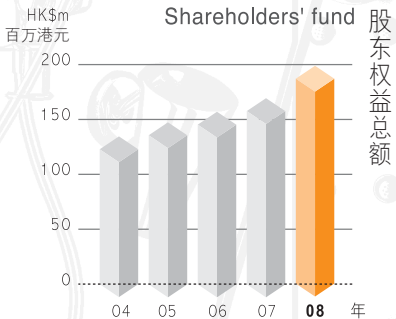
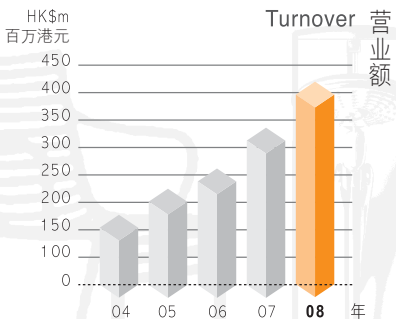


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Audited result for year ended 31 March 2008
经审核截至2008年3月31日

◆ Turnover	HK\$ 395 m
全年营业额	3.95 亿港元
◆ Profit before taxation	HK\$ 46 m
全年税前溢利	0.46 亿港元
◆ As at 31 March 2008	
Contract in hand	HK\$ 145 m
进行中合约项目	1.45 亿港元
◆ As at 31 March 2008	
Shareholders' fund	HK\$ 183 m
股东权益总额	1.83 亿港元
◆ Earnings per share	HK 18 cents
全年每股溢利	18 港仙

FINANCIAL HIGHLIGHTS 财务摘要

Turnover (HK\$'000)
Profit attributable to shareholders (HK\$'000)
Basic earnings per share (HK cents)
Proposed final dividend per share (HK cents)
Net asset value (HK\$'000)

Turnover
Cost of sales
Gross profit
Other income
Selling and distribution expenses
Administrative expenses
Fair value change on derivative financial instruments
Finance costs
Profit before income tax
Income tax expense
Profit for the year
Dividends
Basic earnings per share

	2008 二零零八年	2007 二零零七年
营业额	395,285	309,595
股东应占溢利 (千港元)	37,813	25,779
每股基本溢利 (港仙)	18.0	12.3
建议末期股息每股 (港仙)	5.0	3.5
资产净值 (千港元)	183,349	158,327
Year ended 31 March 截至三月三十一日止年度		
	2008 二零零八年	2007 二零零七年
	HK\$'000 千港元	HK\$'000 千港元
营业额	395,285	309,595
销售成本	(244,378)	(187,826)
毛利	150,907	121,769
其他收益	2,232	671
销售及分销成本	(73,740)	(62,178)
行政开支	(32,604)	(27,902)
衍生金融工具之公平值变动	998	-
财务费用	(1,917)	(933)
除所得税前溢利	45,876	31,427
所得税开支	(8,063)	(5,648)
年度溢利	37,813	25,779
股息	15,500	19,000
每股基本溢利	18.0 cents 18.0 港仙	12.3 cents 12.3 港仙



CHAIRMAN'S STATEMENT 主席报告书

Dear Shareholders

We are pleased to present the annual report for the year ended 31 March 2008.

In the year of Beijing Olympics, we have achieved 5 new records since our listing on the Hong Kong Stock Exchange in the year of 2000 (the year of Sydney Olympics). During the year, we have achieved highest turnover HK\$395 million; highest operating profit: HK\$46 million; highest shareholders equity: HK\$183 million; highest contracts in terms of values on hand: HK\$145 million; and after taking the increase of the share capital by way of bonus issue in March this year into consideration, the highest earnings per share: 18 cents. Because of the good economic performance of Hong Kong as its GDP increased by 6.4%¹ in 2007; it increased the demand for private housing and in particular the luxurious sector. It drove a good demand for high quality products of architectural builder hardware, bathroom and kitchen collection; our Company has been able to meet with

the demand for and fill into this niche market.

With the Government's commitment in promoting economic development through series of infrastructure projects, it will create more jobs in the construction industry and lead to a general overall increase in income. People are therefore more willing to spend for home improvements. Unless there is a drastic event which leads to the downturn of Hong Kong economy, we are optimistic that Hong Kong economy will continue to grow in the year of 2008 and we expect that there will not be any material change in the performance of our business in 2008.

The sub prime crisis has somewhat dampened the economic growth in United States and Europe, and its ripples effect to our economy is visible as reflected from the performance of our stock market in the last quarter. Meanwhile our sales in China, especially in Shanghai and Beijing, have reflected the continuing trend of strong economy

各位股东：

我们欣然提呈截至二零零八年三月三十一日止年度年报。

本公司于二零零零悉尼奥运年在香港联交所上市，于北京奥运年刷新五项纪录。年内，我们取得最高营业额395,000,000港元；最高经营溢利46,000,000港元；最高股东权益183,000,000港元；最高手头合约价值145,000,000港元；而在计及于本年三月透过发行红股增加股本后，每股盈利亦达到18仙的最高水平。香港本地生产总值于二零零七年增加6.4%¹，反映

香港经济表现良好，从而令香港市民对私人屋苑（特别是豪宅）需求增加，连带对优质建筑五金及卫浴设备等产品亦存在殷切需求。本公司有实力满足市场需求并在市场上稳占一席位。

政府现正致力透过一连串基建项目促进经济发展，为建筑业缔造更多就业机会，令全民收入上升。故此，市民更愿意花费在改善家居环境上。除非出现突变以致香港经济急剧倒退，否则我们对香港经济将于二零零八年持续增长仍然感到乐观，亦预期本公司于二零零八年的业务表现不会有任何重大变动。



in the Mainland for last year and we have increased our spending in this new market to promote our business there.

Despite all these good results, we perceive that the slowing down of global economy because of the sub prime crisis, high oil prices and high inflation rate; and of China market due to the macroeconomic adjustments of China in order to reduce the risk of overheated economy. The Board of directors will keep a close look on the expenses and reduce costs to improve our operating efficiency.

Last year performance has proved our strategic move into the business of luxury home living is in the right direction in our business development, we continue to extend the business lines into home living, such as designer furniture and living room fittings etc. as an extension of our traditional lines in bathroom and kitchen fittings. We expect these new lines of business will further contribute to our gross margin and profitability in years to come. Meanwhile we do look for other business opportunities which would

enhance our shareholders wealth and increase the returns on investment.

In March this year, we have issued bonus shares to our shareholders and in the forthcoming Annual General Meeting, we also propose a further issuance of bonus shares to reward the loyalty and support of our shareholders. We sincerely hope that our efforts and hare work will gain wider public support for our company.

Last but not least, I would like to take this opportunity to thank our shareholders, suppliers, customers and my fellow directors and colleagues for their continuous support of our Company.



TSE Sun Fat, Henry
Chairman
3 June 2008



次按危机稍为遏抑美国及欧洲的经济增长，香港经济亦明显被波及，这从本港股市于上一季的表现中可见一斑。与此同时，本公司于中国（尤其是上海及北京）的销售额反映内地经济去年持续强劲的趋势，而我们亦已投放更多资源于此新市场，以促进本公司在当地的业务。

虽有上述佳绩，我们预计全球经济将因次按危机以及油价和通胀高企而放缓；而中国为减低经济过热的风险而实施宏观调控，亦足以令当地经济放缓。董事会将密切注意开支及减低成本，以助改善其营运效率。

去年业绩证明将业务扩展至豪宅家居之策略部署为发展本公司业务的正确方向，我们会继续将业务范围扩展至设计家具及客厅设备等家居业务，作为本公司传统卫浴设备业务的伸延。我们预期，该等新业务将于未来数年进一步为本公司毛利率及盈利能力带来贡献。同时，我们会寻求其他商机，务求提高股东利益及增加投资回报。

于本年三月，本公司向其股东发行红股，并于应届股东周年大会建议向本公司股东进一步发行红股，以答谢股东对本公司之忠诚及支持。我们衷心希望，我们付出的努力及实干可获取更多公众支持。

最后，本人谨藉此机会感谢股东、供应商、客户及董事及同僚一直支持本公司。



谢新法
主席
二零零八年六月三日

MANAGEMENT DISCUSSION AND ANALYSIS 管理层讨论与分析

The following discussion provides information and contribution to revenue, operating profit, profit after tax, financial condition, liquidity and capital expenditure of the Group.

Results of Operations

We are pleased to announce an operating profit of HK\$45.9 million (2007: HK\$31.4 million) an increase of 46%, while profit after tax amounts to HK\$37.81 million (2007: HK\$25.78 million) an increase of 47% with the Group turnover amounts to HK\$395.3 million (2007: HK\$309.6 million) represents an increase of 27.7% from last year.

We have been able to capture the continuous flourishing market in the sale of luxurious apartments and houses from major property developers in Hong Kong. Despite the increase in the costs of sales caused by the increase in the price of metal, oil and the continue appreciation of foreign currencies such as EURO against United States Dollar in which Hong Kong Dollar is pegged upon, we have been able to

maintain our gross profit to 38% (2007: 39%). Furthermore, we are pleased to report that our sales in kitchen fittings increased to HK\$40 million from HK\$30 million in the year ended 31 March 2007. The improvement in sales volume causes the increase in selling and distribution costs by HK\$11.5 million to HK\$73.7 million (2007: HK\$62.2 million) while we continue our attempt to keep the operating expenses at effective level, the administrative expenses increased by 17% from HK\$27.9 million to HK\$32.6 million resulted from the increase support to our operations and inflation in general.

Wholesales/Retails

With the China economy remains flamboyant; we are pleased to see this is reflected in the increase in the sales and constructions of newly built luxurious apartments and houses. The increase in our retails sales resulted from various refurbishing projects of houses and apartments in prestige residential

以下讨论提供有关本集团收益贡献、经营溢利、除税后溢利、财政状况、流动资金及资本开支之资料。

经营业绩

我们欣然宣布，本集团录得经营溢利 45,900,000 港元（二零零七年：31,400,000 港元），增幅为 46%，而除税后溢利则达 37,810,000 港元（二零零七年：25,780,000 港元），增幅为 47%，本集团营业额为 395,300,000 港元（二零零七年：309,600,000 港元），较去年上升 27.7%。

我们受惠于香港主要物业发展商持续于豪宅及独立屋销售市场录得佳绩。虽然金属价格和油价上升，加上欧元等外币兑与港元挂之美元持续升值，令销售成本上涨，但我们毛利仍得以维持于 38%（二零零七年：39%）之水平。此外，我们欣然宣布，我们的厨房设备销售额由

截至二零零七年三月三十一日止年度之 30,000,000 港元增至 40,000,000 港元。销售额上升令到销售及分销成本增加 11,500,000 港元至 73,700,000 港元（二零零七年：62,200,000 港元），与此同时，我们继续致力将经营开支维持在有效水平，行政开支在增加业务支援及整体通胀压力下由 27,900,000 港元增加 17% 至 32,600,000 港元。

批发／零售

随著中国经济维持旺盛，新豪宅及独立屋相继开售及落成，情况令人欣喜。港岛南区等豪宅区内之独立屋及住宅进行翻修，带动集团零售额上升。我们新开设的陈列室 VIA 3 占地约 12,000 平方呎，专为引进卫浴及客厅设备之崭新设计意念而设，如上述成功刺激厨房设备之销量。此外，用家期望大型私人屋苑提供「五星级」住客会所，以致该等屋

areas such as the south district of Hong Kong Island. Our newly opened showroom VIA 3 occupies some 12,000 square feet aims to bring in new ideas of designer bathroom and living room fittings. This has yielded an increase in sales of kitchen fitting as noted above. Furthermore, the emphasis on the stylish design of clubhouses in large private housing estates creates a new demand for our products when the market expects a "five-star" graded clubhouse in those estates. While we continue to supply large projects mentioned in our last year report, we have also been participating new projects such as Crowne Plaza Hotel, Yoho Town Phase 2, Yuen Long, Celestial Heights, Tao Fung Shan Site A, Shatin, 39 Conduit Road, SOHO 38, The Palazzo, One Central Macau, Nova Taipa Garden, Sanlitum Phase 1 Improvement Work South & North Tower commenced during the year.

At 31 March 2008, our contract in hand amounted to HK\$145 million (2007: HK\$144 million).



Financial Resources and Liquidity

The Group's continue to expand its business lines and volume while maintaining a prudent financial management policy, the current ratio and quick ratio are 2.35 (2007: 2.74) and 1.61 (2007: 1.71) respectively, while the cash and bank balances amounted to HK\$52 million as at 31 March 2008 (2007: HK\$46 million). The Group gearing ratio (the ratio of total liabilities to the sum of total liabilities and owners' equity) increased to 39% as



苑均以设计时尚之住客会所作招徕，对我们的产品形成新需求。如上年度年报所述，我们继续为大型项目供应产品，但年内亦开始参与诸如Crowne Plaza Hotel、元朗Yoho Town二期、半山壹号、沙田道风山地皮甲、干德道39号、SOHO 38、御龙山、壹号广场、澳门濠景花园、北京三里屯一期南北楼改善工程等新项目。

于二零零八年三月三十一日，手头合约价值达145,000,000港元（二零零七年：144,000,000港元）。

财政资源及流动资金

本集团在不断扩展业务及提升销售额之余，亦维持审慎之财务管理政策，流动比率及速动比率分别为2.35（二零零七年：2.74）及1.61（二零零七年：1.71），而于二零零八年三月三十一日之现金及银行结余则为52,000,000港元（二零零七年：46,000,000港元）。于二零零八年三月三十一日，本集团资本负债比率（即负债总额相对负债总额与股东股本总和之比率）增至39%（二零零七年：32%）。本集团之计息借贷为62,750,000

MANAGEMENT DISCUSSION AND ANALYSIS 管理层讨论与分析

of 31 March 2008 (2007: 32%). The interest bearing borrowing of the Group amounts to HK\$62.75 million (2007: HK\$33.27 million) including trade finance such as trust receipt loans for imports.

The Group has adopted a prudent hedging policy against foreign exchange risk on imported products. The borrowing and cash balances are primarily denominated in Hong Kong Dollars, the foreign exchange risk in this aspect is insignificant.

People

As at 31 March 2008, our loyal workforce which is a major ingredient to our successful operation increased to 143 (2007: 135).

During the year, Mr. Wong Tin Cheung, Ricky, a member of our senior management and former director of the Company passed away. The Board has on behalf of the Group conveyed our condolences to Mr. Wong's family. Mr. Wong is remembered as a significant contributor to the success of the Group during his 29-year services.

Future Prospects

The sales in home living products remain strong and continue to grow in positive direction. Since the beginning of 2008, as a natural extension to our lines of business from bathroom fitting into kitchen fittings, the Group has further expanded into the sale of living room fittings and designer furniture, marked by the grand opening of its largest showroom adjacent to Pacific Place Phase III in Admiralty serving our prestige customers. In addition, the Group is also seeking business opportunities to work with established developers in China for their luxurious resident and hotel projects in both Pearl River Delta and Shanghai area.

港元(二零零七年:33,270,000港元),其中包括入口信托收据贷款等贸易融资。

本集团就进口产品采取审慎之对冲政策以消除外汇风险。借款及现金结余主要以港元为单位,故此方面之外汇风险微不足道。

人力资源

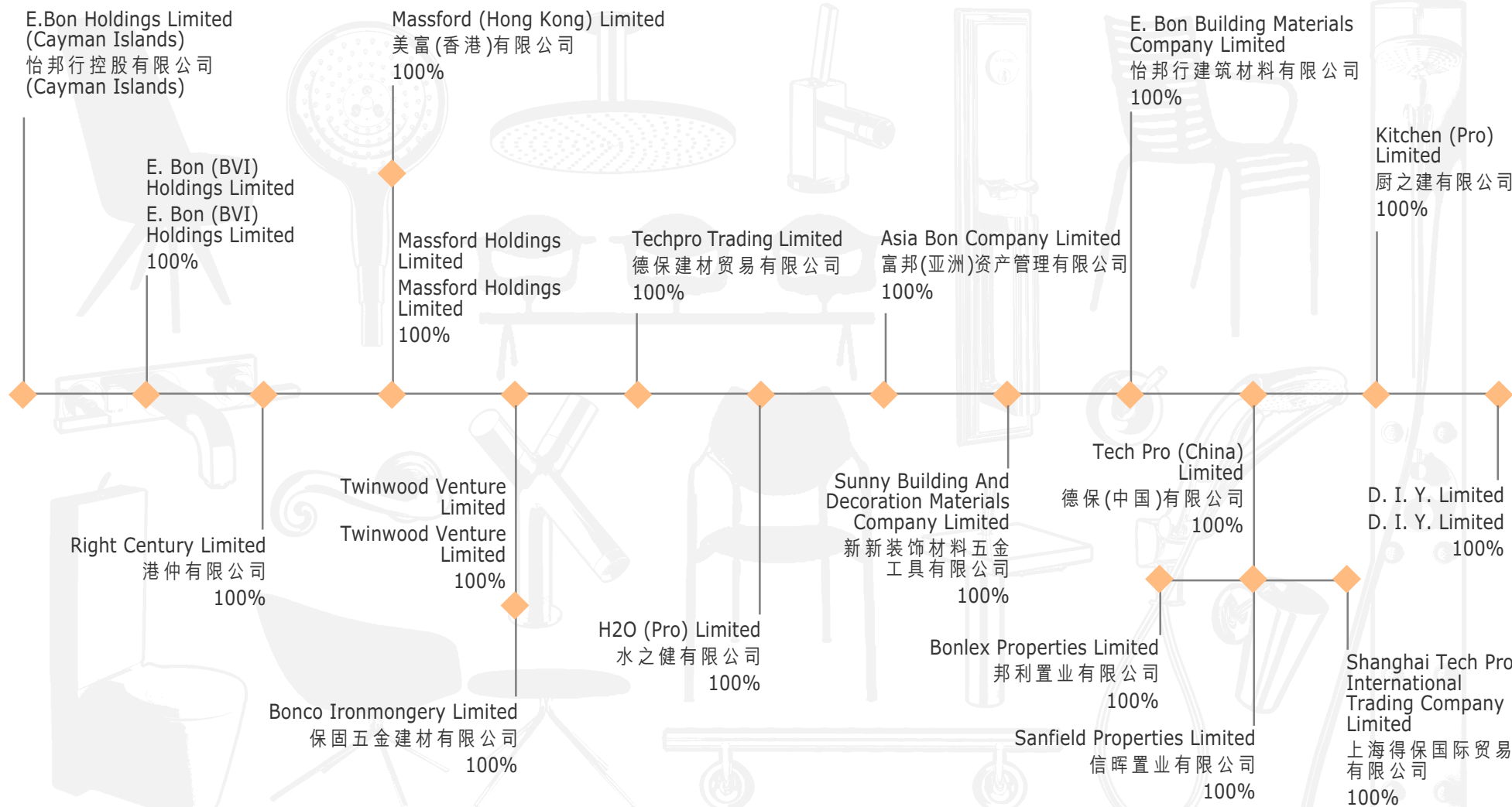
于二零零八年三月三十一日,我们的员工人数增至143名(二零零七年:135名),彼等尽忠职守,为集团的业务成就作出重大贡献。

年内,本公司高级管理人员及前任董事黄天祥先生不幸辞世。董事会谨代表本集团向黄先生家属致以深切慰问。黄先生服务本集团二十九年,对本集团之成功贡献良多。

展望

家居产品销情仍然强劲,走势持续向好。本集团自年前起将业务范围由卫浴设备扩展至厨房设备,并于年初在金钟太古广场三期毗邻开设规模最大之陈列室,再进一步推展销售至客厅设备以及设计家俱,以尊尚顾客为销售对象。此外,本集团亦积极物色机会寻求与国内的发展商合作,目标为该等发展商在珠江三角洲及上海之豪宅及酒店项目。

GROUP STRUCTURE 集团架构



CORPORATE INFORMATION 公司资料

Register office

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

Head office and principle place of business

16th-18th Floors,
First Commercial Building
33 Leighton Road, Causeway Bay
Hong Kong

Company secretary

IP Fu Wa, Benthony
ACA, CPA

Auditors

Grant Thornton
Certified Public Accountants
13th Floor, Gloucester Tower
The Landmark
15 Queen's Road Central
Hong Kong

Authorised representatives

TSE Sun Lung, Alan
IP Fu Wa, Benthony
ACA, CPA

Hong Kong branch share registrar and transfer office

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

Cayman Islands principal share registrar and transfer office

Butterfield Fund Services
(Cayman) Limited
Butterfield House
68 Fort Street
P.O. Box 705
Grand Cayman KY1-1107
Cayman Islands

Legal advisers on Cayman Islands law

Conyers Dill & Pearman, Cayman
Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

Legal advisers on Hong Kong law

Pang, Wan & Choi, Solicitors
7th Floor, Chinachem Tower
34-37 Connaught Road, Central
Hong Kong

Principal bankers

- The Hongkong and Shanghai Banking Corporation Limited
- Nanyang Commercial Bank Limited
- Wing Lung Bank Limited
- Industrial and Commercial Bank of China (Asia) Limited
- China Construction Bank (Asia) Limited
- Shanghai Commercial Bank Limited
- Fubon Bank (Hong Kong) Limited

注册办事处

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

总办事处及主要营业地点

香港铜锣湾
礼顿道33号
第一商业大厦16-18楼

公司秘书

叶富华
ACA, CPA

核数师

均富会计师行
香港执业会计师
香港中环
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置地广场
告罗士打大厦13楼

获授权代表

谢新龙
叶富华
ACA, CPA

香港股份

过户登记处

卓佳雅柏勤有限公司
香港皇后大道东28号
金钟汇中心26楼

开曼群岛股份 过户登记总处

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开曼群岛法律之法律顾问

Conyers Dill & Pearman, Cayman
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Cayman Islands

香港法律之法律顾问

彭温蔡律师行
香港中环
干诺道中34-37号
华懋大厦七楼

主要往来银行

- 香港上海汇丰银行有限公司
- 南洋商业银行有限公司
- 永隆银行有限公司
- 中国工商银行(亚洲)有限公司
- 中国建设银行股份有限公司
- 上海商业银行有限公司
- 富邦银行(香港)有限公司

The directors submit their report together with the audited financial statements for the year ended 31 March 2008.

Principal activities and geographical analysis of operations

The principal activity of the Company is investment holding. Its subsidiaries are principally engaged in the importing and sale of architectural builders hardware, bathroom and kitchen collections in Hong Kong.

Details of the analysis of the Group's turnover and contribution to operating profit for the year by principal activity and market is set out in note 5 to the financial statements.

Results and appropriations

The results of the Group for the year are set out in the consolidated income statement on page 044.

Dividend

The Board has resolved to recommend the payment of a final dividend of HK5 cents (2007: HK3.5 cents) per share in respect of the year ended 31 March 2008 at the forthcoming annual general meeting to be held on 8 September 2008 (the "AGM"). The final dividend, if approved by the members, will be paid on 9 October 2008 to members whose names appear on the principal or branch register of members of the Company in Grand Cayman or Hong Kong respectively (collectively the "Register of Members") as at the close of business on 8 September 2008.

Reserves

Details of the movements in the reserves of the Group and of the Company during the year are set out in note 25 to the financial statements.

董事會謹此提呈截至二零零八年三月三十一日止年度之報告及經審核財務報表。

主要業務活動及經營地區分析

本公司之主要業務為投資控股。各附屬公司主要業務為在香港進口及分銷建築五金、卫浴及廚房設備。

本集團於本年度按主要業務及市場劃分之綜合營業額及經營業績之分析詳列於財務報表附注5。

業績及股息分派

本年度本集團之業績刊載於第044頁之綜合損益表內。

股票利息

董事會議決將於二零零八年九月八日舉行之應屆股東周年大會（「股東周年大會」）上建議派发截至二零零八年三月三十一日止年度之末期股息每股5港仙（2007：每股3.5港仙）。倘獲股東批准，末期股息將於二零零八年十月九日派付予於二零零八年九月八日營業時間結束時，名列於本公司分別在開曼群島或香港存置之主要股東名冊或股東登記分冊（統稱為「股東名冊」）之股東。

儲備

本集團及本公司在本年度之儲備變動載於財務報表附注25。

DIRECTORS' REPORT 董事会报告

Property, plant and equipment

Details of the movements in property, plant and equipment of the Group during the year are set out in note 15 to the financial statements.

Share capital

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

Distributable reserves

Distributable reserves of the Company as at 31 March 2008 amounted to HK\$96,923,000. Under Section 34 of the Companies Law (2000 Revision) of the Cayman Islands, the share premium is available for distribution to shareholders, provided that no distribution shall be paid to shareholders out of the Company's share premium unless the Company shall be able to pay its debts as they fall due in the ordinary course of business.

Five year financial summary

A summary of the results and of the assets and liabilities of the Group for the last five financial years is set out on page 111.

Purchase, sale or redemption of shares

The Company has not redeemed any of its shares during the year. Neither the Company nor any of its subsidiaries has purchased or sold any of the Company's shares during the year.

物业、厂房及设备

集团的物业、厂房及设备之变动详情载于财务报表附注15。

股本

本公司之股本详情载于财务报表附注24。

可派发储备

于二零零八年三月三十一日，本公司之可派发储备为96,923,000港元。根据开曼群岛之公司法规定第34条（二零零零年所修订），股份溢价可派发予股东，并且除非公司于正常商务过程中能偿还到期之债项，否则不能派发股份溢价予股东。

五年财务摘要

本集团过往五个财政年度之业绩及资产与负债摘要载列于第111页。

购买、出售或赎回股份

本公司于年度内概无赎回任何本公司股份。本公司或其任何附属公司于年度内概无购买或出售任何本公司股份。

Directors

The directors during the year were:

Mr. TSE Sun Fat, Henry
Mr. TSE Sun Po, Tony
Mr. TSE Sun Lung, Alan
Mr. LAU Shiu Sun
Mr. YICK Kai Chung
Mr. FUNG Cheuk Hang, Jackie
Mr. LEUNG Kwong Kin, J.P.#
Mr. WONG Wah, Dominic#
Mr. WAN Sze Chung, Wilson#

(appointed 3 October 2007)

The late Mr. WONG Tin Cheung, Ricky (retired on 13 September 2007)

Independent non-executive directors who entered into contracts with the Company for an initial fixed term of one year and thereafter shall continue for further successive periods of one year, provided that the Company may terminate the contracts at the end of each one year period by giving the other party at least one month's notice in writing thereof.

Mr. TSE Sun Fat, Henry, Mr. LAU Shiu Sun, Mr. WAN Sze Chung, Wilson, and Mr. FUNG Cheuk Hang, Jackie shall retire at the forthcoming annual general meeting in accordance with Articles 86(3) and 87 of the Company's Articles of Association and, being eligible, offer themselves for re-election.

Directors' service contracts

Each of Mr. TSE Sun Fat, Henry, Mr. TSE Sun Po, Tony and Mr. TSE Sun Lung, Alan has entered into a service contract with the Company for a term of three years commencing on 1 March 2000 and continuing thereafter unless terminated by either party with at least three months advance notice in writing.

董事

年度内及截至本报告日期止在任董事如下：

谢新法先生
谢新宝先生
谢新龙先生
刘绍新先生
易启宗先生
冯焯衡先生
梁光建太平绅士#
黄华先生#
温思聪先生#
黄天祥先生(已故)

(于二零零七年十月三日委任)

(已于二零零七年九月十三日辞任)

为独立非执行董事。彼等与本公司已订立为期一年之固定合约，其后将延续多一年，惟本公司可于每一个年度完结时向彼等发出不少于一个月书面通知而终止合约。

根据本公司之公司组织章程细则第86(3)及第87条之规定、谢新法先生、刘绍新先生、温思聪先生及冯焯衡先生将于股东周年大会上退任。所有退任董事均符合资格并愿意膺选连任。

董事服务合约

谢新法先生、谢新宝先生及谢新龙先生各自与本公司订立服务合约，由二零零零年三月一日起计为期三年，其后将会延续，直至任何一方向另一方事先发出不少于三个月书面通知终止合约。

DIRECTORS' REPORT 董事会报告

Directors' service contracts (cont'd)

Mr. LAU Shiu Sun and Mr. FUNG Cheuk Hang, Jackie have entered into a service contract with the Company for a term of three years commencing on 10 December 2001 and 3 October 2007 and will continue thereafter unless terminated by either party by three months prior written notice to other party.

Save as disclosed herein, none of the directors of the Company has entered into any service contracts with any member of the Group (excluding contracts expiring or determinable by the employer within one year without payment of compensation (other than statutory compensation)).

Directors' interests in contracts

Save as disclosed under the section "Connected transactions" below, no other contracts of significance in relation to the Group's business to which the Company, its subsidiaries or holding companies was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

董事服务合约 (续)

刘绍新先生及冯焯衡先生各自与本公司订立服务合约，由二零零一年十二月十日及二零零七年十月三日起计为期三年，其后将会延续，直至任何一方另方向另一方事先发出三个月书面通知终止合约。

除本报告披露者外，本公司董事概无与本集团任何成员公司订立任何服务合约（于一年内届满或可于一年内不作赔偿（法定赔偿除外）而终止之服务合约除外）。

董事于合约之权益

除于「持续关连交易」所披露外，本公司董事概无在本公司或其任何附属公司作为订约一方及对本公司业务属重大而于年度结束或年度内任何时间持续有效之任何合约中直接或间接拥有重大实际权益。

Directors' benefits from rights to acquire shares or debentures

Under the terms of the Company's share option scheme adopted on 22 March 2000, the board of directors of the Company may, at their discretion, invite any full-time employees or executive directors of the Company or any of its subsidiaries to subscribe for ordinary shares of HK\$0.10 each in the Company. The maximum number of shares in respect of which options may be granted under the scheme may not exceed 10% of the issued share capital of the Company. No options have been granted to the directors since its adoption. The Stock Exchange of Hong Kong Limited amended the Listing Rules governing share option schemes. The new requirements have come into effect from 1 September 2002 and render some of the provisions of the existing Share Option Scheme no longer applicable.

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

董事来自购入股份或债券权利之利益

根据于二零零零年三月二十二日采纳之本公司认股权计划之条款，董事会可酌情邀请本公司或其任何附属公司之任何全职雇员或执行董事认购本公司每股面值0.10港元之普通股。就该计划下可能授出之认股权之股份最高数目不得超过本公司已发行股本10%。自认股权计划实行以来概无董事获授任何认股权。香港联合交易所有限公司（「联交所」）修订监管认股权计划之上市规则，新规定于二零零二年九月一日生效，因此该计划之若干条文已不再适用。

于年度内任何时间，本公司或其任何附属公司概无作出任何安排，以使本公司董事藉购入本公司或任何其他法人团体之股份或债券而获取利益。

DIRECTORS' REPORT 董事會報告

Directors' interests in shares and underlying shares

As at 31 March 2008, the interests and long positions of the directors, chief executives of the Company and their associates in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO")) which have been notified to the Company pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and long positions which any such director or chief executive was taken or deemed to have under such provisions of the SFO) and have been recorded in the register maintained by the Company pursuant to Section 352 of the SFO, or which have been notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to the Model code contained in the Listing Rules, were as follows :

i) Long position in shares and underlying shares

Director	董事	Personal interest 个人权益	Corporate interest 公司权益	Percentage of issued Share capital 占已发行股份之比例
Mr. TSE Sun Fat, Henry (Note 1)	谢新法先生 (附注1)	-	12,550,094	5.98%
Mr. TSE Sun Po, Tony (Note 2)	谢新宝先生 (附注2)	-	14,970,471	7.13%
Mr. TSE Sun Lung, Alan	谢新龙先生	8,612,100	-	4.10%
Mr. YICK Kai Chung	易启宗先生	5,093,340	-	2.43%

Note 1: The interests in shares of the Company is held by Fast Way Management Limited. Mr. Tse Sun Fat, Henry and his spouse are the beneficiaries

Note 2: The interests in shares of the Company is held by New Happy Times Limited. Mr. Tse Sun Po, Tony and his family are the beneficiaries.

董事于股份及相关股份之权益

于二零零八年三月三十一日，本公司董事及主要行政人员或彼等各自联系人士于本公司或其任何相关法团（定义见证券及期货条例（「该条例」）之股份、相关股份或债券中拥有须根据该条例第XV部第7及第8分部须知会本公司及联交所之权益或好仓（包括根据该条例有关条文该董事或主要行政人员被当作或视为拥有之权益或好仓）；或须依据该条例第352条列入记录于本公司存置之登记册内之权益或好仓；或根据上市规则内之上市公司董事进行证券交易之标准守则（「标准守则」）须知会本公司及联交所之权益或好仓如下：

i) 拥有公司股份及相关股份之好仓

	Personal interest 个人权益	Corporate interest 公司权益	Percentage of issued Share capital 占已发行股份之比例
Mr. TSE Sun Fat, Henry (Note 1)	-	12,550,094	5.98%
Mr. TSE Sun Po, Tony (Note 2)	-	14,970,471	7.13%
Mr. TSE Sun Lung, Alan	8,612,100	-	4.10%
Mr. YICK Kai Chung	5,093,340	-	2.43%

附注1：Fast Way Management Limited持有该等股份。谢新法先生及其配偶为Fast Way Management Limited 之受益人。

附注2：New Happy Times Limited持有该等股份。谢新宝先生及其配偶为New Happy Times Limited 之受益人。

Directors' interests in shares and underlying shares (cont'd)

ii) Negotiator Consultants Limited ("NCL")

董事于股份及相关股份之权益 (续)

ii) Negotiator Consultants Limited (「NCL」)

Director	董事	Number of ordinary shares held 持有普通股份之数目				Total 总数
		Personal interest 个人权益	Family interest 家族权益	Corporate interest 公司权益	Other interest 其他权益	
Mr. TSE Sun Fat, Henry (Note 3)	谢新法先生 (附注3)	—	—	—	1	1
Mr. TSE Sun Po, Tony (Note 3)	谢新宝先生 (附注3)	—	1	—	1	1

Note 3: Such share is held by BHGL.

附注3: BHGL 持有该等股份

Save as disclosed above, none of the directors or their associates had, as at 31 March 2008, any interests or short positions in any shares, underlying shares of the Company or any of its associated corporations (within the meaning of Part XV of the SFO which were notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they are taken or deemed to have under such provisions of the SFO), or which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein, or which were required, pursuant to the Listing Rules, to be notified to the Company and the Stock Exchange.

除上文所披露外，于二零零八年三月三十一日，各董事及主要行政人员或彼等各自之联系人士并无拥有根据该条例第XV部第7及第8分部须知会本公司及联交所之本公司或其任何相联法团（定义见该条例第XV部）之股份、相关股份或债券权益及淡仓（包括根据该条例当作或被视为拥有之权益或淡仓），或根据该条例第352条须登记于该条规定存置之登记册须知会本公司及联交所之权益或淡仓，或须根据标准守则知会本公司及联交所之权益或淡仓。

Save as disclosed above, at no time during the year was the Company, its subsidiaries or holding company a party to any arrangement to enable the directors, their spouses or children under 18 years of age to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

除上文所披露外，年内任何时间，本公司或其任何附属公司概无参与任何协议，使本公司董事、彼等之配偶及十八岁以下子女可获取本公司或任何其他法人团体之股份或债券。

DIRECTORS' REPORT 董事会报告

Biographical details of directors and senior management

Executive directors

Mr. TSE Sun Fat, Henry, aged 51, is a founding member of the Group and the Chairman of the Company. Mr. TSE has over 25 years of experience in the trading of building materials. He is responsible for the planning of the Group's overall strategies and the overall management of the Group.

Mr. TSE Sun Po, Tony, aged 49, is the managing director of the Company and joined the Group in 1979. Mr. TSE has over 25 years of experience in the trading of building materials and is responsible for the retail business of the Group. Mr. TSE also assists in the strategic planning and management of the Group. He is a brother of Mr. TSE Sun Fat, Henry, the Chairman of the Group.

Mr. TSE Sun Lung, Alan, aged 41, is an executive director of the Company. He joined the Group in 1990 and is now responsible for project sales and the marketing of products distributed by the Group. Mr. TSE Sun Lung, Alan is a cousin of Mr. TSE Sun Fat, Henry and Mr. TSE Sun Po, Tony.

Mr. LAU Shiu Sun, aged 41, joined the Group in 1994. Mr. LAU was appointed as an executive director of the Company on 10th December 2001, before his appointment, Mr. Lau was a sales manager of the Group and is responsible for project sales. He graduated from Hong Kong Baptist University (formerly Baptist College) in 1992 with a bachelor of science degree.

Mr. YICK Kai Chung, aged 49, joined the Group in 1979 and is a director of two subsidiaries of the Company. Mr. YICK has over 25 years of experience in building materials industry and is responsible for overseeing major financial statements and wholesale business of the Group and products sourcing and technical support.

董事及高级管理人员之履历

执行董事

谢新法先生，51岁，本集团之创办成员兼本公司之主席。谢先生于建筑材料贸易方面拥有逾25年经验。彼负责企划本集团之整体策略及整体管理工作。

谢新宝先生，49岁，本公司之董事总经理，于一九七九年加入本集团。谢先生于建筑材料贸易方面拥有逾25年经验，负责本集团之零售业务。谢先生亦协助本集团之策略性计划及管理。彼乃本集团主席谢新法先生之胞弟。

谢新龙先生，41岁，本公司之执行董事，于一九九零年加入本集团，目前负责项目销售及本集团经销之产品之市场推广。谢新龙先生乃谢新法及谢新宝先生之堂弟。

刘绍新先生，41岁，于一九九四年加入本集团。彼于二零零一年十二月十日获委任为本公司执行董事。获委任前，刘先生为本集团之销售经理，负责项目销售。彼在一九九二年毕业于香港浸会大学，取得理学学士学位。

易启宗先生，49岁，于一九七九年加入本集团。彼于二零零四年七月十三日获委任为本公司执行董事。彼亦为本公司两家附属公司之董事。易先生于建筑材料业拥有逾25年经验，负责监督本集团主要客户及批发业务，并负责产品采购及技术支持。

Biographical details of directors and senior management (cont'd)

Executive directors (cont'd)

Mr. FUNG Cheuk Hang, Jackie, aged 37 joined the Group in 2004, is responsible for the management of Project Sales in kitchen fittings of the Group. Graduated in 1994 from University of Toronto Canada with a major in business administration, he has over 11 years experience in the industry. Mr. FUNG is responsible for the development of the Group's marketing strategies and sales of kitchen fittings.

The Late Mr. WONG Tin Cheung, Ricky, joined the Group in 1979, retired on 13 September 2007. Mr. WONG was appointed as an executive director of the Company on 24 April 2002, and was also a director of two subsidiaries of the Company and was responsible for the operation of the Group in project management. He has over 23 years of experience in selling building materials and was a civil servant before joining the Group.

Non-executive directors

Mr. LEUNG Kwong Kin *J.P.*, aged 61, was appointed as an independent non-executive director in January 2000. Mr. LEUNG holds a Master of Business Administration Degree from the University of East Asia, Macau (now known as "the University of Macau"). Mr. LEUNG is a senior practicing director of Wong Lam Leung & Kwok C.P.A. Limited. He is a fellow of the Association of Chartered Certified Accountants, the Hong Kong Institute of Certified Public Accountants and the Association of International Accountants. Mr. LEUNG is also an associate of the Institute of Chartered Accountants in England & Wales, the Taxation Institute of Hong Kong, the member of the Macau Society of Certified Practising Accountants, the Society of Chinese Accountants & Auditors, the Chartered Management Institute and the International Institute of Management. Mr. LEUNG is an Independent Non-Executive Director of Chevalier Pacific Holdings Limited, a company listed on the Stock Exchange.

董事及高级管理人员之履历 (续)

执行董事 (续)

冯焯衡先生，37岁，于二零零四年加入本集团。现负责集团代理厨柜品牌项于项目供应的相关销售及供应合约事宜。于一九九四年获取多伦多大学工商管理学系荣誉学士。冯先生拥有逾11年销售厨柜经验，加入本集团前曾参与不同厨柜品牌的销售工作。

黄天祥先生（已故），于一九七九年加入本集团，于二零零七年九月十三日离任，彼于二零零二年四月二十四日获委任为本公司执行董事。彼亦为本公司两家附属公司之董事。黄先生负责本集团项目管理之业务，并于销售建筑材料方面拥有逾23年经验，在加入本集团前彼为一位公务员。

非执行董事

梁光建太平绅士，61岁，于二零零零年一月加入本集团为独立非执行董事。梁先生持有澳门东亚大学（现称为「澳门大学」）工商管理硕士学位。梁先生乃黄林梁郭会计师事务所有限公司之高级执业董事。彼为英国特许公认会计师，香港会计师公会，及英国国际会计师公会之资深会员。梁先生亦为英国特许会计师公会、香港税务学会、澳门会计师公会、香港华人会计师公会，英国特许管理学会及国际专业管理学会之会员。梁先生亦为联交所上市公司其士泛亚控股有限公司之独立非执行董事。

DIRECTORS' REPORT 董事会报告

Biographical details of directors and senior management (cont'd)

Non-executive directors (cont'd)

Mr. WONG Wah, Dominic, aged 59, was appointed as an independent non-executive director on 19 June 2001. He graduated from the Chinese University of Hong Kong in 1972 with honours bachelor's degree of Social Science in Economics. He was appointed director and general manager of Hong Kong Ferry (Holdings) Ltd., formerly The Hongkong & Yaumatei Ferry Co., Ltd. until late 1989. He has been actively involved in China trade and garment industry over the last few years.

Mr. WAN Sze Chung, Wilson, aged 35, was appointed as an independent non-executive director on 27 September 2004. Mr. Wan obtained a Master degree in Business Administration from the Chinese University of Hong Kong. He is a member of the Hong Kong Institute of Certified Public Accountants and the Association of Chartered Certified Accountants. Mr. WAN is a director of Training and Consultancy Firm specializing in corporate and personal training. In addition, Mr. WAN is also the Hong Kong Chapter Leader of International Coach Federation (USA).

Senior management

Mr. AU Lai Chuen, Hercules, aged 51, joined the Group in 1982 and is a director of two subsidiaries of the Company. Mr. AU has over 25 years of experience in the building materials industry and is responsible for project related sales and marketing activities.

Mr. LO Wai Man, aged 54, joined the Group in 1979. Mr. LO is a technical director and is responsible for overseeing provision of technical support for bathroom collections. He has over 25 years of experience in selling building materials and is a licensed plumber.

董事及高级管理人员之履历 (续)

非执行董事 (续)

黄华先生，59岁，于二零零一年六月十九日获委任为独立非执行董事。彼于一九七二年毕业于香港中文大学，并取得经济学系社会科学荣誉学士。彼曾于香港小轮（控股）有限公司（前称香港油麻地小轮有限公司）被委任为董事及总经理直至一九八九年。近年，彼致力经营中国贸易及制衣业务。

温思聪先生，35岁，于二零零四年九月二十七日获委任为独立非执行董事，彼持有香港中文大学颁发之工商管理硕士学位，亦为香港会计师公会及特许公认会计师公会会员。温先生为一间专业培训顾问公司的董事，专业于企业及个人培训。同时，温先生为国际培训师协会（香港分会）主席。

高级管理人员

欧励全先生，51岁，于一九八二年加入本集团，为本公司其中两家附属公司之董事。欧先生于建筑材料业拥有逾25年经验，负责项目相关销售及市场推广工作。

卢伟民先生，54岁，于一九七九年加入本集团。卢先生乃技术董事，负责监督为浴设备提供之技术支援。彼于销售建筑材料方面拥有逾25年经验，并为一直持牌水喉匠。

Biographical details of directors and senior management (cont'd)

Senior management (cont'd)

CHANG Kai Chuen, Roy, aged 34, joined the Group in 1991. Mr. CHANG is a general manager of project sales division. He has over 10 years of experience in building materials industry and is responsible for project sales.

Mr. MAK Lai Man, Eric aged 41, joined the Group in 1992. Mr. MAK obtained a diploma certificate in Sociology from Hong Kong Shue Yan University, formerly Shue Yan College and a certificate in Organizational Behaviour from Heriot-Watt University. He has over 10 years experience in building materials industry. Mr. Mak is a marketing manager of the Group and is now responsible for project sales in sanitary products.

Ms. LAU Mei Fong, Cherry, aged 36, joined the Group since 1996. Ms. LAU is the general manager of the retails shops of the Group and is in charge of overall shop management. She has over 10 years of experience in retail business. Ms. LAU is a sister-in law of Mr. TSE Sun Po, Tony, the managing director of the Group.

Mr. TSE Hon Kit, Kevin, aged 28, joined the Group since 2004. Mr. TSE graduated from University of Toronto with a bachelor degree of Commerce. He is a director of a subsidiary of the Company and responsible for internal information technology development and the marketing of products distributed by the Group. Mr. TSE is a nephew of TSE Sun Lung, Alan, an executive director of the Group.

董事及高级管理人员之履历 (续)

高级管理人员 (续)

郑价全先生，34岁，于一九九一年加入本集团。郑先生为项目销售总经理。彼于建筑材料业拥有逾10年经验，现负责项目销售。

麦礼民先生，41岁，于一九九二年加入本集团。麦先生持有香港树仁大学（前称树仁书院）颁发的社会学文凭证书及Heriot-Watt University颁发的组织行为学证书。麦先生于建筑材料业拥有逾10年经验。彼为本集团之市场经理，现负责卫浴产品于项目相关销售。

刘美芳小姐，36岁，于一九九六年加入本集团。刘小姐为集团门市部总经理，负责门市整体管理工作。刘小姐于零售业拥有逾10年经验。彼乃本集团董事总经理谢新宝先生配偶之妹妹。

谢汉杰先生，28岁，于二零零四年加入本集团。谢先生毕业于多伦多大学，并取得商学系荣誉学士。谢先生为本公司一家附属公司之董事。现负责公司内部资讯科技发展工作及本集团经销产品之市场推广。彼乃本集团执行董事谢新龙先生之侄儿。

DIRECTORS' REPORT 董事會報告

Substantial shareholders

The register of substantial shareholders maintained under Section 336 of the SFO of shows that as at 31 March 2008, the Company had been notified of the following substantial shareholders' interests, being 5% or more of the Company's issued share capital. These interests are in addition to those disclosed above in respect of the directors and chief executive.

Long position in shares of the Company

Name of Shareholder

Universal Star Group Limited
Happy Voice Limited
New Happy Times Limited (Note 3)
Tse Sun Po, Tony (Note 3)
Fast Way Management Limited
Tse Sun Fat, Henry (Note 3)

股東名稱

Universal Star Group Limited
Happy Voice Limited
New Happy Times Limited (附注3)
谢新宝先生(附注3)
Fast Way Management Limited
谢新法先生(附注3)

Note 3: Mr. Tse Sun Po Tony and Mr. Tse Sun Fat, Henry's interest in the Company are represented by New Happy Times Limited and Fast Way Management Limited respectively.

Management contracts

No contracts concerning the management and administration of the whole or any substantial part of the business of the Company were entered into or existed during the year.

主要股東

除上文披露有关董事及高级行政人员之权益外，于二零零八年三月三十一日，根据该条例第336条须置存之登记册内之主要股东权益，即是拥有超过本公司发行股份之5%如下：

拥有本公司股份之好仓

Number of Ordinary shares beneficially held 股份数目

Percentage of Issued share capital 占已发行股份之比例

36,395,277 17.33%
25,727,696 12.25%
14,970,471 7.13%
14,970,471 7.13%
12,550,094 5.98%
12,550,094 5.98%

附注3：谢新宝先生及谢新法先生于本公司的权益皆分别由 New Happy Times Limited 及 Fast Way Management Limited 代表持有。

管理合約

于年度内，概无订立或存在任何关于本公司全部或任何重大部份业务之管理及行政之合约。

Major and suppliers customers

The percentages of purchases and sales for the year attributable to the Group's major suppliers and customers are as follows:

Purchases

The largest supplier	19%
Five largest suppliers combined	46%

Sales

The largest customer	12%
Five largest customers combined	27%

None of the directors, their associates or any shareholders (which to the knowledge of the directors own more than 5% of the Company's share capital) had an interest in the major suppliers or customers noted above.

Continuing connected transactions

The related party transaction as disclosed in note 27 to the financial statements for the year ended 31 March 2008 in respect of rental expenses of approximately HK\$2,952,000 paid to Negotiator Consultants Limited ("NCL") also constitutes a connected party transaction. NCL is a fellow subsidiary of the Company in which Mr. TSE Sun Fat, Henry, Mr. TSE Sun Po, Tony, Mr. TSE Sun Lung, Alan and a former director namely, Mr. WONG Tin Cheung, Ricky, has beneficial interests. The Stock Exchange has granted conditional waivers to the Company from strict compliance with the requirements of Chapter 14 of the Listing Rules. In the opinion of the directors including the independent non-executive directors of the Company, the transactions were conducted in the ordinary course of the business of the Group and in accordance with the terms of the agreements.

主要供应商及客户

本集团主要供应商及客户所占采购及销售百分比如下：

采购额

最大供应商	19%
五大供应商合计	46%

销售额

最大客户	12%
五大客户合计	27%

所有董事、彼等之联系人士或据董事会所知拥有本公司股本5%或以上之股东，概无于上文所载之主要供应商或客户中拥有任何权益。

持续关连交易

于财务报表附注27披露之截至二零零八年三月三十一日止年度内有关付予Negotiator Consultants Limited (「NCL」) 之租金支出约2,952,000港元之有关连人士交易，亦介定为持续关连交易。NCL为来公司之同系附属公司，而谢新法先生、谢新宝先生、谢新龙先生及已卸任之黄天祥先生均于NCL拥有权益、此交易已取个联交所之条件性豁免严格跟从上市规则第十四章之规定。本公司董事，(包括独立非执行董事)认为，上述交易于本集团一般业务过程中及遵照协议之条款进行。

DIRECTORS' REPORT 董事会报告

Sufficiency of public float

Based on the information that is publicly available to the Company and within the knowledge of the Directors of the Company, as at the date of this report, there is sufficient public float of the Company's securities as required under the Listing Rules.

Auditors

On 1 June 2007, Moores Rowland Mazars changed its name to Moores Rowland. On the same day, Moores Rowland combined its business with Grant Thornton. In this connection, the Board appointed Grant Thornton as auditors of the Company effective 13 September 2007. Grant Thornton will hold office until the conclusion of the forthcoming annual general meeting of the Company to be held on 8 September 2008.

Grant Thornton will retire and be eligible to offer themselves for re-appointment. A resolution will be submitted to the forthcoming annual general meeting to authorize the Board to appoint auditors and to fix their remuneration.

For and on behalf of the Board



TSE Sun Fat, Henry
Chairman

Hong Kong, 3 June 2008

公众持股量

于本报告刊发日期，根据本公司获得的公开资料及据本公司董事知悉，本公司的证券已按照上市规则规定有足够的公众持股量。

核数师

于二零零七年六月一日，摩斯伦•马赛会计师事务所易名为摩斯伦。于同日，摩斯伦将其业务与均富会计师行合并。因此，董事会委任均富会计师行为本公司核数师，自二零零七年九月十三日起生效。均富会计师行之任期将至本公司于二零零八年九月八举行的应届股东周年大会结束为止。

均富会计师行将任满告退并合资格要求续聘。一项决议案将于应届股东周年大会上提呈通过，授权董事会聘任核数师并厘定其酬金。

代表董事会



主席
谢新法

香港，二零零八年六月三日

E. Bon Holdings Limited (the "Company") endeavors to maintain its high standard of corporate governance, and continues to review and reinforce its corporate governance measures. The Company believes that accountability and reporting system with high transparency for the Company's operation has been in place. Disclosure could also be made timely and accurately. At the same time, the rights of shareholders can be treated and protected equitably.

The Company is led by an efficient and responsible Board, which is comprised of individuals with high qualifications and relevant experience. This can ensure that the Company and its subsidiaries (the "Group") maintain good corporate governance practices and have comprehensive internal control systems, so as to cope with the Group's development strategies and increase the shareholders' value.

The Board has complied with the code provision listed in the Code on Corporate Governance Practices (the "Code") as set out in Appendix 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("Listing Rules") throughout the year ended 31 March 2008 with the exception of the code provision A.4.1. Appendix 14 of the Listing Rules stipulates the code of good corporate governance (the "Code"), and two levels of recommendations: (a) code provisions; and (b) recommended best practices. It is also states that issuers are expected to comply with, but may choose to deviate from, the code provisions. The recommended best practices are for guidance only. The Company opted to comply with mandatory code provisions and provisions on recommended best practices that are considered by the Board as reasonable and appropriate.

怡邦行控股有限公司(本公司)致力维持高水平的企业管治标准,并持续检讨及加强企业管治的措施。本公司相信其营运拥有具高透明度之问责及汇报机制,并能作出适时及适当之披露;与此同时,各股东之权利亦能公平地反映及保障。

本公司由一个具效率、高质素及尽职尽责的董事会领导,确保本集团能维持高水平的企业管治及拥有完善内部监控系统,以配合本集团的发展策略及提升股东的价值。

董事会认为,本公司于截至二零零八年三月三十一日止年度内一直遵守上市规则附录十四所载之企业管治常规守则(「守则」),惟偏离守则条文A.4.1。上市规则附录十四订明守则及分两层次的有关建议:(a)守则条文;及(b)建议最佳常规。同时订明上市发行人应遵守守则条文,但亦可选择偏离守则条文行事。建议最佳常规只属指引。本公司选择采纳遵守所须执行的守则条文和本公司董事会认为合理和合适的建议最佳常规条文。

CORPORATE GOVERNANCE REPORT 企业管治报告

Under the code provision A.4.1, non-executive directors should be appointed for a specific term. Currently, non-executive directors are not appointed for a specific term of service. This constitutes a deviation from code provision A.4.1. However, they are subject to retirement by rotation at annual general meeting under the articles of association of the Company. As such, the Company considers that sufficient measures have been taken to ensure that the Company's corporate governance practices are no less exacting than those in the Code.

Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") in Appendix 10 of the Listing Rules sets a required standard against which directors must measure their conduct regarding transactions in securities of their listed companies. The Company has adopted the Model Code as its own code of conduct regarding director's securities transactions. Having made specific enquiry of all directors, the directors have confirmed compliance with the required standard set out in the Model Code throughout the year ended.

The board

The Board comprises six executive directors and three independent non-executive directors. The names of the directors are as follows:

Executive directors

Mr. TSE Sun Fat, Henry (Chairman)
Mr. TSE Sun Po, Tony (Managing Director)
Mr. TSE Sun Lung, Alan
Mr. LAU Shiu Sun
Mr. YICK Kai Chung
Mr. FUNG Cheuk Hang, Jackie (Appointed 3 October 2007)
The Late Mr. WONG Tin Cheung (Retired 13 September 2007)

根据守则条文A.4.1，非执行董事之委任须有指定任期。现时，非执行董事之委任并无特定任期，此举构成对守则条文A.4.1之偏离。然而，根据本公司之章程细则，彼等须于各股东周年大会上轮值退任。因此，本公司认为，已采取足够措施确保本公司之企业管治常规不会较守则宽松。

上市规则附录十内的标准守则列载董事于买卖其所属上市公司的证券时用以衡量其本身操守的所需标准。于年度内，公司已切实依照及遵守标准守则内所有守则条文。经过向所有董事作出特别本询后，董事已确认于截至二零零八年三月三十一日止年度内完全遵守标准守则。董事会以下概述本公司于年度内及截至本报告日期前企业管治常规的有关资料。

董事会

董事会由六位执行董事及三位独立非执行董事组成。董事会成员名单如下：

执行董事

谢新法先生（主席）
谢新宝先生（董事总经理）
谢新龙先生
刘绍新先生
易启宗先生
冯焯衡先生（于二零零七年十月三日委任）
黄天祥先生（已于二零零七年九月十三日辞任）

The board (cont'd)

Independent non-executive directors

Mr. LEUNG Kwong Kin, *J.P.*
Mr. WONG Wah, Dominic
Mr. WAN Sze Chung, Wilson

Biographies for all directors are listed in Directors and Senior Management's Profiles set out on page 018 – 021.

The Board of the Company assumes responsibility for leadership and control of the Company and is responsible for promoting the success of the Company by directing and supervising its affairs.

The Board is responsible for establishing the strategic direction of the Company, setting the objectives of management, monitoring the performance of management, overseeing the management of the Company's relationships with shareholders, ensuring that a framework of prudent and effective controls is in place to enable risks to be assessed and managed, and setting the Company's values and standards.

When the Board delegates management and administrative functions to management, it has given clear directions on the powers of management with respect to the circumstances where management is to report back and obtain prior approval from the Board before making decisions or entering into any commitment on behalf of the Company.

The task of the management and staff of the Company is the successful implementation of the strategies and directions as determined by the Board. In doing so, they must apply business principles and ethics, which are consistent with those expected by the Board and Shareholders and other stakeholders.

董事会 (续)

独立非执行董事

梁光建太平绅士
黄华先生
温思聪先生

各董事的个人资料已详列于第018至021页的「董事及高级管理人员之履历」中。

本公司董事会以负责任、重效益的态度领导及监管公司，而所有董事均有责任指导及监督公司的业务，从而达至公司的成功。

董事会主要负责制订公司的策略方针、确立管理层的目标、监察管理层的表现、监察本公司的股东关系管理、确保公司推行审慎和有效的监管架构、以评估和管理风险及为公司订立价值观和标准。

董事会将管理及行政职能授予管理层时，已同时就管理层的权力订出清晰的指引，范围包括订明在何种情况下管理层应向董事会汇报，以及管理层在代表公司作出任何决定或承诺前应取得董事会批准等。

本公司管理层及员工的责任是成功执行董事会制订的策略和方针。在执行的过程中，他们必须秉持与董事会、公司股东及其他业务相关人士期望相符的商业原则和道德标准。

CORPORATE GOVERNANCE REPORT 企业管治报告

The board (cont'd)

The independent non-executive directors help to ensure that the Board can make independent judgment efficiently. The independent non-executive directors possess appropriate professional qualification among them, some possess expertise in accounting and financial management. Each independent non-executive director has confirmed to the Stock Exchange his independence pursuant to the requirements of the Listing Rules, and has also submitted an annual written confirmation to the Company confirming his independence. All non-executive directors are engaged by contract every year and are subject to retirement in accordance with the Company's Articles of Association. As disclosed in our announcements on 13 September, 2007 and 3 October, 2007, Mr. WONG Tin Cheung, Ricky retired as an executive director with effect from 13 September 2007 and Mr. FUNG Cheuk Hang, Jackie appointed as an executive director on 3 October, 2007.

Except as disclosed in the Annual Report, there is no special relationship, including financial, business, family or other material/relevant relationship among the members of the Board.

All directors actively participated in the Board meetings to discuss the overall strategies and business directions of the Group. Throughout the year, the Company held four regular and seven non-regular Board meetings. To ensure that the directors could obtain all related information for performing their duties and responsibilities, documents for the Board meeting were supplied to directors for their consideration before the meeting according to the regulations set out in the Listing Rules and code provision.

董事会 (续)

独立非执行董事协助董事会有效率地作出独立判断。独立非执行董事皆具备适当的专业资格,当中个别并拥有会计或财务管理的专长。每名独立非执行董事已按上市规则的要求向联交所确认其独立性,并已于本年度向本公司提交周年确认书以重申其独立性。独立非执行董事皆每年以连续合约形式聘任,并须根据本公司组织章程退任。于二零零七年九月十三日公告及二零零七年十月三日公告中提及,执行董事黄天祥先生已于二零零七年九月十三日辞任其职位。并于二零零七年十月三日委任冯焯衡先生为执行董事。

除已于年报中提及,现有董事会成员间并没有特别关系,包括财务、业务、家属或其他重大/相关的关系。

所有董事皆积极参与董事会会议,讨论本集团的整体策略及业务方向。于年度内,本公司曾举行四次董事会定期会议及七次非定期会议。在召开定期会议时,董事会会议文件乃根据上市规则及守则条文的规定于会议前递交予董事审阅,使董事能够掌握有关资料,以便履行其职责和责任。

The board (cont'd)

Throughout the year, the Company Director's attendance was as follows:

Executive directors	Attendance
Mr. Tse Sun Fat, Henry (Chairman)	11
Mr. Tse Sun Po, Tony (Managing Director)	11
Mr. Tse Sun Lung, Alan	6
Mr. Yick Kai Chung	10
Mr. Lau Shiu Sun	10
Mr. Fung Cheuk Hang, Jackie	6

Independent non-executive directors

Mr. Leung Kwong Kin, J.P.	6
Mr. Wong Wah, Dominic	6
Mr. Wan Sze Chung, Wilson	6

The Board makes arrangement to provide opportunities for all directors to include proposed discussion issued in the agenda of regular Board meetings. At least 14 days notice are given in respect of regular Board meetings. For all other Board meetings, reasonable notices are given.

Management provides the Board and committees with sufficient, adequate and timely information which are complete and reliable and which enable directors to make informed decisions on matters placed before them, and perform their duties and responsibilities as the directors. Management provides adequate explanations and information to the Board as enable directors to make an informed assessment of the financial and other information put before them for approval. In addition, the Board and each director have separate and independent access to the Company's senior management.

董事会 (续)

于年度内, 各董事出席情况如下:

执行董事	出席次数
谢新法先生 (主席)	11
谢新宝先生 (董事总经理)	11
谢新龙先生	6
易启宗先生	10
刘绍新先生	10
冯焯衡先生	6

独立非执行董事

梁光建太平绅士	6
黄华先生	6
温思聪先生	6

董事会已订有安排, 让所有董事均有机会将拟讨论的事项纳入定期董事会会议的议程内。董事会于定期董事会会议开会日期最少十四天前发出召开董事会定期会议的通知, 并于召开其他所有董事会会议时, 给予合理通知期。

管理层已向董事会及其辖下委员会提供充足、适当及适时的资料, 以使董事能够在掌握有关资料的情况下作出决定, 并能履行其作为董事的职责及责任。管理层已向董事会提供充份的解释及足够的资料, 让董事可以就提交给他们批准的财务及其他资料, 作出有根据的评审。另外, 董事会及每名董事均可自行接触本公司高级管理人员。

CORPORATE GOVERNANCE REPORT 企业管治报告

The board (cont'd)

Minutes of each Board meeting and committee meeting are kept by the company secretary (the "Company Secretary") and are available for inspection by any director. Minutes record in sufficient detail the matters considered by the Board and the decisions reached.

All directors have free access to the advice and services of the Company Secretary with a view to ensuring that Board procedures are followed and that applicable laws and regulations. Moreover, all directors may seek independent professional advice in appropriate circumstances in the furtherance of their duties and for the associated fees at the Company's expenses.

If a substantial shareholder or a director has a conflict of interest in a matter to be considered by the Board which the Board has determined to be material, the matter will be dealt with by holding a Board meeting set up for that purpose pursuant to a resolution passed in a Board meeting. Only independent non-executive director who, and whose associates, have no materials interest in the transaction concerned will be present at such meeting. Directors concerns must abstain from voting on any Board resolution and will not be counted in the quorum.

Chairman and managing director

Chairman of the Board and Managing Director (in this report, "Managing Director" is equivalent to "Chief Executive Officer" set out in Appendix 23 of the Listing Rules) are two clearly separated roles and are performed by different individuals. Mr. Tse Sun Fat, Henry, Chairman of the Board, is responsible for managing the Board. Mr. Tse Sun Po, Tony, Managing Director, is responsible for the Company's operations. The division of responsibilities between the Chairman of the Board and the Managing Director have been clearly defined and the written terms of reference have been set.

董事会 (续)

本公司之公司秘书(「公司秘书」)保存董事会及辖下委员会会议的完整纪录,所有董事均可索阅。董事会会议纪录已充份及详细地记录董事会会议上审议的事项及通过的决定。

所有董事均可向公司秘书咨询意见和要求提供服务,以确保董事会遵守董事会的程序和所有适用的法例和规定。此外,所有董事在适当情况下,就履行本身职务可以咨询独立专业人士意见,并由本公司负担相关费用。

若有主要股东及董事在董事会拟审议的事项中存有董事会认为重大的利益冲突,董事会将会透过董事会会议,或按董事会通过决议成立的专责董事委员会处理有关事宜。另外,只有本身及其关联人士均没有在有关交易中拥有重大利益的独立非执行董事方可出席以上会议。有关董事不得就董事会或专责董事委员会的决议投票,且不可计入出席会议的法定人数。

董事会主席及董事总经理

董事会主席和董事总经理(就本报告而言「董事总经理」等同于上市规则附录二十三内所提及的「行政总裁」)为两个明确划分的不同角色,并分别由不同人士担当。董事会主席谢新法先生负责管理董事会的运作;而董事总经理谢新宝先生则负责公司的业务营运。董事会主席与董事总经理之间的职责分工已清晰界定并以书面确立。

Chairman and managing director (cont'd)

Responsibilities of the Chairman of the Board are as follows:

- (a) Providing leadership for the Board;
- (b) Ensuring all Directors are properly briefed on matters to be discussed at Board meetings;
- (c) Ensuring all Directors receive adequate, complete and reliable information in a timely manner;
- (d) Ensuring that the Board works effectively, discharges its responsibilities and discusses all key issues in a timely manner;
- (e) Ensuring that, the Company Secretary settles and approves the agenda for Board meetings on the Chairman's behalf, taking into account any matters proposed by other Directors for inclusion in the agenda;
- (f) Providing effective communication with Shareholders and that views of Shareholders are communicated to the Board as a whole;
- (g) Ensuring good corporate governance practices and procedures are in place;
- (h) Giving each Director an opportunity to express his views at Board meetings, encouraging all Directors to fully contribute to the Board's affairs and ensuring that the Board acts in the best interests of the Company; and
- (i) Facilitating the effective contribution of all Directors, in particular Non-Executive Director, and building constructive relations between Executive and Non-executive Directors.

董事会主席及董事总经理 (续)

本公司董事会主席职责主要包括：

- (a) 领导董事会；
- (b) 确保所有董事获适当知会董事会会议拟商议的一切事项；
- (c) 确保所有董事适时收到足够、完整及可靠的资料；
- (d) 确保董事会有效地运作、履行应有职责，并适时讨论所有重要的事项；
- (e) 确保公司秘书代表主席本人落实并通过董事会会议的议程，并考虑其他董事提议纳入议程的任何事项；
- (f) 以有效的方式与股东联系，并确保股东意见可传达到整个董事会；
- (g) 确保公司备有良好的企业管治实务及程序；
- (h) 给予每名董事在董事会会议中发表意见的机会，鼓励所有董事全力投入董事会事务，并确保董事会的决定符合公司最佳利益；及
- (i) 促进董事（特别是非执行董事）对董事会作出良好贡献，并确保执行董事与非执行董事之间维持正面有效的关系。

CORPORATE GOVERNANCE REPORT 企业管治报告

Chairman and managing director (cont'd)

The Managing Director is appointed by the Board, his responsibilities are as follows:

- (a) Providing leadership for the management;
- (b) Implementing and reporting to the Board on the Company's strategies;
- (c) Overseeing the implementation by the Company of the objectives set by the Board;
- (d) Providing all such information to the Board as is necessary to enable the Board to monitor the performance of Management;
- (e) Leading the management of the Company's relationships with its stakeholders;
- (f) Putting in place programmes for management development and succession;
- (g) Working with the Head of Finance, establishing and maintaining proper internal controls and systems as well as disclosure controls and procedures; and
- (h) Discharging such duties and authorities as may be delegated in writing to him by the Board.

董事会主席及董事总经理 (续)

董事总理由董事会委任。其职责主要包括：

- (a) 领导管理层；
- (b) 执行并向董事会汇报公司策略；
- (c) 监察公司实践董事会订立的目标；
- (d) 为董事会提供监察管理层表现所需的一切资料；
- (e) 领导公司处理与业务有关人士的关系；
- (f) 落实管理层培育及继任计划；
- (g) 与财务部主管一起制订和维持适当的内部监控措施和制度，以及披露监控和程序；及
- (h) 按照董事会的书面授权履行职责及行使权力。

Board committees

The Board has established two committees, namely, the Remuneration Committee and Audit Committee, for overseeing particular aspects of the Company's affairs. All Board committees of the Company are established with defined written terms of reference.

Remuneration Committee

The Remuneration Committee was established on 29 September 2005. It is comprised of two independent non-executive directors and one executive director. The Remuneration Committee is chaired by Mr. Wong Wah, Dominic.

Roles and function of the Remuneration Committee are as follows:

- (a) Making recommendations to the Board on policy and structure for the remuneration of Directors, Senior Management and all other employees of the corporate office and on the establishment of a formal and transparent procedure for developing policy on such remuneration;
- (b) Determining the remuneration of all Executive Directors and Senior Management;
- (c) Making recommendations to the Board on the remuneration of the Non-executive Directors;
- (d) Reviewing and approving performance-based remuneration by referring to corporate goals and objectives set by the Board;
- (e) Reviewing and approving the compensation payable to Executive Directors and Senior Management relating to any loss or termination of their office or appointment to ensure that such compensation is determined in accordance with relevant contractual terms;

董事委员会

董事会已成立薪酬委员会及审核委员会两个委员会，负责监察本公司个别事务。本公司所有董事委员会均具有明确之书面权责范围。

薪酬委员会

薪酬委员会于二零零五年九月二十九日成立，并由二名独立非执行董事及一名执行董事组成，黄华先生为薪酬委员会主席。

薪酬委员会的角色及职能包括：

- (a) 就董事、高级管理人员及公司本部其他员工的薪酬政策及架构，及就订立正规而具透明度的程序以制订此等薪酬政策，向董事会提出建议；
- (b) 厘订全体执行董事及高级管理人员的薪酬待遇；
- (c) 就非执行董事的薪酬向董事会提出建议；
- (d) 透过参照董事会通过的企业目的和目标，检讨及批准按表现而厘定的薪酬；
- (e) 检讨及批准向执行董事及高级管理人员支付丧失或终止职务或委任相关的赔偿，以确保该等赔偿按有关合约条款厘定；

Board committees (cont'd)

Remuneration Committee (cont'd)

- (f) Reviewing and approving compensation arrangements relating to dismissal or removal of Directors for misconduct to ensure that such arrangements are determined in accordance with relevant contractual terms; and
- (g) Ensuring no Director or any of his associates is involved in deciding his own remuneration.

The Remuneration Committee reports to the Board on its discussion results and recommendations after each meeting and provides sufficient resource to discharge its duties and is authorized by the Board to obtain independent legal or other professional advices.

Throughout the year, the Remuneration Committee met once to review the remuneration of the executive directors and senior management of the Company. Discussion results and recommendations have been proposed to the Board for its review.

Throughout the year, committee members' attendance was as follows:

Remuneration Committee Members

Mr. Wong Wah, Dominic
(Independent Non-Executive Director)
(Chairman of Remuneration Committee)
Mr. Leung Kwong Kin, J.P.
(Independent Non-Executive Director)
Mr. Tse Sun Lung, Alan (Executive Director)

Attendance

1
1
1

董事委员会 (续)

薪酬委员会 (续)

- (f) 检讨及批准因董事行为失当而解雇或罢免有关董事所涉及的赔偿安排，以确保该等赔偿按有关合约条款厘订；及
- (g) 确保任何董事或其任何关联人士不得自行厘订本身的薪酬。

薪酬委员会于每次会议后皆向本公司董事会汇报讨论结果及建议，并获提供充足资源以履行其职责及获授权咨询独立法律意见或其他专业意见。

于年度内，薪酬委员会曾举行一次委员会会议检讨本公司执行董事及高级管理人员的薪酬待遇，会议的讨论结果及建议亦已呈交董事会审议。

于年度内，委员会成员的出席情况如下：

薪酬委员会成员

黄华先生
(独立非执行董事)
(薪酬委员会主席)
梁光建太平绅士
(独立非执行董事)
谢新龙先生 (执行董事)

出席次数

1
1
1

Board committees (cont'd)

Audit Committee

The Audit Committee established on 22 March 2000, and is currently comprised of three independent non-executive directors. The Audit Committee is chaired by Mr. Leung Kwong Kin, *J.P.*

Roles and functions of the Audit Committee are as follows:

- (1) Handling the relationship between the Company and the external auditors (include: making recommendation to the Board on the appointment, re-appointment and removal of external auditors, approve remuneration and terms of engagement of the external auditors, handle issues for the resignation or dismissal of external auditors, review and monitor the independence and objectivity of the external auditors and effectiveness of the audit process and develop and implement policy on the engagement of an external auditor to supply non-audit services);
- (2) Reviewing the financial information of the Company;
- (3) Monitoring the financial reporting system and internal control procedures of the Company.

The Audit Committee reports to the Board on its discussion results and recommendations after each meeting.

Throughout the year, the Audit Committee reviewed the 2007 annual report and interim report of the Company, discussed the effectiveness of the internal control with external auditors, and reviewed the 2008 budget auditing fees.

In addition, the Audit Committee considered and reviewed the annual report for the year ended annual result on 3 June 2008, and proposed to the Board for their approval.

董事委员会 (续)

审核委员会

审核委员会于二零零零年三月二十二日成立，目前由本公司的三名独立非执行董事组成，梁光建太平绅士为审核委员会主席。

审核委员会的角色及职能包括：

- (1) 处理本公司与外聘核数师的关系（包括：就外聘核数师的委任、重新委任及罢免向董事会提供建议、批准外聘核数师薪酬及聘用条款、处理外聘核数师辞职或辞退的问题、检讨及监察外聘核数师之独立客观性及核数程序之有效性、就外聘核数师提供非核数服务制定政策并执行等）；
- (2) 审阅本公司财务资料；
- (3) 监管本公司财务申报制度及内部监控程序等事宜。

审核委员会于每次会议后皆向董事会汇报讨论结果及建议。

于年度内，审核委员会已审阅本公司二零零七年年度报告及中期报告，并与外聘核数师商讨内部监控的有效性，及审阅本公司二零零八年度的审核费用预算。

此外，审核委员会已于二零零八年六月三日，审议截至二零零八年三月三十一日止年度年度报告及业绩，并建议董事会通过。

CORPORATE GOVERNANCE REPORT 企业管治报告

Board committees (cont'd)

Audit Committee (cont'd)

All members of the Audit Committee actively participated in the committee's meetings. Throughout the year, the Audit Committee met four times. Discussion results and recommendations have been proposed to the Board for its review, and related recommendations were adopted by the Board.

Throughout the year, committee members' attendance was as follow:

Audit Committee Members

Attendance

Mr. Leung Kwong Kin, *J.P.*
(Independent Non-Executive Director)
(Chairman of audit committee)

Mr. Wong Wah, Dominic
(Independent Non-Executive Director)

Mr. WAN Sze Chung, Wilson
(Independent Non-Executive Director)

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All directors acknowledge their responsibilities in preparing the financial statements. As at 31 March 2008, none of the directors are aware of any uncertainties relating to events or conditions that may cast significant doubt upon the Company's ability to continue as a going concern. As such, the directors have prepared the Company's financial statements on a going concern basis.

Responsibilities of external auditors to the financial statements are set out in the auditors' report of the 2008 annual report.

董事委员会 (续)

审核委员会 (续)

所有审核委员会成员皆积极参与审核委员会会议。于年度内，本公司曾举行四次审核委员会会议，会议的讨论结果及建议亦已呈交董事会审议，有关建议亦已被董事会接纳。

于年度内，委员会成员的出席情况如下：

审核委员会成员

出席次数

梁光建太平绅士
(独立非执行董事)
(审核委员会主席)

黄华先生
(独立非执行董事)

温思聪先生
(独立非执行董事)

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所有董事均知悉彼等有编制财务报表的责任。于二零零八年三月三十一日，各董事并无知悉任何或会严重影响本公司持续经营业务能力之重大不明朗事件或情况。因此，董事以本公司持续经营为基础拟备本公司财务报表。

有关外聘核数师对财务报表之责任刊载于本公司二零零八年年度报告之独立核数师报告书内。

Nomination of directors

The Board has not established a nomination committee. According to the Articles of Association of the Company, the Board has the power from time to time and at any time to appoint any person as a director either to fill a casual vacancy or as an addition to the Board. The Board reviews the structure, size and composition of the Board from time to time and makes recommendation on the appointment of directors. During the year, except as disclosed above, there was no change to the members of the Board.

Remuneration of the auditors

For the year ended 31 March 2008, audit fee paid by the Company to Grant Thornton (independent auditor of the Company) was HK\$583,000.

Financial Reporting

The Board acknowledges its responsibility for preparing the financial statements of the Company and the Group. The reporting responsibilities of the auditors are set out in the Independent Auditors' Report on page 041-043 of the annual report.

Internal control

The Board is responsible for maintaining a sound and effective internal control system for the Group. The system is for the interests of the shareholders by protecting the shareholders' investment and the assets of the Group.

董事之提名

董事会并无成立提名委员会。根据本公司之组织章程，董事会有权不时及随时委任任何人士为董事，以填补临时空缺或加入董事会。董事会不时检讨董事会之结构、规模及组成，以及就董事之委任提供建议。于年度内，除上文披露外，董事会成员并没有任何更改。

核数师酬金

于截至二零零八年三月三十一日止年度内，本公司支付予均富会计师行（本公司外聘独立核数师）的核数费为港币583,000元。

财务申报

董事会确认其编制本公司及本集团之财务报表之责任。核数师之申报责任载于年报第041-043页之独立核数师报告。

内部监控

董事会全权负责维持本集团拥有一个健全而有效的内部监控系统，保障股东的投资及本集团的资产，以符合股东的权益。

CORPORATE GOVERNANCE REPORT 企业管治报告

Internal control (cont'd)

For implementing internal control effectively, the Company shall review the following five elements for internal control:

(i) Overall control

The Group has established a comprehensive organization structure and deployed suitable personnel for the efficient implementation of policies. Adequate information is also provided. Executive directors and the senior management are granted appropriate authority to execute the strategies, policies and targets of the Group effectively when risks are within control. At the same time, the Board and senior management shall communicate the values and code of conduct of the Company to all the staff, for maintaining honesty and a high level of morality. In addition, all directors actively participate in the affairs of the Board and the work of all Board Committees.

(ii) Risk assessment

The Group determines annual operation targets, financial reporting targets and compliance targets in accordance with the development strategies set by the Board. This is to ensure that the Group operates within risks that are of tolerate and reasonable level.

The Company shall review the risks faced by the Group with external auditors regularly, so as to set a firm base for the Board to review the effectiveness of internal control and report to the shareholders on issues in relation to internal control.

内部监控 (续)

为达到有效的内部监控，本公司已对内部监控的五个原素作出检讨：

(i) 监控环境

本集团已建立一套完善的组织架构，用人唯才，使制定的政策能够有效地执行，并提供足够的资讯流通。执行董事及高级管理人员皆获得授与适当的权力，于可控制的风险情况下有效地执行本集团的策略、政策及目标。同时间，董事会及高级管理人员皆把本公司的价值及行为标准向所有员工传达，确保坚守诚信及高尚的道德标准。另外，本公司所有董事皆积极参与董事会事务及各董事委员会工作。

(ii) 风险评估

本集团每年度根据本公司董事会定下的发展策略，厘定每年度的营运目标、财务汇报目标及合规目标，以确保维持本集团在可承担及合理风险的范围内运作，确保合理的风险水平。

本公司与外聘核数师会定期检讨本集团所面对的风险，为董事会检讨内部监控的有效性及向股东汇报监控情况奠定稳固的基础。

Internal control (cont'd)

(iii) Control activities

The Group carried out control activities comprising a diverse range of policies and procedures, include conducting reviews of actual performance, reviewing of performance reports, checking information processing in transaction, performing physical controls, analyzing performance indicators and dividing and segregating duties amongst different people.

(iv) Information and communication

The Board and senior management shall communicate the importance of control to the staff, enabling the staff to understand that control must be implemented. The staff shall regularly report any information related to operation, financial and regulation to the Board and senior management.

The senior management shall provide the latest information on the Group to the Board and the Board Committees regularly or under material circumstances, in a view to have sufficient preparation for any risks.

In order to lower risks, the Company actively communicates with, and considers opinions from, all external parties, so that it is able to take appropriate actions in face of risks.

(v) Monitoring

The Company shall continuously assess and properly report the performance of the internal control system.

内部监控 (续)

(iii) 监控活动

本集团已进行的监控活动包括多种政策及程序，当中包括将实际表现与预算进行比较、审阅表现报告、检查交易的资料处理、进行实物监控、分析不同表现指标及划定及区分不同人员之间的职责。

(iv) 资讯与沟通

董事会及高级管理人员向员工传达监控的重要性，使员工了解监控责任必须切实执行。员工亦会把营运、财务及法规的相关资讯定期向董事会及高级管理人员汇报。

高级管理人员定期或遇到重大情况时，向董事会及各董事委员会提供本集团的最新消息，以便于面对风险能够有足够的准备。

本公司亦积极与外界各方保持沟通，采纳意见，以减低风险，及能够于面对风险时进行适当的行动。

(v) 监察

本公司会不断进行评估内部监控系统表现素质的工作，并适当地作出汇报。

Shareholders' rights and investors' relationship

It is the Company's policies to have open communication and disclose information in a fair manner. Information disclosure is a key means to enhance corporate governance standard. Shareholders can assess the Company's performance based on the information and provide opinions to the Company. Information relating to the Group and its business, together with its financial condition, are disclosed in the 2008 annual report and the Company's website at www.ebon.com.hk.

All registered shareholders shall receive notice of the Annual General Meeting and special general meeting (together the "Meeting") by post. The notice of the Meeting contains an agenda, resolutions proposed and a voting form. All shareholders, whose shares are registered in the register of members, are entitled to attend the Meeting. Shareholders who cannot attend the Meeting can appoint their proxies or the chairman of the meeting as their proxies by completing the proxy form enclosed with the notice of the meeting and returning it to the Company's share registrar. Pursuant to the Company's Articles of Association, every resolution shall be decided on a show of hands unless a poll is demanded in accordance with the Listing Rules, or by the Chairman or shareholders in accordance with the Listing Rules. Procedures for demanding a vote by poll, together with the notice of the meeting, have been enclosed with a circular dispatched to the shareholders. The procedures shall be read out at the Meeting by the chairman of the meeting.

In addition, separate resolutions for actually separated issues shall be proposed to the Meeting for the approval of shareholders.

The Annual General Meeting (the "AGM") is considered as an annual significant event of the Company. The AGM can provide a precious opportunity for the shareholders and the Board to exchange constructive opinions. All directors and the senior management shall attend the AGM. Apart from attending the AGM, the Chairman of the Board shall arrange the chairmen of each Board Committee to attend and answer question at the AGM.

股东权利及投资者关系

本公司奉行坦诚沟通和公平披露资料的政策。披露资料是一个提升企业管治标准的主要方法，因为股东可凭资料来评估公司的表现，并向公司提出意见。本公司于二零零八年年度报告内提供有关本集团及其业务的资料及财务状况，并透过本公司网站 www.ebon.com.hk 发布有关资料。

所有登记股东会以邮递方式收取股东周年大会（「年会」）及股东特别大会（合称「股东大会」）通告。股东大会通告载有会议议程、提呈的决议案及投票表格。所有股东均有权出席股东大会，惟彼等的股份必须登记于股东名册内。未能出席股东大会的股东可填妥随附于通告的代表委任表格并交回本公司股份过户处，以委任彼等之代表或大会主席担任彼等的代表。根据本公司《公司章程》，除非在任何时候按上市规则之要求或在主席或股东按上市规则提出要求按股数投票方式表决外，每项决议首先以举手方式由在场股东投票表决。有关要求以股数投票方式表决之程序已载于连同召开股东大会通告一并送出的致股东通函内，并由大会主席于股东大会上读出。

此外，股东大会并会就每项实际独立的事宜，分别提出独立议案，供股东表决。

本公司视年会为公司的年度盛事，因年会提供重要机会，让各股东与董事会交换具建设性的意见。所有董事和高级管理人员均会尽量出席年会。董事会主席除参与年会外，并会安排各董事委员会主席参与年会及回答提问。



Member of Grant Thornton International Ltd

To the members of E. Bon Holdings Limited

(incorporated in the Cayman Islands with limited liability)

We have audited the consolidated financial statements of E. Bon Holdings Limited ("the Company") and its subsidiaries (collectively referred to as "the Group") set out on pages 044 to 110, which comprise the consolidated and the Company's balance sheets as at 31 March 2008, and the consolidated income statement, the consolidated statement of changes in equity and the consolidated cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Directors' responsibility for the financial statements

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

致怡邦行控股有限公司全体股东

(于开曼群岛注册成立之有限公司)

本核数师已审核列于第044页至110页之怡邦行控股有限公司(「贵公司」)及其附属公司(统称为「贵集团」)之综合财务报表,其中包括于二零零八年三月三十一日之综合及贵公司资产负债表,与截至该日止年度之综合损益表,综合权益变动表及综合现金流量表,以及主要会计政策概要及其他附注说明。

董事编制财务报表之责任

贵公司董事须遵照香港会计师公会颁布之香港财务报告准则及按照香港《公司条例》之披露规定,负责编制及真实而公平地呈列此等财务报表。此责任包括设计、实施及维护与编制及真实而公平地呈列财务报表相关之内部监控,以使财务报表不存在由于欺诈或错误而导致之重大错误陈述;选择和应用适当之会计政策;及因应情况作出合理之会计估计。

INDEPENDENT AUDITORS' REPORT 独立核数师报告



Auditors' responsibility

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

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

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

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

核数师之责任

本核数师之责任是根据我们之审核对此财务报表作出意见，此意见仅向阁下汇报而不作其他用途。我们不就此报告之内容，对任何其他人士负责或承担责任。

我们的审核工作已根据香港会计师公会颁布之香港审计准则进行。该等准则要求我们遵守操守规定，并规划及执行审核，以获取合理保证确定此等财务报表是否不存有重大错误陈述。

审核涉及执行程序以获取有关该财务报表所载金额及披露资料之审核凭证。所选定之程序取决于我们之判断，包括评估由于欺诈或错误而导致财务报表存有重大错误陈述之风险。在作出该等风险评估时，我们考虑与实体编制及真实而公平地呈列财务报表相关之内部监控，以设计适当之审核程序，但并非旨在就实体之内部监控之效能发表意见。审核亦包括评估所采用之会计政策之合适性及董事所作出之会计估计之合理性，以及就财务报表之整体呈列方式作出评估。

本核数师相信我们所获得之审核凭证就提出审核意见而言属充分恰当。



Opinion

In our opinion, the consolidated financial statements give a true and fair view of the state of the Company's and the Group's affairs as at 31 March 2008 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.

Grant Thornton

Certified Public Accountants
13th Floor, Gloucester Tower
The Landmark
15 Queen's Road Central
Hong Kong

3 June 2008

意见

本核数师认为，本等综合财务报表已按照香港财务报告准则真实公平地反映贵公司及贵集团于二零零八年三月三十一日之财务状况及贵集团截至该日止年度之溢利及现金流量，并已按照香港《公司条例》之披露规定妥为编制。

均富会计师行

执业会计师
香港
皇后大道中15号
置地广场
告罗士打大厦13楼
二零零八年六月三日

CONSOLIDATED INCOME STATEMENT 综合损益表

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

		Notes 附注	2008 二零零八年 HK\$'000 千港元 395,285 (244,378)	2007 二零零七年 HK\$'000 千港元 309,595 (187,826)
Turnover	营业额	5		
Cost of sales	销售成本			
Gross profit	毛利		150,907	121,769
Other income	其他收益	5	2,232	671
Selling and distribution expenses	销售及分销成本		(73,740)	(62,178)
Administrative expenses	行政开支		(32,604)	(27,902)
Fair value change on derivative financial instruments	衍生金融工具之公平值变动		998	-
Finance costs	财务费用	8	(1,917)	(933)
Profit before income tax	除所得税前溢利	7	45,876	31,427
Income tax expense	所得税开支	11(a)	(8,063)	(5,648)
Profit for the year	年度溢利		37,813	25,779
Dividends	股息	13	15,500	19,000
Earnings per share for profit attributable to the equity holders of the Company during the year	本公司股本持有人应占盈利之每股溢利			
- Basic	- 基本	14	18.0 cents港仙	12.3 cents港仙*

* restated

* 重列

CONSOLIDATED BALANCE SHEET 综合资产负债表

As at 31 March 2008 于二零零八年三月三十一日

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	Notes 附注	2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
ASSETS AND LIABILITIES			
Non-current assets			
Property, plant and equipment	15	40,054	34,851
Deferred tax assets	23	1,626	2,446
		41,680	37,297
Current assets			
Inventories	18	80,949	73,783
Trade and other receivables	19	123,210	76,096
Derivative financial instruments	20	998	-
Cash and cash equivalents		51,665	45,978
		256,822	195,857
Current liabilities			
Trade and other payables	21	45,064	34,523
Interest-bearing borrowings	22	60,644	33,140
Provision for tax		3,655	3,866
		109,363	71,529
Net current assets		147,459	124,328
Total assets less current liabilities		189,139	161,625

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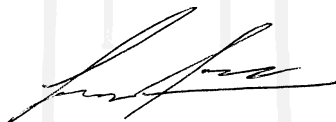
CONSOLIDATED BALANCE SHEET 综合资产负债表

As at 31 March 2008 于二零零八年三月三十一日

	Notes 附注	2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Non-current liabilities			
Interest-bearing borrowings	22	2,105	125
Deferred tax liabilities	23	3,685	3,173
		5,790	3,298
Net assets		183,349	158,327
EQUITY			
Equity attributable to Company's equity holders			
Share capital	24	21,000	20,000
Reserves	25	162,349	138,327
		183,349	158,327
Total equity		183,349	158,327



Tse Sun Po, Tony
谢新宝
Director
董事



Lau Shiu Sun
刘绍新
Director
董事

BALANCE SHEET 资产负债表

As at 31 March 2008 于二零零八年三月三十一日

优生
化活

	Notes 附注	2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
ASSETS AND LIABILITIES			
Non-current assets			
Interest in subsidiaries	16	90,917	90,917
Current assets			
Due from subsidiaries	17	67,595	65,255
Tax receivables		-	38
Prepayments and other receivables		25	109
Cash and cash equivalents		68	56
		67,688	65,458
Current liabilities			
Other payables		112	54
Tax payable		77	-
Due to subsidiaries	17	40,493	22,779
		40,682	22,833
Net current assets		27,006	42,625
Total assets less current liabilities		117,923	133,542
Net assets		117,923	133,542
资产及负债			
非流动资产			
附属公司权益	16	90,917	90,917
流动资产			
应收附属公司之款项	17	67,595	65,255
应收税项		-	38
预付款项及其他应收款项		25	109
现金及现金等值		68	56
		67,688	65,458
流动负债			
其他应付款项		112	54
应付税项		77	-
应付附属公司之款项	17	40,493	22,779
		40,682	22,833
流动资产净值		27,006	42,625
总资产减流动负债		117,923	133,542
资产净值		117,923	133,542

BALANCE SHEET 资产负债表

As at 31 March 2008 于二零零八年三月三十一日

EQUITY

Share capital
Reserves

Total equity

权益
股本
储备

权益总额

Notes
附注

24
25

2008
二零零八年
HK\$'000
千港元

21,000
96,923

117,923

2007
二零零七年
HK\$'000
千港元

20,000
113,542

133,542

Tse Sun Po, Tony
谢新宝
Director
董事

Lau Shiu Sun
刘绍新
Director
董事

CONSOLIDATED CASH FLOW STATEMENT 综合现金流量表

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

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	2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Cash flow from operating activities		
Profit before income tax	45,876	31,427
Adjustments for:		
Interest expense	1,917	933
Interest income	(949)	(671)
Provision for slow-moving inventories	682	2,909
Provision for impairment of trade receivables	438	-
Gain arising from change in fair value of forward foreign exchange contracts	(998)	-
Gain on disposal of property, plant and equipment	-	(43)
Depreciation and amortization	5,400	5,234
Exchange loss	65	226
Operating profit before working capital changes:	52,431	40,015
Increase in inventories	(7,848)	(16,416)
Increase in trade and other receivables	(46,662)	(12,106)
Increase in trade and other payables	10,541	1,395
Cash generated from operations	8,462	12,888
Income tax paid	(8,357)	(1,041)
Net cash generated from operating activities	105	11,847

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CONSOLIDATED CASH FLOW STATEMENT 综合现金流量表

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

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Cash flow from investing activities	投资活动之现金流量		
Interest received	已收利息	949	671
Proceeds on disposal of property, plant and equipment	出售物业、厂房及设备所得款项	—	80
Purchase of property, plant and equipment	购买物业、厂房及设备	(6,934)	(5,213)
Net cash used in investing activities	投资活动动用现金净额	(5,985)	(4,462)
Cash flow from financing activities	融资活动之现金流量		
Bank loan raised	新增银行贷款	9,000	—
Interest paid on bank borrowings	已付银行贷款利息	(1,907)	(906)
Interest paid on obligations under finance leases	已付融资租赁利息	(10)	(27)
Dividends paid	已付股息	(16,000)	(13,000)
Repayment of other bank loans	偿还其他银行贷款	(977)	(1,052)
Repayment of obligations under finance leases	偿还融资租赁债务	(63)	(200)
Increase in trust receipt loans and import invoice financing	应付信托收据贷款之增加及 进口发票贴现	21,524	17,407
Net cash generated from financing activities	融资活动所得现金净额	11,567	2,222
Net increase in cash and cash equivalents	现金及现金等值之增加	5,687	9,607
Cash and cash equivalents at the beginning of the year	年初之现金及现金等值	45,978	36,371
Cash and cash equivalents at the end of the year, represented by bank balances and cash	年末之现金及现金等值 (银行结余及现金)	51,665	45,978

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY 综合权益变动表

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

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		2008 二零零八年 HK\$'000 千港元 158,327	2007 二零零七年 HK\$'000 千港元 142,763
Total equity at 1 April	于四月一日之权益总额		
Exchange differences	汇兑差额	65	229
Gain on revaluation of properties	物业重估收益	3,669	2,976
Deferred tax effect on items recognised directly in equity	直接于权益内确认之递延税项	(525)	(420)
Net income recognised directly in equity	直接于权益内确认之净收入	3,209	2,785
Profit for the year	年度溢利	37,813	25,779
Total recognised income and expense for the year	年度确认的总收入及支出	41,022	28,564
Dividends	股息	(16,000)	(13,000)
Total equity at 31 March	于三月三十一日之权益总额	183,349	158,327

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NOTES TO THE FINANCIAL STATEMENTS 财务报表附注

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

1. General information

E. Bon Holdings Limited ("the Company") is a limited liability company incorporated in the Cayman Islands and its registered office is Cricket Square, Hutchins, Drive P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands and its principal place of business is 16th – 18th Floors, First Commercial Building, 33 Leighton Road, Causeway Bay, Hong Kong. Its shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). The principal activity of the Company is investment holding. Its subsidiaries are principally engaged in the importing and sale of architectural builders hardware, bathroom and kitchen collections in Hong Kong.

These financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRS"), which collective term includes all individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("HKAS") and Interpretations issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"), accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance. These financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules").

The financial statements for the year ended 31 March 2008 were approved by the board of directors on 3 June 2008.

1. 一般资料

怡邦行控股有限公司（「本公司」）为开曼群岛注册成立有限责任公司其注册办事处为 Cricket Square, Hutchins, Drive P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands 及其主要营业地点是香港铜锣湾礼顿道33号第一商业大厦16-18楼。其股票于香港联合交易所有限公司之主板上市。本公司主要业务为投资控股公司。其附属公司则主要于香港从事销售建筑五金、卫浴及厨房设备。

本财务报表已遵照香港会计师公会颁布之所有适用的香港财务报告准则（「香港财务报告准则」），包括所有适用个别的香港财务报告准则、香港会计准则（「香港会计准则」）及诠释、香港普遍接纳之会计原则及香港公司条例之披露规定而编制。此财务报表同时亦符合香港联合交易所有限公司证券上市规则之适用披露规定。

截至二零零八年三月三十一日止年度财务报表已于二零零八年六月三日董事会上获得通过。

2. Adoption of new and amended HKFRSs

In the current year, the Group has applied, for the first time, the following new standards, amendment and interpretations (the “new HKFRSs”) issued by the HKICPA, which are relevant and effective for the Group’s financial statements beginning on 1 April 2007.

HKAS 1 (Amendment) Capital Disclosures

HKFRS 7 Financial Instruments: Disclosures

The adoption of HKAS 1 (Amendment) and HKFRS 7 has had no material financial impact on the Group’s results and financial position for the current and prior accounting periods but give rise to additional disclosures in the consolidated financial statements.

2.1 HKAS 1 (Amendment) – Capital Disclosures

In accordance with the HKAS 1 (Amendment) – Capital Disclosures, the Group now reports on its capital management objectives, policies and procedures in each annual financial report. The new disclosures that become necessary due to this change are detailed in note 32.

2.2 HKFRS 7 – Financial Instruments: Disclosures

HKFRS 7 – Financial Instruments: Disclosures is mandatory for reporting periods beginning on or after 1 January 2007. The new standard replaces and amends the disclosure requirements previously set out in HKAS 32 Financial Instruments: Disclosure and Presentation and has been adopted by the Group in its consolidated financial statements for the year ended 31 March 2008. All disclosures relating to financial instruments including the comparative information have been updated to reflect the new requirements.

2. 采纳新订及经修订香港财务报告准则

本集团于本年度首次应用以下由香港会计师公会颁布之新准则、修订及诠释，适用于本集团由二零零七年四月一日开始之财务报表。

香港会计准则第1号（修订本）

资本披露

香港财务报告准则第7号

金融工具：披露

采纳香港会计准则第1号（修订本）及香港财务报告准则第7号对本集团于本会计期间或过往会计期间之业绩及财务状况并无重大财务影响，但需于综合财务报表内作额外披露：

2.1 香港会计准则第1号（修订本）－资本披露

按照香港会计准则第1号（修订本）－资本披露，本集团现时于各年度财务报告中呈报其资本管理目标、政策及程序。因此项变动而须作出之新披露详情载于附注32。

2.2 香港财务报告准则第7号－金融工具：披露

香港财务报告准则第7号－金融工具：披露于二零零七年一月一日起或其后之报告期间强制实施。此项新准则取代及修订过往于香港会计准则第32号金融工具：披露及呈列所列出之披露规定，本集团已于截至二零零八年三月三十一日止年度之综合财务报表采纳此项新准则。有关金融工具之所有披露（包括比较资料）已更新，以反映新规定。

NOTES TO THE FINANCIAL STATEMENTS 财务报表附注

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

2. Adoption of new and amended HKFRSs (cont'd)

2.3 New or amended HKFRSs that have been issued but are not yet effective

The Group has not early adopted the following HKFRSs that have been issued but are not yet effective as at 31 March 2008.

HKAS 1 (Revised)	Presentation of Financial Statements ¹
HKAS 23 (Revised)	Borrowing Costs ¹
HKAS 27 (Revised)	Consolidated and Separate Financial Statements ⁴
HKFRS 2 (Amendment)	Share-based Payment - Vesting Conditions and Cancellations ¹
HKFRS 3 (Revised)	Business Combinations ⁴
HKFRS 8	Operating Segments ¹
HK(IFRIC) – Int 12	Service Concession Arrangements ²
HK(IFRIC) – Int 13	Customer Loyalty Programmes ³
HK(IFRIC) – Int 14	HKAS 19 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction ²

¹ Effective for annual periods beginning on or after 1 January 2009

² Effective for annual periods beginning on or after 1 January 2008

³ Effective for annual periods beginning on or after 1 July 2008

⁴ Effective for annual periods beginning on or after 1 July 2009

Among these new standards and interpretation, HKAS 1 (Revised) is expected to be relevant to the Group's financial statements.

2. 采纳新订及经修订香港财务报告准则 (续)

2.3 已颁布但尚未生效之新订及经修订香港财务报告准则

本集团并未提早采纳下列于二零零八年三月三十一日已颁布但尚未生效之香港财务报告准则。

香港会计准则第1号 (经修订)	财务报表之呈报 ¹
香港会计准则第23号 (经修订)	借贷成本 ¹
香港会计准则第27号 (经修订)	综合及独立财务报表 ⁴
香港财务报告准则第2号 (修订)	以股份支付 – 归属条件及注销 ¹
香港财务报告准则第3号 (经修订)	业务合并 ⁴
香港财务报告准则第8号	营运分部 ¹
香港 (国际财务报告诠释委员会) – 诠释第12号	服务特许权的安排 ²
香港 (国际财务报告诠释委员会) – 诠释第13号	忠诚客户计划 ³
香港 (国际财务报告诠释委员会) – 诠释第14号	香港会计准则第19号界定利益资产之限制, 最低资金规定及其互相关系 ²

¹ 于二零零九年一月一日或之后开始之年度期间生效

² 于二零零八年一月一日或之后开始之年度期间生效

³ 于二零零八年七月一日或之后开始之年度期间生效

⁴ 于二零零九年七月一日或之后开始之年度期间生效

于该等新订准则及诠释中, 香港会计准则第1号 (经修订) 预期会与本集团之财务报表有关。

2. Adoption of new and amended HKFRSs (cont'd)

2.3 New or amended HKFRSs that have been issued but are not yet effective (cont'd)

Amendment to HKAS1 Presentation of Financial Statements

This amendment affects the presentation of owner changes in equity and introduces a statement of comprehensive income. Preparers will have the option of presenting items of income and expenses and components of other comprehensive income either in a single statement of comprehensive income with subtotals, or in two separate statements (a separate income statement followed by a statement of other comprehensive income). This amendment does not affect the financial position or results of the Group but will give rise to additional disclosures. Management is currently assessing the detailed impact of this amendment on the Group's financial statements.

The directors of the Company are currently assessing the impact of the other new standards and interpretations but are not yet in a position to state whether they would have material impact on the Group's financial statements.

2. 采纳新订及经修订香港财务报告准则（续）

2.3 已颁布但尚未生效之新订及经修订香港财务报告准则（续）

香港会计准则第1号之修订－财务报表之呈列

此修订对股权持有人变动之呈列有所影响及引进综合利润表。编制者可选择以单一综合利润表方式（连同小计项目）或以两份独立报表（先呈列独立利润表，然后呈列其他综合利润表）呈列收入及开支项目及其他综合收入之组成部分。此修订不会对本集团之财务状况或业绩有影响，但将会令披露事项增加。管理层现正评估此修订对本集团财务报表之影响。

本公司董事目前正评估其他新订准则及诠释之影响，但未能对该等新订准则及诠释是否对本集团之财务报表产生重大影响作出结论。

NOTES TO THE FINANCIAL STATEMENTS 财务报表附注

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

3. Summary of significant accounting policies

3.1 Basis of preparation

The financial statements have been prepared on the historical cost basis, except for leasehold land and buildings in Hong Kong and derivative financial instruments, which are measured at fair value as explained in note 3.4 and 3.5 below.

3.2 Basis of consolidation

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

3.3 Subsidiaries

A subsidiary is an entity in which the Company, directly or indirectly, has the power to govern the financial and operating policies so as to obtain benefits from its activities.

In the Company's balance sheet, the investment in subsidiary is stated at cost less impairment loss. The carrying amount of the investment is reduced to its recoverable amount on an individual basis. Results of subsidiaries are accounted for by the Company on the basis of dividends received and receivable.

All intra-group transactions and balances, income and expenses are eliminated on consolidation. Unrealised losses resulting from intra-group transactions are eliminated in the same way as unrealised profits but only to the extent that there is no evidence of impairment.

3. 主要会计政策

3.1 编制基准

此等财务报表以历史成本作为编制基准，除在香港租赁土地及楼宇及衍生金融工具按公平值列账，详见附注3.4及3.5。

3.2 综合账目基准

综合财务报表包括本公司及所有附属公司截至每年三月三十一日之财务报表。

3.3 附属公司

附属公司指本公司直接或间接有权监管其财务及营运政策之企业，并自其业务中获取利益。

于本公司之资产负债表内，附属公司之投资乃按成本值扣除减值亏损列账。附属公司投资之账面值按个别项目撇减至其可收回款额。本公司应占附属公司业绩按已收及应收股息基准入账。

本集团内各公司之间所有交易及结余和收支已于综合账目时对销。集团内部间之交易所引致之未变现亏损以未变现溢利之同一方式撇销，惟仅以未有减值证据下之情况而言。

3. Summary of significant accounting policies (cont'd)

3.4 Property, plant and equipment

Property, plant and equipment, other than leasehold land and buildings in Hong Kong, are stated at cost less accumulated depreciation and accumulated impairment losses. The cost of an item of property, plant and equipment comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use. Repairs and maintenance are charged to the income statement during the year in which they are incurred.

Depreciation is provided to write off the cost or valuation less accumulated impairment losses of property, plant and equipment over their estimated useful lives as set out below from the date on which they are available for use and after taking into account their estimated residual values, using the straight-line method, at the following rates per annum. Where parts of an item of property, plant and equipment have different useful lives, the cost or valuation of the item is allocated on a reasonable basis and depreciated separately :

Leasehold land and buildings	Over the shorter of unexpired term of lease or 50 years
Leasehold improvements	20%
Furniture, fixtures and equipment	10% – 20%
Motor vehicles	20%

Assets held under finance leases are depreciated over the shorter of their expected useful lives or the term of the leases.

3. 主要会计政策 (续)

3.4 物业、厂房及设备

除位于香港之租赁土地与楼宇外之物业、厂房及设备以原值减累计折旧及累计减值亏损入账。物业、厂房及设备之成本包括其购买价及任何使资产达致可使用状态及现存地点作原定用途所产生之直接应占成本。所有其他检修于财务期间内在其产生时于损益表内支销。

物业、厂房及设备之折旧是根据全面投入运作之日期起按其可使用年限及成本扣除累计减值亏损及残值后按以下列所述以直线法计提折旧。凡物业、厂房及设备各部分之可使用年期并不相同，该项目各部分之成本或估值将按合理基础分配，而每部分将个别折旧。

租赁土地及楼宇	50年或未到期之租赁年期 (以较短者为准)
租赁物业装修	20%
家私、装置及设备	10% – 20%
汽车	20%

根据融资租赁安排持有之资产，按其预计可使用年期或租赁年期（以其较短者）计算折旧。

NOTES TO THE FINANCIAL STATEMENTS 财务报表附注

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

3. Summary of significant accounting policies (cont'd)

3.4 Property, plant and equipment (cont'd)

Leasehold land and buildings in Hong Kong are stated at fair value at the date of valuation less accumulated depreciation and accumulated impairment losses. Fair value is determined by independent valuations which are performed periodically. Increases in valuation are credited to the revaluation reserve. Decreases in valuation are first offset against increases on earlier valuations in respect of the same asset and are thereafter charged to the income statement. Any subsequent increases are credited to the income statement up to the amount previously charged and thereafter to revaluation reserve.

The gain or loss arising on disposal is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the income statement.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

3. 主要会计政策 (续)

3.4 物业、厂房及设备 (续)

位于香港之租赁土地及楼宇乃按估值当日之公平值减累计折旧及累计减值亏损列账。公平值乃根据定期独立估值计算。估值增加的金额纳入重估储备内。减值金额首先抵销同一物业的早前增值金额，然后计入损益表内。任何其后的增值数额均计入损益表（以早前扣除的数目为限）及重估储备内。

物业、厂房及设备报废或出售所产生之收益或亏损乃按销售所得款项净额与资产之账面值之差额厘定，并在收益表内确认为收入或开支。

其后成本只有在与该项目有关的未来经济利益有可能流入本集团，而该项目的成本能可靠计量时，才适当地包括在资产的账面值或确认为独立资产。

3. Summary of significant accounting policies (cont'd)

3.5 Financial instruments

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instruments and on a trade date basis. A financial asset is derecognised when the Group's contractual rights to future cash flows from the financial asset expire or when the Group transfers the contractual rights to future cash flows to a third party. A financial liability is derecognised only when the liability is extinguished.

(i) Loans and receivables

Loans and receivables, including trade and other receivables, are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are not held for trading. They are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any impairment. Amortised cost is calculated by taking into account any discount or premium on acquisition, over the year to maturity. Gains and losses arising from derecognition, impairment or through the amortisation process are recognised in the income statement.

3. 主要会计政策 (续)

3.5 金融工具

金融资产及金融负债在本集团成为有关工具合约条文之订约方时，以交易日期为基准确认。本集团自金融资产之未来现金流量合约权利到期，或本集团向第三方转让未来现金流量合约权利，则不再确认该金融资产。金融资产仅于负债勾销时方予终止确认。

(i) 贷款及应收款项

贷款及应收款项（包括应收账款及其他应收款项）指并无于活跃市场报价且并非为买卖而持有之具有固定或可厘定付款金额之非衍生金融资产。该等贷款及应收账款初步以公平值确认，其后用实际利息法按摊销成本扣除减值拨备计量。摊销成本已计算在到期年内任何收购折让或溢价。因终止确认，减值或摊销所产生之盈亏于损益表确认。

NOTES TO THE FINANCIAL STATEMENTS 财务报表附注

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

3. Summary of significant accounting policies (cont'd)

3.5 Financial instruments (cont'd)

(ii) Impairment of financial assets

At each balance sheet date, the Group assesses whether there is objective evidence that financial assets are impaired. The impairment loss of financial assets carried at amortised cost is measured as the difference between the assets' carrying amount and the present value of estimated future cash flow discounted at the financial asset's original effective interest rate.

A provision for impairment of trade and other receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments considered indicators that the trade receivable is impaired.

(iii) Finance lease liabilities

Finance lease liabilities are measured at initial value less the capital element of lease repayments (see Note 3.11).

3. 主要会计政策 (续)

3.5 金融工具 (续)

(ii) 金融资产减值

本集团于各结算日评估有否客观证据显示金融资产出现减值。金融资产之减值亏损按摊销成本入账，而摊销成本则为资产之账面值与按金融资产原订实际利率折现之估计未来现金流量的现值之差异。

当有客观证据证明本集团将无法按应收款的原有条款收回所有款项时，即就贸易及其他应收款设定减值拨备。债务人之重大财务困难，债务人可能破产或进行财务重组，以及拖欠或逾期付款，均被视为是贸易应收款已减值的迹象。

(iii) 融资租赁负债

融资租赁负债按最初价值减去租赁还款之资本部份计量 (见附注3.11)。

3. Summary of significant accounting policies (cont'd)

3.5 Financial instruments (cont'd)

(iv) Other financial liabilities

The Group's other financial liabilities include trade and other payables, bank loans and other borrowings. These financial liabilities are recognised initially at their fair value and subsequently measured at amortised cost, using effective interest method.

(v) Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer of the contract to make specified payments to reimburse the holder of the contract for a loss the holder incurs because a specified debtor fails to make payment when due in accordance with the terms of a debt instrument. Financial guarantee contract is initially recognised as deferred income within trade and other payable at fair value, where such information is available. Otherwise, it is recognised at consideration received and receivable. Subsequently, it is measured at the higher of the amount initially recognised, less accumulated amortisation, and the amount of the provision, if any, that is required to settle the commitment at the balance sheet date.

3. 主要会计政策 (续)

3.5 金融工具 (续)

(iv) 其他金融负债

本集团之其他金融负债包括应付账款及其他应付款项、银行贷款及其他借款。其他金融负债初步按公允价值确认，其后使用实际利息法按摊销成本计量。

(v) 财务担保合约

财务担保合约要求发出合约者向合约持有人付出指定金额，以补偿合约持有人因指定供贷人无法按债务工具之条款偿还债务而蒙受之损失。如入账时有关资料已存在，财务担保合约最初可按公允价值以递延收入形式计入应付账款及其他应付款项，否则会列为已收及应收代价。其后，该合约于结算日按最初入账金额（减累计摊销）与用以支付承担额之拨备金额（如有）两者中之较高者入账。

NOTES TO THE FINANCIAL STATEMENTS 财务报表附注

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

3. Summary of significant accounting policies (cont'd)

3.5 Financial instruments (cont'd)

(vi) Derivative financial instruments

The Group uses a derivative financial instrument that is a forward currency contract to hedge its risk associated with foreign currency fluctuations. Such derivative financial instrument is initially recognised at fair value on the date on which a derivative contract is entered into and subsequently remeasured at fair value. Derivative are carried as assets when the fair value is positive and as liabilities when the fair value is negative.

Any gain or losses arising from changes in fair value on derivatives that do not qualify for hedge accounting are taken directly to the income statement.

The fair value of forward currency contracts is calculated by reference to current forward exchange rates for contracts with similar maturity profiles.

3.6 Cash and cash equivalents

Cash and cash equivalents include cash at bank and in hand and short-term highly liquid investments which are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

3. 主要会计政策 (续)

3.5 金融工具 (续)

(vi) 衍生金融工具

本集团采用衍生金融工具即是一份远期货币合同, 对其外币浮动相关之风险进行对冲。该等衍生金融工具初始时按订立衍生合同当日之公允价值确认, 其后按公允价值再计量。如果衍生金融工具的公允价值为正, 则衍生金融工具作为资产入账, 如果公允价值为负, 则按负债入账。

不符合对冲会计处理条件的衍生金融工具的公允价值变动所产生的任何收益或损失直接计入利润表中。

远期货币合同公平价值的计算参考具有相似到期日的合同之当前的远期汇率。

3.6 现金及现金等值

现金及现金等值指现金, 银行存款及可即时转换为已知金额现金, 及存在轻微价值变动风险之短期高流动性投资, 并已扣除银行透支。

3. Summary of significant accounting policies (cont'd)

3.7 Revenue recognition

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

Sale of goods is recognised on transfer of risks and rewards of ownership, which generally coincides with time when the goods are delivered to customers and title has been passed.

3.8 Foreign currency translation

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The consolidated financial statements are presented in the currency of Hong Kong dollars (HK\$), which is the Company's functional and presentation currency.

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the date of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement.

3. 主要会计政策 (续)

3.7 收益确认

收益乃于本集团可能获得经济利益及倘其收益及成本(倘适用)能够可靠计量时并以下列基准确认:

销售货物之收益在所有权之风险及报酬转移时确认,一般与货物送交客户及所有权转移之时间相同。

3.8 外币换算

本集团各实体之财务报表所列项目,乃按该实体经营所在之主要经济环境货币(「功能货币」)计量。本综合财务报表按港元呈列,亦为本公司之功能及呈报货币。

外币交易均按交易当日之现行汇率换算为功能货币。因上述交易结算及按结算日之汇率兑换以外币计值之货币资产及负债而产生之汇兑损益,均于损益表确认。

NOTES TO THE FINANCIAL STATEMENTS 财务报表附注

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

3. Summary of significant accounting policies (cont'd)

3.8 Foreign currency translation (cont'd)

On consolidation, the results and financial position of all the Group entities that have a functional currency different from the presentation currency ("foreign operations") are translated into the presentation currency as follows :

- (a) assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet date;
- (b) income and expenses for each income statement are translated at average exchange rates;
- (c) all resulting exchange differences arising from the above translation and exchange differences arising from a monetary item that forms part of the Group's net investment in a foreign operation are recognised as a separate component of equity and recognised in consolidated income statement on disposal of foreign operations.

3.9 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost, which comprises all costs of purchase and, where applicable, other costs that have been incurred in bringing the inventories to their present location and condition, is calculated using the weighted average cost method. Net realisable value represents the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale.

3. 主要会计政策 (续)

3.8 外币换算 (续)

于综合时,若本集团所有实体中其功能性货币与呈列货币有所不同者,有关业绩及财务状况乃按下列情况换算为呈列货币:

- (a) 各资产负债表内呈列之资产及负债按结算日当日之收市汇率换算;
- (b) 各损益表的收支按平均汇率换算;
- (c) 所有因上述兑换及集团之海外业务之净投资货币项目,产生之汇兑差异独立认列为权益部份及于出售海外业务时入账于综合损益表内。

3.9 存货

存货以成本或可变现净值两者之较低者列账。成本包括所有采购成本(如适用),及其他将存货达至现存地点及状况之成本,并且采用加权平均成本法计算。可变现净值指在日常业务中之估计出售价减去估计达成销售所需之成本。

3. Summary of significant accounting policies (cont'd)

3.10 Impairment of non-financial assets

At each balance sheet date, the Group reviews internal and external sources of information to determine whether its property, plant and equipment and investment in subsidiaries have suffered an impairment loss or impairment loss previously recognised no longer exists or may be reduced. If any such indication exists, the recoverable amount of the asset is estimated, based on the higher of its fair value less costs to sell and value in use. Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the smallest group of assets that generates cash flows independently (i.e. cash-generating unit).

If the recoverable amount of an asset or a cash-generating unit is estimated to be less than its carrying amount, the carrying amount of the asset or cash-generating unit is reduced to its recoverable amount. Impairment losses are recognised as an expense immediately, except where the relevant asset is carried at valuation in which case the impairment loss is treated as a revaluation decrease.

A reversal of impairment loss is limited to the carrying amount of the asset or cash-generating unit that would have been determined had no impairment loss been recognised in prior years. Reversal of impairment loss is recognised as income immediately, except where the relevant assets is carried at valuation, in which case the reversal of impairment loss is treated as a revaluation increase.

3. 主要会计政策 (续)

3.10 非金融资产之减值亏损

于各结算日，本集团审阅内部及外界资讯来源，确定其物业、厂房及设备及其附属公司投资之账面值是否已蒙受减值亏损或以往确认之减值亏损是否不再存在或可能撇减。倘存在任何该等情况，则资产之可收回款额乃根据其售价净额及可用价值两者中之较高者估计，倘未能估计个别资产之可收回款额，本集团则估计可独立赚取现金数量之最小组别资产（即赚取现金单位）之可收回款额。

倘资产或赚取现金单位之估计可收回款额少于其账面值，则将该资产或赚取现金单位之账面值撇减至其可收回款额。减值亏损乃即时于损益表中确认为支出，除非有关资产以估值列账，而在此情况下，减值亏损会当作重估减值处理。

回拨减值亏损以该资产或赚取现金单位按过往年度并无确认减值亏损而厘定之账面值为限。拨回减值亏损乃即时于损益表中确认为收入，除非有关资产以估值列账，而在此情况下，减值亏损会当作重估增值处理。

NOTES TO THE FINANCIAL STATEMENTS 财务报表附注

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

3. Summary of significant accounting policies (cont'd)

3.11 Leases

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.

Assets held under finance leases are recognised as assets of the Group at the lower of the fair value of the leased assets and the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet as finance lease obligation. Finance charges, which represent the difference between the total leasing commitments and the fair value of the assets acquired, are charged to the income statement over the term of the relevant lease so as to produce a constant periodic rate of charge on the remaining balance of the obligations for each accounting period.

Rentals payables under operating leases are charged to income statement on the straight-line basis over the term of the relevant lease. Lease incentives are recognised in the income statement as an integral part of the net consideration agreed for the use of the leased asset. Contingent rentals are recognised as expenses in the accounting period in which they are incurred.

3.12 Employee benefits

Defined contribution plans

The obligations for contributions to defined contribution retirement scheme are recognised as an expense in the income statement as incurred. The assets of the scheme are held separately from those of the Group in an independently administered fund.

3. 主要会计政策 (续)

3.11 租赁

凡拥有权之绝大部分风险及回报均已转让予承租人之租约，均列为融资租赁。所有其他租约均列作经营租赁。

根据融资租赁持有之资产按租赁资产之公平值或最低租赁付款之现值（以较低者为准）确认为资产。出租人之相应负债则在资产负债表列作融资租赁债务。财务费用指租赁债务总额与所收购资产公平值之差额，并按有关租约之期限在损益表中扣除，使每个会计期间之馀下债务有大约一致之扣减率。

根据经营租赁应付之租金乃按相关租约期限以直线法于损益表内扣除。租赁奖励于损益表确认为就使用租赁资产而议定之代价净额之一部份。或然租金于其发生之会计期间确认为开支。

3.12 员工福利

界定供款计划

界定供款计划的供款责任于产生时在损益表中确认为开支，该计划的资产与本集团的资产分开并由独立管理基金持有。

3. Summary of significant accounting policies (cont'd)

3.13 Borrowing costs

Borrowing costs are charged to the income statement in the year in which they are incurred.

3.14 Income tax

The charge for current income tax is based on the results for the year as adjusted for items that are non-assessable or disallowed. It is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is provided, using the liability method, on all temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, if the deferred tax arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither the accounting profit nor taxable profit or loss, it is not accounted for.

The deferred tax liabilities and assets are measured at the tax rates that are expected to apply to the period when the asset is recovered or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences, tax losses and credits can be utilised.

3. 主要会计政策 (续)

3.13 借贷成本

借贷成本于产生期间在收益表中扣除。

3.14 所得税

所得税支出乃根据本年度业绩就免课税或不可扣减项目作调整并按于结算日已制定或实际会制定之税率作出计算。

递延税项乃采用负债法，就资产与负债之税项计算准则与其于账目之账面值两者不同引致之短暂时差作出全数拨备。然而，倘若递延税项资产和负债于进行交易时不影响会计或应课税溢利的资产或负债的初始确认（如属业务合并的一部份则除外），则不会计入递延税项。

当资产被变现或负债被清还时，递延税项负债及资产以该期间预期之适用税率衡量，根据于结算日已制定或实际会制定之税率及税务法例计算。递延税项资产乃根据有可能获得之未来应课税溢利与短暂时差、税项亏损及税项拨回可互相抵销之程度而予以确认。

NOTES TO THE FINANCIAL STATEMENTS 财务报表附注

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

3. Summary of significant accounting policies (cont'd)

3.15 Related parties

A party is related to the Group if :

- (a) directly, or indirectly through one or more intermediaries, the party controls, is controlled by, or is under common control with, the Group; or has an interest in the Group that gives it significant influence over the Group; or has joint control over the Group;
- (b) the party is an associate of the Group;
- (c) the party is a joint venture in which the Group is a venturer;
- (d) the party is a member of the key management personnel of the Group or its parent;
- (e) the party is a close member of the family of any individual referred to in (a) or (d);
- (f) the party is an entity that is controlled, jointly controlled or significantly influenced by or for which significant voting power in such entity resides with, directly or indirectly, any individual referred to in (d) or (e); or
- (g) the party is a post-employment benefit plan for the benefit of employees of the Group, or of any entity that is a related party of the Group.

3. 主要会计政策 (续)

3.15 关连人士

在下列情况下，下列人士将视为本集团之关连人士；

- (a) 透过一个或多个中介实体，该方直接或间接控制本集团，或由本集团控制或与本集团受到共同控制；于本集团拥有权益，并可藉著该权益对本集团行使重大影响；或对本集团拥有共同控制；
- (b) 有关人士为本集团之联营公司；
- (c) 本集团为该合营企业之合夥人；
- (d) 有关人士为本集团或其母公司之主要管理人员；
- (e) 有关人士为(a)或(d)项所述人士之直系亲属；
- (f) 有关人士受直接或间接归属于(d)或(e)项所述人士之实体所控制、与他人共同控制或发挥重大影响，或拥有重大投票权；或
- (g) 有关人士为本集团或其关连人士之雇员终止受雇后福利计划之受益人。

3. Summary of significant accounting policies (cont'd)

3.16 Segment reporting

A segment is a distinguishable component of the Group that is engaged either in providing products or services (business segment), or in providing products or services within a particular economic environment (geographical segment), which is subject to risks and rewards that are different from those of other segments.

In accordance with the Group's internal financial reporting system, the Group has chosen business segment information as the primary reporting format and geographical segment information as the secondary reporting format for the purposes of these financial statements.

Segment revenue, expenses, results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis to that segment. Segment revenue, expenses, assets and liabilities are determined before intra-group balances and intra-group transactions are eliminated as part of the consolidation process, except to the extent that such intra-group balances and transactions are between Group entities within a single segment. Inter-segment pricing is based on similar terms as those available to other external parties.

Segment capital expenditure is the total cost incurred during the year to acquire segment assets (both tangible and intangible) that are expected to be used for more than one period.

Unallocated items mainly comprise financial and corporate assets, interest-bearing borrowings, loans, tax balances, corporate and financing expenses.

3. 主要会计政策 (续)

3.16 分部报告

分部为按本集团所从事提供产品或服务(业务分部)或在某一特定经济环境内提供产品或服务(地域分部)之可区别项目,而每个分类项目所承担之风险及回报均有所不同。

根据本集团之内部财务报表模式,本集团选择以业务分部作为主要报告形式,而地域分部则以次要报告形式呈报。

分部收益、支出、业绩、资产及负债包括直接归属于该分部的项目和能以合理方式分配至该分部的项目。分部收益、支出、资产及负债将于本集团内公司间的结馀及本集团内公司间的交易因编制综合账目而被抵销前厘定,除非此等本集团内公司间的结馀及交易是来自单一分部的本集团实体。分部间的价格按其他外界机构获得的类似条款而制订。

分部的资本开支是收购预期使用超过一年的分部资产(有形及无形资产)而于收购年度内产生的总成本。

未分配项目主要包括财务及企业资产、有息借贷、税项、企业及财务开支。

NOTES TO THE FINANCIAL STATEMENTS 财务报表附注

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

4. Significant accounting judgements and estimates

In the process of applying the Group's accounting policies which are described in note 3 to the financial statements, the management makes various estimates based on past experience, future expectations and other information.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. The key sources affect the amount recognised in the financial information as disclosed below.

4.1 Allowance for bad and doubtful debts

The provisioning policy for bad and doubtful debts of the Group is based on the evaluation of collectability of the accounts receivables. A considerable amount of judgment is required in assessing the ultimate realisation of these receivables, including the current creditworthiness and the past collection history of each customer. If the financial conditions of these customers were to deteriorate and result in an impairment of their ability to make payments, additional allowance will be required. At the balance sheet date, the carrying amount of receivables after provision for impairment amounted to HK\$96,313,000 (2007: HK\$55,923,000).

4. 重要之会计判断及评估

于应用财务报表内附注3所述本集团会计政策时，管理层根据过往经验，未来预测及其他资料作评估。

估计及背后假设均会持续审阅，倘会计估计之修订仅影响该期间，则修订于该期间内确认。倘修订对现时及未来期间均有影响，则于修订及未来期间均确订修订。以下为影响财务资料内之确认金额之主要因素：

4.1 呆坏账拨备

本集团呆坏账拨备政策以可收回性评估。评估该等应收账款为最终变现能力需要作出大量判断，此等判断包括客户之现时信誉及过往收款历史记录。倘本集团客户财务状况日趋恶化，削弱其付款能力，则须提拨额外准备。于本年结算日，扣除拨备后的应收账款为96,313,000港元（二零零七年：55,923,000港元）。

4. Significant accounting judgements and estimates (cont'd)

4.2 Allowance for inventories

The Group's management reviews the aging analysis of inventories at each balance sheet date, and makes allowance for obsolete and slow-moving items identified that are no longer recoverable. From the ninth month, a 10% provision is made for each successive month, thereafter until the eighteenth month when the provision reaches 100%.

4.3 Deferred tax assets

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that future taxable profit will be available against which the tax losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies. Management's assessment is constantly reviewed and additional deferred tax assets are recognised if it becomes probable that future taxable profits will allow the deferred tax assets to be recovered.

4. 重要之会计判断及评估 (续)

4.2 存货拨备

本集团管理层于结算日审核账龄分析并对确认为过时及滞销库存品进行拨备至可变现之净值。库存后第九月仍未有销售之存货，则以每月拨备10%累积计算至第十八个月仍未有销售之库存拨备100%为止。

4.3 递延税项资产

递延税项资产确认至税务亏损可用以对销未来应课税溢利之部份。认列递延税项资产数额乃须要管理层之重要判断，主要根据时间性及未来应课税溢利及未来税务安排。管理层之估计作定期审阅，倘若将来有应课税溢利，额外递延税项资产将认列至税项资产。

NOTES TO THE FINANCIAL STATEMENTS 财务报表附注

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5. Turnover and other income

Turnover represents the invoiced value of goods, net of discounts and returns. Turnover and other income recognised during the year are as follows :

Turnover

Sale of goods

Other income

Interest income

Others

营业额

货品销售

其他收益

利息收入

其他

5. 营业额及其他收益

营业额指货品之发票值减折让及退货。年内确认之营业额及其他收益如下：

2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
395,285	309,595
949	671
1,283	-
2,232	671
397,517	310,266

6. Segment information

Segment information is presented in respect of the Group's business and geographical segments. Business segment is chosen as the primary reporting format.

Business segments

The Group is organised in Hong Kong into two main business segments :

Wholesale	importing and wholesale of architectural builders hardware, bathroom and kitchen collections to dealers, traditional hardware stores, contractors and property developers.
Retail	sale of architectural builders hardware, bathroom and kitchen collections through the Group's retail outlets.

Segment results

Segment revenue

Wholesale
Retail
Inter-segment elimination

Total revenue

Cost of sales

Wholesale
Retail
Inter-segment elimination

Total cost of sales

6. 分部资料

分部资料按本集团的业务及地区分部呈列。业务分部资料被选为主要报告形式。主要报告形式－业务分部资料。

主要报告形式－业务分部资料

本集团将香港业务纳入两个主要业务分部：

批发	进口及批发建筑五金、卫浴及厨房设备给传统五金店铺、承办商及物业发展商。
零售	透过本集团之零售店铺销售建筑五金、卫浴及厨房设备。

分部业绩

分部收益

批发
零售
分部抵销

收益合计

销售成本

批发
零售
分部抵销

销售成本合计

2008
二零零八年
HK\$'000
千港元

2007
二零零七年
HK\$'000
千港元

350,332
85,639
(40,686)

283,310
71,751
(45,466)

395,285

309,595

(243,857)
(41,207)
40,686

(187,285)
(46,007)
45,466

(244,378)

(187,826)

NOTES TO THE FINANCIAL STATEMENTS 财务报表附注

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

6. Segment information (cont'd)

Business segments (cont'd)

Gross profit

Wholesale
Retail

Total gross profit

Other costs, net of other revenue

Wholesale
Retail

Total other costs, net of other revenue

Segment results

Wholesale
Retail

Total result

Finance costs

Wholesale
Retail

Total finance cost

Total profit before income tax

6. 分部资料 (续)

主要报告形式 - 业务分部资料 (续)

2008
二零零八年
HK\$'000
千港元

2007
二零零七年
HK\$'000
千港元

毛利

批发
零售

106,475
44,432

96,025
25,744

毛利合计

150,907

121,769

其他成本, 扣减其他收益

批发
零售

(72,294)
(30,820)

(63,971)
(25,438)

其他成本, 扣减其他收益合计

(103,114)

(89,409)

分部经营溢利

批发
零售

34,181
13,612

32,054
306

溢利合计

47,793

32,360

财务费用

批发
零售

(1,917)
-

(913)
(20)

财务费用合计

(1,917)

(933)

除所得税前溢利合计

45,876

31,427

6. Segment information (cont'd)

Business segments (cont'd)

Income tax expense

Wholesale
Retail
Unallocated

Total income tax expense

Profit for the year

Capital expenditure

Wholesale
Retail

Total capital expenditure

Depreciation

Wholesale
Retail
Unallocated

Total depreciation

6. 分部资料 (续)

主要报告形式－业务分部资料 (续)

	2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
所得税开支		
批发	(6,347)	(5,068)
零售	(909)	(518)
未分类	(807)	(62)
所得税开支合计	(8,063)	(5,648)
年度溢利	37,813	25,779
资本性支出		
批发	304	4,299
零售	6,630	1,103
资本性支出合计	6,934	5,402
折旧		
批发	2,199	1,842
零售	3,045	2,867
未分类	156	525
折旧合计	5,400	5,234

NOTES TO THE FINANCIAL STATEMENTS 财务报表附注

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

6. Segment information (cont'd)

Business segments (cont'd)

Segment assets

Wholesale
Retail
Unallocated

Total assets

Segment liabilities

Wholesale
Retail
Unallocated

Total liabilities

Geographical segments

No geographical analysis is provided as less than 10% of the consolidated turnover and less than 10% of the total assets and liabilities of the Group are attributable to markets outside Hong Kong.

6. 分部资料 (续)

主要报告形式 – 业务分部资料 (续)

2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
237,884	176,871
22,663	17,017
37,955	39,266
298,502	233,154
108,941	70,931
2,154	533
4,058	3,363
115,153	74,827
183,349	158,327

分部资产

批发
零售
未分类

资产合计

分部负债

批发
零售
未分类

负债合计

地域分部资料

由于本集团于香港以外市场之营业类、总资产及总负债少于本集团总额之10%，故并无提供地域分析。

7. Profit before income tax

This is stated after charging :

Auditors' remuneration
Cost of inventories recognized as expense
Depreciation
Net foreign exchange losses
Operating lease charges in respect of land and building
Provision for inventories, included in cost of sales

8. Finance costs

Finance costs

Interest on bank loans wholly repayable within five years
Finance charges on obligations under finance lease

9. Employee benefit expense

Salaries and allowances, including directors' emoluments (note 10)
Contributions to defined contribution plans

7. 除所得税前溢利

此项目经扣除下列各项后：

核数师酬金
存货成本
折旧
汇兑损失净额
楼宇营运租赁支出
已计入存货成本之呆滞存货拨备

8. 财务费用

财务费用

五年内的银行贷款利息
融资租赁债务利息

9. 员工福利支出

薪金及福利，包括董事酬金（附注10）
定额退休计划供款

2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
583	530
244,378	187,826
5,400	5,234
1,100	637
26,615	22,904
682	2,909

2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
1,907	906
10	27
1,917	933

2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
37,714	32,685
1,147	1,103
38,861	33,788

NOTES TO THE FINANCIAL STATEMENTS 财务报表附注

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

10. Directors' and senior management's emoluments

(a) Directors' remuneration

The aggregate amount of emoluments received or receivable by the directors of the Company are as follows :

2008

Executive directors
Tse Sun Fat, Henry
Tse Sun Po, Tony
Tse Sun Lung, Alan
Wong Tin Cheung, Ricky
Lau Shiu Sun
Yick Kai Chung
Fung Cheuk Hang

Independent non-executive directors
Leung Kwong Kin, J. P.
Wong Wah, Dominic
Wan Sze Chung

执行董事
谢新法
谢新宝
谢新龙
黄天祥
刘绍新
易启宗
冯焯衡

独立非执行董事
梁光建太平绅士
黄华
温思聪

10.董事及高级管理人员之酬金

(a) 董事酬金

本公司董事已收及应收之酬金总额如下：

二零零八年

Directors' fees 董事袍金 HK\$'000 千港元	Salaries, allowances and benefits in kind 薪金及其他利益 HK\$'000 千港元	Retirement scheme contribution 退休计划供款 HK\$'000 千港元	Total 合计 HK\$'000 千港元
—	993	12	1,005
—	1,110	12	1,122
—	1,430	12	1,442
—	280	9	289
—	1,050	12	1,062
—	879	12	891
—	1,435	12	1,447
108	—	—	108
108	—	—	108
80	—	—	80
296	7,177	81	7,554

10. Directors' and senior management's emoluments (cont'd)

(a) Directors' remuneration (cont'd)

2007

Executive directors
Tse Sun Fat, Henry
Tse Sun Po, Tony
Tse Sun Lung, Alan
Wong Tin Cheung, Ricky
Lau Shiu Sun
Yick Kai Chung

Non-executive director
Mak So*

Independent non-executive directors
Leung Kwong Kin, J. P.
Wong Wah, Dominic
Wan Sze Chung

执行董事
谢新法
谢新宝
谢新龙
黄天祥
刘绍新
易启宗

非执行董事
麦苏*

独立非执行董事
梁光建太平绅士
黄华
温思聪

10.董事及高级管理人员之酬金 (续)

(a) 董事酬金 (续)

二零零七年

Directors' fees	Salaries, allowances and benefits in kind	Retirement scheme contribution	Total
董事袍金 HK\$'000 千港元	薪金及其他利益 HK\$'000 千港元	退休计划供款 HK\$'000 千港元	合计 HK\$'000 千港元
—	884	12	896
—	914	12	926
—	946	12	958
—	290	12	302
—	779	12	791
—	820	12	832
128	82	—	210
99	—	—	99
99	—	—	99
75	—	—	75
401	4,715	72	5,188

* Resigned on 24 March 2007

No director has waived or agreed to waive their emoluments in respect of the years ended 31 March 2008 and 2007.

* 已于二零零七年三月二十四日辞任

于截至二零零八年及二零零七年三月三十一日止各年度，并无董事放弃或同意放弃彼等之酬金。

NOTES TO THE FINANCIAL STATEMENTS 财务报表附注

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

10. Directors' and senior management's emoluments (cont'd)

(b) Five highest paid individuals

The five individuals whose emoluments were the highest in the Group for the year include four (2007: three) directors whose emoluments are reflected in the analysis presented above. The emoluments of the remaining one (2007: two) individual are as follows:

Basic salaries and allowances
Retirement scheme contributions

基本薪金及津贴
退休计划供款

The emoluments are within the following bands :

HK\$Nil – HK\$1,000,000
HK\$1,000,001 – HK\$1,500,000

酬金介乎下列范围：

1,000,000港元或以下
1,000,001港元至1,500,000港元

10.董事及高级管理人员之酬金（续）

(b) 五位最高薪酬人士

本集团于本年度内五位最高薪酬人士，包括四名（二零零七年：三名）董事，该董事之酬金已反映于上述之分析内。其馀一名（二零零七年：两名）人士之酬金如下：

2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
1,158 12	1,906 24
<u>1,170</u>	<u>1,930</u>

Number of individuals
人数

2008 二零零八年	2007 二零零七年
– 1	1 1
<u>1</u>	<u>1</u>

11. Income tax expense

(a) Hong Kong Profits Tax has been provided at the rate of 17.5% (2007: 17.5%) on the estimated assessable profits for the year. The income tax provision in respect of operations in the People's Republic of China ("PRC") and overseas is calculated at the applicable tax rates on the estimated assessable profits for the year based on existing legislation, interpretations and practices in respect thereof.

Current tax

Hong Kong Profits Tax

Current year

Under/(Over) provision in prior year

Mainland China Enterprise Income Tax

Current year

Overprovision in prior year

Deferred taxation (note 23)

Tax expense for the year

11. 所得税开支

(a) 香港利得税乃按本年度之估计应课税溢利之17.5% (二零零七年: 17.5%) 之税率计算。于中华人民共和国 (「中国」) 及海外营运之所得税乃以年内之估计应课税溢利按有关司法权区适用之税率及根据现行法例, 诠释及惯例而计算。

	2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
本年度税项		
香港利得税		
本年度	6,947	4,309
往年不足 / (超额拨备)	94	(88)
	7,041	4,221
中国企业所得税		
本年度	224	206
往年超额拨备	(9)	-
	224	206
递延税项 (附注 23)	7,256	4,427
	807	1,221
本年度税项支出	8,063	5,648

NOTES TO THE FINANCIAL STATEMENTS 财务报表附注

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

11. Income tax expense (cont'd)

(b) Reconciliation of tax expense

Profit before income tax

Income tax at Hong Kong Profits Tax rate of 17.5%
(2007: 17.5%)

Under/(Over) provision in prior years

Tax exempt revenue

Non-deductible expenses

Utilisation of previously unrecognised tax losses

Recognition of previously unrecognised temporary
differences

Unrecognised temporary differences

Unrecognised tax losses

Effect of different tax rate of
a PRC subsidiary

Others

Tax expense for the year

11. 所得税开支 (续)

(b) 税项开支之对账

除所得税前溢利

所得税按香港所得税率
(二零零七年: 17.5%) 计算

往年不足 / (超额拨备)

无须计税的收入

不可作税务抵扣的费用

使用以前年度未确认税务亏损

确认以前年度未确认之

递延税项资产

未确认之暂时差额

未确认之税项亏损

于中国之附属公司利得税率

差异之影响

其他

本年度税项支出

The Group
本集团

2008
二零零八年
HK\$'000
千港元
45,876

2007
二零零七年
HK\$'000
千港元
31,427

8,028

5,500

85

(88)

(166)

(17)

151

117

(182)

(68)

-

(263)

139

227

-

238

(37)

(40)

45

42

8,063

5,648

12. Profit attributable to equity holders of the Company

The consolidated profit attributable to equity holders of the Company includes a profit of HK\$381,000 (2007: HK\$39,000) which has been dealt with in the financial statements of the Company for the year ended 31 March 2008.

13. Dividends

Interim dividend of HK 2.5 cents (2007: HK 2.5 cent)
per share

Special interim dividend of HK\$ Nil (2007: HK 1.5 cents)
per share

Proposed final dividend of HK 5 cents (2007: HK 3.5 cents)
per share (Note)

Proposed special final dividend of HK\$ Nil (2007: HK 2 cents)
per share (Note)

Note: A final dividend of HK 5 cents (2007: HK 3.5 cents) per share amounting to HK\$10,500,000 (2007: HK\$7,000,000) and a special final dividend of HK\$ Nil (2007: HK 2 cents) per share amounting to HK\$ Nil (2007: HK\$4,000,000) have been proposed by the directors after the balance sheet date. The proposed dividends are not accounted for until it has been approved at the annual general meeting.

12. 本公司股本持有人应占盈利

本公司股本持有人应占盈利381,000港元(二零零七年:39,000港元),并已于本公司截至二零零八年三月三十一日止年度财务报表内处理。

13. 股息

	2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
中期股息每股:2.5港仙 (二零零七年:2.5港仙)	5,000	5,000
特别中期股息:无 (二零零七年:1.5港仙)	-	3,000
建议末期股息每股:5港仙 (二零零七年:3.5港仙) (附注)	10,500	7,000
建议红利股息:无 (二零零七年:2港仙) (附注)	-	4,000
	15,500	19,000

附注: 董事建议在结算日后派发末期股息每股5港仙(二零零七年:3.5港仙),合计10,500,000港元(二零零七年:7,000,000港元)及不派发红利股息(二零零七年:2港仙)合计:无(二零零七年:4,000,000港元)有关末期及红利股息须于股东周年大会上批准后计入入账。

NOTES TO THE FINANCIAL STATEMENTS 财务报表附注

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

14. Earnings per share

The calculation of basic earnings per share is based on the Group's profit for the year of HK\$37,813,000 (2007: HK\$25,779,000) and the 210,000,000 ordinary shares in issue (2007: 210,000,000 shares, restated) during the year.

Diluted earnings per share was not disclosed as there were no dilutive potential ordinary shares for the years ended 31 March 2008 and 2007.

The number of ordinary shares for both years for the purpose of basic earnings per shares has been adjusted for the bonus issue approved pursuant to the extraordinary general meeting held on 28 February 2008.

The adjustment to comparative earnings per share, arising from the bonus issue is as follows:

Reported figure before adjustments
Adjustment arising from the bonus issue

Restated figure

14. 每股溢利

每股基本溢利乃根据本年度本集团溢利37,813,000港元(二零零七年:25,779,000港元)及于年度内已发行普通股210,000,000股计算(二零零七年:210,000,000股,重列)。

由于截至二零零七年及二零零八年三月三十一日止年度并无潜在摊薄普通股,故并无披露每股摊薄盈利。

就每股基本溢利而言,该两年之普通股数目已就根据于二零零八年二月二十八日举行之股东特别大会所批准发行红股作出调整。

因发行红股产生之每股溢利比较数字调整如下:

未经调整之数值
发行红股之调整

重列数值

HK cents
港仙

12.9
(0.6)

12.3

15. Property, plant and equipment

The Group

At 1 April 2006
Cost/Valuation
Accumulated depreciation

Net book amount

Net book value

At 1 April 2006

Additions

Revaluation

Disposals

Depreciation

Exchange differences

At 31 March 2007

At 31 March 2007

Cost/Valuation

Accumulated depreciation

Net book amount

于二零零六年四月一日
成本／估值
累计折旧

账面净值

账面值

于二零零六年四月一日

新增

重估

出售

折旧

汇兑差额

于二零零七年三月三十一日

于二零零七年三月三十一日

成本／估值

累计折旧

账面总值

15. 物业、厂房及设备

本集团

Land and
buildings
under long
leases in
Hong Kong
(Note (a))

根据长期
租约于香港之
土地及楼宇
(附注(a))
HK\$'000
千港元

Land and
buildings
under long
leases in
the PRC

根据长期
租约于中国之
土地及楼宇
HK\$'000
千港元

Leasehold
improvements

租赁
物业装修
HK\$'000
千港元

Furniture,
fixtures and
equipment

家具、
装置及设备
HK\$'000
千港元

Motor
vehicle

汽车
HK\$'000
千港元

Total

合计
HK\$'000
千港元

19,000

-

19,000

19,000

-

2,976

-

(576)

-

21,400

21,400

-

21,400

1,779

(119)

1,660

1,660

-

-

-

(35)

-

1,625

1,779

(154)

1,625

23,945

(15,553)

8,392

8,392

4,348

-

-

(3,290)

-

9,450

28,293

(18,843)

9,450

13,794

(11,477)

2,317

2,317

865

-

-

(1,020)

3

2,165

14,667

(12,502)

2,165

1,673

(1,301)

372

372

189

-

-

(37)

(313)

211

1,634

(1,423)

211

60,191

(28,450)

31,741

31,741

5,402

2,976

(37)

(5,234)

3

34,851

67,773

(32,922)

34,851

NOTES TO THE FINANCIAL STATEMENTS 财务报表附注

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

15. Property, plant and equipment (cont'd)

The Group

Net book value
At 1 April 2007
Additions
Revaluation
Depreciation

账面值
于二零零七年四月一日
新增
重估
折旧

At 31 March 2008

于二零零八年三月三十一日

At 31 March 2008

Cost/Valuation
Accumulated depreciation

于二零零八年三月三十一日
成本/估值
累计折旧

Net book amount

账面总值

15. 物业、厂房及设备 (续)

本集团

Land and
buildings
under long
leases in
Hong Kong
(Note (a))
根据长期
租约于香港之
土地及楼宇
(附注(a))
HK\$'000
千港元

Land and
buildings
under long
leases in
the PRC
根据长期
租约于中国之
土地及楼宇
HK\$'000
千港元

Leasehold
improvements
租赁
物业装修
HK\$'000
千港元

Furniture,
fixtures and
equipment
傢俬、
装置及设备
HK\$'000
千港元

Motor
vehicle
汽车
HK\$'000
千港元

Total
合计
HK\$'000
千港元

21,400

1,625

9,450

2,165

211

34,851

-

-

6,471

463

-

6,934

3,669

-

-

-

-

3,669

(669)

(36)

(3,779)

(840)

(76)

(5,400)

24,400

1,589

12,142

1,788

135

40,054

24,400

1,779

34,764

15,130

1,634

77,707

-

(190)

(22,622)

(13,342)

(1,499)

(37,653)

24,400

1,589

12,142

1,788

135

40,054

15. Property, plant and equipment (cont'd)

(a) The leasehold land and buildings in Hong Kong were revalued by A.G. Wilkinson & Associates, an independent firm of professional valuers, on 31 March 2008 on open market value basis.

The carrying amount of the leasehold land and buildings in Hong Kong would have been approximately HK\$3,307,000 (2007: HK\$3,469,000) had they been stated at cost less accumulated depreciation and accumulated impairment losses.

(b) The carrying amount of the Group's property, plant and equipment includes an amount of HK\$161,000 (2007: HK\$215,000) in respect of assets held under finance leases.

15. 物业、厂房及设备 (续)

(a) 于香港之租赁土地及楼宇于二零零八年三月三十一日经由独立专业估值师韦坚信测量行按市值及现有用途基准重估。

倘租赁土地及楼宇按成本原值减累计折旧及减值亏损为约3,307,000港元(二零零七年: 3,469,000港元)。

(b) 本集团之物业、厂房及设备账面值包括161,000港元(二零零七年: 215,000港元)为融资租赁安排而持有之资产。

16. Interest in subsidiaries

Unlisted shares, at cost

16. 附属公司权益

非上市股份，按原值

2008
二零零八年
HK\$'000
千港元
90,917

2007
二零零七年
HK\$'000
千港元
90,917

NOTES TO THE FINANCIAL STATEMENTS 财务报表附注

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

16. Interest in subsidiaries (cont'd)

Details of the major subsidiaries at the balance sheet date are as follows :

16.附属公司权益 (续)

于结算日之附属公司资料如下：

Name of subsidiary 附属公司名称	Place of incorporation/ establishment 注册成立国家/地点	Issued and fully paid up share capital/ registered capital 已发行及缴足股本/注册资本	Equity interest held 应佔股本权益	Principal activities and place of operation 主要业务及营业地点
Interest held directly: 直接持有权益：				
E. Bon (BVI) Holdings Limited	British Virgin Islands 英属处女群岛	50,000 ordinary shares of US\$1 each 50,000 股每股1美元之普通股	100%	Investment holding in Hong Kong 于香港作投资控股
Interests held indirectly: 间接持有权益：				
Asia Bon Company Limited 富邦(亚洲)资产管理有限公司	Hong Kong 香港	100 ordinary shares of HK\$1,000 each 100股每股1,000港元之普通股	100%	Property holding in Hong Kong 于香港作物业持有
E. Bon Building Materials Company Limited 怡邦行建筑材料有限公司	Hong Kong 香港	6,000 ordinary shares of HK\$1,000 each 6,000股每股1,000港元之普通股	100%	Importing and sale of architectural builders hardware and bathroom collections in Hong Kong 于香港进口及销售建筑五金及卫浴设备
Right Century Limited 港仲有限公司	Hong Kong 香港	1,000 ordinary shares of HK\$1 each 1,000股每股1港元之普通股	100%	Retail of bathroom accessories and decoration materials in Hong Kong 于香港零售浴室配件及装饰材料
Sunny Building and Decoration Materials Company Limited 新新装饰材料五金工具有限公司	Hong Kong 香港	6,000 ordinary shares of HK\$1,000 each 6,000股每股1,000港元之普通股	100%	Retail of architectural builders hardware and bathroom collections in Hong Kong 于香港零售建筑五金及卫浴设备

16. Interest in subsidiaries (cont'd)

16. 附属公司权益 (续)

Name of subsidiary 附属公司名称	Place of incorporation/ establishment 注册成立国家／地点	Issued and fully paid up share capital/ registered capital 已发行及缴足股本／注册资本	Equity interest held 应占股本权益	Principal activities and place of operation 主要业务及营业地点
Interests held indirectly: (cont'd) 间接持有权益：(续)				
Shanghai Tech Pro International Trading Company Ltd. 上海得保国际贸易有限公司	PRC 中国	US\$300,000 300,000美元	100%	Importing and sale of architectural builders hardware and bathroom collections in the PRC 于中国进口及销售建筑五金及卫浴设备
Twinwood Venture Limited	British Virgin Islands 英属处女群岛	1 ordinary share of US\$1 each 1股每股1美元之普通股	100%	Investment holding in Hong Kong 于香港作投资控股
H2O (Pro) Limited 水之健有限公司	Hong Kong 香港	2 ordinary shares of HK\$1 each 2股每股1港元之普通股	100%	Importing and sale of bathroom collections in Hong Kong 于香港进口及销售卫浴设备
Massford Holdings Limited	British Virgin Islands 英属处女群岛	1 ordinary share of US\$1 each 1股每股1美元之普通股	100%	Investment holding in Hong Kong 于香港作投资控股
Techpro Trading Limited 德保建材贸易有限公司	Hong Kong 香港	1,000 ordinary shares of HK\$1 each 1,000股每股1港元之普通股	100%	Importing and sale of architectural builders hardware and bathroom collections in Hong Kong 于香港进口及销售建筑五金
Massford (Hong Kong) Limited 美富(香港)有限公司	Hong Kong 香港	10,000 ordinary shares of HK\$1 each 10,000股每股1港元之普通股	100%	Supplying architectural builders hardware and bathroom collections for property development in Hong Kong 于香港供应建筑五金及卫浴设备 予物业发展项目

NOTES TO THE FINANCIAL STATEMENTS 财务报表附注

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

16. Interest in subsidiaries (cont'd)

16. 附属公司权益 (续)

Name of subsidiary 附属公司名称	Place of incorporation/ establishment 注册成立国家/地点	Issued and fully paid up share capital/ registered capital 已发行及缴足股本/注册资本	Equity interest held 应佔股本权益	Principal activities and place of operation 主要业务及营业地点
Interests held indirectly: (cont'd) 间接持有权益: (续)				
Bonco Ironmongery Limited 保固五金建材有限公司	Hong Kong 香港	10,000 ordinary shares of HK\$1 each 10,000股每股1港元之普通股	100%	Importing and sale of architectural builders hardware in Hong Kong 于香港进口及销售建筑五金
Kitchen (Pro) Limited 厨之健有限公司	Hong Kong 香港	1,000 ordinary shares of HK\$1 each 1,000股每股1港元之普通股	100%	Importing and sale of kitchen fittings in Hong Kong 于香港进口及销售厨房设备
D.I.Y. Limited	Hong Kong 香港	2 ordinary shares of HK\$100 each 2股每股100港元之普通股	100%	Handling of the human resources planning and development activities of the Group 处理本集团人力资源事宜
Sanfield Properties Limited 信晖置业有限公司	Hong Kong 香港	2 ordinary shares of HK\$1 each 2股每股1港元之普通股	100%	Property holding in the PRC 于中国作物业持有
Tech Pro (China) Limited 德保(中国)有限公司	Hong Kong 香港	2 ordinary shares of HK\$1 each 2股每股1港元之普通股	100%	Investment holding in the PRC 于中国作投资控股
Bonlex Properties Limited 邦利置业有限公司	Hong Kong 香港	10,000 ordinary shares of HK\$1 each 10,000股每股1港元之普通股	100%	Property holding in the PRC 于中国作物业持有

17. Due from/(to) subsidiaries

The amounts due are unsecured, interest-free and repayable on demand.

18. Inventories

Finished goods

产成品

The amount of inventories carried at net realisable value is HK\$7,218,000 (2007: HK\$8,261,000).

19. Trade and other receivables

Details of the trade and other receivables as at 31 March 2008 are listed below :

Trade receivables
Less: provision for impairment of
trade receivables

应收账款
减：减值拨备

Other receivables, deposits and
prepayments

其他应收款项、订金及
预付款项

17. 应收／（付）附属公司之款项

该款项为无抵押、无利息及按通知还款。

18. 存货

2008
二零零八年
HK\$'000
千港元
80,949

2007
二零零七年
HK\$'000
千港元
73,783

可变现净值列账之存货合共7,218,000港元（二零零七年：8,261,000港元）。

19. 应收账款及其他应收款项

截至二零零八年三月三十一日应收账款及其他应收款项资料如下：

The Group 本集团		The Company 本公司	
2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
97,212	56,384	-	-
(899)	(461)	-	-
96,313	55,923	-	-
26,897	20,173	25	147
123,210	76,096	25	147

NOTES TO THE FINANCIAL STATEMENTS 财务报表附注

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

19. Trade and other receivables (cont'd)

The ageing analysis of trade receivables (net of specific provisions for doubtful debts) at the balance sheet date is as follows:

0 – 30 days
31 – 60 days
61 – 90 days
Over 90 days

少于三十日
三十一日至六十日
六十一至九十日
超过九十日

The majority of the Group's sales are with credit terms of 30 to 90 days. In some cases, customers may be granted an extended credit period of up to 120 days. Certain balances over 90 days are on letter of credit or document against payment.

The movement in the provision for impairment of trade receivables is as follows :

Balance at 1 April
Provision for impairment loss charged to the income statement

Balance at 31 March

19. 应收账款及其他应收款项 (续)

应收账款 (扣除呆账拨备) 之账龄分析如下:

The Group
本集团

2008
二零零八年
HK\$'000
千港元
61,130
9,280
5,633
20,270

96,313

2007
二零零七年
HK\$'000
千港元
19,122
5,022
8,025
23,754

55,923

本集团之销售信贷期大部份为30至90日,其中部份客户的信贷期延长至120日,部份超过九十日账款以信用状或付款交单式进行。

年内应收账款呆账拨备变动如下:

The Group
本集团

2008
二零零八年
HK\$'000
千港元
461

438

899

2007
二零零七年
HK\$'000
千港元
461

-

461

于四月一日结算
已确认减值亏损

于三月三十一日结算

19. Trade and other receivables (cont'd)

The ageing analysis of trade receivables that are not impaired is as follows :

Neither past due nor impaired
1 – 30 days past due
31 – 60 days past due
61 – 90 days past due
Over 91 days past due

未到期或未减值
逾期后 1 – 30日
逾期后 31 – 60日
逾期后 61 – 90日
逾期超过 91日

Receivables that were neither past due nor impaired related to a wide range of customers that have a good track record with the Group. Based on past experience, management believes that no impairment allowance is necessary in respect of these balances as there has not been a significant change in credit quality and the balances are expected to be fully recoverable. The Group does not hold any collateral over these balances.

19. 应收账款及其他应收款项 (续)

无减值亏损之贸易应收款项之帐龄分析如下：

The Group 本集团

2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
76,043	32,169
5,406	6,766
1,946	2,232
1,477	1,816
11,441	12,940
96,313	55,923

已逾期但未作出减值之应收款项来自若干与本集团有良好还款记录之客户。根据过往经验，由于有关之应收款项之信贷质素并无重大变动，且相信可全数收回，故此管理层相信该等结余毋须作出减值拨备。本集团并无就该等结余持有任何抵押品。

NOTES TO THE FINANCIAL STATEMENTS 财务报表附注

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

20. Derivative financial instruments

Forward currency contract

This forward currency contract did not meet the criteria for hedge accounting. The change in the fair value of this non-hedging currency derivative of profit of HK\$998,000 (2007: HK\$ Nil) was credited to the income statement during the year.

20. 衍生金融工具

远期货币合同

此远期货币合同不符合对冲会计法标准。此非对冲货币衍生工具的公允价值之变更为溢利998,000港元已计入本年度利润表内(二零零七年:无)。

21. Trade and other payables

Trade payables
Accrued charges and other creditors

应付账款
其他应付款项

21. 应付账款及其他应付款项

The Group 本集团		The Company 本公司	
2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
30,532	27,028	-	-
14,532	7,495	112	54
<u>45,064</u>	<u>34,523</u>	<u>112</u>	<u>54</u>

The Group 本集团	
2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
<u>998</u>	<u>-</u>

21. Trade and other payables (cont'd)

Included in the trade and other payables of the Group are trade payables with the following ageing analysis :

0 – 30 days
31 – 60 days
61 – 90 days
Over 90 days

少于三十日
三十一日至六十日
六十一至九十日
超过九十日

22. Interest-bearing borrowings

Bill payables and trust receipt loans, unsecured
Other bank loans, secured
Obligation under finance leases

Current portion
Non-current portion

21. 应付账款及其他应付款项 (续)

包括在应付账款及其他应付款项内之应付账款账龄分析如下：

The Group
本集团

2008
二零零八年
HK\$'000
千港元
23,072
3,776
2,823
861

30,532

2007
二零零七年
HK\$'000
千港元
23,910
1,676
580
862

27,028

22. 有息借贷

应付票据及信托收据贷款，无抵押
其他有抵押之银行贷款
融资租赁债务

即期部份
非即期部份

The Group
本集团

2008
二零零八年
HK\$'000
千港元
54,602
8,023
124

62,749

60,644
2,105

62,749

2007
二零零七年
HK\$'000
千港元
33,078
-
187

33,265

33,140
125

33,265

NOTES TO THE FINANCIAL STATEMENTS 财务报表附注

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

22. Interest-bearing borrowings (cont'd)

All bills payables and trust receipt loans are wholly repayable within one year.

The bills payables and trust receipt loans are denominated in functional currencies of the relevant group entities and carry at effective interest rate at 5.32% p.a. Other bank loans bear interest at prime rate minus 2% p.a.

At 31 March 2008, the interest-bearing borrowings of the Group were repayable as follows :

Within one year
In the second year
In the third to fifth year inclusive

Wholly repayable within 5 years
Less: Portion due within one year under current liabilities

Portion due over one year under non-current liabilities

22. 有息借贷 (续)

所有应付票据及信托收据贷款须于一年内悉数偿还。

应付票据及信托收据贷款以集团实体之功能货币之实际年利率为5.32%，其他银行贷款利息年期为最优惠利率减2%。

截至二零零八年三月三十一日本集团须偿还之有息借贷如下：

The Group 本集团

2008
二零零八年
HK\$'000
千港元
60,644
2,097
8

2007
二零零七年
HK\$'000
千港元
33,140
63
62

62,749
(60,644)

33,265
(33,140)

2,105

125

一年内
第二年内
第三年至第五年(包括首尾两年)

五年内须偿还款项合计
减除：须于一年内偿还之流动负债

于一年后偿还之非流动负债

22. 有息借贷 (续)

融资租赁债务：

应付金额：
一年内
第二年至第五年（包括首尾两年）

未来融资费用

租赁债务现值

Minimum lease payments 最低租賃款		Present value of minimum lease payments 最低租賃款之現值	
2008 二零八年 K\$'000 千港元	2007 二零零七年 HK\$'000 千港元	2008 二零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
73	72	63	63
70	144	61	124
143 (19)	216 (29)	124 —	187 —
124	187	124	187

NOTES TO THE FINANCIAL STATEMENTS 财务报表附注

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

23. Deferred taxation

The major deferred tax liabilities and assets recognised by the Group and movements thereon during the current and prior year are as follows :

Deferred tax liabilities

递延税项负债

At beginning of the year
(Credited)/Charged to income statement/equity

年初结余
(计入) / 扣自损益表 / 权益

At balance sheet date

年末结余

Deferred tax assets

递延税项资产

At beginning of the year
(Charged)/Credited to income statement

年初结余
(扣自) / 计入损益表

At balance sheet date

年末结余

At the balance sheet date, the Group have not recognised deferred tax assets in respect of cumulative tax losses of HK\$2,453,000 (2007: HK\$3,495,000) as it is not probable that future taxable profits against which the losses can be utilized will be available in the relevant tax jurisdiction and entity. The tax losses have no expiry date under current tax legislation.

23. 递延税项

本集团于本年度及去年认列之主要递延税项负债及资产及其变动如下：

Accelerated tax depreciation 累算税务折旧		Revaluation of properties 物业重估		Total 合计	
2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
64 (13)	189 (125)	3,109 525	2,689 420	3,173 512	2,878 295
51	64	3,634	3,109	3,685	3,173

Tax losses 税务亏损		Others 其他		Total 合计	
2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
888 (888)	2,402 (1,514)	1,558 68	1,390 168	2,446 (820)	3,792 (1,346)
-	888	1,626	1,558	1,626	2,446

于结算日，本集团仍未认列累计税项亏损之有关递延税项资产约2,453,000港元（二零零七年：3,495,000港元）乃由于未来有关税务司法权区及实体不可能存在可用于对冲该等亏损的应课税溢利。根据现时税务条例，该等税项亏损不设到期日。

24. Share capital

24. Share capital		24.股本			
		2008 二零零八年		2007 二零零七年	
		Number of shares 股份数目	HK\$'000 千港元	Number of shares 股份数目	HK\$'000 千港元
Authorised:	法定：				
Ordinary shares at HK\$0.1 each	每股面值0.1 港元之普通股				
At 1 April and 31 March	于四月一日及三月三十一日	<u>1,000,000,000</u>	<u>100,000</u>	<u>1,000,000,000</u>	<u>100,000</u>
Issued and fully paid:	已发行及缴足：				
Ordinary share at HK\$0.1 each	每股面值0.1 港元之普通股				
At 1 April	于四月一日	<u>200,000,000</u>	<u>20,000</u>	200,000,000	20,000
Bonus issue of share (note)	红股（附注）	<u>10,000,000</u>	<u>1,000</u>	-	-
At 31 March	于三月三十一日	<u>210,000,000</u>	<u>21,000</u>	200,000,000	20,000

Note: Pursuant to the extraordinary general meeting held on 28 February 2008, bonus issue of shares on the basis of one share for every twenty shares held was approved. 10,000,000 bonus shares were issued under the bonus issue and the amount HK\$1,000,000 was capitalized from the Company's share premium account.

The bonus shares were credited as fully paid and rank pari passu with the then existing shares in all respects.

附注：根据本公司于二零零八年二月二十八日举行之股东特别大会，已批准按每持有二十股股份可获一股红利股份之基准发行红利股份，并据此发行10,000,000股红利股份，而1,000,000港元已自本公司股份溢价账拨充资本。

有关红利股份已入账列作缴足，并与当时之现有股份在各方面均享有同等权益。

NOTES TO THE FINANCIAL STATEMENTS 财务报表附注

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

25. Reserves

The Group

25. 储备

本集团

		Share premium 股份溢价 HK\$'000 千港元	Revaluation reserve 重估储备 HK\$'000 千港元	Merger reserve 合并储备 HK\$'000 千港元	Capital reserve 资本储备 HK\$'000 千港元	Exchange reserve 汇兑储备 HK\$'000 千港元	Retained earnings 保留溢利 HK\$'000 千港元	Total 合计 HK\$'000 千港元
At 1 April 2006	于二零零六年四月一日	41,261	13,286	6,979	2,896	3	58,338	122,763
Exchange differences	汇兑差额	-	-	-	-	229	-	229
Gain on revaluation of properties	物业重估收益	-	2,976	-	-	-	-	2,976
Deferred tax effect on items recognised directly in equity	直接确认于权益之递延税项	-	(420)	-	-	-	-	(420)
Dividends	股息	-	-	-	-	-	(13,000)	(13,000)
Profit for the year	年度溢利	-	-	-	-	-	25,779	25,779
At 31 March 2007	于二零零七年三月三十一日	41,261	15,842	6,979	2,896	232	71,117	138,327
At 1 April 2007	于二零零七年四月一日	41,261	15,842	6,979	2,896	232	71,117	138,327
Capitalization on bonus issue of shares	发行红股	(1,000)	-	-	-	-	-	(1,000)
Exchange differences	汇兑差额	-	-	-	-	65	-	65
Gain on revaluation of properties	物业重估收益	-	3,669	-	-	-	-	3,669
Deferred tax effect on items recognised directly in equity	直接确认于权益之递延税项	-	(525)	-	-	-	-	(525)
Dividends	股息	-	-	-	-	-	(16,000)	(16,000)
Profit for the year	年度溢利	-	-	-	-	-	37,813	37,813
At 31 March 2008	于二零零八年三月三十一日	40,261	18,986	6,979	2,896	297	92,930	162,349

25. Reserves (cont'd) The Company

At 1 April 2006
Profit for the year
Dividends

At 31 March 2007 and 1 April 2007

Capitalization on bonus issue of shares
Profit for the year
Dividends

At 31 March 2008

26. Major non-cash transaction

During the year, the Group entered into finance lease arrangements not provided for in respect of assets with a total capital value of the inception of the lease of HK\$ Nil (2007: HK\$189,000).

25. 储备 (续) 本公司

于二零零六年四月一日
年度溢利
股息

于二零零七年三月三十一日及
于二零零七年四月一日
发行红股
年度溢利
股息

于二零零八年三月三十一日

26. 不涉及现金之重大交易

年内本集团并无就资产订立融资租赁安排 (二零零七年: 租约生效时之资本总值为 189,000 港元)。

Share premium 股份溢价 HK\$'000 千港元	Retained earnings 保留溢利 HK\$'000 千港元	Total 合计 HK\$'000 千港元
123,078	3,425	126,503
-	39	39
(13,000)	-	(13,000)
110,078	3,464	113,542
(1,000)	-	(1,000)
-	381	381
(16,000)	-	(16,000)
93,078	3,845	96,923

NOTES TO THE FINANCIAL STATEMENTS 财务报表附注

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

27. Related party transactions

In addition to the transactions/information disclosed elsewhere in these financial statements, during the year, the Group had the following transactions with related parties :

Related party relationship 与关连人士关系

Key management personnel, including directors
主要管理人员 (包括董事)

A company under common control by the directors
of the Company (note)
一间公司受控于本公司董事 (附注)

Note : NCL is a company in which Mr. TSE Sun Fat, Henry, Mr. TSE Sun Po, Tony, Mr. TSE Sun Lung, Alan, and Mr. WONG Tin Cheung, Ricky, have beneficial interests. The rental expenses paid were in the normal course of business at terms mutually agreed between the Group and NCL.

27. 关连人士交易

除于本财务报表其他部份披露之交易 / 资料外, 本集团与有关连人士曾进行以下交易:

Nature of transaction 交易性质

Short-term employee benefits
短期员工福利

Rental expenses paid to Negotiator
Consultants Limited ("NCL")
租金交付 Negotiator Consultants
Limited (「NCL」)

2008
二零零八年
HK\$'000
千港元

7,554

2,952

2007
二零零七年
HK\$'000
千港元

5,188

2,952

附注: 谢新法先生、谢新宝先生、谢新龙先生及黄天祥先生于NCL均拥有权益。在日常业务中按本集团与NCL互相议定的条款支付租金。

28. Operating lease commitments

At the balance sheet date, the Group had future aggregate minimum lease payments under non-cancellable operating leases in respect of land and buildings are as follows :

Within one year
In the second to fifth years inclusive

28.经营租赁承担

于结算日，本集团根据不可撤销之土地及楼宇经营租赁而于未来支付之最低租赁付款总额如下：

2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
19,129	21,319
6,993	11,732
<u>26,122</u>	<u>33,051</u>

29. Capital commitments

The Group

At the balance sheet date, the Group had the following capital commitments:

Property, plant and equipment
Authorised but not contracted for

29.承担

本集团

于结算日本集团之资本承担如下：

2008 二零零八年 HK\$ 港元	2007 二零零七年 HK\$ 港元
34,200,000	-

The Company

At the balance sheet date, the Company had no significant capital commitments (2007: Nil).

本公司

于结算日，本公司并没有重大资本承担（二零零七年：无）。

NOTES TO THE FINANCIAL STATEMENTS 财务报表附注

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

30. Contingent liabilities

The Group

In August 2001, a subsidiary of the Company ("the Subsidiary") sued one of its customers ("the Defendant") for recovery of an amount of approximately HK\$5,333,000 in respect of goods sold and delivered to the Defendant. In September 2001, the Defendant filed a counter-claim in a sum of approximately HK\$6,148,000 against the Subsidiary for the alleged losses and damages as a result of the alleged breach of the supply agreement entered into between the Defendant and the Subsidiary. The case is now in the stage where the parties' expert reports are to be exchanged and the directors of the Company, on the basis of independent legal advice obtained, consider the Subsidiary has a good arguable case against the Defendant for the counter-claim and accordingly no provision in respect of the debt due or the amount of the counter-claim has been made in the financial statements of the Group.

The Company

At 31 March 2008, the Company had executed corporate guarantees to secure general banking facilities granted to the subsidiaries. Facilities utilised by the subsidiaries amounted to HK\$ 63,000,000 (2007: HK\$33,000,000) as at 31 March 2008.

30. 或然负债

本集团

二零零一年八月，本公司之一家附属公司（「该附属公司」）起诉一名客户（「被告」），就销售及交付予被告之货品追讨约5,333,000港元。被告于二零零一年九月就指称违反与该附属公司订立之供应协议指称产生之损失及损害向该附属公司提出追讨约6,148,000港元之反申索。此诉讼尚在交换专家报告阶段，本公司董事根据所获独立法律意见，认为该附属公司就被告之反申索胜数甚高，因此并无就反申索所追讨金额于本集团账目内作出拨备。

本公司

于二零零八年三月三十一日，本公司就若干附属公司所动用银行授信作出公司担保。于二零零八年三月三十一日，附属公司已使用之银行授信金额为63,000,000港元（二零零七年：33,000,000港元）。

31. Financial risk management objectives and policies

The Group's major financial instruments include trade and other receivables, trade and other payables, cash and short-term deposits, interest-bearing borrowings and derivative financial instruments. Details of the policies on how to mitigate the risks from these financial instruments are set out below. The Group's management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

Categories of financial instruments

Financial assets

Loans and receivables

Trade and other receivables

Cash and cash equivalents

Financial asset at fair value through profit or loss

Derivative financial instruments

Financial liabilities

Financial liabilities measured at amortised costs

Trade and other payables

Interest-bearing borrowings

31. 财务风险管理目的及政策

本集团主要金融工具包括应收账款及其他应收款项，应付账款及其他应付款项，现金及短期定存及有息借贷。有关缓和上述金融工具引起的风险政策列述如下。本集团管理层定期及有效地检讨上述风险，并制定适当的相

分类金融工具

财务资产

贷款及应收款项

应收账款及其他应收款项

现金及现金等值

按公平值计入损益账之财务资产

衍生金融工具

财务负债

以摊销成本衡量之财务负债

应付账款及其他应付款项

有息借贷

The Group 本集团

2008
二零零八年
HK\$'000
千港元

2007
二零零七年
HK\$'000
千港元

123,210
51,665

76,096
45,978

998

-

175,873

122,074

45,064
62,749

34,523
33,265

107,813

67,788

NOTES TO THE FINANCIAL STATEMENTS 财务报表附注

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

31. Financial risk management objectives and policies (cont'd)

Interest rate risk

As the Group has no significant interest-bearing assets, the Group's income and operating cash flows are substantially independent of changes in market interest rates. The Group's interest rate risk arises from long-term borrowings such as bills payable, borrowings and finance lease arrangements. Borrowings issued at variable rates expose the Group to cash flow interest rate risk. Borrowings issued at fixed rates expose the Group to fair value interest rate risk.

At 31 March 2008, it is estimated that a general increase/decrease of 50 basis points in interest rates, with all other variables held constant, would decrease/increase the Group's profit after tax and retained earnings by approximately HK\$314,000 (2007: HK\$166,000). The 50 basis point increase/decrease represents management's assessment of a reasonably possible change in interest rates over the period until the next annual balance sheet date.

Foreign currency risk

The Group mainly operates in Hong Kong with most of the sales transactions settled in Hong Kong dollars. However, foreign currencies are required to settle the Group's purchases from overseas suppliers. The Group enters into derivatives transactions, principally forward currency contracts. The purpose is to manage currency risks arising from the Group's operations.

At 31 March 2008, it is estimated that a general increase/decrease of 10 per cent in Euro dollar rates, with all other variables held constant, would increase/decrease the Group's profit after tax and retained earnings by approximately HK\$99,800 (2007: HK\$Nil). The 10 per cent increase/decrease represents management's assessment of a reasonably possible change in foreign currency rates over the period until the next annual balance sheet date.

31. 财务风险管理目的及政策 (续)

利率风险

由于本集团并没有重大有息借贷资产，故本集团的收入及营运资金独立于市场利率变动，本集团的利率风险主要由于长期借贷如：应付票据，借贷及租赁债务产生。借贷利率如为浮动利率，集团面对现金流量利率风险。借贷利率如为固定利率，则集团面对公平利率风险。

于二零零八年三月三十一日，估计在所有其他变数维持不变之情况下，若利率上浮或下浮50基点将令本集团的全年除税后盈利及保留盈利减少或增加约港币314,000元（二零零七年：港币166,000元）。50基点的上浮或下浮区间代表管理层评估直至下一年度结算日的合理可能汇率变动。

外汇风险

本集团主要于香港营运，故大部份的交易主要以港币计算，但向各海外供应商购货付款时则使用外币。本集团订定合约，主要为远期货币合约，以管理集团营运之外汇风险。

于二零零八年三月三十一日，假设所有其他可变因素不变，欧元利率升值／贬值10%，本年度除税后盈利及保留盈利将会增加／减少港币99,800元（二零零七年：无），10基点的升值或贬值代表管理层评估直至下一年度结算日的合理可能外汇变动。

31. Financial risk management objectives and policies (cont'd)

Credit risk

The Group's credit risk is primarily attributable to cash and cash equivalents, trade and other receivables. Cash and cash equivalents are deposited with banks in which these financial institutions normally have sound credit rating and the Group considers the credit risk to be insignificant.

The Group trades only with recognised and creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is not significant.

The general credit terms allowed range from 30 to 90 days. As at the balance sheet date, the Group does not hold any collateral from customers and the Group has a certain concentration of credit risk as 2% (2007: 12%) of the total trade and other receivables was due from the Group's largest customer and 32% from the five largest customers of the Group as at 31 March 2008 (2007: 34%).

Hence, the maximum exposure to credit risk is represented by the carrying amounts of cash and cash equivalents, trade and other receivables in the consolidated balance sheet. The Group has no other financial assets which carrying significant exposure to credit risk. The Group does not provide any other guarantees which would expose the Group to credit risk.

31. 财务风险管理目的及政策 (续)

信贷风险

本集团之信贷风险主要由现金及现金等值、应收账款及其他应收款项组成。现金及现金等值通常存放于具有良好信贷评级且本集团认为信贷风险不大之金融机构。

本集团只会与受确认及有信誉的客户交易，所有要求信贷额的客户需进行信贷评估。加上，本集团会定期采用持续监视所有应收账款结余之客户，故此坏账风险并不重大。

本集团准予之信贷期一般介乎30日至90日。于结算日，本集团并无持有客户之抵押，而本集团有若干程度之集中信贷风险，原因是于二零零八年三月三十一日贸易及其他应收款项中分别有2%（二零零七年：12%）及32%（二零零七年：34%）来自本集团最大及五大客户。

因此，于综合资产负债表中，最高信贷风险为现金及现金等价物、贸易及其他应收款项之账面值。本集团并无其他金融资产附带重大信贷风险。本集团并无提供任何导致本集团承受信贷风险之其他担保。

NOTES TO THE FINANCIAL STATEMENTS 财务报表附注

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

31. Financial risk management objectives and policies (cont'd)

Liquidity risk

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, bank loans, and finance leases.

As at 31 March, 2008 and 31 March, 2007, the remaining contractual maturities of the Group's financial liabilities, based on undiscounted cash flows, are summarised below:

As at 31 March 2008

Trade and other payables
Interest-bearing borrowings

As at 31 March 2007

Trade and other payables
Interest-bearing borrowings

Fair value

All significant financial instruments are carried at amounts not materially different from their fair values as at 31 March 2008 and 2007.

31. 财务风险管理目的及政策 (续)

流动资金风险

本集团目标为利用银行透支，银行借贷，融资租赁，保持资金持续性。

于二零零八年三月三十一日及二零零七年三月三十一日，本集团按照未贴现现金流量的余下合约到期日之财务负债概要如下：

Carrying amount	Within 1 year or on demand	In the second year	In the third to fifth years
账面值 HK\$'000 千港元	即时及一年内 HK\$'000 千港元	第二年内 HK\$'000 千港元	于第三年至第五年内 HK\$'000 千港元
于二零零八年三月三十一日			
应付账款及其他应付款项	45,064	—	—
有息借贷	62,749	2,097	8
于二零零七年三月三十一日			
应付账款及其他应付款项	34,523	—	—
有息借贷	33,265	63	62

公平值

于二零零八年及二零零七年三月三十一日，所有金融工具按账面值列账，账面值与公平值均无重大差别。

32. Capital management

The Group's objectives when managing capital are:

- to safeguard the Group's ability to continue as a going concern, so that is continued to provide returns for shareholders and benefits for other stakeholders;
- to support the Group's stability and growth; and
- to provide capital for the purpose of strengthening the Group's risk management capability.

The Group actively and regularly reviews and manages its capital structure to ensure optimal capital structure and shareholder return, taking into consideration the future capital requirements of the Group and capital efficiency, prevailing and projected profitability and projected operating cash flows. The Group currently has not adopted any formal dividend policy.

The Group monitors capital on the basis of the debt to equity ratio. This ratio is defined and calculated by the Group as total interest-bearing borrowing to the owners' equity, at 31 March 2008 was 34% compared to 21% at 31 March 2007.

32. 资本管理

本集团管理资本之目标为：

- 保障本集团能够持续经营，从而继续为股东提供回报及为其他利益相关者带来好处；
- 支持本集团之稳定及增长；及
- 提供资本，强化本集团之风险管理能力。

本集团积极定期检讨及管理资本架构，力求达到最理想之资本架构及股东回报；于过程中考虑之因素为本集团日后之资本需求。本集团现时并无采纳任何正式股息政策。

本集团以资本负债比率为监察资本之依据。此比率乃以本集团有息借贷总值除以资产总值计算。于结算日，此比率为 34% (二零零七年：21%)

NOTES TO THE FINANCIAL STATEMENTS 财务报表附注

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

33. Post balance sheet events

On 25 February 2008, a wholly-owned subsidiary of E. Bon Holdings Limited, entered into the Provisional Sale and Purchase Agreement with Negotiator Consultants Limited ("the Vendor") to acquire a commercial property located at 16 – 18th Floor, First Commercial Building, 33 Leighton Road, Causeway Bay, Hong Kong, at a consideration of HK\$34.2 million. The consideration will be satisfied by two parts: (i) HK\$17.2 million will be financed by the internal resources of the Group; and (ii) HK\$17 million will be funded by a mortgage loan from bank. The formal sale and purchase agreement was completed on 28 May 2008.

34. Comparative figures

As a result of adopting HKFRS 7 "Financial instruments: Disclosures", and the amendments to HKAS 1 (Amendment) "Capital disclosures", certain comparative figures have been added to show separately comparative amounts in respect of items disclosed for the first time in the year ended 31 March 2008. Further details of these developments are disclosed in note 2 to the financial statements.

33. 结算日后事项

本公司的全资附属公司于二零零八年二月二十五日与Negotiator Consultants Limited (「卖方」) 订立临时买卖合约，以 34,200,000 港元购置位于香港铜锣湾礼顿道33号第一商业大厦16至18楼之物业。购置该物业之款项其中17,200,000 港元由集团内部资源提供，余款17,000,000港元则为银行按揭。正式买卖合约已于二零零八年五月二十八日完成。

34. 比较数字

由于采纳香港财务报告准则第7号「金融工具：披露」及香港会计准则第1号（修订本）「资本披露」，经已加入若干比较数字，以就于二零零八年三月三十一日首次披露之项目分开列示有关的比较数字。该等发展之进一步详情载于财务报表附注2。

FIVE YEAR FINANCIAL SUMMARY 五年财务摘要

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

优生
化活

Results

Profit/(loss) attributable to shareholders

业绩

股东应占溢利(亏损)

Assets and liabilities

Total assets

Total liabilities

资产及负债

总资产

总负债

Shareholders' funds

股东资金

2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元	2004 二零零四年 HK\$'000 千港元
37,813	25,779	11,985	10,175	(13,879)
298,502	233,154	196,417	156,854	144,595
(115,153)	(74,827)	(53,654)	(24,006)	(21,884)
183,349	158,327	142,763	132,848	122,711

The results, assets and liabilities of the Group for each of the five years ended 31 March 2008 have been prepared on a consolidated basis.

截至二零零八年三月三十一日止五个年度内之业绩、资产及负债乃按综合基准而编制。