



EASYKNIT ENTERPRISES HOLDINGS LIMITED

永義實業集團有限公司

(Stock Code 股份代號 : 0616)



2011/12
ANNUAL REPORT
年報



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Corporate Information

公司資料

BOARD OF DIRECTORS

Executive Directors

Mr. Kwong Jimmy Cheung Tim
(Chairman and Chief Executive Officer)
Ms. Lui Yuk Chu (Deputy Chairman)
Ms. Koon Ho Yan Candy

Non-Executive Director

Mr. Tse Wing Chiu Ricky

Independent Non-Executive Directors

Mr. Kan Ka Hon
Mr. Lau Sin Ming
Mr. Foo Tak Ching

AUDIT COMMITTEE

Mr. Kan Ka Hon (Chairman)
Mr. Lau Sin Ming
Mr. Foo Tak Ching
Mr. Kwong Jimmy Cheung Tim

REMUNERATION COMMITTEE

Mr. Lau Sin Ming (Chairman)
Mr. Kan Ka Hon
Mr. Foo Tak Ching
Mr. Kwong Jimmy Cheung Tim

NOMINATION COMMITTEE

Mr. Foo Tak Ching (Chairman)
Mr. Kan Ka Hon
Mr. Lau Sin Ming
Mr. Kwong Jimmy Cheung Tim

EXECUTIVE COMMITTEE

Mr. Kwong Jimmy Cheung Tim (Chairman)
Ms. Lui Yuk Chu
Ms. Koon Ho Yan Candy

COMPANY SECRETARY

Mr. Lee Po Wing Simon

董事會

執行董事

鄺長添先生
(主席兼首席行政總裁)
雷玉珠女士(副主席)
官可欣女士

非執行董事

謝永超先生

獨立非執行董事

簡嘉翰先生
劉善明先生
傅德楨先生

審核委員會

簡嘉翰先生(主席)
劉善明先生
傅德楨先生
鄺長添先生

薪酬委員會

劉善明先生(主席)
簡嘉翰先生
傅德楨先生
鄺長添先生

提名委員會

傅德楨先生(主席)
簡嘉翰先生
劉善明先生
鄺長添先生

行政委員會

鄺長添先生(主席)
雷玉珠女士
官可欣女士

公司秘書

李寶榮先生

AUDITOR

Deloitte Touche Tohmatsu

LEGAL ADVISERS

As to Hong Kong law:
Reed Smith Richards Butler

As to Bermuda law:
Appleby

PRINCIPAL BANKERS

Hang Seng Bank Limited

REGISTERED OFFICE

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

PRINCIPAL PLACE OF BUSINESS

7th Floor
Hong Kong Spinners Building, Phase 6
481-483 Castle Peak Road
Cheung Sha Wan, Kowloon
Hong Kong

BERMUDA PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Butterfield Fulcrum Group (Bermuda)
Limited
Rosebank Centre
11 Bermudiana Road
Pembroke HM08
Bermuda

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Secretaries Limited
26th Floor Tesbury Centre
28 Queen's Road East
Wanchai
Hong Kong

STOCK CODE

0616

核數師

德勤 • 關黃陳方會計師行

法律顧問

香港法律：
禮德齊伯禮律師行

百慕達法律：
Appleby

主要往來銀行

恒生銀行有限公司

註冊辦事處

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

主要營業地點

香港
九龍長沙灣
青山道481-483號
香港紗廠大廈第6期
7字樓

百慕達主要股份過戶登記處

Butterfield Fulcrum Group (Bermuda)
Limited
Rosebank Centre
11 Bermudiana Road
Pembroke HM08
Bermuda

香港股份過戶登記分處

卓佳秘書商務有限公司
香港灣仔
皇后大道東28號
金鐘匯中心26樓

股份代號

0616

Chairman's Statement and Management Discussion and Analysis

主席報告及管理層討論及分析

The board of directors (the “**Board**”) of Easyknit Enterprises Holdings Limited (the “**Company**”) is pleased to present the audited consolidated financial statements of the Company and its subsidiaries (the “**Group**”) for the year ended 31 March 2012 together with comparative figures. These consolidated financial statements have been reviewed by the Company’s audit committee.

FINAL DIVIDEND

The Board does not recommend the payment of a final dividend for the year ended 31 March 2012 (2011: nil).

CORPORATE RESULTS

For the year ended 31 March 2012, the Group recorded a turnover of approximately HK\$286,916,000, representing a decrease of approximately HK\$61,076,000 or 17.6% from approximately HK\$347,992,000 for the year 2011.

Loss attributable to owners of the Company for the year ended 31 March 2012 amounted to approximately HK\$42,730,000 (2011: profit of approximately HK\$65,060,000). The loss was mainly attributable to (i) the loss of approximately HK\$16,677,000 on the fair value change of investments held for trading; and (ii) the impairments of goodwill and intangible asset for approximately HK\$39,313,000 and HK\$19,791,000 respectively.

The basic loss per share for the year ended 31 March 2012 was approximately HK\$0.078 (2011: basic earnings per share of approximately HK\$0.152).

永義實業集團有限公司(「本公司」)董事會(「董事會」)欣然呈列本公司及其附屬公司(「本集團」)截至2012年3月31日止年度之經審核綜合財務報表連同比較數字。本綜合財務報表已由本公司之審核委員會審閱。

末期股息

董事會不建議派發截至2012年3月31日止年度之末期股息(2011年：無)。

公司業績

截至2012年3月31日止年度，本集團之營業額錄得約286,916,000港元，較2011年347,992,000港元減少約61,076,000港元或17.6%。

截至2012年3月31日止年度，本公司權益持有人應佔虧損約為42,730,000港元(2011年：溢利約65,060,000港元)。虧損主要由於(i)持作買賣投資之公平值變動出現虧損約16,677,000港元；及(ii)商譽和無形資產之減值分別約為39,313,000港元及19,791,000港元所致。

截至2012年3月31日止年度，每股基本虧損約為0.078港元(2011年：每股基本盈利約0.152港元)。

BUSINESS REVIEW

During the year, the Group was principally engaged in the business of garment sourcing and exporting, property investment and investment in securities.

Geographical Analysis of Turnover

During the year, the turnover from the business of garment sourcing and exporting was mainly derived from customers in the USA. Rental income from the investment properties were derived from properties located in Hong Kong and the PRC.

Garment Sourcing and Exporting

For the year ended 31 March 2012, this segment recorded a turnover of approximately HK\$280,918,000 (2011: approximately HK\$342,700,000) representing approximately 18.0% decrease comparing with year 2011. Cost of sales for the year amounted to approximately HK\$256,138,000 (2011: approximately HK\$309,487,000). The loss of approximately HK\$61,799,000 (2011: profit of approximately HK\$3,115,000) was mainly due to the impairment losses recognised on goodwill and intangible asset, the decrease of turnover and an increase in cost of garments and resulted in a fairly low profit margin for exported products.

Property Investment

For the year under review, the aggregate rental generated from the property investments was approximately HK\$5,998,000 (2011: approximately HK\$5,292,000) of which approximately HK\$2,988,000 and HK\$3,010,000 were generated from the properties in Hong Kong and the PRC respectively.

業務回顧

年內，本集團主要業務是從事採購及出口成衣、物業投資及證券投資。

營業額地區性分析

年內，採購及出口成衣業務之營業額主要源於美國之客戶。投資物業所得之租金收入來自於香港及中國之物業。

採購及出口成衣

截至2012年3月31日止年度，本分部之營業額錄得約為280,918,000港元(2011年：約342,700,000港元)，較2011年下降約18.0%。年內之銷售成本約為256,138,000港元(2011年：約309,487,000港元)。虧損約為61,799,000港元(2011年：溢利約3,115,000港元)主要是由於商譽及無形資產已確認減值虧損，營業額的減少及成衣成本增加導致出口產品毛利率下降。

物業投資

回顧年內，物業投資產生租金約為5,998,000港元(2011年：約5,292,000港元)，其中香港物業及中國物業分別產生約為2,988,000港元及3,010,000港元。

Chairman's Statement and
Management Discussion and Analysis *(continued)*
主席報告及管理層討論及分析 *(續)*

The Group has two blocks of factory premises and four blocks of dormitories with a total gross floor area of approximately 52,624 sq.m. in Huzhou, PRC. In addition, the construction works on a new factory block target to be completed by late 2012.

On 16 February 2012, the Group has entered into a provisional sale and purchase agreement to purchase a property located at the Ground Floor, No. 6 Cannon Street, Causeway Bay, Hong Kong at a consideration of HK\$180,000,000. Details of the acquisition of the property are set out in the Company's announcement dated 16 February 2012.

FINANCIAL REVIEW

Liquidity and Financial Resources

As at 31 March 2012, the Group has bank balances and cash amounting to approximately HK\$205,477,000 (2011: approximately HK\$181,876,000). Basically, the Group's funding policy was to finance the business operations with internal generated resources. As the Group has no bank borrowings, no gearing ratio of the Group was presented (2011: nil). As at 31 March 2012, the Group's current ratio was approximately 7.1 (2011: approximately 6.6) which was calculated on the basis of current assets of approximately HK\$290,253,000 (2011: current assets of approximately HK\$330,468,000 and assets classified as held for sale of approximately HK\$227,000) to current liabilities of approximately HK\$41,012,000 (2011: approximately HK\$49,887,000). During the year, the Group serviced its debts mainly through the internal generated resources.

本集團於中國湖州已擁有兩座廠房及四座員工宿舍，總建築面積約為52,624平方米。另外，興建中之一座新廠房預計於2012年底竣工。

本集團於2012年2月16日簽訂了臨時買賣協議以代價180,000,000港元購入位於香港銅鑼灣景隆街6號地下之一個物業。有關收購物業詳情載於本公司2012年2月16日之公佈。

財務回顧

流動資金及財務資源

於2012年3月31日，本集團持有之銀行結餘及現金約為205,477,000港元(2011年：約181,876,000港元)。本集團主要依靠內部產生之資源為業務提供資金。由於本集團無銀行借貸，所以並無呈列本集團資本負債比率(2011年：無)。於2012年3月31日，本集團之流動比率約為7.1(2011年：約6.6)，此乃按流動資產約為290,253,000港元(2011年：流動資產約330,468,000港元及列作持作出售資產約227,000港元)對流動負債約41,012,000港元(2011年：約49,887,000港元)之基礎計算。於年內，本集團主要以內部產生資源償還債務。

Capital Structure

During the year, there was no change to the share capital of the Company. As at 31 March 2012, the total number of issued ordinary shares of the Company was 550,686,675 shares.

Charge on Assets

The Group did not have any charges on assets as at 31 March 2012 (2011: nil).

Material Acquisitions and Disposals

The Group had no material acquisitions or disposals of subsidiaries and associated companies during the year.

Exposure on Foreign Exchange Fluctuations

Most of the Group's revenues and payments are in US dollars, Hong Kong dollars and Renminbi dollars. During the year, the Group did not have significant exposure to the fluctuation in exchange rates and thus, no financial instrument for hedging purposes was employed. The directors considered the risk of exposure to the currency fluctuation to be minimal.

Contingent Liabilities

The Group did not have any significant contingent liabilities as at 31 March 2012 (2011: nil).

Capital Expenditure and Capital Commitments

During the year under review, the Group spent approximately HK\$168,000 (2011: approximately HK\$59,000) on the acquisitions of property, plant and equipment.

股本結構

年內，本公司股本並無任何變動。於2012年3月31日，本公司已發行之普通股份合共550,686,675股。

本集團之資產抵押

於2012年3月31日，本集團並無任何資產抵押(2011年：無)。

重大收購及出售

年內，本集團並無附屬或聯營公司之重大收購或出售。

承受兌換率波動

本集團之收入與支出以美元、港元及人民幣為主。於年內，本集團並無因兌換率波動而承受重大風險，因此並無運用任何金融工具作對沖用途。董事認為承受兌換率波動之風險極微。

或然負債

於2012年3月31日，本集團並無任何重大或然負債(2011年：無)。

資本開支及資本承擔

回顧年內，本集團用於購買物業、廠房及設備之款項約為168,000港元(2011年：約59,000港元)。

Chairman's Statement and
Management Discussion and Analysis *(continued)*
主席報告及管理層討論及分析 *(續)*

As at 31 March 2012, the Group has capital commitments in respect of capital expenditure contracted for but not provided of approximately HK\$171,850,000 (2011: approximately HK\$1,344,000).

PROSPECTS

Looking forward, the operating environment of the garment sourcing and exporting business was challenging due to record high price of cotton, continued appreciation of Renminbi against US dollars and overall price surge resulting from inflation. However, the Company will continue to enhance its competitiveness by providing customers with more products of better quality and design.

The current global financial situation remains complex and volatile and the quantitative easing measures implemented by the United States government has introduced hot money to Hong Kong and further pushed up the property prices and rentals during the year. However, we believe that the Hong Kong government has sufficient effective policies to curb property market speculation.

於2012年3月31日，本集團已訂約但未撥備資本性開支之資本承擔約為171,850,000港元(2011年：約1,344,000港元)。

展望

預期，採購及出口成衣業務的經營環境嚴峻，棉花價格處於歷史高位、人民幣對美元的持續升值加快及通貨膨脹引致物價全面上升。然而，本公司將繼續透過向顧客提供品質及設計更佳的产品以加強競爭力。

現在的全球金融狀況仍然複雜及不穩定，加上美國政府實施的量化寬鬆措施令熱錢流入香港，年內進一步推高物業價格及租金。我們相信香港政府有足夠措施以遏抑樓市投機買賣活動。

EMPLOYMENT AND REMUNERATION POLICY

As at 31 March 2012, the Group had 43 employees (2011: 40). Staff costs (including directors' emoluments) amounted to approximately HK\$14,515,000 for the year under review (2011: approximately HK\$14,518,000). The Group remunerates its employees based on their performance, experience and prevailing industry practice. The Group has set out the Mandatory Provident Fund Scheme for the Hong Kong's employees and has made contributions to the stated-sponsored pension scheme operated by the PRC government for the PRC employees. The Group has a share option scheme to motivate valued employees.

APPRECIATION

On behalf of the Board, I would like to extend my sincere gratitude to our staff and fellow directors for their contribution to the Group's development and cordial thanks to the continuing support of our customers, suppliers, business associates and shareholders.

KWONG Jimmy Cheung Tim
Chairman and Chief Executive Officer
Hong Kong, 15 May 2012

僱員及薪酬政策

於2012年3月31日，本集團有43名僱員(2011年：40)。於回顧年內，職工成本(包括董事袍金)約為14,515,000港元(2011年：約14,518,000港元)。本集團乃根據僱員之表現、經驗及現行業內慣例而釐定其薪酬。本集團已為香港僱員設立強制性公積金計劃，並為中國僱員向中國政府設立之國家資助退休金計劃作出供款。本集團有購股權計劃，以鼓勵上進之僱員。

致意

本人謹代表董事會，藉此機會感謝本公司之員工及董事會全人對本集團發展之貢獻，同時亦向全體客戶、供應商、同業好友及股東之不斷支持表示衷心謝意。

鄭長添
主席兼首席行政總裁
香港，2012年5月15日

Biographical Details of Directors

董事之履歷

MR. KWONG JIMMY CHEUNG TIM

Chairman and Chief Executive Officer

Mr. Kwong, aged 69, is an executive director, chairman, chief executive officer of the Company and a member and chairman of the Executive Committee. He is also an executive director, president, chief executive officer and authorised representative, and a member and chairman of the Executive Committee of Easyknit International Holdings Limited (“Easyknit International”). Mr. Kwong was graduated from The University of Hong Kong in 1965 and was admitted as Barrister-at-Law in the United Kingdom and Hong Kong in 1970 and 1973 respectively. He has over 30 years of experience in the legal field. He serves as director of various subsidiaries of the Company and Easyknit International. Mr. Kwong was appointed to the Board as an independent non-executive director in 2003, and was subsequently re-designated as an executive director in 2007. In December 2007, Mr. Kwong was appointed as chairman and chief executive officer of the Company.

鄺長添先生

主席兼首席行政總裁

鄺先生，69歲，為本公司之執行董事、主席兼首席行政總裁，以及行政委員會之成員兼主席。彼亦為永義國際集團有限公司（「永義國際」）之執行董事、主席、首席行政總裁兼授權代表，以及行政委員會之成員兼主席。鄺先生於1965年畢業於香港大學，分別於1970年及1973年成為英國及香港之大律師。彼於法律界擁有逾30年經驗。彼為本公司及永義國際多間附屬公司之董事。鄺先生於2003年獲委任加入董事會為獨立非執行董事，其後於2007年獲調任為執行董事。於2007年12月，鄺先生獲委任為主席兼首席行政總裁。

MS. LUI YUK CHU

Deputy Chairman

Ms. Lui, aged 54, is an executive director and deputy chairman of the Company and a member of the Executive Committee. She is also an executive director and vice president, and a member of the Executive Committee of Easyknit International. Ms. Lui has been involved in the textiles industry for over 30 years and has extensive experience in design, manufacturing, marketing and distribution of apparel. She serves as director of various subsidiaries of the Company and Easyknit International. Ms. Lui was appointed to the Board as an executive director in 2003 and was appointed as deputy chairman in 2006. She is the mother of Ms. Koon Ho Yan Candy, an executive director of the Company.

MS. KOON HO YAN CANDY

Ms. Koon, aged 27, is an executive director and of the Company and is a member of the Executive Committee since 2010. Ms. Koon obtained a Bachelor of Arts degree in Economics and Politics from the University of Durham in 2007. She also received her Bachelor of Laws degree and Legal Practice Course qualification in 2009 from the College of Law, England. Ms. Koon is also an executive director and a member of the Executive Committee of Easyknit International. Ms. Koon is the daughter of Ms. Lui Yuk Chu, the deputy chairman of the Company.

雷玉珠女士

副主席

雷女士，54歲，為本公司之執行董事兼副主席，以及行政委員會之成員。彼亦為永義國際之執行董事兼副主席，以及行政委員會之成員。雷女士從事紡織業逾30年，並於成衣設計、製造、市場推廣及分銷方面擁有豐富經驗。彼為本公司及永義國際多間附屬公司之董事。雷女士於2003年獲委任加入董事會為執行董事，及於2006年獲委任為副主席。彼為本公司執行董事官可欣女士之母親。

官可欣女士

官女士，27歲，自2010年起為本公司之執行董事兼行政委員會之成員。彼於2007年取得University of Durham之經濟學和政治學文學學士學位。彼亦於2009年取得英國College of Law之法律學士學位及法律實務課程資格。官女士亦為永義國際之執行董事兼行政委員會成員。官女士為本公司副主席雷玉珠女士之女兒。

MR. TSE WING CHIU RICKY

Mr. Tse, aged 54, is a non-executive director of the Company. He is also a non-executive director of Easyknit International. Mr. Tse obtained a Master's Degree in Business Administration from Adam Smith University of America in the United States in 1996. He has more than 30 years of experience in garment manufacturing and merchandising. Mr. Tse was appointed to the Board as an executive director and vice chairman in 2005, and was subsequently re-designated from vice chairman to chairman and appointed as chief executive officer in 2006. In 2007, Mr. Tse was re-designated from an executive director to a non-executive director of the Company and resigned as chairman and chief Executive officer.

MR. KAN KA HON

Mr. Kan, aged 61, is an independent non-executive director of the Company since 2003. He is also a member and chairman of Audit Committee, a member of Remuneration Committee and Nomination Committee. He holds a Bachelor's Degree in Science from The University of Hong Kong and is a fellow member of The Association of Chartered Certified Accountants and a member of the Hong Kong Institute of Certified Public Accountants. He has over 30 years of experience in accounting and finance. Mr. Kan is also an independent non-executive director of Victory City International Holdings Limited (Stock Code: 0539).

謝永超先生

謝先生，54歲，為本公司之非執行董事，彼亦為永義國際之非執行董事。謝先生於1996年取得美國Adam Smith University of America之工商管理碩士學位。彼於成衣製造及採購方面擁有超過30年經驗。謝先生於2005年獲委任加入董事會為執行董事及副主席，其後於2006年由副主席獲委任為主席兼首席行政總裁。於2007年，謝先生由執行董事調任為本公司之非執行董事，並辭任主席兼首席行政總裁。

簡嘉翰先生

簡先生，61歲，自2003年起為本公司獨立非執行董事，並且為審核委員會之成員兼主席，薪酬委員會及提名委員會之成員。彼持有香港大學理學士學位，並為英國特許公認會計師公會資深會員及香港會計師公會會員。彼於會計及金融方面擁有逾30年經驗。簡先生亦為冠華國際控股有限公司(股份代號：0539)之獨立非執行董事。

MR. LAU SIN MING

Mr. Lau, aged 50, is an independent non-executive director of the Company since 2004. He is also a member and chairman of Remuneration Committee, a member of Audit Committee and Nomination Committee. He is a fellow member of The Association of Chartered Certified Accountants and a member of the Hong Kong Institute of Certified Public Accountants. He has over 30 years of experience in accounting and auditing and is now a director of Deep Blue CPA Limited.

MR. FOO TAK CHING

Mr. Foo, aged 78, is an independent non-executive director of the Company since 2007. He is also a member and chairman of Nomination Committee, a member of Audit Committee and Remuneration Committee since 2007. He is currently a Partner of Messrs. Liu, Choi & Chan, a firm of solicitors and notaries in Hong Kong and has been practising in the legal field for more than 30 years. He obtained his LL.B. from the University of London in the United Kingdom in 1968 and his diploma in Chinese Laws from the University of East Asia in Macau in 1987. Mr. Foo was admitted as a solicitor in England and Wales in 1972 and Hong Kong in 1973 and as a barrister and solicitor in the State of Victoria, Australia in 1982. He is a Notary Public and a China Appointed Attesting Officer.

劉善明先生

劉先生，50歲，自2004年起為本公司獨立非執行董事，並且為薪酬委員會之成員兼主席，審核委員會及提名委員會之成員。彼為英國特許公認會計師公會資深會員及香港會計師公會會員。彼擁有逾30年會計及核數經驗，現為深藍會計師有限公司董事。

傅德楨先生

傅先生，78歲，自2007年起為本公司獨立非執行董事。彼為提名委員會之成員兼主席，審核委員會及薪酬委員會之成員。彼目前為廖蔡陳律師行（一所香港律師及公證人事務所）之合夥人，在法律界執業逾30年。彼於1968年取得英國倫敦大學之法律學士學位，並於1987年取得澳門東亞大學中國法律文憑。傅先生分別於1972年及1973年獲取英格蘭及威爾斯，以及香港之律師資格，並於1982年獲取澳洲維多利亞省之大律師及律師資格。彼為國際公證人及中國委託公證人。

Corporate Governance Report

企業管治報告

The Board of Directors of the Company (the “Board”) is committed to achieving high standards of corporate governance by emphasising transparency, independence, accountability, responsibility and fairness. The Board strives to ensure that effective self-regulatory practices exist to protect the interests of the shareholders of the Company and to enhance long-term shareholders’ value.

CORPORATE GOVERNANCE PRACTICES

During the year ended 31 March 2012, the Company has applied the principles of, and complied with, all the code provisions of the Code on Corporate Governance Practices (the “Code”) set out in Appendix 14 to the Rules Governing the Listing of Securities (the “Listing Rules”) on the Stock Exchange of Hong Kong Limited (the “Stock Exchange”) except for the following deviation. Nevertheless, such deviation is considered by the Board to be immaterial given the size, nature and circumstances of the Group.

Code provision A.2.1

Mr. Kwong Jimmy Cheung Tim is the chairman and chief executive officer of the Company. The Board considers that the combination of the roles of chairman and chief executive officer will not impair the balance of power and authority between the Board and the management of the Company as the Board will meet regularly to consider major matters affecting the operations of the Group. The Board is of the view that this structure provides the Group with strong and consistent leadership, which can facilitate the formulation and implementation of its strategies and decisions and enable it to grasp business opportunities and react to changes efficiently. As such, it is beneficial to the business prospects of the Group.

本公司董事會(「董事會」)承諾透過著重透明度、獨立、問責、負責及公平，以達致高企業管治水平。董事會致力確保訂有有效之自我監管常規，以保障本公司股東之利益及提升長期之股東價值。

企業管治常規

截至2012年3月31日止年度內，本公司已應用香港聯合交易所有限公司(「聯交所」)證券上市規則(「上市規則」)附錄14所載之企業管治常規守則(「守則」)所有守則條文之原則，並遵守所有守則條文，惟下列偏離情況除外。然而，董事會認為以本集團之規模、性質及具體情況而言，該偏離情況屬重大或不恰當。

守則條文第A.2.1條

鄺長添先生為本公司之主席兼首席行政總裁。由於董事會會定期開會商討影響本集團運作之主要事宜，故董事會認為將主席與首席行政總裁之職務合而為一不會影響董事會與本公司管理層兩者之間權力與職權之平衡。董事會認為此架構為本集團提供了穩健而一致的領導權，有助其決策之制訂及實施，並使本集團得以抓緊商機並有效回應各種變化，因此有利本集團之業務前景。

COMPLIANCE WITH MODEL CODE OF THE LISTING RULES

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) of the Listing Rules as the code for dealing in securities of the Company by the Directors. After specific enquiry, all Directors confirmed that they have complied with the required standard of dealings set out therein throughout the year ended 31 March 2012. Relevant employees who are likely to be in possession of unpublished price-sensitive information of the Group are also subject to compliance with written guidelines on no less exacting terms than the Model Code.

BOARD OF DIRECTORS

The Board currently comprises seven directors, with three executive directors, one non-executive director and three independent non-executive directors. The composition of the Board during the year and up to the date of this report is set out as follows:

Executive directors:

Mr. Kwong Jimmy Cheung Tim —
Chairman and Chief Executive Officer
Ms. Lui Yuk Chu — *Deputy Chairman*
Ms. Koon Ho Yan Candy

Non-executive director:

Mr. Tse Wing Chiu Ricky

Independent non-executive directors:

Mr. Kan Ka Hon
Mr. Lau Sin Ming
Mr. Foo Tak Ching

上市規則的標準守則的遵守

本公司已採納上市規則的上市公司董事進行證券交易的標準守則作為其本身董事進行證券交易的操守守則(「標準守則」)。截至2012年3月31日止年度，經向所有董事作出具體查詢後，本公司各董事均確認已遵守標準守則所規定的準則。有關僱員若可能擁有本集團尚未公開的股價敏感資料，亦須遵守內容不比標準守則寬鬆的書面指引。

董事會

董事會目前由7名董事組成，包括3名執行董事、1名非執行董事及3名獨立非執行董事。董事會於年內及截至本報告日期止之成員如下：

執行董事：

鄭長添先生 —
主席兼首席行政總裁
雷玉珠女士 — *副主席*
官可欣女士

非執行董事：

謝永超先生

獨立非執行董事：

簡嘉翰先生
劉善明先生
傅德楨先生

The biographical details of the existing directors are set out in the “Biographical Details of Directors on pages 10 to 13 of this annual report.

Throughout the year ended 31 March 2012, the Company complied with Rules 3.10(1) and 3.10(2) of the Listing Rules relating to the appointment of at least three independent non-executive directors with at least one independent non-executive director possessing appropriate professional qualifications, or accounting or related financial management expertise. The Board has received from each independent non-executive director an annual confirmation of his independence and considers that all the independent non-executive directors are independent under the guidelines set out in Rule 3.13 of the Listing Rules.

The Board members have no financial, business, family or other material/relevant relationships with each other except that Ms. Koon Ho Yan Candy, an executive director of the Company, is the daughter of Ms. Lui Yuk Chu, the deputy chairman of the Company.

現任董事之履歷已載於本年報第10至13頁之「董事之履歷」內。

截至2012年3月31日止年度內，本公司一直遵守上市規則第3.10(1)及3.10(2)條有關委任至少3名獨立非執行董事，而其中最少1名獨立非執行董事須具備適當專業資格或會計或相關財務管理專長。董事會已接獲每名獨立非執行董事有關其獨立性之年度確認書，並認為所有獨立非執行董事按上市規則第3.13條所載指引而言均屬獨立。

除官可欣女士(本公司執行董事)為本公司副主席雷玉珠女士之女兒外，董事會成員之間概無存在財務、業務、家屬或其他重大／相關之關係。

The Board met four times during the year ended 31 March 2012. The individual attendance records of the directors at the Board meetings were as follows:

截至2012年3月31日止年度，董事會共召開4次會議。個別董事出席董事會會議之記錄載列如下：

Name of directors 董事姓名		Number of meetings attended 出席會議次數	Attendance rate 出席率
Executive directors 執行董事			
Mr. Kwong Jimmy Cheung Tim	鄺長添先生	4/4	100%
Ms. Lui Yuk Chu	雷玉珠女士	4/4	100%
Ms. Koon Ho Yan Candy	官可欣女士	4/4	100%
Non-executive director 非執行董事			
Mr. Tse Wing Chiu Ricky	謝永超先生	4/4	100%
Independent non-executive directors 獨立非執行董事			
Mr. Kan Ka Hon	簡嘉翰先生	4/4	100%
Mr. Lau Sin Ming	劉善明先生	4/4	100%
Mr. Foo Tak Ching	傅德楨先生	4/4	100%

The Board has reserved for its decision or consideration on the matters covering mainly the corporate strategy, board composition, material transactions and investments, risk management, internal control and other significant policies and financial matters. The Board has delegated responsibility for day-to-day management of the Group through the Chief Executive Officer down to the executive management. The respective functions of the Board and management of the Company have been formalised and set out in writing which was approved by the Board in 2005. Such arrangement will be reviewed periodically.

Chairman and Chief Executive Officer

Mr. Kwong Jimmy Cheung Tim currently assumes the roles of both the chairman and chief executive officer of the Company. The reasons for the deviation from the Code provision A.2.1 are explained in the section headed “Corporate Governance Practices” above.

Retirement and re-election of directors

The Bye-laws of the Company provide that (1) every director is required to retire by rotation at the annual general meeting no later than the third annual general meeting after he was last elected or re-elected and the directors to retire at every annual general meeting shall be decided by the Board; and (2) any director appointed by the Board to fill a casual vacancy or as an addition to the Board shall hold office until the next following general meeting of the Company (in case of filling a casual vacancy) or until the next following annual general meeting of the Company (in case of an addition to the Board) and shall then be eligible for re-election at the meeting.

經董事會決定或考慮之事宜主要包括企業策略、董事會之組成、重大交易及投資、風險管理、內部監控及其他重大政策與財務事宜。董事會已將本集團之日常管理職責透過首席行政總裁委派予行政管理人員。董事會及本公司管理層之職能已分別確立並以書面列載，亦已於2005年獲董事會批准。本公司將定期檢討該等安排。

主席兼首席行政總裁

鄭長添先生目前正擔任本公司主席兼首席行政總裁兩個職位。偏離守則條文第A.2.1條之原因已於上文「企業管治常規」一節內解釋。

董事退任及重選

本公司之公司細則規定(1)每名董事必須在股東週年大會上輪值告退，惟不得遲於其上次當選或重選後第三次舉行之股東週年大會，而於每屆股東週年大會上退任之董事人選將由董事會決定；及(2)任何因填補臨時空缺或增加董事會成員人數而獲委任之董事，任期至本公司下屆股東大會(如屬填補臨時空缺者)或直至本公司下屆股東週年大會(如屬增加董事會成員人數者)為止，並有資格於該大會上膺選連任。

Non-executive directors

There are currently four non-executive directors on the Board, three of them are independent. All the non-executive directors of the Company are appointed for a specific term of 3 years and are subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Bye-laws of the Company.

BOARD COMMITTEES

The Board has established four committees, namely the Remuneration Committee, the Audit Committee, the Nomination Committee and the Executive Committee with clearly defined written terms of reference. Each committee reports back to the Board on its decisions or recommendations after each meeting for further discussion and approval, unless there are legal or regulatory restrictions on its ability to do so.

Remuneration Committee

The terms of reference of the Remuneration Committee has been revised in March 2012 in full compliance with the provisions set out in the Code.

The Remuneration Committee currently comprises 4 members: 3 independent non-executive directors, namely Mr. Lau Sin Ming (Committee Chairman), Mr. Kan Ka Hon and Mr. Foo Tak Ching; and an executive director Mr. Kwong Jimmy Cheung Tim. The principal duties of the Remuneration Committee include (i) to make recommendations to the Board on the Company's policy and structure for all remuneration of directors and senior management; (ii) to make recommendations to the Board on the remuneration packages of all directors and senior management; (iii) to review and approve performance-based bonus; and (iv) to ensure that no director or any of his associates is involved in deciding his own remuneration.

非執行董事

董事會現時有4名非執行董事，其中3名為獨立人士。本公司所有非執行董事均指定任期3年，惟彼等須根據本公司之公司細則在本公司之股東週年大會上輪值告退及重選連任。

董事會委員會

董事會已成立4個委員會，分別為薪酬委員會、審核委員會、提名委員會及行政委員會，各委員會均訂有清晰之書面職權範圍。每個委員會均會於每次會議後向董事會匯報其決定或建議，以供進一步討論及批准，除非該委員會受法律或監管限制所限而不能作此匯報。

薪酬委員會

薪酬委員會之職權範圍已於2012年3月修訂以完全符合守則所載之條文。

薪酬委員會目前由4名成員組成：3名獨立非執行董事，分別為劉善明先生（委員會主席）、簡嘉翰先生及傅德楨先生；及1名執行董事鄭長添先生。薪酬委員會之主要職責包括(i)就本公司董事及高級管理人員之全體薪酬政策及架構向董事會提出建議；(ii)就全體董事及高級管理人員之薪酬待遇向董事會提出建議；(iii)檢討及批准表現花紅；及(iv)確保並無董事或其任何聯繫人自行釐定其薪酬。

The primary objective of the Company's remuneration policy is to attract, retain and motivate the personnels by providing fair reward for their contributions to the Group's performance. In this context, the remuneration policy is to set the overall remuneration package at a competitive level and in a form that permits additional remuneration to be earned for high performance over a sustained period. The remuneration packages are determined with reference to the time commitment and responsibilities of each individual, the Company's performance and the prevailing market conditions.

During the year ended 31 March 2012, two Remuneration Committee meetings were held. The individual attendance records of the committee members were as follows:

Name of committee members 委員會成員姓名		Number of meetings attended 出席會議次數	Attendance rate 出席率
Mr. Lau Sin Ming	劉善明先生	1/1	100%
Mr. Kan Ka Hon	簡嘉翰先生	1/1	100%
Mr. Foo Tak Ching	傅德楨先生	1/1	100%
Mr. Kwong Jimmy Cheung Tim (appointed on 30 March 2012)	鄺長添先生 (委任於2012年3月30日)	1/1	100%

The Remuneration Committee has reviewed and recommended the remuneration packages for each director and senior management of the Company for the year ended 31 March 2012 for the Board's approval.

本公司薪酬政策之主要目的是吸引、挽留及激勵人材，對彼等為本集團表現所作出之貢獻提供公平回報。有鑒於此，薪酬政策制訂具競爭水平之整體薪酬待遇，並以容許於一定期間內能維持高表現者可賺取額外薪酬之形式推出。薪酬待遇經參考個別人士之供職時間及職責、本公司之業績、以及現行市況後釐定。

截至2012年3月31日止年度內，已舉行2次薪酬委員會會議。個別委員會成員之出席記錄載列如下：

薪酬委員會已檢討及向董事會提出建議，以批准本公司每名董事及高級管理人員截至2012年3月31日止年度之薪酬待遇。

For the year ended 31 March 2012, the main components of the executive directors' remuneration were directors' fee, basic salary, benefits in kind, discretionary performance based bonus, retirement benefits and participation in the share option scheme adopted by the shareholders of the Company in June 2002 (the "Share Option Scheme").

The non-executive director and independent non-executive directors did not receive any discretionary bonus or other benefits from the Company for the year ended 31 March 2012. But each of them was entitled to a director's fee and was eligible for the Share Option Scheme subject to the approval of the shareholders of the Company.

During the year ended 31 March 2012, no director was involved in deciding his own remuneration.

Audit Committee

The terms of reference of Audit Committee has been revised in March 2012 in compliance with the provisions set out in the Code.

The Audit Committee currently comprises 4 members: 3 independent non-executive directors, namely Mr. Kan Ka Hon (Committee Chairman), Mr. Lau Sin Ming and Mr. Foo Tak Ching; and an executive director Mr. Kwong Jimmy Cheung Tim.

The principal duties of Audit Committee include, (i) to oversee the relationship with the Auditor; (ii) to review the interim and annual financial statements before publication; and (iii) to oversee the Group's financial reporting system and internal control procedures.

截至2012年3月31日止年度，執行董事之薪酬主要由董事袍金、基本薪金、非現金福利、按表現酌情花紅、退休福利及參予本公司股東於2002年6月採納之購股權計劃(「購股權計劃」)而組成。

截至2012年3月31日止年度，非執行董事及獨立非執行董事並無收取本公司任何酌情花紅或其他福利。惟彼等各自可收取董事袍金及合資格參予購股權計劃，惟須獲本公司股東批准，方可作實。

截至2012年3月31日止年度內，並無董事自行釐定其薪酬。

審核委員會

審核委員會之職權範圍已於2012年3月修訂以符合守則所載之條文。

審核委員會目前由4名成員組成：3名獨立非執行董事，分別為簡嘉翰先生(委員會主席)、劉善明先生及傅德楨先生；及1名執行董事鄭長添先生。

審核委員會之主要職責包括(i)監察與核數師之關係；(ii)於中期及全年財務報表公佈前進行審閱；及(iii)監察本集團之財務匯報系統及內部監控程序。

During the year ended 31 March 2012, 3 Audit Committee meetings were held. The individual attendance records of the committee members were as follows:

截至2012年3月31日止年度內，已舉行3次審核委員會會議。個別委員會成員之出席記錄載列如下：

Name of committee members 委員會成員姓名		Number of meetings attended 出席會議次數	Attendance rate 出席率
Mr. Kan Ka Hon	簡嘉翰先生	3/3	100%
Mr. Lau Sin Ming	劉善明先生	3/3	100%
Mr. Foo Tak Ching	傅德楨先生	3/3	100%
Mr. Kwong Jimmy Cheung Tim	鄭長添先生	1/1	100%
(appointed on 30 March 2012) (委任於2012年3月30日)			

During the year ended 31 March 2012, the Audit Committee (i) reviewed the reports from the Auditor, accounting principles and practices adopted by the Group, management representation letters, and management's response in relation to the annual results for the year ended 31 March 2011 and the interim results for the six months ended 30 September 2011; and (ii) reviewed the financial reports for the year ended 31 March 2011 and for the six months ended 30 September 2011 and recommended the same to the Board for approval.

截至2012年3月31日止年度內，審核委員會已(i)審閱有關截至2011年3月31日止之全年業績及截至2011年9月30日止6個月之中期業績由核數師所作出之報告、本集團採納之會計實務與準則、管理層之聲明函件及管理層之回應；以及(ii)審閱並向董事會提出建議，以批准截至2011年3月31日止年度及截至2011年9月30日止6個月之財務報告。

The Audit Committee has reviewed with the management and the Auditor the audited consolidated financial statements of the Company for the year ended 31 March 2012.

審核委員會已匯同管理層及核數師審閱本公司截至2012年3月31日止年度之經審核綜合財務報表。

Nomination Committee

The Nomination Committee was established on 30 March 2012 and has adopted the terms of reference of Nomination Committee in full compliance with the provisions set out in the Code.

The Nomination Committee currently comprises 4 members: 3 independent non-executive directors, namely Mr. Foo Tak Ching (Committee Chairman), Mr. Kan Ka Hon and Mr. Lau Sin Ming; and an executive director Mr. Kwong Jimmy Cheung Tim.

The Nomination Committee has adopted a written nomination procedure specifying the process and criteria for the selection and recommendation of candidates for directorship of the Company. The Nomination Committee will base on the criteria in the procedure (such as appropriate experience, personal skills and time commitment, etc) to identify and recommend proposed candidates to the Board. During the year, the Nomination Committee did not hold any meeting.

Executive Committee

The Executive Committee currently comprises all the executive directors of the Company, namely Mr. Kwong Jimmy Cheung Tim (Committee Chairman), Ms. Lui Yuk Chu and Ms. Koon Ho Yan Candy. It meets as and when required between regular Board meetings of the Company, and operates as a general management committee under the direct authority of the Board. Within the parameters of authority delegated by the Board, the Executive Committee sees to the implementation of the Group's strategy set by the Board, monitors the Group's investment and trading performance, funding and financing requirements, and reviews the management performance.

提名委員會

提名委員會於2012年3月30日成立並採納了提名委員會之職權範圍以完全附合守則所載的條文。

提名委員會日前由4名成員組成：3名獨立非執行董事組成，分別為傅德楨先生(委員會主席)，簡嘉翰先生及劉善明先生及1名執行董事鄺長添先生。

提名委員會已採納書面提名程序，訂明本公司董事候選人之甄選及推薦程序及準則。提名委員會將根據有關程序之準則(例如適當經驗、個人技能及時間承擔等)物色及向董事會推薦建議人選。於本年度，提名委員會並無舉行任何會議。

行政委員會

行政委員會目前由本公司所有執行董事組成，分別為鄺長添先生(委員會主席)、雷玉珠女士及官可欣女士。行政委員會於有需要時於本公司定期董事會會議之間召開會議，並在董事會直接授權下以一般管理委員會模式運作。在董事會授予之權力範圍下，行政委員會推行董事會所制訂本集團之策略、監控本集團之投資及買賣表現、資金及融資需求，並檢討管理層表現。

AUDITOR'S REMUNERATION

For the year ended 31 March 2012, the audit service fee and non-audit service fee paid/payable to the Auditor were approximately HK\$1,159,000 and HK\$1,058,000 respectively. The non-audit services mainly related to interim results review, preliminary results announcement, review of the financial information for major transaction and the mandatory conditional offer of the Company's shares.

FINANCIAL REPORTING

The directors acknowledge their responsibilities for preparing the financial statements of the Group. With the assistance of the Accounts Department, the directors ensure that the preparation of the financial statements of the Group are in accordance with the statutory requirements and applicable accounting standards. The directors also ensure timely publication of the financial statements of the Group.

The statement of the Auditor regarding their reporting responsibilities on the financial statements of the Group is set out in the Independent Auditor's Report on pages 38 to 39.

核數師酬金

截至2012年3月31日止年度內，已付／應付予核數師之核數服務費用及非核數服務費用約為1,159,000港元及1,058,000港元。非核數服務涉及中期業績審閱、初步業績公佈、審閱有關主要交易及強制性有條件要約事宜之財務資料。

財務匯報

董事知悉彼等編製本集團財務報表之責任。在會計部門協助下，董事確保本集團之財務報表乃根據法定之規定及適用之會計準則編製。董事亦確保本集團之財務報表能依時刊發。

核數師就本集團財務報表所發表之申報責任聲明已載於第38至39頁之獨立核數師報告內。

INTERNAL CONTROL

The Board has overall responsibility for maintaining a sound and effective system of internal control of the Group to safeguard the shareholders' investment and the Group's assets, and reviewing its effectiveness.

The Group's internal control system, includes a defined management structure with limits of authority and segregation of duties and periodic review by the Board on the operational and financial reports which were prepared by the management or the Auditor. The internal control system is to safeguard assets against unauthorised use or disposition, ensure maintenance of proper accounting records for provision of reliable financial information for internal use or for publication, and ensure compliance with relevant laws and regulations. The system aims to provide reasonable, but not absolute, assurance against material misstatement or loss, and to manage rather than eliminate risks of failure in operational systems and achievement of the Group's objectives.

The Board has conducted a review of effectiveness of the system of internal control and risk management of the Group for the financial year ended 31 March 2012. The Board has also discussed in details the results of the review in the regular board meeting. Recommendations have been suggested to and adopted by the management of the Group in order to enhance its system of internal control and risk management functions.

The Board is of the view that the Company has the appropriate accounting systems and adequate human resources to discharge the financial reporting function of the Group for the year ended 31 March 2012. Training programmes and budget will be provided from time to time for further enhancement.

內部監控

董事會有整體責任確保本集團之內部監控系統穩健妥善且有效，以保障股東之投資及本集團之資產，並檢討其有效性。

本集團之內部監控系統(包括一個明確界定權限及分工之管理架構，以及董事會定期審閱由管理層或核數師編製之營運及財務報告)之設立目的在於保障資產不會在未經授權下遭使用或出售、確保存置妥當之會計記錄以提供可靠之財務資料作內部或刊發之用，並確保符合相關法例及規例。此制度旨在為防止重大失實陳述或損失提供合理(但非絕對)之保證，以及管理(但非消除)營運系統失誤及本集團未能達標之風險。

董事會已就截至2012年3月31日止財政年度本集團內部監控系統及風險管理之有效性進行檢討。董事會亦於定期董事會會議中詳細討論檢討之結果。本集團管理層已獲提出並採納推薦建議，以提升本集團內部監控系統及風險管理職能。

董事會認為本公司有合適的會計系統及足夠的人力資源以履行本集團截至2012年3月31日止年度的財務報告工作。並將不時提供培訓計劃及預留撥款以作進一步改善。

Directors' Report

董事會報告

The directors present their annual report and the audited consolidated financial statements for the year ended 31 March 2012.

PRINCIPAL ACTIVITIES

The Company is an investment holding company. The principal activities of the Company's subsidiaries are set out in note 33 to the consolidated financial statements.

RESULTS

The results of the Group for the year ended 31 March 2012 are set out in the consolidated statement of comprehensive income on pages 40 and 41.

SHARE CAPITAL

The details of movements in the Company's share capital during the year are set out in note 28 to the consolidated financial statements.

PROPERTY, PLANT AND EQUIPMENT

During the year, the Group spent HK\$168,000 on acquisition of property, plant and equipment. The details of movements in property, plant and equipment of the Group during the year are set out in note 16 to the consolidated financial statements.

INVESTMENT PROPERTIES

The Group's investment properties were revalued as at 31 March 2012 by independent professional property valuers and the gain arising on changes in fair value of investment properties, which had been charged directly to profit or loss, amounted to HK\$33,979,000. Details of these are set out in note 17 to the consolidated financial statements.

董事謹此提呈截至2012年3月31日止年度之年報及經審核綜合財務報表。

主要業務

本公司為一家投資控股公司。本公司之附屬公司之主要業務載於綜合財務報表附註33。

業績

本集團截至2012年3月31日止年度之業績載於第40及41頁之綜合全面收益表。

股本

本公司股本於年內之變動詳情載於綜合財務報表附註28。

物業、廠房及設備

年內，本集團支付約168,000港元以收購物業、廠房及設備。本集團物業、廠房及設備於年內之變動詳情，載於綜合財務報表附註16。

投資物業

本集團之投資物業已由獨立專業物業估值師於2012年3月31日重估，因投資物業公平值變動產生的收益為33,979,000港元，其已直接於損益中扣除。詳情載於綜合財務報表附註17。

DISTRIBUTABLE RESERVES OF THE COMPANY

The Company has no reserves available for distribution at 31 March 2012.

DIRECTORS

The directors of the Company during the year and up to the date of this report were:

Executive directors:

Kwong Jimmy Cheung Tim
(Chairman and Chief Executive Officer)
Lui Yuk Chu (Deputy Chairman)
Koon Ho Yan Candy

Non-executive director:

Tse Wing Chiu Ricky

Independent non-executive directors:

Kan Ka Hon
Lau Sin Ming
Foo Tak Ching

In accordance with the Company's Bye-law 99, Mr. Kwong Jimmy Cheung Tim and Mr. Kan Ka Hon will retire from office at the forthcoming annual general meeting of the Company by rotation and, being eligible, have offered themselves for re-election.

The Company has received annual confirmation from each of the independent non-executive directors as regards their independence to the Company and considers that each of the independent non-executive directors is independent to the Company.

None of the directors has a service contract which is not determinable by the Company within one year without payment of compensation (other than statutory compensation).

本公司之可供分派儲備

本公司於2012年3月31日並無儲備可供分派。

董事

年內及直至本報告日止，本公司之董事如下：

執行董事：

鄭長添
(主席兼首席行政總裁)
雷玉珠(副主席)
官可欣

非執行董事：

謝永超

獨立非執行董事：

簡嘉翰
劉善明
傅德楨

根據本公司之公司細則第99條，鄭長添先生及簡嘉翰先生將於本公司即將舉行之股東週年大會上輪值告退，惟符合資格，並願意膺選連任。

本公司已收到各獨立非執行董事就彼等對本公司之獨立性而作出之年度確認，而本公司亦認為各獨立非執行董事對本公司而言均為獨立。

概無董事與本公司訂立不可於1年內終止而無須作出補償(法定補償除外)之服務合約。

BIOGRAPHICAL DETAILS OF DIRECTORS

Biographical details of the directors are set out on pages 10 to 13 of this annual report.

DIRECTORS' INTERESTS IN CONTRACTS OF SIGNIFICANCE

Save as disclosed in the section headed "Connected Transactions", there was no contract of significance, to which the Company or any of its subsidiaries was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisting at the end of the year or at any time during the year.

CONTROLLING SHAREHOLDERS' INTERESTS IN CONTRACTS OF SIGNIFICANCE

Save as disclosed in the section headed "Connected Transactions", there was no contract of significance between the Company or its subsidiaries and a controlling shareholder or any of its subsidiaries subsisting during or at the end of the year, and there was no contract of significance for the provision of services to the Company or any of its subsidiaries by a controlling shareholder or any of its subsidiaries.

董事之履歷

董事之履歷詳情載於本年報第10至13頁。

董事於合約之權益

除「關連交易」一節所披露外，本公司或其任何附屬公司並無訂立本公司董事於當中直接或間接擁有重大權益之重大合約(於本年度結束時或年內任何時間一直存在)。

控股股東於重大合約之權益

除「關連交易」一節所披露外，本公司或其附屬公司與控股股東或其任何附屬公司概無訂立重大合約(於年內一直或於年度結束時存在)。此外，控股股東或其任何附屬公司概無訂立向本公司或其任何附屬公司提供服務之重大合約。

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS IN SHARES AND UNDERLYING SHARES

董事及主要行政人員於股份及相關股份中之權益

As at 31 March 2012, the interests and short positions of the directors and the chief executives of the Company in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (“SFO”)) as recorded in the register required to be kept by the Company under Section 352 of the SFO or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited (the “Stock Exchange”), pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) were as follows:

於2012年3月31日，本公司董事及主要行政人員於本公司或其任何相聯法團(定義見證券及期貨條例(「證券及期貨條例」)第XV部)之股份、相關股份或債券中擁有依據證券及期貨條例第352條規定本公司須予存置之登記冊內記載，或依據上市公司董事進行證券交易的標準守則(「標準守則」)規定須通知本公司及香港聯合交易所有限公司(「聯交所」)之權益及淡倉如下：

Name of director 董事名稱	Capacity 身分	Number of ordinary shares held (long position) 持有普通 股份數目 (好倉)	Approximate percentage to issued ordinary shares of the Company 佔本公司 已發行普通 股份約百分比
Ms. Lui Yuk Chu 雷玉珠女士	Beneficiary of a trust (note i) 信託受益人(附註i)	398,450,671	72.36%
Ms. Koon Ho Yan Candy (note ii) 官可欣女士(附註ii)	Beneficiary of a trust 信託受益人	398,450,671	72.36%

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS IN SHARES AND UNDERLYING SHARES (continued)

Notes:

- (i) 174,592,987 shares and 223,857,684 shares were registered in the name of and were beneficially owned by Landmark Profits Limited and Goodco Development Limited respectively, both companies were wholly-owned subsidiaries of Easyknit International Holdings Limited ("Easyknit International"). Sea Rejoice Limited was interested in approximately 21.95% of the issued share capital of Easyknit International and it was wholly-owned by Ms. Lui Yuk Chu. Magical Profits Limited ("Magical Profits") was interested in approximately 36.74% of the issued share capital of Easyknit International. Magical Profits was wholly-owned by Accumulate More Profits Limited which in turn was wholly-owned by Hang Seng Bank Trustee International Limited as trustee of The Magical 2000 Trust (the beneficiaries of which include Ms. Lui Yuk Chu and her family members other than her spouse).
- (ii) Ms. Koon Ho Yan Candy, the daughter of Ms. Lui Yuk Chu and a director of the Company, was deemed to be interested in the shares by virtue of her capacity as one of the beneficiaries of Magical 2000 Trust.

Save as disclosed above, as at 31 March 2012, none of the directors or chief executives of the Company had any interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which had been recorded in the register kept by the Company pursuant to Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Details of the Company's share option scheme and movements of options during the year are set out in note 29 to the consolidated financial statements.

董事及主要行政人員於股份及相關股份中之權益 (續)

附註：

- (i) 174,592,987股股份及223,857,684股股份以Landmark Profits Limited及佳豪發展有限公司之名義登記，並由其實益擁有，而該兩間公司為永義國際集團有限公司(「永義國際」)之全資附屬公司。樂洋有限公司於永義國際之已發行股本中擁有約21.95%之權益而其由雷玉珠女士全資擁有。Magical Profits Limited(「Magical Profits」)於永義國際已發行股本中擁有約36.74%之權益。Magical Profits由Accumulate More Profits Limited全資擁有，最終由The Magical 2000 Trust(其受益人包括雷玉珠女士及其家族成員(其配偶除外))之信託人Hang Seng Bank Trustee International Limited全資擁有。
- (ii) 官可欣女士(為雷玉珠女士的女兒及本公司董事)為The Magical 2000 Trust 受益人之一之身份，被視為於股份中擁有權益。

除上文所披露者外，於2012年3月31日，本公司董事或主要行政人員概無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)之股份、相關股份或債券中擁有已列入本公司根據證券及期貨條例第352條規定所存置之登記冊內，或依據標準守則規定須通知本公司及聯交所之權益或淡倉。

董事購買股份或債券之權利

本公司之購股權計劃詳情及於年內購股權之變動載於綜合財務報表附註29。

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES (continued)

No share options were granted to, or exercised by, the directors during the year. There was no outstanding option granted to the directors at the beginning and at the end of the year.

Save as disclosed above, at no time during the year ended 31 March 2012 was the Company or any of its subsidiaries a party to any arrangement to enable the directors of the Company to acquire benefits by means of acquisition of shares in, or debentures of, the Company or any other body corporate, and none of the directors or any of their spouses or children under the age of 18, was granted any right to subscribe for the equity or debt securities of the Company or any other body corporate nor had exercised any such right.

SUBSTANTIAL SHAREHOLDERS

As at 31 March 2012, the persons (other than the directors or the chief executives of the Company) who had an interest or a short position in the shares and underlying shares of the Company as recorded in the register required to be kept by the Company under Section 336 of the SFO were as follows:

董事購買股份或債券之權利 (續)

董事於年內並無獲授予或行使任何購股權。於本年度初及年底，概無尚未行使董事獲授予之購股權。

除上文所披露者外，本公司或其任何附屬公司於截至2012年3月31日止年度內之任何時間概無訂立任何安排，致使本公司董事可藉購買本公司或任何其他法人團體之股份或債券而獲益，以及並無董事或其配偶或十八歲以下之子女獲授予任何權利以認購本公司或其他法人團體之股本或債務證券，或已行使任何該等權利。

主要股東

於2012年3月31日，根據證券及期貨條例第336條規定本公司須予存置之登記冊內記載，持有本公司股份及相關股份之權益或淡倉之人士(董事或本公司之主要行政人員除外)如下：

Name of substantial shareholder	Notes	Capacity	Name of ordinary shares held (long position) 持有普通股份數目(好倉)	Approximate percentage to issued ordinary shares of the Company 佔本公司已發行普通股份約百分比
主要股東名稱	附註	身份		
Koon Wing Yee 官永義	i	Interest of spouse 配偶權益	398,450,671	72.36%
Landmark Profits Limited	i & ii	Beneficial owner 實益擁有人	174,592,987	31.70%

SUBSTANTIAL SHAREHOLDERS (continued)

主要股東(續)

Name of substantial shareholder	Notes	Capacity	Name of ordinary shares held (long position) 持有普通股份數目(好倉)	Approximate percentage to issued ordinary shares of the Company 佔本公司已發行普通股份約百分比
主要股東名稱	附註	身份		
Goodco Development Limited 佳豪發展有限公司	<i>i & ii</i>	Beneficial owner 實益擁有人	223,857,684	40.66%
Easyknit International	<i>i & ii</i>	Interest of controlled corporation 受控制法團之權益	398,450,671	72.36%
Magical Profits	<i>i & ii</i>	Interest of controlled corporation 受控制法團之權益	398,450,671	72.36%
Accumulate More Profits Limited	<i>i</i>	Interest of controlled corporation 受控制法團之權益	398,450,671	72.36%
Hang Seng Bank Trustee International Limited	<i>i & iv</i>	Trustee 信託人	398,450,671	72.36%
Hang Seng Bank Limited 恒生銀行有限公司	<i>iv</i>	Interest of controlled corporation 受控制法團之權益	398,450,671	72.36%
The Hongkong & Shanghai Banking Corporation Limited 香港上海滙豐銀行有限公司	<i>iv</i>	Interest of controlled corporation 受控制法團之權益	398,450,671	72.36%
HSBC Asia Holdings BV	<i>iv</i>	Interest of controlled corporation 受控制法團之權益	398,450,671	72.36%
HSBC Asia Holdings (UK)	<i>iv</i>	Interest of controlled corporation 受控制法團之權益	398,450,671	72.36%
HSBC Holdings BV	<i>iv</i>	Interest of controlled corporation 受控制法團之權益	398,450,671	72.36%
HSBC Finance (Netherlands)	<i>iv</i>	Interest of controlled corporation 受控制法團之權益	398,450,671	72.36%
HSBC Holdings plc 滙豐控股有限公司	<i>iv</i>	Interest of controlled corporation 受控制法團之權益	398,450,671	72.36%

SUBSTANTIAL SHAREHOLDERS (continued)

Notes:

- (i) The 398,450,671 shares related to the same block of shares in the Company of which 174,592,987 shares and 223,857,684 shares were respectively registered in the name of and were beneficially owned by Landmark Profits Limited and Goodco Development Limited, both were wholly-owned subsidiaries of Easyknit International. Sea Rejoice Limited was interested in approximately 21.95% of the issued share capital of Easyknit International and it was wholly-owned by Ms. Lui Yuk Chu. Magical Profits was interested in approximately 36.74% of the issued share capital of Easyknit International. Magical Profits was wholly-owned by Accumulate More Profits Limited which in turn was wholly-owned by Hang Seng Bank Trustee International Limited as trustee of The Magical 2000 Trust (the beneficiaries of which include Ms. Lui Yuk Chu, a director of the Company, and her family members other than her spouse). Ms. Koon Ho Yan Candy, the daughter of Ms. Lui Yuk Chu and a director of the Company, was deemed to be interested in the shares by virtue of her capacity as one of the beneficiaries of the Magical 2000 Trust.
- (ii) Mr. Kwong Jimmy Cheung Tim and Ms. Lui Yuk Chu, being directors of the Company, are also directors of Landmark Profits Limited, Goodco Development Limited and Easyknit International. Ms. Koon Ho Yan Candy, being a director of the Company and Easyknit International.
- (iii) Ms. Lui Yuk Chu, being a director of the Company, is also a director of Sea Rejoice Limited and Magical Profits Limited.
- (iv) Hang Seng Bank Trustee International Limited was a wholly-owned subsidiary of Hang Seng Bank Limited. Hang Seng Bank Limited was owned as to approximately 62.14% by The Hongkong and Shanghai Banking Corporation Limited. The Hongkong and Shanghai Banking Corporation Limited was wholly-owned by HSBC Asia Holdings BV which was a wholly-owned subsidiary of HSBC Asia Holdings (UK). HSBC Asia Holdings (UK) was wholly-owned by HSBC Holdings BV which in turn was wholly-owned by HSBC Finance (Netherlands). HSBC Finance (Netherlands) was a wholly-owned subsidiary of HSBC Holdings plc.

主要股東(續)

附註：

- (i) 該398,450,671股股份屬本公司同一批股份。此等股份中有174,592,987股股份及223,857,684股股份分別以Landmark Profits Limited及佳豪發展有限公司之名義登記，並由其實益擁有，他們為永義國際之全資附屬公司。樂洋有限公司於永義國際之已發行股本中擁有約21.95%之權益而其由雷玉珠女士全資擁有。Magical Profits Limited於永義國際已發行股本中擁有約36.74%之權益。Magical Profits Limited由Accumulate More Profits Limited全資擁有，最終由The Magical 2000 Trust(其受益人包括本公司董事雷玉珠女士及其家族成員(其配偶除外))之信託人Hang Seng Bank Trustee International Limited全資擁有。官可欣女士(為雷玉珠女士的女兒兼本公司董事)因她為The Magical 2000 Trust 受益人之一之身份，被視為於股份中擁有權益。官永義先生為雷玉珠女士之配偶，根據證券及期貨條例被視為於398,450,671股股份中擁有權益。
- (ii) 本公司董事鄭長添先生及雷玉珠女士亦為Landmark Profits Limited，佳豪發展有限公司及永義國際之董事。官可欣女士為本公司及永義國際之董事。
- (iii) 雷玉珠女士為本公司、樂洋有限公司及Magical Profits Limited之董事。
- (iv) Hang Seng Bank Trustee International Limited 為恒生銀行有限公司之全資附屬公司。香港上海滙豐銀行有限公司於恒生銀行有限公司擁有約62.14%之權益。香港上海滙豐銀行有限公司由HSBC Asia Holdings BV全資擁有，而HSBC Asia Holdings BV乃HSBC Asia Holdings (UK)之全資附屬公司。而HSBC Asia Holdings (UK)由HSBC HoldingsBV全資擁有，而HSBC Holdings BV由HSBC Finance (Netherlands)全資擁有。HSBC Finance (Netherlands)乃滙豐控股有限公司之全資附屬公司。

SUBSTANTIAL SHAREHOLDERS *(continued)*

Save as disclosed above, as at 31 March 2012, the Company had not been notified of any interests or short positions in the shares and underlying shares of the Company which were required to be recorded in the register kept by the Company under Section 336 of the SFO.

CONNECTED TRANSACTIONS

As announced on 16 June 2011, Easyknit Global Company Limited as tenant (an indirectly wholly-owned subsidiary of the Company) entered into a tenancy agreement (the "Tenancy Agreement") with Wellmake Investments Limited as landlord (a wholly-owned subsidiary of Easyknit International Holdings Limited which is a substantial shareholder of the Company) in relation to the renewal of the tenancy of the premises at Unit A, 7th Floor, Hong Kong Spinners Building, Phase 6, 481-483 Castle Peak Road, Cheung Sha Wan, Kowloon, Hong Kong (the "Premises") for a period of 12 months from 1 May 2011 to 30 April 2012 at a monthly rental of HK\$206,800.

Wellmake is therefore a connected person of the Company pursuant to Rule 14A.11(4) of the Listing Rules and the annual cap of HK\$2,481,600, being the aggregate annual rental for the Premises based on the monthly rental of HK\$206,800, under the Tenancy Agreement constituted a continuing connected transaction of the Company.

主要股東 *(續)*

除於上文所披露者外，於2012年3月31日，本公司並無獲知會任何須列入本公司根據證券及期貨條例第336條規定所存置之登記冊內之本公司股份及相關股份之權益或淡倉。

關連交易

於2011年6月16日，本公司間接全資附屬公司永義環球有限公司(作為租戶)與緯豐投資有限公司(「緯豐」作為業主)就續租有關物業訂立續約協議(「該協議」)。緯豐為永義國際集團有限公司之全資附屬公司，而永義國際為本公司之主要股東。根據該協議，緯豐同意將位於香港九龍長沙灣青山道481-483號香港紗廠大廈6期7樓A室續租予永義環球，租期自2011年5月1日起為期12個月至2012年4月30日。租金為每月206,800港元。

根據上市規則第14A.11(4)條，緯豐為本公司之關連人士，該協議由此構成本公司之一項持續關連交易。該協議項下之年度上限為2,481,600港元，即按月租206,800港元計算就有關物業應付之年度租金總額。

CONNECTED TRANSACTIONS (continued)

The directors, including the independent non-executive directors, of the Company have reviewed the continuing connected transaction and confirmed that it was entered into:

- (1) in the ordinary and usual course of business;
- (2) on terms no less favourable than those available to independent third parties; and
- (3) on terms that are fair and reasonable and in the interests of the shareholders as a whole.

MAJOR SUPPLIERS AND CUSTOMERS

During the year, the five largest suppliers of the Group accounted for approximately 96% of the Group's purchases and the largest supplier accounted for approximately 28% of the Group's purchases.

The five largest customers of the Group accounted for approximately 99% of the Group's turnover and the largest customer accounted for approximately 89% of the Group's turnover.

None of the directors, their associates and shareholders of the Company (which to the knowledge of the directors of the Company, own more than 5% of the Company's share capital) have an interest in the Group's five largest suppliers or customers.

關連交易(續)

董事(包括獨立非執行董事)已審閱及認為該協議乃：

- (1) 按一般商業條款訂立；
- (2) 按不遜於獨立第三方獲提供之條款進行；及
- (3) 屬公平合理兼且符合本集團及股東之整體利益。

主要供應商及客戶

年內，本集團之5大供應商佔本集團之採購額約96%，而最大供應商則佔本集團之採購額約28%。

本集團之5大客戶佔本集團之營業額約99%，而最大客戶則佔本集團之營業額約89%。

概無董事、彼等之聯繫人或本公司之股東(據本公司之董事所知，擁有本公司股本5%以上)於本集團5大供應商或客戶中擁有權益。

PURCHASE, SALE AND REDEMPTION OF SHARES

There was no purchase, sale and redemption of the Company's shares by the Company or any of its subsidiaries during the year ended 31 March 2012.

EMOLUMENT POLICY

The emolument policy of the employees of the Group is set up by the executive directors of the Company on the basis of their performance, experience and prevailing industry practice.

The emolument of the directors of the Company is determined by the Board after recommendation from the Remuneration Committee, having regard to the time commitment and responsibilities of individual directors, the Company's performance and the prevailing market conditions.

The Company has adopted a share option scheme as an incentive to directors and eligible employees. Details of the scheme are set out in note 29 to the consolidated financial statements.

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Company's Bye-laws or the laws in Bermuda which would oblige the Company to offer new shares on a pro-rata basis to existing shareholders.

SUFFICIENCY OF PUBLIC FLOAT

Based on information that is publicly available to the Company and within the knowledge of its directors as at the date of this report, the Company has maintained a sufficient public float as required under the Rules Governing the Listing of Securities on the Stock Exchange.

購買、出售及贖回股份

截至2012年3月31日止年度內，本公司或其任何附屬公司概無購買、出售及贖回任何本公司之股份。

薪酬政策

本集團僱員之薪酬政策乃由本公司執行董事按彼等之表現、經驗及現行業內慣例而釐定。

本公司董事之薪酬乃由董事會聽取薪酬委員會之建議後，按個別董事之供職時間及職務、本公司之業績及現行市況後釐定。

本公司已採納購股權計劃，作為對董事及合資格僱員之獎勵，計劃之詳情載於綜合財務報表附註29。

優先購買權

本公司之公司細則或百慕達法例均無優先購買權之條文，規定本公司須按比例向現有股東發售新股。

足夠公眾持股量

根據可供公開予本公司參考資料及據本公司董事所知悉，於本報告日，本公司已按聯交所證券上市規則要求維持足夠公眾持股量。

AUDIT COMMITTEE

The Company has established an audit committee in accordance with the requirements of the Listing Rules and the Code on Corporate Governance Practices as set out in Appendix 14 to the Listing Rules. The primary duty of Audit Committee is to review and supervise the financial reporting process and internal control systems of the Group. The audit committee comprised 4 members: 3 independent non-executive directors and 1 executive director. The audit committee has reviewed the audited financial statements of the Group for the year ended 31 March 2012.

CORPORATE GOVERNANCE

The Company's Corporate Governance Report is set out on pages 14 to 25.

AUDITOR

A resolution will be submitted to the annual general meeting to re-appoint Messrs. Deloitte Touche Tohmatsu as auditor of the Company.

On behalf of the Board

KWONG JIMMY CHEUNG TIM
Chairman and Chief Executive Officer

Hong Kong, 15 May 2012

審核委員會

本公司已按照上市規則及其附錄14的企業管治常規守則成立審核委員會。審核委員會主要職責是審查和監督財務匯報之過程及集團內部監控系統。審核委員會由4名成員組成：3位獨立非執行董事及1名執行董事。審核委員會已審閱本集團於截至2012年3月31日之經審核財務報表。

企業管治

本公司之企業管治報告載於第14頁至25頁內。

核數師

於本公司股東週年大會上將提呈決議案，續聘德勤•關黃陳方會計師行為本公司之核數師。

承董事會命

鄺長添
主席兼首席行政總裁

香港，2012年5月15日

Independent Auditor's Report

獨立核數師報告



TO THE MEMBERS OF EASYKNIT ENTERPRISES HOLDINGS LIMITED
(incorporated in Bermuda with limited liability)

We have audited the consolidated financial statements of Easyknit Enterprises Holdings Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 40 to 134, which comprise the consolidated statement of financial position as at 31 March 2012, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and 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 preparation 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, in accordance with Section 90 of the Bermuda Companies Act, 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

致永義實業集團有限公司全體股東
(於百慕達註冊成立之有限公司)

本核數師(以下簡稱「我們」)已審核列載於第40至134頁永義實業集團有限公司(「貴公司」)及其附屬公司(統稱「貴集團」)的綜合財務報表，此等財務報表包括於2012年3月31日之綜合財務狀況表，與截至該日止年度之綜合全面收益表、綜合權益變動表和綜合現金流量表，以及重大會計政策概要及其他解釋資料。

董事就綜合財務報表須承擔之責任

貴公司董事須負責根據香港會計師公會頒佈之香港財務報告準則及香港公司條例之披露要求編製真實而公平之綜合財務報表，這責任包括董事認為所須之內部監控，以使所編製之綜合財務報表不存在由於欺詐或錯誤而導致之重大錯誤陳述。

核數師之責任

我們之責任是根據我們之審核對該等綜合財務報表作出意見，並按照百慕達公司法第90條僅向整體股東作出報告，除此以外，本報告別無其他目的。我們不會就本報告內容向任何其他人士負上或承擔任何責任。我們已根據香港會計師公會頒佈之香港審計準則進行審核工作。這些準則要求我們遵守道

Independent Auditor's Report *(continued)* 獨立核數師報告(續)

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.

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 judgment, 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 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 Group as at 31 March 2012, and of the Group's loss 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.

Deloitte Touche Tohmatsu
Certified Public Accountants
Hong Kong

15 May 2012

德規範，並規劃及執行審核，以合理確定此等綜合財務報表是否不存有任何重大錯誤陳述。

審核涉及執行情序以獲取有關綜合財務報表所載金額及披露資料之審核憑證。所選定之程序取決於核數師之判斷，包括評估由於欺詐或錯誤而導致綜合財務報表存有重大錯誤陳述之風險。在評估該等風險時，核數師考慮該實體編製真實而公平之綜合財務報表之相關內部監控，以設計適當的審核程序，但並非為對實體之內部監控之效能發表意見。審核亦包括評價董事所採用之會計政策之合適性及所作出之會計估計之合理性，以及評價綜合財務報表之整體列報方式。

我們相信，我們所獲得之審核憑證是充足和適當地為我們之審核意見提供基礎。

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集團於2012年3月31日之財務狀況及截至該日止年度之虧損及現金流量，並已按照香港公司條例之披露要求妥為編製。

德勤 • 關黃陳方會計師行
執業會計師
香港

2012年5月15日

Consolidated Statement of Comprehensive Income

綜合全面收益表

For the year ended 31 March 2012

截至2012年3月31日止年度

		Notes	2012	2011
		附註	HK\$'000	HK\$'000
			千港元	千港元
Continuing operations:	持續經營業務：			
Turnover	營業額	7	286,916	347,992
Cost of sales	銷售成本		(256,138)	(309,487)
Gross profit	毛利		30,778	38,505
Other income	其他收入		4,062	366
Other gains and losses	其他收益及虧損	9	(746)	997
Other expenses	其他開支		(235)	(1,147)
Distribution and selling expenses	經銷成本		(5,291)	(6,912)
Administrative expenses	行政開支		(30,606)	(29,176)
Gain arising on changes in fair value of investment properties	投資物業之公平值變動收益		33,979	37,374
(Loss) gain on investments held for trading	持作買賣投資之(虧損)收益		(16,677)	1,705
Gain (loss) on fair value change of financial assets designated as at fair value through profit or loss	按公平值計入損益之金融資產之公平值變動收益(虧損)		858	(673)
Impairment loss recognised in respect of goodwill	商譽之已確認減值虧損	18	(39,313)	—
Impairment loss recognised in respect of intangible asset	無形資產之已確認減值虧損	19	(19,791)	—
Reversal of impairment loss recognised in respect of property, plant and equipment	物業、廠房及設備之已確認減值虧損撥回	16	1,027	8,777
(Loss) profit before taxation	除稅前(虧損)溢利		(41,955)	49,816
Taxation	稅項	11	(2,060)	(4,939)
(Loss) profit for the year from continuing operations	來自持續經營業務之本年度(虧損)溢利	12	(44,015)	44,877

Consolidated Statement of Comprehensive Income (continued)

綜合全面收益表(續)

For the year ended 31 March 2012

截至2012年3月31日止年度

		Notes 附註	2012 HK\$'000 千港元	2011 HK\$'000 千港元
Discontinued operations:	已終止經營業務：			
Profit for the year from discontinued operations	來自已終止經營業務之本年度溢利	13	1,285	20,183
(Loss) profit for the year, attributable to owners of the Company	本公司權益持有人應佔本年度(虧損)溢利		(42,730)	65,060
Other comprehensive income	其他全面收入			
Exchange differences arising on translation of foreign operations	換算海外營運之匯兌差異		9,132	9,511
Total comprehensive (expense) income for the year, attributable to owners of the Company	本公司權益持有人應佔本年度全面(開支)收入總額		(33,598)	74,571
Basic (loss) earnings per share	每股基本(虧損)盈利	14		
From continuing and discontinued operations	來自持續經營及已終止業務		HK\$(0.078)	HK\$0.152
From continuing operations	來自持續經營業務		HK\$(0.080)	HK\$0.105

Consolidated Statement of Financial Position

綜合財務狀況表

At 31 March 2012

於2012年3月31日

		Notes	2012	2011
		附註	HK\$'000	HK\$'000
			千港元	千港元
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	16	10,726	9,786
Investment properties	投資物業	17	343,157	300,597
Deposits paid for acquisition of an investment property	購入投資物業之已付按金		18,000	—
Goodwill	商譽	18	—	39,313
Intangible asset	無形資產	19	—	21,614
			371,883	371,310
Current assets	流動資產			
Inventories	存貨	20	—	6,155
Trade and other receivables	貿易及其他應收款項	21	25,789	64,625
Investments held for trading	持作買賣投資	22	58,987	58,485
Financial assets designated as at fair value through profit or loss	按公平值計入損益之金融資產	23	—	19,327
Bank balances and cash	銀行結餘及現金	24	205,477	181,876
			290,253	330,468
Assets classified as held for sale	列作持作出售資產	13	—	227
			290,253	330,695
Current liabilities	流動負債			
Trade and other payables	貿易及其他應付款項	25	24,710	36,129
Bills payable	應付票據	26	3,687	—
Tax payable	應付稅項		12,615	13,758
			41,012	49,887
Net current assets	流動資產淨值		249,241	280,808
Total assets less current liabilities	資產總額減流動負債		621,124	652,118

Consolidated Statement of Financial Position (continued)
 綜合財務狀況表(續)

At 31 March 2012
 於2012年3月31日

		Notes	2012	2011
		附註	HK\$'000	HK\$'000
			千港元	千港元
Non-current liabilities	非流動負債			
Deferred tax liabilities	遞延稅項負債	27	26,360	23,756
			594,764	628,362
Capital and reserves	資本及儲備			
Share capital	股本	28	5,507	5,507
Reserves	儲備		589,257	622,855
			594,764	628,362

The consolidated financial statements on pages 40 to 134 were approved and authorised for issue by the Board of Directors on 15 May 2012 and are signed on its behalf by:

董事會於2012年5月15日批准及授權發表第40至134頁之綜合財務報表，並由下列董事代表簽署：

Kwong Jimmy Cheung Tim

鄭長添
 DIRECTOR
 董事

Lui Yuk Chu

雷玉珠
 DIRECTOR
 董事

Consolidated Statement of Changes in Equity

綜合權益變動表

For the year ended 31 March 2012

截至2012年3月31日止年度

		Share capital	Share premium	Capital reserve	Contributed surplus	Exchange reserve	Property revaluation reserve	Accumulated (losses) profits	Total
		股本	股份溢價	股本儲備	繳入盈餘	匯兌儲備	物業重估儲備	累計(虧損)溢利	總額
		HK\$'000	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	千港元
At 1 April 2010	於2010年4月1日	3,671	107,900	53,194	299,722	21,178	40,624	(36,306)	489,983
Exchange differences arising on translation of foreign operations	換算海外營運之匯兌差異	-	-	-	-	9,511	-	-	9,511
Profit for the year	本年度溢利	-	-	-	-	-	-	65,060	65,060
Total comprehensive income for the year	本年度全面收入總額	-	-	-	-	9,511	-	65,060	74,571
Rights issue of shares (see note 28(a))	供股股份(見附註28(a))	1,836	62,411	-	-	-	-	-	64,247
Transaction costs attributable to issue of new shares	發行新股之交易成本	-	(439)	-	-	-	-	-	(439)
At 31 March 2011	於2011年3月31日	5,507	169,872	53,194	299,722	30,689	40,624	28,754	628,362
Exchange differences arising on translation of foreign operations	換算海外營運之匯兌差異	-	-	-	-	9,132	-	-	9,132
Loss for the year	本年度虧損	-	-	-	-	-	-	(42,730)	(42,730)
Total comprehensive income (expense) for the year	本年度全面收入(開支)總額	-	-	-	-	9,132	-	(42,730)	(33,598)
At 31 March 2012	於2012年3月31日	5,507	169,872	53,194	299,722	39,821	40,624	(13,976)	594,764

The capital reserve of the Group represents the credit arising from the reduction of share capital of the Company in March 2004 and September 2005 and can be applied in the future for distribution to the shareholders.

本集團之股本儲備代表本公司於2004年3月及2005年9月因削減股本所產生之進賬，可供將來分派予股東。

The contributed surplus of the Group represents the credit arising from the reduction of share capital of the Company in February 2003 and October 2009, part of which was applied to set off against accumulated losses of the Company in October 2009. The balance may be utilised by the directors in accordance with the Company's Bye-laws and all applicable laws, including to eliminate the accumulated losses of the Company.

本集團之繳入盈餘代表本公司於2003年2月及2009年10月削減股本時所產生進賬，部分繳入盈餘已於2009年10月用作抵銷本公司之累計虧損。董事可根據本公司章程細則及所有適用之法例予以使用該結餘，包括用以抵銷本公司之累計虧損。

The property revaluation reserve of the Group represents the gain on revaluation of certain leasehold properties and prepaid lease payments of the Group when these leasehold properties and prepaid lease payments were transferred to investment properties.

本集團之物業重估儲備代表本集團轉撥出租物業及預付租賃款項至投資物業時重估若干出租物業及預付租賃款項之收益。

Consolidated Statement of Cash Flows

綜合現金流量表

For the year ended 31 March 2012

截至2012年3月31日止年度

		2012	2011
		HK\$'000	HK\$'000
		千港元	千港元
Operating activities	經營業務		
(Loss) profit for the year	本年度(虧損)溢利	(42,730)	65,060
Adjustments for:	經下列各項調整：		
Taxation recognised in profit or loss	已於損益確認之稅項	2,060	11,638
Interest income	利息收入	(2,585)	(252)
Depreciation	折舊	619	615
Amortisation of intangible asset	無形資產攤銷	1,823	3,126
Unrealised loss (gain) on fair value changes of investments held for trading	持作買賣投資之公平值變動之未變現虧損(收益)	17,369	(1,705)
Dividend income from listed investments	上市投資之股息收入	(1,126)	(153)
Reversal of impairment loss recognised in respect of property, plant and equipment	物業、廠房及設備之已確認減值虧損撥回	(1,027)	(8,777)
Impairment loss recognised in respect of goodwill	商譽之已確認減值虧損	39,313	—
Impairment loss recognised in respect of intangible asset	無形資產之已確認減值虧損	19,791	—
Loss on disposal of property, plant and equipment	出售物業、廠房及設備之虧損	—	3
Loss (gain) on fair value change of other financial assets at fair value through profit or loss	按公平值計入損益之其他金融資產之公平值變動虧損(收益)	(858)	673
Gain on disposal of assets classified as held for sale	出售列作持作出售資產之收益	(1,285)	(18,592)
Gain arising on changes in fair value of investment properties	投資物業之公平值變動收益	(33,979)	(37,374)
Operating cash flows before movements in working capital	未計營運資金變動前之經營現金流量	(2,615)	14,262
Decrease (increase) in inventories	存貨減少(增加)	6,155	(5,880)
Decrease (increase) in trade and other receivables	貿易及其他應收款項減少(增加)	31,139	(41,708)
Decrease in bills receivable	應收票據減少	—	26,266
Increase in investments held for trading	持作買賣投資增加	(17,871)	(52,825)
(Decrease) increase in trade and other payables	貿易及其他應付款項(減少)增加	(10,545)	4,734
Increase in bills payable	應付票據增加	3,687	—
Cash from (used in) operations	來自(用於)營運之現金	9,950	(55,151)
Dividend received from investments held for trading	持作買賣投資之已收股息	1,126	153
Income tax paid	已付所得稅	(1,340)	(151)
Net cash from (used in) operating activities	來自(用於)經營業務之現金淨額	9,736	(55,149)

Consolidated Statement of Cash Flows (continued) 綜合現金流量表(續)

For the year ended 31 March 2012

截至2012年3月31日止年度

		2012 HK\$'000 千港元	2011 HK\$'000 千港元
Investing activities	投資活動		
Proceeds from redemption of financial assets designated as at fair value through profit or loss	贖回按公平值計入損益之金融資產之所得款項	50,185	—
Settlement of receivable/proceeds from disposal of assets classified as held for sale	出售列作持作出售資產之收回應收/所得款項	8,282	44,673
Interest received	已收利息	2,585	252
Purchase of financial assets designated as at fair value through profit or loss	購入按公平值計入損益之金融資產	(30,000)	(20,000)
Deposits paid for acquisition of an investment property	購入投資物業之已付按金	(18,000)	—
Addition of investment properties	添置投資物業	(2,243)	(961)
Purchase of property, plant and equipment	購入物業、廠房及設備	(168)	(59)
Refund of deposit in respect of construction of property, plant and equipment	有關興建物業、廠房及設備之按金退還	—	17,967
Deposits received for disposal of assets classified as held for sale	出售列作持作出售資產之已收按金	—	950
Net cash from investing activities	來自投資活動之現金淨額	10,641	42,822
Financing activities	融資活動		
Proceeds from rights issue of shares	發行供股股份之所得款項	—	64,247
Transaction costs attributable to rights issue of shares	發行供股股份之交易成本	—	(439)
Net cash from financing activities	來自融資活動之現金淨額	—	63,808
Net increase in cash and cash equivalents	現金及等同現金之增加淨額	20,377	51,481
Cash and cash equivalents at beginning of the year	年初之現金及等同現金	181,876	127,912
Effect of foreign exchange rate changes	外匯匯率變動之影響	3,224	2,483
Cash and cash equivalents at end of the year, represented by bank balances and cash	年終之現金及等同現金，指銀行結餘及現金	205,477	181,876

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2012

截至2012年3月31日止年度

1. GENERAL

The Company is incorporated in Bermuda as an exempted company with limited liability and its shares are listed on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). During the year ended 31 March 2012, Easyknit International Holdings Limited (“Easyknit International”), which is incorporated in Bermuda, acquired additional equity interest of the Company and became the parent and also ultimate holding company of the Company. The addresses of the registered office and principal place of business of the Company are disclosed in the “Corporate Information” section of the annual report.

The consolidated financial statements are presented in Hong Kong dollars (“HK\$” or “HKD”) which is also the functional currency of the Company.

The Company is an investment holding company. The principal activities of the Company’s principal subsidiaries are set out in note 33.

1. 一般資料

本公司於百慕達註冊成立為受豁免之有限責任公司，其股份於香港聯合交易所有限公司（「聯交所」）上市。截至2012年3月31日止年內，於百慕達註冊成立的永義國際集團有限公司（「永義國際」），收購本公司額外權益並成為本公司之母公司及最終控股公司。本公司之註冊辦事處地址及主要營業地點，已於本年報「公司資料」一節內披露。

綜合財務報表以港元列值（「HK\$」或「HKD」），與本公司之功能貨幣相同。

本公司為投資控股公司。其主要附屬公司之主要業務載列於附註33。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 March 2012

截至2012年3月31日止年度

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

In the current year, the Company and its subsidiaries (collectively referred as the “Group”) have applied the following new and revised HKFRSs issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”).

Amendments to HKFRSs	Improvements to HKFRSs issued in 2010
HKAS 24 (as revised in 2009)	Related party disclosures
Amendment to HK(IFRIC*) — INT 14	Prepayments of a minimum funding requirement
HK(IFRIC)— INT 19	Extinguishing financial liabilities with equity instruments

* IFRIC represents the IFRS Interpretations Committee.

The application of the above new or revised HKFRSs in the current year has had no material effect on the amounts reported in these consolidated financial statements and/or disclosures set out in these consolidated financial statements.

The Group has not early applied the following new or revised HKFRSs that have been issued but are not yet effective:

Amendments to HKFRS 7	Disclosures — Transfers of financial assets ¹
Amendments to HKFRS 7	Disclosures — Offsetting financial assets and financial liabilities ⁴
Amendments to HKFRS 7 and HKFRS 9	Mandatory effective date of HKFRS 9 and transition disclosures ⁶
HKFRS 9	Financial instruments ⁶
HKFRS 10	Consolidated financial statements ⁴
HKFRS 11	Joint arrangements ⁴

2. 應用新增及經修訂之香港財務報告準則(「香港財務報告準則」)

於本年度，本公司及其附屬公司(統稱「本集團」)已應用香港會計師公會(「香港會計師公會」)頒佈之以下新增及經修訂之香港財務報告準則。

香港財務報告準則(修訂本)	2010年頒佈之香港財務報告準則之改進
香港會計準則第24號 (於2009年經修訂)	關連人士披露
香港(國際財務報告詮釋委員會*) — 詮釋第14號(修訂本)	預付之最低資金規定
香港(國際財務報告詮釋委員會) — 詮釋第19號	以股本工具抵銷金融負債

* 國際財務報告詮釋委員會代表國際財務報告詮釋委員會。

於本年度應用以上新增或經修訂之香港財務報告準則對綜合財務報表所呈報之金額及/或綜合財務報表所載之披露並無重大影響。

本集團並未提早應用下列已頒佈但尚未生效之新增或經修訂之香港財務報告準則：

香港財務報告準則第7號(修訂本)	披露 — 金融資產轉讓 ¹
香港財務報告準則第7號(修訂本)	披露 — 金融資產及金融負債抵銷 ⁴
香港財務報告準則第7號及香港財務報告準則第9號(修訂本)	香港財務報告準則第9號之強制性生效日期及過渡性披露 ⁶
香港財務報告準則第9號	金融工具 ⁶
香港財務報告準則第10號	綜合財務報表 ⁴
香港財務報告準則第11號	共同安排 ⁴

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 March 2012

截至2012年3月31日止年度

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (continued)

2. 應用新頒佈及經修訂的香港財務報告準則(「香港財務報告準則」)(續)

HKFRS 12	Disclosures of interests in other entities ⁴	香港財務報告準則第12號	其他實體權益之披露 ⁴
HKFRS 13	Fair value measurements ⁴	香港財務報告準則第13號	公平值計量 ⁴
Amendments to HKAS 1	Presentation of financial statements – Presentation of items of other comprehensive income ³	香港會計準則第1號(修訂本)	財務報表呈列 – 其他全面收入項目之呈列 ³
Amendments to HKAS 12	Deferred tax: Recovery of underlying assets ²	香港會計準則第12號(修訂本)	遞延稅項：收回相關資產 ²
HKAS 19 (as revised in 2011)	Employee benefits ⁴	香港會計準則第19號 (於2011年經修訂)	僱員福利 ⁴
HKAS 27 (as revised in 2011)	Separate financial statements ⁴	香港會計準則第27號 (於2011年經修訂)	獨立財務報表 ⁴
HKAS 28 (as revised in 2011)	Investments in associates and joint ventures ⁴	香港會計準則第28號 (於2011年經修訂)	聯營公司及合營企業投資 ⁴
Amendments to HKAS 32	Offsetting financial assets and financial liabilities ⁵	香港會計準則第32號(修訂本)	金融資產及金融負債抵銷 ⁵
HK(IFRIC) – INT 20	Stripping costs in the production phase of a surface mine ⁴	香港(國際財務報告詮釋委員會) – 詮釋第20號	露天礦場生產期之剝採成本 ⁴

¹ Effective for annual periods beginning on or after 1 July 2011.

² Effective for annual periods beginning on or after 1 January 2012.

³ Effective for annual periods beginning on or after 1 July 2012.

⁴ Effective for annual periods beginning on or after 1 January 2013.

⁵ Effective for annual periods beginning on or after 1 January 2014.

⁶ Effective for annual periods beginning on or after 1 January 2015.

¹ 於2011年7月1日或之後開始之年度期間生效。

² 於2012年1月1日或之後開始之年度期間生效。

³ 於2012年7月1日或之後開始之年度期間生效。

⁴ 於2013年1月1日或之後開始之年度期間生效。

⁵ 於2014年1月1日或之後開始之年度期間生效。

⁶ 於2015年1月1日或之後開始之年度期間生效。

Notes to the Consolidated Financial Statements *(continued)*

綜合財務報表附註(續)

For the year ended 31 March 2012

截至2012年3月31日止年度

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) *(continued)*

HKFRS 9 “Financial instruments”

HKFRS 9 issued in 2009 introduces new requirements for the classification and measurement of financial assets. HKFRS 9 amended in 2010 includes the requirements for the classification and measurement of financial liabilities and for derecognition.

Key requirements of HKFRS 9 are described as follows:

- HKFRS 9 requires all recognised financial assets that are within the scope of HKAS 39 “Financial instruments: Recognition and measurement” to be subsequently measured at amortised cost or fair value. Specifically, debt investments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortised cost at the end of subsequent accounting periods. All other debt investments and equity investments are measured at their fair values at the end of subsequent reporting periods. In addition, under HKFRS 9, entities may make an irrevocable election to present subsequent changes in the fair value of an equity investment (that is not held for trading) in other comprehensive income, with only dividend income generally recognised in profit or loss.

2. 應用新增及經修訂之香港財務報告準則(「香港財務報告準則」)(續)

香港財務報告準則第9號「金融工具」

於2009年頒佈之香港財務報告準則第9號引入金融資產分類及計量之新規定。於2010年經修訂之香港財務報告準則第9號包括金融負債之分類及計量以及取消確認之規定。

香港財務報告準則第9號之主要規定列述如下：

- 香港財務報告準則第9號規定屬香港會計準則第39號「金融工具：確認及計量」範圍內之所有已確認金融資產其後均須按攤銷成本或公平值計量。具體而言，目的為收集合約現金流量之業務模式內所持有，以及合約現金流量僅為償還本金及尚未償還本金所產生利息之債務投資，一般於其後會計期間末按攤銷成本計量。所有其他債務投資及股本投資均於其後呈報期末按公平值計量。此外，根據香港財務報告準則第9號，實體可作出不可撤回選擇以於其他全面收入呈列股本投資(並非持作買賣)之其後公平值變動，而一般僅於損益內確認股息收入。

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (continued)

HKFRS 9 “Financial instruments” (continued)

Key requirements of HKFRS 9 are described as follows:
(continued)

- The most significant effect of HKFRS 9 regarding the classification and measurement of financial liabilities relates to the presentation of changes in the fair value of a financial liability (designated as at fair value through profit or loss) attributable to changes in the credit risk of that liability. Specifically, under HKFRS 9, for financial liabilities that are designated as at fair value through profit or loss, the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is presented in other comprehensive income, unless the recognition of the effects of changes in the liability’s credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. Changes in fair value attributable to a financial liability’s credit risk are not subsequently reclassified to profit or loss. Under HKAS 39, the entire amount of the change in the fair value of the financial liability designated as at fair value through profit or loss is presented in profit or loss.

New and revised standards on consolidation, joint arrangements, associates and disclosures

In June 2011, a package of five standards on consolidation, joint arrangements, associates and disclosures was issued, including HKFRS 10, HKFRS 11, HKFRS 12, HKAS 27 (as revised in 2011) and HKAS 28 (as revised in 2011).

2. 應用新增及經修訂之香港財務報告準則(「香港財務報告準則」)(續)

香港財務報告準則第9號「金融工具」(續)

香港財務報告準則第9號之主要規定列述如下：(續)

- 就金融負債之分類及計量而言，香港財務報告準則第9號最重大影響乃有關金融負債信貸風險變動應佔該負債(指定為按公平值計入損益)公平值變動之呈列方式。尤其是，根據香港財務報告準則第9號，就指定為按公平值計入損益之金融負債而言，該負債信貸風險變動應佔之金融負債公平值變動金額於其他全面收入呈列，除非於其他全面收入確認負債之信貸風險變動影響會導致或擴大於損益之會計錯配。金融負債信貸風險應佔之公平值變動其後不會重新分類至損益。根據香港會計準則第39號，指定為按公平值計入損益之金融負債公平值變動全部金額於損益呈列。

綜合、共同安排、聯營公司及披露之新增及經修訂準則

於2011年6月，五項有關綜合、共同安排、聯營公司及披露之準則獲頒佈，包括香港財務報告準則第10號、香港財務報告準則第11號、香港財務報告準則第12號、香港會計準則第27號(於2011年經修訂)及香港會計準則第28號(於2011年經修訂)。

Notes to the Consolidated Financial Statements *(continued)*
綜合財務報表附註 *(續)*

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2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) *(continued)*

New and revised standards on consolidation, joint arrangements, associates and disclosures *(continued)*

Key requirements of these five standards are described below.

HKFRS 10 replaces the parts of HKAS 27 “Consolidated and separate financial statements” that deal with consolidated financial statements and HK(SIC) – INT 12 “Consolidation – Special purpose entities”. HKFRS 10 includes a new definition of control that contains three elements: (a) power over an investee, (b) exposure, or rights, to variable returns from its involvement with the investee, and (c) the ability to use its power over the investee to affect the amount of the investor’s returns. Extensive guidance has been added in HKFRS 10 to deal with complex scenarios.

2. 應用新增及經修訂之香港財務報告準則(「香港財務報告準則」) *(續)*

綜合、共同安排、聯營公司及披露之新增及經修訂準則 *(續)*

該五項準則之主要規定詳述如下。

香港財務報告準則第10號取代處理綜合財務報表之部份香港會計準則第27號「綜合及獨立財務報表」及香港(常務詮釋委員會) – 詮釋第12號「綜合 – 特殊目的實體」。香港財務報告準則第10號載有控制之新定義，包括三項元素：(a) 對被投資方之權力；(b) 參與被投資方之業務所得可變回報之風險或權利；及(c) 對被投資方使用其權力影響投資者回報金額之能力。香港財務報告準則第10號已增加多項指引以處理複雜情況。

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) *(continued)*

New and revised standards on consolidation, joint arrangements, associates and disclosures *(continued)*

HKFRS 12 is a disclosure standard and is applicable to entities that have interests in subsidiaries, joint arrangements, associates and/or unconsolidated structured entities. In general, the disclosure requirements in HKFRS 12 are more extensive than those in the current standards.

These five standards are effective for annual periods beginning on or after 1 January 2013. Earlier application is permitted provided that all of these five standards are applied early at the same time.

The directors of the Company anticipate that these five standards will be adopted in the Group’s consolidated financial statements for the annual period beginning 1 April 2013 and the application of these five standards may have no significant impact on the results and financial position of the Group. However, the application of HKFRS 12 may result in more extensive disclosures in the consolidated financial statements.

2. 應用新增及經修訂之香港財務報告準則(「香港財務報告準則」)(續)

綜合、共同安排、聯營公司及披露之新增及經修訂準則(續)

香港財務報告準則第12號為一項披露準則，適用於在附屬公司、共同安排、聯營公司及／或未綜合結構實體擁有權益之實體。整體而言，香港財務報告準則第12號所載之披露規定較現行準則所規定者更為全面。

該五項準則於2013年1月1日或之後開始之年度期間生效，並可提早應用，惟五項準則須全部同時提早應用。

本公司董事預期，將於2013年4月1日之後開始之年度期間應用該五項準則於本集團之綜合財務報表及應用該五項準則將不會對本集團之業績及財務狀況有重大影響，但應用香港財務報告準則第12號可能導致本集團綜合財務報表之披露更為全面。

Notes to the Consolidated Financial Statements *(continued)* 綜合財務報表附註 *(續)*

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2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) *(continued)*

HKFRS 13 “Fair value measurement”

HKFRS 13 establishes a single source of guidance for fair value measurements and disclosures about fair value measurements. This standard defines fair value, establishes a framework for measuring fair value, and requires disclosures about fair value measurements. The scope of HKFRS 13 is broad; it applies to both financial instrument items and non-financial instrument items for which other HKFRSs require or permit fair value measurements and disclosures about fair value measurements, except in specified circumstances. In general, the disclosure requirements in HKFRS 13 are more extensive than those in the current standards. For example, quantitative and qualitative disclosures based on the three-level fair value hierarchy currently required for financial instruments only under HKFRS 7 “Financial instruments: Disclosures” will be extended by HKFRS 13 to cover all assets and liabilities within its scope.

HKFRS 13 is effective for annual periods beginning on or after 1 January 2013, with earlier application permitted.

The directors of the Company anticipate that HKFRS 13 will be adopted in the Group’s consolidated financial statements for the annual period beginning 1 April 2013 and may affect the amounts reported in the consolidated financial statements and result in more extensive disclosures in the consolidated financial statements.

2. 應用新增及經修訂之香港財務報告準則(「香港財務報告準則」)*(續)*

香港財務報告準則第13號「公平值計量」

香港財務報告準則第13號確立有關公平值計量及披露公平值計量資料之單一指引來源。該準則界定公平值，確立計量公平值之框架及有關公平值計量之披露規定。香港財務報告準則第13號之範圍寬廣：適用於其他香港財務報告準則規定或允許公平值計量及披露公平值計量資料之金融工具項目及非金融工具項目，惟特定情況除外。整體而言，香港財務報告準則第13號所載之披露規定較現行準則之規定更為全面。例如，現時僅規限香港財務報告準則第7號「金融工具：披露」所述金融工具之三個公平值等級之量化及定性披露資料將藉香港財務報告準則第13號加以擴展，以涵蓋其範圍內之所有資產及負債。

香港財務報告準則第13號於2013年1月1日或以後開始之年度期間生效，並可提早應用。

本公司董事預期，將於2013年4月1日之後開始之年度期間應用香港財務報告準則第13號於本集團之綜合財務報表及可能影響綜合財務報表內所呈報之金額及導致本集團綜合財務報表之披露更為全面。

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (continued)

Amendments to HKAS 1 “Presentation of items of other comprehensive income”

The amendments to HKAS 1 retain the option to present profit or loss and other comprehensive income in either a single statement or in two separate but consecutive statements. However, the amendments to HKAS 1 require additional disclosures to be made in the other comprehensive income section such that items of other comprehensive income are grouped into two categories: (a) items that will not be reclassified subsequently to profit or loss; and (b) items that may be reclassified subsequently to profit or loss when specific conditions are met. Income tax on items of other comprehensive income is required to be allocated on the same basis.

The amendments to HKAS 1 are effective for annual periods beginning on or after 1 July 2012. The presentation of items of other comprehensive income will be modified accordingly when the amendments are applied in the future accounting periods.

Amendments to HKAS 12 “Deferred tax – Recovery of underlying assets”

The amendments to HKAS 12 provide an exception to the general principles in HKAS 12 that the measurement of deferred tax assets and deferred tax liabilities should reflect the tax consequences that would follow from the manner in which the entity expects to recover the carrying amount of an asset. Specifically, under the amendments, investment properties that are measured using the fair value model in accordance with HKAS 40 “Investment property” are presumed to be recovered through sale for the purposes of measuring deferred taxes, unless the presumption is rebutted in certain circumstances.

2. 應用新增及經修訂之香港財務報告準則(「香港財務報告準則」)(續)

香港會計準則第1號(修訂本)「其他全面收入項目之呈列」

香港會計準則第1號之修訂本保留以單一報表或兩份獨立但連續報表呈列損益及其他全面收入之選擇權。然而，香港會計準則第1號之修訂本規定須於其他全面收入部份作出額外披露，以便將其他全面收入項目劃分為兩類：(a)其後不會重新分類至損益之項目；及(b)於達成特定條件時，其後可重新分類至損益之項目。其他全面收入項目的所得稅須按相同基準予以分配。

香港會計準則第1號之修訂本乃於2012年7月1日或以後開始之年度期間生效。當修訂本於未來會計期間應用時，其他全面收入項目之呈列方式將會作出相應變動。

香港會計準則第12號(修訂本)「遞延稅項 – 收回相關資產」

香港會計準則第12號之修訂本為香港會計準則第12號之一般原則提供例外情況，即計量遞延稅項資產及遞延稅項負債應反映實體預計可收回資產的賬面值之稅務影響。具體而言，依照修訂本，按照香港會計準則第40號「投資物業」採用公平值模式計量的投資物業，計量其遞延稅項時，乃假設透過出售予以收回，除非假設在若干情形下被駁回。

Notes to the Consolidated Financial Statements *(continued)* 綜合財務報表附註 *(續)*

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2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSS”) *(continued)*

Amendments to HKAS 12 “Deferred tax – Recovery of underlying assets” *(continued)*

The amendments to HKAS 12 are effective for annual periods beginning on or after 1 January 2012. The directors of the Company anticipate that the application of the amendments to HKAS 12 in future accounting periods may result in adjustments to the amounts of deferred tax liabilities recognised in prior years regarding the Group’s investment properties. The directors of the Company are in the process of assessing the impact on application of these amendments to HKAS 12 and the directors of the Company anticipate that these amendments will have an impact on deferred tax liabilities of the Group.

The directors of the Company anticipate that the application of the other new and revised standards, amendments or interpretations will have no material impact on the results and the financial position of the Group.

3. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements have been prepared on the historical cost basis except for investment properties and certain financial instruments, which are measured at fair values, as explained in the accounting policies set out below.

The consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards issued by the HKICPA. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on the Stock Exchange and by the Hong Kong Companies Ordinance.

2. 應用新增及經修訂之香港財務報告準則(「香港財務報告準則」)*(續)*

香港會計準則第12號(修訂本)「遞延稅項 – 收回相關資產」*(續)*

香港會計準則第12號之修訂本於2012年1月1日或之後開始之年度期間生效。本公司董事預期，於未來會計期間應用香港會計準則第12號之修訂，或會導致本集團投資物業有關之過往年度確認之遞延稅項負債金額作出調整。本公司董事現正評估應用香港會計準則第12號之修訂本之影響及本公司董事預期該修訂本將會影響本集團之遞延稅項負債。

本公司董事預期，應用其他新增及經修訂準則、修訂本或詮釋將不會影響本集團之業績及財務狀況。

3. 主要會計政策

如下文之會計政策所載，除投資物業及若干金融工具以公平值計量外，綜合財務報表乃按歷史成本法編製。

綜合財務報表乃按照香港會計師公會頒佈之香港財務報告準則編製。此外，綜合財務報表已載入聯交所證券上市規則及香港公司條例規定之適用披露。

3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries). Control is achieved where the Company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

The results of subsidiaries acquired or disposed of during the year are included in the consolidated statement of comprehensive income from the effective date of acquisition or up to the effective date of disposal, as appropriate.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by other members of the Group.

All intra-group transactions, balances, income and expenses are eliminated on consolidation.

Intangible assets acquired in a business combination

Intangible assets acquired in a business combination are identified and recognised separately from goodwill where they satisfy the definition of an intangible asset and their fair values can be measured reliably. The cost of such intangible assets is their fair value at the acquisition date.

Subsequent to initial recognition, intangible assets with finite useful lives are carried at costs less accumulated amortisation and any accumulated impairment losses. Amortisation for intangible assets with finite useful lives is provided on a straight-line basis over their estimated useful lives.

3. 主要會計政策(續)

綜合基準

綜合財務報表包括本公司及本公司控制之控股實體(其附屬公司)之財務報表。倘本公司有權控制該實體之財務及經營政策，以從其活動中獲取利益，則視為擁有控制權。

綜合全面收益表包括於年內購入或出售之附屬公司之業績，由有效收購日期起計或計至有效出售日期(按適用者)。

如有需要，附屬公司之財務報表會作出調整，以使其會計政策與本集團其他成員公司採用之會計政策一致。

所有集團內部交易、結餘、收入及開支已於綜合賬目時撇銷。

於業務合併中收購之無形資產

當符合無形資產定義及其公平值可可靠地計量時，於業務合併中收購之無形資產與商譽分開識別及確認。無形資產之成本乃其收購日期之公平值。

於初次確認後，有限定使用年期之無形資產以成本減累計攤銷及任何累計減值虧損列賬。有限定使用年期之無形資產根據預計使用年期以直線法攤銷。

Notes to the Consolidated Financial Statements *(continued)*

綜合財務報表附註(續)

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3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

Goodwill

Goodwill arising on an acquisition of a business is carried at cost less accumulated impairment losses, if any, and is presented separately in the consolidated statement of financial position.

For the purposes of impairment testing, goodwill is allocated to each of the relevant cash-generating units (or groups of cash-generating units) that is expected to benefit from the synergies of the combination.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually or more frequently whenever there is an indication that the unit may be impaired. For goodwill arising on an acquisition in a reporting period, the cash-generating unit to which goodwill has been allocated is tested for impairment before the end of that reporting period. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata on the basis of the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in profit or loss in the consolidated statement of comprehensive income. An impairment loss recognised for goodwill is not reversed in subsequent periods.

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the amount of profit or loss on disposal.

3. 主要會計政策(續)

商譽

收購業務所產生之商譽按成本減去任何累計減值虧損(如有)列賬並於綜合財務狀況報表內獨立呈列。

就減值測試而言，商譽乃分配至預期可從收購合併作用獲益之各個相關之賺取現金產生單位(或各組之賺取現金產生單位)。

獲分配商譽之賺取現金產生單位會每年作減值測試，並於凡有跡象顯示有關單位可能減值時作出更頻密測試。就於某一報告期間進行之收購所產生之商譽而言，獲分配有關商譽之賺取現金產生單位於該報告期末之前作減值測試。倘賺取現金產生單位的可收回款額低於有關單位之賬面值，則首先分配減值虧損以減少分配予該單位之任何商譽之賬面值，然後按比例根據有關單位內各資產之賬面值分配至其他資產。商譽之任可減值虧損直接於綜合全面收益表之損益確認。已確認商譽減值虧損不會於其後期間撥回。

於其後出售有關賺取現金產生單位時，在釐定出售損益時將計入應佔之商譽款額。

Notes to the Consolidated Financial Statements *(continued)*

綜合財務報表附註(續)

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3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

Non-current assets held for sale

Non-current assets or disposal groups are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the non-current asset is available for immediate sale in its present condition. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets (or disposal groups) classified as held for sale are measured at the lower of their previous carrying amount and fair value less costs to sell.

Discontinued operations

A discontinued operation is a component of the Group, which comprises operations and cash flows that can be clearly distinguished, operationally and for financial reporting purposes from the rest of the Group, and has been disposed of, or is classified as held for sale, and either (a) represents a separate major line of business or geographical area of operations, (b) is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations or (c) is a subsidiary acquired exclusively with a view to resale.

Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods sold and services provided in the normal course of business, net of discounts and sales related taxes.

3. 主要會計政策(續)

持作出售非流動資產

倘賬面值乃透過一項出售交易而非透過持續使用收回，非流動資產或出售組合將編列為持作出售。當出售很有可能發生及該非流動資產現況可供即時出售時，才可視作符合該條件。管理層必須承擔由分類日期起計預期一年內合資格確認為完成出售之出售。

編列為持作出售之非流動資產(或出售組合)以該資產之前賬面值及其公平值減出售成本之兩者較低者計量。

已終止經營業務

已終止經營業務為本集團其中一個組成部分，就業務上及財務報告而言，當中包含之營運及現金流量可與本集團其餘部分清晰劃分及已出售或列作持作出售，及(a)為一項個別主要業務或地區營運；(b)為單一協議計劃以出售一項個別主要業務或地區營運之部分或(c)為一用作轉售而收購之附屬公司。

收益確認

收益按已收或應收代價之公平值計算及為日常業務中所貨品銷售及服務提供之扣除折扣及與銷售有關稅項後之應收金額。

Notes to the Consolidated Financial Statements *(continued)*

綜合財務報表附註 *(續)*

For the year ended 31 March 2012

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3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

Revenue recognition *(continued)*

Revenue from the sale of goods is recognised when the goods are delivered and titles have passed, at which time all the following conditions are satisfied:

- the Group has transferred to the buyer the significant risks and rewards of ownership of the goods;
- the Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the Group; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Service income is recognised when services are rendered.

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Dividend income from investments is recognised when the shareholders' rights to receive payment have been established (provided that it is probable that the economic benefits will flow to the Group and the amount of revenue can be measured reliably).

3. 主要會計政策 *(續)*

收益確認 *(續)*

銷售貨品收益於交付貨品時及移交所有權後確認，同時完成所有以下條件：

- 本集團已將貨品所有權之重大風險及回報轉移予買家；
- 本集團並無保留已售出之貨品之一般與所有權相關之持續管理權或實際控制權；
- 收益之金額能可靠計量；
- 涉及交易之經濟效益可能流入本集團；及
- 有關交易已產生或將會產生之成本能可靠計量。

服務收入於提供服務時確認。

當經濟效益可能流入本集團及收入金額能可靠計量時會確認金融資產之利息收入。利息收入乃參考尚未償還之本金及當時適用實際利率按時間基準計提，實際利率乃指將估計未來收取之現金按金融資產預計可用年期折現至該資產於初次確認時之賬面淨值之利率。

投資股息收入於股東收取股息之權利確立時確認(假設經濟效益可能流入本集團及收益金額能可靠計量)。

Notes to the Consolidated Financial Statements *(continued)*

綜合財務報表附註(續)

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3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

Property, plant and equipment

Property, plant and equipment (other than construction in progress) are stated in the consolidated statement of financial position at cost less subsequent accumulated depreciation and accumulated impairment losses, if any.

Depreciation is recognised so as to write off the cost of items of property, plant and equipment other than construction in progress less their residual values over their estimated useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of the reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Construction in progress includes property, plant and equipment in the course of construction for production or for its own use purposes. Construction in progress is carried at cost less recognised impairment loss. Construction in progress is classified to the appropriate category of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

3. 主要會計政策(續)

物業、廠房及設備

物業、廠房及設備(除在建工程外)，乃按成本扣減其後之累計折舊及累計減值虧損(如有)於綜合財務狀況表列賬。

除在建工程外，物業、廠房及設備之折舊乃根據其估計可使用年期，按直線法撇銷其減去剩餘價值之成本。估計可使用年期，剩餘價值及折舊方法會在每個報告期末審閱，並按預期基準將任何估計轉變之影響列賬。

在建工程包括用作生產或自用之在建期間之物業、廠房及設備。在建工程按成本扣減其已確認減值虧損列賬。當在建工程落成及可投入使用时，將列入物業、廠房及設備之適當分類。當資產可投入使用时，開始計提折舊，其基準與其他物業資產相同。

物業、廠房及設備項目於出售後或當預期持續使用該資產將不會產生未來經濟利益時取消確認。出售或棄用物業、廠房及設備項目時所產生之任何收益或虧損乃以出售所得款項與該資產之賬面值之差額計算及於損益確認。

Notes to the Consolidated Financial Statements *(continued)*

綜合財務報表附註 *(續)*

For the year ended 31 March 2012

截至2012年3月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

Investment properties

Investment properties are properties held to earn rentals and/or for capital appreciation.

Investment properties are initially measured at cost, including any directly attributable expenditure, except for the properties transferred from property, plant and equipment, which are measured at fair value at the date of transfer. Subsequent to initial recognition, investment properties are measured at their fair values using the fair value model. Gains or losses arising from changes in the fair value of investment property are included in profit or loss in the period in which they arise.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from its disposals. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the item is derecognised.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is calculated using the first-in, first-out method.

3. 主要會計政策 *(續)*

投資物業

投資物業乃指持有作為賺取租金及／或作資本增值之物業。

除了轉撥自物業、廠房及設備之物業以轉撥日期之公平值計量外，投資物業初次按成本計量，包括任何直接應佔開支。於初次確認後，投資物業採用公平值模式計量。投資物業之公平值變動所產生之收益或虧損將計入產生期間之損益中。

投資物業於出售後，或投資物業永久不再使用及預期出售該等物業不會產生未來經濟利益時取消確認。取消確認物業所產生之任何收益或虧損(按出售所得款項淨額與資產之賬面值之差額計算)將計入取消確認期間之損益中。

存貨

存貨按成本及可變現淨值兩者之較低者入賬。成本以先入先出法計算。

Notes to the Consolidated Financial Statements *(continued)*

綜合財務報表附註(續)

For the year ended 31 March 2012

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3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

Financial instruments

Financial assets and financial liabilities are recognised in the consolidated statement of financial position when a group entity becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets or financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Financial assets

The Group's financial assets are classified into two categories including financial assets at fair value through profit or loss ("FVTPL") and loans and receivables. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

3. 主要會計政策(續)

金融工具

倘某集團實體成為工具合約條文之訂約方，則於綜合財務狀況表中確認金融資產及金融負債。

金融資產及金融負債初次按公平值計量。因收購或發行金融資產及金融負債(按公平值計入損益之金融資產及金融負債除外)而直接產生之交易成本於初次確認時加入金融資產或金融負債之公平值或自金融資產或金融負債之公平值扣除(按適用者)。因購入按公平值計入損益之金融資產或金融負債而直接產生之交易成本即時於損益中確認。

金融資產

本集團之金融資產分為兩個類別，包括按公平值計入損益(「按公平值計入損益」)之金融資產以及貸款及應收款項。分類視乎金融資產之性質及目的，並於初次確認時釐定。所有常規買賣之金融資產以交易日期基準確認或取消確認。常規買賣乃指按市場規則或慣例所訂立之時間內進行之金融資產買賣。

Notes to the Consolidated Financial Statements *(continued)*

綜合財務報表附註 *(續)*

For the year ended 31 March 2012

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3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

Financial instruments *(continued)*

Financial assets *(continued)*

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset, or, where appropriate, a shorter period to the net carrying amount on initial recognition.

Interest income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL, of which interest income is included in net gains or losses.

Financial assets at FVTPL

Financial assets at FVTPL has two subcategories, including financial assets held for trading and those designated as at FVTPL on initial recognition.

A financial asset is classified as held for trading if:

- it has been acquired principally for the purpose of selling in the near future; or
- it is a part of an identified portfolio of financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

3. 主要會計政策 *(續)*

金融工具 *(續)*

金融資產 *(續)*

實際利率法

實際利率法為計算金融資產的攤銷成本以及分配相關期間的利息收入的方法。實際利率是可準確透過金融資產的預計可用年期或(倘適用)在較短期間內對估計未來現金收入(包括所支付或收取能構成整體實際利率的所有費用及利率差價、交易成本及其他溢價或折價)折算至於初次確認時之賬面淨值的利率。

除按公平值計入損益之金融資產之利息收入包括在收益或虧損淨額內，債務工具之利息收入乃按實際利率法確認。

按公平值計入損益之金融資產

按公平值計入損益之金融資產包括持作買賣金融資產及於初次確認時介定為按公平值計入損益兩類。

在下列情況下，金融資產列作持作買賣：

- 主要為於短期內出售而購入；或
- 屬於本集團共同管理且在近期內有短期獲利實際模式之已辨別金融工具組合之部份；或
- 屬於未指定及有效作為對沖工具之衍生工具。

Notes to the Consolidated Financial Statements *(continued)*

綜合財務報表附註 *(續)*

For the year ended 31 March 2012

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3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

Financial instruments *(continued)*

Financial assets *(continued)*

Financial assets at FVTPL *(continued)*

A financial asset other than a financial asset held for trading may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- the financial asset forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Group's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and HKAS 39 permits the entire combined contract (asset or liability) to be designated as at FVTPL.

Financial assets at FVTPL, including equity linked investments, are measured at fair value, with changes in fair value arising from re-measurement recognised directly in profit or loss in the period in which they arise. The net gain or loss recognised in profit and loss excludes any dividend or interest earned on the financial assets.

3. 主要會計政策 *(續)*

金融工具 *(續)*

金融資產 *(續)*

按公平值計入損益之金融資產 *(續)*

除持作買賣金融資產外，在下列情況下，金融資產可於初次確認時介定為按公平值計入損益之金融資產：

- 該界定可消除或大幅減少計量或確認時可能產生之不一致；或
- 有關金融資產為一組金融資產或金融負債或兩者中之一部分，其管理及表現之評價乃以公平值基準按照本集團既定之風險管理或投資策略，以及按照內部使用之關於組合分類之資料；或
- 有關資產之協議包含一種或多種內含衍生工具，以及為香港會計準則第39號允許其整份合併協議（資產或負債）界定為按公平值計入損益之金融資產。

包括股本掛鈎投資之按公平值計入損益之金融資產均按公平值計量，重新計量引致之公平值之變動於該變動產生期間直接於損益確認。於損益確認之收益或虧損淨額不包括就金融資產賺取之任何股息或利息。

Notes to the Consolidated Financial Statements *(continued)*

綜合財務報表附註 *(續)*

For the year ended 31 March 2012

截至2012年3月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

Financial instruments *(continued)*

Financial assets *(continued)*

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Subsequent to initial recognition, loans and receivables (including trade and other receivables, and bank balances and cash) are carried at amortised cost using the effective interest method, less any identified impairment losses (see accounting policy on impairment of financial assets below).

Impairment of financial assets

Financial assets, other than financial assets at FVTPL, are assessed for indicators of impairment at the end of the reporting period. Financial assets are considered to be impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the financial assets have been affected.

Objective evidence of impairment could include:

- significant financial difficulty of the issuer or counterparty; or
- breach of contract, such as default or delinquency in interest or principal payments; or
- it becoming probable that the borrower will enter bankruptcy or financial re-organisation.

3. 主要會計政策 *(續)*

金融工具 *(續)*

金融資產 *(續)*

貸款及應收款項

貸款及應收款項為固定或可釐定付款之非衍生金融資產，沒有於活躍市場報價。於初次確認後，貸款及應收款項(包括貿易及其他應收款項、及銀行結餘及現金)均按採用實際利率法計算之已攤銷成本減任何已識別減值虧損入賬(見金融資產減值之會計政策如下)。

金融資產減值

除按公平值計入損益之金融資產外，金融資產於報告期末評估是否出現減值。金融資產於初次確認後，如出現一項或多項事件顯示金融資產出現減值之客觀證據，代表金融資產之估計未來現金流量已受到影響，金融資產需要減值。

減值之客觀證據可包括：

- 發行人或交易方出現重大財政困難；或
- 違約，如不履行或拖欠利息或本金支付；或
- 借款人可能破產或進行財務重組。

3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets (continued)

For financial assets carried at amortised cost, the amount of the impairment loss is recognised as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the financial asset's original effective interest rate.

The carrying amount of trade receivables and other receivables is reduced through the use of an allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss. Objective evidence of impairment for trade and other receivables could include the Group's past experience of collecting payments, an increase in the number of delayed payments in the trade and other receivables past the average credit period of 90 days, observable changes in national or local economic conditions that correlate with default in the receivables. When trade and other receivables are considered uncollectible, they are written off against the allowance account. Subsequent recoveries of amounts previously written off are credited to profit or loss.

For financial assets measured at amortised cost, if, in a subsequent period, the amount of impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment loss was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the asset at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

3. 主要會計政策(續)

金融工具(續)

金融資產(續)

金融資產減值(續)

就按攤銷成本列賬之金融資產而言，減值虧損金額按資產賬面值及按金融資產本來實際利率貼現之估計未來現金流量現值之差額確認。

貿易應收款項及其他應收款項之賬面值通過撥備賬而減少。撥備賬之賬面值的變動於損益中確認。貿易及其他應收款項的客觀減值證據包括考慮本集團過往收款經驗；組合中逾期付款的增加數目超過平均除賬期限90日；應收款項拖欠情況與有關國家或當地經濟狀況兩者間關連性的其他可觀察變化。當認為貿易及其他應收款項不能收回時，則於撥備賬撇銷。過往撇銷的金額於其後收回時計入損益。

就按攤銷成本入賬的金融資產而言，如於往後期間，減值虧損金額減少及有關減少可客觀地聯繫到已確認減值虧損後所發生的事件，則過往確認的減值虧損於損益中撥回，惟有關資產於撥回減值當日的賬面值不得超過沒有確認減值下之攤銷成本。

Notes to the Consolidated Financial Statements *(continued)*

綜合財務報表附註 *(續)*

For the year ended 31 March 2012

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3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

Financial instruments *(continued)*

Financial liabilities and equity instruments

Financial liabilities and equity instruments issued by a group entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Equity instruments

Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Interest expense is recognised on an effective interest basis.

Financial liabilities

Financial liabilities including trade and other payables, and bills payable are subsequently measured at amortised cost, using the effective interest method.

3. 主要會計政策 *(續)*

金融工具 *(續)*

金融負債及股本工具

某集團實體發行之金融負債及股本工具按所訂立之合約安排性質及金融負債及股本工具之定義而分類為金融負債或股本。

股本工具

本公司發行之股本工具按扣除直接發行成本後收取之所得款項入賬。

實際利率法

實際利率法為計算金融負債的攤銷成本以及分配相關期間的利息開支的方法。實際利率是可準確透過金融負債的預計年期或(倘適用)較短期間內對估計未來現金付款(包括所有已付或已收並構成實際利率整體之費用、交易成本及其他溢價或折價)折算至負債於初次確認時之賬面淨值之利率。

利息開支按實際利率基準確認。

金融負債

金融負債包括貿易及其他應付款項，及應付票據於其後採用實際利率法按攤銷成本計量。

Notes to the Consolidated Financial Statements *(continued)*

綜合財務報表附註(續)

For the year ended 31 March 2012

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3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

Financial instruments *(continued)*

Derecognition

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss.

The Group derecognise financial liabilities when, and only when, the Group's obligations are discharged, cancelled or expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

3. 主要會計政策(續)

金融工具(續)

取消確認

若從資產收取現金流量之權利已到期，或金融資產已轉讓及已將其於金融資產擁有權之絕大部分風險及回報轉移予其他實體，則本集團取消確認金融資產。

於取消確認金融資產之全部時，資產賬面值與已收及應收代價總額之差額以及已於其他全面收入中確認及於權益累計之累計收益或虧損於損益中確認。

本集團取消確認金融負債當，及只有當，本集團之特定責任獲解除、取消或到期。取消確認之金融負債賬面值與已付及應付代價之差額於損益中確認。

Notes to the Consolidated Financial Statements *(continued)*

綜合財務報表附註 *(續)*

For the year ended 31 March 2012

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3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

Impairment losses on tangible and intangible assets other than goodwill (see the accounting policy in respect of goodwill above)

At the end of the reporting period, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or a cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or a cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

3. 主要會計政策 *(續)*

除商譽外之有形及無形資產之減值虧損 (見上述有關商譽之會計政策)

於報告期末，本集團審閱其有形及無形資產之賬面值，以確定是否有任何跡象顯示該等資產出現減值虧損。倘有任何該等跡象存在，將估計資產之可收回金額以釐定其減值虧損(如有)。倘不能估計個別資產之可收回金額時，本集團則估計該資產所屬之現金產生單位之可收回金額。倘有合理及一致的分配基準，公司資產亦會分配至個別現金產生單位，否則會被分配至最小之現金產生單位組合，當中有合理及一致的分配基準。

可收回金額為公平值減成本及使用價值之較高者。評估使用價值時，乃使用能反映現行市場所評估金錢之時間價值之稅前貼現率貼現至其現在價值，而該資產之預計未來現金流量則未有調整相關風險。

倘一項資產(或現金產生單位)之估計可收回金額低於其賬面值，則該資產(或現金產生單位)之賬面值將調低至其可收回金額。減值虧損隨即確認為開支。

Notes to the Consolidated Financial Statements *(continued)*

綜合財務報表附註 *(續)*

For the year ended 31 March 2012

截至2012年3月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

Impairment losses on tangible and intangible assets other than goodwill (see the accounting policy in respect of goodwill above) *(continued)*

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or a cash-generating unit) in prior years. A reversal of an impairment loss is recognised as income immediately.

Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the consolidated statement of comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

3. 主要會計政策 *(續)*

除商譽外之有形及無形資產之減值虧損 (見上述有關商譽之會計政策) *(續)*

倘減值虧損其後撥回，該項資產之賬面值將增加至其經修訂之估計可收回金額，惟增加後之賬面值不得超過倘若該資產(或現金產生單位)於過往年度並無確認減值虧損所釐定之賬面值。減值虧損撥回隨即確認為收入。

稅項

所得稅支出指現時應付稅項及遞延稅項之總額。

現時應付稅項乃按本年度應課稅溢利計算。應課稅溢利與綜合全面收益表中所呈報之溢利不同，此乃由於前者不包括在其他年度應課稅或可扣稅之收入或開支，並且不包括無須課稅或不獲扣稅之項目。本集團之當期稅項負債採用於報告期末已頒佈或實質頒佈之稅率計算。

Notes to the Consolidated Financial Statements *(continued)*

綜合財務報表附註 *(續)*

For the year ended 31 March 2012

截至2012年3月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

Taxation *(continued)*

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax base used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of the reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realised, based on tax rate (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

3. 主要會計政策 *(續)*

稅項 *(續)*

遞延稅項為就綜合財務報表資產及負債賬面值及用以計算應課稅溢利相應稅基之臨時差額而確認之稅項。遞延稅項負債通常會就所有應課稅臨時差額確認。遞延稅項資產乃按照可能出現之可利用臨時差額扣稅的應課稅溢利而確認。若於一項交易中，因商譽或因業務合併以外原因初次確認其他資產及負債而引致之臨時差額不影響應課稅溢利亦不影響會計溢利，則不會確認該等資產及負債。

遞延稅項負債乃按因於附屬公司之投資而引致之應課稅臨時差額而確認，惟若本集團可令臨時差額撥回及臨時差額有可能不會於可見將來撥回之情況除外。有關該等投資之可扣減臨時差額所引致之遞延稅項資產，只會在有足夠應課稅溢利以動用臨時差額利益及預計其於可見未撥回之情況下才確認。

遞延稅項資產之賬面值於報告期末作出檢討，並在沒有可能有足夠應課稅溢利以恢復全部或部分資產價值時作出調減。

遞延稅項資產及負債乃以預期於清還負債或變現資產時之適用稅率計量，並根據於報告期末已頒佈或大致上頒佈之稅率(及稅務法例)為基準。

Notes to the Consolidated Financial Statements *(continued)*

綜合財務報表附註(續)

For the year ended 31 March 2012

截至2012年3月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

Taxation *(continued)*

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax is recognised in profit or loss, except when it relates to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax is also recognised in other comprehensive income or directly in equity respectively.

Leasing

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

The Group as lessor

Rental income from operating leases is recognised in profit or loss on a straight-line basis over the term of the relevant lease.

The Group as lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis.

3. 主要會計政策(續)

稅項(續)

遞延稅項負債及資產之計量乃反映本集團預計於報告期末收回資產或清還負債賬面值後之稅項結果。

流動及遞延稅項於損益中確認，惟項目於其他全面收入或直接於權益中確認者除外，相關之流動及遞延稅項亦需分別於其他全面收入或直接於權益中確認。

租約

凡租約條款將租賃資產擁有權之絕大部分風險及利益撥歸於承租人之租約，均歸類為融資租約。所有其他租約均歸類為經營租約。

本集團作為出租人

經營租約租金收入乃按有關租約年期以直線法於損益中確認。

本集團作為承租人

經營租約之付款乃按租約年期以直線法確認為開支。作為促使訂立經營租約所收到之獎勵會確認為負債。獎勵之總收益按直線法確認為租金開支減少。

Notes to the Consolidated Financial Statements *(continued)*

綜合財務報表附註 *(續)*

For the year ended 31 March 2012

截至2012年3月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

Foreign currencies

In preparing the financial statements of each individual group entity, transactions in currencies other than the functional currency of that entity (foreign currencies) are recorded in the respective functional currency (i.e. the currency of the primary economic environment in which the entity operates) at the rates of exchange prevailing on the dates of the transactions. At the end of the reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, are recognised in profit or loss in the year in which they arise. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in profit or loss for the period.

For the purposes of presenting the consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated into the presentation currency of the Group (i.e. Hong Kong dollars) at the rate of exchange prevailing at the end of the reporting period, and their income and expenses are translated at the average exchange rates for the year, unless exchange rates fluctuate significantly during the year, in which case, the exchange rates prevailing at the dates of transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity under the heading of exchange reserve.

3. 主要會計政策 *(續)*

外幣

於編製各個別集團實體之財務報表時，以該實體之功能貨幣以外貨幣(外幣)進行之交易乃按交易日期之適用匯率折算為其功能貨幣(即該實體進行經營之主要經濟環境所使用之貨幣)記錄。於報告期末，以外幣列值之貨幣項目按該結算日之適用匯率重新換算。按公平值列賬及以外幣列值之非貨幣項目按公平值釐定當日之適用匯率重新換算。按歷史成本及以外幣計算之非貨幣項目不進行重新換算。

結算貨幣項目及重新換算貨幣項目而產生之匯兌差異，於該等差異產生年度之損益中確認。因結算以公平值列賬之非貨幣項目而產生之匯兌差異，將包括在該期間之損益中。

就綜合財務報表呈列而言，本集團海外營運之資產及負債乃按於報告期末之適用匯率換算為本集團呈列貨幣(即：港元)，其收入及開支按該年度之平均匯率換算，惟於該期間之匯率大幅波動時，則使用各項交易日期之適用匯率換算。產生之匯兌差異(如有)於其他全面收入確認及於權益之匯兌儲備累計。

Notes to the Consolidated Financial Statements *(continued)*

綜合財務報表附註(續)

For the year ended 31 March 2012

截至2012年3月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

Retirement benefits costs

Payments to the state-sponsored pension scheme operated by the Mainland China (the “PRC”) government or the Hong Kong Mandatory Provident Fund Scheme are recognised as an expense when employees have rendered services entitling them to the contribution.

4. KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group’s accounting policies, which are described in note 3, the directors of the Company are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets within the next financial year.

3. 主要會計政策(續)

退休福利成本

按照中國政府設立之國家資助退休金計劃或香港強積金退休計劃之付款，當僱員因提供服務而享有供款後列支。

4. 不確定估計之主要來源

在應用附註3所述之本集團會計政策時，本公司董事須就未有明確資料之資產及負債之賬面值作出判斷、估計及假設。估計及相關假設乃基於過往經驗及其他相關因素。實際結果可能有異於此等估計。

就估計及相關假設而作出持續檢討。修改會計估計將於修改估計之期間確認(如修改只影響該期間)或於修改期間及往後期間確認(如修改影響本期間及往後期間)。

以下為有關未來之主要假設，以及於報告期末之其他不確定估計之主要來源，該等估計存在可能導致有關資產及負債之賬面值於下一財政年度出現重大調整之重大風險。

Notes to the Consolidated Financial Statements *(continued)*

綜合財務報表附註(續)

For the year ended 31 March 2012

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4. KEY SOURCES OF ESTIMATION UNCERTAINTY *(continued)*

Estimated impairment of goodwill

Determining whether goodwill is impaired requires an estimation of the value in use of the cash-generating units to which goodwill has been allocated. The value in use calculation requires the Group to estimate the future cash flows expected to arise from the cash-generating units and a suitable discount rate in order to calculate the present value. Where the actual future cash flows are less than expected, a material impairment loss may arise. As at 31 March 2011, the gross carrying amount of goodwill was HK\$39,313,000, of which full amount of impairment loss is recognised in profit and loss during the year ended 31 March 2012. Details of the recoverable amount calculation are disclosed in note 18.

Estimated impairment of intangible asset

Determining whether intangible asset is impaired requires an estimation of the value in use of the cash-generating units to which intangible asset has been allocated. The value in use calculation requires the Group to estimate the future cash flows expected to arise from the cash-generating units and a suitable discount rate in order to calculate the present value. Where the actual future cash flows are less than expected, a material impairment loss may arise. As at 31 March 2011, the carrying amount of intangible asset was HK\$21,614,000, impairment loss of HK\$19,791,000 is recognised in profit and loss during the year ended 31 March 2012. Details of the recoverable amount calculation are disclosed in note 19.

4. 不確定估計之主要來源(續)

商譽之減值估計

決定商譽是否已減值，需就商譽之已分配賺取現金產生單位使用價值作出估計。使用價值之計算乃需本集團估計有關賺取現金產生單位可帶來之未來現金流量，以及估計適用之折現率以計算其現值，當實際未來現金流量低於預期時，或會出現重大減值虧損。於2011年3月31日，商譽之賬面值為39,313,000港元，全數減值虧損已於截至2012年3月31日止年內之損益確認。可收回金額計算之詳情於附註18披露。

無形資產之減值估計

決定無形資產是否已減值，需就無形資產之已分配賺取現金產生單位使用價值作出估計。使用價值之計算乃需本集團估計有關賺取現金產生單位可帶來之未來現金流量，以及估計適用之折現率以計算其現值，當實際未來現金流量低於預期時，或會出現重大減值虧損。於2011年3月31日，無形資產之賬面值為21,614,000港元，已於截至2012年3月31日止年度之損益確認減值虧損為19,791,000港元。可收回金額計算之詳情於附註19披露。

5. CAPITAL RISK MANAGEMENT

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the cash and cash equivalent and equity balance. The Group's overall strategy remains unchanged from prior year.

The capital structure of the Group consists of cash and cash equivalents, and equity attributable to owners of the Company, comprising issued share capital and reserves. The Group did not have borrowings for the years ended 31 March 2011 and 2012.

The directors of the Company review the capital structure on a regular basis. As part of this review, the directors consider the cost of capital and the risks associated with the capital. Based on recommendations of the directors, the Group will balance its overall capital structure through the payment of dividends, new share issues and raising of bank loans.

5. 資本風險管理

為確保本集團旗下各實體可繼續持續經營，本集團對其資本實行管理，並透過使現金及等同現金及股本達致最佳平衡而為股東取得最大回報。本集團的整體策略自往年維持不變。

本集團的資本架構包括現金及等同現金淨額，以及本公司權益持有人應佔權益(包括已發行股本及儲備)。截至2011年及2012年3月31日止年度，本集團並無借貸。

本公司董事定期檢討資本架構。作為檢討的一部分，董事已考慮資金成本及資本的相關風險。根據董事的建議，本集團將透過派付股息、發行新股及籌集銀行貸款，藉以平衡整體資本架構。

Notes to the Consolidated Financial Statements (continued)
綜合財務報表附註(續)

For the year ended 31 March 2012

截至2012年3月31日止年度

6. FINANCIAL INSTRUMENTS

6. 金融工具

a. Categories of financial instruments

a. 金融工具之類別

		2012 HK\$'000 千港元	2011 HK\$'000 千港元
Financial assets	金融資產		
Investments held for trading	持作買賣投資	58,987	58,485
Financial assets designated as at FVTPL	按公平值計入損益之金融資產	—	19,327
Loans and receivables (including cash and cash equivalents)	貸款及應收款項 (包括現金及等同現金)		
— Trade and other receivables	— 貿易及其他應收款項	19,818	43,198
— Bank balances and cash	— 銀行結餘及現金	205,477	181,876
		284,282	302,886
Financial liabilities	金融負債		
Amortised cost	攤銷成本		
Trade and other payables	貿易及其他應付款項	7,971	20,434
Bills payable	應付票據	3,687	—
		11,658	20,434

b. Financial risk management objectives and policies

The Group's major financial instruments include investments held for trading, equity linked investment, trade and other receivables, bank balances and cash, trade and other payables and bills payable. Details of these financial instruments are disclosed in respective notes. The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below. The management manages and monitors these exposures to ensure that appropriate measures are implemented on a timely and effective manner.

b. 財務風險管理目標及政策

本集團之主要金融工具包括持作買賣投資、股票掛鈎投資、貿易及其他應收款項、銀行結餘及現金、貿易及其他應付款項及應付票據。該等金融工具之詳情已披露於相關附註內。而該等金融工具涉及之風險以及降低該等風險之政策則載列如下。管理層管理及監察該等風險，確保適時及有效地採取適當措施。

Notes to the Consolidated Financial Statements (continued)
 綜合財務報表附註(續)

For the year ended 31 March 2012

截至2012年3月31日止年度

6. FINANCIAL INSTRUMENTS (continued)

b. Financial risk management objectives and policies
 (continued)

Market risk

(i) *Currency risk*

Certain subsidiaries of the Group have foreign currency sales or purchases denominated in currencies other than their functional currencies, which expose the Group to foreign currency risk. Approximately 98% (2011: 98%) of the Group's sales are denominated in currencies other than the functional currency of the group entities making the sale, whilst almost all purchases are denominated in the group entities' functional currency.

The carrying amount of the group entities' foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period is as follows:

6. 金融工具(續)

b. 財務風險管理目標及政策(續)

市場風險

(i) *貨幣風險*

由於本集團若干附屬公司，除功能貨幣外，銷售及購貨亦有以外幣列值，致使本集團承受外幣風險。約98% (2011年：98%)之本集團銷售是以集團實體之功能貨幣以外貨幣列值，差不多所有之購貨則以集團實體之功能貨幣列值。

於報告期末，以集團實體之功能貨幣以外之外幣列值的貨幣資產及貨幣負債之賬面值如下：

		Liabilities		Assets	
		負債		資產	
		2012	2011	2012	2011
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Renminbi ("RMB")	人民幣	—	1,109	171	10
HKD	港元	—	—	28	28
United States dollars	美元				
("USD")		85	114	55,350	35,355
Euro ("EUR")	歐元	—	—	10,199	3

Notes to the Consolidated Financial Statements *(continued)*

綜合財務報表附註(續)

For the year ended 31 March 2012

截至2012年3月31日止年度

6. FINANCIAL INSTRUMENTS *(continued)*

b. Financial risk management objectives and policies *(continued)*

Market risk *(continued)*

(i) Currency risk *(continued)*

Sensitivity analysis

The Group is mainly exposed to the currencies of RMB, EUR and USD.

The following table details the group entities' sensitivity to a 5% increase and decrease in functional currency of the relevant group entities against the relevant foreign currencies. 5% (2011: 5%) represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the year end for a 5% change in foreign currency rates. A positive number below indicates a decrease in loss or an increase in profit where functional currency of the relevant group entities weaken 5% against the relevant foreign currency. For a 5% strengthening of functional currency of the relevant group entities against the relevant foreign currency, there would be an equal and opposite impact on the loss or profit, and the balances below would be negative.

6. 金融工具(續)

b. 財務風險管理目標及政策(續)

市場風險(續)

(i) 貨幣風險(續)

敏感度分析

本集團之貨幣風險主要是人民幣、歐元及美元。

下表詳列集團實體之功能貨幣兌相關外幣升值及貶值5%之敏感度。5% (2011年：5%) 為向主要管理人員內部匯報外匯風險所用之敏感率，並且是管理層對匯率可能合理變動之評估。敏感度分析僅包括以外幣計算之尚未平倉貨幣項目，並於年末調整其兌換以反映匯率之5%變動。下列正數表示有關集團實體之功能貨幣兌相關外幣貶值5%所導致的虧損減少或溢利增加。倘集團實體之功能貨幣兌相關外幣升值5%，將會對損益造成相等及相反之影響，而下列結餘將會為負數。

Notes to the Consolidated Financial Statements (continued)
 綜合財務報表附註(續)

For the year ended 31 March 2012
 截至2012年3月31日止年度

6. FINANCIAL INSTRUMENTS (continued)

6. 金融工具(續)

b. Financial risk management objectives and policies
 (continued)

b. 財務風險管理目標及政策(續)

Market risk (continued)

市場風險(續)

(i) Currency risk (continued)

(i) 貨幣風險(續)

Sensitivity analysis (continued)

敏感度分析(續)

	RMB Impact		HKD Impact		USD Impact		EUR Impact		
	人民幣之影響		港幣之影響		美元之影響		歐元之影響		
	2012	2011	2012	2011	2012	2011	2012	2011	
	HK\$'000	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	千港元	
Decrease (increase) in loss (2011: Increase (decrease) in profit)	虧損減少(增加) (2011年: 溢利 增加(減少))	9	(55)	1	1	2,763	1,762	510	-

The Group currently does not have a foreign currency hedging policy to eliminate the currency exposures. However, the management monitors the related foreign currency exposure closely and will consider hedging significant foreign currency exposures should the need arise.

本集團現時並無貨幣對沖政策以減低貨幣風險。但管理層會緊密監控相關之貨幣風險及考慮在有需要時就重大貨幣風險進行對沖。

In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk as the year end exposure does not reflect the exposure during the year.

管理層認為，敏感度分析並不代表固有之外幣兌換風險，因年底風險不能反映年內風險。

Notes to the Consolidated Financial Statements *(continued)*

綜合財務報表附註 *(續)*

For the year ended 31 March 2012

截至2012年3月31日止年度

6. FINANCIAL INSTRUMENTS *(continued)*

b. Financial risk management objectives and policies *(continued)*

Market risk *(continued)*

(ii) Other price risk

The Group is exposed to equity price risk through its investments held for trading and financial assets designated as at FVTPL. The management manages this exposure by maintaining a portfolio of investments with different risks. The Group's equity price risk is mainly concentrated on equity instruments quoted in the Stock Exchange of issuers operating in banking and finance industry sector. In addition, the Group has appointed a special team to monitor the price risk and will consider hedging the risk exposure should the need arise.

Sensitivity analysis

The sensitivity analysis below has been determined based on the exposure to equity price risks at the reporting date.

If the prices of the investments held for trading and fair value of financial assets designated as at FVTPL had been 5% (2011: 5%) higher/lower, post-tax loss for the year ended 31 March 2012 would decrease/increase by HK\$2,462,000 (2011: increase/decrease in post-tax profit by HK\$3,248,000) as a result of the changes in fair value of investments held for trading and financial assets designated as at FVTPL.

6. 金融工具 *(續)*

b. 財務風險管理目標及政策 *(續)*

市場風險 *(續)*

(ii) 其他價格風險

透過本集團投資於持作買賣投資及按公平值計入損益之金融資產，致使本集團承受證券價格風險。管理層透過持有不同風險之證券投資組合以管理該風險。本集團之證券價格風險集中於港交所上市之銀行及金融行業。此外，本集團亦有人員負責監控相關價格風險及考慮在有需要時對沖該風險。

敏感度分析

以下敏感度分析是根據於報告期末所承受之證券價格風險釐定。

倘列作持作買賣投資及按公平值計入損益之金融資產之價格上升／下降5% (2011年：5%)，持作買賣投資及按公平值計入損益之金融資產公平值之變動將導致截至2012年3月31日止年度稅後虧損減少／增加2,462,000港元 (2011年：稅後溢利增加／減少3,248,000港元)。

Notes to the Consolidated Financial Statements *(continued)*

綜合財務報表附註(續)

For the year ended 31 March 2012

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6. FINANCIAL INSTRUMENTS *(continued)*

b. Financial risk management objectives and policies *(continued)*

Credit risk

The Group's maximum exposure to credit risk in the event of the counterparties' failure to perform their obligations as at 31 March 2012 in relation to each class of recognised financial assets is the carrying amount of those assets as stated in the consolidated statement of financial position. In view of the nature of business, the Group targets on a focused market. As at 31 March 2012, the Group has concentration of credit risk in the trade receivables balance amounting to HK\$14,391,000 (2011: HK\$28,788,000) derived from the five largest customers with good credit history in garment industry. There is also concentration risk in respect of the Group's turnover during the year ended 31 March 2012 amounting to HK\$255,249,000 (2011: HK\$294,346,000) out of total turnover of HK\$286,916,000 (2011: HK\$347,992,000) was made to one single customer. In order to minimise the credit risk, the management of the Group has reviewed the financial position, liquidity and recoverable amount of each individual trade receivable regularly to ensure that adequate impairment losses are made for irrecoverable amounts. In this regard, the directors of the Company consider that the Group's credit risk is significantly reduced.

The credit risk on liquid funds is limited because the majority of the counterparties are banks with high credit-ratings assigned by international credit-rating agencies and banks with good reputation.

6. 金融工具(續)

b. 財務風險管理目標及政策(續)

信貸風險

倘對方未能履行於2012年3月31日有關各類已確認金融資產之責任，則本集團所承擔之最高信貸風險為綜合財務狀況表所列之該等資產之賬面值。就業務性質而言，本集團以集中市場為目標。於2012年3月31日，本集團有源自五大客戶之貿易應收款項結餘14,391,000港元(2011年：28,788,000港元)之集中信貸風險。有關本集團截至2012年3月31日止年度之營業額亦有來自單一客戶之集中風險255,249,000港元(2011年：294,346,000港元)總營業額為286,916,000港元(2011年：347,992,000港元)。為減低信貸風險，本集團之管理層定期審閱每項貿易應收款項之財務狀況，流動資金及可收回金額，以確保已就不能收回金額作出足夠減值虧損。就此而言，本公司董事認為本集團之信貸風險已大幅減低。

流動資金之信貸風險有限，因大部分交易方為被國際信貸評級機構評為高信貸評級之銀行，亦為有良好信譽之銀行。

Notes to the Consolidated Financial Statements (continued)
綜合財務報表附註(續)

For the year ended 31 March 2012

截至2012年3月31日止年度

6. FINANCIAL INSTRUMENTS (continued)

b. Financial risk management objectives and policies (continued)

Liquidity risk

In the management of liquidity risk, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the Group's operations. The management monitors the utilisation of borrowings and ensures compliance with loan covenants.

As at 31 March 2012, the Group has available unutilised bank loan facilities of HK\$60,000,000 (2011: HK\$50,000,000).

The following table details the Group's remaining contractual maturity for its financial liabilities. The table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The table includes both interest and principal cash flows.

6. 金融工具(續)

b. 財務風險管理目標及政策(續)

流動資金風險

就流動資金風險管理而言，本集團之管理層監管及維持一定水平視為足夠之現金及等同現金以供本集團之經營所需。管理層亦監管借貸之動用並確保其遵守相關貸款條款。

於2012年3月31日，本集團之未動用銀行貸款額度為60,000,000港元(2011年：50,000,000港元)。

下表詳列本集團之金融負債之剩餘合約到期期限。此表乃按本集團可被要求付款之最早到期日之金融負債未折現現金流量列示，表內包括利息及本金現金流量。

Notes to the Consolidated Financial Statements (continued)
 綜合財務報表附註(續)

For the year ended 31 March 2012

截至2012年3月31日止年度

6. FINANCIAL INSTRUMENTS (continued)

6. 金融工具(續)

b. Financial risk management objectives and policies
 (continued)

b. 財務風險管理目標及政策(續)

Liquidity risk (continued)

流動資金風險(續)

Liquidity tables

流動資金表

		Effective interest rate 實際利率 %	Less than 3 months 少於3個月 HK\$'000 千港元	Total undiscounted cash flows 未折現現金 流量總額 HK\$'000 千港元	Carrying amount 賬面值 HK\$'000 千港元
2012	2012年				
Non-derivative financial liabilities	非衍生金融負債				
Trade and other payables	貿易及其他應付款項	—	7,971	7,971	7,971
Bills payable	應付票據	—	3,687	3,687	3,687
			11,658	11,658	11,658
2011	2011年				
Non-derivative financial liabilities	非衍生金融負債				
Trade and other payables	貿易及其他應付款項	—	20,434	20,434	20,434

Notes to the Consolidated Financial Statements *(continued)*

綜合財務報表附註(續)

For the year ended 31 March 2012

截至2012年3月31日止年度

6. FINANCIAL INSTRUMENTS *(continued)*

c. Fair value

The fair value of financial assets and liabilities are determined as follows:

- The fair value of financial assets with standard terms and conditions and traded on active liquid markets are determined with reference to quoted market bid prices.
- The fair value of financial assets designated as at FVTPL are determined based on valuation provided by the counterparty financial institutions for equivalent instruments.
- The fair value of other financial assets and financial liabilities are determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices or rates from observable current market transactions as input.

The directors consider that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the consolidated financial statements approximate to their fair values.

6. 金融工具(續)

c. 公平值

金融資產及負債之公平值之釐定如下：

- 有標準條款及活躍市場之金融資產之公平值乃參考市場上所報之出價而釐定。
- 按公平值計入損益之金融資產則按相同工具對應之金融機構提供之估價而釐定。
- 其他金融資產及金融負債之公平值則按普遍接受之定價模式，此乃根據可觀察之現時市場上交易所採用之價格作為輸入值之折現現金流量分析而釐定。

董事認為，以攤銷成本列於綜合財務報表之金融資產及金融負債之賬面值與其相關結算日之公平值相近。

Notes to the Consolidated Financial Statements *(continued)*

綜合財務報表附註(續)

For the year ended 31 March 2012

截至2012年3月31日止年度

6. FINANCIAL INSTRUMENTS *(continued)*

c. Fair value *(continued)*

Fair value measurements recognised in the consolidated statement of financial position

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 2 based on the degree to which the fair value is observable.

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active market for identical assets or liabilities.
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

6. 金融工具(續)

c. 公平值(續)

於綜合財務狀況表確認之公平值計量

下表提供初次確認後以按公平值計量之金融工具分析，其按可觀察之公平值程度分為第1至2級。

- 第1級公平值計量乃按可識別資產或負債於活躍市場所報之價格(未調整)得出。
- 第2級公平值計量乃按資產或負債可直接(即作為價格)或間接(即按價格衍生)觀察之輸入值(第1級計入的報價除外)得出。
- 第3級公平值計量乃按估值技術，包括資產或負債之輸入值而不按不可觀察之市場資料(不可觀察輸入值)得出。

Notes to the Consolidated Financial Statements (continued)
綜合財務報表附註(續)

For the year ended 31 March 2012

截至2012年3月31日止年度

6. FINANCIAL INSTRUMENTS (continued)

6. 金融工具(續)

c. Fair value (continued)

c. 公平值(續)

Fair value measurements recognised in the consolidated statement of financial position (continued)

於綜合財務狀況表確認之公平值計量
(續)

		Level 1 第1級 HK\$'000 千港元	Level 2 第2級 HK\$'000 千港元	Total 總值 HK\$'000 千港元
2012	2012年			
Financial assets at FVTPL	按公平值計入損益之金融資產			
Investments held for trading	持作買賣投資	58,987	—	58,987
2011	2011年			
Financial assets at FVTPL	按公平值計入損益之金融資產			
Equity linked investments	股票掛鈎投資	—	19,327	19,327
Investments held for trading	持作買賣投資	58,485	—	58,485
		58,485	19,327	77,812

There were no transfers between Level 1 and 2 in the current and prior years.

第1級及第2級之間並沒有於本年度及過往年度轉移。

Notes to the Consolidated Financial Statements *(continued)*

綜合財務報表附註(續)

For the year ended 31 March 2012

截至2012年3月31日止年度

7. TURNOVER

Turnover represents the aggregate of the amounts received or receivable for goods sold, net of discounts and sales related taxes, and rental income received and receivable during the year. An analysis of the Group's turnover from its continuing operations is as follows:

		2012 HK\$'000 千港元	2011 HK\$'000 千港元
Sales of goods	貨物銷售	280,918	342,700
Rental income	租金收入	5,998	5,292
		286,916	347,992

8. SEGMENT INFORMATION

Information reported to the Group's chief executive officer, being the chief operating decision maker, for the purposes of resource allocation and assessment of segment performance focuses on types of goods delivered or services provided. This is also the basis of organisation, whereby the management has chosen to organise the Group around differences in products and services.

The Group's operating and reportable segments from continuing operations under HKFRS 8 are: (a) garment sourcing and exporting, (b) property investment and (c) investment in securities.

7. 營業額

營業額指年內扣除折扣及與銷售有關稅項後之貨品銷售之已收或應收金額及租金收入之已收及應收總額。本集團來自持續經營業務之營業額分析如下：

8. 分類資料

就資源分配及表現評估而言，呈報給本集團之主要經營決策者首席行政總裁之資料，乃集中於貨品交付或服務提供之種類。此亦為組織之基準，管理層選擇以此來組織本集團產品及服務之差異。

根據香港財務報告準則第8號，本集團持續經營業務之經營及呈報分部為：(a)採購及出口成衣、(b)物業投資及(c)證券投資。

Notes to the Consolidated Financial Statements (continued)
綜合財務報表附註(續)

For the year ended 31 March 2012

截至2012年3月31日止年度

8. SEGMENT INFORMATION (continued)

8. 分類資料(續)

Segment revenue and results

分類營業額及業績

The following is an analysis of the Group's revenue and results from its continuing operations by operating and reportable segment:

按來自持續經營業務之經營及呈報分部分析本集團之營業額及業績如下：

For the year ended 31 March 2012

截至2012年3月31日止年度

Continuing operations:

持續經營業務：

		Garment sourcing and exporting 採購及 出口成衣 HK\$'000 千港元	Property investment 物業投資 HK\$'000 千港元	Investment in securities 證券投資 HK\$'000 千港元	Eliminations 撇銷 HK\$'000 千港元	Consolidated 綜合 HK\$'000 千港元
Turnover	營業額					
External	外來	280,918	5,998	—	—	286,916
Segment (loss) profit	分類業績	(61,799)	2,848	(14,711)	—	(73,662)
Other income	其他收入					2,937
Other gain and losses	其他收益及虧損					(746)
Other expenses	其他開支					(235)
Gain arising on changes in fair value of investment properties	投資物業之 公平值變動 收益					33,979
Reversal of impairment loss recognised in respect of property, plant and equipment	物業、廠房及 設備之已確認 減值虧損 撥回					1,027
Unallocated corporate expenses	無分配之公司 開支					(5,255)
Loss before taxation (continuing operations)	除稅前虧損 (持續經營業務)					(41,955)

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 March 2012

截至2012年3月31日止年度

8. SEGMENT INFORMATION (continued)

Segment revenue and results (continued)

For the year ended 31 March 2011

Continuing operations:

		Garment sourcing and exporting 採購及 出口成衣 HK\$'000 千港元	Property investment 物業投資 HK\$'000 千港元	Investment in securities 證券投資 HK\$'000 千港元	Eliminations 撇銷 HK\$'000 千港元	Consolidated 綜合 HK\$'000 千港元
Turnover	營業額					
External	外來	342,700	5,292	—	—	347,992
Segment profit	分類業績	3,115	2,450	1,165	—	6,730
Other income	其他收入					213
Other gain and losses	其他收益及虧損					997
Other expenses	其他開支					(1,147)
Gain arising on changes in fair value of investment properties	投資物業之 公平值變動 收益					37,374
Reversal of impairment loss recognised in respect of property, plant and equipment	物業、廠房及 設備之已確認 減值虧損 撥回					8,777
Unallocated corporate expenses	無分配之公司 開支					(3,128)
Profit before taxation (continuing operations)	除稅前溢利 (持續經營業務)					49,816

8. 分類資料(續)

分類營業額及業績(續)

截至2011年3月31日止年度

持續經營業務：

The accounting policies of the operating and reportable segments are the same as the Group's accounting policies described in note 3. Segment profit (loss) represents the result incurred by each segment without allocation of other income, other gains and losses, other expenses, gain arising on changes in fair value of investment properties, reversal of impairment loss recognised in respect of property, plant and equipment and unallocated corporate expenses. This is the measure reported to the Group's chief executive officer for the purposes of resource allocation and performance assessment.

如附註3所述，經營及呈報分部之會計政策與本集團之會計政策相同。分類盈利(虧損)乃各分部之業績，當中沒有分配其他收入、其他收益及虧損、其他開支、投資物業之公平值變動收益、物業、廠房及設備之已確認減值虧損撥回及無分配公司開支，用以向本集團之首席行政總裁匯報，作為資源分配及表現評估之參考。

Notes to the Consolidated Financial Statements (continued)
綜合財務報表附註(續)

For the year ended 31 March 2012

截至2012年3月31日止年度

8. SEGMENT INFORMATION (continued)

Segment assets and liabilities

The following is an analysis of the Group's assets and liabilities by operating and reportable segment:

8. 分類資料(續)

分部資產及負債

按經營及呈報分部分析本集團之資產及負債如下：

		2012 HK\$'000 千港元	2011 HK\$'000 千港元
Segment assets	分部資產		
Garment sourcing and exporting	採購及出口成衣	24,283	123,898
Property investment	物業投資	466,959	310,008
Investment in securities	證券投資	58,990	77,812
Total segment assets	分部資產總額	550,232	511,718
Assets relating to discontinued operations	已終止經營業務之資產	—	227
Unallocated bank and cash balances	無分配銀行結餘及現金	111,512	181,913
Others	其他	392	8,147
Consolidated assets	綜合資產	662,136	702,005
Segment liabilities	分部負債		
Garment sourcing and exporting	採購及出口成衣	11,675	19,194
Property investment	物業投資	4,298	3,877
Total segment liabilities	分部負債總額	15,973	23,071
Unallocated	無分配	51,399	50,572
Consolidated liabilities	綜合負債	67,372	73,643

Notes to the Consolidated Financial Statements *(continued)*

綜合財務報表附註(續)

For the year ended 31 March 2012

截至2012年3月31日止年度

8. SEGMENT INFORMATION *(continued)*

Segment assets and liabilities *(continued)*

For the purposes of monitoring segment performances and allocating resources between segments:

- all assets are allocated to operating and reportable segments other than unallocated bank and cash balances and assets used jointly by operating and reportable segments.
- all liabilities are allocated to operating and reportable segments other than current and deferred tax liabilities and liabilities for which operating and reportable segments are jointly liable.

8. 分類資料(續)

分部資產及負債(續)

就分部表現監控及就分部間之資源分配而言：

- 除未分配銀行及現金結餘及經營及呈報分部共同使用之資產外，所有資產已分配至經營及呈報分部。
- 除流動及遞延稅項負債及經營及呈報分部共同承擔之負債外，所有負債已分配至經營及呈報分部。

Notes to the Consolidated Financial Statements (continued)
 綜合財務報表附註(續)

For the year ended 31 March 2012

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8. SEGMENT INFORMATION (continued)

8. 分類資料(續)

Other segment information

其他分類資料

For the year ended 31 March 2012

截至2012年3月31日止年度

Continuing operations:

持續經營業務：

Amounts included in the measure of segment profit or loss or segment assets:

已包含在計算分部損益或分部資產之金額：

		Garment sourcing and exporting 採購及 成衣出口 HK\$'000 千港元	Property investment 物業投資 HK\$'000 千港元	Investment in securities 證券投資 HK\$'000 千港元	Unallocated 無分配 HK\$'000 千港元	Total 總額 HK\$'000 千港元
Capital additions	資本添置	39	20,372	—	—	20,411
Amortisation	攤銷	1,823	—	—	—	1,823
Depreciation	折舊	496	8	—	115	619
Loss on investments held for trading	持作買賣投資之虧 損	—	—	16,677	—	16,677
Impairment loss recognised in respect of goodwill	商譽之已確認 減值虧損	39,313	—	—	—	39,313
Impairment loss recognised in respect of intangible asset	無形資產之 已確認減值 虧損	19,791	—	—	—	19,791

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 March 2012

截至2012年3月31日止年度

8. SEGMENT INFORMATION (continued)

8. 分類資料(續)

Other segment information (continued)

其他分類資料(續)

For the year ended 31 March 2011

截至2011年3月31日止年度

Continuing operations:

持續經營業務：

Amounts included in the measure of segment profit or loss or segment assets:

已包含在計算分部損益或分部資產之金額：

		Garment sourcing and exporting 採購及 成衣出口 HK\$'000 千港元	Property investment 物業投資 HK\$'000 千港元	Investment in securities 證券投資 HK\$'000 千港元	Unallocated 無分配 HK\$'000 千港元	Total 總額 HK\$'000 千港元
Capital additions	資本添置	47	973	—	—	1,020
Amortisation	攤銷	3,126	—	—	—	3,126
Depreciation	折舊	485	15	—	—	500
Gain on investments held for trading	持作買賣投資 之收益	—	—	(1,705)	—	(1,705)

Notes to the Consolidated Financial Statements (continued)
 綜合財務報表附註(續)

For the year ended 31 March 2012

截至2012年3月31日止年度

8. SEGMENT INFORMATION (continued)

Geographical information

The Group's operations are located in Hong Kong and the PRC.

The Group's revenue from continuing operations from external customers based on the location of customers and information about its non-current assets by geographical location of the assets are detailed below:

8. 分類資料(續)

地域分類

本集團之營運位於香港及中國。

按來自持續經營業務之外來客戶所在地劃分之本集團之營業額及按資產之所在地域劃分之非流動資產資料如下：

		Revenue from		Non-current assets	
		external customers			
		來自外來客戶之營業額		非流動資產	
		2012	2011	2012	2011
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Australia	澳洲	1,126	6,345	—	—
Europe	歐洲	14,548	20,637	—	—
Hong Kong	香港	2,988	3,344	197,215	196,590
PRC	中國	3,010	1,948	174,668	174,720
The United States of America	美國	265,169	315,171	—	—
Others	其他	75	547	—	—
		286,916	347,992	371,883	371,310

Notes to the Consolidated Financial Statements (continued)
 綜合財務報表附註(續)

For the year ended 31 March 2012

截至2012年3月31日止年度

8. SEGMENT INFORMATION (continued)

Information about major customers

Revenue from continuing operations from customers of the corresponding years contributing over 10% of the total sales of the Group are as follows:

		2012	2011
		HK\$'000	HK\$'000
		千港元	千港元
Customer A ¹	客戶 A ¹	255,249	294,346

¹ Revenue from garment sourcing and exporting.

9. OTHER GAINS AND LOSSES

		2012	2011
		HK\$'000	HK\$'000
		千港元	千港元
Net exchange (loss) gain	匯兌(虧損)收益淨額	(746)	997

8. 分類資料(續)

主要客戶之資料

超過本集團銷售總額10%以上之來自持續經營業務客戶之各年度營業額如下：

9. 其他收益及虧損

Notes to the Consolidated Financial Statements (continued)
 綜合財務報表附註(續)

For the year ended 31 March 2012

截至2012年3月31日止年度

10. DIRECTORS' AND EMPLOYEES' EMOLUMENTS

10. 董事及僱員之酬金

(a) Information regarding directors' emoluments

(a) 有關董事酬金之資料

Details of emoluments to the directors of the Company for the year ended 31 March 2012 are as follows:

截至2012年3月31日止年度本公司董事酬金載列如下：

		Kwong		Koon		Tse			
		Jimmy	Lui Yuk	Ho Yan	Wing	Kan Ka	Lau Sin	Foo Tak	
		Cheung	Tim	Chu	Candy	Ricky	Hon	Ming	Ching
		鄭長添	雷玉珠	官可欣	謝永超	簡嘉翰	劉善明	傅德禎	總額
		HK\$'000	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	千港元
Fees	董事袍金	—	—	—	120	120	120	120	480
Other emoluments	其他酬金								
— Salaries and other benefits	— 薪金及其他津貼	900	1,236	312	—	—	—	—	2,448
— Contributions to retirement benefit schemes	— 退休福利計劃供款	—	12	12	—	—	—	—	24
Total directors' emoluments	董事酬金總額	900	1,248	324	120	120	120	120	2,952

Notes to the Consolidated Financial Statements (continued)
 綜合財務報表附註(續)

For the year ended 31 March 2012

截至2012年3月31日止年度

10. DIRECTORS' AND EMPLOYEES' EMOLUMENTS (continued)

10. 董事及僱員之酬金(續)

(b) Information regarding employees' emoluments

The five highest paid individuals of the Group included two (2011: two) directors whose emoluments were included above. The emoluments of the remaining three (2011: three) highest paid individuals, not being directors, are as follows:

Salaries and other benefits	薪金及其他津貼
Retirement benefits costs	退休福利成本

(b) 有關僱員酬金資料

本集團五名最高薪酬人士包括兩名(2011年: 兩名)董事, 彼等之酬金已包括在上文內。其餘三名(2011年: 三名)並非董事之最高薪酬人士載列如下:

		2012 HK\$'000 千港元	2011 HK\$'000 千港元
Salaries and other benefits	薪金及其他津貼	1,862	1,660
Retirement benefits costs	退休福利成本	36	39
		1,898	1,699

Their emoluments were all within HK\$1,000,000.

彼等之酬金均不超過1,000,000港元。

During both years, no emoluments were paid by the Group to the directors and the other five highest paid individuals as an inducement to join or upon joining the Group or as compensation for loss of office. In addition, during both years, no director waived any emoluments.

兩個年度內, 本集團沒有支付酬金予五名包括董事在內之最高薪酬之人士, 作為加入或經加入本集團時之獎勵或失去職務之補償。此外, 兩年內, 沒有董事放棄任何酬金。

Notes to the Consolidated Financial Statements (continued)
 綜合財務報表附註(續)

For the year ended 31 March 2012
 截至2012年3月31日止年度

11. TAXATION

11. 稅項

		2012 HK\$'000 千港元	2011 HK\$'000 千港元
Continuing operations:	持續經營業務：		
The charge comprises:	稅項開支包括：		
Hong Kong Profits Tax — current year	香港利得稅 — 本年度	—	39
		—	39
Deferred tax (note 27)	遞延稅項(附註27)	2,060	4,900
		2,060	4,939

No provision for Hong Kong Profits Tax has been made for the year ended 31 March 2012 as the Group has no assessable profit for the year.

Hong Kong Profits Tax for the year ended 31 March 2011 was calculated at 16.5% of the estimated assessable profit for that year.

Under the Law of the People's Republic of China on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25% from 1 January 2008 onwards.

No provision for PRC Enterprise income tax had been made as the Group had no assessable profit for both years.

因本集團於截至2012年3月31日止年度並無應課稅溢利，故不計提本年度之香港利得稅撥備。

截至2011年3月31日止年度之香港利得稅乃按該年度估計應課稅溢利之16.5%計算。

根據中國公佈企業所得稅法(「企業所得稅」)及企業所得稅之實施條例，本集團於中國之附屬公司自2008年1月1日起之稅率為25%。

因本集團於兩個年度內並無應課稅溢利，故不計提中國企業所得稅撥備。

Notes to the Consolidated Financial Statements (continued)
 綜合財務報表附註(續)

For the year ended 31 March 2012

截至2012年3月31日止年度

11. TAXATION (continued)

11. 稅項(續)

Taxation for the year can be reconciled to the results per the consolidated statement of comprehensive income as follows:

本年度稅項與綜合全面收益表業績之對賬如下：

		2012 HK\$'000 千港元	2011 HK\$'000 千港元
(Loss) profit before taxation (from continuing operations)	除稅前(虧損)溢利 (來自持續經營業務)	(41,955)	49,816
Tax (credit) charge at the applicable rate of 16.5% (2011: 16.5%)	按適用稅率 16.5% 計算之稅項 (計入)開支(2011年: 16.5%)	(6,923)	8,219
Tax effect of income not taxable for tax purposes	無須課稅收入之 稅項影響	(2,696)	(2,481)
Tax effect of expenses not deductible for tax purposes	不獲扣稅開支之 稅項影響	8,153	623
Tax effect of tax losses not recognised	未確認稅項虧損之稅項影響	3,393	279
Tax effect of utilisation of tax losses previously not recognised	動用過往未確認之 稅項虧損	(417)	(1,707)
Effect of different tax rates of subsidiaries operating in other jurisdictions	按其他司法之附屬公司 稅率差異之影響	(156)	177
Others	其他	706	(171)
Tax charge for the year	本年度稅項開支	2,060	4,939

Notes to the Consolidated Financial Statements (continued)
綜合財務報表附註(續)

For the year ended 31 March 2012

截至2012年3月31日止年度

12. (LOSS) PROFIT FOR THE YEAR FROM CONTINUING OPERATIONS

12. 來自持續經營業務之本年度(虧損)溢利

		2012	2011
		HK\$'000	HK\$'000
		千港元	千港元
(Loss) profit for the year from continuing operations has been arrived at after charging:	來自持續經營業務之本年度(虧損)溢利已扣除：		
Directors' remuneration (note 10(a))	董事酬金(附註 10(a))	2,952	2,996
Other staff costs, including retirement benefits costs	其他職工費用，包括退休福利成本	11,563	11,342
Total staff costs	職工成本總額	14,515	14,338
Amortisation of intangible asset (included in administrative expenses)	無形資產之攤銷(已包括在行政開支內)	1,823	3,126
Auditor's remuneration	核數師酬金	1,159	1,024
Cost of inventories recognised as an expense	已確認為開支之存貨成本	256,138	309,487
Depreciation	折舊	619	500
and after crediting to other income:	及於其他收入計入：		
Dividend income from listed investments	上市投資之股息收入	1,126	153
Interest income	利息收入	2,585	213

13. DISCONTINUED OPERATIONS

13. 已終止經營業務

On 22 November 2009, the directors resolved to cease the bleaching and dyeing and knitting businesses and these businesses were ceased in December 2009 and accordingly were presented as discontinued operations in the consolidated financial statements of the Group for the year ended 31 March 2010. The results of these discontinued operations included in the consolidated statement of comprehensive income and consolidated statement of cash flows are set out below.

於2009年11月22日，董事決定終止漂染及紡織業務，而該等業務已於2009年12月終止及於本集團截至2010年3月31日止年度之綜合財務報表呈列為已終止經營業務。已包括在綜合全面收益表及綜合現金流量表之已終止經營業務的業績載列如下。

Notes to the Consolidated Financial Statements (continued) 綜合財務報表附註(續)

For the year ended 31 March 2012

截至2012年3月31日止年度

13. DISCONTINUED OPERATIONS (continued)

During the year ended 31 March 2011, the assets classified as held for sale with carrying value of HK\$37,403,000 were disposed of to the People's Government of Zhili Town, Wuxing District, Huzhou City, Zhejiang Province of the PRC ("Zhili Town Government") at a consideration of HK\$55,995,000, resulting in a gain on disposal amounted to HK\$18,592,000. Also, Zhili Town Government made a compensation to the Group totalling HK\$15,271,000 for change of intended use of the three parcels of land disposed of, which are situated in Zhili Town. The attributable tax expense (business tax, land appreciation tax and enterprise income tax) amounted to HK\$12,475,000 in total.

The profit (loss) for the year from the discontinued operations is analysed as follows:

13. 已終止經營業務(續)

於2011年3月31日止年度內，賬面值為37,403,000港元之列作持作出售資產已按代價55,995,000港元，出售予中國浙江省湖州市吳興區織里鎮人民政府(「織里鎮政府」)，出售收益為18,592,000港元。此外，織里鎮政府亦就三幅出售土地於織里鎮之用途改變向本集團作出合共15,271,000港元之補償。相關稅項開支(營業稅、土地增值稅及企業所得稅)之金額合共為12,475,000港元。

來自已終止經營業務之本年度溢利(虧損)分析如下：

		2012 HK\$'000 千港元	2011 HK\$'000 千港元
Loss of discontinued operation for the year	來自已終止經營業務之本年度虧損	—	(1,205)
Gain on disposal of assets constituting a discontinued operation, net of tax (Note)	構成出售已終止經營業務之出售資產收益，已扣除稅項(附註)	1,285	21,388
		1,285	20,183

Note: The amount for the year ended 31 March 2012 represents post-tax gain on disposal of assets classified as held for sale.

The amount for the year ended 31 March 2011 comprised gain on disposal of assets classified as held for sale and compensation from Zhili Town Government. At 31 March 2011, RMB6,660,000 (HK\$7,912,000) of these proceeds remained unsettled and was included in "trade and other receivables" (see note 21). Such amount was collected during the year ended 31 March 2012.

附註：截至2012年3月31日止年度，該金額為出售列作持作出售資產之稅後收益。

截至2011年3月31日止年度，該金額包含出售列作持作出售資產之收益及織里鎮政府之補償。於2011年3月31日，人民幣6,660,000元(7,912,000港元)尚未支付及包括在「貿易及其他應收款項」(見附註21)內。此金額已於截至2012年3月31日止年度內收回。

Notes to the Consolidated Financial Statements (continued)
 綜合財務報表附註(續)

For the year ended 31 March 2012

截至2012年3月31日止年度

13. DISCONTINUED OPERATIONS (continued)

13. 已終止經營業務(續)

		2012 HK\$'000 千港元	2011 HK\$'000 千港元
Loss for the year from discontinued operations	已終止經營業務之本年度虧損		
Revenue from Bleaching and dyeing	營業額來自漂染		
— sales of goods	— 銷售貨物	—	89
Cost of sales	銷售及服務成本	—	(139)
Gross loss	毛損	—	(50)
Other income	其他收入	—	152
Administrative expenses	行政開支	—	(1,307)
Loss for the year from discontinued operations	來自已終止經營業務之本年度虧損	—	(1,205)
Loss for the year from discontinued operations includes the following:	來自已終止經營業務之本年度虧損包括以下項目：		
Other staff costs, including retirement benefits costs	其他職工費用，包括退休福利成本	—	180
Auditor's remuneration	核數師酬金	—	115
Cost of inventories recognised as an expense	已確認為開支之存貨成本	—	139
Depreciation	折舊	—	115
Exchange loss, net	匯兌虧損淨額	—	478
Interest income	利息收入	—	(39)
Cash flows from discontinued operations	來自已終止經營業務之現金流量		
Net cash inflows from operating activities	來自經營活動之現金流入淨額	—	14,142
Net cash inflows from investing activities	用於投資活動之現金流入淨額	8,282	44,673
Net cash inflows	現金流入淨額	8,282	58,815

Notes to the Consolidated Financial Statements (continued)
 綜合財務報表附註(續)

For the year ended 31 March 2012

截至2012年3月31日止年度

13. DISCONTINUED OPERATIONS (continued)

The major class of assets of the bleaching and dyeing and knitting operations at the end of the reporting period, which has been presented separately as assets classified as held for sale in the consolidated statement of financial position, is as follows:

		2012 HK\$'000 千港元	2011 HK\$'000 千港元
Property, plant and equipment	物業、廠房及設備	—	227

13. 已終止經營業務(續)

於報告期末，獨立呈列於綜合財務狀況表列作持作出售資產之漂染及紡織業務之主要資產如下：

14. BASIC (LOSS) EARNINGS PER SHARE

From continuing and discontinued operations:

The calculation of the basic (loss) earnings per share attributable to owners of the Company is based on the following data:

14. 每股基本(虧損)盈利

來自持續經營及已終止經營業務：

本公司股東應佔之每股基本(虧損)盈利乃根據以下資料計算：

		2012 HK\$'000 千港元	2011 HK\$'000 千港元
(Loss) profit for the purpose of basic (loss) earnings per share	就每股基本(虧損)盈利而言之(虧損)溢利	(42,730)	65,060

		2012	2011
Number of shares	股份數目		
Weighted average number of ordinary shares for the purpose of basic (loss) earnings per share	就每股基本(虧損)盈利而言之加權平均股份數目	550,686,675	426,738,118

Notes to the Consolidated Financial Statements (continued)
綜合財務報表附註(續)

For the year ended 31 March 2012

截至2012年3月31日止年度

14. BASIC (LOSS) EARNINGS PER SHARE

(continued)

From continuing operations:

The calculation of the basic (loss) earnings per share from continuing operations attributable to owners of the Company is based on the following data:

(Loss) profit figures are calculated as follows:

		2012	2011
		HK\$'000	HK\$'000
		千港元	千港元
(Loss) profit for the year attributable to owners of the Company	歸屬於本公司股東之本年度(虧損)溢利	(42,730)	65,060
Adjusted for: Profit for the year from discontinued operations	調整：來自已終止經營業務之本年度溢利	(1,285)	(20,183)
(Loss) profit for the purpose of basic (loss) earnings per share from continuing operations	就持續經營業務之每股基本(虧損)盈利而言之(虧損)溢利	(44,015)	44,877

		2012	2011
Number of shares	股份數目		
Weighted average number of ordinary shares for the purpose of basic (loss) earnings per share	就每股基本(虧損)盈利而言之加權平均股份數目	550,686,675	426,738,118

14. 每股基本(虧損)盈利(續)

來自持續經營業務：

來自持續經營業務歸屬於本公司股東之每股基本(虧損)盈利乃根據以下資料計算：

(虧損)溢利數字之計算如下：

No diluted (loss) earnings per share for both years is presented as there were no potential ordinary shares outstanding for both years.

由於兩年度均沒有發行潛在可攤薄普通股股份，故不呈列兩個年度之每股攤薄(虧損)盈利。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

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14. BASIC (LOSS) EARNINGS PER SHARE

(continued)

From discontinued operations:

Basic earnings per share for the discontinued operations is HK\$0.002 (2011: HK\$0.047) per share, based on the profit for the year from discontinued operations of HK\$1,285,000 (2011: HK\$20,183,000) and the denominators detailed above for basic (loss) earnings per share.

15. RELATED PARTY TRANSACTIONS/ CONNECTED TRANSACTIONS

- (a) During the year, the Group had the following transactions with wholly-owned subsidiaries of Easyknit International:

Rental expense	租金開支
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Ms. Lui Yuk Chu, a director of the Company, is also one of the beneficiaries under a family trust holding 36.74% (2011: 36.74%) equity interest in Easyknit International at 31 March 2012. She also holds 21.95% (2011: 21.95%) equity interest of Easyknit International through an entity wholly-owned by her. The Company is itself a subsidiary of Easyknit International at 31 March 2012 and an associate of Easyknit International at 31 March 2011.

14. 每股基本(虧損)盈利(續)

來自己終止經營業務：

已終止經營業務之每股基本盈利為每股0.002港元(2011年：每股0.047港元)，此乃根據來自己終止經營業務之本年度溢利1,285,000港元(2011年：20,183,000港元)及以上詳述之每股基本(虧損)盈利之分母而計算。

15. 關連人士交易／關連交易

- (a) 年內，本集團與永義國際之全資附屬公司之交易如下：

2012 HK\$'000 千港元	2011 HK\$'000 千港元
2,482	2,275

本公司董事雷玉珠女士，於2012年3月31日亦為擁有永義國際36.74% (2011年：36.74%) 權益家族信託受益人之一。彼亦透過一間其全資擁有之實體而持有永義國際21.95% (2011年：21.95%) 權益。於2012年3月31日本公司本身為永義國際之一間附屬公司，於2011年3月31日為永義國際之一間聯營公司。

Notes to the Consolidated Financial Statements *(continued)*
綜合財務報表附註(續)

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**15. RELATED PARTY TRANSACTIONS/
CONNECTED TRANSACTIONS** *(continued)*

(b) In January 2010, the Company entered into a consultancy agreement with Mr. Koon Wing Yee for consultancy services provided by Mr. Koon Wing Yee to the Group for a fee of HK\$498,000 per annum which shall be payable in arrears by twelve monthly instalments of HK\$41,500 each. The consultancy agreement is for a period of one year commencing on 15 January 2010 and expired in January 2011. Mr. Koon Wing Yee is the spouse of Ms. Lui Yuk Chu. Consultancy fee paid and payable to Mr. Koon Wing Yee during the year ended 31 March 2011 amounted to HK\$394,250. In January 2011, the Company entered into an employment agreement with Mr. Koon Wing Yee to act as general manager of the Company for a salary of HK\$50,000 per month. The employment agreement commenced on 21 February 2011 but may be terminated by either party at any time by three months' notice. The remuneration of Mr. Koon Wing Yee as general manager of the Company during the year ended 31 March 2012 was HK\$662,000 (2011: HK\$102,000) and was included in the "compensation of key management personnel" in (c) below in respect of his employment as general manager of the Group with effect from 21 February 2011.

15. 關連人士交易／關連交易 (續)

(b) 於2010年1月，本公司與官永義先生訂立一項顧問協議，官永義先生提供顧問服務予本集團，每年收取費用498,000港元，按每月41,500港元分十二期支付。該顧問協議由2010年1月15日開始，為期一年，並於2011年1月終止。官永義先生為雷玉珠女士之配偶。截至2011年3月31日止年度已支付及應支付官永義先生之顧問費為394,250港元。於2011年1月，本公司與官永義先生訂立僱用協議，以月薪50,000港元僱用彼為本公司總經理。該僱用協議由2011年2月21日開始，但可由其中任何一方給予三個月通知而終止。截至2012年3月31日止年內官永義先生作為本公司總經理之酬金為662,000港元(2011年：102,000港元)及有關自官永義先生由2011年2月21日僱用為本集團之總經理已包括在以下(c)項之「主要管理人員之薪酬」內。

Notes to the Consolidated Financial Statements (continued)
 綜合財務報表附註(續)

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**15. RELATED PARTY TRANSACTIONS/
 CONNECTED TRANSACTIONS** (continued)

15. 關連人士交易／關連交易 (續)

(c) Compensation of key management personnel

(c) 主要管理人員之薪酬

The remuneration of directors and other members of key management during the year was as follows:

董事及其他主要管理人員於年內之酬金如下：

		2012	2011
		HK\$'000	HK\$'000
		千港元	千港元
Short-term employee benefits	短期僱員福利		
Salaries and other benefits	薪金及其他津貼	4,310	3,813
Contributions to retirement benefit schemes	退休福利計劃供款	60	49
		4,370	3,862

The remuneration of directors and key executives are determined by the remuneration committee and executive directors respectively having regard to the performance of individuals and market trends.

董事及主要行政人員之酬金分別由薪酬委員會及執行董事按照個別人士之表現及市場趨勢而釐定。

Notes to the Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 March 2012

截至2012年3月31日止年度

16. PROPERTY, PLANT AND EQUIPMENT

16. 物業、廠房及設備

		Furniture, fixtures and equipment 傢俬、 裝置及設備 HK\$'000 千港元	Motor vehicles 汽車 HK\$'000 千港元	Construction in progress 在建工程 HK\$'000 千港元	Total 合計 HK\$'000 千港元
COST	成本				
At 1 April 2010	於2010年4月1日	423	2,017	15,058	17,498
Exchange adjustments	匯兌調整	3	15	655	673
Additions	添置	59	—	—	59
Disposal	出售	(7)	—	—	(7)
At 31 March 2011	於2011年3月31日	478	2,032	15,713	18,223
Exchange adjustments	匯兌調整	3	13	554	570
Additions	添置	45	—	123	168
At 31 March 2012	於2012年3月31日	526	2,045	16,390	18,961
DEPRECIATION AND IMPAIRMENT	折舊及減值				
At 1 April 2010	於2010年4月1日	73	1,004	15,058	16,135
Exchange adjustments	匯兌調整	3	14	451	468
Provided for the year	本年度撥備	141	474	—	615
Reversal of impairment loss recognised in profit or loss	於損益確認之減值 虧損撥回	—	—	(8,777)	(8,777)
Eliminated on disposal	出售時撇銷	(4)	—	—	(4)
At 31 March 2011	於2011年3月31日	213	1,492	6,732	8,437
Exchange adjustments	匯兌調整	3	12	191	206
Provided for the year	本年度撥備	150	469	—	619
Reversal of impairment loss recognised in profit or loss	於損益確認之減值 虧損撥回	—	—	(1,027)	(1,027)
At 31 March 2012	於2012年3月31日	366	1,973	5,896	8,235
CARRYING VALUES	賬面值				
At 31 March 2012	於2012年3月31日	160	72	10,494	10,726
At 31 March 2011	於2011年3月31日	265	540	8,981	9,786

Notes to the Consolidated Financial Statements (continued) 綜合財務報表附註(續)

For the year ended 31 March 2012

截至2012年3月31日止年度

16. PROPERTY, PLANT AND EQUIPMENT

(continued)

The above items of property, plant and equipment other than construction in progress are depreciated on a straight-line basis according to the following useful lives:

Furniture, fixtures and equipment	3 to 10 years
Motor vehicles	5 to 10 years

During the year ended 31 March 2011, the directors of the Company decided to resume certain construction in progress, which was previously fully impaired, for future leasing purpose. Hence the directors of the Company assessed the recoverable amount of the construction in progress which is determined based on valuation performed by independent qualified professional property valuer carried out at the end of the reporting period. By reference to net rental income allowing for reversionary income potential using the applicable market yields for the respective locations and types of properties. As a result, a reversal of impairment loss of HK\$1,027,000 was recognised in profit or loss for the year ended 31 March 2012 (2011: HK\$8,777,000).

16. 物業、廠房及設備(續)

除在建工程外，上述各項物業、廠房及設備均以直線法根據以下之可使用年期計算折舊：

傢俬、裝置及設備	3至10年
汽車	5至10年

於截至2011年3月31日止年內，本公司董事決定恢復若干於過往全面減值之在建工程，以作為日後出租用途。因此，本公司董事根據獨立合資格專業物業估值師估值釐定，以評估在建工程於報告期末之可收回金額。參考採用適用市場收益之相關地區及物業類型之經考慮未來潛在收入之租金收入淨額。因此，截至2012年3月31日止年度減值虧損撥回1,027,000港元(2011年：8,777,000港元)於損益已確認。

Notes to The Consolidated Financial Statements (continued)
綜合財務報表附註(續)

For the year ended 31 March 2012

截至2012年3月31日止年度

17. INVESTMENT PROPERTIES

17. 投資物業

		HK\$'000 千港元
FAIR VALUE	公平值	
At 1 April 2010	於2010年4月1日	255,163
Exchange adjustments	匯兌調整	7,099
Additions	添置	961
Increase in fair value	公平值增加	37,374
At 31 March 2011	於2011年3月31日	300,597
Exchange adjustments	匯兌調整	6,338
Additions	添置	2,243
Increase in fair value	公平值增加	33,979
At 31 March 2012	於2012年3月31日	343,157

The carrying value of investment properties shown above comprises properties situated on:

以上投資物業之賬面值包括物業位於：

		2012 HK\$'000 千港元	2011 HK\$'000 千港元
Land in Hong Kong	香港土地		
Long lease	長期租約	179,000	135,000
Land in the PRC	中國土地		
Medium-term lease	中期租約	164,157	165,597
		343,157	300,597

The fair values of the Group's investment properties in Hong Kong at 31 March 2012 have been arrived at on the basis of a valuation carried out as at that date, by Knight Frank Petty Limited ("Knight Frank") (2011: Vigers Appraisal & Consulting Limited), a firm of independent qualified professional property valuers not connected with the Group. Knight Frank is member of the Hong Kong Institute of Surveyors. The valuation of investment properties in Hong Kong was arrived at by reference to market evidence of recent transaction prices for similar properties.

本集團於2012年3月31日之香港投資物業公平值乃按與本集團沒有關連之獨立合資格專業物業估值師行萊坊測計師行有限公司(「萊坊」)(2011年：威格斯資產評估顧問有限公司)於該日期進行估值之基準釐定。萊坊為香港測量師學會會員，香港投資物業之估值乃參考同類形物業近期成交價格之市場情況釐定。

Notes to The Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 March 2012

截至2012年3月31日止年度

17. INVESTMENT PROPERTIES (continued)

The fair values of the Group's investment properties in the PRC at 31 March 2012 have been arrived at on the basis of a valuation carried out as at that dates by Knight Frank (2011: Vigers Appraisal & Consulting Limited). The valuation of the investment properties in the PRC was arrived at by reference to net rental income allowing for reversionary income potential using the applicable market yields for the respective locations and types of properties.

All of the Group's leasehold interests in land held under operating leases to earn rentals are measured using the fair value model and are classified and accounted for as investment properties.

17. 投資物業(續)

本集團於2012年3月31日之中國投資物業之公平值乃萊坊於該日期進行之估值而釐定。中國投資物業之估值乃參考採用適用市場收益之相關地區及物業類型之經考慮未來潛在收入之租金收入淨額。

本集團所有於經營租約項下賺取租金之土地租約權益乃以公平值模式計量及歸類為投資物業列賬。

18. GOODWILL

18. 商譽

		HK\$'000 千港元
Cost	成本	
At 1 April 2010 and 31 March 2011	於2010年4月1日及2011年3月31日	39,313
Impairment loss recognised in profit or loss	於損益已確認之減值虧損	(39,313)
At 31 March 2012	於2012年3月31日	—

For the purpose of impairment testing during the year ended 31 March 2012, goodwill set out above has been allocated to the cash-generating unit ("CGU") engaged in garment sourcing and exporting. During the year ended 31 March 2012, the management of the Group assessed the recoverable amount of the CGU with reference to the value in use.

就截至2012年3月31日止年內之商譽減值測試而言，上述之商譽已分配至採購及出口成衣之賺取現金產生單位(「現金產生單位」)。於截至2012年3月31日止年內，本集團管理層參考使用價值而評估現金產生單位之可收回金額。

18. GOODWILL (continued)

The recoverable amount has been determined based on a value in use calculation. This calculation uses cash flow projections based on financial budgets approved by management covering a 1-year period, which is based on actual sales and operating results of the CGU in the current year, and a discount rate of 5% (2011: 8%). Cash flows beyond the 1-year period has been extrapolated using a zero (2011: zero) growth rate. The growth rate is based on the relevant industry growth forecasts and does not exceed the average long-term growth rate for the relevant industry. Another key assumption for the value in use calculation is the budgeted gross margin, which is determined based on the CGU's sales volume, cost of sales and operational expenses achieved in the current year, and management's expectations for the market development. The impairment testing resulted in impairment loss recognised in profit or loss for the year ended 31 March 2012 of HK\$39,313,000 (2011: nil). The impairment loss arose in view of deterioration in sales level and operating results of the CGU in the current year, due to the global economic downturn. The management of the Group considered that there would be no significant improvement in the Group's operation in garment sourcing and exporting, and determined that no future benefit would be generated from the goodwill and intangible asset included in the CGU in garment sourcing and exporting. As a result, goodwill and intangible asset allocated to the CGU were fully impaired during the year ended 31 March 2012.

18. 商譽(續)

可收回金額已根據計算使用價值而釐定。該計算乃使用獲管理層批准為期一年之財務預算案之現金流量預測及5% (2011年：8%)折現率，預算案乃根據現金產生單位本年度之實際銷售及經營業績。一年以上之現金流量則以零(2011年：零)增長率之推測計算，增長率乃根據有關行業之增長預測及不會超過有關行業之平均長期增長率。使用價值計算之其他主要假設為預算毛利，此乃按照現金產生單位本年度之銷售量、銷售成本及營運開支及管理層對市場發展之預期釐定。減值測試導致減值虧損39,313,000港元(2011年：無)於截至2012年3月31日止年內之損益確認。因全球經濟下滑導致現金產生單位本年度之銷售水平及經營業績倒退而出現減值虧損。本集團管理層認為，本集團之採購及出口成衣業務將沒有重大改進，並認為包括在採購及出口成衣業務內之現金產生單位內之商譽及無形資產將不會有未來效益。因此，分配至現金產生單位之商譽及無形資產於截至2012年3月31日止年內全面減值。

Notes to The Consolidated Financial Statements (continued)
綜合財務報表附註(續)

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19. INTANGIBLE ASSET

19. 無形資產

		Customer relationship 客戶關係 HK\$'000 千港元
COST	成本	
At 1 April 2010, 31 March 2011 and 31 March 2012	於2010年4月1日、2011年 3月31日及2012年3月31日	25,000
AMORTISATION AND IMPAIRMENT	攤銷及減值	
At 1 April 2010	於2010年4月1日	260
Charge for the year	本年度攤銷	3,126
At 31 March 2011	於2011年3月31日	3,386
Charge for the year	本年度攤銷	1,823
Impairment loss recognised in profit or loss	於損益已確認之減值虧損	19,791
At 31 March 2012	於2012年3月31日	25,000
CARRYING VALUES	賬面值	
At 31 March 2012	於2012年3月31日	—
At 31 March 2011	於2011年3月31日	21,614

The customer relationship has a finite useful life and is amortised on a straight-line basis over 8 years. The useful life of the customer relationship is determined with reference to the estimated future revenue from the customer relationship with a customer attrition rate of 5% which is based on historical customer turnover information. The management is of the view that the future economic benefits that can be derived from the customer relationship beyond the 8-year period are insignificant.

The recoverable amount of the CGU in garment sourcing and exporting, which includes the intangible asset, has been determined based on a value in use calculation, details of which are set out in note 18.

客戶關係乃有限定可使用年期及以直線法於8年內攤銷。客戶關係之可使用年期乃參考根據歷史客戶營業額資料而得出之5%客戶損耗率之未來從客戶所得之預計收益而釐定。管理層認為，8年期間過後，從客戶關係所得之未來經濟效益並不重大。

包括無形資產之採購及出口成衣之現金產生單位可收回金額乃根據計算使用價值而釐定，詳情於附註18內。

Notes to The Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 March 2012

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20. INVENTORIES**20. 存貨**

		2012 HK\$'000 千港元	2011 HK\$'000 千港元
Raw materials	原材料	—	6,155

21. TRADE AND OTHER RECEIVABLES**21. 貿易及其他應收款項**

		2012 HK\$'000 千港元	2011 HK\$'000 千港元
Trade receivables	貿易應收款項	15,570	29,089
Less: Allowance for doubtful debts	減：呆壞賬撥備	—	—
		15,570	29,089
Prepayments	預付款項	339	1,080
Deposits paid to suppliers to be realised within 1 year	將於1年內變現之支付予 供應商按金	5,632	20,347
Receivable from disposal of assets classified as held for sale to be realised within 1 year	將於1年內變現之出售 列作持作出售資產 之應收款項	—	7,912
Other receivables	其他應收款項	4,248	6,197
		25,789	64,625

Notes to The Consolidated Financial Statements (continued) 綜合財務報表附註(續)

For the year ended 31 March 2012

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21. TRADE AND OTHER RECEIVABLES

(continued)

The Group allows an average credit period of up to 90 days to its customers. The aged analysis of trade receivables, based on the invoice date, at the end of the reporting period is as follows:

		2012 HK\$'000 千港元	2011 HK\$'000 千港元
0 – 60 days	0至60日	15,550	26,273
61 – 90 days	61至90日	20	975
Over 90 days	超過90日	—	1,841
		15,570	29,089

The management closely monitors the credit quality of trade and other receivables and considers trade and other receivables that are neither past due nor impaired to be of a good credit quality.

Included in the Group's trade receivable balances are debtors with aggregate carrying amount of HK\$544,000 (2011: HK\$1,998,000) which are past due at the reporting date for which the Group has not provided for allowance. The Group does not hold any collateral over these balances.

The following is an aged analysis of trade receivables which are past due but not impaired:

		2012 HK\$'000 千港元	2011 HK\$'000 千港元
Over due by 1 to 60 days	已過期1至60日	523	978
Over due by 61 to 90 days	已過期61至90日	20	538
Over due by over 90 days	已過期超過90日	1	482
		544	1,998

21. 貿易及其他應收款項(續)

本集團給予其客戶之平均除賬期達90日。根據發票日期，貿易應收款項於報告期末之賬齡分析如下：

	2012 HK\$'000 千港元	2011 HK\$'000 千港元
	15,550	26,273
	20	975
	—	1,841
	15,570	29,089

管理層緊密監控貿易及其他應收款項之信貸質素及認為沒有過期及減值之貿易及其他應收款項為有良好信貸質素。

於報告日期，本集團之貿易應收款項結餘中，賬面值合共544,000港元(2011年：1,998,000港元)為已過期但沒有計提撥備。本集團並沒有就該等結餘持有任何抵押。

已過期但未減值之貿易應收款項之賬齡分析如下：

	2012 HK\$'000 千港元	2011 HK\$'000 千港元
	523	978
	20	538
	1	482
	544	1,998

Notes to The Consolidated Financial Statements (continued)

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21. TRADE AND OTHER RECEIVABLES

(continued)

Based on the historical experience of the Group, trade receivables that are past due are generally recoverable and as a result, no allowance was made for trade receivables at the end of the reporting period.

The Group's trade and other receivables that are denominated in currencies other than the functional currencies of the relevant group entities are set out below:

		2012 HK\$'000 千港元	2011 HK\$'000 千港元
USD	美元	14,391	28,788
RMB	人民幣	157	3

22. INVESTMENTS HELD FOR TRADING

The investments held for trading comprise equity securities listed in Hong Kong and are stated at fair value which are based on the quoted market bid prices on the Stock Exchange.

21. 貿易及其他應收款項(續)

本集團根據過往經驗，過期之貿易應收款項一般都可以收回，因此，於報告期末，並沒有就該等貿易應收款項計提撥備。

本集團以有關集團實體功能貨幣以外之貨幣列值之貿易及其他應收款項如下：

22. 持作買賣投資

持作買賣投資包括於香港上市之證券並按照聯交所之市場上所報之出價之公平值呈列。

Notes to The Consolidated Financial Statements *(continued)*

綜合財務報表附註(續)

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23. FINANCIAL ASSETS DESIGNATED AS AT FAIR VALUE THROUGH PROFIT OR LOSS

The Group acquired equity linked investments with financial institutions in Hong Kong. The equity linked investments contained embedded derivative, the return of which was determined with reference to the closing price of two equity securities listed Hong Kong. The equity linked investments are designated as at fair value through profit or loss at initial recognition. The principal amounts are with fixed coupon interest rates and remaining term to maturity ranges from three to four months. The notes contain terms enabling the issuers either to deliver the underlying equity securities on maturity if the market prices of underlying securities are lower than their respective predetermined reference stock prices or cash settlement of the principal and interest if market prices of the underlying securities are higher than their respective predetermined reference stock prices. The notes are subject to the option for early termination at the discretion of the holders.

During the year, the Group acquired equity linked investments with a principal amount of HK\$30,000,000 (2011: HK\$20,000,000) and early terminated the equity linked investments either in cash and principal together with interest were received or redeemed by receiving the underlying equity securities. At 31 March 2011, the equity linked investments were stated at fair value based on valuation provided by the counterparty financial institutions for equivalent instruments.

23. 按公平值計入損益之金融資產

本集團經香港金融機構購入股票掛鈎投資。股票掛鈎投資包含內含衍生工具，其回報乃參考兩項於香港上市股票證券之收市價而釐定。股票掛鈎投資於初次確認時界定為按公平值計入損益。本金為固定息率及尚餘三至四個月到期。票據包含條款可使發行人當證券市價低於各自預定參考股份價格時於到期日送達有關股票證券，或當證券之市價高於各自預定參考股份價格時以現金清付本金及利息。持有人可酌情選擇提早終止票據。

於年內，本集團購入本金30,000,000港元(2011年：20,000,000港元)之股票掛鈎投資，以現金方式收取本金連同利息，提早終止或以收取有關股票證券方式贖回。於2011年3月31日，股票掛鈎投資乃按交易方之金融機構所提供之同等工具估價作為公平值列賬。

Notes to The Consolidated Financial Statements (continued)

綜合財務報表附註(續)

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24. BANK BALANCES AND CASH

The bank balances and cash held by the Group comprise short-term bank deposits with an original maturity of three months or less, at prevailing market interest rates ranging from 0.001% to 3.1% (2011: 0.001% to 2.6%) per annum.

The Group's bank balances and cash that are denominated in currencies other than the functional currencies of the relevant group entities are set out below:

24. 銀行結餘及現金

本集團持有之銀行結餘及現金包括按現行市場年利率在0.001厘至3.1厘之間(2011年: 0.001厘至2.6厘)之三個月或之前到期之短期銀行存款。

本集團以有關集團實體功能貨幣以外之貨幣列值之銀行結餘及現金如下:

		2012 HK\$'000 千港元	2011 HK\$'000 千港元
HKD	港元	28	28
RMB	人民幣	14	7
USD	美元	40,959	6,567
EUR	歐元	10,199	3

Notes to The Consolidated Financial Statements (continued) 綜合財務報表附註(續)

For the year ended 31 March 2012

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25. TRADE AND OTHER PAYABLES

The aged analysis of trade payables, based on the invoice date, at the end of the reporting period is as follows:

		2012 HK\$'000 千港元	2011 HK\$'000 千港元
0 – 60 days	0至60日	7,252	18,697
Over 90 days	超過90日	—	155
Trade payables	貿易應付款項	7,252	18,852
Rental deposits received and rental received in advance	已收租金按金及預收租金	2,701	2,322
Deposits received for disposal of assets classified as held for sale to be realised within 1 year	將於1年內變現之出售列作持作出售資產之已收按金	—	950
Accruals	預提費用	2,968	3,575
Other taxes payable	其他應付稅項	11,070	9,798
Other payables	其他應付款項	719	632
		24,710	36,129

25. 貿易及其他應付款項

根據發票日期，貿易應付款項於報告期末之賬齡分析如下：

The average credit period on purchases of goods is 30 days.

購貨之平均除賬期為30日。

The Group's trade and other payables that are denominated in currencies other than the functional currencies of the relevant group entities are set out below:

本集團以有關集團實體功能貨幣以外之貨幣列值之貿易及其他應付款項如下：

		2012 HK\$'000 千港元	2011 HK\$'000 千港元
USD	美元	85	114
RMB	人民幣	—	1,109

Notes to The Consolidated Financial Statements (continued)

綜合財務報表附註(續)

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26. BILLS PAYABLE

At the end of the reporting period, the bills payable are aged within 30 days (2011: nil). All of the Group's bills payable are denominated in the functional currencies of the relevant group entities.

26. 應付票據

於報告期末，應付票據之賬齡為30日內(2011年：無)。本集團之所有應付票據均以相關集團實體之功能貨幣列值。

27. DEFERRED TAXATION

For the purpose of presentation in the consolidated statement of financial position, deferred tax assets and liabilities have been offset. The following is the analysis of the deferred tax balances for financial reporting purposes:

27. 遞延稅項

就綜合財務狀況表之呈列而言，遞延稅項資產及負債已抵銷，就財務報告而言之遞延稅項結餘之分析如下：

		2012 HK\$'000 千港元	2011 HK\$'000 千港元
Deferred tax assets	遞延稅項資產	878	335
Deferred tax liabilities	遞延稅項負債	(27,238)	(24,091)
		(26,360)	(23,756)

The following are the major deferred tax (liabilities) assets recognised and movements thereon during the current and prior years:

於年內及過往年度已確認為主要之遞延稅項(負債)資產以及其變動如下：

		Revaluation of properties 物業重估 HK\$'000 千港元	Intangible asset 無形資產 HK\$'000 千港元	Tax losses 稅項虧損 HK\$'000 千港元	Total 總額 HK\$'000 千港元
At 1 April 2010	於2010年4月1日	(14,312)	(4,082)	149	(18,245)
Exchange adjustments	匯兌調整	(611)	-	-	(611)
(Charge) credit to profit or loss for the year	於本年度損益中(扣除) 計入	(5,602)	516	186	(4,900)
At 31 March 2011	於2011年3月31日	(20,525)	(3,566)	335	(23,756)
Exchange adjustments	匯兌調整	(544)	-	-	(544)
(Charge) credit to profit or loss for the year	於本年度損益中(扣除) 計入	(6,169)	3,566	543	(2,060)
At 31 March 2012	於2012年3月31日	(27,238)	-	878	(26,360)

Notes to The Consolidated Financial Statements *(continued)*

綜合財務報表附註(續)

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27. DEFERRED TAXATION *(continued)*

At 31 March 2012, tax losses not recognised in the consolidated financial statements were HK\$34,594,000 (2011: HK\$16,556,000). The losses can be carried forward indefinitely. No deferred tax asset has been recognised in respect of such deductible temporary differences due to the unpredictability of future profit streams.

27. 遞延稅項(續)

於2012年3月31日，稅項虧損34,594,000港元(2011年：16,556,000港元)並沒有於綜合財務報表內確認，該虧損可無限期結轉。由於未能預計未來溢利收入，故並沒有確認可獲扣減臨時差異項目之相關遞延稅項資產。

28. SHARE CAPITAL

28. 股本

		Nominal value per share 每股面值	Number of shares 股份數目	Amount 總額
Note 附註		HK\$ 港元		HK\$'000 千港元
Authorised:	法定：			
At 1 April 2010, 31 March 2011 and 31 March 2012	於2010年4月1日、 2011年3月31日及 2012年3月31日	0.01	20,000,000,000	200,000
Issued and fully paid:	已發行及繳足：			
At 1 April 2010	於2010年4月1日	0.01	367,124,450	3,671
Rights issue of shares	供股股份 (a)	0.01	183,562,225	1,836
At 31 March 2011 and 31 March 2012	於2011年3月31日及 2012年3月31日	0.01	550,686,675	5,507

Note:

- (a) On 2 March 2011, the Company allotted 183,562,225 rights shares of HK\$0.01 each at the subscription price of HK\$0.35 per rights share on the basis of one rights share for every two existing ordinary shares held. The Company raised HK\$63,808,000 (net of expenses) with the intention at the time of rights issue to finance potential property acquisitions and for general working capital use.

附註：

- (a) 於2011年3月2日，本公司按每持有兩股現有普通股股份獲配一股供股股份之比例，以每股供股股份0.35港元之認購價，配發183,562,225股每股面值0.01港元之股份。本公司籌得63,808,000港元(扣除開支後)，於供股時打算用作潛在的物業收購之融資及作為一般營運資金。

All shares issued during the year ended 31 March 2011 rank pari passu with the then existing shares in issue in all respects.

所有於截至2011年3月31日止年內發行股份於各方面與當時已發行股份享有同等權利。

Notes to The Consolidated Financial Statements *(continued)*

綜合財務報表附註(續)

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29. SHARE OPTION SCHEME

On 6 June 2002, a share option scheme (the “Share Option Scheme”) was approved by the shareholders of the Company. Under the terms of the Share Option Scheme, the board of directors of the Company may, at its absolute discretion, offer options to any employee (full-time and part-time), director, supplier, consultant or advisor of any member of the Group to subscribe for shares in the Company subject to the terms and conditions stipulated therein. The Share Option Scheme is valid during the period of 10 years commencing 6 June 2002, unless otherwise cancelled or amended.

The purposes of the Share Option Scheme are to attract and retain the best available personnel, to provide additional incentives to eligible participants and to promote the success of the business of the Company and its subsidiaries.

The maximum number of shares which may be issued under the Share Option Scheme must not (when aggregate with any shares to be issued under any other share option schemes of the Company) exceed 10% of the shares in issue at the date of adoption of the Share Option Scheme.

The maximum number of shares issuable upon the exercise of the share options granted to each eligible participant of the Share Option Scheme within any 12-month period, is limited to 1% of the shares of the Company in issue. Any further grant of share options in excess of this limit is subject to shareholders’ approval in a general meeting of the Company with such grantee and his associate(s) abstaining from voting.

29. 購股權計劃

於2002年6月6日，本公司股東批准一項購股權計劃(「購股權計劃」)。根據購股權計劃之條款，本公司董事會可按其絕對酌情權，根據該計劃所規定之條款及條件向本集團任何成員公司之任何僱員(全職或兼職)、董事、供應商、顧問或諮詢人授出可認購本公司股份之購股權。購股權計劃除非以其他方式註銷或修訂，否則由2002年6月6日起計10年期間內一直生效。

購股權計劃旨在吸引及挽留最佳現有人員、提供額外鼓勵予合資格參與者及推廣本公司及其附屬公司之成功業務。

根據購股權計劃可能發行之最高股份數目不得(與根據本公司之任何其他購股權計劃將予發行之任何股份合併計算)超過於採納購股權計劃當日之已發行股份之10%。

於任何12個月期間內，當購股權計劃之各合資格參與者行使其所獲授予之購股權時，將予發行之最高股份數目，以本公司已發行股份之1%為限。進一步授出超過此限額之購股權，須待股東於本公司股東大會上批准方可作實，而該承授人及其聯繫人須放棄投票。

Notes to The Consolidated Financial Statements *(continued)*

綜合財務報表附註(續)

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29. SHARE OPTION SCHEME *(continued)*

The exercise period of the share options is determined by the board of directors of the Company and shall end on a date which is not later than 10 years from the date of grant of the options. There is no specific requirement under the Share Option Scheme that an option must be held for any minimum period before it can be exercised, but its terms provide that the board of directors of the Company has the discretion to impose a minimum period at the time of offer of any particular option. The offer of a grant of share options may be accepted within 14 days from the date of the offer, with the payment of a nominal consideration of HK\$1 in total by the offeree.

The exercise price in respect of any particular option of the Share Option Scheme may be determined by the board of directors of the Company in its absolute discretion and notified to each offeree but may not be less than the highest of (i) the closing price of the Company's shares on the Stock Exchange as stated in the Stock Exchange's daily quotations sheets on the date of offer, which must be a business day; (ii) the average closing price of the Company's shares on the Stock Exchange as stated in the Stock Exchange's daily quotations sheets for the five business days immediately preceding the date of offer; and (iii) the nominal value of the Company's shares on the date of offer.

No share options were granted or exercised during the years ended 31 March 2012 and 31 March 2011.

29. 購股權計劃(續)

購股權之行使期由本公司董事會決定，但須不遲於授出購股權當日起計10年之日結束。購股權計劃並沒有特定要求規定購股權行使之前必須持有之最短期限，惟其條款給予本公司董事會酌情權，就任何特定購股權進行要約時可施加該最短期限。受要約人可於要約日期起14日內接納授出購股權之要約，並支付象徵式代價共1港元。

本公司董事會可按其絕對酌情權，釐定購股權計劃之任何特定購股權之行使價，並知會各受要約人，惟有關於行使價不得少於(i)於要約日期(必須為營業日)於聯交所之每日報價表所列本公司股份於聯交所之收市價；(ii)緊接要約日期前五個營業日，於聯交所之每日報價表所列本公司股份於聯交所之平均收市價；以及(iii)本公司股份於要約日期之面值(以最高者為準)。

於截至2012年3月31日及2011年3月31日止年度概無根據購股權計劃的購股權獲授出或行使。

Notes to The Consolidated Financial Statements (continued)

綜合財務報表附註(續)

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30. CAPITAL COMMITMENTS

30. 資本承擔

		2012 HK\$'000 千港元	2011 HK\$'000 千港元
Capital expenditure contracted for but not provided in the consolidated financial statements in respect of:	已訂約但尚未於綜合財務報表中撥備之資本開支 乃關於：		
– property, plant and equipment	– 物業、廠房及設備	9,850	1,344
– investment properties	– 投資物業	162,000	–
		171,850	1,344

31. OPERATING LEASE ARRANGEMENTS

31. 經營租約安排

The Group as lessee

本集團作為承租人

		2012 HK\$'000 千港元	2011 HK\$'000 千港元
Minimum lease payments recognised in profit or loss during the year	年內於損益中確認之最低租金付款	2,775	2,523

At the end of the reporting period, the Group had commitments for future minimum lease payments under non-cancellable operating leases which fall due as follows:

於報告期末，本集團於以下年期到期之不可撤銷經營租約之未來最低租金付款之承擔為：

		2012 HK\$'000 千港元	2011 HK\$'000 千港元
Within one year	一年內	240	207
In the second year to fifth year inclusive	第二年至第五年(包括首尾兩年)	29	–
		269	207

Notes to The Consolidated Financial Statements (continued)
 綜合財務報表附註(續)

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31. OPERATING LEASE ARRANGEMENTS

(continued)

The Group as lessee (continued)

Operating lease payments represent rentals payable by the Group for certain of its office premises. Leases are negotiated for lease terms ranging from one to two years.

Under the leases entered into by the Group, the lease payments are fixed and no arrangements have been entered into for contingent rental payments.

The Group as lessor

31. 經營租約安排(續)

本集團作為承租人(續)

經營租約付款指本集團之若干辦公室物業之應付租金。租約之租期在一至兩年之間。

根據本集團訂立之租約，租金付款為固定及並無訂立或然租金付款安排。

本集團作為出租人

		2012 HK\$'000 千港元	2011 HK\$'000 千港元
Property rental income earned during the year	年內賺取之物業租金收入	5,998	5,292
Less: Outgoings	減：支出	—	—
Net rental income	租金收入淨額	5,998	5,292

At the end of the reporting period, the Group had contracted with tenants for the following future minimum lease payments:

於報告期末，本集團與租戶訂立以下未來最低租約付款：

		2012 HK\$'000 千港元	2011 HK\$'000 千港元
Within one year	一年內	7,175	3,866
In the second to fifth year inclusive	第二至第五年(包括首尾兩年)	7,545	4,655
Over five years	超過五年	495	—
		15,215	8,521

Notes to The Consolidated Financial Statements *(continued)*

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31. OPERATING LEASE ARRANGEMENTS

(continued)

The Group as lessor *(continued)*

Under the leases entered into by the Group, the lease payments are fixed and no arrangements have been entered into for contingent rental payments. The properties held have committed tenants for terms of one to six years (2011: one to two years).

32. RETIREMENT BENEFITS SCHEMES

The Group operates a defined contribution Mandatory Provident Fund retirement benefits scheme (the “MPF Scheme”) under the Hong Kong Mandatory Provident Fund Schemes Ordinance. Under the MPF Scheme, the employees are required to contribute 5% of their monthly salaries or up to a maximum of HK\$1,000 and they can choose to make additional contributions. The employer’s monthly contributions are calculated at 5% of the employee’s monthly salaries or up to a maximum of HK\$1,000 (the “mandatory contributions”). The employees are entitled to 100% of the employer’s mandatory contributions upon their retirement at the age of 65, death or total incapacity.

Employees of the subsidiaries in the PRC are members of the state-sponsored pension scheme operated by the PRC government. The subsidiaries are required to contribute a certain percentage of their payroll to the pension scheme to fund the benefits. The only obligation of the Group with respect to the pension scheme is to make the required contributions.

31. 經營租約安排(續)

本集團作為出租人(續)

根據本集團訂立之租約，租約付款為固定及並無訂立或然租金付款安排。持有物業之有合約租戶之租約為期一至六年(2011年：一至兩年)。

32. 退休福利計劃

本集團根據香港強制性公積金計劃條例，設立界定供款強制性公積金退休福利計劃(「強積金計劃」)。於強積金計劃下，僱員須根據每月薪金供款5%或最多為1,000港元，僱員並可選擇作出額外供款。僱主每月供款為按僱員之每月薪金計算供款5%或最多為1,000港元(「強制性供款」)。僱員於65歲退休時、死亡或完全喪失行為能力時，可享有僱主強制性供款之100%。

於中國之附屬公司之僱員為中國政府設立之國家資助退休金計劃成員。附屬公司須按薪金若干百分比向退休金計劃供款，本集團之責任僅為就退休金計劃作出所規定之供款。

Notes to The Consolidated Financial Statements (continued)
 綜合財務報表附註(續)

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32. RETIREMENT BENEFITS SCHEMES

(continued)

There were no forfeited contributions utilised to offset employers' contributions for the year. The employers' contributions which have been dealt with in the consolidated statement of comprehensive income were as follows:

Employers' contributions recognised in profit or loss 於損益中確認之僱主供款

At the end of the reporting period, there were no forfeited contributions available to reduce the contributions payable in the future years.

32. 退休福利計劃(續)

本年度並沒有沒收供款可用作抵銷僱主供款。已於綜合全面收益表中處理之僱主供款如下：

2012 HK\$'000 千港元	2011 HK\$'000 千港元
434	470

於報告期末，並沒有沒收供款可用作減低未來年度之應付供款。

Notes to The Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 March 2012

截至2012年3月31日止年度

33. PARTICULARS OF PRINCIPAL SUBSIDIARIES

33. 主要附屬公司之詳情

Particulars of the Company's principal subsidiaries at 31 March 2012 and 31 March 2011 are as follows:

於2012年3月31日及2011年3月31日，本公司主要附屬公司之詳情如下：

Name of subsidiary 附屬公司名稱	Place of incorporation/ establishment and operation 註冊成立/ 成立及經營地點	Nominal value of issued share capital/paid-up registered capital/ stated capital 已發行股本/ 繳足註冊股本/ 聲明股本面值	Proportion of nominal value of issued share capital/paid-up registered capital/ indirectly held by the Company 本公司間接持有 已發行股本/ 繳足註冊股本/ 聲明股本面值百分比		Principal activities 主要業務
			2012	2011	
Chancemore Limited	British Virgin Islands/ Hong Kong 英屬處女群島/香港	Ordinary US \$1 普通股1美元	100%	100%	Property investment 物業投資
Clever Wise Holdings Limited 智聰控股有限公司	British Virgin Islands/ Hong Kong 英屬處女群島/香港	Ordinary US \$1 普通股1美元	100%	100%	Property investment 物業投資
Easyknit Global Company Limited 永義環球有限公司	Hong Kong 香港	Ordinary HK\$2 普通股2港元	100%	100%	Trading of garments 成衣買賣
Gainever Corporation Limited 永達恒有限公司	Hong Kong 香港	Ordinary HK\$2 普通股2港元	100%	100%	Trading of securities 買賣證券
Grand Profit Development Limited 利怡發展有限公司	Hong Kong 香港	Ordinary HK\$2 普通股2港元	100%	100%	Trading of garments 成衣買賣
Easyknit Enterprises (Huzhou) Co., Ltd. ("Enterprises Huzhou")* (formerly known as 永義製衣(湖州) 有限公司) 永義實業(湖州)有限公司(「湖州實業」)* (前稱「永義製衣(湖州)有限公司」)	PRC 中國	Registered US\$14,634,274 註冊股本 14,634,274美元	100%	100%	Property investment 物業投資

Notes to The Consolidated Financial Statements *(continued)*

綜合財務報表附註 *(續)*

For the year ended 31 March 2012

截至2012年3月31日止年度

33. PARTICULARS OF PRINCIPAL SUBSIDIARIES *(continued)*

- * Enterprises Huzhou is a wholly foreign owned enterprise established in the PRC, to be operated for 50 years up to 14 December 2054.

The above table lists the subsidiaries of the Company, which, in the opinion of the directors of the Company, principally affected the results of the year or constituted a substantial portion of the assets of the Group. To give details of other subsidiaries would result in particulars of excessive length.

None of the subsidiaries had issued any debt securities at 31 March 2012 or 31 March 2011.

33. 主要附屬公司之詳情 *(續)*

- * 湖州實業為一間於中國成立之外資投資企業，經營期為50年，直至2054年12月14日。

根據本公司董事之意見，上表所列示之本公司附屬公司，為主要影響本年度之業績或構成本集團資產主要部分，而列出其他附屬公司之詳情則會使資料過於冗長。

沒有附屬公司於2012年3月31日或2011年3月31日發行任何債務證券。

Notes to The Consolidated Financial Statements (continued)

綜合財務報表附註(續)

For the year ended 31 March 2012

截至2012年3月31日止年度

**34. STATEMENT OF FINANCIAL POSITION
OF THE COMPANY****34. 本公司之財務狀況表**

		2012	2011
		HK\$'000	HK\$'000
		千港元	千港元
Non-current assets	非流動資產		
Interests in subsidiaries	於附屬公司權益	446,429	430,140
Current assets	流動資產		
Other receivables	其他應收款項	207	136
Bank balances	銀行結餘	59,826	91,912
		60,033	92,048
Current liabilities	流動負債		
Other payables	其他應付款項	2,417	2,468
Net current assets	流動資產淨值	57,616	89,580
Net assets	資產淨值	504,045	519,720
Capital and reserves	資本及儲備		
Share capital	股本	5,507	5,507
Reserves (Note)	儲備(附註)	498,538	514,213
		504,045	519,720

Notes to The Consolidated Financial Statements (continued) 綜合財務報表附註(續)

For the year ended 31 March 2012

截至2012年3月31日止年度

34. STATEMENT OF FINANCIAL POSITION OF THE COMPANY (continued)

Note: Movements of the Company's reserves during the current and the prior years are as follows:

34. 本公司之財務狀況表(續)

附註：本公司之儲備於年內及過往年度之變動如下：

		HK\$'000 千港元
At 1 April 2010	於2010年4月1日	450,871
Rights issue of shares	供股股份	62,411
Transaction costs attributable to issue of new shares	發行新股之交易成本	(439)
Total comprehensive income for the year	本年度全面收入總額	1,370
At 31 March 2011	於2011年3月31日	514,213
Total comprehensive expense for the year	本年度全面收入總額	(15,675)
At 31 March 2012	於2012年3月31日	498,538

35. EVENTS AFTER THE END OF THE REPORTING PERIOD

In April 2012, the Group entered into provisional agreements to acquire investment properties in Hong Kong from independent third parties at an aggregate consideration of approximately HK\$81,000,000.

35. 報告期末後事項

於2012年4月，本集團以合共約81,000,000港元之代價訂立臨時買賣合約，從獨立第三者購入位於香港之投資物業。

Financial Summary

財務資料概要

RESULTS

業績

		Year ended 31 March				
		截至3月31日止年度				
		2008	2009	2010	2011	2012
		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
Turnover	營業額	74,923	59,960	52,385	348,081	286,916
(Loss) profit before taxation	除稅前(虧損)溢利	(14,979)	(46,205)	(16,837)	69,999	(40,670)
Taxation	稅項	(2,832)	(1,252)	(1,221)	(4,939)	(2,060)
(Loss) profit for the year	本年度(虧損)溢利歸屬					
attributable to owners of	於本公司權益持有人					
the Company		(17,811)	(47,457)	(18,058)	65,060	(42,730)

ASSETS AND LIABILITIES

資產及負債

		At 31 March				
		於3月31日				
		2008	2009	2010	2011	2012
		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
Total assets	總資產	333,349	388,119	548,793	702,005	662,136
Total liabilities	總負債	(66,384)	(31,539)	(58,810)	(73,643)	(67,372)
		266,965	356,580	489,983	628,362	594,764
Equity attributable to	本公司權益持有人應佔					
owners of the Company	權益	266,965	356,580	489,983	628,362	594,764

Summary of Properties

物業概要

At 31 March 2012

於2012年3月31日

INVESTMENT PROPERTIES

投資物業

	Location 地址	Purpose 用途	Approximate gross floor/ saleable/ site area 概約樓面/ 實用面積 (sq.ft.) (平方呎)	Lease term 租約年期
1.	Ground Floor No.148 Johnston Road Wanchai Hong Kong 香港灣仔 莊士敦道 148號地下	Commercial 商業	580	Long 長期
2.	Ground Floor and Cockloft No.13 Matheson Street Causeway Bay Hong Kong 香港銅鑼灣 勿地臣街13號 地下及閣樓	Commercial 商業	1,232	Long 長期
3.	Two parcels of land at an industrial site located at the South of Hengtang Harbour, the West of Dongliang Road, Zhili Town, Wuxing District, Huzhou City, Zhejiang Province of the People's Republic of China with a total of six building blocks being built 兩幅作為工業用地之土地 位處於中國浙江省湖州市 吳興區織里鎮棟梁路以西， 橫塘港以南，總計六棟 已完成建築之建築物。	Industrial 工業	1,805,534	Medium 中期



EASYKNIT ENTERPRISES HOLDINGS LIMITED

永義實業集團有限公司

(Stock Code 股份代號 : 0616)