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EASYKNIT ENTERPRISES HOLDINGS LIMITED

永義實業集團有限公司*

(incorporated in Bermuda with limited liability)

(於百慕達註冊成立之有限公司)

(Stock code 股份代號: 0616)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 MARCH 2012

**截至2012年3月31日止
之全年業績公佈**

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

永義實業集團有限公司(「**本公司**」)董事會欣然公佈本公司及其附屬公司(「**本集團**」)截至2012年3月31日止年度之經審核全年業績連同比較數字。本全年業績已由本公司之審核委員會審閱。

* *for identification only*

* 僅供識別

**CONSOLIDATED STATEMENT OF
COMPREHENSIVE INCOME**

For the year ended 31 March 2012

綜合全面收益表

截至2012年3月31日止年度

			2012	2011
		<i>NOTES</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
		<i>附註</i>	<i>千港元</i>	<i>千港元</i>
Continuing operations:	持續經營業務：			
Turnover	營業額	3	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	5	(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		(39,313)	—
Impairment loss recognised in respect of intangible asset	無形資產之已確認減值虧損		(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		1,027	8,777
(Loss) profit before taxation	除稅前(虧損)收益		(41,955)	49,816
Taxation	稅項	6	(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)收益	7	(44,015)	44,877
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收益	8	1,285	20,183

		<i>NOTES</i>	2012 <i>HK\$'000</i> 千港元	2011 <i>HK\$'000</i> 千港元
		附註		
(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)收益		<u>(42,730)</u>	<u>65,060</u>
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		<u>9,132</u>	<u>9,511</u>
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		<u>(33,598)</u>	<u>74,571</u>
Basic (loss) earnings per share	每股基本(虧損)盈利	9		
From continuing and discontinued operations	來自持續經營及已終 止業務		<u>HK\$(0.078)</u>	<u>HK\$0.152</u>
From continuing operations	來自持續經營業務		<u>HK\$(0.080)</u>	<u>HK\$0.105</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 March 2012

綜合財務狀況表

於2012年3月31日

			2012	2011
		<i>NOTES</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
		<i>附註</i>	<i>千港元</i>	<i>千港元</i>
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備		10,726	9,786
Investment properties	投資物業		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		—	39,313
Intangible asset	無形資產		—	21,614
			371,883	371,310
Current assets	流動資產			
Inventories	存貨		—	6,155
Trade and other receivables	貿易及其他應收款項	<i>10</i>	25,789	64,625
Investments held for trading	持作買賣投資		58,987	58,485
Financial assets designated as at fair value through profit or loss	按公平值計入損益之其他金融資產		—	19,327
Bank balances and cash	銀行結餘及現金		205,477	181,876
			290,253	330,468
Assets classified as held for sale	列作持作出售資產		—	227
			290,253	330,695
Current liabilities	流動負債			
Trade and other payables	貿易及其他應付款項	<i>11</i>	24,710	36,129
Bills payable	應付票據	<i>12</i>	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

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

NOTES

1. GENERAL

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.

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

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 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.

綜合財務報表附註

1. 一般資料

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（「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香港聯合交易所有限公司證券上市規則及香港公司條例規定之適用披露。

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。

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	香港財務報告準則第7號(修訂本)	披露 — 金融資產轉讓 ¹
Amendments to HKFRS 7	Disclosures — Offsetting financial assets and financial liabilities ⁴	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
Amendments to HKFRS 7 and HKFRS 9	Mandatory effective date of HKFRS 9 and transition disclosures ⁶	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
HKFRS 9	Financial instruments ⁶	香港財務報告準則第9號	金融工具 ⁶
HKFRS 10	Consolidated financial statements ⁴	香港財務報告準則第10號	綜合財務報表 ⁴
HKFRS 11	Joint arrangements ⁴	香港財務報告準則第11號	共同安排 ⁴
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

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：

- 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.

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.

- 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

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解除確認之規定。

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。

- 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).

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.

- 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，指定為於損益按公平值計算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)。

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。

HKFRS 11 replaces HKAS 31 “Interests in joint ventures” and HK (SIC)-Int 13 “Jointly controlled entities - Non-monetary contributions by venturers”. HKFRS 11 deals with how a joint arrangement of which two or more parties have joint control should be classified. Under HKFRS 11, joint arrangements are classified as joint operations or joint ventures, depending on the rights and obligations of the parties to the arrangements. In contrast, under HKAS 31, there are three types of joint arrangements: jointly controlled entities, jointly controlled assets and jointly controlled operations.

In addition, joint ventures under HKFRS 11 are required to be accounted for using the equity method of accounting, whereas jointly controlled entities under HKAS 31 can be accounted for using the equity method of accounting or proportionate accounting.

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.

香港財務報告準則第11號取代香港會計準則第31號「合營企業之權益」及香港（常務詮釋委員會）— 詮釋第13號「共同控制實體 — 合資方作出之非貨幣出資」。香港財務報告準則第11號處理受兩方或多方共同控制之共同安排須如何分類。根據香港財務報告準則第11號，共同安排分為共同經營或合營企業，視乎各方根據安排之權利及責任而定。相對而言，根據香港會計準則第31號，共同安排分為三種：共同控制實體、共同控制資產及共同控制業務。

此外，根據香港財務報告準則第11號，合營企業須按權益會計法入賬，而根據香港會計準則第31號，共同控制實體可採用權益會計法或比例會計入賬。

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。

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.

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.

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「財務工具：披露」所述財務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。

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。

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.

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.

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號之修訂「遞延稅項 — 收回相關資產」

香港會計準則第12號之修訂為香港會計準則第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。

香港會計準則第12號之修訂於2012年1月1日或之後開始的年度期間生效。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. 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:

Sales of goods	貨物銷售
Rental income	租金收入

4. 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.

3. 營業額

扣除折扣及與銷售有關稅項後之營業額指年內本集團銷售貨品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：

	2012 HK\$'000 千港元	2011 HK\$'000 千港元
	280,918	342,700
	5,998	5,292
	<u>286,916</u>	<u>347,992</u>

4. 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。

Segment revenue and results

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

For the year ended 31 March 2012

Continuing operations:

分類營業額及業績

按來自持續經營業務之呈報分部分析本集團之營業額及業績如下：

截至2012年3月31日止年度

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	<u>280,918</u>	<u>5,998</u>	<u>—</u>	<u>—</u>	<u>286,916</u>
Segment (loss) profit	分類業績	<u>(61,799)</u>	<u>2,848</u>	<u>(14,711)</u>	<u>—</u>	<u>(73,662)</u>
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					<u>(5,255)</u>
Loss before taxation (continuing operations)	除稅前虧損(持續 經營業務)					<u><u>(41,955)</u></u>

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：

		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

The accounting policies of the operating and reportable segments are the same as the Group's accounting policies. 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.

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，當中沒有包含其他收入、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。

Segment assets and liabilities

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

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

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

就分部表現監控及就分部間之資源分配而言：

- 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.

- 除未分配銀行結餘及現金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。

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

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)

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:

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 external customers		Non-current assets	
		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

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:

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：

		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.

¹ 來自採購及出口成衣之營業額。

5. OTHER GAINS AND LOSSES

5. 其他收益及虧損

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

6. TAXATION

6. 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
Deferred tax	遞延稅項	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。

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

7. 來自持續經營業務之本年度(虧損)溢利

		2012 HK\$'000 千港元	2011 HK\$'000 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	董事酬金	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

8. DISCONTINUED OPERATIONS

On 22 November 2009, the directors resolved to cease the bleaching and dyeing, and knitting businesses and this business was ceased in December 2009. The results of the discontinued operations included in the consolidated statement of comprehensive income and consolidated statement of cash flows are set out below.

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:

Loss of discontinued operation for the year	來自己終止經營業務之本年度虧損
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)

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

8. 已終止經營業務

於2009年11月22日，董事決定終止漂染及紡織業務，而該等業務大部分已於2009年12月終止，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。

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。

來自己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
—	(1,205)
1,285	21,388
1,285	20,183

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

proceeds remained unsettled and was included in “trade and other receivables”. Such amount was collected during the year ended 31 March 2012.

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」內。此金額已於截至2012年3月31日止年度內收回。

		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 — sales of goods	營業額來自漂染 — 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	來自己終止經營業務之本年度虧損	—	(1,205)
Loss for the year from discontinued operations includes the following:	來自己終止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	滙兌虧損淨額	—	478
Interest income	利息收入	—	(39)
Cash flows from discontinued operations	來自經營業務之現金淨額	—	14,142
Net cash inflows from operating activities	來自投資活動之現金流入淨額	—	44,673
Net cash inflows from investing activities	用於融資活動之現金流入淨額	8,282	—
Net cash inflows	現金流入淨額	8,282	58,815

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:

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：

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

9. BASIC (LOSS) EARNINGS PER SHARE

9. 每股基本(虧損)盈利

From continuing and discontinued operations:

來自持續經營及已終止經營業務：

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

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 <i>HK\$'000</i> 千港元	2011 <i>HK\$'000</i> 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
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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:

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：

		2012 HK\$'000 千港元	2011 HK\$'000 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

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股份，故不呈列兩個年度之每股攤薄(虧損)盈利。

From discontinued operation:

來自已終止經營業務：

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.

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)，此乃根據來自已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。

10. TRADE AND OTHER RECEIVABLES

10. 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年內變現之支付於供應商按金	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

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:

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

		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

11. 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

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

根據發票日期，貿易應付款項於報告期末之賬齡分析如下：

購貨之平均賒賬期為 30 日。

12. BILLS PAYABLE

At the end of the reporting period, the bills payable are aged within 30 days (2011: nil).

12. 應付票據

於報告期末，應付票據之賬齡為 30 日內 (2011 年：無)。

MANAGEMENT DISCUSSION AND ANALYSIS

FINAL DIVIDEND

The Board does not recommend the payment of 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 basis 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).

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.

管理層討論及分析

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：溢利約為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：每股基本盈利約為0.152港元)。

業務回顧

年內，本集團主要從事採購及出口成衣業務、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位於香港及中國之物業。

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 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.

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.

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。

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。

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 internally 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.

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.

財務回顧

流動資金及財務資源

於2012年3月31日，本集團持有之銀行及現金結存約為205,477,000港元(2011年：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。

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。

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 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.

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.

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。於期內，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)。

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改善品質、設計及產品組合以加強其競爭力。

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.

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.

REVIEW OF ANNUAL RESULTS

The audit committee of the Company has reviewed with the management the annual results of the Group for the year ended 31 March 2012.

CORPORATE GOVERNANCE

The Company has complied with the code provisions of Corporate Governance Practices ("Code") as set out in Appendix 14 to the Listing Rules for the time being in force throughout for the year ended 31 March 2012 except for the deviation on Code provision A.2.1 in relation to the segregation of powers between chairman and chief executive officer.

現在的全球金融狀況仍然複雜不穩定，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。

僱員及薪酬政策

於2012年3月31日，本集團有員工43名(2011年：40)。於回顧年內，員工成本(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，以鼓勵上進之員工。

審閱全年業績

本公司審核委員會已與管理層審閱本集團截至2012年3月31日止年度之全年業績。

企業管治

截至2012年3月31日止年度，本公司一直遵守上市規則附錄14之企業管治常規守則(「守則」)中所有守則條文除守則條文第A.2.1條偏離外有關主席與首席行政總裁之權力分開。

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.

SHARE OPTION SCHEME

On 6 June 2002, a share option scheme (the “Scheme”) was adopted and approved by the then shareholders of the Company for a period of 10 years commencing on the adoption date. Since the adoption date, the Board, may at its discretion, grant share options to any eligible person to subscribe for the shares in the Company subject to the terms and conditions as stipulated in the Scheme. No share options have been granted for the year ended 31 March 2012.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company’s listed securities during the year ended 31 March 2012.

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日年度止，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。

購股權計劃

於2002年6月6日，本公司當時的股東已採納及批准一項購股權計劃(「計劃」)，年期由採納日期起計十年。自採納日期起，董事會可酌情向任何合資格認購本公司股份人士授出購股權，惟須受計劃的條款及細則所限。截至2012年3月31日止年度，並無授出任何購股權。

購買、出售及贖回本公司之上市證券

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回、出售或贖回任何本公司之上市證券。

PUBLICATION OF INFORMATION ON THE WEBSITES ON THE STOCK EXCHANGE AND OF THE COMPANY

The results announcement is published on the Company's website (www.easyknitenterp.com) and the Stock Exchange designated website (www.hkexnews.hk).

By Order of the Board
Easyknit Enterprises Holdings Limited
Kwong Jimmy Cheung Tim
Chairman and Chief Executive Officer

Hong Kong, 15 May 2012

As at the date hereof, the Board comprises Mr. Kwong Jimmy Cheung Tim, Ms. Lui Yuk Chu and Ms. Koon Ho Yan Candy as executive directors, Mr. Tse Wing Chiu, Ricky as non-executive director and Mr. Kan Ka Hon, Mr. Lau Sin Ming and Mr. Foo Tak Ching as independent non-executive directors.

於聯交所網站和公司網站公佈全年業績

全年業績公佈已刊載於本公司網站 (www.easyknitenterp.com) 及聯交所指定網站 (www.hkexnews.hk)。

承董事會命
永義實業集團有限公司
鄺長添
主席兼首席行政總裁

香港，2012年5月15日

於本通告日期，董事會成員包括執行董事鄺長添先生、雷玉珠女士及官可欣女士，非執行董事謝永超先生，以及獨立非執行董事簡嘉翰先生、劉善明先生及傅德楨先生。