addition to the Board shall retire and be eligible for re-appointment at the next following general meeting after appointment. At every AGM, one-third of the Directors, including the Chairman, shall be subject to retirement by rotation and re-election by shareholders. The Directors appointed by the Board who are subject to retirement and re-election as mentioned above shall be taken into account in calculating the total number of Directors for the time being but shall not be taken into account in calculating the number of Directors who are to retire by rotation. All Directors eligible for re-election shall have their biographical details made available to the shareholders to enable them to make an informed decision on their re-election.

Any appointment, resignation, removal or re-designation of Director shall be timely disclosed to the shareholders by announcement and shall include in such announcement, the reasons given by the Director for his resignation.

董事委任及重選

董事局依照章程細則有權委任任何人士出任董事以補替臨時空缺或作為董事局新增成員。具豐富經驗及才能，有能力履行受託職責，有技能、盡職審查及處理能力之候選人士將獲推薦予董事局。

若股東擬在股東周年大會上提名人士競選為董事，彼可向本公司註冊辦事處遞交書面通知，抬頭註明公司秘書收。股東提名人士競選為董事之程序已刊載於本公司網頁。

各執行董事之委任初步為期兩年，並於其後各服務協議將繼續有效，直至其中一方向另一方發出不少於六個月書面通知終止協議為止。

各非執行董事（包括獨立非執行董事）之委任指定任期為兩年。其後委任任期已延長。

根據章程細則，全體董事須輪值退任並符合資格膺選連任。

根據章程細則，董事局委任之任何董事（不論為填補臨時空缺或屬董事局新增成員）均須於獲委任後首個股東大會退任並合資格膺選連任。於每屆股東週年大會上，三分之一之董事（包括主席）均須輪值退任及由股東重選。於計算當時董事總數時，將會計入按上文所述由董事局委任而須退任及膺選連任之董事，惟於計算將輪值退任董事人數時則不予計算。所有符合資格膺選連任之董事均須向股東披露個人履歷，以便股東於重選時作出知情決定。

任何董事委任、辭任、罷免或調任事宜均須以公告形式及時向股東披露，並須在公告中註明該董事辭任之理由。

CORPORATE GOVERNANCE REPORT

企業管治報告

BOARD COMMITTEES

The Board has established 3 main Board Committees, namely, the Audit Committee, the Remuneration Committee and the Nomination Committee, each chaired by different INED, to assist the Board for overseeing particular aspects of the Company's affairs. Board Committees report to the Board of their decisions and recommendations at the Board meetings.

The revised terms of reference setting out the principles, procedures and arrangements of the Audit Committee, the Remuneration Committee and the Nomination Committee have been reviewed by the Board with reference to the CG Code and are published on the website of the Stock Exchange and the Company.

The Board Committees are provided with sufficient resources to discharge their duties and, upon reasonable request, are able to seek independent professional advice in appropriate circumstances, at the Company's expenses.

Audit Committee

The Audit Committee was established on 27 April 2007 with written terms of reference in compliance with the CG Code. The members of the Audit Committee are Mr. Sze Kwok Wing, Nigel; Mr. Ng Ching Wah and Mr. Chan Yue Kwong, Michael (who are INEDs). Mr. Sze Kwok Wing, Nigel, a Fellow of CPA Australia, is the chairman of the Audit Committee.

The primary duties of the Audit Committee are reviewing, overseeing and supervision of the effectiveness of the Group's financial reporting process, internal control systems and risk management.

The Audit Committee has reviewed with the management in conjunction with the auditor, the audited annual financial statements of the Group for the 2012 Financial Year and the accounting principles and practices adopted by the Group. The Annual Report for the 2012 Financial Year has been reviewed by the Audit Committee.

The Audit Committee held 4 meetings during 2012 Financial Year. The major work performed by the Audit Committee in respect of 2012 Financial Year included approving the terms of engagement (including the remuneration) of the external auditor; reviewing the unaudited interim financial information and interim results announcement for the six months ended 30 September 2011; reviewing the audited annual financial information and final results announcement for 2012 Financial Year; reviewing the work of the Group's internal audit department and assessing the effectiveness of the Group's systems of risk management and internal control. The attendance of the Directors for the Audit Committee meetings is set out in the table on page 35 of this annual report.

董事局委員會

董事局已成立3個主要董事局委員會，分別為審核委員會、薪酬委員會及提名委員會，分別由不同獨立非執行董事出任主席，以協助董事局以監督本公司事務之各項特定範疇。董事局委員會於董事局會議向董事局匯報其決定和建議。

審核委員會、薪酬委員會及提名委員會之原則、程序及安排之經修訂職權範圍已由董事局參照企業管治守則而作出審閱，並已刊載於聯交所及本公司網頁。

董事局委員會獲提供充足資源以履行其職責，並於提出合理要求後，可於適當情況下尋求獨立專業意見，費用概由本公司承擔。

審核委員會

審核委員會於2007年4月27日成立，並符合企業管治守則定明書面職權範圍。審核委員會之成員為施國榮先生、伍清華先生及陳裕光先生(彼等為獨立非執行董事)。施國榮先生，澳洲註冊會計師公會資深會員，為審核委員會主席。

審核委員會之主要職責為檢討、管理及監督本集團之財務匯報程序、內部監控制度及風險管理的成效。

審核委員會已和管理層聯同核數師審閱經審核本集團2012年財政年度之財務報表，及本集團所採納之會計原則及常規。2012年財政年度之年報已由審核委員會審閱。

審核委員會於2012年財政年度期間舉行了4次會議。審核委員會於2012年財政年度已履行之主要職務包括向董事局提出重新聘任外聘核數師之建議、批准核數師之聘任條款(包括酬金)、審閱截至2011年9月30日止六個月之未經審核中期財務資料及中期業績公佈、審閱於2012年財政年度經審核全年財務資料及全年業績公佈、審閱本集團內部審計部之工作及評估本集團之風險管理系統與內部監控系統之成效。董事出席審核委員會會議記錄載於本年報第35頁之表內。

CORPORATE GOVERNANCE REPORT

企業管治報告

BOARD COMMITTEES (Cont'd)

Audit Committee (Cont'd)

The Audit Committee has reviewed the scope and results of the audit and its cost effectiveness and the independence and objectivity of the Company's auditor. For 2012 Financial Year, the fees in respect of audit and non-audit services provided by the Company's auditor were as follows:

		2012 2012年 HK\$'000 千港元	2011 2011年 HK\$'000 千港元
Audit Services	審核服務	1,724	1,828
Non-audit Services	非審核服務		
— Tax consultation services and review interim financial information	— 稅務顧問服務與審閱中期財務資料	433	424

The Audit Committee has undertaken a review of all the non-audit services provided by the Company's auditor and concluded that in their opinion such services did not affect the independence of the auditor.

The Audit Committee recommended to the Board on the re-appointment of PricewaterhouseCoopers as the Company's external auditor for the ensuing year and the related resolutions shall be put forth in the forthcoming AGM.

Nomination Committee

The Nomination Committee was established on 27 April 2007 with written terms of reference in compliance with the Recommended Best Practice. The members of the Nomination Committee are Mr. Ng Ching Wah; Mr. Chan Yue Kwong, Michael; Mr. Sze Kwok Wing, Nigel (who are INEDs); Mr. Tsang Kang Po and Mr. Lam Wing Tak (who are executive Directors). Mr. Ng Ching Wah is the chairman of the Nomination Committee.

The primary duties of the Nomination Committee are to make recommendations to the Board on the appointment of Directors and the management of the Board succession.

The Nomination Committee met once during the 2012 Financial Year. The major work performed by the Nomination Committee in respect of the 2012 Financial Year included assessing the independence of the independent non-executive directors and make recommendation on the re-election of Mr. Lam Wing Tak and Mr. Ip Ping Im as the Directors of the Company at the forthcoming AGM. The attendance of the Directors for the Nomination Committee meeting is set out in the table on page 35 of this annual report.

董事局委員會 (續)

審核委員會 (續)

審核委員會已檢討審核之範疇、結果及成本效益，以及本公司核數師的獨立性和客觀性。就2012年財政年度，本公司核數師向本集團提供的審核或非審核服務之費用如下：

		2012 2012年 HK\$'000 千港元	2011 2011年 HK\$'000 千港元
Audit Services	審核服務	1,724	1,828
Non-audit Services	非審核服務		
— Tax consultation services and review interim financial information	— 稅務顧問服務與審閱中期財務資料	433	424

審核委員會已檢討本公司核數師所提供之全部非審核服務，認為該等服務並不影響核數師之獨立性。

審核委員會向董事局提出向董事局建議重新聘任羅兵咸永道會計師事務所為本公司下年度之外聘核數師，並建議於應屆股東週年大會提呈有關決議。

提名委員會

提名委員會於2007年4月27日成立，並符合最佳常規規定書面職權範圍。提名委員會之成員為伍清華先生、陳裕光先生、施國榮先生（彼等為獨立非執行董事），以及曾鏡波先生及林榮德先生（彼等為執行董事）。伍清華先生為提名委員會主席。

提名委員會之主要職責為就委任董事及董事局繼任之管理向董事局提供建議。

提名委員會於2012年財政年度期間舉行了1次會議。提名委員會於2012年財政年度已履行之主要職務包括審閱獨立非執行董事之獨立性，以及於應屆股東週年大會上須重選林榮德先生和葉炳棧先生連任本公司董事之事宜作出建議。董事出席提名委員會會議記錄載於本年報第35頁之表內。

CORPORATE GOVERNANCE REPORT

企業管治報告

BOARD COMMITTEES (Cont'd)

Remuneration Committee

The Remuneration Committee was established on 27 April 2007 with written terms of reference in compliance with the CG Code. The members of the Remuneration Committee are Mr. Chan Yue Kwong, Michael; Mr. Sze Kwok Wing, Nigel and Mr. Ng Ching Wah (who are INEDs) and Mr. Lam Wing Tak and Mr. Tsang Kang Po (who are executive Directors). Mr. Chan Yue Kwong, Michael is the chairman of the Remuneration Committee.

The primary duties of the Remuneration Committee are to review and determine the terms of remuneration packages, bonuses and other compensation payable to Directors and senior management of the Group with reference to the nature of their work, complexity of the responsibilities and performance. No director is allowed to take part in any discussion about his own remuneration.

The Remuneration Committee met once during the 2012 Financial Year. The major work performed by the Remuneration Committee for the 2012 Financial Year included reviewing the remuneration of the Directors with reference to the remuneration level of directors of comparable listed companies. The attendance of the Directors for the Remuneration Committee meeting is set out in the table on page 35 of this annual report.

Particulars of the Directors' remuneration disclosed pursuant to Section 161 of the Hong Kong Companies Ordinance and Appendix 16 of the Listing Rules are set out in note 26 to the consolidated financial statements on page 113. The Directors' fee shall be subject to shareholders' approval at general meetings. Other emoluments shall from time to time be determined by the Board with reference to the Directors' duties and responsibilities and subject to a review by the Remuneration Committee.

ACCOUNTANCY AND AUDIT

Financial reporting

The Board acknowledges its responsibility for preparing the Company's financial statements for 2012 Financial Year which give a true and fair view of the financial position of the Group and in accordance with the statutory requirements and applicable accounting standards. The Company's interim report and annual report are prepared and published in accordance with statutory requirements and Hong Kong Financial Reporting Standards in a timely manner required under the Listing Rules. Directors are provided with adequate information to enable them to make an informed assessment of financial and other information on matters for their approval.

The statement by the auditor of the Company regarding their reporting responsibility to the shareholders on the financial statements of the Group is set out in the Independent Auditor's Report on pages 42 to 43 of this annual report.

董事局委員會(續)

薪酬委員會

薪酬委員會於2007年4月27日成立，並符合企業管治守則定明書面職權範圍。薪酬委員會之成員為陳裕光先生、施國榮先生及伍清華先生(彼等為獨立非執行董事)及林榮德先生及曾鏡波先生(彼等為執行董事)。陳裕光先生為薪酬委員會主席。

薪酬委員會之主要職責為參照其工作性質、負責範圍的複雜性和表現、審閱及釐定付予本集團董事及高級管理人員之薪酬組合條款、花紅及其他應付補償。任何董事是不可參與討論其個人薪酬。

薪酬委員會於2012年財政年度期間舉行了1次會議。薪酬委員會於2012年財政年度已履行之主要職務包括參照可比較上市公司之董事薪酬水平以審閱董事酬金。董事出席薪酬委員會會議記錄載於本年報第35頁之表內。

依照香港公司條例第161條及上市規則附錄16而披露之董事酬金資料詳列於第113頁綜合財務報表附註26中。董事收取之袍金須於股東大會上經股東同意。董事之其他酬金則由董事局不時參照董事之職責以釐定及經薪酬委員會審閱。

問責及審核

財務匯報

董事局知悉其有編製本公司2012年財政年度財務報表的責任，賬目須真實而公平地反映本集團的財政狀況，並根據法定規定與適用會計準則編製。本公司中期報告及年報乃根據上市規則要求與香港財務報告準則而適時編製與刊發。董事獲提供適當資料，以便彼等就批准的事項作出財務和其他的知情決定。

本公司核數師就其對本集團財務報表向股東承擔之申報責任作出之聲明載於本年報第42至43頁之獨立核數師報告。

CORPORATE GOVERNANCE REPORT

企業管治報告

ACCOUNTANCY AND AUDIT (Cont'd)

Internal controls

The Group has in place the sound and effective internal controls to safeguard the shareholders' investment and the assets of the Group. The Company has from time to time reviewed the effectiveness of the internal control systems in order to ensure that they meet with the dynamic and ever changing business environment.

During the 2012 Financial Year, the Board has reviewed the effectiveness of the Group's internal control systems, including financial, operational and compliance controls and risk management functions, the adequacy of resources, qualifications and experience of staff of the Company's accounting and financial reporting function, and the training programmes and budget through the Internal Audit Department and the Audit Committee with the assistance of an international independent risk consulting firm.

COMMUNICATION WITH SHAREHOLDERS

Effective Communication

The Board recognizes the importance of continuing communications with shareholders and strives to ensure the timeliness, completeness and accuracy of information disclosure to shareholders and to the protection in the interests of shareholders. The Board has established a shareholders' communication policy and review it on a regular basis to ensure its effectiveness. As a channel to further promote effective communication, the Group maintains a website, allowing shareholders to access updates on the Company's particulars where the Company's announcements, financial information, shareholders' communication policy and other information are posted.

The Board maintains an on-going dialogue with shareholders through general meeting of the Company to communicate with shareholders. The Chairman of the Board and the representative of each committee have attended the general meeting to answer any questions from shareholders. Separate resolutions are proposed at general meetings on each substantially separate issue. A shareholder is permitted to appoint any number of proxies to attend and vote in his stead. The notice of AGM was sent to all shareholders at least 20 clear business days before the meeting and the notice of all other general meetings to be sent at least 10 clear business days.

Voting by Poll

At the general meeting, the Chairman exercised his power under the Articles to put each resolution set out in the notice to be voted by way of a poll and explained the detailed procedures for conducting a poll, and answered questions from shareholders. The results of the poll, if any, are published on the websites of the Stock Exchange and the Company.

問責及審核 (續)

內部監控

本集團已設立穩健及有效的內部監控，以保障股東的投資和本集團的資產。本公司不時檢討內部監控系統之效益，以確保系統能應付瞬息萬變之商業環境。

於2012年財政年度內，董事局透過內部審計部及審核委員會與國際獨立風險顧問公司協助下，檢討本集團內部監控系統之有效性，包括財務監控、運作監控及合規監控以及風險管理功能，本公司會計及財務匯報職能方面的資源運用、員工的資歷及經驗，以及員工接受的培訓課程及有關預算。

與股東溝通

有效溝通

董事局明瞭與股東維持溝通的重要性，並致力確保能適時向股東披露完整準確的資料及保障股東的利益。董事局已制定股東通訊政策，並定期檢討以確保其成效。本集團已設立網頁，以作為增進有效溝通之渠道，讓股東查閱本公司最新資料，而本公司之公佈、財務資料、股東通訊政策及其他資料皆於網頁刊登。

董事局通過股東大會作為與股東溝通之橋樑，與股東保持持續對話。董事局主席及各委員會代表均出席股東大會，回應股東所作出之任何提問。本公司須就各項實質上個別事項於股東大會上個別提呈決議案。股東可委派任何數目之代表出席大會及代其投票。召開股東周年大會通告在股東周年大會舉行前不少於20個營業日寄發予所有股東，而就所有其他股東大會舉行前不少於10個營業日寄發召開所有其他股東大會通告。

以投票方式表決

於股東大會上，主席行使章程細則賦予之權力，就通告內之各項決議案以投票方式進行表決，並解釋以投票方式進行表決之詳細程序，並回答股東提問。投票方式表決的結果於聯交所及本公司網頁登載。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告



TO THE SHAREHOLDERS OF PACIFIC TEXTILES HOLDINGS LIMITED
(incorporated in the Cayman Islands with limited liability)

We have audited the consolidated financial statements of Pacific Textiles Holdings Limited (the "Company") and its subsidiaries (together, the "Group") set out on pages 44 to 121, which comprise the consolidated and Company balance sheets as at 31 March 2012, and the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

DIRECTORS' RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors of the Company are responsible for the presentation of consolidated financial statements that give a true and fair view in accordance with Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants, and the disclosure requirements of the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these consolidated financial statements based on our audit and to report our opinion solely to you, as a body, 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 about whether the consolidated financial statements are free from material misstatement.

羅兵咸永道

致互太紡織控股有限公司股東
(在開曼群島註冊成立之有限公司)

本核數師(以下簡稱「我們」)已審計列載於第44至121頁互太紡織控股有限公司(以下簡稱「貴公司」)及其附屬公司(統稱「貴集團」)的綜合財務報表。此綜合財務報表包括於2012年3月31日的綜合和公司資產負債表與截至該日止年度的綜合收益表、綜合全面收益表、綜合權益變動表及綜合現金流量表，以及主要會計政策概要及其他附註解釋資料。

董事就綜合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》的披露規定編製綜合財務報表，以令綜合財務報表作出真實而公平的反映，及落實其認為編製綜合財務報表所必要的內部控制，以使綜合財務報表不存在由於欺詐或錯誤而導致的重大錯誤陳述。

核數師的責任

我們的責任是根據我們的審計對該等綜合財務報表作出意見，並僅向整體股東報告我們的意見，除此之外本報告別無其他目的。我們不會就本報告的內容向任何其他人士負責或承擔任何責任。

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。該等準則要求我們遵守道德規範，並規劃及執行審計，以合理確定綜合財務報表是否不存在任何重大錯誤陳述。

PricewaterhouseCoopers, 22/F, Prince's Building, Central, Hong Kong
T: +852 2289 8888, F: +852 2810 9888, www.pwchk.com

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

AUDITOR'S RESPONSIBILITY (Cont'd)

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the consolidated financial statements that give a true and fair view 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 consolidated 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 31 March 2012 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 disclosure requirements of the Hong Kong Companies Ordinance.

PricewaterhouseCoopers
Certified Public Accountants

Hong Kong, 22 June 2012

核數師的責任 (續)

審計涉及執行程序以獲取有關綜合財務報表所載金額及披露資料的審計憑證。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綜合財務報表存在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綜合財務報表以作出真實而公平的反映相關的內部控制，以設計適當的審計程序，但目的並非對公司內部控制的有效性發表意見。審計亦包括評價董事所採用會計政策的合適性及作出會計估計的合理性，以及評價綜合財務報表的整體列報方式。

我們相信，我們所獲得的審計憑證是充足和適當地為我們的審計意見提供基礎。

意見

我們認為，該等綜合財務報表已根據香港財務報告準則真實而公平地反映 貴公司及 貴集團於 2012 年 3 月 31 日的事務狀況，及 貴集團截至該日止年度的利潤及現金流量，並已按照香港《公司條例》披露規定妥為編製。

羅兵咸永道會計師事務所
執業會計師

香港，2012 年 6 月 22 日

FINANCIAL INFORMATION

財務資料

CONSOLIDATED INCOME STATEMENT For the year ended 31 March 2012

綜合收益表 截至2012年3月31日止年度

		Note	2012 2012年 HK\$'000 千港元	2011 2011年 HK\$'000 千港元
		附註		
Revenue	收入	5	6,419,952	7,180,664
Cost of sales	銷售成本	25	(5,321,172)	(5,890,705)
Gross profit	毛利		1,098,780	1,289,959
Other income and other gains/(losses)	其他收入及其他收益/(虧損)			
— net	— 淨	24	95,437	90,918
Distribution and selling expenses	分銷及銷售開支	25	(73,953)	(91,421)
General and administrative expenses	一般及行政開支	25	(162,508)	(193,526)
Operating profit	經營溢利		957,756	1,095,930
Finance income	財務收入	27	9,829	4,710
Finance costs	財務成本	27	(704)	(3,223)
Gain on disposal of a subsidiary	出售一間附屬公司收益	9	233,420	—
Impairment of interests in an associate	一間聯營公司之權益減值	9	(155,297)	—
Share of profits of associates	分佔聯營公司之溢利	9	15,956	4,249
Share of losses of jointly controlled entities	分佔共同控制實體之虧損	10	(9,073)	(23,978)
Profit before income tax	所得稅前溢利		1,051,887	1,077,688
Income tax expense	所得稅開支	28	(157,852)	(183,438)
Profit for the year	年度溢利		894,035	894,250
Profit attributable to:	下列人士應佔溢利：			
Equity holders of the Company	本公司權益持有人		893,053	876,374
Non-controlling interests	非控制性權益		982	17,876
			894,035	894,250
Earnings per share for profit attributable to the equity holders of the Company during the year	年內本公司權益持有人應佔溢利之每股盈利			
— basic and diluted (HK\$)	— 基本及攤薄(港元)	29	0.62	0.61
Dividends	股息	30	1,003,160	472,869

The accompanying notes are an integral part of these consolidated financial statements.

隨附之附註乃此綜合財務報表之部份。

FINANCIAL INFORMATION

財務資料

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME For the year ended 31 March 2012

綜合全面收益表 截至2012年3月31日止年度

		2012	2011
		2012年	2011年
		HK\$'000	HK\$'000
		千港元	千港元
Profit for the year	年度溢利	894,035	894,250
Other comprehensive income:	其他全面收入：		
Currency translation differences	外幣換算差額	101,785	112,859
Fair value gain on available-for-sale financial assets	可供出售金融資產公允值收益	5	16
Release of reserve upon disposal of a subsidiary	出售一間附屬公司儲備撥回	4,054	—
Total comprehensive income for the year	年度全面收入總額	999,879	1,007,125
Attributable to:	下列人士應佔：		
Equity holders of the Company	本公司權益持有人	998,899	989,090
Non-controlling interests	非控制性權益	980	18,035
		999,879	1,007,125

The accompanying notes are an integral part of these consolidated financial statements. 隨附之附註乃此綜合財務報表之部份。

FINANCIAL INFORMATION

財務資料

CONSOLIDATED BALANCE SHEET As at 31 March 2012

綜合資產負債表 於2012年3月31日

		As at 31 March		
		於3月31日		
		2012	2011	
		2012年	2011年	
		HK\$'000	HK\$'000	
	Note	千港元	千港元	
	附註			
ASSETS	資產			
Non-current assets	非流動資產			
Leasehold land and land use rights	租賃土地及土地使用權	6	55,800	23,693
Property, plant and equipment	物業、廠房及設備	7	1,175,611	1,407,251
Interests in associates	於聯營公司之權益	9	162,789	33,382
Interests in jointly controlled entities	於共同控制實體之權益	10	87,767	99,508
Deferred income tax assets	遞延所得稅資產	21	6,000	6,580
Available-for-sale financial assets	可供出售金融資產	11	1,801	1,796
			1,489,768	1,572,210
Current assets	流動資產			
Inventories	存貨	13	903,186	1,501,452
Trade and bills receivables	應收賬款及票據	14	926,677	1,109,893
Deposits, prepayments and other receivables	按金、預付款項及其他應收款項	15	70,054	46,355
Amount due from an associate	應收聯營公司款項	9(b)	73,747	—
Derivative financial instruments	衍生金融工具	16	5,381	5,669
Structured deposits and bonds	結構性存款及債券	12	—	116,883
Cash and bank balances	現金及銀行結餘	17	1,893,223	947,468
			3,872,268	3,727,720
Total assets	資產總值		5,362,036	5,299,930
EQUITY	權益			
Equity attributable to equity holders of the Company	本公司權益持有人應佔權益			
Share capital	股本	18	1,433	1,433
Share premium	股本溢價	18	1,372,763	1,371,817
Reserves	儲備	19	2,580,495	2,427,306
			3,954,691	3,800,556
Non-controlling interests	非控制性權益		7,286	87,024
Total equity	權益總額		3,961,977	3,887,580

The accompanying notes are an integral part of these consolidated financial statements.

隨附之附註乃此綜合財務報表之部份。

FINANCIAL INFORMATION

財務資料

CONSOLIDATED BALANCE SHEET As at 31 March 2012

綜合資產負債表 於2012年3月31日

		As at 31 March	
		於3月31日	
		2012	2011
		2012年	2011年
		HK\$'000	HK\$'000
	Note		
	附註	千港元	千港元
LIABILITIES	負債		
Non-current liabilities	非流動負債		
Borrowings	借貸	20	47,490
Deferred income tax liabilities	遞延所得稅負債	21	33,324
			98
			29,114
			80,814
			29,212
Current liabilities	流動負債		
Trade and bills payables	應付賬款及票據	22	928,558
Accruals and other payables	應計項目及其他應付款項	23	355,084
Amount due to an associate	應付聯營公司款項	9(c)	1,796
Borrowings	借貸	20	—
Derivative financial instruments	衍生金融工具	16	2,962
Current income tax liabilities	本期所得稅負債		30,845
			70,808
			1,319,245
			1,383,138
Total liabilities	負債總額		1,400,059
			1,412,350
Total equity and liabilities	權益及負債總額		5,362,036
			5,299,930
Net current assets	流動資產淨值		2,553,023
			2,344,582
Total assets less current liabilities	資產總值減流動負債		4,042,791
			3,916,792

The financial statements were approved by the Board of Directors and were signed on its behalf:

財務報表已獲董事局批准通過，並代表董事局簽署：

Wan Wai Loi
尹惠來
Director
董事

Tsang Kang Po
曾鏡波
Director
董事

The accompanying notes are an integral part of these consolidated financial statements.

隨附之附註乃此綜合財務報表之部份。

FINANCIAL INFORMATION

財務資料

BALANCE SHEET As at 31 March 2012

資產負債表 於2012年3月31日

		Note	2012	2011
		附註	2012年 HK\$'000 千港元	2011年 HK\$'000 千港元
ASSETS	資產			
Non-current assets	非流動資產			
Interests in subsidiaries	於附屬公司之權益	8	3,158,349	1,786,674
Current assets	流動資產			
Amounts due from subsidiaries	應收附屬公司款項	8	750,000	600,000
Prepayments	預付款項	15	—	8
Cash and bank balances	現金及銀行結餘	17	6,429	4,443
			756,429	604,451
Total assets	資產總值		3,914,778	2,391,125
EQUITY	權益			
Share capital	股本	18	1,433	1,433
Share premium	股本溢價	18	1,372,763	1,371,817
Reserves	儲備	19	911,306	1,009,565
			2,285,502	2,382,815
LIABILITIES	負債			
Non-current liabilities	非流動負債			
Amounts due to a subsidiary	應付附屬公司款項	8	966,752	—
Current liabilities	流動負債			
Accruals and other payables	應計項目及其他應付款項	23	3,969	3,576
Amounts due to subsidiaries	應付附屬公司款項	8	658,555	4,734
			662,524	8,310
Total liabilities	負債總額		1,629,276	8,310
Total equity and liabilities	權益及負債總額		3,914,778	2,391,125
Net current assets	流動資產淨值		93,905	596,141
Total assets less current liabilities	資產總值減流動負債		3,252,254	2,382,815

The financial statements were approved by the Board of Directors and were signed on its behalf:

財務報表已獲董事局批准通過，並代表董事局簽署：

Wan Wai Loi
尹惠來
Director
董事

Tsang Kang Po
曾鏡波
Director
董事

The accompanying notes are an integral part of these consolidated financial statements.

隨附之附註乃此綜合財務報表之部份。

FINANCIAL INFORMATION

財務資料

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY For the year ended 31 March 2012

綜合權益變動表 截至2012年3月31日止年度

		Attributable to equity holders of the Company 本公司權益持有人應佔				Non- controlling Interests 非控制性 權益	Total
Note	Share capital 股本 HK\$'000 千港元 (Note 18) (附註18)	Share premium 股本溢價 HK\$'000 千港元 (Note 18) (附註18)	Reserves 儲備 HK\$'000 千港元 (Note 19) (附註19)	Total 總額 HK\$'000 千港元	HK\$'000 千港元	Total 總額 HK\$'000 千港元	
Balance at 1 April 2010	於2010年4月1日之結餘	1,433	1,371,817	1,880,980	3,254,230	65,723	3,319,953
Comprehensive income:	全面收入：						
Profit for the year	年度溢利	—	—	876,374	876,374	17,876	894,250
Other comprehensive income:	其他全面收入：						
Currency translation differences	外幣換算差額	—	—	112,700	112,700	159	112,859
Fair value gains on available-for-sale financial assets	可供出售金融資產公允價值收益	11	—	16	16	—	16
Total other comprehensive income, net of tax	其他全面收入總額，扣除稅項	—	—	112,716	112,716	159	112,875
Total comprehensive income	全面收入總額	—	—	989,090	989,090	18,035	1,007,125
Transactions with owners:	與擁有人交易：						
Share-based compensation expense	股份報酬支出	—	—	1,446	1,446	—	1,446
Dividends	股息	—	—	(444,210)	(444,210)	—	(444,210)
Contributions from non-controlling interests of a subsidiary	附屬公司之非控制性權益之貢獻	—	—	—	—	3,266	3,266
Total transactions with owners	與擁有人交易總額	—	—	(442,764)	(442,764)	3,266	(439,498)
Balance at 31 March 2011	於2011年3月31日之結餘	1,433	1,371,817	2,427,306	3,800,556	87,024	3,887,580
Balance at 1 April 2011	於2011年4月1日之結餘	1,433	1,371,817	2,427,306	3,800,556	87,024	3,887,580
Comprehensive income:	全面收入：						
Profit for the year	年度溢利	—	—	893,053	893,053	982	894,035
Other comprehensive income:	其他全面收入：						
Currency translation differences	外幣換算差額	—	—	101,865	101,865	(80)	101,785
Fair value gain on available-for-sale financial assets	可供出售金融資產公允價值收益	11	—	5	5	—	5
Release of reserve on disposal of a subsidiary	出售一間附屬公司儲備撥回	31(c)	—	3,976	3,976	78	4,054
Total other comprehensive income, net of tax	其他全面收入總額，扣除稅項	—	—	105,846	105,846	(2)	105,844
Total comprehensive income	全面收入總額	—	—	998,899	998,899	980	999,879
Transactions with owners:	與擁有人交易：						
Transfer of reserve upon exercise of share options	購股權行使後之儲備轉撥	—	946	(190)	756	—	756
Dividends	股息	—	—	(845,520)	(845,520)	—	(845,520)
Contributions from non-controlling interests of a subsidiary	附屬公司之非控制性權益之貢獻	—	—	—	—	5,105	5,105
Disposal of a subsidiary	出售一間附屬公司權益	31(c)	—	—	—	(85,823)	(85,823)
Total transactions with owners	與擁有人交易總額	—	946	(845,710)	(844,764)	(80,718)	(925,482)
Balance at 31 March 2012	於2012年3月31日之結餘	1,433	1,372,763	2,580,495	3,954,691	7,286	3,961,977

The accompanying notes are an integral part of these consolidated financial statements.

隨附之附註乃此綜合財務報表之部份。

FINANCIAL INFORMATION

財務資料

CONSOLIDATED STATEMENT OF CASH FLOWS For the year ended 31 March 2012

綜合現金流量表 截至2012年3月31日止年度

	Note	2012	2011
	附註	2012年 HK\$'000 千港元	2011年 HK\$'000 千港元
Cash flow from operating activities	經營業務之現金流量		
Cash generated from operations	31(a)	1,846,264	758,083
Interest paid		(704)	(3,223)
Hong Kong profits tax paid		(134,677)	(124,785)
PRC income tax paid		(54,926)	(56,895)
		1,655,957	573,180
Cash flow from investing activities	投資活動之現金流量		
Purchase of property, plant and equipment		(124,016)	(174,666)
Purchase of land use rights		(38,354)	—
Proceeds from partial disposals of property, plant and equipment	31(b)	169	1,462
Proceeds from disposal of a subsidiary	31(c)	100,185	—
Dividends received from associates		10,185	—
Repayment of/(loan to) a jointly controlled entity		2,010	(4,960)
Capital injections into jointly controlled entities		—	(6,548)
Acquisition of additional interests in jointly controlled entities		(2,010)	(13,293)
Redemption of structured deposit and bonds		116,883	207,685
Interest income received		9,829	4,710
		74,881	14,390
Cash flow from financing activities	融資活動之現金流量		
Contributions from non-controlling interests of subsidiaries		5,105	3,266
Loan from a non-controlling interest of a subsidiary		33,874	13,616
Repayment of loan from a non-controlling interest of a subsidiary		—	(49,638)
Exercise of share option		756	—
Proceeds from bank loans		784	62,246
Repayment of bank loans		(9,410)	(719)
Repayment of capital element of finance lease obligations		—	(79)
Dividends paid		(845,520)	(444,210)
		(814,411)	(415,518)
Net increase in cash and cash equivalents	現金及現金等值項目增加淨額	916,427	172,052
Cash and cash equivalents at 1 April		918,153	686,476
Currency translation differences		58,643	59,625
Cash and cash equivalents at 31 March	於3月31日現金及現金等值項目	1,893,223	918,153
Analysis of cash and cash equivalents	現金及現金等值項目分析		
Cash and bank balances		1,893,223	947,468
Bank overdrafts		—	(29,315)
		1,893,223	918,153

The accompanying notes are an integral part of these consolidated financial statements.

隨附之附註乃此綜合財務報表之部份。

FINANCIAL INFORMATION

財務資料

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. GENERAL INFORMATION

Pacific Textiles Holdings Limited (the “Company”) and its subsidiaries (together the “Group”) are principally engaged in the manufacturing and trading of textile products. Its production base is primarily located in the People’s Republic of China (the “PRC”).

The Company is a limited liability company incorporated in the Cayman Islands. The address of its registered office is P.O. Box 309GT, Uglan House, South Church Street, George Town, Grand Cayman, Cayman Islands.

The Company has its primary listing on The Stock Exchange of Hong Kong Limited.

These consolidated financial statements are presented in Hong Kong Dollars (HK\$), unless otherwise stated. These consolidated financial statements have been approved for issue by the Board of Directors on 22 June 2012.

2. BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The basis of preparation and principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRS”) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”). The consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of available-for-sale financial assets, and financial assets and financial liabilities (including derivative instruments) at fair value through profit or loss.

The preparation of financial statements in conformity with HKFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements, are disclosed in Note 4.

綜合財務報表附註

1. 一般資料

互太紡織控股有限公司(「本公司」)及其附屬公司(統稱「本集團」)主要從事紡織產品之製造及貿易。其生產基地主要位於中華人民共和國(「中國」)。

本公司是於開曼群島註冊成立之有限公司。其註冊地址為P.O. Box 309GT, Uglan House, South Church Street, George Town, Grand Cayman, Cayman Islands。

本公司主要於香港聯合交易所有限公司上市。

除另有說明外，該等綜合財務報表以港元呈報。該等綜合財務報表於2012年6月22日經董事局批准刊發。

2. 編製基準與重要會計政策概要

編製此等綜合財務報表所採納之編製基準與主要會計政策載於下文。除另有說明外，此等政策已於所有呈報年度貫徹應用。

2.1 編製基準

本集團綜合財務報表乃按照香港會計師公會(「香港會計師公會」)頒佈的香港財務報告準則(「香港財務報告準則」)編製。綜合財務報表乃根據歷史成本法而編製，並就重估之可供出售金融資產及按公允值計入損益賬之金融資產與金融負債(包括衍生工具)而予以修訂。

遵照香港財務報告準則編製財務報表須運用若干重要會計估計，而管理層於應用本集團會計政策時亦須作出判斷。涉及較高程度之判斷或複雜性，或涉及對綜合財務報表作出重大假設及估計之範圍，乃於附註4中披露。

FINANCIAL INFORMATION

財務資料

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

2. BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.1 Basis of preparation (Cont'd)

(a) New and amended standards adopted by the Group

- (i) The following amendments to standards and interpretations are mandatory for accounting period beginning on 1 April 2011 and relevant to the Group. The adoption of these amendments to standards and interpretations does not impact to the published results for the current and prior periods and the financial position of the Group, except for certain additional disclosures:

HKAS 24 (Revised), "Related party disclosures"

Improvements to HKFRSs 2010 —

Amendments to:

HKFRS 3 (Revised), "Business combinations"

HKFRS 7, "Financial instruments: Disclosures"

HKAS 1 (Revised), "Presentation of financial statements"

HKAS 21, "The effect of changes in foreign exchange rates"

HKAS 28, "Investments in associates"

HKAS 31, "Interests in joint ventures"

HKAS 32, "Financial instruments: Presentation"

HKAS 39, "Financial instruments: Recognition and measurement"

綜合財務報表附註(續)

2. 編製基準與重要會計政策概要(續)

2.1 編製基準(續)

(a) 本集團已採納之新訂及修訂準則

- (i) 下列為於2011年4月1日開始之會計期間強制執行而與本集團有關之準則修訂及詮釋。除作出若干額外披露外，採納該準則修訂與詮釋未對本集團已公佈現行與過往期間之業績與財務狀況產生影響：

香港會計準則第24號(經修訂)「有關連人士之披露」
香港財務報告準則2010年度改進項目一修訂本：
香港財務報告準則第3號(經修訂)「業務合併」
香港財務報告準則第7號「金融工具：披露」
香港會計準則第1號(經修訂)「財務報表之呈報」
香港會計準則第21號「外幣兌換率改變之影響」
香港會計準則第28號「聯營公司之投資」
香港會計準則第31號「於合營公司之權益」
香港會計準則第32號「金融工具：呈報」
香港會計準則第39號「金融工具：確認與計量」

FINANCIAL INFORMATION

財務資料

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

2. BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.1 Basis of preparation (Cont'd)

(a) **New and amended standards adopted by the Group (Cont'd)**

- (ii) The following amendments to standards and interpretations to existing standards are also mandatory for accounting periods beginning on or after 1 April 2011 but are not currently relevant to the Group's operations:

HK(IFRIC) -Int 14 Amendment, "Prepayments of a minimum funding requirement"

HK(IFRIC) -Int 19, "Extinguishing financial liabilities with equity instruments"

HKFRS 1 Amendment, "Limited exemption from comparative HKFRS 7 disclosures for first-time adopters"

(b) **New standards, amendments and interpretations to existing standards that have been issued but are not effective**

The following standards, amendments to standards and interpretations to existing standards are relevant to the Group, have been issued but are not effective for accounting periods beginning on or after 1 April 2011 and have not been early adopted:

HKFRS 7 (Amendment), "Disclosures — Transfers of financial assets"

HKFRS 7 (Amendment), "Disclosures — Offsetting financial assets and financial liabilities"

HKFRS 9, "Financial instruments"

HKFRS 10, "Consolidated financial statements"

HKFRS 11, "Joint arrangements"

HKFRS 12, "Disclosure of interests in other entities"

HKFRS 13, "Fair value measurement"

HKAS 1 (Amendment), "Presentation of items of other comprehensive income"

HKAS 12 (Amendment), "Deferred tax: Recovery of underlying assets"

HKAS 19 (2011), "Employee benefits"

綜合財務報表附註(續)

2. 編製基準與重要會計政策概要(續)

2.1 編製基準(續)

(a) **本集團已採納之新訂及修訂準則(續)**

- (ii) 下列為於2011年4月1日或其後開始之會計期間強制執行而與本集團營運無關之現行準則修訂及詮釋：

香港(國際財務報告詮釋委員會)－詮釋第14號修訂本「最低資金要求之預付款項」

香港(國際財務報告詮釋委員會)－詮釋第19號「以權益工具抵銷金融負債」
香港財務報告準則第1號修訂本「首次採納者之香港財務報告準則第7號比較資料披露之限度豁免」

(b) **已頒佈而未生效的新訂準則、現行準則修訂與詮釋**

以下為與本集團營運有關而已頒佈準則、準則修訂及現行準則詮釋，而於2011年4月1日開始之會計期間未生效，惟並無提前採用：

香港財務報告準則第7號(修訂本)「披露 — 金融資產轉讓」

香港財務報告準則第7號(修訂本)「披露 — 金融資產與金融負債抵銷的修訂」

香港財務報告準則第9號「金融工具」

香港財務報告準則第10號「綜合財務報表」

香港財務報告準則第11號「合營安排」

香港財務報告準則第12號「披露於其他實體的權益」

香港財務報告準則第13號「公允值計量」

香港會計準則第1號(修訂本)「其他全面收入項目的呈報」

香港會計準則第12號(修訂本)「遞延稅項：相關資產收回」

香港會計準則第19號(2011)「僱員福利」

FINANCIAL INFORMATION

財務資料

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

2. BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.1 Basis of preparation (Cont'd)

(b) **New standards, amendments and interpretations to existing standards that have been issued but are not effective (Cont'd)**

The following standards, amendments to standards and interpretations to existing standards are relevant to the Group, have been issued but are not effective for accounting periods beginning on or after 1 April 2011 and have not been early adopted: (Cont'd)

HKAS 27 (2011), "Separate financial statements"

HKAS 28 (2011), "Investments in associates and joint ventures"

HKAS 32 (Amendment), "Offsetting financial assets and financial liabilities"

The Directors are currently assessing the likely impact of the adoption of these new and revised standards and amendments to existing standards to the Group in future periods. The Directors anticipate that the adoption of these new standards, amendments to standards and interpretations will not result in a significant impact on the results and financial position of the Group, but may require additional disclosures.

2.2 Subsidiaries

2.2.1 Consolidation

Subsidiaries are all entities (including special purpose entities) over which the Group has the power to govern the financial and operating policies generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity. The Group also assesses existence of control where it does not have more than 50% of the voting power but is able to govern the financial and operating policies by virtue of de-facto control. De-facto control may arise from circumstances such as enhanced minority rights or contractual terms between shareholders, etc.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

綜合財務報表附註(續)

2. 編製基準與重要會計政策概要(續)

2.1 編製基準(續)

(b) 已頒佈而未生效的新訂準則、現行準則修訂與詮釋(續)

以下為與本集團營運有關而已頒佈準則、準則修訂及現行準則詮釋，於2011年4月1日開始之會計期間未生效，惟並無提前採用：(續)

香港會計準則第27號(2011)
「獨立財務報表」

香港會計準則第28號(2011)
「於聯營公司與合營公司之投資」

香港會計準則第32號(修訂本)
「金融資產與金融負債抵銷的修訂」

董事正評估本集團於未來期間採納該等新訂及經修訂準則、現行準則修訂及詮釋可能產生的影響。董事預期採用該等新訂準則、準則修訂與詮釋，未對本集團的業績和財務狀況產生重大影響，惟可能需要額外披露。

2.2 附屬公司

2.2.1 綜合賬目

附屬公司指本集團有權控制其財務及營運政策之實體(包括特定用途實體)，一般擁有其過半數表決權之股權。在評估本集團是否控制另一實體時，會考慮目前是否存在可行使或可兌換的潛在表決權及其影響。倘若本集團並無擁有超過50%投票權，但按照實際控制權有能力管理財務及經營政策，則本集團亦會評估是否存在控制權。實際控制權可透過提高少數股東權益或股東之間的合約條款等情況產生。

附屬公司於控制權轉移至本集團之日起全面綜合入賬，及於該控制權終止之日起終止綜合入賬。

FINANCIAL INFORMATION

財務資料

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

2. BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.2 Subsidiaries (Cont'd)

2.2.1 Consolidation (Cont'd)

Inter-company transactions, balances, income and expenses on transactions between Group companies are eliminated. Profits and losses resulting from intercompany transactions that are recognized in assets are also eliminated. The financial information of subsidiaries has been changed where necessary to ensure consistency with the accounting policies adopted by the Group.

(a) Business combinations

The Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the aggregate fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The Group recognizes any non-controlling interest in the acquiree on an acquisition-by-acquisition basis, either at fair value or at the non-controlling interest's proportionate share of the recognized amounts of acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred.

Goodwill is initially measured as the excess of the aggregate of the consideration transferred and the fair value of non-controlling interest over the net identifiable assets acquired and liabilities assumed. If this consideration is lower than the fair value of the net assets of the subsidiary acquired, the difference is recognized in profit or loss.

(b) Changes in ownership interests in subsidiaries without change of control

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions — that is, as transactions with the owners in their capacity as owners.

綜合財務報表附註(續)

2. 編製基準與重要會計政策概要(續)

2.2 附屬公司(續)

2.2.1 綜合賬目(續)

集團內公司間之交易、交易的結餘及進行交易時之收入及開支會予以抵銷。集團內公司間之交易產生並於資產確認之溢利及虧損亦會抵銷。附屬公司之財務資料已在需要時作出相應變動，以確保與本集團所採納之會計政策符合一致。

(a) 業務合併

本集團應用收購法為業務合併列賬。收購附屬公司之轉讓代價為向所收購公司前擁有人轉讓之資產、產生之負債及本集團所發行股本權益之公允值總額。所轉讓代價包括或然代價安排產生之任何資產或負債之公允值。在業務合併中所收購可識辨之資產以及所承擔之負債及或然負債，首先以於收購日期之公允值計量。本集團根據逐項收購基準按公允值或非控制性權益佔所收購公司可識辨之資產淨值之已確認金額之比例，確認任何於所收購公司之非控制性權益。收購相關成本於產生時列為開支。

商譽首次按所轉讓代價與非控制性權益公允值超出所收購可識辨淨資產及所承擔可識辨淨負債之數額計量。倘若此代價低於所收購附屬公司淨資產之公允值，則差額於損益賬確認。

(b) 不涉及控制權變動之於附屬公司擁有權權益變動

並無導致失去控制權之非控股權益交易入帳列作權益交易——即與擁有人以彼等作為擁有人身份進行之交易。

FINANCIAL INFORMATION

財務資料

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

2. BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.2 Subsidiaries (Cont'd)

2.2.1 Consolidation (Cont'd)

(b) Changes in ownership interests in subsidiaries without change of control (Cont'd)

The difference between the fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

(c) Disposal of subsidiaries

When the Group ceases to have control, any retained interest in the entity is re-measured to its fair value at the date when control is lost, with the change in carrying amount recognized in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognized in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognized in other comprehensive income are reclassified to profit or loss.

2.2.2 Separate financial statements

Interests in subsidiaries are accounted for at cost less impairment. Cost also includes direct attributable costs of investment. The results of subsidiaries are accounted for by the Company on the basis of dividends received and receivable.

Impairment testing of the interests in subsidiaries is required upon receiving dividends from these investments if the dividend exceeds the total comprehensive income of the subsidiary in the period the dividend is declared or if the carrying amount of the investment in the separate financial statements exceeds the carrying amount in the financial statements of the investee's net assets including goodwill.

綜合財務報表附註(續)

2. 編製基準與重要會計政策概要(續)

2.2 附屬公司(續)

2.2.1 綜合賬目(續)

(b) 不涉及控制權變動之於附屬公司擁有權權益變動(續)

任何已付代價公允值與應佔所收購附屬公司淨資產帳面值之間之差額均計入權益。出售非控股權益之收益或虧損亦計入權益。

(c) 出售附屬公司

倘本集團不再擁有控制權，其於該實體之任何保留權益按其失去控制權當日之公允值重新計量，而賬面值變動則於損益賬內確認。就隨後入賬列作聯營公司、合營公司或金融資產之保留權益而言，此公允值即初步賬面值。此外，先前於其他全面收入內確認與該實體有關之任何金額按猶如本集團已直接出售有關資產或負債之方式入賬。這可能意味著先前在其他全面收入內確認之金額重新分類至損益賬。

2.2.2 獨立財務報表

於附屬公司的權益乃以成本減減值的方法入賬。成本亦包括投資的直接應佔費用。附屬公司之業績由本公司按已收股息及應收款項入賬。

當收到於附屬公司之權益之股息時，如股息超過附屬公司在宣派股息期間之總全面收入，或在獨立財務報表之投資賬面值超過被投資方資產淨值(包括商譽)在財務報表之賬面值時，必須對有關投資進行減值測試。

FINANCIAL INFORMATION

財務資料

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

2. BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.3 Associates

Associates are all entities over which the Group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Interests in associates are accounted for using the equity method of accounting. Under the equity method, the investment is initially recognized at cost, and the carrying amount is increased or decreased to recognize the investor's share of the profit or loss of the investee after the date of acquisition. The Group's investment in associates includes goodwill identified on acquisition.

If the ownership interest in an associate is reduced but significant influence is retained, only a proportionate share of the amounts previously recognized in other comprehensive income is reclassified to profit or loss where appropriate.

The Group's share of post-acquisition profit or loss is recognized in the income statement, and its share of post-acquisition movements in other comprehensive income is recognized in other comprehensive income with a corresponding adjustment to the carrying amount of the investment. When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognize further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associate.

The Group determines at each reporting date whether there is any objective evidence that the interests in the associate is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognizes the amount adjacent to 'share of loss of associates' in the income statement.

Profits and losses resulting from upstream and downstream transactions between the Group and its associate are recognized in the Group's financial statements only to the extent of unrelated investor's interests in the associates. Unrealised losses are eliminated unless the transaction provides evidence of an impairment of the asset transferred. The financial information of associates has been changed where necessary to ensure consistency with the accounting policies adopted by the Group.

Dilution gains and losses arising in investments in associates are recognized in the income statement.

綜合財務報表附註(續)

2. 編製基準與重要會計政策概要(續)

2.3 聯營公司

聯營公司是指本集團對其有重大影響力而無控制權的所有實體，通常附帶有20%至50%投票權的股權。於聯營公司權益以權益會計法入賬。根據權益法，投資初始以成本確認，賬面值可予增減，以確認投資公司於收購日期後應佔所投資公司之損益。本集團於聯營公司之投資包括於收購時識辨之商譽。

倘於聯營公司之擁有權權益減少，但重大影響力仍保留，則先前於其他全面收入內確認的金額僅有一定比例部份重新分類至損益賬(如適用)。

本集團應佔收購後的損益於收入報表內確認，而應佔收購後其他全面收入的變動則於其他全面收入內確認，並對投資賬面值作出相應調整。如本集團應佔一家聯營公司之虧損等於或超過其在該聯營公司之權益，包括任何其他無抵押應收款項，則本集團不會確認進一步虧損，除非本集團已代聯營公司承擔法定或推定責任或作出付款。

本集團於每個報告日期釐定於聯營公司之權益有否任何客觀減值跡象。如出現有關跡象，本集團會計算減值金額，即聯營公司可收回款額與其賬面值之差額，並將該金額與「分佔聯營公司之虧損」一同於收入報表內確認。

本集團與其聯營公司之間的上下游交易產生之損益，以無關連投資公司於聯營公司之權益為限，在本集團之財務報表確認。除非交易提供證據顯示所轉讓資產減值，否則未變現虧損予以對銷。聯營公司的財務資料已按需要作出改變，以確保與本集團採用的會計政策符合一致。

聯營公司投資而產生之攤薄盈虧於收益表內確認。

FINANCIAL INFORMATION

財務資料

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

2. BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.4 Jointly controlled entities

A jointly controlled entity is a joint venture in which the Group and other parties undertake an economic activity which is subject to joint control and none of the participating parties has unilateral control over the economic activity. Interests in jointly controlled entities are accounted for using the equity method of accounting and are initially recognized at cost. The Group's interests in jointly controlled entities includes goodwill identified on acquisition, net of any accumulated impairment loss.

The Group's share of its jointly controlled entities' post-acquisition profits or losses is recognized in the income statement, and its share of post-acquisition movements in other comprehensive income is recognized in other comprehensive income. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. When the Group's share of losses in a jointly controlled entity equals or exceeds its interest in the jointly controlled entity, including any other unsecured receivables, the Group does not recognize further losses, unless it has incurred obligations or made payments on behalf of the jointly controlled entity.

Unrealised gains on transactions between the Group and its jointly controlled entities are eliminated to the extent of the Group's interest in the jointly controlled entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. The financial statements of jointly controlled entities have been changed where necessary to ensure consistency with the accounting policies adopted by the Group.

Dilution gains and losses in investments in jointly controlled entities are recognized in the income statement.

2.5 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker ("CODM"). The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the executive directors that makes strategic decisions.

綜合財務報表附註(續)

2. 編製基準與重要會計政策概要(續)

2.4 共同控制實體

共同控制實體為合營公司，本集團與其他訂約方經營一項由各方共同控制之經濟活動，而參與各方概無任何一方可單獨控制該項經濟活動。本集團於共同控制實體之權益按權益會計法列賬，並初步按成本確認。本集團於共同控制實體之投資包括於收購時識辨之商譽，扣除任何累計減值虧損。

本集團應佔收購後共同控制實體的溢利或虧損於收益表內確認，而應佔收購後其他全面收入的變動則於其他全面收入內確認。投資賬面值會根據累計之收購後變動而作出調整。如本集團應佔一家共同控制實體之虧損等於或超過其在該共同控制實體之權益，包括任何其他無抵押應收款，本集團不會確認進一步虧損，除非本集團已代共同控制實體承擔責任或作出付款。

本集團與其共同控制實體進行交易的未變現收益，與本集團於共同控制實體的權益對銷。除非交易顯示被轉讓資產出現減值的證據，否則交易的未變現虧損亦予以對銷。共同控制實體的財務報表已在有需要時作出改變，以確保與本集團採納的會計政策一致。

來自共同控制實體的投資所產生的攤薄盈虧於收益表確認。

2.5 分部呈報

報告經營分部之基準與向首席經營決策者(「首席經營決策者」)所提供的內部報告所採用之基準貫徹一致。首席經營決策者負責分配資源和評估經營分部的表現，其為執行董事並作出策略決定。

FINANCIAL INFORMATION

財務資料

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

2. BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.6 Foreign currency translation

(a) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the Group's entity operates (the "functional currency"). The consolidated financial statements are presented in Hong Kong Dollar ("HK\$"), which is the Company's functional and the Group's presentation currency.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the income statement.

All foreign exchange gains and losses are presented in the income statement within 'other income and other gains/(losses) — net'.

Changes in the fair value of monetary securities denominated in foreign currency classified as available-for-sale are analysed between translation differences resulting from changes in the amortised cost of the securities and other changes in the carrying amount of the securities. Translation differences related to changes in the amortised cost are recognized in profit and loss and other changes in the carrying amount are recognized in other comprehensive income.

Translation differences on non-monetary financial assets and liabilities such as equities held at fair value through profit or loss are recognized in profit or loss as part of the fair value gain or loss. Translation differences on non-monetary financial assets such as equities classified as available-for-sale, are included in other comprehensive income.

綜合財務報表附註(續)

2. 編製基準與重要會計政策概要(續)

2.6 外幣換算

(a) 功能及呈列貨幣

本集團各實體之財務報表所列項目，均以本集團實體經營所在主要經濟環境之貨幣（「功能貨幣」）計量。綜合財務報表乃以本公司之功能貨幣及本集團之呈列貨幣港元呈列。

(b) 交易及結餘

外幣交易按交易或項目重新計量日之匯率換算為功能貨幣。結算該等交易及按年結日之匯率換算以外幣列值之貨幣資產及負債所產生外匯盈虧均於收益表確認。

所有其他匯兌盈虧於收益表「其他收入及其他收益／（虧損）—淨」中呈現。

分類為可供出售之外幣列值貨幣證券之公允值變動，分析為證券攤銷成本變動產生之換算差額及證券賬面值之其他變動。攤銷成本變動相關之換算差額乃於溢利與虧損確認，而賬面值其他變動則於其他全面收入確認。

非貨幣金融資產及負債（例如按公允值計入損益之權益）之換算差額乃於損益中確認為公允值損益之一部分。分類為可供出售之權益等非貨幣金融資產之換算差額會列入其他全面收入內。

FINANCIAL INFORMATION

財務資料

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

2. BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.6 Foreign currency translation (Cont'd)

(c) Group companies

The results and financial position of all the Group's entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- (i) assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;
- (ii) income and expenses for each income statement are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and
- (iii) all resulting exchange differences are recognized in other comprehensive income.

On consolidation, exchange differences arising from the translation of the net investment in foreign operations, and of borrowings and other currency instruments designated as hedges of such investments, are taken to other comprehensive income. When a foreign operation is partially disposed of or sold, exchange differences that were recorded in equity are recognized in the income statement as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate. Exchange differences arising are recognized in equity.

2.7 Leasehold land and land use rights

The up-front prepayments made for leasehold land interests — classified as operating lease and land use rights are accounted for as operating leases. They are expensed in the income statement on a straight-line basis over the periods of the lease or the land use rights. When there is impairment, the impairment is expensed in the income statement.

綜合財務報表附註(續)

2. 編製基準與重要會計政策概要(續)

2.6 外幣換算(續)

(c) 集團公司

集團旗下所有實體(當中不持有嚴重通脹經濟之貨幣)之功能貨幣倘有別於呈列貨幣,則其業績及財務狀況須按以下方式換算為呈列貨幣:

- (i) 每份資產負債表內所呈列資產及負債按該結算日之收市匯率換算;
- (ii) 每份收益表所列收益及開支按平均匯率換算,除非此平均匯率不足以合理反映於交易日期適用匯率之累計影響,則在此情況下,收益及開支按交易日期之匯率換算;及
- (iii) 所有由此產生之匯兌差額均確認為其他全面收入。

於綜合賬目時,因換算海外實體或業務之淨投資以及借貸及其他指定對沖該等投資之貨幣工具而產生之匯兌差額均計入其他全面收入內。當出售部份海外業務時,該等已列入權益之匯兌差額會於收益表確認為部分出售盈虧。

收購海外實體時產生之商譽及公允值調整視為該海外實體之資產及負債處理,並按收市匯率換算。所產生匯兌差額均計入權益。

2.7 租賃土地及土地使用權

就租賃土地權益 — 分類為經營租賃及土地使用權作出之前期預付款項按經營租約列賬,並於該租約年期或按土地使用權以直線法在收益表支銷,或倘出現減值,則於收益表支銷減值。

FINANCIAL INFORMATION

財務資料

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

2. BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.8 Property, plant and equipment

Land and buildings comprise mainly factories and offices. Leasehold land interests classified as finance lease and all other property, plant and equipment other than construction in progress are stated at historical cost less accumulated depreciation and accumulated impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Cost may also include transfers from equity of any gains/losses on qualifying cash flow hedges of foreign currency purchase of property, plant and equipment.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognized. All other repairs and maintenance are charged to the income statement during the period in which they are incurred.

Leasehold land classified as a finance lease commences amortisation from the time when the land interest becomes available for its intended use. Amortisation on leasehold land classified as finance lease and depreciation on other assets other than construction in progress are calculated using the straight-line method to allocate their costs over their estimated useful lives, as follows:

Leasehold land classified as finance lease	Over the remaining lease term (2%)
Buildings	4%
Plant and machinery	20%
Leasehold improvements, furniture and equipment	20%
Motor vehicles	20%

The assets' useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

綜合財務報表附註(續)

2. 編製基準與重要會計政策概要(續)

2.8 物業、廠房及設備

土地及樓宇主要包括廠房及辦公室。分類為融資租賃之租賃土地權益與所有其他物業、廠房及設備(在建工程除外)乃按歷史成本法減累計折舊及累計減值虧損(如有)列賬。歷史成本包括收購項目直接產生之開支。成本亦可包括從權益中轉撥的有關不動產、工廠及設備利用外幣購買的合資格現金流量套期產生的任何利得/虧損。

只有當與項目相關之日後經濟效益有可能流入本集團及能可靠地計算項目成本之情況下，往後成本方會計入資產之賬面值或確認為獨立資產(按適用情況)。替換部分的賬面值予以取消。所有其他維修及保養於其產生期間在收益表支銷。

分類為融資租賃之租賃土地，自土地權益可供其擬定用途時開始攤銷。分類為融資租賃之租賃土地之攤銷及其他資產(在建工程除外)以直線法計算折舊，以按其估計可使用年期攤銷成本如下：

分類為融資租賃之租賃土地	剩餘租賃期內(2%)
樓宇	4%
廠房及機器	20%
租賃物業裝修、傢具及設備	20%
汽車	20%

資產之可使用年期會於每個結算日檢討及(倘適用)作出調整。

倘資產之賬面值超過其估計可收回金額，則資產之賬面值將即時撇減至其可收回金額。

FINANCIAL INFORMATION

財務資料

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

2. BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.8 Property, plant and equipment (Cont'd)

Construction in progress represents buildings, plant and machinery and leasehold improvements, furniture and equipment on which construction work has not been completed. It is carried at cost which includes construction expenditures and other direct costs less any impairment losses. On completion, construction in progress is transferred to the appropriate categories of property, plant and equipment at cost less accumulated impairment losses if any. No depreciation is provided for construction in progress until the asset is completed and available for use.

Gains and losses on disposals are determined by comparing proceeds with carrying amount and are recognized within 'other income and other gain/(losses) — net' in the income statement.

2.9 Impairment of non-financial assets

Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

2.10 Financial assets

2.10.1 Classification

The Group classifies its financial assets in the following categories: at fair value through profit or loss, loans and receivables, and available-for-sale. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

綜合財務報表附註(續)

2. 編製基準與重要會計政策概要(續)

2.8 物業、廠房及設備(續)

在建工程指建設工程尚未完成之樓宇、廠房及機器及租賃物業裝修、傢具及設備，乃按成本(包括工程開支及其他直接成本)減任何減值虧損列賬。完成時，在建工程會按成本減累計減值虧損(如有)轉撥至適當類別的物業、廠房及設備。在建工程於資產落成及可投入使用時方就折舊撥備。

出售盈虧按比較所得款項與賬面值釐定，並自收益表「其他收益/(虧損) — 淨」中呈現。

2.9 非金融資產之減值

不論事件或情況變動何時顯示帳面值或不可收回，須作攤銷的資產亦因減值而獲審閱。在資產面值高於可收回數額時須將差額確認為減值虧損。可收回數額即資產公允值高於銷售成本及使用值的數額較高者。為評估減值，資產按獨立可識別現金流量的最低水平(現金產生單位)分類。商譽以外的非金融資產若出現減值，則須於各報告日期評估會否撥回減值。

2.10 金融資產

2.10.1 分類

本集團將其金融資產分類：按公允值透過損益記賬、貸款及應收款項與可供出售。分類視乎購入金融資產之目的而定。管理層在初步確認時釐定其金融資產分類。

FINANCIAL INFORMATION

財務資料

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

2. BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.10 Financial assets (Cont'd)

2.10.1 Classification (Cont'd)

- (a) Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short-term. Derivatives are also categorised as held for trading unless they are designated as hedges. Assets in this category are classified as current assets if expected to be settled within 12 months; otherwise, they are classified as non-current.

- (b) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payment that are not quoted in an active market. They are included in current assets, except for the amounts that are settled or expected to be settled more than 12 months after the balance sheet date. These are classified as non-current assets. The Group's loans and receivables comprise trade and other receivables and cash and cash equivalents in the balance sheet.

- (c) Available-for-sale financial assets

Available-for-sale financial assets are non-derivative that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless the investment matures or management intends to dispose of it within 12 months of the balance sheet date.

綜合財務報表附註(續)

2. 編製基準與重要會計政策概要(續)

2.10 金融資產(續)

2.10.1分類(續)

- (a) 按公允值透過損益記賬的金融資產

按公允值透過損益記賬的金融資產指持作買賣金融資產。金融資產若在購入時主要用作在短期內出售，則分類為此類別。衍生工具除非被指定為對沖，否則亦分類為持作交易性。倘預期於12個月內結算的資產分類為流動資產；否則，分類為非流動資產。

- (b) 貸款及應收款項

貸款及應收款項為附帶固定或待定付款而並無活躍市場報價之非衍生金融資產，均列入流動資產，惟到期日為結算日起計超過12個月後償還或預期會償還之款項，則歸類為非流動資產。本集團貸款及應收款項由資產負債表中應收賬款及其他應收款項與現金與現金等值項目組成。

- (c) 可供出售金融資產

可供出售金融資產乃指定為此類別或並無歸類為任何其他類別之非衍生金融工具。除非投資到期或管理層擬在結算日後12個月內出售有關投資，否則列為非流動資產。

FINANCIAL INFORMATION

財務資料

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

2. BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.10 Financial assets (Cont'd)

2.10.2 Recognition and measurement

Regular way purchases and sales of financial assets are recognized on the trade-date, the date on which the Group commits to purchase or sell the asset. Financial assets are derecognized when the rights to receive cash flows from the investments have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership. Investments are initially recognized at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognized at fair value, and transaction costs are expensed in the income statement. Available-for-sale financial assets and financial assets at fair value through profit or loss are subsequently carried at fair value. Loans and receivables are subsequently carried at amortised cost using the effective interest method.

Gains or losses arising from changes in the fair value of the 'financial assets at fair value through profit or loss' category are presented in the income statement within 'other income and other gains/(losses) — net' in the period in which they arise. Dividend income from financial assets at fair value through profit or loss is recognized in the income statement as part of other income when the Group's right to receive payments is established.

Changes in the fair value of monetary and non-monetary securities classified as available-for-sale are recognized in other comprehensive income.

When securities classified as available-for-sale are sold or impaired, the accumulated fair value adjustments recognized in equity are included in the income statement as 'other income and other gains/(losses) — net'.

Interest on available-for-sale securities calculated using the effective interest method is recognized in the income statement as part of other income. Dividends on available-for-sale equity instruments are recognized in the income statement as part of other income when the Group's right to receive payments is established.

綜合財務報表附註(續)

2. 編製基準與重要會計政策概要(續)

2.10 金融資產(續)

2.10.2 確認與計量

常規購買及出售的金融資產在交易日確認 — 交易日指本集團承諾購買或出售該資產之日。對於並非按公允值透過損益記賬的所有金融資產，其投資初始按其公允值加交易成本確認。按公允值透過損益記賬的金融資產，初始按公平值確認，而交易成本則在收益表支銷。當從投資收取現金流量的權利已到期或已轉讓，而本集團已實質上將所有權的所有風險和報酬轉讓時，金融資產即終止確認。可供出售金融資產及按公允值透過損益記賬的金融資產其後按公允值列賬。貸款及應收款項其後利用實際利率法按攤銷成本列賬。

來自「以公允值計量且其變動計入損益的金融資產」類別的公允值變動所產生的利得和損失，列入產生期間收益表內的「其他收入及其他收益／(虧損) — 淨」中。來自以公允值計量且其變動計入損益的金融資產的股息收入，當本集團收取有關款項的權利確定時，在收益表內確認為部份其他收益。

分類為可供出售的貨幣性及非貨幣性證券的公允值變動在其他全面收益中確認。

當分類為可供出售之證券出售或出現減值時，其於權益確認之累計公允值調整將列入收益表「其他收入及其他收益／(虧損) — 淨」。

可供出售證券利用實際利率法計算的利息在收益表內確認為部份其他收益。至於可供出售權益工具的股息，當本集團收取有關款項的權利確定時，在收益表內確認為部份其他收益。

FINANCIAL INFORMATION

財務資料

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

2. BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.11 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

2.12 Impairment of financial assets

(a) Assets carried at amortised cost

The Group assesses at the end of each balance sheet date whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

Evidence of impairment may include indications that the debtors or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation, and where observable data indicate that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

For loans and receivables category, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced and the amount of the loss is recognized in the income statement. If a loan investment has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract. As a practical expedient, the Group may measure impairment on the basis of an instrument's fair value using an observable market price.

綜合財務報表附註(續)

2. 編製基準與重要會計政策概要(續)

2.11 抵銷金融工具

當有法定可執行權力可抵銷已確認金額，並有意圖按淨額基準結算或同時變現資產和結算負債時，金融資產與負債可互相抵銷，並在資產負債表報告其淨額。

2.12 金融資產減值

(a) 以攤銷成本列賬的資產

本集團於每個資產負債表期末評估是否存在客觀證據證明某一金融資產或某一金融資產組出現減值。只有當存在客觀證據證明於因為首次確認資產後發生一宗或多宗事件導致出現減值(「損失事項」)，而該宗(或該等)損失事項對該項或該組金融資產的估計未來現金流量構成的影響可以合理估計，有關的金融資產或金融資產組才算出現減值及產生減值損失。

減值虧損的證據可包括債務人或一組債務人遇上嚴重財政困難、逾期或拖欠償還利息或本金、債務人很有可能破產或進行其他財務重組，以及有可觀察數據顯示估計未來現金流有可計量的減少，例如與違約有相互關連的拖欠情況或經濟狀況改變。

就貸款及應收款種類而言，損失金額乃根據資產賬面價值與按金融資產原實際利率折現而估計未來現金流量(不包括仍未產生的未來信用損失)的現值兩者的差額計量。資產賬面價值予以削減，而損失金額則在收益表確認。如貸款投資有浮動利率，計量任何減值損失的折現率為按合同釐定的當前實際利率。在實際應用中，集團可利用可觀察的市場價格，按工具的公平價值計量減值。

FINANCIAL INFORMATION

財務資料

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

2. BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.12 Impairment of financial assets (Cont'd)

- (a) **Assets carried at amortised cost (Cont'd)**
If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized (such as an improvement in the debtor's credit rating), the reversal of the previously recognized impairment loss is recognized in the income statement.
- (b) **Assets classified as available-for-sale**
The Group assesses at each balance sheet date whether there is objective evidence that a financial asset or a group of financial assets is impaired. For equity investments classified as available-for-sale, a significant or prolonged decline in the fair value of the security below its cost is also evidence that the assets are impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss — measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognized in profit or loss — is removed from equity and recognized in the income statement. Impairment losses recognized in the income statement on equity instruments are not reversed through the income statement.

2.13 Derivative financial instruments

Derivatives are initially recognized at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged.

Derivatives instruments which do not qualify for hedge accounting are accounted for at fair value through profit and loss. Changes in the fair value of these derivative instruments are recognized immediately in income statement.

2.14 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the weighted average method. The cost of finished goods and work-in-progress comprises raw materials, direct labour, other direct costs and related production overheads (based on normal operating capacity). It excludes borrowing costs. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

綜合財務報表附註(續)

2. 編製基準與重要會計政策概要(續)

2.12 金融資產減值(續)

- (a) **以攤銷成本列賬的資產(續)**
如在後繼期間，減值損失的數額減少，而此減少可客觀地聯繫至確認減值後才發生的事件(例如債務人的信用評級有所改善)，則之前已確認的減值損失可在收益表轉回。
- (b) **分類為可供出售資產**
本集團在每個資產負債表日期評估是否有客觀證據證明某一金融資產或某一金融資產組已經減值。至於分類為可供出售的權益投資，證券公允值大幅度或長期跌至低於其成本值，亦是證券已經減值的證據。若可供出售金融資產存在此等證據，累計虧損 — 按購買成本與當時公允值的差額，減該金融資產之前在損益確認的任何減值損失計算 — 自權益中剔除並在收益表確認。在收益表確認的權益工具的減值損失不會透過收益表轉回。

2.13 衍生金融工具

衍生工具初始按於衍生工具合同訂立日的公允值確認，其後按其公允值重新計量。確認所產生的利得或損失的方法取決於該衍生工具是否指定作套期工具，如指定為套期工具，則取決於其所套期項目的性質。

衍生工具不符合採用對沖會計法並按公允值透過損益記賬。衍生工具的公允值任何變動，即時於收益表中確認。

2.14 存貨

存貨以成本與可變現淨值之較低者列賬。成本以加權平均法釐定。製成品及在製品之成本包括原料、直接勞工、其他直接成本及相關生產間接費用(按正常營運能力計算)，而不包括借款成本。可變現淨值為日常業務過程中之估計售價減適用之變動銷售開支。

FINANCIAL INFORMATION

財務資料

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

2. BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.15 Trade and other receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. If collection of trade and other receivables is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current asset. If not, they are presented as non-current assets.

Trade and other receivables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method, less provision for impairment.

2.16 Cash and cash equivalents

In the statement of cash flows, cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. In the balance sheet, bank overdrafts are shown within borrowings in current liabilities.

2.17 Share capital

Shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

2.18 Trade and other payables

Trade and other payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade and other payables are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Trade and other payables are recognized initially at fair value and subsequently measured at amortised cost using the effective interest method.

2.19 Borrowings

Borrowings are recognized initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognized in the income statement over the period of the borrowings using the effective interest method.

綜合財務報表附註(續)

2. 編製基準與重要會計政策概要(續)

2.15 應收賬款及其他應收款項

應收賬款為在日常營運活動中就貨品銷售或服務執行而應收客戶的款項。如應收賬款及其他應收款項的收回預期在一年或以內(如仍在正常經營週期中,則可較長時間),其被分類為流動資產;否則分類為非流動資產。

應收賬款及其他應收款項初步按公允價值確認,其後則按實際利率法以攤銷成本扣除減值撥備計量。

2.16 現金及現金等值項目

在現金流量表中,現金及現金等值物包括手持現金、活期銀行存款、銀行通知存款以及原到期為三個月或以下的其他短期高流動性投資及銀行透支。在資產負債表中,銀行透支列入流動負債之借貸內。

2.17 股本

股份分類為權益。直接歸屬於發行新股或購股權的新增成本在權益中列為所得款的減少(扣除稅項)。

2.18 應付賬款及其他應付款項

應付賬款及其他應付款項為在日常營運活動中購買貨品或服務而應支付的義務。如應付賬款及其他應付款項的支付日期在一年或以內(如仍在正常經營週期中,則可較長時間),其被分類為流動負債;否則分類為非流動負債。

應付賬款及其他應付款項初步按公允價值確認,其後以實際利率法按攤銷成本計量。

2.19 借貸

借貸初步按公允價值扣除所產生之交易成本確認。借款其後按攤銷成本列賬;所得款項(扣除交易成本)與贖回價值間任何差額乃以實際利率法按借款期於收益表確認。

FINANCIAL INFORMATION

財務資料

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

2. BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.19 Borrowings (Cont'd)

Fees paid on the establishment of loan facilities are recognized as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

2.20 Current and deferred income tax

The tax expense for the period comprises current and deferred tax. Tax is recognized in the income statement, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case the tax is also recognized in other comprehensive income or directly in equity, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Company's subsidiaries and associates and jointly controlled entities operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is recognized, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognized only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

綜合財務報表附註(續)

2. 編製基準與重要會計政策概要(續)

2.19 借貸(續)

設立貸款融資時支付的費用倘部份或全部融資將會很可能提取，該費用確認為貸款的交易費用。在此情況下，費用遞延至貸款提取為止。如沒有證據證明部份或全部融資將會很可能被提取，則該費用資本化作為流動資金服務的預付款，並按有關的融資期間攤銷。

借貸分類為流動負債，惟本集團有無條件權利遞延償還負債之日期至結算日後最少12個月者除外。

2.20 即期及遞延所得稅

期內的稅項支出包括即期和遞延稅項。除了在其他全面收入或直接在權益中確認的項目相關者外，稅項在收益表中確認。在該情況下，稅項亦分別在其他全面收入或直接在權益中確認。

即期所得稅費用根據本公司附屬公司與聯營公司與共同控制實體營運及產生應課稅收入之國家於結算日已頒佈或實質頒佈的稅務法例計算。管理層就適用稅務法例詮釋所規限的情況定期評值報表的狀況，並在適當情況下根據預期須向稅務機關支付之稅款設定撥備。

遞延所得稅之確認是以負債法就資產與負債之稅基與財務報表內之賬面值間之暫時差額作全數撥備。然而，倘遞延所得稅因初次確認一項交易(業務合併除外)之資產或負債而產生，而交易時並無對會計或應課稅溢利或虧損造成影響，則該等遞延所得稅不予計算。遞延所得稅乃按於結算日已經頒佈或大致上已頒佈，及預期在有關遞延所得稅資產變現或遞延所得稅負債清償時適用之稅率及稅務法例釐定。

遞延所得稅資產只於可能出現日後應課稅溢利抵銷暫時差額時方會確認。

FINANCIAL INFORMATION

財務資料

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

2. BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.20 Current and deferred income tax (Cont'd)

Deferred income tax is provided on temporary differences arising on investments in subsidiaries, associates and jointly controlled entities, except for deferred income tax liability where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes assets and liabilities relate to income taxes levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

2.21 Employee benefits

(a) Employee leave entitlement

Employee entitlements to annual leave and long service leave are recognized when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the balance sheet date. Employee entitlements to sick leave and maternity leave are not recognized until the time of leave.

(b) Retirement benefits

The Group participates in various defined contribution retirement benefit schemes. A defined contribution plan is a retirement benefit scheme under which the Group pays fixed contributions into a separate entity. The Group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

The schemes are generally funded through payments to insurance companies or state/trustee-administered funds. The Group pays contributions to publicly or privately administered funds on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid. The contributions are recognized as employee benefit expense when they are due. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in the future payments is available.

綜合財務報表附註(續)

2. 編製基準與重要會計政策概要(續)

2.20 即期及遞延所得稅(續)

遞延所得稅按投資於附屬公司、聯營公司及共同控制實體所產生之暫時差額作出撥備，惟本集團可控制撥回暫時差額之遞延所得稅負債時間，且暫時差額在可見未來不會撥回者則除外。

當有法定可執行權力將即期稅項資產與即期稅務負債抵銷，且遞延所得稅資產和負債涉及由同一稅務機關對應課稅主體或不同應課稅主體但有意向以淨額基準結算所得稅結餘時，則可將遞延所得稅資產與負債互相抵銷。

2.21 僱員福利

(a) 僱員假期福利

僱員可享有之年假及長期服務假期之權利於該等假期累計予僱員時確認。本集團就僱員截至結算日止所提供服務而享有之年假及長期服務假期之估計負債作出撥備。僱員可享有之病假及產假於提取假期時方予確認。

(b) 退休福利

本集團推行多項定額供款退休福利計劃。定額供款計劃為本集團向獨立實體作出定額供款之退休福利計劃。倘有關基金並無足夠資產就僱員於現行及過往期間所提供服務支付所有僱員福利，本集團並無法律或推定責任作出進一步供款。

計劃一般透過向保險公司或國家受託人管理之基金作出供款撥資。本集團按強制性、合約或自願基準向公共或私人管理退休計劃作出供款。一經作出供款後，本集團並無進一步付款責任。供款於到期應付時確認為僱員福利支出。預付供款在可取得退回現金或可扣減日後付款的情況下確認為資產。

FINANCIAL INFORMATION

財務資料

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

2. BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.21 Employee benefits (Cont'd)

(c) Share-based compensation

The Group operates an equity-settled, share-based compensation plan, under which the entity receives services from employees as consideration for equity instruments (options) of the Group. The fair value of the employee services received in exchange for the grant of the options is recognized as an expense. The total amount to be expensed is determined by reference to the fair value of the options granted:

- including any market performance conditions (for example, an entity's share price);
- excluding the impact of any service and non-market performance vesting conditions (for example, profitability, sales growth targets and remaining an employee of the entity over a specified time period); and
- including the impact of any non-market vesting conditions (for example, the requirement for employees to save).

Non-market vesting conditions are included in assumptions about the number of options that are expected to vest. The total expense is recognized over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At each balance sheet date, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting conditions. It recognizes the impact of the revision of original estimates, if any, in the income statement with a corresponding adjustment to equity.

When the options are exercised, the company issues new shares. The proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value) and share premium when the options are exercised.

The grant by the Company of options over its equity instruments to the employees of subsidiary undertakings in the Group is treated as a capital contribution to the subsidiary. The fair value of employee services received, measured by reference to the grant date fair value, is recognized over the vesting period as an increase to investment in subsidiary undertakings, with a corresponding credit to equity in the parent equity accounts.

綜合財務報表附註(續)

2. 編製基準與重要會計政策概要(續)

2.21 僱員福利(續)

(c) 股份酬金

本集團實行兩項以股本結算的股份酬金計劃，以本集團之權益工具(購股權)作為實體取得僱員服務之代價。授出購股權所相應獲得的僱員服務公允值確認為開支。列為開支的總額乃參考已授購股權的公允值釐定：

- 包括任何市場業績條件(例如實體股份價格)；
- 不包括任何服務和非市場業績可行權條件(例如盈利能力、銷售增長目標和職工在某特定時期內留任實體)的影響；及
- 包括非市場歸屬條件影響(例如要求僱員儲蓄)。

非市場歸屬條件包括在預期歸屬購股權數目的假設。支銷的總金額於歸屬期間確認，歸屬期間為達成所有特定歸屬條件的期間。於各結算日，本集團根據非市場歸屬條件修訂預期歸屬購股權的估計。本集團會於損益表確認修訂原來估計(如有)的影響，並相應調整股本。

於購股權獲行使時，本公司會發行新股。扣除任何直接應佔交易成本所收取的所得款項於購股權獲行使時計入股本(面值)及股份溢價。

本公司向集團附屬公司的職工授予其權益工具的購股權，被視為附屬公司資本投入。收取職工服務的公允值，參考授出日的公允值計量，並在等待期內確認，作為對附屬公司投資的增加，並相對應對母公司權益賬戶之權益貸記。

FINANCIAL INFORMATION

財務資料

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

2. BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.21 Employee benefits (Cont'd)

(d) Bonus plan

The expected cost of bonus payments is recognized as a liability when the Group has a present legal or constructive obligation as a result of services rendered by employees and a reliable estimate of the obligation can be made.

2.22 Provisions

Provisions are recognized when: the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognized for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognized even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognized as interest expense.

2.23 Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and services in the ordinary course of the Group's activities. Revenue is shown, net of value-added tax, returns, rebates and discounts and after eliminating sales within the Group.

The Group recognizes revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and when specific criteria have been met for each of the Group's activities as described below. The Group bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

(a) Sales of goods

Sales of goods are recognized when a Group's entity has delivered products to the customer; the customer has accepted the products and collectability of the related receivables is reasonably assured.

(b) Sub-contracting income

Sub-contracting income is recognized when service is rendered.

綜合財務報表附註(續)

2. 編製基準與重要會計政策概要(續)

2.21 僱員福利(續)

(d) 花紅計劃

倘本集團因僱員提供之服務而產生現有法律或推定責任，而責任金額能可靠估算時，則將花紅計劃之預計成本確認為負債入賬。

2.22 撥備

倘本集團須就過去事件承擔現有法律或推定責任，而有可能須產生資源流出以履行該責任，並能可靠估計金額，則會確認撥備。日後營運虧損不予確認撥備。

倘出現多項類似責任，會否導致資源流出以履行責任之可能性乃於整體考慮該責任類別後確定。即使同一責任類別中任何一項可能流出資源的機會不大，仍會確認撥備。

撥備採用反映當時市場對金錢時間價值之評估及該責任之特定風險之稅前貼現率，計算預期須履行責任之開支現值作為計量準則。因時間流逝而產生之撥備增加確認為利息開支。

2.23 收入確認

收入包括於本集團日常業務過程中銷售貨品及提供服務之已收或應收代價之公平值，並於扣除增值稅、回扣及折扣，以及對銷集團內銷售後呈列。

本集團於收入金額能可靠計算，及日後可能有經濟利益流入實體，且已符合下述本集團各業務之特定條件時確認收入。本集團按過往業績作出估計，並考慮客戶種類、交易種類及各項安排之細節。

(a) 銷售貨品

銷售貨品於本集團實體向客戶交付產品，及客戶接納有關產品，並可合理確定收回相關應收款項時確認。

(b) 分包收入

分包收入以提供服務時確認。

FINANCIAL INFORMATION

財務資料

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

2. BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.23 Revenue recognition (Cont'd)

- (c) **Handling income**
Handling income is recognized when services rendered.
- (d) **Rental income**
Rental income under operating leases is recognized on a straight-line basis over the lease periods.
- (e) **Interest income**
Interest income is recognized using the effective interest method. When a loan and receivable is impaired, the Group reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate of the instrument, and continues unwinding the discount as interest income. Interest income on impaired loan and receivables are recognized using the original effective interest rate.
- (f) **Dividend income**
Dividend income is recognized when the right to receive payment is established.

2.24 Government grants

Grants from the government are recognized at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions.

Government grants relating to costs are deferred and recognized in the income statement over the period necessary to match them with the costs that they are intended to compensate.

Government grants relating to property, plant and equipment are included in non-current liabilities as deferred government grants and are credited to the income statement on a straight-line basis over the expected lives of the related assets.

2.25 Borrowing costs

Borrowing costs incurred for the construction of any qualifying asset are capitalised during the period of time that is required to complete and prepare the assets for its intended use. Other borrowing costs are charged to the income statement in the period in which they are incurred.

綜合財務報表附註(續)

2. 編製基準與重要會計政策概要(續)

2.23 收入確認(續)

- (c) **處理收入**
處理收入以提供服務時確認。
- (d) **租金收入**
經營租約之租金收入乃按租約年期以直線法來確認。
- (e) **利息收入**
利息收入採用實際利率法確認。倘貸款和應收款出現減值，本集團會將賬面值減至可收回款額，即估計的未來現金流量按該工具的原實際利率折現值，並繼續將折現計算並確認為利息收入。
- (f) **股息收入**
股息收入在收取款項的權利確定時確認。

2.24 政府補貼

當能夠合理地保證政府補貼將可收取，而本集團將會符合所有附帶條件時，將政府提供的補助按其公允值確認入賬。

與成本有關之政府補貼遞延入賬，並配合按擬補償之成本所需期間計入收益表中。

與購買物業、機器及設備有關之政府補貼列入非流動負債作為遞延政府補貼，並按有關資產之預計年期以直線法在收益表列賬。

2.25 借貸成本

建造任何合資格資產時，於完成及籌備資產作其擬定用途期間所發生的借貸成本將予以資本化。期內，其他借貸成本於收益表扣除處理。

FINANCIAL INFORMATION

財務資料

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

2. BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.26 Leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the income statement on a straight-line basis over the period of the lease.

2.27 Contingent liabilities

A contingent liability is a possible obligation that arises from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. It can also be a present obligation arising from past events that is not recognized because it is not probable that outflow of economic resources will be required or the amount of obligation cannot be measured reliably.

A contingent liability is not recognized but is disclosed in the financial statements. When a change in the probability of an outflow occurs so that outflow is probable, it will then be recognized as a provision.

2.28 Dividend distribution

Dividend distribution to the Company's shareholders is recognized as a liability in the Group's and the Company's financial statements in the period in which the dividends are approved by the Company's shareholders or directors, where appropriate.

3. FINANCIAL RISK MANAGEMENT

3.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk and cash flow and fair value interest rate risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Group's financial performance.

綜合財務報表附註(續)

2. 編製基準與重要會計政策概要(續)

2.26 租賃

資產擁有權之絕大部分風險及回報仍屬出租人所有之租賃，分類為經營租賃。根據經營租賃支付之款項扣除自出租人獲得之任何優惠後，按直線法於租期內自收益表扣除。

2.27 或有負債

或有負債指可能因過往事件而產生之可能責任，而有關責任存在須透過一或多項並非本集團控制範圍內無法肯定之日後事件發生或不發生與否方能確定。或有負債亦指因過往事件而產生之現有責任，由於可能不需要流出經濟資源或責任金額無法可靠計量而未有確認。

或有負債不予確認，惟會於財務報表內披露。倘資源流出之可能性有變，以致可能流出資源，則將確認為撥備。

2.28 股息分派

分派予本公司股東之股息於本公司股東或董事(倘適用)批准股息之期間，在本集團之財務報表確認為負債。

3. 財務風險管理

3.1 財務風險因素

本集團業務面臨多種財務風險：市場風險(包括商品價格風險、外匯風險、現金流量及公允值利率風險)、信貸風險及流動資金風險。本集團之整體風險管理程序專注於金融市場之不可預測性，並尋求將對本集團財務表現之潛在不利影響降至最低。

FINANCIAL INFORMATION

財務資料

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

3. FINANCIAL RISK MANAGEMENT (Cont'd)

3.1 Financial risk factors (Cont'd)

(a) Market risk

(i) Foreign exchange risk

The Group is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to US Dollars ("US\$") and Renminbi ("RMB"). The Group manages its foreign exchange risks by performing regular review and monitoring its foreign exchange exposure. The Group hedges against certain of its exposure to reduce the risk involved as appropriate.

The Group mainly operates in Hong Kong, the PRC and Macau (2011: also in Sri Lanka). Except for certain of cash and bank balances and certain intercompany receivables denominated in foreign currency, transactions are mainly conducted in the functional currency of each group entity. The foreign currency risk arising from recognized assets and liabilities is considered by the Directors to be minimal.

These were no major hedging activities other than the use of external forward currency contracts to hedge foreign exchange risk. These forward currency contracts do not qualify for hedge accounting and are accounted for at fair value through profit and loss.

The Group's cash and bank balances denominated in RMB are primarily deposited with banks in the PRC. The conversion of these RMB denominated balances into foreign currencies and the remittance of the funds out of the PRC are subject to the rules and regulations on foreign exchange control promulgated by the PRC Government.

The Group's cash and bank balance denominated in US\$ exposes the Group to foreign exchange risk. If US\$ had strengthened/weakened by 4% against the RMB with all other variables held constant, profit for the year ended 31 March 2012 would have been approximately HK\$6,361,853 (2011: HK\$1,863,140) higher/lower, mainly as a result of foreign exchange gains/losses on translation of US\$ denominated cash and bank balance.

綜合財務報表附註(續)

3. 財務風險管理(續)

3.1 財務風險因素(續)

(a) 市場風險

(i) 外匯風險

本集團涉及多種貨幣之風險，主要為美元(「美元」)與人民幣(「人民幣」)。本集團透過定期審閱和不斷監察所承受外匯風險而管理其外匯風險。本集團以適當參與若干對沖產生以減低風險。

本集團主要於中國、香港和澳門(2011年：與斯里蘭卡)營運。除了若干現金及銀行結餘與若干內部公司應收款項以外幣計算，交易主要以每個集團實體之功能貨幣進行。確認為資產與負債所產生之外幣風險被董事認為低。

除了採用外部遠期貨幣合約對沖外匯風險外，並沒有重大的對沖活動。該遠期外匯合約不符合採用對沖會計法入賬，而按公允值透過損益記賬。

本集團之現金及銀行結餘以人民幣計算之主要存於中國之銀行。兌換該人民幣計算結餘為外幣與匯出中國資金，須遵守的由中國政府頒佈有關外匯管制的規則和條例。

本集團之現金及銀行結餘以美元計算產生本集團外匯風險。倘美元兌人民幣增強／轉弱4%，而其他可變因素保持不變，截至2012年3月31日止年度溢利將增加／減少6,361,853港元(2011年：1,863,140港元)，主要由於轉換為美元計算之現金及銀行結餘之外匯風險。

FINANCIAL INFORMATION

財務資料

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

3. FINANCIAL RISK MANAGEMENT (Cont'd)

3.1 Financial risk factors (Cont'd)

(a) Market risk (Cont'd)

(ii) Cash flow and fair value interest rate risk

Except for the bank deposits, details of which are disclosed in Note 17, the Group has no other significant interest-bearing assets or liabilities.

Bank deposits at variable rates expose the Group to cash flow interest rate risk. The Group manages its interest rate risk by performing regular review and continually monitoring its interest rate exposures. The Group has not used any interest rate swaps to hedge its exposure to interest rate risk.

If the market interest rates for short-term bank deposits had been 50 basis points (2011: 50 basis points) higher/lower with all other variables held constant, the Group's net profit for the year ended 31 March 2012 would have been approximately HK\$2,077,000 (2011: HK\$690,000) higher/lower.

(b) Credit risk

Credit risk arises from trade and bills receivables, deposits, prepayments and other receivables, derivative financial instruments and cash and bank balances.

At 31 March 2012 and 2011, substantially all the cash and bank balances as detailed in Note 17 are held in major financial institutions located in Hong Kong, the PRC and Macau; all derivative financial instruments are also entered into with major financial institutions, which management believes are of high credit quality. Management does not expect any losses arising from non-performance by these financial institutions.

The Group has policies in place to ensure that sales are made to customers with an appropriate credit histories and the Group performs periodic credit evaluations of its customers. Credit quality of the customers is assessed based on its financial position, past experience and other factors. Normally the Group does not require collateral from trade debtors. The existing debtors have no significant defaults in the past. The Group's historical experience in collection of trade and other receivables falls within the recorded allowances and the Directors are of the opinion that adequate provision for uncollectible receivables has been made.

綜合財務報表附註(續)

3. 財務風險管理(續)

3.1 財務風險因素(續)

(a) 市場風險(續)

(ii) 現金流量及公允值利率風險

除銀行存款，其詳情分別載列於附註17外，本集團並無其他重大計息資產或負債。

按浮動利率計息之銀行存款令本集團面對現金流量利率風險。本集團透過定期審閱及不斷監察其利率所承受風險而管理其利率風險。本集團並無利用任何利率掉期交易以對沖其所承受之利率風險。

倘短期銀行存款之市場利率上升／下降50基點(2011年：50基點)，而其他可變因數維持不變，本集團截至2012年3月31日止年度純利將增加／減少約2,077,000港元(2011年：690,000港元)。

(b) 信貸風險

信貸風險來自應收賬款及票據、存款、預付款與其他應收賬款、衍生金融工具及現金及銀行結餘。

於2012年與2011年3月31日，誠如附註17所詳列，所有現金及銀行結餘存放於香港、中國及澳門主要金融機構；所有衍生金融工具均由管理層認為屬高信貸質素的主要金融機構訂立。管理層並不預期會出現任何因該等金融機構不履約而產生的虧損。

本集團亦有政策確保銷售予有良好信貸記錄的客戶，而且本集團會定期評估客戶信貸。客戶信貸質素乃按其財務狀況、過往經驗及其他因素作出評估。一般而言，本集團並無要求借款人提供抵押品。現有借款人於過往期間並無重大欠付記錄。本集團過往未收回的應收賬款及其他應收款並沒有超出已計提的壞賬準備金額，並且董事認為財務報表中就不可收回的應收款項已計提足夠的壞賬準備。

FINANCIAL INFORMATION

財務資料

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

3. FINANCIAL RISK MANAGEMENT (Cont'd)

3.1 Financial risk factors (Cont'd)

(c) Liquidity risk

Prudent liquidity risk management includes maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities.

The Group's primary cash requirements are for additions of and upgrades on property, plant and equipment, purchase of land, capital injection for its subsidiaries, and payment for purchases and operating expenses. The Group finances its working capital requirements through funds generated from its operations.

The Group's policy is to monitor current and expected liquidity requirements regularly to ensure it maintains sufficient cash and cash equivalents and has available funding through adequate amount of committed credit facilities to meet its working capital requirements.

The table below analyses the Group's and the Company's financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

(i) Group

		Within 1 year 1年內 HK\$'000 千港元	Between 1 and 2 years 1年至2年 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 31 March 2012:	於2012年3月31日：			
Trade and bills payables	應付賬款及票據	928,558	—	928,558
Accruals and other payables	應計項目及 其他應付款項	355,084	—	355,084
Amount due to an associate	應付聯營公司款項	1,796	—	1,796
		1,285,438	—	1,285,438
At 31 March 2011:	於2011年3月31日：			
Borrowings	借貸	160,408	98	160,506
Trade and bills payables	應付賬款及票據	774,513	—	774,513
Net settled derivatives	淨已付衍生工具	472	—	472
Accruals and other payables	應計項目及 其他應付款項	360,470	—	360,470
Amount due to an associate	應付聯營公司款項	2,736	—	2,736
		1,298,599	98	1,298,697

綜合財務報表附註(續)

3. 財務風險管理(續)

3.1 財務風險因素(續)

(c) 流動性風險

審慎的流動性風險管理，意味著維持充足的現金並通過充足的信貸額度獲得資金。

本集團的現金需求主要用添置及更新於物業、廠房及設備、土地購買、附屬公司注資、以及支付採購費用及營運開支。本集團通過營運產生之資金以撥付營運資金所要求。

本集團的政策為定期監察現時及預期流動資金要求，從而確保本集團有足夠的現金及現金等值項目及通過充足的信貸額度獲得資金，以符合營運資金之要求。

下表為本集團和本公司於結算日至合約到期日的剩餘期間的財務負債情況的分析。於表中披露的金額為合約性未折算現金流量。

(i) 本集團

FINANCIAL INFORMATION

財務資料

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

3. FINANCIAL RISK MANAGEMENT (Cont'd)

3.1 Financial risk factors (Cont'd)

(c) Liquidity risk (Cont'd)

(i) Group (Cont'd)

The table below analyses the Group's derivative financial instruments which will be settled on a gross basis into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

		Less than 1 month 少於1個月 HK\$'000 千港元	Between 1 and 3 months 1至3個月 HK\$'000 千港元	Between 3 months and 1 year 3個月至1年 HK\$'000 千港元	Over 1 year 1年以上 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 31 March 2012	於2012年3月31日					
Forward currency contracts:	遠期貨幣合約：					
Inflow	流入	85,290	899,422	2,085,715	—	3,070,427
Outflow	流出	(79,041)	(865,111)	(1,969,027)	—	(2,913,179)
At 31 March 2011	於2011年3月31日					
Forward currency contracts:	遠期貨幣合約：					
Inflow	流入	62,246	396,819	1,050,403	—	1,509,468
Outflow	流出	(61,871)	(394,593)	(1,044,454)	—	(1,500,918)

(ii) Company

(ii) 本公司

		Within 1 year 1年內 HK\$'000 千港元
At 31 March 2012:	於2012年3月31日：	
Accruals and other payables	應計項目及其他應付款項	3,969
Amounts due to subsidiaries	應付附屬公司款項	658,555
		662,524
At 31 March 2011:	於2011年3月31日：	
Accruals and other payables	應計項目及其他應付款項	3,576
Amounts due to subsidiaries	應付附屬公司款項	4,734
		8,310

綜合財務報表附註(續)

3. 財務風險管理(續)

3.1 財務風險因素(續)

(c) 流動性風險(續)

(i) 本集團(續)

下表為本集團資產負債表日至合約到期日的剩餘期間的以毛額基準結算的衍生金融工具的分析。於表中披露的金額為合約性未折算現金流量。

FINANCIAL INFORMATION

財務資料

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

3. FINANCIAL RISK MANAGEMENT (Cont'd)

3.2 Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Consistent with others in the industry, the Group monitors capital on the basis of the gearing ratio. This ratio is calculated as total borrowing divided by total capital. Total borrowings include current and non-current borrowings as shown in the consolidated balance sheet, and total capital is the amount of 'equity' as shown in the consolidated balance sheet. The gearing ratios were as follows:

		2012 2012年 HK\$'000 千港元	2011 2011年 HK\$'000 千港元
Total borrowings	借貸總額	47,490	174,122
Total capital	資本總額	3,961,977	3,887,580
Gearing ratio	資本負債比率	1%	4%

The decrease in the gearing ratio during the year ended 31 March 2012 was mainly resulted from the spin-off of a subsidiary in Sri Lanka, Textured Jersey Lanka Limited.

3.3 Fair value estimation

The table below analyses financial instruments carried at fair value, by valuation bases. The different bases have been defined, by level; as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

綜合財務報表附註(續)

3. 財務風險管理(續)

3.2 資金風險管理

本集團的資金管理政策為保障本集團能繼續營運，以為股東提供回報，同時兼顧其他股權持有人之利益，並維持最佳之資本結構以減低資金成本。

為了維持或調整資本結構，本集團可能會調整向股東派付之股息金額、向股東發還資金、發行新股或出售資產以減低債務。

與其他同業相同，本集團以資本負債比率監察資本。此比率按照借貸總額除以資本總額計算。借貸總額包括綜合資產負債表所列的流動與非流動借貸及資本總額為綜合資產負債表所列的「權益」。資本負債比率如下：

截至2012年3月31日止年度期間，資本負債比率下降主要因拆斯里蘭卡附屬公司Textured Jersey Lanka Limited所致。

3.3 公允值估計

以下表為以估值基準分析按公允值入賬的金融工具。不同基準以層級的定義如下：

- 相同資產或負債在活躍市場的報價(未經調整)(第1層)。
- 除了第1層所包括的報價外，該資產和負債的可觀察的其他輸入，可為直接(即例如價格)或間接(即源自價格)(第2層)。
- 資產和負債並非依據可觀察市場數據的輸入(即非可觀察輸入)(第3層)。

FINANCIAL INFORMATION

財務資料

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

3. FINANCIAL RISK MANAGEMENT (Cont'd)

3.3 Fair value estimation (Cont'd)

The following table presents the Group's assets and liabilities that are measured at fair value at 31 March 2012.

		Level 1 第1層 HK\$'000 千港元	Level 2 第2層 HK\$'000 千港元	Level 3 第3層 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Assets	資產				
Derivative financial instruments (Note 16)	衍生金融工具(附註16)	—	5,381	—	5,381
Available-for-sale financial assets (Note 11)	可供出售金融資產(附註11)				
— Equity securities	— 權益證券	60	—	—	60
— Club debentures	— 會籍債券	—	1,741	—	1,741
		60	7,122	—	7,182
Liabilities	負債				
Derivative financial instruments (Note 16)	衍生金融工具(附註16)	—	(2,962)	—	(2,962)

The following table presents the Group's assets and liabilities that are measured at fair value at 31 March 2011.

		Level 1 第1層 HK\$'000 千港元	Level 2 第2層 HK\$'000 千港元	Level 3 第3層 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Assets	資產				
Derivative financial instruments (Note 16)	衍生金融工具(附註16)	—	5,669	—	5,669
Available-for-sale financial assets (Note 11)	可供出售金融資產(附註11)				
— Equity securities	— 權益證券	55	—	—	55
— Club debentures	— 會籍債券	—	1,741	—	1,741
		55	7,410	—	7,465
Liabilities	負債				
Derivative financial instruments (Note 16)	衍生金融工具(附註16)	—	(587)	—	(587)

綜合財務報表附註(續)

3. 財務風險管理(續)

3.3 公允價值估計(續)

下表顯示本集團資產和負債按2012年3月31日計量的公允價值。

下表顯示本集團資產和負債按2011年3月31日計量的公允價值。

FINANCIAL INFORMATION

財務資料

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

3. FINANCIAL RISK MANAGEMENT (Cont'd)

3.3 Fair value estimation (Cont'd)

The fair value of financial instruments traded in active markets is based on quoted market prices at the balance sheet date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in level 1. Instruments included in level 1 comprise equity investments traded in The Stock Exchange of Hong Kong Limited and are classified as available-for-sale.

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. These valuation techniques maximize the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

Specific valuation techniques used to value financial instruments include:

- Quoted market prices or dealer quotes for similar instruments.
- The fair value of forward foreign exchange contracts is determined using forward exchange rates at the balance sheet date, with the resulting value discounted back to present value.
- Other techniques, such as discounted cash flow analysis, are used to determine fair value for the remaining financial instruments.

There were no transfers of financial assets between level 1 and level 2 fair value hierarchy classifications.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

綜合財務報表附註(續)

3. 財務風險管理(續)

3.3 公允價值估計(續)

在活躍市場買賣的金融工具的公允價值根據資產負債表日的市場報價列賬。當報價可即時和定期從證券交易所、交易商、經紀、業內人士、定價服務者或監管代理獲得，而該等報價代表按公平交易基準進行的實際和常規市場交易時，該市場被視為活躍。本集團持有的金融資產的市場報價為當時買方報價。此等工具包括在第1層。工具包括在第1層包括在香港聯合交易所有限公司股權投資交易，並分類為可供出售。

沒有在活躍市場買賣的金融工具(例如場外衍生工具)的公允價值利用估值技術釐定。估值技術儘量利用可觀察市場數據(如有)，儘量少依賴主體的特定估計。如計算一金融工具的公允價值所需的所有重大輸入為可觀察數據，則該金融工具列入第2層。

如一項或多項重大輸入並非根據可觀察市場數據，則該金融工具列入第3層。

用以估值金融工具的特定估值技術包括：

- 同類型工具的市場報價或交易商報價。
- 遠期外匯合同的公允價值利用資產負債表日期的遠期匯率釐定，而所得價值折算至現值。
- 其他技術，例如折算現金流量分析，用以釐定其餘金融工具的公允價值。

第1與第2層公允價值層級分類之間並無金融資產的重大轉撥。

4. 重大會計估計及判斷

估計及判斷會定期評估，並根據過往經驗及其他因素作出，包括於有關情況下相信為合理之日後事項預測。

本集團作出有關日後之估計及判斷。作出之會計估計顧名思義地甚少與相關實際結果相同。存有重大風險須對下一個財政年度資產及負債賬面值作出重大調整之估計及假設論述如下。

FINANCIAL INFORMATION

財務資料

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Cont'd)

(a) Impairment of interests in associates and jointly controlled entities

Management regularly review the recoverability of the Group's interests in associates and jointly controlled entities, in particular when they consider objective evidence of impairment exists, such as a significant or prolonged decline the fair value of the interests in associates and jointly controlled entities, significant adverse changes in the market environment and the fair value of the assets held by the associates and jointly controlled entities. Appropriate impairment for estimated irrecoverable amounts is recognized in the consolidated income statement when there is objective evidence that the asset is impairment.

The recoverable amount of the interests in associates and jointly controlled entities is the higher of its value in use and fair value less cost to sell. In determining value in use, an entity estimates either: (a) its share of the present value of the estimated future cash flows expected to be generated by the associate and jointly controlled entity and proceeds on disposal, or (b) the present value of estimated future cash flows expected to arise from dividends to be received and proceeds on disposal. Any impairment loss is recognized by writing down the interests in associates and jointly controlled entities.

(b) Income taxes, deferred taxes and other taxes

The Group is subject to income taxes in several jurisdictions. Significant judgement is required in determining the provisions for income taxes. There are certain transactions and calculations for which the ultimate tax determination is uncertain. The Group recognizes liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred income tax assets and liabilities in the period in which such determination is made.

The Group is also exposed to other taxes and duties. Significant judgements require in determining these provisions. Where the final outcomes of these matters differ from the actual results, such difference will impact the provisions made and the earnings stated in the income statement.

綜合財務報表附註(續)

4. 重大會計估計及判斷(續)

(a) 合營公司與共同控制實體之權益減值

管理層定期檢討本集團於聯營公司與共同控制實體之權益的可收回程度，彼等尤其會考慮減值的客觀證據，如於聯營公司與共同控制實體之權益之公允值顯著或長期下降、市場環境之重大不利變動及聯營公司與共同控制實體持有的資產的公允值。當有客觀證據證明資產出現減值時，則於綜合收益表內確認估計不可收回金額之適當減值。

於聯營公司與共同控制實體之權益的可收回金額按使用價值與公允值減出售成本兩者較高者計算。於釐定使用價值時，實體會估計：(a)其應佔聯營公司與共同控制實體之預期將產生之估計未來現金流量之現值及出售所得款項，或(b)將收取之股息預期將產生之估計未來現金流量之現值及出售所得款項。任何減值虧損將透過撇減於聯營公司與共同控制實體之權益予以確認。

(b) 所得稅、遞延稅項及其他稅項

本集團須在數個司法權區繳納所得稅。於釐定所得稅撥備時須作出重大假設。有若干交易及計算無法確定最終稅款。本集團按是否須繳納額外稅項而確認預計稅務審核事宜的負債。倘該等事宜的最終稅務結果有異於最初紀錄的數額，有關差額將會影響釐定有關數額期間的即期及遞延所得稅資產撥備。

本集團還須繳納的其他稅項與關稅。於釐定該等撥備時須作出重大假設。倘該等事宜的最終稅務結果有異於實際結果，關差額將會影響釐定有關撥備和於收益表上之溢利。

FINANCIAL INFORMATION

財務資料

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Cont'd)

(c) Provision for impairment of trade and other receivables

The Group's management determines the provision for impairment of trade and other receivables based on an assessment of the recoverability of the receivables. This assessment is based on the financial position, repayment history and credit rating of its customers and other debtors and the current market condition, and requires the use of judgements and estimates. Management reassesses the provision at each balance sheet date.

(d) Net realisable value of inventories

Net realisable value of inventories is the estimated selling price in the ordinary course of business, less estimated costs of completion and selling expenses. These estimates are based on the current market condition and the historical experience of manufacturing and selling products of similar nature. It could change significantly as a result of changes in customer taste and competitor actions in response to severe industry cycle. Management reassesses these estimates at each balance sheet date.

(e) Useful lives of property, plant and equipment

The Group's management determines the estimated useful lives and related depreciation charges for its property, plant and equipment. These estimates are based on the historical experience of the actual useful lives of property, plant and equipment of similar nature and functions. Management will increase the depreciation charge where useful lives are less than previously estimated lives, it will write-off or write-down technically obsolete or non-strategic assets that have been abandoned or sold. Actual economic lives may differ from estimated useful lives. Periodic review could result in a change in depreciable lives and therefore depreciation expense in the future periods.

(f) Impairment of property, plant and equipment, leasehold land and land use rights

Property, plant and equipment, leasehold land and land use rights are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. The recoverable amounts have been determined based on the higher of value-in-use calculations or fair values less cost to sell. These calculations require the use of judgements and estimates.

綜合財務報表附註(續)

4. 重大會計估計及判斷(續)

(c) 應收賬款及其他應收款項之減值撥備

本集團管理層按對應收款項之可收回程度之評估決定應收賬款及其他應收款項之減值撥備。有關評估乃按其客戶及其他借入人之財務狀況、還款記錄和信貸評級以及當前市況作出，並需要作出判斷及估計。管理層於每個結算日重新評估撥備。

(d) 存貨可變現淨值

存貨之可變現淨值乃按日常業務過程中之估計售價減估計完成成本及出售開支計算。該等估計乃按現行市況及製造及銷售類似性質產品之過往經驗作出。這可能因客戶口味轉變及競爭對手因應嚴峻行業周期而作出之行動而大幅變化。管理層於每個結算日重新評估該等估計。

(e) 物業、廠房及設備之可使用年期

本集團管理層釐定物業、廠房及設備之估計可使用年期及相關折舊支出。此估計乃根據類似性質及功能之物業、廠房及設備之實際可使用年期的過往經驗作出。管理層將於可使用年期少於早前估計時增加折舊支出，並撤銷或撇減已廢棄或售出之技術上陳舊或非策略性資產。實際經濟年期可能有別於估計可使用年期。定期作出之檢討可能導致可折舊年期出現變動，因而導致日後折舊開支有變。

(f) 物業、廠房及設備、租賃土地及土地使用權減值

物業、廠房及設備、租賃土地及土地使用權於出現顯示可能無法收回賬面值之事件或狀況變化時檢討有否減值。可收回金額乃按使用價值或公允價值減去成本以出售值最高者釐定。此等計算需要作出判斷及估計。

FINANCIAL INFORMATION

財務資料

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Cont'd)

(f) Impairment of property, plant and equipment, leasehold land and land use rights (Cont'd)

Management judgement is required in the area of asset impairment particularly in assessing: (i) whether an event has occurred that may indicate that the related asset values may not be recoverable; (ii) whether the carrying value of an asset can be supported by the recoverable amount, being the higher of fair value less costs to sell or net present value of future cash flows which are estimated based upon the continued use of the asset in the business; and (iii) the appropriate key assumptions to be applied in preparing cash flow projections including whether these cash flow projections are discounted using an appropriate rate. Changing the assumptions selected by management in assessing impairment, including the discount rates or the growth rate assumptions in the cash flow projections, could materially affect the net present value used in the impairment test and as a result affect the Group's reported balance sheet and results of operations. If there is a significant adverse change in the projected performance and resulting future cash flow projections, it may be necessary to take an impairment charge to the income statement.

5. SEGMENT INFORMATION

The CODM has been identified as the executive directors of the Company collectively, who review the Group's internal reporting in order to assess performance and allocate resources. The executive directors have determined the operating segments based on these reports.

綜合財務報表附註(續)

4. 重大會計估計及判斷(續)

(f) 物業、廠房及設備、租賃土地及土地使用權減值(續)

管理層須就資產檢測減值之情況作出判斷，特別是：(i) 評估有否發生可能顯示有關資產價值可能無法收回之事件；(ii) 評估資產之可收回金額能否支持其賬面值，可收回金額為公允值減出售成本，或估計於業務中持續使用該資產可產生之日後現金流量現值之較高者；及(iii) 評估編製現金流量預測時所用適當主要假設，包括該等現金流量預測是否按適當比率貼現。管理層評估減值時所選用假設(包括現金流量預測所用貼現率或增長率假設)如有任何變化，均可能對減值檢測中所用淨現值，以致本集團報告資產負債表及營運業績造成重大影響。倘所預測表現及因此作出之日後現金流量預測出現重大負面變動，則或須於收益表作出減值支出。

5. 分部資料

首席經營決策者已獲識別為本公司執行董事，其審閱本集團之內部呈報，以評估表現並分配資源。執行董事已根據此等報告釐定經營分部。

FINANCIAL INFORMATION

財務資料

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

5. SEGMENT INFORMATION (Cont'd)

As all of the Group's business operations relate to the manufacturing and trading of textile products with similar economic characteristic, the executive directors review the performance of the Group as a single segment, which covers operations conducted by subsidiaries in Hong Kong, Macau and the PRC, associates in the PRC and Sri Lanka and jointly controlled entities in Bangladesh. The executive directors also review resources allocation and assess performance of the Group on a regular basis based on the following financial information:

綜合財務報表附註(續)

5. 分部資料(續)

由於本集團之主要業務為具有類似經濟特徵的製造及買賣紡織品。執行董事審閱本集團之表現來自單一部分，此包括分部代表於香港、澳門與中國經營附屬公司、中國與斯里蘭卡的聯營公司及孟加拉共同控制實體。執行董事亦基於以下之財務資料，定期審閱本集團之資源分配和進行表現評估：

		2012 2012年 HK\$'000 千港元	2011 2011年 HK\$'000 千港元
Revenue	收入	6,419,952	7,180,664
Gross profit	毛利	1,098,780	1,289,959
Gross profit margin (%)	毛利率(%)	17.1%	18.0%
EBITDA (Note (i))	利息、稅項、折舊及 攤銷前溢利(附註(i))	1,218,364	1,378,025
EBITDA margin (%)	利息、稅項、折舊及 攤銷前溢利率(%)	19.0%	19.2%
Operating expenses	經營開支	236,461	284,947
Operating expenses/Revenue (%)	經營開支/收入(%)	3.7%	4.0%
Profit attributable to equity holders of the Company (Note (i))	本公司權益持有人應佔溢利(附註(i))	814,930	876,374
Net profit margin (%)	純利率(%)	12.7%	12.2%
Total assets	資產總額	5,362,036	5,299,930
Equity attributable to equity holders of the Company	本公司權益持有人應佔權益	3,954,691	3,800,556
Cash and bank balances	現金與銀行結餘	1,893,223	947,468
Borrowings	借貸	47,490	174,122
Inventories	存貨	903,186	1,501,452
Inventories turnover days (Note (ii))	存貨周轉日數(附註(ii))	82	83
Trade and bills receivables	應收賬款與票據	926,677	1,109,893
Trade and bills receivables turnover days (Note (ii))	應收賬款與票據周轉日數(附註(ii))	58	48
Trade and bills payables	應付賬款與票據	928,558	774,513
Trade and bills payables turnover days (Note (ii))	應付賬款與票據周轉日數(附註(ii))	58	49

FINANCIAL INFORMATION

財務資料

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

5. SEGMENT INFORMATION (Cont'd)

Notes:

- (i) Gain on disposal of a subsidiary amounted to HK\$233,420,000 and impairment of interests in an associate amounted to HK\$155,297,000 are not included.
- (ii) The turnover days are calculated based on the simple average of the beginning of the year and the end of the year balances.

The Group's revenue represents sales of goods. Analysis of revenue by geographical locations, as determined by the destination where the products are delivered is:

		2012	2011
		2012年	2010年
		HK\$'000	HK\$'000
		千港元	千港元
PRC	中國	2,526,930	2,561,417
South East Asia	東南亞	1,553,135	1,683,907
Hong Kong	香港	905,041	954,623
Sri Lanka	斯里蘭卡	734,288	1,111,377
Africa	非洲	109,725	203,465
Others	其他	590,833	665,875
		6,419,952	7,180,664

Approximately 29% (2011: 22%) of the Group's revenue are derived from a single external customer.

The Group's non-current assets are located in the following geographical areas:

		Group	
		本集團	
		2012	2011
		2012年	2011年
		HK\$'000	HK\$'000
		千港元	千港元
PRC	中國	1,236,466	1,259,027
Hong Kong	香港	31,792	22,024
Sri Lanka	斯里蘭卡	133,610	191,491
Bangladesh	孟加拉	87,767	99,508
Others	其他	133	160
		1,489,768	1,572,210

綜合財務報表附註(續)

5. 分部資料(續)

附註：

- (i) 出售附屬公司收益為233,420,000港元與於聯營公司之權益減值為155,297,000港元並未計算在內。
- (ii) 周轉日數之計算是基於年初與年終結餘之簡單平均數。

本集團收入是指貨品銷售。按地區劃分之收入乃以產品交付之目的地分類：

佔本集團收入約29%(2011年：22%)乃來自單一外來客戶。

本集團按地區劃分之非流動資產如下：

FINANCIAL INFORMATION

財務資料

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

6. LEASEHOLD LAND AND LAND USE RIGHTS

The Group's interests in leasehold land and land use rights represent prepaid operating lease payments and their net book value are analysed as follows:

		Group 本集團	
		2012	2011
		2012年	2011年
		HK\$'000	HK\$'000
		千港元	千港元
At 1 April	於4月1日	23,693	23,590
Currency translation differences	外幣換算差額	1,022	774
Addition	添置	38,354	—
Disposal of a subsidiary	出售一間附屬公司	(6,356)	—
Amortisation	攤銷	(913)	(671)
At 31 March	於3月31日	55,800	23,693

		Group 本集團	
		2012	2011
		2012年	2011年
		HK\$'000	HK\$'000
		千港元	千港元
In the PRC held on:	於中國持有：		
Land use rights of between 10 to 50 years	年期介乎10至50年之 土地使用權	55,800	17,299
In Sri Lanka held on:	於斯里蘭卡持有：		
Leases of between 10 to 50 years	年期介乎10至50年之租約	—	6,394
		55,800	23,693

綜合財務報表附註(續)

6. 租賃土地及土地使用權

本集團於租賃土地及土地使用權之權益為預付經營租約款項，其賬面淨值分析如下：

FINANCIAL INFORMATION

財務資料

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

7. PROPERTY, PLANT AND EQUIPMENT

Group

綜合財務報表附註(續)

7. 物業、廠房及設備

本集團

		Leasehold land	Buildings	Plant and Machinery	Leasehold Improvements, furniture and equipment	Motor vehicles	Construction In progress	Total
		租賃土地	樓宇	廠房及機器	廠房及機器 及傢具及設備	汽車	在建工程	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元
At 1 April 2010	於2010年4月1日							
Cost	成本	4,260	854,905	2,034,313	208,619	23,594	42,202	3,167,893
Accumulated depreciation	累計折舊	(662)	(122,405)	(1,426,932)	(153,095)	(16,640)	—	(1,719,734)
Net book amount	賬面淨值	3,598	732,500	607,381	55,524	6,954	42,202	1,448,159
Year ended 31 March 2011	截至2011年3月31日止年度							
Opening net book amount	年初賬面淨值	3,598	732,500	607,381	55,524	6,954	42,202	1,448,159
Currency translation differences	外幣換算差額	—	29,328	21,088	1,281	104	3,561	55,362
Additions	添置	—	3,922	99,952	9,104	1,066	91,028	205,072
Disposals	出售	—	—	(179)	(10)	—	—	(189)
Depreciation	折舊	(97)	(33,736)	(244,057)	(20,354)	(2,909)	—	(301,153)
Transfers	轉撥	—	6,025	53,003	3,016	—	(62,044)	—
Closing net book amount	年終賬面淨值	3,501	738,039	537,188	48,561	5,215	74,747	1,407,251
At 1 April 2011	於2011年4月1日							
Cost	成本	4,260	900,094	2,264,653	226,511	25,215	74,747	3,495,480
Accumulated depreciation	累計折舊	(759)	(162,055)	(1,727,465)	(177,950)	(20,000)	—	(2,088,229)
Net book amount	賬面淨值	3,501	738,039	537,188	48,561	5,215	74,747	1,407,251
Year ended 31 March 2012	截至2012年3月31日止年度							
Opening net book amount	年初賬面淨值	3,501	738,039	537,188	48,561	5,215	74,747	1,407,251
Currency translation differences	外幣換算差額	—	24,482	14,498	951	81	3,465	43,477
Additions	添置	—	—	15,835	19,750	504	122,351	158,440
Disposals	出售	—	—	(164)	(217)	—	—	(381)
Disposal of subsidiary	出售一間附屬公司	—	(66,686)	(88,754)	(19,030)	—	(5,894)	(180,364)
Depreciation	折舊	(97)	(35,060)	(200,979)	(14,206)	(2,470)	—	(252,812)
Transfers	轉撥	—	51,359	2,349	1,726	—	(55,434)	—
Closing net book amount	年終賬面淨值	3,404	712,134	279,973	37,535	3,330	139,235	1,175,611
At 31 March 2012	於2012年3月31日							
Cost	成本	4,260	907,689	2,117,472	198,555	24,556	139,235	3,391,767
Accumulated depreciation	累計折舊	(856)	(195,555)	(1,837,499)	(161,020)	(21,226)	—	(2,216,156)
Net book amount	賬面淨值	3,404	712,134	279,973	37,535	3,330	139,235	1,175,611

FINANCIAL INFORMATION

財務資料

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

7. PROPERTY, PLANT AND EQUIPMENT (Cont'd)

Depreciation expense recognized in the consolidated income statement is analysed as follows:

		Group 本集團	
		2012	2011
		2012年	2011年
		HK\$'000	HK\$'000
		千港元	千港元
Cost of sales	銷售成本	249,708	296,881
General and administrative expenses	一般及行政開支	3,104	4,272
		252,812	301,153

At 31 March 2012, none of the property, plant and equipment was pledged. At 31 March 2011, property, plant and equipment with a net book amount of approximately HK\$88,759,000 were pledged to secure the Group's banking facilities.

於2012年3月31日，本集團並無任何物業、廠房及設備用作抵押。於2011年3月31日，物業、廠房及設備的賬面淨值約為88,759,000港元用作抵押以獲取本集團之銀行融資。

8. INTERESTS IN AND AMOUNTS DUE FROM/(TO) SUBSIDIARIES

		Group 本集團	
		2012	2011
		2012年	2011年
		HK\$'000	HK\$'000
		千港元	千港元
Non-current assets	非流動資產		
Unlisted shares, at cost	非上市股份，按成本	8	8
Loans to subsidiaries (Note (i))	附屬公司貸款(附註(i))	3,158,341	1,786,666
		3,158,349	1,786,674
Current assets	流動資產		
Amounts due from subsidiaries (Note (ii))	應收附屬公司款項(附註(ii))	750,000	600,000
Non-current liabilities	非流動負債		
Amount due to a subsidiary (Note (iii))	應付附屬公司款項(附註(iii))	966,752	—
Current liabilities	流動負債		
Amounts due to subsidiaries (Note (ii))	應付附屬公司款項(附註(ii))	658,555	4,734

Notes:

- (i) Loans to subsidiaries are unsecured and non-interest bearing. These loans have no pre-determined terms of repayment and are regarded as quasi equity contributions to the subsidiaries.
- (ii) The amounts due from/(to) subsidiaries are unsecured, non-interest bearing and repayable on demand.
- (iii) The amount due to a subsidiary is unsecured, non-interest bearing and are not repayable within one year.

附註：

- (i) 附屬公司貸款為無抵押與無利息。該貸款沒預定還款期，並確認為附屬公司權益貢獻。
- (ii) 應收/(付)附屬公司款項為無抵押、無利息及須要求償還。
- (iii) 應付附屬公司款項為無抵押、無利息及毋須於未來一年內償還。

FINANCIAL INFORMATION

財務資料

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

8. INTERESTS IN AND AMOUNTS DUE FROM/(TO) SUBSIDIARIES (Cont'd)

The following is a list of the subsidiaries as at 31 March 2012 and 2011:

綜合財務報表附註(續)

8. 於附屬公司之權益與應收／(付)款項(續)

以下表列於2012年與2011年3月31日之附屬公司：

Name of subsidiaries 附屬公司名稱	Place of incorporation/ establishment/ operation 註冊/ 成立/ 運作地點	Issued and fully paid up share capital/ registered capital 已發行及繳足之股本/ 註冊資本	Equity interest attributable to the Group 本集團應佔股本權益		Principal activities 主要業務
			2012	2011	
			2012年	2011年	
Shares held directly: 直接持有股份：					
Pacific Textured Jersey Holdings Ltd.	British Virgin Islands 英屬處女群島	HK\$1 1 港元	100%	100%	Investment holding 投資控股
Pacific Textiles Overseas Holdings Ltd.	British Virgin Islands 英屬處女群島	HK\$1 1 港元	100%	100%	Investment holding 投資控股
Pacific HK & China Holdings Ltd.	British Virgin Islands 英屬處女群島	HK\$1 1 港元	100%	100%	Investment holding 投資控股
Pacific SPM Holdings Ltd.	British Virgin Islands 英屬處女群島	HK\$1 1 港元	100%	100%	Investment holding 投資控股
Solid Ally International Ltd.	British Virgin Islands 英屬處女群島	HK\$1 1 港元	100%	100%	Investment holding 投資控股
Lehan Resources Ltd.	British Virgin Islands 英屬處女群島	HK\$1 1 港元	100%	100%	Investment holding 投資控股
Fast Right Group Ltd. 正迅集團有限公司	British Virgin Islands 英屬處女群島	US\$1,000 1,000 美元	100%	100%	Investment holding 投資控股
Goodscore Limited 高績有限公司	British Virgin Islands 英屬處女群島	US\$1 1 美元	100%	100%	Investment holding 投資控股
Product Champion Limited	British Virgin Islands 英屬處女群島	US\$1 1 美元	100%	100%	Investment holding 投資控股

FINANCIAL INFORMATION

財務資料

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

8. INTERESTS IN AND AMOUNTS DUE FROM/(TO) SUBSIDIARIES (Cont'd)

The following is a list of the subsidiaries as at 31 March 2012 and 2011: (Cont'd)

綜合財務報表附註(續)

8. 於附屬公司之權益與應收/(付)款項(續)

以下表列於2012年與2011年3月31日之附屬公司：(續)

Name of subsidiaries 附屬公司名稱	Place of incorporation/ establishment/ operation 註冊/成立/ 運作地點	Issued and fully paid up share capital/ registered capital 已發行及繳足之 股本/註冊資本	Equity interest attributable to the Group 本集團應佔 股本權益		Principal activities 主要業務
			2012 2012年	2011 2011年	
Shares held indirectly: 間接持有股份：					
Pacific GT Limited (Note) (附註)	British Virgin Islands 英屬處女群島	US\$19,025,000 19,025,000美元	95%	95%	Investment holding 投資控股
Pacific Textiles Limited 互太紡織有限公司	Hong Kong 香港	HK\$103,000,000 103,000,000港元	100%	100%	Trading of textile products 紡織品貿易
Pacific SPM Investment Limited 互太汽車紡織投資有限公司	Hong Kong 香港	HK\$1 1港元	100%	100%	Investment holding 投資控股
Pacific (Nansha) Investments Limited 互太(南沙)投資有限公司	Hong Kong 香港	HK\$22,000,000 22,000,000港元	100%	100%	Investment holding 投資控股
PCGT Limited	Hong Kong 香港	HK\$3,900,000 3,900,000港元	71.25%	71.25%	Investment holding 投資控股
Pacific Overseas Textiles Macao Commercial Offshore Limited 互太海外紡織澳門離岸商業 服務有限公司	Macau 澳門	MOP1,030,000 1,030,000澳門幣	100%	100%	Trading of textile products 紡織品貿易
Pacific (Panyu) Textiles Limited 互太(番禺)紡織印染有限公司	The PRC 中國	Registered/ paid up capital US\$89,700,000 註冊/繳足股本 89,700,000美元	100%	100%	Manufacturing and trading of textile products 紡織品製造及貿易
Pacific/Textured Jersey Ltd.	United Kingdom 英國	GBP100 100英磅	100%	100%	Fabrics agency 布匹代理
Pacific Crystal Textiles Limited	Vietnam 越南	Registered/ paid up capital US\$48,000,000/ US\$6,000,000 註冊/繳足股本 48,000,000美元/ 6,000,000美元	71.25%	—	Manufacturing and trading of textile products 紡織品製造及貿易

Note: During the year ended 31 March 2012, the Group and the non-controlling interests contributed additional share capital totalling of HK\$102,106,000 (2011: HK\$45,814,000) into Pacific GT Limited.

附註：於2012年3月31日止年度期間，本集團與非控制性權益向Pacific GT Limited注資額外股本總計為102,106,000港元(2011年：45,814,000港元)。

FINANCIAL INFORMATION

財務資料

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

9. INTERESTS IN AND AMOUNTS DUE TO ASSOCIATES

(a) Share of net assets and goodwill

		2012	2011
		2012年	2011年
		HK\$'000	HK\$'000
		千港元	千港元
Share of net assets	應佔資產淨值	162,789	33,382
Goodwill (Note (i))	商譽(附註(i))	155,297	—
		318,086	33,382
Less: Impairment (Note (ii))	減：減值(附註(ii))	(155,297)	—
		162,789	33,382

The Group's interests in associates are analysed as follows:

本集團於聯營公司之權益分析如下：

		2012	2011
		2012年	2011年
		HK\$'000	HK\$'000
		千港元	千港元
Listed on Colombo Stock Exchange in Sri Lanka	於斯里蘭卡科倫坡證券交易所上市	133,610	—
Unlisted	非上市	29,179	33,382
		162,789	33,382

The quoted market value of the above listed associate at 31 March 2012 was HK\$127,018,000.

上述上市聯營公司於2012年3月31日所報市場價值為127,018,000港元。

Movement of interests in associates is as follows:

應佔聯營公司權益之變動如下：

		Group	
		本集團	
		2012	2011
		2012年	2011年
		HK\$'000	HK\$'000
		千港元	千港元
At 1 April	於4月1日	33,382	27,752
Re-measurement of the remaining interest in a former subsidiary company upon dilution (Note (i))	前附屬公司稀釋後重新計算之餘下權益(附註(i))	277,988	—
Impairment (Note (ii))	減值(附註(ii))	(155,297)	—
Share of profits	應佔溢利	15,956	4,249
Dividends received from associates	已收聯營公司股息	(10,185)	—
Currency translation differences	外幣換算差額	945	1,381
At 31 March	於3月31日	162,789	33,382

FINANCIAL INFORMATION

財務資料

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

9. INTERESTS IN AND AMOUNTS DUE TO ASSOCIATES (Cont'd)

(a) Share of net assets and goodwill (Cont'd)

The Group's share of results, assets and liabilities, of its associates, are as follows:

		2012 2012年 HK\$'000 千港元	2011 2011年 HK\$'000 千港元
Total assets	資產總值	226,165	46,951
Total liabilities	負債總額	63,376	13,569
Revenue	收入	294,629	55,348
Profit after income tax	所得稅後溢利	15,956	4,249

Notes:

- (i) The Group completed a spin-off of a subsidiary, Textured Jersey Lanka Limited ("PT Sri Lanka"), for a separate listing of PT Sri Lanka on the Main Board of the Colombo Stock Exchange on 9 August 2011.

At 31 March 2011, the Group held 60% equity interest in PT Sri Lanka. In connection with the listing, the Group disposed 83,000,000 shares of PT Sri Lanka under a pre-IPO private placement in May 2011. Upon the listing in August 2011, PT Sri Lanka issued new shares to the public and diluted the Group's equity interest held in PT Sri Lanka. Immediately following the listing, the Group's interest in PT Sri Lanka became 40%.

In accordance with HKAS 27 (Revised), "Consolidated and separate financial statements", the Group has re-measured its remaining 40% interest in PT Sri Lanka at fair value of HK\$277,988,000, with the increase in the carrying amount recognized in the income statement as part of the gain on disposal of the subsidiary. The Group recognized an aggregated gain on disposal of HK\$233,420,000 including gain upon re-measurement of the aforementioned 40% remaining interest and goodwill of HK\$155,297,000 at the date of dilution.

- (ii) In view of the continuous decline in the quoted market value of PT Sri Lanka on the Colombo Stock Exchange since its listing in August 2011, the Group has performed an impairment assessment by comparing the estimated recoverable amount of the Group's interest in PT Sri Lanka to its carrying amount at the reporting date. The estimated recoverable amount is determined based on value in use, by reference to the pre-tax cash flow projections of PT Sri Lanka based on financial budgets approved by its management at an annual rate of 18% for discounting the projected cash flows. As a consequence, an impairment of HK\$155,297,000 was recognized.

綜合財務報表附註(續)

9. 於聯營公司之權益與應付款項(續)

(a) 應佔資產淨值與商譽(續)

本集團應佔其聯營公司之業績、資產及負債如下：

附註：

- (i) 本集團於2011年8月9日完成分拆附屬公司Textured Jersey Lanka Limited (「PT斯里蘭卡」)，PT斯里蘭卡於科倫坡證券交易所主板獨立上市。

於2011年3月31日，本集團持有60%PT斯里蘭卡之權益。緊隨上市，本集團於2011年5月以首次公開發售前私人配售，出售83,000,000股PT斯里蘭卡股份。於2011年8月上市後，PT斯里蘭卡向公眾發行新股，並攤薄本集團持有之權益。緊隨上市，本集團持有PT斯里蘭卡之權益為40%。

根據香港會計準則第27號(經修訂)「綜合及獨立財務報表」，本集團已重新計算PT斯里蘭卡之40%餘下權益，由其公允值277,988,000港元轉為賬面值增加於收益表確認，乃出售附屬公司收益一部份。本集團確認於稀釋日之出售所得收益約233,420,000港元包括於重新計算上述40%餘下權益後之商譽為155,297,000港元。

- (ii) 鑑於PT斯里蘭卡自2011年8月於科倫坡證券交易所上市以來之市價持續下跌，本集團比較本集團於PT斯里蘭卡之權益估計可收回金額與於報告日其賬面金額，以作減值評估。估計可收回金額乃根據使用價值，基用稅前現金流量預測，此乃基於其管理層批准的財務預算以年率18%來折算。因此，減值155,297,000港元已予確認。

FINANCIAL INFORMATION

財務資料

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

9. INTERESTS IN AND AMOUNTS DUE TO ASSOCIATES (Cont'd)

(a) Share of net assets and goodwill (Cont'd)

The particulars of the associates at 31 March 2012 are set out as follows:

Name of associate 聯營公司名稱	Place of Incorporation/ establishment/ operation 註冊/成立/ 運作地點	Issued and fully paid up share capital/ registered capital 已發行及繳足之股本/註冊資本	Equity interest attributable to the Group 本集團應佔股本權益		Principal activities 主要業務
			2012 2012年	2011 2011年	
SPM Automotive Textile Co., Ltd. 住江互太(廣州)汽車紡織產品有限公司	The PRC 中國	Registered/ paid up capital US\$7,500,000 註冊/繳足股本 7,500,000美元	33%	33%	Manufacturing and trading of vehicles related textile products 汽車相關紡織品製造及貿易
PT Sri Lanka	Sri Lanka 斯里蘭卡	Rs2,749,266,000 2,749,266,000 斯里蘭卡盧布	40%	60%	Manufacturing and trading of textiles products 紡織品製造及貿易

(b) Amount due from an associate

The amount due to an associate is unsecured, non-interest bearing, repayable on demand. The amount is denominated in US Dollar.

(c) Amount due to an associate

The amount due to an associate is unsecured, non-interest bearing, repayable on demand. The amount is denominated in RMB.

綜合財務報表附註(續)

9. 於聯營公司之權益與應付款項(續)

(a) 應佔資產淨值與商譽(續)

於2012年3月31日聯營公司之詳情載列如下：

(b) 應收聯營公司款項

應收聯營公司款項為無抵押、無利息及須要求償還。以美元列值。

(c) 應付聯營公司款項

應付聯營公司款項為無抵押、無利息及須要求償還，以人民幣列值。

FINANCIAL INFORMATION

財務資料

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

10. INTERESTS IN JOINTLY CONTROLLED ENTITIES

綜合財務報表附註(續)

10. 於共同控制實體之權益

		Group 本集團	
		2012 2012年 HK\$'000 千港元	2011 2011年 HK\$'000 千港元
Share of net assets (Note (a))	應佔資產淨值(附註(a))	84,817	94,548
Amount due from a jointly controlled entity (Note (b))	應收共同控制實體款項(附註(b))	2,950	4,960
		87,767	99,508

(a) Share of net assets

Movements of share of net assets of jointly controlled entities are as follows:

		Group 本集團	
		2012 2012年 HK\$'000 千港元	2011 2011年 HK\$'000 千港元
At 1 April	於4月1日	94,548	24,452
Currency translation differences	外幣換算差額	(2,668)	(3,514)
Capital injection	注資	—	84,295
Acquisition of additional interests	收購額外權益	2,010	13,293
Share of loss	分佔虧損	(9,073)	(23,978)
At 31 March	於3月31日	84,817	94,548

The Group's share of results, assets and liabilities, all of which are unlisted are as follows:

(a) 應佔資產淨值

應佔共同控制實體資產淨值之變動如下：

本集團應佔非上市公司之業績、資產及負債如下：

		2012 2012年 HK\$'000 千港元	2011 2011年 HK\$'000 千港元
Total assets	資產總值	86,470	125,693
Total liabilities	負債總額	1,653	31,145
Revenue	收入	57,524	37,647
Loss for the year	年度虧損	(9,073)	(23,978)

FINANCIAL INFORMATION

財務資料

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

10. INTERESTS IN JOINTLY CONTROLLED ENTITIES

(Cont'd)

(a) Share of net assets (Cont'd)

The particulars of the jointly controlled entities at 31 March 2012 and 2011 are set out as follows:

綜合財務報表附註(續)

10. 於共同控制實體之權益(續)

(a) 應佔資產淨值(續)

於2012年及2011年3月31日共同控制實體之詳情載列如下：

Name of jointly controlled entities 共同控制實體名稱	Place of Incorporation/ establishment/ operation 註冊/成立/ 運作地點	Issued and fully paid up share capital/ registered capital 已發行及繳足之股本/ 註冊資本	Equity interest attributable to the Group 本集團應佔股本權益		Principal activities 主要業務
			2012 2012年	2011 2011年	
Amigo Bangladesh Ltd. (Note) (附註)	Bangladesh 孟加拉共和國	Taka 390,000,000 390,000,000 塔卡	51%	49.93%	Manufacturing and trading of textile and garment products 紡織與成衣產品製造及貿易
Ananta Knitwear Ltd.	Bangladesh 孟加拉共和國	Taka 10,000,000 10,000,000 塔卡	—	49.93%	Investment holding 投資控股
Ever Smart Bangladesh Ltd.	Bangladesh 孟加拉共和國	Taka 390,000,000 390,000,000 塔卡	—	49.93%	Manufacturing and trading of textile and garment products 紡織與成衣產品製造及貿易
Kingston Bangladesh Ltd. (Note) (附註)	Bangladesh 孟加拉共和國	Taka 390,000,000 390,000,000 塔卡	51%	49.93%	Investment holding 投資控股
Queenston Bangladesh Ltd. (Note) (附註)	Bangladesh 孟加拉共和國	Taka 100,000 100,000 塔卡	51%	49.93%	Investment holding 投資控股
Elegance Pacific Trading Limited 互太益力堅貿易有限公司	British Virgin Islands 英屬處女群島	US\$1 1 美元	—	49.93%	Trading of textile and garment products 紡織與成衣產品貿易
Fortune Joy Investment Ltd. 福愉投資有限公司	British Virgin Islands 英屬處女群島	US\$100 100 美元	51%	51%	Investment holding 投資控股
King Jumbo Investment Limited	British Virgin Islands 英屬處女群島	US\$27,806,000 27,806,000 美元	51%	51%	Investment holding 投資控股
CPAT (Singapore) Private Ltd. (Note) (附註)	Singapore 新加坡	paid up share capital US\$33,500,000 33,500,000 美元 繳足股本	51%	49.93%	Investment holding 投資控股

Note:

On 22 October 2011, the Group acquired an additional 1.07% equity interest in CPAT (Singapore) Private Limited for HK\$2,010,000 and no material goodwill was resulted.

附註：

本集團於2011年10月22日以2,010,000港元收購CPAT (Singapore) Private Limited額外1.07%股本權益而並無重大商譽產生。

FINANCIAL INFORMATION

財務資料

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

10. INTERESTS IN JOINTLY CONTROLLED ENTITIES (Cont'd)

(b) Amount due from a jointly controlled entity

The amount due from a jointly controlled entity is unsecured, non-interest bearing and without fixed repayment terms. The amount is denominated in US Dollars.

11. AVAILABLE-FOR-SALE FINANCIAL ASSETS

		Group 本集團	
		2012	2011
		2012年	2011年
		HK\$'000	HK\$'000
		千港元	千港元
Listed equity securities in Hong Kong	香港上市之證券	60	55
Club debentures	會籍債券	1,741	1,741
		1,801	1,796
At 1 April	於4月1日	1,796	1,780
Fair value gains on available-for-sale financial assets (Note 19)	可供出售金融資產 公允值收益(附註19)	5	16
At 31 March	於3月31日	1,801	1,796
Market value of listed securities	上市證券市場值	60	55

The fair values of listed equity securities are based on quoted prices at active market. The fair values of club debentures are based on second hand market prices.

Available-for-sale financial assets are primarily denominated in Hong Kong Dollars.

12. STRUCTURED DEPOSITS AND BONDS

		Group 本集團	
		2012	2011
		2012年	2011年
		HK\$'000	HK\$'000
		千港元	千港元
Structured deposits	結構性存款	—	78,092
Bonds	債券	—	38,791
		—	116,883

These structured deposits and bonds were not quoted in active markets. These investments were principal protected by the issuing banks, interest bearing at variable floating rates and matured during the year ended 31 March 2012.

綜合財務報表附註(續)

10. 於共同控制實體之權益(續)

(b) 應收共同控制實體款項

應收共同控制實體款項為無抵押、無利息及無固定還款期。款項金額以美元計值。

11. 可供出售金融資產

上市證券之公允值乃根據活躍市場報價釐定。會籍債券之公允值乃根據二手市場價釐定。

可供出售金融資產主要按港元列值。

12. 結構性存款及債券

這些結構性存款和債券沒有活躍市場報價。此項投資的本金受發行銀行保障，計息率以可變浮息計算，並且截至2012年3月31日止年度期間為到期日。

FINANCIAL INFORMATION

財務資料

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

13. INVENTORIES

綜合財務報表附註(續)

13. 存貨

		Group 本集團	
		2012 2012年 HK\$'000 千港元	2011 2011年 HK\$'000 千港元
Raw materials	原料	627,477	1,177,057
Work-in-progress	在製品	132,661	161,399
Finished goods	製成品	143,048	162,996
		903,186	1,501,452

The cost of raw materials and consumables recognized as expense and included in cost of sales during the year amounted to HK\$4,759,221,000 (2011: HK\$5,242,340,000).

本年度確認為開支，並計入銷售成本之原料與消耗品成本分別為4,759,221,000港元(2011年：5,242,340,000港元)。

Inventories pledged as security for the banking facilities available to the Group were nil (2011: HK\$77,808,000).

本集團所獲銀行融資作出抵押之存貨為零(2011年：77,808,000港元)。

14. TRADE AND BILLS RECEIVABLES

14. 應收賬款及票據

		Group 本集團	
		2012 2012年 HK\$'000 千港元	2011 2011年 HK\$'000 千港元
Trade receivables	應收賬款	766,261	845,837
Bills receivables	應收票據	180,412	289,035
		946,673	1,134,872
Less: provision for impairment of trade receivables	減：應收賬款減值撥備	(19,996)	(24,979)
		926,677	1,109,893

The carrying amounts of trade and bills receivables approximate their fair values.

應收賬款及票據之賬面值與公允值相若。

Majority of the Group's sales are with credit terms of 30 to 60 days. Trade and bills receivables, based on goods delivery dates, were aged as follows:

本集團大部分銷售之信貸期介乎30至60天。應收賬款及票據之賬齡按貨品交付日期載列如下：

		Group 本集團	
		2012 2012年 HK\$'000 千港元	2011 2011年 HK\$'000 千港元
0-60 days	0-60天	788,681	973,597
61-120 days	61-120天	131,490	143,556
121 days-1 year	121天-1年	24,679	16,892
Over 1 year	超過1年	1,823	827
		946,673	1,134,872

FINANCIAL INFORMATION

財務資料

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

14. TRADE AND BILLS RECEIVABLES (Cont'd)

The carrying amounts of the Group's trade and bills receivables were denominated in the following currencies:

		Group 本集團	
		2012	2011
		2012年	2011年
		HK\$'000	HK\$'000
		千港元	千港元
HK\$	港元	636,176	507,480
US\$	美元	235,971	501,959
RMB	人民幣	74,457	125,433
Others	其他	69	—
		946,673	1,134,872

At 31 March 2012, trade receivables of HK\$22,929,000 (2011: HK\$42,586,000) were past due but not considered to be impaired. These relate to a number of customers for whom there is no recent history of default. These trade receivables are aged as follows:

		Group 本集團	
		2012	2011
		2012年	2011年
		HK\$'000	HK\$'000
		千港元	千港元
Past due by:	已逾期:		
0-60 days	0-60天	22,929	42,586

At 31 March 2012, trade receivables of HK\$52,525,000 (2011: HK\$82,559,000) were impaired and partially provided for. The amount of the provision was HK\$19,996,000 as at 31 March 2012 (2011: HK\$24,979,000). The Group considers that a portion of these impaired receivables are expected to be recovered. These trade receivables are aged as follows:

		Group 本集團	
		2012	2011
		2012年	2011年
		HK\$'000	HK\$'000
		千港元	千港元
Past due by:	已逾期:		
0-60 days	0-60天	32,635	57,580
61-120 days	61-120天	4,751	15,864
121 days-1 year	121天-1年	13,316	8,288
Over 1 year	超過1年	1,823	827
		52,525	82,559

綜合財務報表附註(續)

14. 應收賬款及票據(續)

本集團應收賬款及票據之賬面值按以下貨幣列值：

於2012年3月31日，逾期但並無考慮減值之應收賬款為22,929,000港元(2011年：42,586,000港元)。其與若干近期並無壞賬記錄之客戶有關。該等應收賬款之賬齡載列如下：

於2012年3月31日，已減值及部份撥備之應收賬款為52,525,000港元(2011年：82,559,000港元)。於2012年3月31日，撥備金額為19,996,000港元(2011年：24,979,000港元)。本集團考慮據評估而預計已減值部份應收賬款可望收回。該等應收賬款之賬齡分析如下：

FINANCIAL INFORMATION

財務資料

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

14. TRADE AND BILLS RECEIVABLES (Cont'd)

Movements in the Group's provision for impairment of trade receivables are aged as follows:

		Group 本集團	
		2012 2012年 HK\$'000 千港元	2011 2011年 HK\$'000 千港元
At 1 April	於4月1日	24,979	22,787
Currency translation differences	外幣換算差額	837	750
(Reversal)/provision for impairment of trade receivables	應收賬款減值(撥回)/撥備	(5,820)	1,442
At 31 March	於3月31日	19,996	24,979

The creation and release of provision for impaired receivables have been included in distribution and selling expenses in the consolidated income statement. Amounts charged to the allowance account are generally written off when there is no expectation of recovering additional cash.

The maximum exposure to credit risk at the reporting date is the carrying value of receivables mentioned above. The Group does not hold any collateral as security.

綜合財務報表附註(續)

14. 應收賬款及票據(續)

本集團就應收賬款作出減值撥備之變動如下：

已減值應收款撥備的設立及撥回已計入綜合收益表之分銷及銷售開支內。計入撥備賬戶之款項一般在預期無法收回額外現金時撇銷。

於報告日期，最大信貸風險為上述應收賬款之賬面值。本集團並無持有任何抵押品作擔保。

15. DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES

		Group 本集團		Company 本公司	
		2012 2012年 HK\$'000 千港元	2011 2011年 HK\$'000 千港元	2012 2012年 HK\$'000 千港元	2011 2011年 HK\$'000 千港元
Rental, utility and other deposits	租金、公用服務及其他按金	329	7,813	—	—
Prepayment for purchase of inventories	購買存貨預付款項	3,803	1,917	—	—
Prepayment for purchase of land use rights and machinery	購買土地使用權與機械預付款項	29,666	—	—	—
Other prepayments	其他預付款項	12,106	9,934	—	8
VAT recoverable	可收回增值稅	16,815	25,348	—	—
Other receivables	其他應收款項	7,335	1,343	—	—
		70,054	46,355	—	8

15. 租金、預付款項及其他應收款項

FINANCIAL INFORMATION

財務資料

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

15. DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES (Cont'd)

Deposits, VAT recoverable and other receivables are denominated in the following currencies:

		Group 本集團		Company 本公司	
		2012	2011	2012	2011
		2012年	2011年	2012年	2011年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
RMB	人民幣	20,590	21,593	—	—
US\$	美元	3,343	5,127	—	—
HK\$	港元	546	7,736	—	8
Others	其他	—	48	—	—
		24,479	34,504	—	8

The carrying amounts of deposits, VAT recoverable and other receivables approximate their fair values.

The maximum exposure to credit risk at the reporting date is the carrying value of deposits, prepayments, VAT recoverable and other receivable. The Group does not hold any collateral as security.

16. DERIVATIVE FINANCIAL INSTRUMENTS

		Group 本集團	
		2012	2011
		2012年	2011年
		HK\$'000	HK\$'000
		千港元	千港元
Forward foreign exchange contracts	遠期外匯合約		
— Assets	— 資產	5,381	5,669
— Liabilities	— 負債	(2,962)	(587)

The notional principal amounts of the Group's outstanding forward exchange contracts at the balance sheet date is HK1,635,988,500 (2011: HK\$1,416,106,000).

The maximum exposure to credit risk at the balance sheet date is the carrying value of the derivative assets in the balance sheet.

綜合財務報表附註(續)

15. 租金、預付款項及其他應收款項(續)

按金、可收回增值稅及其他應收款項按下述貨幣計值：

按金、可收回增值稅及其他應收款項之賬面值與公允值相若。

於報告日期，最大信貸風險為按金、預付款項、可收回增值稅及其他應收賬款之賬面值。本集團並無持有任何抵押品作擔保。

16. 衍生金融工具

於結算日，未到期之本集團遠期外匯合約之名義本金額為1,635,988,500港元(2011年：1,416,106,000港元)。

於結算日，信貸風險之最高風險承擔為於資產負債表內之衍生資產之賬面值。

FINANCIAL INFORMATION

財務資料

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

17. CASH AND BANK BALANCES

綜合財務報表附註(續)

17. 現金及銀行結餘

		Group 本集團		Company 本公司	
		2012 2012年 HK\$'000 千港元	2011 2011年 HK\$'000 千港元	2012 2012年 HK\$'000 千港元	2011 2011年 HK\$'000 千港元
Cash at bank and in hand	銀行及手持現金	1,477,793	926,402	6,429	4,443
Short-term bank deposits	短期銀行存款	415,430	21,066	—	—
		1,893,223	947,468	6,429	4,443

The maximum exposure to credit risk at the balance sheet date is the carrying value of the cash and bank balances in the balance sheet.

於結算日，信貸風險之最高風險承擔為於資產負債表內之現金及銀行結餘之賬面值。

Cash and bank balances are denominated in the following currencies:

現金及銀行結餘按以下貨幣列值：

		Group 本集團		Company 本公司	
		2012 2012年 HK\$'000 千港元	2011 2011年 HK\$'000 千港元	2012 2012年 HK\$'000 千港元	2011 2011年 HK\$'000 千港元
US\$	美元	928,151	310,908	2,861	1,654
RMB	人民幣	491,743	231,820	—	—
HK\$	港元	451,331	382,756	3,470	2,691
Euro	歐元	17,777	19,969	—	—
Others	其他	4,221	2,015	98	98
		1,893,223	947,468	6,429	4,443

The Group's cash and cash equivalents denominated in RMB are primarily deposited with banks in PRC. The conversion of these RMB denominated balances into foreign currencies and the remittance of funds out of PRC are subject to the rules and regulations on foreign exchange control promulgated by the PRC Government.

本集團主要以人民幣列值之現金及現金等值物乃存放於中國之銀行。兌換該等人民幣列值結餘為外幣以及匯款至中國境外須遵守中國政府頒布之外匯管制規則及規定。

Cash at bank earns interest at floating rates based on daily bank deposit rates ranging from 0.40% to 3.10% per annum at 31 March 2012 (2011: 1.91% to 2.25% per annum).

銀行存款按銀行每日存款利率以浮息賺取利息，於2012年3月31日息率界乎每年0.40%至3.10%(2011年：每年1.91%至2.25%)。

The effective annual interest rate and maturities on short-term bank deposits at 31 March 2012 are as follows:

於2012年3月31日，短期銀行存款實際年利率與到期日如下：

		Group 本集團	
		2012 2012年	2011 2011年
Effective interest rate	實際利率	1.4%	2.08%
Maturities	到期日	1-90 days	1-90 days

FINANCIAL INFORMATION

財務資料

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

18. SHARE CAPITAL AND SHARE PREMIUM (a) Share capital

綜合財務報表附註(續)

18. 股本及股本溢價 (a) 股本

		Group and Company 本集團與本公司			
		2012 2012年		2011 2011年	
		Number of share 股份數目 (thousands) (千計)	Amount 金額 HK\$'000 千港元	Number of share 股份數目 (thousands) (千計)	Amount 金額 HK\$'000 千港元
Authorised: Shares of HK\$0.001 each	法定： 每股面值0.001港元 之股份	5,000,000	5,000	5,000,000	5,000
Issued and fully paid: Beginning of year	已發行及繳足： 年初	1,432,936	1,433	1,432,936	1,433
Issue of shares under share options scheme (150,000 shares)	根據購股權計劃 發行股份 (150,000 股份)	150	—	—	—
End of year	年終	1,433,086	1,433	1,432,936	1,433

(b) Share premium

In accordance with the Companies Law, Cap.22 of the Cayman Islands, the share premium account is distributable to the shareholders of the Company provided that immediately following the date on which the dividend is proposed to be distributed, and the Company will be in a position to pay off its debts as and when they fall due in the ordinary course of business.

(c) Share option scheme

The share option scheme was approved and adopted by the Company in a shareholders' written resolution on 27 April 2007. In July 2007, the Board of Directors approved the granting of options to 88 eligible full-time employees to subscribe for a total of 22,820,000 shares of the Company at an exercise price of HK\$5.04 per share with vesting periods of 3 years. These options are exercisable from 18 July 2010 to 17 July 2017 (both days inclusive), and shall expire on 18 July 2017. No other options have been granted.

(b) 股本溢價

根據開曼群島公司法第22章，股份溢價可供分派予本公司股東，惟於緊隨建議派發股息當日後，本公司須有能力償還日常業務中到期的債務。

(c) 購股權計劃

購股權計劃已於2007年4月27日股東書面決議案獲本公司批准及採納。於2007年7月，董事局批准向88名合資格全職僱員授出購股權，可按行使價每股5.04港元認購本公司合共22,820,000股股份，歸屬期為三年。該購股權可於2010年7月18日至2017年7月17日(包括首尾兩天在內)行使，並於2017年7月18日屆滿。概無授出其他購股權。

FINANCIAL INFORMATION

財務資料

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

18. SHARE CAPITAL AND SHARE PREMIUM

(c) Share option scheme (Cont'd)

Movements in the above share options are as follows:

		Number of share options 購股權數目	
		2012 2012年	2011 2011年
At 1 April	於4月1日	18,630,000	19,410,000
Exercise of share option	購股權行使	(150,000)	—
Forfeited	沒收	(1,450,000)	(780,000)
At 31 March	於3月31日	17,030,000	18,630,000

綜合財務報表附註(續)

18. 股本及股本溢價

(c) 購股權計劃(續)

上述購股權之變動如下：

19. RESERVES

(a) Group

Note	Capital reserve 資本儲備	Statutory reserve 法定儲備	Foreign currency translation reserve 外幣換算儲備	Share-based reserve 以股份為基準儲備	Available-for-sale financial assets reserve 可供出售金融資產儲備	Other reserve 其他儲備	Retained earnings 保留溢利	Total 總計	
附註	HK\$'000 千港元 (Note(i)) (附註(i))	HK\$'000 千港元 (Note(ii)) (附註(ii))	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元 (Note(iii)) (附註(iii))	HK\$'000 千港元	HK\$'000 千港元	
At 1 April 2010	於2010年4月1日	1,000	55,805	208,280	22,217	—	(3,559)	1,597,237	1,880,980
Profit attribute to equity holders of the Company	本公司權益持有人應佔溢利	—	—	—	—	—	876,374	876,374	
Currency translation differences	外幣換算差額	—	—	112,700	—	—	—	112,700	
Share-based compensation expense	股份酬金支出	—	—	—	1,446	—	—	1,446	
Fair value gains on available-for-sale financial assets	可供出售金融資產公允價值收益	11	—	—	—	16	—	16	
Dividends	股息	—	—	—	—	—	(444,210)	(444,210)	
At 31 March 2011	於2011年3月31日	1,000	55,805	320,980	23,663	16	(3,559)	2,029,401	2,427,306
Representing:	表示：								
Proposed final dividend	建議末期股息						272,258		
Others	其他						1,757,143		
							2,029,401		
At 1 April 2011	於2011年4月1日	1,000	55,805	320,980	23,663	16	(3,559)	2,029,401	2,427,306
Profit attribute to equity holders of the Company	本公司權益持有人應佔溢利	—	—	—	—	—	893,053	893,053	
Currency translation differences	外幣換算差額	—	—	101,865	—	—	—	101,865	
Transfer of reserve upon forfeiture and exercise of share options	購股權沒收與行使之儲備轉撥	—	—	—	(2,983)	—	2,793	(190)	
Fair value gains on available-for-sale financial assets	可供出售金融資產公允價值收益	11	—	—	—	5	—	5	
Release of reserve upon disposal of a subsidiary	出售一間附屬公司儲備撥回	—	—	417	—	3,559	—	3,976	
Dividends	股息	—	—	—	—	—	(845,520)	(845,520)	
At 31 March 2012	於2012年3月31日	1,000	55,805	423,262	20,680	21	—	2,079,727	2,580,495
Representing:	表示：								
Proposed final dividend	建議末期股息						429,926		
Others	其他						1,649,801		
							2,079,727		

19. 儲備

(a) 本集團

FINANCIAL INFORMATION

財務資料

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

19. RESERVES (Cont'd)

(b) Company

綜合財務報表附註(續)

19. 儲備(續)

(b) 本公司

		Share-based reserve 以股份為 基準儲備 HK\$'000 千港元	Retained earnings 保留溢利 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 April 2010	於2010年4月1日	22,217	533,062	552,279
Profit for the year	年度溢利	—	897,050	897,050
Share-based compensation expense	股份酬金支出	1,446	—	1,446
Dividends	股息	—	(444,210)	(444,210)
At 31 March 2011	於2011年3月31日	23,663	985,902	1,009,565
Representing:	表示：			
Proposed final dividend	建議末期股息		272,258	
Others	其他		713,644	
			985,902	
At 1 April 2011	於2011年4月1日	23,663	985,902	1,009,565
Profit for the year	年度溢利	—	747,451	747,451
Transfer of reserve upon forfeiture and exercise of share option	購股權沒收與行使後之 儲備轉撥	(2,983)	2,793	(190)
Dividends	股息	—	(845,520)	(845,520)
At 31 March 2012	於2012年3月31日	20,680	890,626	911,306
Representing:	表示：			
Proposed final dividend	建議末期股息		429,926	
Others	其他		460,700	
			890,626	

Notes:

- (i) Capital reserve represents the difference between the nominal value of shares of subsidiaries acquired pursuant to a reorganisation in November 2004 over the nominal value of the share capital of the Company issued in exchange thereof.

附註：

- (i) 資本儲備為根據2004年11月之重組所收購附屬公司股份之面值與本公司就此發行之股本面值之差額。

FINANCIAL INFORMATION

財務資料

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

19. RESERVES (Cont'd)

(b) Company (Cont'd)

Notes: (Cont'd)

- (ii) Statutory reserves represent legal reserve for a subsidiary incorporated in Macau and statutory reserve for a subsidiary incorporated in the PRC.

In accordance with the Macao Commercial Code, the subsidiary incorporated in Macau, is required to set aside a minimum of 25% of its after-tax profit to legal reserve until the balance of this reserve reaches a level equivalent to 50% of its capital. The amount of legal reserve of the subsidiary has reached 50% of its capital.

The subsidiary established in the PRC are required to make appropriations to certain statutory reserves from profit for the year after offsetting accumulated losses from prior years and before any profit distribution to equity holders. The percentages to be appropriated to such statutory reserve funds are determined according to the relevant regulations in the PRC or at the discretion of the board of the subsidiary. Such statutory reserves can only be used to offset accumulated losses, to increase capital, or for special bonus or collective welfare of employees. These statutory reserves cannot be distributed to equity holders of the subsidiary.

- (iii) Other reserve represent the difference between the consideration paid to acquire additional interests in a subsidiary from non-controlling interest and the relevant carrying value of net assets acquired.

20. BORROWINGS

綜合財務報表附註(續)

19. 儲備(續)

(b) 本公司(續)

附註：(續)

- (ii) 法定儲備指於澳門註冊成立之附屬公司之合法儲備與於中國成立之附屬公司之法定儲備。

根據有關澳門商法典，於澳門註冊成立之附屬公司須將其除稅後溢利最少25%撥入合法儲備，直至該儲備結餘達至相當於其股本50%為止。劃撥至該附屬公司合法儲備之金額已達其股本50%。

於中國成立之附屬公司要求將抵銷以往年度累計虧損年度溢利與分派任何溢利予股權持有人之前，劃撥款項以提撥若干法定儲備。提撥該法定儲備資金比率按相關中國法規或附屬公司董事局自行決定來計算。該法定儲備只可用作抵銷累計虧損、增加資本或特別花紅或員工集團福利。該法定儲備不能分派予附屬公司之股權持有人。

- (iii) 其他儲備指向一名非控制性權益收購一間附屬公司之額外權益已支付之代價以及有關所收購之資產賬面值之差額。

20. 借貸

		Group 本集團	
		2012	2011
		2012年	2011年
		HK\$'000	HK\$'000
		千港元	千港元
Non-current:	非即期:		
Long-term bank loans — secured	長期銀行貸款 — 有抵押	—	98
Loan from a non-controlling interest of a subsidiary (Note(a))	附屬公司非控制性權益提供貸款(附註(a))	47,490	—
Current:	即期:		
Current portion of long-term bank loans — secured	長期銀行貸款 即期部分 — 有抵押	—	784
Short-term bank loans — secured	短期銀行貸款 — 有抵押	—	62,246
Trust receipt bank loans — secured	信託收據銀行貸款 — 有抵押	—	68,063
Bank overdrafts — secured	銀行透支 — 有抵押	—	29,315
Loan from a non-controlling interest of a subsidiary (Note (a))	附屬公司非控制性權益提供貸款(附註(a))	—	13,616
		—	174,024
		47,490	174,122

FINANCIAL INFORMATION

財務資料

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

20. BORROWINGS (Cont'd)

The carrying amounts of the bank borrowings are denominated in the following currencies:

		Group 本集團	
		2012	2011
		2012年	2011年
		HK\$'000	HK\$'000
		千港元	千港元
US\$	美元	—	157,558
Sri Lankan Rupee ("LKR")	斯里蘭卡盧比(「盧比」)	—	2,948
		—	160,506

The borrowings are repayable as follows:

		Group 本集團	
		2012	2011
		2012年	2011年
		HK\$'000	HK\$'000
		千港元	千港元
Within 1 year	1年內	—	160,408
Between 1 and 2 years	1至2年	—	98
		—	160,506

The effective interest rates of the bank borrowings at the balance sheet date were as follows:

		Group 本集團			
		2012		2011	
		2012年		2011年	
		US\$	LKR	US\$	LKR
		美元	盧比	美元	盧比
Bank overdrafts	銀行透支	—	—	4.1%	13.0%
Bank loans and trust receipts	銀行貸款與信託收據				
bank loans	銀行貸款	—	—	—	8.5%

The carrying amounts of all bank borrowings approximate their fair values.

At 31 March 2011, property, plant and equipment of \$88,759,000 and inventories of HK\$77,808,000 of the Group are pledged as securities for the secured bank borrowings of HK\$160,506,000 and the banking facilities of the Group.

綜合財務報表附註(續)

20. 借貸(續)

銀行借貸之賬面值乃以下列貨幣列值：

借貸之還款狀況如下：

於結算日銀行借貸之實際利率如下：

所有銀行借貸之賬面值均與其公允價值相若。

於2011年3月31日，本集團物業、廠房及設置88,759,000港元與存貨77,808,000港元用作為本集團之有抵押銀行借貸160,506,000港元與銀行信貸之抵押。

FINANCIAL INFORMATION

財務資料

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

20. BORROWINGS (Cont'd)

(a) Loan from a non-controlling interest of a subsidiary

The loan from a non-controlling interest of a subsidiary is denominated in US Dollars, unsecured and non-interest bearing. The loan has no pre-determined terms of repayment and is regarded as quasi equity contributions to the subsidiary.

21. DEFERRED INCOME TAX

The analysis of deferred tax assets and deferred tax liabilities is as follows:

		Group 本集團	
		2012 2012年 HK\$'000 千港元	2011 2011年 HK\$'000 千港元
Deferred income tax assets:	遞延所得稅資產：		
— Deferred tax asset to be recovered after more than 12 months	— 超過12個月後收回之遞延稅項資產	6,000	6,580
Deferred income tax liabilities:	遞延所得稅負債：		
— Deferred tax liabilities to be settled after more than 12 months	— 超過12個月後支付之遞延稅項負債	(33,324)	(29,114)
Deferred income tax liabilities, net	遞延稅項負債，淨值	(27,324)	(22,534)

The net movement in the deferred income tax account is as follows:

遞延所得稅賬目之變動淨值如下：

		Group 本集團	
		2012 2012年 HK\$'000 千港元	2011 2011年 HK\$'000 千港元
At 1 April	於4月1日	(22,534)	(11,801)
Currency translation differences	外幣換算差額	(1,073)	(769)
Disposal of a subsidiary	出售一間附屬公司	3,058	—
Charged to the consolidated income statement (Note 28)	於綜合收益表支銷(附註28)	(6,775)	(9,964)
At 31 March	於3月31日	(27,324)	(22,534)

綜合財務報表附註(續)

20. 借貸(續)

(a) 附屬公司非控制性權益提供貸款

附屬公司非控制性權益提供貸款以美元列值，為無抵押與無利息。此貸款並無預先確定的還款條款，而被視為附屬公司之準權益貢獻。

21. 遞延所得稅

遞延稅項資產與遞延稅項負債分析如下：

FINANCIAL INFORMATION

財務資料

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

21. DEFERRED INCOME TAX (Cont'd)

The movement in deferred income tax assets and liabilities, without taking into consideration the offsetting of balances within the same tax jurisdiction, is as follows:

Deferred income tax assets:

		Decelerated tax depreciation allowance 減速稅項折舊撥備 HK\$'000 千港元	Group Provisions for doubtful debts and staff benefits 呆賬與員工利益撥備 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 April 2010	於2010年4月1日	170	4,780	4,950
Credited to the consolidated income statement	於綜合收益表貸記	400	1,230	1,630
At 31 March 2011	於2011年3月31日	570	6,010	6,580
Charged to the consolidated income statement	於綜合收益表扣除	280	(860)	(580)
At 31 March 2012	於2012年3月31日	850	5,150	6,000

Deferred income tax liabilities:

		Accelerated tax depreciation allowance 加速稅項折舊撥備 HK\$'000 千港元	Group Undistributed profits of a subsidiary and associates 附屬公司與聯營公司未分配溢利 HK\$'000 千港元	Others 其他 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 April 2010	於2010年4月1日	—	(16,751)	—	(16,751)
Currency translation differences	外幣換算差額	(4)	(766)	1	(769)
Credited to the consolidated income statement	於綜合收益表貸記	(4,349)	(8,539)	1,294	(11,594)
At 31 March 2011	於2011年3月31日	(4,353)	(26,056)	1,295	(29,114)
Currency translation differences	外幣換算差額	—	(1,073)	—	(1,073)
Disposal of a subsidiary	出售一間附屬公司	4,353	—	(1,295)	3,058
Credited to the consolidated income statement	於綜合收益表貸記	—	(6,195)	—	(6,195)
At 31 March 2012	於2012年3月31日	—	(33,324)	—	(33,324)

綜合財務報表附註(續)

21. 遞延所得稅(續)

未經考慮抵銷同一稅務司法權區的遞延所得稅資產及負債之變動結餘如下：

遞延所得稅資產：

遞延所得稅負債：

FINANCIAL INFORMATION

財務資料

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

22. TRADE AND BILLS PAYABLES

綜合財務報表附註(續)

22. 應付賬款及票據

		Group 本集團	
		2012	2011
		2012年	2011年
		HK\$'000	HK\$'000
		千港元	千港元
Trade payables	應付賬款	671,802	536,699
Bills payables	應付票據	256,756	237,814
		928,558	774,513

The carrying values of trade and bills payables approximate their fair values.

應付賬款及票據之賬面值與其公允值相若。

Credit period granted by the creditors generally ranges from 30 to 90 days.

貸方給予之信貸期一般介乎30至90天。

Trade and bills payables based on goods delivery dates, were aged as follows:

應付賬款及票據之賬齡按交貨日期如下：

		Group 本集團	
		2012	2011
		2012年	2011年
		HK\$'000	HK\$'000
		千港元	千港元
0-60 days	0-60天	663,799	500,271
61-120 days	61-120天	257,174	249,209
121 days-1 year	121天-1年	5,501	24,093
Over 1 year	超過1年	2,084	940
		928,558	774,513

Trade and bills payables are denominated in the following currencies:

應付賬款及票據以下列貨幣計值：

		Group 本集團	
		2012	2011
		2012年	2011年
		HK\$'000	HK\$'000
		千港元	千港元
US\$	美元	757,836	581,227
HK\$	港元	103,819	124,114
RMB	人民幣	64,687	68,804
Others	其他	2,216	368
		928,558	774,513

FINANCIAL INFORMATION

財務資料

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

23. ACCRUALS AND OTHER PAYABLES

綜合財務報表附註(續)

23. 應計項目及其他應付款項

		Group 本集團		Company 本公司	
		2012	2011	2012	2011
		2012年	2011年	2012年	2011年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Accruals for other operating expenses	其他營運開支之應計項目	103,124	127,896	3,920	3,551
Payables for purchase of property, plant and equipment	物業、廠房及設備購買應付款	34,424	30,406	—	—
Provision for employee benefits expense (including bonus)	僱員福利支出(包括撥備、花紅)	101,980	117,372	—	—
Provision for customer claims	客戶索賠撥備	15,455	18,110	—	—
Receipts in advance	預收款項	8,686	11,734	—	—
Others	其他	91,415	54,952	49	25
		355,084	360,470	3,969	3,576

Accruals and other payables are denominated in the following currencies:

應計項目及其他應付款項以下列貨幣計值：

		Group 本集團		Company 本公司	
		2012	2011	2012	2011
		2012年	2011年	2012年	2011年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
HK\$	港元	139,231	113,094	3,969	3,576
RMB	人民幣	197,894	214,916	—	—
US\$	美元	17,831	32,285	—	—
Others	其他	128	175	—	—
		355,084	360,470	3,969	3,576

FINANCIAL INFORMATION

財務資料

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

綜合財務報表附註(續)

24. OTHER INCOME AND OTHER GAINS/(LOSSES) — NET

24. 其他收入及其他收益/(虧損) — 淨

		2012 2012年 HK\$'000 千港元	2011 2011年 HK\$'000 千港元
Other income:	其他收入：		
Sale of residual materials	出售剩餘物料	48,080	36,308
Sub-contracting income	分包收入	15,016	12,828
Handling income	處理收入	3,401	—
Rental income	租金收入	4,403	7,480
Government grants	政府補貼	4,858	10,332
Sundry income	雜項收入	23,099	20,465
		98,857	87,413
Other (losses)/gains — net:	其他(虧損)/收益 — 淨：		
Derivative financial instruments — forward foreign exchange contracts	衍生金融工具 — 遠期外匯合約	11,168	6,756
Net foreign exchange losses	外匯虧損淨值	(14,588)	(3,251)
		(3,420)	3,505
		95,437	90,918

25. EXPENSES BY NATURE

25. 按性質細分的開支

		2012 2012年 HK\$'000 千港元	2011 2011年 HK\$'000 千港元
Depreciation of property, plant and equipment (Note 7)	物業、廠房及設備折舊支出(附註7)	252,812	301,153
Amortisation of leasehold land and land use rights (Note 6)	租賃土地及土地使用權攤銷(附註6)	913	671
Loss/(gain) on disposal of property, plant and equipment (Note 31(b))	出售物業、廠房及設備之虧損/(收益)(附註31(b))	212	(1,273)
Cost of raw materials and consumables used (Note 13)	原材料與消耗品應用成本(附註13)	4,759,221	5,242,340
(Reversal)/provision for impairment of trade receivables (Note 14)	應收賬款減值(撥回)/撥備(附註14)	(5,820)	1,442
Employee benefits expense (including directors' emoluments) (Note 26)	僱員福利支出(包括董事酬金)(附註26)	406,732	466,534
Operating lease payments in respect of land and buildings	土地及樓宇經營租約開支	2,543	5,024
Reversal of provision for slow-moving and obsolete inventories	滯銷及陳舊存貨撥備撥回	(4,191)	(3,063)
Auditor's remuneration	核數師酬金	1,987	2,163
Other expenses	其他開支	143,224	160,661
Total cost of sales, distribution and selling expenses and general and administrative expenses	銷售成本、分銷及銷售開支與一般及行政開支	5,557,633	6,175,652

FINANCIAL INFORMATION

財務資料

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

26. EMPLOYEE BENEFITS EXPENSE (INCLUDING DIRECTORS' EMOLUMENTS)

綜合財務報表附註(續)

26. 僱員福利支出(包括董事酬金)

		2012	2011
		2012年	2011年
		HK\$'000	HK\$'000
		千港元	千港元
Wages, salaries, bonus and allowances	工資、薪金、花紅及津貼	372,002	430,795
Termination benefit	長期服務金撥備	—	885
Retirement benefit — defined contribution schemes (Note (a))	退休福利 — 定額供款計劃 (附註(a))	12,668	14,974
Staff welfare and benefits	員工福利及利益	22,062	18,434
Share-based compensation expense	股份酬金支出	—	1,446
		406,732	466,534

(a) Retirement benefit costs — defined contribution schemes

The Company's subsidiary in the PRC is a member of the state-managed retirement benefits scheme operated by the Government of the PRC. The Group contributes to the scheme at 12% of the basic salaries of the subsidiary's employees, and has no further obligations for the actual payment of pensions or post-retirement benefits beyond the annual contributions. The state-managed retirement plans are responsible for the entire pension obligations payable to retired employees.

The Group has arranged for its Hong Kong employees to join the Mandatory Provident Fund Scheme ("the MPF Scheme"), a defined contribution scheme managed by an independent trustee. Under the MPF Scheme, the Group and its employees make monthly contributions to the scheme at 5% of the employees' earnings as defined under the Mandatory Provident Fund legislation. Both the Group's and the employees' contributions are subject to a cap of HK\$1,000 per month and thereafter contributions are voluntary.

(a) 退休福利 — 定額供款計劃

本公司於中國之附屬公司為中國政府所推行國家管理退休福利計劃之成員。本集團按附屬公司僱員基本薪金12%向計劃作出供款，而除年度供款外，並無實際支付退休金或離職福利之進一步責任。國家管理之退休計劃負責向退休僱員支付所有退休金。

本集團已安排其香港僱員參加強制性公積金計劃(「強積金計劃」)。該計劃為由獨立受託人管理之定額供款計劃。根據強積金計劃，本集團及其僱員按強制性公積金條例定義之僱員收入之5%每月向計劃作出供款。本集團及僱員供款均以每月1,000港元為上限，其後作出之供款屬自願性質。

FINANCIAL INFORMATION

財務資料

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

26. EMPLOYEE BENEFITS EXPENSE (INCLUDING DIRECTORS' EMOLUMENTS) (Cont'd)

(b) Directors' emoluments

The remuneration of every director for the year ended 31 March 2012 is set out below:

		Fees	Salaries	Discretionary bonuses	Employer's contribution to retirement scheme	Share-based compensation expense	Total
		袍金	薪金	酌情花紅	退休計劃之僱主供款	股份酬金支出	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元
Ip Ping Im	葉炳棧	—	—	—	—	—	—
Choi Kin Chung	蔡建中	—	—	—	—	—	—
Wan Wai Loi	尹惠來	1,500	2,790	5,014	12	—	9,316
Tsang Kang Po	曾鏡波	1,000	2,900	4,466	12	—	8,378
Lam Wing Tak	林榮德	1,000	2,900	4,465	12	—	8,377
Lam King Man	林景文	1,000	1,710	2,952	12	—	5,674
Lam Hing Chau, Leon	林興就	1,000	1,526	831	12	—	3,369
Lau Yiu Tong	劉耀棠	—	—	—	—	—	—
Chan Yue Kwong, Michael	陳裕光	150	—	—	—	—	150
Ng Ching Wah	伍清華	150	—	—	—	—	150
Sze Kwok Wing, Nigel	施國榮	150	—	—	—	—	150
		5,950	11,826	17,728	60	—	35,564

The remuneration of every director for the year ended 31 March 2011 is set out below:

		Fees	Salaries	Discretionary bonuses	Employer's contribution to retirement scheme	Share-based compensation expense	Total
		袍金	薪金	酌情花紅	退休計劃之僱主供款	股份酬金支出	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元
Ip Ping Im	葉炳棧	—	—	—	—	—	—
Choi Kin Chung	蔡建中	—	—	—	—	—	—
Wan Wai Loi	尹惠來	1,500	2,790	4,969	12	—	9,271
Tsang Kang Po	曾鏡波	1,000	2,900	4,468	12	—	8,380
Lam Wing Tak	林榮德	1,000	2,900	4,234	12	—	8,146
Lam King Man	林景文	1,000	1,710	2,897	12	—	5,619
Lam Hing Chau, Leon	林興就	1,000	1,445	878	12	84	3,419
Lau Yiu Tong	劉耀棠	—	—	—	—	—	—
Chan Yue Kwong, Michael	陳裕光	150	—	—	—	—	150
Ng Ching Wah	伍清華	150	—	—	—	—	150
Sze Kwok Wing, Nigel	施國榮	150	—	—	—	—	150
		5,950	11,745	17,446	60	84	35,285

綜合財務報表附註(續)

26. 僱員福利支出(包括董事酬金)(續)

(b) 董事酬金

截至2012年3月31日止年度，各董事之酬金如下：

截至2011年3月31日止年度，各董事之酬金如下：

FINANCIAL INFORMATION

財務資料

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

26. EMPLOYEE BENEFITS EXPENSE (INCLUDING DIRECTORS' EMOLUMENTS) (Cont'd)

(c) Five highest paid individuals

The five individuals whose emoluments were the highest in the Group for the year ended 31 March 2012 and 2011 are directors, whose emoluments are reflected in the analysis presented above.

綜合財務報表附註(續)

26. 僱員福利支出(包括董事酬金)(續)

(c) 五名最高薪人士

截至2012年及2011年3月31日止年度，本集團之最高薪人士為董事，彼等之酬金已於上列分析反映。

27. FINANCE INCOME AND COSTS

		2012	2011
		2012年	2011年
		HK\$'000	HK\$'000
		千港元	千港元
Finance income:	財務收入：		
— bank interest income	— 銀行利息收入	9,829	4,710
Finance costs:	財務成本：		
— bank loans and overdrafts	— 銀行貸款及透支	704	3,219
— finance lease obligations	— 融資租賃承擔	—	4
		704	3,223
Net finance income	財務收入淨值	9,125	1,487

27. 財務收入及成本

28. INCOME TAX EXPENSE

Hong Kong profits tax has been provided for at the rate of 16.5% (2011: 16.5%) on the estimated assessable profits for the year.

PRC corporate income tax ("CIT") has been provided for at the rate of 25% (2011: 25%) on the estimated assessable profits for the year.

The amount of income tax charged to the consolidated income statement represents:

28. 所得稅開支

香港利得稅乃就有關年內估計應課稅溢利按16.5% (2011年：16.5%)作出撥備。

中國企業所得稅(「企業所得稅」)乃就有關年內估計應課稅溢利按25% (2011年：25%)作出撥備。

於綜合收益表扣除之所得稅為：

		2012	2011
		2012年	2011年
		HK\$'000	HK\$'000
		千港元	千港元
Current income tax	即期所得稅		
— Hong Kong profits tax	— 香港利得稅	107,020	120,180
— CIT	— 企業所得稅	42,803	67,415
— Under/(over)-provision in prior years	— 過往年度撥備不足/(超額撥備)	1,254	(14,121)
Deferred tax (Note 21)	遞延稅項(附註21)	6,775	9,964
		157,852	183,438

FINANCIAL INFORMATION

財務資料

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

28. INCOME TAX EXPENSE (Cont'd)

The tax on the Group's profit before income tax differs from the theoretical amount that would arise using the weighted average tax rate applicable to profits of the consolidated entities as follows:

		2012 2012年 HK\$'000 千港元	2011 2011年 HK\$'000 千港元
Profit before income tax (Note)	所得稅前溢利(附註)	973,764	1,077,688
Tax calculated at weighted average domestic tax rate applicable to profits in respective countries	按適用於相關國家之加權平均地方稅率計算之稅項	146,424	184,206
Income not subject to tax	毋須課稅收益	(3,744)	(3,003)
Expenses not deductible for tax purposes	不可扣稅開支	7,723	7,817
Under/(over)-provision in prior years	過往年度撥備不足/(超額撥備)	1,254	(14,121)
Withholding tax on the distributable retained earnings of the Group's subsidiaries	本集團的附屬公司可分派保留溢利的預扣稅	6,195	8,539
		157,852	183,438

Note:

Gain on disposal of a subsidiary amounted to HK\$233,420,000 and impairment of interests in an associate amounted to HK\$155,297,000 are not included as these are non-taxable or non-deductible items.

The weighted average domestic applicable tax rate was:

		2012 2012年 HK\$'000 千港元	2011 2011年 HK\$'000 千港元
Weighted average domestic applicable tax rate, after incorporating companies exempted from income tax	整合公司後免徵所得稅，加權平均地方適用稅率	15.0%	17.1%

29. EARNINGS PER SHARE

(a) Basic

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of shares in issue during the year.

		2012 2012年 HK\$'000 千港元	2011 2011年 HK\$'000 千港元
Profit attributable to equity holders of the Company	本公司權益持有人應佔溢利	893,053	876,374
Weighted average number of shares in issue (thousands)	已發行股份加權平均數(千股)	1,433,033	1,432,936
Basic earnings per share (HK\$ per share)	每股基本盈利(每股港元)	0.62	0.61

綜合財務報表附註(續)

28. 所得稅開支(續)

就本集團除所得稅前溢利之稅項與按適用於綜合實體溢利之加權平均稅率計算之理論金額之差異如下：

附註：

出售附屬公司收益為233,420,000港元與於聯營公司權益之減值為155,297,000港元並未計算在非課稅或非扣減項目內。

加權平均地方適用稅率如下：

29. 每股盈利

(a) 基本

每股基本盈利按本公司權益持有人應佔溢利除年內已發行股份加權平均數計算。

FINANCIAL INFORMATION

財務資料

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

29. EARNINGS PER SHARE (Cont'd)

(b) Diluted

Diluted earnings per share is calculated by adjusting the weighted average number of shares outstanding to assume conversion of all dilutive potential shares. The Company has one category of dilutive potential share, which is share options.

As the exercise price of the share options granted by the Company was higher than the average market price of the Company's shares for the year ended 31 March 2012 and 2011, the outstanding share options, which amounted to 17,030,000 shares at 31 March 2012 (2011: 18,630,000 shares), have no dilutive effect on earnings per share. Accordingly, diluted earnings per share is the same as basic earnings per share.

綜合財務報表附註(續)

29. 每股盈利(續)

(b) 攤薄

每股攤薄盈利乃經調整未發行股份之加權平均數至假設兌換所有攤薄潛在股份計算。本公司有一類攤薄潛在股份，指購股權。

由於本公司授出之購股權之行使價高於截至2012年與2011年3月1日止年度本公司股份之平均市價，於2012年3月31日已授出但尚未行使之購股權之數目為17,030,000股(2011年：18,630,000股)，對每股盈利並無攤薄影響。因此，每股攤薄盈利與每股基本盈利相等。

30. DIVIDENDS

30. 股息

		2012	2011
		2012年	2011年
		HK\$'000	HK\$'000
		千港元	千港元
Interim dividend paid of HK 15 cents (2011: HK 14 cents) (Note (i))	已派付港幣 15 仙之中期股息 (2011年：港幣 14 仙)(附註(i))	214,963	200,611
Special dividend paid of HK 25 cents (2011: Nil cents) (Note (i))	已派付港幣 25 仙之特別股息 (2011年：港幣零仙)(附註(i))	358,271	—
Proposed final dividend of HK 30 cents (2011: HK 19 cents) (Note (ii))	擬派付港幣 30 仙之末期股息 (2011年：港幣 19 仙)(附註(ii))	429,926	272,258
		1,003,160	472,869

Notes:

- (i) On 25 November 2011, the Company's Board of Directors declared an interim dividend of HK 15 cents per share (2011: HK 14 cents per share) and a special dividend of HK 25 cents per share (2011: Nil), for the six-month period ended 30 September 2011. The amount was paid on 5 January 2012.
- (ii) On 22 June 2012, the Company's Board of Directors proposed a final dividend of HK 30 cents per share for the year ended 31 March 2012. This proposed dividend is not reflected as dividend payable in these financial statements.

附註：

- (i) 於2011年11月25日，本公司董事局宣派截至2011年9月30日止六個月期間止中期股息每股港幣15仙(2011年：港幣14仙)與特別股息每股港幣25仙(2011年：無)。該等款項已於2012年1月5日支付。
- (ii) 於2012年6月22日，本公司董事局建議截至2012年3月31日止年度末期股息每股港幣30仙。擬派付股息並無於該等財務報表上反映為應付股息。

FINANCIAL INFORMATION

財務資料

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

綜合財務報表附註(續)

31. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS

31. 綜合現金流量表附註

(a) Cash generated from operations

(a) 經營業務所產生現金

		2012 2012年 HK\$'000 千港元	2011 2011年 HK\$'000 千港元
Profit before income tax	所得稅前溢利	1,051,887	1,077,688
Adjustments for:	以下各項之調整：		
Share of profits of associates	應佔聯營公司溢利	(15,956)	(4,249)
Share of losses of jointly controlled entities	應佔共同控制實體虧損	9,073	23,978
Depreciation of property, plant and equipment	物業、廠房及設備折舊	252,812	301,153
Amortisation of leasehold land and land use rights	租賃土地及土地使用權攤銷	913	671
Loss/(gain) on disposal of property, plant and equipment	出售物業、廠房及設備之虧損/(收益)	212	(1,273)
Gain on disposal of a subsidiary	出售附屬公司收益	(233,420)	—
Impairment of interests of an associate	聯營公司權益之減值	155,297	—
Interest income	利息收入	(9,829)	(4,710)
Interest expense	利息開支	704	3,223
Share-based compensation expense	股份酬金支出	—	1,446
Operating profit before working capital changes	營運資金變動前之經營溢利	1,211,693	1,397,927
(Decrease)/increase in inventories	存貨(減少)/增加	397,576	(327,820)
(Decrease)/increase in trade and bills receivables	應收賬款及票據(減少)/增加	99,334	(321,073)
(Increase)/decrease in deposits, prepayments and other receivables	按金、預付款項及其他應收款項(增加)/減少	(31,940)	20,135
Decrease/(increase) in derivative financial instruments	衍生金融工具減少/(增加)	2,663	(1,433)
Increase/(decrease) in trade and bills payables	應付賬款及票據增加/(減少)	266,041	(30,778)
Increase in trust receipt loans	信託收據貸款增加	—	47,931
Decrease in accruals and other payables	應計項目及其他應付款項減少	(24,416)	(24,292)
Decrease in amount due to an associate	應付聯營公司款項減少	(940)	(2,514)
Increase in amount due from an associate	應收聯營公司款項增加	(73,747)	—
Cash generated from operations	經營業務所產生現金	1,846,264	758,083

FINANCIAL INFORMATION

財務資料

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

31. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS (Cont'd)

(b) In the consolidated statement of cash flows, proceeds from disposals of property, plant and equipment comprise:

		2012 2012年 HK\$'000 千港元	2011 2011年 HK\$'000 千港元
Net book amount (Note 7)	賬面淨值(附註7)	381	189
(Loss)/gain on disposal of property, plant and equipment (Note 25)	出售物業、廠房及設備之(虧損)/收益(附註25)	(212)	1,273
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備所得款項	169	1,462

(c) Partial disposal of a subsidiary

(c) 部份出售一間附屬公司

		HK\$'000 千港元
Total consideration satisfied by cash and cash equivalents received	代價總額支付方式為收取現金及現金等值物	88,795
Investment retained subsequent to disposal (Note 9)	投資保留後續處置(附註9)	277,988
		366,783
Less: Net assets disposed at the date of disposal	減：於出售日之出售之資產淨值	
Leasehold land	租賃土地	(6,356)
Property, plant and equipment	物業、廠房及設備	(180,364)
Inventories	存貨	(200,690)
Trade receivables	應收賬款	(83,882)
Other receivables	其他應收賬款	(8,241)
Cash and bank balances	現金及銀行結餘	(6,535)
Trade payables	應付賬款	111,996
Other payables	其他應付賬款	15,392
Borrowings	借貸	122,565
Bank overdrafts	銀行透支	17,925
Deferred income tax liabilities	遞延所得稅負債	3,058
		(215,132)
Non-controlling interests	非控制性權益	85,823
		(129,309)
		237,474
Release of reserve upon disposal of a subsidiary	出售附公司儲備撥回	(4,054)
Gain on disposal of a subsidiary	出售附屬公司收益	233,420
Analysis of the net cash inflow in respect of the partial disposal:	有關部分出售之現金流入淨值分析如下：	
Cash and cash equivalents received	收取現金及現金等值物	88,795
Less: Cash and bank balances disposed	減：現金及銀行結餘出售	(6,535)
Add: Bank overdrafts disposed	加：銀行透支出售	17,925
Net cash inflow in respect of the partial disposal	有關部分出售之現金流入淨值	100,185

FINANCIAL INFORMATION

財務資料

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

32. CONTINGENT LIABILITIES

At 31 March 2012, the Group had no material contingent liabilities (2011: Nil).

33. COMMITMENTS

(a) Capital commitments

Capital expenditure contracted for at the balance sheet date but not yet incurred is as follows:

		2012 2012年 HK\$'000 千港元	2011 2011年 HK\$'000 千港元
Contracted but not provided for: Property, plant and equipment	已訂約但未撥備： 物業、廠房及設備	64,268	89,570

At 31 March 2012, the Group did not have any significant share of capital commitments of its associates and jointly controlled entities (2011: Nil).

At 31 March 2012, the Group had authorized an injection of capital of approximately HK\$525,136,000 (equivalent of US\$67,426,000) (2011: HK\$621,647,000) as investment in Vietnam.

(b) Operating lease commitments

The Group had future aggregate minimum lease payments under non-cancellable operating leases of land and buildings, as follows:

As lessee:

		2012 2012年 HK\$'000 千港元	2011 2011年 HK\$'000 千港元
Not later than 1 year	不超過1年	60	533
Later than 1 year and not later than 5 years	超過1年但不超過5年	—	50
		60	583

As lessor:

The future aggregate minimum lease receipts under non-cancellable operating leases as follows:

		2012 2012年 HK\$'000 千港元	2011 2011年 HK\$'000 千港元
Not later than 1 year	不超過1年	4,552	4,336
Later than 1 year and not later than 5 years	超過1年但不超過5年	152	—
		4,704	4,336

綜合財務報表附註(續)

32. 或有負債

於2012年3月31日，本集團並無重大或有負債(2011年：無)。

33. 資本應承擔

(a) 資本承擔

於結算日已訂約但尚未產生之資本開支如下：

		2012 2012年 HK\$'000 千港元	2011 2011年 HK\$'000 千港元
Contracted but not provided for: Property, plant and equipment	已訂約但未撥備： 物業、廠房及設備	64,268	89,570

於2012年3月31日，本集團聯營公司與共同控制實體並無重大資本承擔(2011年：無)。

於2012年3月31日，本集團已批准於越南投資注資約為525,136,000港元(相等於67,426,000美元)(2011年：621,647,000港元)。

(b) 經營租約承擔

本集團根據土地及樓宇之不可撤銷經營租約未來最低租金款項總額如下：

承租人：

		2012 2012年 HK\$'000 千港元	2011 2011年 HK\$'000 千港元
Not later than 1 year	不超過1年	60	533
Later than 1 year and not later than 5 years	超過1年但不超過5年	—	50
		60	583

出租人：

不可撤銷經營租約未來最低租金款項總額如下：

		2012 2012年 HK\$'000 千港元	2011 2011年 HK\$'000 千港元
Not later than 1 year	不超過1年	4,552	4,336
Later than 1 year and not later than 5 years	超過1年但不超過5年	152	—
		4,704	4,336

FINANCIAL INFORMATION

財務資料

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

34. RELATED PARTY TRANSACTIONS

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

(a) The following transactions were carried out with related parties:

		2012 2012年 HK\$'000 千港元	2011 2011年 HK\$'000 千港元
Sales of goods	銷售貨品		
Related parties (Note (i) and (ii))	有關連人士(附註(i)與(ii))	3,342	13,920
A jointly controlled entity (Note (ii))	共同控制實體(附註(ii))	—	17,133
An associate (Note (ii))	聯營公司(附註(ii))	38,498	—
		41,840	31,053
Rental income	租金收入		
An associate (Note (iii))	聯營公司(附註(iii))	4,345	7,449
Sub-contracting income	分包收入		
An associate (Note (ii))	聯營公司(附註(ii))	5,333	6,389
Handling income	處理收入		
An associate (Note (iv))	聯營公司(附註(iv))	3,401	—
Sub-contracting fee	分包費用		
An associate (Note (ii))	聯營公司(附註(ii))	1,375	1,308

(b) Year-end balances arising from sales of goods:

		2012 2012年 HK\$'000 千港元	2011 2011年 HK\$'000 千港元
Trade receivables from related parties (Note (i))	應收有關連人士款項(附註(i))	—	614

綜合財務報表附註(續)

34. 有關連人士交易

倘任何一方有能力直接或間接控制另一方，或對另一方之財政及營運決策行使重大影響力，則此等人士被視為有關連。倘有關連人士受共同控制或共同重大影響，則亦被視為有關連。

(a) 與有關連人士進行之交易如下：

(b) 因銷售貨品產生之年度結餘：

FINANCIAL INFORMATION

財務資料

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

34. RELATED PARTY TRANSACTIONS (Cont'd)

(c) Year-end balances arising from sub-contracting fee paid:

	2012 2012年 HK\$'000 千港元	2011 2011年 HK\$'000 千港元
Amount due to an associate (Note 9(c)) 應付聯營公司款項(附註9(c))	1,796	2,736

(d) Year-end balances arising from purchase of goods on behalf:

	2012 2012年 HK\$'000 千港元	2011 2011年 HK\$'000 千港元
Amount due from an associate (Note 9(b)) 應收聯營公司款項(附註9(b))	73,747	—

(e) Key management compensation

	2012 2012年 HK\$'000 千港元	2011 2011年 HK\$'000 千港元
Salaries, bonus and allowances 薪金、花紅及津貼	35,504	35,141
Retirement benefits — defined contribution schemes 退休福利 — 定額供款計劃	60	60
Share-based compensation expense 股份酬金支出	—	84
	35,564	35,285

Notes:

- (i) Related parties are companies controlled by Mr. Henry Choi Wing Kong, son of Mr. Choi Kin Chung, a director of the Company.
- (ii) Goods are sold and sub-contracting income/fee are received/paid at prices mutually agreed by both parties in the ordinary course of business.
- (iii) Rental income received are based on the size of the property and the relevant market rate.
- (iv) Handling fee received from an associate is charged at 2% to 3% of the value of certain purchases made as an agent of the associate, and the rates of the handling fee were mutually agreed by both parties. These transactions are not included as the Group's sales and costs of sales.

附註：

- (i) 有關連人士為本公司董事蔡建中先生之兒子蔡穎剛先生控制之公司。
- (ii) 貨品銷售與分包收入／費用乃在日常業務過程中按雙方協定之價格收取／支付。
- (iii) 收取租金收入是基於物業大小與相關市場利率計算。
- (iv) 向聯營公司收取處理費用是以作為聯營公司代理人進行若干採購按2%至3%計算，而處理費用比率乃經雙方共同協商。該交易並未計入本集團銷售與銷售成本。

綜合財務報表附註(續)

34. 有關連人士交易(續)

(c) 因支付分包費用產生之年度結餘：

	2012 2012年 HK\$'000 千港元	2011 2011年 HK\$'000 千港元
Amount due to an associate (Note 9(c)) 應付聯營公司款項(附註9(c))	1,796	2,736

(d) 因代為購買貨品產生之年度結餘：

	2012 2012年 HK\$'000 千港元	2011 2011年 HK\$'000 千港元
Amount due from an associate (Note 9(b)) 應收聯營公司款項(附註9(b))	73,747	—

(e) 主要管理人員酬金

	2012 2012年 HK\$'000 千港元	2011 2011年 HK\$'000 千港元
Salaries, bonus and allowances 薪金、花紅及津貼	35,504	35,141
Retirement benefits — defined contribution schemes 退休福利 — 定額供款計劃	60	60
Share-based compensation expense 股份酬金支出	—	84
	35,564	35,285

35. PROFIT ATTRIBUTABLE TO EQUITY HOLDERS

The profit attributable to equity holders of the Company is dealt with in the financial statements of the Company to the extent of approximately HK\$747,451,000 (2011: HK\$897,050,000).

35. 權益持有人應佔溢利

本公司權益持有人應佔溢利於本公司財務報表所示約為747,451,000港元(2011年：897,050,000港元)。

FINANCIAL SUMMARY

財務概要

CONSOLIDATED RESULTS

綜合業績

		Year ended 31 March, 截至3月31日止年度				
		2012	2011	2010	2009	2008
		2012年	2011年	2010年	2009年	2008年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
Revenue	收入	6,419,952	7,180,664	5,883,413	4,734,816	4,280,646
Gross profit	毛利	1,098,780	1,289,959	1,211,764	686,957	696,887
Profit attributable to:	下列人士應佔溢利：					
Equity holders of the Company	本公司權益持有人	893,053	876,374	803,186	376,515	392,093
Non-controlling interests	非控制性權益	982	17,876	15,665	4,091	4,721
		894,035	894,250	818,851	380,606	396,814

CONSOLIDATED BALANCE SHEET

綜合資產負債表

		As at 31 March, 於3月31日				
		2012	2011	2010	2009	2008
		2012年	2011年	2010年	2009年	2008年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
Non-current assets	非流動資產	1,489,768	1,572,210	1,738,731	1,572,225	1,571,284
Current assets	流動資產	3,872,268	3,727,720	2,917,553	2,813,305	2,831,677
Total assets	資產總值	5,362,036	5,299,930	4,656,284	4,385,530	4,402,961
Current liabilities	流動負債	1,319,245	1,383,138	1,318,660	1,098,795	1,122,394
Total assets less current liabilities	資產總值減流動負債	4,042,791	3,916,792	3,337,624	3,286,735	3,280,567
Non-current liabilities	非流動負債	80,814	29,212	17,671	125,434	394,558
Total equity	權益總額	3,961,977	3,887,580	3,319,953	3,161,301	2,886,009
Net current assets	流動資產淨值	2,553,023	2,344,582	1,598,893	1,714,510	1,709,283
Equity attributable to:	下列人士應佔權益：					
Equity holders of the Company	本公司權益持有人	3,954,691	3,800,556	3,254,230	3,110,966	2,839,765
Non-controlling interests	非控制性權益	7,286	87,024	65,723	50,335	46,244
		3,961,977	3,887,580	3,319,953	3,161,301	2,886,009

GLOSSARY

專用詞彙

In this annual report (other than the Independent Auditor's Report and Financial Information), unless the context otherwise requires, the following expression shall have the following meanings:

於本年報內(獨立核數師報告與財務資料除外)，除非文義另有所指，下列詞彙具有以下含義：

"2012 Financial Year"	for the year ended 31 March 2012	「2012年財政年度」	截至2012年3月31日止年度
"AGM"	Annual general meeting of the Company	「股東週年大會」	本公司之股東週年大會
"Articles"	the Articles of Association of the Company, as amended from time to time	「章程細則」	本公司不時修訂之公司組織章程細則
"Board"	The board of Directors of the Company	「董事局」	本公司之董事局
"CG Code"	the Code on Corporate Governance Practices	「企業管治守則」	企業管治常規守則
"Company"	Pacific Textiles Holdings Limited, an exempted company incorporated in Cayman Islands with limited liability, the shares of which are listed on the Stock Exchange	「本公司」	互太紡織控股有限公司，一間於開曼群島註冊成立之受豁免有限公司，其股份於聯交所上市
"Crystal"	Crystal International Limited, a company incorporated in British Virgin Islands with limited liability	「晶苑」	晶苑國際有限公司，一間在英屬處女群島註冊成立之有限公司
"Directors"	the director(s) of the Company	「董事」	本公司之董事
"Group"	the Company and its subsidiaries	「本集團」	本公司及其附屬公司
"INED"	the independent non-executive Directors	「獨立非執行董事」	本公司的獨立非執行董事
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange	「上市規則」	聯交所證券上市規則
"Model Code"	Model Code for Securities Transactions by Directors of Listed Issuers	「標準守則」	上市發行人董事進行證券交易的標準守則
"Pre-IPO Private Placement"	the placement of part of the PT Sri Lanka Shares held by Pacific Textured Jersey Holdings Limited and Brandix Lanka Limited to certain institutional and non-institutional investors before the PT Sri Lanka IPO	「首次公開發售前私人配售」	向若干機構與非機構投資者配售由Pacific Textured Jersey Holdings Limited及Brandix Lanka Limited持有之部分PT斯里蘭卡股份，其於PT斯里蘭卡首次公開發售前進行
"Prospectus"	the prospectus of the Company dated 7 May 2007	「招股章程」	本公司於2007年5月7日之招股章程

GLOSSARY

專用詞彙

“PT Sri Lanka”	Textured Jersey Lanka Limited (formerly known as Textured Jersey Lanka (Private) Limited), a limited liability company incorporated under the laws of Sri Lanka	「PT斯里蘭卡」	Textured Jersey Lanka Limited (前稱Textured Jersey Lanka (Private) Limited)，一間根據斯里蘭卡法律註冊成立之有限公司
“PT Sri Lanka IPO”	Initial public offering of new PT Sri Lanka Shares to be issued by PT Sri Lanka for subscription by the public in Sri Lanka incidental to the Spin-off	「PT斯里蘭卡首次公開發售」	首次公開發售將由PT斯里蘭卡發行之新PT斯里蘭卡股份，以供斯里蘭卡公眾認購與分拆有關之股份
“PT Sri Lanka Listing”	the listing and dealing in shares of PT Sri Lanka on the Main Board of the Colombo Stock Exchange	「PT斯里蘭卡上市」	PT斯里蘭卡股份於科倫坡證券交易所主板上市
“SFO”	Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong)	「證券及期貨條例」	證券及期貨條例(香港法例第571章)
“Shares”	Shares issued by the Company, with a nominal value of HK\$0.001 each	「本公司股份」	本公司所發行每股面值0.001港元之股份
“Share Option Scheme”	The share option scheme adopted by the Company pursuant to the written resolutions of the Shareholders of the Company passed on 27 April 2007	「購股權計劃」	根據本公司股東於2007年4月27日通過之書面決議案批准及採納之購股權計劃
“Spin-off”	Spin-off of PT Sri Lanka for separate listing on the Main Board of the Colombo Stock Exchange	「分拆」	分拆PT斯里蘭卡於科倫坡證券交易所主板獨立上市
“Stock Exchange”	The Stock Exchange of Hong Kong Limited	「聯交所」	香港聯合交易所有限公司



PACIFIC TEXTILES HOLDINGS LIMITED
互太紡織控股有限公司