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# Corporate Information

## 公司資料

### BOARD OF DIRECTORS

Ms. WAI Siu Kee (*Chairman*)  
Ms. POON Lai Ming  
Ms. LEE Marina Man Wai  
Mr. LEE Man Yan  
Mr. WAN Chi Keung, Aaron JP\*  
Mr. HENG Kwo Seng\*  
Mr. WONG Kai Tung, Tony\*

\* *Independent non-executive director*

### COMPANY SECRETARY

Mr. CHEUNG Kwok Keung

### REGISTERED OFFICE

Century Yard, Cricket Square  
Hutchins Drive  
P.O. Box 2681 GT  
George Town  
Grand Cayman  
British West Indies

### PRINCIPAL OFFICE

8th Floor, Liven House  
61-63 King Yip Street  
Kwun Tong  
Kowloon  
Hong Kong

### PRINCIPAL BANKERS

Hang Seng Bank Limited  
Standard Chartered Bank (HK) Ltd

### AUDITORS

Deloitte Touche Tohmatsu  
*Certified Public Accountants*

### 董事會

衛少琦女士 (*主席*)  
潘麗明女士  
李文慧女士  
李文恩先生  
尹志強先生，太平紳士\*  
邢詒春先生\*  
王啟東先生\*

\* 獨立非執行董事

### 公司秘書

張國強先生

### 註冊辦事處

Century Yard, Cricket Square  
Hutchins Drive  
P.O. Box 2681 GT  
George Town  
Grand Cayman  
British West Indies

### 總辦事處

香港  
九龍  
觀塘  
敬業街61-63號  
利維大廈8樓

### 主要往來銀行

恒生銀行有限公司  
渣打銀行(香港)有限公司

### 核數師

德勤•關黃陳方會計師行  
*執業會計師*

# Corporate Information

## 公司資料

### PRINCIPAL SHARE REGISTRAR

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

### HONG KONG BRANCH SHARE REGISTRAR

Secretaries Limited  
G/F, Bank of East Asia Harbour View Centre  
56 Gloucester Road  
Wanchai  
Hong Kong

### WEBSITE

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

### 主要股份過戶登記處

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

### 香港股份過戶登記分處

秘書商業服務有限公司  
香港  
灣仔  
告士打道56號  
東亞銀行港灣中心地下

### 網址

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

# Chairman's Statement

## 主席報告

On behalf of the Board of Directors, I am pleased to present to the shareholders the annual report for Lee & Man Holding Limited (the "Company") and its subsidiaries (the "Group") for the year ended 31 March 2005.

### RESULTS AND DIVIDENDS

The Group's audited consolidated turnover for the year was HK\$942,045,000 and the audited consolidated profit attributable to shareholders was HK\$133,586,000.

An interim dividend of HK\$0.03 per share was paid during the year.

The directors resolved to recommend the payment of a final dividend of HK\$0.05 per share for the year under review.

### BUSINESS REVIEW

During the year, the Group disposed of a major subsidiary for a consideration of approximately US\$7 million. As a result, for the year ended 31 March 2005, the Group's turnover recorded a moderate decrease of 1.4% to HK\$942 million. The profit attributable to shareholders increased by 30.8% to HK\$134 million which includes a gain of HK\$31 million arising from the disposal of the said subsidiary. By excluding the gain on disposal of subsidiaries, the profit attributable to shareholders increased by 1.8% to HK\$102 million as compared to HK\$101 million for last year.

The Group manufactures and sells a wide range of handbag products to a broad base of various customers that are mainly located in the United States and Europe. The United States market continues to be the largest market for the Group's products. Sales to the United States accounted for 77.8% of the turnover of the Group and recorded a drop of 1.9% as compared to last year. Sales to Europe recorded an increase of 3.1% above last year and it accounted for 18.9% of the turnover of the Group.

本人謹代表董事會全仁欣然向各位股東提呈理文集團有限公司(「本公司」)及其附屬公司(「本集團」)就截至二零零五年三月三十一日止年度之年報。

### 業績及股息

本集團本年度經審核之綜合營業額為942,045,000港元，而經審核之綜合股東應佔溢利為133,586,000港元。

中期股息每股3港仙已於年內派發。

董事建議派發本年度末期股息每股5港仙。

### 業務回顧

年內，本集團以代價約700萬美元出售了一間主要附屬公司。因此，本集團截至二零零五年三月三十一日止年度之營業額輕微下跌1.4%至942,045,000港元，而股東應佔溢利則增長30.8%至133,586,000港元，當中包括出售附屬公司之收益31,199,000港元。若撇除出售附屬公司之收益，本年度股東應佔溢利則增長1.8%，為102,387,000港元，上年度為100,613,000港元。

本集團製造一系列手袋產品銷售予廣泛及各類型客戶，主要分佈在美國及歐洲。美國仍然為本集團產品之最大市場，銷售往美國市場佔本集團營業額77.8%，比去年同期微跌1.9%；銷售往歐洲市場則上升3.1%，佔本集團營業額18.9%。

# Chairman's Statement

## 主席報告

### PROSPECTS

In view of the slowdown of the United States economy, the handbag industry will face a more competitive environment. As part of the Group's raw materials are produced by petroleum by-products, the rising price of petroleum during the year increased the cost of materials. This factor along with the rising labour cost in the PRC has increased the overall operating costs. The Group will focus on the reduction of production costs and continue to strengthen the product design and development capabilities in order to produce and sell more originally designed and fashionable handbag products to gain a competitive edge in the market. With the Group's sufficient liquidities and reputation established throughout the past twenty years of business experience in the PRC, the Group will be in a good position to seek investment opportunities and to diversify the business in the PRC, to achieve satisfactory returns for the shareholders.

### APPRECIATION

We thank all our customers, suppliers and all members of our management team and staff for their loyalty, dedication, and contribution during the year under review.

On behalf of the Board

**Wai Siu Kee**

*Chairman*

Hong Kong, 28 June 2005

### 展望

鑑於美國經濟放緩，手袋業競爭將更趨激烈。由於本集團部份原材料乃由石油副產品所製，年內石油價格上漲，加重了原料成本，加上中國內地勞工成本上升，令整體經營成本上升。本集團將致力控制生產成本，並繼續投放資源在產品設計及開發方面，以生產及銷售更多原創設計之時款手袋產品，提高競爭能力。同時，本集團手頭資金充裕，憑藉在中國內地運作業務二十多年的經驗及所建立的良好聲譽，將有利於本集團在中國內地尋找商機，將業務多元化，為股東帶來理想的回報。

### 鳴謝

本人謹代表董事會向各客戶、供應商、集團所有管理層成員及員工在過去一年之忠誠、辛勤與貢獻，深表謝意。

代表董事會

主席

衛少琦

香港，二零零五年六月二十八日

# Management Discussion and Analysis

## 管理層討論及分析

### RESULTS OF OPERATION

The turnover of the Group decreased by 1.4% to HK\$942 million and the profit attributable to shareholders was HK\$134 million for the year, which was increased by 30.8% as compared to previous financial year. The earnings per share for the year was HK16.2 cents when compared with HK12.4 cents in last year.

The United States market continued to be the largest market for the Group's products. Sales to the United States constituted 77.8% of the Group turnover compared with 78.1% in 2004. Sales to Europe amounted to 18.9% compared with 18.1% in 2004. Other market collectively accounted for 3.3% compared to 3.8% in 2004.

During the year, the Group disposed of all the interest in Foreland Pacific Limited and its subsidiaries for a consideration of HK\$57 million. The disposal resulted in a gain of HK\$31 million to the Group. When excluding the gain on disposal of subsidiaries, the profit attributable to shareholders increased by 1.8% to HK\$102 million. Subsequent to the disposal of subsidiaries, the distribution expenses and administrative expenses were decreased by 21.3% and 17.7% to HK\$88 million and HK\$109 million respectively for the year.

### BUSINESS AND OPERATION REVIEW

A detailed review of the Group's business operations and prospects is included in the Chairman's Statement.

### LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

The total shareholders' fund of the Group as at 31 March 2005 was HK\$458 million (31 March 2004: HK\$366 million).

The Group maintains a very strong financial position with a very low level of debts and a high liquidity. The Group ended the year with a current ratio of 5.5 (31 March 2004: 2.9) and zero (31 March 2004: zero) net debt-to-equity ratio (total borrowings net of cash and cash equivalents over shareholders' equity).

### 經營業績

本集團本年度營業額下跌1.4%至942,045,000港元，股東應佔溢利為133,586,000港元，比上一個財政年度增長30.8%。本年度每股盈利為16.2港仙，上年度為12.4港仙。

美國仍然為本集團產品之最大市場。產品銷售往美國佔本集團營業額77.8%，上年度為78.1%；銷售往歐洲佔18.9%，上年度為18.1%；其他市場共佔3.3%，上年度為3.8%。

年內，本集團以代價HK\$56,930,000出售Foreland Pacific Limited及其附屬公司之全部權益。是次出售為本集團帶來31,199,000港元之收益。若撇除出售附屬公司之收益，本年度股東應佔溢利則比上年度增長1.8%至102,387,000港元。出售附屬公司後，全年銷售費用及行政費用亦分別下跌21.3%及17.7%至88,494,000港元及108,685,000港元。

### 業務及經營回顧

本集團之經營回顧及展望已詳列於主席報告內。

### 流動資金、財務資源及資本結構

於二零零五年三月三十一日，本集團之股東資金總額為458,000,000港元(二零零四年三月三十一日：366,000,000港元)。

本集團保持著一個低負債水平、高流動資金及非常穩健之財務狀況。本集團於年結日的流動資產比率為5.5(二零零四年三月三十一日：2.9)，而淨資本負債比率(借貸總額減現金及現金等同項目除以股東權益)則為零(二零零四年三月三十一日：零)。

# Management Discussion and Analysis

## 管理層討論及分析

The Group had a net cash surplus of HK\$201 million (2004: HK\$106 million) and was deposited in the leading banks in Hong Kong in either Hong Kong dollars or United States dollars.

Net cash inflow provided by operating activities totaled HK\$144 million (2004: HK\$94 million). The consistent strong cash flow from operating activities reflects the Group's strength in the working capital management to support the business operations. The Group's future cash flow from operations and its available banking facilities will provide sufficient funds to the Group to meet its operation requirements.

### FUNDING POLICY

The Group's transactions and the monetary assets are principally denominated in Hong Kong dollars or United States dollars. As a result, the Group has a minimal exposure to foreign exchange risk.

### COMMITMENTS AND CONTINGENT LIABILITIES

As at 31 March 2005, the Group had capital commitments of approximately HK\$3,154,000 in respect of the acquisition of property, plant and equipment. The Group had no material contingent liabilities.

### PLEDGE OF ASSETS

As at 31 March 2005, the Group did not have any assets pledged for general facilities.

### HUMAN RESOURCES

At 31 March 2005, the Group had a workforce of more than 6,000 people. The Group maintains a good relationship with its employees, and provides them with proper training and competitive compensation and incentives. The staffs are remunerated based on their work performance, professional experience and prevailing market situation. Remuneration packages comprise salary and bonuses based on individual merits.

本集團之淨現金盈餘為201,000,000港元(二零零四年：106,000,000港元)，並以港元或美元存於本港之主要銀行。

經營業務之現金流入淨額共144,000,000港元(二零零四年：94,000,000港元)。持續強勁之現金流量正反映本集團有效地管理營運資金以配合業務運作的需要。本集團未來之現金流量及未動用之銀行信貸額將為業務所需提供足夠的資金。

### 資金政策

本集團之交易及貨幣資產主要以港元或美元訂值，因此本集團承受之外匯風險極低。

### 承擔及或然負債

於二零零五年三月三十一日，本集團用作購置物業、廠房及設備之資本承擔約為3,154,000港元。本集團並無重大或然負債。

### 資產抵押

於二零零五年三月三十一日，本集團並無抵押任何資產以作一般信貸。

### 人力資源

於二零零五年三月三十一日，本集團員工超過6,000名。本集團與員工關係一向良好，並為員工提供足夠培訓、優厚福利及獎勵計劃。員工酬金乃按彼等之工作表現、專業經驗及當時之市場狀況而釐定，除基本薪金外並按員工表現發放花紅。

## Management Discussion and Analysis 管理層討論及分析

The Company has a share option scheme under which the executive directors and employees of the Company and its subsidiaries may be granted options to subscribe for ordinary shares in the Company. Up to 31 March 2005, no option was granted under the scheme.

### AUDIT COMMITTEE

The Audit Committee comprises of three independent non-executive directors, namely Mr. Heng Kwo Seng, Mr. Wan Chi Keung, Aaron JP and Mr. Wong Kai Tung, Tony. The principal activities of the Audit Committee include the review of the Group's internal control system and financial reporting matters including the review of connected transactions, unaudited interim financial statements and audited annual results. They have met with the executive directors and the external auditors to consider the nature and scope of the audit.

本公司有一項購股權計劃。據此，本公司及其附屬公司之執行董事及僱員均可獲授認購本公司普通股份之購股權。截至二零零五年三月三十一日止，此計劃並無授出購股權。

### 審核委員會

審核委員會由三位獨立非執行董事邢詒春先生、尹志強先生太平紳士及王啟東先生組成。審核委員會之主要職能包括檢討本集團之內部監控及財務申報事宜，其中包括審閱關連交易、未經審核中期財務報表及經審核年度業績。審核委員會之成員已與執行董事及獨立會計師進行會議商討審核性質及範圍。

# Profile of Directors and Senior Management

## 董事及高層管理人員簡介

### EXECUTIVE DIRECTORS

**Ms. WAI Siu Kee**, aged 61, is the chairman of the Company who joined the Group since its establishment in 1976. Ms. Wai has more than 40 years of experience in the handbag business. She is responsible for the development of corporate strategies, corporate planning and overall management of the Group and in particular the marketing and development of the business of the Group.

**Ms. POON Lai Ming**, aged 49, joined the Group in 1976. She has over 27 years of experience in the handbag industry. She is responsible for the overall management and the operation of the Group's manufacturing activities in the PRC.

**Ms. LEE Marina Man Wai**, aged 33, joined the Group in 1993. She graduated from the University of British Columbia, Canada with a bachelor's degree in arts. She is responsible for marketing and development of the business in the United States market.

**Mr. LEE Man Yan**, aged 27, joined the Group in 2000. He graduated from the University of British Columbia, Canada with a bachelor's degree in commerce. He is responsible for the sales and marketing of the Group's business in the United States market. Mr. Lee is a son of Ms. Wai Siu Kee, the Group's chairman.

### INDEPENDENT NON-EXECUTIVE DIRECTORS

**Mr. WAN Chi Keung, Aaron JP**, aged 56, is an associate of the Institution of Business Agents, a member of the Land Institute (London), an associate of the Chartered Institute of Arbitrators and a fellow of The Institute of Administrative Accounting. He is engaged in the business of property valuation and property auction and has over 18 years of related experience.

**Mr. HENG Kwo Seng**, aged 57, is the managing partner of Morison Heng, Chartered Accountants and Certified Public Accountants in Hong Kong. He is a fellow member of the Institute of Chartered Accountants in England and Wales and an associate member of the Hong Kong Institute of Certified Public Accountants. He has worked with a number of companies listed on The Stock Exchange of Hong Kong Limited either in the capacity of company secretary or as an independent non-executive director.

**Mr. WONG Kai Tung, Tony**, aged 62, has been a practicing lawyer in Hong Kong since 1968 and has also been admitted as a solicitor in England and Wales. He is currently a consultant at Messrs. Hastings & Co., Solicitors and Notaries.

### 執行董事

**衛少琦女士**，61歲，本公司之主席，於本集團在一九七六年成立時加入。衛女士於手袋行業積逾四十年經驗。彼負責本集團之策略及策劃以至集團整體管理之發展，尤其整體業務之市場推廣及發展。

**潘麗明女士**，49歲，於一九七六年加入本集團。彼擁有逾二十七年手袋業經驗，負責本集團在中國之製造業務之整體管理及營運。

**李文慧女士**，33歲，於一九九三年加入本集團。彼畢業於加拿大哥倫比亞大學，持有文學士學位。彼負責美國市場業務之市場推廣及發展。

**李文恩先生**，27歲，於二零零零年加入本集團。彼畢業於加拿大哥倫比亞大學，持有工商管理學士學位。彼負責本集團美國市場之銷售及市場推廣。李先生為本集團主席衛少琦女士之子。

### 獨立非執行董事

**尹志強先生**太平紳士，56歲，為英國商業經紀學會會員、英國倫敦土地學會會員、英國皇家仲裁學會會員及英國管理會計師學會之資深會員。彼從事物業估值及物業拍賣業務，並具有超過十八年相關經驗。

**邢詒春先生**，57歲，為香港華利信會計師事務所之執行合夥人，亦為英格蘭及威爾斯特許會計師公會資深會員及香港會計師公會會員。彼曾替若干於香港聯合交易所有限公司上市之公司工作，出任公司秘書或獨立非執行董事。

**王啟東先生**，62歲，自一九六八年以來為香港之執業律師，亦為英格蘭及威爾斯執業事務律師。彼現任希仕廷律師行之顧問。

# Profile of Directors and Senior Management

## 董事及高層管理人員簡介

### SENIOR MANAGEMENT

**Mr. NG Yu Hung**, aged 51, is the senior manager of the Group. He joined the Group in 1977. He has over 29 years of experience in the handbag industry. He is responsible for the marketing and development of the Group's business in the European market.

**Mr. CHEUNG Kwok Keung**, aged 38, is the company secretary of the Company. He joined the Group in 2002 and has over 16 years of experience in the field of auditing and accounting. He holds a professional diploma in accountancy from the Hong Kong Polytechnic University. He is a fellow member of the Association of Chartered Certified Accountants and an associate member of the Hong Kong Institute of Certified Public Accountants.

**Mr. CHIU Shun King**, aged 42, is the production manager of the Group. He joined the Group in 1984 and has over 20 years of experience in the handbag industry. He is responsible for production planning and overall production management of the Group's factory in Gao Bu Industrial Park.

**Ms. WONG Yuet Ming**, aged 40, is the financial controller of the Group. She joined the Group in 2004 and has over 17 years of experience in the field of auditing and accounting. She holds a master's degree in business administration from the University of Surrey, United Kingdom. She is a fellow member of the Association of Chartered Certified Accountants and an associate member of the Hong Kong Institute of Certified Public Accountants. She is responsible for the supervision and management of the Group's financial matters.

**Ms. LI Yuen Ling**, aged 43, is the finance manager of the Group. She joined the Group in 1984 and has over 20 years of experience in accounting and finance for manufacturing operations. She is responsible for the Group's accounting activities.

**Ms. TSUI Chin Wai, Jennifer**, aged 40, is the sales manager of the Group. She joined the Group in 1990. She graduated from the State University of New York with a master's degree in business administration. She is responsible for the sales and marketing of the Group's business in the European market.

### 高級管理層

**伍于鴻先生**，51歲，本集團之高級經理，於一九七七年加入本集團。彼擁有逾二十九年手袋業經驗，負責本集團歐洲市場業務之市場推廣及發展。

**張國強先生**，38歲，本公司之公司秘書，於二零零二年加入本集團。彼擁有逾十六年核數及會計經驗，持有香港理工大學之會計專業文憑。彼為英國特許公認會計師公會之資深會員，亦為香港會計師公會會員。

**趙順景先生**，42歲，本集團生產經理，於一九八四年加入本集團。彼擁有逾二十年手袋業經驗，負責本集團在高埗工業城之廠房之生產計劃及整體生產管理。

**王月明女士**，40歲，本集團財務總監，於二零零四年加入本集團。彼擁有逾十七年核數及會計經驗，持有英國倫敦蘇里大學之工商管理學碩士學位。彼為英國特許公認會計師公會之資深會員，亦為香港會計師公會會員。彼負責本集團之財政監督及管理。

**李婉玲女士**，43歲，本集團財務經理，於一九八四年加入本集團。彼擁有逾二十年製造業務之會計及財務經驗，負責本集團之會計事務。

**徐展慧女士**，40歲，本集團營業經理，於一九九零年加入本集團。彼畢業於紐約州立大學，持有工商管理學碩士學位。彼負責本集團歐洲市場之銷售及市場推廣。

## Profile of Directors and Senior Management 董事及高層管理人員簡介

**Ms. TAI Miu Fong**, aged 40, is the senior manager of the Group. She joined the Group in 2003 and has over 10 years of experience in marketing and development. She is responsible for the sales and marketing of the Group's business in the United States market.

**Mr. CHAN Kam Bun**, aged 56, is the business manager of the Group. He joined the Group in 1982 and has over 39 years of experience in the handbag business. He is responsible for the business development of the Group.

**戴妙芳女士**，40歲，本集團高級經理，於二零零三年加入本集團。彼擁有逾十年市場推廣經驗，負責本集團在美國市場之銷售及市場推廣。

**陳鑫彬先生**，56歲，本集團業務經理，於一九八二年加入本集團。彼擁有逾三十九年手袋業經驗，負責本集團之業務發展。

# Directors' Report

## 董事會報告

The directors present their annual report and the audited financial statements for the year ended 31 March 2005.

### PRINCIPAL ACTIVITIES

The Company is an investment holding company. The principal activities of its principal subsidiaries are set out in note 35 to the financial statements.

### RESULTS AND APPROPRIATIONS

The results of the Group for the year are set out in the consolidated income statement on page 22.

An interim dividend of HK\$0.03 per share amounting to HK\$24,750,000 was paid to the shareholders during the year.

The directors recommended the payment of a final dividend of HK\$0.05 per share to the shareholders on the register of members on 12 August 2005, amounting to HK\$41,250,000.

### SHARE CAPITAL

Details of the share capital of the Company are set out in note 24 to the financial statements.

### SHARE OPTIONS

Particulars of the Company's share option scheme are set out in note 25 to the financial statements.

### PROPERTY, PLANT AND EQUIPMENT

During the year, the Group acquired property, plant and equipment at a cost of approximately HK\$19 million for the purpose of expanding its business. In addition, the Group revalued its property, plant and equipment at 31 March 2005. Details of these and other movements in the property, plant and equipment of the Group during the year are set out in note 12 to the financial statements.

董事會謹此提呈截至二零零五年三月三十一日止年度之董事會報告及經審核財務報表。

### 主要業務

本公司為一間投資控股公司。其主要附屬公司之主要業務載於財務報表附註35。

### 業績及分派

本集團本年度之業績載於第22頁之綜合收益表。

年內已向股東派發中期股息每股3港仙，總額24,750,000港元。

董事建議派發末期股息每股5港仙予於二零零五年八月十二日名列股東名冊之股東，總額為41,250,000港元。

### 股本

本公司股本之詳情載於財務報表附註24。

### 購股權

本公司購股權計劃之詳情載於財務報表附註25。

### 物業、廠房及設備

於年內本集團添置約19,000,000港元之物業、廠房及設備以擴充本集團業務。此外，本集團之物業、廠房及設備已於二零零五年三月三十一日進行重估。上述及本集團物業、廠房及設備於年內其他變動之詳情載於財務報表附註12。

# Directors' Report

## 董事會報告

### DIRECTORS AND DIRECTORS' SERVICE CONTRACTS

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

#### Executive directors

Wai Siu Kee (*Chairman*)  
Poon Lai Ming  
Lee Marina Man Wai  
Lee Man Yan (appointed on 16 August 2004)  
Lee Lai Chu (resigned on 1 November 2004)

#### Independent non-executive directors

Wan Chi Keung, Aaron JP  
Heng Kwo Seng  
Wong Kai Tung, Tony (appointed on 16 August 2004)

In accordance with Articles 86(3) and 87(1) of the Company's Articles of Association, Ms. Lee Marina Man Wai, Mr. Lee Man Yan and Mr. Wong Kai Tung, Tony retire and, being eligible, offer themselves for re-election.

The term of office of each of the independent non-executive directors is the period up to his retirement as required by the Company's Articles of Association.

Each of the executive directors has entered into a service agreement with the Company for an initial period of three years commencing 1 January 2002, except Mr. Lee Man Yan's agreement commenced on 16 August 2004, which will continue thereafter unless and until terminated by either party by three months' prior written notice.

### 董事及董事之服務合約

於本年度及截至本報告日止，本公司之董事為：

#### 執行董事

衛少琦 (主席)  
潘麗明  
李文慧  
李文恩 (於二零零四年八月十六日獲委任)  
李麗珠 (於二零零四年十一月一日辭任)

#### 獨立非執行董事

尹志強，太平紳士  
邢詒春  
王啟東 (於二零零四年八月十六日獲委任)

根據本公司組織章程細則第86(3)及第87(1)條細則，李文慧女士、李文恩先生及王啟東先生均須退任，惟彼等均有資格並願意膺選連任。

獨立非執行董事之任期，將根據本公司組織章程細則之規定而輪值告退。

本公司與各執行董事已訂立為期三年之服務合約，除李文恩先生之合約由二零零四年八月十六日開始外，其餘均由二零零二年一月一日開始，合約期滿後將自動續約，除非任何一方發出不少於三個月之書面通知予以終止。

# Directors' Report

## 董事會報告

### DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

At 31 March 2005, the interests and short positions of directors and chief executives and their associates in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) which have been notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to Divisions 7 and 8 of Part XV of the SFO, or which were recorded in the register required to be kept pursuant to section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies (the "Model Code") of the Rules Governing the Listing of Securities (the "Listing Rules") on the Stock Exchange were as follows:

#### (a) Long positions in shares of the Company

Ordinary shares of HK\$0.10 each of the Company

| Name of director   | Capacity                      | Number of issued ordinary shares held | Percentage of the issued share capital of the Company |
|--------------------|-------------------------------|---------------------------------------|---|
| 董事姓名               | 身份                            | 所持已發行普通股數目                            | 佔本公司已發行股本百分比  |
| Wai Siu Kee<br>衛少琦 | Discretionary object<br>全權受益人 | 617,778,000 (Note)                    | 74.88%  |
| Lee Man Yan<br>李文恩 | Discretionary object<br>全權受益人 | 617,778,000 (Note)                    | 74.88%  |

Note: 617,778,000 ordinary shares in the Company were held by Fortune Star Tradings Ltd. ("Fortune Star"), a company wholly-owned by Trustcorp Limited as trustee for The Fortune Star 1992 Trust, a discretionary trust that the discretionary objects of which include Ms. Wai Siu Kee and Mr. Lee Man Yan.

### 董事及最高行政人員於股份、相關股份及債權證中之權益及淡倉

於二零零五年三月三十一日，本公司董事及最高行政人員及彼等之聯繫人於本公司或其相聯法團(定義見證券及期貨條例第XV部)之股份、相關股份或債權證中，擁有根據證券及期貨條例第XV部第7及8分部已知會本公司及香港聯合交易所有限公司(「聯交所」)、或已記錄於根據證券及期貨條例第352條須存置之登記冊、或已根據聯交所證券上市規則(「上市規則」)之上市公司董事進行證券交易之標準守則(「標準守則」)知會本公司及聯交所之權益及淡倉如下：

#### (a) 於本公司股份之好倉

本公司每股0.1港元之普通股

| Name of director   | Capacity                      | Number of issued ordinary shares held | Percentage of the issued share capital of the Company |
|--------------------|-------------------------------|---------------------------------------|---|
| 董事姓名               | 身份                            | 所持已發行普通股數目                            | 佔本公司已發行股本百分比  |
| Wai Siu Kee<br>衛少琦 | Discretionary object<br>全權受益人 | 617,778,000 (Note)                    | 74.88%  |
| Lee Man Yan<br>李文恩 | Discretionary object<br>全權受益人 | 617,778,000 (Note)                    | 74.88%  |

附註：本公司之617,778,000普通股份乃由一項全權信託The Fortune Star 1992 Trust之受託人Trustcorp Limited全資擁有之公司Fortune Star Tradings Ltd. (「Fortune Star」)持有，而該項信託之全權受益人包括衛少琦女士及李文恩先生。

# Directors' Report

## 董事會報告

### DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES (CONTINUED)

### 董事及最高行政人員於股份、相關股份及債權證中之權益及淡倉(續)

#### (b) Long positions in shares of the associated corporations of the Company

#### (b) 於本公司相聯法團之股份好倉

| Name of Director   | Capacity                      | Name of associated company | Number of shares | Percentage of the issued shares of the associated company |
|--------------------|-------------------------------|----------------------------|------------------|---|
| 董事姓名               | 身份                            | 相聯法團名稱                     | 股份數目             | 佔相聯法團已發行股份之百分比  |
| Wai Siu Kee<br>衛少琦 | Discretionary object<br>全權受益人 | Fortune Star               | 1 (Note)<br>(附註) | 100%  |
| Lee Man Yan<br>李文恩 | Discretionary object<br>全權受益人 | Fortune Star               | 1 (Note)<br>(附註) | 100%  |

Note: As Fortune Star owns more than 50% of the Company, Fortune Star is an associated corporation of the Company under the SFO. The entire issued share capital of Fortune Star is owned by Trustcorp Limited as trustee for The Fortune Star 1992 Trust, a discretionary trust the discretionary objects of which include Ms. Wai Siu Kee and Mr. Lee Man Yan, both of whom are directors of the Company, certain of their family members and other charitable objects.

Save as disclosed above, none of the directors or the chief executives, or any of their associates, had any interests or short positions in any shares, underlying shares or debentures of the Company or any of its associated corporations which had to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO, or which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein or which were required, pursuant to the Model Code, to be notified to the Company and the Stock Exchange.

附註：由於 Fortune Star 擁有本公司 50% 以上權益，根據證券及期貨條例，Fortune Star 為本公司之相聯法團。Fortune Star 之全數已發行股本由 Trustcorp Limited 以 The Fortune Star 1992 Trust 之信託人身份持有，The Fortune Star 1992 Trust 為一項全權信託，其全權受益人包括本公司董事衛少琦女士及李文恩先生，以及彼等若干家庭成員及其他慈善團體。

除上文所披露，概無本公司董事或最高行政人員或彼等之任何聯繫人於本公司或其任何相聯法團之股份、相關股份或債權證中，擁有根據證券及期貨條例第 XV 部第 7 及 8 分部已知會本公司及聯交所、或根據證券及期貨條例第 352 條須記錄於該條例所指之登記冊、或根據標準守則須知會本公司及聯交所之任何權益或淡倉。

# Directors' Report

## 董事會報告

### DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

A share option scheme which detailed in note 25 to the financial statements was adopted by the Company on 14 December 2001, under which the directors or the chief executives or their associates of the Company may be granted options to subscribe for shares in the Company. No options were granted by the Company under the scheme since its adoption.

Other than disclosed above, at no time during the year was the Company, its holding company, or any of its subsidiaries or fellow subsidiaries, a party to any arrangements to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

### SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN THE SHARE CAPITAL OF THE COMPANY

At 31 March 2005, shareholders (other than directors and chief executives of the Company) who had interests and short positions in the shares and underlying shares of the Company which have been disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under section 336 of the SFO were as follows:

#### Long positions

Ordinary shares of HK\$0.10 each of the Company

| Name of shareholder<br>股東名稱        | Capacity<br>身份             | Number of<br>issued ordinary<br>shares held<br>所持已發行<br>普通股數目 | Percentage<br>of the issued<br>share capital<br>of the Company<br>佔本公司已發行<br>股本之百分比 |
|------------------------------------|----------------------------|---|---|
| Fortune Star                       | Beneficial owner<br>實益擁有人  | 617,778,000   | 74.88%  |
| Value Partners Limited<br>惠理基金管理公司 | Investment manager<br>投資經理 | 63,076,000  | 7.65%   |

### 董事購入股份或債權證之權利

本公司於二零零一年十二月十四日採納一項購股權計劃(詳情載於財務報表附註25)，據此本公司之董事或最高行政人員或彼等之聯繫人可獲授予購股權以認購本公司股份。自計劃採納以來，本公司並無根據計劃授出購股權。

除上文所披露外，本公司、其控股公司、或其任何附屬公司或同系集團附屬公司於本年度任何時間內，概無參與任何安排，使本公司董事藉購入本公司或任何其他法人團體之股份或債券而獲得利益。

### 主要股東於本公司股本中之權益及淡倉

於二零零五年三月三十一日，股東(本公司董事或最高行政人員除外)於本公司之股份及相關股份中，擁有根據證券及期貨條例第XV部第2及3分部已向本公司披露、或已記錄於根據證券及期貨條例第336條須由本公司存置之登記冊之權益及淡倉如下：

#### 好倉

本公司每股0.1港元之普通股

# Directors' Report

## 董事會報告

### SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN THE SHARE CAPITAL OF THE COMPANY (CONTINUED)

Save as disclosed above, as at 31 March 2005, the Company has not been notified by any persons (other than directors and chief executives of the Company) who had interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under section 336 of the SFO.

### CONNECTED TRANSACTIONS

Details of the discloseable connected transactions for the year are set out in note 34 to the financial statements. In the opinion of the independent non-executive directors, these transactions entered into by the Group were:

- (i) in the ordinary and usual course of business of the Group;
- (ii) either (a) on normal commercial terms; or (b) where there is no available comparison, on terms that are fair and reasonable so far as the shareholders of the Company are concerned;
- (iii) either (a) in accordance with the terms of the agreements; or (b) where there are no such agreements, on terms no less favourable than those available to or from independent third parties; and
- (iv) within the relevant cap amounts as agreed by the Stock Exchange.

Save as disclosed above, there were no other transactions which need to be disclosed as connected transactions in accordance with the requirements of the Listing Rules.

### DIRECTORS' INTEREST IN CONTRACTS

Save as disclosed under the heading "Connected transactions", there were no contracts of significance to which the Company, its holding company or any of its fellow subsidiaries or subsidiaries was a party and in which a director of the Company had a material interest, whether directly and indirectly, subsisted at the end of the year or at any time during the year.

### 主要股東於本公司股本中之權益及淡倉 (續)

除上文所披露，於二零零五年三月三十一日，概無任何其他人士(本公司董事或最高行政人員除外)通知本公司，指其在本公司之股份或相關股份中，擁有任何根據證券及期貨條例第XV部第2及3分部須向本公司披露、或已記錄於根據證券及期貨條例第336條須由本公司存置之登記冊之權益及淡倉。

### 關連交易

有關本年度須予披露之關連交易之詳情載於財務報表附註34。各獨立非執行董事認為，本集團進行該等交易乃：

- (i) 在本集團日常及一般業務中進行；
- (ii) 按(a)正常商業條款；或(b)當無可比較例子，其條款對本公司股東而言乃屬公平合理；
- (iii) 按(a)協議條款；或(b)當無此等協議時，不遜於給予或自獨立第三者所得之條款；及
- (iv) 所涉及金額不超過與聯交所所議定之有關最高限額。

除上文所披露外，並無任何其它交易須按上市規則之要求須予披露為關連交易。

### 董事於合約中之權益

除「關連交易」一段所披露外，本公司、其控股公司或其任何同系集團附屬公司或附屬公司於年終或年內任何時間概無參與訂立與本公司董事有直接或間接重大權益之重要合約。

# Directors' Report

## 董事會報告

### MAJOR CUSTOMERS AND SUPPLIERS

During the year, the aggregate sales attributable to the Group's five largest customers comprised approximately 50% of the Group's total sales and the sales attributable to the Group's largest customer were approximately 27% of the Group's total sales.

The aggregate purchases during the year attributable to the Group's five largest suppliers were less than 30% of the Group's total purchases.

None of the directors, their associates or any shareholders which, to the knowledge of the directors, owned more than 5% of the Company's issued share capital had any interest in the share capital of any of the five largest customers of the Group.

### PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

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

### PRE-EMPTIVE RIGHTS

There are no provision 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.

### CORPORATE GOVERNANCE

The Company has complied throughout the year ended 31 March 2005 with the Code of Best Practice as set out in Appendix 14 of the Listing Rules.

The Company has adopted the Model Code as a code of conduct regarding directors' securities transactions. The Company has made specific enquiry of all directors regarding any non-compliance with the Model Code during the year ended 31 March 2005 and they all confirmed that they have fully complied with the required standard set out in the Model Code.

The Company has received, from each of the independent non-executive directors, an annual confirmation of his independence pursuant to Rule 3.13 of the Listing Rules. The Company considers all of the independent non-executive directors are independent.

### 主要客戶及供應商

於年內本集團五大客戶佔本集團之總營業額約50%，而本集團之最大客戶佔本集團總營業額約27%。

本集團之五大供應商佔本集團購貨額少於30%。

概無董事、彼等之聯繫人或董事所知擁有本公司已發行股本5%以上之任何股東，擁有本集團五大客戶任何股本權益。

### 購買、出售或贖回本公司之上市證券

本公司及其任何附屬公司於年內概無購買、出售或贖回本公司之上市證券。

### 優先購股權

本公司之組織章程細則或開曼群島法例均無有關優先購股權之條文，規定本公司須按持股比例向現有股東發售新股份。

### 企業管治

於截至二零零五年三月三十一日止整個年度內，本公司一直遵守上市規則附錄十四所載的最佳應用守則。

本公司已採納標準守則作為董事進行證券交易之行為守則。本公司曾特地查詢全體董事於截至二零零五年三月三十一日止年度內有否任何不遵守標準守則的事項，全體董事皆確認彼等完全遵遁標準守則所載之規定準則。

本公司已接獲各獨立非執行董事根據上市規則第3.13條規定所作出之年度獨立性確認函，而公司對彼等之獨立性表示認同。

# Directors' Report

## 董事會報告

### SUFFICIENCY OF PUBLIC FLOAT

The Company has maintained a sufficient public float throughout the year ended 31 March 2005.

### AUDITORS

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

On behalf of the Board

**Wai Siu Kee**

*Chairman*

Hong Kong, 28 June 2005

### 足夠公眾持股量

本公司於截至二零零五年三月三十一日止整個年度內皆保持足夠公眾持股量。

### 核數師

有關續聘德勤•關黃陳方會計師行為本公司核數師之決議案將於股東週年大會上提呈。

代表董事會

主席

衛少琦

香港，二零零五年六月二十八日

# Auditors' Report

## 核數師報告

### Deloitte.

### 德勤

#### TO THE SHAREHOLDERS OF LEE & MAN HOLDING LIMITED

(incorporated in the Cayman Islands with limited liability)

We have audited the financial statements on pages 22 to 63 which have been prepared in accordance with accounting principles generally accepted in Hong Kong.

#### RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

The Company's directors are responsible for the preparation of financial statements which give a true and fair view. In preparing financial statements which give a true and fair view it is fundamental that appropriate accounting policies are selected and applied consistently.

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

#### BASIS OF OPINION

We conducted our audit in accordance with Statements of Auditing Standards issued by the Hong Kong Institute of Certified Public Accountants. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the circumstances of the Company and the Group, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance as to whether the financial statements are free from material misstatement. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements. We believe that our audit provides a reasonable basis for our opinion.

#### 致理文集團有限公司全體股東

(於開曼群島註冊成立之有限公司)

本核數師行已審核載於第22頁至第63頁按照香港普遍採納之會計原則編製之財務報表。

#### 董事及核數師的個別責任

貴公司之董事須負責編製真實與公正的財務報表。在編製該等真實與公正之財務報表時，必須貫徹採用合適的會計政策。

本行的責任是根據本行審核工作的結果，對該等財務報表作出獨立意見，並僅向整體股東匯報，而非作其他用途。本行概不就本報告之內容向任何其他人士負責或承擔任何責任。

#### 意見的基礎

本行按照香港會計師公會頒布的核數準則進行審核工作。審核範圍包括以抽查方式查核與財務報表所載數額及披露事項有關之憑證，亦包括評估董事於編製該等財務報表時所作之重大估計和判斷、所釐定之會計政策是否適合 貴公司及 貴集團之具體情況，及是否貫徹應用並足夠地披露該等會計政策。

本行在策劃及進行審核工作時，均以取得一切本行認為必須之資料及解釋為目標，以便獲得充份憑證，就該等財務報表是否存有重大錯誤陳述，作出合理之確定。在作出意見時，本行亦已衡量該等財務報表所載資料在整體上是否足夠。本行相信，本行之審核工作已為下列意見建立了合理之基礎。

# Auditors' Report

## 核數師報告

### OPINION

In our opinion the financial statements give a true and fair view of the state of affairs of the Company and the Group as at 31 March 2005 and of the profit and cash flows of the Group for the year then ended and have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.

### **Deloitte Touche Tohmatsu**

*Certified Public Accountants*

Hong Kong, 28 June 2005

### 意見

本行認為，本財務報表足以真實並公正地反映 貴公司及 貴集團於二零零五年三月三十一日之財政狀況及 貴集團截至該日止年度的溢利及現金流量，並按照香港公司條例之披露要求而妥善編製。

德勤•關黃陳方會計師行

執業會計師

香港，二零零五年六月二十八日

# Consolidated Income Statement

## 綜合收益表

For the year ended 31 March 2005 截至二零零五年三月三十一日止年度

|   |                     | Notes<br>附註 | 2005<br>二零零五年<br>HK\$'000<br>千港元 | 2004<br>二零零四年<br>HK\$'000<br>千港元 |
|---|---------------------|-------------|----------------------------------|----------------------------------|
| Turnover  | 營業額                 |             | <b>942,045</b>                   | 955,750                          |
| Cost of sales   | 銷售成本                |             | <b>(623,468)</b>                 | (617,029)                        |
| Gross profit  | 毛利                  |             | <b>318,577</b>                   | 338,721                          |
| Other operating income                                  | 其他經營收入              |             | <b>7,215</b>                     | 17,996                           |
| Distribution costs                                      | 銷售費用                |             | <b>(88,494)</b>                  | (112,462)                        |
| Administrative expenses                                 | 行政費用                |             | <b>(108,685)</b>                 | (132,106)                        |
| Profit from operations                                  | 經營溢利                | 5           | <b>128,613</b>                   | 112,149                          |
| Finance costs   | 財務費用                | 6           | <b>(811)</b>                     | (777)                            |
| Gain on partial disposal of interest<br>in a subsidiary | 出售一間附屬公司部份<br>權益之收益 | 27          | <b>-</b>                         | 1,548                            |
| Gain on disposal of subsidiaries                        | 出售附屬公司之收益           | 28          | <b>31,199</b>                    | -                                |
| Profit before taxation                                  | 除稅前溢利               |             | <b>159,001</b>                   | 112,920                          |
| Income tax expenses                                     | 所得稅支出               | 9           | <b>(12,197)</b>                  | (9,876)                          |
| Profit before minority interests                        | 未計少數股東權益前溢利         |             | <b>146,804</b>                   | 103,044                          |
| Minority interests                                      | 少數股東權益              |             | <b>(13,218)</b>                  | (883)                            |
| Profit attributable to shareholders                     | 股東應佔溢利              |             | <b>133,586</b>                   | 102,161                          |
| Dividends   | 股息                  | 10          | <b>(66,000)</b>                  | (66,000)                         |
| Earnings per share (HK cents)                           | 每股盈利 (港仙)           | 11          | <b>16.2</b>                      | 12.4                             |

# Consolidated Balance Sheet

## 綜合資產負債表

At 31 March 2005 於二零零五年三月三十一日

|   |                       |    | 2005<br>二零零五年<br>HK\$'000<br>千港元 | 2004<br>二零零四年<br>HK\$'000<br>千港元 |
|---|-----------------------|----|----------------------------------|----------------------------------|
| <b>NON-CURRENT ASSETS</b>                                     | <b>非流動資產</b>          |    |                                  |                                  |
| Property, plant and equipment                                 | 物業、廠房及設備              | 12 | 161,043                          | 133,860                          |
| Deposits paid on acquisition of property, plant and equipment | 購置物業、廠房及設備之已付訂金       | 13 | -                                | 5,094                            |
|   |                       |    | <b>161,043</b>                   | 138,954                          |
| <b>CURRENT ASSETS</b>   | <b>流動資產</b>           |    |                                  |                                  |
| Inventories   | 存貨                    | 15 | 65,996                           | 105,684                          |
| Trade and other receivables                                   | 應收貿易及其他款項             | 16 | 92,856                           | 158,059                          |
| Defined benefit assets  | 界定利益資產                | 33 | 3,366                            | 3,910                            |
| Amount due from a related company                             | 應收關連公司款項              | 17 | -                                | 20                               |
| Taxation recoverable  | 可收回稅項                 |    | -                                | 1,789                            |
| Bank balances and cash  | 銀行結餘及現金               |    | 202,905                          | 106,220                          |
|   |                       |    | <b>365,123</b>                   | 375,682                          |
| <b>CURRENT LIABILITIES</b>                                    | <b>流動負債</b>           |    |                                  |                                  |
| Trade and other payables                                      | 應付貿易及其他款項             | 18 | 59,961                           | 101,981                          |
| Amounts due to related companies                              | 應付關連公司款項              | 19 | -                                | 1,545                            |
| Amounts due to fellow subsidiaries                            | 應付同系集團附屬公司款項          | 20 | 544                              | -                                |
| Taxation payable  | 應付稅項                  |    | 2,374                            | 1,272                            |
| Land and buildings costs payable<br>- due within one year     | 應付土地及樓宇成本<br>- 於一年內到期 | 21 | 1,293                            | 6,916                            |
| Bank and other borrowings                                     | 銀行及其他借貸               | 22 | 2,234                            | 19,904                           |
|   |                       |    | <b>66,406</b>                    | 131,618                          |
| <b>NET CURRENT ASSETS</b>                                     | <b>流動資產淨值</b>         |    | <b>298,717</b>                   | 244,064                          |
| <b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>                  | <b>資產減流動負債合計</b>      |    | <b>459,760</b>                   | 383,018                          |
| <b>NON-CURRENT LIABILITY</b>                                  | <b>非流動負債</b>          |    |                                  |                                  |
| Deferred taxation   | 遞延稅項                  | 23 | 1,754                            | -                                |
| <b>MINORITY INTERESTS</b>                                     | <b>少數股東權益</b>         |    | -                                | 16,547                           |
|   |                       |    | <b>458,006</b>                   | 366,471                          |
| <b>CAPITAL AND RESERVES</b>                                   | <b>資本及儲備</b>          |    |                                  |                                  |
| Share capital   | 股本                    | 24 | 82,500                           | 82,500                           |
| Reserves  | 儲備                    |    | 375,506                          | 283,971                          |
|   |                       |    | <b>458,006</b>                   | 366,471                          |

The financial statements on pages 22 to 63 were approved and authorised for issue by the Board of Directors on 28 June 2005 and are signed on its behalf by:

第22頁至第63頁所載之財務報表已於二零零五年六月二十八日經董事會通過及授權刊發，並由下列董事代表簽署：

**Wai Siu Kee**  
衛少琦  
Chairman  
主席

**Lee Marina Man Wai**  
李文慧  
Director  
董事

# Balance Sheet

## 資產負債表

At 31 March 2005 於二零零五年三月三十一日

|                              |               |              | <b>2005</b>     | 2004     |
|------------------------------|---------------|--------------|-----------------|----------|
|                              |               | <i>Notes</i> | <b>二零零五年</b>    | 二零零四年    |
|                              |               | <i>附註</i>    | <b>HK\$'000</b> | HK\$'000 |
|                              |               |              | 千港元             | 千港元      |
| <b>NON-CURRENT ASSETS</b>    | <b>非流動資產</b>  |              |                 |          |
| Investments in subsidiaries  | 附屬公司權益        | 14           | <b>215,145</b>  | 215,145  |
| <b>CURRENT ASSETS</b>        | <b>流動資產</b>   |              |                 |          |
| Amount due from a subsidiary | 應收附屬公司款項      |              | <b>41,600</b>   | 41,700   |
| Bank balance                 | 銀行結餘          |              | <b>199</b>      | 86       |
|                              |               |              | <b>41,799</b>   | 41,786   |
| <b>CURRENT LIABILITIES</b>   | <b>流動負債</b>   |              |                 |          |
| Other payables               | 其他應付款項        |              | <b>385</b>      | 324      |
| <b>NET CURRENT ASSETS</b>    | <b>流動資產淨值</b> |              | <b>41,414</b>   | 41,462   |
|                              |               |              | <b>256,559</b>  | 256,607  |
| <b>CAPITAL AND RESERVES</b>  | <b>資本及儲備</b>  |              |                 |          |
| Share capital                | 股本            | 24           | <b>82,500</b>   | 82,500   |
| Reserves                     | 儲備            | 26           | <b>174,059</b>  | 174,107  |
|                              |               |              | <b>256,559</b>  | 256,607  |

**Wai Siu Kee**

衛少琦

Chairman

主席

**Lee Marina Man Wai**

李文慧

Director

董事

# Consolidated Statement of Changes in Equity

## 綜合權益變動表

For the year ended 31 March 2005 截至二零零五年三月三十一日止年度

|  |                       | Share capital | Share premium | Asset revaluation reserve | Translation reserve | Special reserve | Accumulated profits | Total    |
|--|-----------------------|---------------|---------------|---------------------------|---------------------|-----------------|---------------------|----------|
|  |                       | 股本            | 股份溢價          | 重估儲備                      | 匯兌儲備                | 特別儲備            | 累計溢利                | 合計       |
|  |                       | HK\$'000      | HK\$'000      | HK\$'000                  | HK\$'000            | HK\$'000        | HK\$'000            | HK\$'000 |
|  |                       | 千港元           | 千港元           | 千港元                       | 千港元                 | 千港元             | 千港元                 | 千港元      |
| At 1 April 2003  | 於二零零三年四月一日            | 82,500        | 20,307        | 13,255                    | (752)               | (67,990)        | 280,226             | 327,546  |
| Surplus arising on revaluation of property, plant and equipment                              | 物業、廠房及設備之重估盈餘         | -             | -             | 1,304                     | -                   | -               | -                   | 1,304    |
| Exchange differences arising from translation of financial statements of overseas operations | 海外財務報表之匯兌差額           | -             | -             | -                         | 1,460               | -               | -                   | 1,460    |
| Gains not recognised in the consolidated income statement                                    | 未於綜合收益表中確認之收益         | -             | -             | 1,304                     | 1,460               | -               | -                   | 2,764    |
|  |                       | 82,500        | 20,307        | 14,559                    | 708                 | (67,990)        | 280,226             | 330,310  |
| Realised on depreciation of property, plant and equipment                                    | 物業、廠房及設備之折舊變現         | -             | -             | (575)                     | -                   | -               | 575                 | -        |
| Realised on disposal of property, plant and equipment  | 出售物業、廠房及設備變現          | -             | -             | (380)                     | -                   | -               | 380                 | -        |
| Profit attributable to shareholders  | 股東應佔溢利                | -             | -             | -                         | -                   | -               | 102,161             | 102,161  |
| Dividends (note 10)  | 股息 (附註 10)            | -             | -             | -                         | -                   | -               | (66,000)            | (66,000) |
| At 31 March 2004   | 於二零零四年三月三十一日          | 82,500        | 20,307        | 13,604                    | 708                 | (67,990)        | 317,342             | 366,471  |
| Surplus arising on revaluation of property, plant and equipment                              | 物業、廠房及設備之重估盈餘         | -             | -             | 25,484                    | -                   | -               | -                   | 25,484   |
| Exchange differences arising from translation of financial statements of overseas operations | 海外財務報表之匯兌差額           | -             | -             | -                         | 219                 | -               | -                   | 219      |
| Gains not recognised in the consolidated income statement                                    | 未於綜合收益表中確認之收益         | -             | -             | 25,484                    | 219                 | -               | -                   | 25,703   |
|  |                       | 82,500        | 20,307        | 39,088                    | 927                 | (67,990)        | 317,342             | 392,174  |
| Realised on depreciation of property, plant and equipment                                    | 物業、廠房及設備之折舊變現         | -             | -             | (949)                     | -                   | -               | 949                 | -        |
| Realised on disposal of property, plant and equipment  | 出售物業、廠房及設備變現          | -             | -             | (255)                     | -                   | -               | 255                 | -        |
| Realised on disposal of subsidiaries   | 出售附屬公司變現              | -             | -             | (164)                     | -                   | -               | 164                 | -        |
| Deferred tax liability arising on revaluation of property, plant and equipment               | 由重估物業、廠房及設備所產生之遞延稅項負債 | -             | -             | (1,754)                   | -                   | -               | -                   | (1,754)  |
| Profit attributable to shareholders  | 股東應佔溢利                | -             | -             | -                         | -                   | -               | 133,586             | 133,586  |
| Dividends (note 10)  | 股息 (附註 10)            | -             | -             | -                         | -                   | -               | (66,000)            | (66,000) |
| At 31 March 2005   | 於二零零五年三月三十一日          | 82,500        | 20,307        | 35,966                    | 927                 | (67,990)        | 386,296             | 458,006  |

# Consolidated Statement of Changes in Equity

## 綜合權益變動表

For the year ended 31 March 2005 截至二零零五年三月三十一日止年度

The special reserve of the Group represents:

- (i) the difference between the nominal value of the share capital issued by the Company and the nominal value of the share capital of the subsidiaries acquired pursuant to the group reorganisation in December 2001; and
- (ii) the special reserve of a subsidiary, Lee & Man Development Company Limited ("Lee & Man Development"), which represents the difference between the nominal value of the share capital issued by Lee & Man Development and the nominal amount of the share capital of subsidiaries acquired by it pursuant to a group organisation in 1993.

本集團之特別儲備乃：

- (i) 本公司透過二零零一年十二月之集團重組所收購之附屬公司之股本面值與本公司已發行股本面值之差額；及
- (ii) 附屬公司 Lee & Man Development Company Limited (「理文發展」) 之特別儲備乃其根據一項於一九九三年之集團重組所收購附屬公司之股本面值與理文發展已發行股本面值之差額。

# Consolidated Cash Flow Statement

## 綜合現金流量表

For the year ended 31 March 2005 截至二零零五年三月三十一日止年度

|   | Note<br>附註 | 2005<br>二零零五年<br>HK\$'000<br>千港元 | 2004<br>二零零四年<br>HK\$'000<br>千港元 |
|---|------------|----------------------------------|----------------------------------|
| <b>OPERATING ACTIVITIES</b>   |            |                                  |                                  |
| <b>經營業務</b>   |            |                                  |                                  |
| Profit from operations  |            | <b>128,613</b>                   | 112,149                          |
| Adjustments for:  |            |                                  |                                  |
| Interest income   |            | <b>(2,409)</b>                   | (799)                            |
| Depreciation and amortisation   |            | <b>12,130</b>                    | 11,349                           |
| Loss on disposal of property, plant and equipment                         |            | <b>159</b>                       | 143                              |
| Bad debts written off   |            | <b>10</b>                        | 494                              |
| Deficit (surplus) arising on revaluation of property, plant and equipment |            | <b>116</b>                       | (2,648)                          |
| Operating cash flows before movements in working capital                  |            | <b>138,619</b>                   | 120,688                          |
| Decrease (increase) in inventories  |            | <b>15,548</b>                    | (4,824)                          |
| Decrease (increase) in trade and other receivables                        |            | <b>4,075</b>                     | (26,733)                         |
| Decrease in defined benefit assets  |            | <b>544</b>                       | 542                              |
| Decrease in amount due from a related company                             |            | <b>20</b>                        | 57                               |
| (Decrease) increase in trade and other payables                           |            | <b>(3,828)</b>                   | 22,733                           |
| (Decrease) increase in amounts due to related companies                   |            | <b>(349)</b>                     | 418                              |
| Decrease in amounts due to fellow subsidiaries                            |            | <b>(652)</b>                     | -                                |
| Cash generated from operations  |            | <b>153,977</b>                   | 112,881                          |
| Interest paid   |            | <b>(811)</b>                     | (777)                            |
| Hong Kong Profits Tax paid  |            | <b>(8,977)</b>                   | (17,946)                         |
| Overseas taxation paid  |            | <b>(175)</b>                     | (65)                             |
| <b>NET CASH FROM OPERATING ACTIVITIES</b>                                 |            | <b>144,014</b>                   | 94,093                           |
| <b>INVESTING ACTIVITIES</b>   |            |                                  |                                  |
| <b>投資活動</b>   |            |                                  |                                  |
| Disposal of subsidiaries  | 28         | <b>48,488</b>                    | -                                |
| Deposits refunded on acquisition of property, plant and equipment         |            | <b>5,094</b>                     | -                                |
| Interest received   |            | <b>2,409</b>                     | 799                              |
| Proceeds from disposal of property, plant and equipment                   |            | <b>228</b>                       | 255                              |
| Purchase of property, plant and equipment                                 |            | <b>(24,391)</b>                  | (14,132)                         |
| Proceeds from partial disposal of interest in a subsidiary                |            | -                                | 5,850                            |
| <b>NET CASH FROM (USED IN) INVESTING ACTIVITIES</b>                       |            | <b>31,828</b>                    | (7,228)                          |
| <b>投資活動所得 (所耗) 現金淨額</b>   |            |                                  |                                  |

# Consolidated Cash Flow Statement

## 綜合現金流量表

For the year ended 31 March 2005 截至二零零五年三月三十一日止年度

|   | Note<br>附註                | 2005<br>二零零五年<br>HK\$'000<br>千港元 | 2004<br>二零零四年<br>HK\$'000<br>千港元 |
|---|---------------------------|----------------------------------|----------------------------------|
| <b>FINANCING ACTIVITIES</b>                                     | <b>融資活動</b>               |                                  |                                  |
| Dividends paid  | 已付股息                      | (66,000)                         | (66,000)                         |
| Repayment of other borrowings                                   | 償還其他借貸                    | (10,429)                         | -                                |
| Dividend paid to minority shareholders                          | 已付少數股東之股息                 | (4,809)                          | -                                |
| Other borrowings raised   | 新籌集其他借貸                   | -                                | 19,751                           |
| <b>NET CASH USED IN FINANCING ACTIVITIES</b>                    | <b>融資活動所耗現金淨額</b>         | <b>(81,238)</b>                  | <b>(46,249)</b>                  |
| <b>NET INCREASE IN CASH AND<br/>CASH EQUIVALENTS</b>            | <b>現金及等同現金項目<br/>增加淨額</b> | <b>94,604</b>                    | 40,616                           |
| <b>CASH AND CASH EQUIVALENTS<br/>AT BEGINNING OF THE YEAR</b>   | <b>於年初之現金及<br/>等同現金項目</b> | <b>106,067</b>                   | 65,451                           |
| <b>CASH AND CASH EQUIVALENTS<br/>AT END OF THE YEAR</b>         | <b>於年終之現金及<br/>等同現金項目</b> | <b>200,671</b>                   | 106,067                          |
| <b>ANALYSIS OF THE BALANCE<br/>OF CASH AND CASH EQUIVALENTS</b> | <b>現金及等同現金<br/>項目結餘分析</b> |                                  |                                  |
| Bank balances and cash  | 銀行結餘及現金                   | 202,905                          | 106,220                          |
| Bank overdrafts   | 銀行透支                      | (2,234)                          | (153)                            |
|   |                           | <b>200,671</b>                   | 106,067                          |

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 March 2005 截至二零零五年三月三十一日止年度

### 1. GENERAL

The Company is incorporated and registered as an exempted company with limited liability in the Cayman Islands under the Companies Law (Revised) Chapter 22 of the Cayman Islands and its shares are listed on The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). Its ultimate holding company is Fortune Star Tradings Ltd. ("Fortune Star"), a company which is incorporated in the British Virgin Islands.

The Company acts as an investment holding company and the principal activities of its principal subsidiaries are set out in note 35.

### 2. POTENTIAL IMPACT ARISING FROM THE RECENTLY ISSUED ACCOUNTING STANDARDS

In 2004, the Hong Kong Institute of Certified Public Accountants (the "HKICPA") issued a number of new or revised Hong Kong Accounting Standards and Hong Kong Financial Reporting Standards (herein collectively referred to as "new HKFRSs") which are effective for accounting periods beginning on or after 1 January 2005 except for HKFRS 3 "Business Combinations". The Group has not early adopted these new HKFRSs in the financial statements for the year ended 31 March 2005.

HKFRS 3 is applicable to business combinations for which the agreement date is on or after 1 January 2005. The Group has not entered into any business combination for which the agreement date is on or after 1 January 2005. Therefore HKFRS 3 did not have any impact on the Group for the year ended 31 March 2005.

The Group has considered these new HKFRSs but does not expect that the issuance of these HKFRSs will have a material effect on how the results of operations and financial position of the Group are prepared and presented.

### 1. 一般資料

本公司根據開曼群島公司法(經修訂)第二十二章於開曼群島註冊成立為一家獲豁免有限公司，其股份於香港聯合交易所有限公司(「聯交所」)上市。其最終控股公司為Fortune Star Tradings Ltd. (「Fortune Star」)，一間於英屬維爾京群島註冊成立之公司。

本公司為一間投資控股公司。其主要附屬公司之主要業務載於附註35。

### 2. 新近頒布會計準則產生之潛在影響

二零零四年，香港會計師公會頒布多項新訂或經修訂之香港會計準則及香港財務報告準則(統稱為「新香港財務報告準則」)，除新香港財務報告準則第3條「業務合併」外，該等準則於二零零五年一月一日或之後開始之會計期間生效。本集團並無提早於截至二零零五年三月三十一日止年度之財務報表中採納該等新香港財務報告準則。

新香港財務報告準則第3條適用於協議日期為二零零五年一月一日或之後之業務合併。本集團並無簽訂任何日期為二零零五年一月一日或之後之業務合併協議，因此，新香港財務報告準則第3條對本集團於截至二零零五年三月三十一日止年度並無構成影響。

本集團已評估該等新香港財務報告準則，並預期該等新香港財務報告準則之實施對本集團編製及呈列經營業績及財務狀況之方式不會有重大影響。

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 March 2005 截至二零零五年三月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared under the historical cost convention, as modified for the revaluation of property, plant and equipment of the Group, and in accordance with accounting principles generally accepted in Hong Kong. The principal accounting policies adopted are as follows:

#### Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and its subsidiaries made up to 31 March each year.

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

All significant inter-company transactions and balances within the Group are eliminated on consolidation.

#### Foreign currencies

Transactions in foreign currencies are initially recorded at the rates of exchange prevailing on the dates of the transactions. Monetary assets and liabilities denominated in such currencies are re-translated at the rates prevailing on the balance sheet date. Profits and losses arising on exchange are included in net profit or loss for the year.

On consolidation, the assets and liabilities of the Group's operations outside Hong Kong are translated at exchange rates prevailing on the balance sheet date. Income and expense items are translated at the average exchange rates for the year. Exchange differences arising, if any, are classified as equity and transferred to the Group's translation reserve. Such translation differences are recognised as income or as expenses in the period in which the operation is disposed of.

#### Turnover

Turnover represents the net amounts received and receivable for goods sold by the Group during the year.

### 3. 主要會計政策

本財務報表乃根據香港普遍採納之會計原則按歷史成本法編製而成，並已就物業、廠房及設備之重新估值作出調整。本財務報表所採納之主要會計政策茲列如下：

#### 綜合基準

綜合財務報表包括本公司及其附屬公司每年截至三月三十一日止之財務報表。

年內所收購或出售之附屬公司之業績，由收購生效日期起計或計至出售生效日期止（倘適用），計入綜合收益表。

本集團內各公司間之重大交易及結餘均於綜合賬目時予以對銷。

#### 外幣

以外幣計價之交易均按交易當日之匯率折算。以該等貨幣結算之貨幣資產及負債均按結算日之匯率重新折算。因匯兌而產生之盈虧已包括在年內之淨溢利或虧損內。

在編製綜合賬目時，本集團在香港以外地區經營業務之資產及負債均按結算日之匯率折算。收入及費用項目均按年內之平均匯率折算。由此產生之匯兌差額（如有）列作股本權益及撥入本集團之匯兌儲備。當出售經營業務時，該等匯兌差額則被確認為該期間之收入或費用。

#### 營業額

營業額指本集團於年內出售貨品之已收及應收款項淨額。

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 March 2005 截至二零零五年三月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### Revenue recognition

Sales of goods are recognised when goods are delivered and title has passed.

Interest income is accrued on a time basis, by reference to the principal outstanding and at the interest rate applicable.

#### Investments in subsidiaries

Investments in subsidiaries are included in the Company's balance sheet at cost less any identified impairment loss.

#### Property, plant and equipment

Property, plant and equipment, other than buildings under construction, are stated in the balance sheet at their revalued amount, being the fair value on the basis of their existing use at the date of revaluation less any subsequent accumulated depreciation and amortisation and any subsequent impairment loss. Revaluations are performed with sufficient regularity such that the carrying amount does not differ materially from that which would be determined using fair values at the balance sheet date.

Buildings under construction are stated at cost which includes all construction costs and other direct costs, attributable to the buildings under construction. They are not depreciated or amortised until completion of construction. Costs of completed buildings under construction are transferred to the appropriate categories of property, plant and equipment.

Any surplus arising on revaluation of property, plant and equipment is credited to the asset revaluation reserve, except to the extent that it reverses a revaluation deficit of the same asset previously recognised as an expense, in which case the increase is credited to the income statement to the extent of the decrease previously charged. A decrease in net carrying amount arising on revaluation of an asset is charged to the income statement to the extent that it exceeds the balance, if any, on the asset revaluation reserve relating to a previous revaluation of that asset. On the subsequent disposal or retirement of a revalued asset, the attributable revaluation surplus is transferred to accumulated profits.

The valuation of freehold land is not amortised.

### 3. 主要會計政策(續)

#### 收入確認

貨物銷售於貨物付運及擁有權轉移後確認。

利息收入乃按未收回本金及適用利率以時間比例基準計算。

#### 附屬公司投資

附屬公司投資乃按成本值減去任何減值虧損而錄入本公司之資產負債表中。

#### 物業、廠房及設備

除在建中樓宇外，物業、廠房及設備乃以重估值(指有關資產於重估當日按其當時用途之基準評估之公平價值減去其後之累計折舊及攤銷及任何減值虧損)於資產負債表中列示。有關資產乃定期進行重估，以確保其賬面值與於結算日之公平價值並無重大差額。

在建中樓宇乃按成本值入賬，成本值包括在建中樓宇應佔之所有建築成本及其他直接成本。在建中樓宇在落成前不作折舊或攤銷。在建中樓宇落成後其成本將轉入物業、廠房及設備之適當項目內。

因重估物業、廠房及設備而產生之盈餘會撥作資產重估儲備(除非有關資產於過往曾因重估虧絀而在收益表中確認為費用，則現時之重估盈餘將撥作收入，但不能超過以往之累計虧絀)。當重估一項資產而其重估價值低於其賬面淨值，則其虧絀將在收益表中確認為費用(除非該資產過往因重估而產生資產重估儲備，則該虧絀將對銷其累計資產重估儲備，而不足之數才在收益表中確認為費用)。已重估資產其後被出售或作廢，則其重估盈餘將撥入保留溢利中。

永久業權土地之估值並無攤銷。

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 March 2005 截至二零零五年三月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### Property, plant and equipment (continued)

The valuation of leasehold land and land use rights is amortised over the period of the lease or rights respectively using the straight line method.

Depreciation and amortisation is provided to write off the valuation of buildings and leasehold improvements over their estimated useful lives, using the straight line method, at the rate of 5% per annum.

Depreciation is provided to write off the valuation of other property, plant and equipment over their estimated useful lives, using the reducing balance method, at the following rates per annum:

|                                   |                    |
|-----------------------------------|--------------------|
| Furniture, fixtures and equipment | 20%                |
| Motor vehicles                    | 25%                |
| Moulds                            | 33 $\frac{1}{3}$ % |
| Plant and machinery               | 20%                |

The gain or loss arising from the disposal or retirement of an asset is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognised in the income statement.

#### Impairment

At each balance sheet date, the Group reviews the carrying amounts of its assets to determine whether there is any indication that those assets have suffered an impairment loss. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. Impairment loss is recognised as an expense immediately, unless the relevant asset is carried at a revalued amount under another standard issued by the HKICPA, in which case the impairment loss is treated as a revaluation decrease under that standard.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised as income immediately, unless the relevant asset is carried at a revalued amount under another standard, in which case the reversal of impairment loss is treated as a revaluation increase under that standard.

### 3. 主要會計政策(續)

#### 物業、廠房及設備(續)

租賃土地及土地使用權之估值乃按租賃期或使用權年期以直線法攤銷。

樓宇及租賃物業裝修之折舊及攤銷，乃按其估計可使用年期，以直線法按年率5%攤銷其估值。

其他物業、廠房及設備之折舊乃按其估計可使用年期以遞延減值法攤銷其估值，年率如下：

|          |                    |
|----------|--------------------|
| 傢俬、裝置及設備 | 20%                |
| 汽車       | 25%                |
| 模具       | 33 $\frac{1}{3}$ % |
| 廠房及機器    | 20%                |

因出售或廢棄資產而產生之盈虧，即出售資產所得款項與該資產之賬面值之差額，在收益表中確認。

#### 減值

本集團於每個結算日審核其資產之賬面值，以釐訂有否出現任何跡象顯示該等資產已出現減值虧損。倘估計一項資產之可收回價值低於其賬面值，則該資產之賬面值會削減至其可收回價值。減值虧損即時確認為開支，但倘若有關資產乃根據香港會計師公會頒布之另一準則以重估值列賬時，則減值虧損會根據該項準則視為重估減值。

倘減值虧損隨後撥回，則該資產之賬面值乃增加至其可收回價值之修訂估值，惟所增加之賬面值不得超過資產於過往年度並無出現虧損時所釐訂之賬面值。所撥回之減值虧損即時確認為收入，但倘若有關資產乃根據另一準則以重估值列賬時，撥回之減值虧損會根據該項準則視作重估升值。

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 March 2005 截至二零零五年三月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is calculated using the weighted average method.

#### Retirement benefit costs

Payments to the Mandatory Provident Fund Scheme (the "MPF Scheme") are charged as an expense as they fall due.

For defined retirement benefit plans, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out annually. Actuarial gains and losses which exceed 10% of the greater of the present value of the defined benefit obligations and the fair value of plan assets are amortised over the expected average remaining working lives of the participating employees. Past service cost is recognised immediately to the extent that the benefits are already vested, and otherwise is amortised on a straight line basis over the average period until the amended benefits become vested.

The amount recognised in the balance sheet represents the fair value of plan assets as adjusted for unrecognised actuarial gains and losses, and as reduced by the present value of the defined benefit obligation. Any asset resulting from this calculation is limited to unrecognised actuarial losses and past service cost, plus the present value of available refunds and reductions in future contributions to the plan.

#### Taxation

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

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years, and it further excludes income statement items that are never taxable or deductible.

### 3. 主要會計政策(續)

#### 存貨

存貨乃按成本或可變現淨值兩者之較低者入賬。成本乃按加權平均法計算。

#### 退休福利成本

強制性公積金計劃(「強積金計劃」)之供款在到期時計入為開支。

就界定利益退休福利計劃而言，提供退休福利之成本乃按照預估單位利益法釐定，並每年進行精算估值。精算估值產生之盈虧倘超出界定利益責任之現值與計劃資產之公平值兩者之較高者10%，則有關盈虧須在參與計劃之僱員之預期剩餘平均工作年期內攤銷。倘有關福利已獲授予，過往之服務成本會即時確認入賬，否則則按直線法在平均年期內攤銷，直至經修訂之利益獲授予為止。

在資產負債表內確認之金額呈示計劃資產之公平值，並已為未確認之精算估值盈虧作出調整及已扣減界定利益責任之現值。據此計算之任何資產乃受限於未確認精算虧損及過往服務成本，加上計劃之可退回現值及未來供款之削減。

#### 稅項

所得稅支出指現時應付稅項及遞延稅項之總和。

現時應付稅項乃根據年內應課稅溢利計算。應課稅溢利有別於收益表所報純利，因應課稅溢利不包括於其他年度應課稅或可扣稅之收入或開支項目，亦不包括收益表內永遠毋須課稅或不可扣稅之項目。

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 March 2005 截至二零零五年三月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### Taxation (continued)

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

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

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

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

#### Operating leases

Leases are classified as finance leases when the terms of the leases transfer substantially all the risks and rewards of ownership of the assets concerned to the Group. All other leases are classified as operating leases.

Rentals payable under operating leases are charged to the income statement on a straight line basis over the period of respective leases.

### 3. 主要會計政策(續)

#### 稅項(續)

遞延稅項指因財務報表內資產與負債賬面值與計算應課稅溢利所採用之相應稅基之間的差額而預期應課或可收回之稅項，採用資產負債表負債法計算。在一般情況下，所有應課稅暫時性差額均會確認為遞延稅項負債；可扣稅暫時性差額倘很有可能在未來獲應課稅溢利抵銷，則會確認為遞延稅項資產。倘暫時性差額乃源於商譽(或負商譽)或一項交易(業務合併除外)中初步確認之其他資產及負債，且並無對應課稅溢利或會計溢利構成影響，則不會確認該等資產與負債。

因投資附屬公司而產生之應課稅暫時性差額乃確認為遞延稅項負債，惟倘暫時性差額之回撥可受本集團控制，且暫時性差額可能不會於可預見將來撥回則除外。

遞延稅項資產之賬面值於每個結算日作檢討，並調減至不再可能有足夠之應課稅溢利可供抵免全部或部份遞延稅項資產為限。

遞延稅項乃按預期償還負債或變現資產之期間之稅率計算。遞延稅項在收益表內扣除或計入收益表，除非稅項與直接從股本權益扣除或直接計入股本權益之項目有關，則遞延稅項亦會在股本權益內處理。

#### 經營租約

凡租賃條款將租賃資產擁有權之一切風險及回報實際上撥歸予本集團之租賃合約，均列為融資租約。所有其他租約則列為經營租約。

根據經營租約應付之租金於有關租期內以直線法在收益表中扣除。

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 March 2005 截至二零零五年三月三十一日止年度

### 4. BUSINESS AND GEOGRAPHICAL SEGMENTS

No business segment analysis is provided as all of the Group's turnover and contribution to results were derived from the manufacture and sales of handbags and luggage for both years.

#### Geographical segments

The following table provides an analysis of the Group's sales by geographical market, irrespective of the origin of the goods:

|  |                         | Sales revenue by<br>geographical market<br>按地區市場之銷售收入 |                                  | Contribution to<br>profit from operations<br>經營溢利貢獻 |                                  |
|--|-------------------------|---|----------------------------------|---|----------------------------------|
|  |                         | 2005<br>二零零五年<br>HK\$'000<br>千港元                      | 2004<br>二零零四年<br>HK\$'000<br>千港元 | 2005<br>二零零五年<br>HK\$'000<br>千港元                    | 2004<br>二零零四年<br>HK\$'000<br>千港元 |
| United States of America ("USA")   | 美國                      | <b>732,597</b>  | 746,534                          | <b>98,736</b>                                       | 84,868                           |
| Europe   | 歐洲                      | <b>178,300</b>  | 172,970                          | <b>26,442</b>                                       | 22,582                           |
| South America  | 南美洲                     | <b>8,967</b>  | 8,321                            | <b>1,367</b>  | 1,400                            |
| Hong Kong  | 香港                      | <b>6,091</b>  | 16,112                           | <b>602</b>  | 473                              |
| Others   | 其他地區                    | <b>16,090</b>   | 11,813                           | <b>1,467</b>  | 406                              |
|  |                         | <b>942,045</b>  | 955,750                          | <b>128,614</b>                                      | 109,729                          |
| (Deficit) surplus arising on revaluation<br>of property, plant and equipment | 重估物業、廠房及<br>設備產生之(虧絀)盈餘 |   |                                  | <b>(116)</b>  | 2,648                            |
| Unallocated corporate expenses   | 未分配公司開支                 |   |                                  | <b>(2,294)</b>                                      | (1,027)                          |
| Interest income  | 利息收入                    |   |                                  | <b>2,409</b>  | 799                              |
| Finance costs  | 財務費用                    |   |                                  | <b>(811)</b>  | (777)                            |
| Gain on partial disposal of interest in<br>a subsidiary                      | 出售一間附屬公司<br>部份權益之收益     |   |                                  | -   | 1,548                            |
| Gain on disposal of subsidiaries   | 出售附屬公司之收益               |   |                                  | <b>31,199</b>                                       | -                                |
| Profit before taxation   | 除稅前溢利                   |   |                                  | <b>159,001</b>                                      | 112,920                          |
| Income tax expenses  | 所得稅支出                   |   |                                  | <b>(12,197)</b>                                     | (9,876)                          |
| Profit before minority interests   | 未計少數股東權益前溢利             |   |                                  | <b>146,804</b>                                      | 103,044                          |
| Minority interests   | 少數股東權益                  |   |                                  | <b>(13,218)</b>                                     | (883)                            |
| Profit attributable to shareholders  | 股東應佔溢利                  |   |                                  | <b>133,586</b>                                      | 102,161                          |

### 4. 業務及地區分類

由於本集團所有之營業額及經營溢利貢獻均源自年內手袋及行李箱之製造及銷售，按業務分類之分析並無提供。

#### 地區分類

下表提供本集團按地區市場(不分貨品原產地)劃分之銷售分析：

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 March 2005 截至二零零五年三月三十一日止年度

### 4. BUSINESS AND GEOGRAPHICAL SEGMENTS (CONTINUED)

#### Geographical segments (continued)

Since the goods sold to various geographical markets were produced from the same production facilities, an analysis of assets and liabilities by geographical market is not presented.

The following is an analysis of the carrying amount of segment assets and additions to property, plant and equipment, analysed by the geographical area in which the assets are located:

### 4. 業務及地區分類(續)

#### 地區分類(續)

由於銷售往不同地區市場之產品乃產自相同之生產設施，故按地區市場劃分之資產及負債分析並無呈列。

按資產所在地區劃分之分類資產之賬面值及物業、廠房及設備之添置之分析如下：

|   |                   | Carrying amount<br>of segment assets<br>分類資產之賬面值 |                                  | Additions to property,<br>plant and equipment<br>物業、廠房及設備之添置 |                                  |
|---|-------------------|--|----------------------------------|--|----------------------------------|
|   |                   | 2005<br>二零零五年<br>HK\$'000<br>千港元                 | 2004<br>二零零四年<br>HK\$'000<br>千港元 | 2005<br>二零零五年<br>HK\$'000<br>千港元                             | 2004<br>二零零四年<br>HK\$'000<br>千港元 |
| Hong Kong                                 | 香港                | 299,277  | 219,031                          | 1,487  | 155                              |
| People's Republic of China<br>(the "PRC") | 中華人民共和國<br>(「中國」) | 196,202  | 197,965                          | 16,096   | 8,137                            |
| Thailand                                  | 泰國                | 21,094   | 21,228                           | -  | -                                |
| USA                                       | 美國                | 9,593  | 76,412                           | 1,185  | 2,908                            |
|   |                   | <b>526,166</b>                                   | 514,636                          | <b>18,768</b>  | 11,200                           |

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 March 2005 截至二零零五年三月三十一日止年度

### 5. PROFIT FROM OPERATIONS

### 5. 經營溢利

|   |                     | 2005<br>二零零五年<br>HK\$'000<br>千港元 | 2004<br>二零零四年<br>HK\$'000<br>千港元 |
|---|---------------------|----------------------------------|----------------------------------|
| Profit from operations has been arrived at after charging:        | 經營溢利已扣除：            |                                  |                                  |
| Directors' emoluments (note 7)                                    | 董事酬金 (附註7)          | 3,253                            | 2,998                            |
| Other staff costs   | 其他職員成本              | 131,707                          | 142,826                          |
| Other retirement benefits scheme contributions                    | 其他退休福利計劃供款          | 928                              | 1,005                            |
| Total staff costs   | 職員成本合計              | 135,888                          | 146,829                          |
| Auditors' remuneration  | 核數師酬金               | 696                              | 612                              |
| Bad debts written off   | 壞賬撇除                | 10                               | 494                              |
| Cost of inventories   | 存貨成本                | 465,447                          | 470,797                          |
| Deficit arising on revaluation of property, plant and equipment   | 重估物業、廠房及設備所產生之虧絀    | 116                              | -                                |
| Depreciation and amortisation                                     | 折舊及攤銷               | 12,130                           | 11,349                           |
| Loss on disposal of property, plant and equipment                 | 出售物業、廠房及設備虧損        | 159                              | 143                              |
| and after crediting:  | 並已計入：               |                                  |                                  |
| Interest income   | 利息收入                | 2,409                            | 799                              |
| Rental income under operating leases, net of negligible outgoings | 經營租約之租金收入 (已扣除輕微開支) | 705                              | -                                |
| Surplus arising on revaluation of property, plant and equipment   | 重估物業、廠房及設備所產生之盈餘    | -                                | 2,648                            |

### 6. FINANCE COSTS

### 6. 財務費用

|   |                  | 2005<br>二零零五年<br>HK\$'000<br>千港元 | 2004<br>二零零四年<br>HK\$'000<br>千港元 |
|---|------------------|----------------------------------|----------------------------------|
| Interest on:  | 利息：              |                                  |                                  |
| - bank borrowings wholly repayable within five years  | - 須於五年內全數償還之銀行貸款 | 47                               | 117                              |
| - other borrowings wholly repayable within five years | - 須於五年內全數償還之其他貸款 | 764                              | 660                              |
|   |                  | 811                              | 777                              |

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 March 2005 截至二零零五年三月三十一日止年度

### 7. DIRECTORS' EMOLUMENTS

|  |            | <b>2005</b>     | 2004     |
|--|------------|-----------------|----------|
|  |            | 二零零五年           | 二零零四年    |
|  |            | <b>HK\$'000</b> | HK\$'000 |
|  |            | 千港元             | 千港元      |
| Directors' fees:                         | 董事袍金：      |                 |          |
| Executive                                | 執行董事       | -               | -        |
| Independent non-executive                | 獨立非執行董事    | <b>214</b>      | 173      |
| Other emoluments of executive directors: | 執行董事之其他酬金： |                 |          |
| Salaries and other benefits              | 薪金及其他福利    | <b>2,779</b>    | 2,739    |
| Bonuses                                  | 花紅         | <b>209</b>      | 38       |
| Retirement benefits scheme contributions | 退休福利計劃供款   | <b>51</b>       | 48       |
|  |            | <b>3,253</b>    | 2,998    |

The emoluments of the directors were within the following bands:

|                                |                         | <b>2005</b>      | 2004      |
|--------------------------------|-------------------------|------------------|-----------|
|                                |                         | 二零零五年            | 二零零四年     |
|                                |                         | <b>Number of</b> | Number of |
|                                |                         | <b>directors</b> | directors |
|                                |                         | <b>董事人數</b>      | 董事人數      |
| Up to HK\$1,000,000            | 截至1,000,000港元           | <b>7</b>         | 7         |
| HK\$1,000,001 to HK\$1,500,000 | 1,000,001港元至1,500,000港元 | <b>1</b>         | 1         |

董事酬金介乎下列幅度：

During the year ended 31 March 2004 and 31 March 2005, no emoluments were paid by the Group to the five highest paid individuals (including directors and employees) as an inducement to join or upon joining the Group or as compensation for loss of office. None of the directors has waived any emoluments for both years.

於截至二零零四年三月三十一日止及二零零五年三月三十一日止年度，本集團並無向五位最高薪酬之人士（包括董事及僱員）支付酬金，作為促使其加入或於加入本集團時之獎金，或離職補償。兩個年度概無董事放棄任何酬金。

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 March 2005 截至二零零五年三月三十一日止年度

### 8. EMPLOYEES' EMOLUMENTS

Of the five individuals with the highest emoluments in the Group, one (2004: none) was a director of the Company whose emolument is included in the disclosures in note 7 above. The emoluments of the remaining four (2004: five) individuals were as follows:

|                             |         | <b>2005</b><br>二零零五年<br><b>HK\$'000</b><br>千港元 | 2004<br>二零零四年<br>HK\$'000<br>千港元 |
|-----------------------------|---------|--|----------------------------------|
| Salaries and other benefits | 薪金及其他福利 | <b>4,913</b>                                   | 10,546                           |
| Bonuses                     | 花紅      | -  | 7,187                            |
|                             |         | <b>4,913</b>                                   | 17,733                           |

The emoluments were within the following bands:

|                                |                         | <b>2005</b><br>二零零五年<br><b>Number of employees</b><br>僱員人數 | 2004<br>二零零四年<br>Number of employees<br>僱員人數 |
|--------------------------------|-------------------------|--|--|
| Up to HK\$1,000,000            | 截至1,000,000港元           | <b>1</b>   | -  |
| HK\$1,000,001 to HK\$1,500,000 | 1,000,001港元至1,500,000港元 | <b>2</b>   | -  |
| HK\$1,500,001 to HK\$2,000,000 | 1,500,001港元至2,000,000港元 | <b>1</b>   | 3  |
| HK\$4,000,001 to HK\$4,500,000 | 4,000,001港元至4,500,000港元 | -  | 1  |
| HK\$8,000,001 to HK\$8,500,000 | 8,000,001港元至8,500,000港元 | -  | 1  |

### 9. INCOME TAX EXPENSES

|  |               | <b>2005</b><br>二零零五年<br><b>HK\$'000</b><br>千港元 | 2004<br>二零零四年<br>HK\$'000<br>千港元 |
|--|---------------|--|----------------------------------|
| The charge comprises:                                | 支出包括：         |  |                                  |
| Hong Kong Profits Tax                                | 香港利得稅         | <b>11,615</b>                                  | 9,811                            |
| Overprovision of Hong Kong Profits Tax in prior year | 往年度超額撥備之香港利得稅 | <b>(15)</b>                                    | -                                |
|  |               | <b>11,600</b>                                  | 9,811                            |
| Overseas taxation                                    | 海外稅項          | <b>597</b>                                     | 65                               |
|  |               | <b>12,197</b>                                  | 9,876                            |

### 8. 僱員酬金

在本集團五位最高薪酬之人士中，包括一位(二零零四年：無)本公司董事，其薪酬已載於上文附註7。而其餘四位(二零零四年：五位)最高薪酬人士之酬金如下：

酬金介乎下列幅度：

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 March 2005 截至二零零五年三月三十一日止年度

### 9. INCOME TAX EXPENSES (CONTINUED)

A substantial portion of the Group's profits neither arises in, nor is derived from, Hong Kong and therefore is not subject to Hong Kong Profits Tax.

Hong Kong Profits Tax is calculated at 17.5% (2004: 17.5%) of the estimated assessable profit for the year.

Overseas taxation is calculated at the rates prevailing in the respective jurisdictions.

The charge for the year can be reconciled to the profit per the income statement as follows:

### 9. 所得稅支出(續)

本集團大部份溢利並非產自或源自香港，故毋須繳納香港利得稅。

香港利得稅乃按年內估計應課稅溢利按 17.5% (二零零四年：17.5%) 計算。

海外稅項乃按照個別管轄地區之課稅率而計算。

年內稅項開支與收益表所列溢利對賬如下：

|  |                                 | 2005<br>二零零五年   |              | 2004<br>二零零四年   |       |
|--|---------------------------------|-----------------|--------------|-----------------|-------|
|  |                                 | HK\$'000<br>千港元 | %            | HK\$'000<br>千港元 | %     |
| Profit before taxation   | 除稅前溢利                           | <b>159,001</b>  |              | 112,920         |       |
| Tax at the domestic income tax rate of 17.5% (2004: 17.5%)                   | 按本地所得稅率 17.5% (二零零四年：17.5%) 之稅項 | <b>27,825</b>   | <b>17.5</b>  | 19,761          | 17.5  |
| Tax effect of expenses that are not deductible in determining taxable profit | 釐定應課稅溢利時不可扣稅支出之稅務影響             | <b>960</b>      | <b>0.6</b>   | 490             | 0.4   |
| Tax effect of income that is not taxable in determining taxable profit       | 釐定應課稅溢利時毋須課稅收入之稅務影響             | <b>(8,168)</b>  | <b>(5.1)</b> | (1,963)         | (1.7) |
| Tax effect of deferred taxation asset not recognised                         | 未確認遞延稅項資產之稅務影響                  | -               | -            | 204             | 0.2   |
| Tax effect of tax losses not recognised                                      | 未確認稅項虧損之稅務影響                    | <b>1,161</b>    | <b>0.7</b>   | 1,146           | 1.0   |
| Tax effect of offshore income not subject to tax                             | 毋須課稅之離岸收入之稅務影響                  | <b>(9,324)</b>  | <b>(5.9)</b> | (9,280)         | (8.3) |
| Overprovision in prior year  | 往年度超額撥備                         | <b>(15)</b>     | -            | -               | -     |
| Utilisation of tax losses not previously recognised                          | 動用過往未確認之稅項虧損                    | <b>(1,005)</b>  | <b>(0.6)</b> | (701)           | (0.6) |
| Effect of different tax rates of operation in other jurisdictions            | 於其他管轄地區經營業務之不同稅率之影響             | <b>763</b>      | <b>0.5</b>   | 219             | 0.2   |
| Tax expense and effective tax rate for the year                              | 本年度之稅項支出及實際稅率                   | <b>12,197</b>   | <b>7.7</b>   | 9,876           | 8.7   |

Details of deferred taxation at the balance sheet date and during the year are set out in note 23.

遞延稅項於結算日及年內之詳情載於附註 23。

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 March 2005 截至二零零五年三月三十一日止年度

### 10. DIVIDENDS

|   |                             |
|---|-----------------------------|
| Interim dividend paid of HK\$0.03<br>(2004: HK\$0.03) per share   | 已派發中期股息每股3港仙<br>(二零零四年：3港仙) |
| Final dividend proposed of HK\$0.05<br>(2004: HK\$0.05) per share | 建議末期股息每股5港仙<br>(二零零四年：5港仙)  |

The final dividend of HK\$0.05 (2004: HK\$0.05) per share has been proposed by the directors and is subject to approval by the shareholders in annual general meeting.

### 11. EARNINGS PER SHARE

The calculation of the basic earnings per share is based on the profit attributable to shareholders of HK\$133,586,000 (2004: HK\$102,161,000) and 825,000,000 (2004: 825,000,000) shares in issue during the year.

### 10. 股息

| 2005<br>二零零五年<br>HK\$'000<br>千港元 | 2004<br>二零零四年<br>HK\$'000<br>千港元 |
|----------------------------------|----------------------------------|
| <b>24,750</b>                    | 24,750                           |
| <b>41,250</b>                    | 41,250                           |
| <b>66,000</b>                    | 66,000                           |

董事會已建議派發末期股息每股5港仙(二零零四年：5港仙)，惟須待股東於週年大會上批准。

### 11. 每股盈利

每股基本盈利乃按年內股東應佔溢利133,586,000港元(二零零四年：102,161,000港元)除以已發行股份825,000,000股(二零零四年：825,000,000股)而計算。

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 March 2005 截至二零零五年三月三十一日止年度

### 12. PROPERTY, PLANT AND EQUIPMENT

### 12. 物業、廠房及設備

|  |                  | Land and<br>buildings | Buildings<br>under<br>construction | Furniture,<br>fixtures and<br>equipment | Leasehold<br>improve-<br>ments | Motor<br>vehicles | Moulds   | Plant and<br>machinery | Total    |
|--|------------------|-----------------------|------------------------------------|---|--------------------------------|-------------------|----------|------------------------|----------|
|  |                  | 土地<br>及樓宇             | 在建中<br>樓宇                          | 傢俬、<br>裝置及<br>設備                        | 租賃<br>物業裝修                     | 汽車                | 模具       | 廠房及<br>機器              | 合計       |
|  |                  | 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      |
| <b>THE GROUP</b>                         | <b>本集團</b>       |                       |                                    |   |                                |                   |          |                        |          |
| <b>COST OR VALUATION</b>                 | <b>成本值或估值</b>    |                       |                                    |   |                                |                   |          |                        |          |
| At 1 April 2004                          | 於二零零四年四月一日       | 94,046                | 4,261                              | 8,445                                   | 11,380                         | 1,761             | 140      | 13,827                 | 133,860  |
| Currency realignment                     | 貨幣調整             | 202                   | -                                  | -                                       | -                              | -                 | -        | 17                     | 219      |
| Additions                                | 添置               | 3,978                 | 7,089                              | 2,994                                   | 1,560                          | 1,477             | -        | 1,670                  | 18,768   |
| Disposals                                | 出售               | -                     | -                                  | (56)                                    | -                              | (286)             | -        | (45)                   | (387)    |
| Upon disposal of subsidiary              | 出售附屬公司           | -                     | -                                  | (1,887)                                 | (2,533)                        | -                 | -        | -                      | (4,420)  |
| Adjustment arising on<br>revaluation     | 因重估產生<br>之調整     | 17,877                | -                                  | (2,160)                                 | (958)                          | (425)             | (17)     | (1,314)                | 13,003   |
| Reclassification                         | 分類轉賬             | 5,122                 | (5,122)                            | -                                       | -                              | -                 | -        | -                      | -        |
| At 31 March 2005                         | 於二零零五年<br>三月三十一日 | 121,225               | 6,228                              | 7,336                                   | 9,449                          | 2,527             | 123      | 14,155                 | 161,043  |
| Comprising:                              | 包括：              |                       |                                    |   |                                |                   |          |                        |          |
| At cost                                  | 按成本值             | -                     | 6,228                              | -                                       | -                              | -                 | -        | -                      | 6,228    |
| At valuation                             | 按估值              | 121,225               | -                                  | 7,336                                   | 9,449                          | 2,527             | 123      | 14,155                 | 154,815  |
|  |                  | 121,225               | 6,228                              | 7,336                                   | 9,449                          | 2,527             | 123      | 14,155                 | 161,043  |
| <b>DEPRECIATION AND<br/>AMORTISATION</b> | <b>折舊及攤銷</b>     |                       |                                    |   |                                |                   |          |                        |          |
| At 1 April 2004                          | 於二零零四年<br>四月一日   | -                     | -                                  | -                                       | -                              | -                 | -        | -                      | -        |
| Provided for the year                    | 本年度撥備            | 5,662                 | -                                  | 1,852                                   | 1,311                          | 586               | 47       | 2,672                  | 12,130   |
| Eliminated on revaluation                | 重估時對銷            | (5,662)               | -                                  | (1,852)                                 | (1,311)                        | (586)             | (47)     | (2,672)                | (12,130) |
| At 31 March 2005                         | 於二零零五年<br>三月三十一日 | -                     | -                                  | -                                       | -                              | -                 | -        | -                      | -        |
| <b>NET BOOK VALUES</b>                   | <b>賬面淨值</b>      |                       |                                    |   |                                |                   |          |                        |          |
| At 31 March 2005                         | 於二零零五年<br>三月三十一日 | 121,225               | 6,228                              | 7,336                                   | 9,449                          | 2,527             | 123      | 14,155                 | 161,043  |
| At 31 March 2004                         | 於二零零四年<br>三月三十一日 | 94,046                | 4,261                              | 8,445                                   | 11,380                         | 1,761             | 140      | 13,827                 | 133,860  |

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 March 2005 截至二零零五年三月三十一日止年度

### 12. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Land and buildings includes assets carried at valuation of HK\$11,774,000 (2004: Nil) in respect of assets held for use under operating leases.

The Group's property, plant and equipment, other than property interests situated in Thailand, were revalued at 31 March 2005 by Sallmanns (Far East) Limited, an independent firm of professional property, plant and machinery valuers, on the basis of fair market value in continued use as part of an on-going business.

The Group's property interests situated in Thailand were revalued at 31 March 2005 by Thai Property Appraisal Lynn Philips Co., Ltd., an independent firm of professional property valuers, on the basis of open market value in existing use.

The net surplus of HK\$25,133,000 (2004: deficit of HK\$4,023,000) arising on the above revaluation has been dealt with as follows:

- (i) a surplus of HK\$25,249,000 (2004: HK\$1,375,000) of which HK\$25,484,000 (2004: HK\$1,304,000), net of minority interests' share of deficit of HK\$235,000 (2004: surplus of HK\$71,000) has been credited to the asset revaluation reserve; and
- (ii) a deficit of HK\$116,000 (2004: surplus of HK\$2,648,000) has been debited to the consolidated income statement.

### 12. 物業、廠房及設備(續)

土地及樓宇包括估值為11,774,000港元(二零零四年：無)之資產乃持有作經營租約用途。

本集團之物業、廠房及設備，除設於泰國之物業權益外，均由獨立專業物業、廠房及機器估值師，西門(遠東)有限公司，於二零零五年三月三十一日以公平市價，並按有關資產將繼續使用作原來業務運作之基準重估。

本集團設於泰國之物業權益於二零零五年三月三十一日由獨立專業物業估值師，Thai Property Appraisal Lynn Philips Co., Ltd.，按其現有用途之公開市場價值基準重估。

因上述重估而產生的淨盈餘25,133,000港元(二零零四年：虧絀4,023,000港元)已處理入賬如下：

- (i) 25,249,000港元(二零零四年：1,375,000港元)盈餘，當中扣除少數股東權益所佔虧絀235,000港元(二零零四年：盈餘71,000港元)後之25,484,000港元(二零零四年：1,304,000港元)已撥入資產重估儲備；及
- (ii) 116,000港元虧絀(二零零四年：2,648,000港元盈餘)已計入綜合收益表內。

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 March 2005 截至二零零五年三月三十一日止年度

### 12. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

If the above property, plant and equipment had not been revalued, they would have been included in these financial statements on a historical cost basis at the following amounts:

|   |              | Land and buildings | Furniture, fixtures and equipment | Leasehold improvements | Motor vehicles | Moulds   | Plant and machinery | Total    |
|---|--------------|--------------------|-----------------------------------|------------------------|----------------|----------|---------------------|----------|
|   |              | 土地及樓宇              | 傢俬、裝置及設備                          | 租賃物業裝修                 | 汽車             | 模具       | 廠房及機器               | 合計       |
|   |              | HK\$'000           | HK\$'000                          | HK\$'000               | HK\$'000       | HK\$'000 | HK\$'000            | HK\$'000 |
|   |              | 千港元                | 千港元                               | 千港元                    | 千港元            | 千港元      | 千港元                 | 千港元      |
| <b>THE GROUP</b>                          | <b>本集團</b>   |                    |                                   |                        |                |          |                     |          |
| Cost                                      | 成本           | 133,995            | 16,674                            | 17,195                 | 6,369          | 887      | 40,208              | 215,328  |
| Accumulated depreciation and amortisation | 累計折舊及攤銷      | (38,864)           | (12,195)                          | (8,491)                | (4,716)        | (887)    | (32,879)            | (98,032) |
| Net book values                           | 賬面淨值         |                    |                                   |                        |                |          |                     |          |
| At 31 March 2005                          | 於二零零五年三月三十一日 | 95,131             | 4,479                             | 8,704                  | 1,653          | -        | 7,329               | 117,296  |
| At 31 March 2004                          | 於二零零四年三月三十一日 | 91,499             | 5,005                             | 10,995                 | 861            | -        | 7,649               | 116,009  |

### 12. 物業、廠房及設備(續)

倘本集團之物業、廠房及設備並無進行重估，其將會按原來成本值呈列如下：

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### THE GROUP 本集團

|   |                 | 2005<br>二零零五年<br>HK\$'000<br>千港元 | 2004<br>二零零四年<br>HK\$'000<br>千港元 |
|---|-----------------|----------------------------------|----------------------------------|
| The net book value of the Group's property interests comprises: | 本集團物業權益之賬面淨值包括： |                                  |                                  |
| Properties  | 物業              |                                  |                                  |
| - freehold in Thailand  | - 在泰國以永久業權持有    | 19,345                           | 19,246                           |
| - held under medium-term land use rights in the PRC             | - 在中國以中期土地使用權持有 | 101,880                          | 74,800                           |
|   |                 | <b>121,225</b>                   | 94,046                           |

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 March 2005 截至二零零五年三月三十一日止年度

### 13. DEPOSITS PAID ON ACQUISITION OF PROPERTY, PLANT AND EQUIPMENT

#### THE GROUP

At 31 March 2004, the deposits were paid by the Group in connection with the acquisition of property, plant and equipment for future expansion. The related capital commitments were included in note 31.

During the year ended 31 March 2005, the acquisition was terminated and the deposits paid were then refunded.

### 14. INVESTMENTS IN SUBSIDIARIES

Unlisted shares (*Note*)

未上市之股份 (*附註*)

215,145

*Note:* The carrying value of the unlisted shares is based on the underlying net tangible assets of the subsidiaries at the time when they became members of the Group pursuant to the group reorganisation in December 2001.

Details of the Company's principal subsidiaries at 31 March 2005 are set out in note 35.

### 13. 購置物業、廠房及設備之已付訂金

#### 本集團

於二零零四年三月三十一日，所付訂金乃本集團為將來擴充所購置之物業、廠房及設備之訂金。相關之資本承擔已包含在附註31。

於截至二零零五年三月三十一日止年度內，該項購置已終止而已付之訂金已隨之退回。

### 14. 附屬公司權益

#### THE COMPANY

本公司

2005 & 2004

二零零五年及

二零零四年

HK\$'000

千港元

*附註：* 未上市股份之賬面值乃附屬公司透過二零零一年十二月之集團重組而成為本集團成員當時之有形資產淨值。

於二零零五年三月三十一日，本公司之主要附屬公司之詳情載於附註35。

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 March 2005 截至二零零五年三月三十一日止年度

### 15. INVENTORIES

|                  |     |
|------------------|-----|
| Raw materials    | 原材料 |
| Work in progress | 在製品 |
| Finished goods   | 製成品 |

All inventories were carried at cost at the balance sheet date.

### 16. TRADE AND OTHER RECEIVABLES

The Group allows an average credit period of 30 to 60 days to its trade customers.

Included in trade and other receivables are trade and bills receivables of HK\$85,114,000 (2004: HK\$142,161,000). The aged analysis of trade and bills receivables at the balance sheet date is as follows:

|                   |        |
|-------------------|--------|
| Less than 30 days | 少於30天  |
| 31 – 60 days      | 31至60天 |
| 61 – 90 days      | 61至90天 |
| Over 90 days      | 90天以上  |

### 15. 存貨

#### THE GROUP 本集團

| 2005<br>二零零五年<br>HK\$'000<br>千港元 | 2004<br>二零零四年<br>HK\$'000<br>千港元 |
|----------------------------------|----------------------------------|
| <b>30,898</b>                    | 46,658                           |
| <b>18,805</b>                    | 27,221                           |
| <b>16,293</b>                    | 31,805                           |
| <b>65,996</b>                    | 105,684                          |

所有存貨乃以結算日之成本記賬。

### 16. 貿易及其他應收款項

本集團給予貿易客戶之除賬期平均為30天至60天。

貿易及其他應收款項包括應收貿易及應收票據賬款85,114,000港元(二零零四年: 142,161,000港元), 應收貿易及應收票據賬款於結算日之賬齡分析如下:

#### THE GROUP 本集團

| 2005<br>二零零五年<br>HK\$'000<br>千港元 | 2004<br>二零零四年<br>HK\$'000<br>千港元 |
|----------------------------------|----------------------------------|
| <b>38,035</b>                    | 88,296                           |
| <b>19,014</b>                    | 29,535                           |
| <b>11,781</b>                    | 7,696                            |
| <b>16,284</b>                    | 16,634                           |
| <b>85,114</b>                    | 142,161                          |

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 March 2005 截至二零零五年三月三十一日止年度

### 17. AMOUNT DUE FROM A RELATED COMPANY

#### THE GROUP

The amount represented trading balance due from Lee And Man Manufacturing Company Limited ("Lee & Man Manufacturing"), which was beneficially owned by Ms. Lee Marina Man Wai, a director of the Company. The amounts for the year ended 31 March 2004 were aged less than 30 days.

The amount was unsecured, interest-free and fully repaid during the year.

### 18. TRADE AND OTHER PAYABLES

Included in trade and other payables are trade and bills payables of HK\$40,753,000 (2004: HK\$71,093,000). The aged analysis of trade and bills payables at the balance sheet date is as follows:

|                   |         |
|-------------------|---------|
| Less than 30 days | 少於30天   |
| 31 – 60 days      | 31至60天  |
| 61 – 90 days      | 61至 90天 |
| Over 90 days      | 90天以上   |

### 19. AMOUNTS DUE TO RELATED COMPANIES

#### THE GROUP

The amounts represented trading balances due to certain subsidiaries of Hans Energy Company Limited (formerly known as Wisdom Venture Holdings Limited) ("Hans Energy"), which was an associate (as defined in the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules")) of Fortune Star. The amounts for the year ended 31 March 2004 were aged less than 60 days.

During the year, Fortune Star has acquired the remaining shares of these subsidiaries from Hans Energy. Accordingly, the amounts are reclassified as amounts due to fellow subsidiaries.

### 17. 應收關連公司款項

#### 本集團

此款呈示應收理文製造廠有限公司(「理文製造廠」)之貿易結餘。理文製造廠由本公司董事李文慧女士實益擁有。該款項於截至二零零四年三月三十一日止年度之賬齡少於30天。

該款項乃無抵押、免息及於年內全數償還。

### 18. 貿易及其他應付款項

貿易及其他應付款項包括應付貿易及應付票據賬款40,753,000港元(二零零四年：71,093,000港元)，應付貿易及應付票據賬款於結算日之賬齡分析如下：

#### THE GROUP

#### 本集團

| 2005<br>二零零五年<br>HK\$'000<br>千港元 | 2004<br>二零零四年<br>HK\$'000<br>千港元 |
|----------------------------------|----------------------------------|
| <b>32,263</b>                    | 52,580                           |
| <b>7,527</b>                     | 17,820                           |
| <b>281</b>                       | 533                              |
| <b>682</b>                       | 160                              |
| <b>40,753</b>                    | 71,093                           |

### 19. 應付關連公司款項

#### 本集團

此款呈示應付漢思能源有限公司(前稱智業控股有限公司)(「漢思能源」)若干附屬公司之貿易結餘。漢思能源乃 Fortune Star之聯繫人(按聯交所證券上市規則(「上市規則」)之涵義)。該款項於截至二零零四年三月三十一日止年度之賬齡少於60天。

年內，Fortune Star已從漢思能源收購該等附屬公司之餘下股份。因此，該款項重新界定為應付同系集團附屬公司款項。

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 March 2005 截至二零零五年三月三十一日止年度

### 20. AMOUNTS DUE TO FELLOW SUBSIDIARIES

#### THE GROUP

The amounts are unsecured, interest free and have no fixed terms of repayment. The aged analysis of the amounts is within 60 days.

### 21. LAND AND BUILDINGS COSTS PAYABLE

#### THE GROUP

The balance represents the amount payable for the acquisition of land and buildings and is payable within one year.

### 22. BANK AND OTHER BORROWINGS

|                 |      |
|-----------------|------|
| Other loan      | 其他借款 |
| Bank overdrafts | 銀行透支 |

At 31 March 2004, other loan represented advances from a factoring company in the USA of a former subsidiary. The loan bore interest at United States Prime Rate minus 2% per annum and was repayable on demand. The loan was secured by certain property, plant and equipment and inventories of a former subsidiary of the Company amounting to HK\$3,955,000 and HK\$20,791,000 respectively.

### 20. 應付同系集團附屬公司款項

#### 本集團

該款項乃無抵押、免息及無固定還款期。該款項之賬齡在60天以內。

### 21. 應付土地及樓宇成本

#### 本集團

此結餘呈示購置土地及樓宇之應付金額，並於一年內到期。

### 22. 銀行及其他借貸

#### THE GROUP

#### 本集團

| 2005<br>二零零五年<br>HK\$'000<br>千港元 | 2004<br>二零零四年<br>HK\$'000<br>千港元 |
|----------------------------------|----------------------------------|
| -                                | 19,751                           |
| <b>2,234</b>                     | 153                              |
| <b>2,234</b>                     | 19,904                           |

於二零零四年三月三十一日，其他借款乃一前附屬公司從美國一代理公司之墊支借款。該借款乃按美國最優惠利率減2厘之年息率計息，並須應要求償還。該借款乃以本公司一前附屬公司若干物業、廠房及設備及存貨作抵押，金額分別為3,955,000港元及20,791,000港元。

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 March 2005 截至二零零五年三月三十一日止年度

### 23. DEFERRED TAXATION

The following are the major deferred tax liabilities and assets recognised and movements thereon during the current and prior reporting periods.

### 23. 遞延稅項

已確認之主要遞延稅項負債及資產及其於現時及前報告期間之變動情況如下：

|   |                          | Accelerated<br>tax<br>depreciation<br>加速<br>稅項折舊<br>HK\$'000<br>千港元 | Revaluation<br>of property,<br>plant and<br>equipment<br>物業、廠房及<br>設備重估<br>HK\$'000<br>千港元 | Tax<br>losses<br>稅項虧損<br>HK\$'000<br>千港元 | Total<br>合計<br>HK\$'000<br>千港元 |
|---|--------------------------|---|--|--|--------------------------------|
| <b>THE GROUP</b>                          | <b>本集團</b>               |   |  |  |                                |
| At 1 April 2003 and 2004                  | 於二零零三年及<br>二零零四年<br>四月一日 | -   | -  | -  | -                              |
| Charge (credit) to income<br>for the year | 年內收益扣除<br>(計入)           | 124   | -  | (124)                                    | -                              |
| Charge to equity for the year             | 年內權益扣除                   | -   | 1,754  | -  | 1,754                          |
| At 31 March 2005                          | 於二零零五年<br>三月三十一日         | 124   | 1,754  | (124)                                    | 1,754                          |

At the balance sheet date, the Group had unutilised tax losses of HK\$18,764,000 (2004: HK\$34,106,000) available for offset against future profits. A deferred tax asset has been recognised in respect of HK\$711,000 (2004: Nil) of such losses. No deferred tax asset has been recognised in respect of the remaining HK\$18,053,000 (2004: HK\$34,106,000) due to the unpredictability of future profit streams. Tax losses may be carried forward indefinitely.

於結算日，本集團尚未動用但可用作抵扣未來課稅溢利之稅項虧損為18,764,000港元(二零零四年：34,106,000港元)。其中就該虧損確認了711,000港元(二零零四年：無)之遞延稅項資產。因為未來溢利的不可預見性，所以並未就剩餘之18,053,000港元(二零零四年：34,106,000港元)虧損確認遞延稅項資產。稅項虧損可無限期結轉。

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 March 2005 截至二零零五年三月三十一日止年度

### 24. SHARE CAPITAL

#### THE COMPANY

|                                   |              | Number of<br>ordinary shares<br>普通股份數目 | Amount<br>金額<br>HK\$'000<br>千港元 |
|-----------------------------------|--------------|--|---------------------------------|
| Ordinary shares of HK\$0.10 each: | 普通股每股0.1港元：  |  |                                 |
| Authorised:                       | 法定：          |  |                                 |
| At 1 April 2003,                  | 於二零零三年四月一日、  |  |                                 |
| 31 March 2004                     | 二零零四年三月三十一日  |  |                                 |
| and 31 March 2005                 | 及二零零五年三月三十一日 | 5,000,000,000                          | 500,000                         |
| Issued and fully paid:            | 發行及繳足：       |  |                                 |
| At 1 April 2003,                  | 於二零零三年四月一日、  |  |                                 |
| 31 March 2004                     | 二零零四年三月三十一日  |  |                                 |
| and 31 March 2005                 | 及二零零五年三月三十一日 | 825,000,000                            | 82,500                          |

There was no movement in the Company's share capital for both years.

本公司之股本於兩個年度並無變動。

### 25. SHARE OPTION SCHEME

The Company's share option scheme (the "Scheme") was adopted pursuant to a resolution passed on 14 December 2001 for the purpose of providing incentives to directors and eligible persons. The Scheme will remain in force for a period of 10 years from adoption of such scheme and will expire on 13 December 2010.

Under the Scheme, the Board of Directors of the Company (the "Directors") may at their discretion grant options to (i) any director, employee or consultant of the Group or a company in which the Group holds an equity interest or a subsidiary of such company ("Affiliate"); or (ii) any discretionary trust whose discretionary objects include any director, employee or consultant of the Group or an Affiliate; or (iii) a company beneficially owned by any director, employee or consultant of the Group or an Affiliate; or (iv) any customer, supplier or adviser as may be determined by the Directors from time to time to subscribe for the shares of the Company (the "Shares").

### 25. 購股權計劃

本公司根據一項於二零零一年十二月十四日通過之決議案，已採納購股權計劃（「計劃」），以獎勵董事及合適人士。計劃從採納後十年內有效，並於二零一零年十二月十三日屆滿。

根據計劃，本公司董事會（「董事會」）可酌情向(i)本集團、本集團擁有股本權益之公司或該公司之附屬公司（「聯屬公司」）之任何董事、僱員或顧問；或(ii)受益人包括本集團或其聯屬公司之任何董事、僱員或顧問之任何全權信託；或(iii)由本集團或其聯屬公司之任何董事、僱員或顧問實益擁有之公司；或(iv)由董事會於不時決定之任何客戶、供應商或顧問授予購股權以認購本公司股份（「股份」）。

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 March 2005 截至二零零五年三月三十一日止年度

### 25. SHARE OPTION SCHEME (CONTINUED)

Options granted must be taken up within 21 days of the date of grant. The maximum number of Shares in respect of which options may be granted under the Scheme shall not exceed 10% of the issued share capital of the Company at any point in time. The maximum number of Shares in respect of which options may be granted to any individual in any 12-month period shall not exceed 1% of the Shares in issue on the last date of such 12-month period unless approval of the shareholders of the Company has been obtained in accordance with the Listing Rules.

Options may be exercised during such period (including the minimum period, if any, for which an option must be held before it can be exercised) as may be determined by the Directors (which shall be less than ten years from the date of issue of the relevant option). Options may be granted without initial payment. The exercise price is equal to the highest of (i) nominal value of the Shares; (ii) the closing price per share as stated in the Stock Exchange's daily quotations sheets on the date of the grant of the options; and (iii) the average closing price per share as stated in the Stock Exchange's daily quotations sheets for the five business days immediately preceding the date of the grant of the options.

The financial impact of share options granted is not recorded in the Company's or the Group's balance sheet until such time as the options are exercised, and no charge is recognised in the income statement in respect of the value of options granted in the year. Upon the exercise of the share options, the resulting shares issued are recorded by the Company as additional share capital at the nominal value of the shares, and the excess of the exercise price per share over the nominal value of the shares is recorded by the Company in the share premium account. Options which lapse or are cancelled prior to their exercise date are deleted from the register of outstanding options.

No options were granted by the Company under the Scheme since its adoption.

### 25. 購股權計劃(續)

獲授予之購股權必須於獲授日起計21天內接納。有關根據計劃所授出之購股權所涉及之股份數目，在任何時候最高不得超過本公司已發行股本之10%。除非根據上市規則獲得本公司股東批准，否則於任何十二個月期間授予任何個別人士之購股權之最高股份數目，不得超過於該十二個月期間之最後一日已發行股份之1%。

購股權可於董事會釐定之有關期間(該期間將由發行有關購股權起計十年內，並包括購股權可予行使前必須持有之最短期限(如有))內行使。購股權可在毋須作出初期付款之情況下授出，並可按下述三項中之最高者作為行使價格(i)股份之面值；(ii)股份於授出購股權當日聯交所每日報價表所列之每股收市價；及(iii)股份於緊貼授出日期前五個交易日在聯交所之每日報價表所列之平均每股收市價。

在購股權被行使當日前，授出購股權之財務影響並未錄入本公司或本集團之資產負債表，年內授出購股權之價值亦未在收益表中確認為支出。直至行使購股權時，本公司乃按股份之票面值將行使購股權所發行之股份記錄為新增之股本，而每股行使價超出股份票面值之餘額則錄入本公司之股份溢價賬中。已失效或於行使日期前已被取消之購股權將從未行使之購股權登記冊中刪除。

自計劃採納以來，本公司並無根據計劃授出購股權。

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### 26. RESERVES

|                                     |              | Share<br>premium<br>股份溢價<br>HK\$'000<br>千港元 | Contributed<br>surplus<br>實繳盈餘<br>HK\$'000<br>千港元 | Accumulated<br>profits<br>累計溢利<br>HK\$'000<br>千港元 | Total<br>合計<br>HK\$'000<br>千港元 |
|-------------------------------------|--------------|---|---|---|--------------------------------|
| <b>THE COMPANY</b>                  | <b>本公司</b>   |   |   |   |                                |
| At 1 April 2003                     | 於二零零三年四月一日   | 20,307                                      | 112,338   | 41,478  | 174,123                        |
| Profit attributable to shareholders | 股東應佔溢利       | –   | –   | 65,984  | 65,984                         |
| Dividends (note 10)                 | 股息(附註10)     | –   | –   | (66,000)  | (66,000)                       |
| At 31 March 2004                    | 於二零零四年三月三十一日 | 20,307                                      | 112,338   | 41,462  | 174,107                        |
| Profit attributable to shareholders | 股東應佔溢利       | –   | –   | 65,952  | 65,952                         |
| Dividends (note 10)                 | 股息(附註10)     | –   | –   | (66,000)  | (66,000)                       |
| At 31 March 2005                    | 於二零零五年三月三十一日 | 20,307                                      | 112,338   | 41,414  | 174,059                        |

The contributed surplus of the Company represents the difference between the aggregate net tangible assets of the subsidiaries acquired by the Company pursuant to the group reorganisation in December 2001 and the nominal value of the Company's shares issued for the acquisition.

The Company's reserves available for distribution to its shareholders comprise share premium, contributed surplus and accumulated profits which in aggregate amounted to approximately HK\$174.1 million as at 31 March 2005 (2004: HK\$174.1 million). Under the Companies Law (Revised) of the Cayman Islands, the share premium of the Company is available for paying distributions or dividends to shareholders subject to the provisions of its Memorandum and Articles of Association and provided that immediately following the payment of distributions or dividends, the Company is able to pay its debts as they fall due in the ordinary course of business. In accordance with the Company's Articles of Association, dividends shall be payable out of the profits or other reserves, including the share premium account, of the Company.

### 27. PARTIAL DISPOSAL OF INTEREST IN A SUBSIDIARY

During the year ended 31 March 2004, the Group disposed of 49% equity interest in Cititower Pacific Limited ("Cititower") for a consideration of HK\$17,141,000 to a director and an employee of a subsidiary of the Company (collectively the "Purchasers"). The disposal resulted in a gain of HK\$1,548,000 to the Group for the year ended 31 March 2004.

### 26. 儲備

本公司之實繳盈餘乃本公司透過二零零一年十二月之集團重組所收購之附屬公司之有形資產淨值總和與本公司因該收購而發行之股本面值之差額。

於二零零五年三月三十一日，本公司可分派予股東之儲備，包括股份溢價、實繳盈餘及累計溢利累計達約 174,100,000 港元(二零零四年：174,100,000 港元)。根據開曼群島公司法(經修訂)，本公司之股份溢價可用作分派或作為股息派發予股東，惟該分派及派發股息須符合本公司組織章程大綱及細則之規定及在分派及派發股息後，本公司亦可足以於日常業務之債項到期時償還款項。根據本公司之組織章程及細則，本公司之股息可由溢利或其他儲備，包括股份溢價賬中提取。

### 27. 出售一間附屬公司部份權益

於截至二零零四年三月三十一日止年度內，本集團已出售於Cititower Pacific Limited (「Cititower」)之49%權益予本公司一附屬公司之一名董事及一名僱員(統稱為「買主」)，代價為17,141,000港元。是次出售為本集團於截至二零零四年三月三十一日止年度帶來1,548,000港元之收益。

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### 28. DISPOSAL OF SUBSIDIARIES

During the year, the Group disposed of all the interest in Foreland Pacific Limited and its subsidiaries for a consideration of HK\$56,930,000. The net assets of Foreland Pacific Limited and its subsidiaries at the date of disposal were as follows:

|                                      |               | 2005<br>二零零五年<br>HK\$'000<br>千港元 | 2004<br>二零零四年<br>HK\$'000<br>千港元 |
|--------------------------------------|---------------|----------------------------------|----------------------------------|
| <b>NET ASSETS DISPOSED OF</b>        | <b>出售之淨資產</b> |                                  |                                  |
| Property, plant and equipment        | 物業、廠房及設備      | 4,420                            | —                                |
| Inventories                          | 存貨            | 24,140                           | —                                |
| Trade and other receivables          | 應收貿易及其他款項     | 61,118                           | —                                |
| Taxation recoverable                 | 可收回稅項         | 269                              | —                                |
| Bank balances and cash               | 銀行結餘及現金       | 8,442                            | —                                |
| Trade and other payables             | 應付貿易及其他款項     | (38,192)                         | —                                |
| Taxation payable                     | 應付稅項          | (423)                            | —                                |
| Bank and other borrowings            | 銀行及其他借貸       | (9,322)                          | —                                |
| Minority interests                   | 少數股東權益        | (24,721)                         | —                                |
|                                      |               | <b>25,731</b>                    | <b>—</b>                         |
| Gain on disposal                     | 出售之收益         | 31,199                           | —                                |
| Total consideration                  | 總代價           | <b>56,930</b>                    | <b>—</b>                         |
| Satisfied by:                        | 支付方式：         |                                  |                                  |
| Cash                                 | 現金            | 56,930                           | —                                |
| Net cash inflow arising on disposal: | 來自出售之淨現金流入：   |                                  |                                  |
| Cash consideration                   | 現金代價          | 56,930                           | —                                |
| Bank balances and cash disposed of   | 已出售之銀行結餘及現金   | (8,442)                          | —                                |
|                                      |               | <b>48,488</b>                    | <b>—</b>                         |

The subsidiaries disposed of during the year contributed HK\$239,018,000 (2004: HK\$306,054,000) to the Group's turnover and HK\$30,626,000 (2004: HK\$13,887,000) to the Group's profit from operations.

### 28. 出售附屬公司

年內，本集團以代價HK\$56,930,000出售Foreland Pacific Limited及其附屬公司之全部權益。Foreland Pacific Limited及其附屬公司於出售當天之淨資產如下：

|                                      | 2005<br>二零零五年<br>HK\$'000<br>千港元 | 2004<br>二零零四年<br>HK\$'000<br>千港元 |
|--------------------------------------|----------------------------------|----------------------------------|
| <b>NET ASSETS DISPOSED OF</b>        |                                  |                                  |
| Property, plant and equipment        | 4,420                            | —                                |
| Inventories                          | 24,140                           | —                                |
| Trade and other receivables          | 61,118                           | —                                |
| Taxation recoverable                 | 269                              | —                                |
| Bank balances and cash               | 8,442                            | —                                |
| Trade and other payables             | (38,192)                         | —                                |
| Taxation payable                     | (423)                            | —                                |
| Bank and other borrowings            | (9,322)                          | —                                |
| Minority interests                   | (24,721)                         | —                                |
|                                      | <b>25,731</b>                    | <b>—</b>                         |
| Gain on disposal                     | 31,199                           | —                                |
| Total consideration                  | <b>56,930</b>                    | <b>—</b>                         |
| Satisfied by:                        |                                  |                                  |
| Cash                                 | 56,930                           | —                                |
| Net cash inflow arising on disposal: |                                  |                                  |
| Cash consideration                   | 56,930                           | —                                |
| Bank balances and cash disposed of   | (8,442)                          | —                                |
|                                      | <b>48,488</b>                    | <b>—</b>                         |

出售之附屬公司於年內貢獻239,018,000港元(二零零四年：306,054,000港元)予本集團之營業額及30,626,000港元(二零零四年：13,887,000港元)予本集團之經營溢利。

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### 29. MAJOR NON CASH TRANSACTION

Among the total consideration of HK\$17,141,000 for the disposal of Cititower, HK\$11,291,000 was offset with the bonuses payable to the Purchasers during the year ended 31 March 2004.

### 29. 主要非現金交易

在出售Cititower之總代價17,141,000港元中，其中11,291,000港元乃與截至二零零四年三月三十一日止年度內應付予買主之花紅對銷。

### 30. OPERATING LEASES

### 30. 經營租約

|  |             | THE GROUP<br>本集團                 |                                  |
|--|-------------|----------------------------------|----------------------------------|
|  |             | 2005<br>二零零五年<br>HK\$'000<br>千港元 | 2004<br>二零零四年<br>HK\$'000<br>千港元 |
| Minimum lease payments paid under operating leases in respect of | 經營租約之最低租金付款 |                                  |                                  |
| – land and buildings   | – 土地及樓宇     | 3,305                            | 5,801                            |
| – equipment  | – 設備        | 225                              | 1,724                            |
|  |             | <b>3,530</b>                     | <b>7,525</b>                     |

At the balance sheet date, the Group had commitments for future minimum lease payments under non-cancellable operating leases which fall due as follows:

於結算日，本集團就不可註銷經營租約之未來最低租金付款承擔如下：

|                                       |          | THE GROUP<br>本集團                 |                                  |                                  |                                  |
|---------------------------------------|----------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|
|                                       |          | Land and buildings<br>土地及樓宇      |                                  | Equipment<br>設備                  |                                  |
|                                       |          | 2005<br>二零零五年<br>HK\$'000<br>千港元 | 2004<br>二零零四年<br>HK\$'000<br>千港元 | 2005<br>二零零五年<br>HK\$'000<br>千港元 | 2004<br>二零零四年<br>HK\$'000<br>千港元 |
| Within one year                       | 一年內      | 608                              | 3,708                            | –                                | 418                              |
| In the second to fifth year inclusive | 於第二至第五年內 | 574                              | 5,930                            | –                                | 543                              |
| Over five years                       | 超過五年     | –                                | 191                              | –                                | –                                |
|                                       |          | <b>1,182</b>                     | <b>9,829</b>                     | <b>–</b>                         | <b>961</b>                       |



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For the year ended 31 March 2005 截至二零零五年三月三十一日止年度

### 32. CONTINGENT LIABILITIES

|  |                          | THE GROUP<br>本集團                 |                                  | THE COMPANY<br>本公司               |                                  |
|--|--------------------------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|
|  |                          | 2005<br>二零零五年<br>HK\$'000<br>千港元 | 2004<br>二零零四年<br>HK\$'000<br>千港元 | 2005<br>二零零五年<br>HK\$'000<br>千港元 | 2004<br>二零零四年<br>HK\$'000<br>千港元 |
| Export bills discounted<br>with recourse   | 附有追索權之<br>出口票據貼現         | -                                | 2,225                            | -                                | -                                |
| Guarantees given to banks<br>in respect of credit facilities<br>extended to subsidiaries | 就附屬公司獲授之信貸額<br>而向銀行作出之擔保 | -                                | -                                | 80,500                           | 93,300                           |

At 31 March 2005, the subsidiaries of the Company have not utilised any of the facilities granted by the banks which are guaranteed by the Company.

於二零零五年三月三十一日，本公司之附屬公司並無使用由銀行就本公司作出擔保而授予之任何信貸。

### 33. RETIREMENT BENEFIT SCHEMES

#### Defined benefit scheme

The Group is a member of a defined benefit scheme which was open to qualified employees of companies under the control of Fortune Star. In December 2000, all the then existing members of the defined benefit scheme were enrolled into a MPF Scheme and their accrued benefits for the past services under the defined benefit scheme were frozen as at 30 November 2000. The defined benefit scheme was closed to new employees from December 2000 onwards.

Under the defined benefit scheme, employees are entitled to retirement benefits varying between 0 and 100% of their salary as at 30 November 2000 multiplied by the pensionable service up to 30 November 2000 on attainment of a retirement age of 55. No other post-retirement benefits are provided.

The most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation was carried out as at 31 March 2005 by HSBC Life (International) Limited. The present value of the defined benefit obligation, the related current service cost and past service cost were measured using the projected unit credit method.

### 33. 退休福利計劃

#### 界定利益計劃

本集團為一項界定利益計劃之成員，該計劃專為受Fortune Star控制之公司之合資格僱員而設。於二零零零年十二月，界定利益計劃當時之所有成員已登記加入強積金計劃，其於界定利益計劃下過往服務之累積利益已於二零零零年十一月三十日被凍結，界定利益計劃亦由二零零零年十二月起不再接受新僱員加入。

根據界定利益計劃，僱員於年屆五十五歲退休之齡時，可收取之退休福利乃相等於其於二零零零年十一月三十日之薪酬之0%至100%不等，並乘以截至二零零零年十一月三十日止之應計算退休金之服務年資。本集團並未提供其他退休後福利。

計劃資產及界定利益承擔現值之最近期精算評估乃由滙豐人壽保險(國際)有限公司於二零零五年三月三十一日作出評估。界定利益承擔現值、相關之現時服務成本及過往服務成本乃採用預估單位利益法計算。

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For the year ended 31 March 2005 截至二零零五年三月三十一日止年度

### 33. RETIREMENT BENEFIT SCHEMES (CONTINUED)

#### Defined benefit scheme (continued)

The main actuarial assumptions used were as follows:

|                                   |          |
|-----------------------------------|----------|
| Discount rate                     | 貼現率      |
| Expected return on plan assets    | 計劃資產預期回報 |
| Expected rate of salary increases | 薪酬預期增幅   |

The actuarial valuation shows that the market value of plan assets at 31 March 2005 was HK\$9,046,000 (2004: HK\$10,700,000) and that the actuarial value of these assets represented 114% (2004: 150%) of the benefits that were accrued to members.

The charge (credit) recognised in the consolidated income statement in respect of the defined benefit scheme is as follows:

|  |             |
|--|-------------|
| Current service cost                       | 現時服務成本      |
| Interest cost                              | 利息成本        |
| Expected return on plan assets             | 計畫資產預期回報    |
| Past service cost                          | 過往服務成本      |
| Net actuarial gains                        | 精算淨收益       |
| Total, included in administrative expenses | 合計，已包括入行政費用 |

The actual return on plan assets for the year was HK\$492,000 (2004: HK\$510,000).

### 33. 退休福利計劃(續)

#### 界定利益計劃(續)

所採用之主要精算假設如下：

| 2005<br>二零零五年<br>Per annum<br>年率 | 2004<br>二零零四年<br>Per annum<br>年率 |
|----------------------------------|----------------------------------|
| 5%                               | 5%                               |
| 5%                               | 5%                               |
| 0%                               | 0%                               |

精算評估顯示計劃資產於二零零五年三月三十一日之市值為9,046,000港元(二零零四年：10,700,000港元)，而該等資產之精算價值乃相當於計劃成員應得利益之114%(二零零四年：150%)。

在綜合收益表內就界定利益計劃已確認之開支(收入)如下：

| 2005<br>二零零五年<br>HK\$'000<br>千港元 | 2004<br>二零零四年<br>HK\$'000<br>千港元 |
|----------------------------------|----------------------------------|
| -                                | -                                |
| 275                              | 294                              |
| (489)                            | (513)                            |
| 777                              | 765                              |
| (19)                             | (4)                              |
| 544                              | 542                              |

本年度計劃資產之實際回報為492,000港元(二零零四年：510,000港元)。

# Notes to the Financial Statements

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For the year ended 31 March 2005 截至二零零五年三月三十一日止年度

### 33. RETIREMENT BENEFIT SCHEMES (CONTINUED)

#### Defined benefit scheme (continued)

The amount included in the balance sheet in respect of the Group's defined benefit scheme is as follows:

|                                     |           |
|-------------------------------------|-----------|
| Fair value of plan assets           | 計劃資產之公平價值 |
| Unrecognised actuarial losses       | 未確認之精算虧損  |
| Present value of funded obligations | 承擔款項之現值   |

The fair value of the plan assets does not include any equity shares in the Company or property held by the Group.

Movements in the net asset in the year were as follows:

|                           |           |
|---------------------------|-----------|
| At beginning of the year  | 於年初       |
| Amounts charged to income | 已於收入扣除之數額 |
| At end of the year        | 於年終       |

#### Defined contribution scheme

The Group operates a MPF Scheme for all qualifying employees. The assets of the scheme are held separately from those of the Group, in funds under the control of trustees. The Group contributes the lower of HK\$1,000 or 5% of the relevant monthly payroll costs to the MPF Scheme, which contribution is matched by employees.

### 33. 退休福利計劃(續)

#### 界定利益計劃(續)

本集團之界定利益計劃已列入資產負債表之數額如下：

| 2005<br>二零零五年<br>HK\$'000<br>千港元 | 2004<br>二零零四年<br>HK\$'000<br>千港元 |
|----------------------------------|----------------------------------|
| 9,046                            | 10,700                           |
| 2,243                            | 366                              |
| (7,923)                          | (7,156)                          |
| <b>3,366</b>                     | <b>3,910</b>                     |

計劃資產之公平價值並無包含本公司之股本權益或本集團持有之物業。

年內資產淨額變動如下：

| 2005<br>二零零五年<br>HK\$'000<br>千港元 | 2004<br>二零零四年<br>HK\$'000<br>千港元 |
|----------------------------------|----------------------------------|
| 3,910                            | 4,452                            |
| (544)                            | (542)                            |
| <b>3,366</b>                     | <b>3,910</b>                     |

#### 界定供款計劃

本集團為所有合資格的僱員設立一項強積金計劃。該計劃之資產與本集團之資產分開持有，並由受託人控制。本集團向強積金計劃供款1,000港元或有關每月薪酬成本之5%（以較低者為準），而僱員之供率比率相同。

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 March 2005 截至二零零五年三月三十一日止年度

### 34. CONNECTED TRANSACTIONS AND BALANCES

The Group had significant transactions and balances with related parties, some of which are also deemed to be connected persons pursuant to the Listing Rules, during the year and at the balance sheet date as follows:

### 34. 關連交易及結餘

年內，本集團與相關各方，當中包括根據上市規則同時被界定為關連人士所進行之重大交易及於年結日之結餘如下：

| Name of party   | Nature of transactions/balance   | THE GROUP                        |                                  |
|---|--|----------------------------------|----------------------------------|
|   |  | 2005<br>HK\$'000<br>二零零五年<br>千港元 | 2004<br>HK\$'000<br>二零零四年<br>千港元 |
|   |  |                                  | 本集團                              |
| 關連方名稱   | 交易性質／結餘  |                                  |                                  |
| Hans Energy and its subsidiaries<br>("Hans Energy Group")<br>漢思能源及其附屬公司<br>(「漢思集團」)                   | Corrugated cardboard and carton<br>boxes purchased (note a)<br>購買瓦楞紙板及紙箱 (附註a) | <b>5,583</b>                     | 7,309                            |
|   | Management fee income received (note b)<br>管理費收入 (附註b)                         | <b>432</b>                       | 737                              |
|   | Balance due to the Hans Energy Group<br>應付漢思集團結餘                               | –                                | 1,545                            |
| Lee & Man Manufacturing<br>理文製造廠  | Management fee income received (note b)<br>管理費收入 (附註b)                         | <b>210</b>                       | 269                              |
|   | Licence fee received (note c)<br>已收使用權費 (附註c)                                  | <b>705</b>                       | –                                |
|   | Balance due from Lee & Man Manufacturing<br>應收理文製造廠結餘                          | –                                | 20                               |
| Lee & Man Paper Manufacturing<br>Limited ("Lee & Man Paper<br>Manufacturing")<br>理文造紙有限公司<br>(「理文造紙」) | Management fee income received (note d)<br>管理費收入 (附註d)                         | <b>399</b>                       | 505                              |
| Lee & Man Realty Investment<br>Limited ("Lee & Man Realty")<br>理文置業有限公司<br>(「理文置業」)                   | Licence fee paid (note e)<br>已付使用權費 (附註e)                                      | <b>1,368</b>                     | 1,454                            |
| Subsidiaries of Fortune Star<br>Fortune Star之附屬公司   | Corrugated cardboard and carton<br>boxes purchased (note a)<br>購買瓦楞紙板及紙箱 (附註a) | <b>1,121</b>                     | –                                |
|   | Management fee income received (note b)<br>管理費收入 (附註b)                         | <b>143</b>                       | –                                |
|   | Balance due to subsidiaries of Fortune Star<br>應付Fortune Star附屬公司結餘            | <b>544</b>                       | –                                |

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 March 2005 截至二零零五年三月三十一日止年度

### 34. CONNECTED TRANSACTIONS AND BALANCES (CONTINUED)

On 1 August 2003, the Group disposed of 32.67% equity interest in Cititower to a director of Cititower for a consideration of HK\$11,427,000. Cititower is a former subsidiary of the Company.

Notes:

- a. The Group has agreed to purchase corrugated cardboard and carton boxes from time to time from Lee & Man Industrial Manufacturing Limited ("Lee & Man Industrial"). The purchase prices are negotiated on a case by case basis in the ordinary course of business by reference to the prevailing market conditions.

Lee & Man Industrial is beneficially owned by Capital Nation Investments Limited ("Capital Nation"), which was a former subsidiary of Hans Energy and was disposed of to a subsidiary of Fortune Star on 29 December 2004.

- b. The Group has agreed to procure its subsidiaries to provide (i) use of office facilities and equipment, (ii) use of transportation facilities, and (iii) management service including administrative and financial services to Lee & Man Paper Products Company Limited and Lee & Man Manufacturing for a monthly management fee on a cost basis.

Lee & Man Paper Products Company Limited is beneficially owned by Capital Nation.

- c. Pursuant to a licence agreement (the "Licence Agreement") entered into between Lee & Man Company Limited ("Lee & Man Company"), a wholly-owned subsidiary of the Company, and Lee & Man Manufacturing, Lee & Man Company has agreed to grant licence to Lee & Man Manufacturing to enter into possession of and occupy certain facilities and office space at Gao Bu Industrial Park for a term of one year (which may be extended annually if agreed by both parties) commencing 1 April 2004 for a monthly licence fee of approximately RMB40,000.

### 34. 關連交易及結餘(續)

於二零零三年八月一日，本集團以11,427,000港元之代價出售Cititower之32.67%股本權益予Cititower之一名董事。Cititower乃本公司之前附屬公司。

附註：

- a. 本集團同意將會陸續從Lee & Man Industrial Manufacturing Limited (「理文實業」) 購買瓦楞紙板及紙箱。購買價格於日常業務過程中參考當時市場情況後逐次商議。

理文實業乃由Capital Nation Investments Limited (「Capital Nation」) 實益擁有。Capital Nation 為漢思能源之前附屬公司及於二零零四年十二月二十九日出售予 Fortune Star。

- b. 本集團同意促使其附屬公司向理文紙品有限公司及理文製造廠提供(i)辦公室設施及設備；(ii)運輸設施；及(iii)管理服務包括行政及財政服務，並按成本每月收取管理費。

理文紙品有限公司乃由Capital Nation 實益擁有。

- c. 根據理文洋行有限公司(「理文洋行」，本公司之全資附屬公司)與理文製造廠簽訂一份使用權協議(「使用權協議」)，理文洋行同意授予理文製造廠於高步工業城若干指定設施及寫字樓地方之使用權，由二零零四年四月一日起為期一年(如雙方同意可每年續期)，每月使用權費約40,000元人民幣。

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 March 2005 截至二零零五年三月三十一日止年度

### 34. CONNECTED TRANSACTIONS AND BALANCES (CONTINUED)

Notes: (continued)

The Licence Agreement also provides that if Lee & Man Manufacturing requires the use of additional areas in the premises during the term of the Licence Agreement, Lee & Man Company may grant further licences to Lee & Man Manufacturing to enter into possession of and occupy such areas not exceeding 3,000 square metres for a monthly licence fee which is calculated on the basis of the number of square metres of the areas of such premises times RMB8 per square metre.

- d. Pursuant to the management services agreement entered into between Lee & Man Management Company Limited ("Lee & Man Management"), a wholly owned subsidiary of the Company, and Lee & Man Paper Manufacturing, which is an associate (as defined in the Listing Rules) of Fortune Star, on 8 September 2003 for a term of one year from 1 September 2003, Lee & Man Management will provide administrative and secretarial services to Lee & Man Paper Manufacturing and the right to use Lee & Man Management's office as registered office at monthly services fee of approximately HK\$72,000. The management service agreement was renewed on 2 September 2004 for a term of one year from 1 September 2004 at monthly services fee of HK\$5,500.
- e. Pursuant to two licence agreements entered into between Lee & Man Management and Lee & Man Realty, which is beneficially owned by Mr. Lee Wan Keung, an associate of Fortune Star, and Mr. Lee Man Yan, a director of the Company, Lee & Man Realty has agreed to grant licences to Lee & Man Management and subsidiaries of the Company to enter into possession of and occupy certain office space of Lee & Man Realty for a term of three years commencing 1 January 2002 for a total monthly licence fee of approximately HK\$157,000. The total monthly licence fee has decreased to HK\$114,000 effective from 1 June 2003 as mutually agreed.

### 34. 關連交易及結餘(續)

附註：(續)

使用權協議同時訂明，如理文製造廠於使用權協議期內有需要使用樓房內更多地方，理文洋行可額外提供不超過3,000平方米之地方予其使用，使用權費按每平方米每月8元人民幣計算。

- d. 根據理文管理有限公司(「理文管理」，本公司之全資附屬公司)與理文造紙(根據上市規則涵義為Fortune Star之聯繫人)於二零零三年九月八日所簽訂一份由二零零三年九月一日起為期一年之管理服務協議，理文管理向理文造紙提供行政及秘書服務，以及授權理文造紙使用理文管理之辦事處為註冊辦事處，每月服務費約72,000港元。管理服務協議於二零零四年九月二日以每月服務費5,500港元由二零零四年九月一日起續期一年。
- e. 根據理文管理與理文置業(由Fortune Star之聯繫人李運強先生及本公司董事李文恩先生實益擁有)所簽訂之兩份使用權協議，理文置業同意由二零零二年一月一日起為期三年，以每月合共約157,000港元之使用權費向理文管理及本公司之附屬公司授予使用若干辦公室地方之使用權。其後雙方同意由二零零三年六月一日起將每月使用權費下調至合共114,000港元。

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 March 2005 截至二零零五年三月三十一日止年度

### 35. PRINCIPAL SUBSIDIARIES

Details of the Company's principal subsidiaries at 31 March 2005 are as follows:

| Name of subsidiary                              | Place of incorporation | Nominal value of issued and fully paid share capital                                | Attributable equity interest | Principal activities #                              |
|---|------------------------|---|------------------------------|---|
| 附屬公司名稱  | 註冊成立地點                 | 已發行及繳足股本面值  | 所佔權益                         | 主要業務#   |
| Lee & Man Development                           | British Virgin Islands | Shares – US\$90   | 100%                         | Investment holding                                  |
| 理文發展  | 英屬維爾京群島                | 股份 – 90美元   |                              | 投資控股  |
| Lee & Man Company                               | Hong Kong              | Ordinary shares<br>– HK\$1,000,000<br>Non-voting deferred shares<br>– HK\$1,000,000 | 100%                         | Manufacture and sales of handbags and luggage       |
| 理文洋行  | 香港                     | 普通股份<br>– 1,000,000港元<br>無投票權遞延股份<br>– 1,000,000港元                                  |                              | 製造及銷售手袋及行李箱   |
| Lee & Man Handbag Manufacturing Company Limited | Hong Kong              | Ordinary shares<br>– HK\$10,000<br>Non-voting deferred shares<br>– HK\$500,000      | 100%                         | Manufacture and sales of handbags and luggage       |
| 理文手袋廠有限公司                                       | 香港                     | 普通股份<br>– 10,000港元<br>無投票權遞延股份<br>– 500,000港元                                       |                              | 製造及銷售手袋及行李箱   |
| Lee & Man Management                            | Hong Kong              | Ordinary shares<br>– HK\$2  | 100%                         | Provision of management and administration services |
| 理文管理  | 香港                     | 普通股份<br>– 2港元   |                              | 提供管理及行政服務   |

# The principal activities are carried out in the PRC and Hong Kong.

### 35. 主要附屬公司

本公司於二零零五年三月三十一日之主要附屬公司之詳情如下：

# 主要業務均在中國及香港進行。

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 March 2005 截至二零零五年三月三十一日止年度

### 35. PRINCIPAL SUBSIDIARIES (CONTINUED)

Only Lee & Man Development is directly held by the Company.

The deferred shares practically carry no rights to participate in profits or surplus assets or to receive notice of or to attend or vote at any general meeting of the respective companies or to participate in any distribution on winding up.

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

None of the subsidiaries had any debt securities outstanding at the end of the year, or at any time during the year.

### 35. 主要附屬公司(續)

只有理文發展由本公司直接持有。

遞延股份並無權利參與分派溢利或盈餘資產或接收各有關公司任何股東大會之通告或出席大會或於會上投票或參與清盤之任何分派。

董事認為上表載列之本公司附屬公司，乃主要影響本集團之業績或資產之公司。董事認為若提供其他附屬公司之詳情將導致篇幅冗長。

附屬公司於年終或年內任何時間概無任何未贖回之債務證券。

# Financial Summary

## 財務概要

|                                     |             | Year ended 31 March<br>截至三月三十一日止年度 |                 |                 |                 | 2005            |
|-------------------------------------|-------------|------------------------------------|-----------------|-----------------|-----------------|-----------------|
|                                     |             | 2001<br>二零零一年                      | 2002<br>二零零二年   | 2003<br>二零零三年   | 2004<br>二零零四年   | 二零零五年           |
|                                     |             | HK\$'000<br>千港元                    | HK\$'000<br>千港元 | HK\$'000<br>千港元 | HK\$'000<br>千港元 | HK\$'000<br>千港元 |
| <b>RESULTS</b>                      | <b>業績</b>   |                                    |                 |                 |                 |                 |
| Turnover                            | 營業額         | 693,921                            | 703,791         | 919,261         | 955,750         | <b>942,045</b>  |
| Profit before taxation              | 除稅前溢利       | 85,898                             | 85,913          | 128,299         | 112,920         | <b>159,001</b>  |
| Income tax expenses                 | 所得稅支出       | (7,298)                            | (6,635)         | (12,616)        | (9,876)         | <b>(12,197)</b> |
| Profit before minority interests    | 未計少數股東權益前溢利 | 78,600                             | 79,278          | 115,683         | 103,044         | <b>146,804</b>  |
| Minority interests                  | 少數股東權益      | –                                  | –               | –               | (883)           | <b>(13,218)</b> |
| Profit attributable to shareholders | 股東應佔溢利      | 78,600                             | 79,278          | 115,683         | 102,161         | <b>133,586</b>  |

|                               |              | At 31 March<br>於三月三十一日 |                 |                 |                 | 2005            |
|-------------------------------|--------------|------------------------|-----------------|-----------------|-----------------|-----------------|
|                               |              | 2001<br>二零零一年          | 2002<br>二零零二年   | 2003<br>二零零三年   | 2004<br>二零零四年   | 二零零五年           |
|                               |              | HK\$'000<br>千港元        | HK\$'000<br>千港元 | HK\$'000<br>千港元 | HK\$'000<br>千港元 | HK\$'000<br>千港元 |
| <b>ASSETS AND LIABILITIES</b> | <b>資產及負債</b> |                        |                 |                 |                 |                 |
| Total assets                  | 資產總額         | 341,315                | 314,723         | 436,914         | 514,636         | <b>526,166</b>  |
| Total liabilities             | 負債總額         | (131,869)              | (79,932)        | (109,368)       | (131,618)       | <b>(68,160)</b> |
| Minority interests            | 少數股東權益       | –                      | –               | –               | (16,547)        | –               |
| Shareholders' funds           | 股東資金         | 209,446                | 234,791         | 327,546         | 366,471         | <b>458,006</b>  |