



# 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

2010/11 年 報  
ANNUAL REPORT



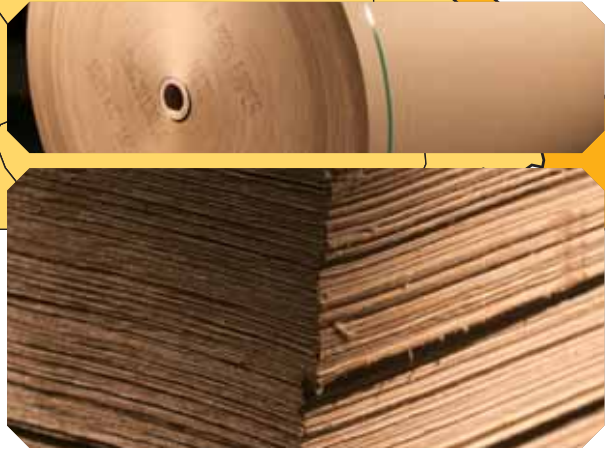
\* 僅供識別

\* For identification purposes only

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ABOUT LEE & MAN PAPER  
關於理文造紙



PRODUCTS	產品
Pulp	木漿
Kraft Linerboard	牛咭紙
Test Linerboard	掛面牛咭紙
White Top Linerboard	白面牛咭紙
High Strength Corrugating Medium	高強瓦楞芯紙

## Guangdong Lee & Man Paper 廣東理文造紙

Planned annual capacity: 2.95 million tons of paper  
計劃年產能：295萬噸紙



Guangdong Lee & Man Paper

## Jiangsu Lee & Man Paper 江蘇理文造紙

Existing annual capacity: 1.57 million tons of paper  
現有年產能：157萬噸紙



Jiangsu Lee & Man Paper

## Dongguan Lee & Man Paper 東莞理文造紙

Existing annual capacity: 730,000 tons of paper  
現有年產能：73萬噸紙



Dongguan Lee & Man Paper

## Chongqing Lee & Man Paper 重慶理文造紙

Planned annual capacity: 800,000 tons of paper and 180,000 tons of pulp  
計劃年產能：80萬噸紙及18萬噸漿



Chongqing Lee & Man Paper

## BOARD OF DIRECTORS

### Executive directors

Mr Lee Wan Keung Patrick (*Chairman*)  
Mr Lee Man Chun Raymond *BBS JP (Chief Executive Officer)*  
Mr Lee Man Bun  
Mr Kunihiko Kashima

### Non-executive directors

Professor Poon Chung Kwong *GBS JP*  
Mr Yoshio Haga (*Vice Chairman*)

### Independent non-executive directors

Mr Wong Kai Tung Tony  
Mr Peter A Davies  
Mr Chau Shing Yim David

## COMPANY SECRETARY

Mr Cheung Kwok Keung

## REGISTERED OFFICE

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

## 董事會

### 執行董事

李運強先生(主席)  
李文俊先生 *銅紫荊星章 太平紳士(首席執行官)*  
李文斌先生  
鹿島久仁彥先生

### 非執行董事

潘宗光教授 *金紫荊星章 太平紳士*  
芳賀義雄先生(副主席)

### 獨立非執行董事

王啟東先生  
Peter A Davies先生  
周承炎先生

## 公司秘書

張國強先生

## 註冊辦事處

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



## PRINCIPAL BANKERS

### In Hong Kong:

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

### In the PRC:

China Construction Bank  
Bank of China  
Agricultural Bank of China

## AUDITOR

Deloitte Touche Tohmatsu  
*Certified Public Accountants*

## PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Butterfield Fulcrum Group (Cayman) Limited  
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>

## 主要往來銀行

### 香港：

恒生銀行  
渣打銀行  
花旗銀行  
滙豐銀行  
星展銀行

### 中國：

中國建設銀行  
中國銀行  
中國農業銀行

## 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

Butterfield Fulcrum Group (Cayman) Limited  
Buterfield 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  
金鐘滙中心26樓

## 網址

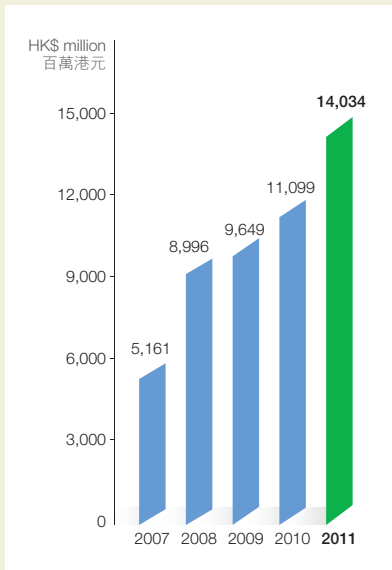
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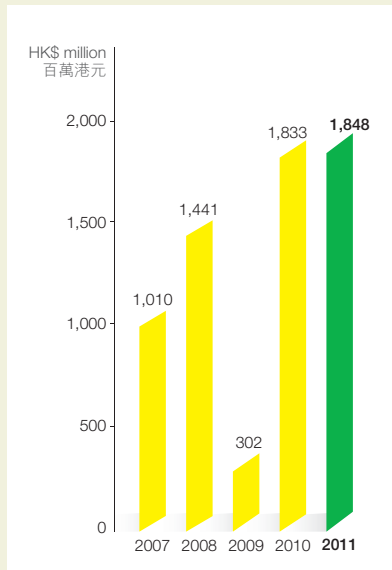
# FINANCIAL HIGHLIGHTS

## 財務摘要

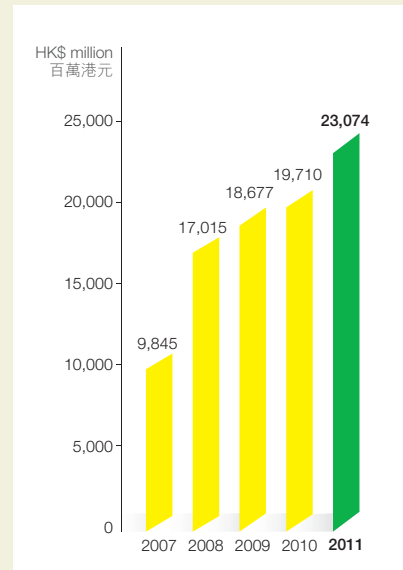
### Revenue 收入



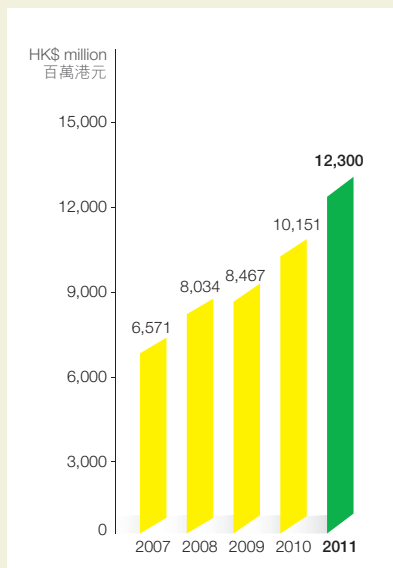
### Profit Attributable to Owners of the Company 公司擁有人應佔盈利



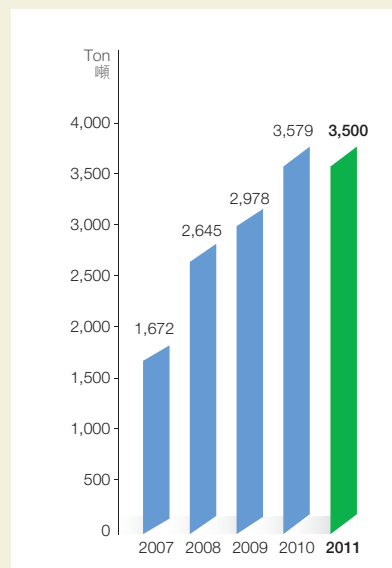
### Total Assets 資產總值



### Total Equity 權益總值



### Sales Volume (containerboard) 銷售量 (箱板原紙)



# 5-YEAR FINANCIAL SUMMARY

## 五年財務概要

		Year ended 31 March					
		截至三月三十一日止年度					
		2007	2008	2009	2010	2011	
		二零零七年	二零零八年	二零零九年	二零一零年	二零一一年	
		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	
<b>RESULTS</b>	<b>業績</b>						
Revenue	收入	5,160,552	8,996,113	9,649,365	11,099,263	14,034,285	
Profit before tax	除稅前盈利	1,041,005	1,499,146	337,470	2,070,198	1,984,126	
Income tax expense	利得稅開支	(30,894)	(68,026)	(37,111)	(236,893)	(136,147)	
Profit for the year	年度盈利	1,010,111	1,431,120	300,359	1,833,305	1,847,979	
Attributable to:	應佔：						
Owners of the Company	本公司擁有人	1,010,204	1,441,329	302,117	1,833,305	1,847,979	
Non-controlling interests	非控股權益	(93)	(10,209)	(1,758)	—	—	
		1,010,111	1,431,120	300,359	1,833,305	1,847,979	

		At 31 March					
		於三月三十一日					
		2007	2008	2009	2010	2011	
		二零零七年	二零零八年	二零零九年	二零一零年	二零一一年	
		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	
<b>ASSETS, LIABILITIES AND EQUITY</b>	<b>資產、負債及權益</b>						
Total assets	資產總值	9,845,200	17,014,989	18,676,559	19,710,472	23,074,465	
Total liabilities	負債總值	(3,274,499)	(8,980,680)	(10,209,714)	(9,559,626)	(10,774,652)	
		6,570,701	8,034,309	8,466,845	10,150,846	12,299,813	
Equity attributable to owners of the Company	本公司擁有人應佔權益	6,570,794	8,044,611	8,466,845	10,150,846	12,299,813	
Non-controlling interests	非控股權益	(93)	(10,302)	—	—	—	
Total equity	權益總值	6,570,701	8,034,309	8,466,845	10,150,846	12,299,813	





## BUSINESS REVIEW AND OUTLOOK

### Business Review

We are very pleased to share with you that the Group achieved revenue and profit attributable to owners of the Company for the year ended 31 March 2011 ("FY11"), of HK\$14,034 million and HK\$1,848 million respectively. During the year, we saw substantial increase in waste paper and coal prices which resulted in higher operating costs, as well as increased competition. However, in accordance with the Group's management principles and under the leadership of the board of directors and the collective efforts of the entire staff members, we are pleased with our results and confident looking forward.

The management also made a conscientious effort to reduce debt resulting in the net gearing ratio being reduced from 64% in March 2010 to 55% in March 2011. In addition, the working capital days was also reduced from 111 days in FY10 to 86 days in FY11. We also delivered strong operating cash flows of approximately HK\$2,740 million for FY11, which was sufficient to finance our capital expenditure.

### 業務回顧及展望

#### 業務回顧

本集團截至二零一一年三月三十一日止年度之收入及股東應佔盈利，分別達140.34億港元及18.48億港元。年內，除了廢紙及煤價顯著上漲而使成本上升外，市場競爭也日趨激烈。然而在董事會的領導下，加上全體員工的共同努力，並遵循本集團的經營方針，使到本集團在本年度取得令人滿意的業績，我們對集團前景及未來發展充滿信心。

管理層努力減低負債，使得淨資產負債比率由去年三月之64%下降至今年三月之55%。此外，營運資金周轉天數亦由上年度之111日下降至本年度之86日。同時，本年度營運現金流約27.40億港元，足以為我們之資本開支提供資金。



## Outlook

The China market growth is slowing and interest rates are going up, we are prepared to meet these challenges. While managing debt at a reasonable level, we are expanding our capacities with special focus on what products to make and how to position them. Further, we are maximizing the synergy with Nippon Paper, our partner and second largest shareholder, as they provide technical know-how on the production of coated duplex board. In total, we will be starting four production lines (PMs15, 16, 17, and 18) with aggregate annual capacities of 1.6 million tons. We believe that these additional capacities will contribute to our profits when they begin production.

While pursuing growth, we will continue to control our investment costs and we believe it is important to be prepared for any economic uncertainties that may arise. Therefore, one of top priorities is to manage risk and to maintain a healthy and reasonable debt level. The Group has strong operating cash flows to meet substantially capital expenditure incurred in capacity expansion.

Last but not least, we will continue our efforts in developing new markets, controlling costs and optimizing the Group's capital structure to deliver better returns to our shareholders.

On behalf of the Board

**Lee Wan Keung Patrick**

*Chairman*

Hong Kong

15 June 2011

## 展望

中國市場增長放緩，利息有上漲可能。本集團已準備好面對以上挑戰。本集團在合理負債水平情況下亦繼續增加產能，但對產品的種類及定位也很注重。所以必須充分發揮本集團同盟日本製紙（第二大股東）的長處加強生產技術的提升及發展塗布白板紙。本集團將有四條生產線（PM15、16、17及18），約160萬噸包裝紙及塗布白板紙陸續投產，對集團利潤將作出更大貢獻。

在追求增長之同時，本集團亦嚴格控制投資成本，為可能出現的種種經濟不景氣情況作好準備。因此，首要任務之一為管理風險及維持穩健合理之債務水平。本集團具備穩妥經營現金流量，以應付在擴大產能時產生之絕大部份資本開支。

本集團將繼續努力開發新市場、嚴控成本及加強本集團之資本架構，務求為股東爭取最大回報。

承董事命

**李運強**

*主席*

香港

二零一一年六月十五日

## RESULTS OF OPERATION

Revenue and net profit attributable to owners of the Company for the year ended 31 March 2011 was HK\$14,034 million and HK\$1,848 million, representing an increase of 26.4% and 0.8% respectively, as compared to HK\$11,099 million and HK\$1,833 million, respectively, for last year. The basic earnings per share for the year was HK40.13 cents when compared with HK40.30 cents for last year.

Both the Group's containerboard sales volume and net profit per ton were comparable to last year. The increase in revenue was mainly attributable to the increase in the Group's average selling price of containerboard.

## DISTRIBUTION AND SELLING EXPENSES

The Group's distribution and selling expenses was HK\$209 million for the year ended 31 March 2011 as compared to HK\$230 million for the year ended 31 March 2010. It represented about 1.5% of the revenue for the year ended 31 March 2011 and was slightly decreased as compared to that of 2.1% for the year ended 31 March 2010.

## ADMINISTRATIVE EXPENSES

The Group's administrative expenses increased by approximately 2.4% from HK\$508 million for the year ended 31 March 2010 to HK\$520 million for the year ended 31 March 2011 as a result of the expansion in the operation of the Group during the year.

## FINANCE COSTS

The Group's finance costs was HK\$207 million for the year ended 31 March 2011 as compared to HK\$180 million for the year ended 31 March 2010. The increase was mainly due to the increase in average amount of outstanding bank borrowings during the year.

## 經營業績

截至二零一一年三月三十一日止年度的收入及本公司擁有人應佔純利分別為140.34億港元及18.48億港元，較去年的110.99億港元及18.33億港元，分別增加26.4%及0.8%。本年度的每股基本盈利為40.13港仙，去年則為40.30港仙。

本集團箱板原紙之銷售量及每噸純利與去年相若。本集團收入增加主要由於本集團箱板原紙平均銷售價格上升。

## 分銷及銷售費用

本集團截至二零一一年三月三十一日止年度的分銷及銷售費用為2.09億港元，而截至二零一零年三月三十一日止年度為2.30億港元。截至二零一一年三月三十一日止年度的分銷及銷售費用佔收入約1.5%，較截至二零一零年三月三十一日止年度之2.1%輕微下跌。

## 行政費用

本集團的行政費用由截至二零一零年三月三十一日止年度的5.08億港元，上升至截至二零一一年三月三十一日止年度的5.20億港元，增加約2.4%。行政費用有所增加，原因是本集團於年內擴充營運。

## 財務成本

截至二零一一年三月三十一日止年度，本集團的財務成本為2.07億港元，而於截至二零一零年三月三十一日止年度則為1.80億港元。財務成本上升主要由於年內未償還平均銀行借貸增加所致。



## INVENTORIES, DEBTORS' AND CREDITORS' TURNOVER

The inventory turnover of the Group's raw materials and finished products were 82 days and 16 days, respectively, for the year ended 31 March 2011 as compared to 82 days and 20 days, respectively, for the year ended 31 March 2010.

The Group's debtors' turnover days were 49 days for the year ended 31 March 2011 as compared to 60 days for the year ended 31 March 2010. This is in line with the credit terms of 45 days to 60 days granted by the Group to its customers.

The Group's creditors' turnover days were 61 days for the year ended 31 March 2011 as compared to 51 days for the year ended 31 March 2010. The creditors' turnover days were expected to improve going forward given the Group's higher bargaining power in light of the industry consolidation.

## LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

The total shareholders' fund of the Group as at 31 March 2011 was HK\$12,300 million (31 March 2010: HK\$10,151 million). As at 31 March 2011, the Group had current assets of HK\$8,384 million (31 March 2010: HK\$6,688 million) and current liabilities of HK\$5,120 million (31 March 2010: HK\$4,619 million). The current ratio was 1.64 as at 31 March 2011 as compared to 1.45 at 31 March 2010.

## 存貨、應收賬款及應付賬款周轉期

本集團於截至二零一一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82日及16日，而於截至二零一零年三月三十一日止年度則分別為82日及20日。

本集團於截至二零一一年三月三十一日止年度的應收賬款周轉期為49日，而於截至二零一零年三月三十一日止年度則為60日。此符合本集團給予客戶一般45日至60日的信貸期。

本集團於截至二零一一年三月三十一日止年度的應付賬款周轉期為61日，而於截至二零一零年三月三十一日止年度則為51日。由於行業整合關係，本集團將有更佳議價能力，因此預期應付賬款周轉期亦會有所改善。

## 流動資金、財務資源及資本結構

於二零一一年三月三十一日，本集團的股東資金總額為123億港元(二零一零年三月三十一日：101.51億港元)。於二零一一年三月三十一日，本集團的流動資產達83.84億港元(二零一零年三月三十一日：66.88億港元)，而流動負債則為51.20億港元(二零一零年三月三十一日：46.19億港元)。於二零一一年三月三十一日的流動比率為1.64，而於二零一零年三月三十一日則為1.45。



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 2011, the Group had outstanding bank borrowings of HK\$7,989 million (31 March 2010: HK\$7,073 million). These bank loans were secured by corporate guarantees provided by certain subsidiaries of the Company. As at 31 March 2011, the Group maintained bank balances and cash of HK\$1,228 million (31 March 2010: HK\$625 million). The Group's net debt-to-equity ratio (total borrowings net of cash and cash equivalents over shareholders' equity) decreased from 0.64 as at 31 March 2010 to 0.55 as at 31 March 2011.

The Group possesses sufficient cash and available banking facilities to meet its commitments and working capital requirements.

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 2011. During the year ended 31 March 2011, the Group has used currency structured instruments, foreign currency borrowings or other means to hedge its foreign currency exposure.

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。於二零一一年三月三十一日，本集團的未償還銀行借貸為79.89億港元(二零一零年三月三十一日：70.73億港元)。該等銀行貸款由本公司若干附屬公司提供的公司擔保作為抵押。於二零一一年三月三十一日，本集團銀行結餘及現金12.28億港元(二零一零年三月三十一日：6.25億港元)。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)由二零一零年三月三十一日的0.64下降至二零一一年三月三十一日的0.55。

本集團具備充裕現金及可供動用的銀行備用額以應付本集團的承擔及營運資金需要。

本集團的交易及貨幣資產主要以港元、人民幣或美元計值。截至二零一一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。截至二零一一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，作外幣風險對沖之用。



## EMPLOYEES

As at 31 March 2011, the Group had a workforce of about 7,400 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

於二零一一年三月三十一日，本集團有約 7,400 名員工。僱員薪酬維持於具競爭力水平，並會每年審討，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。

本集團並無遭遇任何重大僱員問題，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方面亦不曾出現困難。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 2011. 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。在首席執行官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。

主席與首席執行官的職務明確劃分，職務由不同人士分別擔任。首席執行官負責領導管理層，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二零一一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。



## 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 Kunihiko Kashima

Non-executive Directors:

Professor Poon Chung Kwong *GBS JP*

Mr Yoshio Haga (*Vice Chairman*)

Independent Non-executive Directors:

Mr Wong Kai Tung Tony

Mr Peter A Davies

Mr Chau Shing Yim David

During the year, the Board comprises of four executive directors (one of whom is the Chairman), two non-executive directors and three independent non-executive directors. 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 *銅紫荊星章 太平紳士*

李文斌先生

鹿島久仁彥先生

非執行董事：

潘宗光教授 *金紫荊星章 太平紳士*

芳賀義雄先生(副主席)

獨立非執行董事：

王啟東先生

Peter A Davies先生

周承炎先生

年內，董事會包括4位執行董事(其中1位為主席)、2位非執行董事及3位獨立非執行董事。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 meetings attended/Total 出席會議／會議總次數
Mr Lee Wan Keung Patrick	李運強先生	5/7
Mr Lee Man Chun Raymond <i>BBS JP</i>	李文俊先生 銅紫荊星章 太平紳士	7/7
Mr Lee Man Bun	李文斌先生	7/7
Mr Kunihiko Kashima	鹿島久仁彥先生	3/3
Prof Poon Chung Kwong <i>GBS JP</i>	潘宗光教授 金紫荊星章 太平紳士	5/7
Mr Yoshio Haga	芳賀義雄先生	1/3
Mr Wong Kai Tung Tony	王啟東先生	7/7
Mr Peter A Davies	Peter A Davies先生	6/7
Mr Chau Shing Yim David	周承炎先生	7/7



## AUDIT COMMITTEE

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

Mr Wong Kai Tung Tony  
Mr Peter A Davies  
Mr Chau Shing Yim David  
Mr Yoshio Haga

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 2011.

## 審核委員會

審核委員會於二零零三年成立，現時成員包括：

王啟東先生  
Peter A Davies 先生  
周承炎先生  
芳賀義雄先生

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，其中包括審閱截止二零一一年三月三十一日止年度的會計賬目。



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

年內，共召開三次審核委員會會議，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	王啟東先生	3/3	3/3
Mr Peter A Davies	Peter A Davies 先生	3/3	3/3
Mr Chau Shing Yim David	周承炎先生	3/3	3/3
Mr Yoshio Haga	芳賀義雄先生	1/1	1/1

## REMUNERATION COMMITTEE

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

Mr Wong Kai Tung Tony  
Mr Peter A Davies  
Mr Chau Shing Yim David  
Mr Kunihiko Kashima

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 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，現時成員包括：

王啟東先生  
Peter A Davies 先生  
周承炎先生  
鹿島久仁彥先生

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。年內只召開會議一次，所有成員均有出席會議。



## AUDITORS' REMUNERATION

For the year ended 31 March 2011, 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 2011, 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.

## 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.

## 核數師薪酬

截止二零一一年三月三十一日止年度，本公司的核數師向本公司只提供核數服務。

## 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。在編製截止二零一一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。

## 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。



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.

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。



## ENVIRONMENTAL PROTECTION

Over the years, the Group has been fully committed to environmental protection. The management implemented various measures and controls to ensure that our duties to the environment have been fulfilled. Our production plants are built in compliance with all the international environment management standards and we have employed the most effective form of technology to ensure the Group to be one of the most environmentally friendly companies in the world. To ensure all the measures are carried out properly, the management has set up an Environmental Protection Division personally led by the Chief Executive Officer and a team of qualified professionals. Periodic internal control meetings are held to review the environmental issues in the production plants, to update any environmental laws and regulations and to make valuable suggestions and recommendations for improvement. In the next five years, the Environmental Protection Division will put more effort to ensure high environmental standards are persistently met in the key areas of production process, waste water treatment, water and energy consumption and emission control.

### Environmentally-Friendly Production Process

The Group's advanced production machines are designed to enable high usage of recovered paper during the production process. One of the Group's long term objectives is to increase the usage of waste paper and to decrease the usage of virgin pulp. Currently, our paper is produced at 97% recycling rate (i.e. 97% of paper fibers are recyclable materials) and we have one of the highest recycling rates among all containerboard manufacturers globally. To ensure a stable supply of recovered paper, we have several sourcing teams globally and we have also sponsored a number of partners in China to collect waste paper, which not only create jobs locally but also make the surrounding area more environmentally friendly.

## 環境保護

過去數年，集團一直致力環境保護，並採取多項適用的措施及監控方法確保已履行對保護環境的責任。集團廠房乃根據國際環境管理標準建造，且運用最有效的科技以確保集團成為全球最符合環保原則的公司之一。為保證措施確實執行，管理層成立了環保小組，由首席執行官親自帶領，小組成員乃合資格專材。小組定期召開內部監控會議，旨在審閱有關廠房內的環保事項，通知各成員任何環保法律及規定的更新條文及對需要作出改善的地方提供適當意見及建議。未來五年，環保小組將投放更多時間在環保生產過程、廢水處理、耗水量、能源耗用量及排放監控等主要範疇，確保可持續達到高環保標準。

### 環保生產過程

集團生產機器設計先進，可在造紙生產過程中使用大量廢紙作為原料。本集團長遠目標之一是增加廢紙用量，減少使用原木漿。現時，集團生產的紙張使用97%廢紙來生產（即紙張纖維97%為可循環再用物料），令集團成為全球箱板原紙生產商中有著最高廢紙再用比率的企業之一。為確保廢紙供應穩定，集團於全球設有多個採購隊伍，並資助一些國內商業伙伴回收當地的廢紙，一方面可以創造就業機會，另一方面可以更加環保。



## Water Consumption and Wastewater Treatment Plant

Water consumption is highly dependent on the effectiveness of the wastewater treatment processes and the amount of global change water reclaimed in the production process. To minimize water pollution in the production process, the Group currently employs the world's most effective wastewater treatment technology for paper industries, namely a two stage anaerobic/aerobic bio-treatment and a flotation process, which results in wastewater discharged at its highest standards set by the national environment bureau. Our COD ("Chemical Oxygen Demand") discharge is at or below 80mg/l, while the national discharge standard is at 100mg/l. More importantly, by recycling wastewater in our production process, we reduce significantly the water consumption to less than 10m<sup>3</sup> per ton of paper produced and this is approximately one-tenth of the national average.

## Energy Consumption

Another long term objective of the Group in environmental protection is to reduce the energy consumption. The Group has arranged to replace high energy consumption motors batch by batch to frequency controlled type. Investment will usually be paid back in about 3 years, and after that even more remarkable savings in energy and cost will be achieved. In addition, we make use of the methane generated in the anaerobic treatment of waste water and some solid waste to help combustion in the coal-fired power plants and save fuel consumption. Better management is another important element in generating power more efficiently and consume less energy in the paper making process. Currently, we operate at 0.43 ton of standard coal per ton of paper produced and our target is to reduce to less than 0.40 ton of standard coal per ton of paper produced in the next five years. This level is substantially less than the national average of 1.3 ton of standard coal per ton of paper produced.

## 耗水量及廢水處理廠

耗水量的多少取決於廢水處理工藝的效率及在生產過程對循環水的回用。為減低生產過程中對水源的污染，集團引進全球造紙工業最有效的廢水處理技術—厭氧／好氧兩級生化處理及氣浮處理工序，令廢水排放優於國家環保局最高排放標準。現時COD(「化學需氧量」)排放達每公升80毫克或以下，優於國家排放標準每公升100毫克。更重要的是，於造紙過程中產生的廢水可循環再用，大大減低耗水量，令生產一噸紙的耗水量少於10立方米，約為國家平均數十分之一。

## 能源耗用量

集團在環保方面另一長遠目標為節約能源。為此，集團已在分階段進行把一些大能耗的電動機改造為變頻控制，改造費用一般在3年內能收回，並在其後帶來可觀的節約。另外，回收在厭氧性細菌處理廢水過程中產生的甲烷及部分固體廢物可以幫助燃煤鍋爐節省耗煤量。此外，更良好的管理，令發電更加有效率及在造紙生產中更有效運用能源也有助減少能耗。現時，每生產一噸紙須用0.43噸標煤，集團希望在未來五年內做到每生產一噸紙只用少於0.4噸標煤，相比國家每生產一噸紙須用1.3噸標煤平均數大幅度為低。



## Emission Control

Reducing energy consumption leads to less emission. All our coal-fired power plants are installed with bag type dust filters and desulphurization equipment and the discharge emission is always monitored on-line, ensuring the emission levels are met with the national regulatory requirements. For instance, the sulphur dioxide (SO<sub>2</sub>) emission in our plants is less than 200mg/m<sup>3</sup>, well below the national standard of 400mg/m<sup>3</sup>. Moreover, we are setting up the most advanced Wet Scrubbing desulphurization systems in Guangdong and Jiangsu plants which will further reduce sulphur dioxide emission to about 100mg/m<sup>3</sup>.

## HUMAN RESOURCES STRATEGY

At Lee & Man Paper, we believe that our staff are the most important resources and their well-being, growth and performance are tied tightly to the group's success. To create a pleasant working and living environment, the Group has carried out various actions to review and improve policies and facilities continuously. Moreover, the Group also pays high concern on its staff's career development. Through a carefully designed internal training system and continuous effort in identifying potential talents, the Group aims to help its staff develop multi-skills capability, enrich knowledge, and craft a career path that can unleash their potentials and elevate their values to satisfy their growth needs and to better align with the Group's strategy and growth.

## Caring Our Staff

With staff well-being as one of our core values in managing human resources, Lee & Man is committed to providing employees with pleasant work environment and rich personal lives. We believe that only through building a satisfied and committed workforce we can, as a team, achieve sustainable development and success. Our management is open to listen to our staff's voice and suggestions.

The Group always reviews and improves catering, residence and recreational facilities and services to provide a pleasant living environment to the staff. The Group also devotes lots of effort in organizing cultural events and recreational activities to enrich the lives of its staff and their families. Being in the Lee & Man Paper big family, we have set up a financial aid scheme helping staff and their families directly during the rough times such as sicknesses and accidents.

## 廢氣排放監控

節約能源可減少廢氣排放。集團的燃煤發電廠均設有布袋式除塵器及脫硫設備，且能即時透過電腦在線監察廢氣排放量，確保排放水準完全符合國家規定要求。例如，廠房的二氧化硫排放量為每立方米200毫克以下，遠低於國家標準每立方米400毫克。集團還在廣東和江蘇工廠建設現今最高效的濕法脫硫設施，投用後將再進一步把二氧化硫排放量降至每立方米約100毫克。

## 人力資源策略

理文造紙相信，員工乃公司最重要的財產，員工的健康、成長及表現與集團的成功連成一線。為建立一個舒適的工作及生活環境，集團會不斷檢討及改善政策及設施。此外，集團亦非常注意員工的工作發展前景。透過精心設計的內部培訓計劃及不斷發掘有潛質的人材，集團期望可以提升員工的工作知識及培養員工發展多方面技能，令他們可以盡情發揮所長，自我增值，配合集團的整體策略一起成長。

## 關懷員工

關懷員工乃人力資源管理的重要一環，理文造紙一直致力為員工提供優質的工作環境及豐富的生活。我們相信只有建立一個肯承擔的團隊才能不斷發展，邁向成功之路。集團管理層對於員工的聲音及建議持開放態度。

集團不時檢討及改善膳食、住宿環境、娛樂設施及服務，為員工提供舒適的生活環境。集團亦定期舉辦文化娛樂節目，讓員工及其家屬有一個豐富的業餘生活。生活在理文造紙大家庭裏，當員工及其家屬遇到危疾或意外等，集團設立的福利基金會直接給予援助，幫助他們渡過困境。





## Career Development

As Lee & Man Paper understands that the growth of its staff equals the growth of the Group, we pay great attention in helping staff to acquire new skills and knowledge to better fit with the Group's strategy. To meet with the global trend for multi-skills talent and to encourage lifelong learning, every year the Group has organized a series of internal training programs as well as subsidizing staff to study further. With the Lee & Man's performance management system, together with the Group's continuous effort in identifying talents, capable staff are selected to enter our management trainee programme global changes that aims to set new heights to their career path. The Group has also sent students to Guangzhou's South China University of Technology for a two-year diploma course on paper making technology that are fully funded by the Group and students are placed into various positions after graduation.

## AWARDS AND CERTIFICATIONS

Lee & Man Paper has always been committed to being a model enterprise with a keen sense of social responsibility. To demonstrate our past efforts in protecting the environment, all of our existing plants in Hongmei, Jiangsu, Huangyong and Chongqing have been awarded the ISO14001 certification for environmental management. In addition to the ISO14001 certification, our plants have also been granted the ISO9001 certification for quality management. In November 2009, we were awarded the Hong Kong-Guangdong Cleaner Production Partner (Manufacturing). In 2010, our Hongmei plant has been recognised by Guangdong Province as High and New Technology Enterprises, Provincial-level Technology Centre and Cleaner Production Enterprise.

To provide a safety working place is very crucial to us. Our Hongmei, Jiangsu and Huangyong plants were granted with OHSAS 18001 certification for Occupational Health & Safety, demonstrating our commitment in caring about employee safety and quality of working environment. The certifications ensure that we have taken various measures to improve efficiency of internal operations and consequently reduce accidents, danger and downtime as well as ensuring our compliance with current legal requirements.

## 在職發展機會

理文造紙深明員工及公司的成長同樣重要，所以集團非常注重培養員工學習新技術以配合集團商業策略。擁有多方面技能的人材乃大勢所趨及為鼓勵終身學習，集團每年都舉辦一系列內部培訓課程及資助員工繼續進修。集團不時根據員工表現，挑選有潛質及有能力的員工，接受管理培訓課程，給予員工另一個晉升機會。集團亦會選派學生到廣州華南理工大學修讀為期兩年的造紙技術文憑課程，所有費用由集團資助，學生畢業將安排到集團擔任不同職位的工作。

## 獎項及認證

理文造紙一向致力做個有高度社會責任的模範企業。集團的洪梅廠房、江蘇廠房、潢涌廠房及重慶廠房已取得ISO14001環境管理國際認證，證明集團過去對環保作出的努力。另外，集團廠房亦取得ISO9001質量管理認證。二零零九年十一月，集團獲頒粵港清潔生產伙伴(製造業)；二零一零年洪梅廠房取得了廣東省高新技術企業、廣東省省級技術中心、清潔生產企業等一系列榮譽稱號。

安全的工作環境是非常重要的。集團非常關注員工的安全及工作環境質素，洪梅廠房、江蘇廠房及潢涌廠房已分別取得OHSAS 18001職業健康及安全認證，證明廠房已採取有效措施改善內部運作效率，旨在減少意外發生、危險物及停工期，同時確保符合現行相關法律規定。



Furthermore, our plants in Hongmei, Jiangsu and Huangyong have also been awarded IECQ QC080000 certification for Hazardous Substance Process Management. This certification provides confidence to our customers that our products are compliant, and that do not contain prohibited substances.

Over the years Lee & Man Paper have made numerous donations and we have received many awards from governmental authorities to confirm our past contribution towards the industry and the society as a whole.

此外，洪梅廠房、江蘇廠房及潢涌廠房亦取得IECQ QC080000有害物質過程管理認證。此認證可以大大提高客戶對集團的信心，證明集團的產品是合規生產，並無含有被禁的有害物質。

理文造紙經常參與多項慈善捐獻，幫助他人，所以屢獲政府機構表揚集團對造紙行業及整體社會所作出的貢獻。



## EXECUTIVE DIRECTOR

**Mr Lee Wan Keung Patrick**, aged 68, 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 47 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**, aged 40, CPPCC National Committee, BBS JP, Chief Executive Officer, as well as founder of the Group, is primarily in charge of corporate planning, investment projects and acquisition of heavy production machines. Mr Lee has over seventeen 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 Hong Kong 2002" and "2003 Hong Kong Ten Outstanding Young Persons Selection Awardees". Mr Lee is the eldest son of Mr Lee Wan Keung Patrick, the Chairman of the Company.

## 執行董事

**李運強先生**，68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。李先生擁有逾四十七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**，40歲，全國政協委員，銅紫荊星章太平紳士，本公司首席執行官，亦為本集團創辦人，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十七年營運經驗，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。李先生獲頒為「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」。李先生為本公司主席李運強先生之長子。



## EXECUTIVE DIRECTOR (CONTINUED)

**Mr Lee Man Bun**, aged 30, the member of the Political Consultative Committee of Guangdong Province and also the Chairman of Yan Chai Hospital Board of Directors, Executive Director and General Manager of the Company, is responsible for assisting Chairman on production management, sales, daily operation, 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. Mr Lee is the youngest son of Mr Lee Wan Keung Patrick, the Chairman of the Company.

**Mr Kashima Kunihiko**, aged 51, an Executive Director of the Company. He was the General Manager of corporate planning at Nippon Paper and has over 29 years experience corporate planning, human resources, and accounting and finance in the paper industry. He has experience in various roles within Nippon Paper, including corporate planning, human resources, and accounting and finance. He has been involved in most major merger and acquisition transactions and post merger restructuring projects within the Nippon Paper Group, including the merger between Jujo Paper Co Ltd and Sanyo Kokusaku Pulp Co Ltd, the merger between Jujo Paper Co Ltd and Daishowa Paper Manufacturing Co Ltd, the acquisition of Australian Paper by Nippon Paper and the business collaboration with the Company.

## NON-EXECUTIVE DIRECTORS

**Professor Poon Chung Kwong**, aged 71, GBS JP, the non-executive director of the Company, is the Chairman of Virya Foundation Limited (a registered non-profit charitable organization). He is the President Emeritus of the Hong Kong Polytechnic University and has over 40 years working experience in educational sector. He was appointed Non-official Justice of the Peace (JP) in 1989; received the OBE in 1991 and the Gold Bauhinia Star (GBS) in 2002 and the Honorary Doctorate Degree in Humanities by The Hong Kong Polytechnic University in 2009.

## 執行董事(續)

**李文斌先生**，30歲，廣東省政協委員及仁濟醫院董事局主席，本公司董事總經理，負責生產管理、銷售、日常運作、品質改進、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。李文斌先生為本公司主席李運強先生之幼子。

**鹿島久仁彥先生**，51歲，本公司執行董事。彼曾擔任日本製紙企劃本部經營企劃部長，在造紙業界擁有逾二十九年企劃部、人力資源部及會計及財務等工作經驗。彼有日本製紙多個職務經驗，包括企劃部、人力資源部及會計及財務。彼亦曾參與多項日本製紙重大合併及收購交易及合併後重組項目，包括Jujo Paper Co Ltd與Sanyo Kokusaku Pulp Co Ltd的合併、Jujo Paper Co Ltd與Daishowa Paper Manufacturing Co Ltd的合併、日本製紙收購Australian Paper及與本公司之商業合作。

## 非執行董事

**潘宗光教授**，71歲，金紫荊星章 太平紳士，本公司非執行董事，精進慈善基金有限公司(註冊非牟利慈善組織)會長、香港理工大學榮休校長，於教育界具有逾四十年工作經驗。潘教授於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、二零零二年獲香港特別行政區政府頒授金紫荊星章(GBS)及於二零零九年獲香港理工大學頒發榮譽人文學博士。



## NON-EXECUTIVE DIRECTORS (CONTINUED)

**Mr Haga Yoshio**, aged 61, Vice Chairman and a non-executive Director of the Company, has over 37 years working experience in the paper industry and was Chairman of the Japan Paper Association between May 2008 and May 2010. He is the President and Chief Executive Officer of Nippon Paper Group Inc, the shares of which are listed on the Tokyo Stock Exchange, Osaka Securities Exchange and Nagoya Stock Exchange. He has spent the majority of his time in production management, with experience in research and development, as well as corporate planning. As the head of the corporate planning division of Nippon Paper, he led the "Group Vision 2015" initiative in cost reduction activities and large scale capital expenditure projects and has focused on the business expansion of the Nippon Paper Group both domestically and overseas. The overseas expansion projects he has led for Nippon Paper include the alliance with SCG Paper Public Company Limited, the alliance with Yuen Foong Yu Paper Mfg, Co Ltd the acquisition of Australian Paper and the business collaboration with the Company.

## INDEPENDENT NON-EXECUTIVE DIRECTORS

**Mr Wong Kai Tung Tony**, aged 68, an independent non-executive Director of the Company, 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.

**Mr Peter A Davies**, aged 68, an independent non-executive Director of the Company, is a retired lawyer. He has over 40 years of experience in the legal field, practising both as a solicitor and a barrister in England and Hong Kong. Over the years, he has been a partner of Messrs. Deacons, Solicitors, and a Directorate Officer and the head of the Insider Dealing Unit with the Department of Justice of Hong Kong. He was appointed to be a notary public in Hong Kong in 1974.

## 非執行董事(續)

**芳賀義雄先生**，61歲，本公司副主席及非執行董事，擁有逾三十七年造紙行業工作經驗，曾於2008年5月至2010年5月期間出任日本造紙協會主席。芳賀先生亦為日本製紙集團(其股份於東京證券交易所、大阪證券交易所及名古屋證券交易所上市)的行政總裁。他大部份時間用於生產管理，擁有研發及企業策劃經驗。在主管日本製紙企劃部期間，彼主導策劃了「Group Vision 2015」實行節省成本及大型資本性開支項目，集中拓展日本製紙的本地及海外業務。彼在日本製紙曾領導的海外拓展項目包括與SCG Paper Public Company Limited聯盟、與Yuen Foong Yu Paper Mfg Co Ltd聯盟、收購Australian Paper及與本公司之商業合作。

## 獨立非執行董事

**王啟東先生**，68歲，本公司獨立非執行董事。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。

**Peter A Davies先生**，68歲，本公司獨立非執行董事，為退休律師。Davies先生在法律界擁有逾40年經驗，曾於英國及香港任執業律師及大律師。過往曾擔任的近律師行合夥人以及香港律政司首長級職位，並曾出任內幕交易小組主管。彼於一九七四年獲委任為香港公證人。



## INDEPENDENT NON-EXECUTIVE DIRECTORS

(CONTINUED)

**Mr Chau Shing Yim David**, aged 47, an independent non-executive Director of the Company, has over 22 years' experience in corporate finance, working on projects ranging from initial public offerings and restructuring of PRC enterprises for cross-border and domestic takeovers. He was formerly a partner of one of the big four accounting firms in Hong Kong, heading the Merger and Acquisition and Corporate Advisory Services. He is a member of the Hong Kong Securities Institute, the Institute of Chartered Accountants of England and Wales ("ICAEW") with the Corporate Finance Qualification granted by ICAEW, and the Hong Kong Institute of Certified Public Accountants ("HKICPA"). Mr Chau was an ex-committee member of the Disciplinary Panel of HKICPA. He is an executive director of Up Energy Development Group Limited and an independent non-executive director of Shandong Molong Petroleum Machinery Company Limited, Varitronix International Limited, Evergrande Real Estate Group Limited and Man Wah Holdings Limited, all are listed on the main board of the Stock Exchange of Hong Kong Limited.

## SENIOR MANAGEMENT

**Mr Chan Kai Leung Clement**, aged 47, is the Group Vice President, responsible for the management of the Group's investor relations and investment banking functions. Mr Chan holds a master's degree in Business Administration from the University of Sheffield in the United Kingdom. He is a member of the Institute of Chartered Accountants in England and Wales and the Hong Kong Institute of Certified Public Accountants. Mr Chan has over 22 years of experience in auditing & accounting, investment banking and corporate financial management. He joined the Group in February 2010.

## 獨立非執行董事(續)

**周承炎先生**，47歲，本公司獨立非執行董事，擁有逾二十二年企業財務經驗，曾參與多個首次公開發售新股、中國企業重組及國內外合併等項目。周先生過往曾任香港四大會計師行之一的合夥人，並為該行收購合併及企業諮詢部門主管。彼為香港證券專業學會會員、英格蘭及威爾斯特許會計師公會會員及持該會頒授之企業財務資歷、香港會計師公會(「香港會計師公會」)會員。彼亦曾為香港會計師公會紀律委員會會員。周先生為香港聯合交易所有限公司主板上市公司優派能源發展集團有限公司之執行董事、山東墨龍石油機械股份有限公司、精電國際有限公司、恒大地產集團有限公司和敏華控股有限公司之獨立非執行董事。

## 高級管理層

**陳繼良先生**，47歲，本集團副總裁，負責投資者關係及投資銀行事宜。陳先生持有英國雪菲爾大學工商管理碩士學位。彼為英國及威爾斯特許會計師公會及香港會計師公會之會員。陳先生擁有逾二十二年之核數及會計、投資銀行及企業財務管理經驗。彼於二零一零年二月加入本集團。



## SENIOR MANAGEMENT (CONTINUED)

**Mr Cheung Kwok Keung**, aged 44, 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 22 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. Mr Cheung is also an independent non-executive director of Sheng Yuan Holdings Limited and China Aoyuan Property Group Limited, both are listed on the main board of the Stock Exchange of Hong Kong Limited. He joined the Group in August 2002.

**Mr Yan Jean Goo**, aged 45, the general manager of Guangxi Lee & Man, is responsible for the business development of the Group. Mr Yan holds a bachelor's degree in economics from the University of Xiamen and has over 23 years of experience in production and operation management. He joined the Group in November 2006.

**Mr Chan Kong Sang**, aged 51, is the Manager of power stations of the Group, responsible for the set up and operation of various power plants. Mr Chan holds a bachelor's degree of science in engineering from the University of Hong Kong. Mr Chan has over 28 years of operational experience in managing production and engineering aspects of manufacturing businesses and joined the Group in January 2001.

**Mr Hue Kwok Chiu Boris**, aged 45, is the senior Purchasing Manager of the Group, responsible for procurement of coal and production raw materials. Mr Hue holds an honor bachelor's degree of Management from the University of Hong Kong. He has over 20 years of experience in management of multinational companies in PRC. Mr Hue joined the Group in March 2007.

## 高級管理層(續)

**張國強先生**，44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，擁有逾二十二年核數、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。張先生亦為香港聯合交易所有限公司主板上市公司盛源控股有限公司及中國奧園地產集團股份有限公司之獨立非執行董事。彼於二零零二年八月加入本集團。

**顏建國先生**，45歲，廣西理文總經理，負責業務拓展工作。顏先生持有中國廈門大學經濟學學士學位，擁有二十三年的生產、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**，51歲，本集團熱電站部長，負責各熱電站的建設及運行。陳先生持有香港大學工程理學士學位，擁有逾二十八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。

**許國釗先生**，45歲，本集團採購副部長，負責公司煤炭及生產輔料的採購。許先生持有香港大學社會科學系管理榮譽學士學位，擁有逾二十年國內外資企業的管理經驗。彼於二零零七年三月加入本集團。



### SENIOR MANAGEMENT (CONTINUED)

**Mr Tse Pak Kong**, aged 48, is the senior manager of the Group, responsible for the foreign 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 24 years of experience in the management of both multinational and local companies in China. Mr Tse joined the Group in December 2005.

**Mr Chu Kwok Lung**, aged 49, is the executive manager of Dongguan Lee & Man Paper, responsible for the daily operation and management of Dongguan Lee & Man. He has over 26 years of manufacturing experience. He joined the Group in June 2006.

**Ms Lam Sau Ping**, aged 42, 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 21 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**，48歲，本集團高級經理，負責本集團的外國廢紙採購業務。謝先生持有香港大學電機工程理學士學位，擁有逾二十四年管理跨國和中國本地公司經驗。彼於二零零五年十二月加入本集團。

**朱國龍先生**，49歲，東莞理文行政經理，負責東莞理文日常運作，擁有逾二十六年製造業經驗。彼於二零零六年六月加入本集團。

**藍秀萍女士**，42歲，本集團銷售經理，負責本集團原紙銷售業務及市場推廣。彼持有香港理工大學銷售及市場管理高級證書，並擁有逾二十一年銷售及市場推廣經驗。彼於一九九六年三月加入本集團。





The directors present their annual report and the audited financial statements of the Group for the year ended 31 March 2011.

## PRINCIPAL ACTIVITIES

The Company acts as an investment holding company. The principal activities of its principal subsidiaries are set out in note 37 to the consolidated financial statements.

## RESULTS AND APPROPRIATIONS

The results of the Group for the year ended 31 March 2011 are set out in the consolidated statement of comprehensive income on page 44.

The directors of the Company recommend the payment of a final dividend of HK8 cents per share for the year ended 31 March 2011 to the shareholders whose name appear on the register of members on 28 July 2011, amounting to approximately HK\$375 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\$1,644 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 14 to the consolidated financial statements.

董事謹此提呈本集團截至二零一一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37。

## 業績及分配

本集團截至二零一一年三月三十一日止年度的業績載於第44頁的綜合全面收益表。

本公司董事建議向於二零一一年七月二十八日名列股東名冊之股東派發截至二零一一年三月三十一日止年度之末期股息每股8港仙，合共約375百萬港元。末期股息須待股東於應屆股東週年大會上批准方可作實。

## 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1,644百萬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14。



## DIRECTORS AND DIRECTORS' SERVICE CONTRACTS

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

### Executive directors

Mr Lee Wan Keung Patrick (*Chairman*)  
Mr Lee Man Chun Raymond, *BBS JP (Chief Executive Officer)*  
Mr Lee Man Bun  
Mr Kunihiko Kashima  
(appointed on 30 June 2010)

### Non-executive director

Professor Poon Chung Kwong, *GBS JP*  
Mr Yoshio Haga (*Vice Chairman*)  
(appointed on 30 June 2010)

### Independent non-executive directors

Mr Wong Kai Tung Tony  
Mr Peter A Davies  
Mr Chau Shing Yim David

In accordance with the Company's Articles of Association, Mr Lee Man Chun Raymond, Mr Lee Man Bun and Professor Poon Chung Kwong retire and, being eligible, offer themselves for re-election.

Mr Lee Wan Keung Patrick and Mr Lee Man Chun Raymond have each entered into a service agreement with the Company for an initial period of three years commencing 1 September 2010, 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 2010, which will continue thereafter unless and until terminated by either party by three months' prior written notice.

Mr Kunihiko Kashima was appointed for an initial period of three years commencing on 30 June 2010, which will continue thereafter unless and until terminated by either party by three months' prior written notice.

The term of office of the non-executive directors and each of the independent non-executive directors is the period up to his 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

李運強先生(主席)  
李文俊銅紫荊星章 太平紳士(首席執行官)  
李文斌先生  
鹿島久仁彥先生  
(於二零一零年六月三十日委任)

### 非執行董事

潘宗光教授金紫荊星章 太平紳士  
芳賀義雄先生(副主席)  
(於二零一零年六月三十日委任)

### 獨立非執行董事

王啟東先生  
Peter A Davies先生  
周承炎先生

根據本公司的公司細則的規定，李文俊先生、李文斌先生及潘宗光教授將退任，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，年期由二零一零年九月一日起計，初步為期三年，此後一直存續，直至任何一方向另一方發出三個月事前書面通知予以終止為止。

李文斌先生已與本公司訂立服務合約，年期由二零一零年八月十六日起計，初步為期三年，此後一直存續，直至任何一方向另一方發出三個月事前書面通知予以終止為止。

鹿島久仁彥先生已與本公司訂立服務合約，年期由二零一零年六月三十日起計，初步為期三年，此後一直存續，直至任何一方向另一方發出三個月事前書面通知予以終止為止。

各非執行董事及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 2011, 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\$0.025 each of the Company

Name of director 董事姓名	Capacity 身份	Number of ordinary shares 普通股數目	Number of ordinary shares subject to 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)	2,494,148,000	—	53.18%
Lee Man Chun Raymond 李文俊	Beneficial owner 實益擁有人	—	40,000,000	0.85%
Lee Man Bun 李文斌	Beneficial owner 實益擁有人	—	26,666,668	0.57%
Poon Chung Kwong 潘宗光	Beneficial owner 實益擁有人	586,000	—	0.01%
Wong Kai Tung Tony 王啟東	Beneficial owner 實益擁有人	600,000	—	0.01%

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, who is also a director 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。李運強先生為Gold Best之董事。

## 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

於二零一一年三月三十一日，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0.025港元的普通股



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)

Long positions (Continued)

好倉 (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)	100	100%

note: Gold Best is an associated 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, who is also a director of Gold Best.

附註：根據證券及期貨條例，Gold Best為李運強先生的相聯法團。Gold Best的全部已發行股本由李運強先生持有。李運強先生為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 2011.

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，於二零一一年三月三十一日，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 consolidated 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 1 April 2010 於二零一零年 四月一日 尚未行使	Exercised during the year 年內已行使	Outstanding at 31 March 2011 於二零一一年 三月三十一日 尚未行使	
<b>Category I: Directors</b> 第一類：董事							
Lee Man Chun Raymond	李文俊	3.10.2006	3.775	1.1.2008 to 31.12.2010	1,968,000	(1,968,000)	—
		5.9.2008	1.872	1.9.2009 to 31.8.2013	120,000,000	(80,000,000)	40,000,000
Lee Man Bun	李文斌	3.10.2006	3.775	1.1.2008 to 31.12.2010	1,200,000	(1,200,000)	—
		5.9.2008	1.872	1.9.2009 to 31.8.2013	80,000,000	(53,333,332)	26,666,668
Poon Chung Kwong	潘宗光	3.10.2006	3.775	1.1.2008 to 31.12.2010	640,000	(640,000)	—
<b>Category II: Other employees</b> 第二類：其他僱員							
Employees	僱員	3.10.2006	3.775	1.1.2008 to 31.12.2010	1,680,000	(1,680,000)	—
Total	總數				205,488,000	(138,821,332)	66,666,668

The closing prices of the Company's shares on the dates of grant of 3 October 2006 and 5 September 2008 were HK\$3.77 and HK\$1.67 respectively.

於二零零六年十月三日及二零零八年九月五日授出日期當日本公司股份之收市價分別為3.77港元及1.67港元。



## 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 2011, 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\$0.025 each of the Company

Name of shareholder 股東姓名	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	2,494,148,000	53.18%
Lee Wong Wai Kuen 李黃惠娟	Held by spouse (Note i) 由配偶持有(附註i)	2,494,148,000	53.18%
Nippon Paper Group Inc 日本製紙	Held by controlled corporation (Note ii) 由受控制法團持有(附註ii)	546,153,559	11.65%
Dyna Wave Holding Asia	Beneficial owner (Note ii) 實益擁有人(附註ii)	546,153,559	11.65%

note:

(i) Under the SFO, Lee Wong Wai Kuen is deemed to be interested in these 2,494,148,000 ordinary shares as she is the spouse of Lee Wan Keung Patrick, a beneficial owner of the Gold Best.

(ii) Dyna Wave Holding Asia is wholly owned by Nippon Paper Group Inc.

## 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年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

於二零一一年三月三十一日，下列人士(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0.025港元的普通股

附註：

(i) 根據證券及期貨條例，由於李黃惠娟是李運強(Gold Best實益擁有人)的配偶，故被視為擁有該2,494,148,000股普通股的權益。

(ii) Dyna Wave Holding Asia為日本製紙全資擁有。



## SUBSTANTIAL SHAREHOLDERS (CONTINUED)

### Long positions (Continued)

Save as disclosed above, as at 31 March 2011, 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.

## 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

Pursuant to Rule 14A.38 of the Listing Rules, the board of directors engaged the auditor of the Company to report on the Group's continuing connected transactions in accordance with Hong Kong Standard on Assurance Engagements 3000 "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information" and with reference to Practice Note 740 "Auditor's Letter on Continuing Connected Transactions under the Hong Kong Listing Rules" issued by the Hong Kong Institute of Certified Public Accountants. The auditor has issued an unqualified letter containing their findings and conclusions in respect of the continuing connected transactions in accordance with Listing Rules. The independent non-executive directors have reviewed the continuing connected transactions and the unqualified letter from the auditor and have confirmed that the continuing connected transactions entered into by the Group were in the ordinary and usual course of its business, on normal commercial terms, or on terms no less favorable than terms available to or from independent third parties, and in accordance with the terms of the agreement governing such transactions that are fair and reasonable and in the interests of the shareholders of the Company as a whole.

## 主要股東 (續)

### 好倉 (續)

除上文所披露者外，於二零一一年三月三十一日，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。

## 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

根據上市規則第14A.38條，董事會委聘本公司核數師，按照香港會計師公會頒布的香港鑒證業務準則第3000號下之「非審核或審閱過往財務資料之鑒證工作」規定，並參照實務說明第740號「關於香港上市規則所述持續關連交易的核數師函件」就本集團的持續關連交易作出報告。根據上市規則，核數師已對本集團的持續關連交易所作的審查結果及結論，發出載有其無保留意見的函件。獨立非執行董事已審閱持續關連交易及核數師報告，並已確認本集團所進行持續關連交易乃其日常及一般業務中按正常商業條款進行，或按照不遜於向或自獨立第三方給予之條款進行，且遵照管轄該等交易之協議條款，乃屬公平合理及符合本公司股東整體利益。



## CONNECTED TRANSACTIONS (CONTINUED)

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.

## 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.

## 關連交易 (續)

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，本集團訂立的該等交易：

- (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方或獨立第三方提供的條款訂立；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。

## 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。





## MAJOR CUSTOMERS AND SUPPLIERS

During the year, the aggregate purchases attributable to the Group's five largest suppliers were approximately 64% of the Group's total purchases and the purchases attributable to the Group's largest supplier were approximately 27% 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 2011.

## PRE-EMPTIVE RIGHTS

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

## 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64%，而本集團最大供應商則佔本集團總採購額約27%。

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，本公司截至二零一一年三月三十一日之年度內已維持足夠公眾持股量。

## 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。



## 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\$3,500,000.

## 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

15 June 2011

## 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3,500,000港元。

## 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

二零一一年六月十五日



# 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 44 to 148, which comprise the consolidated statement of financial position as at 31 March 2011, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

### DIRECTORS' RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors of the Company are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants and the disclosure requirements of the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

### 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44至第148頁內之理文造紙有限公司刊(「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二零一一年三月三十一日之綜合財務狀況表，與載至該日止年度之綜合全面收益表、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。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。



## 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 about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's 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 of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the consolidated financial statements.

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

## OPINION

In our opinion, the consolidated financial statements give a true and fair view of the state of affairs of the Group as at 31 March 2011 and of the Group's profit and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.

### DELOITTE TOUCHE TOHMATSU

*Certified Public Accountants*

Hong Kong

15 June 2011

## 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布的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。

審核涉及執行情序以獲取有關綜合財務報表所載金額及披露資料之審核憑證。所選定之程序取決於核數師之判斷，包括評估由於欺詐或錯誤而導致綜合財務報表存有重大錯誤陳述之風險。在評估該等風險時，核數師考慮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二零一一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

二零一一年六月十五日



# CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

## 綜合全面收益表

For the year ended 31 March 2011 截至二零一一年三月三十一日止年度

		Notes 附註	2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Revenue	收入	5	14,034,285	11,099,263
Cost of sales	銷售成本		(11,452,435)	(8,312,782)
Gross profit	毛利		2,581,850	2,786,481
Other income	其他收入	6	335,883	228,045
Net gain (loss) from fair value changes of derivative financial instruments	因衍生財務工具公平值變動產生的淨收益(虧損)		3,138	(27,293)
Distribution and selling expenses	分銷及銷售費用		(209,429)	(229,748)
Administrative expenses	行政費用		(519,991)	(507,668)
Finance costs	財務成本	7	(207,325)	(179,619)
Profit before tax	除稅前盈利		1,984,126	2,070,198
Income tax expense	利得稅支出	8	(136,147)	(236,893)
Profit for the year	年度盈利	9	1,847,979	1,833,305
Other comprehensive income (expense)	其他全面收益(開支)			
Exchange differences arising on translation of foreign operations	換算境外經營產生之匯兌差額		582,506	(35,022)
Gain on hedging instruments in cash flow hedges	對沖工具中現金流量對沖得益		61,611	36,547
Cumulative loss on hedging instruments reclassified to profit or loss upon early termination	因提早終止而重新分類至損益之對沖工具累計虧損		—	37,342
Other comprehensive income for the year	本年度其他全面收益		644,117	38,867
Total comprehensive income for the year	全年總全面收益		2,492,096	1,872,172
Profit for the year attributable to: Owners of the company	應佔本年度盈利： 公司擁有人		1,847,979	1,833,305
Total comprehensive income attributable to: Owners of the Company	應佔總全面收益： 公司擁有人		2,492,096	1,872,172
			HK cents 港仙	HK cents 港仙
Earnings per share	每股盈利	13		
– Basic	– 基本		40.13	40.30
– Diluted	– 攤薄		39.25	39.44



# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

## 綜合財務狀況表

At 31 March 2011 二零一一年三月三十一日

		Notes 附註	2011 二零一一年 HK\$'000 千港元	2010 二零一零年 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	14	13,953,105	12,401,446
Prepaid lease payments	預付租賃款項	15	471,121	373,826
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	16	225,237	245,869
Interest in an associate	聯營公司權益	17	—	—
Tax recoverable	可收回稅項		39,670	—
Retirement benefit assets	退休福利資產	27	914	842
			<b>14,690,047</b>	<b>13,021,983</b>
<b>CURRENT ASSETS</b>	<b>流動資產</b>			
Inventories	存貨	18	2,966,738	2,203,858
Prepaid lease payments	預付租賃款項	15	9,873	7,670
Trade and other receivables	應收貿易及其他賬款	19	4,075,048	3,317,779
Amounts due from an associate	應收聯營公司款項	20	—	437,753
Amounts due from related companies	應收有關連公司款項	21	22,271	58,683
Derivative financial instruments	衍生財務工具	25	809	434
Tax recoverable	可收回稅項		80,614	35,160
Restricted bank deposits	有限制銀行存款	22	949	1,908
Bank balances and cash	銀行結餘及現金	22	1,228,116	625,244
			<b>8,384,418</b>	<b>6,688,489</b>
<b>CURRENT LIABILITIES</b>	<b>流動負債</b>			
Derivative financial instruments	衍生財務工具	25	46,530	120,836
Trade and other payables	應付貿易及其他賬款	23	2,315,304	1,954,831
Tax payable	應付稅項		54,393	69,811
Bank borrowings	銀行借貸	24	2,703,696	2,473,383
			<b>5,119,923</b>	<b>4,618,861</b>
<b>NET CURRENT ASSETS</b>	<b>流動資產淨值</b>		<b>3,264,495</b>	<b>2,069,628</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>	<b>資產總值減流動負債</b>		<b>17,954,542</b>	<b>15,091,611</b>



CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)  
綜合財務狀況表(續)

At 31 March 2011 二零一一年三月三十一日

		Notes	2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
		附註		
<b>NON-CURRENT LIABILITIES</b>	<b>非流動負債</b>			
Derivative financial instruments	衍生財務工具	25	9,456	21,910
Bank borrowings	銀行借貸	24	5,284,910	4,599,316
Deferred tax liabilities	遞延稅項負債	26	360,363	319,539
			<b>5,654,729</b>	4,940,765
			<b>12,299,813</b>	10,150,846
<b>CAPITAL AND RESERVES</b>	<b>股本及儲備</b>			
Share capital	股本	28	117,241	113,770
Reserves	儲備		12,182,572	10,037,076
			<b>12,299,813</b>	10,150,846

The consolidated financial statements on pages 44 to 148 were approved and authorised for issue by the Board of Directors on 15 June 2011 and are signed on its behalf by:

第44至第148頁所載的綜合財務報表已於二零一一年六月十五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 2011 截止二零一一年三月三十一日止年度

		Attributable to owners of the Company 本公司擁有人應佔										
		Share capital	Share premium	Share options reserve	Translation reserve	Hedging reserve	Capital contribution	Legal reserve	Special reserve	Other reserve	Retained profits	Total equity
		股本	股份溢價	購股權儲備	匯兌儲備	對沖儲備	資金貢獻	法定公積金	特別儲備	其他儲備	留存盈利	權益總值
		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
							(note i) (附註i)	(note ii) (附註ii)	(note iii) (附註iii)	(note iv) (附註iv)		
At 1 April 2009	二零零九年四月一日	113,738	4,352,945	8,107	881,218	(187,861)	12,552	49	(2,999)	(12,060)	3,301,156	8,466,845
Exchange differences arising on translation of foreign operations	海外業務轉移時所產生之匯兌差額	—	—	—	(35,022)	—	—	—	—	—	—	(35,022)
Gain on hedging instruments in cash flow hedges	對沖工具中現金流量對沖得益	—	—	—	—	36,547	—	—	—	—	—	36,547
Cumulative loss on hedging instruments reclassified to profit or loss upon early termination	因提早終止而重新分類至損益內之對沖工具累計虧損	—	—	—	—	37,342	—	—	—	—	—	37,342
Other comprehensive income for the year	年度其他全面收益	—	—	—	(35,022)	73,889	—	—	—	—	—	38,867
Profit for the year	年度盈利	—	—	—	—	—	—	—	—	—	1,833,305	1,833,305
Total comprehensive income and expenses for the year	年度總全面收益及開支	—	—	—	(35,022)	73,889	—	—	—	—	1,833,305	1,872,172
Exercise of share options	行使購股權	32	4,800	(1,418)	—	—	—	—	—	—	1,418	4,832
Cancellation of share options	購股權註銷	—	—	(1,329)	—	—	—	—	—	—	1,329	—
Transfer to legal reserve	轉移至法定公積金	—	—	—	—	—	—	48	—	—	(48)	—
Recognition of equity-settled share based payments	權益結算股權支付款項確認	—	—	57,221	—	—	—	—	—	—	—	57,221
Dividends paid (note 12)	派息(附註12)	—	—	—	—	—	—	—	—	—	(250,224)	(250,224)
At 31 March 2010	二零一零年三月三十一日	113,770	4,357,745	62,581	846,196	(113,972)	12,552	97	(2,999)	(12,060)	4,886,936	10,150,846
Exchange differences arising on translation of foreign operations	海外業務轉移時所產生之匯兌差額	—	—	—	582,506	—	—	—	—	—	—	582,506
Gain on hedging instruments in cash flow hedges	對沖工具中現金流量對沖得益	—	—	—	—	61,611	—	—	—	—	—	61,611
Other comprehensive income for the year	年度其他全面收入	—	—	—	582,506	61,611	—	—	—	—	—	644,117
Profit for the year	年度盈利	—	—	—	—	—	—	—	—	—	1,847,979	1,847,979
Total comprehensive income and expenses for the year	年度總全面收益及開支	—	—	—	582,506	61,611	—	—	—	—	1,847,979	2,492,096
Exercise of share options	行使購股權	3,471	266,847	(65,289)	—	—	—	—	—	—	65,289	270,318
Recognition of equity-settled share based payments	權益結算股權支付款項確認	—	—	32,046	—	—	—	—	—	—	—	32,046
Dividends paid (note 12)	派息(附註12)	—	—	—	—	—	—	—	—	—	(645,493)	(645,493)
At 31 March 2011	二零一一年三月三十一日	117,241	4,624,592	29,338	1,428,702	(52,361)	12,552	97	(2,999)	(12,060)	6,154,711	12,299,813





## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (CONTINUED) 綜合權益變動表(續)

For the year ended 31 March 2011 截止二零一一年三月三十一日止年度

### notes:

- (i) The capital contribution arose from the disposal of subsidiaries in a prior period to a wholly owned subsidiary of the Group's ultimate holding company.
- (ii) In accordance with the provisions of the Macao Commercial Code, the Company's subsidiaries in Macau are required to transfer a minimum of 25% of the annual net profit to a legal reserve, whenever dividend is declared by the subsidiaries, until the reserve reaches half of the capital of the subsidiaries. The 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.
- (iv) In October 2008, the Group acquired the remaining 10% equity interests in each of two subsidiaries from their non-controlling shareholders at an aggregate consideration of US\$35. The excess of the carrying amount of the net liabilities acquired over the fair value of the consideration paid has been debited directly to equity.

### 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較早期間出售附屬公司所得。
- (ii) 根據澳門商法典的條文，本公司位於澳門的附屬公司於分配盈利作股息分派時，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) 本集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。
- (iv) 於二零零八年十月，本集團向兩家附屬公司之非控股股東收購該兩間附屬公司各餘下 10% 股益，總代價為 35 美元。所收購負債淨值之賬面金額超出所付代價之公平值之數額已直接於權益中扣除。



# CONSOLIDATED STATEMENT OF CASH FLOWS

## 綜合現金流量表

For the year ended 31 March 2011 截止二零一一年三月三十一日止年度

	Note	2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
	附註		
<b>OPERATING ACTIVITIES</b>			
Profit before tax		1,984,126	2,070,198
Adjustments for:			
Amortisation of prepaid lease payments		8,485	12,862
Depreciation of property, plant and equipment		544,096	484,252
Finance costs		207,325	179,619
Gain on disposal of an associate	17	(21,731)	—
Interest income		(12,501)	(13,217)
Loss on disposal of property, plant and equipment		1,169	5,621
Net (gain) loss from fair value changes of derivative financial instruments		(3,138)	27,293
Retirement benefit gain		(72)	(640)
Share-based payments expense		32,046	57,221
Operating cash flows before movements in working capital		2,739,805	2,823,209
Increase in inventories		(674,472)	(567,940)
Increase in trade and other receivables		(697,899)	(1,230,896)
Decrease (increase) in amounts due from related companies		36,412	(36,554)
Increase in trade and other payables		278,534	732,855
Cash generated from operations		1,682,380	1,720,674
PRC Enterprise Income Tax paid		(165,146)	(37,877)
Interest paid		(294,136)	(251,328)
Purchase of tax reserve certificates		(39,670)	—
<b>NET CASH FROM OPERATING ACTIVITIES</b>		<b>1,183,428</b>	<b>1,431,469</b>



CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)  
綜合現金流量表(續)

For the year ended 31 March 2011 截止二零一一年三月三十一日止年度

	Note 附註	2011 二零一一年 HK\$'000 千港元	2010 二零一零年 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	(1,536,524)	(547,031)
Prepaid lease payments	預付租賃款項	(92,566)	(38,974)
Proceed from assignment of amount due from an associate	轉讓聯營公司欠款所得款項	17 400,112	—
Deferred consideration received from disposal of subsidiaries	已收出售附屬公司遞延代價	58,139	—
Repayment from (advance to) an associate	聯營公司還款(墊款)	37,641	(183,754)
Proceed from disposal of an associate	出售聯營公司所得款項	17 21,731	—
Interest received	已收利息	12,501	13,217
Proceeds on disposal of property, plant and equipment	出售物業、廠房及設備所得款項	11,864	591
Increase in restricted bank deposits	有限制銀行存款增加	1,039	—
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	—	(20,454)
Proceeds from disposal of subsidiaries	出售附屬公司所得款項	—	59,996
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>投資活動動用的現金淨額</b>	<b>(1,086,063)</b>	<b>(716,409)</b>
<b>FINANCING ACTIVITIES</b>	<b>融資活動</b>		
Repayment of bank borrowings	償還銀行貸款	(10,365,792)	(7,765,531)
Dividends paid	已付股息	(645,493)	(250,224)
Settlement of derivative financial instruments under hedge accounting	淨額交收按對沖會計法入賬之衍生工具	(22,386)	(43,229)
New bank borrowings raised	新籌集銀行貸款	11,254,412	6,296,530
Net proceeds from issue of shares through exercise of share options	透過行使購股權而發行股份所得款項淨額	270,318	4,832
<b>NET CASH FROM (USED IN) FINANCING ACTIVITIES</b>	<b>融資活動所得(動用)現金淨額</b>	<b>491,059</b>	<b>(1,757,622)</b>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS BROUGHT FORWARD</b>	<b>現金及現金等價物淨增加(減少)額</b>	<b>588,424</b>	<b>(1,042,562)</b>
<b>EFFECT OF EXCHANGE RATE CHANGES</b>	<b>滙率變動之影響</b>	<b>14,448</b>	<b>8,362</b>
<b>CASH AND CASH EQUIVALENTS CARRIED FORWARD</b> represented by bank balances and cash	<b>現金及現金等價物結轉</b> 銀行結餘及現金	<b>1,228,116</b>	<b>625,244</b>



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 March 2011 截至二零一一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 (2010 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. Its ultimate controlling party is Mr Lee Wan Keung Patrick. 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 37.

### 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(二零零九年版)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。其最終控制方為李運強先生。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。

綜合財務報表以港元(「港元」)列示，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37。



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

### New and revised Standards and Interpretations applied in the current year

In the current year, the Group has applied the following new and revised Standards and Interpretations issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”).

HKFRS 2 (Amendments)	Group Cash-settled Share-based Payment Transactions
HKFRS 3 (as revised in 2008)	Business Combinations
HKAS 27 (as revised in 2008)	Consolidated and Separate Financial Statements
HKAS 32 (Amendments)	Classification of Right Issues
HKAS 39 (Amendments)	Eligible Hedged Items
HKFRSs (Amendments)	Improvements to HKFRSs issued in 2009
HKFRSs (Amendments)	Amendments to HKFRS 5 as part of Improvements to HKFRSs issued in 2008
HK(IFRIC) - Int 17	Distributions of Non-cash Assets to Owners
HK - Int 5	Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause

## 2. 應用新及經修訂之香港財務報告準則(「香港財務報告準則」)

於本年度內應用之新訂及經修訂準則及詮釋

於本年度內，本集團已應用以下由香港會計師公會(「香港會計師公會」)頒布之新訂及經修訂準則及詮釋。

香港財務報告準則第2號(修訂本)	集團以現金結算之以股份為基礎支付之交易
香港財務報告準則第3號(二零零八年經修訂)	業務合併
香港會計準則第27號(二零零八年經修訂)	綜合及獨立財務報表
香港會計準則第32號(修訂本)	供股分類
香港會計準則第39號(修訂本)	合資格對沖項目
香港財務報告準則(修訂本)	二零零九年頒布之香港財務報告準則之改進
香港財務報告準則(修訂本)	香港財務報告準則第5號之修訂作為二零零八年頒布之香港財務報告準則之改進之一部分
香港(國際財務報告詮釋委員會)－詮釋第17號	向擁有人分派非現金資產
香港－詮釋第5號	財務報表之呈列－借款人對包含按按要求償還條款之有期貨款之分類



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

### New and revised Standards and Interpretations applied in the current year (Continued)

Except as described below, the application of the new and revised Standards and Interpretations in the current year has had no material effect on the amounts reported in these consolidated financial statements and/or disclosures set out in these consolidated financial statements.

#### HKFRS 3 (as revised in 2008) Business Combinations

HKFRS 3 (as revised in 2008) has been applied in the current year prospectively to business combinations of which the acquisition date is on or after 1 April 2010 in accordance with the relevant transitional provisions.

HKFRS 3 (as revised in 2008) allows a choice on a transaction-by-transaction basis for the measurement of non-controlling interests at the date of acquisition (previously referred to as ‘minority’ interests) either at fair value or at the non-controlling interests’ share of recognised identifiable net assets of the acquiree.

HKFRS 3 (as revised in 2008) changes the recognition and subsequent accounting requirements for contingent consideration. Previously contingent consideration was recognised at the acquisition date only if payment of the contingent consideration was probable and it could be measured reliably; any subsequent adjustments to the contingent consideration were always made against the cost of the acquisition. Under the revised Standard, contingent consideration is measured at fair value at the acquisition date; subsequent adjustments to the consideration are recognised against the cost of acquisition only to the extent that they arise from new information obtained within the measurement period (a maximum of 12 months from the acquisition date) about the fair value at the acquisition date. All other subsequent adjustments to contingent consideration classified as an asset or a liability are recognised in profit or loss.

## 2. 應用新及經修訂之香港財務報告準則(「香港財務報告準則」)(續)

### 於本年度內應用之新訂及經修訂準則及詮釋(續)

除下文所述者外，於本年度內應用新訂及經修訂準則及詮釋對該等綜合財務報表呈報之金額及／或該等綜合財務報表載列之披露資料並無重大影響。

#### 香港財務報告準則第3號(二零零八年經修訂)「業務合併」

香港財務報告準則第3號(二零零八年經修訂)已於本年度根據相關過渡條文前瞻性應用於收購日期為二零一零年四月一日或之後之業務合併。

香港財務報告準則第3號(二零零八年經修訂)容許選擇以個別交易為基準，計量於收購日期之非控股權益(前稱「少數股東」權益)，並以公平值或以非控股權益分佔收購對象之已確認可識別資產淨值。

香港財務報告準則第3號(二零零八年經修訂)改變或然代價之確認及其後會計規定。過往，或然代價僅於可能支付或然代價且能夠可靠計量時方於收購日期確認；或然代價之任何其後調整一概須自收購成本中作出。根據經修訂準則，或然代價乃於收購日期按公平值計量；倘有關收購日期公平值之計量期間(最長為自收購日期起計12個月)所獲取新資料顯示調整，方會於收購成本中確認代價之其後調整。獲分類為資產或負債之或然代價所有其他其後調整乃於損益中確認。



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

### HKFRS 3 (as revised in 2008) Business Combinations (Continued)

HKFRS 3 (as revised in 2008) requires the recognition of a settlement gain or loss when the business combination in effect settles a pre-existing relationship between the Group and the acquiree.

HKFRS 3 (as revised in 2008) requires acquisition-related costs to be accounted for separately from the business combination, generally leading to those costs being recognised as an expense in profit or loss as incurred, whereas previously they were accounted for as part of the cost of the acquisition.

### HKAS 27 (as revised in 2008) Consolidated and Separate Financial Statements

The application of HKAS 27 (as revised in 2008) has resulted in changes in the Group’s accounting policies for changes in ownership interests in subsidiaries of the Group.

Specifically, the revised Standard has affected the Group’s accounting policies regarding changes in the Group’s ownership interests in its subsidiaries that do not result in loss of control. In prior years, in the absence of specific requirements in HKFRSs, increases in interests in existing subsidiaries were treated in the same manner as the acquisition of subsidiaries, with goodwill or a bargain purchase gain being recognised, when appropriate; for decreases in interests in existing subsidiaries that did not involve a loss of control, the difference between the consideration received and the adjustment to the non-controlling interests was recognised in profit or loss. Under HKAS 27 (as revised in 2008), all such increases or decreases are dealt with in equity, with no impact on goodwill or profit or loss.

## 2. 應用新及經修訂之香港財務報告準則(「香港財務報告準則」)(續)

### 香港財務報告準則第3號(二零零八年經修訂)「業務合併」(續)

香港財務報告準則第3號(二零零八年經修訂)規定，倘進行之業務合併實際上結算本集團與收購對象間之預先存在關係，則須確認結算盈虧。

香港財務報告準則第3號(二零零八年經修訂)規定，收購相關成本將與業務合併獨立入賬，一般會導致該等成本於產生時在損益中確認為支出，而其於過往則作為收購成本之一部分入賬。

### 香港會計準則第27號(二零零八年經修訂)「綜合及獨立財務報表」

應用香港會計準則第27號(二零零八年經修訂)已導致有關本集團於本集團附屬公司之擁有權權益變動之會計政策有所變動。

具體而言，經修訂準則已影響本集團並無導致失去控制權之附屬公司擁有權權益變動採用之會計政策。於過往年度，在香港財務報告準則並無特定規定之情況下，於現有附屬公司之權益增加乃按收購附屬公司之相同方式對待，商譽或廉價購買收益獲確認(倘適當)。就於現有附屬公司並無涉及失去控制權之權益減少，已收代價與非控股權益調整間之差異於損益確認。根據香港會計準則第27號(二零零八年經修訂)，所有該等增加或減少均於權益中處理，對商譽或損益並無影響。



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

### HKAS 27 (as revised in 2008) Consolidated and Separate Financial Statements (Continued)

When control of a subsidiary is lost as a result of a transaction, event or other circumstance, the revised Standard requires the Group to derecognise all assets, liabilities and non-controlling interests at their carrying amounts and to recognise the fair value of the consideration received. Any retained interest in the former subsidiary is recognised at its fair value at the date control is lost. The resulting difference is recognised as a gain or loss in profit or loss.

These changes have been applied prospectively from 1 April 2010 in accordance with the relevant transitional provisions.

In addition, under HKAS 27 (as revised in 2008), the definition of non-controlling interest has been changed. Specifically, under the revised Standard, non-controlling interest is defined as the equity in a subsidiary not attributable, directly or indirectly, to a parent.

As no transaction during the current year in which HKFRS 3 (as revised in 2008) is applicable and there is no change in ownership interest in subsidiaries in which HKAS 27 (as revised in 2008) is applicable, the application of HKFRS 3 (as revised in 2008) and HKAS 27 (as revised in 2008) had no impact on the consolidated financial statements of the Group for the current accounting period. Results of the Group in future periods may be affected by future transactions for which HKFRS 3 (Revised), HKAS 27 (Revised) and the consequential amendments to the other HKFRSs are applicable.

## 2. 應用新及經修訂之香港財務報告準則(「香港財務報告準則」)(續)

### 香港會計準則第27號(二零零八年經修訂)「綜合及獨立財務報表」(續)

倘因交易、事件或其他情況導致失去對附屬公司之控制權，經修訂準則規定本集團按賬面值終止確認所有資產、負債及非控股權益，並確認已收代價之公平值。於前附屬公司之任何保留權益於失去控制權當日按公平值確認。就此產生之差額於損益確認為盈虧。

該等變更已根據相關過渡條文自二零一零年四月一日起獲前瞻性應用。

此外，根據香港會計準則第27號(二零零八年經修訂)，非控股權益之定義已變更。具體而言，根據經修訂準則，非控股權益界定為附屬公司內並非母公司直接或間接應佔之權益。

由於在本年度內，並無香港財務報告準則第3號(二零零八年經修訂)適用之交易，亦並無香港會計準則第27號(二零零八年經修訂)適用之附屬公司所有權變更，故應用香港財務報告準則第3號(二零零八年經修訂)及香港會計準則第27號(二零零八年經修訂)於本會計期間對本集團綜合財務報表並無影響。本集團於未來期間之業績或受適用於香港財務報告準則第3號(經修訂)、香港會計準則第27號(經修訂)及其他香港財務報告準則相應修訂之日後交易影響。





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

### HKAS 28 (as revised in 2008) Investment in Associates

The principle adopted under HKAS 27 (as revised in 2008) (see above) that a loss of control is recognised as a disposal and re-acquisition of any retained interest at fair value is extended by consequential amendments to HKAS 28. Therefore, when significant influence over an associate is lost, the investor measures any investment retained in the former associate at fair value, with any consequential gain or loss recognised in profit or loss.

As no partial disposal of the Group’s interest in associate in the current year, the application of HKAS 28 (as revised in 2008) had no impact on the consolidated financial statements of the Group for the current accounting period.

### Amendments to HKAS 17 Leases

As part of *Improvements to HKFRSs* issued in 2009, HKAS 17 *Leases* has been amended in relation to the classification of leasehold land. Before the amendments to HKAS 17, the Group was required to classify leasehold land as operating leases and to present leasehold land as prepaid lease payments in the consolidated statement of financial position. The amendments to HKAS 17 have removed such a requirement. The amendments require that the classification of leasehold land should be based on the general principles set out in HKAS 17, that is, whether or not substantially all the risks and rewards incidental to ownership of a leased asset have been transferred to the lessee. The Group reassessed the classification of unexpired leasehold land as at 1 April 2010 based on information that existed at the inception of the leases. The application of the amendment to HKAS 17 does not affect the classification of the Group’s leasehold land.

## 2. 應用新及經修訂之香港財務報告準則(「香港財務報告準則」)(續)

### 香港會計準則第28號(二零零八年經修訂)「聯營公司投資」

根據香港會計準則第27號(二零零八年經修訂)採納的原則(見上文), 即失去控制權乃確認為出售, 而重新收購任何按公平值列賬之保留權益已獲香港會計準則第28號之隨後修訂。因此, 當失去對於聯營公司之重大影響力時, 則投資者須按公平值計量任何保留於前聯營公司之投資, 任何隨後產生之盈虧於損益中確認。

由於在本年度內, 並無部分出售本集團於聯營公司之權益, 故應用香港會計準則第28號(二零零八年經修訂)於本會計期間對本集團綜合財務報表並無影響。

### 香港會計準則第17號「租賃」之修訂

作為二零零九年頒布之香港財務報告準則之改進其中部分, 香港會計準則第17號「租賃」已就租賃土地之分類作出修訂。於香港會計準則第17號獲修訂前, 本集團須將租賃土地分類為經營租賃, 並於綜合財務狀況表中將租賃土地呈列為預付租賃款項。香港會計準則第17號之修訂已剔除有關規定。該等修訂規定應根據香港會計準則第17號載列之一般原則對租賃土地進行分類, 即租賃資產擁有權附帶之絕大部分風險及回報是否已轉讓予承租人。本集團根據於租賃開始時存在之資料重新評估於二零一零年四月一日之未期滿租賃土地分類。應用香港會計準則第17號之修訂並無影響本集團租賃土地分類。



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

### New and revised Standards and Interpretations issued but not yet effective

The Group has not early applied the following new and revised Standards and Interpretations that have been issued but are not yet effective:

HKFRSs (Amendments)	Improvements to HKFRSs issued in 2010 <sup>1</sup>
HKFRS 7 (Amendments)	Disclosures – Transfers of Financial Assets <sup>3</sup>
HKFRS 9	Financial Instruments <sup>4</sup>
HKAS 12 (Amendments)	Deferred Tax: Recovery of Underlying Assets <sup>5</sup>
HKAS 24 (as revised in 2009)	Related Party Disclosures <sup>6</sup>
HK(IFRIC) - Int 14 (Amendments)	Prepayments of a Minimum Funding Requirement <sup>6</sup>
HK(IFRIC) - Int 19	Extinguishing Financial Liabilities with Equity Instruments <sup>2</sup>

<sup>1</sup> Effective for annual periods beginning on or after 1 July 2010 or 1 January 2011, as appropriate.

<sup>2</sup> Effective for annual periods beginning on or after 1 July 2010.

<sup>3</sup> Effective for annual periods beginning on or after 1 July 2011.

<sup>4</sup> Effective for annual periods beginning on or after 1 January 2013.

<sup>5</sup> Effective for annual periods beginning on or after 1 January 2012.

<sup>6</sup> Effective for annual periods beginning on or after 1 January 2011.

## 2. 應用新及經修訂之香港財務報告準則(「香港財務報告準則」)(續)

### 已頒布但尚未生效之新訂及經修訂準則及詮釋

本集團並未提早應用下列已頒布但尚未生效之新訂及經修訂準則及詮釋：

香港財務報告準則(修訂本)	二零一零年頒布之香港財務報告準則之改進 <sup>1</sup>
香港財務報告準則第7號(修訂本)	披露 – 轉移財務資產 <sup>3</sup>
香港財務報告準則第9號	金融工具 <sup>4</sup>
香港會計準則第12號(修訂本)	遞延稅項：收回相關資產 <sup>5</sup>
香港會計準則第24號(二零零九年經修訂)	關連人士披露 <sup>6</sup>
香港(國際財務報告詮釋委員會) – 詮釋第14號(修訂本)	預付最低撥款規定 <sup>6</sup>
香港(國際財務報告詮釋委員會) – 詮釋第19號	以權益工具抵銷財務負債 <sup>2</sup>

<sup>1</sup> 於二零一零年七月一日或二零一一年一月一日(視情況適用而定)或其後開始之年度期間生效。

<sup>2</sup> 於二零一零年七月一日或其後開始之年度期間生效。

<sup>3</sup> 於二零一一年七月一日或其後開始之年度期間生效。

<sup>4</sup> 於二零一三年一月一日或其後開始之年度期間生效。

<sup>5</sup> 於二零一二年一月一日或其後開始之年度期間生效。

<sup>6</sup> 於二零一一年一月一日或其後開始之年度期間生效。



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

### New and revised Standards and Interpretations issued but not yet effective (Continued)

HKFRS 9 *Financial Instruments* (as issued in November 2009) introduces new requirements for the classification and measurement of financial assets. HKFRS 9 *Financial Instruments* (as revised in November 2010) adds requirements for financial liabilities and for derecognition.

- Under HKFRS 9, all recognised financial assets that are within the scope of HKAS 39 *Financial Instruments: Recognition and Measurement* are subsequently measured at either amortised cost or fair value. Specifically, debt investments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortised cost at the end of subsequent accounting periods. All other debt investments and equity investments are measured at their fair values at the end of subsequent accounting periods.
- In relation to financial liabilities, the significant change relates to financial liabilities that are designated as at fair value through profit or loss. Specifically, under HKFRS 9, for financial liabilities that are designated as at fair value through profit or loss, the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is presented in other comprehensive income, unless the presentation of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. Changes in fair value attributable to a financial liability's credit risk are not subsequently reclassified to profit or loss. Currently, under HKAS 39, the entire amount of the change in the fair value of the financial liability designated as at fair value through profit or loss was presented in profit or loss.

## 2. 應用新及經修訂之香港財務報告準則(「香港財務報告準則」)(續)

### 已頒布但尚未生效之新訂及經修訂準則及詮釋(續)

香港財務報告準則第9號金融工具(於二零零九年十一月頒布)引入有關財務資產分類及計量之新要求。香港財務報告準則第9號金融工具(二零一零年十一月經修訂)加入對財務負債及終止確認之規定。

- 根據香港財務報告準則第9號，屬香港會計準則第39號金融工具：確認及計量範圍以內之所有已確認財務資產其後須按攤銷成本或公平值計量。具體而言，以收回合約現金流量為目標之業務模式內所持有且擁有合約現金流量純粹為本金及尚未償還本金之利息付款之債項投資，一般於其後會計期末按攤銷成本計量。所有其他債項投資及權益投資均於其後會計期末按公平值計量。
- 就財務負債而言，重大變動與指定按公平值計入損益的財務負債有關。具體而言，根據香港財務報告準則第9號，就指定按公平值計入損益之財務負債而言，除非於其他全面收益中呈列負債信貸風險變動之影響，將會導致於損益中產生或擴大會計錯配，否則因負債信貸風險變動引致之財務負債公平值金額變動於其他全面收於中呈列。財務負債信貸風險引致之公平值變動其後不會重新分類至損益。現時，根據香港會計準則第39號，指定按公平值計入損益之財務負債公平值變動之全數金額於損益中呈列。



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

### New and revised Standards and Interpretations issued but not yet effective (Continued)

HKFRS 9 is effective for annual periods beginning on or after 1 January 2013, with earlier application permitted.

The directors anticipate that HKFRS 9 that will be adopted in the Group’s consolidated financial statements for financial year ending 31 March 2014 and that the application of the new Standard may have a significant impact on amounts reported in respect of the Group’s financial assets and financial liabilities.

The directors of the Company anticipate that the application of the other new or revised HKFRSs will have no material impact on the consolidated financial statements.

## 3. SIGNIFICANT ACCOUNTING POLICIES

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

The consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values, as explained in the accounting policies set out below. Historical cost is generally based on the fair value of the consideration given in exchange for goods.

## 2. 應用新及經修訂之香港財務報告準則(「香港財務報告準則」)(續)

已頒布但尚未生效之新訂及經修訂準則及詮釋(續)

香港財務報告準則第9號於二零一三年一月一日或之後開始之年度期間生效，獲允許可提早應用。

董事預期，本集團綜合財務報表將於截至二零一四年三月三十一日止財務年度採納香港財務報告準則第9號，應用新訂準則可能對本集團財務資產及財務負債呈報之金額產生重大影響。

本公司董事預期，應用其他新訂及經修訂香港財務報告準則將不會對綜合財務報表產生重大影響。

## 3. 主要會計政策

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證券上市規則及香港公司條例所監管下須予披露資料。

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。歷史成本一般按照交換貨物所付代價之公平值。



### 3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The principal accounting policies are set out below.

#### Basis of consolidation

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

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

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

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

#### Property, plant and equipment

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

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

### 3. 主要會計政策(續)

主要會計政策載列如下：

#### 綜合基準

綜合財務報表載列本公司及受本公司控制之實體(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，計入綜合全面收益表內及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。

所有集團內交易及結餘已於綜合賬目時對銷。

#### 物業、廠房及設備

除在建工程外，物業、廠房及設備(包括持有作貨物生產或行政用途的樓宇)乃按成本減累計折舊及累計減值虧損入賬(如有)。

除在建工程外，物業、廠房及設備按其估計可使用年期，以其估計餘值按直線法計算，確認折舊並撇銷成本。估計可使用年期、餘值及折舊方法於每一報告期間審閱，並預估任何入賬變動的影響。



### 3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Properties in the course of construction for production or administrative purposes are carried at cost, less any recognised impairment loss. Costs include professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Group's accounting policy. Such properties are classified to the appropriate category of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

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

#### 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. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

### 3. 主要會計政策(續)

#### 物業、廠房及設備(續)

用作生產或行政用途之在建中物業，按成本減任何已確認之減值虧損列賬。成本收入專業費用及借貸成本(合資格資產)根據本集團的會計政策進行資本化。該等資產完工並可投入擬定用途時，則會分類至合適的物業、廠房及設備類別。該等資產計提折舊的基準與其他物業資產相同，即在資產可投入擬定用途時開始計提折舊。

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。出售或報廢一項物業、廠房及設備，按其出售所得款項與該資產賬面值間之差額計算盈虧，並計入損益。

#### 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。重大影響為參與被投資公司財務及經營政策之權力，而並非控制或共同控制該等政策。



### 3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### Investments in associates (Continued)

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 initially recognised in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associates. 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. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of that associate.

Any excess of the Group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities over the cost of acquisition, after reassessment, is recognised immediately in profit or loss.

When a group entity transacts with an associate, profits and losses resulting from the transactions with the associate are recognised in the Group's consolidated financial statements only to the extent of interests in the associate that are not related to the Group.

#### 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)

#### 於聯營公司之投資(續)

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於綜合財務狀況表初步確認，並就隨後本集團應佔聯營公司損益及其他全面收益作出調整。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。本集團僅就本集團代表該聯營公司所涉及法定或推定責任或所作付款而確認額外虧損。

本集團於可識別資產、負債及或然負債公平淨值之應佔部分超出經重估收購成本之數額，會即時於損益確認。

當一間集團實體與本集團一間聯營公司進行交易時，僅於該聯營公司權益乃與本集團關連時方予確認與聯營公司進行交易所產生之損益。

#### 存貨

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。



### 3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### Financial instruments

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

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets 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.

#### Effective interest method

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

### 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綜合財務狀況表上確認。

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量之貸款及應收賬款和財務資產。

#### 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)至初次確認時之賬面淨值之利率。





### 3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### Financial instruments (Continued)

##### Effective interest method (Continued)

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

##### Loans and receivables

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

##### 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 as hedging instruments.

Financial assets at fair value through profit or loss are measured at fair value, with changes in fair value arising from remeasurement recognised directly in profit or loss in the period in which they arise.

### 3. 主要會計政策(續)

#### 財務工具(續)

##### 實際利率法(續)

除分類為透過損益以反映公平值之財務資產之利息收入會計入盈利或虧損淨額外，債務工具之利息收入按實際利息基準確認。

##### 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，貸款及應收款項(包括應收貿易及其他賬款、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對沖工具之衍生工具。

按公平值列賬及計入損益之財務資產以公平值計量，因重新計量而產生的公平值變動在出現期間直接在損益確認。



### 3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### Financial instruments (Continued)

##### Impairment of financial assets

Financial assets, other than those at fair value through profit or loss, are assessed for indicators of impairment at the end of the reporting period. 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 affected.

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

- significant financial difficulty of the issuer or counterparty; or
- breach of contract, such as default or delinquency in interest and principal payments; or
- it becoming probable that the borrower will enter bankruptcy or financial re-organisation; or
- the disappearance of an active market for that financial asset because of financial difficulties.

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.

For financial assets carried at amortised cost, an impairment loss is recognised in profit or loss where 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.

### 3. 主要會計政策(續)

#### 財務工具(續)

##### 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)於報告期末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
- 違約，例如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；或
- 因財務困境而使財務資產喪失活躍市場。

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。

就按攤銷成本列帳之財務資產而言，倘若存在客觀證據證明資產出現減值，則於損益內確認減值虧損，並按資產賬面值與按原有實際利率貼現之估計未來現金流量現值之差額計量。



### 3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### Financial instruments (Continued)

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

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.

For financial assets measured at amortised cost, if, in a subsequent period, the amount of impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment 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.

#### Financial liabilities and equity instruments

Financial liabilities and equity instruments issued by a group entity 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 Group's financial liabilities are classified into financial liabilities at fair value through profit or loss and other financial liabilities.

### 3. 主要會計政策(續)

#### 財務工具(續)

##### 財務資產減值(續)

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。

就按攤銷成本計量的財務資產而言，如在其後期間減值虧損金額減少，而有關減少在客觀上與確認減值後發生的事件有關，則先前已確認的減值虧損將透過損益予以撥回，惟該資產在撥回減值當日的帳面值不得超過如無確認減值的攤銷成本。

#### 財務負債及股本權益工具

由一組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。本集團財務負債分類為按公平值計入損益之財務負債及其他財務負債。



### 3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### 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 other than those financial liability classified as at fair value through profit or loss.

#### 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 as hedging instruments.

Financial liabilities at fair value through profit or loss are measured at fair value, with changes in fair value arising on remeasurement recognised directly in profit or loss in the period in which they arise.

#### Other financial liabilities

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

#### Equity instruments

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

### 3. 主要會計政策(續)

#### 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。

利息支出按實際利率基準確認，有別於按公平值計入損益之財務負債分類。

#### 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對沖工具之衍生工具。

按公平值列賬及計入損益之財務負債以公平值計量，因重新計量之公平值變動在出現期間直接在損益確認。

#### 其他財務負債

其他財務負債(包括應付貿易及其他賬款及銀行借貸)其後採用實際利率按攤銷成本計量。

#### 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。



### 3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### 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 the end of the reporting period. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

#### 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 recognised in other comprehensive income. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss.

Amounts previously recognised in other comprehensive income and accumulated in equity (hedging reserve) are reclassified to profit or loss in the periods when the hedged item is recognised in profit or loss.

### 3. 主要會計政策(續)

#### 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，其後於報告期末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對沖工具，則於損益確認的時間視乎對沖關係的性質而定。

#### 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，其有效部分於其他綜合收益內確認，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被確認後，其之前確認於其他全面收益及累計於權益下(對沖儲備)之金額將重新撥回損益。



### 3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### Cash flow hedge (Continued)

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 accumulated 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 gain or loss accumulated in equity is recognised immediately in profit or loss as a reclassification adjustment.

#### 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 in other comprehensive income is recognised in profit or loss.

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

### 3. 主要會計政策(續)

#### 現金流量對沖(續)

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。當時累計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，於權益之累計盈虧即時於損益內以重新分類調整確認。

#### 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，資產賬面值與已收及應收代價及已直接於其他全面收益內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。



### 3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### Impairment losses on tangible assets

At the end of the reporting period, the Group reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any. 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.

#### 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 sale of goods is recognised when the goods are delivered and title has passed.

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of revenue can be measured reliably. 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 on initial recognition.

### 3. 主要會計政策(續)

#### 有形資產減值虧損

於報告期末，本集團審閱其有形資產之賬面值以確定有否跡象顯示該等資產出現減值虧損。倘若存在任何該等跡象，則估計資產可收回金額以評估減值虧損(如有)數額。倘該資產之可收回金額估計低於其賬面值，該資產之賬面值將減至其可收回金額。減值虧損即時確認為開支。

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過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。

#### 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，減去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於其經濟效益將可能流入本集團而其收入金額能可靠地計量時確認。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在初步確認後該資產之賬面淨值之比率。



### 3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### Revenue recognition (Continued)

Income from supply of steam and electricity is recognised upon the provision of the steam and electricity.

Income from the rendering of wharf cargo handling services is recognised in the financial period in which the services are rendered.

#### 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 lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

### 3. 主要會計政策(續)

#### 收入確認(續)

供應蒸氣及電力之收入於提供蒸氣及電力時確認。

自提供處理碼頭貨物服務之收入於提供該服務之財政期間確認。

#### 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。

##### 集團作為承租人

經營租賃款項乃按租賃年期以直線法確認，除有其他系統化基準更能反映租賃資產所產生的經濟利益則除外。經營租賃的或然租金於所產生之期間內列作開支。

當訂立經營租賃時收到租賃優惠，該等優惠被確認為負債。各項優惠以直線法確認為遞減租金開支，除有其他系統化基準更能反映租賃資產所產生的經濟利益則除外。





### 3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### Leasing (Continued)

##### Leasehold land and buildings

When a lease includes both land and building elements, the Group assesses the classification of each element as a finance or an operating lease separately based on the assessment as to whether substantially all the risks and rewards incidental to ownership of each element have been transferred to the Group unless it is clear that both elements are operating leases, in which case the entire lease is classified as an operating lease. Specifically, the minimum lease payments (including any lump-sum upfront payments) are allocated between the land and the building elements in proportion to the relative fair values of the leasehold interests in the land element and building element of the lease at the inception of the lease.

To the extent the allocation of the lease payments can be made reliably, interest in leasehold land that is accounted for as an operating lease is presented as "prepaid lease payments" in the consolidated statement of financial position and is amortised over the lease term on a straight-line basis. When the lease payments cannot be allocated reliably between the land and building elements, the entire lease is generally classified as a finance lease and accounted for as property, plant and equipment.

### 3. 主要會計政策(續)

#### 租賃(續)

##### 租賃土地及樓宇

當租賃包括土地及樓宇部份時，本集團以評估與各部份擁有權有關的絕大部份風險及回報是否已轉移至本集團為基礎，評估如何將各部份分類為融資或經營租賃，除非肯定兩部分均為經營租賃，則於該情況下，整項租賃乃分類為經營租賃。尤其，最低租賃款項(包括任何一次性預付款項)乃以租約開始時，於土地及樓宇部份之間進行分配，比例為以租賃權益於土地部份及樓宇部份的相對公平值而定。

倘租賃款項能夠可靠分配時，則入賬列作經營租約的租賃土地權益乃於綜合財務狀況表列作「預付租賃款項」，並以直線法於租期內攤銷。當租賃款項無法於土地及樓宇部份之間可靠分配時，則整份租約一般分類為融資租約及入賬列作物業、廠房及設備。



### 3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### Leasing (Continued)

##### Prepaid lease payments

Prepaid lease payments represent the up-front operating lease payments to lease medium-term leasehold land interests in the People's Republic of China (the "PRC") and Vietnam and are charged to the profit or loss in the consolidated statement of comprehensive income on a straight-line basis over the term of the relevant leases.

#### Government grants

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Group should purchase, construct or otherwise acquire non-current assets are recognised as a deduction from the carrying amount of the relevant asset in the consolidated statement of financial position and transferred to profit or loss over the useful lives of the related assets. Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in profit or loss in the period in which they become receivable.

### 3. 主要會計政策(續)

#### 租賃(續)

##### 預付租賃款項

預付租賃款項指租用位於中華人民共和國(「中國」)及越南以中期租約所持土地權益而需預付之經營租金款項，並於相關租賃期內以直線法計入綜合全面收益表損益內。

#### 政府補貼

在合理地保證本集團會遵守政府補助的附帶條件以及將會得到補助後，政府補助方會予以確認。

政府補貼於本集團確認有關成本為開支期間有系統地於損益內確認，該補貼擬用於補償相關成本。具體而言，如政府補助金之主要條件乃本集團應購買、建造或以其他方式獲得非流動資產，則於綜合財務狀況表確認為有關資產賬面值之扣減項目，並於有關資產之可用年期內轉撥至損益。作為補償已產生開支或虧損或旨在為本集團提供實時資助(而無未來相關成本)之應收政府補貼，乃於應收期間確認為損益。



### 3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### 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 benefit retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of the reporting period. Actuarial gains and losses which exceed 10 per cent of the greater of the present value of the Group's defined benefit obligations and the fair value of plan assets at the end of the previous reporting period are amortised over the expected average remaining working lives of the participating employees. Past service cost is recognised immediately to the extent that the benefits are already vested, and otherwise is amortised on a straight-line basis over the average period until the amended benefits become vested.

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

#### Equity-settled share based payment transactions

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 options reserve).

### 3. 主要會計政策(續)

#### 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。

於報告期末，對界定退休福利計劃而言，提供福利的成本會使用預估單位利益法計算，並每年進行精算估值。於上一報告期，超逾本集團界定利益承擔現值或有關計劃資產公允值(以較高者為準)10%的精算盈虧乃按參與有關計劃的僱員的預計平均剩餘工作年資攤銷。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。

在綜合財務狀況表確認的退休福利資產指計劃資產的公平值，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福利債務的現值。據此計算之任何資產乃受限於未確認精算虧損及過往服務成本，加上計劃之可退回現金值及未來供款之削減。

#### 以股益結算股權支付之交易

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)。



### 3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### Equity-settled share based payment transactions (Continued)

At the end of the reporting period, 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 options reserve.

At the time when the share options are exercised, the amount previously recognised in share options 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 options reserve will be transferred to retained profits.

#### Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets until such time as 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.

### 3. 主要會計政策(續)

#### 以股益結算股權支付之交易(續)

於報告期末，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調整。

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盈利內。

#### 借貸成本

收購、建造或生產合資格資產(指途須經大量時間準備就緒以供擬定用途或銷售的資產)直接應佔之借貸成本乃計入該等資產之成本，直至該等資產差不多已準備就緒以供擬定用途或銷售為止。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。

期內所有其他借貸成本已於損益內確認。

#### 稅項

所得稅支出指現時應付稅項及遞延稅項的總和。



### 3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### Taxation (Continued)

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

Deferred tax is recognised on temporary 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. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

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

### 3. 主要會計政策(續)

#### 稅項(續)

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盈利不同，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報告期末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之資產及負債賬面值與計算應課稅盈利所採用相應稅基的暫時差額而確認。遞延稅項負債一般就所有應課稅暫時差額予以確認。遞延稅項資產一般就所有可扣稅暫時差額確認，惟可能出現可動用可扣稅暫時差額之應課稅盈利者除外。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。

遞延稅項負債一般就與附屬公司及聯營公司的投資產生的所有應課稅暫時差額確認，惟如果本集團可控制暫時性差異的轉回，以及暫時性差異不大可能於可見將來轉回則除外。因與該等投資及權益有關的可扣減暫時差額而產生的遞延稅項資產，僅在可能產生足夠應課稅盈利以動用暫時差額利益並預期可在可見將來撥回時確認。



### 3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### Taxation (Continued)

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

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realised, based on tax rate (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities. Deferred tax is recognised in profit or loss, except when it relates to items that are recognised in other comprehensive income or directly in equity, in which case the deferred tax is also recognised in other comprehensive income or directly in equity respectively.

#### Foreign currencies

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

### 3. 主要會計政策(續)

#### 稅項(續)

遞延稅項資產賬面值於報告期末審閱，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。

遞延稅項資產及負債乃按償還負債或變現資產期內預期適用之稅率(根據各報告期末已實施或實際實施的稅率(及稅法))計算。遞延稅項資產及負債的計量反映按照集團所預期方式於報告期末收回或結算其資產及負債的賬面值的稅務。遞延稅項於損益內確認，惟倘其與其他全面收益確認或直接在權益確認的項目有關，則遞延稅項亦會在其他全面收益確認或直接在權益確認。

#### 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。於報告期末，以外幣定值之貨幣項目均按結算日之適用匯率重新換算。非貨幣項目乃按外幣歷史成本計量而無須重新換算。



### 3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### Foreign currencies (Continued)

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, are recognised in profit or loss in the period in which they arise except for exchange differences arising on a monetary item that forms part of the Company's net investment in a foreign operation, in which case, such exchange differences are recognised in other comprehensive income and accumulated in equity and will be reclassified from equity to profit or loss on disposal of the foreign operation.

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 end of the reporting period, and their income and expenses are translated at the average exchange rates for the year, unless exchange rates fluctuate significantly during the period, in which case, the exchange rates prevailing at the dates of transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity (the translation reserve).

### 4. KEY SOURCES OF ESTIMATION UNCERTAINTY

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

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

### 3. 主要會計政策(續)

#### 外幣(續)

結算貨幣項目及重新換算貨幣項目所產生之匯兌差額會於產生期間於損益內確認，惟以下情況除外：境外經營的貨幣性項目(屬構成本公司境外經營淨投資的一部分)產生的匯兌差額，會在其他全面收益中確認及在權益中累積，並在處置境外經營時由權益重分類至損益。

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報告期末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)乃於其他全面收益及累計權益內確認(匯兌儲備)。

### 4. 估計不確定因素之主要來源

於應用本集團之會計政策(載列於附註3)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。



#### 4. KEY SOURCES OF ESTIMATION UNCERTAINTY (CONTINUED)

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

##### Fair values of derivative financial instruments

Derivative financial instruments, such as interest rate swaps and foreign currency forward contracts are carried in the consolidated statement of financial position at fair values, as disclosed in note 25. 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 applied the valuation techniques commonly used by market practitioners. 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.

##### Recognition of deferred tax

As at 31 March 2011, no deferred tax liabilities have been recognised on the distributable profits of the group companies in the PRC as the Group plans to retain those profits in the respective entities for their daily operations and future developments. In case there is distribution of profits, additional tax liabilities will arise, which will be recognised in the profit or loss for the period in which such profits are declared or the future development plan of the Group amends, whichever is earlier.

#### 4. 估計不確定因素之主要來源 (續)

下文是有關未來期間的主要假設以及報告期末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。

##### 衍生財務工具公平值

衍生財務工具(如利率掉期及外幣遠期合約)乃按公平值計入綜合財務狀況表，誠如附註25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，本集團將採用市場從業者慣常用之評估技術。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。

##### 遞延稅項確認

於二零一一年三月三十一日，由於本集團計劃保留相關公司的盈利以供日常經營及將來發展，概無遞延稅項負債於本集團於中國之公司可供分配盈利中確認。倘有盈利分配，則當公布該等盈利或本集團之未來發展計劃修訂時(以較早者為準)，於損益中確認的稅項負債將會增加。





## 5. REVENUE AND SEGMENT INFORMATION

Information reported to the board of directors (the “Board”) of the Company, being the chief operating decision maker, for the purposes of resource allocation and assessment of segment performance focuses on types of goods delivered. The Group’s reportable segments under “HKFRS 8 — Operating Segments” are as follows:

- (i) Packaging paper — Kraft linerboard, test linerboard, white top linerboard and high strength corrugating medium; and
- (ii) Pulp

## 5. 收入及分部資料

向本公司董事會(「董事會」, 即主要經營決策者)作為資源分配及評估分部表現而呈報之資料, 集中於所交付貨物之類別。本集團於「香港財務報告準則第8號—經營分類」項下之可報告分部載列如下:

- (i) 包裝紙—牛咭紙、掛面牛咭紙、白面牛咭紙及高強瓦楞芯紙; 及
- (ii) 木漿



5. REVENUE AND SEGMENT INFORMATION  
(CONTINUED)

Segment revenues and results

The following is an analysis of the Group's revenue and results by reportable segment:

For the year ended 31 March 2011

5. 收入及分部資料(續)

分部收入及業績

以下為按可報告分部劃分之本集團收入及業績分析：

截至二零一一年三月三十一日止年度

		Packaging paper 包裝紙 HK\$'000 千港元	Pulp 木漿 HK\$'000 千港元	Segment total 分部總額 HK\$'000 千港元	Eliminations 對銷 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	13,341,879	692,406	14,034,285	—	14,034,285
Inter-segment sales	分部之間銷售	—	100,589	100,589	(100,589)	—
		13,341,879	792,995	14,134,874	(100,589)	14,034,285
<b>SEGMENT PROFIT</b>	<b>分部盈利</b>	2,056,733	82,508	2,139,241	—	2,139,241
Net gain from fair value changes of derivative financial instruments	因衍生財務工具 公平值變動產生 之淨收益					3,138
Unallocated corporate income	未分類之公司收入					54,183
Unallocated corporate expenses	未分類之公司支出					(5,111)
Finance costs	財務成本					(207,325)
Profit before tax	除稅前盈利					1,984,126



## 5. REVENUE AND SEGMENT INFORMATION (CONTINUED)

### Segment revenues and results (Continued)

For the year ended 31 March 2010

		Packaging paper 包裝紙 HK\$'000 千港元	Pulp 木漿 HK\$'000 千港元	Segment total 分部總額 HK\$'000 千港元	Eliminations 對銷 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	10,666,243	433,020	11,099,263	—	11,099,263
Inter-segment sales	分部之間銷售	—	238,077	238,077	(238,077)	—
		10,666,243	671,097	11,337,340	(238,077)	11,099,263
<b>SEGMENT PROFIT</b>	<b>分部盈利</b>	2,239,629	30,241	2,269,870	—	2,269,870
Net loss from fair value changes of derivative financial instruments	因衍生財務工具 公平值變動產生 之淨虧損					(27,293)
Unallocated corporate income	未分類之公司收入					13,217
Unallocated corporate expenses	未分類之公司支出					(5,977)
Finance costs	財務成本					(179,619)
Profit before tax	除稅前盈利					2,070,198

The accounting policies of the reportable segments are the same as the Group's accounting policies described in note 3. Segment profit represents the profit earned by each segment without allocation of net gain (loss) from fair value changes of derivative financial instruments, interest income, net exchange gain (loss), gain on disposal of interest in an associate, finance costs and other unallocated corporate income and expenses. This is the measure reported to the board of directors for the purpose of resource allocation and performance assessment.

Inter-segment sales are charged at prevailing market rates.

## 5. 收入及分部資料(續)

### 分部收入及業績(續)

截至二零一零年三月三十一日止年度

可報告分部之會計政策與附註3所述之本集團會計政策一致。分部盈利指各分部所賺取盈利，而並無分配來自衍生財務工具公平值變動產生之淨收益(虧損)、利息收入、匯兌淨收益(虧損)、出售聯營公司權益之收益、財務成本及其他未分配公司收入及開支。此乃向董事會作為資源分配及表現評估而呈報之計量方法。

分部之間銷售乃按現行市場價格計算。



## 5. REVENUE AND SEGMENT INFORMATION (CONTINUED)

### Segment assets and liabilities

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

2011

		Packaging paper 包裝紙 HK\$'000 千港元	Pulp 木漿 HK\$'000 千港元	Consolidated 綜合 HK\$'000 千港元
Segment assets	分部資產	20,225,308	1,274,007	21,499,315
Unallocated corporate assets	未分類之公司資產			1,575,150
Consolidated total assets	綜合總資產			23,074,465
Segment liabilities	分部負債	1,795,889	29,351	1,825,240
Unallocated corporate liabilities	未分類之公司負債			8,949,412
Consolidated total liabilities	綜合總負債			10,774,652

2010

		Packaging paper 包裝紙 HK\$'000 千港元	Pulp 木漿 HK\$'000 千港元	Consolidated 綜合 HK\$'000 千港元
Segment assets	分部資產	17,492,035	955,949	18,447,984
Unallocated corporate assets	未分類之公司資產			1,262,488
Consolidated total assets	綜合總資產			19,710,472
Segment liabilities	分類負債	1,053,603	40,688	1,094,291
Unallocated corporate liabilities	未分類之公司負債			8,465,335
Consolidated total liabilities	綜合總負債			9,559,626

## 5. 收入及分部資料(續)

### 分部資產及負債

以下為按可報告分部劃分之本集團資產及負債分析：

二零一一年

二零一零年



## 5. REVENUE AND SEGMENT INFORMATION (CONTINUED)

### Segment assets and liabilities (Continued)

For the purposes of monitoring segment performance and allocating resources among segments, all assets are allocated to reportable segments other than retirement benefit assets, amounts due from an associate, amounts due from related companies, derivative financial instruments, tax recoverable, restricted bank deposits, bank balances and cash and other assets used jointly by reportable segments, and all liabilities are allocated to reportable segments other than derivative financial instruments, tax payable, bank borrowings and deferred tax liabilities and other liabilities for which reportable segments are jointly liable.

### Revenue from major products

The following is an analysis of the Group's revenue from its major products:

## 5. 收入及分部資料(續)

### 分部資產及負債(續)

為監察分部表現及於分部間分配資源，所有資產均分配予可報告分部（退休福利資產、應收聯營公司款項、應收有關連公司款項、衍生財務工具、可收回稅項、有限制銀行存款、銀行結餘及現金以及由可報告分部共同所用之其他資產除外）以及所有負債均分配予可報告分部（衍生財務工具、應付稅項、銀行借貸、遞延稅項負債及可報告分部共同應付之其他負債除外）。

### 來自主要產品的收入

以下為本集團來自主要產品的收入分析：

	2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Packaging paper (including linerboard and corrugating medium)	13,341,879	10,666,243
Pulp	692,406	433,020
	<b>14,034,285</b>	<b>11,099,263</b>



## 5. REVENUE AND SEGMENT INFORMATION (CONTINUED)

### Geographical information

Over 95% (2010: 95%) of the Group's revenue from external customers are in the PRC.

The following is an analysis of the non-current assets, analysed by the geographical location of the assets are detailed below:

## 5. 收入及分部資料(續)

### 地域資料

本集團外來客戶之收入超過95%(二零一零年: 95%)來自中國。

按資產所在地區分析的非流動資產詳情如下:

		Non-current assets 非流動資產	
		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
PRC other than Hong Kong	中國, 香港除外	14,238,759	12,280,005
Vietnam	越南	407,776	737,984
Hong Kong	香港	42,598	3,152
		<b>14,689,133</b>	13,021,141

note: Non-current assets exclude retirement benefit assets.

附註: 非流動資產不包括退休福利資產。

### Information about major customers

None of the Group's customers contributed over 10% of the Group's total revenue for either year.

### 有關主要客戶之資料

本年度及上年度並無本集團客戶佔本集團總收入超過10%。



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
綜合財務報表附註(續)

For the year ended 31 March 2011 截至二零一一年三月三十一日止年度

6. OTHER INCOME

6. 其他收入

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Compensation income from suppliers for damaged goods	供應商就損毀貨品所作之賠償	13,084	1,620
Gain on disposal of interest in an associate	出售聯營公司權益收益	21,731	—
Income from supply of steam and electricity	供應蒸氣及電力收入	84,261	77,855
Income from wharf cargo handling	經營碼頭貨物收入	42,049	53,968
Interest income from an associate	關連公司利息收入	6,691	11,051
Interest income from banks	銀行利息收入	5,810	2,166
Net foreign exchange gains	淨滙兌得益	19,951	—
Sales of scrap materials and waste paper	廢料及廢紙銷售	12,986	16,432
Value added tax and other tax refund (note)	增值稅退款(附註)	93,068	40,322
Others	其他	36,252	24,631
		<b>335,883</b>	<b>228,045</b>

note: A subsidiary of the Company is involved in the production of paper products which uses recovered paper that are environmental friendly. Pursuant to the relevant rules and regulations of the PRC governing value added tax ("VAT"), the subsidiary was entitled to a VAT refund totalling HK\$70,660,000 (2010: HK\$40,322,000) for the year ended 31 March 2011. Such VAT refund policy ceased from 1 January 2011 onward.

附註：本公司一家附屬公司參與紙類產品的生產並使用環保的廢紙。根據中國管轄增值稅(「增值稅」)的有關規則及法規，該附屬公司有權於截至二零一一年三月三十一日止年度獲得共70,660,000港元(二零一零年：40,322,000港元)之增值稅退稅。該增值稅退稅政策於二零一一年一月一日起終止。



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
綜合財務報表附註(續)

For the year ended 31 March 2011 截至二零一一年三月三十一日止年度

7. FINANCE COSTS

7. 財務成本

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 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	294,136	239,286
Interest on notes payable	應付票據之利息	—	12,042
Total borrowing costs	總借貸成本	294,136	251,328
Less: amounts capitalised in property, plant and equipment	減去：物業、廠房及設備之資本化金額	(86,811)	(71,709)
		<b>207,325</b>	<b>179,619</b>

Borrowing costs capitalised during the year are calculated by applying a capitalisation rate of 5% (2010: 5%) to expenditures on qualifying assets. The capitalisation rate takes into account interest rate swap used to hedge the cash flow exposure on variability in cash flows.

年內資本化之借貸成本以合資格資產開支之資本化利率5% (二零一零年: 5%) 計算。資本化利率計及用作對沖可變性現金流量之現金流量風險之利率掉期。

8. INCOME TAX EXPENSE

8. 利得稅開支

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Income tax recognised in profit or loss:	於損益內確認之利得稅：		
Current tax	現有稅項		
– PRC Enterprise Income Tax	– 中國企業所得稅	95,268	75,085
– Overseas income tax	– 海外所得稅	55	47
Overprovision in previous year	去年超額撥備		
– PRC Enterprise Income Tax	– 中國企業所得稅	—	(199)
Deferred tax (note 26)	遞延稅項(附註26)		
– Charge to profit or loss	– 於損益賬扣除	69,850	161,960
– Change in tax rate of certain subsidiaries	– 若干附屬公司稅率變動	(29,026)	—
Total income tax recognised in profit or loss	於損益確認之總利得稅	<b>136,147</b>	<b>236,893</b>





## 8. INCOME TAX EXPENSE (CONTINUED)

### PRC

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

All the Group's PRC subsidiaries were within the tax exemption period during both years ended 31 March 2011 and 31 March 2010, except the following:

The tax exemption period of a subsidiary, Chongqing Lee & Man Paper Manufacturing Limited expired on 31 December 2009 and its applicable preferential tax rate is 12.5% for the period from 1 January 2010 to 31 December 2012.

The tax exemption period of a subsidiary, Guangdong Lee & Man Paper Manufacturing Limited ("Guangdong Lee & Man") expired on 31 December 2008 and its applicable preferential tax rate is 12.5% for the period from 1 January 2009 to 31 December 2011. Besides, pursuant to approvals from the PRC tax authority, Guangdong Lee & Man was exempted from EIT for income that resulted from its purchase of plant and equipment manufactured in the PRC for both years ended 31 March 2011 and 31 March 2010. The tax exemption is calculated with reference to 40% of the cost of the qualifying plant and equipment approved by the relevant tax authority. Accordingly, Guangdong Lee & Man does not have any EIT tax payable for year ended 31 March 2010 as a result of such tax exemption.

## 8. 利得稅開支(續)

### 中國

位於中國的附屬公司於各自首三個獲利年度起，免繳中國企業所得稅(「企業所得稅」)兩年，其後三年半免(「稅務優惠」)。

截至二零一一年三月三十一日及二零一零年三月三十一日止兩個年度內，本集團的中國附屬公司均全部處於稅務豁免期，除下列例外：

附屬公司重慶理文造紙有限公司之稅項豁免期已於二零零九年十二月三十一日屆滿，而其由二零一零年一月一日至二零一二年十二月三十一日期間之適用優惠稅率為12.5%。

附屬公司廣東理文造紙有限公司(「廣東理文」)之稅項豁免期已於二零零八年十二月三十一日屆滿，而其由二零零九年一月一日至二零一一年十二月三十一日期間之適用優惠稅率為12.5%。此外，根據中國稅務機關之批准，廣東理文因購置中國所製造機器及設備，故獲豁免繳納截至二零一一年三月三十一日及二零一零年三月三十一日止兩個年度之企業利得稅。稅項豁免以認可廠房及設備成本40%參考計算，已獲有關稅務機關批准。因此，由於該稅項豁免，廣東理文於截至二零一零年三月三十一日止年度並無任何應付企業所得稅稅項。



## 8. INCOME TAX EXPENSE (CONTINUED)

### PRC (Continued)

The tax exemption period of a subsidiary, Jiangsu Lee & Man Paper Manufacturing Company Limited (“Jiangsu Lee & Man”) expired on 31 December 2006 and it is subject to a reduced tax rate of 10%, 22% and 24% for the calendar years of 2009, 2010 and 2011, respectively.

On 14 December 2009, Dongguan Lee & Man Paper Factory Co Ltd (“Dongguan Lee & Man”) was named as one of the 2009 Guangdong Province New and High Technical Enterprise (廣東省高新技術企業). According to the PRC Law on Enterprise Income Tax promulgated on 16 March 2007, Dongguan Lee & Man is entitled to a concessionary rate of income tax at 15% over 3 years, beginning on 1 January 2009.

On 28 December 2010, Guangdong Lee & Man was named as one of the 2010 Guangdong Province New and High Technical Enterprise (廣東省高新技術企業). According to the PRC Law on Enterprise Income Tax promulgated on 16 March 2007, Guangdong Lee & Man is entitled to a concessionary rate of income tax at 15% over 3 years, beginning on 1 January 2010.

## 8. 利得稅開支(續)

### 中國(續)

附屬公司江蘇理文造紙有限公司(「江蘇理文」)之稅項豁免期已於二零零六年十二月三十一日屆滿，而其於二零零九年、二零一零年及二零一一年曆年須分別按已減免稅率10%、22%及24%繳稅。

於二零零九年十二月十四日，東莞理文造紙廠有限公司(「東莞理文」)獲得二零零九年廣東省高新技術企業稱號。根據於二零零七年三月十六日頒布之中國企業所得稅法，東莞理文由二零零九年一月一日起可享有三年優惠利得稅率15%。

於二零一零年十二月二十八日，廣東理文獲得二零一零年廣東省高新技術企業稱號。根據於二零零七年三月十六日頒布之中國企業所得稅法，廣東理文由二零一零年一月一日起可享有三年優惠利得稅率15%。



## 8. INCOME TAX EXPENSE (CONTINUED)

### PRC (Continued)

Under the Law of the People's Republic of China on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25% from 1 January 2008 onwards. The EIT Law and Implementation Regulations increase the tax rate for the Group's PRC subsidiaries to 25% with effect from the expiry of the Tax Holiday and in the case of Jiangsu Lee & Man is on a progressive basis over a period of five years.

### Malaysia

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.

### Macau

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.

### Vietnam

The Vietnam subsidiaries are subjected to Vietnam Corporate Income Tax at a maximum rate of 25%. No provision for Vietnam Corporate Income Tax has been made for the year as the Vietnam subsidiaries incurred losses for the year.

## 8. 利得稅開支(續)

### 中國(續)

根據中華人民共和國之企業所得稅法(「企業所得稅法」)及企業所得稅執行規例，由二零零八年一月一日起，中國附屬公司的稅率為25%。於稅務優惠期屆滿後開始，企業所得稅法及執行規例將本集團中國附屬公司之稅率增至25%，而江蘇理文之稅率將以五年逐步遞增。

### 馬來西亞

馬來西亞附屬公司與集團內其他非馬來西亞公司於拉布安進行離岸貿易業務。所以，該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

澳門附屬公司根據第58/99/M號法令註冊成立，均獲豁免繳納澳門補充稅(澳門所得稅)，前提為其須遵守相關法規且不得向澳門本土公司出售產品。

### 越南

越南附屬公司須按不多於25%稅率繳納越南企業所得稅。由於越南附屬公司於本年度錄得虧損，故並無計提越南企業所得稅撥備。



## 8. INCOME TAX EXPENSE (CONTINUED)

### Hong Kong

During the year ended 31 March 2010, the Hong Kong Inland Revenue Department ("IRD") commenced a field audit on the Hong Kong tax affairs of certain subsidiaries of the Company. In March 2010, the IRD issued protective profits tax assessments of HK\$52,325,000 relating to the year of assessment 2003/2004, that is, for the financial year ended 31 March 2004, against certain subsidiaries of the Company.

In March 2011, the IRD issued further protective profits tax assessments of HK\$78,050,000 relating to the year of assessment 2004/2005, that is, for the financial year ended 31 March 2005, against certain subsidiaries of the Company.

Subsequently, the IRD agreed to hold over the tax claimed for the years of assessment 2003/2004 and 2004/2005 completely after the Group purchased tax reserve certificates of HK\$39,670,000.

The directors believe that no provision for Hong Kong Profits Tax in respect of the above mentioned protective assessments is necessary. In addition, as far as the directors are aware, the inquiries from the IRD are still at a fact-finding stage and the IRD has not yet expressed any formal opinion on the potential tax liability, if any, because the tax investigation has not completed.

### Other

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

## 8. 利得稅開支(續)

### 香港

於截至二零一零年三月三十一日止年度，香港稅務局(「稅務局」)展開關於本公司若干附屬公司香港稅務事宜的實地審計。於二零一零年三月，稅務局就二零零三／二零零四課稅年度，即截至二零零四年三月三十一日止財政年度，向本公司若干附屬公司發出保障性利得稅評稅52,325,000港元。

於二零一一年三月，稅務局進一步就二零零四／二零零五課稅年度，即截至二零零五年三月三十一日止財政年度，向本公司若干附屬公司發出保障性利得稅評稅78,050,000港元。

其後，稅務局同意於本集團購買價值39,670,000港元之儲稅券後，讓本集團於二零零三／二零零四及二零零四／二零零五課稅年度全數緩繳有關稅項。

董事相信，毋須就上述保障性評稅為香港利得稅作出撥備。此外，據董事現時所知，稅務局仍在實證搜集階段，因為稅務調查仍未完成，所以稅務局並未就潛在稅務負債(如有)發表任何正式意見。

### 其他

本集團之盈利須於其盈利賺取的營運地方繳納稅項。其他管轄地區的稅項則按個別管轄地區適用之稅率計算。



## 8. INCOME TAX EXPENSE (CONTINUED)

### Other (Continued)

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

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Profit before tax	除稅前盈利	1,984,126	2,070,198
Tax at the applicable tax rate of 24% (2010: 22%) (note i)	按適用稅率24% (二零一零年: 22%) 計算的稅項 (附註i)	476,190	455,444
Tax effect of expenses not deductible for tax purpose	不可扣稅的支出的稅務影響	11,182	25,673
Tax effect of income not taxable for tax purpose	無須課稅的收入的稅務影響	(31,838)	(14,427)
Tax effect of tax losses not recognised	未確認稅務虧損的稅務影響	54,337	59,062
Utilisation of tax loss previously not recognised	動用先前未確認稅項虧損	—	(9,085)
Effect of tax exemption granted to Macau and Malaysia subsidiaries	澳門及馬來西亞附屬公司獲豁免繳稅的影響	(127,792)	(120,461)
Effect of tax exemption granted to other subsidiaries	其他附屬公司獲豁免繳稅的影響	(166,571)	(72,437)
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	(1,671)	95
Other tax exemptions (note ii)	其他稅務豁免 (附註ii)	(48,664)	(86,772)
Change in tax rate of certain subsidiaries	若干附屬公司稅率變動	(29,026)	—
Overprovision in previous year	去年過度撥備	—	(199)
Tax charge for the year	年度稅務開支	136,147	236,893

notes:

- (i) The domestic income tax rate in the jurisdiction where a substantial portion of the Group's operation is based is used.
- (ii) Tax exemptions is calculated with reference to 40% of the cost of the purchase of qualified plant and equipment manufactured in the PRC by certain subsidiaries of the Company.

附註:

- (i) 已採用本集團絕大部份業務所在之司法權區之當地所得稅率。
- (ii) 稅務豁免乃按本公司若干附屬公司購置中國製造之合資格廠房及設備之成本的40%計算。



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9. PROFIT FOR THE YEAR

9. 年度盈利

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Profit for the year has been arrived at after charging:	年度盈利經扣除：		
Directors' emoluments	董事酬金	38,190	64,365
Staff salaries and other benefits, excluding those of directors	員工薪金及其他福利，不包括董事	418,265	351,284
Share-based payments, excluding those of directors	以股權支付款項，不包括董事	—	307
Contributions to retirement benefit schemes, excluding those of directors	退休福利計劃供款，不包括董事	30,591	18,875
<b>Total employee benefit expense</b>	<b>員工福利開支總額</b>	<b>487,046</b>	434,831
Amortisation of prepaid lease payments	預付租賃款項攤銷	8,485	12,862
Auditor's remuneration	核數師酬金	4,294	4,676
Cost of inventories recognised as expense	存貨成本確認為支出	11,452,435	8,312,782
Depreciation of property, plant and equipment	物業、廠房及設備折舊	544,096	484,252
Loss on disposal of property, plant and equipment	出售物業、廠房及設備產生之虧損	1,169	5,621
Net foreign exchange loss	淨外匯兌換虧損	—	676
Operating lease rentals in respect of land and buildings	土地及樓宇的經營租賃租金	4,437	3,115



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10. DIRECTORS' EMOLUMENTS

The emoluments paid or payable to each of the nine (2010: eight) directors were as follows:

10. 董事酬金

需要支付或應付給九位董事(二零一零年: 八位)的酬金如下:

		Other emoluments 其他酬金				
		Salaries and other benefits	Contributions to retirement benefit schemes	Share-based payments	Total	
		Fees 袍金	薪金及 其他福利	退休福利 計劃供款	股權支付款項	合計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
<b>Year ended 31 March 2011</b>	<b>二零一一年三月三十一日 止年度</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	—	3,360	12	19,228	22,600
Lee Man Bun	李文斌	—	2,160	12	12,818	14,990
Kunihiko Kashima (note i)	鹿島久仁彥(附註i)	—	—	—	—	—
<i>Non-executive directors</i>	<i>非執行董事</i>					
Poon Chung Kwong	潘宗光	—	—	—	—	—
Yoshio Haga (note i)	芳賀義雄(附註i)	—	—	—	—	—
<i>Independent non-executive directors</i>	<i>獨立非執行董事</i>					
Wong Kai Tung Tony	王啟東	200	—	—	—	200
Peter A Davies	Peter A Davies	200	—	—	—	200
Chau Shing Yim David	周承炎	200	—	—	—	200
		<b>600</b>	<b>5,520</b>	<b>24</b>	<b>32,046</b>	<b>38,190</b>
<b>Year ended 31 March 2010</b>	<b>二零一零年三月三十一日 止年度</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	—	3,360	12	34,033	37,405
Lee Man Bun	李文斌	—	2,160	12	22,677	24,849
Li King Wai Ross (note ii)	李經緯(附註ii)	—	1,350	9	—	1,359
<i>Non-executive director</i>	<i>非執行董事</i>					
Poon Chung Kwong	潘宗光	—	—	—	205	205
<i>Independent non-executive directors</i>	<i>獨立非執行董事</i>					
Wong Kai Tung Tony	王啟東	147	—	—	—	147
Peter A Davies	Peter A Davies	200	—	—	—	200
Chau Shing Yim David	周承炎	200	—	—	—	200
		<b>547</b>	<b>6,870</b>	<b>33</b>	<b>56,915</b>	<b>64,365</b>



## 10. DIRECTORS' EMOLUMENTS (CONTINUED)

For the two years ended 31 March 2011, 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 Kunihiro Kashima and Mr Yoshio Haga were appointed on 30 June 2010.
- (ii) Mr Li King Wai Ross resigned on 22 January 2010.

## 11. EMPLOYEES' EMOLUMENTS

Of the five individuals with the highest emoluments in the Group, two (2010: three) were directors of the Company whose emoluments are disclosed in note 10 above. The emoluments of the remaining three (2010: two) individuals were as follows:

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Salaries and other benefits	薪金及其他福利	6,002	3,202
Contributions to retirement benefit schemes	退休福利計劃供款	36	24
		<b>6,038</b>	3,226

The emoluments were within the following bands:

HK\$1,000,001 to HK\$1,500,000	1,000,001港元– 1,500,000港元	1	1
HK\$1,500,001 to HK\$2,000,000	1,500,001港元– 2,000,000港元	1	1
HK\$2,000,001 to HK\$2,500,000	2,000,001港元– 2,500,000港元	—	—
HK\$2,500,001 to HK\$3,000,000	2,500,001港元– 3,000,000港元	1	—
		<b>3</b>	2

## 10. 董事酬金(續)

截至二零一一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) 鹿島久仁彥先生及芳賀義雄先生於二零一零年六月三十日獲委任。
- (ii) 李經緯先生已於二零一零年一月二十二日辭任。

## 11. 僱員酬金

本集團最高酬金之五位人士，其中兩位(二零一零年：三位)為本公司董事而其酬金已於上述附註10披露。其餘三位人士(二零一零年：兩位)之酬金如下：

董事的酬金介乎下列組別：





## 12. DIVIDENDS

## 12. 股息

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Dividends recognised as distribution:	認可之股息分配如下：		
2010 final dividend of HK\$0.08 (2009: 2009 final dividend of Nil) per share	二零一零年末期股息每股 0.08港元(二零零九年： 二零零九年無派發末期股息)	364,115	—
2011 interim dividend of HK\$0.06 (2010: 2010 interim dividend of HK\$0.22) per share	二零一一年派發中期股息 每股0.06港元(二零一零年： 二零一零年中期股息 每股0.22港元)	281,378	250,224
		<b>645,493</b>	250,224

A final dividend of HK\$0.08 per share in respect of the year ended 31 March 2011 (2010: final dividend of HK\$0.08 in respect of the year ended 31 March 2010) has been proposed by the directors and is subject to approval by the shareholders at the forthcoming annual general meeting.

If the 2010 interim dividend were adjusted for the effect of the share-subdivision as set out in note 28, it would have been HK\$0.055 per share.

董事建議派發截至二零一一年三月三十一日止年度之末期股息每股0.08港元(二零一零年:截至二零一零年三月三十一日止年度末期股息每股0.08港元)，惟須待股東在應屆股東大會批准。

倘須調整股息以反映附註28所載股份分拆的影響，則二零一零年中期股息為每股0.055港元。



### 13. EARNINGS PER SHARE

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

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Earnings for the purpose of basic and diluted earnings per share	用以計算每股基本盈利的盈利	1,847,979	1,833,305

		2011 二零一一年 Number of shares 股份數目	2010 二零一零年 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	4,605,481,669	4,549,682,963
Effect of dilutive potential ordinary shares: Share options	普通股潛在攤薄影響： 購股權	103,335,070	99,136,844
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	4,708,816,739	4,648,819,807

The weighted average number of ordinary shares of both years for the purposes of basic and diluted earnings per share has been adjusted to reflect the effect of share subdivision as set out in note 28.

### 13. 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：

根據附註28所載，計算每股基本及攤薄盈利之普通股加權平均數已獲調整，以反映股份分拆的影響。



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14. PROPERTY, PLANT AND EQUIPMENT

14. 物業、廠房及設備

		Buildings	Computer system	Furniture, fixtures and equipment	Leasehold improvements	Motor vehicles	Plant and machinery	Construction in progress	Total
		樓宇	電腦系統	傢俬、固定裝置及設備	租賃物業裝修	汽車	廠房及機器	在建工程	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
<b>COST</b>	<b>成本</b>								
At 1 April 2009	二零零九年四月一日	2,324,142	21,978	151,891	384,712	43,076	8,960,403	1,584,463	13,470,665
Exchange realignment	匯兌重新組合	—	—	(5)	—	(14)	(172)	(31,584)	(31,775)
Additions	添置	115,485	1,094	4,408	3,662	2,969	69,900	503,287	700,805
Transfers	轉讓	233,492	—	176,149	17,577	747	688,778	(1,116,743)	—
Disposals/written off	出售/撇賬	(396)	—	(45)	—	(589)	(7,575)	—	(8,605)
At 31 March 2010	二零一零年三月三十一日	2,672,723	23,072	332,398	405,951	46,189	9,711,334	939,423	14,131,090
Exchange realignment	匯兌重新組合	106,372	—	11,182	17,303	1,705	395,631	15,903	548,096
Additions	添置	70,805	1,232	7,450	16,864	3,285	38,906	1,505,483	1,644,025
Transfers	轉讓	30,759	—	422	1,145	—	93,770	(126,096)	—
Disposals/written off	出售/撇賬	—	—	(1,404)	(564)	(73)	(11,754)	—	(13,795)
At 31 March 2011	二零一一年三月三十一日	2,880,659	24,304	350,048	440,699	51,106	10,227,887	2,334,713	16,309,416
<b>DEPRECIATION</b>	<b>折舊</b>								
At 1 April 2009	二零零九年四月一日	279,650	5,223	42,083	56,403	25,353	839,083	—	1,247,795
Exchange realignment	匯兌重新組合	—	—	—	—	—	(10)	—	(10)
Provided for the year	年內撥備	113,236	2,279	32,042	19,919	5,026	311,750	—	484,252
Eliminated on disposals	出售時對銷	—	—	(31)	—	(113)	(2,249)	—	(2,393)
At 31 March 2010	二零一零年三月三十一日	392,886	7,502	74,094	76,322	30,266	1,148,574	—	1,729,644
Exchange realignment	匯兌重新組合	19,515	—	4,292	3,608	976	54,942	—	83,333
Provided for the year	年內撥備	124,385	2,430	56,653	21,309	4,819	334,500	—	544,096
Eliminated on disposals	出售時對銷	—	—	(290)	—	(44)	(428)	—	(762)
At 31 March 2011	二零一一年三月三十一日	536,786	9,932	134,749	101,239	36,017	1,537,588	—	2,356,311
<b>CARRYING VALUE</b>	<b>賬面值</b>								
At 31 March 2011	二零一一年三月三十一日	2,343,873	14,372	215,299	339,460	15,089	8,690,299	2,334,713	13,953,105
At 31 March 2010	二零一零年三月三十一日	2,279,837	15,570	258,304	329,629	15,923	8,562,760	939,423	12,401,446



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

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

Buildings	5%
Computer system	10%
Furniture, fixtures and equipment	20%
Leasehold improvements	5% – 15%
Motor vehicles	20%
Plant and machinery	3 $\frac{1}{3}$ % – 20%

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

#### 14. 物業、廠房及設備(續)

除在建工程外，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	5% – 15%
汽車	20%
廠房及機器	3 $\frac{1}{3}$ % – 20%

本集團之土地及建築物賬面值包括：

	2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
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	2,343,873	2,279,837

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 2011, the carrying value of such buildings amounted to HK\$993,057,000 (2010: HK\$1,185,580,000). In the opinion of directors, the absence of formal title to these buildings does not impair the value of the relevant buildings to the Group as the Group has paid substantially the full purchase consideration of these land rights and the probability of being evicted on the ground of an absence of formal title is remote. 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。於二零一一年三月三十一日，該等樓宇之賬面值為993,057,000港元(二零一零年：1,185,580,000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，因為本集團已支付大部份購買該土地權之代價及以欠缺正式擁有權的理由而收回土地的機會是微乎其微。董事亦相信在不久將來集團會獲授予該等樓宇之正式擁有權。



## 15. PREPAID LEASE PAYMENTS

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

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
PRC	中國	435,302	344,007
Vietnam	越南	45,692	37,489
		<b>480,994</b>	<b>381,496</b>

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 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	471,121	373,826
Current asset	流動資產	9,873	7,670
		<b>480,994</b>	<b>381,496</b>

As at 31 March 2011, the carrying value of land use rights in respect of which the Group had not been granted formal title of ownership amounted to HK\$62,411,000 (2010: HK\$46,088,000). 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 as the Group has paid substantially the full purchase consideration of these land rights and the probability of being evicted on the ground of an absence of formal title is remote. The directors also believe that formal title to these land use rights will be granted to the Group in due course.

## 15. 預付租賃款項

本集團預付租賃款項包括中期租約下之土地租賃位於：

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
PRC	中國	435,302	344,007
Vietnam	越南	45,692	37,489
		<b>480,994</b>	<b>381,496</b>

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 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	471,121	373,826
Current asset	流動資產	9,873	7,670
		<b>480,994</b>	<b>381,496</b>

二零一一年三月三十一日，集團並未授予正式擁有權之土地使用權之賬面值為62,411,000港元(二零一零年：46,088,000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，因為本集團已支付大部份購買該土地權之代價及以欠缺正式擁有權的理由而收回土地的機會是微乎其微。董事亦相信在不久將來集團會獲授予該等土地使用權正式擁有權。



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## 16. 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 33.

## 16. 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33披露。

## 17. INTEREST IN AN ASSOCIATE

## 17. 於聯營公司之權益

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Cost of unlisted investment	非上市投資成本	—	1
Share of post-acquisition results and other comprehensive income	應佔收購後業績及其他全面收益	—	(1)
		—	—

Details of the Group's associate at 31 March 2011 and 31 March 2010 are as follows:

於二零一一年三月三十一日及二零一零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 entity structure 業務架構形式	Place of incorporation and operations 成立及營運地點	Issued and fully paid share capital 已發行及繳足股本	Effective interest in the issued share capital held indirectly 間接持有已發行股本實際權益		Principal Activity 主要活動
				2011 二零一一年	2010 二零一零年	
Fortune Sight Group Limited ("FSG")	Incorporated	British Virgin Islands	Ordinary shares – US\$1,000	0%	19%	Investment holding in a PRC subsidiary engaging in the business of forestry resources
富望集團有限公司 ("FSG")	成立	英屬處女群島	普通股 – 1,000美元			中國附屬公司的投資控股公司，主要從事林木資源業務

note: The Group was able to exercise significant influence over FSG because it had the power to appoint one out of the three directors of that company. On 7 June 2010, the Group entered into agreements with Resource Management Service, LLC ("RMS"), an independent third party, to dispose of the Group's entire investment in, and the amounts due from, FSG amounted to HK\$400,112,000 to RMS, at a consideration of approximately HK\$421,843,000. The disposal was completed on 29 October 2010 and a gain on disposal of approximately HK\$21,731,000 was recognised for the year.

註：本集團在FSG有相當影響力，因為本集團有權委任該公司三位董事中的一位董事。於二零一零年六月七日，本集團與私人木材投資公司Resource Management Service, LLC ("RMS")簽訂協議，以約421,843,000港元代價出售本公司於FSG之全部投資及FSG所欠款項400,112,000港元予RMS。出售交易於二零一零年十月二十九日完成，出售收益約21,731,000港元已於年內確認。

17. INTEREST IN AN ASSOCIATE (CONTINUED)

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

17. 於聯營公司之權益(續)

FSGL的綜合財務資料總括如下：

		At 29.10.2010 二零一零年 十月二十九日 HK\$'000 千港元	At 31.3.2010 二零一零年 三月三十一日 HK\$'000 千港元
Total assets	資產總值	426,026	409,761
Total liabilities	負債總值	(517,479)	(499,013)
Net liabilities	淨負債	(91,453)	(89,252)
The Group's share of net liabilities of FSGL	本集團應佔FSGL淨負債	—	—
		Period ended 29.10.2010 截至 二零一零年 十月二十九日 期間 HK\$'000 千港元	Year ended 31.3.2010 截至 二零一零年 三月三十一日 年度 HK\$'000 千港元
Revenue	收入	—	—
Loss for the period/year	期/年內虧損	(46,652)	(45,480)
Other comprehensive income	其他全面收益	848	827
The Group's share of loss and other comprehensive income of FSGL for the period/year	期/年內本集團應佔FSGL虧損及其他全面收益	—	—



## 17. INTEREST IN AN ASSOCIATE (CONTINUED)

The Group discontinued recognition of its share or losses in FSGL because its cumulative share of losses in FSGL exceeded its investment cost.

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

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Unrecognised share of losses of FSGL for the year	本年度尚未確認應佔FSGL虧損	(8,864)	(8,641)
Accumulated unrecognised share of losses of FSGL	累計尚未確認應佔FSGL虧損	(27,751)	(18,887)

## 17. 於聯營公司之權益(續)

由於本集團於FSGL的累計應佔虧損超越其投資成本，故本集團已終止確認其應佔FSGL虧損。

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

## 18. INVENTORIES

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Raw materials	原料	2,459,146	1,752,994
Finished goods	製成品	507,592	450,864
		2,966,738	2,203,858

## 18. 存貨





## 19. TRADE AND OTHER RECEIVABLES

## 19. 收貿易及其他賬款

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Trade receivables	應收貿易賬款	1,880,295	1,812,394
Bills receivables	應收票款	1,146,969	511,465
		<b>3,027,264</b>	2,323,859
Prepayments and deposits for purchase of raw materials	購買原料預付款項	534,908	506,524
Other deposits and prepayments	其他訂金及預付款項	152,359	251,288
Deferred consideration receivables for disposal of subsidiaries	應收出售附屬公司遞延代價	—	58,139
VAT receivables	應收增值稅款項	247,816	66,208
Other receivables	其他應收款項	112,701	111,761
		<b>4,075,048</b>	3,317,779

The Group generally allows its customers an average credit period of 45 to 90 days. The following is an aged analysis of trade and bills receivables presented based on the invoice date at the end of the reporting period.

本集團一般給予客戶的平均信貸期為45日至90日。下表為根據報告期末發票日期之應收貿易賬款及票款的賬齡分析。



19. TRADE AND OTHER RECEIVABLES (CONTINUED)

19. 收貿易及其他賬款(續)

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Aged:	賬齡：		
Less than 30 days	少於30日	2,458,746	1,661,081
31 – 60 days	31日– 60日	422,295	379,278
61 – 90 days	61日– 90日	128,562	261,922
91 – 120 days	91日– 120日	13,473	11,192
Over 120 days	120日以上	4,188	10,386
		<b>3,027,264</b>	<b>2,323,859</b>

Before accepting any new customer, the Group assesses 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. The directors considered all trade receivables at the reporting date are of good credit quality with reference to the track records of these customers under internal assessment by the Group.

Included in the Group's trade receivables balances are debtors with an aggregate carrying amount of HK\$17,661,000 (2010: HK\$21,631,000) which were past due at the end of the reporting period but 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.

本集團於接納任何新客戶前，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。在本集團的內部評估下，根據該等客戶的往績紀錄，董事認為在報告日期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17,661,000港元(二零一零年：21,631,000港元)的應收貿易賬款，該等款項於報告期末已告逾期，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。



19. TRADE AND OTHER RECEIVABLES (CONTINUED)

Ageing of trade receivables which were past due but not impaired

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
61 – 90 days	61日 – 90日	—	53
91 – 120 days	91日 – 120日	13,473	11,192
Over 120 days	120日以上	4,188	10,386
		<b>17,661</b>	21,631

No allowance for doubtful receivables has been recognised for both years as the directors considered these trade receivables balances could be recovered based on historical experience.

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

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
HK\$	港元	370,648	305,635
United States dollars ("US\$")	美元(「US\$」)	240,248	157,849
Euro ("EUR")	歐元(「EUR」)	—	1,502
Japanese Yen ("JPY")	日元(「JPY」)	—	169

19. 收貿易及其他賬款(續)

逾期但尚未減值的應收貿易賬款的賬齡

兩個年度並無確認任何應收款項呆賬撥備，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。

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：



## 20. AMOUNTS DUE FROM AN ASSOCIATE

At 31 March 2010, the amounts represented non-trade balances due from FSGL and its subsidiary. The amounts were unsecured, repayable on demand and carried interest at 3.22% (2011: 3.22%) per annum.

## 21. AMOUNTS DUE FROM RELATED COMPANIES

The amounts represent trade balances due from Jiangsu Lee & Man Chemical Limited ("Jiangsu Chemical") and Lee & Man Industrial Manufacturing Limited ("Lee & Man Industrial Manufacturing") which are beneficially owned by Mr Lee Wan Keung Patrick, a director and the ultimate controlling party of the Company and his daughter, respectively.

The amounts are unsecured and interest-free. The Group generally allows related companies an average credit period of 30 days and the amounts for both years were aged less than 30 days. As at the end of the reporting period, the balances were neither impaired nor past due.

## 22. RESTRICTED BANK DEPOSITS AND BANK BALANCES AND CASH

Bank balances 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 of HK\$949,000 (2010: HK\$1,908,000) represent monies secured by the PRC government for certain commercial purposes of which the security period will expire within one year from the end of the reporting period and are therefore classified as current assets.

The restricted bank deposits carried market interest rate of 0.36% (2010: 0.36%) per annum. Bank balances carried market interest rates ranging from 0.01% to 2.20% (2010: 0.34% to 2.20%) per annum.

## 20. 應收聯營公司款項

二零一零年三月三十一日，該款項指應收FSGL及其附屬公司的非貿易結餘。該款項為無抵押、須應要求償還及按年利率3.22厘(二零一一年: 3.22厘)計算。

## 21. 應收有關連公司款項

有關款項是江蘇理文化工有限公司(「江蘇化工」)及Lee & Man Industrial Manufacturing Limited(「理文實業」)的貿易結餘，兩間公司的實益持有人分別為本公司董事及最終控制方李運強先生及其女兒。

款項為無抵押及免息。本集團一般給予關連公司30日信貸期，該款項於兩個年度的賬齡少於30日。於報告期末，結餘概無減值或逾期。

## 22. 有限制銀行存款及銀行結餘及現金

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。

為數949,000港元(二零一零年: 1,908,000港元)之有限制銀行存款指為若干商業目的而支付予中國政府並存放在銀行戶口的款項，而該保障期將自報告期末起計一年內屆滿，故該等款項已分類為流動資產。

有限制銀行存款帶有市場年息率0.36%(二零一零年: 0.36%)。而銀行結餘帶有市場年息率由0.01%至2.20%(二零一零年: 0.34%至2.20%)。



## 22. RESTRICTED BANK DEPOSITS AND BANK BALANCES AND CASH (CONTINUED)

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

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
HK\$	港元	57,461	203,259
US\$	美元	13,009	21,426
Great British Pound ("GBP")	英鎊(「GBP」)	197	15,242
EUR	歐元	284	447
RMB	人民幣	5	59
JPY	日元	—	15

## 22. 有限制銀行存款及銀行結餘及現金(續)

並非以有關集團實體功能貨幣計值的銀行結餘載列如下：

## 23. TRADE AND OTHER PAYABLES

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
<u>Current</u>	<u>流動</u>		
Trade and bills payables	應付貿易賬款及票款	1,825,240	1,094,287
Accruals	應計費用	224,408	224,408
Other payables	其他應付款項	265,656	636,136
		<b>2,315,304</b>	<b>1,954,831</b>

## 23. 應付貿易及其他賬款

The average credit period taken for trade purchases ranges from 30 to 90 days. The following is an aged analysis of the trade and bills payables presented based on the invoice date at the end of the reporting period.

貿易購貨之平均除賬期由30至90日不等。下表為於報告期末發票日期之應付賬款及票款之賬齡分析。



23. TRADE AND OTHER PAYABLES (CONTINUED)

23. 應付貿易及其他賬款(續)

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Aged:	賬齡：		
Less than 30 days	少於30日	862,978	639,232
31 – 60 days	31日 – 60日	390,059	220,105
61 – 90 days	61日 – 90日	554,281	158,494
Over 90 days	90日以上	17,922	76,456
		<b>1,825,240</b>	1,094,287

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

並非以有關集團實體功能貨幣計值的應付貿易及其他賬款如下：

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
US\$	美元	1,533,693	775,449
HK\$	港元	87	36,924
EUR	歐元	1,386	6,858
JPY	日元	410	443



## 24. BANK BORROWINGS

The Group's bank borrowings, all of which are unsecured, comprised of:

## 24. 銀行借貸

本集團之銀行借貸(全部均為無抵押)包括:

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Bank loans	銀行貸款	7,829,054	7,063,065
Bank import loans	銀行進口貸款	159,552	9,634
		<b>7,988,606</b>	7,072,699
The bank borrowings are repayable as follows:			
	銀行借貸的還款期如下:		
Within one year	一年內	2,703,696	2,473,383
More than one year, but not exceeding two years	超過一年但少於兩年	2,058,959	2,866,523
More than two years, but not exceeding five years	超過兩年但少於五年	3,224,665	1,732,793
More than five years	超過五年	1,286	—
		<b>7,988,606</b>	7,072,699
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>(2,703,696)</b>	(2,473,383)
Amount due after one year	一年後到期款項	<b>5,284,910</b>	4,599,316

The Group's bank borrowings include HK\$7,988,606,000 (2010: HK\$7,072,699,000) variable-rate borrowings which carry interest at rates ranging from Hong Kong Interbanks Offered Rate ("HIBOR") plus 0.90% to HIBOR plus 3.50% (2010: ranging from HIBOR plus 0.405% to HIBOR plus 3.00%) per annum.

本集團銀行借貸包括7,988,606,000港元(二零一零年:7,072,699,000港元)浮息借貸,年息由香港銀行同業拆息加0.90%至3.50%不等,(二零一零年:香港銀行同業拆息加0.405%至3.00%不等)。



## 24. BANK BORROWINGS (CONTINUED)

The weighted average effective interest rates on the Group's bank borrowings are as follows:

		2011 二零一一年	2010 二零一零年
Variable-rate borrowings	浮息借貸	2.59%	3.00%

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

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
HK\$	港元	1,820,000	1,880,000
US\$	美元	16,908	276,386
EUR	歐元	7,371	—

## 24. 銀行借貸(續)

本集團銀行借貸之實際利率加權平均數如下：

並非以有關集團實體功能貨幣計值之本集團銀行借貸如下：





## 25. DERIVATIVE FINANCIAL INSTRUMENTS

## 25. 衍生財務工具

		Current 流動		Non-current 非流動	
		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
<u>Derivative financial liabilities</u> – net settlement	<u>衍生財務負債</u> – 淨額交收				
<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)	(46,193)	(95,318)	(9,456)	(21,910)
<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 ii)	利率掉期(附註ii)	—	(21,975)	—	—
Foreign currency forward contracts (note iii)	外幣遠期合約 (附註iii)	(337)	(3,543)	—	—
		(337)	(25,518)	—	—
		(46,530)	(120,836)	(9,456)	(21,910)
<u>Derivative financial assets</u> – net settlement	<u>衍生財務資產</u> – 淨額交收				
<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>				
Foreign currency forward contracts (note iii)	外幣遠期合約 (附註iii)	809	434	—	—

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 volatility of foreign exchange rates as determined by the counterparties.

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流動匯率之適用回報率，按折現現金流量分析為基準計算。



## 25. DERIVATIVE FINANCIAL INSTRUMENTS

(CONTINUED)

notes:

### (i) Interest rate swaps - hedging accounting

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. The interest rate swaps and the corresponding bank borrowings have substantially 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 outstanding at 31 March 2011 are set out below:

#### Notional amount

概念金額

2 contracts with HK\$670,000,000 in total  
2份合約共670,000,000港元

1 contract with HK\$670,000,000  
1份合約670,000,000港元

Major terms of the interest rate swaps as at 31 March 2010 were as follows:

#### 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  
1份合約1,000,000,000港元

The above contracts will mature within two years (2010: three years) from the end of the reporting period.

During the year, gains from fair value changes of HK\$61,611,000 (2010: HK\$36,547,000) were recognised in other comprehensive income and accumulated in equity and are expected to be released to the consolidated statement of comprehensive income at various dates in line with the interest and principal payments schedule of the corresponding bank borrowings in the coming two years (2010: three years). A loss from fair value changes of HK\$33,000 (2010: gain from fair value changes of HK\$2,517,000) was recognised in profit or loss as it represented an ineffective portion of the loss on the hedging instruments.

## 25. 衍生財務工具(續)

附註：

### (i) 利率掉期－會計對沖

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，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大部份具有相同條款，董事認為利率掉期乃非常有效之對沖工具。於二零一一年三月三十一日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%至上限5.50%

於二零一零年三月三十一日利率掉期之主要條款載列如下：

#### 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%至上限5.50%

上述合約將由報告期末起兩年(二零一零年：三年)內到期。

年內，由公平值變動產生之得益61,611,000港元(二零一零年：36,547,000港元)已於其他全面收益內確認及於權益中累計處理，預期將於未來兩年(二零一零年：三年)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虧損33,000港元已於損益表中確認(二零一零年：由公平值變動產生之收益2,517,000港元)，因該等虧損相當於對沖工具無效之虧損部分。



## 25. DERIVATIVE FINANCIAL INSTRUMENTS

(CONTINUED)

notes: (Continued)

### (ii) Interest rate swaps - not under hedging accounting

Major terms of a contract outstanding as at 31 March 2010 not under hedging accounting were as follows:

Notional amount 概念金額	Interest rate swap 利率掉期																
1 contract with HK\$500,000,000 1份合約500,000,000港元	From HIBOR to 4.80% 由香港銀行同業拆息掉至4.80%																
The above contract matured (2010: within one year) during the reporting period.																	
(iii) Foreign currency forward contracts																	
Major terms of the foreign currency forward contracts outstanding as at 31 March 2011 are as follows:																	
<table border="1"> <thead> <tr> <th>Notional amount 概念金額</th> <th>Currency conversion 貨幣轉換</th> </tr> </thead> <tbody> <tr> <td>4 contracts to buy GBP14,600,000 in total 4份合約共買14,600,000英鎊</td> <td>GBP1:US\$1.5883 to 1.6183. 1英鎊兌1.5883至1.6183美元</td> </tr> <tr> <td colspan="2">Major terms of the foreign currency forward contracts outstanding as at 31 March 2010 were as follows:</td> </tr> <tr> <td colspan="2"> <table border="1"> <thead> <tr> <th>Notional amount 概念金額</th> <th>Currency conversion 貨幣轉換</th> </tr> </thead> <tbody> <tr> <td>3 contracts to buy GBP6,400,000 in total 3份合約共買6,400,000英鎊</td> <td>GBP1:US\$1.4850 to 1.5196 1英鎊兌1.4850至1.5196美元</td> </tr> <tr> <td>2 contracts to buy EUR7,501,584 in total 2份合約共買7,501,584歐元</td> <td>EUR1:US\$1.3750 to 1.4477 1歐元兌1.3750至1.4477美元</td> </tr> <tr> <td colspan="2">The above contracts will mature within one to two months (2010: one to five months) from the end of the reporting period.</td> </tr> </tbody> </table> </td> </tr> </tbody> </table>		Notional amount 概念金額	Currency conversion 貨幣轉換	4 contracts to buy GBP14,600,000 in total 4份合約共買14,600,000英鎊	GBP1:US\$1.5883 to 1.6183. 1英鎊兌1.5883至1.6183美元	Major terms of the foreign currency forward contracts outstanding as at 31 March 2010 were as follows:		<table border="1"> <thead> <tr> <th>Notional amount 概念金額</th> <th>Currency conversion 貨幣轉換</th> </tr> </thead> <tbody> <tr> <td>3 contracts to buy GBP6,400,000 in total 3份合約共買6,400,000英鎊</td> <td>GBP1:US\$1.4850 to 1.5196 1英鎊兌1.4850至1.5196美元</td> </tr> <tr> <td>2 contracts to buy EUR7,501,584 in total 2份合約共買7,501,584歐元</td> <td>EUR1:US\$1.3750 to 1.4477 1歐元兌1.3750至1.4477美元</td> </tr> <tr> <td colspan="2">The above contracts will mature within one to two months (2010: one to five months) from the end of the reporting period.</td> </tr> </tbody> </table>		Notional amount 概念金額	Currency conversion 貨幣轉換	3 contracts to buy GBP6,400,000 in total 3份合約共買6,400,000英鎊	GBP1:US\$1.4850 to 1.5196 1英鎊兌1.4850至1.5196美元	2 contracts to buy EUR7,501,584 in total 2份合約共買7,501,584歐元	EUR1:US\$1.3750 to 1.4477 1歐元兌1.3750至1.4477美元	The above contracts will mature within one to two months (2010: one to five months) from the end of the reporting period.	
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The above contracts will mature within one to two months (2010: one to five months) from the end of the reporting period.																	

上述合約於本報告期間期滿(二零一零年:一年內)到期。

於二零一一年三月三十一日未到期外幣遠期合約之主要條款如下:

於二零一零年三月三十一日未到期外幣遠期合約之主要條款如下:

上述合約將由報告期末起一至兩個月(二零一零年:一至五個月)內到期。

## 25. 衍生財務工具(續)

附註:(續)

### (ii) 利率掉期-非會計對沖

於二零一零年三月三十一日非會計對沖之一份合約的主要條款如下:

### (iii) 外幣遠期合約

於二零一一年三月三十一日未到期外幣遠期合約之主要條款如下:



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
綜合財務報表附註(續)

For the year ended 31 March 2011 截至二零一一年三月三十一日止年度

25. DERIVATIVE FINANCIAL INSTRUMENTS  
(CONTINUED)

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

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Derivative financial assets	衍生財務資產		
GBP	英鎊	809	434
Derivative financial liabilities	衍生財務負債：		
EUR	歐元	—	3,252
GBP	英鎊	337	291

25. 衍生財務工具(續)

以相關集團實體功能貨幣以外之貨幣定值之衍生財務工具載列如下：

26. DEFERRED TAX

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

26. 遞延稅項

下表為主要遞延稅項負債確認及其在現行及過往報告期內之變動。

		Accelerated tax depreciation 遞增稅項折舊 HK\$'000 千港元	Undistributed earnings of PRC subsidiaries 中國附屬公司 未分配之利潤 HK\$'000 千港元	Tax losses 稅項虧損 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 April 2009	二零零九年四月一日	208,434	4,145	(55,000)	157,579
Charge to profit or loss	年內於損益賬扣除	106,960	—	55,000	161,960
At 31 March 2010	二零一零年 三月三十一日	315,394	4,145	—	319,539
Change in tax rate of certain subsidiaries	若干附屬公司稅率變動	(29,026)	—	—	(29,026)
Charge to profit or loss	於損益賬扣除	69,850	—	—	69,850
At 31 March 2011	二零一一年 三月三十一日	356,218	4,145	—	360,363



## 26. DEFERRED TAX (CONTINUED)

At 31 March 2011, the Group had unused tax losses of approximately HK\$786,000,000 (2010: HK\$560,000,000) available for offset against future profits. No deferred tax asset has been recognised in respect of such losses for both years due to unpredictability of future profit streams and the tax losses may be carried forward indefinitely.

According to the EIT Law, dividend paid to foreign investors out of profit earned by entities established in the PRC from 1 January 2008 onwards is subject to withholding tax at 10%. For investors incorporated in Hong Kong and holding at least 25% of equity interest in a PRC company, a preferential rate of 5% can be applied. The Group has not provided for deferred tax liability in respect of the relevant undistributed profits of its PRC subsidiaries because the directors believe that the Company is able to control the timing of the distribution by its subsidiaries such that no withholding tax will be payable in the foreseeable future. As at the end of the reporting period, the aggregate amount of temporary differences associated with undistributed profits of the PRC subsidiaries for which deferred tax liabilities have not been recognised amounted to approximately HK\$62.4 million (2010: approximately HK\$18.7 million).

Accelerated tax depreciation was adjusted in current reporting period for the effect of concessionary rate of income tax at 15% for Guangdong Province New and High Technical Enterprise entitled by certain subsidiaries of the Group.

## 26. 遞延稅項(續)

於二零一一年三月三十一日，本集團尚未動用但可用作抵扣未來盈利之稅務虧損約為786,000,000港元(二零一零年：560,000,000港元)。由於未來盈利之流入不可預測及稅務虧損可無限期結轉，該等虧損並無確認為遞延稅項資產。

根據企業所得稅法，自二零零八年一月一日起，從於中國註冊成立的實體的盈利中派息予海外投資者，須繳交預提所得稅10%。香港註冊成立且於中國公司持有最少25%權益的投資者，適用優惠稅率5%。由於董事相信本公司可控制其附屬公司進行派付之時間，且於可見的將來不會繳交預提所得稅，故本集團無就其中國附屬公司相關未分配盈利計提遞延稅項撥備。於報告期末，就中國附屬公司未分配盈利相關之暫時性差額總額(未就此確認遞延稅項負債)約達62,400,000港元(二零一零年：約18,700,000港元)。

遞增稅項折舊已於本報告期間作調整，以反映本集團若干附屬公司享有廣東省高新技術企業之15%優惠所得稅率的效果。



## 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") which is beneficially owned by Mr Lee Wan Keung Patrick, a director of the Company. In December 2000, all the 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 2010 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.

## 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，該計劃受Fortune Star Tradings Ltd (「Fortune Star」) 管理，供本集團的香港附屬公司之合資格僱員參與。Fortune Star的實益擁有人為本公司董事李運強先生。於二零零零年十二月，界定福利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，界定福利計劃不再提供予新僱員選擇。

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，於二零一零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。



## 27. RETIREMENT BENEFITS PLANS (CONTINUED)

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

Defined benefit plan (Continued)

The main actuarial assumptions used were as follows:

		31 December 2010 二零一零年 十二月三十一日	31 December 2009 二零零九年 十二月三十一日
Discount rate	貼現率	0%	0%
Expected return on plan assets	計劃資產預期回報	3%	3%

The actuarial valuation shows that the market value of plan assets at 31 December 2010 was HK\$1,486,000 (31 December 2009: HK\$1,479,000) and that the actuarial value of these assets represented 260% (31 December 2009: 232%) of the benefits that were accrued to members.

Amounts recognised in profit or loss in respect of the defined benefit plan are as follows:

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Expected return on plan assets	計劃資產預期回報	(43)	(48)
Actuarial gain recognised in the year	年內精算得益確認	(29)	(592)
Total, included in other income	總計，已計入其他收入	(72)	(640)

The actual return on plan assets for the year was HK\$72,000 (2010: HK\$640,000).

## 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)

所用的主要精算假設如下：

精算估值顯示計劃資產於二零一零年十二月三十一日之市價為1,486,000港元(二零零九年十二月三十一日：1,479,000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260%(二零零九年十二月三十一日：232%)。

於損益表就界定福利計劃確認的金額如下：

計劃資產於本年度的實際回報為72,000港元(二零一零年：640,000港元)。



## 27. RETIREMENT BENEFITS PLANS (CONTINUED)

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

#### Defined benefit plan (Continued)

The amounts included in the consolidated statement of financial position in respect of the Group's retirement benefit assets are as follows:

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Fair value of plan assets	計劃資產公平值	1,486	1,479
Present value of funded obligations	承擔款項的現值	(572)	(637)
At end of the year	年終	914	842

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

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
At beginning of the year	年初	1,479	985
Expected return of plan assets	資產計劃預計回報	43	48
Actuarial gains	精算得益	29	592
Assets transferred out to other employers	轉至其他僱主之資產	—	(146)
Benefits paid	已付福利	(65)	—
At end of the year	年終	1,486	1,479

## 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)

本集團的退休福利資產已列入綜合財務狀況表的數額如下：

計劃資產公平值的變動如下：





## 27. RETIREMENT BENEFITS PLANS (CONTINUED)

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

Defined benefit plan (Continued)

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

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
At beginning of the year	於年初	637	783
Assets transferred out to other employers	轉往其他僱主之資產	—	(146)
Benefits paid	已付福利	(65)	—
At end of the year	於年終	572	637

The major categories of plan assets, and the expected rate of return at the end of the reporting period for each category, are as follows:

### (a) 為香港僱員而設的計劃(續)

界定福利計劃(續)

承擔現值的變動如下：

計劃資產之主要類別，以及各類別於報告期末之預期回報率如下：

		Expected return 預期回報		Fair value of plan assets 計劃資產公平值	
		2011 二零一一年 % 百分比	2010 二零一零年 % 百分比	2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Debt instruments	債務工具	4	3	1,437	1,470
Cash and cash equivalents	現金及現金等價物	1	1	49	9
Weighted average expected return	加權平均預計回報	3	3	1,486	1,479



## 27. RETIREMENT BENEFITS PLANS (CONTINUED)

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

#### Defined contribution plan

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) Plan 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。



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
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For the year ended 31 March 2011 截至二零一一年三月三十一日止年度

28. SHARE CAPITAL

28. 股本

		Notes 附註	Number of ordinary shares 普通股數目	Amount 金額 HK\$'000 千港元
Authorised:	法定：			
Ordinary shares of HK\$0.10 each at 1 April 2009 and Share subdivision	於二零零九年四月一日每股面 值0.10港元的普通股及 股份分拆	(i)	2,000,000,000 6,000,000,000	200,000 —
Ordinary shares of HK\$0.025 each at 31 March 2010 and 31 March 2011	於二零一零年三月三十一日及 二零一一年三月三十一日 每股面值0.025港元的普通股		8,000,000,000	200,000
Issued and fully paid:	已發行及繳足：			
Ordinary shares of HK\$0.10 each at 1 April 2009	於二零零九年四月一日每股面 值0.10港元的普通股		1,137,380,412	113,738
Shares subdivision	股份分拆	(i)	3,412,141,236	—
Exercise of share options	行使購股權	(ii)	1,280,000	32
Ordinary shares of HK\$0.025 each at 31 March 2010	於二零一零年三月三十一日 每股面值0.025港元的普通股		4,550,801,648	113,770
Exercise of share options	行使購股權	(iii)	138,821,332	3,471
Ordinary shares of HK\$0.025 each at 31 March 2011	於二零一一年三月三十一日 每股面值0.025港元的普通股		4,689,622,980	117,241



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
綜合財務報表附註(續)

For the year ended 31 March 2011 截至二零一一年三月三十一日止年度

## 28. SHARE CAPITAL (CONTINUED)

notes:

- (i) Pursuant to an announcement of the Company dated 30 November 2009 and an ordinary resolution passed on 18 December 2009, a share subdivision was approved with effect from 21 December 2009 in which each of the existing issued and unissued shares of HK\$0.1 each in the share capital of the Company would be subdivided into four shares of HK\$0.025 each. As at 21 December 2009, the authorised share capital of the Company was HK\$200,000,000 divided into 8,000,000,000 shares, of which 1,137,380,412 shares were issued and fully paid. On this basis, immediately after the share subdivision, the authorised share capital of the Company comprised 4,549,521,648 issued shares and 3,450,478,352 unissued shares of par value HK\$0.025 each.
- (ii) During the year ended 31 March 2010, 1,280,000 share options under the Scheme (as defined in note 29) were exercised at a subscription price of HK\$3.775 per share, resulting in the issue of 1,280,000 ordinary shares of HK\$0.025 each in the Company.
- (iii) During the year ended 31 March 2011, 5,488,000 and 133,333,332 share options under the Scheme (as defined in note 29) were exercised at a subscription price of HK\$3.775 and HK\$1.872 per share respectively, resulting in the issue of 138,821,332 ordinary shares of HK\$0.025 each in the company.

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

## 28. 股本(續)

附註：

- (i) 根據本公司二零零九年十一月三十日公布及於二零零九年十二月十八日通過之普通決議案，批准股份分拆，二零零九年十二月二十一日生效，將本公司現有每股面值0.1港元已發行及未發行股份分拆為4股，每股面值0.025港元。於二零零九年十二月二十一日，本公司法定股本200,000,000港元分拆為8,000,000,000股股份，其中1,137,380,412股為已發行及繳足股份。按此基礎，股份分拆後，本公司法定股本將包括每股面值0.025港元之4,549,521,648股已發行股份及3,450,478,352股未發行股份。
- (ii) 截至二零一零年三月三十一日止年度內，根據購股權計劃（定義見附註29）下，1,280,000股購股權以每股認購價3.775港元獲行使，據此本公司發行1,280,000股每股面值0.025港元之普通股股份。
- (iii) 截至二零一一年三月三十一日止年度內，根據購股權計劃（定義見附註29）下，5,488,000股及133,333,332股購股權分別以每股認購價3.775港元及1.872港元獲行使，據此本公司發行138,821,332股每股面值0.025港元之普通股股份。

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. SHARE-BASED PAYMENT TRANSACTIONS

Pursuant to the written resolution of the shareholders of the Company dated 11 September 2003, the share option scheme (the "Scheme") was approved and adopted.

The Scheme was established for the purpose of providing incentives to directors and eligible persons. The Scheme will remain in force for a period of ten years from adoption of the Scheme. The Scheme will expire on 10 September 2013.

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.

## 29. 以股權支付交易

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，購股權計劃(「該計劃」)獲批准及採納。

設立該計劃旨在提供獎勵予董事及合資格人士。該計劃的有效期自採納日期起計十年，將於二零一三年九月十日屆滿。

根據該計劃，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%。



## 29. SHARE-BASED PAYMENT TRANSACTIONS (CONTINUED)

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.

### (a) 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	Date of grant	Exercise price HK\$	Outstanding at 1 April 2009 於二零零九年 四月一日 尚未行使	Cancelled during the year 年內註銷	Number of share options 購股權數目			
					Exercised during the year 年內行使	Outstanding at 31 March 2010 於二零一零年 三月三十一日 尚未行使	Exercised during the year 年內行使	Outstanding at 31 March 2011 於二零一一年 三月三十一日 尚未行使
Directors 董事	3 October 2006 二零零六年十月三日	3.775	5,088,000	—	(1,280,000)	3,808,000	(3,808,000)	—
Other employees 其他僱員	3 October 2006 二零零六年十月三日	3.775	2,880,000	(1,200,000)	—	1,680,000	(1,680,000)	—
			7,968,000	(1,200,000)	(1,280,000)	5,488,000	(5,488,000)	—
Exercisable at the end of the year 於年末可行使數目						5,488,000		—

## 29. 以股權支付交易(續)

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。

### (a) 於二零零六年十月三日授出的購股權

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:



## 29. SHARE-BASED PAYMENT TRANSACTIONS

(CONTINUED)

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

(Continued)

The options granted on 3 October 2006 were exercisable in accordance with the following terms of the Scheme as to:

- (i) up to 6,704,000 of the options exercisable 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\$1.0325;
- (ii) up to 14,008,000 of the options exercisable 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\$1.1175; and
- (iii) up to 21,312,000 of the options exercisable 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\$1.1725.

## 29. 以股權支付交易(續)

### (a) 於二零零六年十月三日授出的購股權(續)

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可行使最多6,704,000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1.0325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可行使最多14,008,000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1.1175港元；及
- (iii) 由二零一零年一月一日至二零一零年十二月三十一日可行使最多21,312,000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1.1725港元。



29. SHARE-BASED PAYMENT TRANSACTIONS  
 (CONTINUED)

(b) Share options granted on 5 September 2008

The following table discloses details of the Company's options granted on 5 September 2008 under the Scheme held by directors and movement in such holdings during the year:

Category	Date of grant	Exercise price HK\$	Outstanding at 1 April 2009 於二零零九年 四月一日 尚未行使	Number of share options 購股權數目			
				Exercised during the year	Outstanding at 31 March 2010 於二零一零年 三月三十一日 尚未行使	Exercised during the year	Outstanding at 31 March 2011 於二零一一年 三月三十一日 尚未行使
Directors 董事	5 September 2008 二零零八年九月五日	1.872	200,000,000	—	200,000,000	(133,333,332)	66,666,668
Exercisable at the end of the year 於年末可行使數目					66,666,668		—

29. 以股權支付交易(續)

(b) 於二零零八年九月五日授出的購股權

下表披露於二零零八年九月五日授出之購股權計劃下之董事持有公司購股權詳情及於年內之變動：





## 29. SHARE-BASED PAYMENT TRANSACTIONS

(CONTINUED)

### (b) Share options granted on 5 September 2008 (Continued)

The options granted on 5 September 2008 may be exercised in accordance with the following terms of the Scheme as to:

- (i) up to 66,666,668 of the options exercisable commencing 1 September 2009 to 31 August 2013, with vesting period from 5 September 2008 to 31 August 2009, the fair value of each option at the date of grant is approximately HK\$0.4075;
- (ii) up to 133,333,332 of the options exercisable commencing 1 September 2010 to 31 August 2013, with vesting period from 5 September 2008 to 31 August 2010, the fair value of each option at the date of grant is approximately HK\$0.48; and
- (iii) up to 200,000,000 of the options exercisable commencing 1 September 2011 to 31 August 2013, with vesting period from 5 September 2008 to 31 August 2011, the fair value of each option at the date of grant is approximately HK\$0.5325.

## 29. 以股權支付交易(續)

### (b) 於二零零八年九月五日授出的購股權(續)

於二零零八年九月五日授出之購股權可根據計劃下的條款行使：

- (i) 由二零零九年九月一日至二零一三年八月三十一日可行使至66,666,668股的購股權及獲准行使期由二零零八年九月五日至二零零九年八月三十一日，購股權在授出日當日之公平值估計為0.4075港元；
- (ii) 由二零一零年九月一日至二零一三年八月三十一日可行使至133,333,332股的購股權及獲准行使期由二零零八年九月五日至二零一零年八月三十一日，購股權在授出日當日之公平值估計為0.48港元；及
- (iii) 由二零一一年九月一日至二零一三年八月三十一日可行使至200,000,000股的購股權及獲准行使期由二零零八年九月五日至二零一一年八月三十一日，購股權在授出日當日之公平值估計為0.5325港元；



## 29. SHARE-BASED PAYMENT TRANSACTIONS (CONTINUED)

### (b) Share options granted on 5 September 2008 (Continued)

The exercise of the options during the exercise periods described in (i), (ii) and (iii) above, commencing from 1 September 2009 to 31 August 2013, are subject to achievement of pre-determined and specific profit targets for the Group for each of the years ending 2009, 2010 and 2011, respectively.

The estimated total fair value with respect to share options granted to directors and employees on 3 October 2006 and 5 September 2008 was HK\$23,653,000 and HK\$94,530,000, respectively.

An amount of HK\$32,046,000 (2010: HK\$57,221,000) was charged to the consolidated statement of comprehensive income as administrative expenses for the year ended 31 March 2011.

note: The above information has been adjusted to reflect the effect of share subdivision on 21 December 2009 as set out in note 28 pursuant to which each of the existing issued and unissued shares of HK\$0.1 each in the share capital of the Company were subdivided into four shares of HK\$0.025 each. Each of the options were subdivided into four options and the exercise prices were adjusted to the quarter of the original exercise prices accordingly.

## 29. 以股權支付交易(續)

### (b) 於二零零八年九月五日授出的購股權(續)

自二零零九年九月一日起至二零一三年八月三十一日止於上述行使期內行使上述(i), (ii)及(iii)購股權時，須達致本集團就分別截至二零零九年、二零一零年及二零一一年三月三十一日止年度各年之預定及特定溢利目標。

就二零零六年十月三日及二零零八年九月五日授出之購股權予董事及僱員，其估計總公平值分別為23,653,000港元及94,530,000港元。

32,046,000港元(二零一零年: 57,221,000港元)已在截至二零一一年三月三十一日止年度之綜合全面收益表以行政費用入賬。

附註：以上資料已調整以反映載於附註28之股份分拆之影響，據此本公司中每股面值為0.1港元之現有已發行及未發行股份被分拆為四股每股面值為0.025港元之股份。每份購股權已被分拆為四股購股權以及行使價相應調整為原有行使價的四分之一。



### 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 borrowings and equity attributable to equity holders of the Company, comprising issued share capital and various reserves.

The directors of the Company review the capital structure on a regular basis. As part of this review, the directors consider the cost of capital and the risks associated with 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.

### 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)。

本公司董事不時檢討資本結構。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. FINANCIAL INSTRUMENTS

#### (a) Categories of financial instruments

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
<b>Financial assets</b>	<b>財務資產</b>		
Fair value through profit or loss	盈利或虧損之公平值		
– derivative financial instruments	– 衍生財務工具	809	434
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)	4,779,249	3,854,562
<b>Financial liabilities</b>	<b>財務負債</b>		
Fair value through profit or loss	盈利或虧損之公平值		
– derivative financial instruments	– 衍生財務工具	337	25,518
Derivatives under hedge accounting	對沖會計下之衍生工具	55,649	117,228
Amortised cost	攤銷成本	10,135,487	8,803,122

### 31. 財務工具

#### (a) 財務工具類別

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

The Group's major financial instruments include trade and other receivables, amounts due from related companies, derivative financial instruments, restricted bank deposits, bank balances and cash, trade and other payables, and bank 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.

#### (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及其他賬款、應收有關連公司款項、衍生財務工具、有限制銀行存款、銀行結餘及現金、應付貿易及其他賬款及銀行借貸。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。



### 31. FINANCIAL INSTRUMENTS (CONTINUED)

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

##### Market risk

##### (i) Currency risk

The Group has foreign currency transactions, which expose the Group to market risk arising from changes in foreign exchange rates. In order to mitigate the foreign currency risk, foreign currency forward contracts are entered into by the Group for certain material foreign currency transactions. Management will monitor other foreign currency exposure closely and consider the use of hedging instruments when the need arises.

The carrying amounts of the Group's significant monetary assets, monetary liabilities which excluded the intercompany balances and derivative financial instruments that are denominated other than the functional currency of the relevant group entities at the reporting dates are as follows:

Monetary assets:

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
HK\$	港元	428,889	508,894
US\$	美元	261,531	181,391
GBP	英鎊	197	15,242
EUR	歐元	284	1,949
RMB	人民幣	5	1,617

### 31. 財務工具(續)

#### (b) 財務風險管理目的及政策(續)

##### 市場風險

##### (i) 貨幣風險

本集團存在外匯交易，令本集團須承受外幣匯率變動引起的市場風險。為了降低外幣風險，本集團就若干重大外匯交易訂立外幣遠期合同。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。

本集團於報告日並非以有關集團實體功能貨幣計值之主要金融資產、金融負債(內部公司往來結餘除外)及衍生財務工具的賬面值如下：

金融資產：



### 31. FINANCIAL INSTRUMENTS (CONTINUED)

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

Market risk (Continued)

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

Monetary liabilities:

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
HK\$	港元	1,828,062	1,916,924
US\$	美元	1,550,601	1,051,835
EUR	歐元	8,757	6,858

Derivative financial instruments:

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
<b>Assets</b>	<b>資產</b>		
GBP	英鎊	809	434
<b>Liabilities</b>	<b>負債</b>		
EUR	歐元	—	3,252
GBP	英鎊	337	291

Sensitivity analysis

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

### 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)

金融負債：

衍生財務工具：

敏感度分析

本集團主要受港元、美元、人民幣、英鎊及歐元的波動影響。由於港元(本公司之功能貨幣)與美元掛鈎，預計本集團於若干美元貨幣資產／負債的貨幣風險極微，故此並無計算敏感度分析。



### 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 detail the Group's sensitivity to a 5% (2010: 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% (2010: 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 post-tax profit where the functional currency of the relevant group entities weaken against the foreign currencies by 5%, 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)

##### (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，有關集團實體之功能貨幣兌其有關外幣上升及下降5%（二零一零年：5%）的敏感度。5%（二零一零年：5%）為對內部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，並於結算日調整其匯率或衍生財務工具之公平值，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%，稅後盈利將增加／減少，反之亦然。

**Increase (decrease)  
in post-tax profit  
稅後盈利增加(減少)**

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
HK\$	港元	59,055	100,478
US\$	美元	386	7,250
RMB	人民幣	—	(10,403)
GBP	英鎊	(8)	(648)
EUR	歐元	360	209



### 31. FINANCIAL INSTRUMENTS (CONTINUED)

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

Market risk (Continued)

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

Derivative financial instruments:

		Decrease in post-tax profit 稅後盈利減少	
		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
EUR	歐元	—	1,561
GBP	英鎊	9,610	4,003

In addition, intercompany balances denominated in foreign currency are as follows:

此外，內部公司往來結餘以外幣計值如下：

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
<b>Assets</b>	<b>資產</b>		
US\$	美元	2,371,605	2,144,387
HK\$	港元	269,718	279,389
RMB	人民幣	49,906	243,148
<b>Liabilities</b>	<b>負債</b>		
US\$	美元	2,371,605	2,144,387
HK\$	港元	595,224	1,324,043





## 31. FINANCIAL INSTRUMENTS (CONTINUED)

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

#### Market risk (Continued)

##### (ii) Interest rate risk

The Group's bank balances carry floating-rate of interests and have exposure to cash flow interest rate risk due to the fluctuation of the prevailing market interest rates. The management of the Company consider the Group's exposure is not significant as the interest-bearing bank balances is within short maturity period.

The Group is exposed to cash flow interest rate risk in relation to variable-rate bank borrowings. It is the Group's policy to keep its borrowings at fixed interest rate 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.

#### 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 end of the reporting period. For variable-rate bank borrowings, to the extent that they are not hedged by effective instruments, the analysis is prepared assuming the amount of liability outstanding at the end of the reporting period 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.

## 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

本集團銀行結餘為浮息及受市場利率波動而承擔現金流量利率風險。本公司管理層認為本集團面對風險不大，因帶息銀行結餘乃於短期內到期。

本集團亦須承擔有關浮息銀行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。

#### 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。就浮息銀行借貸，當該等借貸並非由有效工具對沖，分析乃假設於報告期末未償付負債於全年均為未償付而編製。50基點增加或減少為對內部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。



### 31. FINANCIAL INSTRUMENTS (CONTINUED)

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

##### Market risk (Continued)

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

##### Sensitivity analysis (Continued)

For bank borrowings, if interest rate had been 50 basis points higher/lower and all other variables were held constant, the Group's post-tax profit for the year ended 31 March 2011 would decrease/increase by HK\$33,243,000 (2010: decrease/increase by HK\$23,599,000).

For derivative financial instruments, the sensitivity analysis below has been determined assuming that the interest rate of 2-Year Interest Rate Swap had been increased by 5% of the fair value of derivative financial instruments and all other variables were held constant, the impact on the Group's profit and equity, and vice versa.

		<b>Increase in profit</b>	<b>Increase in equity</b>
		盈利增加	權益增加
		HK\$'000	HK\$'000
		千港元	千港元
At 31 March 2011	於二零一一年三月三十一日	30	470
At 31 March 2010	於二零一零年三月三十一日	92	1,239

### 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(續)

就銀行借貸而言，倘利率分別上升／下跌50基點，而所有其他變數維持不變，本集團截至二零一一年三月三十一日止年度的稅後盈利將減少／增加33,243,000港元(二零一零年：減少／增加23,599,000港元)。

就衍生財務工具而言，以下敏感度分析乃假設釐定該衍生財務工具公平值之2年期利率掉期之利率上升百分之五，而所有其他變數維持不變，其對本集團盈利及權益的影響，反之亦然。



### 31. FINANCIAL INSTRUMENTS (CONTINUED)

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

##### Credit risk

As at 31 March 2011, 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 statement of financial position.

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 the end of the reporting period 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.

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

Trade receivables consist of a large number of customers, spread across diverse industries and geographical areas. Accordingly, the Group's concentration of credit risk is considered minimal.

### 31. 財務工具(續)

#### (b) 財務風險管理目的及政策(續)

##### 信貸風險

於二零一一年三月三十一日，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財務狀況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，本集團管理層會於報告期末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。

應收貿易賬款包含大量客戶，涵蓋多個行業及地理區域。因此，本集團的集中信貸風險極低。



### 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 based on the agreed repayment terms. 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. To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curve at the end of the reporting period.

In addition, the following table details the Group's liquidity analysis for its derivative financial instruments. The tables have been drawn up based on the undiscounted contractual net cash flows on derivative instruments that settle on a net basis. When the amount payable is not fixed, the amount disclosed has been determined by reference to the projected interest rates as illustrated by the yield curves existing at the end of the reporting period. The liquidity analysis for the Group's derivative financial instruments are prepared based on the contractual maturities as the management consider that the contractual maturities are essential for an understanding of the timing of the cash flows of derivatives.

### 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。

下表詳述依據經協定還款條款本集團金融負債的餘下合約到期日。就非衍生財務負債而言，下表乃根據本集團須還款最早日期當日之財務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。在某種程度上，利息流是浮動利率，未貼現金額來自報告期末的利率曲線。

另外，下表詳述本集團衍生財務工具之流動性分析。該表乃根據按淨額結算的衍生工具以未貼現合約現金淨流量而列示。倘應付款項不固定，則所披露款項乃參照於報告日末現行利率收益曲線所示預測利率釐定。本集團根據合約到期日進行衍生財務工具的流動性分析。管理層認為合約到期日乃了解衍生工具現金流之時間的重要因素。



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
綜合財務報表附註(續)

For the year ended 31 March 2011 截至二零一一年三月三十一日止年度

31. FINANCIAL INSTRUMENTS (CONTINUED)

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

Liquidity risk (Continued)

Liquidity and interest risk tables

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

		Weighted average effective interest rate	Less than 1 month	1-3 months	3 months to 1 year	1-5 years	Over 5 years	Total undiscounted cash flows	Carrying amount at 31 March 2011
		實際利率加權平均數	少於一個月	一至三個月	三個月至一年	一至五年	超過五年	現金流量總計	賬面價值
		%	HK\$'000	HK\$'000	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	千港元	千港元
<b>2011</b>	<b>二零一一年</b>								
<b>Non-derivative financial liabilities</b>	<b>非衍生財務負債</b>								
Trade and other payables	應付貿易及其他賬款								
– current	– 流動	—	1,532,375	548,055	10,466	—	—	2,090,896	2,090,896
Bank borrowings	銀行借貸								
– variable rate	– 浮息	2.59	454,716	841,798	1,341,007	5,666,773	1,552	8,305,846	7,988,606
			1,987,091	1,389,853	1,351,473	5,666,773	1,552	10,396,742	10,079,502
<b>Derivatives – net settlement</b>	<b>衍生工具 – 淨額交收</b>								
Interest rate swaps	利率掉期	4.94	—	9,924	29,375	18,731	—	58,030	55,649
Foreign currency forward contracts	外幣遠期合約	—	119	218	—	—	—	337	337
			119	10,142	29,375	18,731	—	58,367	55,986
<b>2010</b>	<b>二零一零年</b>								
<b>Non-derivative financial liabilities</b>	<b>非衍生財務負債</b>								
Trade and other payables	應付貿易及其他賬款								
– current	– 流動	—	1,283,805	424,028	22,590	—	—	1,730,423	1,730,423
Bank borrowings	銀行借貸								
– variable rate	– 浮息	3.00	307,189	645,410	1,572,077	4,875,275	—	7,399,951	7,072,699
			1,590,994	1,069,438	1,594,667	4,875,275	—	9,130,374	8,803,122
<b>Derivatives – net settlement</b>	<b>衍生工具 – 淨額交收</b>								
Interest rate swaps	利率掉期	4.91	—	18,167	52,159	70,995	—	141,321	139,203
Foreign currency forward contracts	外幣遠期合約	—	2,012	291	1,240	—	—	3,543	3,543
			2,012	18,458	53,399	70,995	—	144,864	142,746



### 31. FINANCIAL INSTRUMENTS (CONTINUED)

#### (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.

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

Fair value measurements recognised in the statement of financial position

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

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active market for identical assets or liabilities.
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

### 31. 財務工具(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。

在財務狀況表確認之公平值計量

下表載列於初步確認後以公平值計量之財務工具，按照其公平值可予觀察之程度歸類為第二級之分析：

- 第一級公平值計量指以在活躍市場就相同資產或負債取得之報價(未經調整)進行之計量。
- 第二級公平值計量指以第一級所包括之報價以外之的資產或負債可觀察變數(無論是直接(即價格)或間接(即按價格推算))進行之計量。



### 31. FINANCIAL INSTRUMENTS (CONTINUED)

#### (c) Fair value (Continued)

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

- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

### 31. 財務工具(續)

#### (c) 公平值(續)

在財務狀況表確認之公平值計量(續)

- 第三級公平值計量指透過運用並非基於可觀察市場資料之資產或負債變數(不可觀察之變數)之估值方法進行之計量。

		31 March 2011 Level 2 二零一一年 三月三十一日 第二級 HK\$'000 千港元	31 March 2010 Level 2 二零一零年 三月三十一日 第二級 HK\$'000 千港元
<b>Financial assets at fair value through profit or loss</b>	於損益入賬之 財務資產公平值		
Derivative financial instruments	衍生財務工具	809	434
<b>Financial liabilities at fair value through profit or loss</b>	於損益入賬之 財務負債公平值		
Derivative under hedge accounting	對沖會計下的衍生工具	55,649	117,228
Other derivatives not under hedge accounting	其他不在對沖會計下的 衍生工具	337	25,518

There were no transfer between the 3 levels during the year.

年內，三個級別間並無轉移。



## 32. OPERATING LEASES

### The Group as lessee

At the end of the reporting period, 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:

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Within one year	一年內	8,787	7,664
In the second to fifth year inclusive	第二年至第五年內	30,860	26,827
After five years	第五年後	246,204	245,245
		<b>285,851</b>	<b>279,736</b>

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.

## 32. 經營租約

### 集團作為承租人

於報告期末，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。

## 33. CAPITAL COMMITMENTS

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Capital expenditures contracted for but not provided in the consolidated financial statements in respect of acquisition of:	就已訂約但未於綜合財務報表中撥備有關收購的資本開支：		
– property, plant and equipment	– 物業、廠房及設備	2,326,221	1,016,229
– land use rights	– 土地使用權	169,771	19,347
		<b>2,495,992</b>	<b>1,035,576</b>

## 33. 資本承擔





### 34. NON-CASH TRANSACTION

The Group's acquisition of property, plant and equipment of HK\$20,690,000 (2010: HK\$89,536,000) was settled through transfer of deposits paid in the prior or current year.

### 35. CONNECTED AND RELATED PARTY DISCLOSURES

During the year, the Group had significant transactions with related parties, certain of which are also deemed to be connected parties pursuant to the Listing Rules.

Significant transactions with these parties during the year are as follows:

#### (a) Connected and related party transactions

Name of parties 關連人士名稱	Nature of transactions 交易性質	2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Lee & Man Industrial Manufacturing (note i) 理文實業(附註i)	Finished goods sold by the Group 集團出售製成品	126,781	153,193
	Income from steam and electricity provided by the Group 集團提供蒸氣及電力之收入	3,039	3,193
	Raw materials purchased by the Group 集團購買原材料	1,742	1,066
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	980	983
Jiangsu Chemical (note ii) 江蘇化工(附註ii)	Income from steam and electricity provided by the Group 集團提供蒸氣及電力之收入	59,615	63,011
	Raw materials purchased by the Group 集團購買原材料	15,502	9,828

notes:

- (i) The company is indirectly wholly owned by a daughter of Mr Lee Wan Keung Patrick, a director and the ultimate controlling party of the Company.
- (ii) The company is beneficially owned by Mr Lee Wan Keung Patrick, a director and the ultimate controlling party of the Company.

附註:

- (i) 該公司為本公司董事及最終控制方李運強先生之女兒間接全資擁有。
- (ii) 該公司為本公司董事及最終控制方李運強先生實益擁有。



35. CONNECTED AND RELATED PARTY  
DISCLOSURES (CONTINUED)

(b) Related party transaction

Name of party 相關方名稱	Nature of transaction 交易性質	2011	2010
		二零一一年 HK\$'000 千港元	二零一零年 HK\$'000 千港元
FSGL	Interest income accrued by the Group 集團應計利息收入	6,691	11,051

35. 關連及相關人士披露(續)

(b) 相關人士交易

(c) Connected and related party balances

Details of the Group's outstanding balances with connected and related parties are set out in the consolidated statement of financial position and notes 20 and 21.

(c) 關連及相關人士結餘

關連及相關人士尚欠本集團之結餘詳情已載列於綜合財務狀況表及附註20及21。

(d) Compensation of key management personnel

The remunerations of the directors and other members of key management during the year were as follows:

(d) 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：

		2011	2010
		二零一一年 HK\$'000 千港元	二零一零年 HK\$'000 千港元
Short-term benefits	短期福利	11,522	10,072
Post-employment benefits	退休福利	60	57
Share-based payments	股權支付款項	32,046	56,710
		43,628	66,839



### 36. STATEMENT OF FINANCIAL POSITION OF THE COMPANY

The summarised statement of financial position of the Company as at 31 March 2011 and 31 March 2010 are as follows:

### 36. 本公司財務狀況表

本公司於二零一一年三月三十一日及二零一零年三月三十一日之財務狀況概列如下：

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Investments in subsidiaries	附屬公司投資	637,977	637,977
Other receivables	應收其他賬款	14,137	15,677
Amounts due from an associate	應收聯營公司款項	—	136
Amounts due from subsidiaries	應收附屬公司款項	6,771,718	7,133,440
Bank balances	銀行結餘	230	538
<b>Total assets</b>	<b>資產總值</b>	<b>7,424,062</b>	7,787,768
Derivative financial instruments	衍生財務工具	55,649	117,227
Amount due to a subsidiary	應付一間附屬公司款項	502,576	129,050
Other payables	應付其他賬款	7,069	9,437
Unsecured bank borrowings	無抵押銀行借貸	1,340,000	2,470,000
<b>Total liabilities</b>	<b>負債總值</b>	<b>1,905,294</b>	2,725,714
		<b>5,518,768</b>	5,062,054
Share capital	股本	117,241	113,770
Reserves	儲備	5,401,527	4,948,284
<b>Total equity</b>	<b>總權益</b>	<b>5,518,768</b>	5,062,054



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
綜合財務報表附註(續)

For the year ended 31 March 2011 截至二零一一年三月三十一日止年度

37. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY 37. 本公司主要附屬公司詳情

Details of the Company's principal subsidiaries at 31 March 2011 and 31 March 2010 are as follows:

本公司主要附屬公司於二零一一年三月三十一日及二零一零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		
			2011 二零一一年	2010 二零一零年	2011 二零一一年	2010 二零一零年	
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
Vantage Dragon Limited 利龍有限公司	Hong Kong 香港	Ordinary share — HK\$2 普通股 — 2港元	—	—	100%	100%	Investment holding 投資控股
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 原紙出口貿易
Dongguan Lee & Man Paper Factory Co Ltd 東莞理文造紙廠有限公司	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 原紙生產及貿易
Guangdong Lee & Man Paper Manufacturing Limited 廣東理文造紙有限公司	PRC (note ii) 中國(附註ii)	Registered capital — US\$530,000,000 註冊資本 — 530,000,000美元	—	—	100%	100%	Manufacturing and trading of paper 原紙生產及貿易
Jiangsu Lee & Man Paper Manufacturing Company Limited 江蘇理文造紙有限公司	PRC (note ii) 中國(附註ii)	Registered capital — US\$363,000,000 註冊資本 — 363,000,000美元	—	—	100%	100%	Manufacturing and trading of paper 原紙生產及貿易



For the year ended 31 March 2011 截至二零一一年三月三十一日止年度

37. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY (CONTINUED) 37. 本公司主要附屬公司詳情(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		
			2011 二零一一年	2010 二零一零年	2011 二零一一年	2010 二零一零年	
Chongqing Lee & Man Paper Manufacturing Company Limited 重慶理文造紙有限公司	PRC (note ii) 中國(附註ii)	Registered capital — US\$420,260,000 註冊資本 — 420,260,000美元	—	—	100%	100%	Manufacturing and trading of paper 原紙生產及貿易
Jiangxi Lee & Man Paper Manufacturing Company Limited 江西理文造紙有限公司	PRC (note ii) 中國(附註ii)	Registered capital — US\$100,000,000 註冊資本 — 100,000,000美元	—	—	100%	N/A	Manufacturing and trading of paper 原紙生產及貿易
Vietnam Lee & Man Paper Manufacturing Limited	Vietnam 越南	US\$17,248,573 17,248,573美元	—	—	100%	100%	Manufacturing and trading of paper 原紙生產及貿易
Vietnam Lee & Man Pulp Manufacturing Limited	Vietnam 越南	US\$13,748,171 13,748,171美元	—	—	100%	100%	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) 該等公司在香港運作。
- (ii) 該等公司為在中國成立之外商投資企業。

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.

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。



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