



理文造紙有限公司\*

*Lee & Man Paper Manufacturing Limited*

(Incorporated in the Cayman Islands with limited liability) Stock Code: 2314

(於開曼群島註冊成立之有限公司) 股份代號: 2314

2007/08 年報  
ANNUAL REPORT



\* 僅供識別

\* For identification purposes only

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# CORPORATE INFORMATION

## 公司資料

### Board of Directors

#### Executive director

Mr Lee Wan Keung Patrick (*Chairman*)  
Mr Lee Man Chun Raymond *BBS JP* (*Chief Executive Officer*)  
Mr Lee Man Bun  
Mr Li King Wai Ross  
Mr Tan Siak Him Alexander (resigned on 1 September 2007)

#### Non-executive director

Professor Poon Chung Kwong *GBS JP*

#### Independent non-executive director

Mr Wong Kai Tung Tony  
Ms Law Kar Shui Elizabeth  
Mr Heng Kwo Seng (resigned on 30 April 2008)

### Company Secretary

Mr Cheung Kwok Keung

### Registered Office

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

### Principal Office

5th Floor, Liven House  
61-63 King Yip Street  
Kwun Tong  
Kowloon  
Hong Kong

### Principal Bankers

#### In Hong Kong:

Hang Seng Bank  
Standard Chartered Bank  
Citibank, N.A.  
HSBC

#### In the PRC:

China Construction Bank  
Agricultural Bank of China  
Bank of China

### 董事會

#### 執行董事

李運強先生 (主席)  
李文俊先生 *BBS* 太平紳士 (行政總裁)  
李文斌先生  
李經緯先生  
陳錫鑫先生 (已於2007年9月1日辭任)

#### 非執行董事

潘宗光教授 *GBS* 太平紳士

#### 獨立非執行董事

王啓東先生  
羅嘉穗小姐  
邢詒春先生 (已於2008年4月30日辭任)

### 公司秘書

張國強先生

### 註冊辦事處

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

### 總辦事處

香港  
九龍觀塘  
敬業街61-63號  
利維大廈5樓

### 主要往來銀行

#### 香港：

恒生銀行  
渣打銀行  
花旗銀行  
滙豐銀行

#### 中國：

中國建設銀行  
中國農業銀行  
中國銀行

## **Auditor**

Deloitte Touche Tohmatsu  
*Certified Public Accountants*

## **Principal Share Registrar and Transfer Office**

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

## **Hong Kong Branch Share Registrar and Transfer Office**

Tricor Investor Services Limited  
26/F Tesbury Centre  
28 Queen's Road East  
Hong Kong

## **Website**

<http://www.leemanpaper.com>

## **核數師**

德勤•關黃陳方會計師行  
*執業會計師*

## **主要股份過戶登記處**

Bank of Butterfield International (Cayman) Ltd.  
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**

卓佳證券登記有限公司  
香港  
皇后大道東28號  
金鐘匯中心26樓

## **網址**

<http://www.leemanpaper.com>

# CHAIRMAN'S STATEMENT

## 主席報告

### Business Review

For the fiscal year of 2007/2008, the Group achieved a turnover of HK\$8,996 million and has recorded a net profit of HK\$1,431 million. This represents an increase in turnover of 74.3% and an increase in net profit of 41.7% over the same period last year. These excellent achievements are the results of our added capacities of PM9, PM10 and PM11, the increased tremendous efforts by the management on the project execution and supervision as well as the hard work of our managers and our staffs.

### Outlook

With rising energy costs and the global economies slowing down, we will face more challenges in the coming year. The management will make use of its experience to further strengthen the Group by focusing on cost control, sales network expansion, effective project management, and products diversification. During the fiscal year 2008/2009, we will start our first pulp production line in China (BHKP1), as well as two more containerboard production lines (PM12 and PM13), which includes our first containerboard production line in western China at Chongqing, will make contributions to our coming profits.

Further, our Vietnam project of annual containerboard capacity of 450,000 metric tons and annual bleached hardwood pulp capacity of 150,000 metric tons is now under construction and is scheduled to begin production within 2009. While the construction has many difficulties, we believe our management team is professional and has plenty of construction experiences to overcome any problems that may arise. Despite the currently short-term economics uncertainty in Vietnam, our management still strongly believes the Vietnam project will be a highly successful project for three main reasons. First, Vietnam has excellent wood supply which is beneficial for pulp production and there is not much competitors around. Second, we can export out of Vietnam competitively in terms of price and quality to Eastern Europe, the Middle East, and Central America whereas we cannot export out of China competitively due to the cancellation of the 17% tax rebate. Third, ASEAN's containerboard market demand is growing at a rapid pace. The management believes once the Vietnam project becomes operational, we will further achieve the market and product diversifications; and the project will make important contributions to the Group.


### 業務回顧

於2007/2008財政年度，本集團共錄得營業額89.96億港元及純利14.31億港元，營業額及純利較去年增長74.3%及41.7%。第九號、第十號及第十一號造紙機令集團產能增加，及領導層加大力度推動工作和加強監督，再加上集團上下員工的努力，令集團取得理想的業績。

### 展望

受到燃料成本上升及全球經濟放緩的因素，來年將會比以往困難得多，所以管理層將利用多年積累的經驗更加注重成本控制、拓展銷售網絡、項目管理效益及發展多元化產品。於2008/09財政年度，國內的第一條木漿生產線(BHKP1)及第十二號及第十三號(PM12及PM13)箱板原紙生產線(其中一條是位於中國西南重慶廠房的第一條箱板原紙生產線)將會正式投產，為來年營利作貢獻。

此外，越南項目，年產能45萬噸箱板原紙生產線及年產能15萬噸漂白硬木漿生產線現正趕建中，預計可於2009年內投產。儘管在建造過程中遇到不少困難，領導層相信憑著一支專業的團隊及多年豐富的建廠經驗，我們一定可以克服任何難題。雖然現時越南短期經濟氣氛不佳，但基於以下三個原因，管理層依然堅信越南項目是會成功的。首先，越南擁有豐富的木材資源，可以供應給木漿生產(行業競爭對手不多)。第二，適逢中國不鼓勵出口箱板原紙而取消了17%的出口稅務優惠的關係，集團越南廠的產品可以出口到東歐、中東及中美州等地，本司產品的價格及質量已具國際競爭力。第三，東盟本土的箱板原紙市場需求亦迅速增長。所以，越南廠正式營運後，將更加達到產品和市場分散的目的，將為集團帶來重大貢獻。



With lower costs, more products to sell, more places to sell to, as well as having a cooperative working team and honest, responsible management, future profits growth is guaranteed; and we will to share these profits with our shareholders and intend to set a target dividend payout ratio of 25%.

On behalf of the Board

**Lee Wan Keung Patrick**

*Chairman*

Hong Kong

17 July 2008

更低成本、產品多元、銷路寬廣、精誠合作的團隊及廉潔負責的領導層，是將來利潤增長的保證！我們亦會和股東們分享利潤，並預期目標派息率為25%。

承董事命

**李運強**

*主席*

香港

二零零八年七月十七日

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### Results of Operation

Turnover and net profit attributable to equity holders of the Company for the year ended 31 March 2008 was HK\$8,996 million and HK\$1,441 million, representing an increase of 74.3% and 42.7%, as compared to HK\$5,161 million and HK\$1,010 million, respectively, for last year. The basic earnings per share for the year was HK127.22 cents when compared with HK100.71 cents for last year.

The increase in turnover and net profit were mainly attributable to the significant increase in the Group's sales of containerboard mainly due to the result of the commercial operation of the PM8, PM9, PM10 and PM11 during the year.

### Distribution and Selling Expenses and Administrative Expenses

The Group's distribution and selling expenses and administrative expenses increased by approximately 85.2% and 44.5% from HK\$147 million and HK\$234 million for the year ended 31 March 2007 to HK\$272 million and HK\$338 million for the year ended 31 March 2008 respectively as a result of the expansion in the operation of the Group and the increase in the Group's turnover during the year.

### Finance Costs

The Group's finance costs was HK\$86.4 million for the year ended 31 March 2008 as compared to HK\$82.5 million for the year ended 31 March 2007. The increase was mainly due to the increase in average amount of outstanding bank borrowings during the year.

### Inventories, Debtors' and Creditors' Turnover

The inventory turnover of the Group's raw materials and finished products were 105 days and 11 days, respectively, for the year ended 31 March 2008 as compared to 120 days and 13 days, respectively, for the year ended 31 March 2007. This exhibits continued strong demand from our customers.

The Group's debtors' turnover days were 69 days for the year ended 31 March 2008 as compared to 58 days for the year ended 31 March 2007. This is in line with the credit terms of around 60 days granted by the Group to its customers.

### 經營業績

截至二零零八年三月三十一日止年度的營業額及股東應佔純利分別為89.96億港元及14.41億港元，較去年的51.61億港元及10.10億港元，分別增加74.3%及42.7%。本年度的每股盈利為127.22港仙，去年則為100.71港仙。

營業額及純利同告上升，主要歸因於本集團的第八號、第九號、第十號及第十一號造紙機於本年度投產，帶動本集團箱板原紙銷量激增所致。

### 分銷及銷售費用及行政費用

本集團的分銷及銷售費用及行政費用分別由截至二零零七年三月三十一日止年度的1.47億港元及2.34億港元，上升至截至二零零八年三月三十一日止年度的2.72億港元及3.38億港元，增加約85.2%及44.5%。銷售及分銷成本及行政費用有所增加，原因是本集團於年內擴充業務，以及本集團的營業額增加所致。

### 財務成本

截至二零零八年三月三十一日止年度，本集團的財務成本為86.4百萬港元，而於截至二零零七年三月三十一日止年度則為82.5百萬港元。財務成本上升主要由於年內未償還平均銀行貸款增加所致。

### 存貨、應收賬款及應付賬款周轉期

本集團於截至二零零八年三月三十一日止年度的原料及製成品存貨周轉期分別為105日及11日，而於截至二零零七年三月三十一日止年度則分別為120日及13日。由此可見，本集團客戶需求的增長勢頭依然強勁。

本集團於截至二零零八年三月三十一日止年度的應收賬款周轉期為69日，而於截至二零零七年三月三十一日止年度則為58日。上述應收賬款周轉期與本集團給予客戶約60日的信貸期相符。

The Group's creditors' turnover days were 37 days for the year ended 31 March 2008 as compared to 49 days for the year ended 31 March 2007 and is in line with the credit terms granted by the Group's suppliers to the Group.

## Liquidity, Financial Resources and Capital Structure

The total shareholders' fund of the Group as at 31 March 2008 was HK\$8,034 million (31 March 2007: HK\$6,571 million). As at 31 March 2008, the Group had current assets of HK\$5,736 million (31 March 2007: HK\$3,040 million) and current liabilities of HK\$4,371 million (31 March 2007: HK\$1,748 million). The current ratio was 1.31 as at 31 March 2008 as compared to 1.74 at 31 March 2007.

The Group generally finances its operations with internally generated cash flow and credit facilities provided by its principal bankers in Hong Kong and the PRC. As at 31 March 2008, the Group had outstanding bank borrowings of HK\$7,101 million (31 March 2007: HK\$2,080 million). These bank loans were secured by corporate guarantees provided by certain subsidiaries of the Company. The Group's net debt-to-equity ratio (total borrowings net of cash and cash equivalents over shareholders' equity) increased from 0.32 as at 31 March 2007 to 0.84 as at 31 March 2008 as a result of the capital expenditure spent on PM8, PM9, PM10 and PM11 during the year

The Group's liquidity position remains strong and the Group possesses sufficient cash and available banking facilities to meet its commitments, working capital requirements and future investments for expansion.

The Group's transactions and the monetary assets are principally denominated in Hong Kong dollars, Renminbi or United States dollars. The Group has not experienced any material difficulties or effects on its operations or liquidity as a result of fluctuations in currency exchange rates during the year ended 31 March 2008. During the year ended 31 March 2008, the Group has used currency structured instruments, foreign currency borrowings or other means to hedge its foreign currency exposure.

本集團於截至二零零八年三月三十一日止年度的應付賬款周轉期為37日，而於截至二零零七年三月三十一日止年度則為49日。上述應付賬款周轉期與供應商給予本集團的信貸期相符。

## 流動資金、財務資源及資本結構

於二零零八年三月三十一日，本集團的股東資金總額為80.34億港元（二零零七年三月三十一日：65.71億港元）。於二零零八年三月三十一日，本集團的流動資產達57.36億港元（二零零七年三月三十一日：30.40億港元），而流動負債則為43.71億港元（二零零七年三月三十一日：17.48億港元）。二零零八年三月三十一日的流動比率為1.31，二零零七年三月三十一日則為1.74。

本集團一般以內部產生的現金流量，以及中港兩地主要往來銀行提供的信貸備用額作為業務的營運資金。於二零零八年三月三十一日，本集團的未償還銀行貸款為71.01億港元（二零零七年三月三十一日：20.80億港元）。該筆銀行借貸由本公司若干附屬公司提供的公司擔保作為抵押。因年內第八號、第九號、第十號及第十一號造紙機的資本性開支，本集團的淨資本負債比率（借貸總額減現金及現金等價物除以股東權益）由二零零七年三月三十一日的0.32增加至二零零八年三月三十一日的0.84。

本集團的流動資金狀況保持穩健，且具備充裕的現金及可供動用的銀行備用額以應付集團的承擔、營運資金需要，並作為日後投資以擴充業務所需。

本集團的交易及貨幣資產主要以港元、人民幣或美元計值。截至二零零八年三月三十一日止年度，本集團的營運或流動資金未曾因匯率波動而面臨任何重大困難或影響。截至二零零八年三月三十一日止年度，本集團採用貨幣結構工具、外幣借貸或其他途徑作外幣對沖方法。



# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### Employees

As at 31 March 2008, the Group had a workforce of more than 8,000 people. Salaries of employees are maintained at competitive level and are reviewed annually, with close reference to the relevant labour market and economic situation. The Group also provides internal training to staff and provides bonuses based upon staff performance and profits of the Group.

The Group has not experienced any significant problems with its employees or disruption to its operations due to labour disputes nor has it experienced any difficulty in the recruitment and retention of experienced staff. The Group maintains a good relationship with its employees.

The Group has a share option scheme whereby employees of the Group are granted options to acquire shares in the Company.

### 僱員

於二零零八年三月三十一日，本集團擁有逾8,000名員工。僱員薪酬維持於具競爭力水平，並會每年審閱，且密切留意有關勞工市場及經濟市況趨勢。本集團亦為僱員提供內部培訓，並按員工表現及本集團盈利發放花紅。

本集團並無出現任何重大僱員問題，亦未曾因勞資糾紛令營運中斷，在招聘及挽留經驗豐富的員工時亦不曾出現困難。本集團與僱員的關係良好。

本集團設有購股權計劃，本集團僱員可據此授購股權，以認購本公司股份。

### Corporate Governance Practices

The Company is committed to maintaining high standards of corporate governance. The board of directors (the “Board”) of the Company believes that sound and reasonable corporate governance practices are essential for the growth of the Group and for safeguarding and maximizing shareholders’ interests. During the year under review, the Company has complied with the Code on Corporate Governance Practices (the “Code”) as set out in Appendix 14 of the Rules Governing the Listing of Securities (“Listing Rules”) on The Stock Exchange of Hong Kong Limited.

The objectives of the management structures within the Group, headed by the Board and led by the Chairman, are to deliver sustainable value to Shareholders.

The Chairman provides leadership to and oversees the effective functioning of the Board. With support of the Chief Executive Officer and the Company Secretary, the Chairman approves Board meeting agenda, and ensures Directors have proper briefing, and timely receive adequate and reliable information, on all Board matters.

The role of the Chairman is separate from that of the Chief Executive Officer, and different persons hold the separate offices. Chief Executive Officer heads the management and focuses on the day-to-day operations of the Group.

### Directors’ Securities Transactions

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (“Model Code”) as set out in Appendix 10 of the Listing Rules as a code of conduct regarding directors’ securities transactions in 2004. All the members of the Board have confirmed, following specific enquiry by the Company that they have complied with the required standard as set out in the Model Code throughout the year ended 31 March 2008. The Model Code also applies to other specified senior management of the Group.

### 企業管治常規

本公司致力保持高水準之企業管治。本公司董事會（「董事會」）相信，對本集團成長及對保障及提高股東權益，完善及合理的企業管治常規實在不可或缺。本公司於回顧年內一直遵守香港聯合交易所有限公司證券上市規則（「上市規則」）附錄14所載之企業管治常規守則（「守則」）。

本集團管理架構以主席領導的董事會為首，其目標是持續不斷為股東創造價值。

主席負責領導董事會並監督董事會，使其得以有效發揮功能。在行政總裁及公司秘書的支持下，主席批准董事會議程，並確保妥善向董事作出簡報，且及時就一切有關董事會的事宜向董事發放充足可靠的資料。

主席與行政總裁的職務明確劃分，職務由不同人士分別擔任。行政總裁負責領導管理層，專門負責本集團的日常營運。

### 董事之證券交易

本公司已於二零零四年採納上市規則附錄10所載之上市發行人董事進行證券交易的標準守則（「標準守則」）作為董事進行證券交易之行為守則。本公司經向所有董事作出具體查詢後，全體董事皆確認於截至二零零八年三月三十一日止年度均遵守標準守則所載之規定標準。標準守則亦適用於本集團之特定高級管理層。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### Board of Directors

#### Composition and Role

The Board comprises:

Executive Directors:

Mr Lee Wan Keung Patrick (*Chairman*)

Mr Lee Man Chun Raymond *BBS JP*

Mr Lee Man Bun

Mr Li King Wai Ross

Mr Tan Siak Him Alexander (resigned on 1 September 2007)

Non-executive Director:

Professor Poon Chung Kwong *GBS JP*

Independent Non-executive Director:

Mr Wong Kai Tung Tony

Ms Law Kar Shui Elizabeth

Mr Heng Kwoo Seng (resigned on 30 April 2008)

During the year, the Board comprises of five executive directors (one of whom is the Chairman), one non-executive director and three independent non-executive directors. The three independent non-executive directors represent one-third of the Board. In addition, three of the independent non-executive directors possess appropriate legal, professional accounting qualifications and financial management expertise.

The principal focus of the Board is on the overall strategic development of the Group. The Board also monitors the financial performance and the internal controls of the Group's business operations.

The independent non-executive directors also serve the important function of ensuring and monitoring the basis for an effective corporate governance framework. The Board considers that each independent non-executive director is independent in character and judgment and that they all meet the specific independence criteria as required by the Listing Rules. The Company has received from each independent non-executive director an annual confirmation or confirmation of his independence pursuant to Rule 3.13 of the Listing Rules. The independent non-executive directors are explicitly identified in all of the Company's corporate communications.

### 董事會

#### 架構及角色

董事會包括：

執行董事：

李運強先生 (*主席*)

李文俊先生 *BBS 太平紳士*

李文斌先生

李經緯先生

陳錫鑫先生 (已於2007年9月1日辭任)

非執行董事：

潘宗光教授，*GBS 太平紳士*

獨立非執行董事：

王啓東先生

羅嘉穗小姐

邢詒春先生 (已於2008年4月30日辭任)

年內，董事會包括5位執行董事(其中1位為主席)、1位非執行董事及3位獨立非執行董事。3位獨立非執行董事佔董事會成員三分之一。此外，3位獨立非執行董事分別具適當之法律、專業會計師資格及財務管理經驗。

董事會主要著眼於本集團之整體策略及發展。董事會亦監察本集團經營業務之財務表現及內部監控。

獨立非執行董事亦在確保及監察有效企業管治之架構中擔當非常重要的角色。董事會相信每一位獨立非執行董事均有其獨立性及判斷力，彼等均合乎上市規則規定之特定獨立準則。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。而獨立非執行董事均可在本公司所有企業通訊內明確識別。

The Chairman is primarily responsible for drawing up and approving the agenda for each board meeting in consultation with all directors. Notice of at least 14 days have been given to all directors for all regular board meetings and the directors can include matters for discussion in the agenda if necessary. Agenda and accompanying board papers in respect of regular board meetings are sent out in full to all directors within reasonable time before the meeting. Draft minutes of all board meetings are circulated to directors for comment within a reasonable time prior to confirmation.

Minutes of board meetings and meetings of board committees are kept by duly appointed secretaries of the respective meetings and all directors have access to board papers and related materials, and are provided with adequate information on a timely manner, which enable the Board to make an informed decision on matters placed before it.

During the year, full board meetings were held and the individual attendance of each director is set out below:

主席經徵詢全體董事，首要負責草擬及審批每次董事會會議之議程。開會通知最少於常務會議14天前發送予各董事，如需要，董事可要求在議程內加插討論事項。召開常務會議時，一套完整議程連同開會文件會在開會前之合理時間內發送予各董事。草擬的會議紀錄亦會於合理時間內送交各董事省閱，方予確認。

董事會及董事委員會之會議紀錄由相關會議所委任之秘書保存，所有董事均有權查閱董事會文件及相關資料及適時地獲提供足夠資料，使董事會可於決策事項前作出有根據的判斷。

年內，已召開全體董事會，各董事出席情況詳列如下：

Name of director	董事姓名	Number of board meetings attended 出席董事會會議次數	Attendance rate 出席率
Mr Lee Wan Keung Patrick	李運強先生	5/8	62.5%
Mr Lee Man Chun Raymond <i>BBS JP</i>	李文俊先生 <i>BBS 太平紳士</i>	7/8	87.5%
Mr Lee Man Bun	李文斌先生	5/8	62.5%
Mr Li King Wai Ross	李經緯先生	5/8	62.5%
Mr Tak Siak Him Alexander (resigned on 1 September 2007)	陳錫鑫先生 (已於2007年9月1日辭任)	2/4	50.0%
Prof Poon Chung Kwong <i>GBS JP</i>	潘宗光教授 <i>GBS 太平紳士</i>	3/8	37.5%
Mr Wong Kai Tung Tony	王啓東先生	4/8	50.0%
Ms Law Kar Shui Elizabeth	羅嘉穗小姐	5/8	62.5%
Mr Heng Kwoo Seng (resigned on 30 April 2008)	邢詒春先生 (已於2008年4月30日辭任)	4/8	50.0%

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### Audit Committee

The Audit Committee was established in 2003 and its members include:

Mr Wong Kai Tung Tony  
Ms Law Kar Shui Elizabeth  
Mr Heng Kwo Seng  
(resigned on 30 April 2008)

The Board considers that each Audit Committee member has broad commercial experience and there is a suitable mix of expertise in legal, business and accounting on the Audit Committee. The composition and members of the Audit Committee complies with the requirements under Rule 3.21 of the Listing Rules. The written terms of reference which describe the authority and duties of the Audit Committee were adopted in 2003 to conform to the provisions of the Code, a copy of which is posted on the Company's website.

The Audit Committee meets regularly to review the Group's financial reporting and other information to shareholders, the system of internal controls, risk management and the effectiveness and objectivity of the audit process. The Audit Committee also provides an important link between the Board and the Company's auditors in matters coming within the scope of its terms of reference and keeps under review the independence and objectivity of the auditors.

The Audit Committee has reviewed with the management the accounting principles and practices adopted by the Group and discussed internal controls and financial reporting matters including a review of the accounts for the year ended 31 March 2008.

### 審核委員會

審核委員會於二零零三年成立，其成員包括：

王啓東先生  
羅嘉穗小姐  
邢詒春先生  
(已於2008年4月30日辭任)

董事會認為各審核委員會成員均具備廣泛營商經驗，審核委員會當中兼備合適之法律、商業及會計專業。審核委員會之架構及成員符合上市規則第3.21條之規定。為符合守則條文，描述審核委員會權限及職責之職權範圍已於二零零三年被採納，職權範圍全文已刊載於本公司網頁內。

審核委員會定期開會以檢討本集團之財務匯報及給予股東之其他資料、內部監控系統、風險管理及審核過程之有效性及效能。審核委員會並為董事會及公司核數師之間之重要橋樑，在其職權範圍內持續檢討核數師之獨立性及效能。

審核委員會已與管理層檢討本集團所採納之會計原則及慣例，並已就內部監控及財務匯報等事項進行討論，其中包括審閱截止二零零八年三月三十一日止年度的會計賬目。

During the year, two Audit Committee meetings were held and the individual attendance of each member is set out below:

年內，共召開兩次審核委員會會議，個別成員的出席情況詳列如下：

Name of member	成員姓名	Number of attendance	出席次數
Mr Wong Kai Tung Tony	王啓東先生		3
Ms Law Kar Shui Elizabeth	羅嘉穗小姐		3
Mr Heng Kwoo Seng (resigned on 30 April 2008)	邢詒春先生 (已於2008年4月30日辭任)		3

## Remuneration Committee

The Remuneration Committee was established in 2005 and the members include:

Mr Wong Kai Tung Tony  
Ms Law Kar Shui Elizabeth  
Mr Heng Kwoo Seng  
(resigned on 30 April 2008)

All members of the Remuneration Committee are independent non-executive directors. The Remuneration Committee advises the Board on the Group's overall policy and structure for the remuneration of directors and senior management. The Remuneration Committee ensures that no director or any of his associate is involved in deciding his own remuneration. The terms of reference of the Remuneration Committee were adopted in 2005 to conform to the provisions of the Code, a copy of which is posted on the Company's website.

In determining the emolument payable to directors, the Remuneration Committee takes into consideration factors such as salaries paid by comparable companies, time commitment and responsibilities of the directors, employment conditions elsewhere in the Group and the desirability of performance-based remuneration.

The Remuneration Committee meets regularly to determine the policy for the remuneration of directors and assess performance of executive directors and certain senior management. One Remuneration Committee was established in September 2005, only one Remuneration Committee meeting was held during the year and all members have attended in the meeting.

## 薪酬委員會

薪酬委員會於二零零五年成立，成員包括：

王啓東先生  
羅嘉穗小姐  
邢詒春先生  
(已於2008年4月30日辭任)

所有薪酬委員會成員均為獨立非執行董事。薪酬委員會為本集團董事及高級管理層之薪酬之整體政策及架構向董事會作出建議。薪酬委員會確保概無董事或其任何聯繫人參與釐定其本身之薪酬。為符合守則條文，薪酬委員會的職權範圍已於二零零五年被採納，並已刊載於本公司網頁內。

在釐定應付予董事之酬金時，薪酬委員會乃考慮各項因素，包括同業薪金水平，董事所奉獻之時間及其職責，集團內部的僱傭情況及與表現掛鈎之酬金。

薪酬委員會定期開會以釐定董事之酬金政策及評估執行董事及若干高級管理層之表現。由於薪酬委員會於二零零五年九月才成立。年內只召開會議一次，所有成員均有出席會議。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### Auditors' Remuneration

For the year ended 31 March 2008, the auditor of the Company only provided audit services to the Company.

### Internal Controls

The Board has overall responsibility for the system of internal controls of the Group and for reviewing its effectiveness. The Board is committed to implementing an effective and sound internal controls system to safeguard the interest of shareholders and the Group's assets. The Board has delegated to executive management the implementation of the system of internal controls and reviewing of all relevant financial, operational, compliance controls and risk management function within an established framework.

### Directors' Responsibility Statement

The directors are responsible for the preparation of accounts for each financial period which gives a true and fair view of the state of affairs of the Group and of the results and cash flow for that period. In preparing the accounts for the year ended 31 March 2008, the directors have selected suitable accounting policies and applied them consistently; adopted appropriate Hong Kong Financial Reporting Standards and Hong Kong Accounting Standards; made adjustments and estimates that are prudent and reasonable; and have prepared the accounts on the going concern basis. The directors are also responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Group.

### 核數師薪酬

截止二零零八年三月三十一日止年度，本公司的核數師只向本公司提供核數服務。

### 內部監控

董事會全面負責本集團之內部監控系統及檢討其是否有效。董事會致力實行有效及完善之內部監控系統以保障股東利益及本集團資產。董事會已指派執行管理層在設定之範疇內實行內部監控系統及檢討所有相關財政、營運、遵守法則監控及風險管理功能。

### 董事的職責

董事須負責編製各財政期間能真實與公正地反映本集團之財政狀況及該期間之業績及現金流量之賬目。在編製截止二零零八年三月三十一日止年度之賬目時，董事已貫徹採用合適之會計政策，採納合適的香港財務報告準則及香港會計準則，作出審慎及合理的調整及評估，及在持續進行有關業務之基準而編製。董事並須負責保存適當之會計紀錄，以能合理準確地披露本集團任何時候之財務狀況。



## Investor Relations and Communication

The Board is committed to providing clear and full information about the Group's performance to shareholders through the publication of interim results and annual results in a timely manner. In addition to dispatching circulars, notices and financial reports to shareholders, additional information is also available to shareholders on the website of the Company.

The annual general meeting provides a useful forum for shareholders to raise comments and exchange views with the Board. Shareholders are encouraged to attend annual general meetings for which the Company gives at least 21 days' notice. The Chairman and Directors and external auditors are available to answer questions on the Company's businesses at the meeting.

Separate resolutions are proposed at the general meetings on each substantially separate issue, including the election of individual directors. In addition, procedures for demanding a poll are included in the circular to shareholders dispatched together with the annual report.

## 與投資者交流及溝通

董事會致力透過刊發中期業績及年度業績，適時地將本集團之表現清晰及全面地提供予股東。除發送通函、通告及財務報告予股東，股東亦可透過本公司網頁獲取額外資訊。

股東週年大會提供一個良好的平台讓股東向董事會發表及交流意見。本公司發出不少於21天之通告以鼓勵股東出席股東週年大會。主席、董事及外聘核數師均會列席會議以便回答本公司業務上之提問。

各重大獨立事項(包括個別董事之選任)均會於股東週年大會上單獨提呈決議案。此外，載有投票表決程序之通函與年報會一併寄發予股東。



# PROFILE OF DIRECTORS AND SENIOR MANAGEMENT

## 董事及高級管理層簡介

### Executive Director

**Mr Lee Wan Keung Patrick**, aged 65, Chairman of the Company and founder of the Group, is in charge of senior staff recruitment, staff management, corporate strategy, building construction and public relations for the Group in the PRC. He has over 45 years of experience in manufacturing and international trade. Mr Lee is the former standing member of the Political Consultative Committee of Guangdong Province and former chairman of Hong Kong Hainan Commercial Association. He is now the honorary principal of the Qionghai Jiaji Secondary School and Hainan Guoxing Secondary School. He has also been awarded honorary citizenship of Dongguan.

**Mr Lee Man Chun Raymond**, *BBS, JP*, aged 37, Chief Executive Officer as well as founder of the Company, is primarily in charge of corporate planning, investment projects and acquisition of heavy production machines. Mr Lee has over ten years of operational experience in paper manufacturing and is experienced in professional formula of paper making and product development. He holds a bachelor's degree in applied science from the University of British Columbia. Mr Lee is currently involved in a number of public engagements. Mr Lee has been awarded honorary citizenship of Dongguan and reputational citizenship of Changshu. Mr Lee was the "Young Industrialist Award of HongKong 2002" and "2003 Hong Kong Ten Outstanding Young Persons Selection Awardees". In 2005, Mr Lee received the "Bronze Bauhinia Star" (BBS) from the Government of the Hong Kong Special Administrative Region and in 2007, he was appointed non-official Justice of the Peace (JP). In 2008, Mr Lee was also appointed the 11th CPPCC National Committee. Mr Lee is the eldest son of Mr Lee Wan Keung Patrick.

**Mr Lee Man Bun**, aged 28, Executive Director and Assistant General Manager of the Company, is responsible for production management, research & development, repair and maintenance of production machines and factory staff management. Mr Lee holds a bachelor's degree of Applied Science in Chemical Engineering from the University of British Columbia in Canada. He is the member of the Political Consultative Committee of Guangdong Province and also the Vice Chairman of Yam Chai Hospital Board of Directors. He joined the Group in July 2003. Mr Lee is the youngest son of Mr Lee Wan Keung Patrick.

### 執行董事

**李運強先生**，65歲，本公司主席及本集團創辦人，負責高級職員任聘、管理、參與制定本集團之策略、基建工程及維繫與中國相關政府機構關係。李先生擁有逾四十五年製造業及國際貿易經驗。彼為前廣東省政協常委及前海南商會會長，現任海南省嘉積中學榮譽校長及海南省國興中學名譽校長，並為東莞市榮譽市民。

**李文俊先生** *BBS 太平紳士*，37歲，本集團首席執行官，亦為本公司創辦人，負責本集團整體策劃、投資項目及重型機器購置。李先生在造紙業擁有逾十年營運經驗，對造紙業的專業程式及產品開發擁有豐富經驗。李先生持有加拿大英屬哥倫比亞大學應用科學學士學位。彼現擔任多項公職，並獲頒授東莞市及常熟市榮譽市民。李先生為「二零零二香港青年工業家」及「二零零三年香港十大傑出青年」。於二零零五年李先生獲香港特別行政區政府頒發銅紫荊星章及於二零零七年獲委任為非官守太平紳士(JP)。於二零零八年李先生再獲委任為第11屆全國政協委員。李文俊先生為本集團主席李運強先生之長子。

**李文斌先生**，28歲，本集團董事副總經理，負責生產管理、品質研究、機械維修和工廠員工管理，彼持有加拿大英屬哥倫比亞大學應用科學化學工程學士學位。彼為廣東省政協委員及仁濟醫院董事局副主席。彼於二零零三年七月加入本集團。李文斌先生為本集團主席李運強先生之幼子。

## Executive Director *(Continued)*

**Mr Li King Wai Ross**, aged 33, Executive Director and Assistant General Manager of the Company, is responsible for the daily factory management of Hangmen factory, purchasing of recovered paper as well as maintaining relationship of various government departments in Don guan. Mr Li holds a Masters Degree in Science (Electrical Engineering) from Stanford University in U.S.A. and a bachelor's degree of Applied Science (Computer Engineering) from University of British Columbia in Canada. Mr Li has over 8 years of experience in production management and in technological research & development. Prior to joining the group, Mr Li was involved in the management of computer graphics design at Sun Microsystems, Silicon Valley, U.S.A. He joined the Group in December 2002.

## Non-Executive Directors

**Professor Poon Chung Kwong**, *GBS JP*, aged 68, the non-executive director of the Group, is currently the President of the Hong Kong Polytechnic University and has 40 years working experience in educational sector. He was honoured as one of the "Ten Outstanding Young Persons in Hong Kong" in 1979; was appointed Non-official Justice of the Peace (JP) in 1989; received the OBE in 1991 and the Gold Bauhinia Star (GBS) in 2002.

## Independent Non-Executive Directors

**Mr Wong Kai Tung Tony**, aged 65, an independent non-executive Director of the Group, 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.

**Ms Law Kar Shui Elizabeth**, aged 59, an independent non-executive Director of the Group, is the director of Park Hotel International Limited, and previously the director of Laws International Group Limited. She has over 33 years' experience in textile and garment industries and was responsible for the management of the sweater and knitwear business. She has also over 13 years' experience in property investment and development. She is the General Manager of Park Hotel and the Director of a number of business enterprises, responsible for the overall management and strategic planning of the businesses.

## 執行董事 (續)

**李經緯先生**，33歲，本集團董事副總經理，負責洪梅廠房日常廠務管理、廢紙採購及維繫與東莞市各政府部門的關係。彼持有美國史丹福大學科學(電子工程)碩士學位及加拿大英屬哥倫比亞大學應用科學(電腦工程)學士學位，擁有逾八年生產管理及技術研究開發經驗。加入本集團前，彼曾於美國矽谷Sun Microsystems公司參與電腦圖像設計管理工作。彼於二零零二年十二月加入本集團。

## 非執行董事

**潘宗光教授** *GBS 太平紳士*，68歲，本集團非執行董事，現任香港理工大學校長，於教育界具有四十年工作經驗。潘教授於一九七九年獲得「香港十大傑出青年獎」、一九八九年獲委任為非官守太平紳士(JP)、一九九一年獲頒英國官佐勳章(OBE)勳銜及於二零零二年獲香港特別行政區政府頒授金紫荊星章(GBS)。

## 獨立非執行董事

**王啟東先生**，65歲，本集團獨立非執行董事。王先生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。彼現任希士廷律師行之顧問。

**羅嘉穗女士**，59歲，本集團獨立非執行董事，百樂酒店國際有限公司董事，前為羅氏國際集團有限公司董事，於紡織及成衣業具有逾三十三年經驗，主要負責管理毛衣及針織品業務，且具有逾十三年之物業投資及發展經驗。彼現為百樂酒店之總經理及多間企業之董事，肩負整體管理及策略規劃工作。

# PROFILE OF DIRECTORS AND SENIOR MANAGEMENT

## 董事及高級管理層簡介

### Senior Management

**Mr Hui Yick Kwan Tony**, aged 50, the Head of Finance of the Company, is in charge of corporate financial matters, investors and bankers relations of the Group. Mr Hui holds a bachelor's degree in Commerce and a master's degree in business administration. Mr Hui is an associate member of the Hong Kong Institute of Certified Public Accountants, the CPA Australia and a fellow member of the Association of Chartered Certified Accountants. He is a Certified Public Accountant Practicing in Hong Kong and has more than 22 years of experience in auditing, business advisory and financial management. He joined the Group in November 2005.

**Mr Wu Pak Ping**, aged 42, is the general manager of the Chongqing Lee & Man and is responsible for the construction of Chongqing industrial park. Mr Wu holds a bachelor's degree in civil engineering from the University of Hunan is awarded the professional title of "Senior Engineer" this year and has over 22 years of experience in planning and managing infrastructure. He joined the Group in April 1997.

**Mr Cheung Kwok Keung**, aged 41, is the Chief Financial Officer of the Group responsible for the internal supervision and management of the Group's financial matters and company secretary of the Company. Mr Cheung is a fellow member of the Association of Chartered Certified Accountants and an associate member of the Hong Kong Institute of Certified Public Accountants and has over 19 years of experience in the field of auditing, accounting and financial management. Mr Cheung holds a professional diploma in accountancy from the Hong Kong Polytechnic University. He joined the Group in August 2002.

**Mr Yan Jean Goo**, aged 42, is the general manager of Guangxi Lee & Man Forestry responsible for plantation management. Mr Yan holds a bachelor's degree in economics from the University of Xiamen and has over 20 years of experience in production and operation management. He joined the Group in November 2006.

**Mr Chan Kong Sang**, aged 48, is the project manager of the Group responsible for all the mechanical and electrical engineering projects. Mr Chan holds a bachelor's degree of science in engineering from the University of Hong Kong. Mr Chan has over 25 years of operational experience in managing production and engineering aspects of manufacturing businesses and joined the Group in January 2001.

### 高級管理層

**許奕群先生**，50歲，本公司財務部主管，負責本集團之公司財務事項、投資者及銀行關係。許先生持有商業學士學位及工商管理碩士學位。彼為香港會計師公會會員、澳洲會計師公會會員及英國公認會計師公會資深會員，並為香港執業會計師，擁有逾二十二年核數、商業顧問及財務管理經驗。彼於二零零五年十一月加入本集團。

**吳柏平先生**，42歲，本集團重慶工廠總經理，負責建立重慶工業園。吳先生執有中國湖南大學土木工程「工業與民用建築」學士學位，本年獲「高級工程師」職稱，擁有逾二十二年基建籌建、規劃及管理經驗。彼於一九九七年四月加入本集團。

**張國強先生**，41歲，本集團財務總監兼本公司之公司秘書，負責本集團之內部財政監督及管理。張先生為英國公認會計師公會資深會員及香港會計師公會會員，擁有逾十九年核數、會計及財務管理經驗。彼持有香港理工大學之會計專業文憑。彼於二零零二年八月加入本集團。

**顏建國先生**，42歲，本集團廣西理文林業總經理，負責植林管理工作。顏先生持有中國廈門大學經濟學學士學位，擁有二十年的生產、經營及管理經驗。彼於二零零六年十一月加入本集團。

**陳江生先生**，48歲，本集團項目經理，負責各項機電工程。陳先生持有香港大學工程理學士學位，擁有逾二十五年管理製造業業務的生產和工程營運經驗。彼於二零零一年一月加入本集團。

## Senior Management (Continued)

**Mr Tse Pak Kong**, aged 45, is the senior manager of the Company, responsible for the global procurement of recovered paper businesses. Mr Tse holds a bachelor's degree of science in electrical engineering from the University of Hong Kong. He has over 21 years of experience in the management of both multinational and local companies in China. Mr Tse joined the Group in December 2005.

**Mr Lau Kwok Keung**, aged 51, is the executive manager of Jiangsu Lee & Man responsible for the daily operation and management of Jiangsu Lee & Man. Mr Lau holds a bachelor's degree of science (engineering) from Imperial College of Science and Technology, University of London. He has over 20 years of factory operation and management experience. He joined the Group in July 2003.

**Mr Tang Pok Man**, aged 35, is the executive manager of Vietnam Lee & Man responsible for the construction and management of Vietnam industrial park. Mr Tang holds a bachelor's degree in Commerce from the Concordia University of Canada. He has 11 years of experience in production management. He joined the Group in September 2005.

**Mr Lu Man Sheng**, aged 61, is a production manager of Dongguan Lee & Man responsible for the management of paper manufacturing. Mr Lu holds a professional engineer certificate for paper manufacturing stock preparation from the Guangxi School of Light Industry. Mr Lu has over 38 years of experience in paper manufacturing and production management. He joined the Group in May 1994.

**Ms Lam Sau Ping**, aged 39, is the sales manager of the Group responsible for sales and marketing. Ms Lam holds a higher certificate in marketing and sales management from the Hong Kong Polytechnic University. Ms Lam has over 18 years of work experience in sales and marketing. She joined the Group in March 1996.

## 高級管理層 (續)

**謝柏剛先生**，45歲，本集團高級經理，負責本集團的全球廢紙採購業務。謝先生持有香港大學電機工程理學士學位，擁有逾二十一年管理跨國和中國本地公司經驗。謝先生於二零零五年十二月加入本集團。

**婁國強先生**，51歲，本集團江蘇工廠行政經理，負責江蘇工廠日常廠務營運及管理。彼持有英國倫敦大學帝國學院冶金科學及工程學士學位，擁有逾二十年的工廠營運及管理經驗。彼於二零零三年七月加入本集團。

**鄧博文先生**，35歲，本集團越南工廠行政經理，負責建立及管理越南工業園。鄧先生持有加拿大Concordia University商業學士學位，擁有十一年生產管理經驗。彼於二零零五年九月加入本集團。

**呂滿生先生**，61歲，本集團東莞工廠生產經理，負責造紙生產及管理事宜。彼持有廣西輕工學校造紙製漿專業工程師證書，並擁有逾三十八年專業造紙及生產管理經驗。彼於一九九四年五月加入本集團。

**藍秀萍女士**，39歲，本集團銷售經理，負責本集團原紙銷售業務及市場推廣事宜。彼持有香港理工大學銷售及市場管理高級證書，並擁有逾十八年銷售及市場推廣經驗。彼於一九九六年三月加入本集團。

## PROFILE OF DIRECTORS AND SENIOR MANAGEMENT

### 董事及高級管理層簡介

#### Senior Management (Continued)

**Mr Chan Chi Ho**, aged 39, is a production manager of the Jiangsu plant, responsible for paper production management and engineering matters. Mr Chan has over 19 years of experience in overseeing production matters in the paper manufacturing business. Mr Chan joined the Group in April 1999.

**Mr Wu Xiao Shi**, aged 41, is the power plant manager of the Group responsible for management of power production. Mr Wu holds a bachelor's degree in engineering from Dongnan University. Mr Wu has over 19 years of experience in power production management. Mr Wu joined the Group in December 1999.

#### 高級管理層(續)

**陳智豪先生**，39歲，本集團江蘇工廠生產經理，負責造紙生產管理及工程事宜。陳先生擁有逾十九年造紙生產及機械工程經驗。彼於一九九九年四月加入本集團。

**吳曉師先生**，41歲，本集團熱電站站長，負責電力生產及管理事宜。吳先生持有中國東南大學電廠熱能動力工程學士學位，擁有逾十九年電力生產及管理經驗。彼於一九九九年十二月加入本集團。

The directors present their annual report and the audited financial statements of the Group for the year ended 31 March 2008.

### Principal Activities

The Company acts as an investment holding company. The principal activities of its principal subsidiaries are set out in note 38 to the consolidated financial statements.

### Results and Appropriations

The results of the Group for the year ended 31 March 2008 are set out in the consolidated income statement on page 32.

The directors of the Company recommend the payment of a final dividend of HK\$0.10 per share for the year ended 31 March 2008 to the shareholders whose name appear on the register of members on 1 September 2008, amounting to approximately HK\$114 million, subject to the approval of the shareholders at the forthcoming annual general meeting.

### Share Capital

Details of movements in the share capital of the Company are set out in note 28 to the consolidated financial statements.

### Property, Plant and Equipment

During the year, the Group acquired property, plant and equipment at a cost of approximately HK\$4,318 million for the purpose of expanding its business. Details of this and other movements in the property, plant and equipment of the Group during the year are set out in note 13 to the consolidated financial statements.

董事謹此提呈本集團於截至二零零八年三月三十一日止年度之年報及經審核財務報表。

### 主要業務

本公司是一間投資控股公司，各主要附屬公司的主要業務載於綜合財務報表附註38。

### 業績及分配

本集團截至二零零八年三月三十一日止年度的業績載於第32頁的綜合收益表。

本公司董事建議就截至二零零八年三月三十一日止年度支付末期股息每股0.10港元予二零零八年九月一日名列股東名冊的股東，總額約為114百萬港元，惟須待股東在應屆股東週年大會上作出批准後方可作實。

### 股本

本公司股本的變動詳情載於綜合財務報表附註28。

### 物業、廠房及設備

年內，本集團以約4,318百萬港元的成本收購物業、廠房及設備，以作拓展業務之用。上述及物業、廠房及設備於年內的其他變動詳情載於綜合財務報表附註13。

# 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

Lee Wan Keung Patrick (*Chairman*)  
Lee Man Chun Raymond, *BBS JP* (*Chief executive officer*)  
Lee Man Bun  
Li King Wai Ross  
Tan Siak Him Alexander (resigned on 1 September 2007)

#### Non-executive director

Professor Poon Chung Kwong, *GBS JP*

#### Independent non-executive directors

Wong Kai Tung Tony  
Law Kar Shui Elizabeth  
Heng Kwoo Seng (resigned on 30 April 2008)

In accordance with Articles 86(3) and 87(1) of the Company's Articles of Association, Professor Poon Chung Kwong and Ms Law Kar Shui Elizabeth retire and, being eligible, offer themselves for re-election.

Mr Lee Wan Keung Patrick and Mr Lee Man Chun Raymond have each entered into service agreements with the Company for an initial period of three years commencing 1 September 2007, which will continue thereafter unless and until terminated by either party by three months' prior written notice.

Mr Lee Man Bun has entered into a service agreement with the Company for an initial period of three years commencing 16 August 2007, which will continue thereafter unless and until terminated by either party by three months' prior written notice.

Mr Li King Wai Ross has entered into a service agreement with the Company for an initial period of three years commencing 12 August 2005, which will continue thereafter unless and until terminated by either party by three months' prior written notice.

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

### 董事及董事的服務合約

年內及截至本報告刊發日期，本公司的董事如下：

#### 執行董事

李運強 (主席)  
李文俊 *BBS* 太平紳士 (行政總裁)  
李文斌  
李經緯  
陳錫鑫 (已於2007年9月1日辭任)

#### 非執行董事

潘宗光教授 *GBS* 太平紳士

#### 獨立非執行董事

王啟東  
羅嘉穗  
邢詒春 (已於2008年4月30日辭任)

根據本公司的公司細則第86(3)及87(1)條的規定，潘宗光教授及羅嘉穗小姐將退任，惟彼等符合資格並將膺選連任。

李運強先生及李文俊先生各自與本公司訂立服務合約，年期由二零零七年九月一日起計，初步為期三年，此後一直存續，直至任何一方另向另一方發出三個月事前書面通知予以終止為止。

李文斌已與本公司訂立服務合約，年期由二零零七年八月十六日起計，初步為期三年，此後一直存續，直至任何一方另向另一方發出三個月事前書面通知予以終止為止。

李經緯已與本公司訂立服務合約，年期由二零零五年八月十二日起計，初步為期三年，此後一直存續，直至任何一方另向另一方發出三個月事前書面通知予以終止為止。

各獨立非執行董事的任期直至其須根據本公司的公司細則的規定退任為止。

## Directors' and Chief Executives' Interests And Short Positions in Equity or Debt Securities

As at 31 March 2008, the relevant interests or short positions of the directors or chief executives of the Company in the shares, underlying shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO") which are required to be 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 (including interests or short positions which they have taken or deemed to have taken under such provisions of the SFO) or were required pursuant to section 352 of the SFO, to be entered in the register referred to therein or were required, pursuant to the relevant provisions of the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules") relating to securities transactions by directors to be notified to the Company and the Stock Exchange were as follows:

### Long positions

(a) Ordinary shares of HK\$0.10 each of the Company

## 董事及主要行政人員於股本或債務證券中擁有的權益及淡倉

於二零零八年三月三十一日，本公司各董事或主要行政人員在本公司或其相聯法團（定義見證券及期貨條例（「證券及期貨條例」）第十五部）的股份、相關股份及債券中，擁有並須根據證券及期貨條例第十五部第7及第8分部規定知會本公司及香港聯合交易所有限公司（「聯交所」）的有關權益或淡倉（包括其根據證券及期貨條例的有關條文被視作或當作擁有的權益或淡倉）或根據證券及期貨條例第352條須記錄於該條所指的登記冊內的權益或淡倉或根據聯交所證券上市規則（「上市規則」）有關董事進行證券交易的有關條文須知會本公司及聯交所的權益或淡倉如下：

### 好倉

(a) 本公司每股面值0.10港元的普通股

Name of director 董事姓名	Capacity 身份	Number of ordinary shares 普通股數目	Number of options granted 授出的購股權所 涉及的普通股數目	Percentage of the issued share capital of the Company 佔本公司已發行 股本百分比
Lee Wan Keung Patrick 李運強	Held by controlled corporation (Note) 由受控制法團持有（附註）	715,661,200	—	62.92%
Lee Man Chun Raymond 李文俊	Beneficial owner 實益擁有人	—	492,000	0.04%
Lee Man Bun 李文斌	Beneficial owner 實益擁有人	—	300,000	0.03%
Li King Wai Ross 李經緯	Beneficial owner 實益擁有人	—	600,000	0.05%
Poon Chung Kwong 潘宗光	Beneficial owner 實益擁有人	150,000	480,000	0.06%
Wong Kai Tung Tony 王啓東	Beneficial owner 實益擁有人	400,000	—	0.04%
Heng Kwoo Seng 邢詒春	Beneficial owner 實益擁有人	820,000	—	0.07%

Note: These shares were held by Gold Best Holdings Ltd. ("Gold Best"). Gold Best is a controlled corporation of Mr Lee Wan Keung Patrick under the SFO. The entire issued share capital of Gold Best is owned by Mr Lee Wan Keung Patrick, Mr Lee Man Chun Raymond and Mr Lee Man Bun (all of them are directors of the Company). Mr Lee Wan Keung Patrick and Mr Lee Man Chun Raymond, both of whom are directors of the Company, are directors of Gold Best.

附註：該等股份由Gold Best Holdings Ltd.（「Gold Best」）持有。根據證券及期貨條例，Gold Best為李運強先生之受控制法團。Gold Best的全部已發行股本由李運強先生、李文俊先生及李文斌先生（全部均為本公司董事）持有。李運強先生及李文俊先生（二人均為本公司董事）為Gold Best之董事。



# DIRECTORS' REPORT

## 董事會報告

### Directors' and Chief Executives' Interests And Short Positions in Equity or Debt Securities (Continued)

### 董事及主要行政人員於股本或 債務證券中擁有的權益及淡倉(續)

(b) Ordinary shares of the associated corporation of the Company

(b) 本公司相聯法團的普通股

Name of director 董事姓名	Capacity 身份	Name of associated corporation 相聯法團名稱	Number of ordinary shares 普通股數目	Percentage of the issued share capital of the associated corporation 佔相聯法團已發行股本百分比
Lee Wan Keung Patrick 李運強	Beneficial owner 實益擁有人	Gold Best (Note) (附註)	51	51%
Lee Man Chun Raymond 李文俊	Beneficial owner 實益擁有人	Gold Best (Note) (附註)	29	29%
Lee Man Bun 李文斌	Beneficial owner 實益擁有人	Gold Best (Note) (附註)	20	20%

Note: Gold Best is an associated corporation of the Company under the SFO. The entire issued share capital of Gold Best is owned by Mr Lee Wan Keung Patrick, Mr Lee Man Chun Raymond and Mr Lee Man Bun (all of them are directors of the Company). Mr Lee Wan Keung Patrick and Mr Lee Man Chun Raymond, both of whom are directors of the Company, are directors of Gold Best.

附註：根據證券及期貨條例，Gold Best為本公司的相聯法團。Gold Best的全部已發行股本由李運強先生、李文俊先生及李文斌先生(全部均為本公司董事)持有。李運強先生及李文俊先生(二人均為本公司董事)為Gold Best之董事。

Save as disclosed above and other than certain nominee shares in subsidiaries held by certain directors in trust for the Company, none of the directors or chief executives or their associates had any interests or short positions in any shares, underlying shares or debentures of the Company or any of its associated corporations as at 31 March 2008.

除上文所披露者外及除了若干董事作為提名人以信託形式代本公司持有若干附屬公司的若干股份外，於二零零八年三月三十一日，各董事、主要行政人員及彼等的聯繫人士概無在本公司或其任何相聯法團的股份、相關股份或債券中，擁有任何權益或淡倉。

## Share Options

Particulars of the Company's share option scheme are set out in note 29 to the financial statements.

The following table discloses movements in the Company's share option scheme during the year:

## 購股權

本公司購股權計劃的詳情載於財務報表附註29。

下列表格披露本公司於年內購股權計劃下之變動：

Name 名稱	Date of grant 授出日期	Exercise price per share 每股 行使價 HK\$ 港元	Exercisable period 行使期	Number of shares of the Company to be issued upon exercise of the share options 於購股權獲行使時將予 發行的本公司股份數目			Outstanding at 31 March 2008 二零零八年 三月三十一日 尚未行使
				Outstanding at 1 April 2007 二零零七年 四月一日 尚未行使	Exercised during the year 年內行使	Cancelled during the year 年內註銷	
<b>Category I: Directors</b> 第一類：董事							
Li King Wai Ross 李經緯	23.12.2005	8.50	23.12.2005 to 22.12.2008	600,000	—	—	600,000
Lee Man Chun Raymond 李文俊	3.10.2006	15.10	1.1.2008 to 31.21.2010	492,000	—	—	492,000
Lee Man Bun 李文斌	3.10.2006	15.10	1.1.2008 to 31.21.2010	300,000	—	—	300,000
Tan Siak Him Alexander 陳錫鑫	3.10.2006	15.10	1.1.2008 to 31.21.2010	600,000	—	—	600,000
Poon Chung Kwong 潘宗光	3.10.2006	15.10	1.1.2008 to 31.12.2010	480,000	—	—	480,000
<b>Category II: Other employees</b> 第二類：僱員							
Employees 僱員	23.12.2005	8.50	23.12.2005 to 22.12.2008	900,000	(900,000)	—	—
Employees 僱員	3.10.2006	15.10	1.1.2008 to 31.12.2010	3,156,000	—	(360,000)	2,796,000
Employees 僱員	3.10.2006	15.10	1.1.2009 to 31.12.2010	300,000	—	—	300,000
Total 總數				6,828,000	(900,000)	(360,000)	5,568,000

The closing prices of the Company's shares on the dates of grant were HK\$8.50 and HK\$15.10.

於授出日期當日本公司股票之收市價為8.50港元及15.10港元。

# DIRECTORS' REPORT

## 董事會報告

### Directors' Rights To Acquire Shares or Debentures

Save as disclosed under the heading "Share Options" above, at no time during the year was the Company, its holding company or any of its fellow subsidiaries and 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 debts securities (including debentures) of, the Company or any other body corporate and none of the directors, their spouses or children under the age of 18, had any rights to subscribe for securities of the Company, or had exercised any such rights.

### Substantial Shareholders

As at 31 March 2008, the following persons (other than directors or chief executives of the Company) had interests or short positions in the ordinary shares of the Company which 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:

#### Long positions

Ordinary shares of HK\$0.10 each of the Company

Name of shareholder 董事姓名	Capacity 身份	Number of issued ordinary shares held 持有已發行 普通股數目	Percentage of the issued share capital of the company 佔本公司已發行 股本百分比
Gold Best	Beneficial owner 實益擁有人	715,661,200	62.92%
Lee Wong Wai Kuen 李黃惠娟	Held by spouse (Note) 由配偶持有(附註)	715,661,200	62.92%

Note: Under the SFO, Lee Wong Wai Kuen is deemed to be interested in these 715,661,200 ordinary shares as she is the spouse of Lee Wan Keung Patrick, a director of the Company.

Save as disclosed above, as at 31 March 2008, the Company had not been notified by any persons (other than directors or 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 the 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.

### 董事購買股份或債券的權力

除上文「購股權」一節所披露者外，本公司、其控股公司、其任何同系附屬公司及附屬公司於期內任何時間概無訂立任何安排，致使本公司董事可透過收購本公司或任何其他法人團體的股份或債務證券(包括債權證)而獲取利益，而各董事或彼等的配偶或18歲以下的子女亦無可認購本公司證券的任何權利，亦無行使任何該等權利。

### 主要股東

於二零零八年三月三十一日，下列人(本公司董事或主要行政人員除外)在本公司的普通股中擁有根據證券及期貨條例第十五部第2及第3分部的規定須向本公司披露的權益或淡倉，或根據證券及期貨條例第336條的規定已記錄於本公司按該條存置的登記冊內的權益或淡倉：

#### 好倉

本公司每股面值0.10港元的普通股

附註：根據證券及期貨條例，由於李黃惠娟是李運強(本公司董事)的配偶，故被視為擁有該715,661,200股普通股的權益。

除上文所披露者外，於二零零八年三月三十一日，概無任何人士(本公司董事或主要行政人員除外)知會本公司，彼等在本公司的股份或相關股份中擁有根據證券及期貨條例第十五部第2及第3分部的規定須向本公司披露的權益或淡倉，或根據證券及期貨條例第336條的規定已記錄於本公司按該條存置的登記冊內的權益或淡倉。

## Appointment of Independent Non-Executive Directors

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 Rules Governing the Listing Securities on the Stock Exchange of Hong Kong Limited. The Company considers all of the independent non-executive directors are independent.

## Connected Transactions

Details of the discloseable connected transactions for the year are set out in note 35 to the consolidated 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 were 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 are required to be disclosed as connected transactions in accordance with the requirements of the Listing Rules.

## 獨立非執行董事

根據香港聯合交易所有限公司上市規則第3.13條，本公司收到每位獨立非執行董事向本公司確認其年度之獨立性，本公司認為所有獨立非執行董事確屬獨立人士。

## 關連交易

本年度的須予披露關連交易詳情載於綜合財務報表附註35。獨立非執行董事認為，由本集團訂立的上述交易：

- (i) 乃於本集團的日常及一般業務過程中訂立；
- (ii) 乃(a)按一般商業條款進行；或(b)倘並無任何可供比較者，則按對本公司股東而言屬公平合理的條款訂立；
- (iii) 乃(a)按協議條款訂立；或(b)倘無該等協議，則按不遜於給予獨立第三者或獨立第三者提供的條款訂立；及
- (iv) 所涉及金額並無超出與聯交所議定的有關上限金額。

除上文所披露者外，並無任何其他交易須按照上市規則的規定作為關連交易披露詳情。

### 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 and subsidiaries was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisting at the end of the year or at any time during the year.

### Major Customers and Suppliers

During the year, the aggregate purchases attributable to the Group's five largest suppliers were approximately 60% of the Group's total purchases and the purchases attributable to the Group's largest supplier were approximately 35% of the Group's total purchases.

The aggregate sales during the year attributable to the Group's five largest customers were less than 10% of the Group's total sales.

None of the directors, their associates or any shareholder 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 suppliers 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.

### Sufficiency of Public Float

According to the information that is publicly available to the Company and within the knowledge of the directors, the Company has maintained a sufficient public float throughout the year ended 31 March 2008.

### 董事的合約權益

除「關連交易」一節所披露者外，本公司、其控股公司、其任何同系附屬公司及附屬公司概無訂立於年結日或年內任何時間仍然生效，且本公司董事直接或間接在其中擁有重大利益的重大合約。

### 主要客戶及供應商

年內，本集團五大供應商佔本集團總採購額約60%，而本集團最大供應商則佔本集團總採購額約35%。

年內，本集團五大客戶的總銷售額佔本集團總銷售額少於10%。

概無任何董事、彼等的聯繫人士或任何股東（就董事所知擁有本公司已發行股本5%以上）於上述本集團五大供應商的股本中擁有任何權益。

### 買賣或贖回本公司上市證券

年內，本公司或其任何附屬公司概無買賣或贖回本公司任何上市證券。

### 足夠之公眾持股量

按本公司可以得悉之公開資料所示及就董事所知悉，本公司截至二零零八年三月三十一日之年度內已維持足夠公眾持股量。

## Pre-Emptive Rights

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

## Emolument Policy

The Group remunerates its employees based on their performance, experience and prevailing market rate. Other employee benefits including insurance and medical cover and share options are also provided.

The determination of emoluments of the directors of the Company has taken into consideration their expertise and job specifications.

## Donations

During the year, the Group made charitable and other donations amounting to HK\$654,000.

## Post Balance Sheet Event

Details of the significant post balance sheet event are set out in note 39 to the consolidated financial statements.

## Auditor

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

On behalf of the Board

**Lee Wan Keung Patrick**

*Chairman*

Hong Kong

17 July 2008

## 優先購買權

本公司的公司細則或開曼群島法例均無有關優先購買權之條文，規定本公司須按持股比例向現有股東發售新股份。

## 薪酬政策

本集團根據員工表現、經驗及市場價格釐定其薪酬。其他員工福利包括保險、醫療保障及購股權。

本公司董事之薪酬釐定已考慮其專業及工作範圍。

## 捐款

年內，本公司作出的慈善及其他捐款合共654,000港元。

## 結算日後事項

結算日後發生之重大事項詳情載於綜合財務報表附註39。

## 核數師

本公司將於股東週年大會上提呈決議案，續聘德勤•關黃陳方會計師行為核數師。

承董事會命

**李運強**

*主席*

香港

二零零八年七月十七日

# Deloitte.

## 德勤

### TO THE MEMBERS OF LEE & MAN PAPER MANUFACTURING LIMITED

*(incorporated in the Cayman Islands with limited liability)*

We have audited the consolidated financial statements of Lee & Man Paper Manufacturing Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 32 to 127, which comprise the consolidated balance sheet as at 31 March 2008, and the consolidated income statement, the consolidated statement of changes in equity and the consolidated cashflow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

#### Directors' responsibility for the consolidated financial statements

The directors of the Company are responsible for the preparation and the true and fair presentation of these consolidated financial statements in accordance with Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants and the disclosure requirements of the Hong Kong Companies Ordinance. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and the true and fair presentation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

#### Auditor's responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit and to report our opinion solely to you, as a body, in accordance with our agreed terms of engagement and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. We conducted our audit in accordance with Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance as to whether the consolidated financial statements are free from material misstatement.

### 致理文造紙有限公司股東

*(於開曼群島註冊成立的有限公司)*


本核數師行已審核列載於第32至第127頁內之理文造紙有限公司(「貴公司」)及其附屬公司(以下合稱為「貴集團」)之綜合財務報表包括於二零零八年三月三十一日之綜合資產負債表，與載至該日止年度之綜合收益表、綜合權益變動表及綜合現金流量表，以及主要會計政策概要及其他附註解釋。

#### 董事就綜合財務報表須承擔的責任

貴公司董事須負責根據香港會計師公會頒布之香港財務報告準則及《香港公司條例》的披露規定編製及真實而公平地列報該等綜合財務報表。該等責任包括設計、實施及維護與編製及真實而公平地列報綜合財務報表相關之內部監控，以使綜合財務報表不存在由於欺詐或錯誤而導致之重大錯誤陳述；選擇及應用適當之會計政策；及按情況下作出合理的會計估計。

#### 核數師的責任

本行之責任是根據本行的審核對該等綜合財務報表作出意見，並根據協定委聘條款向整體股東作出報告而非作其他用途。本行不會就本報告之內容向任何其他人士承擔任何責任及債務。本行已根據香港會計師公會頒佈之香港審計準則進行審核工作。此等準則要求本行遵守道德規範，並規劃及執行審核，藉以合理確定此等綜合財務報表是否不存有任何重大錯誤陳述。



An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and true and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### **Opinion**

In our opinion, the consolidated financial statements give a true and fair view of the state of affairs of the Group as at 31 March 2008 and of the profit and cash flows of the Group for the year then ended in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.

**Deloitte Touche Tohmatsu**  
*Certified Public Accountants*  
Hong Kong  
17 July 2008

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

本行相信，我們所獲得之審核憑證乃充足及適當地為本行之審核意見提供基礎。

#### **意見**

本行認為，該等綜合財務報表已根據香港財務報告準則真實而公平地反映 貴集團於二零零八年三月三十一日的財政狀況及 貴集團於截至該日止年度的盈利及現金流量，並已按照《香港公司條例》的披露規定妥善編製。

**德勤•關黃陳方會計師行**  
執業會計師  
香港  
二零零八年七月十七日



# CONSOLIDATED INCOME STATEMENT

## 綜合收益表

For the year ended 31 March 2008 截至二零零八年三月三十一日止年度

		Notes 附註	2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Revenue	收入	5	<b>8,996,113</b>	5,160,552
Cost of sales	銷售成本		<b>(6,843,488)</b>	(3,799,101)
Gross profit	毛利		<b>2,152,625</b>	1,361,451
Other income	其他收入		<b>221,099</b>	112,072
Net (loss) gain from fair value changes of derivative financial instruments	因衍生財務工具公平值變動 產生的淨(虧損)得益		<b>(177,552)</b>	31,103
Distribution and selling expenses	分銷及銷售費用		<b>(272,326)</b>	(147,029)
Administrative expenses	行政費用		<b>(338,313)</b>	(234,127)
Share of losses of associates	應佔聯營公司虧損		<b>(1)</b>	–
Finance costs	財務成本	6	<b>(86,386)</b>	(82,465)
Profit before tax	除稅前盈利		<b>1,499,146</b>	1,041,005
Income tax expense	利得稅支出	7	<b>(68,026)</b>	(30,894)
Profit for the year	年度盈利	8	<b>1,431,120</b>	1,010,111
Attributable to:	應佔：			
Equity holders of the Company	公司股益持有人		<b>1,441,329</b>	1,010,204
Minority interests	少數股益		<b>(10,209)</b>	(93)
			<b>1,431,120</b>	1,010,111
Dividends	股息	11	<b>409,233</b>	395,541
			<b>HK cents</b>	HK cents
			<b>港仙</b>	港仙
Earnings per share	每股盈利	12		
– Basic	– 基本		<b>127.22</b>	100.71
– Diluted	– 攤薄		<b>126.66</b>	98.55

# CONSOLIDATED BALANCE SHEET

## 綜合資產負債表

At 31 March 2008 二零零八年三月三十一日

		Notes 附註	2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 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	13	10,005,464	5,524,620
Prepaid lease payments	預付租賃款項	14	323,705	316,831
Deposits paid for acquisition of property, plant and equipment and land use rights	購置物業、廠房及設備及土地使用權所付訂金	15	918,844	931,536
Interests in associates	聯營公司權益	16	–	–
Deferred tax assets	遞延稅項資產	25	29,796	31,707
Retirement benefit assets	退休福利資產	27	728	682
			<b>11,278,537</b>	6,805,376
<b>CURRENT ASSETS</b>	<b>流動資產</b>			
Inventories	存貨	17	2,499,167	1,379,159
Prepaid lease payments	預付租賃款項	14	17,045	14,982
Trade and other receivables	應收貿易及其他賬款	18	2,727,887	1,373,692
Amounts due from associates	應收聯營公司款項	19	141,936	–
Amount due from a related company	應收有關連公司款項	20	6,516	12,743
Derivative financial instruments	衍生財務工具	22	25,224	42,310
Restricted bank deposits	有限制銀行存款	21	489	1,953
Bank balances and cash	銀行結餘及現金	21	318,188	214,985
			<b>5,736,452</b>	3,039,824
<b>CURRENT LIABILITIES</b>	<b>流動負債</b>			
Derivative financial instruments	衍生財務工具	22	192,544	12,104
Trade and other payables	應付貿易及其他賬款	23	1,391,649	890,483
Tax payable	應付稅項		5,452	20,718
Bank and other borrowings	銀行及其他借貸	24	2,781,310	824,762
			<b>4,370,955</b>	1,748,067
<b>NET CURRENT ASSETS</b>	<b>流動資產淨值</b>		<b>1,365,497</b>	1,291,757
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>	<b>資產總值減流動負債</b>		<b>12,644,034</b>	8,097,133
<b>NON-CURRENT LIABILITIES</b>	<b>非流動負債</b>			
Derivative financial instruments	衍生財務工具	22	162,307	–
Bank and other borrowings	銀行及其他借貸	24	4,319,534	1,255,600
Deferred tax liabilities	遞延稅項負債	25	108,470	46,932
Convertible bonds	可換股債券	26	–	205,364
Retirement benefit liabilities	退休福利負債	27	19,414	18,536
			<b>4,609,725</b>	1,526,432
			<b>8,034,309</b>	6,570,701

# CONSOLIDATED BALANCE SHEET

## 綜合資產負債表

At 31 March 2008 二零零八年三月三十一日

		Notes 附註	2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
<b>CAPITAL AND RESERVES</b>	<b>股本及儲備</b>			
Share capital	股本	28	<b>113,738</b>	111,948
Reserves	儲備		<b>7,930,873</b>	6,458,846
Equity attributable to equity holders of the Company	股益歸屬於公司股 益持有人		<b>8,044,611</b>	6,570,794
Minority interests	少數股益		<b>(10,302)</b>	(93)
Total equity	總權益		<b>8,034,309</b>	6,570,701

The consolidated financial statements on pages 32 to 127 were approved and authorised for issue by the Board of Directors on 17 July 2008 and are signed on its behalf by:

第32至第127頁所載的綜合財務報表已於二零零八年七月十七日經董事會批准及授權刊發，並由下列董事代表簽署：

**Lee Wan Keung Patrick 李運強**  
Chairman 主席

**Lee Man Chun Raymond 李文俊**  
Director 董事

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

## 綜合權益變動表

For the year ended 31 March 2008 截止二零零八三月三十一日止年度

		Attributable to equity holders of the Company 本公司權益持有人應佔												
		Convertible			Share	Translation	Hedging	Capital	Legal	Special	Retained	Minority	Total	
		Share	Share	reserve	options	reserve	reserve	contribution	reserve	reserve	profits	interests	equity	
		capital	premium	可換股債券	購股權	匯兌儲備	對沖儲備	(Note i)	(Note ii)	(Note iii)	留存盈利	Total	權益總結	
		股本	股份溢價	權益儲備	儲備	匯兌儲備	對沖儲備	(附註i)	(附註ii)	(附註iii)	留存盈利	總結	少數股益	
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	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	千港元	千港元	千港元	千港元	
At 1 April 2006	二零零六年 四月一日	96,761	1,863,819	60,256	1,573	48,984	-	-	-	(2,999)	1,508,650	3,577,044	-	3,577,044
Exchange differences arising on translation of foreign operations	海外業務轉移時所產生之匯兌差額	-	-	-	-	144,887	-	-	-	-	-	144,887	-	144,887
Profit for the year	年度盈利	-	-	-	-	-	-	-	-	-	1,010,204	1,010,204	(93)	1,010,111
Total recognised income and expenses for the year	年度已確認之收入及開支總結	-	-	-	-	144,887	-	-	-	-	1,010,204	1,155,091	(93)	1,154,998
Exercise of share options	購股權獲行使	582	25,531	-	(561)	-	-	-	-	-	-	25,552	-	25,552
Conversion of convertible bonds	可換股債券兌換	6,605	782,729	(47,921)	-	-	-	-	-	-	-	741,413	-	741,413
Placing of new shares	配股	8,000	1,451,823	-	-	-	-	-	-	-	-	1,459,823	-	1,459,823
Equity-settled share based payments	股結算股權支付款項	-	-	-	7,412	-	-	-	-	-	-	7,412	-	7,412
Dividends paid (note 11)	派息 (附註11)	-	-	-	-	-	-	-	-	-	(395,541)	(395,541)	-	(395,541)
At 31 March 2007	二零零七年 三月三十一日	111,948	4,123,902	12,335	8,424	193,871	-	-	-	(2,999)	2,123,313	6,570,794	(93)	6,570,701
Exchange differences arising on translation of foreign operations	海外業務轉移時所產生之匯兌差額	-	-	-	-	386,254	-	-	-	-	-	386,254	-	386,254
Loss on cash flow hedges	現金流量對沖虧損	-	-	-	-	-	(183,067)	-	-	-	-	(183,067)	-	(183,067)
Profit for the year	年度盈利	-	-	-	-	-	-	-	-	-	1,441,329	1,441,329	(10,209)	1,431,120
Total recognised income and expenses for the year	年度已確認之收入及開支總結	-	-	-	-	386,254	(183,067)	-	-	-	1,441,329	1,644,516	(10,209)	1,634,307
Exercise of share options	購股權獲行使	90	10,962	-	(3,402)	-	-	-	-	-	-	7,650	-	7,650
Conversion of convertible bonds	可換股債券兌換	1,700	218,081	(12,335)	-	-	-	-	-	-	-	207,446	-	207,446
Transfer to legal reserve	轉移至法律公積金	-	-	-	-	-	-	-	49	-	(49)	-	-	-
Equity-settled share based payments	股結算股權支付款項	-	-	-	10,886	-	-	-	-	-	-	10,886	-	10,886
Capital contribution from ultimate holding company (note 32)	最終控股公司的資金 (附註32)	-	-	-	-	-	-	12,552	-	-	-	12,552	-	12,552
Dividends paid (note 11)	派息 (附註11)	-	-	-	-	-	-	-	-	-	(409,233)	(409,233)	-	(409,233)
At 31 March 2008	二零零八年 三月三十一日	113,738	4,352,945	-	15,908	580,125	(183,067)	12,552	49	(2,999)	3,155,360	8,044,611	(10,302)	8,034,309

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

## 綜合權益變動表

For the year ended 31 March 2008 截止二零零八三月三十一日止年度

### Notes:

- (i) The capital contribution was arisen from the disposal of subsidiaries to a wholly owned subsidiary of the Group's ultimate holding company. Details of the disposal of subsidiaries are set out in note 32.
- (ii) In accordance with the provisions of the Macao Commercial Code, the Company's subsidiary in Macau is required to transfer a minimum of 25% of the annual net profit to a legal reserve, whenever dividend is declared by the subsidiary, until the reserve reaches half of the capital of the subsidiary. This reserve is not distributable to the shareholders.
- (iii) The special reserve of the Group represents the difference between the nominal value of the aggregate share capital of the subsidiaries acquired by the Group pursuant to the corporate reorganisation in September 2003, and the nominal value of the Company's shares issued for the acquisition.

### 附註：

- (i) 資金貢獻乃向本集團最終控股公司一家全資附屬公司出售附屬公司所得。出售附屬公司詳情載於附註32。
- (ii) 根據澳門商法典的條文，凡本公司位於澳門的附屬公司宣派股息時，應轉撥不少於年度純利25%的金額作為法定公積金，直至公積金達附屬公司註冊資本的一半為止，該等公積金不得分派予股東。
- (iii) 本團的特別儲備指根據本集團於二零零三年九月為重組收購所得的附屬公司的股本面值總額與本公司就收購事項而發行的股份面值的差額。

# CONSOLIDATED CASH FLOW STATEMENT

## 綜合現金流量表

For the year ended 31 March 2008 截止二零零八年三月三十一日止年度

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
<b>OPERATING ACTIVITIES</b>	<b>經營業務</b>		
Profit before tax	稅前盈利	<b>1,499,146</b>	1,041,005
Adjustments for:	為以下各項調整：		
Amortisation of prepaid lease payments	預付租賃款項攤銷	<b>19,139</b>	3,099
Depreciation of property, plant and equipment	物業、廠房及設備之折舊	<b>268,086</b>	151,767
Loss on disposal of property, plant and equipment	出售物業、廠房及設備產生之虧損	<b>166</b>	234
Share of losses of associates	聯營公司虧損分配	<b>1</b>	-
Interest income	利息收入	<b>(6,609)</b>	(4,136)
Net loss (gain) from fair value changes of derivative financial instruments	因衍生財務工具公平值變動產生的淨虧損(得益)	<b>177,552</b>	(31,103)
Retirement benefit expense	退休福利開支	<b>832</b>	1,022
Share-based payments	股權支付款項	<b>10,886</b>	7,412
Finance costs	財務成本	<b>86,386</b>	82,465
Operating cash flows before movements in working capital	營運資金變動前的經營現金流量	<b>2,055,585</b>	1,251,765
Increase in inventories	存貨增加	<b>(1,075,168)</b>	(590,625)
Increase in trade and other receivables	應收貿易賬款及其他賬款增加	<b>(1,467,679)</b>	(478,287)
Decrease in amount due from a related company	應收有關連公司款項減少	<b>6,227</b>	9,277
Decrease in derivative financial instruments	衍生財務工具減少	<b>(786)</b>	-
Increase in trade and other payables	應付賬款及其他賬款增加	<b>424,185</b>	553,270
Cash generated from operations	經營業務產生的現金	<b>(57,636)</b>	745,400
PRC Foreign Enterprise Income Tax paid	已付中國外商企業所得稅	<b>(28,344)</b>	(16,059)
Overseas income tax paid	支付海外入息稅	<b>(61)</b>	-
Interest paid	已付利息	<b>(231,357)</b>	(84,852)
<b>NET CASH (USED IN) FROM OPERATING ACTIVITIES</b>	<b>經營業務(動用)所得的現金淨額</b>	<b>(317,398)</b>	644,489

# CONSOLIDATED CASH FLOW STATEMENT

## 綜合現金流量表

For the year ended 31 March 2008 截止二零零八年三月三十一日止年度

	Note 附註	2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
<b>INVESTING ACTIVITIES</b>	<b>投資活動</b>		
Purchases of property, plant and equipment	購置物業、廠房及設備	<b>(3,239,714)</b>	(1,751,756)
Deposits paid for acquisition of property, plant and equipment and land use rights	購置物業、廠房及設備及土地使用權所付訂金	<b>(918,844)</b>	(931,536)
Prepaid lease payments	預付租賃款項	<b>(80,816)</b>	(145,452)
Disposal of subsidiaries	出售附屬公司	<b>(29,862)</b>	–
Repayment from associates	聯營公司還款	<b>47,591</b>	–
Interest received	已收利息	<b>6,609</b>	4,136
Decrease (increase) in restricted bank deposits	有限制銀行存款減少(增加)	<b>1,634</b>	(845)
Proceeds on disposal of property, plant and equipment	出售物業、廠房及設備所得款項	<b>66</b>	59
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>投資活動動用的現金淨額</b>	<b>(4,213,336)</b>	(2,825,394)
<b>FINANCING ACTIVITIES</b>	<b>融資活動</b>		
New bank and other borrowings raised	新籌集銀行及其他貸款	<b>9,688,177</b>	4,587,477
Net proceeds from issue of shares	發行股份所得款項淨額	<b>7,650</b>	1,485,375
Repayment of bank and other borrowings	償還銀行及其他貸款	<b>(4,648,151)</b>	(3,406,640)
Dividends paid	已付股息	<b>(409,233)</b>	(395,541)
(Decrease) increase in bank overdrafts	銀行透支(減少)增加	<b>(12,045)</b>	11,541
<b>NET CASH FROM FINANCING ACTIVITIES</b>	<b>融資活動所得現金淨額</b>	<b>4,626,398</b>	2,282,212
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>現金及現金等價物淨增加額</b>	<b>95,664</b>	101,307
<b>CASH AND CASH EQUIVALENTS BROUGHT FORWARD</b>	<b>現金及現金等價物承前結餘</b>	<b>214,985</b>	110,317
<b>EFFECT OF EXCHANGE RATE CHANGES</b>	<b>匯率變動之影響</b>	<b>7,539</b>	3,361
<b>CASH AND CASH EQUIVALENTS CARRIED FORWARD</b>	<b>現金及現金等價物結轉</b>	<b>318,188</b>	214,985
represented by bank balances and cash	銀行結餘及現金		

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 March 2008 截至二零零八年三月三十一日止年度

### 1. General

The Company is a public limited company incorporated and registered as an exempted company with limited liability in the Cayman Islands under the Companies Law (2007 Revision) of the Cayman Islands on 21 May 2003 and its shares are listed on The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). Its parent and ultimate holding company is Gold Best Holdings Ltd. ("Gold Best"), a private company incorporated in the British Virgin Islands. The address of the registered office and the principal place of business of the Company is disclosed in the Corporate Information section of the annual report.

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

The Company acts as an investment holding company. The principal activities of its principal subsidiaries are set out in note 38.

### 2. Application of New and Revised Hong Kong Financial Reporting Standards

In the current year, the Group has applied, for the first time, the following new standards, amendments and interpretations (the "new HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA"), which are effective for the Group's financial year beginning 1 April 2007.

HKAS 1 (Amendment)	Capital Disclosures
HKFRS 7	Financial instruments: Disclosures
HK(IFRIC) - Int 8	Scope of HKFRS 2
HK(IFRIC) - Int 9	Reassessment of Embedded Derivatives
HK(IFRIC) - Int 10	Interim Financial Reporting and Impairment
HK(IFRIC) - Int 11	HKFRS 2 — Group and Treasury Share Transactions

### 1. 一般資料

本公司是上市有限公司，於二零零三年五月二十一日根據開曼群島公司法（二零零七年版）於開曼群島成立及登記為獲豁免有限公司，股份並於香港聯合交易所有限公司（「聯交所」）上市。母公司及最終控股公司是Gold Best Holdings Ltd.（「Gold Best」），為一間於英屬處女群島註冊成立的私人公司。本公司註冊辦事處及總辦事處之地址於本年報公司資料內披露。

本綜合財務報表以港元列示，港元亦為本公司之功能貨幣。

本公司是一間投資控股公司，各主要附屬公司的主要業務載於財務報表附註38。

### 2. 應用新及經修訂之香港財務報告準則

於本年度，本集團首次應用下列由香港會計師公會新頒佈之新準則、修訂及詮釋（「新香港財務報告準則」），該等準則於2007年4月1日開始之會計期間生效。

香港會計準則第1號（經修訂）	資本披露
香港財務報告準則第7號	財務工具：披露
香港（國際財務報告詮釋委員會）詮釋第8號	香港財務報告準則第2號大綱
香港（國際財務報告詮釋委員會）詮釋第9號	重估內含衍生工具
香港（國際財務報告詮釋委員會）詮釋第10號	中期財務報告及減值
香港（國際財務報告詮釋委員會）詮釋第11號	香港財務報告準則第2號—集團及庫存股份交易



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 March 2008 截至二零零八年三月三十一日止年度

### 2. Application of New and Revised Hong Kong Financial Reporting Standards

(Continued)

The Group has applied the disclosure requirements under HKAS 1 (Amendment) and HKFRS 7 retrospectively. Certain information presented in prior year under the requirements of HKAS 32 has been removed and the relevant comparative information based on requirements of HKAS 1 (Amendment) and HKFRS 7 has been presented for the first time in the current year.

Except this, the adoption of the new HKFRSs has had no material effect on how the results and financial position for the current or prior accounting years have been prepared and presented. Accordingly, no prior year adjustment has been required.

The Group has not early applied the following new, revised or amended standards and interpretations that have been issued but are not yet effective.

HKAS 1 (Revised)	Presentation of Financial Statements <sup>1</sup>
HKAS 23 (Revised)	Borrowing Costs <sup>1</sup>
HKAS 27 (Revised)	Consolidated and Separate Financial Statements <sup>2</sup>
HKAS 32 & HKAS 1 (Amendments)	Puttable Financial Instruments and Obligations Arising on Liquidation <sup>1</sup>
HKFRS 2 (Amendment)	Share-based Payment: Vesting Conditions and Cancellations <sup>1</sup>
HKFRS 3 (Revised)	Business Combination <sup>2</sup>
HKFRS 8	Operating Segments <sup>1</sup>
HK(IFRIC) - Int 12	Service Concession Arrangements <sup>3</sup>
HK(IFRIC) - Int 13	Customer Loyalty Programmes <sup>4</sup>
HK(IFRIC) - Int 14	HKAS 19 — The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction <sup>3</sup>

<sup>1</sup> Effective for annual periods beginning on or after 1 January 2009

<sup>2</sup> Effective for annual periods beginning on or after 1 July 2009

<sup>3</sup> Effective for annual periods beginning on or after 1 January 2008

<sup>4</sup> Effective for annual periods beginning on or after 1 July 2008

### 2. 應用新及經修訂之香港財務報告準則(續)

本集團已追溯應用香港會計準則第1號(修訂)及香港財務報告準則第7號之披露規定。過往年度根據香港會計準則第32號所規定呈列之若干資料已被移除，並於本年度首次呈列按照香港會計準則第1號(修訂)及香港財務報告準則第7號所規定之有關比較資料。

除此之外，採用新香港財務報告準則，並無對現行或過往會計期間之業績編製及呈報方式產生重大影響。因此，毋須對往期間作出任何調整。

本集團並無提早採用下列已頒布但未生效之新及經修訂或修改之準則及詮釋。

香港會計準則第1號(經修訂)	財務報表的呈列 <sup>1</sup>
香港會計準則第23號(經修訂)	借貸成本 <sup>1</sup>
香港會計準則第27號(經修訂)	綜合及獨立財務報表 <sup>2</sup>
香港會計準則第32號及香港會計準則第1號(修訂)	可售財務工具及清盤時產生的責任 <sup>1</sup>
香港財務報告準則第2號(修訂)	股權支付款項：歸屬條件及註銷 <sup>1</sup>
香港財務報告準則第3號(經修訂)	業務合併 <sup>2</sup>
香港財務報告準則第8號	營運部份 <sup>1</sup>
香港(國際財務報告詮釋委員會)詮釋第12號	服務經營權安排 <sup>3</sup>
香港(國際財務報告詮釋委員會)詮釋第13號	客戶忠誠計劃 <sup>4</sup>
香港(國際財務報告詮釋委員會)詮釋第14號	香港會計準則第19號—界定利益資產的限制、最低資金規定及其互相影響 <sup>3</sup>

<sup>1</sup> 由2009年1月1日起或以後年度期間生效

<sup>2</sup> 由2009年7月1日起或以後年度期間生效

<sup>3</sup> 由2008年1月1日起或以後年度期間生效

<sup>4</sup> 由2008年7月1日起或以後年度期間生效

## 2. Application of New and Revised Hong Kong Financial Reporting Standards

(Continued)

The adoption of HKFRS 3 (Revised) may affect the accounting for business combination for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after 1 July 2009. HKAS 27 (Revised) will affect the accounting treatment for changes in a parent's ownership interest in a subsidiary that do not result in a loss of control, which will be accounted for as equity transactions.

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

## 3. Significant Accounting Policies

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

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

### Basis of consolidation

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

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

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

## 2. 應用新及經修訂之香港財務報告準則 (續)

採用香港財務報告準則第3號可能影響收購日期為2009年7月1日或以後開始之首個年度報告期開始之日或以後之業務合併之會計方法。香港會計準則27號(經修訂)將影響不會導致失去控制權之母公司於附屬公司權益變動之會計處理。應用新準則將影響本集團之業績及財務狀況。

本公司董事預期應用此等新及經修訂或修改之準則及詮釋將不會對本集團業績及財務狀況造成重大影響。

## 3. 主要會計政策

綜合財務報表按歷史成本法編製，惟按公平值計量之若干財務工具除外，詳見下文之會計政策。

綜合財務報表乃根據香港會計師公會發出之香港財務準則編製。另外，綜合財務報表已包括聯交所上市規則「上市規則」及香港公司條例所監管下須予披露資料。

### 綜合基準

綜合財務報表載列本公司及其附屬公司的財務報表。控制是本公司有權管轄一家企業的財務及經營政策以從其經營活動中獲得收益。

年內收購或出售的附屬公司的業績由收購生效日起，計入綜合收益表內或計至出售生效日期止，視何者適用。

倘需要，本集團會對附屬公司之財務報表作出調整，使其會計政策與本集團其他成員公司所採用者保持一致。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 March 2008 截至二零零八年三月三十一日止年度

### 3. Significant Accounting Policies (Continued)

#### Basis of consolidation (Continued)

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

Minority interests in the net assets of consolidated subsidiaries are presented separately from the Group's equity therein. Minority interests in the net assets consist of the amount of those interests at the date of the original business combination and the minority's share of changes in equity since the date of combination. Losses applicable to the minority in excess of the minority's interest in the subsidiary's equity are allocated against the interests of the Group except to the extent that the minority has a binding obligation and is able to make an additional investment to cover the losses.

#### Property, plant and equipment

Property, plant and equipment including buildings held for use in the production of goods or for administrative purposes, other than freehold land and construction in progress, are stated at cost less subsequent accumulated depreciation and accumulated impairment losses.

Depreciation is provided to write off the cost of items of property, plant and equipment other than freehold land and construction in progress over their estimated useful lives, and after taking into account their estimated residual value, using the straight-line method.

Freehold land is stated at cost less accumulated impairment losses and is not depreciated.

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

### 3. 主要會計政策(續)

#### 綜合基準(續)

所有集團內交易及結餘已於綜合賬目時對銷。

少數股東所佔綜合附屬公司資產淨值與本集團於其中的股本權益分開呈列。少數股東所佔資產淨值包括於原來業務合併日期的該等權益數額及少數股東所佔合併日期以來的股本權益變動。超逾少數股東所佔附屬公司股本權益的少數股東所佔虧損按本集團權益分配，惟少數股東具有約束力責任，並可作出額外投資以補償虧損則除外。

#### 物業、廠房及設備

除在建工程及永久業權之土地外，物業、廠房及設備(包括持有作貨品生產用途或行政用途的樓宇)按成本減累計折舊及累計減值虧損入賬。

除永久業權之土及在建工程地外，物業、廠房及設備在其估計可使用年期內及其估計餘額後，按直線法計算折舊撥備，以撇銷成本。

永久業權之土地按成本減累計減值虧損入賬，並無折舊。

在建工程包括用作生產或供其自有用途之在建中物業、廠房及設備。在建工程按成本減任何已確認之減值虧損列賬。當在建工程完工及可供其擬定用途，則歸入適當之物業、廠房及設備類別。該等資產於資產可供其擬定用途時開始折舊，折舊基準與其他物業資產相同。

### 3. Significant Accounting Policies (Continued)

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

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in the consolidated income statement in the year in which the item is derecognised.

#### Investments in associates

An associate is an entity over which the investor has significant influence and that is neither a subsidiary nor an interest in a joint venture.

The results and assets and liabilities of associates are incorporated in these consolidated financial statements using the equity method of accounting. Under the equity method, investments in associates are carried in the consolidated balance sheet at cost as adjusted for post-acquisition changes in the Group's share of the net assets of the associates, less any identified impairment loss. When the Group's share of losses of an associate equals or exceeds its interest in that associate (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate), the Group discontinues recognising its share of further losses. An additional share of losses is provided for and a liability is recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of that associate.

Where a group entity transacts with an associate of the Group, profits and losses are eliminated to the extent of the Group's interest in the relevant associate.

#### Inventories

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

### 3. 主要會計政策 (續)

#### 物業、廠房及設備 (續)

物業、廠房及設備項目於出售時或當繼續使用該資產預期不會產生任何日後經濟效益時取消確認。資產取消確認產生之任何收益或虧損(按該項目之出售所得款項淨額與賬面值間之差額計算)於該項目取消確認之年度計入綜合收益表。

#### 於聯營公司之投資

聯營公司為投資者具有重大影響而並非附屬公司或於合營企業之權益之實體。

聯營公司之業績及資產與負債以權益會計法計入此等綜合財務報表內。根據權益法，於聯營公司之投資乃按成本(並就本集團於收購後應佔聯營公司資產淨值作出調整)減任何已識別減值虧損計入綜合資產負債表。當本集團應佔聯營公司虧損相當於或超出其於該聯營公司之權益(包括任何本質上組成本集團於該聯營公司投資淨額部分之長期權益)時，本集團終止確認其應佔進一步虧損。本集團會就應佔額外虧損提供撥備，並僅就本集團代表該聯營公司所產生法定或推定責任或所作付款確認負債。

當一間集團實體與本集團一間聯營公司進行交易時，損益會以本集團於相關聯營公司之權益為限予以撇銷。

#### 存貨

按成本或可變現淨值兩者之較低者入賬。成本以加權平均法計算。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 March 2008 截至二零零八年三月三十一日止年度

### 3. Significant Accounting Policies (Continued)

#### Financial instruments

Financial assets and financial liabilities are recognised on the balance sheet when a group entity becomes a party to the contractual provisions of the instrument. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

#### Financial assets

The Group's financial assets are classified into one of the two categories, including loans and receivables and financial assets at fair value through profit or loss. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

#### Effective interest method

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

Interest income is recognised on an effective interest basis.

### 3. 主要會計政策(續)

#### 財務工具

財務資產及財務負債乃當某集團實體為工具合同條文之訂約方時在資產負債表上確認。財務資產及財務負債按公平值初步計量。收購或發行財務資產及財務負債直接應佔之交易成本(於損益表按公平值計算之財務資產及財務負債除外)乃於初步確認時加入財務資產或財務負債之公平值或自財務資產或財務負債之公平值內扣除(如合適)。收購透過損益以公平值列賬之財務資產或財務負債直接應佔之交易成本即時於損益賬內確認。

#### 財務資產

本集團之財務資產分為兩個類別其中之一：包括透過損益按公平值計算之貸款及應收賬款和財務資產。所有日常買賣之財務資產於交易日確認及不再確認。日常買賣指須根據市場規則或慣例訂立之時間內交收資產之財務資產買賣。

#### 實際利率法

實際利率法乃計算財務資產之攤銷成本以及分配相關期間之利息收入之方法。實際利率乃按財務資產之預計年期或適用的較短期間內準確貼現估計未來收取之現金(包括構成實際利率一部份之所有已付或已收之費用及利率差價、交易成本及其他溢價或折讓)之利率。

利息收入按實際利率基準確認。

### 3. Significant Accounting Policies (Continued)

#### Financial instruments (Continued)

##### Financial assets (Continued)

##### Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. At each balance sheet date subsequent to initial recognition, loans and receivables (including trade and other receivables, amounts due from associates, amount due from a related company, restricted bank deposits and bank balances and cash) are carried at amortised cost using effective interest method, less any identified impairment losses (see accounting policy on impairment on financial assets below).

##### Financial assets at fair value through profit or loss

The Group's financial assets classified as financial assets at fair value through profit or loss are derivatives that are not designated and effective as hedging instruments.

At each balance sheet date subsequent to initial recognition, financial assets at fair value through profit or loss are measured at fair value, with changes in fair value recognised directly in profit or loss in the period in which they arise. The net gain or loss recognised in profit or loss excludes any dividend or interest earned on the financial assets.

##### Impairment of financial assets

Financial assets other than those at fair value through profit or loss, are assessed for indicators of impairment at each balance sheet date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the financial assets have been impacted.

For loans and receivables, objective evidence of impairment could include:

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

### 3. 主要會計政策 (續)

#### 財務工具 (續)

##### 財務資產 (續)

##### 貸款及應收款項

貸款及應收款項乃並無於活躍市場報價之固定或待定金額付款之非衍生財務資產。於初步確認後各結算日，貸款及應收款項（包括應收賬款及其他應收款項、應收聯營公司款項、應收關連公司款項、受限制銀行存款以及銀行結餘及現金）均以實際利率法，按攤銷成本減任何已識別減值虧損入賬（請參閱下文有關財務資產減值虧損之會計政策）。

##### 按公平值列賬及計入損益之財務資產

本集團分類為按公平值列賬及計入損益之財務資產為一種並不能作為指定及有效對沖工具之衍生工具。

於初始確認後之各結算日，按公平值列賬及計入損益之財務資產以公平值計量，公平值變動在出現期間直接在損益確認。於損益表中確認之盈虧淨額不包括該財務資產所賺取之所有股息及利息。

##### 財務資產減值

財務資產（按公平值列賬及計入損益之財務資產除外）於每個結算日評估是否有減值跡象。倘有客觀證據證明初步確認財務資產後發生之一項或多項事件令財務資產之估計未來現金流量受到影響，則財務資產屬已減值。

就貸款及應收款項而言，減值之客觀證據可能包括：

- 發行人或對手方存在嚴重財政困難；或
- 拒付或拖欠支付利息或本金；或
- 借款人有可能破產或進行財務重組。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 March 2008 截至二零零八年三月三十一日止年度

### 3. Significant Accounting Policies (Continued)

#### Financial instruments (Continued)

##### Financial assets (Continued)

##### Impairment of financial assets (Continued)

For certain categories of financial asset, such as trade receivables, assets that are assessed not to be impaired individually are subsequently assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the Group's past experience of collecting payments and observable changes in national or local economic conditions that correlate with default on receivables.

An impairment loss is recognised in profit or loss when there is objective evidence that the asset is impaired, and is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the original effective interest rate.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss. When a trade receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited to profit or loss.

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

### 3. 主要會計政策(續)

#### 財務工具(續)

##### 財務資產(續)

##### 財務資產減值(續)

應收貿易賬款等被評估為非個別減值之若干財務資產類別，其後按整體基準進行減值評估。應收賬款組合之客觀減值證據可包括本集團之過往收款經驗以及與應收賬款逾期有關之全國或地方經濟狀況明顯改變。

倘若存在客觀證據表明資產出現減值，則減值虧損於損益內確認，並按資產賬面值與按初始實際利率貼現之估計日後現金流量現值之差額計量。

就所有財務資產而言，財務資產之賬面值直接按減值虧損減少，惟應收貿易賬款除外，其賬面值乃透過使用撥備賬目而減少。撥備賬目之賬面值變動於損益內確認。倘應收貿易賬款被視為無法收回，則與撥備賬目撇銷。其後收回過往撇銷之款項計入損益內。

倘若隨後期間減值虧損數額減少，而該減少乃客觀地與減值虧損確認後發生之事項聯繫，則先前確認之減值虧損於損益撥回，惟撥回減值當日資產之賬面值不得超過倘若並無確認減值原有之攤銷成本。

### 3. Significant Accounting Policies (Continued)

#### Financial instruments (Continued)

##### Financial liabilities and equity instruments

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. The accounting policies adopted in respect of financial liabilities and equity instruments are set out below.

##### Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability or, where appropriate, a shorter period.

Interest expense is recognised on an effective interest basis.

##### Financial liabilities at fair value through profit or loss

The Group's financial liabilities classified as financial liabilities at fair value through profit or loss are derivatives that are not designated and effective as hedging instruments.

At each balance sheet date subsequent to initial recognition, financial liabilities at fair value through profit or loss are measured at fair value, with changes in fair value recognised directly in profit or loss in the period in which they arise. The net gain or loss recognised in profit or loss excludes any interest paid on the financial liabilities.

##### Other financial liabilities

Other financial liabilities (including trade and other payables, and bank and other borrowings) are subsequently measured at amortised cost, using the effective interest rate method.

### 3. 主要會計政策(續)

#### 財務工具(續)

##### 財務負債及股本權益工具

由本公司實體發行之財務負債及股本權益工具按所訂立之合約安排性質，以及財務負債及股本權益工具之定義而分類。

股本權益工具為帶有集團資產剩餘權益(經扣除其所有負債)之任何合約。財務負債及股本權益工具採納之會計政策如下：

##### 實際利率法

實際利率法乃計算財務負債之攤銷成本以及分配相關期間之利息開支之方法。實際利率乃按財務負債之預計年期或適用的較短期間內準確貼現估計未來之現金付款之利率。

利息收入按實際利率基準確認。

##### 按公平值列賬及計入損益之財務負債

本集團之財務負債分類為按公平值列賬及計入損益之財務負債，為一種並不能作為指定及有效對沖工具之衍生工具。

於初始確認後之各結算日，按公平值列賬及計入損益之財務負債以公平值計量，公平值變動在出現期間直接在損益確認。於損益表中確認之盈虧淨額不包括該財務負債產獲派付之所有利息。

##### 其他財務負債

其他財務負債(包括應付貿易及其他款項、及銀行及其他借貸)其後採用實際利率按攤銷成本計算。



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## 綜合財務報表附註

For the year ended 31 March 2008 截至二零零八年三月三十一日止年度

### 3. Significant Accounting Policies (Continued)

#### Financial instruments (Continued)

##### Financial liabilities and equity instruments (Continued)

##### Convertible bonds

Convertible bonds issued by the Group that contain liability, conversion option and early redemption option (which is not closely related to the host liability component) are classified separately into respective items on initial recognition. Conversion option that will be settled by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Company's own equity instruments is classified as an equity instrument. At the date of issue, both the liability and early redemption option components are measured at fair value. The difference between the gross proceeds of the issue of the convertible bonds and the fair values assigned to the liability and early redemption option components respectively, representing the conversion option for the holder to convert the bonds into equity, is included in equity (convertible bonds equity reserve).

In subsequent periods, the liability component of the convertible loan notes is carried at amortised cost using the effective interest method. The early redemption option is measured at fair value with changes in fair value recognised in profit or loss.

The equity component, representing the option to convert the liability component into ordinary shares of the Company, will remain in convertible bonds equity reserve until the embedded conversion option is exercised in which case the balance stated in convertible bonds equity reserve will be transferred to share premium. Where the conversion option remains unexercised at the expiry date, the balance stated in convertible loan notes equity reserve will be released to the retained profits. No gain or loss is recognised in profit or loss upon conversion or expiration of the conversion option.

### 3. 主要會計政策(續)

#### 財務工具(續)

##### 財務負債及股本權益工具(續)

##### 可換股債券

本集團發行之可換股債券包括負債、兌換選擇權及提早贖回選擇權(與主負債部份並無密切關係)，乃於初步確認時獨立分類為上述各項。將以交換固定金額之現金或可兌換為本公司固定數目之股本工具之另一種金融資產結算之兌換選擇權歸類為股本工具。於發行日期，負債及提早贖回選擇權部份均以公平值計量。發行可換股債券所得款項總額與分別賦予負債及提早贖回選擇權部分之公平值間之差額，即持有人可將債券兌換為股本之兌換選擇權，乃於權益內列賬(可換股債券股本儲備)。

於往後期間，可換股借貸票據之負債部分乃採用實際利率法按攤銷成本列賬。提早贖回選擇權按公平值計量，其公平值變動於損益確認。

股本部分即兌換負債部分為本公司普通股之選擇權，將保留於可換股債券股本儲備，直至內含選擇權獲行使為止。於此情況下，可換股債券股本儲備之結餘將轉撥至股份溢價。倘兌換選擇權於到期日未獲行使，可換股借貸票據股本儲備之結餘將撥至保留溢利。兌換選擇權兌換或到期時不會於損益確認盈虧。

### 3. Significant Accounting Policies (Continued)

#### Financial instruments (Continued)

##### Financial liabilities and equity instruments (Continued)

##### Convertible bonds (Continued)

Transaction costs that relate to the issue of the convertible bonds are allocated to the liability, equity and early redemption option components in proportion to the allocation of the gross proceeds. Transaction costs relating to the equity component are charged directly to equity. Transaction costs relating to the early redemption option are charged to profit or loss immediately. Transaction costs relating to liability component are included in the carrying amount of the liability portion and amortised over the period of the convertible bonds using the effective interest method.

##### Equity instruments

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

##### Derivative financial instruments and hedging

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at each balance sheet date. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

##### Embedded derivatives

Derivatives embedded in non-derivatives host contracts are treated as separate derivatives when their risks and characteristics are not closely related to those of the host contracts and the host contracts are not measured at fair value with changes in fair value recognised in profit or loss.

### 3. 主要會計政策 (續)

#### 財務工具 (續)

##### 財務負債及股本權益工具 (續)

##### 可換股債券 (續)

與發行可換股債券相關之交易成本乃按所得款項總額之劃分比例分配至負債、股本及提早贖回選擇權部分。與股本部分相關之交易成本乃直接計入股本內。與提早贖回選擇權相關之交易成本乃即時於損益扣除。與負債部分相關之交易成本乃計入負債部分之賬面值，並按可換股債券之年期採用實際利息法攤銷。

##### 股本權益工具

本公司所發行之股本權益工具乃按已收取之所得款項減直接發行成本記賬。

##### 衍生財務工具及對沖

衍生工具於衍生合約訂立日期初步按公平值確認，其後於各結算日重新計量至其公平值。所產生之盈虧即時於損益中確認，除非衍生工具是作為指定及有效對沖工具，則於損益確認的時間視乎對沖關係的性質而定。

##### 內含衍生工具

當內含衍生工具之風險及特質與主合約之經濟風險及特質並無密切關係，及主合約並非按公平值計量及公平值變動於損益確認時，非衍生主合約內含之衍生工具乃被視作獨立衍生工具。

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## 綜合財務報表附註

For the year ended 31 March 2008 截至二零零八年三月三十一日止年度

### 3. Significant Accounting Policies (Continued)

#### Financial instruments (Continued)

##### Financial liabilities and equity instruments (Continued)

##### Hedge accounting

The Group designates certain derivatives as hedging instruments for cash flow hedges.

At the inception of the hedging relationship the entity documents the relationship between the hedging instrument and hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Group documents whether the hedging instrument that is used in a hedging relationship is highly effective in offsetting changes in fair values or cash flows of the hedged item.

##### Cash flow hedge

The effective portion of changes in the fair value of derivatives that are designated and qualified as cash flow hedges are deferred in equity. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss.

Amount deferred in equity are recycled in profit or loss in the periods when the hedged item is recognised in profit or loss.

Hedge accounting is discontinued when the Group revokes the hedging relationship, the hedging instrument expires or is sold, terminated, exercised, or no longer qualified for hedge accounting. Any cumulative gain or loss deferred in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in profit or loss. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was deferred in equity is recognised immediately in profit or loss.

### 3. 主要會計政策(續)

#### 財務工具(續)

##### 衍生財務工具及對沖(續)

##### 對沖會計法

本集團指定某些衍生工具為對沖工具，用作現金流量對沖。

於對沖關係之開始，實體記錄對沖工具和被對沖項目的關係，及進行各類對沖交易之風險管理目標及其策略。此外，於對沖開始和按持續基準進行期間，本集團記錄用於對沖關係之對沖工具是否能高度有效地抵銷被對沖項目的公平值或現金流量變動。

##### 現金流量對沖

指定和符合資格作現金流量對沖之衍生工具公平值變動，其有效部分遞延於權益，其無效部分之盈虧即時於損益內確認。

當被對沖項目於損益內確認時，遞延於權益之金額則在該期間之損益內重新確認。

當本集團解除對沖關係、對沖工具已屆滿、售出、終止、行使或不再符合對沖會計法，對沖會計法將被終止。當時遞延於權益之任何累計盈虧將保留於權益內，並在預測交易最終於損益內確認時確認。倘預測交易預期不再進行，遞延於權益之累計盈虧即時於損益內確認。

### 3. Significant Accounting Policies (Continued)

#### Financial instruments (Continued)

##### Derecognition

Financial assets are derecognised when the rights to receive cash flows from the assets expire or, the financial assets are transferred and the Group has transferred substantially all the risks and rewards of ownership of the financial assets. On derecognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised directly in equity is recognised in profit or loss.

Financial liabilities are derecognised when the obligation specified in the relevant contract is discharged, cancelled or expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

##### 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. An impairment loss is recognised as an expense immediately.

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.

### 3. 主要會計政策 (續)

#### 財務工具 (續)

##### 取消確認

若從資產收取現金流之權利已到期，或財務資產已轉讓及本集團已將其於財務資產擁有權之絕大部份風險及回報轉移，則財務資產將取消確認。於取消確認財務資產時，資產賬面值與已代及應收代價及已直接於股本權益確認之累計損益之總差額，將於損益中確認。

倘於有關合約之特定責任獲解除、取消或到期，則取消確認財務負債。取消確認之財務負債賬面值與已付及應付代價之差額將於損益中確認。

##### 減值

本集團會於各結算日檢討資產的賬面值，確定是否出現任何減值虧損跡象。倘若估計資產的可收回額低於賬面值，則該資產的賬面值將調減至可收回額，並即時將減值虧損確認為開支。

倘若有關的減值虧損其後撥回，有關資產的賬面值將調升至估計可收回額，但調升後的賬面值不得超逾往年度並無確認減值虧損時的賬面值。撥回的減值虧損即時確認為收入。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 March 2008 截至二零零八年三月三十一日止年度

### 3. Significant Accounting Policies (Continued)

#### Revenue recognition

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

Revenue from sales of goods is recognised when goods are delivered and title has passed.

Interest income from a financial asset is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount.

Income from sale of steam is recognised upon the provision of the steam.

#### Leasing

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

##### *The Group as lessor*

Rental income from operating leases is recognised in the consolidated income statement on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised as an expense on a straight-line basis over the lease term.

##### *The Group as lessee*

Rentals payable under operating leases are charged to profit or loss on a straight-line basis over the term of the relevant lease. Benefits received and receivable as an incentive to enter into an operating lease are recognised as a reduction of rental expense over the lease term on a straight-line basis.

### 3. 主要會計政策(續)

#### 收入確認

收入乃按已收或應收代價之公平值計算，並指於一般業務過程中銷售貨品之應收金額，減折扣及銷售相關稅項後計算。

銷售貨品收入於貨品付運及擁有權移交時確認。

財務資產之利息收入乃以時間為基準按未償還本金及適用實際利率累計，而實際利率為透過財務資產之預期可用年期將估計日後現金收據折讓至該資產之賬面淨值之比率。

出售蒸汽之收入於提供蒸汽時確認。

#### 租賃

凡租賃之條款規定擁有權所附帶之一切風險及回報實質上轉移至承租人者，該租賃即歸類為融資租賃。其他租賃全部列作經營租賃。

##### *集團作為出租人*

經營租賃之租金收入乃按相關租賃年期以直線法於綜合收益表確認。在磋商及安排經營租賃時招致之初步直接成本與出租資產之賬面值相加，並於相關租賃年期以直線法確認為開支。

##### *集團作為承租人*

根據經營租賃之應付租金乃按相關租賃年期以直線法於損益表扣除。因訂立一項經營租賃作為獎勵之已收及應收福利乃以直線法按租賃年期確認作租金支出減少。

### 3. Significant Accounting Policies (Continued)

#### Leasing (Continued)

##### Leasehold land

Interest in leasehold land is accounted for as operating leases and amortised over the lease term on a straight-line basis.

#### Retirement benefit costs

Payments to defined contribution retirement benefit plans, state-managed retirement benefit scheme and the Mandatory Provident Fund Scheme (the "MPF Scheme") are charged as an expense when the employees have rendered the services entitling them to the contributions.

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. All actuarial gains and losses of defined benefit plans are recognised immediately in retained profits in the period in which they occur. 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 consolidated balance sheet represents fair value of the 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.

#### Equity-settled share based payment transactions

The Group has applied HKFRS 2 Share-based Payment to share options granted on or after 1 January 2005. In relation to share options granted before 1 January 2005, the Group chose not to apply HKFRS 2 with respect to share options granted and vested prior to 1 January 2005.

### 3. 主要會計政策 (續)

#### 租賃 (續)

##### 租賃土地

租賃土地權益成本作為經營租賃入賬，並於相關租賃年期以直線法攤銷。

#### 退休福利成本

界定供款退休福利計劃、國家管理的退休福利計劃及強制性公積金計劃(「強積金計劃」)的供款於僱員提供可使其享有供款之服務時支銷。

對界定退休福利計程劃而言，提供福利的成本會使用預估單位利益法計算，並於每年進行精算估值。界定退休福利計劃的全部精算盈虧於產生時直接在保留盈利中確認。若退休福利已成為僱員的既得利益，過往服務年期的成本將即時予以確認，否則將會採用直線法按平均年期攤銷，直至經修訂的退休福利成為僱員的既得利益為止。

在綜合資產負債表確認的數額指福利債務的現值，並就未確認精算盈虧及未確認過往服務成本作出調整及減去計劃資產的公平值。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金值及未來供款之削減。

#### 以股結算股權支付之交易

本集團已對二零零五年一月一日或之後授出之購股權應用香港財務報告準則第2號股權支付款。就二零零五年一月一日前授出之購股權而言，本集團選擇不對二零零五年一月一日前授出及歸屬之購股權應用香港財務報告準則第2號。

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### 3. Significant Accounting Policies (Continued) Equity-settled share based payment transactions (Continued)

*Share options granted and vested prior to  
1 January 2005*

The financial impact of share options granted is not recorded in the consolidated financial statements until such time as the options are exercised, and no charge is recognised in the consolidated income statement in respect of the value of options granted. Upon the exercise of the share options, the resulting shares issued are recorded 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 as share premium. Options which lapse or are cancelled prior to their exercise date are deleted from the register of outstanding options.

*Share options granted and vested on or after  
1 January 2005*

The fair value of services received determined by reference to the fair value of share options granted at the grant date is expensed on a straight-line basis over the vesting period, with a corresponding increase in equity (share option reserve).

At each balance sheet date, the Group revises its estimates of the number of options that are expected to ultimately vest. The impact of the revision of the estimates during the vesting period, if any, is recognised in profit or loss, with a corresponding adjustment to share option reserve.

At the time when the share options are exercised, the amount previously recognised in share option reserve will be transferred to share premium. When the share options are forfeited after the vesting date or are still not exercised at the expiry date, the amount previously recognised in share option reserve will be transferred to retained profits.

### 3. 主要會計政策(續) 以股結算股權支付之交易 (續)

*二零零五年一月一日前授出及  
歸屬之購股權*

已授出購股權獲行使後，財務影響方會於綜合財務報表記錄入賬，且不會就已授出購股權價值於綜合收益表確認任何金額之扣除。購股權獲行使後，因而發行之股份由本公司按股份面值記錄入賬作為額外股本，每股行使價超逾股份面值之金額由本公司入賬記錄為股份溢價。於行使日期前失效或註銷之購股權從已發行購股權記錄冊中刪除。

*二零零五年一月日一或以後授出及  
歸屬之購股權*

所獲服務之公平值乃參考購股權於授出當日之公平值釐定，於歸屬期間以直線法支銷，並於股本權益中作相應增加(購股權儲備)。

於各結算日，本集團修訂預期最終歸屬之購股權數目估計。在歸屬期內該等估計修訂之影響(如有)於損益確認，並對購股權儲備作出相應整。

購股權獲行使時，過往於購股權儲備中確認之數額將轉移至股本溢價賬。當購股權於有效期間後被註銷或於屆滿日仍未獲行使，過往於購股權儲備中確認之數額將轉移至留存溢利內。

### 3. Significant Accounting Policies (Continued)

#### Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, are capitalised as part of the cost of those assets. Capitalisation of such borrowing costs ceases when the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

#### Taxation

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

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

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the consolidated 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 the initial recognition of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

### 3. 主要會計政策 (續)

#### 借貸成本

收購、建設或生產合資格資產之直接應佔借貸成本乃資本化作為該等資產成本之一部份。倘有關資產大致可供其擬定用途或銷售，該等借貸成本則不用撥充資本。暫時投資特定借貸以等應用於合資格資產所得之投資收入，從合資格資本化之借貸成本中扣除。

所有其他借貸成本於產生期間在損益中確認。

#### 稅項

所得稅支出指現時應付稅項及遞延稅項的總和。

現時應付稅項乃按本年度應課稅盈利計算。應課稅盈利與綜合收益表中所報溢利不同，因為應課稅盈利不包括在其他年度應課稅或可扣稅的收入或開支項目，並且不包括從未課稅及扣稅的項目。本集團之即期稅項負債乃按結算日已實行或大致上已實行之稅率計算。

遞延稅項乃根據綜合財務報表資產及負債賬面值與計算應課稅盈利所採用相應稅基的差額而確認，並採用資產負債表負債法入賬。遞延稅項負債一般就所有應課稅暫時差額予以確認，而遞延稅項資產則於可能會出現可用以抵銷可扣稅暫時差額的應課盈利時予以確認。倘若暫時差額乃由初次確認一項不影響應課稅盈利或會計盈利的交易的其他資產及負債所引起，則有關資產及負債不予確認。



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### 3. Significant Accounting Policies (Continued)

#### Taxation (Continued)

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries and associates, except where the Group is able to control the reversal of the temporary difference and it is probable 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 to profit or loss, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

#### Foreign currencies

In preparing the financial statements of each individual group entity, transactions in currencies other than the functional currency of that entity ("foreign currencies") are recorded in its functional currency (i.e. the currency of the primary economic environment in which the entity operates) at the rates of exchanges prevailing on the dates of the transactions. At each balance sheet date, monetary items denominated in foreign currencies are retranslated at the rates prevailing on the balance sheet date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on the translation of monetary items, are recognised in profit or loss in the period in which they arise.

### 3. 主要會計政策(續)

#### 稅項(續)

遞延稅項負債乃按於附屬公司及聯營公司之投資所產生之應課稅暫時差額確認，惟若本集團可控制撥回暫時差額之時間及暫時差額有可能於可見將來不會撥回之情況除外。

遞延稅項資產賬面值於各個結算日審核，並予以相應扣減，直至並無足夠應課盈利可供所有或部份遞延稅項資產應用為止。

遞延稅項按預計按償還負債或變現資產的期間內適用的稅率計算。遞延稅項自損益表中扣除或計入其中，惟與直接扣自或計入股本的項目有關者除外，在此情況下，遞延稅項在股本權益處理。

#### 外幣

於編製各個別集團實體之財務報表時，以該實體功能貨幣以外之貨幣(「外幣」)進行之交易均按交易日期之適用匯率換算為功能貨幣(即該實體經營所在主要經濟活動之貨幣)記賬。於各結算日，以外幣定值之貨幣項目均按結算日之適用匯率重新換算。按公平值以外幣定值之非貨幣項目乃按於公平值釐定當日之適用匯率重新換算。按外幣過往成本計量非貨幣項目無須重新換算。

於結算及換算貨幣項目時產生之滙兌差額均於彼等產生期間內於損益表中確認。

### 3. Significant Accounting Policies (Continued)

#### Foreign currencies (Continued)

For the purposes of presenting the consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated into the presentation currency of the Group (i.e. HK\$) at the rate of exchange prevailing at the balance sheet date, and their income and expenses are translated at the average exchange rates for the year, unless exchange rates fluctuate significantly during the period, in which case, the exchange rates prevailing at the dates of transactions are used. Exchange differences arising, if any, are recognised as a separate component of equity (the translation reserve). Such exchange differences are recognised in profit or loss in the period in which the foreign operation is disposed of.

### 4. Key Sources of Estimation Uncertainty

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

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

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

### 3. 主要會計政策 (續)

#### 外幣 (續)

就呈列綜合財務報表而言，本集團海外經營業務之資產及負債乃按於結算日之適用匯率換算為本集團之列賬貨幣（即港元），而其他收入及支出乃按該年度之平均匯率進行換算，除非匯率於該期間內出現大幅波動則作別論，於此情況下，則採用於交易當日之適用匯率。所產生之匯兌差額（如有）乃確認作權益獨立部份（匯兌儲備）。該等匯兌差額乃於海外業務被出售之期間內於損益表內確認。

### 4. 估計不確定因素之主要來源

於應用本集團之會計政策時，本公司之董事須對未能透過其他來源直接確定之資產及負債之賬面值作出判斷、估計及假設。該等估計及相關假設乃建基於過往經驗及其他被視為相關之因素。實際業績可能有別於該等估計。

估計及相關假設乃按持續基準被審閱。如對會計估計之修訂僅影響進行修訂之期間，則於該期間確認修訂，或如修訂同時影響目前及未來期間，則於修訂及未來期間確認。

下文是有關未來期間的主要假設以及結算日之估計不確定因素之其他主要來源，該等假設及不確定因素具有會造成在下一個財政年度對資產以及負債的賬面值作出重大調整的重大風險。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 March 2008 截至二零零八年三月三十一日止年度

### 4. Key Sources of Estimation Uncertainty

(Continued)

#### Fair values of derivative financial instruments

Derivative financial instruments, such as interest rate swaps, cross currency interest rate swaps, currency structured instruments and commodity swaps are carried at the balance sheet at fair value, as disclosed in note 22. The best evidence of fair value is quoted prices in an active market, where quoted prices are not available for a particular financial instrument, the Group uses the market values determined by counterparty financial institutions to estimate the fair value. The use of methodologies, models and assumptions in pricing and valuing these financial assets and liabilities is subjective and requires varying degrees of judgement by management, which may result in significantly different fair values and results.

### 5. Business and Geographical Segments

#### Business segments

For management purposes, the Group is currently organised into two operating businesses — manufacture and sales of paper, and manufacture and sales of pulp. These businesses are the basis on which the Group reports its primary segment information.

### 4. 估計不確定因素之主要來源

(續)

#### 衍生財務工具公平值

衍生財務工具(如利率掉期、交叉貨幣利率掉期、貨幣結構工具及商品掉期)乃按公平值計入資產負債表,誠如附註22所披露。公平值之最佳憑證為於活躍市場中之報價,倘某一項財務工具未能取得報價,本集團將採用由對手方金融機構釐訂之市值估計其公平值。就該等財務資產及負債定價及估值時所採用之方法、模式及假設乃屬主觀性,並需管理層作出若干程度之判斷,而有關判斷或會導致出現截然不同之公平值及結果。

### 5. 業務及地域分部

#### 業務分部

就管理而言,本集團現經營兩個業務:生產及銷售紙張、生產及銷售木漿。該等業務為本集團申報其主要分類資料之基準。

## 5. Business and Geographical Segments (Continued)

### Business segments (Continued)

Segment information about these businesses is presented below:

2008

Income statement

## 5. 業務及地域分部 (續)

### 業務分部 (續)

該等商業分類資料呈報如下：

二零零八年

收益表

		Paper 紙張 HK\$'000 千港元	Pulp 木漿 HK\$'000 千港元	Eliminations 刪除 HK\$'000 千港元	Consolidated 綜合 HK\$'000 千港元
REVENUE	收入				
External sales	對外銷售	8,403,963	592,150	—	8,996,113
Inter-segment sales	業務之間銷售	—	382,002	(382,002)	—
		8,403,963	974,152	(382,002)	8,996,113
<b>SEGMENT RESULTS</b>	<b>分類業績</b>	<b>1,611,175</b>	<b>74,147</b>	<b>—</b>	<b>1,685,322</b>
Net loss from fair value changes of derivative financial instruments	因衍生財務工具公平值 改變產生的淨虧損				(177,552)
Unallocated corporate incomes	未分類之公司收入				81,280
Unallocated corporate expenses	未分類之公司支出				(3,517)
Share of losses of associates	應佔聯營公司虧損				(1)
Finance costs	財務成本				(86,386)
Profit before tax	稅前溢利				1,499,146
Income tax expense	利得稅開支				(68,026)
Profit for the year	本年度溢利				1,431,120

Note: Inter-segment sales are charged at prices with reference to the prevailing market rates.

附註：業務之間銷售是參考普遍市場價格收取。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 March 2008 截至二零零八年三月三十一日止年度

### 5. Business and Geographical Segments 5. 業務及地域分部 (續)

(Continued)

2008 (Continued)

Assets and liabilities

二零零八年 (續)

資產及負債

		Paper 紙張 HK\$'000 千港元	Pulp 木漿 HK\$'000 千港元	Consolidated 綜合 HK\$'000 千港元
<b>ASSETS</b>	<b>資產</b>			
Segment assets	分類資產	15,672,449	333,074	16,005,523
Unallocated corporate assets	未分類之公司資產			1,009,466
Consolidated total assets	綜合總資產			17,014,989
<b>LIABILITIES</b>	<b>負債</b>			
Segment liabilities	分類負債	700,024	47,719	747,743
Unallocated corporate liabilities	未分類之公司負債			8,232,937
Consolidated total liabilities	綜合總負債			8,980,680

Other information

其他資料

		Paper 紙張 HK\$'000 千港元	Pulp 木漿 HK\$'000 千港元	Consolidated 綜合 HK\$'000 千港元
Amortisation of prepaid lease payments	預付租賃款項攤銷	19,139	—	19,139
Capital expenditure	資本性支出	4,240,308	77,995	4,318,303
Additions to prepaid lease payments	新添預付租賃款項	80,816	—	80,816
Deposits paid for acquisition of property, plant and equipment and land use rights	購置物業、廠房及設備及土地使用權所付訂金	918,844	—	918,844
Depreciation of property, plant and equipment	物業、廠房及設備折舊	256,816	11,270	268,086
Loss on disposal of property, plant and equipment	出售物業、廠房及設備產生的虧損	166	—	166

## 5. Business and Geographical Segments

(Continued)

2007

Income statement

## 5. 業務及地域分部 (續)

二零零七年

收益表

		Paper 紙張 HK\$'000 千港元	Pulp 木漿 HK\$'000 千港元	Eliminations 刪除 HK\$'000 千港元	Consolidated 綜合 HK\$'000 千港元
<b>REVENUE</b>	<b>收入</b>				
External sales	對外銷售	4,730,597	429,955	—	5,160,552
Inter-segment sales	業務之間銷售	—	434,349	(434,349)	—
		4,730,597	864,304	(434,349)	5,160,552
<b>SEGMENT RESULTS</b>	<b>分類業績</b>	1,002,291	44,143	—	1,046,434
Net gain from fair value changes of derivative financial instruments	因衍生財務工具公平值 改變產生的淨收益				31,103
Unallocated corporate incomes	未分類之公司收入				48,691
Unallocated corporate expenses	未分類之公司支出				(2,758)
Finance costs	財務成本				(82,465)
Profit before tax	稅前溢利				1,041,005
Income tax expense	利得稅開支				(30,894)
Profit for the year	本年度溢利				1,010,111

Note: Inter-segment sales are charged at prices with reference to the prevailing market rates.

附註：業務之間銷售是參考普遍市場價格收取。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 March 2008 截至二零零八年三月三十一日止年度

### 5. Business and Geographical Segments 5. 業務及地域分部 (續)

(Continued)

2007 (Continued)

Assets and liabilities

二零零七年 (續)

資產及負債

		Paper 紙張 HK\$'000 千港元	Pulp 木漿 HK\$'000 千港元	Consolidated 綜合 HK\$'000 千港元
<b>ASSETS</b>	<b>資產</b>			
Segment assets	分類資產	9,063,956	196,537	9,260,493
Unallocated corporate assets	未分類之公司資產			584,707
Consolidated total assets	綜合總資產			9,845,200
<b>LIABILITIES</b>	<b>負債</b>			
Segment liabilities	分類負債	480,671	29,783	510,454
Unallocated corporate liabilities	未分類之公司負債			2,764,045
Consolidated total liabilities	綜合總負債			3,274,499
<i>Other information</i>	<i>其他資料</i>			
		Paper 紙張 HK\$'000 千港元	Pulp 木漿 HK\$'000 千港元	Consolidated 綜合 HK\$'000 千港元
Amortisation of prepaid lease payments	預付租賃款項攤銷	3,099	—	3,099
Capital expenditure	資本性支出	1,902,717	59,072	1,961,789
Additions to prepaid lease payments	新添預付租賃款項	145,452	—	145,452
Deposits paid for acquisition of property, plant and equipment and land use rights	購買物業、廠房及 設備及土地使用權 所付訂金	931,536	—	931,536
Depreciation of property, plant and equipment	物業、廠房及設備折舊	147,063	4,704	151,767
Loss on disposal of property, plant and equipment	出售物業、廠房及 設備產生的虧損	234	—	234

## 5. Business and Geographical Segments

(Continued)

### Geographical segments

The following table provides an analysis of the Group's sales by geographical market based on location of customers, others mainly include countries in Asia other than PRC.

## 5. 業務及地域分部 (續)

### 地域分部

下表是按地區市場根據客戶所在地區劃分本集團銷售的分析，其他主要包括中國以外的亞洲國家。

		Sales revenue by geographical market 按地區市場劃分的銷售收入	
		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
People's Republic of China other than Hong Kong (the "PRC")	中華人民共和國，香港除外 (「中國」)	<b>7,686,882</b>	4,322,930
Europe	歐洲	<b>374,210</b>	180,001
United States of America	美國	<b>84,597</b>	65,514
Others	其他	<b>850,424</b>	592,107
		<b>8,996,113</b>	5,160,552

The following is an analysis of the carrying amount of segment assets and capital expenditure, analysed by the geographical area in which the assets are located:

按資產所在地區分析的分類資產賬面值及資本性開支如下：

		Carrying amount of segment assets 分部資產賬面值		Capital expenditure 資本性開支	
		2008 二零零八年	2007 二零零七年	2008 二零零八年	2007 二零零七年
PRC	中國	<b>15,242,809</b>	9,056,798	<b>4,178,226</b>	1,902,495
Vietnam	越南	<b>424,154</b>	—	<b>62,068</b>	—
United States of America	美國	<b>333,075</b>	196,537	<b>77,995</b>	59,072
Hong Kong	香港	<b>5,485</b>	7,158	<b>14</b>	222
		<b>16,005,523</b>	9,260,493	<b>4,318,303</b>	1,961,789



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 March 2008 截至二零零八年三月三十一日止年度

### 6. Finance Costs

### 6. 財務成本

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Interest on bank borrowings wholly repayable within five years	於五年內悉數償還之銀行借貸利息	220,742	84,852
Interest on convertible bonds	可換股債券之利息	2,082	45,771
Interest on notes payable	應付票據之利息	10,615	—
Total borrowing costs	總借貸成本	233,439	130,623
Less: Amounts capitalised in property, plant and equipment	減去: 物業、廠房及設備之資本化金額	(147,053)	(48,158)
		<b>86,386</b>	82,465

Borrowing costs capitalised during the year are calculated by applying a capitalisation rate of 5% (2007: 6%) to expenditures on qualifying assets.

年內資本化之借貸成本以合資格資產開支之資本化比率5% (二零零七年: 6%) 計算。

### 7. Income Tax Expense

### 7. 利得稅開支

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
The charge comprises:	稅項開支包括:		
Current tax	現有稅項		
— PRC Foreign Enterprise Income Tax	— 中國外商企業所得稅	14,997	24,912
— Overseas income tax	— 海外所得稅	61	—
Overprovision in previous year	去年過度撥備		
— PRC Foreign Enterprise Income Tax	— 中國外商企業所得稅	(3,721)	—
Deferred tax (note 25)	遞延稅項 (附註25)	56,689	5,982
		<b>68,026</b>	30,894

## 7. Income Tax Expense (Continued)

The Group's profit is subject to taxation from the place of its operations where its profit is generated. Taxation arising in other jurisdictions is calculated at the rates prevailing in the relevant jurisdictions.

The subsidiaries in the PRC are entitled to exemption from PRC Foreign Enterprise Income Tax for two years starting from their respective first profit-making year, followed by a 50% relief for the three years thereafter ("Tax Holiday").

The first profit-making year of a subsidiary, Jiangsu Lee & Man Paper Manufacturing Company Limited ("Jiangsu Lee & Man"), was the year of 2005. Accordingly, tax exemption period of Jiangsu Lee & Man expired during the year ended 31 March 2007 and it is now subject to a reduced tax rate of 12.5% for the relief period. Beside, pursuant to approvals granted by the PRC tax authority, Jiangsu Lee & Man was granted tax credits that resulted from the purchase of plant and equipment manufactured in the PRC by Jiangsu Lee & Man. Current year's tax charge of Jiangsu Lee & Man was fully offset by such credits.

The Tax Holiday of a subsidiary, Dongguan Lee & Man Paper Factory Co., Ltd. ("Dongguan Lee & Man") expired during the year ended 31 March 2006 and it is now subject to a preferential tax rate of 18% because approval was obtained from the PRC tax authority as it was qualified as a technologically advanced enterprise in the Guangdong Province.

All the Group's other PRC subsidiaries were within the tax exemption period during the year ended 31 March 2008 and were therefore not subject to PRC Foreign Enterprise Income Tax.

On 16 March 2007, the PRC promulgated the Law of the PRC on Enterprise Income Tax (the "Tax Law") by Order No. 63 of the President of the PRC. On 6 December 2007, the State Council of the PRC issued Implementation Regulations of the Tax Law. The Tax Law and Implementation Regulations will increase the tax rate for the Group's PRC subsidiaries to 25% with effect from the expiry of the Tax Holiday period and in the case of Dongguan Lee & Man, on a progressive basis over a period of five years.

## 7. 利得稅開支(續)

集團之利潤乃根據其利潤產生的營運地方繳納稅項。其他管轄地區的稅項按個別管轄地區之課稅率計算如下。

位於中國的附屬公司於各自首個獲利年度起，免繳中國外商企業所得稅兩年，其後三年半免(「稅務優惠」)。

附屬公司江蘇理文造紙有限公司(「江蘇理文」)首個獲利年度為二零零五年。因此，江蘇理文稅務豁免期已於截至二零零七年三月三十一日止年度內到期，其後需於減免期繳納12.5%之減免稅率。此外，根據中國稅務機關所批准，江蘇理文因購買中國製造的廠房及設備而獲授予稅務抵免。江蘇理文本年度需繳納的稅款已由該等得益全數抵銷。

附屬公司東莞理文造紙廠有限公司(「東莞理文」)的免稅期已於截至二零零六年三月三十一日止年度內到期。由於東莞理文為廣東省內合資格的先進科技企業，因此已向中國稅務機關取得批准，可享有18%的優惠稅率。

截至二零零八年三月三十一日止年度內，本集團其餘的中國附屬公司均全部處於稅務豁免期，因此毋須繳納中國的外國企業所得稅。

於二零零七年三月十六日，中國以中國主席令第63號頒佈企業所得稅法(「稅法」)。於二零零七年十二月六日，中國國務院頒佈稅法執行規例。稅法及執行規例將提高本集團之中國附屬公司之稅率至25%，於稅務優惠期屆滿後開始，而東莞理文之稅率將於五年內逐漸遞增。

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## 綜合財務報表附註

For the year ended 31 March 2008 截至二零零八年三月三十一日止年度

### 7. Income Tax Expense (Continued)

The subsidiary in Malaysia carries on offshore trading activities in Labuan, with other group companies which are non-residents of Malaysia. As such, it is qualified as an offshore trading company in Labuan and is charged at a fixed annual rate of Malaysian RM20,000.

The Macau subsidiaries incorporated under Decree-Law no. 58/99/M are exempted from Macau complementary tax (Macau income tax) as long as they comply with the relevant regulations and do not sell their products to a Macau resident.

The subsidiary in the United States is subject to Federal Income Tax and California State Income Tax (collectively refer to as "US Income Tax") at rates of 35% and 8.84%, respectively. No provision for US Income Tax has been made for the year as the assessable profit of the United States subsidiary is wholly absorbed by tax losses brought forward. However, a minimum tax charge of US\$1,600 (equivalent to HK\$13,000) is recognised for the year under the requirements of the California State Income Tax Law.

The Vietnam subsidiaries are subjected to Vietnam Corporate Income Tax at a maximum rate of 28%. No provision for Vietnam Corporate Income Tax has been made for the year as the Vietnam subsidiaries incurred losses for the year.

### 7. 利得稅開支(續)

馬來西亞的附屬公司與集團內其他非馬來西亞公司進行離岸貿易業務。所以，附屬公司為拉布安合資格的離岸貿易公司，需每年繳納20,000馬幣的定額稅。

澳門附屬公司根據第58/99/M號法令註冊，均可免繳澳門補充稅(澳門所得稅)，前提是需符合有關規例及不得向澳門本土公司出售產品。

美國的附屬公司須分別按35%及8.84%繳納聯邦所得稅及加利福尼亞州所得稅(統稱「美國所得稅」)。美國附屬公司的有效稅率約為30%。由於美國附屬公司的應課稅盈利由承前稅務虧損全數吸納，故並無就本年度計提美國所得稅撥備。然而，本年度已根據加利福尼亞州所得稅法的規定確認最低稅項1,600美元(相當於13,000港元)。

越南附屬公司須按不多於28%繳納越南企業所得稅。由於越南附屬公司於本年度產生虧損，故並無計提越南企業所得稅撥備。

## 7. Income Tax Expense (Continued)

The income tax expense can be reconciled to the profit before tax per the consolidated income statement as follows:

## 7. 利得稅開支(續)

利得稅開支與根據損益表的盈利對賬如下：

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Profit before tax	除稅前盈利	1,499,146	1,041,005
Tax at the applicable tax rate of 18% (2007: 18%)	按適用稅率18% (二零零七年: 18%)計算 的稅項	269,846	187,381
Tax effect of expenses not deductible for tax purpose	不可扣稅的支出稅務影響	53,694	19,731
Tax effect of income not taxable for tax purpose	無須課稅的收入的稅務影響	(18,772)	(11,119)
Tax effect of tax losses not recognised	未確認稅務虧損的稅務影響	31,639	2,141
Effect of tax exemption granted to certain subsidiaries	若干附屬公司獲豁免繳稅 的影響	(264,066)	(177,366)
Effect of different tax rates of subsidiaries operating in other jurisdictions	在不同司法權區營運的 附屬公司使用不同稅率 的影響	(594)	(3,015)
Increase in deferred tax liability resulting from change in tax rate of certain subsidiaries	稅率變動導致若干 附屬公司之遞延稅項 負債增加	—	13,141
Overprovision in previous year	去年過度撥備	(3,721)	—
Income tax expense	利得稅開支	68,026	30,894

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### 8. Profit for the Year

### 8. 年度盈利

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Profit for the year has been arrived at after charging:	年度溢利經扣除：		
Directors' emoluments (note 9)	董事酬金(附註9)	8,265	7,603
Staff salaries and other benefits, excluding those of directors	員工薪金及其他福利，不包括董事	314,612	244,759
Share-based payments, excluding those of directors	以股權支付款項，不包括董事	8,224	4,807
Contributions to retirement benefit schemes, excluding those of directors	退休福利計劃供款，不包括董事	14,070	11,476
<b>Total employee benefit expense</b>	<b>員工成本總額</b>	<b>345,171</b>	268,645
Amortisation of prepaid lease payments	預付租賃款項攤銷	19,139	3,099
Auditors' remuneration	核數師酬金	2,953	2,117
Cost of inventories recognised as expenses	存貨成本確認為支出	6,843,488	3,799,101
Depreciation of property, plant and equipment	物業、廠房及設備折舊	268,086	151,767
Loss on disposal of property, plant and equipment	出售物業、廠房及設備產生的虧損	166	234
Operating lease rentals in respect of land and buildings	土地及樓宇的經營租賃租金	8,535	9,335
and after crediting (in other income):	並已計入(其他收入)：		
Compensation income from suppliers for damaged goods	供應商就損毀貨品所作之賠償收入	22,049	35,807
Interest income	利息收入	6,609	4,136
Income from operating a pier	經營碼頭收入	21,301	3,011
Net foreign exchange gains	淨滙兌得益	74,671	44,555
Rental income, net of direct outgoings	租金收入，除直接支出	390	390
Tax credits (Note)	稅務抵免(附註)	37,826	-

Note: Tax credits were granted to Dongguan Lee & Man during the year ended 31 March 2008 as the Group has reinvested directly the profits generated from Dongguan Lee & Man into Dongguan Lee & Man by increasing its registered capital.

附註：由於本集團透過增加註冊資本，將東莞理文產生的利潤直接再投資至東莞理文，東莞理文於截至二零零八年三月三十一日止年度內獲授予稅務抵免。

## 9. Directors' Emoluments

The emoluments paid or payable to each of the nine (2007: nine) directors were as follows:

## 9. 董事酬金

需要支付或應付給九位董事(二零零七年:九)的酬金如下:

		Other emoluments 其他酬金			Total 合計 HK\$'000 千港元
		Fees 袍金 HK\$'000 千港元	Salaries and other benefits 薪金及其他福利 HK\$'000 千港元	Contributions to retirement benefit schemes 退休福利計劃供款 HK\$'000 千港元	
<b>Year ended</b>	<b>二零零八年三月</b>				
<b>31 March 2008</b>	<b>三十一日之年度</b>				
<i>Executive directors</i>	<i>執行董事</i>				
Lee Wan Keung Patrick	李運強	-	-	-	-
Lee Man Chun Raymond	李文俊	-	2,800	12	3,781
Lee Man Bun	李文斌	-	1,727	12	2,330
Tan Siak Him Alexander (note i)	陳錫鑫 (附註i)	-	-	-	-
Li King Wai Ross	李經緯	-	840	12	1,008
<i>Non-executive director</i>	<i>非執行董事</i>				
Poon Chung Kwong	潘宗光	-	-	-	946
<i>Independent non-executive directors</i>	<i>獨立非執行董事</i>				
Wong Kai Tung Tony	王啟東	80	-	-	80
Heng Kwoo Seng (note ii)	邢詒春 (附註ii)	120	-	-	120
Law Kar Shui Elizabeth	羅嘉穗	-	-	-	-
		<b>200</b>	<b>5,367</b>	<b>36</b>	<b>8,265</b>
<b>Year ended</b>	<b>二零零七年三月</b>				
<b>31 March 2007</b>	<b>三十一日之年度</b>				
<i>Executive directors</i>	<i>執行董事</i>				
Lee Wan Keung Patrick	李運強	-	-	-	-
Lee Man Chun Raymond	李文俊	-	-	-	-
Lee Man Bun	李文斌	-	2,016	12	2,580
Tan Siak Him Alexander (note i)	陳錫鑫 (附註i)	-	1,002	12	1,351
Li King Wai Ross	李經緯	-	1,066	-	1,740
		-	678	12	1,193
<i>Non-executive director</i>	<i>非執行董事</i>				
Poon Chung Kwong	潘宗光	-	-	-	539
<i>Independent non-executive directors</i>	<i>獨立非執行董事</i>				
Wong Kai Tung Tony	王啟東	80	-	-	80
Heng Kwoo Seng (note ii)	邢詒春 (附註ii)	120	-	-	120
Law Kar Shui Elizabeth	羅嘉穗	-	-	-	-
		<b>200</b>	<b>4,762</b>	<b>36</b>	<b>7,603</b>

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### 9. Directors' Emoluments (Continued)

For the two years ended 31 March 2008, no emoluments were paid by the Group to the directors as an inducement to join or upon joining the Group or as a compensation for loss of office. None of the directors has waived any emoluments during the two years.

Notes:

- (i) Mr Tan Siak Him Alexander resigned on 1 September 2007.
- (ii) Mr Heng Kwoo Seng resigned on 30 April 2008.

### 10. Employees' Emoluments

Of the five individuals with the highest emoluments in the Group, two (2007: three) were directors of the Company whose emoluments are disclosed in note 9 above. The emoluments of the remaining three (2007: two) individuals were as follows:

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Salaries and other benefits	薪金及其他福利	4,923	3,459
Contributions to retirement benefit schemes	退休福利計劃供款	36	24
Share-based payments	股權付款	312	761
		<b>5,271</b>	4,244

The emoluments were within the following bands:

		Number 人數	
		2008 二零零八年	2007 二零零七年
HK\$1,000,001 to HK\$1,500,000	1,000,001 港元 – 1,500,000 港元	2	1
HK\$2,000,001 to HK\$2,500,000	2,000,001 港元 – 2,500,000 港元	1	–
HK\$2,500,001 to HK\$3,000,000	2,500,001 港元 – 3,000,000 港元	–	1
		<b>3</b>	2

### 9. 董事酬金 (續)

截至二零零八年三月三十一日之兩年內，本集團並無支付任何酬金予董事引誘其加入的或加入集團後或作為失去其辦公室之補償。這兩年內無任何董事放棄酬金。

附註：

- (i) 陳錫鑫先生已於二零零七年九月一日辭任。
- (ii) 邢詒春先生已於二零零八年四月三十日辭任。

### 10. 僱員酬金

本集團最高酬金之五位人士，其中兩位(二零零七年：三)為本公司董事而其酬金已於上述附註9披露。其餘三位人士(二零零七年：二)之酬金如下：

董事的酬金介乎下列組別：

## 11. Dividends

## 11. 股息

	2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Dividends recognised as distribution:		
2007 final dividend of HK\$0.20 (2007: 2006 final dividend of HK\$0.24) per share	227,316	233,294
2008 interim dividend of HK\$0.16 (2007: 2007 interim dividend of HK\$0.16) per share	181,917	162,247
	<b>409,233</b>	395,541

A final dividend of HK\$0.10 (2007: HK\$0.20) per share has been proposed by the Board of Directors of the Company (the "Board") and is subject to approval by the shareholders in the forthcoming annual general meeting.

本公司董事會(「董事會」)建議派付末期股息每股0.10港元(二零零七年: 0.20港元)，惟須待股東在應屆股東週年大會上作出批准後方可作實。



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## 綜合財務報表附註

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### 12. Earnings Per Share

The calculation of the basic and diluted earnings per share attributable to the equity holders of the Company is based on the following data:

### 12. 每股盈利

年內公司權益持有人的每股基本及攤薄盈利乃以下列數據為基準計算：

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Profit for the year attributable to equity holders of the Company	公司權益持有人的年內利潤	1,441,329	1,010,204
Effect of dilutive potential ordinary shares:	普通股潛在的攤薄影響：		
Interest on convertible bonds	可換股債券利息	2,082	45,771
Gain from fair value change of derivative embedded in the convertible bonds	可換股債券內含衍生工具公平值變動而產生的得益	(3)	(1,197)
		<b>1,443,408</b>	1,054,778

		2008 二零零八年 Number of Shares 股份數目	2007 二零零七年 Number of Shares 股份數目
Weighted average number of ordinary shares for the purpose of basic earnings per share	用以計算每股基本盈利的普通股加權平均數	1,132,949,789	1,003,067,042
Effect of dilutive potential ordinary shares:	普通股潛在攤薄影響：		
Share options	購股權	2,655,629	1,497,334
Convertible bonds	可換股債券	3,949,263	65,731,279
Weighted average number of ordinary shares for the purpose of diluted earnings per share	用以計算每股攤薄盈利的普通股加權平均數	<b>1,139,554,681</b>	1,070,295,655

### 13. Property, Plant and Equipment

### 13. 物業、廠房及設備

		Freehold Land 以永久業權持 有之土地 HK\$'000 千港元	Buildings 樓宇 HK\$'000 千港元	Construction in progress 在建工程 HK\$'000 千港元	Computer System 電腦系統 HK\$'000 千港元	Furniture fixtures and equipment 傢俬、 固定裝置 及設備 HK\$'000 千港元	Leasehold improve- ments 租賃物業 裝修 HK\$'000 千港元	Motor vehicles 汽車 HK\$'000 千港元	Plant and machinery 廠房及 機器 HK\$'000 千港元	Total 總計 HK\$'000 千港元
<b>COST</b>	<b>成本</b>									
At 1 April 2006	二零零六年四月一日	10,309	553,888	1,033,826	14,282	26,928	95,884	22,647	2,149,928	3,907,692
Currency realignment	貨幣重新組合	—	21,267	40,564	571	913	3,623	605	85,513	153,056
Additions	添置	—	70,241	1,188,108	—	10,575	16,307	7,698	668,860	1,961,789
Transfers	轉讓	—	339,404	(1,531,784)	—	5,517	86,706	—	1,100,157	—
Disposals	出售	—	—	—	—	(59)	—	(195)	(317)	(571)
At 31 March 2007	二零零七年 三月三十一日	10,309	984,800	730,714	14,853	43,874	202,520	30,755	4,004,141	6,021,966
Currency realignment	貨幣重新組合	—	83,703	56,688	—	3,108	16,885	1,763	344,044	506,191
Additions	添置	—	60,081	3,559,577	—	15,721	14,344	9,792	658,788	4,318,303
Transfers	轉讓	—	361,251	(2,236,184)	4,085	4,347	95,354	2,288	1,768,859	—
Disposals	出售	—	—	—	—	(342)	—	—	(161)	(503)
Disposal of subsidiaries	出售附屬公司	—	—	(10,546)	—	(3,103)	—	(5,025)	(3,534)	(22,208)
At 31 March 2008	二零零八年 三月三十一日	10,309	1,489,835	2,100,249	18,938	63,605	329,103	39,573	6,772,137	10,823,749
<b>DEPRECIATION</b>	<b>折舊</b>									
At 1 April 2006	二零零六年四月一日	—	79,479	—	119	9,237	8,789	8,620	226,448	332,692
Currency realignment	貨幣重新組合	—	3,168	—	33	310	346	272	9,036	13,165
Provided for the year	年內撥備	—	34,213	—	1,457	5,549	8,583	4,138	97,827	151,767
Eliminated on disposals	出售時對銷	—	—	—	—	(19)	—	(194)	(65)	(278)
At 31 March 2007	二零零七年 三月三十一日	—	116,860	—	1,609	15,077	17,718	12,836	333,246	497,346
Currency realignment	貨幣重新組合	—	12,679	—	—	1,277	2,137	988	37,112	54,193
Provided for the year	年內撥備	—	53,160	—	1,485	8,577	14,531	5,558	184,775	268,086
Eliminated on disposals	出售時對銷	—	—	—	—	(235)	—	—	(36)	(271)
Eliminated on disposal of subsidiaries	出售附屬公司時對銷	—	—	—	—	(223)	—	(520)	(326)	(1,069)
At 31 March 2008	二零零八年 三月三十一日	—	182,699	—	3,094	24,473	34,386	18,862	554,771	818,285
<b>CARRYING VALUES</b>	<b>賬面值</b>									
At 31 March 2008	二零零八年 三月三十一日	10,309	1,307,136	2,100,249	15,844	39,132	294,717	20,711	6,217,366	10,005,464
At 31 March 2007	二零零七年 三月三十一日	10,309	867,940	730,714	13,244	28,797	184,802	17,919	3,670,895	5,524,620

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### 13. Property, Plant and Equipment (Continued)

Depreciation is provided to write off the cost of property, plant and equipment other than freehold land and construction in progress over their estimated useful lives and after taking into account of their estimated residual value, using the straight-line method, at the following rates per annum:

Buildings	5%
Computer System	10%
Furniture, fixtures and equipment	20%
Leasehold improvements	over the shorter of the lease terms or 15%
Motor vehicles	20%
Plant and machinery	3 $\frac{1}{3}$ %–20%

Freehold land is not depreciated.

The carrying values of land and buildings of the Group comprises:

### 13. 物業、廠房及設備 (續)

除永久業權土地及在建工程外，物業、廠房及設備及預計剩餘價值後，於預計可用年期以直線法計提折舊以撇銷成本，年率如下：

樓宇	5%
電腦系統	10%
傢俬、固定裝置及設備	20%
租賃物業裝修	租期或15% (以較短者為準)
汽車	20%
廠房及機器	3 $\frac{1}{3}$ %–20%

以永久業權持有之土地不作折舊。

本集團之土地及建築物賬面值包括：

	2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Freehold land in the United States of America 於美國之永久業權持有土地	10,309	10,309
Buildings on freehold land in the United States of America 於美國以永久業權持有土地上之樓宇	17,250	17,135
Buildings on lands under medium-term lease in the PRC 於中國以一項中期租賃租約土地上之樓宇	1,289,886	850,805
	<b>1,317,445</b>	878,249

Certain buildings of the Group are erected on lands in the PRC with respect to which the Group has not been granted formal title of ownership. At 31 March 2008, the carrying value of such buildings amounted to HK\$370,501,000 (2007: HK\$377,174,000). In the opinion of directors, the absence of formal title to these buildings does not impair the value of the relevant buildings of the Group. The directors also believe that formal title of these buildings will be granted to the Group in due course.

集團有若干樓宇建於仍未授予集團土地使用權正式擁有權之中國土地上。於二零零八年三月三十一日，該等樓宇之賬面值為370,501,000港元(二零零七年：377,174,000港元)。董事認為缺乏該等樓宇正式擁有權並不會損害集團相應樓宇價值。董事亦相信在不久將來集團會被授予該等樓宇之正式擁有權。

## 14. Prepaid Lease Payments

The Group's prepaid lease payments comprise leasehold lands held under medium-term leases located in:

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
PRC	中國	304,926	331,813
Vietnam	越南	35,824	—
		<b>340,750</b>	331,813

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Analysed for reporting purposes as:	因報告用途而作之分析：		
Non-current asset	非流動資產	323,705	316,831
Current asset	流動資產	17,045	14,982
		<b>340,750</b>	331,813

As at 31 March 2008, the carrying value of land use rights in respect of which the Group had not been granted formal title of ownership amounted to approximately HK\$164,622,000 (2007: HK\$222,520,000). In the opinion of the directors, the absence of formal title to these land use rights does not impair the value of the relevant properties to the Group. The directors also believe that formal title to these land use rights will be granted to the Group in due course.

於二零零八年三月三十一日，集團並未授予正式擁有權之土地使用權之賬面值約為164,622,000港元（二零零七年：222,520,000港元）。董事認為缺乏某些土地使用權正式擁有權並不會損害集團相應物業價值。董事亦相信在不久將來集團會授予該等土地使用權正式擁有權。

## 15. Deposits Paid for Acquisition of Property, Plant and Equipment and Land Use Rights

The deposits were paid by the Group in connection with the acquisition of property, plant and equipment and land use rights for new production facilities. The related commitments for acquisition of property, plant and equipment and land use rights are disclosed in note 34.

## 15. 購置物業、廠房及設備及土地使用權所付訂金

所付訂金是本集團為了新生產設施而購置的物業、廠房及設備及土地使用權的訂金。購置物業、廠房及設備以及土地使用權的有關承擔分別於附註34披露。

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### 16. Interests in Associates

### 16. 於聯營公司之權益

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Cost of unlisted investment	非上市投資成本	1	—
Share of post-acquisition results	應佔收購後業績	(1)	—
		—	—

Details of the Group's associates at 31 March 2008 are as follows:

於二零零八年三月三十一日本集團聯營公司詳情如下：

Name of associate 聯營公司名稱	Form of business structure 業務架構形式	Place of incorporation/ registration and operations 成立/註冊及營運地點	Issued and fully paid share capital/ registered capital 已發行及繳足股本/註冊股本	Effective interest in the issued share capital/ registered capital held 已發行股本/註冊資本實際利率		Principal Activity 主要活動
				2008 二零零八年	2007 二零零七年	
Fortune Sight Group Limited ("FSGL")	Incorporated 成立	British Virgin Islands (Note i) 英屬處女群島 (附註i)	Ordinary shares — US\$1,000 普通股 — 1,000美元	19% (Note ii) (附註ii)	100%	Investment holding 投資控股
廣西理文林業科技發展有限公司 Guangxi Lee & Man Forestry Technology Limited ("Guangxi Lee & Man")	Registered 註冊	PRC 中國	Registered capital — HK\$168,000,000 註冊資本 — 168,000,000港元	19% (Note ii) (附註ii)	100%	Producing raw materials for manufacturing of paper and pulp 生產用以製造紙張及木漿的原材料

Notes:

- (i) FSGL operates in Hong Kong.
- (ii) Upon allotment and issue of new shares by FSGL to a related party during the year ended 31 March 2008, the Group's effective interests in FSGL and its wholly-owned subsidiary, Guangxi Lee & Man, has diluted from 100% to 19%. Details were set out in note 32. FSGL and Guangxi Lee & Man (the "FSGL group") are classified as associates as the Group is able to exercise significant influence over the management through the power to appoint one out of the three directors of FSGL.

附註：

- (i) FSGL於香港營運。
- (ii) 於二零零八年三月三十一日止年度內，當FSGL向有關人士配發及發行新股，本集團於FSGL及其全資附屬公司廣西理文的實際權益由100%攤薄至19%。詳情載於附註32。由於本集團能夠透過委任FSGL三位董事其中之一的權力對管理層作出重大影響，FSGL及廣西理文(「FSGL集團」)為聯營人。

## 16. Interests in Associates (Continued)

The summarised consolidated financial information of FSGL group is set out below:

## 16. 於聯營公司之權益(續)

FSGL集團的綜合財務資料概述如下：

		2008 二零零八年 HK\$'000 千港元
Total assets	總資產	686,920
Total liabilities	總負債	(702,804)
Net liabilities	淨負債	(15,884)
The Group's share of new liabilities of FSGL group	本集團應佔FSGL集團新負債	—
Revenue	收入	—
Losses for the year	本年虧損	(23,053)
The Group's share of losses of FSGL group for the year	本年度本集團應佔FSGL集團虧損	(1)

The Group has discontinued recognition of its share of losses in FSGL group because its cumulative share of losses in FSGL group has exceeded its investment cost. The Group will not resume recognition of its share of any future profits in FSGL group until its share of such profits equals the share of losses not recognised.

The amounts of unrecognised share of losses in FSGL group, extracted from the relevant unaudited management accounts of FSGL group, both for the year and cumulatively from the date that FSGL group became associates of the Group, are as follows:

由於本集團於FSGL集團的累計應佔虧損已超越其投資成本，故本集團已終止確認其應佔FSGL集團虧損。本集團將不會再行確認其應佔的FSGL集團任何日後盈利，直至其應佔之該等盈利相等於尚未確認的應佔虧損為止。

尚未確認的應佔FSGL集團虧損額(摘錄自相關FSGL集團未經審核管理賬目，包括本年度及自FSGL集團成為本集團聯營公司日期起計的累計數額)如下：

		2008 二零零八年 HK\$'000 千港元
Unrecognised share of losses of FSGL group for the year	本年度尚未確認應佔FSGL集團虧損	(1,870)
Accumulated unrecognised share of losses of FSGL group	累計尚未確認應佔FSGL集團虧損	(1,870)

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### 17. Inventories

### 17. 存貨

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Raw materials	原料	2,131,577	1,247,715
Finished goods	製成品	367,590	131,444
		<b>2,499,167</b>	1,379,159

### 18. Trade and Other Receivables

### 18. 應收貿易及其他賬款

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Trade receivables	應收貿易賬款	1,708,040	819,383
Bills receivables	應收票款	526,742	261,239
		<b>2,234,782</b>	1,080,622
Deposits and prepayments	訂金及預付款項	199,017	179,850
Other receivables	其他應收款項	294,088	113,220
		<b>2,727,887</b>	1,373,692

The Group generally allows an average credit period of 90 days to its customers. An ageing analysis of the trade and bills receivables is as follows:

本集團一般給予客戶的信貸期為90日。應收貿易賬款及票款的賬齡分析如下：

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Aged:	賬齡：		
Less than 30 days	少於30日	1,257,486	769,135
31-60 days	31日-60日	545,117	217,302
61-90 days	61日-90日	286,433	72,979
90-120 days	90日-120日	73,753	11,083
Over 120 days	120日以上	71,993	10,123
		<b>2,234,782</b>	1,080,622

## 18. Trade and Other Receivables (Continued)

As at 31 March 2007, bills receivables of HK\$55,751,000 were discounted with recourse and were pledged to secure banking facilities granted to the Group, the pledge was released during the year ended 31 March 2008.

Before accepting any new customer, the Group will assess the potential customer's credit quality and defines its credit limits. Credit sales are made to customers with a satisfactory trustworthy credit history. Credit limits attributed to customers are reviewed regularly. As at the balance sheet dates, the directors considered all trade receivables are of good credit quality attributable with reference to the track records of these customers under internal assessment by the Group.

Included in the Group's trade receivables balance are debtors with an aggregate carrying amount of HK\$145,746,000 (2007: HK\$21,206,000) which were past due at the reporting date for which the Group has not provided for impairment loss as the Group considered such balances could be recovered based on historical experience. The Group does not hold any collateral over these balances. The Group takes into consideration the estimated cash flows when determining evidence of impairment loss.

### Ageing of trade receivables which were past due but not impaired

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
90–120 days	90日–120日	73,753	11,083
Over 120 days	120日以上	71,993	10,123
		<b>145,746</b>	21,206

No allowance for doubtful receivables has been recognised for the year ended 31 March 2008 (2007: Nil) as the directors considered these trade receivables balances could be recovered based on historical experience.

## 18. 應收貿易及其他賬款(續)

於二零零七年三月三十一日，55,751,000 港元之應收票款已貼現並附有追索權及已抵押，以獲得授予本集團的銀行信貸設施，該項抵押已於截至二零零八年三月三十一日止年度解除。

本集團於接納任何新客戶前，將會評估該潛在客戶的信貸質量及界定其信貸限額。信貸銷售將會給予信貸記錄良好的客戶。客戶信貸限額定期予以檢討。於結算日，在本集團的內部評估下，根據該等客戶的往績紀錄，董事認為所有應收貿易賬款均具備良好信貸質量。

本集團應收貿易賬款結餘中包括總賬面值為145,746,000 港元（二零零七年：21,206,000 港元）的應收貿易賬款，該等款項於報告日期已告逾期，惟本集團認為根據過往經驗，該等結餘應可予以收回，故並無計提減值虧損撥備。本集團並無就該等結餘持有任何抵押品。本集團於釐定減值虧損憑證時已計及估計現金流量。

### 逾期但尚未減值的應收貿易賬款的賬齡

截至二零零八年三月三十一日止年度並無確認（二零零七年：無）任何應收款項呆賬備抵，蓋因董事認為根據過往經驗，該等應收貿易賬款結餘可予收回。



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For the year ended 31 March 2008 截至二零零八年三月三十一日止年度

### 18. Trade and Other Receivables (Continued)

Trade and other receivables that are denominated in currencies other than the functional currencies of the relevant group entities are set out below:

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Renminbi ("RMB")	人民幣 ("RMB")	868,970	380,601
United States dollars ("US\$")	美元 ("US\$")	390,477	191,131
Euro ("EUR")	歐元 ("EUR")	3,637	—

### 18. 應收貿易及其他賬款 (續)

並非以有關集團實體功能貨幣計值的應收貿易及其他賬款如下：

### 19. Amounts Due from Associates

The amounts represent non-trade balances due from FSGL group. The amounts are unsecured, interest-free and repayable on demand. In the opinion of the directors, the amounts are expected to be repaid within one year from the balance sheet date.

### 19. 應收聯營公司款項

該款項指應收FSGL集團的非貿易結餘。該款項為無抵押、免息及須於一年內償還。董事認為，款項預計可於結算日後一年內償還。

### 20. Amount Due from a Related Company

The amount represents a trading balance due from Lee & Man Industrial Manufacturing Limited ("Lee & Man Industrial Manufacturing") which is beneficially owned by Mr Lee Wan Keung Patrick, a director of the Company.

The amount is unsecured and interest-free. The Group generally allows an average credit period of 30 days to Lee & Man Industrial Manufacturing and the amounts for both years were aged less than 30 days. As at the respective balance sheet dates, the balance was neither impaired nor past due.

### 20. 應收有關連公司款項

有關款項是Lee & Man Industrial Manufacturing Limited(「理文實業」)的貿易結餘。理文實業的實益持有人為本公司董事李連強先生。

款項為無抵押及無利息。本集團一般給予30日信貸期給理文實業，該款項在這兩年的賬齡少於30日。於各結算日，結餘概無減值或逾期。

## 21. Restricted bank Deposits and Bank Balances and Cash

The restricted bank deposits of HK\$489,000 (2007: HK\$1,953,000) represent amount placed in specific bank accounts to secure deferred payment of custom duties to the PRC government which will expire within one year from the balance sheet date and are therefore classified as current assets.

Bank balance and cash comprise cash held by the Group and short term bank deposits with an original maturity of three months or less.

The restricted bank deposits carried market interest rate of 0.72% (2007: 0.72%) per annum. Bank balances carried market interest rates ranging from 3.30% to 4.45% (2007: 3.57% to 4.25%) per annum.

Bank balances that are denominated in currencies other than the functional currencies of the relevant group entities are set out below:

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
RMB	人民幣	68,373	20,580
US\$	美元	92,328	43,576
EUR	歐元	47,991	27,875
Great British Pound ("GBP")	英鎊	13,966	2,437
Japanese Yen ("JPY")	日元	12,280	65,665

## 21. 有限制銀行存款及銀行結餘及現金

489,000 港元(二零零七年：1,953,000 港元)，有限制銀行存款指為保障遞延關稅支付予中國政府而存放在某指定銀行戶口的款項。在結算日於一年內到期之存款為並統計為流動資產。

銀行結餘及現金包括本集團持有的現金及原到期日為三個月或以內的短期銀行存款。

有限制銀行存款帶有市場年息率0.72% (二零零七年：0.72%)。而銀行結餘帶有市場年息率由3.30%至4.45% (二零零七年：3.57%至4.25%)。

並非以有關集團實體財務貨幣計值的銀行結餘載列如下：

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### 22. Derivative Financial Instruments

### 22. 衍生財務工具

		Current 流動		Non-current 非流動	
		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
<u>Derivative financial liabilities</u>	<u>衍生財務負債</u>				
<b>Derivatives under hedge accounting</b>	<b>按對沖會計法入賬之衍生工具</b>				
Interest rate swaps (note i)	利率掉期 (附註i)	(63,840)	—	(77,052)	—
Cross currency interest rate swaps (note ii)	交叉貨幣利率掉期 (附註ii)	(955)	—	(65,902)	—
		(64,795)	—	(142,954)	—
<b>Other derivatives (not under hedge accounting)</b>	<b>其他衍生工具 (並非按對沖會計法入賬)</b>				
Interest rate swaps (note iii)	利率掉期 (附註iii)	(14,022)	(8,312)	(19,353)	—
Currency structured instruments (note iv)	結構性貨幣工具 (附註iv)	(113,727)	(3,789)	—	—
Derivatives embedded in the convertible bonds (note v)	可換股債券內含衍生工具 (附註v)	—	(3)	—	—
		(127,749)	(12,104)	(19,353)	—
		(192,544)	(12,104)	(162,307)	—
<u>Derivative financial assets</u>	<u>衍生財務資產</u>				
<b>Other derivatives (not under hedge accounting)</b>	<b>其他衍生工具 (並非根據對沖會計法入賬)</b>				
Interest rate swaps (note iii)	利率掉期 (附註iii)	3,656	—	—	—
Currency structured instruments (note iv)	結構性貨幣工具 (附註iv)	20,707	42,310	—	—
Commodity swaps (note vi)	商品掉期 (附註vi)	861	—	—	—
		25,224	42,310	—	—

The fair values of the above derivative financial instruments are calculated using discounted cash flow analysis based on the applicable yield curves of interest rates and foreign exchange rates as determined by counterparty financial institutions.

上述衍生財務工具之公平值乃根據對手方財務機構釐訂之利率及外幣匯率之適用回報率，按折現現金流量分析為基準計算。

## 22. Derivative Financial Instruments (Continued)

Notes:

### (i) Interest rate swaps

The Group uses interest rate swaps to minimise its exposure to cash flow interest rate risk of its variable-rate HK\$ bank borrowings (see note 24) by swapping a proportion of the variable-rate bank borrowings from variable interest rates to fixed interest rates of 4.75% and 5.00%, and interest rate floored at 4.65% and capped at 5.50%. The interest rate swaps and the corresponding bank borrowings have the same terms and the directors of the Company consider that the interest rate swaps are highly effective hedging instruments. Major terms of the interest rate swaps are set out below:

#### Notional amount

概念金額

2 contracts with HK\$1,000,000,000 in total  
2份合約共1,000,000,000港元

1 contract with HK\$1,000,000,000 in total  
1份合約共1,000,000,000港元

The above contracts will mature within five years from the balance sheet date.

As at 31 March 2008, losses from fair value changes of HK\$129,162,000 (2007: Nil) were deferred in equity and are expected to be released to the consolidated income statement at various dates in line with the interest and principal payments schedule of the corresponding bank borrowings in the coming five years. The remaining losses from fair value changes of HK\$11,730,000 (2007: Nil) were recognised in the consolidated income statement as they represented the ineffective portion of the losses on the hedging instruments.

## 22. 衍生財務工具(續)

附註：

### (i) 利率掉期

本集團採用利率掉期，通過將部分浮息銀行借貸由浮息利率換轉成固定利率4.75%及5.00%，並將利率下限訂於4.65%，利率上限則訂於5.50%，藉此盡量減低浮息港幣銀行貸款所承擔之現金流量利率風險(見附註24)。利率掉期及相應之銀行借貸具有相同條款，董事認為利率掉期乃非常有效之對沖工具。利率掉期的主要條款載列如下：

#### Interest rate swap

利率掉期

From HIBOR to fixed rates of 4.75% and 5.00%  
由香港銀行同業拆息掉至定息4.75%及5.00%

From HIBOR to rate floored at 4.65% and capped at 5.50%  
由香港銀行同業拆息掉至最低4.65%至最高5.50%

上述合約將由結算日起五年內到期。

於二零零八年三月三十一日，由公平值變動產生之虧損129,162,000港元(二零零七年：零)已於股本權益中遞延處理，預期將於未來五年配合相應銀行借貸之利率及本金支付期於不同日子轉回綜合收益表。由公平值變動產生的餘下虧損11,730,000港元(二零零七年：零)，由於該等虧損相當於對沖工具無效之虧損部分，因此於綜合收益表中確認。

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## 綜合財務報表附註

For the year ended 31 March 2008 截至二零零八年三月三十一日止年度

### 22. Derivative Financial Instruments (Continued)

Notes: (Continued)

#### (ii) Cross currency interest rate swaps

At balance sheet date, the Group had the following cross currency interest rate swaps designated as highly effective hedging instruments in order to manage the Group's foreign currency exposure in relation to the foreign currency coupon and principal payments of its fixed-rate US\$ notes payable (see note 24). The terms of the cross currency interest rate swaps were negotiated to match the terms of the corresponding notes payable. Major terms of these contracts are as follows:

Notional amount 概念金額	Currency swap 貨幣掉期	Interest rate swap 利率掉期
2 contracts with US\$100,000,000 in total 2份合約共100,000,000美元	2 contracts with HK\$776,800,000 in total 2份合約共776,800,000港元	From range of 6.43% to 6.81% to range of 6.41% to 6.64% 由6.43%至6.81%範圍內掉至 6.41%至6.64%範圍內

The above contracts will mature within seven to ten years from the balance sheet date.

As at 31 March 2008, losses from fair value changes of HK\$53,905,000 (2007: Nil) were deferred in equity and are expected to be released to the consolidated income statement at various dates in line with the coupon and principal payments schedule of the corresponding notes payable in the coming ten years. The remaining losses from fair value changes of HK\$12,952,000 (2007: Nil) were recognised in the consolidated income statement as they represented the ineffective portion of the losses on the hedging instruments.

#### (iii) Interest rate swaps

Major terms of the interest rate swaps are as follows:

Notional amount 概念金額	Interest rate swap 利率掉期
3 contracts with HK\$900,000,000 in total 3份合約共900,000,000港元	From range of HIBOR to HIBOR plus 1.00% to range of 4.80% to HIBOR (maximum at 7.00%) 由香港銀行同業拆息掉至香港銀行同業拆息加上1.00%至 4.80%範圍內(最高為7.00%)

The above contracts will mature within one to three years from the balance sheet date.

### 22. 衍生財務工具(續)

附註：(續)

#### (ii) 交叉貨幣利率掉期

於結算日，本集團擁有下列被指定為高效對沖工具之交叉貨幣利率掉期以管理本集團有關計息外幣及固定利率之應付美元票據之本金支付之外幣風險(見附註24)。交叉貨幣利率掉期之年期可予磋商，以配合相應應付票據之年期。該等合約之主要條款如下：

上述合約將由結算日起七至十年內到期。

於二零零八年三月三十一日，由公平值變動產生之虧損53,905,000港元(二零零七年：零)已於股本權益中遞延處理，預期將於未來十年配合相應之應付票據及本金支付期於不同日子轉回綜合收益表。由公平值變動產生的餘下虧損12,952,000港元(二零零七年：零)，由於該等虧損相當於對沖工具無效之虧損部分，因此於綜合收益表中確認。

#### (iii) 利率掉期

利率掉期之主要條款載列如下：

上述合約將由結算日起一至三年內到期。

## 22. Derivative Financial Instruments (Continued)

Notes: (Continued)

### (iv) Currency structured instruments

#### (a) Foreign currency forward contracts

Major terms of the foreign currency forward contracts are as follows:

National amount 概念金額	Currency conversion 貨幣轉換
20 contracts to buy US\$102,000,000 in total 20份合約共買102,000,000美元	US\$1: HK\$7.6670 to 7.7789 1美元兌7.6670至7.7789港元
10 contracts to buy US\$16,000,000 in total 10份合約共買16,000,000美元	US\$1: RMB7.2739 to 7.5240 1美元兌7.2739至7.5240人民幣
6 contracts to sell GBP3,700,000 in total 6份合約共賣3,700,000英鎊	GBP1: US\$2.0022 to 2.0450 1英鎊兌2.0022至2.0450美元
4 contracts to buy GBP1,100,000 in total 4份合約共買1,100,000英鎊	GBP1: US\$1.8760 to 1.9780 1英鎊兌1.8760至1.9780美元
1 contract to buy EUR2,000,000 in total 1份合約共買2,000,000歐元	EUR1: US\$1.3530 1歐元兌1.3530美元

The above contracts will mature within one to twelve months from the balance sheet date.

上述合約將由結算日起一至十二個月內到期。

#### (b) LIBOR range subsidized forward contracts

The Group entered into two LIBOR range subsidized rate foreign currency forward contracts during the year with maturity dates of 2 May 2008 and 9 October 2008 respectively. Their major terms are as follows:

Nominal amount  
2 contracts with US\$10,000,000 in total

Payment currency amount  
At each settlement date, the Group will pay the notional amounts at one plus the number of days within the transaction period (the period from the prior settlement date to the next settlement date) upon which LIBOR below the interest rates ranging from 3.50% to 3.93%, divided by the total number of calendar days within the transaction period.

Receipt currency amount  
At each settlement date, the Group will receive the notional amounts at subsidized forward rates ranging from 7.51 to 7.55, divided by the amount of RMB that required to buy one US\$ as displayed on Reuter Page at 9:15 a.m. Beijing time on two business days prior to the settlement date.

#### (b) 倫敦銀行同業拆息區間貼水遠期合約

本集團於本年度訂立兩份倫敦銀行同業拆息區間貼水外幣遠期合約，分別於二零零八年五月二日及二零零八年十月九日到期。其主要條款如下：

面值  
2份合約合計10,000,000美元

支付貨幣金額  
於各結算日，本集團將支付名義金額，該金額按一加交易期（上一結算日至下一結算日期間）內倫敦銀行同業拆息低於3.50%至3.93%區間的日數，除以交易期內曆日總數計算。

收取貨幣金額  
於各結算日，本集團將收取名義金額，該金額按7.51至7.55不等的貼水遠期利率，除以上午九時十五分路透社網頁所示購買一美元所需的人民幣金額計算。時間以結算日前兩個營業日的北京時間為準。

## 22. 衍生財務工具 (續)

附註：(續)

### (iv) 結構性貨幣工具

#### (a) 外幣遠期合約

外幣遠期合約之主要條款載列如下：

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### 22. Derivative Financial Instruments (Continued)

Notes: (Continued)

#### (v) Derivative embedded in the convertible bonds

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Fair value at the beginning of the year	年初之公平值	3	1,200
Change in fair value	公平值變動	(3)	(1,197)
Fair value at the end of the year	年終之公平值	—	3

This derivative represented the early redemption right of the bond holders in respect of the Company's convertible bonds. The fair value was calculated using the Black-Scholes Model. The valuation of fair value was carried out by Jones Lang LaSalle Sallmanns Limited (formerly known as Sallmanns (Far East) Limited), an independent valuer not connected with the Group. The change in fair value of HK\$3,000 (2007: HK\$1,197,000) was recognised in the consolidated income statement for the year. All the remaining convertible bonds were converted into ordinary shares of the Company during the year.

#### (vi) Commodity swaps

Major terms of the commodity swaps are as follows:

Notional quantity 概念數量	Commodity 商品	Swap 利率掉期
2 contracts with 6,000 metric tonnes in total 2份合約共6,000公噸	Pulp 木漿	From monthly average market price to a range of US\$865 to US\$870 per metric tonne 由每月平均市價掉至每公噸865美元至870美元 範圍內

The above contracts will mature within five months from the balance sheet date.

### 22. 衍生財務工具(續)

附註：(續)

#### (v) 可換股債券內含衍生工具

此衍生代表本公司的可換股債券之債券持有人可提早兌換的權利。公平值以柏力克-舒爾斯模式計算。公平值評估是由仲量聯行西門有限公司(前身為西門(遠東)有限公司)完成，彼為一獨立評估員，與本集團並無關連。年內，3,000港元(二零零七年：1,197,000港元)之公平值變動已於綜合收益表內確認。所有餘下的可換股債券已於年內兌換為本公司普通股股份。

#### (vi) 商品掉期

商品掉期之主要條款載列如下：

上述合約將由結算日起五個月內到期。

## 22. Derivative Financial Instruments (Continued)

Derivative financial instruments that are denominated in currencies other than the functional currencies of the relevant group entities are set out below:

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Derivative financial assets	衍生財務資產		
US\$	美元	18,791	32,036
EUR	歐元	1,236	7,341
GBP	英鎊	680	1,686
JPY	日元	—	1,247
Derivative financial liabilities	衍生財務負債：		
US\$	美元	179,258	—
EUR	歐元	—	126
GBP	英鎊	1,326	—
JPY	日元	—	3,663

## 22. 衍生財務工具(續)

以相關集團實體功能貨幣以外貨幣定值之衍生財務工具載列如下：

## 23. Trade and Other Payables

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Trade and bills payables	應付貿易賬款及票款	747,743	510,454
Accruals	應計費用	198,298	157,176
Other payables	其他應付款項	445,608	222,853
		1,391,649	890,483

## 23. 應付貿易及其他賬款



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### 23. Trade and Other Payables (Continued)

The average credit period taken for trade purchases range from 30 to 60 days. An ageing analysis of the trade and bills payables is as follows:

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Aged:	賬齡：		
Less than 30 days	少於30日	<b>665,148</b>	465,392
31–60 days	31日–60日	<b>48,584</b>	28,592
61–90 days	61日–90日	<b>17,161</b>	8,849
Over 90 days	90日以上	<b>16,850</b>	7,621
		<b>747,743</b>	510,454

Trade and other payables that are denominated in currencies other than the functional currencies of the relevant group entities are set out below:

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
RMB	人民幣	<b>523,202</b>	260,046
US\$	美元	<b>182,227</b>	309,444
EUR	歐元	<b>33,223</b>	80,000
JPY	日元	<b>85,681</b>	12,857

### 23. 應付貿易及其他賬款(續)

貿易購買之平均除賬期由30至60日不等。應付賬款及票款之賬齡分析如下：

除有關本集團之功能貨幣外，本集團之應付貿易及其他賬款如下：

## 24. Bank and Other Borrowings

## 24. 銀行及其他借貸

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Bank loans	銀行貸款	6,251,891	2,003,198
Bank import loans	銀行進口貸款	72,153	65,119
Bank overdraft	銀行透支	—	12,045
		<b>6,324,044</b>	2,080,362
Notes payable	應付票據	<b>776,800</b>	—
		<b>7,100,844</b>	2,080,362
Analysed as:	分析：		
Secured	有抵押	—	55,751
Unsecured	無抵押	<b>7,100,844</b>	2,024,611
		<b>7,100,844</b>	2,080,362
The bank and other borrowings are repayable as follows:	銀行及其他借貸的還款期如下：		
Within one year or on demand	一年內或應要求償還	<b>2,781,310</b>	824,762
More than one year, but not exceeding two years	超過一年但少於兩年	<b>370,000</b>	105,600
More than two years, but not exceeding five years	超過兩年但少於五年	<b>3,172,734</b>	1,150,000
More than five years	超過五年	<b>776,800</b>	—
		<b>7,100,844</b>	2,080,362
Less: Amount due within one year shown under current liabilities	減：入賬列為流動負債的一年內到期款項	<b>(2,781,310)</b>	(824,762)
Amount due after one year	一年後到期款項	<b>4,319,534</b>	1,255,600

The Group's bank and other borrowings include HK\$776,800,000 (2007: HK\$16,621,000) fixed-rate borrowings which carried interest rates ranging from 6.43% to 6.81% per annum (2007: 3.24% per annum) and HK\$6,324,044,000 (2007: HK\$2,063,741,000) variable-rate borrowings which carry interest rates ranging from HIBOR plus 0.58% to HIBOR plus 0.80% (2007: ranging from HIBOR plus 0.60% to HIBOR plus 0.75%) per annum.

本集團銀行及其他借貸包括776,800,000港元(二零零七年：16,621,000)年息率6.43%至6.81%之定息借貸(二零零七年：年息率3.24%)及6,324,044,000港元(二零零七年：2,063,741,000港元)之不定息借貸，年息率由港元利率加上0.58%至0.80%不等(二零零七年：由港元利率加上0.60%至0.75%不等)。

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### 24. Bank and Other Borrowings (Continued)

On 15 January 2008, the Company entered into an agreement with independent third parties. Pursuant to which, the Company has agreed to issue notes with an aggregate principal amount of US\$100,000,000 (equivalent to HK\$776,800,000) to independent third parties. The notes comprised two series, series A and series B, with an aggregate principal amount of US\$35,000,000 (equivalent to HK\$271,880,000) and US\$65,000,000 (equivalent to HK\$504,920,000), respectively. Series A notes carry interest at a fixed-rate of 6.43% per annum and will mature on 15 January 2015, whereas series B notes carry interest at a fixed rate of 6.81% per annum and will mature on 15 January 2018.

The effective interest rates on the Group's bank and other borrowings are as follows:

		2008 二零零八年	2007 二零零七年
Fixed-rate borrowings	定息借貸	<b>6.68%</b>	3.24%
Variable-rate borrowings	浮息借貸	<b>3.50%</b>	4.09%

At 31 March 2007, included in bank loans was a total amount of HK\$55,751,000 which related to the discounting of bills receivables with recourse.

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

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
RMB	人民幣	<b>139,826</b>	55,751
US\$	美元	<b>836,725</b>	11,946

### 24. 銀行及其他借貸(續)

於二零零八年一月十五日，本公司與獨立第三方訂立票據購買合同。據此，本公司同意發行本金總額為100,000,000美元(相當於776,800,000港元)的票據予獨立第三方。票據包括兩類，A類及B類，票據的本金分別為總額為35,000,000美元(相當於271,880,000港元)及65,000,000美元(相當於504,920,000港元)。A類票據按每年定息6.43%計息，將於二零一五年一月十五日到期。B類票據按每年定息6.81%計息，將於二零一八年一月十五日到期。

本集團銀行及其他借貸之實際利率如下：

於二零零七年三月三十一日，銀行貸款包括總額55,751,000港元的附追索權已貼現應收票款。

除有關本集團之功能貨幣外，本集團之銀行及其他借貸貨幣面值如下：

## 25. Deferred Tax

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

		<b>Accelerated tax depreciation</b>	<b>Tax losses</b>	<b>Total</b>
		<b>遞增稅項折舊</b>	<b>稅項虧損</b>	<b>總計</b>
		HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元
At 1 April 2006	二零零六年四月一日	30,266	(19,956)	10,310
Exchange realignment	滙兌重新組合	(1,067)	—	(1,067)
Charge (credit) to consolidated income statement for the year	年內於綜合收益賬扣除(計入)	17,733	(11,751)	5,982
At 31 March 2007	二零零七年三月三十一日	46,932	(31,707)	15,225
Exchange realignment	滙兌重新組合	6,760	—	6,760
Charge to consolidated income statement for the year	年內於綜合收益賬扣除(計入)	54,778	1,911	56,689
At 31 March 2008	二零零八年三月三十一日	108,470	(29,796)	78,674

For the purpose of balance sheet presentation, certain deferred tax liabilities and assets have been offset. The following is the analysis of the deferred tax balances for financial reporting purposes:

		<b>2008 二零零八年 HK\$'000 千港元</b>	<b>2007 二零零七年 HK\$'000 千港元</b>
Deferred tax liabilities	遞延稅項負債	<b>108,470</b>	46,932
Deferred tax assets	遞延稅項資產	<b>(29,796)</b>	(31,707)
		<b>78,674</b>	15,225

## 25. 遞延稅項

下表為主要遞延稅項負債及資產確認及其在現在及過往報告期內之變動。

為用作資產負債表呈報目的，若干遞延稅項負債及資產已抵銷。下表為用作財務報告目的之遞延稅項結餘分析：

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### 25. Deferred Tax (Continued)

At 31 March 2008, the Group had unused tax losses of approximately HK\$259,000,000 (2007: HK\$85,000,000) available for offset against future profits. A deferred tax asset has been recognised in respect of approximately HK\$68,000,000 (2007: HK\$72,000,000) of such losses. No deferred tax asset has been recognised for the remaining losses of approximately HK\$191,000,000 (2007: HK\$13,000,000) due to the unpredictability of future profit streams. At 31 March 2008, of the above tax losses, amounts of approximately HK\$68,000,000 (2007: HK\$72,000,000) and HK\$127,000,000 (2007: HK\$24,000,000) can be carried forward for twenty years and five years following the loss year, respectively. The other tax losses may be carried forward indefinitely.

According to the Tax Law, starting from 1 January 2008, 10% withholding income tax will be imposed on dividends relating to profits earned in year 2008 onwards to foreign investors for the companies established in the PRC. For investors incorporated in Hong Kong, preferential rate of 5% will be applied. Deferred tax has not been provided for in the consolidated financial statements in respect of the temporary differences attributable to such profits amounting to HK\$45,140,000 as the Group is able to control the timing of the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future.

### 25. 遞延稅項(續)

於二零零八年三月三十一日，本集團尚未動用但可用作抵扣未來盈利之稅務虧損約為259,000,000港元(二零零七年：85,000,000港元)遞延稅項資產。其中就該等虧損確認約68,000,000港元(二零零七年：72,000,000港元)。由於未來盈利之流入不可預測，餘下191,000,000港元(二零零七年：13,000,000港元)之虧損並無確認為遞延稅項資產。於二零零八年三月三十一日，上述稅務虧損中約68,000,000港元(二零零七年：72,000,000港元)及127,000,000港元(二零零七年：24,000,000港元)可自虧損年度後分別結轉二十年及五年。其他稅務虧損可無限期結轉。

根據稅法，自二零零八年一月一日起，於中國成立的外商投資企業於二零零八年度起賺取的盈利的股息將被施加10%的預繳所得稅。於香港註冊成立的投資者則可享有優惠稅率5%。由於本集團能夠控制暫時差額的撥回時間，因此暫時差額於可見將來有可能不獲撥回，故並無就該等盈利分佔的暫時差額45,140,000港元，在綜合財務報表中遞延稅項撥備。

### 26. Convertible Bonds

### 26. 可換股債券

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Liability component:	負債部份：		
Carrying value at the beginning of the year	年初之賬面值	205,364	901,006
Less: Conversion	減：兌換	(207,446)	(741,413)
Add: Imputed interest	加：利息	2,082	45,771
Carrying value at the end of the year	年終之賬面值	—	205,364

## 26. Convertible Bonds (Continued)

On 13 January 2006, the Company issued HK\$1,000,000,000 zero coupon convertible bonds due in 2011 (the "2011 Bonds"). The 2011 Bonds did not bear interest.

The 2011 Bonds were convertible, at the option of the holders thereof, into ordinary shares of HK\$0.10 each in the Company at a conversion price of HK\$12.04 per share at any time on or after 28 January 2006 up to and including 6 January 2011. The 2011 Bonds could be redeemed at the option of the 2011 Bonds holders on 13 January 2008 at 109.31% of the principal amount.

On or after 13 January 2008, the Company had the option to redeem all of the entire remaining amount of the 2011 Bonds, at any time prior to their maturity, at an amount stipulated in the terms of the 2011 Bonds, when any of the following conditions are satisfied (i) the closing market price of the Company's shares for any 30 consecutive trading days, prior to the date on which the notice of redemption is given, was at least 130% of the redemption price of each share; or (ii) at least 90% of the principal amount of the 2011 Bonds were converted, redeemed or purchased and cancelled. The Company could redeem the 2011 Bonds at 124.92% of their principal amount on 13 January 2011 unless conversion or cancellation by the 2011 Bonds holders before maturity. The value of this derivative was immaterial to the Group.

During the year ended 31 March 2008, all the remaining principal amount of the 2011 Bonds of HK\$204,710,000 (2007: 795,289,000) were converted into ordinary shares of the Company.

The valuation of the 2011 Bonds was carried out by Jones Lang LaSalle Sallmanns Limited (formerly known as Sallmanns (Far East) Limited). For accounting purpose the 2011 Bonds were split into three components: derivative financial instruments, liability and equity. The equity element was presented as convertible bonds equity reserve under equity and the early redemption right was presented as derivative financial instruments in the consolidated balance sheet (see note 22). The effective interest rate of the liability component was 6.73% per annum.

## 26. 可換股債券 (續)

於二零零六年一月十三日，本公司發行10億港元之零息可換股債券二零一一年到期（「二零一一年可換股債券」）。二零一一年可換股債券並無利息。

二零一一年可換股債券可根據持有人之選擇，以轉換價12.04港元於二零零六年一月二十八日或之後至二零一一年一月六日止任何時間轉換為公司每股0.10港元之普通股。二零一一年可換股債券持有人有權於二零零八年一月十三日以本金金額的109.31%贖回二零一一年可換股債券。

在二零零八年一月十三日或之後，本公司可於到期前，有權按二零一一年可換股債券所列提早贖回所餘款額，惟於以下情況始能贖回：(i) 本公司股份連續30個交易日的收市價，為發出贖回通知前最少為每股股份贖回價格之130%；或(ii) 二零一一年可換股債券本金之最少90%已轉換、贖回、購買或註銷。二零一一年可換股債券可於二零一一年一月十三日以本金之124.92%由本公司贖回，除非在到期日前二零一一年可換股債券持有人已轉換或註銷。本集團認為此衍生工具之價值不高。

年內截至二零零八年三月三十一日止，有204,710,000港元（二零零七年：795,289,000港元）本金金額之二零一一年可換股債券被轉為本公司普通股。

二零一一年可換股債券之評估由仲量聯行西門有限公司（前身為西門（遠東）有限公司）完成。由於會計關係，二零一一年可換股債券分為三個部份：衍生財務工具、負債及權益。權益元素以「可換股債券權益儲備」於權益及早期認購權利下呈列在綜合資產負債表之衍生財務工具內（附註22）。負債部份之實際年利率為6.73%。

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### 27. Retirement Benefits Plans

#### (a) Plans for Hong Kong employees

##### Defined benefit plan

The Group is a member of a defined benefit plan which was open to qualified employees of the Group's Hong Kong subsidiary, the plan is managed by Fortune Star Tradings Ltd ("Fortune Star"). Fortune Star is beneficially owned by Mr Lee Wan Keung Patrick, a director of the Company. In December 2000, all the then existing members of the defined benefit plan were enrolled into a MPF Scheme and their accrued benefits for the past services under the defined benefit plan were frozen as at 30 November 2000. The defined benefit plan was closed to new employees from December 2000 onwards.

Under the defined benefit plan, employees are entitled to retirement benefits varying between 0% and 100% of their final salary as at 30 November 2000 multiplied by the pensionable service year 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 defined benefits plan assets and the present value of the defined benefit obligation was carried out at 31 December 2007 by HSBC Life (International) Limited. The present values of the defined benefit obligation, the related current service cost and past service cost were measured using the projected unit credit method.

The main actuarial assumptions used were as follows:

	31 December 2007 二零零七年 十二月 三十一日	31 December 2006 二零零六年 十二月 三十一日
Discount rate	3.45%	3.75%
Expected return on plan assets	4%	5%

The actuarial valuation shows that the market value of plan assets at 31 December 2007 was HK\$938,000 (31 December 2006: HK\$893,000) and that the actuarial value of these assets represented 447% (31 December 2006: 423%) of the benefits that were accrued to members.

### 27. 退休福利計劃

#### (a) 為香港僱員而設的計劃

##### 界定福利計劃

本集團是一個界定福利計劃的成員，該計劃供Fortune Star Trading Ltd(「Fortune Star」)控制的本集團的公司附屬公司之合資格僱員參與。Fortune Star的實益擁有人為李運強先生，為本公司董事。於二零零零年十二月，界定利益計劃當時所有成員轉為登記參與一項強積金計劃，而彼等在界定利益計劃內就過往服務所得的累計福利於二零零零年十一月三十日被凍結。自二零零零年十二月起，界定福利計劃不再供新僱員選擇。

根據界定福利計劃，僱員於年屆五十五歲退休之齡時可獲取的退休福利相等於其於二零零零年十一月三十日的最後薪金的零至100%不等，乘以截至二零零零年十一月三十日止的應計退休金的服務年資。本集團並無提供其他退休後福利。

界定福利計劃資產及界定福利承擔現值之最近期精算估值，乃由匯豐人壽保險(國際)有限公司，於二零零七年十二月三十一日作出評估。界定福利承擔現值、相關之現時服務成本及過去的服務成本乃採用預估單位利益法計算。

所用的主要精算假設如下：

	31 December 2007 二零零七年 十二月 三十一日	31 December 2006 二零零六年 十二月 三十一日
Discount rate	3.45%	3.75%
Expected return on plan assets	4%	5%

精算估值顯示計劃資產於二零零七年十二月三十一日之市價為938,000港元(二零零六年十二月三十一日：893,000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447%(二零零六年三月三十一日：423%)。

## 27. Retirement Benefits Plans (Continued)

### (a) Plans for Hong Kong employees (Continued)

#### Defined benefit plan (Continued)

The credit recognised in the consolidated income statement in respect of the defined benefit plan was as follows:

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Interest cost	利息成本	8	6
Expected return on plan assets	計劃資產預期回報	(45)	(39)
Actuarial gain recognised in the year	年內精算得益確認	(9)	(42)
Total, included in other income	總計(已計入其他經營收入)	(46)	(75)

The actual return on plan assets for the year was HK\$45,000 (2007: HK\$41,000).

The amount included in the consolidated balance sheet in respect of the Group's retirement benefit assets was as follows:

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Fair value of plan assets	計劃資產公平值	938	893
Present value of funded obligations	供款現值	(210)	(211)
At end of the year	年終	728	682

## 27. 退休福利計劃(續)

### (a) 為香港僱員而設的計劃(續)

#### 界定福利計劃(續)

於綜合收益表就界定福利計劃確認的支出如下：

計劃資產於本年度的實際回報為45,000港元(二零零七年：41,000港元)。

本集團的退休福利資產已列入綜合資產負債表的數額如下：



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 March 2008 截至二零零八年三月三十一日止年度

### 27. Retirement Benefits Plans (Continued)

#### (a) Plans for Hong Kong employees (Continued)

##### Defined benefit plan (Continued)

Movements in the fair value of the plan assets were as follows:

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
At beginning of the year	年初	893	795
Expected return of plan assets	資產計劃預計回報	45	39
Actuarial gains	精算得益	—	2
Transfer in from other employers	轉撥自其他僱主	—	57
At end of the year	年終	938	893

Movements in the present value of the funded obligations were as follows:

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
At beginning of the year	年初	211	146
Interest cost	利息成本	8	6
Actuarial (gains) losses	精算(得益)虧損	(9)	2
Transfer in from other employers	轉撥自其他僱主	—	57
At end of the year	年終	210	211

### 27. 退休福利計劃(續)

#### (a) 為香港僱員而設的計劃(續)

##### 界定福利計劃(續)

計劃資產公平值的變動如下：

供款現值的變動如下：

## 27. Retirement Benefits Plans (Continued)

### (a) Plans for Hong Kong employees (Continued)

#### Defined benefit plan (Continued)

The major categories of plan assets, and the expected rate of return at the balance sheet date for each category, were as follows:

		Expected return 預期回報		Fair value of plan assets 計劃資產公平值	
		2008 二零零八年 %	2007 二零零七年 %	2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
		百分比	百分比		
Debt instruments	債務工具	4	5	903	872
Cash and cash equivalents	現金及現金等價物	2	2	35	21
Weighted average expected return	加權平均預計回報	4	5	938	893

#### 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.

### (b) Plans for PRC employees

The employees employed in the PRC subsidiaries are members of the state-managed retirement benefit scheme operated by the PRC government. The PRC subsidiaries are required to contribute a certain percentage of their payroll to the retirement benefit scheme to fund the benefits. The only obligation of the Group with respect to the retirement benefit scheme is to make the required contributions under the scheme.

## 27. 退休福利計劃(續)

### (a) 為香港僱員而設的計劃(續)

#### 界定福利計劃(續)

計劃資產之主要類別，以及各類別於結算日之預期回報率如下：

#### 界定供款計劃

本集團為所有合資格僱員設立一項強積金計劃。該計劃的資產與本集團的資產分開持有，以及撥入信託人管理的基金。本集團按1,000港元或有關月薪成本的5%，向強積金計劃供款。

### (b) 為中國僱員而設的計劃

中國附屬公司聘用的僱員均參與中國政府營辦的國家管理退休福利計劃。中國附屬公司須按僱員薪金的若干百分比，向退休福利計劃供款，作為福利之用。本集團對退休福利計劃的唯一責任就是根據計劃規定供款。

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## 綜合財務報表附註

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### 27. Retirement Benefits Plans (Continued)

#### (c) Plans for US employees

##### Defined benefit plan

The Group operates a defined benefit pension plan for the hourly-paid employees of the United States subsidiary. The adoption date was 30 June 2005. The pension plan is frozen and not accepting new participants. Pension plan benefits are based primarily on participants' compensation and years of credited service.

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

The actuarial valuation by Milliman, Inc. shows that the market value of plan assets at 31 March 2008 was approximately HK\$101,455,000 (2007: HK\$107,906,000) and that the actuarial value of these assets represented 93% (2007: 93%) of the benefits that were accrued to members.

The charge recognised in the consolidated income statement in respect of the defined benefit pension plan was as follows:

### 27. 退休福利計劃(續)

#### (c) 為美國僱員而設的計劃

##### 界定福利計劃

本集團的美國附屬公司採納界定福利計劃給予時薪僱員。採納日期為二零零五年六月三十日。該退休計劃已被凍結及不接納新參加者。退休計劃利益主要以參加者的報酬及計入的服務年期計算。

所用的主要精算假設如下：

	2008 二零零八年	2007 二零零七年
Discount rate	5.95%	5.90%
Expected return on plan assets	7%	7%

根據 Milliman, Inc 精算估值顯示計劃資產於二零零八年三月三十一日之市價為101,455,000港元(二零零七年：107,906,000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93%(二零零七年：93%)。

於綜合收益表內就有關界定福利計劃確認的費用如下：

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Current service cost	現有服務成本	1,679	1,703
Interest cost	利息成本	6,575	6,669
Expected return on plan assets	計劃資產預期回報	(7,272)	(7,275)
Actuarial gain recognised in the year	年內確認之精算得益	(104)	—
Total, included in administrative expenses	總計(已計入行政費用)	878	1,097

## 27. Retirement Benefits Plans (Continued)

### (c) Plans for US employees (Continued)

#### Defined benefit plan (Continued)

The amount included in retirement benefit liabilities in the year in respect of the retirement benefit pension plan was as follows:

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Fair value of plan assets	計劃資產公平值	101,455	107,906
Present value of funded obligations	供款現值	(109,135)	(116,618)
		(7,680)	(8,712)
Unrecognised actuarial gains	未確認之精算得益	(11,734)	(9,824)
At end of the year	年終	(19,414)	(18,536)

Movements in the fair value of the plan assets were as follows:

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
At beginning of the year	年初	107,906	107,801
Expected return on plan assets	計劃資產預計回報	7,272	7,275
Actuarial losses	精算虧損	(6,451)	(242)
Benefits paid	已付福利	(7,272)	(6,928)
At end of the year	年終	101,455	107,906

## 27. 退休福利計劃(續)

### (c) 為美國僱員而設的計劃(續)

#### 界定福利計劃(續)

就有關福利退休計劃下包括退休福利負債款項如下：

計劃資產公平值的變動如下：

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For the year ended 31 March 2008 截至二零零八年三月三十一日止年度

### 27. Retirement Benefits Plans (Continued)

#### (c) Plans for US employees (Continued)

##### Defined benefit plan (Continued)

Movements in the present value of the funded obligations were as follows:

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
At beginning of the year	年初	116,618	116,411
Current service cost	現時服務成本	1,679	1,703
Interest cost	利息成本	6,575	6,669
Actuarial gains	精算得益	(8,465)	(1,237)
Benefits paid	已付福利	(7,272)	(6,928)
At end of the year	年終	109,135	116,618

The major categories of plan assets, and the expected rate of return at the balance sheet date for each category, were as follows:

		Expected return 預計回報		Fair value of plan assets 計劃資產公平值	
		2008 二零零八年 %	2007 二零零七年 %	2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
		百分比	百分比		
Equity instruments	權益工具	9	8	61,305	71,770
Debt instruments	債務工具	4	4	22,960	23,258
Cash and cash equivalents	現金及現金等價物	1	1	17,190	12,878
Weighted average expected return	加權平均預計回報	7	7	101,455	107,906

##### Defined contribution plan

The Group also sponsors a 401(k) profit sharing plan for the monthly-paid employees of the United States subsidiary. The United States subsidiary is required to contribute a certain percentage of its payroll to fund the plan, the maximum allowable contribution by the Group for each employee is 50% of gross wages subject to the limitations set by the Internal Revenue Code in the United States.

### 27. 退休福利計劃(續)

#### (c) 為美國僱員而設的計劃(續)

##### 界定福利計劃(續)

供款現值的變動如下：

計劃資產之主要類別，以及各類別於結算日之預期回報率如下：

##### 界定供款計劃

本集團的美國附屬公司亦就月薪僱員贊助401(k)盈利分享計劃。美國附屬公司須就其薪金總額的若干百分比向該計劃供款，根據美國國內收入法所訂限制，本集團獲准為每名僱員供款的上限為薪酬總額的50%。

## 28. Share Capital

## 28. 股本

		Number of ordinary shares 普通股數目	Amount 金額 HK\$'000 千港元
Ordinary shares of HK\$0.10 each	每股面值0.10港元的普通股		
Authorised:	法定：		
At 1 April 2006, 31 March 2007 and 31 March 2008	二零零六年四月一日、 二零零七年三月三十一日及 二零零八年三月三十一日	2,000,000,000	200,000
Issued and fully paid:	已發行及繳足：		
At 1 April 2006	二零零六年四月一日	967,608,000	96,761
Exercise of share options	行使購股權	5,816,000	582
Conversion of convertible bonds	兌換可換股債券	66,053,932	6,605
Placing of new shares	配新股	80,000,000	8,000
At 31 March 2007	二零零七年三月三十一日	1,119,477,932	111,948
Exercise of share options	行使購股權	900,000	90
Conversion of convertible bonds	兌換可換股債券	17,002,480	1,700
At 31 March 2008	二零零八年三月三十一日	1,137,380,412	113,738

During the year ended 31 March 2008, 900,000 share options under the Share Option Scheme (as defined in note 29) were exercised at a subscription price of HK\$8.50 per share, resulting in the issue of 900,000 ordinary shares of HK\$0.10 each in the Company. In addition, convertible bonds with a principal amount of HK\$204,710,000 were converted into ordinary shares at an exercise price of HK\$12.04 resulting in the issue of 17,002,480 ordinary shares of HK\$0.10 each in the Company.

年內截至二零零八年三月三十一日，共有900,000股權根據根據購股權計劃（定義見附註29）授出的購股權獲行使，認購價為每股8.05港元，導致發行900,000股本公司每股面值0.10港元的普通股。另外，本金金額204,710,000港元之可換股債券被兌換，行使價為12.04港元，導致發行17,002,480股本公司每股面值0.10港元的普通股。

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For the year ended 31 March 2008 截至二零零八年三月三十一日止年度

### 28. Share Capital (Continued)

During the year ended 31 March 2007, 5,516,000 and 300,000 share options under the Pre-IPO Scheme and the Share Option Scheme (both as defined in note 29) respectively were exercised at a subscription price of HK\$4.17 and HK\$8.50 per share respectively, resulting in the issue of 5,816,000 ordinary shares of HK\$0.10 each in the Company. In addition, convertible bonds with a principal amount of HK\$795,289,000 were converted into shares at an exercise price of HK\$12.04 resulting in the issue of 66,053,932 ordinary shares of HK\$0.10 each in the Company. Finally, arrangements were made on 29 January 2007 for a private placement to independent private investors of 80,000,000 shares of HK\$0.10 each in the Company at a price of HK\$18.50 per share representing a discount of approximately 5% to the closing market price of the Company's shares on 24 January 2007. Arrangement fees of HK\$20,177,000 were set-off against share premium.

All the shares issued during both years rank pari passu with the then existing shares in all respects.

### 29. Share Option Scheme

Pursuant to the written resolution of the shareholders of the Company dated 11 September 2003, two share option schemes, namely Share Option Scheme (the "Scheme") and Pre-IPO Share Option Scheme (the "Pre-IPO Scheme"), were approved and adopted.

The Scheme and the Pre-IPO Scheme were established for the purpose of providing incentives to directors and eligible persons. The Scheme and Pre-IPO Scheme will remain in force for a period of ten years and three years, respectively from adoption to the schemes. The Scheme will expire on 10 September 2013 and the Pre-IPO Scheme expired on 10 September 2006.

### 28. 股本(續)

於截至二零零七年三月三十一日止年內，共有5,516,000股權根據首次公開售股前購股計劃及300,000股權根據購股權計劃(定義見附註29)授出的購股權獲行使，認購價為每股4.17港元及8.05港元，導致發行5,816,000股本公司每股面值0.10港元的普通股。另外，本金金額795,289,000港元之可換股債券被兌換，行使價為12.04港元，導致發行66,053,932股本公司每股面值0.10港元的普通股。最後，於二零零七年一月二十九日，本公司作出安排以向獨立私人投資者私人配售本公司80,000,000股每股面值0.10港元之股份，每股作價18.50港元，較本公司股份於二零零七年一月二十四日之收市價折讓約5%。20,177,000港元之安排費用已與股份溢價對銷。

該兩年內發行的所有股份在所有方面與當時的現有股份享有同等權益。

### 29. 購股權計劃

根據本公司股東於二零零三年九月十一日通過的書面決議案，兩個購股權計劃，(即購股權計劃(「該計劃」)及首次公開售股前購股權計劃(「首次公開售股前計劃」))均獲批准及採納。

設立該計劃及首次公開售股前計劃，旨在提供獎勵予董事及合資格人士。該計劃及首次公開售股前計劃的有效期自採納日期起計，分別為十年及三年，該計劃將於二零一三年九月十日屆滿及首次公開發售股前計劃已於二零零六年九月十日屆滿。

## 29. Share Option Scheme (Continued)

### (i) Share Option Scheme

Under the Scheme, the Board may at their discretion grant options to (i) any director (including executive directors, non-executive directors and independent non-executive directors) and employees of the Group in which the Group holds an equity interest or a subsidiary of such company; or (ii) any advisors, consultants, distributors, contractors, suppliers, agents, customers, business partners, promoters, service providers of any member of the Group may be determined by the Board from time to time to subscribe for the shares of the Company (the "Shares").

Options granted must be taken up within 28 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 Board (which shall be less than ten years from the date of issue of the relevant option). Options may be granted without initial payment except the payment of HK\$1 as consideration for grant of option each time. The exercise price is equal to the highest of (i) nominal value of the Shares; (ii) the closing price of the Shares as stated in the daily quotations sheet issued by the Stock Exchange on the date of the grant; and (iii) the average closing price of the Shares as stated in the daily quotations sheets issued by the Stock Exchange for the five business days immediately preceding the date of the grant.

## 29. 購股權計劃(續)

### (i) 購股權計劃

根據該計劃，本公司董事會可不時酌情決定授出購股權予(i)本集團的任何董事(包括執行董事、非執行董事及獨立非執行董事)及僱員、本集團持有股權的公司或該公司的附屬公司；或(ii)本集團任何成員公司的任何顧問、專家顧問、分銷商、承包商、供應商、代理人、客戶、業務夥伴、推廣人員及服務供應商，以認購本公司股份(「股份」)。

合資格人士必須於授出日期起計二十八日內接納購股權。根據購股權計劃授出的購股權所涉及的股份數目，在任何時候不得超逾本公司已發行股本10%。除非根據上市規則的規定取得本公司股東的批准，否則任何人士在任何12個月期間內獲授的購股權所涉及的股份最高數目，不得超逾於上述12個月期間最後一日本公司已發行股份的1%。

承授人可於董事會決定的期間(包括購股權行使前必須持有的最短期限(如有))行使購股權(該期間由有關購股權發行日期起計不得超逾十年)。除了須支付1港元作為每次獲授購股權的代價外，購股權可在毋須作出初期付款的情況下授出。行使價相等於下列較高者：(i)股份面值；(ii)股份於授出日期在聯交所每日報價表所示的收市價；及(iii)股份在緊接授出日期前五個營業日在聯交所每日報價表所示的平均收市價。



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For the year ended 31 March 2008 截至二零零八年三月三十一日止年度

### 29. Share Option Scheme (Continued)

#### (i) Share Option Scheme (Continued)

##### (a) Share options granted on 23 December 2005

The following table discloses details of the Company's options granted on 23 December 2005 under the Scheme held by employees (including a director) and movement in such holdings during the year:

Category 種類	Date of grant 授予期	Exercise price 行使價	Number of share options 購股權數目				
			Outstanding at 1 April 2006 於二零零六年 四月一日 尚未行使數目	Exercised during the year 年內行使數目	Outstanding at 31 March 2007 於二零零七年 三月三十一日 尚未行使數目	Exercised during the year 年內行使數目	Outstanding at 31 March 2008 於二零零八年 三月三十一日 尚未行使數目
Director 董事	23 December 2005 二零零五年 十二月二十三日	8.50	600,000	—	600,000	—	600,000
Other employees 其他僱員	23 December 2005 二零零五年 十二月二十三日	8.50	1,200,000	(300,000)	900,000	(900,000)	—
			1,800,000	(300,000)	1,500,000	(900,000)	600,000

In respect of the share options exercised during the year ended 31 March 2008, the weighted average share price on the dates of exercise is HK\$21.68 (2007: HK\$18.06)

The options granted on 23 December 2005 may be exercised in accordance with the following terms of the Scheme as to:

- (i) one-third of the options commencing 23 December 2005 to 22 December 2008, the fair value of each option at the date of grant is HK\$1.87;
- (ii) one-third of the options commencing 23 December 2006 to 22 December 2008 with vesting period from 23 December 2005 to 22 December 2006, the fair value of each option at the date of grant is HK\$1.97; and
- (iii) one-third of the options commencing 23 December 2007 to 22 December 2008 with vesting period from 23 December 2005 to 22 December 2007, the fair value of each option at the date of grant is HK\$2.08.

### 29. 購股權計劃(續)

#### (i) 購股權計劃(續)

##### (a) 於二零零五年十二月二十三日授予的購股權

下表披露於二零零五年十二月二十三日授予的購股權計劃下之僱員(包括董事)持有公司購股權詳情及於年內之變動:

就於截至二零零八年三月三十一日止年度行使之股權，於行使日期之加權平均股價為21.68港元(二零零七年：18.06港元)。

於二零零五年十二月二十三日授出之購股權可根據計劃下的條款行使：

- (i) 由二零零五年十二月二十三日至二零零八年十二月二十二日行使三分之一的購股權，購股權在授出日當日之公平值估計為1.87港元；
- (ii) 由二零零六年十二月二十三日至二零零八年十二月二十二日行使三分之一的購股權及獲准行使期由二零零五年十二月二十三日至二零零六年十二月二十二日，購股權在授出日當日之公平值估計為1.97港元；及
- (iii) 由二零零七年十二月二十三日至二零零八年十二月二十二日行使三分之一的購股權及獲准行使期由二零零五年十二月二十三日至二零零七年十二月二十二日，購股權在授出日當日之公平值估計為2.08港元。

## 29. Share Option Scheme (Continued)

### (i) Share Option Scheme (Continued)

#### (b) Share options granted on 3 October 2006

The following table discloses details of the Company's options granted on 3 October 2006 under the Scheme held by employees (including directors) and movement in such holdings during the year:

Category 種類	Date of grant 授予期	Exercise price 行使價	Number of share options 購股權數目				
			Outstanding at 1 April 2006 於二零零六年 四月一日 尚未行使數目	Granted during the year 年內授予數目	Outstanding at 31 March 2007 於二零零七年 三月三十一日 尚未行使數目	Cancelled during the year 年內取消數目	Outstanding at 31 March 2008 於二零零八年 三月三十一日 尚未行使數目
Directors 董事	3 October 2006 二零零六年 十月三日	15.10	—	1,872,000	1,872,000	—	1,872,000
Other employees 其他僱員	3 October 2006 二零零六年 十月三日	15.10	—	3,456,000	3,456,000	(360,000)	3,096,000
			—	5,328,000	5,328,000	(360,000)	4,968,000

The options granted on 3 October 2006 may be exercised in accordance with the following terms of the Scheme as to:

- (i) 1,676,000 of the options commencing 1 January 2008 to 31 December 2010, with vesting period from 3 October 2006 to 31 December 2007, the fair value of each option at the date of grant is approximately HK\$4.13;
- (ii) 1,826,000 of the options commencing 1 January 2009 to 31 December 2010, with vesting period from 3 October 2006 to 31 December 2008, the fair value of each option at the date of grant is approximately HK\$4.47; and

## 29. 購股權計劃 (續)

### (i) 購股權計劃 (續)

#### (b) 於二零零六年十月三日授予的購股權：

下表披露於二零零六年十月三日授出之購股權計劃下之僱員(包括董事)持有公司購股權詳情及於年內之變動：

於二零零六年十月三日授出之購股權可根據計劃下的條款行使：

- (i) 由二零零八年一月一日至二零一零年十二月三十一日行使1,676,000股的購股權及獲准行使期由二零零六年十月三日至二零零七年十二月三十一日，購股權在授出日當日之公平值估計為4.13港元；
- (ii) 由二零零九年一月一日至二零一零年十二月三十一日行使1,826,000股的購股權及獲准行使期由二零零六年十月三日至二零零八年十二月三十一日，購股權在授出日當日之公平值估計為4.47港元；及

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### 29. Share Option Scheme (Continued)

#### (i) Share Option Scheme (Continued)

(b) Share options granted on 3 October 2006 (Continued)

(iii) 1,826,000 of the options commencing 1 January 2010 to 31 December 2010, with vesting period from 3 October 2006 to 31 December 2009, the fair value of each option at the date of grant is approximately HK\$4.69.

These fair values were calculated using Binominal Model. The valuation as at 3 October 2006 was carried out by Janes Lang LaSalle Sallmanns Limited (formerly known as Sallmanns (Far East) Limited). The inputs used in the model were as follows:

Closing share price at date of grant	授予日之股份收市價	HK\$(港元) 15.10
Exercise price	行使價	HK\$(港元) 15.10
Expected volatility (note i)	預期波幅(附註i)	38.00%
Risk-free interest rate (note ii)	無風險利息率(附註ii)	3.83%
Expected annual dividend yield	預期每年股息孳息率	1.59%
Total option life	總計可用年期	4.25 years

Notes:

(i) Expected volatility was determined by using the historical volatility of the price return of the ordinary shares of the Company over the past year from the valuation date.

(ii) The risk-free rate interest was based on the yield of Exchange Fund Note.

The estimated total fair value with respect to share options granted to directors and employees on 23 December 2005 and 3 October 2006 was HK\$27,205,000 of which HK\$10,886,000 (2007: HK\$7,412,000) was charged to the consolidated income statement as administrative expenses for the year ended 31 March 2008.

### 29. 購股權計劃(續)

#### (i) 購股權計劃(續)

(b) 於二零零六年十月三日授予的購股權：(續)

(iii) 由二零一零年一月一日至二零一零年十二月三十一日行使1,826,000股的購股權及獲准行使期由二零零六年十月三日至二零零九年十二月三十一日，購股權在授出日當日之公平值估計為4.69港元。

該等公平值以二項式模式計算。截至二零零六年十月三日之估值由仲量聯行西門有限公司(前身為西門(遠東)有限公司完成)。用於計算模式之輸入如下：

Closing share price at date of grant	授予日之股份收市價	HK\$(港元) 15.10
Exercise price	行使價	HK\$(港元) 15.10
Expected volatility (note i)	預期波幅(附註i)	38.00%
Risk-free interest rate (note ii)	無風險利息率(附註ii)	3.83%
Expected annual dividend yield	預期每年股息孳息率	1.59%
Total option life	總計可用年期	4.25 years

附註：

(i) 預期波幅是由估值日期開始以本公司普通股過往一年的歷史價格回報波幅而釐定。

(ii) 無風險利息率以外匯基金票據孳息率為基礎。

有關於二零零五年十二月二十三日及二零零六年十月三日授予董事及僱員之購股權之估計公平值為27,205,000港元，其中10,886,000港元(二零零七年：7,412,000港元)已在截至二零零八年三月三十一日止年度之綜合收益表內以行政費用入賬。

## 29. Share Option Scheme (Continued)

### (ii) Pre-IPO Scheme

The principal terms of the Pre-IPO Scheme, approved and amended by written resolutions of the shareholders of the Company dated 11 September 2003, are similar to the terms of the Scheme except for the followings:

- (a) The subscription price per share was the price per public offer share on the public offering in September 2003 ("Offer price"); and
- (b) Save for the options which was granted (with details set out below), no further options would be offered or granted, as the right to do so was ended upon the listing of the shares of the Company on the Stock Exchange.

On 11 September 2003, the Company granted share options under the Pre-IPO Scheme to the directors and certain employees of the Group, which entitled them to subscribe for a total of 75,000,000 shares at HK\$4.17 per share.

Save and except for Gold Best, all other holders to whom options were granted under the Pre-IPO Scheme are entitled to exercise (i) up to 50% of the options granted to him/her at any time after the expiry of 6 months till the first anniversary of the listing date, (ii) up to 75% of the options granted to him/her of any time until the second anniversary of the listing date, (iii) up to 100% of the options granted to him/her at any time until the third anniversary of the listing date.

## 29. 購股權計劃 (續)

### (ii) 首次公開售股前計劃

除下述者外，首次公開售股前計劃的條款(經本公司股東於二零零三年九月十一日通過的書面決議案批准及修訂)與該計劃的條款類似：

- (a) 每股認購價相等於二零零三年九月公開發售時每股公開發售股份的價格(「發售價」)；及
- (b) 除了已授出的購股權(詳見下文)外，本公司不會再行呈出或授出任何購股權，原因是作出此舉的權利已自本公司股份在聯交所上市之時起終止。

於二零零三年九月十一日，本公司根據首次公開售股前計劃授出購股權予本集團董事及若干僱員，使彼等可按每股4.17港元的價格，合共認購75,000,000股股份。

除了Gold Best外，根據首次公開售股前計劃獲授購股權的所有其他股東可(i)於上市日滿六個月起至上市日一周年前行使最多達獲授購股權的50%；(ii)於上市日兩周年之前行使最多達獲授購股權的75%；(iii)於上市日三周年之前行使最多達獲授購股權的100%。

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### 29. Share Option Scheme (Continued)

#### (ii) Pre-IPO Scheme (Continued)

The following table discloses details of the Company's options under the Pre-IPO Scheme held by employees (including directors) and movement in such holdings during the year ended 31 March 2007:

Category 類別	Date of grant 授出日期	Exercise price 行使價 HK\$ 港元	Number of share options 購股權數目		
			Outstanding at 1 April 2006 二零零六年 三月三十一日 尚未行使	Exercised during the year 年內行使	Outstanding at 31 March 2007 二零零七年 三月三十一日 尚未行使
Directors 董事	11 September 2003 二零零三年九月十一日	4.17	2,866,000	(2,866,000)	—
Employees 僱員	11 September 2003 二零零三年九月十一日	4.17	2,650,000	(2,650,000)	—
Others 其他	11 September 2003 二零零三年九月十一日	4.17	—	—	—
			5,516,000	(5,516,000)	—

In respect of the share options exercised during the year ended 31 March 2007, the weighted average share price on the dates of exercise is HK\$12.31.

截至二零零七年三月三十一止年度內，購股權行使期當日本公司加權平均股份價值為12.31港元。

### 30. CAPITAL RISK MANAGEMENT

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

The capital structure of the Group consists of debt, which includes the bank and other borrowings and equity attributable to equity holders of the Company, comprising issued share capital and various reserves.

### 29. 購股權計劃(續)

#### (ii) 首次公開售股前計劃(續)

下表披露本公司於首次公開售股前計劃下之僱員(包括董事)持有公司購股權詳情及於截至二零零七年三月三十一日止年度內之變動：

### 30. 資本風險管理

本集團管理其資本以確保本集團的實體可持續經營業務，並透過最佳資本負債比例為權益持有人提供最高回報。本集團的整體政策維持與去年一致。

本集團的資本結構包括負債，當中包括銀行及其他借貸以及本公司權益持有人應佔權益(包括已發行股本及多項儲備)。

### 30. CAPITAL RISK MANAGEMENT (Continued)

The directors of the Company review the capital structure on a semi-annual basis. As part of this review, the directors consider the cost of capital and the risks associated with each class of capital. Based on recommendations of the directors, the Group will balance its overall capital structure through the payment of dividends, new share issues and share buy-backs as well as the issue of new debt or the redemption of existing debt.

### 31. FINANCIAL INSTRUMENTS

#### (a) Categories of financial instruments

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
<i>Financial assets</i>	<i>財務資產</i>		
Fair value through profit or loss	盈利或虧損之公平值	25,224	42,310
Loans and receivables (including cash and cash equivalents)	貸款及應收款項 (包括現金及現金等 價物)	2,995,999	1,423,523
<i>Financial liabilities</i>	<i>財務負債</i>		
Fair value through profit or loss	盈利或虧損之公平值	147,102	12,104
Derivatives under hedge accounting	對沖會計下之衍生工具	207,749	—
Amortised cost	攤銷成本	8,294,195	3,066,896

#### (b) Financial risk management objectives and policies

The Group's major financial instruments include trade and other receivables, amounts due from associates, amount due from a related company, derivative financial instruments, restricted bank deposits, bank balances and cash, trade and other payables and bank and other borrowings. Details of the financial instruments are disclosed in the respective notes. The risks associated with these financial instruments include market risk (currency risk and interest rate risk), credit risk and liquidity risk. The policies on how to mitigate these risks are set out below. Management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

### 30. 資本風險管理(續)

本公司董事每半年檢討資本結構。作為檢討的一部份，董事將考慮資本成本以及與各類資本有關的風險。根據董事的建議，本集團將通過派付股息、發行新股及購回股份以及發行新債或贖回現債平衡其整體資本結構。

### 31. 財務工具

#### (a) 財務工具種類

#### (b) 財務風險管理目的及政策

本集團的主要財務工具包括應收貿易賬款及其他應收款項、應收聯繫人款項、應收一家有關連公司款項、衍生財務工具、有限制銀行存款、銀行結餘及現金、應付貿易賬款及其他應付款項及銀行及其他借貸。財務工具的詳情於相關附註披露。與該等財務工具有關的風險包括市場風險(貨幣風險及利率風險)、信貸風險及流動資金風險。如何緩和該等風險的政策載列如下。管理層管理及監控該等風險，以確保及時有效地採用適當的措施。

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### 31. FINANCIAL INSTRUMENTS (Continued)

#### (b) Financial risk management objectives and policies (Continued)

##### Market Risk

##### (i) Currency risk

##### Foreign currency risk management

The Group has foreign currency transactions, which expose the Group to market risk arising from changes in foreign exchange rates. The Group currently has a policy to hedge its long-term foreign currency exposure on the US\$ borrowings. However, management will monitor other foreign currency exposure closely and consider the use of hedging instruments when the need arises.

At the balance sheet dates, the carrying amounts of the Group's significant monetary assets, monetary liabilities and derivative financial instruments denominated in currencies other than the functional currency of the relevant group entities are as follows:

Monetary assets:

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
RMB	人民幣	937,343	401,181
US\$	美元	482,805	234,707
EUR	歐元	51,628	27,875
GBP	英鎊	13,966	2,437
JPY	日元	12,280	65,665

Monetary liabilities:

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
RMB	人民幣	663,028	315,797
US\$	美元	1,018,952	321,390
EUR	歐元	33,223	80,000
JPY	日元	85,681	12,857

### 31. 財務工具

#### (b) 財務風險管理目的及政策(續)

##### 市場風險

##### (i) 貨幣風險

##### 外幣風險管理

本集團存在外幣交易，令本集團須承受外幣匯率變動引起的市場風險。本集團目前採取的政策是只就美元借貸對沖長期外幣風險。然而，管理層將密切監察其他外幣風險，並考慮於必要時運用對沖工具。

於結算日，本集團以有關集團實體的功能貨幣以外的貨幣計值的重要貨幣資產、貨幣負債及衍生財務工具的賬面值如下：

金融資產：

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
RMB	人民幣	937,343	401,181
US\$	美元	482,805	234,707
EUR	歐元	51,628	27,875
GBP	英鎊	13,966	2,437
JPY	日元	12,280	65,665

金融負債：

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
RMB	人民幣	663,028	315,797
US\$	美元	1,018,952	321,390
EUR	歐元	33,223	80,000
JPY	日元	85,681	12,857

### 31. FINANCIAL INSTRUMENTS (Continued)

#### (b) Financial risk management objectives and policies (Continued)

##### Market Risk (Continued)

##### (i) Currency risk (Continued)

Derivative financial instruments:

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
<b>Assets:</b>	<b>資產：</b>		
US\$	美元	18,791	32,036
EUR	歐元	1,236	7,341
GBP	英鎊	680	1,686
JPY	日元	—	1,247
<b>Liabilities:</b>	<b>負債：</b>		
US\$	美元	179,258	—
EUR	歐元	—	126
GBP	英鎊	1,326	—
JPY	日元	—	3,663

#### Sensitivity analysis

The Group is mainly exposed to the fluctuation of RMB, EUR, GBP and JPY. As HK\$, the functional currency of the relevant group entities, is pegged with US\$, the Group's currency risk in relation to the above US\$ monetary assets/liabilities is expected to be minimal.

### 31. 財務工具(續)

#### (b) 財務風險管理目的及政策(續)

##### 市場風險(續)

##### (i) 貨幣風險(續)

衍生財務工具：

#### 敏感度分析

本集團主要受人民幣、歐元、英鎊及日元的波動影響。由於港元(本公司之功能貨幣)與美元掛鈎，預計本集團有關上述美元貨幣資產／負債的貨幣風險極微。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 March 2008 截至二零零八年三月三十一日止年度

### 31. FINANCIAL INSTRUMENTS (Continued)

#### (b) Financial risk management objectives and policies (Continued)

##### Market Risk (Continued)

##### (i) Currency risk (Continued)

##### Sensitivity analysis (Continued)

The following tables details the Group's sensitivity to a 5% increase and decrease in the functional currency of the relevant group entities against the relevant foreign currencies to the extent that the exposures have not been hedged. 5% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and derivative financial instruments and adjusts their translation or fair value in the case of the derivative financial instruments at the year ended for a 5% change in foreign currency rates. On this basis, there will be an increase/decrease in profit where the functional currency of the relevant group entities weaken against the foreign currencies by 5%, and vice versa.

Monetary assets and liabilities:

		<b>2008</b> <b>二零零八年</b> <b>Increase</b> <b>(decrease)</b> <b>in profit</b> <b>盈利增加</b> <b>(減少)</b> <b>HK\$'000</b> <b>千港元</b>	2007 二零零七年 Increase (decrease) in profit 盈利增加 (減少) HK\$'000 千港元
RMB	人民幣	<b>13,716</b>	4,269
EUR	歐元	<b>920</b>	(2,606)
GBP	英鎊	<b>698</b>	122
JPY	日元	<b>(3,670)</b>	2,640

### 31. 財務工具 (續)

#### (b) 財務風險管理目的及政策 (續)

##### 市場風險 (續)

##### (i) 貨幣風險 (續)

##### 敏感度分析 (續)

下表詳述本集團在並無對沖風險的情況下，港元兌對有關集團實體之功能貨幣上升及下降5%的敏感度。5%為對內向主要管理人員匯報外幣風險時採用的敏感度比率，為管理層就外幣匯率的合理可能變動作出的評估。敏感度分析只包括以外幣計值的未償付貨幣項目及衍生財務工具，並於結算日調整衍生財務工具匯率及公平值，以反映外幣匯率的5%變動。在上述基準下，當有關集團實體之功能貨幣兌外幣貶值5%，盈利將增加／減少，反之亦然。

金融資產及負債：

### 31. FINANCIAL INSTRUMENTS (Continued)

#### (b) Financial risk management objectives and policies (Continued)

##### Market Risk (Continued)

##### (i) Currency risk (Continued)

Sensitivity analysis (Continued)

Derivative financial instruments:

		2008 二零零八年 Increase (decrease) in profit 盈利增加 (減少) HK\$'000 千港元	2007 二零零七年 Increase (decrease) in profit 盈利增加 (減少) HK\$'000 千港元
EUR	歐元	1,232	3,694
GBP	英鎊	(1,616)	2,181
JPY	日元	—	(70)

##### (ii) Interest rate risk

The Group is exposed to fair value interest rate risk in relation to fixed-rate borrowings. The Group currently does not have a fair value interest rate risk hedging policy. However, management monitors fair value interest rate exposure and will consider hedging significant fair value interest rate exposure should the need arise.

The Group is also exposed to cash flow interest rate risk in relation to variable-rate bank balances and borrowings. It is the Group's policy to keep its borrowings at fixed rate of interests so as to minimise the cash flow interest rate risk. In order to achieve this result, the Group entered into certain interest rate swaps to partially hedge against its exposures to variable interest-rate of bank borrowings. The critical terms of these interest rate swaps are similar to those of hedged borrowings. These interest rate swaps are designated as effective hedging instruments and hedge accounting is used.

### 31. 財務工具 (續)

#### (b) 財務風險管理目的及政策 (續)

##### 市場風險 (續)

##### (i) 貨幣風險 (續)

敏感度分析 (續)

衍生財務工具：

##### (ii) 利率風險

本集團須承擔有關定息借貸的公平值利率風險。本集團目前並無公平值利率風險對沖政策。然而，管理層監察公平值利率風險，並將於必要時考慮對沖重大的公平值利率風險。

本集團亦須承擔有關浮息銀行結餘及借貸的現金流量利率風險。本集團的政策為保持其借貸以定息計算，以將現金流量利率風險減至最低。為此，本集團訂立若干利率掉期以就銀行借貸的浮息風險進行部分對沖。該等利率掉期的重大條款與對沖借貸的條款相似。該等利率掉期被定為有效對沖工具，並使用對沖會計法。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 March 2008 截至二零零八年三月三十一日止年度

### 31. FINANCIAL INSTRUMENTS (Continued)

#### (b) Financial risk management objectives and policies (Continued)

##### Market Risk (Continued)

##### (ii) Interest rate risk (Continued)

##### Sensitivity analysis

The sensitivity analysis below has been determined based on the exposure to interest rates for both non-derivative and derivative instruments at the balance sheet date. For variable-rate bank balances and borrowings, to the extent that they are not hedged by effective instruments, the analysis is prepared assuming the amount of asset and liability outstanding at the balance sheet date was outstanding for the whole year. A 50 basis points increase or decrease in interest rate is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

For non-derivative instruments, if interest rate had been 50 basis points higher/lower and all other variables were held constant, the Group's profit for the year ended 31 March 2008 would decrease/increase by HK\$20,413,000 (2007: decrease/increase by HK\$9,573,000).

For derivative financial instruments, the sensitivity analysis below has been determined assuming that interest rate had been 50 basis points higher and all other variables were held constant, the impact on the Group's profit and equity, and vice versa.

### 31. 財務工具(續)

#### (b) 財務風險管理目的及政策(續)

##### 市場風險(續)

##### (ii) 利率風險(續)

##### 敏感度分析

下列的敏感度分析根據於結算日非衍生及衍生工具的利率風險釐定。就浮息銀行結餘及借貸，當該等結餘及借貸並非由有效工具對沖，分析假設於結算日未償付資產及負債於年內均為未償付而編製。50基點增加或減少為對內向主要管理人員匯報利率風險時採用的敏感度比率，為管理層就利率的合理可能變動的評估。

就非衍生工具而言，倘利率增加／減少50基點而所有其他變數維持不變，本集團截至二零零八年三月三十一日止年度的盈利將減少／增加20,413,000港元(二零零七年：減少／增加9,573,000港元)。

就衍生財務工具而言，以下敏感度分析乃假設利率上升50個基點而所有其他變數維持不變，其對本集團盈利及權益的影響，以及相反假設的影響。

		Increase in profit 盈利增加 HK\$'000 千港元	Increase in equity 權益增加 HK\$'000 千港元
At 31 March 2008	二零零八年三月三十一日	5,657	30,417
At 31 March 2007	二零零七年三月三十一日	9,170	—

### 31. FINANCIAL INSTRUMENTS (Continued)

#### (b) Financial risk management objectives and policies (Continued)

##### Credit risk

As at 31 March 2008, the Group's maximum exposure to credit risk which will cause a financial loss to the Group due to failure to discharge an obligation by the counterparties is arising from the carrying amount of the respective recognised financial assets as stated in the consolidated balance sheet.

In order to minimise the credit risk, management of the Group has delegated a team responsible for determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group reviews the recoverable amount of each individual debt at each balance sheet date to ensure that adequate impairment losses are made for irrecoverable amounts. In this regard, the directors consider that the Group's credit risk is significantly reduced.

Credit risk on liquid funds is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

Other than concentration of credit risk on liquid funds which are deposited with several banks with high credit ratings, the Group does not have any other significant concentration of credit risk. Trade receivables consist of a large number of customers, spread across diverse industries and geographical areas.

### 31. 財務工具(續)

#### (b) 財務風險管理目的及政策(續)

##### 信貸風險

於二零零八年三月三十一日，本集團因對手方未能履行責任而導致財務損失的最高信貸風險來自綜合資產負債表載列的各已確認財務資產的賬面值。

為盡量減低信貸風險，本集團管理層已委任一組人員釐定信貸限額、信貸審批以及其他監控程序，確保就收回逾期債項採取跟進行動。此外，本集團管理層會定期審閱各個別債務之可收回金額，以確保就無法收回債務確認足夠減值虧損。就此，董事認為本集團之信貸風險已大大減少。

由於交易方均為國際信貸評級機構評為高信貸評級之銀行，故流動資金之信貸風險有限。

除存放於多間具高信貸評級之銀行之流動資金存在集中信貸風險外，本集團概無面對任何其他重大集中信貸風險。應收貿易賬款包括大量客戶，涵蓋多個行業及地理區域。

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## 綜合財務報表附註

For the year ended 31 March 2008 截至二零零八年三月三十一日止年度

### 31. FINANCIAL INSTRUMENTS (Continued)

#### (b) Financial risk management objectives and policies (Continued)

##### Liquidity risk

In management of the liquidity risk, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by management to finance the Group's operations and mitigate the effects of fluctuations in cash flows.

The following tables detail the Group's remaining contractual maturity for its financial liabilities. For non-derivative financial liabilities, the tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The table includes both interest and principal cash flows.

For derivative instruments settle on a net basis, undiscounted net cash flows are presented. Whereas they require gross settlement, the undiscounted gross inflow and outflow on these derivatives are shown on the table.

##### Liquidity and interest risk tables

	Weighted average effective interest rate 實際利率 加權平均數 %	Less than 1 month 少於一個月 HK\$'000 千港元	1-3 months 一至三個月 HK\$'000 千港元	3 months to 1 year 三個月至一年 HK\$'000 千港元	1-5 years 一至五年 HK\$'000 千港元	Over 5 years 超過五年 HK\$'000 千港元	Total undiscounted cash flows 未折讓現金 流量總計 HK\$'000 千港元	Carrying amount at 31 March 2008 於二零零八年 三月三十一日 之賬面 價值 HK\$'000 千港元
							6.68	3.50
<b>2008</b>								
<b>Non-derivative financial liabilities</b>								
Trade and other payables Borrowings	—	60,767	976,219	156,365	—	—	1,193,351	1,193,351
— fixed rate	6.68	—	—	—	—	1,241,009	1,241,009	776,800
— variable rate	3.50	1,831,529	438,436	96,738	4,511,266	—	6,877,969	6,324,044
		1,892,296	1,414,655	253,103	4,511,266	1,241,009	9,312,329	8,294,195
<b>Derivatives — net settlement</b>								
Interest rate swaps	—	—	19,558	58,304	208,075	—	285,937	174,267
Currency structured instruments	—	1,397	65,483	46,847	—	—	113,727	113,727
		1,397	85,041	105,151	208,075	—	399,664	287,994
<b>Derivatives — gross settlement</b>								
Cross currency interest rate swaps	—	—	—	(42,267)	(194,437)	(873,014)	(1,109,718)	(947,068)
— inflow	—	—	—	43,222	207,486	983,689	1,234,397	1,013,925
— outflow	—	—	—	—	—	—	—	—
		—	—	955	13,049	110,675	124,679	66,857

### 31. 財務工具 (續)

#### (b) 財務風險管理目的及政策 (續)

##### 流動資金風險

就管理流動資金風險而言，本集團監察及維持其視為足以為本集團營運提供資金，以及減輕現金流量波動影響之現金及現金等值物水平。

下表刊載本集團之金融負債餘下合約到期日。就非衍生金融負債而言，下表乃根據本集團須還款最早日期當日之金融負債未貼現現金流量作出。下表已包括利息及本金現金流量。

按淨額結算的衍生工具以未貼現現金流量淨額呈列。按總額結算的衍生工具的未貼現流入及流出總額於下表載列。

##### 流動資金及利率風險表

### 31. FINANCIAL INSTRUMENTS (Continued)

#### (b) Financial risk management objectives and policies (Continued)

##### Liquidity risk (Continued)

Liquidity and interest risk tables (Continued)

		Weighted average effective interest rate					Total undiscounted cash flows	Carrying amount at 31 March 2007
			Less than 1 month	1-3 months	3 months to 1 year	1-5 years		
		%	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
		百分比	千港元	千港元	千港元	千港元	千港元	
<b>2007</b>	<b>二零零七年</b>							
<b>Non-derivative financial liabilities</b>	<b>非衍生財務負債</b>							
Trade and other payables	應付賬款及其他款項	—	242,299	369,880	168,991	—	781,170	
Bank overdraft	銀行透支	4.09	12,045	—	—	—	12,045	
Borrowings	借貸							
— fixed rate	— 定息	3.24	16,621	—	—	—	16,621	
— variable rate	— 浮息	4.09	596,829	117,270	236,336	—	2,051,696	
Convertible bonds	可換股債券	6.73	—	—	—	259,211	205,364	
			867,794	487,150	405,327	1,451,924	3,066,896	
<b>Derivatives — net settlement</b>	<b>衍生工具 — 淨額交收</b>							
Interest rate swaps	利率掉期	—	—	—	8,312	—	8,312	
Currency structured instruments	結構性貨幣工具	—	—	3,663	126	—	3,789	
			—	3,663	8,438	—	12,101	

#### (c) Fair Value

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

- the fair values of derivative financial instruments are calculated using discounted cash flow analysis based on the applicable yield curves of interest rates and foreign exchange rates as determined by counterparty financial institutions.
- the fair values of financial assets and financial liabilities (excluding derivative financial instruments) are determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices from observable current market transactions.

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

### 31. 財務工具 (續)

#### (b) 財務風險管理目的及政策 (續)

##### 流動資金風險 (續)

流動資金及利率風險表 (續)

#### (c) 公平值

財務資產及財務負債之公平值按以下方式釐定：

- 衍生財務工具之公平值乃按對手方財務機構釐訂之利率及外幣匯率之適用回報率，根據已折現現金流量分析為基準計算。
- 財務資產及財務負債（不包括衍生財務工具）之公平值根據公認定價模式以採用可觀察的現時市場交易得出之折現現金流量分析為基準計算。

董事認為按攤銷成本於綜合財務報表記賬之財務資產及財務負債之賬面值與其公平值相若。

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## 綜合財務報表附註

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### 32. DISPOSAL OF SUBSIDIARIES

On 24 August 2007, the Group and Well Boom International Limited ("Well Boom"), a wholly owned subsidiary of Gold Best, entered into a subscription agreement (the "Agreement") in respect of investment in FSGL by Well Boom. Pursuant to the Agreement, the Group and Well Boom subscribed for 90 and 810 of new shares in FSGL, respectively. Upon completion, the Group's effective interest in FSGL was diluted from 100% to 19% and FSGL becomes an associate of the Group. The Agreement was approved by shareholders in the extraordinary general meeting on 28 September 2007, which is also the completion date. As the deemed disposal is made indirectly to the ultimate holding company, gain on deemed disposal due to the dilution of interest is credited to equity as it is regarded as contribution from equity participant.

The consolidated net liabilities of FSGL and its subsidiary at the date of disposal were as follows:

### 32. 出售附屬公司

本集團與Gold Best的全資附屬公司佳旺國際有限公司(「佳旺」)於二零零七年八月二十四日就佳旺投資於FSGL訂立認購協議(「該協議」)。根據該協議，本集團及佳旺將分別認購90股及810股FSGL新股。完成後，本集團於FSGL之實際權益自100%攤薄至19%，而FSGL將成為本集團之聯營公司。該協議由股東於二零零七年九月二十八日(亦為完成日期)在股東特別大會上批准。由於與最終控股公司間接進行視為出售事項，而來自權益攤薄的視為出售收益被視為權益參與者的貢獻，故此計入權益。

FSGL及其附屬公司於出售日期的綜合負債淨額如下：

		28 September 2007 二零零七年 九月二十八日 HK\$'000 千港元
NET LIABILITIES DISPOSED OF	出售負債	
Property, plant and equipment	物業、廠房及設備	21,139
Prepaid lease payments	預付租賃款項	77,758
Inventories	存貨	5,123
Other receivables	其他應收款項	43,546
Amounts due from related companies	應收有關連公司款項	39
Bank balances and cash	銀行結餘及現金	29,862
Other payables	其他應付款項	(452)
Amount due to a related company	應付有關連公司款項	(189,566)
		(12,551)
Transferred to interest in an associate	轉撥至一間聯營公司之權益	(1)
Gain on deemed disposal, accounted for as deemed capital contribution	視作出售之得益， 視作注資入賬	(12,552)
Net cash outflow arising on disposal:	出售產生之現金流出淨額：	
Cash consideration	現金代價	—
Bank balances and cash disposed of	出售銀行結餘及現金	29,862
		29,862

### 33. OPERATING LEASE ARRANGEMENTS

#### The Group as lessee

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

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Within one year	一年內	1,736	67,894
In the second to fifth year inclusive	第二年至第五年內 (包括首尾兩年)	109,562	116,750
After five years	第五年後	392,464	658,048
		<b>503,762</b>	842,692

Operating lease payments represent rentals payable by the Group for lands and certain of its office properties. For lands, leases are negotiated for an average term of twenty years and rentals are negotiated every year. For office properties, leases are negotiated for an average term of one year with fixed rentals.

#### The Group as lessor

At the balance sheet date, the Group had contracted with tenants for the use of the Group's pipelines with the following future minimum lease payments:

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Within one year	一年內	390	390
In the second to fifth year inclusive	第二年至第五年內 (包括首尾兩年)	1,560	1,560
After five years	第五年後	780	1,170
		<b>2,730</b>	3,120

Operating lease payments represent rentals payable by tenants for the use of the Group's pipelines. Leases are negotiated for an average term of ten years with fixed rentals.

### 33. 經營租約安排

#### 集團作為承租人

於結算日，本集團根據不可撤銷的土地及樓宇經營租約於日後應付的最低租金如下：

經營租金指本集團就土地及其若干辦公室物業應付的租金。土地的租期平均二十年，租金則每年商討。辦公室物業的租期平均一年，期內租金不變。

#### 集團作為出租人

於結算日，本集團與租戶為使用導管簽訂日後應付的最低租金如下：

經營租金指租戶為使用本集團的導管應付的租金，租期平均十年，期內租金不變。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 March 2008 截至二零零八年三月三十一日止年度

### 34. COMMITMENTS

### 34. 承擔

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Expenditures contracted for but not provided in the consolidated financial statements in respect of capital expenditure:	就已訂約但未於綜合財務報表中撥備的資本開支：		
— property, plant and equipment	— 購置物業、廠房及設備	2,648,229	2,109,652
— land use rights	— 土地使用權	21,821	68,148
		<b>2,670,050</b>	2,177,800

### 35. CONNECTED AND RELATED PARTY TRANSACTIONS

### 35. 相關人士關連交易及結餘

#### (a) Connected and related party transactions

Significant transactions with connected and related parties during the year are as follows:

#### (a) 相關人士關連交易

年內，與關連人士進行的重大交易如下：

Name of party 關連人士名稱	Nature of transactions 交易性質	2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Lee & Man Industrial Manufacturing 理文實業	Finished goods sold by the Group 集團出售製成品	143,941	97,724
	Steam sold by the Group 集團出售蒸氣	1,556	1,560
Lee & Man Paper Products Limited (Note i) 理文紙品有限公司(附註 i)	Licence fee paid by the Group 集團已付許可權費	586	878
Well Boom	Capital contribution arising from disposal of subsidiaries (Note ii) 因出售附屬公司而產生之資本貢獻(附註ii)	12,552	—

Notes:

- (i) Lee & Man Paper Products Limited is beneficially owned by Mr Lee Wan Keung Patrick, a director of the Company.
- (ii) Details of the disposal of subsidiaries to Well Boom, a fellow subsidiary of the Company, during the year are set out in note 32.

附註：

- (i) 理文紙品有限公司實益擁有人為本公司董事李運強先生。
- (ii) 年內，出售附屬公司予本公司同系附屬公司Well Boom之詳情載列於附註32。

### 35. CONNECTED AND RELATED PARTY TRANSACTIONS *(Continued)*

**(b) Connected and related party balances**

Details of outstanding balances with connected and related parties are set out in notes 19 and 20.

**(c) Compensation of key management personnel**

The remunerations of the directors and other members of key management during the year were as follows:

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Short-term benefits	短期福利	10,490	8,421
Post-employment benefits	退休福利	72	60
Share-based payments	股權支付款項	2,974	3,366
		<b>13,536</b>	11,847

### 36. PLEDGE OF ASSETS

At 31 March 2007, bills receivables of HK\$55,751,000 were pledged to secure banking facilities granted to the Group and the pledge was released during the year ended 31 March 2008.

### 35. 相關人士關連交易及結餘 (續)

**(b) 關連及相關人士結餘**

關連及相關人士尚欠結餘詳情已載列於附註19及20。

**(c) 主要管理層成員薪酬**

董事及其他主要管理層成員於年內之酬金如下：

### 36. 資產抵押

於二零零七年三月三十一日，應收票款55,751,000港元已予以抵押，作為授予本集團的銀行備用額的擔保，該等抵押已於截至二零零八年三月三十一日止年度解除。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 March 2008 截至二零零八年三月三十一日止年度

### 37. Balance Sheet of the Company

The summarised balance sheet of the Company as at 31 March 2008 and 31 March 2007 are as follows:

### 37. 本公司資產負債表

截至二零零八年三月三十一日及二零零七年三月三十一日資產負債表總括如下：

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Investments in subsidiaries	於附屬公司的投資	637,977	637,977
Other receivables	其他應收款項	16,935	5,278
Amounts due from subsidiaries	應收附屬公司款項	8,184,065	5,456,477
Bank balances	銀行結餘	2,665	2,431
<b>Total assets</b>	<b>總資產</b>	<b>8,841,642</b>	6,102,163
Derivative financial instruments	衍生財務工具	207,749	3
Other payables	其他應付款項	17,344	3,100
Unsecured bank borrowings	無抵押銀行借貸	3,746,800	1,000,000
Convertible bonds	可換股債券	-	205,364
<b>Total liabilities</b>	<b>總負債</b>	<b>3,971,893</b>	1,208,467
		<b>4,869,749</b>	4,893,696
Share capital	股本	113,738	111,948
Reserves (Note)	儲備(附註)	4,756,011	4,781,748
<b>Total equity</b>	<b>總權益</b>	<b>4,869,749</b>	4,893,696

### 37. Balance Sheet of the Company (Continued)

Note:

#### Reserves

		Share premium 股份溢價 HK\$'000 千港元	Convertible bonds equity reserve 可換股債券 權益儲備 HK\$'000 千港元	Share options reserve 購股權儲備 HK\$'000 千港元	Hedging reserve 對沖儲備 HK\$'000 千港元	Special reserve 特別儲備 HK\$'000 千港元	Retained profits 留存盈利 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 April 2006	二零零六年四月一日	1,863,819	60,256	1,573	-	634,977	3,709	2,564,334
Profit for the year	年內盈利	-	-	-	-	-	393,942	393,942
Total recognised income and expenses for the year	年內已確認之收入及支出總計	-	-	-	-	-	393,942	393,942
Exercise of share options	行使購股權	25,531	-	(561)	-	-	-	24,970
Conversion of convertible bonds	可換股債券兌換	782,729	(47,921)	-	-	-	-	734,808
Placing of new shares	配股	1,451,823	-	-	-	-	-	1,451,823
Equity-settled share based payments	股結算股權支付款項	-	-	7,412	-	-	-	7,412
Dividends paid (note 11)	派息(附註11)	-	-	-	-	-	(395,541)	(395,541)
At 31 March 2007	二零零七年三月三十一日	4,123,902	12,335	8,424	-	634,977	2,110	4,781,748
Loss on cash flow hedges	現金對沖虧損	-	-	-	(183,067)	-	-	(183,067)
Profit for the year	年內盈利	-	-	-	-	-	342,371	342,371
Total recognised income and expenses for the year	年內已確認之收入及支出總計	-	-	-	(183,067)	-	342,371	159,304
Exercise of share options	行使購股權	10,962	-	(3,402)	-	-	-	7,560
Conversion of convertible bonds	可換股債券兌換	218,081	(12,335)	-	-	-	-	205,746
Equity-settled share based payments	股結算股權支付款項	-	-	10,886	-	-	-	10,886
Dividends paid (note 11)	派息(附註11)	-	-	-	-	-	(409,233)	(409,233)
At 31 March 2008	二零零八年三月三十一日	4,352,945	-	15,908	(183,067)	634,977	(64,752)	4,756,011

The special reserve of the Company represents the difference between the aggregate net assets of the subsidiaries acquired by the Company pursuant to the corporate reorganisation in September 2003 and the nominal value of the Company's shares issued for the acquisition.

### 37. 本公司資產負債表(續)

附註:

#### 儲備

本公司的特別儲備指本公司於二零零三年九月重組收購所得的附屬公司的資產淨值總額與本公司因收購事項而發行的本公司股份的面值的差額。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 March 2008 截至二零零八年三月三十一日止年度

### 37. Balance Sheet of the Company (Continued)

At 31 March 2008, the Company's reserves available for distribution to its shareholders comprise share premium, special reserve and retained profits which in aggregate amounted to approximately HK\$4,923,170,000 (2007: HK\$4,760,989,000). Under the Companies Law (2007 Revision) 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.

### 37. 本公司資產負債表(續)

本公司可供分派予股東的儲備包括股份溢價、特別儲備及留存盈餘，於二零零八年三月三十一日的總額約為4,923,170,000港元(二零零六年：4,760,989,000港元)。根據開曼群島公司法(二零零七年修訂版)，在符合公司組織章程大綱及細則的規定下，本公司的股份溢價可用作向股東分派或支付股東股息，惟在緊隨支付分派或股息以後，本公司仍有能力在日常業務過程中支付到期的負債。根據本公司的公司細則，股息須以本公司的盈利或其他儲備撥付，包括股份溢價賬。

### 38. Principal Subsidiaries

Details of the Company's principal subsidiaries, as at 31 March 2008 and 31 March 2007, are as follows:

### 38. 主要附屬公司

本公司主要附屬公司於二零零八年三月三十一日及二零零七年三月三十一日的詳情如下：

Name of subsidiary 附屬公司名稱	Place of incorporation/ establishment/ registration and operations 註冊成立/成立/ 註冊及營運地點	Nominal value of issued and fully paid share capital/registered capital 已發行及繳足股本 / 註冊股本面值	Proportion ownership interest held by the Company 本公司持有權益擁有權比例				Principal activities 主要業務
			Directly 直接		Indirectly 間接		
			2008 二零零八年	2007 二零零七年	2008 二零零八年	2007 二零零七年	
Able Advance International Limited	British Virgin Islands (Note i) 英屬處女群島 (附註 i)	Ordinary shares – US\$4 普通股 – 4 美元	100%	100%	–	–	Investment holding 投資控股
Lee & Man Industries Company Limited	British Virgin Islands (Note i) 英屬處女群島 (附註 i)	Ordinary share – US\$1 普通股 – 1 美元	–	–	100%	100%	Investment holding 投資控股
Evergreen Trading Company Limited	Malaysia 馬來西亞	Ordinary shares – US\$2 普通股 – 2 美元	–	–	100%	100%	Procurement of raw materials 採購原料
Lee Kwok (Macao Commercial Offshore) Trading Limited 利國(澳門離岸商業服務)貿易有限公司	Macau 澳門	MOP100,000 澳門幣100,000元	–	–	100%	100%	Procurement of raw materials 採購原料
Wang Kei (Macao Commercial Offshore) Trading Limited 宏基(澳門離岸商業服務)貿易有限公司	Macau 澳門	MOP100,000 澳門幣100,000元	–	–	100%	100%	Export trading of paper 紙張出口貿易
東莞理文造紙廠有限公司 (Dongguan Lee & Man Paper Factory Co., Ltd.)	PRC (note ii) 中國(附註 ii)	Registered capital – US\$156,480,000 註冊資本 – 156,480,000 美元	–	–	100%	100%	Manufacturing and trading of paper 造紙生產及貿易
廣東理文造紙有限公司 (Guangdong Lee & Man Paper Manufacturing Limited)	PRC (note ii) 中國(附註 ii)	Registered capital – US\$480,000,000 註冊資本 – 480,000,000 美元	–	–	100%	100%	Manufacturing and trading of paper 造紙生產及貿易

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 March 2008 截至二零零八年三月三十一日止年度

### 38. Principal Subsidiaries (Continued)

### 38. 主要附屬公司(續)

Name of subsidiary 附屬公司名稱	Place of incorporation/ establishment/ registration and operations 註冊成立/成立/ 註冊及營運地點	Nominal value of issued and fully paid share capital/registered capital 已發行及繳足股本 /註冊股本面值	Proportion ownership interest held by the Company 本公司持有權益擁有權比例				Principal activities 主要業務
			Directly 直接		Indirectly 間接		
			2008 二零零八年	2007 二零零七年	2008 二零零八年	2007 二零零七年	
江蘇理文造紙有限公司 (Jiangsu Lee & Man Paper Manufacturing Company Limited)	PRC (note ii) 中國(附註ii)	Registered capital – US\$250,000,000 註冊資本– 250,000,000 美元	-	-	100%	100%	Manufacturing and trading of paper 造紙生產及貿易
重慶理文造紙有限公司 (Chongqing Lee & Man Paper Manufacturing Limited)	PRC (note ii) 中國(附註ii)	Registered capital – US\$123,180,000 註冊資本– 123,180,000 美元	-	-	100%	100%	Manufacturing and trading of paper 造紙生產及貿易
Evergreen Pulp Inc.	United States of America 美國	Ordinary shares – US\$1,000 普通股 – 1,000 美元	-	-	100%	100%	Manufacturing and trading of pulp 木漿生產及貿易
Vietnam Lee & Man Paper Manufacturing Limited	Vietnam 越南	US\$10,113,794 10,113,794 美元	-	-	90%	-	Manufacturing and trading of paper 造紙生產及貿易
Vietnam Lee & Man Pulp Manufacturing Limited	Vietnam 越南	US\$4,250,000 4,250,000 美元	-	-	90%	-	Manufacturing and trading of pulp 木漿生產及貿易

Notes:

- (i) These companies operate in Hong Kong.
- (ii) These companies are foreign investment enterprises established in the PRC.

附註：

- (i) 該等公司於香港營運。
- (ii) 該等公司為於中國成立之外商投資企業。



### 38. Principal Subsidiaries (Continued)

The above table lists the subsidiaries of the Company which, in the opinion of the directors, principally affected the results or assets and liabilities 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.

### 39. POST BALANCE SHEET EVENT

On 14 March 2008, Jiangsu Lee & Man Paper Manufacturing Company Limited, a wholly owned subsidiary of the Company, entered into an electricity services agreement and a steam services agreement (the "Services Agreements") with Jiangsu Lee & Man Chemical Limited. Jiangsu Lee & Man Chemical Limited is a wholly owned subsidiary of Lee & Man Holding Limited, a listed company beneficially owned by Mr Lee Wan Keung Patrick, a director of the Company.

The entering into the Services Agreements was approved by the Board on 11 March 2008 and the Services Agreements were approved by shareholders in the extraordinary general meeting held on 25 April 2008. The Services Agreements are for a term of two years and eight months commencing from 1 May 2008 till 31 December 2010.

### 38. 主要附屬公司 (續)

上表列出據董事認為主要影響本集團業績或資產與負債的本公司附屬公司。董事認為，列出其他附屬公司的詳情會使本附註過於冗長，故未有列載該等資料。

於年結日或年內任何時間，各附屬公司概無任何未償還的債務證券。

### 39. 結算日後事項

於二零零八年三月十四日，江蘇理文造紙有限公司(本公司一家全資附屬公司)與江蘇理文化工有限公司訂立發電服務協議及蒸氣服務協議(「該等服務協議」)。江蘇理文化工有限公司為上市公司理文集團有限公司(由本公司董事李運強先生為實益擁有人)的全資附屬公司。

該等服務協議的訂立經董事會於二零零八年三月十一日批准，該等服務協議經股東於二零零八年四月二十五日舉行的股東特別大會批准。該等服務為期兩年八個月，自二零零八年五月一日起至二零一零年十二月三十一日止。



# FINANCIAL SUMMARY

## 五年財務概要

		Year ended 31 March 截至三月三十一日止年度					
		2004 二零零四年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元	
<b>RESULTS</b>	<b>業績</b>						
Revenue	收入	1,701,055	2,771,423	3,778,054	5,160,552	<b>8,996,113</b>	
Profit before tax	除稅前盈利	290,128	423,436	625,586	1,041,005	<b>1,499,146</b>	
Income tax expense	利得稅開支	(5,250)	(5,693)	(25,558)	(30,894)	<b>(68,026)</b>	
Profit for the year	年度盈利	284,878	417,743	600,028	1,010,111	<b>1,431,120</b>	
Attributable to:	應佔:						
Equity holders of the Company	公司權益持有人	284,878	417,743	600,028	1,010,204	<b>1,441,329</b>	
Minority interests	少數股益	-	-	-	(93)	<b>(10,209)</b>	
		284,878	417,743	600,028	1,010,111	<b>1,431,120</b>	

		At 31 March 於三月三十一日					
		2004 二零零四年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元	
<b>ASSETS, LIABILITIES AND EQUITY</b>	<b>資產、負債及權益</b>						
Total assets	資產總值	3,409,123	4,113,393	5,774,016	9,845,200	<b>17,014,989</b>	
Total liabilities	負債總額	(1,505,725)	(1,071,932)	(2,196,972)	(3,274,499)	<b>(8,980,680)</b>	
		1,903,398	3,041,461	3,577,044	6,570,701	<b>8,034,309</b>	
Equity attributable to equity holders of the Company	公司權益持有人應佔權益	1,903,398	3,041,461	3,577,044	6,570,794	<b>8,044,611</b>	
Minority interests	少數股益	-	-	-	(93)	<b>(10,302)</b>	
Total equity	總權益	1,903,398	3,041,461	3,577,044	6,570,701	<b>8,034,309</b>	

The Company was incorporated and registered as an exempted company in the Cayman Islands on 21 May 2003 and became the holding company of the Group as a result of a group reorganisation in September 2003. The financial summary has been presented on the basis that the Company had been the holding company of the Group from the beginning of the earliest period presented.

本公司於二零零三年五月二十一日於開曼群島註冊成立及登記為獲豁免公司，並因為集團重組而於二零零三年九月成為本集團的控股公司。財務摘要乃按本公司自最早呈報期間開始一直是本集團控股公司的基準而呈報。

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## 理文造紙有限公司

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