

bauhaus

Bauhaus International (Holdings) Limited

包浩斯國際（控股）有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 483)

ANNOUNCEMENT OF RESULTS FOR THE YEAR ENDED 31 MARCH 2008

The board of directors (the “Directors”) of Bauhaus International (Holdings) Limited (the “Company”) is pleased to announce the consolidated results of the Company and its subsidiaries (collectively the “Group”) for the year ended 31 March 2008, prepared on the basis set out in note 1 to the consolidated financial statements below, together with the comparative figures of the previous year, as follows:

RESULTS

Consolidated Income Statement

Year ended 31 March 2008

	Notes	2008 HK\$'000	2007 HK\$'000
REVENUE	5	617,612	509,248
Cost of sales		<u>(204,353)</u>	<u>(184,580)</u>
Gross profit		413,259	324,668
Other income and gains	5	5,889	4,931
Selling and distribution costs		(260,831)	(198,036)
Administrative expenses		(77,564)	(58,953)
Other expenses		(1,369)	(5,848)
Finance costs	7	<u>—</u>	<u>(236)</u>
PROFIT BEFORE TAX	6	79,384	66,526
Tax	8	<u>(12,349)</u>	<u>(9,301)</u>
PROFIT FOR THE YEAR		<u>67,035</u>	<u>57,225</u>
DIVIDENDS	9		
Interim		8,986	8,766
Proposed final		17,973	10,783
Proposed special		<u>21,567</u>	<u>19,770</u>
		<u>48,526</u>	<u>39,319</u>
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT	10		
Basic		<u>18.65 cents</u>	<u>16.26 cents</u>

Consolidated Balance Sheet

31 March 2008

	Notes	2008 HK\$'000	2007 HK\$'000
NON-CURRENT ASSETS			
Property, plant and equipment		50,699	31,009
Prepaid land lease payments		11,865	7,174
Intangible assets		1,632	1,898
Available-for-sale financial asset		—	3,900
Held-to-maturity debt securities		1,679	—
Deferred tax assets		8,082	6,989
Rental, utility and other non-current deposits		44,258	30,395
Total non-current assets		118,215	81,365
CURRENT ASSETS			
Inventories		112,160	98,248
Trade and bills receivables	11	22,861	19,201
Prepayments, deposits and other receivables		18,344	11,116
Prepaid land lease payments, current portion		255	155
Tax recoverable		1,773	2,205
Available-for-sale financial asset		3,900	—
Cash and cash equivalents		154,985	161,099
Total current assets		314,278	292,024
CURRENT LIABILITIES			
Trade and bills payables	12	17,051	9,553
Other payables and accruals		46,242	27,868
Due to a related company		307	198
Tax payable		4,077	5,272
Total current liabilities		67,677	42,891
NET CURRENT ASSETS		246,601	249,133
TOTAL ASSETS LESS CURRENT LIABILITIES		364,816	330,498
NON-CURRENT LIABILITIES			
Deferred tax liabilities		845	682
Net assets		363,971	329,816
EQUITY			
Equity attributable to equity holders of the parent			
Issued capital		35,945	35,945
Reserves		288,486	263,318
Proposed dividends		39,540	30,553
Total equity		363,971	329,816

1. BASIS OF PREPARATION

These financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”) (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (“HKASs”) and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants, accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for an available-for-sale financial asset, which has been measured at fair value. These financial statements are presented in Hong Kong dollars and all values are rounded to the nearest thousand, except when otherwise indicated.

Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries for the year ended 31 March 2008. The results of subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases. All significant intercompany transactions and balances within the Group are eliminated on consolidation.

2. IMPACT OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS

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

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

Except for HKFRS 7 and HKAS 1 Amendment, giving rise to new and revised accounting policies and additional disclosures, the adoption of other new and revised standards and interpretations has had no material effect on these financial statements.

3. IMPACT OF ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS

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

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

3. IMPACT OF ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS (CONTINUED)

- ¹ Effective for annual periods beginning on or after 1 January 2009
- ² Effective for annual periods beginning on or after 1 July 2008
- ³ Effective for annual periods beginning on or after 1 January 2008
- ⁴ Effective for annual periods beginning on or after 1 July 2009

The Directors anticipate that the adoption of these new and revised standards and interpretations will have no material financial impact to the Group.

4. SEGMENT INFORMATION

Segment information is presented by way of two segment formats: (i) on a primary segment reporting basis, by geographical segment; and (ii) on a secondary segment reporting basis, by business segment.

Each of the Group's geographical segments represents a strategic business unit that offers products to customers located in different geographical areas which are subject to risks and returns that are different from those of the other geographic segments. The Group's customer-based geographical segments are as follows:

- (a) Hong Kong and Macau
- (b) Taiwan
- (c) Mainland China
- (d) Elsewhere

In determining the Group's geographical segments, revenues and assets are attributed to the segments based on the location of the customers. Intersegment sales and transfers are transacted with reference to the selling prices used for sales made to third parties at the then prevailing market prices.

With respect to the Group's secondary reporting by business segment, the Group has three business segments and each of them represents a strategic business unit that offers products and services which are subject to risks and returns that are different from those of the other business segments. The Group's business segments comprise:

- (a) Retail operation segment engages in retail business through the operations of the Group's retail outlets;
- (b) Wholesale operation segment engages in the sale of garments and accessories to customers for distribution; and
- (c) Franchise business segment engages in the sale of garments and accessories to the designated franchisees for their own operations of retail business in the designated locations.

4. SEGMENT INFORMATION (CONTINUED)

(a) Geographical segments

The following tables present revenue, profit and certain asset, liability and expenditure information for the Group's geographical segments for the years ended 31 March 2008 and 2007.

	Hong Kong and Macau		Taiwan		Mainland China		Elsewhere		Eliminations		Total	
	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Segment revenue:												
Sales to external customers	457,983	383,573	61,614	42,827	52,611	32,490	45,404	50,358	—	—	617,612	509,248
Intersegment sales	—	—	21,428	15,634	3,209	499	—	—	(24,637)	(16,133)	—	—
Total	<u>457,983</u>	<u>383,573</u>	<u>83,042</u>	<u>58,461</u>	<u>55,820</u>	<u>32,989</u>	<u>45,404</u>	<u>50,358</u>	<u>(24,637)</u>	<u>(16,133)</u>	<u>617,612</u>	<u>509,248</u>
Segment results	<u>73,820</u>	<u>59,259</u>	<u>12,761</u>	<u>1,170</u>	<u>12,085</u>	<u>14,244</u>	<u>7,296</u>	<u>11,277</u>	<u>—</u>	<u>—</u>	<u>105,962</u>	<u>85,950</u>
Bank interest income											2,188	2,236
Unallocated expenses											(28,766)	(21,424)
Finance costs											—	(236)
Profit before tax											79,384	66,526
Tax											(12,349)	(9,301)
Profit for the year											<u>67,035</u>	<u>57,225</u>

4. SEGMENT INFORMATION (CONTINUED)

	Hong Kong and Macau		Taiwan		Mainland China		Elsewhere		Total	
	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Assets and liabilities										
Segment assets	148,286	120,642	27,576	20,351	53,911	29,760	12,251	16,355	242,024	187,108
Unallocated assets									190,469	186,281
Total assets									432,493	373,389
Segment liabilities	44,906	18,898	1,987	1,455	15,029	6,215	1,678	2,051	63,600	28,619
Unallocated liabilities									4,922	14,954
Total liabilities									68,522	43,573
Other segment information:										
Capital expenditure	24,801	6,117	1,944	656	2,636	948	103	1,502	29,484	9,223
Unallocated capital expenditure									9,390	2,376
									38,874	11,599
Depreciation	8,682	8,438	1,476	878	917	83	197	117	11,272	9,516
Unallocated depreciation									2,433	2,040
									13,705	11,556
Loss on disposal/write-off of items of property, plant and equipment	931	690	—	—	—	—	—	—	931	690
Recognition of prepaid land lease payments	225	155	—	—	—	—	—	—	225	155
Write-off of intangible assets	2	—	—	—	4	—	—	—	6	—
Amortisation of intangible assets	77	62	34	23	31	53	302	214	444	352
Impairment/(write-back of provision for impairment) of trade receivables	—	—	—	3,784	—	—	(12)	600	(12)	4,384

4. SEGMENT INFORMATION (CONTINUED)

(b) Business segments

The following tables present revenue and certain asset and expenditure information for the Group's business segments for the years ended 31 March 2008 and 2007.

	2008 <i>HK\$'000</i>	2007 <i>HK\$'000</i>
Segment revenue:		
Sales to external customers:		
Retail	532,220	429,021
Wholesale	46,536	51,497
Franchise	<u>38,856</u>	<u>28,730</u>
	<u>617,612</u>	<u>509,248</u>
Other segment information:		
Segment assets:		
Retail	226,111	160,714
Wholesale	15,472	21,620
Franchise	<u>441</u>	<u>4,774</u>
	242,024	187,108
Corporate and other unallocated assets	<u>190,469</u>	<u>186,281</u>
Total assets	<u>432,493</u>	<u>373,389</u>
Capital expenditure:		
Retail	28,019	7,256
Wholesale	1,314	444
Franchise	<u>151</u>	<u>1,523</u>
	29,484	9,223
Corporate and other unallocated amounts	<u>9,390</u>	<u>2,376</u>
Total capital expenditure	<u>38,874</u>	<u>11,599</u>

5. REVENUE, OTHER INCOME AND GAINS

Revenue, which is also the Group's turnover, represents the net invoiced value of goods sold, after allowances for returns and trade discounts and sales tax during the year.

An analysis of revenue, other income and gains is as follows:

	Group	
	2008	2007
	<i>HK\$'000</i>	<i>HK\$'000</i>
Revenue		
Sale of garment products and accessories	<u>617,612</u>	<u>509,248</u>
Other income		
Bank interest income	2,188	2,236
Others	<u>1,766</u>	<u>2,594</u>
	<u>3,954</u>	<u>4,830</u>
Gains		
Foreign exchange differences, net	<u>1,935</u>	<u>101</u>
	<u>5,889</u>	<u>4,931</u>

6. PROFIT BEFORE TAX

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

	2008	2007
	<i>HK\$'000</i>	<i>HK\$'000</i>
Cost of inventories sold	210,347	172,785
Depreciation	13,705	11,556
Provision/(write-back of provision) for slow-moving inventories, net	(5,994)	11,795
Rental expenses under operating leases in respect of equipment:		
Minimum lease payments	554	185
Contingent rents	<u>67</u>	<u>—</u>
	<u>621</u>	<u>185</u>
Rental expenses under operating leases in respect of land and buildings:		
Minimum lease payments	120,136	87,313
Contingent rents	<u>18,905</u>	<u>12,459</u>
	<u>139,041</u>	<u>99,772</u>

6. PROFIT BEFORE TAX (CONTINUED)

	2008 <i>HK\$'000</i>	2007 <i>HK\$'000</i>
Auditors' remuneration	1,874	1,721
Recognition of prepaid land lease payments	225	155
Employee benefits expense:		
Wages, salaries and other benefits	110,518	89,943
Pension scheme contributions*	<u>4,897</u>	<u>3,961</u>
	<u>115,415</u>	<u>93,904</u>
Other expenses:		
Loss on disposal/write-off of items of property, plant and equipment	931	690
Write-off of intangible assets	6	—
Amortisation of intangible assets	444	352
Impairment/(write-back of provision for impairment) of trade receivables	(12)	4,384
Others	<u>—</u>	<u>422</u>
	<u>1,369</u>	<u>5,848</u>

* At the balance sheet date, the Group had no forfeited contribution available to reduce its contributions to the pension schemes in future years (2007: Nil).

7. FINANCE COSTS

	2008 <i>HK\$'000</i>	2007 <i>HK\$'000</i>
Interest on bank loans wholly repayable within five years	—	211
Interest on bank overdrafts	—	3
Others	<u>—</u>	<u>22</u>
	<u>—</u>	<u>236</u>

8. TAX

Hong Kong profits tax has been provided at the rate of 17.5% (2007: 17.5%) on the estimated assessable profits arising in Hong Kong during the year. Taxes on profits assessable elsewhere had been calculated at the rates of tax prevailing in the countries/jurisdictions in which the Group operates, based on existing legislation, interpretations and practices in respect thereof.

The People's Republic of China ("PRC") corporate income tax ("CIT") are applicable to the two (2007: four) subsidiaries located in Mainland China. Currently, one of them is entitled to tax holidays with a full exemption of CIT for the first two profit-making years, followed by a 50% reduction of CIT for the succeeding three years. The other PRC subsidiary is registered as a foreign invested enterprise in the area of Shenzhen Special Economic Zone and is eligible for a concessionary CIT rate. Accordingly, these subsidiaries are subject to the applicable CIT rate ranging from 15% to 18% during their financial year ended 31 December 2007.

8. TAX (CONTINUED)

On 16 March 2007, the National People's Congress approved the Corporate Income Tax Law of the PRC (the "New CIT Law"), which became effective from 1 January 2008. The New CIT Law introduces a wide range of changes which include, but are not limited to, the unification of the income tax rate for domestic-invested and foreign-invested enterprises at 25%. In addition, for those enterprises benefiting from lower preferential tax rates, such preferential rates will be gradually phased out by increasing them over the next five years. This change in income tax rate has directly increased the Group's effective tax rate prospectively from 1 January 2008.

The subsidiary in Taiwan is subject to income tax at the statutory tax rate of 25%. In addition, a further 10% income tax is charged on any undistributed earnings as at each calendar year end date for that subsidiary.

No Macau profits tax has been provided for a Macau subsidiary as this subsidiary was incorporated under the Macau Offshore Business Law and exempted from the Macau complementary tax pursuant to the Macau Special Administration Region's offshore law (2007: Nil).

	2008 <i>HK\$'000</i>	2007 <i>HK\$'000</i>
Current tax — Hong Kong		
Provision for the year	8,328	10,785
Overprovision in prior years	(279)	(222)
Current tax — Elsewhere		
Provision for the year	5,104	1,659
Overprovision in prior years	—	(29)
Deferred tax credit	<u>(804)</u>	<u>(2,892)</u>
Total tax charge for the year	<u><u>12,349</u></u>	<u><u>9,301</u></u>

9. DIVIDENDS

	2008 <i>HK\$'000</i>	2007 <i>HK\$'000</i>
Interim — HK2.5 cents (2007: HK2.5 cents) per ordinary share	8,986	8,766
Proposed final — HK5.0 cents (2007: HK3.0 cents) per ordinary share	17,973	10,783
Proposed special — HK6.0 cents (2007: HK5.5 cents) per ordinary share	<u>21,567</u>	<u>19,770</u>
	<u><u>48,526</u></u>	<u><u>39,319</u></u>

The proposed final and proposed special dividends for the current year are subject to the approval of the Company's shareholders at the forthcoming annual general meeting.

10. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

The calculation of basic earnings per share amounts is based on the profit for the year attributable to ordinary equity holders of the parent of HK\$67,035,000 (2007: HK\$57,225,000) and the weighted average number of ordinary shares in issue during the year of 359,450,000 (2007: 351,951,918).

Diluted earnings per share amounts have not been presented as no diluting events existed during the years ended 31 March 2008 and 2007.

11. TRADE AND BILLS RECEIVABLES

	2008 <i>HK\$'000</i>	2007 <i>HK\$'000</i>
Trade and bills receivables	26,921	23,585
Impairment	<u>(4,060)</u>	<u>(4,384)</u>
	<u>22,861</u>	<u>19,201</u>

Retail sales are made on cash terms or by credit card with very short credit terms. Wholesale and franchise sales are made to customers with general credit terms ranging from 30 days to 60 days, except for certain well-established customers with a long business relationship with the Group, where the terms are extended. The Group seeks to maintain strict control over its outstanding receivables to minimise credit risk. Overdue balances are regularly reviewed by senior management of the Group. In view of the aforementioned and the fact that the Group's trade receivables relate to a large number of diversified customers, there is no significant concentration of credit risk. The Group's bills receivable are normally settled on 30-day to 60-day terms. Trade and bills receivables are non-interest-bearing.

An aged analysis of the trade and bills receivables as at the balance sheet date, based on the invoice date and net of provisions, is as follows:

	2008 <i>HK\$'000</i>	2007 <i>HK\$'000</i>
Within 90 days	22,422	18,170
91 to 180 days	396	1,031
181 to 365 days	<u>43</u>	<u>—</u>
	<u>22,861</u>	<u>19,201</u>

12. TRADE AND BILLS PAYABLES

An aged analysis of the trade and bills payables as at the balance sheet date, based on the invoice date, is as follows:

	2008 <i>HK\$'000</i>	2007 <i>HK\$'000</i>
Within 90 days	16,654	9,194
91–180 days	176	346
181–365 days	179	13
Over 365 days	42	—
	<u>17,051</u>	<u>9,553</u>

The trade payables are non-interest-bearing and are normally settled on 30-day to 60-day terms. The carrying amounts of trade and bills payables approximate to their fair values.

MANAGEMENT DISCUSSION AND ANALYSIS

Business Review

To sustain business development at a fast pace and at managed risk, the Group adopted three-dimensional growth strategies (the “3D Growth Strategies”) during the year under review. The “3D” stands for market diversification, product diversification and geographical diversification, with the ultimate goal of fostering long-term growth of the Group’s business. In the year under review guided by its 3D Growth Strategies, the Group achieved the fifth year in a row, double-digit growth in turnover at about 21.3% and recorded HK\$617.6 million (2007: HK\$509.3 million). Moreover, the Group’s net profit was also improved remarkably by about 17.1% up to about HK\$67.0 million for the year ended 31 March 2008 (2007: HK\$57.2 million) despite surging rental expenses and staff costs.

As at 31 March 2008, the Group had the following self-managed retail outlets and franchise network in Hong Kong, Macau, Taiwan and Mainland China under the brand names of “BAUHAUS”, “TOUGH”, “SALAD”, “80/20”, “ELITE” and “ATTACHMENT”.

	As at 31 March 2008	As at 31 March 2007
Self-managed outlets		
Hong Kong	52	44
Macau	3	—
Taiwan	23	18
Shanghai	6	2
	<u>84</u>	<u>64</u>
Franchised outlets		
Mainland China & Macau	54	35
TOTAL	<u>138</u>	<u>99</u>

Retail Operation

The Group's retail operation remained strong for the year ended 31 March 2008, with turnover up by about 24.0% to about HK\$532.2 million (2007: HK\$429.1 million).

Hong Kong and Macau

Retail operation in Hong Kong, which accounted for about 70.0% of the Group's turnover during the year under review, sustained steady growth at about 12.8% to about HK\$432.6 million (2007: HK\$383.6 million), with the support of an extensive retail network strategically laid out to cover prime shopping areas and dedicated sales efforts.

In view of the positive consumption sentiment, the Group took an important strategic move by diversifying horizontally across the mass market segment in addition to continuous pursuit of existing market niche. Traditionally, the Group's in-house brands impress customers, high-spending and loyal, with their unique and trendy styles. However, the scale of such niche market is limited. Seeing immense potentials in the mass and high-end markets and armed with proven design strengths and retail expertise, the Group gradually adjusted its product mix and introduced various new in-house brands of various trendy fashion styles. In June 2007 and November 2007, the Group launched a new fashion accessories specialty shop "ATTACHMENT" and a new premium shop "ELITE" respectively, marking its diversification into the fashion accessories and high-end trendy wear market. Sales of the new shops have been climbing satisfactorily since the openings. These strategies bearing results are expected to help to boost the Group's market share and diversify its customer base.

In Macau, the Group commenced self-managed retail business during the year under review. It established 3 flagship shops in prime shopping areas in Macau to tap its huge market potential. The new shops reported very encouraging sales, amounting to about HK\$23.6 million (2007: Nil) during the year under review.

Taiwan

As for the retail operation in Taiwan, it continued to achieve record-breaking results. During the year ended 31 March 2008, turnover from the market jumped impressively by about 43.9% to about HK\$61.6 million (2007: HK\$42.8 million), thanks to enhanced management efforts, intensive staff training and solid support of an extensive retail network. The Group sustained leadership in the trendy fashion retail market in Taiwan out-performing the industry average.

Mainland China

Adhering to its 3D Growth Strategies, the Group also deepened penetration of retail market in Mainland China. During the year under review, the Group set up 4 more self-managed retail shops in Shanghai, bringing the total number of shops in this metropolis to 6 at the balance sheet date, to brace the growth momentum of its business in the country. The total sales contribution from the Mainland China retail business increased exponentially to about HK\$14.4 million (2007: HK\$2.7 million), which was over five times the amount recorded for the last financial year.

Wholesale Operation

The Group's wholesale operation recorded a decline of about 9.7% in turnover to about HK\$46.5 million (2007: HK\$51.5 million), which was mainly attributable to a drop in Japan sales as a result of volatile demand in the Japanese market. Sales to other overseas markets, however, achieved a robust growth of about 24.2%. To minimise the impact of fluctuating demand on its wholesale business in certain regions, the Group has been diversifying its customer base aiming for a balance among different regions. In addition, by continuing to streamline its distribution channels, the Group maintained sales efficiency. It also attended certain reputable international fashion shows to boost exposure of the Group's in-house brands. As at 31 March 2008, the Group's wholesale business covered over 20 countries in Southeast Asia, the Middle East, Europe and North America.

Franchise Business

Franchise business in the Mainland China and Macau continued to be one of the key growth drivers of the Group. Bolstered by continued strong demand in these two regions, the Group's turnover from the franchise business grew notably by about 35.5% to about HK\$38.9 million (2007: HK\$28.7 million) for the year ended 31 March 2008. After dedicating year of efforts in establishing systematic and well-coordinated franchise networks in different parts of China, "TOUGH" is now an acclaimed brand in the country. The Group's franchise network in the Mainland China has rapidly expanded in recent years and covered a number of major first-tier and second-tier cities. The Group had commenced another phase of development focusing on deepening penetration of the brand in each city and introducing "SALAD" shops into the franchise network.

Financial Review

Turnover

The Group achieved an about 21.3% growth in turnover during the year under review. Its sales reached about HK\$617.6 million (2007: HK\$509.3 million), resulting mainly sustained sales growth with the support of expanded retail and distribution networks in all major markets including Hong Kong, Macau, Taiwan and Mainland China.

Gross Profit

During the year under review, the Group recorded gross profit of about HK\$413.3 million (2007: HK\$324.7 million). With overwhelming consumption sentiment in the local market, the Group increased retail price of its in-house brand products to compensate purchase cost increment resulting from appreciation of the Renminbi and Euro. Apart from strong overall sales performance in general, at strengthened inventory control and the launch of bi-annual bargain sale events during the year under review, aged and slow moving inventories were significantly reduced leading to a net write-back of provision for slow moving inventories of about HK\$6.0 million (2007: provision of about HK\$11.8 million) for the year ended 31 March 2008. These achievements together pushed gross margin of the Group up by about 3.1 percentage point to about 66.9% (2007: 63.8%).

Operating Expenses

The Group's operating expenses soared by about 29.2% to about HK\$339.8 million during the year ended 31 March 2008 (2007: HK\$263.1 million). The overall operating expenses as a percentage of turnover was about 55.0% (2007: 51.7%).

Rental, one of the major operating expenses of the Group, surged by about 39.3% to about HK\$139.0 million (2007: HK\$99.8 million) during the year under review, mainly attributable to the increase in market rents, number of retail outlets and gross shop areas. The rental expenses represented about 22.5% (2007: 19.6%) of the Group's turnover and accounted for about 40.9% (2007: 37.9%) of the Group's total operating expenses. Heeding the impact of the increase in rental expenses on its profit margin, the Group resorted to adding outlets strategically in prime shopping areas, optimising utilisation of sales areas and keeping rentals in check at all times during the year under review.

Also a key operating cost, staff costs rose moderately by about 22.8% to about HK\$115.8 million (2007: HK\$94.3) during the year ended 31 March 2008. While ensuring the competitiveness of its sales force is vital for the Group to keep expanding its business in the competitive retail markets, it is also essential for the Group to control staff cost increment at a reasonable level. Thus the Group not only offers competitive remuneration packages to sales staff, but also links their rewards with performance, personal and of the Group. Staff cost increment for the year under review was generally maintained at comparable level of sales growth.

The Group is dedicated to promote the image and customer awareness to all its brands, in-house or those it represents. Multi-promotional efforts to complement new shop opening and launch of new in-house labels during the year under review lead to an increase in advertising and promotional expenses to about HK\$9.8 million (2007: HK\$7.4 million) or up about 32.4%. Depreciation was also up by about 18.1% to about HK\$13.7 million (2007: HK\$11.6 million) as a result of substantial increase in capital expenditure for supporting expansion of the self-managed retail networks in Hong Kong, Macau, Taiwan and Mainland China.

The Group will continue to devote great efforts to streamline both its local and overseas distribution networks to improve operational efficiency and trim costs.

Segment information

Detailed segment turnover and contribution to profit before tax of the Group are shown in note 4 to this announcement.

Net Profit

The Group's net profit attributable to equity shareholders reached about HK\$67.0 million (2007: HK\$57.2 million) for the year ended 31 March 2008, up about 17.1%. Net profit margin, however, dropped slightly from about 11.2% to about 10.9% as a result of soaring operating costs, especially rentals. Although some operating conditions were challenging, the Group still saw and seized many

opportunities in both the local and overseas markets to grow business. With appropriate strategies in action, flexibility in execution of those strategies and prudent risk management, the Group expects to achieve fast and sustainable growth in both turnover and profit in coming years.

Capital Structure

As at 31 March 2008, the Group had net assets of approximately HK\$364.0 million (2007: HK\$329.8 million), comprising non-current assets of about HK\$118.2 million (2007: HK\$81.4 million), net current assets of about HK\$246.6 million (2007: HK\$249.1 million) and non-current liabilities of about HK\$0.8 million (2007: HK\$0.7 million).

Liquidity And Financial Resources

As at 31 March 2008, the Group had cash and cash equivalents of approximately HK\$155.0 million (2007: HK\$161.1 million). The Group had no gearing at the balance sheet date. As at 31 March 2008, the Group had aggregate banking facilities of approximately HK\$21.0 million (2007: HK\$19.0 million) comprising interest-bearing bank overdraft, rental and utility guarantees and import and export facilities, of which HK\$14.2 million had not been utilised.

Cash Flows

For the year ended 31 March 2008, net cash inflow from operating activities was about HK\$67.7 million (2007: HK\$55.0 million), mainly attributable to increase in the Group's revenue. Net cash outflow from investing activities jumped significantly from about HK\$11.4 million in 2007 to about HK\$40.5 million in 2008 because the Group expanded its self-managed retail network aggressively across Hong Kong, Macau, Taiwan and Mainland China. Net cash outflow from financing activities during the year under review amounted to about HK\$39.5 million (2007: HK\$22.9 million) was mainly resulted from payment of dividends to shareholders.

Security

As at 31 March 2008, the Group's general banking facilities were secured by certain of its leasehold buildings and prepaid land lease payment with aggregate carrying value of approximately HK\$6.6 million (2007: HK\$6.7 million) and HK\$3.4 million (2007: HK\$3.5 million) respectively.

Capital Commitment

As at 31 March 2008, the Group had capital commitment amounted to about HK\$1.8 million (2007: Nil) contracted but not provided for in the financial statements. The Company had no significant capital commitment as at the balance sheet date (2007: Nil).

Contingent Liabilities

As at 31 March 2008, the Group had contingent liabilities in respect of bank guarantees given in lieu of rental and utility deposits amounting to approximately HK\$6.8 million (2007: HK\$4.9 million). The Company had no contingent liabilities as at the balance sheet date (2007: Nil).

Human Resources

Including all directors, the Group had 1,325 employees as at 31 March 2008 (2007: 999). To attract and retain high performance staff, the Group had provided competitive remuneration packages with performance bonuses, mandatory provident fund, insurance and medical coverage as well as entitlements to share options to be granted under a share option scheme based on employees' performance, experience and prevailing market rate. Remuneration packages were reviewed regularly. Regarding staff development, the Group provided regular in-house training to retail staff and subsidised them on external training programmes.

Foreign Exchange Risk Management

The Group's sales and purchases during the year were mostly denominated in Hong Kong dollar, US dollar, Euro and Renminbi. The Group was exposed to limited foreign currency exchange risk and does not anticipate future currency fluctuations to cause material operational difficulties or liquidity problems. However, the Group will monitor its foreign exchange position and, when necessary, will hedge foreign exchange exposure arising from contractual commitments in sourcing apparel from overseas suppliers.

Use of Proceeds

The proceeds from the Company's issue of new shares at the time of its listing on the Stock Exchange in May 2005, after deduction of related issuance expenses, amounted to approximately HK\$112.4 million. As at 31 March 2008, these proceeds were applied in accordance with the proposed applications set out in the Company's listing prospectus, as follows:

	Per prospectus	Utilised	Balance as at
	<i>HK\$'000</i>	<i>HK\$'000</i>	31 March
			2008
			<i>HK\$'000</i>
Expansion of distribution network	46,000	(46,000)	—
Expansion and upgrade of production facilities	15,000	(7,292)	7,708
Development of the "80/20" brand name	14,000	(14,000)	—
Marketing of the in-house brand names	13,000	(13,000)	—
Diversification into high-end fashion market	4,000	(4,000)	—
Enhancement of the in-house design and merchandising team	2,000	(2,000)	—
Sourcing of goods and fabrics	8,000	(8,000)	—
General working capital	10,400	(10,400)	—
	<u>112,400</u>	<u>(104,692)</u>	<u>7,708</u>

The unutilised balance was placed with the banks by the Company as short term bank deposits.

Disclosures under Listing Rules 13.13 to 13.19 of the Rules Governing the Listing of Securities on the Stock Exchange (the “listing Rules”)

There was no advance to entity, no financial assistance nor guarantees to affiliated companies of the Company as at 31 March 2008 which were discloseable under Rules 13.13 to 13.19 of the Listing Rules.

Prospects

As the economy in Mainland China continues to boom, the purchasing power of the Chinese people will follow. Given the huge and growingly affluent urban population in the country with the younger generations increasing fashion-conscious, the fashion retail market in Mainland China has unlimited growth potential. As an established player in Mainland China market, the Group enjoys strong brand awareness in all of the cities where it has presence. Moving forward, the Group plans to dedicate more efforts in extending market coverage to more provinces and cities through its proven franchise network, and also deepening penetration of existing markets. The Group will also seek to strengthen brand awareness in the country by setting up more self-managed retail shops in prime areas in Shanghai and Beijing. At least 20 franchise outlets will be added in Mainland China region and at least 10 self-managed retail shops will commence their businesses in Shanghai and Beijing in the next financial year 2008/09. Riding on the management’s understanding of the tastes and buying behaviours of the Chinese people and international fashion trends, the Group is well positioned to capture opportunities presented by the booming economy.

While the Mainland China market is the Group’s development focus in the past few years, Hong Kong will remain as the Group’s core market and home base for developing overall branding and positioning strategies. It will also be the cradle for nurturing new own brands such as “TOUGH” and “SALAD”, which have become very successful. We currently have 6 branded retail shops in Hong Kong, satisfying tastes of different customer segments in the market. It is the Group’s strategy to gradually extend the scope of its customer base and in turn expand market share. Although surging rental cost squeezed the Group’s overall margin for the year under review, the management considers establishing presence in prime areas in the city as an important part of the Group’s branding strategy. The Group will strive to achieve business growth as a means to keep rental at an acceptable level relative to overall sales.

Based on the strong growth achieved by its Taiwan and Macau operations during the year under review, the Group has full confidence in the prospects of the two markets in the coming years. Including the first “BAUHAUS” shop opened in Taiwan in May 2008 to facilitate continuous penetration of the Taiwan market, at least 10 more outlets will be launched by the end of 31 March 2009. To capture the flourishing consumption sentiment in Macau fuelled by the city’s thriving leisure and entertainment business, the Group plans to open at least 4 more outlets in the city in the coming financial year.

The Group will dedicate major effort to grow its markets in the Greater China area and at the same time strive to expand its wholesale network in the Asia-Pacific region. The Group’s products are currently sold to wholesalers in over 20 cities around the world, with South East Asian countries such

as Thailand, Singapore and the Philippines being the major growth engines. The management is confident about the region's growth potential and will continue to explore cooperative opportunities with quality wholesalers.

In short, the management will continue to exert its best to achieve business growth and margin improvement for the Group. The Group's ultimate objective is to create value and achieve long-term satisfactory returns for shareholders.

Dividend

An interim dividend of HK2.5 cents per ordinary share for the six months ended 30 September 2007 (2006: HK2.5 cents) was paid on 25 January 2008.

The Directors recommend the payment of a final dividend of HK5.0 cents per ordinary share (2007: HK3.0 cents) and a special dividend of HK6.0 cents per ordinary share (2007: HK5.5 cents) in respect of the year. Subject to the approval of shareholders at the forthcoming annual general meeting of the Company, the final and special dividends will be payable on or before 11 September 2008 to shareholders whose names appear on the register of members on 22 August 2008.

Annual General Meeting

The forthcoming annual general meeting of the Company will be held on Friday, 22 August 2008 at 11:00 a.m. A notice convening the annual general meeting will be published in the South China Morning Post and Hong Kong Economic Journal on or before Thursday, 31 July 2008 and will be also dispatched to shareholders of the Company together with the Company's 2007/08 annual report.

Closure of Register of Members

The register of members of the Company will be closed from Wednesday, 20 August 2008, to Friday, 22 August 2008, both days inclusive, during which period no transfer of shares will be effected. In order to qualify for the final and special dividends, if approved, all transfer documents accompanied by the relevant share certificates must be lodged for registration with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Tuesday, 19 August 2008.

Corporate Governance

The Company had complied with the code provisions set out in the Code on Corporate Governance Practices (the "CG Code") contained in Appendix 14 of the Listing Rules throughout the year ended 31 March 2008 except for not having a separate Chairman and Chief Executive Officer. Both positions are currently held by Mr. Wong Yui Lam ("Mr. Wong").

Code Provision A.2.1 of the CG Code stipulates that the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. Being the founder of the Group, Mr. Wong has substantial experience in the fashion industry. The Directors consider that the

present structure provides the Group with strong and consistent leadership which facilitate the development of the Group's business strategies and execution of its business plans in the most efficient and effective manner. The Directors believe that it is the best interest of the shareholders that Mr. Wong continues to assume the roles of the Chairman and Chief Executive Officer.

MODEL CODE OF SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 (the "Model Code") to the Listing Rules as its own code of conduct for dealing in securities of the Company by the Directors. Based on specific enquiry with the Directors, all the Directors confirmed that they have complied with the required standards as set out in the Model Code during the year ended 31 March 2008.

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

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the year ended 31 March 2008.

REVIEW OF FINANCIAL INFORMATION

An audit committee of the Company (the "Audit Committee") comprising three independent non-executive directors was established on 22 April 2005 with written terms of reference. The Audit Committee has reviewed with management and external auditors the accounting principles and practices adopted by the Group and discussed auditing, internal control and financial reporting matters including the review of the consolidated financial statements for the year ended 31 March 2008.

BOARD OF DIRECTORS

As at the date of this announcement, the Board comprises four executive directors, namely Mr. Wong Yui Lam, Madam Tong She Man, Winnie, Madam Lee Yuk Ming and Mr. Yeung Yat Hang and three independent non-executive directors, namely Dr. Wong Yun Kuen, Mr. Chu To Ki and Mr. Mak Wing Kit.

By Order of the Board
Wong Yui Lam
Chairman

Hong Kong, 15 July 2008

bauhaus

Bauhaus International (Holdings) Limited

包浩斯國際(控股)有限公司

(於開曼群島註冊成立的有限公司)

(股份代號: 483)

截至二零零八年三月三十一日止年度之業績公告

包浩斯國際(控股)有限公司(「本公司」)董事會(「董事會」)欣然公佈本公司及其附屬公司(統稱「本集團」)於截至二零零八年三月三十一日止年度之綜合業績(按下文綜合財務報表附註1所載基準編製),並連同去年之比較數字如下:

業績

綜合收益表

截至二零零八年三月三十一日止年度

	附註	二零零八年 千港元	二零零七年 千港元
收益	5	617,612	509,248
銷售成本		<u>(204,353)</u>	<u>(184,580)</u>
毛利		413,259	324,668
其他收入及增益	5	5,889	4,931
銷售及分銷成本		<u>(260,831)</u>	<u>(198,036)</u>
行政開支		<u>(77,564)</u>	<u>(58,953)</u>
其他開支		<u>(1,369)</u>	<u>(5,848)</u>
融資成本	7	<u>—</u>	<u>(236)</u>
除稅前溢利	6	79,384	66,526
稅項	8	<u>(12,349)</u>	<u>(9,301)</u>
年內溢利		<u>67,035</u>	<u>57,225</u>
股息	9		
中期		8,986	8,766
擬派末期		17,973	10,783
擬派特別		<u>21,567</u>	<u>19,770</u>
		<u>48,526</u>	<u>39,319</u>
母公司普通股權益持有人應佔每股盈利 基本	10	<u>18.65 港仙</u>	<u>16.26 港仙</u>

綜合資產負債表

二零零八年三月三十一日

	附註	二零零八年 千港元	二零零七年 千港元
非流動資產			
物業、廠房及設備		50,699	31,009
預付土地租賃款項		11,865	7,174
無形資產		1,632	1,898
可供出售金融資產		—	3,900
持作到期債務證券		1,679	—
遞延稅項資產		8,082	6,989
租賃、水電及其他非流動按金		44,258	30,395
非流動資產總值		<u>118,215</u>	<u>81,365</u>
流動資產			
存貨		112,160	98,248
應收賬款及票據	11	22,861	19,201
預付款項、按金及其他應收款項		18,344	11,116
預付土地租賃款項之即期部分		255	155
可收回稅項		1,773	2,205
可供出售金融資產		3,900	—
現金及等同現金項目		154,985	161,099
流動資產總值		<u>314,278</u>	<u>292,024</u>
流動負債			
應付賬款及票據	12	17,051	9,553
其他應付款項及預提費用		46,242	27,868
應付一家關連公司款項		307	198
應付稅項		4,077	5,272
流動負債總額		<u>67,677</u>	<u>42,891</u>
流動資產淨值		<u>246,601</u>	<u>249,133</u>
資產總值減流動負債		<u>364,816</u>	<u>330,498</u>
非流動負債			
遞延稅項負債		845	682
資產淨值		<u>363,971</u>	<u>329,816</u>
權益			
母公司權益持有人應佔權益			
已發行股本		35,945	35,945
儲備		288,486	263,318
擬派股息		39,540	30,553
權益總額		<u>363,971</u>	<u>329,816</u>

1. 編製基準

本財務報表乃根據香港會計師公會頒佈的香港財務報告準則（「香港財務報告準則」，包括全部香港財務報告準則、香港會計準則（「香港會計準則」）及詮釋）、香港公認會計原則及香港公司條例的披露規定而編製。除可供出售金融資產按公平值計算外，本財務報表以歷史成本法編製，並以港元呈列，而除另有說明外，所有金額均調整至最接近的千位數。

綜合基準

綜合財務報表包括本公司及其附屬公司截至二零零八年三月三十一日止年度的財務報表。附屬公司業績自收購日期（即本集團取得控制權當日）起綜合計算，直至控制權終止當日為止。所有集團內公司間的重大交易及結餘於綜合賬目時對銷。

2. 新訂及經修訂香港財務報告準則的影響

本集團為編製本年度財務報表，首次採納以下新訂及經修訂香港財務報告準則。

香港財務報告準則第7號	金融工具：披露
香港會計準則第1號（修訂本）	資本披露
香港（國際財務報告詮釋委員會）詮釋第8號	香港財務報告準則第2號的範圍
香港（國際財務報告詮釋委員會）詮釋第9號	重新評估嵌入式衍生工具
香港（國際財務報告詮釋委員會）詮釋第10號	中期財務報告及減值
香港（國際財務報告詮釋委員會）詮釋第11號	香港財務報告準則第2號—集團及庫存股份交易

除香港財務報告準則第7號及香港會計準則第1號（修訂本）引致新訂及修訂會計政策以及附加披露外，採納該等新訂及經修訂準則及詮釋對財務報表並無重大影響。

3. 已頒佈但未生效的香港財務報告準則的影響

本集團並無於本財務報表中應用以下已頒佈但未生效的新訂及經修訂香港財務報告準則。

香港會計準則第1號（經修訂）	財務報表呈報 ¹
香港會計準則第23號（經修訂）	借貸成本 ¹
香港會計準則第27號（經修訂）	綜合及獨立財務報表 ⁴
香港會計準則第32號及香港會計準則第1號（修訂本）	香港會計準則第32號金融工具：呈列及香港會計準則第1號財務報表呈列—可沽售金融工具及清盤所產生責任之修訂 ¹
香港財務報告準則第2號（修訂本）	香港財務報告準則第2號股份付款—歸屬條件及註銷之修訂 ¹
香港財務報告準則第3號（經修訂）	業務合併 ⁴
香港財務報告準則第8號	業務分類 ¹
香港（國際財務報告詮釋委員會）—詮釋第12號	服務經營權安排 ³
香港（國際財務報告詮釋委員會）—詮釋第13號	客戶忠誠計劃 ²
香港（國際財務報告詮釋委員會）—詮釋第14號	香港會計準則第19號—界定利益資產之限制、最低資金規定及其互相作用 ³

3. 已頒佈但未生效的香港財務報告準則的影響(續)

- ¹ 於二零零九年一月一日或之後開始之年度期間生效。
- ² 於二零零八年七月一日或之後開始之年度期間生效。
- ³ 於二零零八年一月一日或之後開始之年度期間生效。
- ⁴ 於二零零九年七月一日或之後開始之年度期間生效。

董事預期採納該等新訂及經修訂準則及詮釋不會對本集團有重大財務影響。

4. 分部資料

分部資料以下列兩個分部方式呈報:(i)地區分部為主要分部呈報方式;及(ii)業務分部為次要分部呈報方式。

本集團各地區分部指向位於不同地區之客戶供應產品之策略業務單位,而所涉及之風險及回報與其他地區分部各有不同。本集團按客戶劃分之地區分部如下:

- (a) 香港及澳門
- (b) 台灣
- (c) 中國內地
- (d) 其他

於釐定本集團之地區分部時,收益及資產乃根據客戶所在地而歸入不同分部。分部間銷售及轉讓乃按參考向第三方銷貨當時的市場售價進行。

就本集團按業務分部劃分之次要呈報方式而言,本集團有三項業務分部,各分部均為提供產品及服務之策略業務單位,所涉及風險及回報與其他業務分部不同。本集團之業務分部包括:

- (a) 零售業務分部透過經營本集團零售門市從事零售業務;
- (b) 批發業務分部向客戶銷售成衣及配飾以供分銷;及
- (c) 特許經營業務分部向指定特許經營商出售成衣及配飾,以於指定地點經營本身之零售業務。

4. 分部資料(續)

(a) 地區分部

下表呈列本集團地區分部截至二零零八年及二零零七年三月三十一日止年度的收益、溢利及若干資產、負債及開支資料。

	香港及澳門		台灣		中國內地		其他地區		對銷		總計	
	二零零八年 千港元	二零零七年 千港元	二零零八年 千港元	二零零七年 千港元	二零零八年 千港元	二零零七年 千港元	二零零八年 千港元	二零零七年 千港元	二零零八年 千港元	二零零七年 千港元	二零零八年 千港元	二零零七年 千港元
分部收益：												
向外界客戶銷售	457,983	383,573	61,614	42,827	52,611	32,490	45,404	50,358	-	-	617,612	509,248
分部間銷售	-	-	21,428	15,634	3,209	499	-	-	(24,637)	(16,133)	-	-
總計	<u>457,983</u>	<u>383,573</u>	<u>83,042</u>	<u>58,461</u>	<u>55,820</u>	<u>32,989</u>	<u>45,404</u>	<u>50,358</u>	<u>(24,637)</u>	<u>(16,133)</u>	<u>617,612</u>	<u>509,248</u>
分部業績	<u>73,820</u>	<u>59,259</u>	<u>12,761</u>	<u>1,170</u>	<u>12,085</u>	<u>14,244</u>	<u>7,296</u>	<u>11,277</u>	-	-	105,962	85,950
銀行利息收入											2,188	2,236
未分配開支											(28,766)	(21,424)
融資成本											-	(236)
除稅前溢利											79,384	66,526
稅項											(12,349)	(9,301)
年內溢利											<u>67,035</u>	<u>57,225</u>

4. 分部資料(續)

	香港及澳門		台灣		中國內地		其他地區		總計	
	二零零八年 千港元	二零零七年 千港元	二零零八年 千港元	二零零七年 千港元	二零零八年 千港元	二零零七年 千港元	二零零八年 千港元	二零零七年 千港元	二零零八年 千港元	二零零七年 千港元
資產及負債										
分部資產	148,286	120,642	27,576	20,351	53,911	29,760	12,251	16,355	242,024	187,108
未分配資產									190,469	186,281
資產總值									<u>432,493</u>	<u>373,389</u>
分部負債	44,906	18,898	1,987	1,455	15,029	6,215	1,678	2,051	63,600	28,619
未分配負債									4,922	14,954
負債總額									<u>68,522</u>	<u>43,573</u>
其他分部資料：										
資本開支	24,801	6,117	1,944	656	2,636	948	103	1,502	29,484	9,223
未分配資本開支									9,390	2,376
									<u>38,874</u>	<u>11,599</u>
折舊	8,682	8,438	1,476	878	917	83	197	117	11,272	9,516
未分配折舊									2,433	2,040
									<u>13,705</u>	<u>11,556</u>
出售／撤銷物業、廠房及 設備項目虧損	931	690	—	—	—	—	—	—	931	690
確認預付土地租賃款項	225	155	—	—	—	—	—	—	225	155
無形資產撤銷	2	—	—	—	4	—	—	—	6	—
無形資產攤銷	77	62	34	23	31	53	302	214	444	352
應收賬款減值／ (減值撥備撥回)	—	—	—	3,784	—	—	(12)	600	(12)	4,384

4. 分部資料(續)

(b) 業務分部

下表呈列本集團業務分部截至二零零八年及二零零七年三月三十一日止年度的收益及若干資產與開支資料。

	二零零八年 千港元	二零零七年 千港元
分部收益：		
向外界客戶銷售：		
零售	532,220	429,021
批發	46,536	51,497
特許經營	38,856	28,730
	<u>617,612</u>	<u>509,248</u>
其他分部資料：		
分部資產：		
零售	226,111	160,714
批發	15,472	21,620
特許經營	441	4,774
	<u>242,024</u>	<u>187,108</u>
公司及其他未分配資產	<u>190,469</u>	<u>186,281</u>
資產總值	<u>432,493</u>	<u>373,389</u>
資本開支：		
零售	28,019	7,256
批發	1,314	444
特許經營	151	1,523
	<u>29,484</u>	<u>9,223</u>
公司及其他未分配款項	<u>9,390</u>	<u>2,376</u>
資本開支總額	<u>38,874</u>	<u>11,599</u>

5. 收益、其他收入及增益

收益（亦即本集團營業額）指年內已售貨品減退貨撥備及貿易折扣以及銷售稅之發票淨值。

收益、其他收入及增益分析如下：

	本集團	
	二零零八年 千港元	二零零七年 千港元
收益		
銷售成衣產品及配飾	<u>617,612</u>	<u>509,248</u>
其他收入		
銀行利息收入	2,188	2,236
其他	<u>1,766</u>	<u>2,594</u>
	<u>3,954</u>	<u>4,830</u>
收益		
匯兌差異淨額	<u>1,935</u>	<u>101</u>
	<u>5,889</u>	<u>4,931</u>

6. 除稅前溢利

本集團的除稅前溢利已扣除／（計入）下列各項：

	二零零八年 千港元	二零零七年 千港元
已售存貨之成本	210,347	172,785
折舊	13,705	11,556
滯銷存貨撥備／（撥備撥回）淨額	(5,994)	11,795
經營租約之設備租賃開支		
最低租金付款	554	185
或然租金	<u>67</u>	<u>—</u>
	<u>621</u>	<u>185</u>
經營租約之土地及樓宇租賃開支：		
最低租金付款	120,136	87,313
或然租金	<u>18,905</u>	<u>12,459</u>
	<u>139,041</u>	<u>99,772</u>

6. 除稅前溢利(續)

	二零零八年 千港元	二零零七年 千港元
核數師酬金	1,874	1,721
確認預付土地租賃款項	225	155
僱員福利開支		
工資、薪金及其他福利	110,518	89,943
退休金計劃供款*	4,897	3,961
	<u>115,415</u>	<u>93,904</u>
其他開支：		
出售／撤銷物業、廠房及設備項目之虧損	931	690
無形資產撤銷	6	—
無形資產攤銷	444	352
應收賬款減值／(減值撥備撥回)	(12)	4,384
其他	—	422
	<u>1,369</u>	<u>5,848</u>

* 於結算日，本集團並無沒收供款以減低未來數年的退休金計劃供款。(二零零七年：零)

7. 融資成本

	二零零八年 千港元	二零零七年 千港元
須於五年內悉數償還之銀行貸款利息	—	211
銀行透支利息	—	3
其他	—	22
	<u>—</u>	<u>236</u>

8. 稅項

香港利得稅乃根據年內源自香港之估計應課稅溢利按稅率17.5%(二零零七年：17.5%)撥備。其他地區應課稅溢利之稅項，乃根據本集團經營所在國家／司法權區之現時法例、詮釋及慣例，按該司法權區之現行稅率計算。

中華人民共和國(「中國」)企業所得稅(「企業所得稅」)適用於兩家(二零零七年：四家)位於中國大陸之附屬公司。目前，其中一家附屬公司可於首兩個獲利年度全數豁免企業所得稅，繼後三年則獲減免50%企業所得稅，而另一家中國附屬公司乃於深圳經濟特區註冊的外商投資公司，可享有企業所得稅優惠。因此，該等附屬公司於截至二零零七年十二月三十一日止財政年度的適用企業所得稅稅率介乎15%至18%。

8. 稅項 (續)

於二零零七年三月十六日，全國人大批准中國企業所得稅法（「新企業所得稅法」），將自二零零八年一月一日起生效。新企業所得稅法有多方面變動，包括（但不限於）將內資及外資企業所得稅率統一為25%。此外，享有較低優惠稅率的企業的優惠稅率將於未來五年逐步調高，預期所得稅率調整將直接增加本集團自二零零八年一月一日起的實際稅率。

台灣附屬公司乃按25%之法定稅率計算所得稅。此外，該附屬公司須就於各曆年年結日任何未分派盈利進一步納10%之所得稅。

由於澳門附屬公司根據澳門離岸商業法註冊成立，且根據澳門特別行政區離岸法獲豁免繳納澳門補充稅，故並無就澳門利得稅作出撥備（二零零七年：無）。

	二零零八年 千港元	二零零七年 千港元
即期稅項 — 香港		
年內撥備	8,328	10,785
往年過度撥備	(279)	(222)
即期稅項 — 其他地區		
年內撥備	5,104	1,659
往年過度撥備	—	(29)
遞延抵稅金	(804)	(2,892)
年內稅項支出總額	<u>12,349</u>	<u>9,301</u>

9. 股息

	二零零八年 千港元	二零零七年 千港元
中期 — 每股普通股2.5港仙（二零零七年：2.5港仙）	8,986	8,766
擬派末期 — 每股普通股5.0港仙（二零零七年：3.0港仙）	17,973	10,783
擬派特別 — 每股普通股6.0港仙（二零零七年：5.5港仙）	21,567	19,770
	<u>48,526</u>	<u>39,319</u>

年內擬派末期及擬派特別股息須經本公司股東於應屆股東週年大會上批准方可作實。

10. 母公司普通股權益持有人應佔每股盈利

每股基本盈利乃根據母公司普通股權益持有人應佔年內溢利67,035,000港元(二零零七年: 57,225,000港元)及年內已發行普通股加權平均數359,450,000股(二零零七年: 351,951,918股)計算。

由於截至二零零八年及二零零七年三月三十一日止年度並無具攤薄影響事項,故此並無呈列每股攤薄盈利。

11. 應收賬款及票據

	二零零八年 千港元	二零零七年 千港元
應收賬款及票據	26,921	23,585
減值	(4,060)	(4,384)
	<u>22,861</u>	<u>19,201</u>

零售銷售乃以現金或信貸期甚短的信用咭結清。批發銷售及特許銷售客戶一般享有30至60日之信貸期,惟部分與本集團有長久業務關係之具規模客戶則可獲較長信貸期。本集團銳意對未收回之應收款項實施嚴謹控制,以減低信貸風險。本集團高級管理層定期檢討逾期款項結餘的情況。鑑於上述及本集團應收賬款相關客源分散,故並無重大集中信貸風險。本集團應收票據一般信貸期為30至60日。應收賬款及票據不計息。

應收賬款及票據於結算日之賬齡按發票日期及撥備淨額分析如下:

	二零零八年 千港元	二零零七年 千港元
90日內	22,422	18,170
91至180日	396	1,031
181至365日	43	—
	<u>22,861</u>	<u>19,201</u>

12. 應付賬款及票據

應付賬款及票據於結算日之賬齡按發票日期分析如下：

	二零零八年 千港元	二零零七年 千港元
90日內	16,654	9,194
91至180日	176	346
181至365日	179	13
超過365日	42	—
	<u>17,051</u>	<u>9,553</u>

應付賬款為免息，一般須於30至60日內清還。應付賬款及票據之賬面值與其公平值相若。

管理層討論及分析

業務回顧

為使業務繼續快速增長同時控制風險，本集團於回顧年內採取三向發展策略（「三向發展策略」）。「三向」代表市場多元化、產品多元化及地區多元化，最終目標是促進本集團業務達致長期增長。在實施這項策略的回顧年度，本集團的營業額連續第五年錄得雙位數字增長，上升約21.3%至約617,600,000港元（二零零七年：509,300,000港元）。此外，儘管租金及員工成本持續上漲，但集團純利仍錄得理想升幅，於截至二零零八年三月三十一日止年度增加約17.1%至約67,000,000港元（二零零七年：57,200,000港元）。

於二零零八年三月三十一日，本集團在香港、澳門、台灣及中國以「BAUHAUS」、「TOUGH」、「SALAD」、「80/20」、「ELITE」及「ATTACHMENT」品牌自行經營的零售店及特許經營網絡載列如下。

	於二零零八年 三月三十一日	於二零零七年 三月三十一日
自行經營店		
香港	52	44
澳門	3	—
台灣	23	18
上海	6	2
	<u>84</u>	<u>64</u>
特許經營店		
中國及澳門	54	35
合共	<u>138</u>	<u>99</u>

零售業務

截至二零零八年三月三十一日止年度，本集團的零售業務維持強勁，營業額上升約24.0%至約532,200,000港元，(二零零七年：429,100,000港元)。

香港及澳門

於回顧年間，香港的零售業務佔本集團營業額約70.0%，受惠於本集團有策略地在黃金地段設立龐大零售網絡，以及積極投入資源提高銷售，使業務穩步上揚，增加約12.8%至約432,600,000港元(二零零七年：383,600,000港元)。

由於消費氣氛旺盛，本集團採取了重要的策略部署，除了繼續參與現有個別市場外，同時多元化拓展大眾主流市場。本集團的自家品牌一直以獨特設計及時尚款式贏得許多高消費力及忠誠顧客的歡心。然而，個別市場的規模畢竟有限。有見大眾主流市場及高檔市場的潛力龐大，憑藉本集團強大的設計能力和零售專業知識，集團逐漸調整其產品組合，推出多個自家流行服裝新品牌。集團分別於於二零零七年六月及十一月，開設新時裝飾物專賣店「ATTACHMENT」及新高檔品牌店「ELITE」，標誌著集團正式進軍時裝飾物及高檔時裝市場。新店開幕後銷售額的升幅令人滿意。這些策略預計可大大提高本集團的市場佔有率及擴大顧客基礎。

至於澳門市場，本集團的自行經營零售業務於回顧年內開始營運，在澳門的購物旺區開設3間旗艦店，以掌握其龐大市場潛力。新店錄得令人非常鼓舞的銷售額，於回顧年內達到約23,600,000港元(二零零七年：零)。

台灣

台灣的零售業務則繼續錄得破記錄的業績。於截至二零零八年三月三十一日止年度，來自該市場的營業額大幅上升約43.9%至約61,600,000港元(二零零七年：42,800,000港元)，這全賴本集團不斷加強管理及員工培訓，再加上龐大的零售網絡支持之故。憑藉超越同儕的表現，令本集團得以維持在台灣流行服裝零售市場的領導地位。

中國

透過實施三向發展策略，本集團亦積極提高於中國零售市場的滲透率。於回顧年度，本集團於上海設立了4間自行經營的零售店，截止年結日市內店舖總數增加至6間，令國內業務蒸蒸日上。中國零售業務的總銷售額大幅增加至約14,400,000港元，比上一個財政年度有五倍以上的增長(二零零七年：2,700,000港元)。

批發業務

本集團批發業務的營業額下跌約9.7%至約46,500,000港元(二零零七年: 51,500,000港元), 主要由於日本市場的需求波動, 使銷售大幅減少所致。然而, 其他海外市場的銷售額卻飆升約24.2%。為盡量減低若干地區需求波動對批發業務的影響, 本集團致力擴大客戶基礎, 務求在不同地區市場之間取得平衡。此外, 本集團繼續精簡分銷渠道, 以保持銷售效率。集團亦積極參加多個國際知名時裝表演, 以提高旗下品牌的知名度。截至二零零八年三月三十一日, 本集團的批發業務覆蓋東南亞、中東、歐洲及北美超過20個國家。

特許經營業務

中國及澳門的特許經營業務繼續成為本集團其中一項主要增長動力。由於兩地市場需求有增無減, 截至二零零八年三月三十一日止年度特許經營業務的營業額顯著上升約35.5%至約38,900,000港元(二零零七年: 28,700,000港元)。經過本集團多年來在中國不同地方努力建立系統化和妥善調配的特許經營網絡, 「TOUGH」現已成為國內知名品牌。本集團於中國的特許經營網絡在近年快速發展, 現已覆蓋大部份主要一、二線城市。本集團已進入新一個發展階段, 集中提高品牌在個別城市的滲透率, 以及將「SALAD」店引入特許經營網絡。

財務回顧

營業額

於本回顧年度內, 本集團的營業額增長約21.3%, 銷售額達到約617,600,000港元(二零零七年: 509,300,000港元), 主要由於在包括香港、澳門、台灣及中國大陸的所有主要市場銷售額在零售及分銷網絡擴張下持續增長所致。

毛利

於本回顧年度內, 本集團錄得毛利約413,300,000港元(二零零七年: 324,700,000港元)。隨著國內市場消費欲提升, 本集團提高若干自有品牌的零售價格以彌補因人民幣及歐元升值而導致的採購成本增加。於回顧年度內, 除整體銷售表現強勁外, 本集團亦加強存貨控制並舉行兩年一次的促銷活動, 使陳舊及滯銷存貨大幅減少, 結果截至二零零八年三

月三十一日止年度滯銷存貨撥備撥回淨額約6,000,000港元(二零零七年:撥備約11,800,000港元)。上述成績總體使本集團的毛利率上升約3.1個百分點至約66.9%(二零零七年:63.8%)。

經營開支

截至二零零八年三月三十一日止年度,本集團的經營開支飆升約29.2%至約339,800,000港元(二零零七年:263,100,000港元)。整體經營開支佔營業額的百分比約為55.0%(二零零七年:51.7%)。

租金為本集團主要經營開支。於回顧年度內,租金大幅增加約39.3%至約139,000,000港元(二零零七年:99,800,000港元),主要是由於市場租金、零售店數量及店鋪總面積增加所致。租金開支佔本集團營業額約22.5%(二零零七年:19.6%),而佔本集團總經營開支約40.9%(二零零七年:37.9%)。鑑於租金開支增加影響溢利率,本集團於回顧年度內一直精心選擇黃金地段增設店鋪,善用商舖銷售空間及控制租金成本。

截至二零零八年三月三十一日止年度,主要經營成本之一僱員成本適度增長約22.8%至約115,800,000港元(二零零七年:94,300,000港元)。為保持本集團業務在激烈競爭的零售市場中不斷擴展,確保銷售隊伍的競爭力至關重要,而本集團控制僱員成本在合理的水平亦相當必要。因此本集團不僅向銷售人員提供優厚的薪酬待遇,亦會根據僱員本身及本集團的業績給予獎勵。於回顧年度內,僱員成本增幅總體與銷售增長水平相若。

本集團致力提升所有品牌(自有及代理品牌)之形象及消費者認知度。於回顧年度內,通過多種促銷努力,增開新店及開發新自有品牌,因此廣告及促銷開支增至約9,800,000港元(二零零七年:7,400,000港元),增幅約32.4%。由於應付香港、澳門、台灣及中國大陸的自營零售網絡擴展,資本開支大幅上升,折舊亦上升約18.1%至約13,700,000港元(二零零七年:11,600,000港元)。

本集團將繼續致力精簡國內外分銷網絡以提高經營效率及削減成本。

分部資料

分部營業額及其對本集團除稅前溢利之貢獻詳情載於本公告附註4。

純利

截至二零零八年三月三十一日止年度,本集團的股權持有人應佔純利增至約67,000,000港元(二零零七年:57,200,000港元),上升約17.1%。然而,由於經營成本(尤其是租金)飆升,純利率由約11.2%稍降至約10.9%。儘管經營環境持續充滿挑戰,本集團仍可於本地及海

外市場發掘及取得發展業務的充足商機。實施適當的策略並且靈活執行，加上謹慎的風險管理，本集團預期未來數年營業額及溢利會有快速及持續的增長。

資本架構

於二零零八年三月三十一日，本集團之資產淨值約為約364,000,000港元（二零零七年：329,800,000港元），包括非流動資產約118,200,000港元（二零零七年：81,400,000港元）、流動資產淨值約246,600,000港元（二零零七年：249,100,000港元），以及非流動負債約800,000港元（二零零七年：700,000港元）。

流動資金及財務資源

於二零零八年三月三十一日，本集團有現金及等同現金項目約155,000,000港元（二零零七年：161,100,000港元）。本集團於結算日並無負債。於二零零八年三月三十一日，本集團有銀行信貸總額約21,000,000港元（二零零七年：19,000,000港元），包括計息銀行透支及借貸、公用事業擔保及進出口融資安排，其中約14,200,000港元尚未動用。

現金流量

截至二零零八年三月三十一日止年度，經營活動現金流入淨額約為67,700,000港元（二零零七年：55,000,000港元），乃因本集團收益增加所致。投資活動現金流出淨額由二零零七年的約11,400,000港元大幅增至二零零八年的約40,500,000港元，乃由於本集團在香港、澳門、台灣及中國大陸強勢擴展自營零售網絡所致。回顧年內融資活動所得現金流出淨額約為39,500,000港元（二零零七年：22,900,000港元），主要用於支付股東股息。

抵押品

於二零零八年三月三十一日，本集團之一般銀行信貸乃以本集團若干租賃樓宇及預付土地租賃款項作抵押，賬面總值分別約為6,600,000港元（二零零七年：6,700,000港元）及3,400,000港元（二零零七年：3,500,000港元）。

資本承擔

於二零零八年三月三十一日，本集團已訂約但尚未於財務報表撥備的資本承擔約1,800,000港元（二零零七年：無）。本公司於結算日無任何重大資本承擔（二零零七年：無）。

或然負債

於二零零八年三月三十一日，本集團就提供銀行擔保以代替水電及租金按金有或然負債約6,800,000港元（二零零七年：4,900,000港元）。於結算日，本公司並無或然負債（二零零七年：無）。

人力資源

計入全體董事，於二零零八年三月三十一日，本集團共有1,325名僱員（二零零七年：999名）。為吸納及留任表現良好之員工，本集團提供優厚之薪酬福利，包括表現花紅、強制性公積金、保險與醫療福利，亦會按照僱員表現、經驗及當時市場做法根據購股權計劃向僱員授出購股權。薪酬福利乃定期檢討。至於員工發展方面，本集團定期向零售員工提供內部培訓，亦補貼員工參加外間培訓課程。

外匯風險管理

本集團於年內之大部分買賣均以港元、美元、歐元及人民幣結算。因此，本集團面對之外匯風險極低，亦不預見未來之貨幣波動會構成重大營運困難或流動資金問題。然而，本集團會注視外匯情況，並於必要時對沖有關其向海外供應商購買服裝之合約承擔方面之匯兌波動風險。

所得款項用途

本公司於二零零五年五月在聯交所上市時發行新股之所得款項，經扣除相關發行開支後約為112,400,000港元。截至二零零八年三月三十一日，所得款項已按本公司售股章程所建議的用途運用如下：

	按售股章程所述 千港元	已動用 千港元	於二零零八年 三月三十一日 結餘 千港元
擴展分銷網絡	46,000	(46,000)	—
擴充及提升生產設施	15,000	(7,292)	7,708
發展「80/20」品牌	14,000	(14,000)	—
推廣自有品牌	13,000	(13,000)	—
進軍高檔時裝市場	4,000	(4,000)	—
強化內部設計及採購隊伍	2,000	(2,000)	—
採購貨物及布料	8,000	(8,000)	—
一般營運資金	10,400	(10,400)	—
	<u>112,400</u>	<u>(104,692)</u>	<u>7,708</u>

本公司將尚未動用結餘存入銀行作短期銀行存款。

根據聯交所證券上市規則（「上市規則」）第13.13至13.19條作出披露

於二零零八年三月三十一日，本公司並無向任何實體提供墊款、向本公司聯屬公司提供財務資助及擔保，而須根據上市規則第13.13至13.19條作出披露。

展望

隨著中國經濟繼續迅速增長，中國市民的購買力日漸增強。基於國內城市龐大的人口及日益富裕的生活水平，加上年輕消費者時裝觸覺漸強，中國時裝零售市場可謂潛力無限。集團已在中國建立穩固的地位，品牌在業務遍及的城市亦享有高知名度。未來，本集團銳意拓展市場覆蓋，透過穩固的特許經營網絡將業務拓展至更多省市，同時加強現有市場的滲透率。此外，本集團將在上海及北京的黃金地段設立更多自行經營的零售店，以加強品牌在國內的知名度。於二零零八／零九財政年度，本集團將於中國開設至少20間特許經營店，以及於上海和北京開設至少10間自行經營零售店。憑藉管理層對中國人的品味和購物習慣以及國際時裝趨勢的了解，集團已準備就緒，把握中國經濟興旺帶來的商機。

過去數年，中國市場一直是本集團的發展重心，香港則繼續是本集團的核心市場和發展整體品牌和定位策略的基地。本集團將會繼續於本地市場培育新品牌，就如非常成功孕育的「TOUGH」及「SALAD」品牌一樣。目前，本集團在香港擁有6種不同品牌的零售店，滿足市場內不同品味的顧客。集團一貫策略是逐漸擴大顧客基礎，繼而提高市場佔有率。儘管租金上漲導致本回顧年度的整體利潤率有所收窄，但管理層認為在市內黃金地點設立據點仍然會是集團品牌策略的重要部份。本集團將致力推動業務增長，將租金維持在佔整體銷售額比例可接受的水平之內。

由於回顧年內台灣及澳門業務增長強勁，集團相信兩個市場具有秀麗的前景。首間台灣「BAUHAUS」店已於二零零八年五月開幕營業，協助集團深化進軍該市場。此外，本集團亦將於二零零九年三月三十一日前增設至少10間店舖。為把握澳門休閒及娛樂業務蓬勃發展帶動的旺盛消費氣氛，本集團亦計劃於下一個財政年度在澳門增設至少4間店舖。

本集團致力拓展大中華地區市場，以及亞太地區的批發網絡。目前，集團產品行銷全球20個城市的批發商，包括東南亞國家如泰國、新加坡及菲律賓等，這些國家均是集團批發

業務的主要增長動力。管理層對區內的增長潛力充滿信心，並將會繼續物色與高質素批發商合作的機會。

總括而言，管理層將會竭盡所能，繼續拓展集團的業務和擴闊邊際利潤，以為股東創造價值和帶來長遠理想回報為最終目標。

股息

本公司於二零零八年一月二十五日派付截至二零零七年九月三十日止六個月中期股息每股普通股2.5港仙（二零零六年：2.5港仙）。

董事建議就本年度派付末期股息每股普通股5.0港仙（二零零七年：3.0港仙）及特別股息每股普通股6.0港仙（二零零七年：5.5港仙）。待股東於本公司應屆股東週年大會上批准後，末期及特別股息將於二零零八年九月十一日或之前派發予於二零零八年八月二十二日名列本公司股東名冊之股東。

股東週年大會

本公司應屆股東週年大會將於二零零八年八月二十二日星期五上午十一時正舉行。股東週年大會通告將於二零零八年七月三十一日星期四或之前於南華早報及信報刊登，並將連同本公司二零零七／零八年年報寄發予股東。

暫停辦理股份過戶登記手續

本公司將由二零零八年八月二十日星期三至二零零八年八月二十二日星期五（包括首尾兩天）暫停辦理股份過戶登記手續，期間將不會辦理任何股份之過戶登記。為符合資格收取末期及特別股息（如獲批准），所有過戶文件連同有關股票，必須於二零零八年八月十九日星期二下午四時三十分前，送交本公司之香港股份過戶及登記分處卓佳證券登記有限公司（地址為香港灣仔皇后大道東28號金鐘匯中心26樓）辦理登記手續。

公司管治

除本公司並無主席及行政總裁兩個獨立角色，而現由黃銳林先生（「黃先生」）兼任該兩個職位外，本公司於截至二零零八年三月三十一日止整個年度一直遵守上市規則附錄十四所載企業管治常規守則（「守則」）的守則條文。

守則條文第A.2.1條規定，應區分主席與行政總裁兩個獨立角色，而不應由一人同時兼任。作為本集團創辦人，黃先生有豐富的時裝行業經驗。董事認為，現行管理架構充份發

揮效用，使本集團具備厚雄穩定的領導能力，有利本集團發展業務策略，並以最有效快捷方式執行業務計劃。董事相信，由黃先生繼續擔任主席兼行政總裁符合本公司股東最佳利益。

董事進行證券交易的標準守則

本公司已採納上市規則附錄十所載「上市發行人董事進行證券交易的標準守則」（「標準守則」）為董事買賣本公司證券之本公司操守守則。根據向董事作出具體查詢後，全體董事確認彼等於截至二零零八年三月三十一日止年度一直遵守標準守則所載的規定標準。

購買、出售或贖回本公司之上市證券

截至二零零八年三月三十一日止年度，本公司或其任何附屬公司概無購買、出售或贖回任何本公司之上市證券。

審閱財務資料

本公司已於二零零五年四月二十二日成立由三名獨立非執行董事組成之審核委員會（「審核委員會」），並訂定書面職權範圍。審核委員會與管理層及外聘核數師已共同審閱本集團所採納之會計原則及慣例，並商討審核、內部監控及財務申報等事宜，包括審閱截至二零零八年三月三十一日止年度綜合財務報表。

董事會

於本公告日期，董事會包括四名執行董事，分別為黃銳林先生、唐書文女士、李玉明女士及楊逸衡先生，以及三名獨立非執行董事，分別為黃潤權博士、朱滔奇先生及麥永傑先生。

承董事會命
主席
黃銳林

香港，二零零八年七月十五日