



Eagle Nice (International) Holdings Limited 鷹美(國際)控股有限公司*

(Incorporated in the Cayman Islands with limited liability)
(於開曼群島註冊成立之有限公司)
(Stock Code 股份代號 : 02368)



2013 Annual Report 年報

* For identification purposes only 僅供識別

COMPANY MISSION

**To Be The Number One Sportswear
Manufacturer Who Delivers World Class
Products To Our World Class Customers**

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Corporate Information

Executive Directors

Chung Yuk Sing
Chen Hsiao Ying
Kuo Tai Yu
Chen Fang Mei, Christina

Independent Non-executive Directors

Chan Cheuk Ho
Lu Chi Chant
Cheng Yung Hui, Tony

Company Secretary

Woo Man Chi

Registered Office

Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
the Cayman Islands

Head Office and Principal Place of Business in Hong Kong

Units 0902-0903 and 0905-0906
9th Floor, Tower B
Regent Centre
70 Ta Chuen Ping Street
Kwai Chung
New Territories
Hong Kong

Legal Advisers

Vincent T.K. Cheung, Yap & Co.
11th Floor
Central Building
1-3 Pedder Street
Central
Hong Kong

Auditors

Ernst & Young
Certified Public Accountants
22/F, CITIC Tower,
1 Tim Mei Avenue,
Central, Hong Kong

Audit Committee Members

Chan Cheuk Ho (*Chairman*)
Lu Chi Chant
Cheng Yung Hui, Tony

Remuneration Committee Members

Chan Cheuk Ho (*Chairman*)
Chung Yuk Sing
Lu Chi Chant

Nomination Committee Members

Chung Yuk Sing (*Chairman*)
Chan Cheuk Ho
Lu Chi Chant

Principal Bankers

The Hongkong and Shanghai
Banking Corporation Limited
673 Nathan Road
Kowloon
Hong Kong

Taipei Fubon
Commercial Bank Co., Ltd.
18/F Central Tower
28 Queen's Road Central
Hong Kong

Bank of China, Guangdong Branch
Composite Building
Dabeishan Road
Longhu District
Shantou
Guangdong Province
The People's Republic of China

Principal Share Registrar and Transfer Office

HSBC Trustee (Cayman) Limited
P.O. Box 484
HSBC House
68 West Bay Road
Grand Cayman KY1-1106
the Cayman Islands

Hong Kong Branch Share Registrar and Transfer Office

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

Website

<http://www.eaglenice.com.hk>

Stock Code

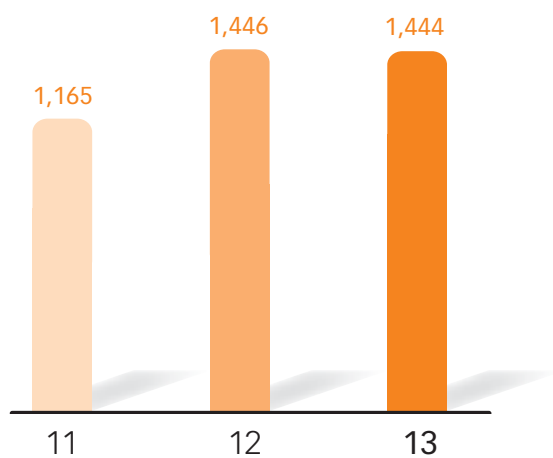
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Financial Highlights

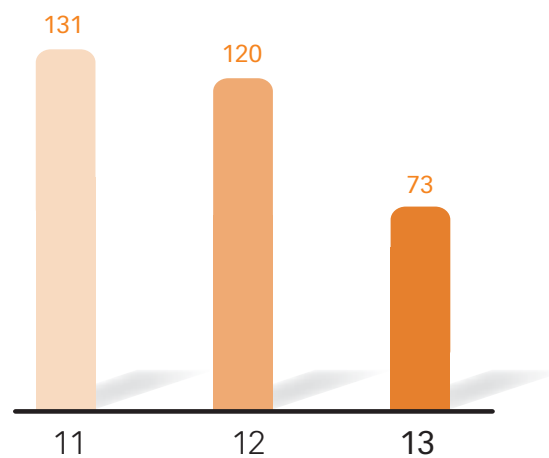
Results	2013 HK\$ Million	2012 HK\$ Million
Revenue	1,444	1,446
Profit before depreciation, amortisation, interest and tax	165	201
Profit for the year attributable to owners of the Company	73	120
Basic earnings per share	HK\$0.15	HK\$0.24
Dividend per share		
– Interim	HK7 cents	HK7 cents
– Final	HK4 cents	HK7 cents

Financial Position	2013 HK\$ Million	2012 HK\$ Million
Total assets	1,803	1,737
Net debts (bank borrowings net of cash and cash equivalents)	78	47
Shareholders' equity	1,142	1,069
Net assets per share	HK\$2.29	HK\$2.14

Revenue
HK\$ Million



Profit Attributable to Owners
HK\$ Million



**Working in Harmony
& Strong Team Spirit
to reach New Height
together**





Chairman's Statement

On behalf of the board of directors (the "Board") of Eagle Nice (International) Holdings Limited (the "Company"), I hereby present the annual results of the Company and its subsidiaries (collectively the "Group") for the year ended 31 March 2013.

Industry Review

While the PRC reported stable economic growth against the general slowdown in the global economy in 2012, consumers were cautious in their spending given uncertainties in the economic outlook. The market for sporting goods was subject to a decline in demand for consumer goods as the European and U.S. economies continued to be troubled by high unemployment rates in 2012. In the PRC, economic growth has slowed down since recent years following successive periods of solid growth. According to the "2012 China Sporting Goods Industry White Paper" published by China Sporting Goods Federation, the PRC's domestic sportswear brands experienced a second consecutive year of decline in sales in 2012. According to the White Paper, domestic sportswear sales by Mainland listed enterprises in 2012 dropped by nearly 20% as compared to the previous year, indicating the end of a cycle of high growth for the PRC's sporting goods industry. The global sporting goods industry is currently subject to a decline in the overall demand for sporting goods, a changing structure and pattern in consumer spending, piling stocks and shrinking profit. Production costs have increased significantly in line with unyielding inflationary prices in Asia as a result of quantitative easing measures adopted by various countries, coupled with substantially higher levels of minimum labour wages and benefits introduced by the PRC and major manufacturing nations in Southeast Asia in recent years.

Summary of Results

Demand for sportswear inevitably sharply declined in 2012 given the slowdown in global economy coupled with excessive inventory levels for sportswear brands. With proactive and incessant efforts of the Group against austere market conditions, the Group reported turnover of HK\$1,444.0 million, which was comparable with the previous year's turnover albeit a slight decrease by HK\$2.0 million or 0.1%. Nevertheless, net profit of the Group for the year decreased by HK\$47.4 million or 39.3% to HK\$73.0 million. Amidst ongoing difficulties in the business environment, costs increased significantly for the year as the Group was facing force majeure such as ongoing RMB appreciation, increase in labour wages and benefits mandated by the PRC and Indonesian governments respectively, the removal of tax concessions for foreign investors coupled with the introduction of numerous new taxes as part of the PRC government's tax reform program.

The Group's new plants in Jiangxi Province, the PRC and Banten Province, Indonesia (the "New Plants"), under planning and construction since 2010, were in full operation during the year. Although abundant cheap labour and tax concessions were available in these two regions, local workers were still under training and the depreciation charge for property, plant and equipment increased significantly under applicable accounting standards following the full operation of the New Plants. The fact that the New Plants had yet to achieve a breakeven was the major factor affecting the Group's net profit for the year.

Chairman's Statement *(continued)*

Business and Market Review

While the industry as a whole continued to be subject to intense competition, change became the key to success for market player. In response to the situation, the Group has vigorously carried out reforms on all fronts in recent years to consolidate its strengths for future development.

Leveraging complementary strengths of different regions and driving sustainable growth with research and development

Relocation to the central and western regions of the PRC as well as developing countries in Southeast Asia has become a major trend for manufacturers previously based in the PRC's coastal regions that have been subject to rising production costs and limitations in resources and the environment for development. The Group started to expand its business to Jiangxi Province, the PRC and Banten Province, Indonesia in previous years, as a solution to rising labour cost, inadequate land supply and insufficient domestic labour supply in the Mainland China. We have positioned the New Plants as large-scale, standardised production bases leveraging the labour cost advantage and land resources in the PRC's central and western regions. The plant in Indonesia, which represents the Group's first step towards international development, has enhanced the flexibility of our order arrangements and the strength of our diversification strategy. Meanwhile, the existing plants in Guangdong Province, the PRC have been designated as research and development bases characterised by advanced technologies, high added value and low resource consumption capitalising on its existing strengths in technology, research and development and marketing. By leveraging the mutually complementary strengths of the new regions and the developed regions, the Group has built a solid foundation for long-term development.

Close tracking of market demand to support clients' initiatives to address market requirements

With the introduction of fashion element that changes the appearance of sportswear and the technology element that enhances its functions amid a rapidly evolving consumers' market, sportswear has been transformed from a durable consumer product to fast fashion. As a result, the current market strategy of our customers is underpinned by "market segment sub-division, collective designs, small-batch production and style variety". To afford best services for customers, the Group has built a swift-acting marketing regime that is highly flexible, resilient, adaptable to changes and capable of prompt response. Our in-house design team has kept a close tracking of market demand and maintained frequent liaison with suppliers to learn about functions of novel materials and innovative production technologies, while enhancing communication with customers to ensure understanding of their requirements and needs. In view of production, the sample manufacturing process has been optimised to improve production capacity and quality while shortening the lead-time for sample production, to enable customers' launch of new products in the retail market within the shortest possible time.

To further support our customers' market strategy of "market segment sub-division and style variety," the Group vigorously expanded its sample production line during the year to cope with the significantly increased quantity of styles developed and enhance production flexibility. Equipment at the test laboratory has also been enhanced with the addition of advanced equipment such as Formaldehyde Determination, Automatic Fabric Air Permeability Tester, and Digital Fabric Water Permeability Tester, so as to expedite the speed of laboratory tests and shorten the lead-time of development of new product styles.

Chairman's Statement *(continued)*

Being focused on the PRC, the U.S. and Europe as major markets while vigorously developing new clientele

It has been the Group's market strategy in recent years to vigorously develop the European and U.S. markets while continuing to make inroads in the market of the PRC. While the European and U.S. economies have yet to see full recovery from the blow of the 2008 financial tsunami, they have remained major consumer nations as major economies in the world, providing enormous market demand for sporting goods. As for the emerging markets, the PRC has outperformed its peers over the years, being intensely contested for by most sporting brands even though demand in the market has slowed down in recent years. The Group expects to adhere to this market strategy in future. The PRC, the U.S. and Europe remained the top three markets of the Group during the year under review, accounting for 32%, 21% and 17% of our sales for the year, respectively. Sales generated from the PRC, the Group's largest market, were generally stable with a minimal year-on-year decrease of approximately 2% reflecting mainly intense competition in the industry. The U.S. replaced Europe as the Group's second largest market with sales growing significantly by approximately 64%, while sales in Europe decreased substantially by approximately 43%, resulting from customers' business strategy of reallocation of orders. The Group has been able to sustain stable overall sales and mitigate the impact of market volatility or changes in clients' business strategies on its sales on the back of its strategy of market diversification.

Outlook

Market demand for sportswear is expected to sustain given growing public awareness of health issues and increasing popularity of sporting activities, while the trend of fashionable and leisure sportswear in recent years has provided immense potential to drive further growth of the sportswear market. At the same time, we are also well-prepared as a sportswear manufacturer to embrace future challenges in view of escalating competition in the sporting goods industry and increasing demand for product quality and functions from the consumers. The Group remains confident in the long-term prospect of the market for sporting goods and the Board intends to maintain the Group's dividend payout policy.

Labour supply and labour costs are very important factors affecting the operation of sportswear manufacturers given sportswear manufacturing being labour-intensive industry. To pursue sustained development at reasonable costs, the Group commenced the construction of production bases in Jiangxi Province, the PRC and Banten Province, Indonesia in 2010 to leverage the relatively low labour costs and abundant labour supply in these regions. The New Plants became fully operational during the year and we are stepping up with the training of workers to enhance efficiency. Coupled with the depreciation factor associated with property, plant and equipment of the New Plant, the Group does not anticipate the New Plants to make profit contributions in the coming one to two years, although they will unquestionably provide the driving force for the Group's growth in the long run.

In connection with supply-chain management, the Group seeks to cope with the ever-changing consumer market by adopting business measures on all fronts, such as optimising its information technology system to cater for customers' requirements, adopting innovative technologies to shorten production lead-time, refining lean production to enhance efficiency and making ongoing investments in research, development and design teams to improve product functions and designs.

The Group is concerned with improving not only the quality of its products, but also the quality of its human resources, its invaluable assets, to help maintain a leading edge in the intense market competition. The Group has further optimised and adjusted its organisational structure to enhance its operating efficiency following the commissioning of the New Plants. The Group considers the right employees as cornerstone to its development. It places a strong emphasis on the selection, training, motivation and retention of the employees, enhancing internal staff training and development through a systematic human resource management regime, while recruiting high-calibre persons to facilitate future expansion. The Group's human resource management is based on the principle of matching individual remuneration with the job position, performance and abilities and ensuring competitiveness of remuneration for core staff with a view to sustainable development for the Group and its employees amidst a highly competitive environment.

Chairman's Statement *(continued)*

Social Responsibility

The Group fulfills its corporate social responsibility by engaging in practical actions that bring warmth and affection to the community and deliver long-term benefits to its employees, the community and the environment. In addition to charitable donations by the Group, staff volunteer teams are also organized to participate in charitable fundraising activities, holiday visits to underprivileged families and the Bridge to China fundraising walkathon.

In response to the call for environmental protection, the Group has launched a series of campaigns and activities on environmental protection and energy conservation. Through seminars and talks on how industrial pollution jeopardises human life, health and workplace coupled with relevant training sessions, it aroused employees' awareness of the importance of environmental protection and refuse sorting and recycling. Refuse sorting and recycling have been diligently implemented at our plants. The Group also manufactures colourful and environment-friendly shopping bags with scrap material with a view to reducing the consumption of plastic bags, enhancing staff environmental awareness and maximising the use of raw materials. An environmental protection contest was held during the year. The participating staff showed their creativity with waste-turned items of trendy design, underpinning strong environmental awareness at the Group.

Appreciation

On behalf of the Group, I would like to express my sincere gratitude to the directors and the management for their invaluable contributions during the year. I would also like to thank our shareholders, suppliers, business partners and customers for their unfailing support of the Group. Appreciation is also due to all members of our staff for their incessant efforts and dedicated services.

Chung Yuk Sing

Chairman

Hong Kong, 28 June 2013



"Award-winning work of Eagle Nice Environmental Protection Contest 2013"

Financial and Operation Review

Review of Financial Performance

In recent years, the Group has focused on developing the markets in the PRC, U.S. and the Europe which accounted for 70.6% in aggregate of our total sales. The growth of sportswear market in the PRC has recently slowed down after years of tremendous growth. The European and U.S. economies have been plagued by high unemployment rate and decrease in demand for sportswear in emerging markets giving rise to overcapacity and overstocking encountered by most sportswear brands. In 2012, sportswear manufacturers were affected, to different extents, by actions of inventory clearance taken by sportswear brands. In spite of decreasing global demand for sportswear, the Group was able to sustain overall sales by capitalizing its established cooperation relationship with our customers. Turnover for the year slightly decreased by 0.1% to HK\$1,444.0 million from HK\$1,446.0 million last year.

During the year, the toughest challenges that the Group had encountered were increase in production costs which resulted from rise in labour costs, Renminbi appreciation and constant inflation. Meanwhile, the PRC government has initiated tax reforms on cutting down tax preference for foreign investors as well as introducing additional tax types, leading to a soar in our production costs. Further, since the two new plants of the Group set up in Jiangxi Province, the PRC and Banten Province, Indonesia (the "New Plants") have commenced full operations during the year, provision for depreciation of property, plant and equipment was required to be made in respect of the New Plants and depreciation charges for the year increased significantly. Coupled with the fact that the workers in the New Plants were still undergoing training, the operations had yet achieved break-even during the year. As a result, our gross profit dropped by HK\$47.2 million to HK\$249.9 million from HK\$297.1 million, and gross profit margin decreased by 3.2% from 20.5% to 17.3%.

The Group's selling and distribution expenses decreased by HK\$0.8 million (or 4.7%), which were due to decrease in promotion and advertising expenses as compared with last year. Increase in administrative expenses of HK\$5.6 million (or 4.3%) were principally due to employment of additional managerial staff relating to investments in the New Plants, as well as provision for depreciation of office buildings and equipment of the New Plants after full operations of the New Plants commenced during the year. Finance costs increased by HK\$1.7 million (or 36.5%) during the year as the overall interest rate and outstanding bank borrowings were higher than that of last year.

In respect of taxation, profit before tax decreased by HK\$57.9 million (or 38.0%), while the Group's overall tax expenses decreased by HK\$10.6 million (or 32.9%). Decrease in Hong Kong profit tax expenses was due to profit drop in the Group's business in Hong Kong; while tax provision for business in the PRC increased as a result of rise in applicable tax rate for the year under the tax reforms in the PRC. The over-provision of tax was mainly due to tax credit given by the PRC government. Based on the latest guidelines issued by the PRC government in respect of beneficial owner assessment, the Group could enjoy preferential tax rate on distribution of profits from its PRC subsidiaries under Mainland China/Hong Kong Double Taxation Arrangement. Reversal of deferred tax of HK\$2.2 million has been made as a result.

Profit attributable to owners of the Company was HK\$73.0 million for the year ended 31 March 2013, representing a decrease of 39.3% compared to HK\$120.3 million last year. The net profit margin decreased by 3.2% from 8.3% to 5.1% when compared with last year. Basic earnings per share amounted to HK14.6 cents for the year compared to HK24.1 cents last year. The Board recommended a final dividend of HK4 cents per share compared to HK7 cents per share last year, which would result in the dividend payout ratio for the whole year of 75% (2012: 58%).

Financial and Operation Review (continued)

Liquidity and Financial Resources

During the year under review, the Group continued to maintain a healthy liquidity position. The Group generally finances its operations with internally generated resources and banking facilities provided by its bankers. As at 31 March 2013, the Group had cash and cash equivalents amounted to HK\$309.4 million (31 March 2012: HK\$372.0 million) mainly denominated in Hong Kong dollars, Renminbi ("RMB"), US dollars and Indonesian Rupiah.

As at 31 March 2013, the Group had aggregate banking facilities of HK\$666.0 million (31 March 2012: HK\$706.0 million), out of which HK\$316.0 million (31 March 2012: HK\$356.0 million) were secured by corporate guarantees executed by the Company and a subsidiary of the Company. The banking facilities amounting to HK\$390.0 million were utilised by the Group as at 31 March 2013 (31 March 2012: HK\$427.6 million). As at 31 March 2013, the Group's total bank borrowings was HK\$387.6 million (31 March 2012: 418.9 million). As at 31 March 2013, based on the scheduled repayments set out in the relevant loan agreements with banks, the maturity profile of the Group's bank borrowings spread over four years with HK\$145.2 million repayable within one year, HK\$31.2 million in the second year, HK\$211.2 million in the third to fourth year.

The management believes that the existing financial resources will be sufficient to meet existing operations as well as existing and future expansion plans and, if necessary, the Group will be able to obtain additional financing with favourable terms. There is no material effect of seasonality on the Group's borrowing requirements.

Gearing ratio of the Group is defined as the net debt (represented by bank borrowings net of cash and cash equivalents) divided by shareholders' equity. As at 31 March 2013, the Group's gearing ratios is 6.9% (31 March 2012: 4.4%).

Foreign Exchange Risk Management

The Group has transactional currency exposures. Such exposures arise from substantial portion of sales or purchases by operating units in US dollars and RMB. The Group is exposed to foreign exchange risk arising from the exposure of US dollars and RMB. As the foreign currency risks generated from the sales and purchases can be set off with each other, the Group believes its exposure to exchange rate risk is minimal. It is the policy of the Group to continue maintaining the balance of its sales and purchases in the same currency.

The Group currently does not have a foreign currency hedging policy. However, the management monitors the foreign exchange exposures and will consider hedging the significant foreign currency exposures should any need arises.

Significant Investments

As at 31 March 2013, there was no significant investment held by the Group (31 March 2012: Nil).

Material Acquisitions and Disposals

There was no material acquisition or disposal of subsidiaries and associated companies during the year ended 31 March 2013 (2012: Nil).

Financial and Operation Review (continued)

Contingent Liabilities and Capital Commitments

As at 31 March 2013, the Group did not have any significant contingent liabilities (31 March 2012: Nil). The Group had the following capital commitments at the end of the reporting period:

	As at 31 March 2013 HK\$'000	As at 31 March 2012 HK\$'000
Contracted, but not provided for:		
Construction of factories and purchases of machinery and equipment for the investment in Jiangxi Province, the PRC (the "Jiangxi Project")	2,091	35,225
Renovation of factories for the investment in Indonesia	1,529	18,507
Purchases of items of property, plant and equipment	1,206	1,113
Renovation of factories	1,724	233
	6,550	55,078
Authorised, but not contracted for:		
Investment in the Jiangxi Project	38,610	51,747

As at 31 March 2013, the Group's banking facilities were secured by the corporate guarantees executed by the Company and a subsidiary of the Company to the extent of HK\$316,000,000 (31 March 2012: HK\$356,000,000) of which an aggregate amount of HK\$155,966,000 was utilised.

Employees and Remuneration Policies

As at 31 March 2013, the Group employed a total of approximately 10,000 employees including directors (31 March 2012: approximately 10,000). Total employee benefits expenses including directors' emoluments were HK\$371.0 million for the year under review (2012: HK\$326.1 million).

The employees including directors are remunerated based on their work performance, professional experiences and the prevailing industry practice. The Group also makes contributions to the statutory mandatory provident fund scheme and defined contribution retirement benefits scheme for the employees of the Group in Hong Kong and to the central pension scheme for the employees of the Group in the PRC.

Directors' and Senior Management's Biographies

Executive Directors

Chung Yuk Sing, aged 52, has been the Chairman and Executive Director of the Company since October 2002. He is the founder of the Group and a director of other members of the Group. Mr. Chung provides leadership to the Board and is responsible for corporate development. He has been accredited as "Honorary Citizen of Shantou City" in the PRC. Mr. Chung holds several public positions, including the Honorary President of Shantou Overseas Sodality, Honorary President of Shantou Overseas Communication Association and Honorary President of Social Security and Welfare Association of Lungghu, Shantou City. Mr. Chung has over 20 years of manufacturing and management experience in garment industry.

Chen Hsiao Ying, aged 49, has joined the Group as Executive Director since October 2007. He was Chief Executive Officer of the Company from October 2007 to June 2013. He is also a director of other members of the Group. Mr. Chen had worked as Factory Manager in a sportswear manufacturing and trading company in Taiwan since 1981 prior to founding Actex Garment Co., Limited, a company specializing in the manufacturing and trading of sportswear, in 1997. Mr. Chen has over 20 years of manufacturing and management experience in the garment industry. He is in charge of the corporate strategy, management, business development and manufacturing management of the Group. He is a brother of Ms. Chen Li Ying, a member of senior management of the Group.

Kuo Tai Yu, aged 63, has joined the Group as Executive Director of the Company since April 2004. Mr. Kuo has over 30 years of experience in management of footwear business in Taiwan. He received a bachelor's degree from Chung Hsing University in Taiwan. Mr. Kuo has been the director of certain companies within the Group of Yue Yuen Industrial (Holdings) Limited (stock code: 00551) ("Yue Yuen"), a company listed on the main board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") and the director of Pou Chen Corporation ("Pou Chen"), a company listed on the stock exchange of Taiwan. He is currently the executive director of Yue Yuen and general manager of the garment department in charge of development and integration of garment manufacturing.

Chen Fang Mei, Christina, aged 50, has joined the Group as Executive Director of the Company since May 2009. She has been the Spokesperson and Vice President of Pou Chen since 2004. She graduated from Soochow University in Taiwan in 1986 and holds a Bachelor's Degree in International Business. Ms. Chen was Vice President and Head of Underwriting of Citibank Securities (Taiwan) Limited from 2001 to 2004. She has over 20 years of experience in the investment and securities industries in Taiwan. Ms. Chen is an executive director of Symphony Holdings Limited (stock code: 01223), a company listed on the main board of the Stock Exchange.

Independent Non-Executive Directors

Chan Cheuk Ho, aged 46, obtained a master's degree in Business Administration from the University of Manchester in 2003. He is a fellow member of the Hong Kong Institute of Certified Public Accountants. Mr. Chan has more than 20 years of experience in accounting and finance. He is the company secretary and chief financial officer of North Asia Resources Holdings Limited (stock code: 00061), a company listed on the main board of the Stock Exchange. He has been Independent Non-Executive Director of the Company since November 2002.

Lu Chi Chant, aged 61, is currently an independent director of First Sino Bank (中國華一銀行). He obtained a bachelor's degree in Mechanical Engineering from National Taiwan University in 1974 and passed the professional qualification examinations in Taiwan for certified public accountant in 1983 and for securities investment analyst in 1988. During the period from 1976 to 1984, Mr. Lu worked as a mechanical engineer in Formosa Plastics Corporation, a company established in Taiwan principally engaged in the manufacturing of plastics raw materials and products. He joined Deloitte & Touche Taiwan as an auditor in 1984 and where he became a partner in 1986. Mr. Lu left Deloitte & Touche Taiwan in 2011 and joined First Sino Bank (中國華一銀行), a licensed bank established in the PRC, as an independent director until now. He was appointed as Independent Non-Executive Director of the Company in February 2013.

Directors' and Senior Management's Biographies (continued)

Li Chi Chung, aged 44, is currently a solicitor practising in Hong Kong. Mr. Li obtained a bachelor's degree in laws from The University of Sheffield in England in 1990. He was admitted as a solicitor of the High Court of Hong Kong in 1993 and his practice has been focused on commercial related matters. Mr. Li is an independent non-executive director of Kenford Group Holdings Limited (stock code: 00464) and PINE Technology Holdings Limited (stock code: 01079), which are companies listed on the main board of the Stock Exchange. He is the company secretary of China Financial International Investments Limited (stock code: 00721) and China Environmental Investment Holdings Limited (stock code: 00260), all of which are companies listed on the main board of the Stock Exchange, and China Nonferrous Metals Company Limited (stock code: 08306) which is a company listed on the Growth Enterprise Market of the Stock Exchange. He was Independent Non-Executive Director of the Company from November 2002 to February 2013.

Cheng Yung Hui, Tony, aged 71, is the chairman and chief executive officer of World Friendship Company Limited. Mr. Cheng has over 30 years of experience in operating his own company. He has extensive experience in international business. He has been Independent Non-Executive Director of the Company since September 2004.

Senior Management

Chang Wen Hsiang, aged 62, joined the Group as Chief Financial Officer in February 2008 and was appointed as Executive Director of the Company in April 2008. He resigned as Executive Director of the Company in May 2009 but remained as Chief Financial Officer of the Group up to June 2013. He is also a director of other members of the Group. He holds bachelor's and master's degrees in accounting from the National Chen Chi University in Taiwan and was accredited Certified Public Accountant from the USA. Mr. Chang was the financial controller and general manager of a US-based multinational corporation in US's headquarter and Taiwan's subsidiary before he joined Yue Yuen in 1993. Mr. Chang was responsible for certain PRC, Taiwan and Vietnam business development projects in Yue Yuen before he left as Senior Executive Manager after 10 years of service there. Mr. Chang has over 30 years of experience in the manufacturing of shoes, apparel, optical and luggage and was an independent financial and operational consultant to pre-listing companies before he joined the Group.

Tsang Sau Fan, aged 46, has joined the Group since March 1996 and was appointed as Executive Director of the Company in October 2002. She resigned as Executive Director of the Company in May 2009. Currently, she is General Manager of Division I of the Group and is responsible for sales and marketing and administration management of Division I of the Group. She has over 20 years of experience in sales of garment products. Prior to joining the Group, she worked as a merchandiser in a garment manufacturing company in Hong Kong.

Chen Li Ying, aged 58, has joined the Group as Executive Director of the Company since October 2007 and resigned as Executive Director of the Company in May 2009. Currently, she is General Manager of Division II of the Group and is responsible for sales and marketing and manufacturing management of Division II of the Group. She is also a director of other members of the Group. She graduated from Ming Chuan University in Taiwan and had worked as an auditor in an accounting firm in Taiwan for around 5 years after graduation. She worked in the sales and marketing department of a sportswear manufacturing and trading company in Taiwan from 1981 to 1996 before she joined Actex Garment Co., Limited, a company founded by Mr. Chen Hsiao Ying, in 2001. She has over 25 years of manufacturing and management experience in the garment industry. She is a sister of Mr. Chen Hsiao Ying, an Executive Director of the Company.

Woo Man Chi, aged 41, has joined the Group as Financial Controller since May 2005 and was appointed as Company Secretary of the Group in September 2005. She is responsible for the accounting, finance and compliance related functions of the Group. She previously worked in a reputable international accounting firm, Deloitte Touche Tohmatsu, in Hong Kong for five years. Prior to joining the Group, she worked in a manufacturing company listed on the main board of the Stock Exchange as Assistant Financial Controller. She has more than 15 years of experience in accounting and financial management. Ms. Woo holds a bachelor's degree in accounting from the Hong Kong University of Science and Technology. She is a practising member of the Hong Kong Institute of Certified Public Accountants.

Report of the Directors

The directors of the Company (the "Directors") present their report and the audited financial statements of the Company and of the Group for the year ended 31 March 2013.

Principal activities

The principal activity of the Company is investment holding. Details of the principal activities of the subsidiaries of the Company are set out in note 18 to the financial statements. There were no significant changes in the nature of the Group's principal activities during the year.

Results and dividends

The Group's profit for the year ended 31 March 2013 and the state of affairs of the Company and the Group at that date are set out in the financial statements on pages 64 to 128.

An interim dividend of HK7 cents per ordinary share was paid on 19 December 2012. The Directors recommend the payment of a final dividend of HK4 cents per ordinary share in respect of the year to shareholders on the register of members on 29 August 2013. Details are set out in note 12 to the financial statements.

Summary financial information

A summary of the results and of the assets and liabilities of the Group for the last five financial years, as extracted from the published audited financial statements is set out below.

Results

	Year ended 31 March				
	2013 HK\$'000	2012 HK\$'000	2011 HK\$'000	2010 HK\$'000	2009 HK\$'000
Revenue	1,443,994	1,445,968	1,164,762	1,061,179	1,070,975
Profit before tax	94,532	152,476	158,965	179,305	184,236
Income tax expense	(21,568)	(32,148)	(27,633)	(29,396)	(21,107)
Profit for the year	72,964	120,328	131,332	149,909	163,129

Report of the Directors (continued)

Summary financial information (continued)

Assets and liabilities

	As at 31 March				
	2013 HK\$'000	2012 HK\$'000	2011 HK\$'000	2010 HK\$'000	2009 HK\$'000
Non-current assets	1,057,385	943,679	693,476	432,617	396,104
Current assets	745,403	793,033	472,802	637,928	632,378
Current liabilities	(607,638)	(632,731)	(185,764)	(151,255)	(139,906)
Net current assets	137,765	160,302	287,038	486,673	492,472
Non-current liabilities	(52,671)	(35,119)	(30,205)	(24,124)	(16,798)
	1,142,479	1,068,862	950,309	895,166	871,778

The above summary does not form part of the audited financial statements.

Property, plant and equipment

Details of movements in the property, plant and equipment of the Group during the year are set out in note 14 to the financial statements.

Share capital

There was no movements in either the authorised or issued share capital of the Company during the year.

Pre-emptive rights

There are no provisions for pre-emptive rights under the Company's articles of association or the laws of the Cayman Islands which would oblige the Company to offer new shares on a pro rata basis to existing shareholders.

Purchase, redemption or sale of listed securities of the Company

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

Reserves

Details of movements in the reserves of the Company and the Group during the year are set out in note 29 to the financial statements and in the consolidated statement of changes in equity, respectively.

Report of the Directors (continued)

Distributable reserves

At 31 March 2013, the Company's reserves available for distribution, calculated in accordance with the provisions of the Companies Law of the Cayman Islands, amounted to HK\$672,776,000. The amount of HK\$672,776,000 includes the Company's share premium account and capital reserve of HK\$515,674,000 in aggregate at 31 March 2013, which may be distributed provided that immediately following the date on which a dividend is proposed to be distributed, the Company will be in a position to pay off its debts as and when they fall due in the ordinary course of business.

Major customers and suppliers

In the year under review, sales to the Group's five largest customers accounted for approximately 91.7% of the Group's total sales for the year and sales to the largest customer included therein accounted for approximately 52.0%.

Purchases from the Group's five largest suppliers accounted for approximately 42.5% of the Group's total purchases for the year and purchases from the largest supplier included therein accounted for approximately 16.3%.

None of the Directors or any of their associates or any shareholders (which, to the best knowledge of the Directors, own more than 5% of the Company's issued share capital) had any beneficial interest in the Group's five largest customers or suppliers.

Directors

The Directors during the year were:

Executive Directors:

Mr. Chung Yuk Sing (Chairman)
Mr. Chen Hsiao Ying (Chief Executive Officer)
Mr. Kuo Tai Yu
Ms. Chen Fang Mei, Christina

Independent Non-Executive Directors:

Mr. Chan Cheuk Ho
Mr. Li Chi Chung (resigned with effect from 28 February 2013)
Mr. Lu Chi Chant (appointed with effect from 28 February 2013)
Mr. Cheng Yung Hui, Tony

Mr. Chen Hsiao Ying has tendered his resignation as the Chief Executive Officer of the Company with effect from 30 June 2013, but will remain as an executive director of the Company.

In accordance with article 87(1) of the Company's articles of association, Mr. Chung Yuk Sing and Ms. Chen Fang Mei, Christina will retire by rotation and, being eligible, will offer themselves for re-election at the forthcoming annual general meeting.

Pursuant to article 86(3) of the Company's articles of association, Mr. Lu Chi Chant, being an independent non-executive Director appointed with effect from 28 February 2013, shall hold office only until the forthcoming annual general meeting and he, being eligible, offers himself for re-election at the forthcoming annual general meeting.

The Company has received annual confirmations of independence from Mr. Chan Cheuk Ho, Mr. Lu Chi Chant and Mr. Cheng Yung Hui, Tony, and as at the date of this report still considers them to be independent.

Directors' and senior management's biographies

Biographical details of the Directors and senior management of the Group are set out on pages 13 to 14 of the annual report.

Report of the Directors (continued)

Directors' service contracts

No Director proposed for re-election at the forthcoming annual general meeting of the Company has a service contract with the Company or any of its subsidiaries, which is not determinable by the employing company within one year without payment of compensation, other than statutory compensation.

All the Independent Non-Executive Directors are appointed for a specific term and are subject to retirement by rotation and re-election at the annual general meeting in accordance with the articles of association of the Company.

Directors' remuneration

The power of the Board of Directors (the "Board") to determine the Director's remuneration is subject to shareholders' approval at the annual general meeting of the Company, the amount which will be determined with reference to Director's duties, responsibilities and performance and the results of the Group.

Directors' interests in contracts

No Director had a material interest, either directly or indirectly, in any contract of significance to the business of the Group to which the Company or any of its subsidiaries was a party during the year.

Directors' and chief executive's interests and short positions in shares, underlying shares and debentures

As at 31 March 2013, the interests and short positions of the Directors and chief executive in the share capital and underlying shares and debentures of the Company (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the "SFO")), which have been notified to the Company pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which any such Directors or chief executive were taken or deemed to have under such provisions of the SFO) or as recorded in the register required to be kept under Section 352 of the SFO or as otherwise notified to the Company and The Stock Exchange 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:

The Company

Name of Director	Capacity	Number of shares held		Percentage of the Company's issued capital
		Long position	Short position	
Mr. Chung Yuk Sing	Interest of a controlled corporation	72,650,000 (Note)	–	14.54
	Beneficial owner	200,000	–	0.04
Mr. Chen Hsiao Ying	Beneficial owner	25,328,800	–	5.07
Mr. Kuo Tai Yu	Beneficial owner	1,450,000	–	0.29

Note: These shares are held by Time Easy Investment Holdings Limited ("Time Easy"). The entire issued share capital of Time Easy is held by Mr. Chung Yuk Sing.

Save as disclosed above, as at 31 March 2013, none of the Directors and chief executive had registered an interest or short position in the shares, underlying shares or debentures of the Company that was required to be recorded pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

Report of the Directors (continued)

Directors' rights to acquire shares or debentures

At no time during the year were rights to acquire benefits by means of the acquisition of shares in or debentures of the Company granted to any of the Directors or their respective spouses or minor children, or were any such rights exercised by them; or was the Company or any of its subsidiaries a party to any arrangement to enable the Directors to acquire such rights in any other body corporate.

Share option scheme

Since 6 August 2003, the Company has conditionally adopted a share option scheme whereby eligible participants of the share option scheme, including any employee (whether full-time or part-time) and any director of the Company and/or any of its subsidiaries whom the Board may think fit with reference to their respective contributions to the Group, may be granted options which entitle them to subscribe for the shares of the Company. Details of the share option scheme are set out in note 28 to the financial statements.

As at 31 March 2013, no share options have been granted under the share option scheme.

Substantial shareholders' interests and short positions in shares and underlying shares

As at 31 March 2013, the interests and short positions of the following persons, other than the Directors and the chief executive of the Company, in the shares and underlying shares of the Company which have been disclosed to the Company pursuant to Divisions 2 and 3 of Part XV of the SFO and which have been recorded in the register kept by the Company pursuant to Section 336 of the SFO:

Name	Capacity	Number of ordinary shares held		Percentage of the Company's issued capital
		Long position	Short position	
Time Easy	Beneficial owner	72,650,000 (Note 1)	–	14.54
Pou Chen Corporation ("PCC")	Interest in a controlled corporation	192,000,000 (Note 2)	–	38.42
Wealthplus Holdings Limited ("Wealthplus")	Interest in a controlled corporation	192,000,000 (Note 2)	–	38.42
Yue Yuen Industrial (Holdings) Limited ("Yue Yuen")	Interest in a controlled corporation	192,000,000 (Note 2)	–	38.42
Pou Hing Industrial Co. Ltd. ("Pou Hing")	Interest in a controlled corporation	192,000,000 (Note 2)	–	38.42
Great Pacific Investments Limited ("Great Pacific")	Beneficial owner	192,000,000 (Note 2)	–	38.42
Delta Lloyd Asset Management NV	Beneficial owner	29,986,000	–	6.00

Report of the Directors (continued)

Substantial shareholders' interests and short positions in shares and underlying shares (continued)

Notes:

1. The entire issued share capital of Time Easy is held by Mr. Chung Yuk Sing.
2. The 192,000,000 shares were held by Great Pacific which was wholly-owned by Pou Hing. The entire issued share capital of Pou Hing was held by Yue Yuen in which Wealthplus and Win Fortune Investment Ltd. ("Win Fortune") held an interest of 46.89% and 3.09% respectively. Wealthplus and Win Fortune are in turn wholly-owned by PCC. Accordingly, Pou Hing, Yue Yuen, Wealthplus, Win Fortune and PCC are all deemed to be interested in the 192,000,000 shares held by Great Pacific.

Save as disclosed above, as at 31 March 2013, no person, other than the Directors and chief executive of the Company, whose interests are set out in the section "Directors' and chief executive's interests and short positions in shares, underlying shares and debentures" above, had registered an interest or short position in the shares or underlying shares of the Company that was required to be recorded pursuant to Section 336 of the SFO.

Sufficiency of public float

Based on the information that is publicly available to the Company and within the knowledge of the Directors, at least 25% of the Company's total issued share capital was held by the public as at the date of this report.

Directors' interests in a competing business

Interest of the Directors in a competing business required to be disclosed pursuant to Rule 8.10 of the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules") is as follows:

Name of Director	Name of company	Nature of competing business	Nature of interest	Appointment date
Ms. Chen Fang Mei, Christina ("Ms. Chen")	Yuen Thai Industrial Company Limited ("Yuen Thai") (Note 1)	Garment manufacturing	As a director	July 2009
Mr. Kuo Tai Yu ("Mr. Kuo")	Yue Yuen (Note 2)	Garment manufacturing	As a general manager	December 2012
Ms. Chen Mr. Kuo	Din Tsun Holding Co., Ltd. ("Din Tsun") (Note 3)	Garment manufacturing	As a director As a director	April 2011 April 2013
Ms. Chen Mr. Kuo	Faith Year Investments Limited ("Faith Year") (Note 3)	Garment manufacturing	As a director As a director	August 2010 April 2013
Ms. Chen Mr. Kuo	Pro Kingtex Industrial Co., (HK) Ltd. ("Pro Kingtex") (Note 3)	Garment manufacturing	As a director As a director	August 2010 April 2013

Note 1: Yuen Thai is a company incorporated in Hong Kong on 24 September 2003 and is held as to 50% by Yue Yuen and its subsidiaries (the "Yue Yuen Group") and 50% by a subsidiary of Luen Thai Holdings Limited, a company listed on the Stock Exchange since 2004. Ms. Chen was nominated to the board of directors of Yuen Thai to represent the interest of the Yue Yuen Group in July 2009. On 28 May 2012, Ms. Chen resigned as director of Yuen Thai.

Having considered (i) the nature, geographical market, scope and size of Yuen Thai as compared to those of the Group; and (ii) the nature and extent of Ms. Chen's interest in Yuen Thai, the Directors believe that there is unlikely to be any significant competition caused to the business of the Group.

Report of the Directors (continued)

Directors' interests in a competing business (continued)

Note 2: Yue Yuen is a company listed on the Stock Exchange and is a substantial shareholder of the Company. The principal business activities of Yue Yuen Group are manufacturing and sales of footwear products, and retail and distribution of sportswear products. Based on the published annual report of Yue Yuen, Yue Yuen recorded total revenue of more than US\$7 billion for its footwear manufacturing business in the fifteen months ended 31 December 2012. As the Group is principally engaged in the manufacturing and trading of sportswear and garments, the businesses of Yue Yuen Group and the Group potentially compete with each other.

Given that Yue Yuen Group and the Group are operated by different and separate management team, the Directors consider that the Company is capable of carrying on its business independently of, and at arms length with Yue Yuen Group. Having considered the nature and extent of Mr. Kuo's participation in business of Yue Yuen Group and the Group, the Directors believe that there is unlikely to be any significant competition caused to the business of the Group.

Note 3: Din Tsun is a company incorporated in the British Virgin Islands on 4 January 2005 and is held as to 50% by Yue Yuen Group and 50% by two individuals. Din Tsun and Yue Yuen Group hold 70% and 30% of the issued share capital of Faith Year respectively which in turn wholly-owns Pro Kingtex. Din Tsun and its subsidiaries are investee companies of the Yue Yuen Group. The principal business activities of Din Tsun and its operating subsidiaries including Pro Kingtex are apparel manufacturing of sportswear, casual and outdoor clothes. Based on information provided by Din Tsun, it and its subsidiaries recorded over US\$200 million in revenue for the 15 months ended 31 December 2012. Both Ms. Chen and Mr. Kuo have been nominated to the board of directors of Din Tsun, Faith Year and Pro Kingtex to represent the interest of the Yue Yuen Group as an investor.

While Ms. Chen is not involved in the operation of Din Tsun and its subsidiaries including Pro Kingtex, Mr. Kuo participates in the apparel manufacturing business of Din Tsun and its subsidiaries. Mr. Kuo has confirmed that he is mindful of his duty to avoid conflict of interest. In cases where conflict of interest situation arises, Mr. Kuo will refrain from taking part in the decision making process and will abstain from voting on the relevant resolution in board meeting. On this basis and given that the subsidiaries of Din Tsun including Pro Kingtex have its own management personnel other than Mr. Kuo and that Ms. Chen is not involved in their operations, the Directors believe that the Company is capable of carrying on its business independently of, and at arms length from Din Tsun and its subsidiaries including Pro Kingtex.

Save as disclosed above, none of the Directors or their respective associates was interested in, apart from the Group's business, any business which competes or is likely to compete, either directly or indirectly, with the businesses of the Group.

Corporate governance

In the opinion of the Directors, the Company has complied with the code provisions in the Corporate Governance Code (the "Code") as set out in Appendix 14 to the Listing Rules throughout the accounting period covered by the annual report, except for certain deviations. For further information on the Company's corporate governance practices and details of deviations, please refer to the Corporate Governance Report of the annual report.

Auditors

Ernst & Young retire and a resolution of their reappointment as auditors of the Company will be proposed at the forthcoming annual general meeting.

ON BEHALF OF THE BOARD

Chung Yuk Sing
Chairman

Hong Kong
28 June 2013

Corporate Governance Report

The Group is committed to maintaining a high level of corporate governance with an emphasis on the principles of transparency, accountability and independence. The Company had, throughout the year ended 31 March 2013, complied with the code provisions of the Corporate Governance Code (the "CG Code") as 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 deviations specified with considered reasons for such deviation as explained in this corporate governance report.

1. DIRECTORS

a. Composition & Meetings

The composition of the board of directors of the Company (the "Board") and the individual attendance of each director of the Company (the "Director") at board and general meetings during the year under review are set out as follows:

Name of Director	Changes in directorships during the year	Number of board meetings attended/held	Number of general meeting attended/held
Executive Directors			
Chung Yuk Sing (<i>Chairman</i>)		10/10	1/1
Chen Hsiao Ying (<i>Chief Executive Officer</i>)		9/9	0/1
Kuo Tai Yu		9/9	1/1
Chen Fang Mei, Christina		9/9	1/1
Independent Non-Executive Directors			
Chan Cheuk Ho		7/10	0/1
Li Chi Chung	(resigned with effect from 28 February 2013)	6/9	1/1
Lu Chi Chant	(appointed with effect from 28 February 2013)	1/1	0/0
Cheng Yung Hui, Tony		7/10	1/1

Biographical details of all Directors are disclosed in the section headed "Directors' and Senior Management's Biographies" in this annual report. To the best knowledge of the Company, there are no financial, business, family or other material or relevant relationships amongst members of the Board.

Code Provision A.6.7 of the CG Code stipulates, among other things, that the independent non-executive directors and other non-executive directors should attend general meetings. An independent non-executive director did not attend the annual general meeting of the Company held on 27 August 2012 due to his other commitments.

b. Independent Non-Executive Directors

At least one of the independent non-executive directors of the Company ("INEDs") has appropriate professional qualifications or accounting or related financial management expertise under Rule 3.10 of the Listing Rules. The Group has received, from each of the INEDs, an annual confirmation of his independence pursuant to Rule 3.13 of the Listing Rules. The Group considered all of the INEDs to be independent within the definition of the Listing Rules.

Corporate Governance Report (continued)

1. DIRECTORS (continued)

c. Responsibility of the Board and Delegation by the Board

The Board has the collective responsibility for leadership and control of, and for promoting the success of, the Group by directing and supervising the Group's affairs. The Board is responsible for determining the overall strategy and corporate development and ensuring the business operations are properly monitored. The Board reserves the right to decide all policy matters of the Group and material transactions.

The Board delegates the day-to-day operations to general managers and department heads who are responsible for different aspects of the operations of the Group.

d. Chairman and Chief Executive Officer

During the year under review, the Group segregated the role of the Chairman from the Chief Executive Officer. Mr. Chung Yuk Sing ("Mr. Chung") was the Chairman of the Company and Mr. Chen Hsiao Ying was the Chief Executive Officer of the Company. There is no relationship other than business relationship between them. The Chairman provides leadership to the Board and is responsible for the overall strategic planning and corporate development, whereas the Chief Executive Officer is responsible for the day-to-day management, policy making and corporate management functions as well as formulating strategies for the Group.

Subsequent to the year ended 31 March 2013, Mr. Chung was appointed as Chief Executive Officer of the Company with effect from 30 June 2013. Since Code Provision A.2.1 of the CG Code stipulates that the roles of chairman and chief executive officer should be separate and should not be performed by the same individual, following the appointment of Mr. Chung as the chief executive officer of the Company, there will be a deviation from Code Provision A.2.1 of the CG Code by the Company from 30 June 2013.

Notwithstanding the aforesaid deviation, the Board considers that the present structure will not impair the balance of power and authority between the Board and the management of the Group as the Board assumes collective responsibility on the decision-making process of the Company's business strategies and operation. The principal divisions of the Group's businesses are managed by different Directors.

e. Appointment, re-election and removal

Pursuant to the articles of association of the Company, all Directors are subject to retirement by rotation at least once every three years and any Directors appointed by the Board shall hold office only until the next following general meeting of the Company (in the case of filling a casual vacancy) or until the next following annual general meeting of the Company (in the case of an addition to the existing Board) and shall then be eligible for re-election.

f. Non-Executive Directors

During the year under review, all INEDs have been appointed for a specific term of service but they are subject to retirement by rotation at least once every three years at the annual general meeting of the Company and shall be eligible for re-election.

g. Directors' Securities Transactions

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 to the Listing Rules as its own code of conduct regarding securities transactions by the Directors. Having made specific enquiry of all Directors, all Directors confirmed that they had complied with the Model Code throughout the year.

h. Directors' and Officers' Insurance

The Company has arranged appropriate insurance cover in respect of potential legal actions against its Directors and officers.

Corporate Governance Report (continued)

1. DIRECTORS (continued)

i. Continuing professional development

Directors must develop and refresh their knowledge and skills and keep abreast of the latest changes in the Listing Rules and other regulatory requirements. Each newly appointed Director would receive an induction package covering the Group's businesses and the statutory and regulatory obligations of a director of a listed company. The Group also provides briefings and other training to develop and refresh the Directors' knowledge and skills. The Group continuously updates Directors on the latest developments regarding the Listing Rules and other applicable regulatory requirements to ensure compliance and enhance their awareness of good corporate governance practices. Circulars or guidance notes are issued to Directors and senior management to ensure awareness of corporate governance practices.

During the year under review, the Directors participated in the following trainings:

	Type of Trainings (Notes)
Executive Directors	
Chung Yuk Sing	A,C
Chen Hsiao Ying	A,C
Kuo Tai Yu	A,C
Chen Fang Mei, Christina	A,C
Independent Non-Executive Directors	
Chan Cheuk Ho	B,C
Li Chi Chung (resigned with effect from 28 February 2013)	B,C
Lu Chi Chant (appointed with effect from 28 February 2013)	A,C
Cheng Yung Hui, Tony	A,C

Notes:

A: attending training session arranged by the Company

B: attending seminars/conferences/workshops/forums

C: reading newspapers/journals and updates relating to their profession and director's responsibilities

j. Supply of and access to information

In respect of regular board meetings, an agenda and accompanying board papers of the meeting are sent in full to all Directors at least 14 days before the intended date of the meeting. For all other board meetings, at least 3 days' notice are given before the intended date of the meeting.

The management has an obligation to supply the Board and the various Committees with adequate information in a timely manner to enable the members to make informed decisions. Each Director has separate and independent access to the Group's management to acquire more information and to make further enquiries if necessary.

Corporate Governance Report *(continued)*

1. DIRECTORS *(continued)*

k. Company Secretary

The Company Secretary is a full time employee of the Company and has day-to-day knowledge of the Company's affairs. During the year under review, the Company Secretary has complied with the relevant professional training requirement under Rule 3.29 of the Listing Rules.

2. BOARD COMMITTEES

a. Remuneration Committee

The Remuneration Committee consists of one executive Director, namely, Mr. Chung Yuk Sing and two INEDs, namely, Mr. Chan Cheuk Ho and Mr. Lu Chi Chant who replaced Mr. Li Chi Chung following his resignation with effect from 28 February 2013. Mr. Chan Cheuk Ho is the Chairman of the Remuneration Committee.

The Remuneration Committee is responsible for considering and approving the remuneration plans and policies for all the Directors and the senior management of the Group by reference to the Company's operation results, individual performance and prevailing market rate. The Company has adopted the model whereby the Remuneration Committee makes recommendations to the Board on the remuneration packages of individual Director and senior management. The terms of reference of the Remuneration Committee are in line with the code provisions of the CG Code and are available on the Stock Exchange's website and the Company's website.

The Remuneration Committee meets at least once a year. During the year under review, three committee meetings were held to review the remuneration packages and policy of all Directors and the senior management of the Group; and the terms of service contract of a new INED. The attendance of individual member of the Remuneration Committee at the meeting is set out below:

Committee Members	Number of meetings attended/held
Chan Cheuk Ho (<i>Chairman</i>)	3/3
Chung Yuk Sing	3/3
Li Chi Chung (ceased to be a member on 28 February 2013)	2/2
Lu Chi Chant (became a member on 28 February 2013)	1/1

Corporate Governance Report (continued)

2. BOARD COMMITTEES (continued)

b. Audit Committee

The Audit Committee consists of all three INEDs, namely, Mr. Chan Cheuk Ho, Mr. Cheng Yung Hui, Tony and Mr. Lu Chi Chant who replaced Mr. Li Chi Chung following his resignation with effect from 28 February 2013. The Audit Committee is chaired by Mr. Chan Cheuk Ho who possesses recognised professional qualifications in accounting and has rich experience in audit and finance. The terms of reference of the committee are in line with the code provisions of the CG Code and are available on the Stock Exchange's website and the Company's website.

The Audit Committee's principal duties include:

- i) overseeing the relationship with the Company's external auditors;
- ii) reviewing the financial information of the Group; and
- iii) reviewing and monitoring the adequacy and effectiveness of the Group's financial reporting system and internal control procedures.

To comply with the requirements under the CG Code in respect of the responsibilities for performing the corporate governance duties, the Board has delegated its responsibilities to the Audit Committee to develop, review and monitor the policies and practices on corporate governance of the Group and make recommendations to the Board; to review and monitor the Company's policies and practices on the legal and regulatory compliance; to review and monitor the code of conduct and ethical behaviour applicable to the Directors and employees and the training and continuous professional development of Directors and senior management; and to review the Company's compliance with the CG Code and disclosures in the corporate governance report.

The committee meets at least twice every year and additional meetings may be convened by the chairman of the committee as and when necessary. During the year under review, the Audit Committee met four times to review the accounting principles and practices adopted by the Group, to ensure compliance with relevant rules and regulations, to review the Company's policies on corporate governance and to discuss internal controls and financial reporting matters. This include the review of 2012 final results and 2013 interim results of the Group; and discussion with external auditors relating to accounting and internal control issues, and major findings in the course of audit. The attendance of individual member of the Audit Committee at the meeting is set out below:

Committee Members	Number of meetings attended/held
Chan Cheuk Ho (<i>Chairman</i>)	4/4
Cheng Yung Hui, Tony	4/4
Li Chi Chung (ceased to be a member on 28 February 2013)	2/2
Lu Chi Chant (became a member on 28 February 2013)	2/2

Corporate Governance Report (continued)

2. BOARD COMMITTEES (continued)

c. Nomination Committee

The Nomination Committee consists of one executive Director, namely, Mr. Chung Yuk Sing and two INEDs, namely, Mr. Chan Cheuk Ho and Mr. Lu Chi Chant, who replaced Mr. Li Chi Chung following his resignation with effect from 28 February 2013. Mr. Chung Yuk Sing is the Chairman of the Nomination Committee. The terms of reference of the committee are in line with the code provisions of the CG Code and are available on the Stock Exchange's website and the Company's website.

The Nomination Committee's principal duties include:

- (i) reviewing the structure, size and composition of the Board and recommending any proposed changes to the Board to complement the Company's corporate strategy;
- (ii) identifying individuals who are suitably qualified to become Board members; and
- (iii) assess the independence of the INEDs.

The committee meets at least once every year and additional meetings may be convened by the chairman of the committee as and when necessary. During the year ended 31 March 2013, the Nomination Committee met twice to review the structure, size and composition of the Board and to make recommendation to the Board the appointment of a new INED. The attendance of individual member of the Nomination Committee at the meeting is set out below:

Committee Members	Number of meetings attended/held
Chung Yuk Sing (<i>Chairman</i>)	2/2
Chan Cheuk Ho	2/2
Li Chi Chung (ceased to be a member on 28 February 2013)	0/1
Lu Chi Chant (became a member on 28 February 2013)	1/1

3. ACCOUNTABILITY AND AUDIT

a. Financial Reporting

The Directors acknowledge their responsibility to prepare the financial statements that give a true and fair view of the state of affairs of the Group. The Board was not aware of any material uncertainties relating to events or conditions that might cast significant doubt upon the Group's ability to continue as a going concern, so that the Board has prepared the accounts on a going concern basis.

The reporting responsibilities of the Company's auditors, Ernst & Young, are set out in the Independent Auditors' Report on page 30 to 31 of the annual report.

Corporate Governance Report (continued)

3. ACCOUNTABILITY AND AUDIT (continued)

b. Internal Controls

The Board is responsible for the Group's internal control system and for reviewing its effectiveness. The internal control system is reviewed on an ongoing basis by the Board in order to make it practical and effective in providing reasonable assurance in relation to protection of material assets and identification of business risks. The Group has implemented a practical and effective control system which includes a defined management structure with limits of authority, a sound cash management system and periodic review of the Group's performance by the Audit Committee and the Board. The Board is of the view that the internal control system adopted for the year ended 31 March 2013 is sound and effective to safeguard the interests of the shareholders' investments and the Group's assets.

c. Auditors' Remuneration

For the year ended 31 March 2013, the fee paid/payable to the Group's auditors, Ernst & Young, is set out as follows: -

Services rendered	Amount of fee paid/payable HK\$'000
Audit services	2,223
Non-audit services	235
	2,458

4. SHAREHOLDERS' RIGHTS

a. Procedures for shareholders to convene extraordinary general meeting of the Company ("EGM")

Pursuant to article 58 of the Company's articles of association, shareholder(s) holding not less than one-tenth of the paid up capital of the Company can make a written requisition to the Board or the Company secretary to convene an EGM. The written requisition must state the objects of the meeting, and must be signed by the relevant shareholder(s) and deposited at the Company's principal place of business in Hong Kong.

b. Procedures for directing shareholders' enquiries to the Board

Shareholders may send their enquiries and concerns to the Board by addressing them to the Investor Relations Director and deposit at the Company's principal place of business in Hong Kong or by e-mail to ir@eaglenice.com.hk.

c. Putting forward proposal at general meeting

Shareholders may follow the procedures set out above to convene an EGM for any business specified in such written requisition or the procedures for shareholders to propose a person for election as a Director which is available on the Company's website.

Corporate Governance Report *(continued)*

5. COMMUNICATION WITH SHAREHOLDERS

The Company has adopted a shareholders' communication policy in March 2012. The primary communication channel between the Company and its shareholders is through the publication of announcements, circulars, interim and annual reports, which are available on the Stock Exchange's website and the Company's website.

The Company's annual general meeting acts as a useful platform for direct communication between the shareholders and the Board. Separate resolutions are proposed on each substantially separate issue at the general meetings.

The Company has complied with the requirements of the Listing Rules and the memorandum and articles of association of the Company in respect of voting by poll and other related matters.

6. INVESTOR RELATIONS

At annual general meeting of the Company held on 27 August 2012, the Company has adopted the amended and restated memorandum and articles of association which consolidated all of the proposed amendments set out in the notice thereof and all previous amendments made pursuant to resolutions passed by the shareholders of the Company at general meetings bringing the memorandum and articles of association of the Company in line with certain changes to the Listing Rules and to conform with the applicable laws in substitution for and to the exclusion of the existing memorandum and articles of association of the Company. An updated version of the memorandum and articles of association of the Company is available on the Stock Exchange's website and the Company's website.

On behalf of the Board

Chung Yuk Sing

Chairman

Hong Kong, 28 June 2013

Independent Auditors' Report



To the shareholders of Eagle Nice (International) Holdings Limited

(Incorporated in the Cayman Islands with limited liability)

We have audited the consolidated financial statements of Eagle Nice (International) Holdings Limited (the "Company") and its subsidiaries (together, the "Group") set out on pages 64 to 128, which comprise the consolidated and company statements of financial position as at 31 March 2013, and the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Directors' Responsibility for the Consolidated Financial Statements

The directors of the Company are responsible for the 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. Our report is made solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

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

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 auditors' judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider 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.

Independent Auditors' Report *(continued)*

Opinion

In our opinion, the consolidated financial statements give a true and fair view of the state of affairs of the Company and of the Group as at 31 March 2013, and of the Group's profit and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.

Ernst & Young

Certified Public Accountants

22/F CITIC Tower

1 Tim Mei Avenue

Central, Hong Kong

28 June 2013

Consolidated Income Statement

綜合收益表

(Year ended 31 March 2013)
(截至二零一三年三月三十一日止年度)

		Notes 附註	2013 二零一三年 HK\$'000 千港元	2012 二零一二年 HK\$'000 千港元
REVENUE	營業收入	5	1,443,994	1,445,968
Cost of sales	銷售成本		(1,194,143)	(1,148,891)
Gross profit	毛利		249,851	297,077
Other income and gains	其他收入及收益	5	4,607	8,853
Selling and distribution expenses	銷售及分銷開支		(16,692)	(17,514)
Administrative expenses	行政開支		(136,995)	(131,370)
Finance costs	融資成本	6	(6,239)	(4,570)
PROFIT BEFORE TAX	除稅前溢利	7	94,532	152,476
Income tax expense	所得稅開支	10	(21,568)	(32,148)
PROFIT FOR THE YEAR ATTRIBUTABLE TO OWNERS OF THE COMPANY	本公司擁有人應佔年度溢利	11	72,964	120,328
			HK cents	HK cents
			港仙	港仙
EARNINGS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY	本公司擁有人應佔每股盈利	13		
Basic	基本		14.6	24.1
Diluted	攤薄		14.6	24.1

Details of dividends are disclosed in note 12 to the financial statements.

股息詳情載於財務報表附註12。

Consolidated Statement of Comprehensive Income

綜合全面收益表

(Year ended 31 March 2013)
(截至二零一三年三月三十一日止年度)

	Note 附註	2013 二零一三年 HK\$'000 千港元	2012 二零一二年 HK\$'000 千港元
PROFIT FOR THE YEAR		72,964	120,328
OTHER COMPREHENSIVE INCOME/(EXPENSE)			
Revaluation surplus on leasehold land and buildings			
Income tax effect			
		80,615	15,452
Exchange differences on translation of foreign operations			
		(10,006)	32,741
OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF TAX		70,609	48,193
TOTAL COMPREHENSIVE INCOME FOR THE YEAR ATTRIBUTABLE TO OWNERS OF THE COMPANY		143,573	168,521

Consolidated Statement of Financial Position

綜合財務狀況表

(31 March 2013)
(二零一三年三月三十一日)

		Notes 附註	2013 二零一三年 HK\$'000 千港元	2012 二零一二年 HK\$'000 千港元
NON-CURRENT ASSETS	非流動資產			
Property, plant and equipment	物業、廠房及設備	14	955,144	828,418
Prepaid land lease payments	預付土地租賃款項	15	76,129	78,470
Deposits	按金	16	–	10,679
Goodwill	商譽	17	26,112	26,112
Total non-current assets	非流動資產總值		1,057,385	943,679
CURRENT ASSETS	流動資產			
Inventories	存貨	19	229,730	244,961
Accounts and bills receivables	應收賬款及票據	20	184,004	141,955
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項	16	22,317	34,131
Cash and cash equivalents	現金及現金等值項目	21	309,352	371,986
Total current assets	流動資產總值		745,403	793,033
CURRENT LIABILITIES	流動負債			
Accounts and bills payables	應付賬款及票據	22	108,820	103,364
Accrued liabilities and other payables	應計負債及其他應付款項	24	96,469	80,845
Interest-bearing bank borrowings	計息銀行貸款	25	387,646	418,896
Tax payable	應付稅項		14,703	29,626
Total current liabilities	流動負債總值		607,638	632,731
NET CURRENT ASSETS	流動資產淨值		137,765	160,302
TOTAL ASSETS LESS CURRENT LIABILITIES	資產總值扣除流動負債		1,195,150	1,103,981
NON-CURRENT LIABILITIES	非流動負債			
Deferred tax liabilities	遞延稅項負債	26	52,671	35,119
Net assets	資產淨值		1,142,479	1,068,862
EQUITY	資本			
Equity attributable to owners of the Company	本公司擁有人應佔權益			
Issued capital	已發行股本	27	4,997	4,997
Reserves	儲備	29	1,137,482	1,063,865
Total equity	資本總值		1,142,479	1,068,862

CHUNG YUK SING

鍾育升
Director
董事

CHEN HSIAO YING

陳小影
Director
董事

Consolidated Statement of Changes in Equity

綜合權益變動表

(Year ended 31 March 2013)

(截至二零一三年三月三十一日止年度)

	Note	Issued capital	Share premium account	Capital reserve	Statutory surplus reserve	Exchange fluctuation reserve	Asset revaluation reserve	Retained profits	Total
	附註	已發行股本	股份溢價賬	資本儲備	法定盈餘儲備	匯率波動儲備	資產重估儲備	留存溢利	總計
		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
				(Note 29) (附註29)	(Note 29) (附註29)				
At 1 April 2011	於二零一一年四月一日	4,997	472,586	(229)	15,103	79,407	31,069	347,376	950,309
Profit for the year	年度溢利	-	-	-	-	-	-	120,328	120,328
Other comprehensive income for the year:	年度其他全面收益：								
Revaluation surplus on leasehold land and buildings, net of tax	租賃土地及樓宇之重估盈餘，已扣除稅項	-	-	-	-	-	15,452	-	15,452
Exchange differences on translation of foreign operations	折算海外業務之匯兌差額	-	-	-	-	32,741	-	-	32,741
Total comprehensive income for the year	年度全面收益總額	-	-	-	-	32,741	15,452	120,328	168,521
Transfer to reserve	轉撥至儲備	-	-	-	2,432	-	-	(2,432)	-
Final 2011 dividend declared	已宣派二零一一年末期股息	12	-	-	-	-	-	(14,990)	(14,990)
Interim 2012 dividend	二零一二年中期股息	12	-	-	-	-	-	(34,978)	(34,978)
At 31 March 2012	二零一二年三月三十一日	4,997	472,586*	(229)*	17,535*	112,148*	46,521*	415,304*	1,068,862
At 1 April 2012	於二零一二年四月一日	4,997	472,586	(229)	17,535	112,148	46,521	415,304	1,068,862
Profit for the year	年度溢利	-	-	-	-	-	-	72,964	72,964
Other comprehensive income for the year:	年度其他全面收益：								
Revaluation surplus on leasehold land and buildings, net of tax	租賃土地及樓宇之重估盈餘，已扣除稅項	-	-	-	-	-	80,615	-	80,615
Exchange differences on translation of foreign operations	折算海外業務之匯兌差額	-	-	-	-	(10,006)	-	-	(10,006)
Total comprehensive income for the year	年度全面收益總額	-	-	-	-	(10,006)	80,615	72,964	143,573
Transfer to reserve	轉撥至儲備	-	-	-	16,213	-	-	(16,213)	-
Final 2012 dividend declared	已宣派二零一二年末期股息	12	-	-	-	-	-	(34,978)	(34,978)
Interim 2013 dividend	二零一三年中期股息	12	-	-	-	-	-	(34,978)	(34,978)
At 31 March 2013	二零一三年三月三十一日	4,997	472,586*	(229)*	33,748*	102,142*	127,136*	402,099*	1,142,479

* These reserve accounts comprise the consolidated reserves of HK\$1,137,482,000 (2012: HK\$1,063,865,000) in the consolidated statement of financial position.

* 該等儲備賬項包括載於綜合財務狀況表內綜合儲備1,137,482,000港元(二零一二年：1,063,865,000港元)。

Consolidated Statement of Cash Flows

綜合現金流量表

(Year ended 31 March 2013)
(截至二零一三年三月三十一日止年度)

	Notes 附註	2013 二零一三年 HK\$'000 千港元	2012 二零一二年 HK\$'000 千港元
CASH FLOWS FROM OPERATING ACTIVITIES			
經營業務產生之現金流量			
Profit before tax		94,532	152,476
Adjustments for:			
Finance costs	6	6,239	4,570
Bank interest income	5	(2,897)	(3,933)
Gain on disposal of items of property, plant and equipment	5	–	(181)
Write-off of items of property, plant and equipment	7	–	2
Reversal of a revaluation deficit on leasehold land and buildings	5	–	(3,886)
Depreciation	7	61,833	41,800
Amortisation of prepaid land lease payments	7	2,327	2,267
		162,034	193,115
Decrease/(increase) in inventories		15,231	(52,712)
Increase in accounts and bills receivables		(42,049)	(60,601)
Decrease/(increase) in prepayments, deposits and other receivables		11,828	(17,716)
Increase in accounts and bills payables		5,456	29,536
Increase/(decrease) in accrued liabilities and other payables		15,624	(13,319)
Cash generated from operations		168,124	78,303
Interest paid		(6,239)	(4,570)
Dividends paid		(69,956)	(49,968)
Hong Kong profits tax paid		(27,753)	(17,571)
Overseas tax paid		(15,849)	(3,030)
Net cash flows from operating activities		48,327	3,164
CASH FLOWS FROM INVESTING ACTIVITIES			
投資活動產生之現金流量			
Proceeds from disposal of items of property, plant and equipment, net		–	360
Purchases of items of property, plant and equipment		(79,637)	(246,822)
Decrease/(increase) in non-pledged deposits with original maturity of over three months when acquired	21	30,162	(30,162)
Interest received		2,897	3,933
Net cash flows used in investing activities		(46,578)	(272,691)

Consolidated Statement of Cash Flows (continued)

綜合現金流量表(續)

(Year ended 31 March 2013)

(截至二零一三年三月三十一日止年度)

	Notes 附註	2013 二零一三年 HK\$'000 千港元	2012 二零一二年 HK\$'000 千港元
CASH FLOWS FROM FINANCING ACTIVITIES			
融資活動產生之現金流量			
New bank loans		–	644,600
Repayment of bank loans		(31,250)	(225,704)
Net cash flows from/(used in) financing activities		(31,250)	418,896
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS			
現金及現金等值項目增加/(減少)淨值			
Cash and cash equivalents at beginning of year		341,824	183,037
Effect of foreign exchange rate changes, net		(2,971)	9,418
CASH AND CASH EQUIVALENTS AT END OF YEAR		309,352	341,824
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS			
現金及現金等值項目之結餘分析			
Cash and bank balances	21	299,282	175,583
Non-pledged time deposits with original maturity of less than three months when acquired	21	10,070	166,241
Non-pledged time deposits with original maturity of more than three months when acquired	21	–	30,162
Cash and cash equivalents as stated in the consolidated statement of financial position		309,352	371,986
Non-pledged time deposits with original maturity of more than three months when acquired	21	–	(30,162)
Cash and cash equivalents as stated in the consolidated statement of cash flows		309,352	341,824

Statement of Financial Position

財務狀況表

(31 March 2013)
(二零一三年三月三十一日)

		Notes 附註	2013 二零一三年 HK\$'000 千港元	2012 二零一二年 HK\$'000 千港元
NON-CURRENT ASSETS	非流動資產			
Investments in subsidiaries	於附屬公司之投資	18	43,368	43,368
CURRENT ASSETS	流動資產			
Due from subsidiaries	應收附屬公司款項	18	1,048,576	868,946
Loan to a subsidiary	給予附屬公司之貸款	18	234,000	249,000
Prepayments	預付款項	16	137	138
Cash and cash equivalents	現金及現金等值項目	21	10,618	369
Total current assets	流動資產總值		1,293,331	1,118,453
CURRENT LIABILITIES	流動負債			
Due to subsidiaries	應付附屬公司款項	18	424,023	359,664
Accrued liabilities	應計負債	24	–	157
Interest-bearing bank borrowings	計息銀行借款	25	234,000	234,000
Tax payable	應付稅項		903	–
Total current liabilities	流動負債總額		658,926	593,821
NET CURRENT ASSETS	流動資產淨值		634,405	524,632
Net assets	資產淨值		677,773	568,000
EQUITY	資本			
Issued capital	已發行股本	27	4,997	4,997
Reserves	儲備	29	672,776	563,003
Total equity	資本總值		677,773	568,000

CHUNG YUK SING

鍾育升
Director
董事

CHEN HSIAO YING

陳小影
Director
董事

Notes to Financial Statements

財務報表附註

(31 March 2013)
(二零一三年三月三十一日)

1. Corporate Information

The Company is a limited liability company incorporated in the Cayman Islands. The registered office address of the Company is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, the Cayman Islands. The principal place of business of the Company is located at Units 0902-0903 and 0905-0906, 9/F, Tower B, Regent Centre, 70 Ta Chuen Ping Street, Kwai Chung, New Territories, Hong Kong.

The Group's principal activities are the manufacture and trading of sportswear and garments.

2.1 Basis of Preparation

These financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("HKASs") and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants, accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for leasehold land and buildings classified as property, plant and equipment, which have been measured at fair value. These financial statements are presented in Hong Kong dollars ("HK\$") and all values are rounded to the nearest thousand except when otherwise indicated.

Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries (collectively referred to as the "Group") for the year ended 31 March 2013. The financial statements of the subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies. The results of subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases. All intra-group balances, transactions, unrealised gains and losses resulting from intra-group transactions and dividends are eliminated on consolidation in full.

Total comprehensive result within a subsidiary is attributed to the non-controlling interest even it results in a deficit balance.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises (i) the assets (including goodwill) and liabilities of the subsidiary, (ii) the carrying amount of any non-controlling interest and (iii) the cumulative translation differences recorded in equity; and recognises (i) the fair value of the consideration received, (ii) the fair value of any investment retained and (iii) any resulting surplus or deficit in profit or loss. The Group's share of components previously recognised in other comprehensive income is reclassified to profit or loss or retained profits, as appropriate.

1. 公司資料

本公司為於開曼群島註冊成立之有限公司。本公司註冊辦事處地址為 Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, the Cayman Islands。本公司之主要營業地點位於香港新界葵涌打磚坪街70號麗晶中心B座九樓0902-0903室及0905-0906室。

本集團之主要業務為生產及買賣運動服及成衣。

2.1 編制基準

此等財務報表乃根據由香港會計師公會頒佈之香港財務報告準則(「香港財務報告準則」)(其中包括所有香港財務報告準則、香港會計準則(「香港會計準則」)及詮釋)、香港公認會計原則及香港公司條例之披露規定編制。除歸入物業、廠房及設備類別之租賃土地及樓宇以公平值計量外,此等財務報表根據歷史成本常規編制。除另有註明外,財務報表均以港元(「港元」)呈列,而所有價值均四捨五入至最接近之千位。

綜合基準

綜合財務報表包括本公司及其附屬公司(統稱「本集團」)截至二零一三年三月三十一日止年度之財務報表。附屬公司編制相同報告期間的財務報表,所用的會計政策與本公司所用的相符。附屬公司之業績以自收購日期,即本集團取得控制權之日起綜合計算,並在有關控制權終止前繼續綜合計入。集團內公司間的所有結餘、交易、集團內公司間的交易所產生之所有未變現收益及虧損及股息於綜合賬目時悉數對銷。

附屬公司之全面收益結果乃歸屬於非控股權益,即使此舉引致虧絀結餘。

附屬公司擁有權之變動(並無失去控制權)乃按權益交易處理。

倘本集團失去對附屬公司之控制權,則剔除確認(i)該附屬公司之資產(包括商譽)及負債(ii)任何非控股權益之賬面值及(iii)計入權益之累計換算差額;及確認(i)已收代價之公平值,(ii)任何保留投資之公平值及(iii)收益表中任何因此產生之盈餘或虧損。先前於其他全面收益內確認之本集團應佔部份重新分類為損益或留存溢利(如適用)。

Notes to Financial Statements (continued)

財務報表附註(續)

(31 March 2013)

(二零一三年三月三十一日)

2.2 Changes in Accounting Policy and Disclosures

The Group has adopted the following revised HKFRSs for the first time for the current year's financial statements.

HKFRS 1 Amendments	Amendments to HKFRS 1 <i>First-time Adoption of Hong Kong Financial Reporting Standards – Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters</i>
HKFRS 7 Amendments	Amendments to HKFRS 7 <i>Financial Instruments: Disclosures – Transfers of Financial Assets</i>
HKAS 12 Amendments	Amendments to HKAS 12 <i>Income Taxes – Deferred Tax: Recovery of Underlying Assets</i>

The adoption of the revised HKFRSs has had no significant financial effect on these financial statements.

2.3 Issued But Not Yet Effective Hong Kong Financial Reporting Standards

The Group has not applied the following new and revised HKFRSs, that have been issued but are not yet effective, in these financial statements.

HKFRS 1 Amendments	Amendments to HKFRS 1 <i>First-time Adoption of Hong Kong Financial Reporting Standards – Government Loans</i> ²
HKFRS 7 Amendments	Amendments to HKFRS 7 <i>Financial Instruments: Disclosures – Offsetting Financial Assets and Financial Liabilities</i> ²
HKFRS 9	<i>Financial Instruments</i> ⁴
HKFRS 10	<i>Consolidated Financial Statements</i> ²
HKFRS 11	<i>Joint Arrangements</i> ²
HKFRS 12	<i>Disclosure of Interests in Other Entities</i> ²
HKFRS 10, HKFRS 11 and HKFRS 12 Amendments	Amendments to HKFRS 10, HKFRS 11 and HKFRS 12 – <i>Transition Guidance</i> ²
HKFRS 10, HKFRS 12 and HKAS 27 (2011) Amendments	Amendments to HKFRS 10, HKFRS 12 and HKAS 27 (2011) – <i>Investment Entities</i> ³

2.2 會計政策及披露變動

本集團就本年度財務報表首次採納以下經修訂香港財務報告準則。

香港財務報告準則第1號修訂	香港財務報告準則第1號首次採納香港財務報告準則—嚴重高通脹及剔除首次採用者的固定日期之修訂
香港財務報告準則第7號修訂	香港財務報告準則第7號金融工具：披露—轉讓金融資產之修訂
香港會計準則第12號修訂	香港會計準則第12號所得稅—遞延稅項：收回相關資產之修訂

採用此等經修訂香港財務報告準則並無對該等財務報表產生重大財務影響。

2.3 已頒佈但未生效之香港財務報告準則

本集團並無於此財務報表採用下述已頒佈但仍未生效的新訂及經修訂香港財務報告準則。

香港財務報告準則第1號修訂	香港財務報告準則第1號首次採納香港財務報告準則—政府貸款之修訂 ²
香港財務報告準則第7號修訂	香港財務報告準則第7號金融工具：披露—金融資產及金融負債之修訂 ²
香港財務報告準則第9號	金融工具 ⁴
香港財務報告準則第10號	綜合財務報表 ²
香港財務報告準則第11號	共同安排 ²
香港財務報告準則第12號	披露於其他實體之權益 ²
香港財務報告準則第10號、第11號及第12號修訂	香港財務報告準則第10號、第11號及第12號過渡指引之修訂 ²
香港財務報告準則第10號及第12號及香港會計準則第27號(二零一一年)之修訂	香港財務報告準則第10號及第12號及香港會計準則—第27號(二零一一年)—投資實體之修訂 ³

Notes to Financial Statements (continued)

財務報表附註(續)

(31 March 2013)
(二零一三年三月三十一日)

2.3 Issued But Not Yet Effective Hong Kong Financial Reporting Standards (Continued)

HKFRS 13	<i>Fair Value Measurement</i> ²
HKAS 1 Amendments	Amendments to HKAS 1 <i>Presentation of Financial Statements – Presentation of Items of Other Comprehensive Income</i> ¹
HKAS 19 (2011)	<i>Employee Benefits</i> ²
HKAS 27 (2011)	<i>Separate Financial Statements</i> ²
HKAS 28 (2011)	<i>Investments in Associates and Joint Ventures</i> ²
HKAS 32 Amendments	Amendments to HKAS 32 <i>Financial Instruments: Presentation – Offsetting Financial Assets and Financial Liabilities</i> ³
HKAS 36 Amendments	Amendments to HKAS 36 <i>Impairment of Assets – Recoverable Amount Disclosures for Non-Financial Assets</i> ³
HK(IFRIC)-Int 20	<i>Stripping Costs in the Production Phase of a Surface Mine</i> ²
HK(IFRIC)-Int 21	<i>Levies</i> ³
<i>Annual Improvements 2009-2011 Cycle</i>	Amendments to a number of HKFRSs issued in June 2012 ²

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

² Effective for annual periods beginning on or after 1 January 2013

³ Effective for annual periods beginning on or after 1 January 2014

⁴ Effective for annual periods beginning on or after 1 January 2015

The Group is in the process of making an assessment of the impact of these new and revised HKFRSs upon initial application and is not yet in a position to state whether they would have a significant impact on the Group's results of operations and financial position.

2.3 已頒佈但未生效之香港財務報告準則(續)

香港財務報告準則第13號	公平值計量 ²
香港會計準則第1號修訂	香港會計準則第1號財務報表之呈列—其他全面收益項目之呈列之修訂 ¹
香港會計準則第19號 (二零一一年)	僱員福利 ²
香港會計準則第27號 (二零一一年)	獨立財務報表 ²
香港會計準則第28號 (二零一一年)	於聯營公司及合營企業投資 ²
香港會計準則第32號修訂	香港會計準則第32號金融工具：呈列—抵銷金融資產及金融負債之修訂 ³
香港會計準則第36號修訂	香港會計準則第36號資產減值—非金融資產之可收回金額披露之修訂 ³
香港(國際財務報告詮釋委員會)—詮釋第20號	露天礦場生產階段之剝採成本 ²
香港(國際財務報告詮釋委員會)—詮釋第21號	徵款 ³
二零零九至二零一一年年度改進系列	對二零一二年六月頒佈之各項香港財務報告準則之修訂 ²

¹ 於二零一二年七月一日或其後開始之年度期間生效

² 於二零一三年一月一日或其後開始之年度期間生效

³ 於二零一四年一月一日或其後開始之年度期間生效

⁴ 於二零一五年一月一日或其後開始之年度期間生效

本集團現正評估初次應用此等新訂及經修訂香港財務報告準則之影響，但未能就該等準則會否對本集團經營業績及財務狀況造成重大影響作出結論。

Notes to Financial Statements (continued)

財務報表附註(續)

(31 March 2013)

(二零一三年三月三十一日)

2.4 Summary of Significant Accounting Policies Subsidiaries

A subsidiary is an entity whose financial and operating policies the Company controls, directly or indirectly, so as to obtain benefits from its activities.

The results of subsidiaries are included in the Company's income statement to the extent of dividends received and receivable. The Company's investments in subsidiaries that are not classified as held for sale in accordance with HKFRS 5 are stated at cost less any impairment losses.

Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The consideration transferred is measured at the acquisition date fair value which is the sum of the acquisition date fair values of assets transferred by the Group, liabilities assumed by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree that are present ownership interests and entitle their holders to a proportionate share of net assets in the event of liquidation at fair value or at the proportionate share of the acquiree's identifiable net assets. All other components of non-controlling interests are measured at fair value. Acquisition-related costs are expensed as incurred.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

If the business combination is achieved in stages, the previously held equity interest is remeasured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss.

Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of HKAS 39 is measured at fair value with changes in fair value either recognised in profit or loss or as a change to other comprehensive income. If the contingent consideration is not within the scope of HKAS 39, it is measured in accordance with the appropriate HKFRS. Contingent consideration that is classified as equity is not remeasured and subsequent settlement is accounted for within equity.

2.4 主要會計政策概要

附屬公司

附屬公司指本公司直接或間接控制其財務及經營政策而從其業務獲益之公司。

附屬公司業績按已收及應收股息計入本公司收益表。本公司於附屬公司之投資且並非根據香港財務報告準則第5號分類為持作銷售的按成本值減任何減值虧損列賬。

業務合併及商譽

業務合併乃以購買法入賬。轉讓代價乃以收購日期之公平值計量，該公平值為本集團轉讓之資產、本集團對收購對象前擁有人承擔之負債及本集團為換取收購對象控制權所發行股本權益於收購日期之公平值之總和。於各業務合併中，本集團選擇是否以公平值或收購對象可識別資產淨值之應佔比例，計量於收購對象之非控股權益，即於收購對象中賦予持有人在清盤時按比例分佔資產淨值之現所有權權益。非控股權益之所有其他部分乃按公平值計量。收購成本於產生時列為開支。

當本集團收購一項業務時，會根據合約條款、於收購日之經濟環境及相關狀況，評估將承接之金融資產及負債，以作出適當分類及標示，包括分離收購對象所訂主合約中的嵌入式衍生工具。

倘業務合併分階段進行，先前持有的股本權益於收購日之公平值會重新計算，得出的任何損益於損益內確認入賬。

由收購方轉讓之任何或然代價按收購日期之公平值確認。或然代價(分類為屬金融工具且歸入香港會計準則第39號之範疇的一項資產或負債)乃按公平值計量，公平值變動於損益確認或確認為其他全面收益的變動。倘或然代價不屬香港會計準則第39號之範疇，則其將根據適用之香港財務報告準則計量。分類為權益的或然代價不會重新計量，其後結算於權益內入賬。

Notes to Financial Statements (continued)

財務報表附註(續)

(31 March 2013)
(二零一三年三月三十一日)

2.4 Summary of Significant Accounting Policies (Continued)

Business combinations and goodwill (Continued)

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred, the amount recognised for non-controlling interests and any fair value of the Group's previously held equity interests in the acquiree over the identifiable net assets acquired and liabilities assumed. If the sum of this consideration and other items is lower than the fair value of the net assets of the subsidiary acquired, the difference is, after reassessment, recognised in profit or loss as a gain on bargain purchase.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. Goodwill is tested for impairment annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired. The Group performs its annual impairment test of goodwill as at 31 March. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units, or groups of cash-generating units, that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the Group are assigned to those units or groups of units.

Impairment is determined by assessing the recoverable amount of the cash-generating unit (group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash-generating unit (group of cash-generating units) is less than the carrying amount, an impairment loss is recognised. An impairment loss recognised for goodwill is not reversed in a subsequent period.

Where goodwill has been allocated to a cash-generating unit (or group of cash-generating units) and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on the disposal. Goodwill disposed of in these circumstances is measured based on the relative value of the disposed operation and the portion of the cash-generating unit retained.

2.4 主要會計政策概要(續)

業務合併及商譽(續)

商譽初步按成本計量，即已轉讓代價、已確認為非控股權益之金額及本集團過往持有收購對象股本權益之公平值總額，超出所收購可識別資產淨值及所承擔負債之差額。如該代價及其他項目之總和低於所收購附屬公司資產淨值之公平值，則差額經重新評估後於損益賬確認為議價收購收益。

於初步確認後，商譽按成本減任何累計減值虧損計量。商譽須每年進行減值測試，或當有事件發生或情況改變顯示賬面值有可能減值時，則會更頻密地進行檢測。本集團於三月三十一日為商譽進行年度減值測試。為進行減值測試，於業務合併中購入之商譽自收購當日被分配至預期可從合併產生之協同效益中獲益之本集團各現金產生單位或現金產生單位組別，而不論本集團其他資產或負債是否已分配至該等單位或單位組別。

減值乃透過評估與商譽有關之現金產生單位(或現金產生單位組別)之可收回金額釐定。當現金產生單位(或現金產生單位組別)之可收回金額低於賬面值時，將確認減值虧損。已就商譽確認之減值虧損不得於未來期間撥回。

倘商譽被分配至現金產生單位(或現金產生單位組別)而隸屬該單位之部分業務已被出售，則在釐定出售有關業務所得盈虧時，與所出售業務相關之商譽會計入該業務之賬面值。在該等情況下出售之商譽，乃根據所出售業務及所保留現金產生單位部分之相對價值進行計量。

Notes to Financial Statements (continued)

財務報表附註(續)

(31 March 2013)

(二零一三年三月三十一日)

2.4 Summary of Significant Accounting Policies (Continued)

Impairment of non-financial assets

Where an indication of impairment exists, or when annual impairment testing for an asset is required (other than inventories, financial assets and goodwill), the asset's recoverable amount is estimated. An asset's recoverable amount is the higher of the asset's or cash-generating unit's value in use and its fair value less costs to sell, and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case the recoverable amount is determined for the cash-generating unit to which the asset belongs.

An impairment loss is recognised only if the carrying amount of an asset exceeds its recoverable amount. 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. An impairment loss is charged to the income statement in the period in which it arises, unless the asset is carried at a revalued amount, in which case the impairment loss is accounted for in accordance with the relevant accounting policy for that revalued asset.

An assessment is made at the end of each reporting period as to whether there is an indication that previously recognised impairment losses may no longer exist or may have decreased. If such an indication exists, the recoverable amount is estimated. A previously recognised impairment loss of an asset other than goodwill is reversed only if there has been a change in the estimates used to determine the recoverable amount of that asset, but not to an amount higher than the carrying amount that would have been determined (net of any depreciation/amortisation) had no impairment loss been recognised for the asset in prior years. A reversal of such impairment loss is credited to the income statement in the period in which it arises, unless the asset is carried at a revalued amount, in which case the reversal of the impairment loss is accounted for in accordance with the relevant accounting policy for that revalued asset.

2.4 主要會計政策概要(續)

非金融資產減值

倘出現減值跡象或有需要就資產進行年度減值測試(存貨、金融資產及商譽除外)，則會估計該資產的可收回金額。資產的可收回金額乃資產或現金產生單位的使用價值及其公平值減出售成本之較高者，並釐定為個別資產，除非該項資產所產生現金流入不能大致獨立於其他資產或資產組別的現金流入，於此情況下，可收回金額則按資產所屬現金產生單位釐定。

減值虧損只會於資產賬面值超出其可收回金額時確認。於評估使用價值時，會使用可反映目前市場對貨幣時間價值及特定資產風險的評估之稅前貼現率，將估計其日後現金流量貼現至現值。減值虧損於產生期間在收益表扣除，除非該資產按重估價值列賬，於此情況下，減值虧損將按該項重估資產之有關會計政策列賬。

於各報告期末評估有否跡象顯示以往確認減值虧損不再存在或可能已減少。倘出現上述跡象，則會估計可收回金額。當用以釐定資產可收回金額的估計有變動時，先前確認的資產減值虧損(商譽除外)方可回撥，惟回撥後的金額不可超過過往年度並無就該項資產確認減值虧損而釐定的賬面值(扣除任何折舊／攤銷後)。回撥的減值虧損於產生期間計入收益表，除非該資產按重估價值列賬，於此情況下，減值虧損回撥將按該項重估資產之有關會計政策列賬。

Notes to Financial Statements (continued)

財務報表附註(續)

(31 March 2013)
(二零一三年三月三十一日)

2.4 Summary of Significant Accounting Policies (Continued) Related parties

A party is considered to be related to the Group if:

- (a) the party is a person or a close member of that person's family and that person
- (i) has control or joint control over the Group;
- (ii) has significant influence over the Group; or
- (iii) is a member of the key management personnel of the Group or of a parent of the Group;

or

- (b) the party is an entity where any of the following conditions applies:
- (i) the entity and the Group are members of the same group;
- (ii) one entity is an associate or joint venture of the other entity (or of a parent, subsidiary or fellow subsidiary of the other entity);
- (iii) the entity and the Group are joint ventures of the same third party;
- (iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity;
- (v) the entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group;
- (vi) the entity is controlled or jointly controlled by a person identified in (a); and
- (vii) a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

2.4 主要會計政策概要(續)

關連人士

在下列情況下，有關人士將視為與本集團有關連：

- (a) 有關人士或該人士之直系親屬，而該名人士
- (i) 控制或與共同控制本集團；
- (ii) 對本集團有重大影響力；或
- (iii) 為本集團或本集團母公司主要管理層成員；

或

- (b) 有關人士為符合任何下述條件的實體：
- (i) 與本集團同屬一個集團成員公司的實體；
- (ii) 一間實體為另一實體(或另一實體之母公司、附屬公司、同系附屬公司)之聯營公司或合營企業的一間實體；
- (iii) 與本集團同為相同第三方的合營企業的實體；
- (iv) 一間實體為第三方實體的合營企業，而另一實體為該第三方實體的聯營公司；
- (v) 該實體為本集團或與本集團有關的實體的僱員利益而設立之離職後福利計劃的受益人；
- (vi) 該實體由(a)項所述人士控制或與他人共同控制；及
- (vii) (a)(i)項所述人士對該實體有重大影響力或屬該實體(或該實體的母公司)主要管理人員。

Notes to Financial Statements (continued)

財務報表附註(續)

(31 March 2013)

(二零一三年三月三十一日)

2.4 Summary of Significant Accounting Policies (Continued)

Property, plant and equipment and depreciation

Property, plant and equipment, other than construction in progress, are stated at cost or valuation less accumulated depreciation and any impairment losses. The cost of an item of property, plant and equipment comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use.

Expenditure incurred after items of property, plant and equipment have been put into operation, such as repairs and maintenance, is normally charged to the income statement in the period in which it is incurred. In situations where the recognition criteria are satisfied, the expenditure for a major inspection is capitalised in the carrying amount of the asset as a replacement. Where significant parts of property, plant and equipment are required to be replaced at intervals, the Group recognises such parts as individual assets with specific useful lives and depreciates them accordingly.

Valuations are performed frequently enough to ensure that the fair value of a revalued asset does not differ materially from its carrying amount. Changes in the values of property, plant and equipment are dealt with as movements in the asset revaluation reserve. If the total of this reserve is insufficient to cover a deficit, on an individual asset basis, the excess of the deficit is charged to the income statement. Any subsequent revaluation surplus is credited to the income statement to the extent of the deficit previously charged. On disposal of a revalued asset, the relevant portion of the asset revaluation reserve realised in respect of previous valuations is transferred to retained profits as a movement in reserves.

Depreciation is calculated on the straight-line basis to write off the cost or valuation of each item of property, plant and equipment to its residual value over its estimated useful life. The principal annual rates used for this purpose are as follows:

Leasehold land under finance leases	Over the lease terms
Buildings	2% to 15%
Leasehold improvements	Over the shorter of the lease terms or 20%
Plant and machinery	10% to 20%
Furniture, fixtures, equipment and motor vehicles	20%

2.4 主要會計政策概要(續)

物業、廠房及設備及折舊

除在建工程外，物業、廠房及設備乃按成本值或估值減累積折舊及任何減值虧損列賬。物業、廠房及設備成本包括其購入價及任何使其達到運作狀況及地點作擬定用途之直接相關成本。

物業、廠房及設備運作後所產生開支，例如維修及保養費用，一般於有關費用產生期間自收益表扣除。在符合確認條件的情況下，大規模檢驗的費用於資產的賬面值資本化為置換。倘物業、廠房及設備的主要部份須分段置換，本集團將該等部份確認為獨立資產，並設定特定的可使用年期相應折舊。

估值會經常進行，以確保重估資產之公平值不會與其賬面值有任何重大差異。物業、廠房及設備價值變動於資產重估儲備內列作變動處理。倘儲備總額不足以抵償虧絀，超出之虧絀按個別資產基準於收益表扣除。倘其後出現重估盈餘，則以先前扣除之虧絀為上限計入收益表。出售重估資產時，因以往估值而變現之資產重估儲備有關部分，將視作儲備變動轉撥至留存溢利。

折舊按各項物業、廠房及設備之估計可使用年期以直線法撇銷其成本或估值，以估計其剩餘價值。就此目的所採用之主要年率如下：

融資租賃項下的租賃土地	按租賃期
樓宇	2%至15%
租賃物業裝修	按租賃期或20% (以較短者為準)
機器及設備	10%至20%
傢具、裝置、設備及汽車	20%

Notes to Financial Statements (continued)

財務報表附註(續)

(31 March 2013)
(二零一三年三月三十一日)

2.4 Summary of Significant Accounting Policies (Continued)

Property, plant and equipment and depreciation (Continued)

Where parts of an item of property, plant and equipment have different useful lives, the cost or valuation of that item is allocated on a reasonable basis among the parts and each part is depreciated separately. Residual values, useful lives and the depreciation method are reviewed, and adjusted if appropriate, at least at each financial year end.

An item of property, plant and equipment including any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on disposal or retirement recognised in the income statement in the year the asset is derecognised is the difference between the net sale proceeds and the carrying amount of the relevant asset.

Construction in progress represents a building under construction, which is stated at cost less any impairment losses, and is not depreciated. Cost comprises the direct costs of construction and capitalised borrowing costs on related borrowed funds during the period of construction. Construction in progress is reclassified to the appropriate category of property, plant and equipment when completed and ready for use.

Leases

Leases that transfer substantially all the rewards and risks of ownership of assets to the Group, other than legal title, are accounted for as finance leases. At the inception of a finance lease, the cost of the leased asset is capitalised at the present value of the minimum lease payments and recorded together with the obligation, excluding the interest element, to reflect the purchase and financing. Assets held under capitalised finance leases, including prepaid land lease payments under finance leases, are included in property, plant and equipment, and depreciated over the shorter of the lease terms and the estimated useful lives of the assets. The finance costs of such leases are charged to the income statement so as to provide a constant periodic rate of charge over the lease terms.

2.4 主要會計政策概要(續)

物業、廠房及設備及折舊(續)

倘部份物業、廠房及設備之可使用年期不同，該項目之成本或估值於有關部分按合理基準分配，而各部分將分別折舊。剩餘價值、可使用年期及折舊方法將最少於各財政年度末審閱及作出調整(如適用)。

物業、廠房及設備項目及初步獲確認的任何重要部份於出售或預期使用該項目不會產生未來經濟利益時剔除確認。於剔除確認資產年度在收益表確認之出售或報廢資產之損益，按有關資產出售所得款項淨額與賬面值兩者間之差額於年內收益表確認。

在建工程指處於建造狀態下的樓宇，並以成本值扣減減值虧損列賬且不作折舊。成本值包括建造期間建造的直接成本以及相關借入資金經撥充資本的借貸成本。在建工程於完工並達到預計可使用狀態時，轉入物業、廠房及設備之相應類別。

租賃

凡將資產絕大部分回報及風險擁有權(法定業權除外)轉歸本集團之租賃，均列為融資租賃。於融資租賃生效時，租賃資產成本按最低租金付款現值撥充資本化，並連同有關承擔(不包括利息部分)入賬，以反映有關購買及融資。經撥充資本融資租賃持有之資產(包括融資租賃之預付土地租賃款項)計入物業、廠房及設備，按該項資產之租期與估計可使用年期之較短者折舊。此等租賃之融資成本自收益表扣除，以在租期內達致穩定的定期支銷率。

Notes to Financial Statements (continued)

財務報表附註(續)

(31 March 2013)

(二零一三年三月三十一日)

2.4 Summary of Significant Accounting Policies (Continued)

Leases (Continued)

Leases where substantially all the rewards and risks of ownership of assets remain with the lessor are accounted for as operating leases. Where the Group is the lessor, assets leased by the Group under operating leases are included in non-current assets, and rentals receivable under the operating leases are credited to the income statement on the straight-line basis over the lease terms. Where the Group is the lessee, rentals payable under operating leases net of any incentives received from the lessor are charged to the income statement on the straight-line basis over the lease terms.

Prepaid land lease payments under operating leases are initially stated at cost and subsequently recognised on the straight-line basis over the lease terms.

Investments and other financial assets

Initial recognition and measurement

Financial assets within the scope of HKAS 39 are classified as financial assets at fair value through profit or loss, loans and receivables and available-for-sale financial investments, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. The Group determines the classification of its financial assets at initial recognition. When financial assets are recognised initially, they are measured at fair value plus transaction costs, except in the case of financial assets recorded at fair value through profit or loss.

All regular way purchases and sales of financial assets are recognised on the trade date, that is, the date that the Group commits to purchase or sell the asset. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace.

The Group's financial assets include cash and cash equivalents, accounts and bills receivables and other receivables.

Subsequent measurement – Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial measurement, such assets are subsequently measured at amortised cost using the effective interest rate method less any allowance for impairment. Amortised cost is calculated by taking into account any discount or premium on acquisition and includes fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included in other income and gains in the income statement. The loss arising from impairment is recognised in the income statement in finance costs for loans.

2.4 主要會計政策概要(續)

租賃(續)

資產絕大部分回報及風險擁有權仍歸出租人所有之租賃列為經營租賃。倘本集團為出租人，本集團根據經營租賃出租的資產計入非流動資產，而根據經營租賃應收之租金乃按租期以直線法計入收益表。倘本集團為承租人，根據經營租賃應付之租金(扣除已收出租人的任何優惠)按租期以直線法自收益表扣除。

經營租賃之預付土地租賃款項初始按成本列賬，其後則按租期以直線法確認。

投資及其他金融資產

初始確認及計量

香港會計準則第39號所指範疇之金融資產分類為按公平值計入損益金融資產、貸款及應收款項、可供銷售金融投資或衍生工具分類為指定作有效對沖中的對沖工具(如適用)。本集團會於初始確認後將金融資產分類。金融資產初始確認時，以公平值加上交易成本計量，惟金融資產按公平值計入損益除外。

正常情況下買入及出售之金融資產於交易日(即本集團承諾購買或出售資產之日)確認。正常情況下買入或出售指於規例或市場慣例一般設定之期間內交付之買入或出售的金融資產。

本集團的金融資產包括現金及現金等值項目、應收賬款及票據以及其他應收款項。

後續計量 – 貸款及應收款項

貸款及應收款項為非衍生工具而設有固定或可確定付款金額的金融資產，以及並不在活躍市場報價。初始計量後，該等資產採用實際利率法按攤銷成本減任何減值撥備計量。攤銷成本計及任何收購貼現或溢價，且包括為實際利率的組成部分的費用或成本。實際利率攤銷計入收益表內的其他收入及收益。減值產生的虧損在收益表內確認為貸款的融資成本。

Notes to Financial Statements (continued)

財務報表附註(續)

(31 March 2013)
(二零一三年三月三十一日)

2.4 Summary of Significant Accounting Policies (Continued)

Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when:

- the rights to receive cash flows from the asset have expired; or
- the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a “pass-through” arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risk and rewards of ownership of the asset. When it has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognised to the extent of the Group’s continuing involvement in the asset. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

2.4 主要會計政策概要(續)

剔除確認金融資產

金融資產(或(如適用)一項金融資產的一部分或一組相若金融資產的一部分)在下列情況將被剔除確認:

- 收取該項資產所得現金流量的權利經已屆滿; 或
- 本集團已轉讓其收取該項資產所得現金流量的權利, 或根據一項「轉付」安排, 在沒有重大延誤的情況下, 已承擔全數支付已收現金流量的義務; 且(a)本集團已轉讓該項資產的絕大部分風險及回報; 或(b)本集團並未轉讓或保留該項資產絕大部分風險及回報, 但已轉讓該項資產的控制權。

當本集團已轉讓其收取該項資產所得現金流量的權利或訂立轉付安排, 會評估是否保留該資產所有權的風險和回報以及保留的程度。當本集團並未轉讓或保留該項資產的絕大部分風險及回報, 且並未轉讓該項資產的控制權, 該項資產將按本集團於資產的持續參與程度而確認入賬。在該情況下, 本集團亦確認相關負債。已轉讓資產及相關負債按可反映本集團所保留權利及責任的基準計量。

通過對已轉讓資產作出擔保的形式持續參與的計量, 按該項資產的原賬面值及本集團或須償還的最高代價金額的較低者計算。

Notes to Financial Statements (continued)

財務報表附註(續)

(31 March 2013)

(二零一三年三月三十一日)

2.4 Summary of Significant Accounting Policies (Continued)

Impairment of financial assets

The Group assesses at the end of each reporting period whether there is objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or a group of financial assets is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (an incurred "loss event") and that loss event has an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated. Evidence of impairment may include indications that a debtor or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation and observable data indicating that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

Financial assets carried at amortised cost

For financial assets carried at amortised cost, the Group first assesses individually whether objective evidence of impairment exists for financial assets that are individually significant, or collectively for financial assets that are not individually significant. If the Group determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is, or continues to be, recognised are not included in a collective assessment of impairment.

If there is objective evidence that an impairment loss has been incurred, the amount of loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not yet been incurred). The present value of the estimated future cash flows is discounted at the financial asset's original effective interest rate (i.e., the effective interest rate computed at initial recognition). If a loan has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate.

2.4 主要會計政策概要(續)

金融資產減值

本集團於各報告期末評估是否有客觀跡象表明一項金融資產或一組金融資產出現減值。一項金融資產或一組金融資產在初始確認後如果，且僅當出現一項或多項客觀減值跡象(已發生「虧損事項」)及該虧損事項對這項金融資產或這組金融資產的未來現金流量造成可靠地估計之影響，則這項金融資產或這組金融資產被視為減值。減值跡象包括債務人或一組債務人遇到重大財務困難、違約或拖欠利息或本金、可能宣佈破產或進行其他財務重組，及有可觀測數據顯示估計未來現金流量出現可計量減少，例如欠款數目變動或出現與違約相關的經濟狀況。

按攤銷成本入賬之金融資產

就按攤銷成本列賬之金融資產而言，本集團首先對具個別重要性之金融資產進行個別評估，評估個別資產是否存在客觀減值證據，或對非具個別重要性之金融資產進行共同評估。倘本集團認為經個別評估之金融資產(無論具有重要性與否)並無存在客觀減值證據，則會將該資產歸入一組具有相若信貸風險特性之金融資產內，作共同評估減值。個別評估減值及為其確認或繼續確認減值虧損之資產，不包括在共同評估減值之內。

倘客觀跡象顯示已出現減值虧損，則虧損金額會按該項資產的賬面值與估計未來現金流量現值(不包括未產生的未來信貸虧損)的差額計量。估計未來現金流量現值會按金融資產的原實際利率(即初始確認時的計算實際利率)折現。倘為浮動利率貸款，則計量任何減值虧損的貼現率均為當前實際利率。

Notes to Financial Statements (continued)

財務報表附註(續)

(31 March 2013)
(二零一三年三月三十一日)

2.4 Summary of Significant Accounting Policies (Continued)

Impairment of financial assets (Continued)

Financial assets carried at amortised cost (Continued)

The carrying amount of the asset is reduced through the use of an allowance account and the loss is recognised in the income statement. Interest income continues to be accrued on the reduced carrying amount and is accrued using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss. Loans and receivables together with any associated allowance are written off when there is no realistic prospect of future recovery and all collateral has been realised or has been transferred to the Group.

If, in a subsequent period, the amount of the estimated impairment loss increases or decreases because of an event occurring after the impairment was recognised, the previously recognised impairment loss is increased or reduced by adjusting the allowance account. If a write-off is later recovered, the recovery is credited to other expenses in the income statement.

Financial liabilities

Initial recognition and measurement

Financial liabilities within the scope of HKAS 39 are classified as financial liabilities at fair value through profit or loss, loans and borrowings, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. The Group determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings, net off directly attributable transaction costs.

The Group's financial liabilities include accounts and bills payables, other payables and interest-bearing bank borrowings.

Subsequent measurement – Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost, using the effective interest rate method unless the effect of discounting would be immaterial, in which case they are stated at cost. Gains and losses are recognised in the income statement when the liabilities are derecognised as well as through the effective interest rate amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included in finance costs in the income statement.

2.4 主要會計政策概要(續)

金融資產減值(續)

按攤銷成本入賬之金融資產(續)

資產的賬面值透過使用撥備賬戶扣減，而有關虧損金額則在收益表中確認。利息收入在減少的賬面值中按以計算有關減值損失時所採用以貼現未來現金流量的利率持續累計。當預期不可於日後收回並所有抵押品已經變現或已轉入本集團時，貸款及應收款項連同相關撥備予以撇銷。

於隨後期間，若在減值確認後發生一個事項令估計減值虧損金額增加或減少，則先前確認減值虧損可透過調整撥備賬戶予以增加或減少。若撇銷隨後收回，收回金額計入收益表之其他開支。

金融負債

初始確認及計量

香港會計準則第39號所指範疇之金融負債分類為以公平值計入損益的金融負債、貸款及借款，或衍生工具指定為有效對沖中的對沖工具(如適用)。本集團於初始確認時釐定其金融負債分類。

全部金融負債初始確認時按公平值計量，而如屬貸款及借款，則加上直接應佔交易成本。

本集團的金融負債包括應付賬款及票據、其他應付款項及計息銀行貸款。

後續計量 – 貸款及借款

於初始確認後，計息貸款及借款其後使用實際利率法按攤銷成本計量，除非貼現影響並不重要，在該情況下，則按成本列賬。通過實際利率法攤銷過程剔除已確認的負債，損益在收益表內確認入賬。

攤銷成本包括收購時的任何貼現或溢價及屬於實際利率的組成部分的費用或成本計算。實際利率攤銷計入收益表的融資成本。

Notes to Financial Statements (continued)

財務報表附註(續)

(31 March 2013)

(二零一三年三月三十一日)

2.4 Summary of Significant Accounting Policies (Continued)

Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled, or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and a recognition of a new liability, and the difference between the respective carrying amounts is recognised in the income statement.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

Fair value of financial instruments

The fair value of financial instruments that are traded in active markets is determined by reference to quoted market prices or dealer price quotations (bid price for long positions and ask price for short positions), without any deduction for transaction costs. For financial instruments where there is no active market, the fair value is determined using appropriate valuation techniques. Such techniques include using recent arm's length market transactions; reference to the current market value of another instrument which is substantially the same; and a discounted cash flow analysis.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined on the first-in, first-out basis and, in the case of work in progress and finished goods, comprises direct materials, direct labour and an appropriate proportion of overheads. Net realisable value is based on estimated selling prices less any estimated costs to be incurred to completion and disposal.

Cash and cash equivalents

For the purpose of the consolidated statement of cash flows, cash and cash equivalents comprise cash on hand and demand deposits, and short term highly liquid investments that are readily convertible into known amounts of cash, are subject to an insignificant risk of changes in value, and have a short maturity of generally within three months when acquired, less bank overdrafts which are repayable on demand and form an integral part of the Group's cash management.

2.4 主要會計政策概要(續)

剔除確認金融負債

倘負債項下之責任已履行或取消或屆滿，將會剔除確認金融負債。

倘現有金融負債由同一貸款人以含有重大不同條款之另一項金融負債取代，或現有負債條款經大幅修訂，則有關轉換或修訂視作剔除確認原有負債及確認新的負債，而有關賬面值間之差額則於收益表確認。

金融工具的抵銷

當且僅當目前有強制執行的法律權力要求抵銷已確認金額並有意以淨額結算或同時變現資產及償還負債時，金融資產和金融負債可抵銷並按淨值列報於財務狀況表內。

金融工具的公平值

在活躍市場中買賣的金融工具，其公平值參考所報市價或交易商報價(長倉的買入價及空倉的賣出價)及在並無就交易成本作任何扣減下釐定。對於沒有活躍市場的金融工具，其公平值運用適當估值方法釐定。估值方法包括利用近期的公平市場交易、參照其他大致相同工具的現行市值、貼現現金流量分析。

存貨

存貨乃按成本值及可變現淨值之較低者列賬。成本按先進先出基準釐定，在製品及製成品則包含直接材料、直接勞工及適當比例之間接成本。可變現淨值按估計售價減完工及出售時所產生任何估計成本計算。

現金及現金等值項目

就綜合現金流量表而言，現金及現金等值項目包括現存現金及活期存款以及可隨時轉換為已知數額現金的短期高度流通性投資，有關投資承受價值變動風險不大，及一般於購入後三個月內到期，另扣除須按要求償還及構成本集團現金管理其中部分之銀行透支。

Notes to Financial Statements (continued)

財務報表附註(續)

(31 March 2013)
(二零一三年三月三十一日)

2.4 Summary of Significant Accounting Policies (Continued)

Cash and cash equivalents (Continued)

For the purpose of the statement of financial position, cash and cash equivalents comprise cash on hand and at banks, including term deposits, which are not restricted as to use.

Provisions

A provision is recognised when a present obligation (legal or constructive) has arisen as a result of a past event and it is probable that a future outflow of resources will be required to settle the obligation, provided that a reliable estimate can be made of the amount of the obligation.

When the effect of discounting is material, the amount recognised for a provision is the present value at the end of the reporting period of the future expenditures expected to be required to settle the obligation. The increase in the discounted present value amount arising from the passage of time is included in finance costs in the income statement.

Income tax

Income tax comprises current and deferred tax. Income tax relating to items recognised outside profit or loss is recognised either in other comprehensive income or directly in equity.

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period, taking into consideration interpretations and practices prevailing in the countries in which the Group operates.

Deferred tax is provided, using the liability method, on all temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

2.4 主要會計政策概要(續)

現金及現金等值項目(續)

就財務狀況表而言，現金及現金等值項目包括現存及銀行現金，當中包括無使用限制用途之定期存款。

撥備

因過往發生事項而產生現時承擔責任(法定或推定)及有機會造成未來資源的流出以履行責任，則於能夠可靠估計該承擔數額時確認撥備。

若貼現之影響重大，則撥備所確認的數額是為預期履行該責任所需未來開支於報告期末之現值。隨時間推移而產生之貼現現值增加計入收益表的融資成本內。

所得稅

所得稅包括即期及遞延稅項。與於損益外確認項目有關的所得稅於其他全面收益或直接於權益確認。

本期及過去期間的即期稅項資產和負債是根據於報告期末前已實施或實質實施的稅率(及稅法)並考慮到本集團業務所在國家的現行詮釋及慣例後計算出預計向稅務機關支付或從其處退回的金額。

遞延稅項須按負債法，就資產及負債之計稅基準與財務申報賬面值於報告期末之所有暫時性差額作出撥備。

遞延稅項負債就所有應課稅暫時性差額確認，除下列情況外：

- 產生自首次確認的一項非商業合併交易中的商譽或資產或負債，以及於進行交易時並無影響會計溢利或應課稅溢利或虧損的遞延稅項負債；及

Notes to Financial Statements (continued)

財務報表附註(續)

(31 March 2013)

(二零一三年三月三十一日)

2.4 Summary of Significant Accounting Policies (Continued)

Income tax (Continued)

- in respect of taxable temporary differences associated with investments in subsidiaries, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carryforward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, the carryforward of unused tax credits and unused tax losses can be utilised, except:

- when the deferred tax asset relating to the deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of deductible temporary differences associated with investments in subsidiaries, deferred tax assets are only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at the end of each reporting period and are recognised to the extent that it has become probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be recovered.

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

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

2.4 主要會計政策概要(續)

所得稅(續)

- 於附屬公司之投資相關之應課稅暫時性差額，倘可控制暫時差額之回撥時間，並有可能在可預見未來不會回撥暫時差額。

遞延稅項資產根據所有可予扣減暫時性差額、未動用稅項抵免及任何未動用稅項虧損結轉確認。倘可能獲得應課稅溢利用作抵扣可予扣減暫時性差額、未動用稅項抵免及未動用稅項虧損結轉，則確認遞延稅項資產，除以下情況：

- 惟產生自首次確認的一項非商業合併交易中的資產或負債，以及於進行交易時並無影響會計溢利或應課稅溢利或虧損之可扣減暫時差額相關之遞延稅項資產；及
- 於附屬公司之投資相關之可扣減暫時性差額，遞延稅項資產僅會於暫時性差額可能在可預見未來回撥及有應課稅溢利以抵銷暫時差額情況下方予確認。

遞延稅項資產賬面值於各報告期末檢討，並於不再可能有足夠應課稅溢利抵銷所有或部分遞延稅項資產情況下調減。未確認之遞延稅項資產於各報告期末重估，並於有足夠應課稅溢利收回所有或部分遞延稅項資產情況下確認。

遞延稅項資產及負債乃根據於報告期末實施或實質實施之稅率(及稅法)，按預期於變現資產或清償負債期間適用之稅率計算。

倘存在容許將即期稅項資產抵銷即期稅項負債的合法可執行權利，且遞延稅項與同一應課稅實體及同一稅務機關有關，則遞延稅項資產可與遞延稅項負債抵銷。

Notes to Financial Statements (continued)

財務報表附註(續)

(31 March 2013)
(二零一三年三月三十一日)

2.4 Summary of Significant Accounting Policies (Continued)

Government grants

Government grants, including a subsidy for the expenditure incurred in the construction cost of an infrastructure project, are recognised at their fair value where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the costs, which it is intended to compensate, as expected. Where the grant relates to an asset, the fair value is deducted from the carrying amount of the asset and released to the income statement by way of a reduced depreciation charge.

Revenue recognition

Revenue is recognised when it is probable that the economic benefits will flow to the Group and when the revenue can be measured reliably, on the following bases:

- (i) from the sale of goods and samples, when the significant risks and rewards of ownership have been transferred to the buyer, provided that the Group maintains neither managerial involvement to the degree usually associated with ownership, nor effective control over the goods sold; and
- (ii) interest income, on an accrual basis using the effective interest method by applying the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, when appropriate, to the net carrying amount of the financial asset.

Employee benefits

The Group operates a defined contribution Mandatory Provident Fund retirement benefit scheme (the "MPF Scheme") under the Mandatory Provident Fund Schemes Ordinance for those employees who are eligible to participate in the MPF Scheme. Contributions are made based on a percentage of the employees' basic salaries and are charged to the income statement as they become payable in accordance with the rules of the MPF Scheme. The assets of the MPF Scheme are held separately from those of the Group in an independently administered fund. The Group's employer contributions vest fully with the employees when contributed into the MPF Scheme.

2.4 主要會計政策概要(續)

政府補助

政府補助(包括基建項目建築成本產生的開支)在合理確保可收取及符合政府補助所附條件的情況下,按其公平值予以確認。當補助涉及開支項目,則以有系統方式分多段期間確認為收入,以抵銷擬作補償的預期成本。當補助涉及資產,有關公平值則從資產的賬面值扣減,並利用已扣減折舊開支方式在收益表內扣除。

收入確認

收入乃於本集團有可能獲得經濟利益及該收入能可靠計算時,按以下基準確認:

- (i) 貨物及樣辦之銷售:當擁有權的絕大部分風險及回報已轉讓予買方,本集團不再參與一般與擁有權有關之管理,亦不再對已售出貨物有實際控制權;及
- (ii) 利息收入按應計基準,採用實際利率法,將於金融工具預計年期,或適用的較短年期,所收取估計未來現金貼現至該金融資產賬面淨值的利率計算。

僱員福利

本集團根據強制性公積金計劃條例,為合資格參加定額供款強制性公積金退休福利計劃(「強積金計劃」)之僱員推行強積金計劃。本集團須按僱員基本薪金的一定百分比作出供款,並在按照強積金計劃之規定應付供款時自收益表扣除。強積金計劃資產與本集團資產分開持有,並由獨立管理基金保管。本集團的僱主供款在向強積金計劃作出供款時全數撥歸僱員所有。

Notes to Financial Statements (continued)

財務報表附註(續)

(31 March 2013)

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2.4 Summary of Significant Accounting Policies (Continued)

Employee benefits (Continued)

In addition, the Group operates a defined contribution retirement benefit scheme (the "Retirement Scheme") for those employees who are eligible to participate in the Retirement Scheme. Contributions to the Retirement Scheme are charged to the income statement as incurred. The Retirement Scheme operates in a similar way to the MPF Scheme, except that when an employee leaves the Retirement Scheme before his/her interest in the Group's employer contributions vests fully, the ongoing contributions payable by the Group are reduced by the relevant amount of the forfeited employer contributions.

The employees of the Group's subsidiaries which operate in Mainland China are required to participate in a central pension scheme operated by the local municipal government. These subsidiaries are required to make contributions for their employees who are registered as permanent residents in Mainland China. The contributions are charged to the income statement as they become payable in accordance with the rules of the central pension scheme.

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, i.e., assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets. The capitalisation of such borrowing costs ceases when the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs capitalised. All other borrowing costs are expensed in the period in which they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

2.4 主要會計政策概要(續)

僱員福利(續)

此外，本集團亦為合資格參加定額供款退休福利計劃(「退休計劃」)之僱員推行退休計劃。向退休計劃作出之供款在產生時自收益表扣除。退休計劃之運作方式與強積金計劃類似，惟當僱員在本集團僱主供款全數撥歸其所有前退出退休計劃，所沒收僱主供款可用作扣減本集團持續應付之供款。

本集團在中國大陸所經營附屬公司之僱員須參加由當地市政府推行的中央退休金計劃。有關附屬公司須為登記為中國大陸永久居民之僱員作出供款。有關供款在根據中央退休金計劃之規定應付供款時自收益表扣除。

借貸成本

與收購、建造或生產合資格資產(即須一段較長時間方能達至其擬定用途或出售之資產)直接相關之借貸成本均予以資本化，作為該等資產之部份成本，直至該等資產大致上達至其擬定用途或出售時為止。特定借貸在用作合資格資產之開支前暫時用作投資所賺取之投資收入，從資本化借貸成本中扣除。所有其他借貸成本於產生期間支銷。借貸成本包括實體因資金借貸產生的利息及其他成本。

Notes to Financial Statements (continued)

財務報表附註(續)

(31 March 2013)
(二零一三年三月三十一日)

2.4 Summary of Significant Accounting Policies (Continued) Foreign currencies

These financial statements are presented in Hong Kong dollars, which is the Company's functional and presentation currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency. Foreign currency transactions recorded by the entities in the Group are initially recorded using their respective functional currency rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency rates of exchange ruling at the end of the reporting period. Differences arising on settlement or translation of monetary items are recognised in the income statement.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gain or loss arising on retranslation of a non-monetary item measured at fair value is treated in line with the recognition of the gain or loss on change in fair value of the item (i.e., translation differences on the items whose fair value gain or loss is recognised in other comprehensive income or income statement are also recognised in other comprehensive income or income statement, respectively).

The functional currencies of certain overseas subsidiaries are currencies other than the Hong Kong dollar. As at the end of the reporting period, the assets and liabilities of these entities are translated into the presentation currency of the Company at the exchange rates prevailing at the end of the reporting period and their income statements are translated into Hong Kong dollars at the weighted average exchange rates for the year. The resulting exchange differences are recognised in other comprehensive income and accumulated in the exchange fluctuation reserve. On disposal of a foreign operation, the component of other comprehensive income relating to that particular foreign operation is recognised in the income statement.

For the purpose of the consolidated statement of cash flows, the cash flows of overseas subsidiaries are translated into Hong Kong dollars at the exchange rates ruling at the dates of the cash flows. Frequently recurring cash flows of overseas subsidiaries which arise throughout the year are translated into Hong Kong dollars at the weighted average exchange rates for the year.

2.4 主要會計政策概要(續)

外幣

此財務報表以港元呈報，港元乃本公司之功能及呈報貨幣。本集團各實體釐定其本身功能貨幣，而各實體於財務報表計入之項目乃按該功能貨幣計算。本集團旗下實體記錄的外幣交易初步按交易日期各自之功能貨幣匯率記錄。以外幣結算的貨幣資產及負債按報告期末的功能貨幣匯率重新換算。因貨幣項目結算或換算產生的差額均於收益表確認。

按外幣過往成本計算的非貨幣項目乃按初步交易日期匯率換算。以外幣按公平值計算的非貨幣項目則按公平值釐定之日期匯率換算作計算。重新換算非貨幣項目產生的盈虧與項目公平值變動產生的盈虧按相同方式確認，即公平值盈虧於其他全面收益或收益表確認的項目之匯兌差額亦分別於其他全面收益或收益表確認。

若干海外附屬公司並非以港元為功能貨幣。於報告期末，該等實體之資產及負債按報告期末的匯率換算為本公司呈報貨幣，其收益表則按年內加權平均匯率換算為港元。最終匯兌差額於其他全面收益內確認並計入匯兌波動儲備。出售海外業務時，與該特定海外業務有關其他全面收益之組成項目在收益表內確認入賬。

就綜合現金流量表而言，海外附屬公司之現金流量按現金流量日期之適用匯率換算為港元。年內海外附屬公司之經常現金流量按年內加權平均匯率換算為港元。

Notes to Financial Statements (continued)

財務報表附註(續)

(31 March 2013)

(二零一三年三月三十一日)

3. Significant Accounting Judgement and Estimates

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, their accompanying disclosures and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amounts of the assets or liabilities affected in the future.

Judgement

In the process of applying the Group's accounting policies, management has made the following judgement, apart from those involving estimations, which has the most significant effect on the amounts recognised in the financial statements:

Impairment of assets

In determining whether an asset is impaired or whether the event previously causing the impairment no longer exists, the Group has to exercise judgement in the area of asset impairment, particularly in assessing: (1) whether an event has occurred that may affect the asset value, or such an event affecting the asset value has not been in existence; (2) whether the carrying value of an asset can be supported by the net present value of future cash flows, which are estimated based upon the continued use of the asset; and (3) the appropriate key assumptions to be applied in preparing cash flow projections including whether these cash flow projections are discounted using an appropriate rate. Changing the assumptions selected by management to determine the level of impairment, including the discount rates or the growth rate assumptions in the cash flow projections, could have a material effect on the net present value used in the impairment test.

Estimation uncertainty

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 and liabilities within the next financial year, are described below.

3. 重要會計判斷及估計

編制本集團的財務報表時，管理層須作出會影響報告當日所呈報收入、開支、資產及負債的報告金額、其相應的披露資料及或然負債披露的判斷、估計及假設。由於有關假設和估計的不確定因素，可導致須就未來受影響的資產或負債賬面值作出重大調整。

判斷

於應用本集團會計政策時，除該等涉及估計外，管理層曾作出下列對財務報表已確認金額影響最重要判斷：

資產減值

釐定資產是否減值或過往導致減值事項是否不再存在時，本集團須就資產減值作出判斷，尤其需要評估：(1)有否發生可影響資產價值之事項，或影響資產價值之事項是否仍然存在；(2)資產之賬面值能否以根據持續使用資產估計之未來現金流量現值淨額支持；及(3)預測未來現金流量時所採用適合的重要假設，包括該等現金流量預測是否以適用比率貼現。倘改變管理層用以確定減值程度之假設(包括現金流量預測中採用之貼現率或增長率假設)，或會對減值測試中使用的淨現值產生重大影響。

估計之不確定性

下文論述於報告期末極可能導致本集團之資產與負債賬面值在下一財政年度需要作出重大調整之未來相關重要假設及導致估計不確定性之其他重要因素。

Notes to Financial Statements (continued)

財務報表附註(續)

(31 March 2013)
(二零一三年三月三十一日)

3. Significant Accounting Judgement and Estimates (Continued)

Estimation uncertainty (Continued)

Estimation of fair value of leasehold land and buildings of the Group

As described in note 14, the leasehold land and buildings were revalued at the end of the reporting period on a market value existing state basis by independent professional valuers. Such valuations were based on certain assumptions, which are subject to uncertainty and might materially differ from the actual results. In making the judgements, the Group considers information from current prices in an active market for similar properties and uses assumptions that are mainly based on market conditions existing at the end of the reporting period.

Useful lives and residual values of items of property, plant and equipment

In determining the useful lives and residual values of items of property, plant and equipment, the Group has to consider various factors, such as technical or commercial obsolescence arising from changes or improvements in production, or from a change in the market demand for the product or service output of the asset, expected usage of the asset, expected physical wear and tear, the care and maintenance of the asset, and legal or similar limits on the use of the asset. The estimation of the useful life of the asset is based on the experience of the Group with similar assets that are used in a similar way. Additional depreciation is made if the estimated useful lives and/or the residual values of items of property, plant and equipment are different from previous estimation. Useful lives and residual values are reviewed at each financial year end date based on changes in circumstances.

Impairment of goodwill

The Group determines whether goodwill is impaired at least on an annual basis. This requires an estimation of the value in use of the cash-generating units to which the goodwill is allocated. Estimating the value in use requires the Group to make an estimate of the expected future cash flows from the cash-generating units and also to choose a suitable discount rate in order to calculate the present value of those cash flows. The carrying amount of goodwill at 31 March 2013 was HK\$26,112,000 (2012: HK\$26,112,000). Further details are given in note 17.

3. 重要會計判斷及估計(續)

估計之不確定性(續)

本集團租賃土地及樓宇公平價值估計

如附註14所述，租賃土地及樓宇已由獨立專業估值師於報告期末按現況以市值基準重新估值。有關估值乃根據若干假設進行，故當中仍有不明確因素且或會與實際結果有重大差異。於作出判斷時，本集團已考慮活躍市場中類似物業之當前市價，並運用主要根據於報告期末之市況作出之假設。

物業、廠房及設備之可使用年期及剩餘價值

釐定物業、廠房及設備之可使用年期及剩餘價值時，本集團須考慮多項因素，例如因生產變動或改進或市場對有關資產提供之產品或服務需求有所改變而產生之技術性或商業性過時、資產預期用途、預期自然損耗、資產維修及保養，使用資產所受到之法律或其他類似限制。估計資產之可使用年期時，本集團根據經驗考慮類似用途之類似資產。倘若物業、廠房及設備項目之估計可使用年期及／或剩餘價值與先前估計不同，則增加折舊。可使用年期及剩餘價值於每個財政年度結算日按情況變化檢討。

商譽減值

本集團最少每年釐定商譽是否有所減值。釐定時須估計商譽所獲分配之現金產生單位之使用價值。估計使用價值時，本集團須估計現金產生單位所產生之預期日後現金流量，亦須選擇合適之貼現率，以計算該等現金流量之現值。商譽於二零一三年三月三十一日之賬面值為26,112,000港元(二零一二年：26,112,000港元)。進一步資料載於附註17。

Notes to Financial Statements (continued)

財務報表附註(續)

(31 March 2013)

(二零一三年三月三十一日)

3. Significant Accounting Judgement and Estimates (Continued)

Estimation uncertainty (Continued)

Impairment allowance for doubtful debts

The Group makes impairment allowance for doubtful debts based on an assessment of the recoverability of accounts and bills receivables. Allowances are applied to accounts and bills receivables where events or changes in circumstances indicate that the balances may not be collectible. The identification of doubtful debts requires the use of judgement and estimates. Where the actual outcome or expectation in future is different from the original estimate, such differences will have an impact on the carrying value of the receivables and doubtful debt expenses/write-back in the period in which such estimate has been changed.

4. Operating Segment Information

For management purposes, the Group determines that there are five reportable operating segments, based on location of customers (the destination of sales), including Mainland China, the United States of America (the "USA"), Europe, Japan and others. These segments are managed separately as each segment is subject to risks and returns that are different from each other.

Management monitors the results of the Group's operating segments separately for the purpose of making decisions about resources allocation and performance assessment. Segment performance is evaluated based on reportable segment profit, which is a measure of adjusted profit before tax. The adjusted profit before tax is measured consistently with the Group's profit before tax except that interest income and other unallocated income, and unallocated expenses are excluded from such measurement.

Segment assets exclude unallocated assets as these assets are managed on a group basis.

Segment liabilities exclude unallocated liabilities as these liabilities are managed on a group basis.

3. 重要會計判斷及估計(續)

估計之不確定性(續)

呆賬減值撥備

本集團根據對應收賬款及票據之可收回性評估就呆賬作出減值撥備。倘有事件或情況有變顯示結餘可能無法收回時，會對應收賬款及票據作出撥備。識別呆賬需要運用判斷及估計。倘實際結果或未來預期與原本估計有所出入，有關差異將對估計變動期內之應收款項及呆賬支銷／撥回之賬面值構成影響。

4. 經營分類資料

就管理而言，本集團以客戶所在地(銷售目的地)為基礎，確定五個可報告經營分類，包括中國大陸、美利堅合眾國(「美國」)、歐洲、日本及其他地區。該等分類因風險和回報有別於其他分類而獨立分開管理。

管理層獨立監察本集團經營分類，以便作出有關資源分配及表現評估的決策。分類表現乃根據可報告分類溢利評估，而可報告分類溢利則以經調整除稅前溢利計量。經調整除稅前溢利的計量方式與本集團除稅前溢利計量方式一致，惟有關計量並不計入利息收入、其他未分配收入及未分配支出。

分類資產不包括未分配資產，原因是該等資產是集體管理。

分類負債不包括未分配負債，原因是該等負債是集體管理。

Notes to Financial Statements (continued)

財務報表附註(續)

(31 March 2013)
(二零一三年三月三十一日)

4. Operating Segment Information (Continued) Group – 2013

4. 經營分類資料(續) 本集團 – 二零一三年

		Mainland China 中國大陸 HK\$'000 千港元	USA 美國 HK\$'000 千港元	Europe 歐洲 HK\$'000 千港元	Japan 日本 HK\$'000 千港元	Others 其他地區 HK\$'000 千港元	Consolidated 綜合 HK\$'000 千港元
Segment revenue:	分類營業收入：						
Sales to external customers	銷售予外界客戶	459,010	309,800	250,619	121,601	302,964	1,443,994
Segment results	分類業績	47,059	43,463	29,863	14,246	35,536	170,167
Interest and other unallocated income	利息及其他未分配收入						4,607
Unallocated expenses	未分配支出						(80,242)
Profit before tax	除稅前溢利						94,532
Income tax expense	所得稅開支						(21,568)
Profit for the year attributable to owners of the Company	本公司擁有人應佔年度溢利						72,964
Segment assets	分類資產	458,422	317,542	232,460	95,426	277,803	1,381,653
Unallocated assets	未分配資產						421,135
							1,802,788
Segment liabilities	分類負債	82,938	39,932	25,433	7,068	30,964	186,335
Unallocated liabilities	未分配負債						473,974
							660,309
Other segment information:	其他分類資料：						
Depreciation and amortisation	折舊及攤銷	11,552	11,476	8,090	3,145	9,198	43,461
Unallocated amounts	未分配金額						20,699
							64,160
Capital expenditure*	資本開支*	22,262	21,132	15,217	6,156	17,480	82,247
Unallocated amounts	未分配金額						8,069
							90,316

* Capital expenditure represents additions to property, plant and equipment.

* 資本開支代表物業、廠房及設備的添置。

Notes to Financial Statements (continued)

財務報表附註(續)

(31 March 2013)

(二零一三年三月三十一日)

4. Operating Segment Information (Continued) Group – 2012

4. 經營分類資料(續) 本集團 – 二零一二年

		Mainland China 中國大陸 HK\$'000 千港元	USA 美國 HK\$'000 千港元	Europe 歐洲 HK\$'000 千港元	Japan 日本 HK\$'000 千港元	Others 其他地區 HK\$'000 千港元	Consolidated 綜合 HK\$'000 千港元
Segment revenue:	分類營業收入：						
Sales to external customers	銷售予外界客戶	468,696	189,431	437,192	88,685	261,964	1,445,968
Segment results	分類業績	62,576	31,673	71,674	14,782	46,469	227,174
Interest and other unallocated income	利息及其他未分配收入						8,853
Unallocated expenses	未分配支出						(83,551)
Profit before tax	除稅前溢利						152,476
Income tax expense	所得稅開支						(32,148)
Profit for the year attributable to owners of the Company	本公司擁有人應佔年度溢利						120,328
Segment assets	分類資產	275,153	140,678	268,567	34,732	133,525	852,655
Unallocated assets	未分配資產						884,057
							1,736,712
Segment liabilities	分類負債	83,092	28,635	43,839	21,036	29,028	205,630
Unallocated liabilities	未分配負債						462,220
							667,850
Other segment information:	其他分類資料：						
Depreciation and amortisation	折舊及攤銷	8,656	5,133	9,733	1,479	5,072	30,073
Unallocated amounts	未分配金額						13,994
							44,067
Capital expenditure*	資本開支*	13,509	10,094	18,075	2,444	8,950	53,072
Unallocated amounts	未分配金額						195,955
							249,027

* Capital expenditure represents additions to property, plant and equipment.

* 資本開支代表物業、廠房及設備的添置。

Notes to Financial Statements (continued)

財務報表附註(續)

(31 March 2013)
(二零一三年三月三十一日)

4. Operating Segment Information (Continued) Geographical information – non-current assets

		2013 二零一三年 HK\$'000 千港元	2012 二零一二年 HK\$'000 千港元
Hong Kong	香港	52,061	38,319
Mainland China	中國大陸	861,091	773,733
Indonesia	印尼	144,233	131,627
		1,057,385	943,679

The non-current asset information above is based on the locations of the assets.

Information about major customers

Revenue of HK\$750,198,000 (2012: HK\$910,248,000) and HK\$371,238,000 (2012: HK\$245,002,000) were derived from sales to the largest customer and the second largest customer of the Group, respectively. The above amounts include sales to group of entities which are known to be under common control with these customers.

5. Revenue, Other Income and Gains

Revenue, which is also the Group's turnover, represents the net invoiced value of goods sold, after allowances for returns and trade discounts. All significant intra-group transactions have been eliminated on consolidation.

4. 經營分類資料(續) 地區資料 – 非流動資產

		2013 二零一三年 HK\$'000 千港元	2012 二零一二年 HK\$'000 千港元
Hong Kong	香港	52,061	38,319
Mainland China	中國大陸	861,091	773,733
Indonesia	印尼	144,233	131,627
		1,057,385	943,679

上列非流動資產資料是按資產所在地區劃分呈列。

有關主要客戶的資料

本集團來自第一及第二大客戶的銷售所得營業收入分別為750,198,000港元(二零一二年：910,248,000港元)及371,238,000港元(二零一二年：245,002,000港元)。上述金額包括向一群已知受上述客戶共同控制的實體的銷售。

5. 營業收入、其他收入及收益

營業收入即本集團之營業額，乃指扣除退貨及貿易折扣後已售貨品之發票淨值。本集團公司間所有重大交易已於綜合賬目時對銷。

Notes to Financial Statements (continued)

財務報表附註(續)

(31 March 2013)

(二零一三年三月三十一日)

5. Revenue, Other Income and Gains (Continued)

An analysis of the Group's revenue, other income and gains is as follows:

5. 營業收入、其他收入及收益(續)

本集團營業收入、其他收入及收益之分析如下：

		2013 二零一三年 HK\$'000 千港元	2012 二零一二年 HK\$'000 千港元
Revenue	營業收入		
Sale of goods	貨品銷售	1,443,994	1,445,968
Other income	其他收入		
Bank interest income	銀行利息收入	2,897	3,933
Others	其他	1,710	853
		4,607	4,786
Gains	收益		
Gain on disposal of items of property, plant and equipment	出售物業、廠房及設備項目之收益	-	181
Reversal of a revaluation deficit on leasehold land and buildings	回撥租賃土地及樓宇重估虧損	-	3,886
		-	4,067
Other income and gains	其他收入及收益	4,607	8,853

6. Finance Costs

6. 融資成本

		2013 二零一三年 HK\$'000 千港元	2012 二零一二年 HK\$'000 千港元
Interest on bank loans wholly repayable within five years	須五年內悉數償還之銀行貸款利息	6,239	4,570

Notes to Financial Statements (continued)

財務報表附註(續)

(31 March 2013)
(二零一三年三月三十一日)

7. Profit Before Tax

The Group's profit before tax is arrived at after charging/
(crediting):

7. 除稅前溢利

本集團除稅前溢利扣除/(計入)下列各項：

		2013 二零一三年 HK\$'000 千港元	2012 二零一二年 HK\$'000 千港元
Cost of inventories sold	已售存貨成本	1,194,143	1,148,891
Auditors' remuneration	核數師酬金	2,223	2,072
Depreciation (Note 14)*	折舊(附註14)*	61,833	41,800
Amortisation of prepaid land lease payments (Note 15)*	預付土地租賃款項攤銷(附註15)*	2,327	2,267
Employee benefits expenses (excluding directors' remuneration – Note 8):	僱員福利支出(不包括董事酬金—附註8):		
Wages and salaries	工資及薪金	327,539	288,535
Pension scheme contributions (defined contribution schemes)	退休金計劃供款(定額供款計劃)	35,374	26,079
Less: Forfeited contributions	減: 已沒收供款	(321)	(174)
Net pension scheme contributions	退休金計劃供款淨額	35,053	25,905
Total employee benefits expenses*	總僱員福利支出*	362,592	314,440
Minimum lease payments under operating leases in respect of land and buildings*	土地及樓宇經營租賃之最低租金付款*	3,331	2,797
Foreign exchange differences, net	匯兌差額淨額	1,964	3,766
Write-off of items of property, plant and equipment	撇銷物業、廠房及設備項目	-	2

* Included in the respective balances are the following amounts which are also included in the cost of inventories sold disclosed above:

* 各項結餘中包括以下計入上文所披露已售存貨成本之金額：

		2013 二零一三年 HK\$'000 千港元	2012 二零一二年 HK\$'000 千港元
Depreciation	折舊	41,594	28,261
Amortisation of prepaid land lease payments	預付土地租賃款項攤銷	1,867	1,812
Employee benefits expenses	僱員福利支出	296,685	253,594
Minimum lease payments under operating leases in respect of land and buildings	土地及樓宇經營租賃之最低租金付款	3,331	2,790

Notes to Financial Statements (continued)

財務報表附註(續)

(31 March 2013)

(二零一三年三月三十一日)

8. Directors' and Chief Executive's Remuneration

Directors' and chief executive's remuneration for the year, disclosed pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") and Section 161 of the Hong Kong Companies Ordinance, is as follows:

8. 董事及行政總裁酬金

本年度董事及行政總裁酬金根據香港聯合交易所有限公司證券上市規則(「上市規則」)及香港公司條例第161條披露如下：

		Group 本集團	
		2013 二零一三年 HK\$'000 千港元	2012 二零一二年 HK\$'000 千港元
Fees	袍金	360	360
Other emoluments:	其他酬金：		
Salaries, allowances and benefits in kind	薪金、津貼及實物福利	3,261	3,224
Discretionary bonuses	酌情花紅	4,291	7,674
Pension scheme contributions	退休金計劃供款	446	446
		7,998	11,344
		8,358	11,704

(a) Independent non-executive directors

The fees paid to independent non-executive directors during the year were as follows:

(a) 獨立非執行董事

年內付予獨立非執行董事之袍金如下：

		2013 二零一三年 HK\$'000 千港元	2012 二零一二年 HK\$'000 千港元
Mr. Chan Cheuk Ho	陳卓豪先生	120	120
Mr. Li Chi Chung (resigned with effect from 28 February 2013)	李智聰先生 (於二零一三年 二月二十八日辭任生效)	110	120
Mr. Cheng Yung Hui, Tony	鄭榮輝先生	120	120
Mr. Lu Chi Chant (appointed with effect from 28 February 2013)	盧啟昌先生 (於二零一三年 二月二十八日獲委任生效)	10	-
		360	360

There were no other emoluments payable to the independent non-executive directors during the year (2012: Nil).

年內並無其他應付獨立非執行董事之酬金(二零一二年：無)。

Notes to Financial Statements (continued)

財務報表附註(續)

(31 March 2013)
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8. Directors' and Chief Executive's Remuneration

(Continued)

(b) Executive directors

		Fees	Salaries, allowances and benefits in kind	Discretionary bonuses	Pension scheme contributions	Total remuneration
		袍金	薪金、津貼及實物福利	酌情花紅	退休金計劃供款	酬金總額
		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
2013	二零一三年					
Executive directors:	執行董事:					
Mr. Chung Yuk Sing	鍾育升先生	-	1,664	1,959	230	3,853
Mr. Chen Hsiao Ying*	陳小影先生*	-	1,597	1,860	216	3,673
Mr. Kuo Tai Yu	郭泰佑先生	-	-	236	-	236
Ms. Chen Fang Mei, Christina	陳芳美女士	-	-	236	-	236
		-	3,261	4,291	446	7,998
2012	二零一二年					
Executive directors:	執行董事:					
Mr. Chung Yuk Sing	鍾育升先生	-	1,664	3,468	230	5,362
Mr. Chen Hsiao Ying*	陳小影先生*	-	1,560	3,284	216	5,060
Mr. Kuo Tai Yu	郭泰佑先生	-	-	461	-	461
Ms. Chen Fang Mei, Christina	陳芳美女士	-	-	461	-	461
		-	3,224	7,674	446	11,344

There was no arrangement under which a director waived or agreed to waive any remuneration during the year.

The directors' remuneration shown above does not include the estimated monetary value of the Group's owned premises provided rent-free to an executive director, Mr. Chung Yuk Sing ("Mr. Chung"), during the year. The estimated rental value of such accommodation was HK\$126,000 (2012: HK\$117,000) for the year ended 31 March 2013.

* Mr. Chen Hsiao Ying is also the Chief Executive Officer of the Company.

本年度內並無任何董事放棄或同意放棄任何酬金之安排。

上述所示董事酬金並未包括於年內向執行董事鍾育升先生(鍾先生)提供免租的本集團自置物業之估計幣值。截至二零一三年三月三十一日止年度，該住宿之估計租值為126,000港元(二零一二年：117,000港元)。

* 陳小影先生亦為本公司的行政總裁。

Notes to Financial Statements (continued)

財務報表附註(續)

(31 March 2013)

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9. Five Highest Paid Employees

The five highest paid employees during the year included two (2012: two) directors, details of whose remuneration are set out in note 8 above. Details of the remuneration of the remaining three (2012: three) non-director, highest paid employees for the year ended 31 March 2013 are set out below:

		Group 本集團	
		2013 二零一三年 HK\$'000 千港元	2012 二零一二年 HK\$'000 千港元
Salaries, allowances and benefits in kind	薪金、津貼及實物福利	3,900	3,900
Discretionary bonuses	酌情花紅	600	1,328
Pension scheme contributions	退休金計劃供款	540	540
		5,040	5,768

The number of non-director, highest paid employees whose remuneration fell within the following bands is as follows:

		Number of employees 僱員數目	
		2013 二零一三年	2012 二零一二年
HK\$1,000,001 to HK\$1,500,000	1,000,001港元至1,500,000港元	1	–
HK\$1,500,001 to HK\$2,000,000	1,500,001港元至2,000,000港元	2	1
HK\$2,000,001 to HK\$2,500,000	2,000,001港元至2,500,000港元	–	2
		3	3

10. Income Tax

Hong Kong profits tax has been provided at the rate of 16.5% (2012: 16.5%) on the estimated assessable profits arising in Hong Kong during the year. Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the countries in which the Group operates.

Pursuant to the Corporate Income Tax Law of the PRC being effective on 1 January 2008, the corporate income tax rate for all enterprises in Mainland China is 25%.

9. 五名最高薪酬僱員

年內，五名最高薪酬僱員包括兩名(二零一二年：兩名)董事，有關彼等薪酬的詳情已在上文附註8披露。於截至二零一三年三月三十一日止年度內，餘下三名(二零一二年：三名)最高酬金的非董事僱員的酬金詳情如下：

酬金介乎以下範圍的最高薪酬非董事僱員的數目如下：

10. 所得稅

香港利得稅以年內在香港產生的估計應課稅溢利按16.5%(二零一二年：16.5%)稅率撥備。其他地方應課稅溢利的稅項，則根據本集團業務所在國家的當地稅率計算。

根據於二零零八年一月一日生效的中國企業所得稅，中國大陸所有企業的企業所得稅為25%。

Notes to Financial Statements (continued)

財務報表附註(續)

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10. Income Tax (Continued)

裕美(汕頭)製衣有限公司 (“YM (Shantou)”) and 惠來縣源瀚製衣有限公司 (“Maitex PRC”) are entitled to be exempted from corporate income tax in the People’s Republic of China (the “PRC”) for the first two profit-making years and a 50% reduction in corporate income tax for the succeeding three years. Moreover, under the relevant tax laws and regulations in Mainland China, these companies may set off losses incurred by it in a financial year against profits made by it in the succeeding financial year or years, subject to a maximum of five financial years.

According to the confirmation obtained by the Group from the PRC tax bureau, the first profit-making year of YM (Shantou) and Maitex PRC were the year ended 31 December 2007 and the year ended 31 December 2008, respectively.

10. 所得稅(續)

裕美(汕頭)製衣有限公司(「裕美(汕頭)」)及惠來縣源瀚製衣有限公司(「惠來源瀚」)可獲豁免首兩個盈利年度的中華人民共和國(「中國」)企業所得稅，以及在其後三年獲豁免繳交50%企業所得稅。此外，根據有關的中國大陸稅務法及規則，該等公司可將其於一個財政年度產生之虧損，抵銷其於其後一個或多個財政年度之溢利，但最多不得超過五個財政年度。

根據本集團獲中國稅務機關之確認，裕美(汕頭)及惠來源瀚的首個盈利年度分別為截至二零零七年十二月三十一日止年度及截至二零零八年十二月三十一日止年度。

		Group 本集團	
		2013 二零一三年 HK\$'000 千港元	2012 二零一二年 HK\$'000 千港元
Current tax charge for the year:	本年度即期稅項支出：		
Hong Kong	香港	19,132	21,888
Elsewhere	其他地方	11,998	10,590
Overprovision of current tax in respect of prior years	過往年度即期稅項超額撥備	(7,371)	(23)
Deferred (Note 26)	遞延(附註26)	(2,191)	(307)
Total tax charge for the year	本年度稅項支出總額	21,568	32,148

Notes to Financial Statements (continued)

財務報表附註(續)

(31 March 2013)

(二零一三年三月三十一日)

10. Income Tax (Continued)

A reconciliation of the tax expense applicable to profit before tax using the statutory rates for the tax jurisdictions in which the Company and majority of its subsidiaries are domiciled to the tax expense at the effective tax rates is as follows:

10. 所得稅(續)

適用於以本公司及其大部分附屬公司位處的稅務司法權區法定稅率計算之除稅前溢利之稅項支出與按實際稅率計算之稅項開支之調節如下：

		Group	
		本集團	
		2013	2012
		二零一三年	二零一二年
		HK\$'000	HK\$'000
		千港元	千港元
Profit before tax	除稅前溢利	94,532	152,476
Tax at the applicable rates to profit in the tax jurisdictions concerned	按有關稅務司法權區對溢利適用之稅率計算之稅項	14,977	24,454
Lower tax rate due to tax holiday	稅務優惠期之較低稅率	(854)	(2,755)
Adjustments in respect of current tax of previous years	就過往年度即期稅項作出調整	(7,371)	(23)
Income not subject to tax	毋須課稅之收入	(1,014)	(1,291)
Expenses not deductible for tax	不可扣稅之費用	2,803	744
Effect of withholding tax at 5% on the distributable profits of the Group's PRC subsidiaries	扣繳本集團之中國附屬公司可分派溢利5%預扣稅之影響	(2,191)	-
Tax losses not recognised	未確認稅務虧損	15,100	11,960
Others	其他	118	(941)
Tax charge at the Group's effective rate	按本集團實際稅率計算之稅項支出	21,568	32,148

11. Profit for the Year Attributable to Owners of the Company

The consolidated profit attributable to owners of the Company for the year ended 31 March 2013 includes a loss of HK\$5,383,000 (2012: HK\$4,294,000) excluding dividend income from a subsidiary of HK\$180,000,000 (2012: HK\$142,000,000) and interest income from a subsidiary of HK\$5,112,000 (2012: HK\$4,250,000) which has been dealt with in the financial statements of the Company (Note 29).

11. 本公司擁有人應佔年度溢利

截至二零一三年三月三十一日止年度本公司擁有人應佔綜合溢利包括虧損5,383,000港元(二零一二年: 4,294,000港元), 不包括來自其附屬公司的股息收入180,000,000港元(二零一二年: 142,000,000港元)及利息收入5,112,000港元(二零一二年: 4,250,000港元), 已於本公司財務報表內反映(附註29)。

Notes to Financial Statements (continued)

財務報表附註(續)

(31 March 2013)
(二零一三年三月三十一日)

12. Dividends

12. 股息

		2013 二零一三年 HK\$'000 千港元	2012 二零一二年 HK\$'000 千港元
Dividends paid during the year:	年內已付股息		
Final in respect of the financial year ended 31 March 2012 – HK7 cents per ordinary share (2012: final dividend of HK3 cents per ordinary share, in respect of the financial year ended 31 March 2011)	截至二零一二年三月三十一日止 財政年度末期股息－每股普通 股7港仙(二零一二年：截至 二零一一年三月三十一日止 財政年度末期股息 每股普通股3港仙)	34,978	14,990
Interim – HK7 cents (2012: HK7 cents) per ordinary share	中期－每股普通股7港仙 (二零一二年：7港仙)	34,978	34,978
		69,956	49,968
Proposed final dividends HK4 cents (2012: HK7 cents) per ordinary share	擬派末期股息－每股普通股 4港仙(二零一二年：7港仙)	19,987	34,978

The proposed final dividend for the year is based on the number of shares in issue as at the reporting date, and is subject to the approval of the Company's shareholders at the forthcoming annual general meeting. These financial statements do not reflect the dividend payable.

本年度之擬派末期股息乃按於報告日已發行股份數目計算，並須待本公司股東於應屆股東週年大會批准後，方可作實。本財務報表並無反映應付股息。

13. Earnings Per Share Attributable to Owners of the Company

The calculation of basic earnings per share is based on the profit for the year attributable to owners of the Company for the year of HK\$72,964,000 (2012: HK\$120,328,000), and 499,680,000 (2012: 499,680,000) ordinary shares in issue during the year.

No adjustment has been made to the basic earnings per share amounts presented for the years ended 31 March 2013 and 2012 as the Group had no potentially dilutive ordinary shares in issue during those years.

13. 本公司擁有人應佔每股盈利

每股基本盈利乃根據年內本公司擁有人應佔年內溢利72,964,000港元(二零一二年：120,328,000港元)，以及年內已發行普通股499,680,000股(二零一二年：499,680,000股)計算。

本集團於截至二零一三年及二零一二年三月三十一日止年度，均無潛在攤薄影響之普通股，因此概無呈列調整每股基本盈利。

Notes to Financial Statements (continued)

財務報表附註(續)

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14. Property, Plant and Equipment Group

31 March 2013

14. 物業、廠房及設備本集團

二零一三年三月三十一日

		Leasehold land and buildings 租賃 土地及樓宇 HK\$'000 千港元	Leasehold improvements 租賃 物業裝修 HK\$'000 千港元	Plant and machinery 機器及設備 HK\$'000 千港元	Furniture, fixtures, equipment and motor vehicles 傢俱、裝置、 設備及汽車 HK\$'000 千港元	Construction in progress 在建工程 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Cost or valuation:	成本或估值：						
At beginning of year	年初	290,523	107,807	196,265	61,335	397,971	1,053,901
Additions	添置	20,900	3,041	16,516	9,271	40,588	90,316
Transfers	轉移	429,496	-	2,191	2,814	(434,501)	-
Revaluation	重估	79,849	-	-	-	-	79,849
Exchange realignment	匯兌調整	(2,205)	(10)	(852)	(161)	(4,058)	(7,286)
At 31 March 2013	於二零一三年三月三十一日	818,563	110,838	214,120	73,259	-	1,216,780
Accumulated depreciation:	累積折舊：						
At beginning of year	年初	-	71,803	110,377	43,303	-	225,483
Provided during the year	年內撥備	25,531	11,446	17,148	7,708	-	61,833
Write-back on revaluation	重估回撥	(25,429)	-	-	-	-	(25,429)
Exchange realignment	匯兌調整	(102)	(4)	(121)	(24)	-	(251)
At 31 March 2013	於二零一三年三月三十一日	-	83,245	127,404	50,987	-	261,636
Net book value:	賬面淨值：						
At 31 March 2013	於二零一三年三月三十一日	818,563	27,593	86,716	22,272	-	955,144
Analysis of cost or valuation:	成本或估值分析：						
At cost	按成本值	-	110,838	214,120	73,259	-	398,217
At 31 March 2013 valuation	按於二零一三年三月三十一日之估值	818,563	-	-	-	-	818,563
		818,563	110,838	214,120	73,259	-	1,216,780

Notes to Financial Statements (continued)

財務報表附註(續)

(31 March 2013)
(二零一三年三月三十一日)

14. Property, Plant and Equipment (Continued) Group 31 March 2012

14. 物業、廠房及設備(續) 本集團 二零一二年三月三十一日

		Leasehold land and buildings 租賃 土地及樓宇 HK\$'000 千港元	Leasehold improvements 租賃 物業裝修 HK\$'000 千港元	Plant and machinery 機器及設備 HK\$'000 千港元	Furniture, fixtures, equipment and motor vehicles 傢具、裝置、 設備及汽車 HK\$'000 千港元	Construction in progress 在建工程 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Cost or valuation:	成本或估值：						
At beginning of year	年初	267,304	96,061	148,393	51,813	203,123	766,694
Additions	添置	-	10,338	42,734	8,724	187,231	249,027
Disposals	出售	-	-	-	(809)	-	(809)
Written off	撇銷	-	(2,855)	-	-	-	(2,855)
Revaluation	重估	14,729	-	-	-	-	14,729
Exchange realignment	匯兌調整	8,490	4,263	5,138	1,607	7,617	27,115
At 31 March 2012	於二零一二年三月三十一日	290,523	107,807	196,265	61,335	397,971	1,053,901
Accumulated depreciation:	累積折舊：						
At beginning of year	年初	-	58,898	93,514	36,910	-	189,322
Provided during the year	年內撥備	8,993	13,097	13,847	5,863	-	41,800
Disposals	出售	-	-	-	(630)	-	(630)
Written off	撇銷	-	(2,853)	-	-	-	(2,853)
Write-back on revaluation	重估回撥	(8,977)	-	-	-	-	(8,977)
Exchange realignment	匯兌調整	(16)	2,661	3,016	1,160	-	6,821
At 31 March 2012	於二零一二年三月三十一日	-	71,803	110,377	43,303	-	225,483
Net book value:	賬面淨值：						
At 31 March 2012	於二零一二年三月三十一日	290,523	36,004	85,888	18,032	397,971	828,418
Analysis of cost or valuation:	成本或估值分析：						
At cost	按成本值	-	107,807	196,265	61,335	397,971	763,378
At 31 March 2012 valuation	按於二零一二年 三月三十一日之估值	290,523	-	-	-	-	290,523
		290,523	107,807	196,265	61,335	397,971	1,053,901

Notes to Financial Statements (continued)

財務報表附註(續)

(31 March 2013)

(二零一三年三月三十一日)

14. Property, Plant and Equipment (Continued)

An analysis of the valuation of the land and buildings of the Group at the end of the reporting period is as follows:

14. 物業、廠房及設備(續)

於報告期末，本集團之土地及樓宇之估值分析如下：

		2013 二零一三年 HK\$'000 千港元	2012 二零一二年 HK\$'000 千港元
Land and buildings held on medium term leases in Hong Kong	於香港以中期租約持有之土地及樓宇	47,700	32,200
Land and buildings held on medium term leases outside Hong Kong	於香港以外地區以中期租約持有之土地及樓宇	767,777	255,249
Buildings held on long term leases outside Hong Kong	於香港以外地區以長期租約持有之樓宇	3,086	3,074
Total valuation	總估值	818,563	290,523

The Group's leasehold land and buildings were revalued individually at 31 March 2013 by Greater China Appraisal Limited and Avista Valuation Advisory Limited, independent professionally qualified valuers, at an aggregate open market value of HK\$818,563,000, based on their existing use. Revaluation surpluses of HK\$105,278,000 was credited to the statement of other comprehensive income. The effect of the total revaluation surplus of HK\$105,278,000 was reflected as an increase of valuation of property, plant and equipment of HK\$79,849,000 and write-back of accumulated depreciation of HK\$25,429,000.

Had these leasehold land and buildings been carried at historical cost less accumulated depreciation, their carrying amounts would have been HK\$655,423,000 (2012: HK\$231,003,000).

As at 31 March 2013, one of the Group's leasehold buildings with a net book value of HK\$915,000 (2012: HK\$907,000) has been provided as rent-free accommodation to Mr. Chung, an executive director of the Company during the year (Note 15).

本集團之租賃土地及樓宇由獨立專業合資格估值師漢華評值有限公司及艾華迪評估諮詢有限公司於二零一三年三月三十一日按其當時用途以公開市值作個別評估，合共值818,563,000港元。上述重估所產生重估盈餘105,278,000港元則計入其他全面收益表。重估盈餘總額105,278,000港元的影響反映於物業、廠房及設備的估值增加79,849,000港元及回撥累積折舊25,429,000港元。

倘有關租賃土地及樓宇按歷史成本減累積折舊列賬，其賬面值原應為655,423,000港元(二零一二年：231,003,000港元)。

於二零一三年三月三十一日，本集團其中一項賬面淨值915,000港元(二零一二年：907,000港元)之租賃樓宇於年內提供予鍾先生(本公司一名執行董事)作免租住宿(附註15)。

Notes to Financial Statements (continued)

財務報表附註(續)

(31 March 2013)
(二零一三年三月三十一日)

15. Prepaid Land Lease Payments

		Group 本集團	
		2013 二零一三年 HK\$'000 千港元	2012 二零一二年 HK\$'000 千港元
Carrying amount at beginning of year	年初賬面值	80,765	79,150
Amortisation recognised during the year (Note 7)	於年內確認攤銷(附註7)	(2,327)	(2,267)
Exchange realignment	匯兌調整	-	3,882
Carrying amount at 31 March	於三月三十一日之賬面值	78,438	80,765
Current portion included in prepayments, deposits and other receivables (Note 16)	計入預付款項、按金及其他應收 款項之即期部分(附註16)	(2,309)	(2,295)
Non-current portion	非即期部分	76,129	78,470

An analysis of the carrying amounts of prepaid land lease payments of the Group at the end of the reporting period is as follows:

於報告期末，本集團預付土地租賃款項之賬面值分析如下：

		2013 二零一三年 HK\$'000 千港元	2012 二零一二年 HK\$'000 千港元
Long term leases outside Hong Kong	香港境外之長期租約	3,289	3,399
Medium term leases outside Hong Kong	香港境外之中期租約	75,149	77,366
		78,438	80,765

One of the Group's prepaid land lease payments with a net book value of HK\$1,608,000 (2012: HK\$1,637,000), together with the leasehold buildings thereon (Note 14), has been provided as rent-free accommodation to Mr. Chung, an executive director of the Company during the year.

本集團其中一項賬面淨值1,608,000港元(二零一二年：1,637,000港元)之預付土地租賃款項，連同其租賃樓宇(附註14)於年內提供作為鍾先生(本公司一名執行董事)之免租住宿。

Notes to Financial Statements (continued)

財務報表附註(續)

(31 March 2013)

(二零一三年三月三十一日)

16. Prepayments, Deposits and Other Receivables 16. 預付款項、按金及其他應收款項

	Note 附註	Group 本集團		Company 本公司	
		2013 二零一三年 HK\$'000 千港元	2012 二零一二年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元	2012 二零一二年 HK\$'000 千港元
Prepaid land lease payments	15	2,309	2,295	-	-
Deposit paid for construction projects in the Jiangxi Site (the "Jiangxi Project")		-	6,773	-	-
Deposits for property, plant and equipment		-	3,906	-	-
Prepayments		7,144	10,840	137	138
Deposits and other receivables		12,864	20,996	-	-
		22,317	44,810	137	138
Current portion included in prepayments, deposits and other receivables		(22,317)	(34,131)	(137)	(138)
Non-current portion		-	10,679	-	-

None of the financial assets included in the above balances is either past due or impaired. The financial assets included in the above balances relate to receivables for which there was no recent history of default.

上述金融資產並無逾期或減值。包括在以上應收款項結餘內的金融資產，近期並無欠款記錄。

Notes to Financial Statements (continued)

財務報表附註(續)

(31 March 2013)
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17. Goodwill

Cost and carrying amount:
At beginning and end of year

成本值及賬面值：
於年初及年終

2013	2012
二零一三年	二零一二年
HK\$'000	HK\$'000
千港元	千港元

26,112	26,112
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The Group's goodwill was wholly allocated to a cash-generating unit engaged in the manufacture and trading of sportswear and garments (the "Unit"). The recoverable amount of the Unit has been determined from the value in use, which is calculated with reference to cash flow projections based on a five-year period financial budget approved by senior management. The financial budgets are prepared reflecting actual and prior year performance and development expectations. The key assumptions for the cash flow projections are the budgeted gross margin which is the average gross profit margin achieved in the year immediately before budgeted years and the discount rate of 6.8% (2012: 8.1%), which is before tax and reflects specific risks relating to the Unit. The cash flow projections are prepared based on the assumption that the cash-generating unit will have revenue based on the actual sales order amount and revenue forecast by the head of the sales department for the first year, and then maintain a 5% growth rate thereafter. The directors believe that any reasonably possible change in any of these assumptions would not cause the aggregate carrying amount of the Unit to exceed the aggregate recoverable amount. Since the recoverable amount of the Unit is higher than its carrying amount, the directors consider there was no impairment of the goodwill at the end of the reporting period.

17. 商譽

本集團之商譽全部撥歸從事運動服及成衣生產及買賣之現金產生單位(「該單位」)。該單位之可收回金額乃根據使用價值釐定，而使用價值則根據由高級管理人員審批之五年財政預算期所預測之現金流量計算。財政預算之編算乃反映實際、過往表現及預期發展。現金流量預測之主要假設為所預算之毛利率(即緊接預算年度前該年度所達致之平均毛利率)及貼現率6.8%(二零一二年：8.1%)(乃除稅前及反映與該單位有關之特定風險)。預計現金流量根據現金產生單位將帶來收益的假設編製，該假設乃根據實際銷售訂單金額及銷售部主管於首年所作的收益預測，其後維持5%收益增長率。董事相信，任何該等假設可能合理地出現之變動，將不會導致該單位之總賬面值超出總可收回金額。由於該單位之可收回金額高於其賬面值，董事認為於報告期末商譽並無出現減值。

Notes to Financial Statements (continued)

財務報表附註(續)

(31 March 2013)

(二零一三年三月三十一日)

18. Investments in Subsidiaries

18. 於附屬公司之投資

		Company 本公司	
		2013 二零一三年 HK\$'000 千港元	2012 二零一二年 HK\$'000 千港元
Unlisted investments, at cost	非上市投資，按成本值	43,368	43,368

The balances with subsidiaries are unsecured, interest-free and repayable on demand.

與附屬公司之結餘為無抵押、免息及須應要求償還。

The loan to a subsidiary included in the Company's current assets is unsecured, interest-bearing at the rate of 2.2% per annum and repayable on demand or within one year.

給予附屬公司之貸款包括於本公司之流動資產內，為無抵押、以年利率2.2%計息及須按要求或於一年內償還。

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

下表列出本公司附屬公司，按董事意見認為，該等公司對本集團年內業績有重大影響或構成本集團資產淨值之主要部分。按董事意見認為，詳列其他附屬公司資料將會使篇幅過於冗長。

Particulars of the principal subsidiaries are as follows:

主要附屬公司詳情如下：

Name 公司名稱	Place of incorporation/ registration and operations 註冊成立/登記 及營業地點	Nominal value of issued share/paid-up registered capital 已發行股份面值/ 繳足註冊資本	Percentage of equity attributable to the Company 本公司應佔權益百分比		Principal activities 主要業務
			2013 二零一三年	2012 二零一二年	
Eagle Nice (EAG) Limited 鷹美(鷹美集團)有限公司	Hong Kong 香港	Ordinary HK\$2; Non-voting deferred HK\$10,000 (Note (a)) (2012: Ordinary HK\$2; Non-voting deferred HK\$10,000) 普通股2港元; 無投票權遞延股 10,000港元(附註(a)) (二零一二年: 普通股 2港元; 無投票權遞 延股10,000港元)	100	100	Investment holding 投資控股

Notes to Financial Statements (continued)

財務報表附註(續)

(31 March 2013)
(二零一三年三月三十一日)

18. Investments in Subsidiaries (Continued)

18. 於附屬公司之投資(續)

Name 公司名稱	Place of incorporation/ registration and operations 註冊成立/登記 及營業地點	Nominal value of issued share/paid-up registered capital 已發行股份面值/ 繳足註冊資本	Percentage of equity attributable to the Company 本公司應佔權益百分比		Principal activities 主要業務
			2013 二零一三年	2012 二零一二年	
YM (Shantou) (Note (b)) 裕美(汕頭)(附註(b))	PRC/Mainland China 中國/中國大陸	US\$23,500,000 (2012: US\$23,500,000) 23,500,000美元 (二零一二年: 23,500,000美元)	100	100	Manufacture and trading of sportswear and garments 生產及買賣運動服及成衣
裕鷹(汕頭)製衣有限公司 ("YY (Shantou)") (Note (b)) (「裕鷹(汕頭)」)(附註(b))	PRC/Mainland China 中國/中國大陸	HK\$15,000,000 (2012: HK\$15,000,000) 15,000,000港元 (二零一二年: 15,000,000港元)	100	100	Manufacture and trading of sportswear and garments 生產及買賣運動服及成衣
Eagle Nice Development Limited 鷹美發展有限公司	Hong Kong 香港	HK\$1 (2012: HK\$1) 1港元 (二零一二年: 1港元)	100	100	Manufacture and trading of sportswear and garments 生產及買賣運動服及成衣
Yue Mei (HK) Garment Limited 裕美(香港)製衣有限公司	Hong Kong 香港	HK\$1 (2012: HK\$1) 1港元 (二零一二年: 1港元)	100	100	Manufacture and trading of sportswear and garments 生產及買賣運動服及成衣
Maitex (EAG) Limited 源瀚(鷹美集團)有限公司	Hong Kong 香港	HK\$1,000 (2012: HK\$1,000) 1,000港元 (二零一二年: 1,000港元)	100	100	Manufacture and trading of sportswear and garments 生產及買賣運動服及成衣
Maitex PRC (Note (b)) 惠來源瀚(附註(b))	PRC/Mainland China 中國/中國大陸	HK\$40,000,000 (2012: HK\$40,000,000) 40,000,000港元 (二零一二年: 40,000,000港元)	100	100	Manufacture and trading of sportswear and garments 生產及買賣運動服及成衣
King Eagle (EAG) Limited 金鷹(鷹美集團)有限公司	Hong Kong 香港	HK\$1 (2012: HK\$1) 1港元 (二零一二年: 1港元)	100	100	Manufacture and trading of sportswear and garments 生產及買賣運動服及成衣
金鷹(汕頭)製衣有限公司 ("KE (Shantou)") (Note (b)) (「金鷹(汕頭)」)(附註(b))	PRC/Mainland China 中國/中國大陸	US\$2,680,000 (2012: US\$2,680,000) 2,680,000美元 (二零一二年: 2,680,000美元)	100	100	Manufacture and trading of sportswear and garments 生產及買賣運動服及成衣

Notes to Financial Statements (continued)

財務報表附註(續)

(31 March 2013)
(二零一三年三月三十一日)

18. Investments in Subsidiaries (Continued)

18. 於附屬公司之投資(續)

Name 公司名稱	Place of incorporation/ registration and operations 註冊成立/登記 及營業地點	Nominal value of issued share/paid-up registered capital 已發行股份面值/ 繳足註冊資本	Percentage of equity attributable to the Company 本公司應佔權益百分比		Principal activities 主要業務
			2013 二零一三年	2012 二零一二年	
惠來縣宏鷹製衣有限公司 ("Hung Eagle Garment") (Note (b)) (「惠來宏鷹」)(附註(b))	PRC/Mainland China 中國/中國大陸	US\$4,000,000 (2012: US\$4,000,000) 4,000,000美元 (二零一二年: 4,000,000美元)	100	100	Manufacture and trading of sportswear and garments 生產及買賣運動服及成衣
Eagle Nice (Indonesia) Holdings Limited 鷹美(印尼)控股有限公司	Hong Kong 香港	HK\$1 (2012: HK\$1) 1港元 (二零一二年: 1港元)	100	100	Investment holding 投資控股
PT. Eagle Nice Indonesia ("EN Indonesia") (「鷹美印尼」)	Indonesia 印尼	US\$21,000,000 (2012: US\$21,000,000) 21,000,000美元 (二零一二年: 21,000,000美元)	100	100	Manufacture and trading of sportswear and garments 生產及買賣運動服及成衣
Eagle Nice (Jiangxi) Garment Limited 鷹美(江西)製衣有限公司	Hong Kong 香港	HK\$10,000 (2012: HK\$10,000) 10,000港元 (二零一二年: 10,000港元)	100	100	Investment holding 投資控股
鷹美(宜豐)製衣有限公司 ("EN (Yifeng)") (Note (b)) (「鷹美(宜豐)」)(附註(b))	PRC/Mainland China 中國/中國大陸	US\$25,000,000 (2012: US\$22,370,000) 25,000,000美元 (二零一二年: 22,370,000美元)	100	100	Manufacture and trading of sportswear and garments 生產及買賣運動服及成衣

Notes:

- (a) The non-voting deferred shares carry no rights to dividends, no rights to attend or vote at general meetings and no rights to receive any surplus assets in a return of capital in a winding-up (other than the nominal amount paid up or credited as paid-up on such shares, after the sum of HK\$100,000,000,000,000 per ordinary share has been distributed to the holders of the ordinary shares of the company in such winding-up).
- (b) YM (Shantou), YY (Shantou), Maitex PRC, KE (Shantou), Hung Eagle Garment and EN (Yifeng) are registered as wholly-foreign-owned enterprises under PRC law.

All of the above subsidiaries are indirectly held by the Company.

附註:

- (a) 無投票權遞延股並無權利獲派股息、出席股東大會或在會上投票，以及在清盤退還資本時獲得任何剩餘資產(清盤時每股普通股總數100,000,000,000,000港元分派予公司普通股持有人後，有關股份之繳足或入賬列作繳足的面值除外)。
- (b) 裕美(汕頭)、裕鷹(汕頭)、惠來源瀚、金鷹(汕頭)、惠來宏鷹及鷹美(宜豐)為根據中國法律註冊之外商獨資企業。

上述所有附屬公司由本公司間接持有。

Notes to Financial Statements (continued)

財務報表附註(續)

(31 March 2013)
(二零一三年三月三十一日)

19. Inventories

		Group 本集團	
		2013 二零一三年 HK\$'000 千港元	2012 二零一二年 HK\$'000 千港元
Raw materials	原材料	111,827	118,380
Work in progress	在製品	105,735	82,003
Finished goods	製成品	12,168	44,578
		229,730	244,961

20. Accounts and Bills Receivables

The Group's accounts and bills receivables mainly relate to a few recognised and creditworthy customers. The credit period is generally for a period of 30 to 45 days (2012: 30 to 45 days). The Group seeks to maintain strict control over its outstanding receivables to minimise the credit risk. Overdue balances are regularly reviewed by the management of the Group. The accounts and bills receivables are non-interest-bearing.

An aged analysis of the accounts and bills receivables as at the end of the reporting period, based on the invoice date, is as follows:

		Group 本集團	
		2013 二零一三年 HK\$'000 千港元	2012 二零一二年 HK\$'000 千港元
Within 30 days	30天內	114,266	117,122
31 to 60 days	31天至60天	45,639	22,766
61 to 90 days	61天至90天	5,999	4
Over 90 days	90天以上	18,100	2,063
		184,004	141,955

The above balances are neither past due nor impaired. The financial assets included in the above balances relate to receivables for which there was no recent history of default.

19. 存貨

20. 應收賬款及票據

本集團之應收賬款及票據主要與若干認可及信譽良好的客戶相關。信貸期一般為30天至45天(二零一二年: 30天至45天)。本集團致力對未償還應收款項保持嚴密監控, 將信貸風險控制至最低水平。逾期未付之結餘由本集團管理層定期審閱。應收賬款及票據為免息賬款。

截至報告期末之應收賬款及票據根據發票日期的賬齡分析如下:

		Group 本集團	
		2013 二零一三年 HK\$'000 千港元	2012 二零一二年 HK\$'000 千港元
Within 30 days	30天內	114,266	117,122
31 to 60 days	31天至60天	45,639	22,766
61 to 90 days	61天至90天	5,999	4
Over 90 days	90天以上	18,100	2,063
		184,004	141,955

以上結餘並無逾期及減值。包括在以上應收賬款結餘內的金融資產, 近期並無欠款記錄。

Notes to Financial Statements (continued)

財務報表附註(續)

(31 March 2013)

(二零一三年三月三十一日)

21. Cash and Cash Equivalents

21. 現金及現金等值項目

		Group 本集團		Company 本公司	
		2013	2012	2013	2012
		二零一三年	二零一二年	二零一三年	二零一二年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Cash and bank balances	現金及銀行結存	299,282	175,583	548	369
Non-pledged time deposits with original maturity of less than three months	原定到期日少於三個月之 非質押定期存款	10,070	166,241	10,070	–
Non-pledged time deposits with original maturity of over three months	原定到期日超過三個月之 非質押定期存款	–	30,162	–	–
Cash and cash equivalents	現金及現金等值項目	309,352	371,986	10,618	369

At the end of the reporting period, the cash and bank balances of the Group denominated in Renminbi ("RMB") amounted to HK\$150,197,000 (2012: HK\$264,330,000). RMB is not freely convertible into other currencies. However, under Mainland China's Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for other currencies through banks authorised to conduct foreign exchange business.

Cash at banks earns interest at floating rates based on daily bank deposit rates. Short term time deposits are made for varying periods of between one day and three months depending on the immediate cash requirements of the Group, and earn interest at the respective short term time deposit rates. The bank balances are deposited with creditworthy banks with no recent history of default.

於報告期末，本集團以人民幣(「人民幣」)計值的現金及銀行結存為150,197,000港元(二零一二年：264,330,000港元)。人民幣不得自由兌換為其他貨幣。然而根據中國大陸的外匯管理條例以及結匯、售匯及付匯管理規定，本集團獲批准透過獲授權辦理外匯業務之銀行將人民幣兌換為其他貨幣。

存於銀行的現金按每日銀行存款利率之浮動息率賺取利息。本集團按即時現金需要作出一日至三個月之短期定期存款，並分別按短期定期存款利率賺取利息。銀行結餘乃存放於具信譽且近期沒欠款記錄之銀行。

Notes to Financial Statements (continued)

財務報表附註(續)

(31 March 2013)
(二零一三年三月三十一日)

22. Accounts and Bills Payables

An aged analysis of the accounts and bills payables as at the end of the reporting period, based on the invoice date, is as follows:

		Group 本集團	
		2013 二零一三年 HK\$'000 千港元	2012 二零一二年 HK\$'000 千港元
Within 90 days	90天內	102,259	99,548
91 to 180 days	91天至180天	1,843	556
181 to 365 days	181天至365天	569	749
Over 365 days	365天以上	4,149	2,511
		108,820	103,364

The accounts and bills payables are non-interest-bearing and are normally settled on 45-day terms. Included in accounts and bills payables of HK\$108,820,000 (31 March 2012: HK\$103,364,000) is bills payable of HK\$2,320,000 (31 March 2012: HK\$3,312,000) which were supported by the corporate guarantee executed by the Company amounting to HK\$46,000,000 as at 31 March 2013 (31 March 2012: HK\$46,000,000).

23. Banking Facilities

As at 31 March 2013, the Group's banking facilities were secured by the corporate guarantees executed by the Company and a subsidiary of the Company to the extent of HK\$316,000,000 (31 March 2012: HK\$356,000,000) of which an aggregate amount of HK\$155,966,000 was utilised.

22. 應付賬款及票據

於報告期末之應付賬款及票據根據發票日期的賬齡分析如下：

		Group 本集團	
		2013 二零一三年 HK\$'000 千港元	2012 二零一二年 HK\$'000 千港元
Within 90 days	90天內	102,259	99,548
91 to 180 days	91天至180天	1,843	556
181 to 365 days	181天至365天	569	749
Over 365 days	365天以上	4,149	2,511
		108,820	103,364

應付賬款及票據為免息賬款，信貸期一般為45天。計入應付賬款及票據108,820,000港元(二零一二年三月三十一日：103,364,000港元)包括應付票據2,320,000港元(二零一二年三月三十一日：3,312,000港元)，於二零一三年三月三十一日以本公司簽立之公司擔保46,000,000港元(二零一二年三月三十一日：46,000,000港元)作抵押。

23. 銀行備用信貸

於二零一三年三月三十一日，本集團之銀行備用信貸以本公司及本公司一間附屬公司簽立以316,000,000港元為限之公司擔保作為抵押(二零一二年三月三十一日：356,000,000港元)，其中已用合共155,966,000港元。

Notes to Financial Statements (continued)

財務報表附註(續)

(31 March 2013)

(二零一三年三月三十一日)

24. Accrued Liabilities and Other Payables

24. 應計負債及其他應付款項

		Group 本集團		Company 本公司	
		2013	2012	2013	2012
		二零一三年	二零一二年	二零一三年	二零一二年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Deferred income	遞延收入	1,130	1,914	-	-
Other payables	其他應付款項	57,003	35,352	-	-
Accruals	應計費用	38,336	43,579	-	157
		96,469	80,845	-	157

Other payables of the Group at 31 March 2013 included a subsidy of HK\$3,403,000 (2012: HK\$6,646,000) received from the People's Government of Yifeng County, Jiangxi Province, the PRC for the construction cost of basic infrastructure to be incurred by the Group for the development of the Jiangxi Project. During the year, an amount of HK\$3,243,000 (2012: HK\$2,543,000) was utilised and has been offset against the construction cost.

本集團於二零一三年三月三十一日的其他應付款項包括從中國江西省宜豐縣人民政府所收取3,403,000港元(二零一二年: 6,646,000港元)的補助,作為本集團開發江西項目的基本建設建造成本。年內,已動用3,243,000港元(二零一二年: 2,543,000港元)並被建築成本抵銷。

25. Interest-Bearing Bank Borrowings Group

25. 計息銀行貸款 本集團

		Effective interest rate (%)	實際利率 (%)	Maturity (Note)	到期日 (附註)	2013 二零一三年 HK\$'000 千港元	2012 二零一二年 HK\$'000 千港元
Current	即期						
Bank loans – unsecured	銀行貸款 – 無抵押	1.14% to 2.2%	1.14%至2.2%	On demand	應要求	387,646	418,896
		(2012: 1.05% to 2.21%)	(二零一二年: 1.05%至2.21%)				

Notes to Financial Statements (continued)

財務報表附註(續)

(31 March 2013)
(二零一三年三月三十一日)

25. Interest-Bearing Bank Borrowings (Continued) Company

25. 計息銀行貸款(續) 本公司

		Effective interest rate (%)	實際利率 (%)	Maturity (Note)	到期日 (附註)	2013 二零一三年 HK\$'000 千港元	2012 二零一二年 HK\$'000 千港元
Current	即期						
Bank loans – unsecured	銀行貸款 – 無抵押	1.14% to 2.2% (2012: 1.05% to 2.21%)	1.14%至2.2% (二零一二年： 1.05%至2.21%)	On demand	應要求	234,000	234,000

Note:

As at 31 March 2013, HK\$153,646,000 (2012: HK\$184,896,000) of the bank borrowings of HK\$387,846,000 (2012: HK\$418,896,000), were supported by corporate guarantees executed by the Company and a subsidiary of the Company.

Since the Group's and the Company's bank loans contain repayment on-demand clauses, the loans are included within current interest-bearing bank borrowings and analysed into bank loans repayable on demand.

Based on the maturity terms of the bank loans, the amounts repayable in respect of the Group's and the Company's bank loan are analysed as follows:

附註：

於二零一三年三月三十一日，387,846,000港元(二零一二年：418,896,000港元)之銀行借貸，其中153,646,000港元(二零一二年：184,896,000港元)以本公司及本公司一間附屬公司簽立的公司擔保作支持。

由於本集團及本公司的銀行貸款包含應要求償還之條款，貸款計入即期計息銀行借貸，並分析為應要求償還之銀行貸款。

根據銀行貸款之還款期，本集團及本公司銀行貸款應付金額分析如下：

	分析為：	Group 本集團		Company 本公司	
		2013 二零一三年 HK\$'000 千港元	2012 二零一二年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元	2012 二零一二年 HK\$'000 千港元
Analysed into:	分析為：				
Within one year	一年內	145,250	145,250	39,000	39,000
In the second year	第二年	31,250	31,250	–	–
In the third to fourth years, inclusive	第三年至第四年 (包括首尾兩年)	211,146	242,396	195,000	195,000
		387,646	418,896	234,000	234,000

Notes to Financial Statements (continued)

財務報表附註(續)

(31 March 2013)
(二零一三年三月三十一日)26. Deferred Tax Liabilities
Group26. 遞延稅項負債
本集團

		Accelerated tax depreciation	Asset revaluation	Withholding taxes on undistributed profits on PRC subsidiaries 中國附屬公司 未分派溢利 之預扣稅	Total
		加速 稅項折舊 HK\$'000 千港元	資產重估 HK\$'000 千港元	HK\$'000 千港元	總計 HK\$'000 千港元
At 1 April 2011	於二零一一年四月一日	817	18,543	10,845	30,205
Deferred tax credited to the consolidated income statement during the year (Note 10)	年內計入綜合收益表之遞延稅項(附註10)	(307)	–	–	(307)
Deferred tax debited to equity during the year	年內於資本扣除之遞延稅項	–	4,368	–	4,368
Exchange realignment	匯兌調整	–	853	–	853
At 31 March 2012	於二零一二年三月三十一日	510	23,764	10,845	35,119

		Accelerated tax depreciation	Asset revaluation	Withholding taxes on undistributed profits on PRC subsidiaries 中國附屬公司 未分派溢利 之預扣稅	Total
		加速 稅項折舊 HK\$'000 千港元	資產重估 HK\$'000 千港元	HK\$'000 千港元	總計 HK\$'000 千港元
At 1 April 2012	於二零一二年四月一日	510	23,764	10,845	35,119
Deferred tax credited to the consolidated income statement during the year (Note 10)	年內計入綜合收益表之遞延稅項(附註10)	–	–	(2,191)	(2,191)
Withholding tax on repatriation on earnings from subsidiaries in the PRC	中國附屬公司盈利匯出之預扣稅	–	–	(4,920)	(4,920)
Deferred tax debited to equity during the year	年內於資本扣除之遞延稅項	–	24,663	–	24,663
At 31 March 2013	於二零一三年三月三十一日	510	48,427	3,734	52,671

Notes to Financial Statements (continued)

財務報表附註(續)

(31 March 2013)
(二零一三年三月三十一日)

26. Deferred Tax Liabilities (Continued)

Pursuant to the PRC Tax Law, a 10% withholding tax is levied on dividends declared to foreign investors from the foreign investment enterprises established in Mainland China. The requirement is effective from 1 January 2008 and applies to earnings accrued after 31 December 2007. A lower withholding tax rate may be applied if there is a tax treaty between Mainland China and the jurisdiction of the foreign investors. For the Group, the applicable rates are 5% and 10%. In estimating the withholding taxes on dividends expected to be distributed by those subsidiaries established in Mainland China in respect of earnings generated from 1 January 2008, the directors have made assessment based on the factors which included dividend policy and the level of capital and working capital required for the Group's operations in the foreseeable future.

At 31 March 2013, there were no significant unrecognised deferred tax liabilities (2012: Nil) for withholding taxes that would be payable on the unremitted earnings of the Company's subsidiaries expected to be distributed, after considering the above mentioned factors, in the foreseeable future.

The Group has tax losses arising in Hong Kong of HK\$55,000 (2012: HK\$1,272,000) that are available indefinitely for offsetting against future taxable profits of the company in which the tax losses arose. The Group has estimate tax losses arising in Mainland China and Indonesia of HK\$91,988,000 (2012: HK\$43,031,000) and HK\$31,676,000 (2012: HK\$21,312,000), respectively, that will expire in five years for offsetting against future taxable profits. Deferred tax assets have not been recognised in respect of those losses as the directors consider that it is uncertain whether sufficient taxable profits will be available against which the tax losses can be utilised. There are no income tax consequences attaching to the payment of dividends by the Company to its shareholders.

26. 遞延稅項負債(續)

根據中國稅法，於中國大陸成立之外商投資企業向外商投資者宣派之股息將被徵收10%預扣稅。該規定於二零零八年一月一日生效，並適用於二零零七年十二月三十一日後產生之盈利。倘中國大陸與外商投資者之司法權區訂立稅務條約，則可降低其適用預扣稅稅率。本集團之適用稅率為5%及10%。在估計該等中國大陸成立附屬公司就二零零八年一月一日後產生的盈利預期派發股息所繳納的預扣稅時，董事已評估包括股息政策及本集團營運在可見未來所需資本及營運資金等因素。

於二零一三年三月三十一日，經考慮上述因素後，在可見未來，並無關於本公司附屬公司預期將分派的未匯款盈利應付預扣稅的重大未確認遞延稅項負債(二零一二年：無)。

本集團於香港產生之稅項虧損55,000港元(二零一二年：1,272,000港元)可無限期用作抵銷產生稅項虧損的公司日後應課稅溢利。本集團預計於中國大陸及印尼產生之稅項虧損分別為91,988,000港元(二零一二年：43,031,000港元)及31,676,000港元(二零一二年：21,312,000港元)將於五年內到期，用作抵銷日後應課稅溢利。董事考慮到不確定有足夠的應課稅溢利抵銷可利用的稅項虧損，所以並無確認遞延稅項資產。本公司向其股東派發股息概無附帶所得稅後果。

Notes to Financial Statements (continued)

財務報表附註(續)

(31 March 2013)

(二零一三年三月三十一日)

27. Issued Capital

27. 已發行股本

		Company	
		本公司	
		2013	2012
		二零一三年	二零一二年
		HK\$'000	HK\$'000
		千港元	千港元
Authorised:	法定股本：		
10,000,000,000 ordinary shares of HK\$0.01 each	10,000,000,000股每股 面值0.01港元之普通股	100,000	100,000
Issued and fully paid:	已發行及繳足：		
499,680,000 ordinary shares of HK\$0.01 each	499,680,000股每股 面值0.01港元之普通股	4,997	4,997

28. Share Option Scheme

The Company operates a share option scheme (the "Scheme") for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's operations. Eligible participants of the Scheme include the Company's directors, including independent non-executive directors, other employees of the Group, suppliers of goods or services to the Group and customers of the Group. The Scheme became effective on 6 August 2003 and, unless otherwise cancelled or amended, will remain in force for 10 years from that date.

The maximum number of unexercised share options currently permitted to be granted under the Scheme is an amount equivalent, upon their exercise, to 10% of the shares of the Company in issue at any time. The maximum number of shares issuable under share options to each eligible participant in the Scheme within any 12-month period is limited to 1% of the shares of the Company in issue at any time. Any further grant of share options in excess of this limit is subject to shareholders' approval in a general meeting.

Share options granted to a director, chief executive or substantial shareholder of the Company, or to any of their associates, are subject to independent non-executive directors' approval in advance. In addition, any share options granted to a substantial shareholder or an independent non-executive director of the Company, or to any of their associates, in excess of 0.1% of the shares of the Company in issue at any time or with an aggregate value (based on the price of the Company's shares at the date of the grant) in excess of HK\$5 million, within any 12-month period, are subject to shareholders' approval in advance in a general meeting.

28. 購股權計劃

本公司設有一項購股權計劃(「該計劃」)，旨在向對本集團成功經營有所貢獻的合資格參與人士提供獎勵及獎賞。該計劃的合資格參與人士包括本公司董事(包括獨立非執行董事)、本集團其他僱員、本集團貨品或服務供應商及本集團客戶。該計劃自二零零三年八月六日起生效，除非經另行取消或修訂，否則，該計劃將自該日期起計10年內有效。

現時根據該計劃獲准授出的未行使購股權數目上限獲行使時，相當於本公司於任何時間已發行股份10%。於任何十二個月期間內，根據購股權可向該計劃每名合資格參與人士發行的股份數目，最多不得超過本公司於任何時候已發行股份1%。進一步授出任何超過該限額的購股權均須於股東大會取得股東批准。

向本公司董事、行政總裁或主要股東或彼等任何聯繫人士授出購股權，均須事先取得獨立非執行董事批准。此外，於任何十二個月期間內，倘向本公司主要股東或獨立非執行董事或彼等任何聯繫人士授出的購股權，超過本公司於任何時候已發行股份0.1%或按授出當日本公司股價計算總值超過5,000,000港元，則須事先於股東大會取得股東批准。

Notes to Financial Statements (continued)

財務報表附註(續)

(31 March 2013)
(二零一三年三月三十一日)

28. Share Option Scheme (Continued)

The offer of a grant of share options may be accepted within 21 days from the date of the offer upon payment of a nominal consideration of HK\$1 in total by the grantee. The exercise period of the share options granted is determinable by the directors, and commences after a certain vesting period and ends on a date which is not later than five years from date of the offer of the share options or the expiry date of the Scheme, if earlier.

The exercise price of the share options is determinable by the directors, but may not be less than the highest of (i) the closing price of the Company's shares on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") on the date of the offer of the share options; (ii) the average closing price of the Company's shares on the Stock Exchange for the five trading days immediately preceding the date of the offer; and (iii) the nominal value of the Company's shares.

No share options have been granted under the Scheme as at 31 March 2013 or up to the date of approval of these financial statements.

Share options do not confer rights on the holders to dividends or to vote at shareholders' meetings.

29. Reserves Group

The amounts of the Group's reserves and the movements therein for the current and prior years are presented in the consolidated statement of changes in equity of the financial statements.

The capital reserve of the Group represents the difference between the aggregate of the nominal value of the share capitals of the subsidiaries acquired by the Company pursuant to a group reorganisation (the "Reorganisation") in August 2003, and the nominal value of the share capital of the Company issued in exchange therefor and the existing 1,000,000 shares of HK\$0.01 each credited as fully paid, at par.

28. 購股權計劃(續)

授出購股權之建議須於建議日期起計21日內，由承授人以支付共1港元象徵式代價之方式接納。授出之購股權之行使期限由董事釐定，於若干歸屬期後開始，並於自購股權授出日期起不多於五年之內或該計劃屆滿日期結束(以較早者為準)。

購股權的行使價由董事釐定，但不得低於以下三者之最高者：(i)授出購股權當日本公司股份在香港聯合交易所有限公司(「聯交所」)的收市價；(ii)授出日期前五個交易日本公司股份在聯交所平均收市價；及(iii)本公司股份面值。

於二零一三年三月三十一日或截至財務報表獲批准日期為止，概無根據該計劃授出任何購股權。

購股權並無賦予持有人獲取股息或於股東大會投票的權利。

29. 儲備本集團

本集團於本年度及過往年度之儲備金額及其變動詳情於財務報表中之綜合權益變動表呈列。

本集團資本儲備指本公司根據二零零三年八月之集團重組(「重組」)所收購附屬公司的股本面值總額，與本公司就交換而發行之股本面值及現有1,000,000股每股面值0.01港元按面值入賬列作繳足股份間之差額。

Notes to Financial Statements (continued)

財務報表附註(續)

(31 March 2013)

(二零一三年三月三十一日)

29. Reserves (Continued) Group (Continued)

In accordance with the relevant PRC regulations, subsidiaries registered in the PRC are required to transfer 10% of their profits after tax, as determined under the PRC accounting regulations, to the statutory surplus reserve, until the balance of the reserve reaches 50% of their respective registered capitals. Subject to certain restrictions as set out in the relevant PRC regulations, the statutory surplus reserve may be used to offset against accumulated losses.

Company

		Notes 附註	Share premium account 溢價賬 HK\$'000 千港元	Capital reserve 資本儲備 HK\$'000 千港元	Retained profits/ (accumulated losses) 留存溢利/ (累計虧損) HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 April 2011	於二零一一年四月一日		472,586	43,088	(44,659)	471,015
Profit and total comprehensive income for the year	年內溢利及全面收益總額	11	-	-	141,956*	141,956
Final 2011 dividend	二零一一年末期股息	12	-	-	(14,990)	(14,990)
Interim 2012 dividend	二零一二年中期股息	12	-	-	(34,978)	(34,978)
At 31 March 2012 and 1 April 2012	於二零一二年三月三十一日及 二零一二年四月一日		472,586	43,088	47,329	563,003
Profit and total comprehensive income for the year	年內溢利及全面收益總額	11	-	-	179,729*	179,729
Final 2012 dividend	二零一二年末期股息	12	-	-	(34,978)	(34,978)
Interim 2013 dividend	二零一三年中期股息	12	-	-	(34,978)	(34,978)
At 31 March 2013	於二零一三年三月三十一日		472,586	43,088	157,102	672,776

* The balance included dividend income from a subsidiary of HK\$180,000,000 (2012: HK\$142,000,000) and interest income from a subsidiary of HK\$5,112,000 (2012: HK\$4,250,000).

The capital reserve of the Company represents the excess of the then consolidated net assets of the subsidiaries acquired by the Company pursuant to the Reorganisation over the nominal value of the share capital of the Company issued in exchange thereof. Under the Companies Law of the Cayman Islands, the capital reserve may be distributed to the shareholders of the Company, provided that immediately following the date on which the dividend is proposed to be distributed, the Company will be in a position to pay off its debts as and when they fall due in the ordinary course of business.

29. 儲備(續) 本集團(續)

根據有關中國規例，在中國註冊的附屬公司須將除稅後溢利10%(按中國會計規例釐定)轉撥至法定盈餘儲備，直至該儲備的結餘達到其各自註冊資本50%。在有關中國規例所載若干限制規限下，法定盈餘儲備可用作抵銷累積虧損。

本公司

		Notes 附註	Share premium account 溢價賬 HK\$'000 千港元	Capital reserve 資本儲備 HK\$'000 千港元	Retained profits/ (accumulated losses) 留存溢利/ (累計虧損) HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 April 2011	於二零一一年四月一日		472,586	43,088	(44,659)	471,015
Profit and total comprehensive income for the year	年內溢利及全面收益總額	11	-	-	141,956*	141,956
Final 2011 dividend	二零一一年末期股息	12	-	-	(14,990)	(14,990)
Interim 2012 dividend	二零一二年中期股息	12	-	-	(34,978)	(34,978)
At 31 March 2012 and 1 April 2012	於二零一二年三月三十一日及 二零一二年四月一日		472,586	43,088	47,329	563,003
Profit and total comprehensive income for the year	年內溢利及全面收益總額	11	-	-	179,729*	179,729
Final 2012 dividend	二零一二年末期股息	12	-	-	(34,978)	(34,978)
Interim 2013 dividend	二零一三年中期股息	12	-	-	(34,978)	(34,978)
At 31 March 2013	於二零一三年三月三十一日		472,586	43,088	157,102	672,776

* 該結餘包括來自附屬公司的股息收入180,000,000港元(二零一二年:142,000,000港元)及利息收入5,112,000港元(二零一二年:4,250,000港元)。

本公司資本儲備指本公司根據重組所收購附屬公司當時的綜合資產淨值，超出本公司就交換而發行之股本面值之差額。根據開曼群島公司法，資本儲備可分派予本公司股東，惟於緊隨建議派付股息日期後，本公司必須能償還其日常業務中到期債項。

Notes to Financial Statements (continued)

財務報表附註(續)

(31 March 2013)
(二零一三年三月三十一日)

30. Notes to the Consolidated Statement of Cash Flows

Major non-cash transaction

Save as disclosed elsewhere in the financial statements, the Group had the following major non-cash transaction:

During the year, deposits for property, plant and equipment of HK\$10,679,000 (2012: HK\$2,205,000) were transferred to property, plant and equipment upon acceptance by and delivery to the Group (Note 16).

31. Contingent Liabilities

The Group did not have any significant contingent liabilities not provided for at the end of the reporting period (2012: Nil).

As at 31 March 2013, the Company and a subsidiary of the Company has given corporate guarantees to banks to the extent of HK\$316,000,000 (2012: HK\$356,000,000) for banking facilities granted to certain subsidiaries of the Company, which were utilised to the extent of approximately HK\$155,966,000 (2012: HK\$193,825,000) at the end of the reporting period (Note 23).

32. Operating Lease Arrangements

The Group leased certain of its office, factories and staff quarters under operating lease arrangements, with leases negotiated for terms ranging from one to two years.

At the end of the reporting period, the Group had total future minimum lease payments under non-cancellable operating leases falling due as follows:

		2013 二零一三年 HK\$'000 千港元	2012 二零一二年 HK\$'000 千港元
Within one year	一年內	3,470	-
In the second to fifth years, inclusive	第二年至第五年(包括首尾兩年)	-	-
		3,470	-

The Company did not have any operating lease commitments at the end of the reporting period (2012: Nil).

30. 綜合現金流量表附註

主要非現金交易

除本財務報表其他部份所披露外，本集團有以下主要非現金交易：

於年內，10,679,000港元(二零一二年：2,205,000港元)之物業、廠房及設備之按金於本集團接納及向本集團交付後轉撥至物業、廠房及設備(附註16)。

31. 或然負債

於報告期末，本集團並無任何尚未撥備之重大或然負債(二零一二年：無)。

於二零一三年三月三十一日，本公司及本公司一間附屬公司就其若干附屬公司獲授之銀行備用信貸額向銀行作出最多316,000,000港元(二零一二年：356,000,000港元)公司擔保，於報告期末，已動用約155,966,000港元(二零一二年：193,825,000港元)之公司擔保。

32. 經營租賃安排

本集團根據經營租賃安排租賃其若干辦公室、廠房及員工宿舍，議定之租期介乎一至二年不等。

於報告期末，本集團於不可撤銷經營租賃項下之未來最低租金總額須於下列期限償付：

		2013 二零一三年 HK\$'000 千港元	2012 二零一二年 HK\$'000 千港元
Within one year	一年內	3,470	-
In the second to fifth years, inclusive	第二年至第五年(包括首尾兩年)	-	-
		3,470	-

於報告期末，本公司並無任何經營租賃承擔(二零一二年：無)。

Notes to Financial Statements (continued)

財務報表附註(續)

(31 March 2013)

(二零一三年三月三十一日)

33. Commitments

In addition to the operating lease commitments detailed in note 32 above, the Group had the following capital commitments at the end of the reporting period:

		2013 二零一三年 HK\$'000 千港元	2012 二零一二年 HK\$'000 千港元
Contracted, but not provided for:	已訂約但未撥備：		
Construction of factories and purchases of machinery and equipment for the Jiangxi Project	建設江西項目之廠房及購買機器及設備	2,091	35,225
Renovation of factories for the investment project in Indonesia	裝修印尼投資項目之廠房	1,529	18,507
Purchases of items of property, plant and equipment	購買資產、機器及設備項目	1,206	1,113
Renovation of factories	裝修廠房	1,724	233
		6,550	55,078
Authorised, but not contracted for:	已授權但未訂約：		
Investment in the Jiangxi Project	投資於江西項目	38,610	51,747

The Company did not have any other significant commitments at the end of the reporting period (2012: Nil).

於報告期末，本公司並無任何其他重大承擔(二零一二年：無)。

34. Related Party Transactions

The directors are the key management personnel of the Group. Details of their remuneration are disclosed in note 8 to the financial statements.

34. 關連人士交易

董事為本集團之主要管理人員。彼等薪酬之詳情於財務報表附註8披露。

35. Financial Risk Management Objectives and Policies

The Group's principal financial instruments comprise interest-bearing bank borrowings and cash and cash equivalents. The main purpose of these financial instruments is to raise finance for the Group's operations. The Group has various other financial assets and liabilities such as accounts and bills receivables, other receivables, accounts and bills payables, accrued liabilities and other payables, which arise directly from its operations.

35. 財務風險管理之目標及政策

本集團的主要金融工具包括計息銀行借貸及現金及現金等值項目。該等金融工具之主要目的為籌集本集團營運所需資金。本集團擁有應收賬款及票據、其他應收款、應付賬款及票據、應計負債及其他應付款等各種其他金融資產及負債，乃於其營運時直接產生。

Notes to Financial Statements (continued)

財務報表附註(續)

(31 March 2013)
(二零一三年三月三十一日)

35. Financial Risk Management Objectives and Policies (Continued)

The main risks arising from the Group's financial instruments are interest rate risk, foreign currency risk, liquidity risk and credit risk. The board of directors reviews and agrees policies for managing each of these risks and they are summarised below.

Interest rate risk

The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's interest-bearing bank borrowings with floating interest rates.

The Group regularly reviews and monitors the floating interest rate borrowings in order to manage its interest rate risk. The interest-bearing bank borrowings, and cash and cash equivalents are stated at amortised cost and not revalued on a periodic basis. Floating rate interest income and expenses are credited/charged to the income statement as earned/incurred.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates, with all other variables held constant, of the Group's net profit (through the impact on floating rate borrowings).

Group

		Increase in interest rate 利率增加 (basis points) (基點)	Decrease in net profit 純利減少 HK\$'000 千港元
2013	二零一三年	100	3,876
2012	二零一二年	100	4,189

Company

		Increase in interest rate 利率增加 (basis points) (基點)	Decrease in net profit 純利減少 HK\$'000 千港元
2013	二零一三年	100	2,340
2012	二零一二年	100	2,340

35. 財務風險管理之目標及政策(續)

本集團金融工具之主要風險乃來自利率風險、外匯風險、流動資金風險及信貸風險。董事會審閱並協定管理各項有關風險之政策，並於下文概述。

利率風險

本集團所承受之市場利率變動風險主要與本集團按浮動利率計息的銀行借貸有關。

本集團定期審查及監測浮息借貸以管理其利率風險。計息銀行借貸、現金及現金等值項目按攤銷成本入賬，而不會定期重估。浮息收入及支出於收益表按已賺取/已產生予以進賬/扣除。

下表顯示倘所有其他變量保持不變，本集團純利(因浮息借貸影響)對利率之合理可能變動的敏感性。

本集團

		Increase in interest rate 利率增加 (basis points) (基點)	Decrease in net profit 純利減少 HK\$'000 千港元
2013	二零一三年	100	3,876
2012	二零一二年	100	4,189

本公司

		Increase in interest rate 利率增加 (basis points) (基點)	Decrease in net profit 純利減少 HK\$'000 千港元
2013	二零一三年	100	2,340
2012	二零一二年	100	2,340

Notes to Financial Statements (continued)

財務報表附註(續)

(31 March 2013)

(二零一三年三月三十一日)

35. Financial Risk Management Objectives and Policies (Continued)

Foreign currency risk

The Group has transactional currency exposures. Such exposures arise from a substantial portion of sales or purchases by operating units in United States Dollars ("US\$") and RMB. As the foreign currency risks arising from the sales and purchases can be set off with each other, the Group believes its exposure to exchange rate risk is minimal. It is the policy of the Group to continue maintaining the balance of its sales and purchases in the same currency. However, as the functional currencies of the PRC subsidiaries are RMB and the Group's financial statements are reported in Hong Kong dollars, there will be a translation credit to the exchange fluctuation reserve as a result of RMB appreciation. The majority of the Group's operating assets are located in Mainland China and denominated in RMB.

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

The following table demonstrates the sensitivity at the end of the reporting period to a reasonably possible change in the RMB exchange rate, with all other variables held constant, of the Group's net profit (due to changes in the fair value of monetary assets and liabilities).

		Increase/ (decrease) in exchange rate 匯率上升/ (下降)	Increase/ (decrease) in net profit 純利增加/ (減少) HK\$'000 千港元
2013	二零一三年		
If HK\$ weakens against RMB	倘港元兌人民幣貶值	5%	640
If HK\$ strengthens against RMB	倘港元兌人民幣升值	(5%)	(640)
2012	二零一二年		
If HK\$ weakens against RMB	倘港元兌人民幣貶值	5%	141
If HK\$ strengthens against RMB	倘港元兌人民幣升值	(5%)	(141)

35. 財務風險管理之目標及政策(續)

外匯風險

本集團承受交易貨幣風險。有關風險主要由業務單位以美元(「美元」)及人民幣進行買賣產生。由於買賣產生之外匯風險可以互相抵銷，本集團相信其面對之外匯風險輕微。本集團將繼續維持以相同貨幣進行買賣之平衡政策。然而，由於中國附屬公司以人民幣為功能貨幣及本集團之財務報表乃以港元呈報，故人民幣升值將會產生計入匯率波動儲備的匯兌收益。本集團大部分營運資產均位於中國大陸，並以人民幣計值。

本集團目前並無採用任何外匯對沖政策。然而，管理層會監察外匯風險，並會於需要時考慮對沖重大的外匯風險。

下表列示人民幣匯率於報告期末可能出現之合理變動(其他變量維持不變)而對本集團純利之敏感度(由於貨幣資產及負債公平值變動)。

Notes to Financial Statements (continued)

財務報表附註(續)

(31 March 2013)
(二零一三年三月三十一日)

35. Financial Risk Management Objectives and Policies (Continued)

Liquidity risk

The Group monitors its risk to a shortage of funds using a recurring liquidity planning tool. This tool considers the maturity of both its financial instruments and financial assets (e.g., accounts and bills receivables) and the projected cash flows from operations.

The Group maintains a balance between continuity of funding and flexibility through the use of interest-bearing bank borrowings and other banking facilities. The directors have reviewed the Group's working capital and capital expenditure requirements and determined that the Group has no significant liquidity risk. The maturity profile of the Group's financial liabilities as at the end of the reporting period, based on the contractual undiscounted payments, was less than one year.

The loan agreements contain repayment on-demand clauses giving the banks the unconditional right to call in the loans at any time and therefore, for the purpose of the above maturity profile, the bank borrowings are classified as "on demand". Notwithstanding the above clause, the directors do not believe that the loans will be called in its entirety within 12 months, and they consider that the loans will be repaid in accordance with the maturity dates as set out in the loan agreements. This evaluation was made considering: the financial position of the Group and the Company at the date of approval of the financial statements; the Group's and the Company's compliance with the loan covenants; the lack of events of default, and the fact that the Group and the Company have made all previously scheduled repayments on time. The maturity profile of the Group's interest-bearing bank borrowings as at the end of the reporting period, based on the contractual undiscounted payments, was as follows:

	Group 本集團		Company 本公司	
	2013 二零一三年 HK\$'000 千港元	2012 二零一二年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元	2012 二零一二年 HK\$'000 千港元
Analysed into:	分析為：			
Within one year	150,486	150,933	42,187	42,883
In the second year	34,812	35,833	3,078	3,747
In the third to fourth years, inclusive	217,375	250,385	201,155	202,494
	402,673	437,151	246,420	249,124

35. 財務風險管理之目標及政策(續)

流動資金風險

本集團使用經常性流動資金規劃工具監察資金短缺之風險。該項工具會考慮財務工具及財務資產(如應收賬款及票據)之到期情況，以及營運帶來之現金流量預測。

本集團透過使用計息銀行借貸及其他銀行信貸，維持資金持續供應及靈活性之間的平衡。董事已檢討本集團的營運資金及資本支出需求，並認為本集團並無重大的流動資金風險。本集團財務負債於報告期末按合約未貼現付款計算之到期情況少於一年。

貸款協議包含令銀行有權無條件可隨時要求償還貸款之條款，據此，銀行借貸之到期情況歸類為「按要求償還」。儘管有以上條款，董事並不認為該等貸款將於12個月內被要求全數償還，而董事認為該等貸款將會按貸款協議所列之還款期限償還。此評估乃基於：本集團及本公司於財務報告批准日期之財務狀況、本集團及本公司遵守貸款契諾、並無發生違約事件以及本集團及本公司以往均準時按期還款。於報告期末，本集團在根據合約未貼現付款計算之計息銀行貸款到期情況如下：

Notes to Financial Statements (continued)

財務報表附註(續)

(31 March 2013)

(二零一三年三月三十一日)

35. Financial Risk Management Objectives and Policies (Continued)

Credit risk

The Group trades only with recognised and creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis.

Since the Group trades only with recognised and creditworthy third parties, there is generally no requirement for collateral.

The credit risk of the Group's other financial assets, which comprise cash and cash equivalents and other receivables, arises from default of the counterparty, with a maximum exposure equal to the carrying amounts of these instruments.

Capital management

The primary objectives of the Group's capital management are to safeguard the Group's ability to continue as a going concern and to maintain healthy capital ratios in order to support its business and maximise shareholders' value.

The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2013 and 2012.

The Group monitors capital using a current ratio, which is total current assets divided by total current liabilities. The Group's policy is to keep the current ratio above 1.

36. Approval of the Financial Statements

The financial statements were approved and authorised for issue by the board of directors of the Company on 28 June 2013.

35. 財務風險管理之目標及政策(續)

信貸風險

本集團僅與認可及信譽良好的第三方進行交易。本集團會對以賒賬方式交易的客戶進行信貸審查。此外，應收款項結餘亦會作持續監察。

由於本集團僅與認可及信譽良好的第三方進行交易，因此一般情況下無需要取得抵押品。

本集團其他財務資產(包括現金及現金等值項目及其他應收款項)之信貸風險乃源自對方未能付款，所承受之最大風險相當於該等工具之賬面值。

資本管理

本集團管理資本之主要目標為保障本集團繼續以持續基準經營之能力，以及將資本比率維持於健康水平，以為其業務提供支持及提高股東價值。

本集團因應經濟狀況變動及有關資產之風險特徵管理其資本架構及作出調整。為維持或調整資本架構，本集團可能須調整支給予股東之股息、向股東發還資本或發行新股。於截至二零一三年及二零一二年三月三十一日止年度內，有關管理資本之目標、政策或程序並無變動。

本集團以流動比率(以總流動資產除以總流動負債計算)監察其資本。本集團之政策為將流動比率維持於1以上之水平。

36. 財務報表之批准

財務報表已於二零一三年六月二十八日獲本公司董事會批准並授權刊行。

Eagle Nice (International) Holdings Limited

鷹美(國際)控股有限公司*

(Incorporated in the Cayman Islands with limited liability)

(於開曼群島註冊成立之有限公司)

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