



ALCO HOLDINGS LIMITED

股份代號：328 Stock Code: 328

年報 **2010**
ANNUAL REPORT

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Corporate Information

Directors

Mr LEUNG Kai Ching, Kimen (*Chairman*)
Mr LEUNG Wai Sing, Wilson
Mr KUOK Kun Man, Andrew
Mr WONG Po Yan, G.B.M., J.P.*
The Hon LI Wah Ming, Fred, S.B.S., J.P.*
Mr LAU Wang Yip, Derrick*

* *Independent non-executive directors*

Company Secretary

Mr KUOK Kun Man, Andrew

Principal Bankers

Hang Seng Bank Limited
The Hongkong and Shanghai Banking Corporation Limited
Bank of China (Hong Kong) Limited
China Construction Bank Corporation Hong Kong Branch
DBS Bank (Hong Kong) Limited
Standard Chartered Bank (Hong Kong) Limited

Auditor

PricewaterhouseCoopers

Legal Advisers to the Company

Mallesons Stephen Jaques

Legal Advisers on Bermuda Law

Conyers, Dill & Pearman

Registered Office

Clarendon House
2 Church Street
Hamilton HM11
Bermuda

Head Office and Principal Place of Business

11th Floor, Zung Fu Industrial Building
1067 King's Road
Quarry Bay
Hong Kong

Principal Registrars

HSBC Bank Bermuda Limited
6 Front Street
Hamilton HM11
Bermuda

Registrars in Hong Kong

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

Website

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

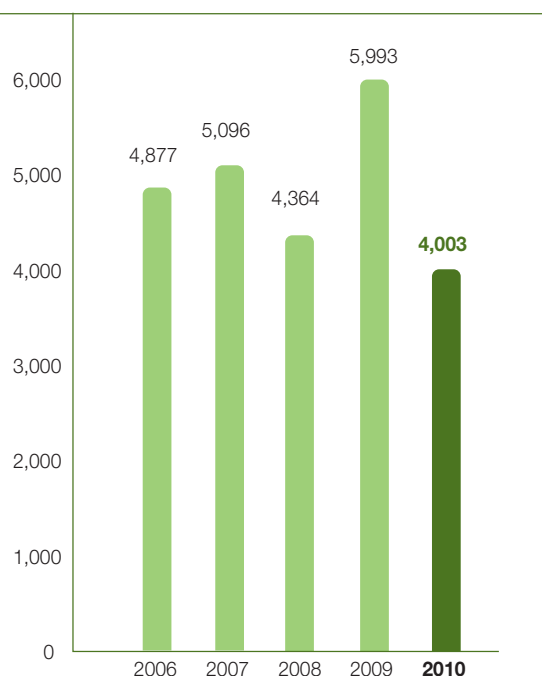
Stock Code

328

Financial Highlights

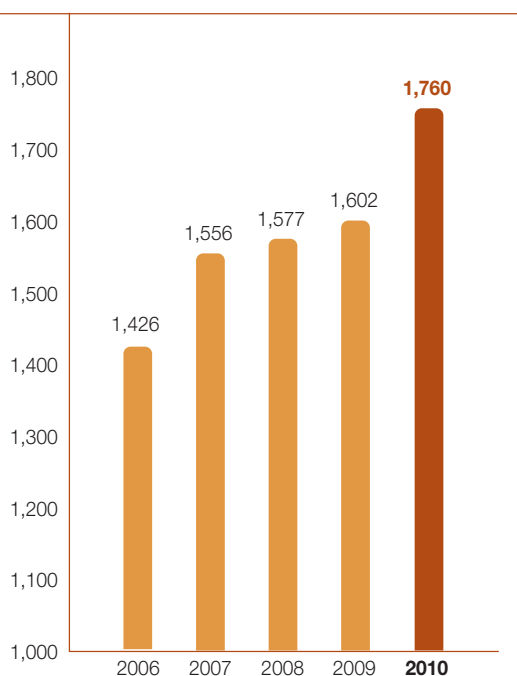
REVENUE

(HK\$ MILLION)



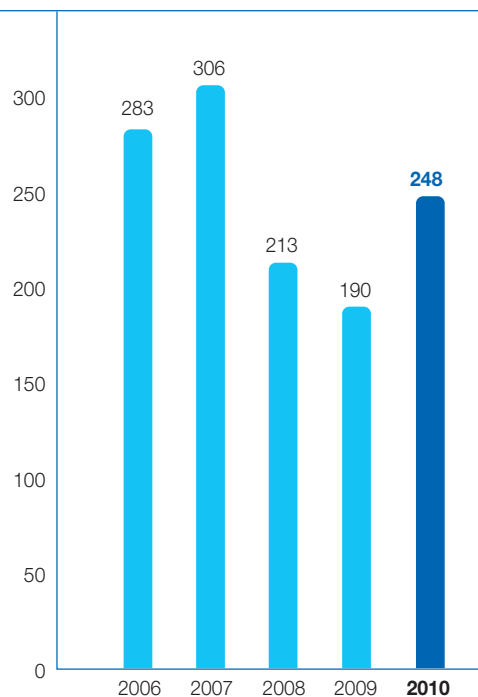
EQUITY

(HK\$ MILLION)

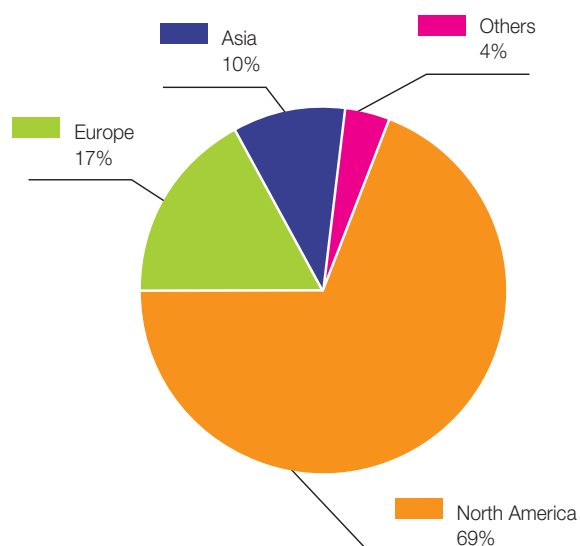


PROFIT ATTRIBUTABLE TO EQUITY HOLDERS

(HK\$ MILLION)



REVENUE BY GEOGRAPHICAL SEGMENT IN 2010



Chairman's Statement



Chairman **LEUNG KAI CHING, KIMEN**

GROUP RESULTS AND DIVIDENDS

On behalf of the Board of Directors, I am pleased to present the financial results of Alco Holdings Limited (the "Company") and its subsidiaries (collectively, the "Group") for the year ended 31st March 2010. During the review period, the Group recorded profit attributable to shareholders of HK\$248 million (2009: HK\$190 million) despite turnover falling by 33% to HK\$4 billion over the same time last year (2009: HK\$6 billion). Earnings per share were HK44.6 cents, compared to HK34.1 cents for 2009.

As the Group has achieved satisfactory results and maintained a strong financial position in the face of tough business conditions, the Board of Directors will continue to observe a dividend policy that delivers stable returns to shareholders. Accordingly, the payment of a final dividend of HK14 cents and a special dividend of HK6 cents has been recommended which, after including an interim dividend of HK9 cents per share, brings the total dividend to HK29 cents for the financial year (2009: HK23 cents), representing an increase of 26% over the previous financial year and an overall payout ratio of 65%.

The final dividend and special dividend will be paid on 15th September 2010 to the Group's shareholders upon approval at the upcoming Annual General Meeting.

REVIEW OF OPERATIONS

The past financial year remained a challenging period for the Group as pressure resulting from the global financial crisis had yet to dissipate fully. However, our focus on healthy profit margin, maintaining a product mix that is in tune with market needs, and employing stringent cost controls have all been important factors in allowing us to preserve our competitiveness and a strong financial position, which was paramount for weathering the downturn.



Chairman's Statement

Pursuing Healthy Profit Margins over Turnover

With the economic recession persisting, consolidation of the audio-visual manufacturing industry continued. As suppliers with less competitiveness were ousted from the market, the resultant vacuum presented us with more opportunities to fill new orders. However, electing to focus on quality over quantity and margins over turnover, we only accepted orders from selected customers who are financially sound and can share a similarly strong commitment to quality. As a result, we were able to improve our margins during the review period even though total turnover declined, partly due to change in product mix from low margin commodity type products to products with unique features and functions.



Product Mix That is In Tune with Market Needs

To generate solid demand for the Group's products while delivering reasonable margins, we employed a flexible yet shrewd product mix strategy. During the year, portable DVD players and LCD TV products featuring 19-inch and 22-inch screens remained the key revenue drivers for the Group. We also sought to increase the supply of high end audio products for the mass market as prices for these products remained relatively stable. Audio and visual products with value-added iPod and iPhone docking features have been some of the most popular items with the Group's customers.

Committed to the pursuit of innovation as well as exploring new income sources, we were among the first manufacturers to launch LED backlight LCD TVs in 2009. These models have been very well received by customers as they bring several advantages, including less energy consumption, superior contrast levels and greater aesthetic appeal, being thinner than conventional LCD TVs due to the elimination of bulky CCFL (Cold Cathode Fluorescent Lamps) backlights. The sleek and stylish look of LCD TVs with LED backlighting will likely make them "must-have" items in coming years.



Stringent Cost Control

During the slow period of economic recovery and facing the rapid increase in labour cost, we were more committed than ever to employing cost control measures that enhance our competitiveness. The measures taken included containing operating costs by further reducing our workforce. Overtime expenditure was also reduced through stringent operation and work flow management. Greater inventory control was practiced as well, astutely purchasing materials at opportune occasions to keep down cost of sales. Moreover, the ongoing practice of standardising parts where feasible allowed us to achieve efficient product assembly and derive other advantages such as greater quality control, lower production cost, benefit from economies of scale and less susceptibility to the effects of parts obsolescence.

Chairman's Statement

Other Factors for Increased Net Profit

While we are committed to maintaining profit margin and employing stringent cost control measures, several items further contributed to increased net profit during the review period, including

- Revaluation gain of HK\$9 million on investment properties as compared to a revaluation loss of HK\$5 million in last financial year.
- Exchange gain of HK\$14 million due to the appreciation of Korean Won as compared to an exchange loss of HK\$26 million in last financial year.
- Saving in finance costs of HK\$22 million due to strong cash position.

Prudent Cash Flow Management

To ensure our financial position remained sound, the Group held tight control on cash flow. Even though the Group had maintained a strong cash position well before the economic downturn, we took further measures to fortify our foundation, minimizing the size of bank loans and enforcing a strict spending policy. Also, we have been highly vigilant when reviewing credit terms with customers in order to minimise the credit risk especially during this adverse economic situation.

Investment in Korean Company Takes Positive Turn

Aside from progress made in our core business, we are also pleased to report that Hydis Technologies Co., Ltd. ("Hydis"), a Korean company within which the Group acquired a minority interest back in early 2008, has also made steps forward. Principally engaged in the development and manufacture of TFT-LCD panels, Hydis has reported a net profit making position since early 2010. Apart from securing a reliable supply of TFT LCD panels, we believe that the investment can provide a good return in the long run.



PROSPECTS

While consumer sentiment in the US is showing signs of improvement in the first quarter of 2010, there remain mixed signals coming out of the country on its pace of recovery. Moreover, many European countries are now implementing tough austerity measures, which may pose a drag on Europe's recovery and affect market demand. Amid such uncertainties, we are cautiously optimistic about the outlook of the consumer electronics market and will continue to prudently steer the Group forward, mindful of protecting our financial health yet not at the expense of constricting business development.

Seeking to build on our range of consumer electronics products to create new income sources, we will continue to ride on the crest of the latest trends as well as take the initiative of exploring more business opportunities by making the best use of our R&D resources. The focus of our product development is on integrating value-added technologies, and we will launch Blu-ray Disk players for portable and home theatre applications as well as eBook Readers in the later part of 2010. We will also target introducing iPad docking audio and visual products on the market in early 2011.

Chairman's Statement

With global LCD TV shipments for the first quarter of 2010 exceeding 40 million units, equivalent to year-on-year growth of approximately 48%, according to research firm DisplaySearch, we will tap this growing demand by placing more emphasis on the sale of large-screen LCD TVs in the coming year. In relation to LED-backlight LCD TV, penetration is expected to surge to about 20% in 2010, according to estimates. Here too is an area that warrants steady development, capitalising on our competitive advantage of being an early entrant in this technology. In addition, we will explore opportunities in connection with 3D format Blu-ray Disk players and the emergence of 3D TVs.

The Group's manufacturing efficiency will receive a decided boost in the future by way of a new manufacturing facility in Dongguan. With construction ending in 2011 and production commencing in 2012, the state-of-the-art plant will be equipped with the latest technologies that will see labour reduced yet productivity increased still further. While helping us realise our business objectives, the facility will also enable the Group to fulfil its commitment to good corporate citizenship, having been designed from the outset to incorporate environmentally-friendly features that promote energy efficiency and reduce resources consumption.

Strengthened as opposed to weakened by the global financial crisis, the Group will continue to take decisive action that sustains business growth, bolsters its market and financial position, and ensures long-term healthy development.

APPRECIATION

On behalf of the Board of Directors, I would like to extend my gratitude to the management and staff for their dedication, diligence and unwavering support. Likewise, I wish to offer my appreciation to the Group's business partners, shareholders and customers for their long-standing cooperation, trust and patronage.

LEUNG Kai Ching, Kimen

Chairman

Hong Kong, 15th July 2010



Biographical Details of Directors and Senior Management

Executive Directors

Mr LEUNG Kai Ching, Kimen, aged 77, is the founder and Chairman of the Group. He has more than 43 years of experience and is one of the pioneers in the electronics industry in Hong Kong. He has in-depth knowledge in the electronics field and is responsible for formulating the Group's overall strategy and development.

Mr LEUNG Wai Sing, Wilson, aged 50, is a son of the Chairman of the Group, joined the Group in 1985. He is the Chief Executive Officer of the Group and takes full charge of the Group's overall strategy and operations. He holds a master of science degree in electrical engineering from Queen's University, Canada.

Mr KUOK Kun Man, Andrew, aged 56, joined the Group in 1990 and is the Company Secretary and Director of the Group. He holds a master degree in business administration and has more than 33 years of experience in finance and accounting with multinational organisations.

Independent Non-executive Directors

Mr WONG Po Yan, *G.B.M., J.P.*, aged 87, joined the Group in 1992 and was the chairman of United Oversea Enterprises, Limited, the former vice-chairman of The Committee for the Basic Law of the Hong Kong Special Administrative Region under the Standing Committee of the National People's Congress, the honorary chairman of the Nuclear Safety Consultative Committee for Guangdong Daya Bay and Ling Ao Nuclear Power Stations, the chairman of the Advisory Board of One Country Two Systems Research Institute Limited and the honorary president of The Chinese Manufacturers' Association of Hong Kong.

The Hon LI Wah Ming, Fred, *S.B.S., J.P.*, aged 55, joined the Group in 1992 and is a member of the Legislative Council. He holds a bachelor degree in arts from the University of Waterloo, Canada and a master degree in social work from the University of Toronto, Canada.

Mr LAU Wang Yip, Derrick, aged 49, joined the Group in 2000 and is the managing director of a financial institution. Holding a master degree of management science in accounting, he has extensive experience in investment banking.

Biographical Details of Directors and Senior Management

Senior Management

Mr Colin Frederick LIVERMORE, aged 55, joined the Group in 1991 and is the managing director of Alco International Limited. He has over 30 years of experience in the marketing of consumer electronic products and is responsible for formulating the marketing strategy primarily to European customers.

Mr HO Ping Hung, Joe, aged 62, joined the Group in 2008 and is the Group's General Manager – Manufacturing. He is responsible for the day-to-day operations of Group's manufacturing plants in China. He holds a Master Degree in Economics/Business and a Diploma in Engineering. He has over 31 years solid background management in both OEM and EMS industries.

Mr LEUNG Wai Lap, David, aged 49, is a son of the Chairman of the Group. He joined the Group in 2005 and is the senior sales manager of the Group. He oversees the sales and marketing for the Group's product and service in North America.

Mr LEUNG Wai Ming, Jimmy, aged 41, is a son of the Chairman of the Group, joined the Group in 1993 and is the Group's purchasing manager. He has more than 17 years of experience in the field of audio electronic products.

Ms PANG Siu Mui, Wendy, aged 59, joined the Group in 1971 and is the assistant to the Chairman. She is responsible for the scheduling of production and administration for the Group.

Mr CHOW Koon Shing, Stephen, aged 59, joined the Group in 1972 and is the shipping manager of Alco Electronics Limited. He has over 35 years of experience in shipping.

Mr LEUNG Kam Fai, Peter, aged 53, joined the Group in 1979. He is the Group's material planning and control manager. He has over 31 years of experience in the audio field.

Mr LEONG Ue Cheong, aged 52, joined the Group in 1978 and is the shipping manager of Alco International Limited. He has over 32 years of experience in shipping.

Mr LAU Kwok Wai, Francis, aged 59, joined the Group in 1986 and is a director of Alco Plastic Products Limited. He has over 25 years of experience in the plastics industry and is responsible for the operations of the plastics factory.

Mr HO Man Shuen, Francis, aged 51, joined the Group in 1999. He is the general manager of quality assurance and is responsible for the Group's restructuring of quality management systems. He holds a master of science degree in manufacturing and business management and has over 28 years of experience in research and development, manufacturing and quality control of electronic products.

Mr CHOW Tung Yiu, Tony, aged 40, joined the Group in 1997 and is the Group's management information system manager. He holds a bachelor degree in science and has over 17 years of experience in developing manufacturing systems.

Mr LIU Lup Man, Stephen, aged 38, joined the Group in 2005 and is the Group's financial controller. He holds a bachelor degree from the University of Toronto, Canada, and is a Fellow Member of the HKICPA and the ACCA. He has over 15 years of experience in auditing and accounting.

Corporate Governance Report

CORPORATE GOVERNANCE PRACTICES

The Company has complied with all the applicable code provisions set out in the Code on Corporate Governance Practices (the “Code”) contained in Appendix 14 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”), except for deviation from the Code provision A.4.1.

THE BOARD

The Board is responsible for the formulation of the Group’s business and strategic decisions and monitoring the performances of the management team.

Four Board meetings were held during the year ended 31st March 2010. The attendance of each director is set out as follows:

Members of the Board	Attendance Record
<i>Executive Directors</i>	
Mr LEUNG Kai Ching, Kimen	4/4
Mr LEUNG Wai Sing, Wilson	4/4
Mr KUOK Kun Man, Andrew	4/4
<i>Independent Non-executive Directors</i>	
Mr WONG Po Yan	4/4
The Hon LI Wah Ming, Fred	3/4
Mr LAU Wang Yip, Derrick	4/4

The Company has received an annual confirmation of independence from the three independent non-executive directors in accordance with rule 3.13 of the Listing Rules. The Board has assessed their independence and concluded that all independent non-executive directors are independent.

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Mr LEUNG Kai Ching, Kimen is the chairman and Mr LEUNG Wai Sing, Wilson is the chief executive officer.

APPOINTMENT AND RE-ELECTION OF DIRECTORS

Under the Code provision A.4.1, non-executive directors should be appointed for a specific term, subject to re-election. The non-executive directors of the Company are not appointed for a specific term. However, according to the Bye-laws of the Company, independent non-executive directors of the Company will retire by rotation every year and their appointments will be reviewed when they are due for re-election. In the opinion of the Company, this meets the same objective as the Code.

The Hon LI Wah Ming, Fred and Mr LAU Wang Yip, Derrick will retire at the forthcoming annual general meeting and, being eligible, will offer themselves for re-election.

Corporate Governance Report

MODEL CODE FOR 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 to the Listing Rules (the “Model Code”) as its own code of conduct regarding securities transactions by the directors of the Company. Having made specific enquiry of the directors, all the directors confirmed that they had complied with the required standards as set out in the Model Code and its code of conduct regarding directors’ securities transactions with the Company for the 12 months ended 31st March 2010.

REMUNERATION COMMITTEE

The Company has established a remuneration committee with written terms of reference in accordance with the Code provisions.

The remuneration committee currently comprises Mr WONG Po Yan (chairman of the remuneration committee), Mr LAU Wang Yip, Derrick and The Hon LI Wah Ming, Fred, all of whom are independent non-executive directors.

The primary duties of the remuneration committee are to make recommendation on the policy and structure for the remuneration of the directors and senior management, and to consider and approve remuneration of the directors and senior management by reference to corporate goals and objectives. The existing remuneration package contains a combination of basic salary, discretionary performance bonus and fringe benefits. For the year, the remuneration committee was of the opinion that the remuneration packages were fair and commensurate with the market.

One remuneration committee meeting was held during the year ended 31st March 2010 and the attendance of each committee member is set out as follows:

Members	Attendance Record
Mr WONG Po Yan	1/1
Mr LAU Wang Yip, Derrick	1/1
The Hon LI Wah Ming, Fred	1/1

AUDIT COMMITTEE

The audit committee currently comprises Mr LAU Wang Yip, Derrick (chairman of the audit committee), Mr WONG Po Yan and The Hon LI Wah Ming, Fred, all of whom are independent non-executive directors.

The audit committee has reviewed with management the accounting principles and practices adopted by the Group and discussed internal controls and financial reporting matters including the review of the financial statements of the Group for the year ended 31st March 2010.

Two audit committee meetings were held during the year ended 31st March 2010 and the attendance of each committee member is set out as follows:

Members	Attendance Record
Mr LAU Wang Yip, Derrick	2/2
Mr WONG Po Yan	2/2
The Hon LI Wah Ming, Fred	2/2

Corporate Governance Report

DIRECTORS' AND AUDITOR'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The directors acknowledge their responsibility for the preparation of the financial statements of the Group. In preparing the financial statements, the Hong Kong Financial Reporting Standards have been adopted, appropriate accounting policies have been used and applied consistently, and reasonable and prudent judgements and estimates have been made. The Board is not aware of any material uncertainties relating to events or conditions which may cast significant doubt over the Group's ability to continue as a going concern. Accordingly, the Board has continued to adopt the going concern basis in preparing the financial statements.

The auditor's responsibilities are set out in the Independent Auditor's Report.

AUDITOR'S REMUNERATION

For the year ended 31st March 2010, the remuneration paid to the Company's auditor, Messrs. PricewaterhouseCoopers, was as follows:

Services rendered	Fees paid/payable HK\$'000
Audit-related services	2,380
Non audit-related services	
Tax compliance services	845

CONCLUSION

The Board believes that good corporate governance can safeguard the effective allocation of resources and protect shareholders' interest. The management will try to maintain, strengthen and improve the standard and quality of the Group's corporate governance.

Report of the Directors

The directors submit their report together with the audited financial statements for the year ended 31st March 2010.

PRINCIPAL ACTIVITIES AND SEGMENT ANALYSES

The principal activity of the Company is investment holding. The activities of the subsidiaries are set out in Note 34 to the consolidated financial statements.

Analyses of the Group's performance for the year by product and geographical area are set out in Note 5 to the consolidated financial statements.

RESULTS AND APPROPRIATIONS

The results of the Group for the year are set out in the consolidated income statement on page 23.

The directors have declared an interim dividend of HK9 cents per ordinary share, totalling HK\$50,100,000.

The directors recommended the payment of a final dividend of HK14 cents per ordinary share and a special dividend of HK6 cents per ordinary share, totalling HK\$111,333,000.

LIQUIDITY AND FINANCIAL RESOURCES

Total equity and total equity per share as at 31st March 2010 were approximately HK\$1,760 million (2009: HK\$1,602 million) and HK\$3.16 (2009: HK\$2.88) respectively.

The Group maintains a strong financial position. As at 31st March 2010, we had cash and deposits of HK\$1,040 million. After deducting interest-bearing debts of HK\$122 million, we had net cash of HK\$918 million. Our inventory as at 31st March 2010 was HK\$473 million (2009: HK\$704 million) as a result of tight inventory control.

The trade receivables balance as at 31st March 2010 was approximately HK\$521 million (2009: HK\$584 million). We have been adopting a prudent credit policy, with credit terms granted based generally on the financial strengths of individual customer.

As at 31st March 2010, we had banking facilities of approximately HK\$1,716 million, of which approximately HK\$122 million were utilised. Among the used facilities, approximately HK\$76 million are repayable in the first year and approximately HK\$46 million are repayable in the second to fifth years.

Capital expenditure on fixed assets during the year was approximately HK\$34 million (2009: HK\$66 million), mainly for purchase of moulds, plant and equipments. All expenditures were financed with internal resources. As at 31st March 2010, we had capital commitments contracted but not provided for in respect of moulds, plant and machinery amounting to approximately HK\$914,000 (2009: HK\$1,413,000).

We have limited exposure to trade-related foreign exchange risk as nearly all of our sales, purchases and borrowings are denominated in United States dollar and Hong Kong dollar. Moreover, adhering to the policy of not engaging in speculative activities, we did not make any gain or loss from such activities during the reporting period.

Report of the Directors

EMPLOYEES

As at 31st March 2010, the Group had approximately 7,900 employees in Hong Kong and the PRC. Remuneration packages are generally structured by reference to market terms and individual qualifications. Salaries and wages are normally reviewed on an annual basis based on performance appraisals and other relevant factors. We also provide other benefits including medical insurance, provident fund and education subsidies to all eligible staff.

MAJOR SUPPLIERS AND CUSTOMERS

The purchases and sales attributable to the Group's major suppliers and customers expressed as a percentage of total purchases and sales of the Group for the year ended 31st March 2010 are as follows:

Purchases	
– the largest supplier	7%
– five largest suppliers combined	22%
Sales	
– the largest customer	25%
– five largest customers combined	73%

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

RESERVES

Movements in the reserves of the Group and of the Company during the year are set out in Note 28 to the consolidated financial statements.

DONATIONS

Charitable and other donation made by the Group during the year amounted to HK\$77,000.

PROPERTY, PLANT AND EQUIPMENT

Details of the movements in property, plant and equipment of the Group are set out in Note 14 to the consolidated financial statements.

PRINCIPAL PROPERTIES

Details of the principal properties held for investment purposes are set out on page 81.

Report of the Directors

SHARE CAPITAL

Details of the movements in the share capital of the Company are set out in Note 27 to the consolidated financial statements.

DISTRIBUTABLE RESERVES

Distributable reserves of the Company at 31st March 2010 amounted to approximately HK\$46,475,000 (2009: HK\$46,424,000), comprising retained profits and contributed surplus.

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 82.

PURCHASE, SALE OR REDEMPTION OF SECURITIES

Neither the Company nor its subsidiary companies has purchased or sold any of the Company's shares during the year ended 31st March 2010 and the Company has not redeemed any of its shares during the same financial year.

BANK BORROWINGS

An analysis of the Group's bank borrowings at 31st March 2010 is set out below:

	Bank borrowings	
	2010	2009
	HK\$'000	HK\$'000
Within one year	76,400	74,808
In the second year	39,400	74,855
In the third to fifth year	6,600	232,906
	122,400	382,569

PRINCIPAL SUBSIDIARIES

Details of the Company's principal subsidiaries at 31st March 2010 are set out in Note 34 to the consolidated financial statements.

Report of the Directors

RETIREMENT BENEFIT SCHEMES

Details of the Group's retirement benefit schemes are set out in Note 8 to the consolidated financial statements.

DIRECTORS

The directors during the year were:

Mr LEUNG Kai Ching, Kimen

Mr LEUNG Wai Sing, Wilson

Mr KUOK Kun Man, Andrew

Mr WONG Po Yan, G.B.M., J.P.¹

The Hon LI Wah Ming, Fred, S.B.S., J.P.¹

Mr LAU Wang Yip, Derrick¹

¹ Independent non-executive directors

In accordance with clause 87(1) of the Company's Bye-laws, The Hon LI Wah Ming, Fred and Mr LAU Wang Yip, Derrick will retire at the forthcoming annual general meeting and, being eligible, will offer themselves for re-election.

DIRECTORS' SERVICE CONTRACTS

On 1st April 2010, each of the executive directors entered into a service contract with the Company for a term of 3 years and shall continue until terminated by either party giving to the other not less than 6 months notice in writing.

The independent non-executive directors do not have any service contracts with the Company or its subsidiaries.

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

Brief biographical details of directors and senior management are set out on pages 8 and 9.

DIRECTORS' INTERESTS IN CONTRACTS

No contracts of significance in relation to the Group's business to which the Company, or any of its subsidiaries 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.

DIRECTORS' INTEREST IN COMPETING BUSINESS

None of the directors of the Company has an interest in a business which competes or may compete with the business of the Group.

Report of the Directors

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY ASSOCIATED CORPORATION

(a) Long positions in ordinary shares of HK\$0.10 each of the Company

As at 31st March 2010, the interests and short positions of each director and chief executives in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of the Securities and Futures Ordinance ("SFO")), as recorded in the register required to be kept by the Company under Section 352 of Part XV of the SFO or otherwise notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") were as follows:

	Number of shares held			Percentage of the issued share capital of the Company
	Personal interest	Corporate interest	Total	
Mr LEUNG Kai Ching, Kimen	18,200,000	225,911,400 (note i)	244,111,400	43.85%
Mr LEUNG Wai Sing, Wilson	44,640,000	—	44,640,000	8.02%
Mr KUOK Kun Man, Andrew	1,202,000	—	1,202,000	0.22%
The Hon LI Wah Ming, Fred	10,000	—	10,000	0.00%

Notes:

- (i) These shares were owned by Shundean Investments Limited, a company incorporated in the British Virgin Islands with limited liability, of which Mr LEUNG Kai Ching, Kimen is the sole shareholder.

(b) Long positions in underlying shares of the Company

Other than as disclosed under the heading "Share Option Scheme", at no time during the year was the Company or any of its subsidiaries a party to any arrangements to enable the directors or the chief executives or their spouses or children under 18 years of age to acquire benefits by means of acquisition of shares in, or debentures of, the Company or any other body corporate.

Report of the Directors

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY ASSOCIATED CORPORATION *(continued)*

(b) Long positions in underlying shares of the Company *(continued)*

Save as disclosed above, as at 31st March 2010, other than one ordinary share each in the Hong Kong incorporated subsidiaries of the Company held in trust for the Group by Mr LEUNG Kai Ching, Kimen, none of the directors and chief executives of the Company had any interests or short positions in the shares, underlying shares or debentures of the Company and its associated corporations required to be disclosed pursuant to the SFO or otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN THE SHARES AND UNDERLYING SHARES OF THE COMPANY

The register of substantial shareholders required to be kept under section 336 of Part XV of the SFO shows that as at 31st March 2010, the Company had been notified of the following substantial shareholders' interests and short positions, being 5% or more of the Company's issued share capital.

Name	Capacity in which shares were held	Long position	Percentage of the issued share capital of the Company
Shundean Investments Limited	Beneficial owner	225,911,400 (note i)	40.58%
Leung Wai Lap, David	Beneficial owner	34,078,190	6.12%
DJE Investment S.A.	Investment manager	33,402,000 (note ii)	6.00%
DJE Kapital AG	Investment manager	33,402,000 (note ii)	6.00%
Dr. Jens Alfred Karl Ehrhardt	Investment manager	33,402,000 (note ii)	6.00%
Webb David Michael	Beneficial owner	27,971,400	5.02%

Report of the Directors

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN THE SHARES AND UNDERLYING SHARES OF THE COMPANY *(continued)*

Notes:

- (i) These shares were owned by Shundean Investments Limited, a company incorporated in the British Virgin Islands with limited liability, of which Mr LEUNG Kai Ching, Kimen is the sole shareholder.
- (ii) These shares were held by DJE Investment S.A. which is controlled by DJE Kapital AG, which in turn is controlled by Dr. Jens Alfred Karl Ehrhardt.

Save as disclosed above, as at 31st March 2010, according to the register of interests required to be kept by the Company under Section 336 of Part XV of the SFO, there was no person, other than the directors of the Company, whose interests are set out in the section headed "Directors' and chief executives' interests and short positions in the shares, underlying shares and debentures of the Company or any associated corporation" above, who had any interest or short position in the shares or underlying shares of the Company.

SHARE OPTION SCHEME

On the special general meeting which was held on 21st August 2003, shareholders of the Company approved the termination of the share option scheme adopted by the Company on 6th November 1992 which expired on 5th November 2002 and approved the adoption of a new share option scheme (the "Scheme"). The Scheme is valid and effective for a period of ten years from the date of adoption.

Pursuant to the Scheme, the Company may grant options to directors and employees of the Company or any of its subsidiaries, for the purpose of providing incentives, to subscribe for shares in the Company.

The maximum number of shares which may be issued upon exercise all options granted and yet to be exercised under all share option schemes shall not exceed 30% of the issued shares of the Company from time to time.

The number of shares which may be issued upon exercise of all options to be granted under the Scheme shall not exceed 10% of the issued shares of the Company on the date of adoption.

The total number of options granted to an individual grantee in any 12-month period must not exceed 1% of the issued shares of the Company.

The period within which the shares must be taken up under an option is any period as determined by the Board, which shall not be more than 10 years from date of grant or the expiry date of the Scheme, whichever is earlier.

The subscription price of the share options shall not be less than the higher of (i) the closing price of the shares on The Stock Exchange on the date of grant; (ii) the average closing price of the shares on The Stock Exchange for the five trading days immediately preceding the date of grant; and (iii) the nominal value of a share.

An option grantee shall pay HK\$1 to the Company for the acceptance of an option.

40,540,000 share options have been granted by the Company after the reporting date. Details of which are set out in Note 35 to the consolidated financial statements.

Report of the Directors

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.

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Company's Bye-laws although there are no restrictions against such rights under the laws in Bermuda.

CORPORATE GOVERNANCE

The Company is maintaining high standards of corporate governance. Details of the corporate governance practices adopted by the Company are set out in Corporate Governance Report on pages 10 to 12.

AUDIT COMMITTEE

The audit committee has reviewed with management the accounting principles and practices adopted by the Group and discussed internal control and financial reporting matters including the review of the financial statements of the Group for the year ended 31st March 2010.

The audit committee currently comprises three independent non-executive directors of the Company, namely Mr WONG Po Yan, *G.B.M., J.P.*, The Hon LI Wah Ming, Fred, *S.B.S., J.P.* and Mr LAU Wang Yip, Derrick.

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to and within the knowledge of the directors, it is confirmed that there is sufficient public float of more than 25% of the Company's issued shares at all times during the year ended 31st March 2010 and up to the date of this report.

AUDITOR

The financial statements have been audited by PricewaterhouseCoopers who will retire and, being eligible, offer themselves for re-appointment at the forthcoming Annual General Meeting of the Company.

On behalf of the Board

LEUNG Kai Ching, Kimen
Chairman

Hong Kong, 15th July 2010

Independent Auditor's Report



羅兵咸永道會計師事務所

PricewaterhouseCoopers
22/F, Prince's Building
Central, Hong Kong

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF ALCO HOLDINGS LIMITED *(incorporated in Bermuda with limited liability)*

We have audited the consolidated financial statements of Alco Holdings Limited (the "Company") and its subsidiaries (together, the "Group") set out on pages 23 to 80, which comprise the consolidated and company balance sheets as at 31st March 2010, and the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows 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 consolidated financial statements in accordance with Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants, and the disclosure requirements of the Hong Kong Companies Ordinance. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and the true and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these consolidated financial statements based on our audit and to report our opinion solely to you, as a body, in accordance with Section 90 of the Companies Act 1981 of Bermuda 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.

Independent Auditor's Report

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's 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 auditor considers 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.

OPINION

In our opinion, the consolidated financial statements give a true and fair view of the state of affairs of the Company and of the Group as at 31st March 2010 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.

PricewaterhouseCoopers
Certified Public Accountants

Hong Kong, 16th July 2010

Consolidated Income Statement

For the year ended 31st March 2010

	Note	2010 HK\$'000	2009 HK\$'000
Revenue	5	4,003,213	5,993,075
Cost of goods sold	7	(3,447,672)	(5,321,070)
Gross profit		555,541	672,005
Other income	6	14,451	2,394
Selling expenses	7	(216,833)	(303,236)
Administrative expenses	7	(93,428)	(100,132)
Other operating expenses	7	(4,718)	(12,869)
Exchange gain/(loss) on loans and receivables	18	14,397	(25,957)
Operating profit		269,410	232,205
Finance income	9	5,989	8,130
Finance costs	9	(1,381)	(23,839)
Profit before income tax		274,018	216,496
Income tax expense	10	(25,725)	(26,311)
Profit for the year attributable to equity holders of the Company		248,293	190,185
Earnings per share attributable to equity holders of the Company			
– basic	12	HK44.6 cents	HK34.1 cents
– diluted	12	HK44.6 cents	HK34.1 cents
Dividends	13	161,433	128,033

The notes on pages 29 to 80 are an integral part of these consolidated financial statements.

Consolidated Statement of Comprehensive Income

For the year ended 31st March 2010

	2010 HK\$'000	2009 HK\$'000
Profit for the year	248,293	190,185
Other comprehensive income/(expenses), net of tax		
Fair value gain/(loss) on available-for-sale financial assets	40,485	(38,935)
Currency translation differences	(2,828)	3,144
Total comprehensive income for the year attributable to equity holders of the Company	285,950	154,394

The notes on pages 29 to 80 are an integral part of these consolidated financial statements.

Consolidated Balance Sheet

As at 31st March 2010

	Note	2010 HK\$'000	2009 HK\$'000
Non-current assets			
Property, plant and equipment	14	278,749	332,065
Investment properties	15	75,020	65,970
Leasehold land and land use rights	16	58,191	58,648
Intangible assets	17	76,827	81,658
Deferred income tax assets	29	7,072	–
Loans and receivables	18	78,501	64,104
Available-for-sale financial assets	19	136,641	96,156
		711,001	698,601
Current assets			
Inventories	22	472,688	703,846
Trade and other receivables	23	535,383	608,697
Cash and cash equivalents	24	1,039,830	872,307
		2,047,901	2,184,850
Current liabilities			
Trade and other payables	25	819,062	831,317
Current income tax liabilities		57,891	38,439
Borrowings	26	76,400	74,808
		953,353	944,564
Net current assets		1,094,548	1,240,286
Total assets less current liabilities		1,805,549	1,938,887
Capital and reserves attributable to equity holders of the Company			
Share capital	27	55,666	55,666
Reserves	28	1,703,883	1,545,966
Total equity		1,759,549	1,601,632
Non-current liabilities			
Borrowings	26	46,000	307,761
Deferred income tax liabilities	29	–	29,494
		46,000	337,255
Total equity and non-current liabilities		1,805,549	1,938,887

On behalf of the Board

LEUNG Kai Ching, Kimen
Director

LEUNG Wai Sing, Wilson
Director

The notes on pages 29 to 80 are an integral part of these consolidated financial statements.

Balance Sheet

As at 31st March 2010

	Note	2010 HK\$'000	2009 HK\$'000
Non-current assets			
Investments in subsidiaries	20	348,177	348,105
Current assets			
Other receivables	23	105	105
Cash and cash equivalents	24	89	107
		194	212
Current liabilities			
Other payables	25	278	276
Tax payable		1	–
		279	276
Net current liabilities		(85)	(64)
Total assets less current liabilities		348,092	348,041
Capital and reserves attributable to equity holders of the Company			
Share capital	27	55,666	55,666
Reserves	28	292,426	292,375
Total equity		348,092	348,041

On behalf of the Board

LEUNG Kai Ching, Kimen
Director

LEUNG Wai Sing, Wilson
Director

The notes on pages 29 to 80 are an integral part of these financial statements.

Consolidated Statement of Changes in Equity

For the year ended 31st March 2010

	Attributable to equity holders of the Company			
	Share capital HK\$'000	Other reserves HK\$'000	Retained earnings HK\$'000	Total HK\$'000
Balance at 1st April 2008	55,867	245,235	1,275,950	1,577,052
Comprehensive income				
Profit for the year	–	–	190,185	190,185
Other comprehensive income/(expense)				
Fair value loss on available-for-sale financial assets	–	(38,935)	–	(38,935)
Currency translation differences	–	3,144	–	3,144
Total comprehensive (expense)/income	–	(35,791)	190,185	154,394
Transactions with owners				
Repurchase of own shares	(201)	(1,099)	(201)	(1,501)
2009 interim dividend	–	–	(50,100)	(50,100)
2008 final dividend	–	–	(78,213)	(78,213)
Total transactions with owners	(201)	(1,099)	(128,514)	(129,814)
Balance at 31st March 2009	55,666	208,345	1,337,621	1,601,632
Balance at 1st April 2009	55,666	208,345	1,337,621	1,601,632
Comprehensive income				
Profit for the year	–	–	248,293	248,293
Other comprehensive income/(expense)				
Fair value gain on available-for-sale financial assets	–	40,485	–	40,485
Currency translation differences	–	(2,828)	–	(2,828)
Total comprehensive income	–	37,657	248,293	285,950
Transactions with owners				
2010 interim dividend	–	–	(50,100)	(50,100)
2009 final dividend	–	–	(77,933)	(77,933)
Total transactions with owners	–	–	(128,033)	(128,033)
Balance at 31st March 2010	55,666	246,002	1,457,881	1,759,549

The notes on pages 29 to 80 are an integral part of these consolidated financial statements.

Consolidated Statement of Cash Flows

For the year ended 31st March 2010

	Note	2010 HK\$'000	2009 HK\$'000
Cash flows from operating activities			
Cash generated from operations	30	641,240	572,763
Interest received		5,989	8,130
Interest paid		(1,381)	(23,839)
Profits tax (paid)/refund		(42,839)	418
Net cash generated from operating activities		603,009	557,472
Cash flows from investing activities			
Purchase of property, plant and equipment		(34,266)	(65,598)
Proceeds from sale of property, plant and equipment		1,887	3,069
Deferred development costs paid		(11,515)	(14,036)
Purchase of available-for-sale financial assets		–	(120,791)
Purchase of loans and receivables		–	(80,528)
Proceeds from matured held-to-maturity financial assets		–	46,800
Net cash used in investing activities		(43,894)	(231,084)
Cash flows from financing activities			
Repurchase of own shares		–	(1,501)
Proceeds from borrowings		12,000	380,000
Repayments of borrowings		(272,169)	(63,138)
Dividends paid to the Company's shareholders		(128,033)	(128,313)
Net cash (used in)/generated from financing activities		(388,202)	187,048
Net increase in cash and cash equivalents		170,913	513,436
Cash and cash equivalents at beginning of the year		872,307	358,669
Effect of foreign exchange rate change		(3,390)	202
Cash and cash equivalents at end of the year	24	1,039,830	872,307

The notes on pages 29 to 80 are an integral part of these consolidated financial statements.

Notes to the Consolidated Financial Statements

31st March 2010

1 GENERAL INFORMATION

Alco Holdings Limited (the “Company”) and its subsidiaries (together, the “Group”) are engaged in designing, manufacturing and selling consumer electronic products and plastic products.

The Company is a limited liability company incorporated in Bermuda. The address of its registered office is Clarendon House, 2 Church Street, Hamilton HM11, Bermuda. The Company is listed on the Main Board of The Stock Exchange of Hong Kong Limited.

These consolidated financial statements are presented in thousands of units of Hong Kong dollars (HK\$'000), unless otherwise stated. These consolidated financial statements have been approved for issue by the Board of Directors on 16th July 2010.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of preparation

The consolidated financial statements of the Company have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRS”) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) and the disclosure requirements of Appendix 16 to the Rules Governing the Listing Securities on The Stock Exchange of Hong Kong Limited and the Hong Kong Companies Ordinance. The consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of investment properties and available-for-sale financial assets, which are carried at fair value.

The preparation of consolidated financial statements in conformity with HKFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements, are disclosed in Note 4.

New and Amended Standards adopted by the Group

The following new/revised standards and amendments to standards are mandatory, relevant to and have been adopted by the Group for the financial year beginning 1st April 2009, but had no significant impact on the Group’s financial statements:

Notes to the Consolidated Financial Statements

31st March 2010

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

2.1 Basis of preparation *(continued)*

HKAS 1 (Revised) – Presentation of financial statements

The revised standard requires ‘non-owner changes in equity’ to be presented separately from owner changes in equity in a statement of comprehensive income. As a result the Group presents in the consolidated statement of changes in equity all owner changes in equity, whereas all non-owner changes in equity are presented in the consolidated statement of comprehensive income. Comparative information has been re-presented so that it is also in conformity with the revised standard. Since the change in accounting policy only impacts presentation aspects, there is no impact on total equity and earnings per share.

HKFRS 7 – Financial instruments: disclosures (Amendment)

The amendment requires enhanced disclosures about fair value measurement and liquidity risk. In particular, the amendment requires disclosure of fair value measurements by level of a fair value measurement hierarchy. As the change in accounting policy only results in additional disclosures, there is no impact on total equity and earnings per share.

HKFRS 8 – Operating segments

HKFRS 8 replaces HKAS 14, ‘Segment Reporting’, and it requires a ‘management approach’ under which segment information is presented on the same basis as that used for internal reporting purposes. There has been no change in the number of reportable segments presented. In addition, the segments are reported in a manner that is consistent with the internal reporting provided to chief operating decision maker.

Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Group

The following new/revised standards, amendments and interpretations to existing standards have been published but are not yet effective for the financial year ended 31st March 2010 and have not been early adopted by the Group:

Notes to the Consolidated Financial Statements

31st March 2010

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

2.1 Basis of preparation *(continued)*

		Effective for annual periods beginning or after
• HKFRS 1 (Revised)	First-time Adoption of HKFRS	1st July 2009
• HKFRS 3 (Revised)	Business Combinations	1st July 2009
• HKFRS 9	Financial Instruments	1st January 2013
• HKAS 24 (Revised)	Related Party Disclosures	1st January 2011
• HKAS 27 (Revised)	Consolidated and Separate Financial Statements	1st July 2009
• Amendment to HKAS 32	Classification of Rights Issues	1st February 2010
• Amendment to HKAS 39	Financial Instruments: Recognition and Measurement – Eligible Hedged Items	1st July 2009
• Amendment to HK(IFRIC)-Int 14	Prepayments of a Minimum Funding Requirement	1st January 2011
• HK(IFRIC)-Int 17	Distributions of Non-cash Assets to Owners	1st July 2009
• HK(IFRIC)-Int 18	Transfers of Assets from Customers	1st July 2009
• HK(IFRIC)-Int 19	Extinguishing Financial Liabilities with Equity Instruments	1st July 2010
• Amendment to HKFRS 1	Additional Exemptions for First-time Adopters	1st January 2010
• Amendment to HKFRS 2	Group Cash-settled Share-based Payment Transactions	1st January 2010
• Certain improvements to HKFRS published by HKICPA in May 2009 and May 2010		

The Group has already commenced an assessment of the impact of the above new/revised standards, amendments and interpretations to existing standards but is not yet in a position to state whether these new/revised standards, amendments and interpretations to existing standards would have a significant impact to its results of operations and financial position.

Notes to the Consolidated Financial Statements

31st March 2010

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

2.2 Consolidation

The consolidated financial statements include the financial statements of the Company and all of its subsidiaries made up to 31st March.

Subsidiaries are all entities (including special purpose entities) over which the Group has the power to govern the financial and operating policies generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

The purchase method of accounting is used to account for the acquisition of subsidiaries by the Group. The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of any minority interest. The excess of the cost of acquisition over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill. If the cost of acquisition is less than the fair value of the net assets of the subsidiary acquired, the difference is recognised directly in the consolidated income statement.

Inter-company transactions, balances and unrealised gains on transaction between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary for the purpose of the consolidated financial statements to ensure consistency with the policies adopted by the Group.

In the Company's balance sheet the investments in subsidiaries are stated at cost less provision for impairment losses (Note 2.9). The results of subsidiaries are accounted for by the Company on the basis of dividend received and receivable.

2.3 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the management committee that makes strategic decisions.

Notes to the Consolidated Financial Statements

31st March 2010

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

2.4 Foreign currency translation

(a) Functional and presentation currency

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 Hong Kong dollars, which is the Company's functional and the Group's presentation currency.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are remeasured. 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 consolidated income statement.

Translation differences on non-monetary financial assets such as equities classified as available-for-sale are included in other reserves in equity.

Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the foreign exchange rates ruling at the transaction dates. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated using the foreign exchange rates ruling at the dates the fair value was determined.

(c) Group companies

The results and financial position of all the Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- (i) assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;
- (ii) income and expenses for each income statement are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and
- (iii) all resulting exchange differences are recognised as a separate component of equity.

Notes to the Consolidated Financial Statements

31st March 2010

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

2.4 Foreign currency translation *(continued)*

(c) Group companies (continued)

On consolidation, exchange differences arising from the translation of the net investment in foreign operations are taken to shareholders' equity. When a foreign operation is partially disposed of or sold, exchange differences that were recorded in equity are recognised in the consolidated income statement as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate.

2.5 Leasehold land and land use rights

Leasehold land and land use rights are stated at cost less accumulated amortisation and accumulated impairment losses. Cost mainly represents consideration paid for the rights to use the land from the date the respective rights were granted. Amortisation of leasehold land and land use rights is calculated on a straight-line basis over the period of the rights.

2.6 Property, plant and equipment

Property, plant and equipment are stated at historical cost less depreciation and impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in an 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. The carrying amount of the replaced part is derecognised. All other repairs and maintenance costs are charged in the consolidated income statement during the financial period in which they are incurred.

Depreciation on buildings and moulds is calculated using the straight-line method to allocate their costs over their estimated useful lives of 40 years and 4 years respectively. Other property, plant and equipment are depreciated at rates sufficient to write off their cost less accumulated impairment losses over their estimated useful lives on a reducing balance basis. The principal depreciation rates are as follows:

Leasehold improvements	20%
Furniture, fixtures and equipment	20%
Plant and machinery	14.5% to 20%
Motor vehicles	20%

Notes to the Consolidated Financial Statements

31st March 2010

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

2.6 Property, plant and equipment *(continued)*

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (Note 2.9).

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within "other operating expenses" in the consolidated income statement.

2.7 Investment properties

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the companies in the Group, is classified as investment property.

Investment property comprises leasehold land and buildings.

Investment property is carried at fair value. The valuations are performed by independent valuers based on an open market value basis related to individual property in accordance with the guidance issued by the International Valuation Standards Committee.

Changes in fair values are recognised in the income statement as part of "other income".

2.8 Intangible assets

(a) Acquired licence right

An acquired licence right is carried at cost less accumulated amortisation. The economic useful life of an acquired licence right is estimated at the time of purchase (Note 4(b)). Amortisation is calculated using the straight-line method to allocate the cost of the acquired licence over its estimated useful life of 10 years.

Licence right is tested for impairment annually, in accordance with HKAS 36.

Notes to the Consolidated Financial Statements

31st March 2010

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

2.8 Intangible assets *(continued)*

(b) Deferred development costs

Research expenditure is recognised as an expense as incurred. Costs incurred on development projects (directly attributable to the design and testing of new or improved products) are recognised as intangible assets when the following criteria are fulfilled:

- (i) it is technically feasible to complete the developing/developed product so that it will be available for use or sale;
- (ii) management intends to complete the developing/developed product and use or sell it;
- (iii) there is an ability to use or sell the developing/developed product;
- (iv) it can be demonstrated how the developing/developed product will generate probable future economic benefits;
- (v) adequate technical, financial and other resources to complete the development and to use or sell the developing/developed product are available; and
- (vi) the expenditure attributable to the developing/developed product during its development can be reliably measured.

Other development expenditures that do not meet these criteria are recognised as expenses as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period. Capitalised development costs are recorded as intangible assets and amortised over a period of 30 months to reflect the pattern in which the relevant economic benefits are recognised.

Development assets are tested for impairment annually, in accordance with HKAS 36.

Notes to the Consolidated Financial Statements

31st March 2010

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

2.9 Impairment of investments in subsidiaries and other non-financial assets

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Other assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

2.10 Financial assets

2.10.1 Classification

The Group classifies its financial assets in the following categories: loans and receivables and available-for-sale. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

(a) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for those with maturities greater than 12 months after the end of the reporting period. These are classified as non-current assets. The Group's loans and receivables comprise 'loans and receivables', 'trade and other receivables' and 'cash and cash equivalents' in the balance sheet (Notes 2.12 and 2.13).

(b) Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless the investment matures or management intends to dispose of the investment within 12 months from the end of the reporting period.

Notes to the Consolidated Financial Statements

31st March 2010

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

2.10 Financial assets *(continued)*

2.10.2 Recognition and measurement

Regular purchases and sales of financial assets are recognised on the trade-date – the date on which the Group commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership. Available-for-sale financial assets are subsequently carried at fair value. Loans and receivables are subsequently carried at amortised cost using the effective interest method.

Changes in the fair value of monetary and non-monetary securities classified as available-for-sale are recognised in other comprehensive income.

The Group assesses at the end of each reporting period whether there is objective evidence that a financial asset or a group of financial assets is impaired. In the case of equity investments classified as available-for-sale, a significant or prolonged decline in the fair value of a security below its cost is evidenced that the assets are impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss – measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in profit or loss – is removed from equity and recognised in the consolidated income statement. Impairment losses recognised in the consolidated income statement on equity instruments are not reversed through the consolidated income statement. Impairment testing of trade receivables is described in Note 2.12.

2.11 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the weighted average method. The cost of finished goods and work in progress comprises design costs, raw materials, direct labour, other direct costs and related production overheads (based on normal operating capacity). It excludes borrowing costs. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

Notes to the Consolidated Financial Statements

31st March 2010

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

2.12 Trade and other receivables

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

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 are considered indicators that the receivable is impaired. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. The carrying amount of the asset is reduced through the use of a provision account and the loss is recognised in the consolidated income statement within "other operating expenses". When a receivable is uncollectible, it is written off against the provision account for receivables. Subsequent recoveries of amounts previously written off are credited against "other operating expenses" in the consolidated income statement.

2.13 Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or less.

2.14 Share capital

Ordinary shares are classified as equity. Where any group company purchases the Company's equity share capital, the consideration paid, including any directly attributable incremental costs (net of income taxes), is deducted from equity attributable to the Company's equity holders until the shares are cancelled or reissued. Where such shares are subsequently reissued, any consideration received (net of any directly attributable incremental transaction costs and the related income tax effects) is included in equity attributable to the Company's equity holders.

2.15 Trade and other payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade payables are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Trade and other payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

Notes to the Consolidated Financial Statements

31st March 2010

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

2.16 Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the consolidated income statement over the period of the borrowings using the effective interest method.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

2.17 Current and deferred income tax

The tax expense for the year comprises current and deferred tax.

The current income tax charge is calculated on the basis of the tax laws enacted or substantially enacted at the balance sheet date in the countries where the Company and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is recognised, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, the deferred income tax is not accounted for if it 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 accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax is recognised/provided on temporary differences arising on investments in subsidiaries, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes assets and liabilities relate to income taxes levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

Notes to the Consolidated Financial Statements

31st March 2010

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

2.18 Employee benefits

(a) Employee leave entitlements

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the balance sheet date.

Employee entitlements to sick leave and maternity leave are not recognised until the time of leave.

(b) Pension obligations

The Group operates a number of defined contribution plans. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity which assumes the obligations to pay pensions to the employees. The Group has no legal or constructive obligations to pay further contributions if fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

The contributions are recognised as employee benefit expenses when they are due and are reduced by contributions forfeited by those employees who leave the scheme prior to vesting fully in the contributions.

(c) Termination benefits

Termination benefits are payable when employment is terminated by the Group before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises termination benefits when it is demonstrably committed to either: terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal; or providing termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits falling due more than 12 months after the end of the reporting period date are discounted to present value.

Notes to the Consolidated Financial Statements

31st March 2010

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

2.19 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

2.20 Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and services in the ordinary course of the Group's activities. Revenue is shown net of value-added tax, returns, rebates and discounts and after eliminating sales within the Group. The Group recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and when specific criteria have been met for each of the Group's activities as described below:

- (i) Sales of goods are recognised when a group entity has delivered products to the customer, the customer has accepted the products and collectibility of the related receivables is reasonably assured.
- (ii) Rental income is recognised on a straight-line basis over the periods of the respective leases.
- (iii) Interest income is recognised on a time-proportion basis using the effective interest method. When a receivable is impaired, the Group reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate of the instrument, and continues unwinding the discount as interest income.

Notes to the Consolidated Financial Statements

31st March 2010

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

2.21 Leases

Operating lease (as the lessee)

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the consolidated income statement on a straight-line basis over the period of the lease.

Operating lease (as the lessor)

Where the Company leases out assets under operating leases, the assets are included in the balance sheet according to their nature, as set out in Note 2.7. Revenue arising from operating leases is recognised in accordance with the Group's revenue recognition policies, as set out in Note 2.20(ii).

2.22 Dividend distribution

Dividend distribution to the Company's shareholders is recognised as a liability in the Group's and Company's financial statements in the period in which the dividends are approved by the Company's shareholders.

3 FINANCIAL RISK MANAGEMENT

The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, cash flow and fair value interest rate risk), credit risk and liquidity risk.

Risk management is carried out by the Group's treasury function. The Group adopts a conservative and balanced treasury policy which focuses on the financial risks factors as below and seeks to minimise potential adverse effects on the Group's financial performance.

3.1 Financial risk factors

(a) Market risk

(i) Foreign exchange risk

The Group's transactions are mainly denominated in Hong Kong dollar ("HKD"), US dollar ("USD") and Renminbi ("RMB"). The majority of assets and liabilities are denominated in HKD and USD, except for the loans and receivables are denominated in Korean Won ("KRW") as disclosed in note 18. There are no significant assets or liabilities denominated in other currencies.

Notes to the Consolidated Financial Statements

31st March 2010

3 FINANCIAL RISK MANAGEMENT *(continued)*

3.1 Financial risk factors *(continued)*

(a) Market risk *(continued)*

(i) Foreign exchange risk *(continued)*

In respect of foreign exchange risk with USD, since HKD is pegged to USD, the Group does not have significant currency risks and it is the Group's policy not to engage in speculative activities. The Group has not entered into any contracts to hedge its exposure for foreign exchange risk.

In respect of foreign exchange risk with RMB, at 31st March 2010, if RMB had strengthened/weakened by 10% against HKD with all other variables held constant, post-tax profit for the year would have been approximately HK\$1,702,000 lower/higher (2009: HK\$2,295,000), mainly as a result of the foreign exchange losses/gains on translation of RMB denominated cash and bank balances and other payables.

In respect of the loans and receivables denominated in KRW, at 31st March 2010, if KRW had strengthened/weakened by 10% against HKD with all other variables held constant, post-tax profit for the year would have been approximately HK\$7,850,000 higher/lower (2009: HK\$6,410,000).

(ii) Cash flow and fair value interest rate risk

As the Group has no significant interest-bearing assets, other than short-term bank deposits, 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 bank borrowings. The Group's bank borrowings are carried at floating rates which expose the Group to cash flow interest rate risk. The Group has not entered into any interest rate swaps to hedge its exposure to interest rate risk.

As at 31st March 2010, the Group's borrowings at variable rates were denominated in HKD.

At 31st March 2010, if interest rates on all borrowings had been 100 basis points higher/lower with all other variables held constant, post-tax profit for the year would have been HK\$1,224,000 lower/higher (2009: HK\$3,826,000), mainly as a result of higher/lower interest expense on floating rate borrowings.

Notes to the Consolidated Financial Statements

31st March 2010

3 FINANCIAL RISK MANAGEMENT *(continued)*

3.1 Financial risk factors *(continued)*

(a) Market risk *(continued)*

(ii) Cash flow and fair value interest rate risk *(continued)*

At 31st March 2010, if interest rates on all interest-bearing bank and cash deposits had been 10 basis points higher/lower with all other variables held constant, post-tax profit for the year would have been HK\$1,039,000 higher/lower (2009: HK\$872,000) due to interest income earned on market interest rate.

The total bank loans held by the Group as at 31st March 2010 were all with floating rates.

(b) Credit risk

Credit risk arises from cash and cash equivalents and short-term deposits with banks and financial institutions, loans and receivables, as well as credit exposures to customers, including outstanding receivables. Management has a credit policy in place and the exposures to these credit risks are monitored on an ongoing basis.

The Group's cash and short-term deposits are placed with reputable banks and financial institutions. For credit exposures from customers, management assesses the credit quality of each individual major customer, taking into account its financial position, past experience and other factors.

(c) Liquidity risk

Prudent liquidity risk management includes maintaining sufficient cash, the availability of funding from an adequate amount of committed credit facilities and the ability to close out market positions.

The Group maintains its liquidity mainly through funding generated from its daily operations and maintaining funding availability under committed credit facilities.

Banking facilities have been put in place for contingency purposes. As at 31st March 2010, the Group's total available banking facilities amounted to approximately HK\$1,716 million (2009: HK\$2,030 million).

Notes to the Consolidated Financial Statements

31st March 2010

3 FINANCIAL RISK MANAGEMENT (continued)

3.1 Financial risk factors (continued)

(c) Liquidity risk (continued)

The table below analyses the Group's and the Company's financial liabilities that will be settled into relevant maturity groupings based on the remaining period at the balance sheet to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

	Less than 1 year HK\$'000	Between 1 and 2 years HK\$'000	Between 2 and 5 years HK\$'000	Total HK\$'000	Carrying amount HK\$'000
Group					
At 31st March 2009					
Borrowings	75,408	76,039	233,920	385,367	382,569
Trade and other payables	831,317	–	–	831,317	831,317
At 31st March 2010					
Borrowings	76,897	39,936	6,972	123,805	122,400
Trade and other payables	819,062	–	–	819,062	819,062
Company					
At 31st March 2009					
Other payables	276	–	–	276	276
At 31st March 2010					
Other payables	278	–	–	278	278

Notes to the Consolidated Financial Statements

31st March 2010

3 FINANCIAL RISK MANAGEMENT (continued)

3.2 Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividend paid to shareholders, return capital to shareholders, raise or repay bank borrowings, issue new shares or sell assets to reduce debt.

The Group monitors capital on the basis of the gearing ratio. This ratio is calculated as total borrowings net of cash and cash equivalents divided by total equity as shown in the consolidated balance sheet.

The gearing ratios at 31st March 2010 and 2009 were as follows:

	2010 HK\$'000	2009 HK\$'000
Borrowings (Note 26)	122,400	382,569
Less: Cash and cash equivalents (Note 24)	(1,039,830)	(872,307)
Net surplus cash	(917,430)	(489,738)
Total equity	1,759,549	1,601,632
Gearing ratio	Not applicable	Not applicable

3.3 Fair value estimation

Effective from 1st April 2009, the Group adopted the amendment to HKFRS 7 for financial instruments that are measured in the balance sheet at fair value, this requires disclosure of fair value measurements by level of the following fair value measurement hierarchy:

- Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 – inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices);
- Level 3 – inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

Notes to the Consolidated Financial Statements

31st March 2010

3 FINANCIAL RISK MANAGEMENT (continued)

3.3 Fair value estimation (continued)

The following table presented the assets (liabilities: Nil) that were measured at fair value at 31st March 2010 of the Company:

	Level 1 HK\$'000	Level 2 HK\$'000	Level 3 HK\$'000	Total HK\$'000
Assets				
Available-for-sale financial assets				
– Equity securities	–	–	136,641	136,641

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. The Group engaged CB Richard Ellis, an independent valuer, to perform the valuation by the use of discounted cash flow model based on market conditions existed at the balance sheet date and business forecast provided by management. A discount rate of 14% was used in the valuation.

The carrying value less impairment provision of trade and other receivables and trade and other payables are a reasonable approximation of their fair values. The fair value of long-term financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Group for similar financial instruments.

If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

The following table presents the changes in level 3 instruments for the year ended 31st March 2010.

	Available- for-sale financial assets HK\$'000
Opening balance	96,156
Gain recognised in other reserves	40,485
Closing balance	136,641

Notes to the Consolidated Financial Statements

31st March 2010

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

(a) Estimate of fair value of investment properties

In arriving at the fair value of the properties, the independent valuers have to make assumptions and economic estimates. Should these assumptions and estimates change, or not be met, the valuation as adopted in the financial statements will be affected.

(b) Estimate of useful lives of property, plant and equipment and intangible assets

The Group has significant property, plant and equipment and intangible assets. The Group is required to estimate the useful lives of property, plant and equipment and intangible assets in order to ascertain the amount of depreciation and amortisation charges for each reporting period.

The useful lives are estimated at the time of purchase of these assets after considering future technology changes, business developments and the Group's strategies. The Group performs annual reviews to assess the appropriateness of the estimated useful lives. Such reviews take into account any unexpected adverse changes in circumstances or events, including declines in projected operating results, negative industry or economic trends and rapid advancement in technology. The Group extends or shortens the useful lives and/or makes impairment provisions according to the results of the reviews.

Notes to the Consolidated Financial Statements

31st March 2010

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS *(continued)*

(c) Impairment of non-financial assets

At each balance sheet date, the Group reviews internal and external sources of information to identify indications that the following assets may be impaired or an impairment loss previously recognised no longer exists or may have decreased:

- property, plant and equipment
- leasehold land and land use rights
- intangible assets
- investments in subsidiaries

If any such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognised in the consolidated income statement whenever the carrying amount of an asset exceeds its recoverable amounts. If an indication of impairment is identified, the Group is required to estimate the recoverable value, representing the greater of the asset's fair value less cost to sell or its value in use. Changes in any of these estimates could result in a material change to the asset carrying value in the financial statements.

(d) Fair value estimation of available-for-sale financial assets

The fair value of available-for-sale financial assets which are not traded in an active market is determined by using valuation techniques. In conjunction with external advisers, the Group uses its judgment to select an appropriate valuation method and makes assumptions that are mainly based on market conditions existing at the issue date and each subsequent balance sheet date. The valuation model requires the input of both observable and unobservable data. Changes in these unobservable and subjective input assumptions can materially affect the fair value estimate of available-for-sale financial assets.

(e) Recognition of deferred income tax assets

According to the accounting policy as stated in Note 2.17, a deferred income tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised, and it is measured at the tax rates that are expected to apply when the related deferred income tax asset is realised.

In determining the deferred income tax asset to be recognised, management is required to estimate the realisation of deferred tax assets. Any difference between these estimates and the actual outcome will impact the Group's result in the period in which the actual outcome is determined.

Notes to the Consolidated Financial Statements

31st March 2010

5 REVENUE AND SEGMENT INFORMATION

Revenues recognised during the year are as follows:

	Group	
	2010 HK\$'000	2009 HK\$'000
Revenue		
Consumer electronic products	3,998,776	5,983,815
Plastic products	4,437	9,260
	4,003,213	5,993,075

(a) Segment analysed by products

The senior management (being the chief operating decision-maker) has determined the operating segments based on the reports reviewed by the management committee.

The Group mainly operates in the People's Republic of China (the "PRC") and Hong Kong and is principally engaged in designing, manufacturing and selling consumer electronic products and plastic products.

Consumer electronic products – Design, manufacture and sale of consumer electronic products

Plastic products – Manufacture and sale of plastic and packaging products

The Group's inter-segment transactions mainly consist of sale of plastic products among subsidiaries. The transactions were entered into under normal commercial terms and conditions that would also be available to unrelated third parties.

Revenue is allocated geographically based on the places/countries in which the customers are located.

Management assesses the performance of the operating segments based on a measure of operating profit. Other information provided is measured in a manner consistent with that in the financial statements.

Segment assets consist primarily of property, plant and equipment, leasehold land and land use rights, intangible assets, deposits, loans and receivables, available-for-sale financial assets, inventories, receivables and operating cash and exclude items such as investment properties and deferred tax assets.

Notes to the Consolidated Financial Statements

31st March 2010

5 REVENUE AND SEGMENT INFORMATION (continued)

(a) Segment analysed by products (continued)

Segment liabilities comprise operating liabilities and exclude items such as taxation and certain corporate borrowings.

Capital expenditure comprises additions to property, plant and equipment, investment properties, leasehold land and land use rights and intangible assets.

	Group				Group			
	2010				2009			
	Consumer electronic products HK\$'000	Plastic products HK\$'000	Elimination HK\$'000	Group HK\$'000	Consumer electronic products HK\$'000	Plastic products HK\$'000	Elimination HK\$'000	Group HK\$'000
Segment revenue								
External sales	3,998,776	4,437	-	4,003,213	5,983,815	9,260	-	5,993,075
Inter-segment sales	-	119,488	(119,488)	-	-	161,735	(161,735)	-
	3,998,776	123,925	(119,488)	4,003,213	5,983,815	170,995	(161,735)	5,993,075
Segment results	270,052	(642)	-	269,410	234,274	(2,069)	-	232,205
Finance income				5,989				8,130
Finance costs				(1,381)				(23,839)
Profit for the year before income tax				274,018				216,496
Income tax expense				(25,725)				(26,311)
Profit attributable to equity holders of the Company				248,293				190,185
Segment assets	2,621,442	55,368		2,676,810	2,749,141	68,340		2,817,481
Unallocated corporate assets				82,092				65,970
Total assets				2,758,902				2,883,451
Segment liabilities	807,764	11,298		819,062	820,283	11,034		831,317
Unallocated corporate liabilities				180,291				450,502
Total liabilities				999,353				1,281,819
Capital expenditure	45,146	635		45,781	77,449	2,185		79,634

Notes to the Consolidated Financial Statements

31st March 2010

5 REVENUE AND SEGMENT INFORMATION (continued)

(b) Segment analysed by geographical areas

The segment revenue for the years ended 31st March 2010 and 2009 are as follows:

	Group	
	2010 HK\$'000	2009 HK\$'000
North America	2,782,269	4,645,446
Europe	661,599	831,360
Asia	403,890	371,906
Others	155,455	144,363
	4,003,213	5,993,075

The analysis of revenue by geographical areas is based on the destination to which the shipments are made.

Primarily all of its assets and capital expenditure for the years ended 31 March 2010 and 2009 were located or utilised in the PRC and Hong Kong.

Details of the customers accounting for 10% or more of total revenue are as follows:

	Group	
	2010 HK\$'000	2009 HK\$'000
Customer A	1,004,678	2,352,504
Customer B	955,965	970,262
Customer C	503,387	465,670

6 OTHER INCOME

	Group	
	2010 HK\$'000	2009 HK\$'000
Fair value gain/(loss) on investment properties (Note 15)	9,050	(4,522)
Rental income from investment properties	5,203	4,670
Sale of moulds	162	2,065
Others	36	181
	14,451	2,394

Notes to the Consolidated Financial Statements

31st March 2010

7 EXPENSES BY NATURE

Expenses included in cost of goods sold, selling expenses, administrative expenses and other operating expenses are analysed as follows:

	Group	
	2010	2009
	HK\$'000	HK\$'000
Cost of inventories	2,632,467	4,367,077
Depreciation of property, plant and equipment	76,983	73,640
Amortisation of leasehold land and land use rights	457	458
Amortisation of intangible assets	16,137	13,067
Auditor's remuneration	2,508	2,380
Write-off/impairment of property, plant and equipment	7,629	–
Write-off of intangible assets	209	3,174
Loss on disposal of property, plant and equipment	1,083	2,039
Operating lease rental in respect of land and buildings	32,591	33,538
Research and development costs	22,577	19,794
Employee benefit expenses (including directors' emoluments) (Note 8)	313,404	348,267

8 EMPLOYEE BENEFIT EXPENSES (INCLUDING DIRECTORS' EMOLUMENTS)

	Group	
	2010	2009
	HK\$'000	HK\$'000
Wages and salaries	296,106	324,521
Pension costs – defined contribution retirement schemes (Note (a))	3,286	4,851
Other staff benefits	12,646	16,371
Termination benefits	1,366	2,524
	313,404	348,267

Notes to the Consolidated Financial Statements

31st March 2010

8 EMPLOYEE BENEFIT EXPENSES (INCLUDING DIRECTORS' EMOLUMENTS) (continued)

Notes:

(a) Defined contribution retirement schemes

Before 1st December 2000, the Group operated a defined contribution retirement scheme (the "ORSO Scheme") in Hong Kong for all qualified employees. The rate of contribution payable by the Group was 5% of the individual employee's basic salaries.

With effect from 1st December 2000, the Mandatory Provident Fund Scheme (the "MPF Scheme") was set up under the MPF Scheme Ordinance for existing staff who opted for this scheme and eligible staff recruited on or after that date. The ORSO Scheme has remained in place with the introduction of the MPF Scheme. Under the MPF Scheme, eligible employees and the Group are each required to contribute 5% on the employees' monthly net salaries with a maximum of HK\$1,000 for employees' monthly contribution.

Contributions to the ORSO Scheme and MPF Scheme charged to the consolidated income statement for the year amounted to approximately HK\$3,286,000 (2009: HK\$4,851,000). Forfeited contributions in respect of the defined contribution retirement scheme of approximately HK\$28,000 (2009: HK\$11,000) were utilised during the year. Forfeiture contributions of approximately HK\$13,000 (2009: HK\$14,000) were available as at 31st March 2010 to reduce future contributions.

Contributions totalling approximately HK\$543,000 (2009: HK\$533,000) were payable to the ORSO Scheme and MPF Scheme at the year end and were included in other payables and accruals.

(b) Directors' emoluments

The remuneration of every director of the Company for the years ended 31st March 2010 and 2009 is set out below:

Name of Director	Fee HK\$'000	Salary HK\$'000	Discretionary bonuses HK\$'000	Employer's contribution to pension scheme HK\$'000	Total HK\$'000
For the year ended 31st March 2009					
Mr LEUNG Kai Ching, Kimen	–	4,389	4,800	188	9,377
Mr LEUNG Wai Sing, Wilson	–	4,389	5,120	188	9,697
Mr KUOK Kun Man, Andrew	–	1,847	2,880	79	4,806
Mr WONG Po Yan	120	–	–	–	120
The Hon LI Wah Ming, Fred	120	–	–	6	126
Mr LAU Wang Yip, Derrick	120	–	–	6	126

For the year ended 31st March 2010

Mr LEUNG Kai Ching, Kimen	–	4,389	4,279	188	8,856
Mr LEUNG Wai Sing, Wilson	–	4,389	4,564	188	9,141
Mr KUOK Kun Man, Andrew	–	1,847	2,567	79	4,493
Mr WONG Po Yan	120	–	–	–	120
The Hon LI Wah Ming, Fred	120	–	–	6	126
Mr LAU Wang Yip, Derrick	120	–	–	6	126

No directors waived any emoluments and no emoluments were paid to the directors as an inducement fee to join or as compensation for loss of office during the years ended 31st March 2010 and 2009.

Notes to the Consolidated Financial Statements

31st March 2010

8 EMPLOYEE BENEFIT EXPENSES (INCLUDING DIRECTORS' EMOLUMENTS) (continued)

Notes: (continued)

(c) Five highest paid individuals

The five individuals whose emoluments were the highest in the Group for the year include three (2009: three) directors whose emoluments are reflected in the analysis presented above. The emoluments payable to the remaining two (2009: two) individuals during the year are as follows:

	Group	
	2010	2009
	HK\$'000	HK\$'000
Basic salaries, housing allowances, other allowances and benefits in kind	3,123	3,123
Discretionary bonuses	9,739	8,000
Contributions to pension schemes	91	91
	12,953	11,214

The emoluments fell within the following bands:

	Number of individuals	
	2010	2009
Emolument bands		
HK\$3,000,001 – HK\$3,500,000	–	1
HK\$3,500,001 – HK\$4,000,000	1	–
HK\$7,500,001 – HK\$8,000,000	–	1
HK\$9,000,001 – HK\$9,500,000	1	–

(d) Key management compensation

	Group	
	2010	2009
	HK\$'000	HK\$'000
Basic salaries, housing allowances, other allowances and benefits in kind	13,748	13,748
Discretionary bonuses	21,149	20,800
Contributions to pension schemes	546	546
	35,443	35,094

Notes to the Consolidated Financial Statements

31st March 2010

9 FINANCE INCOME AND FINANCE COSTS

	Group	
	2010 HK\$'000	2009 HK\$'000
Finance income:		
– Bank interest income	3,852	5,892
– Loans and receivables	2,137	2,238
	5,989	8,130
Finance costs:		
– Interest expense on bank borrowings wholly repayable within five years	1,381	23,839

10 INCOME TAX EXPENSE

Hong Kong profits tax has been provided at the rate of 16.5% (2009: 16.5%) on the estimated assessable profit for the year. Taxation on overseas profits has been calculated on the estimated assessable profit for the year at the rates of taxation prevailing in the countries in which the Group operates.

	Group	
	2010 HK\$'000	2009 HK\$'000
Current income tax		
– Hong Kong profits tax	56,322	28,642
– Under provision in prior years	5,969	30
Deferred income tax (Note 29)	(36,566)	(2,361)
	25,725	26,311

The tax on the Group's profit before income tax differs from the theoretical amount that would arise using the tax rate of Hong Kong as follows:

	Group	
	2010 HK\$'000	2009 HK\$'000
Profit before income tax	274,018	216,496
Tax calculated at a tax rate of 16.5% (2009: 16.5%)	45,213	35,722
Effect of different tax rates in other countries	590	(339)
Income not subject to tax	(82,254)	(31,368)
Expenses not deductible for tax purposes	56,935	22,353
Under provision in prior years	5,969	289
Unrecognised tax losses	452	649
Utilisation of previously unrecognised tax losses	(1,180)	(995)
Tax charge	25,725	26,311

Notes to the Consolidated Financial Statements

31st March 2010

11 PROFIT FOR THE YEAR ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY

The profit for the year attributable to equity holders of the Company is dealt with in the financial statements of the Company to the extent of approximately HK\$128,084,000 (2009: HK\$128,362,000).

12 EARNINGS PER SHARE

Basic

Basic earnings per share is calculated by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the year.

	Group	
	2010	2009
Profit for the year attributable to equity holders of the Company (HK\$'000)	248,293	190,185
Weighted average number of ordinary shares in issue (thousands)	556,662	557,797
Basic earnings per share (HK cents)	44.6	34.1

Diluted

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares.

There were no dilutive potential ordinary shares during the years ended 31st March 2010 and 2009. Therefore, the diluted earnings per share are the same as basic earnings per share.

13 DIVIDENDS

	Company	
	2010 HK\$'000	2009 HK\$'000
Interim dividend, paid, of HK9 cents (2009: HK9 cents) per ordinary share	50,100	50,100
Final dividend, proposed, of HK14 cents (2009: HK14 cents) per ordinary share	77,933	77,933
Special dividend, proposed, of HK6 cents (2009: Nil) per ordinary share	33,400	—
	161,433	128,033

At a meeting held on 15th July 2010, the directors proposed a final dividend of HK14 cents per ordinary share and a special dividend of HK6 cents per ordinary share. This proposed dividend is not reflected as a dividend payable in these financial statements.

Notes to the Consolidated Financial Statements

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14 PROPERTY, PLANT AND EQUIPMENT

(a) Details of movements in property, plant and equipment of the Group are as follows:

	Group						
	Buildings	Moulds	Leasehold improvements	Furniture, fixtures and equipment	Plant and machinery	Motor vehicles	Total
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
At 1st April 2008							
Cost	29,700	347,971	98,073	279,549	592,617	19,412	1,367,322
Accumulated depreciation and impairment	(7,803)	(307,719)	(85,162)	(214,208)	(395,007)	(12,243)	(1,022,142)
Net book amount	21,897	40,252	12,911	65,341	197,610	7,169	345,180
Year ended 31st March 2009							
Opening net book amount	21,897	40,252	12,911	65,341	197,610	7,169	345,180
Additions	–	40,357	2,788	12,355	9,730	368	65,598
Disposals	–	–	(368)	(1,090)	(3,526)	(124)	(5,108)
Depreciation	(756)	(20,872)	(2,972)	(14,551)	(33,032)	(1,457)	(73,640)
Exchange differences	82	–	(29)	(23)	–	5	35
Closing net book amount	21,223	59,737	12,330	62,032	170,782	5,961	332,065
At 31st March 2009							
Cost	29,786	381,458	98,664	284,066	581,766	19,418	1,395,158
Accumulated depreciation and impairment	(8,563)	(321,721)	(86,334)	(222,034)	(410,984)	(13,457)	(1,063,093)
Net book amount	21,223	59,737	12,330	62,032	170,782	5,961	332,065
Year ended 31st March 2010							
Opening net book amount	21,223	59,737	12,330	62,032	170,782	5,961	332,065
Additions	–	26,250	1,648	3,031	1,007	2,330	34,266
Disposals	–	(64)	(379)	(1,369)	(948)	(210)	(2,970)
Depreciation	(755)	(26,839)	(7,992)	(12,576)	(27,539)	(1,282)	(76,983)
Write-off/impairment	–	(24)	–	(296)	(7,284)	(25)	(7,629)
Closing net book amount	20,468	59,060	5,607	50,822	136,018	6,774	278,749
At 31st March 2010							
Cost	29,787	387,265	87,797	258,637	561,628	19,161	1,344,275
Accumulated depreciation and impairment	(9,319)	(328,205)	(82,190)	(207,815)	(425,610)	(12,387)	(1,065,526)
Net book amount	20,468	59,060	5,607	50,822	136,018	6,774	278,749

Notes to the Consolidated Financial Statements

31st March 2010

14 PROPERTY, PLANT AND EQUIPMENT (continued)

(b) Depreciation expenses have been included in:

	Group	
	2010 HK\$'000	2009 HK\$'000
Cost of goods sold	73,672	70,094
Administrative expenses	3,311	3,546
	76,983	73,640

(c) The Group's interests in buildings at their net book values are analysed as follows:

	Group	
	2010 HK\$'000	2009 HK\$'000
In Hong Kong, held on:		
Leases of over 50 years	8,244	8,575
Leases of between 10 and 50 years	293	305
Outside Hong Kong, held on:		
Leases of between 10 and 50 years	11,931	12,343
	20,468	21,223

(d) As at 31st March 2010, no bank borrowing is secured on a building (2009: HK\$2,274,000) (Note 26).

15 INVESTMENT PROPERTIES

	Group	
	2010 HK\$'000	2009 HK\$'000
Beginning of the year	65,970	70,492
Fair value gain/(loss) (Note 6)	9,050	(4,522)
End of the year	75,020	65,970

The investment properties were revalued at 31st March 2010 by independent, professionally qualified valuers, LCH (Asia-Pacific) Surveyors Limited. Valuations were based on current prices in an active market for all properties.

Notes to the Consolidated Financial Statements

31st March 2010

15 INVESTMENT PROPERTIES *(continued)*

The Group's interests in investment properties at their net book values are analysed as follows:

	Group	
	2010 HK\$'000	2009 HK\$'000
In Hong Kong, held on:		
Leases of over 50 years	48,140	42,010
Leases of between 10 and 50 years	26,880	23,960
	75,020	65,970

16 LEASEHOLD LAND AND LAND USE RIGHTS

	Group	
	2010 HK\$'000	2009 HK\$'000
Opening net book amount	58,648	58,991
Amortisation	(457)	(458)
Exchange differences	–	115
Closing net book amount	58,191	58,648

Amortisation expenses of prepaid operating lease payment have been included in administrative expenses.

The Group's interests in leasehold land and land use rights represent prepaid operating lease payments and their net book values are analysed as follows:

	Group	
	2010 HK\$'000	2009 HK\$'000
In Hong Kong, held on:		
Leases of over 50 years	45,764	45,817
Leases of between 10 and 50 years	430	442
Outside Hong Kong, held on:		
Leases of between 10 and 50 years	11,997	12,389
	58,191	58,648

As at 31st March 2010, no bank borrowing is secured on leasehold land and land use rights (2009: bank borrowing was secured on leasehold land and land use rights for the carrying amount of approximately HK\$3,162,000) (Note 26).

Notes to the Consolidated Financial Statements

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17 INTANGIBLE ASSETS

	Group		
	Licence right	Deferred development costs	Total
	HK\$'000	HK\$'000	HK\$'000
At 1st April 2008			
Cost	78,000	66,697	144,697
Accumulated amortisation	(1,950)	(58,884)	(60,834)
Net book amount	76,050	7,813	83,863
For the year ended 31st March 2009			
At 1st April 2008	76,050	7,813	83,863
Additions	–	14,036	14,036
Write-off	–	(3,174)	(3,174)
Amortisation	(7,800)	(5,267)	(13,067)
At 31st March 2009	68,250	13,408	81,658
At 31st March 2009			
Cost	78,000	77,559	155,559
Accumulated amortisation	(9,750)	(64,151)	(73,901)
Net book amount	68,250	13,408	81,658
For the year ended 31st March 2010			
At 1st April 2009	68,250	13,408	81,658
Additions	–	11,515	11,515
Write-off	–	(209)	(209)
Amortisation	(7,800)	(8,337)	(16,137)
At 31st March 2010	60,450	16,377	76,827
At 31st March 2010			
Cost	78,000	88,865	166,865
Accumulated amortisation	(17,550)	(72,488)	(90,038)
Net book amount	60,450	16,377	76,827

Amortisation and write-off expenses of licence right and deferred development costs have been included in cost of goods sold.

Notes to the Consolidated Financial Statements

31st March 2010

18 LOANS AND RECEIVABLES

	Group	
	2010 HK\$'000	2009 HK\$'000
Carrying amount as at year end	78,501	64,104

The loans and receivables represent the Group's investment in the five-year interest-bearing corporate bonds (4% per annum) issued by Hydix Technologies Company Limited ("Hydis"), a company incorporated in Korea. They are denominated in Korean Won ("KRW").

The carrying amount of the loans and receivables approximates to their fair value.

The maximum exposure to credit risk at the reporting date is the carrying value of the loans and receivables.

19 AVAILABLE-FOR-SALE FINANCIAL ASSETS

	Group	
	2010 HK\$'000	2009 HK\$'000
Fair value of unlisted equity securities outside Hong Kong, at 1st April	96,156	135,091
Fair value gain/(loss) for the year	40,485	(38,935)
Fair value of unlisted equity securities outside Hong Kong, at 31st March	136,641	96,156

The available-for-sale financial assets represent the Group's long term investment in the shares of Hydix (Note 18). They are denominated in KRW.

The available-for-sale financial assets were revalued at 31st March 2010 by an independent, professionally qualified valuer, CB Richard Ellis.

Notes to the Consolidated Financial Statements

31st March 2010

20 INVESTMENTS IN SUBSIDIARIES

	Company	
	2010 HK\$'000	2009 HK\$'000
Unlisted shares, at cost (Note (a))	67,586	67,586
Amounts due from subsidiaries (Note (b))	280,591	280,519
	348,177	348,105

Notes:

- (a) Details of principal subsidiaries are set out in Note 34 to the consolidated financial statements.
- (b) The amounts due from subsidiaries are unsecured and interest-free. The Company has confirmed it has no intention to request repayment within 12 months from the balance sheet date. The maximum exposure to credit risk at the reporting date is the carrying value of the amounts due from subsidiaries mentioned above.

21 FINANCIAL INSTRUMENTS BY CATEGORY

	Group		Total HK\$'000
	Loans and receivables HK\$'000	Available- for-sale financial assets HK\$'000	
Assets as per consolidated balance sheet			
At 31st March 2009			
Loans and receivables (Note 18)	64,104	–	64,104
Available-for-sale financial assets (Note 19)	–	96,156	96,156
Trade and other receivables (Note 23)	608,697	–	608,697
Cash and cash equivalents (Note 24)	872,307	–	872,307
Total	1,545,108	96,156	1,641,264
At 31st March 2010			
Loans and receivables (Note 18)	78,501	–	78,501
Available-for-sale financial assets (Note 19)	–	136,641	136,641
Trade and other receivables (Note 23)	535,383	–	535,383
Cash and cash equivalents (Note 24)	1,039,830	–	1,039,830
Total	1,653,714	136,641	1,790,355

Notes to the Consolidated Financial Statements

31st March 2010

21 FINANCIAL INSTRUMENTS BY CATEGORY *(continued)*

Other financial liabilities:

	Group	
	2010 HK\$'000	2009 HK\$'000
Liabilities as per consolidated balance sheet		
Trade and other payables (Note 25)	819,062	831,317
Borrowings (Note 26)	122,400	382,569
Total	941,462	1,213,886

Loans and receivables:

	Company	
	2010 HK\$'000	2009 HK\$'000
Assets as per balance sheet		
Other receivables	105	105
Cash and cash equivalents (Note 24)	89	107
Amounts due from subsidiaries (Note 20)	280,591	280,519
Total	280,785	280,731

Notes to the Consolidated Financial Statements

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21 FINANCIAL INSTRUMENTS BY CATEGORY *(continued)*

Other financial liabilities:

	Company	
	2010 HK\$'000	2009 HK\$'000
Liabilities as per balance sheet		
Other payables	278	276

22 INVENTORIES

	Group	
	2010 HK\$'000	2009 HK\$'000
Raw materials	192,751	282,942
Work in progress	17,229	20,424
Finished goods	262,708	400,480
	472,688	703,846

The cost of inventories recognised as expenses and included in cost of goods sold amounted to approximately HK\$2,632,467,000 (2009: HK\$4,367,077,000).

Notes to the Consolidated Financial Statements

31st March 2010

23 TRADE AND OTHER RECEIVABLES

	Group		Company	
	2010 HK\$'000	2009 HK\$'000	2010 HK\$'000	2009 HK\$'000
Trade receivables	521,120	583,632	–	–
Prepayments, deposits and other receivables	14,263	25,065	105	105
	535,383	608,697	105	105

The credit terms given to customers vary and are generally based on the financial strengths of individual customers. In order to effectively manage the credit risks associated with trade receivables, credit evaluations of customers are performed periodically.

The fair values of the trade and other receivables approximate to their carrying values.

At 31st March 2010 and 2009, the ageing analysis of the trade receivables based on invoice date is as follows:

	Group	
	2010 HK\$'000	2009 HK\$'000
0 – 30 days	210,335	299,693
31 – 60 days	190,031	241,968
61 – 90 days	83,526	40,448
Over 90 days	37,228	1,523
	521,120	583,632

The credit quality of trade receivables that are neither past due nor impaired can be assessed by reference to historical information about counterparty default rates:

	Group	
	2010 HK\$'000	2009 HK\$'000
Counterparties without external credit rating		
– New customers (less than 6 months)	–	258
– Customers (more than 6 months) with no defaults in the past	521,120	583,374
	521,120	583,632

There were no trade receivables which were past due but not impaired as at 31st March 2010 and 2009.

Notes to the Consolidated Financial Statements

31st March 2010

23 TRADE AND OTHER RECEIVABLES (continued)

The carrying amounts of the trade receivables are denominated in the following currencies:

	Group	
	2010 HK\$'000	2009 HK\$'000
United States dollar	422,847	576,113
Canadian dollar	9,173	5,514
Hong Kong dollar	1,034	1,937
British pound	88,066	–
Renminbi	–	68
	521,120	583,632

As at 31st March 2010 and 2009, there was no provision for impairment of trade receivables. The other classes within trade and other receivables do not contain impaired assets.

The maximum exposure to credit risk at the reporting date is the carrying value of each class of receivable mentioned above. The Group does not hold any collateral as security.

24 CASH AND CASH EQUIVALENTS

	Group		Company	
	2010 HK\$'000	2009 HK\$'000	2010 HK\$'000	2009 HK\$'000
Cash at bank and on hand	759,907	262,181	89	107
Short-term bank deposits	279,923	610,126	–	–
	1,039,830	872,307	89	107
Maximum exposure to credit risk	1,039,191	871,571	89	107

The cash and cash equivalents are denominated in the following currencies:

	Group		Company	
	2010 HK\$'000	2009 HK\$'000	2010 HK\$'000	2009 HK\$'000
Hong Kong dollar	145,505	47,410	89	107
United States dollar	884,764	817,356	–	–
Others	9,561	7,541	–	–
	1,039,830	872,307	89	107

Notes to the Consolidated Financial Statements

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25 TRADE AND OTHER PAYABLES

	Group		Company	
	2010 HK\$'000	2009 HK\$'000	2010 HK\$'000	2009 HK\$'000
Trade payables	729,168	722,717	–	–
Other payables and accruals	89,894	108,600	278	276
	819,062	831,317	278	276

The carrying values of trade and other payables approximate to their fair values.

At 31st March 2010 and 2009, the ageing analysis of the trade payables based on invoice date is as follows:

	Group	
	2010 HK\$'000	2009 HK\$'000
0 – 30 days	670,269	628,489
31 – 60 days	33,872	73,116
61 – 90 days	21,475	17,882
Over 90 days	3,552	3,230
	729,168	722,717

The carrying amounts of trade payables are denominated in the following currencies:

	Group	
	2010 HK\$'000	2009 HK\$'000
Hong Kong dollar	576,486	309,002
United States dollar	151,582	412,516
Others	1,100	1,199
	729,168	722,717

Notes to the Consolidated Financial Statements

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26 BORROWINGS

	Group	
	2010 HK\$'000	2009 HK\$'000
Non-current		
Bank borrowing, secured (Note (a))	–	1,761
Bank borrowings, unsecured (Note (b))	–	195,000
Bank borrowings, unsecured (Note (c))	46,000	111,000
	46,000	307,761
Current		
Bank borrowing, secured (Note (a))	–	808
Bank borrowings, unsecured (Note (c))	76,400	74,000
	76,400	74,808
Total borrowings	122,400	382,569

- (a) As at 31st March 2010, no bank borrowing is secured by a building and leasehold land and land use rights of the Group (Notes 14 and 16).

As at 31st March 2009, the bank borrowing was denominated in RMB and was secured by a building and leasehold land and land use rights of the Group. Interest was charged at Renminbi Benchmark Lending Rates determined by the People's Bank of China.

- (b) As at 31st March 2010, no revolving loan is held by the Group.

As at 31st March 2009, the bank borrowings were revolving loans which were unsecured and were supported by corporate guarantees given by the Company (Notes 31 and 32). The borrowings were denominated in HKD and interest bearing at margin over HIBOR.

- (c) The bank borrowings are unsecured and are supported by corporate guarantees given by the Company (Notes 31 and 32). The borrowings are denominated in HKD and interest bearing at margin over HIBOR.

Notes to the Consolidated Financial Statements

31st March 2010

26 BORROWINGS (continued)

The maturity of bank borrowings is as follows:

	Group	
	2010 HK\$'000	2009 HK\$'000
Within one year	76,400	74,808
In the second year	39,400	74,855
In the third to fifth year	6,600	232,906
	122,400	382,569

The carrying amounts of the bank borrowings approximate to their fair values.

The carrying amounts of the borrowings are denominated in the following currencies:

	Group	
	2010 HK\$'000	2009 HK\$'000
Hong Kong dollar	122,400	380,000
Renminbi	–	2,569
	122,400	382,569

Notes to the Consolidated Financial Statements

31st March 2010

27 SHARE CAPITAL

	Company	
	Number of Shares	Ordinary shares HK\$'000
Authorised:		
Ordinary shares of HK\$0.10 each		
At 31st March 2010 and 2009	800,000,000	80,000
Issued and fully paid:		
Ordinary shares of HK\$0.10 each		
At 1st April 2008	558,667,720	55,867
Repurchase of own shares (Note (a))	(2,006,000)	(201)
At 31st March 2009 and 31st March 2010	556,661,720	55,666

Note:

(a) Repurchase of own shares

In October 2008, the Company repurchased 1,906,000 shares of HK\$0.10 per share, at prices that ranged from HK\$0.66 to HK\$0.88 per share, on The Stock Exchange of Hong Kong Limited. Total consideration was approximately HK\$1,427,780. These shares were then cancelled.

In November 2008, the Company repurchased 100,000 shares of HK\$0.10 per share, at a price of HK\$0.73 per share, on The Stock Exchange of Hong Kong Limited. Total consideration was approximately HK\$73,000. These shares were then cancelled.

Notes to the Consolidated Financial Statements

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28 RESERVES

	Group				
	Share premium HK\$'000	Capital redemption reserve HK\$'000	Other reserves HK\$'000	Retained earnings HK\$'000	Total HK\$'000
Balance at 1st April 2008	246,311	739	(1,815)	1,275,950	1,521,185
Comprehensive income/(expense)					
Profit for the year	–	–	–	190,185	190,185
Other comprehensive income/(expenses)					
Fair value loss on available-for-sale financial assets	–	–	(38,935)	–	(38,935)
Currency translation differences	–	–	3,144	–	3,144
Total comprehensive (expense)/income	–	–	(35,791)	190,185	154,394
Transactions with owners					
Repurchase of own shares	(1,300)	201	–	(201)	(1,300)
2009 interim dividend	–	–	–	(50,100)	(50,100)
2008 final dividend	–	–	–	(78,213)	(78,213)
Total transactions with owners	(1,300)	201	–	(128,514)	(129,613)
Balance at 31st March 2009	245,011	940	(37,606)	1,337,621	1,545,966
Balance at 1st April 2009	245,011	940	(37,606)	1,337,621	1,545,966
Comprehensive income/(expense)					
Profit for the year	–	–	–	248,293	248,293
Other comprehensive income/(expenses)					
Fair value gain on available-for-sale financial assets	–	–	40,485	–	40,485
Currency translation differences	–	–	(2,828)	–	(2,828)
Total comprehensive income	–	–	37,657	248,293	285,950
Transactions with owners					
2010 interim dividend	–	–	–	(50,100)	(50,100)
2009 final dividend	–	–	–	(77,933)	(77,933)
Total transactions with owners	–	–	–	(128,033)	(128,033)
Balance at 31st March 2010	245,011	940	51	1,457,881	1,703,883

Notes to the Consolidated Financial Statements

31st March 2010

28 RESERVES (continued)

	Company				Total HK\$'000
	Share premium HK\$'000	Capital redemption reserve HK\$'000	Contributed surplus HK\$'000	Retained earnings HK\$'000	
Balance at 1st April 2008	246,311	739	40,586	5,990	293,626
Comprehensive income					
Profit for the year	–	–	–	128,362	128,362
Total comprehensive income	–	–	–	128,362	128,362
Transactions with owners					
Repurchase of own shares	(1,300)	201	–	(201)	(1,300)
2009 interim dividend	–	–	–	(50,100)	(50,100)
2008 final dividends	–	–	–	(78,213)	(78,213)
Total transactions with owners	(1,300)	201	–	(128,514)	(129,613)
Balance at 31st March 2009	245,011	940	40,586	5,838	292,375
Balance at 1st April 2009	245,011	940	40,586	5,838	292,375
Comprehensive income					
Profit for the year	–	–	–	128,084	128,084
Total comprehensive income	–	–	–	128,084	128,084
Transactions with owners					
2010 interim dividend	–	–	–	(50,100)	(50,100)
2009 final dividends	–	–	–	(77,933)	(77,933)
Total transactions with owners	–	–	–	(128,033)	(128,033)
Balance at 31st March 2010	245,011	940	40,586	5,889	292,426

Note:

The contributed surplus of the Company, which arose from a corporate reorganisation in November 1992, represents the difference between the nominal value of the Company's shares issued in exchange for the issued ordinary shares of Alco Investments (B.V.I.) Limited and the value of net assets of the underlying subsidiaries acquired as at 6th November 1992. Under the Companies Act 1981 of Bermuda (as amended), a company may not declare or pay a dividend, or make a distribution out of contributed surplus, if there are reasonable grounds for believing that (i) the Company is, or would after the payment be, unable to pay its liabilities as they become due; or (ii) the realisable value of the Company's assets would thereby be less than the aggregate of its liabilities and its issued share capital and share premium accounts. Otherwise the contributed surplus is distributable.

Notes to the Consolidated Financial Statements

31st March 2010

29 DEFERRED INCOME TAX

Deferred income tax is calculated in full on temporary differences under the liability method using a principal tax rate of 16.5% (2009: 16.5%).

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes relate to the same fiscal authority. The offset amounts are as follows:

	Group	
	2010 HK\$'000	2009 HK\$'000
Deferred income tax liabilities to be settled after more than 12 months	23,834	29,800
Deferred income tax assets to be recovered after more than 12 months	(30,906)	(306)
Deferred income tax (assets)/liabilities, net	(7,072)	29,494

The movement on the deferred income tax account is as follows:

	Group	
	2010 HK\$'000	2009 HK\$'000
Beginning of the year	29,494	31,855
Recognised in the consolidated income statement (Note 10)	(36,566)	(2,361)
End of the year	(7,072)	29,494

The movement in deferred income tax assets and liabilities during the year, without taking into consideration the offsetting of balances within the same tax jurisdiction, is as follows:

Deferred tax (assets)/liabilities

	Group											
	Tax losses		Accelerated tax depreciation		Deferred development costs		Revaluation of properties		Others		Total	
	2010 HK\$'000	2009 HK\$'000	2010 HK\$'000	2009 HK\$'000	2010 HK\$'000	2009 HK\$'000	2010 HK\$'000	2009 HK\$'000	2010 HK\$'000	2009 HK\$'000	2010 HK\$'000	2009 HK\$'000
Beginning of the year	(306)	(1,277)	25,593	28,097	1,106	727	2,905	4,216	196	92	29,494	31,855
Recognised in the consolidated income statement	(177)	971	(6,385)	(2,504)	245	379	309	(1,311)	(30,558)	104	(36,566)	(2,361)
End of the year	(483)	(306)	19,208	25,593	1,351	1,106	3,214	2,905	(30,362)	196	(7,072)	29,494

Notes to the Consolidated Financial Statements

31st March 2010

29 DEFERRED INCOME TAX (continued)

Deferred income tax assets are recognised for tax losses carried forward to the extent that the realisation of the related tax benefit through future taxable profits is probable. The Group did not recognise deferred income tax assets of approximately HK\$5,943,000 (2009: HK\$7,421,000) in respect of tax losses amounting to approximately HK\$23,205,000 (2009: HK\$24,501,000) that can be carried forward against future taxable profit. Approximately HK\$648,000 (2009: HK\$946,000) of the unrecognised tax losses have no expiry date and the remaining balance will be expired at various dates up to and including 2029 (2009: 2029).

30 CASH GENERATED FROM OPERATIONS

	Group	
	2010 HK\$'000	2009 HK\$'000
Profit before income tax	274,018	216,496
Interest income	(5,989)	(8,130)
Interest expense on bank borrowings	1,381	23,839
Amortisation of intangible assets	16,137	13,067
Write-off of intangible assets	209	3,174
Loss on disposal of property, plant and equipment	1,083	2,039
Depreciation of property, plant and equipment	76,983	73,640
Write-off/impairment of property, plant and equipment	7,629	–
Amortisation of leasehold land and land use rights	457	458
Fair value (gain)/loss on investment properties	(9,050)	4,522
Exchange (gain)/loss on loans and receivables	(14,397)	25,957
Operating cash flow before working capital changes	348,461	355,062
Decrease in inventories	231,158	629,437
Decrease/(increase) in trade and other receivables	73,314	(48,034)
(Decrease)/increase in trade and other payables	(11,693)	77,273
Decrease in trust receipt loans	–	(440,975)
Net cash generated from operations	641,240	572,763

In the Consolidated Statement of Cash Flows, proceeds from sale of property, plant and equipment comprise:

	Group	
	2010 HK\$'000	2009 HK\$'000
Net book amount (Note 14)	2,970	5,108
Loss on disposal of property, plant and equipment	(1,083)	(2,039)
Proceeds from sale of property, plant and equipment	1,887	3,069

Notes to the Consolidated Financial Statements

31st March 2010

31 BANKING FACILITIES

As at 31st March 2010, banking facilities of approximately HK\$1,716 million (2009: HK\$2,030 million) were granted by banks to the Group, of which approximately HK\$122 million (2009: HK\$383 million) have been utilised by the Group. Of the banking facilities, as at 31st March 2010, approximately HK\$1,716 million (2009: HK\$2,027 million) are supported by corporate guarantees given by the Company and no borrowing (2009: approximately HK\$3 million) is secured by charges over the use of any assets of the Group (2009: assets of the Group with carrying amount of approximately HK\$5 million).

32 FINANCIAL GUARANTEE

The Company provided guarantees in favour of certain banks to secure general banking facilities granted to certain of its subsidiaries (Note 26). The directors consider that the fair value of such guarantees is immaterial.

33 COMMITMENTS

(a) Capital commitments

	Group	
	2010 HK\$'000	2009 HK\$'000
Moulds, plant and machinery contracted but not provided for	914	1,413

(b) Operating lease commitments (as lessee)

The future aggregate minimum lease payments under non-cancellable operating leases in respect of land and buildings are as follows:

	Group	
	2010 HK\$'000	2009 HK\$'000
Not later than one year	10,801	27,895
Later than one year and not later than five years	16,061	22,927
Later than five years	4,012	7,451
	30,874	58,273

Notes to the Consolidated Financial Statements

31st March 2010

33 COMMITMENTS (continued)

(c) Operating lease commitments (as lessor)

The Group leases various properties under non-cancellable operating lease agreements. The leases have varying terms, escalation clauses and renewal rights.

The future aggregate minimum lease rental receivables under non-cancellable operating leases in respect of land and buildings are as follows:

	Group	
	2010 HK\$'000	2009 HK\$'000
Not later than one year	1,723	3,440
Later than one year and not later than five years	207	752
	1,930	4,192

The lease terms are from one to two years.

34 PRINCIPAL SUBSIDIARIES

As at 31st March 2010, the Company held interests in the following principal subsidiaries:

Name	Place of incorporation/ establishment	Issued and fully paid share capital/ registered capital	Percentage of equity held by the Company		Principal activities
			Direct	Indirect	
Alco Investments (B.V.I.) Limited	British Virgin Islands	Ordinary US\$50,000	100	–	Investment holding and provision of management services to its subsidiaries
Advance Packaging Limited	Hong Kong	Ordinary HK\$500,000	–	100	Manufacture and sale of polyfoam and packaging products
Alco Digital Devices Limited	Hong Kong	Ordinary HK\$1,000,000	–	100	Software development and trading of electronic products
Alco Electronics Limited	Hong Kong	Ordinary HK\$1,000	–	100	Design, manufacture and sale of consumer electronic products
		Non-voting deferred HK\$5,000,000			

Notes to the Consolidated Financial Statements

31st March 2010

34 PRINCIPAL SUBSIDIARIES (continued)

Name	Place of incorporation/ establishment	Issued and fully paid share capital/ registered capital	Percentage of equity held by the Company		Principal activities
			Direct	Indirect	
Alco Electronics (Shenzhen) Limited ¹	The PRC	Registered capital HK\$24,000,000	–	100	Provision of design and logistic services to group companies
Alco International Limited	Hong Kong	Ordinary HK\$500,000	–	100	Trading of consumer electronic products
Alco Plastic Products Limited	Hong Kong	Ordinary HK\$3,000,000	–	100	Manufacture and sale of plastic products
Alco Properties Limited	Hong Kong	Ordinary HK\$10,000	–	100	Property investment
Alco Technologies Limited	Hong Kong	Ordinary HK\$10,000	–	100	Investment holding
Asia Dragon International Limited	Hong Kong	Ordinary HK\$10,000	–	100	Trading of consumer electronic products
Commusonic Industries Limited	Hong Kong	Ordinary HK\$400,000	–	100	Manufacture and sale of consumer electronic products
Multimedia Devices Limited	Hong Kong	Ordinary HK\$1,000,000	–	100	Trading of consumer electronic products
Vdiobox Limited	Hong Kong	Ordinary HK\$1,000,000	–	100	Trading of consumer electronic products

Note:

1 Represents a wholly foreign owned enterprise.

The above table lists out the principal subsidiaries of the Company as at 31st March 2010 which, in the opinion of the directors, principally affected the results for the year or formed a substantial portion of the net assets of the Group. To give details of other subsidiaries would, in the opinion of the directors, result in particulars of excessive length.

Notes to the Consolidated Financial Statements

31st March 2010

35 EVENTS AFTER REPORTING PERIOD

(i) Grant of Share options

On 11th May 2010, the Company granted 40,540,000 share options to eligible directors and employees. The exercise price of each share option is HK\$2.90 and the share options are exercisable between 11th May 2010 and 20th August 2013. However, only up to 50% of the share options granted are exercisable on or before 31st October 2010.

(ii) Acquisition of property

On 5th July 2010, Euroform Enterprise Limited, a wholly-owned subsidiary of the Company, entered into a provisional agreement for sale and purchase with Chase Good Development Limited, an independent third party, for the acquisition of an industrial building in Fanling, Hong Kong at a consideration of HK\$121 million. The deal will be completed on or before 15th October 2010. The acquisition will be funded through internal resources and banking facilities and the property will be used by the Group for investment purposes.

Principal Properties

31st March 2010

Principal properties held for investment purposes

Location	Lot number	Existing use	Lease term
Workshops A to J, on 7th Floor of Block 1, Kwai Tak Industrial Centre, Nos. 15-33 Kwai Tak Street, Kwai Chung, New Territories, Hong Kong	Kwai Chung Town Lot Nos. 322, 323 and 324	Industrial rental	Medium term
Lot Nos. 593 and 595 in Demarcation District No. 106, Off Kam Sheung Road, Ng Ka Tsuen, Kam Tin, Yuen Long, New Territories, Hong Kong	Lot Nos. 593 and 595 in Demarcation District No. 106	Industrial rental	Medium term
9th Floor, Zung Fu Industrial Building, 1067 King's Road, Quarry Bay, Hong Kong	Sub-section 2 of Section E of Quarry Bay Marine Lot No. 2 and the Extension thereto	Industrial rental	Long term

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 as follows:

	2010 HK\$'000	2009 HK\$'000	2008 HK\$'000	2007 HK\$'000	2006 HK\$'000
Revenue	4,003,213	5,993,075	4,363,889	5,095,894	4,876,788
Profit for the year attributable to equity holders of the Company	248,293	190,185	213,352	305,784	283,475
Total assets	2,758,902	2,883,451	2,891,081	2,136,318	2,590,990
Total liabilities	(999,353)	(1,281,819)	(1,314,029)	(580,555)	(1,164,953)
Total equity	1,759,549	1,601,632	1,577,052	1,555,763	1,426,037



ALCO HOLDINGS LIMITED

股份代號：328 Stock Code: 328

年報 **2010**
ANNUAL REPORT

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公司資料

董事

梁劍文先生(主席)
梁偉成先生
郭冠文先生
黃保欣先生，大紫荊勳賢、太平紳士*
李華明議員，銀紫荊星章、太平紳士*
劉宏業先生*

* 獨立非執行董事

公司秘書

郭冠文先生

主要往來銀行

恒生銀行有限公司
香港上海滙豐銀行有限公司
中國銀行(香港)有限公司
中國建設銀行股份有限公司香港分行
星展銀行(香港)有限公司
渣打銀行(香港)有限公司

核數師

羅兵咸永道會計師事務所

本公司法律顧問

萬盛國際律師事務所

百慕達法律顧問

Conyers, Dill & Pearman

註冊辦事處

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2 Church Street
Hamilton HM11
Bermuda

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香港
鰂魚涌
英皇道1067號
仁孚工業大廈11樓

主要過戶登記處

HSBC Bank Bermuda Limited
6 Front Street
Hamilton HM11
Bermuda

香港過戶登記處

卓佳雅柏勤有限公司
香港
灣仔
皇后大道東28號
金鐘匯中心26樓

網址

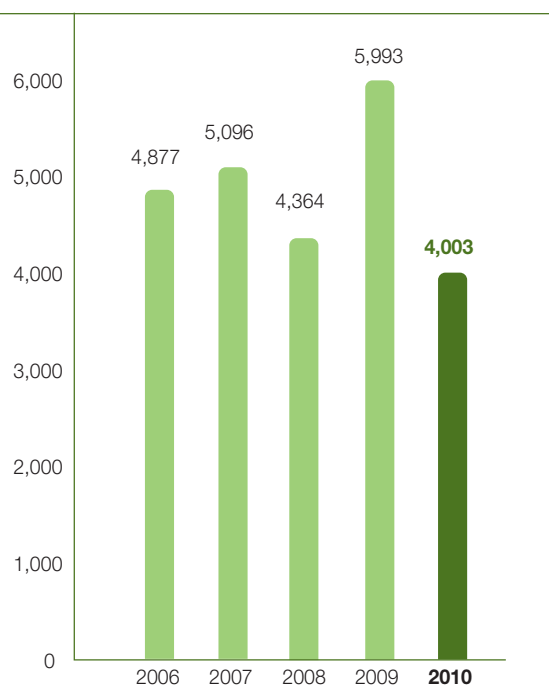
<http://www.alco.com.hk>

股份代號

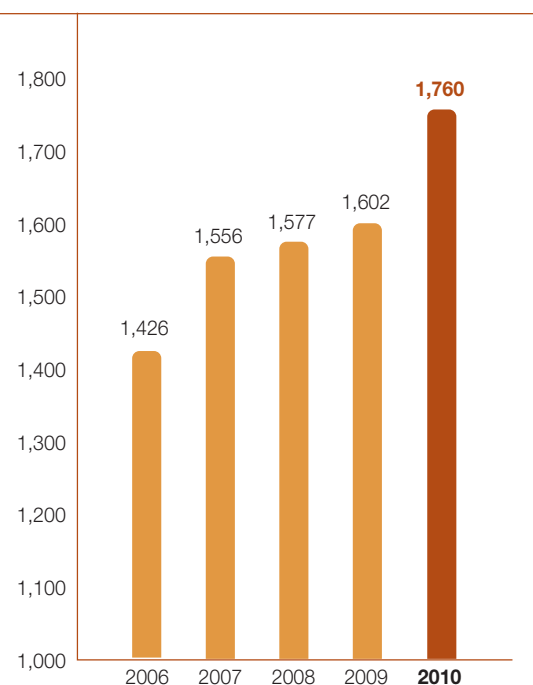
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財務摘要

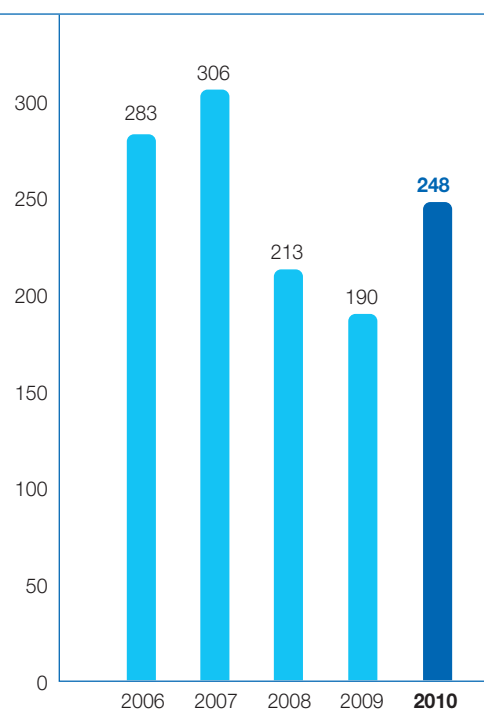
營業額
(百萬港元)



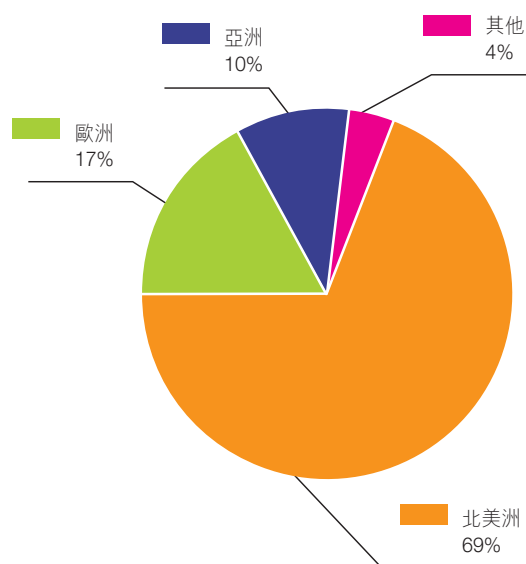
股東權益
(百萬港元)



股東應佔溢利
(百萬港元)



於二零一零年按地區
分類之營業額



主席報告



主席 梁劍文

集團業績及股息

本人謹代表董事會欣然宣布 Alco Holdings Limited (「本公司」) 及其附屬公司 (統稱「本集團」) 於截至二零一零年三月三十一日止年度的財務業績。於回顧期內，儘管本集團的營業額較去年下降33%至40億港元(二零零九年：60億港元)，但卻錄得股東應佔溢利2億4千8百萬港元(二零零九年：1億9千萬港元)。每股盈利為44.6港仙(二零零九年：34.1港仙)。

由於本集團於困難的營商環境中仍取得理想業績，並能維持穩健的財務狀況，因此，董事會將繼續奉行為股東帶來穩定股息回報的政策。董事會建議派付末期股息每股14港仙及特別股息每股6港仙，連同早前已派付的中期股息每股9港仙，本財政年度派發的股息總額為每股29港仙(二零零九年：23港仙)，較上一財政年度增加26%，派息比率為65%。

末期股息及特別股息將於二零一零年九月十五日派付予本集團股東，惟須經股東於應屆股東週年大會批准作實。

業務回顧

由於全球金融危機帶來的壓力仍未完全消除，於回顧財政年度對於本集團而言仍是挑戰重重。然而，本集團較著重合理的邊際利潤、維持符合市場需要的產品組合，以及採取嚴謹的成本控制措施，均成為我們得以維持競爭力及穩健財務狀況的重要因素，此等因素對抗衡疲弱的經濟起了舉足輕重之作用。



追求合理邊際利潤

經濟衰退持續促使影音產品製造行業繼續整合。隨著競爭力較低的供應商遭市場淘汰，因此而留下的空缺為本集團提供更多接獲新訂單的良機。然而，鑒於本集團重質多於量，以及較著重健康的邊際利潤，因此，本集團僅接受財政狀況穩健而又同樣堅守優質承諾的精選客戶的訂單。此舉讓本集團即使在總營業額下跌的情況下仍能於回顧期內提升邊際利潤。總營業額下跌的部份原因為產品種類由低毛利商品轉變為具獨特功能的產品。



符合市場需要的產品組合

為刺激市場對本集團產品的需求，同時達致理想邊際利潤，本集團採取靈活且精明的產品組合策略。年內，便攜式 DVD 播放機跟 19 吋及 22 吋液晶體電視仍然是本集團主要收入來源。由於專注大眾市場的高檔音響產品的價格相對穩定，因此本集團致力提高此等產品的供應。內置增值 iPod 播放及 iPhone 功能的影音產品亦已成為最受本集團客戶歡迎的產品之一。

本集團力求創新及開拓新收入來源，於二零零九年成為首批推出 LED 背光液晶體電視的製造商。這些型號的產品深受客戶歡迎，原因是其具備多項優點，包括耗電量低、對比度極佳以及美觀外型，由於並無使用體積較大的冷陰極螢光燈 (CCFL)，令機身外觀較主流液晶體電視更為纖薄，加上外觀時尚，相信未來配備 LED 背光功能的液晶體電視定必成為家居必備的產品。



嚴格控制成本

面對經濟復甦緩慢及勞工成本急升，我們致力透過推行多項成本控制措施以加強競爭力，其中包括進一步減少人力以降低營運成本、奉行嚴謹的營運及工作流程管理而減少超時開支、加強實施存貨控制，以及把握良機精明採購物料以降低銷售成本。此外，本集團持續將零件標準化的策略，有助我們達致有效率的產品組裝程序，並享有其他優勢，如提高品質控制、降低生產成本、享有更強大規模經濟效益及減少受零件廢棄的影響。

主席報告

其他增加純利的因素

除了由於本集團致力維持合理的邊際利潤，以及採取嚴謹成本控制措施之外，亦有若干因素於回顧期內增加本集團純利，其中包括：

- 投資物業價值在上一財政年度下跌5百萬港元後，於本年度上升9百萬港元。
- 韓圓升值帶來匯兌收益1千4百萬港元，而上一財政年度則錄得虧損2千6百萬港元。
- 由於本集團的現金充裕，節省利息開支2千2百萬港元。

審慎的現金流管理

為確保財政狀況維持穩健，本集團奉行嚴格的現金流控制。儘管本集團在經濟低迷前已保持良好的現金狀況，我們仍繼續採取措施鞏固業務基礎，減少銀行借貸，並執行嚴格的開支政策。另一方面，我們一直謹慎地檢討客戶的信貸能力，以便在這經濟逆轉時期盡量減低信貸風險。

韓國公司的投資錄得純利

除了核心業務取得進展外，本集團於二零零八年初收購了少數權益的韓國公司Hydis Technologies Co., Ltd. (「Hydis」)亦同樣進展良好，該公司主要從事開發及生產液晶體顯示屏，自二零一零年初起便錄得純利。本集團相信，於Hydis的投資將不僅有助保障液晶體顯示屏的穩定供應，長遠來說，更可帶來可觀回報。



展望

雖然美國消費氣氛於二零一零年首季出現好轉跡象，但有關該國復甦步伐的信息仍不一致。此外，部分歐洲國家正實行緊縮財政政策，或可能拖慢歐洲經濟復甦，影響市場需求。在市場不明朗的情況下，我們對消費電子市場的前景仍保持審慎樂觀，在不阻礙業務發展的前提下繼續維持防守性的財務政策，審慎擴展業務。

為拓展消費電子產品系列以締造新收入來源，我們將繼續乘著最新潮流，利用卓越的研發資源發掘更多商機。本集團將把發展重點放在產品增值科技的綜合應用上，並將於二零一零年下半年推出便攜式及家庭影院應用的藍光碟播放機及電子書裝置，並於二零一一年初推出具iPad播放功能的影音產品。

主席報告

根據市場調查公司DisplaySearch顯示，於二零一零年首季全球液晶電視的付運量超過4千萬台，按年上升約48%。為把握不斷上升的需求，本集團在來年將更加著重銷售大屏幕的液晶電視產品。LED背光液晶電視方面，根據估計，有關產品的市場滲透率預期將於二零一零年飆升至約20%。憑藉本集團於此技術範疇的先行者競爭優勢，預計有關業務亦將穩步發展。此外，我們將乘著3D電視的冒起，發掘與3D藍光碟播放機有關的商機。

本集團於東莞的新廠房將於二零一一年竣工，並於翌年投產。廠房設備先進，擁有最新技術，能有效減少所需勞動力從而提高生產力及大幅提升生產效率。該生產設施除協助我們實踐業務目標外，亦將有助本集團履行良好企業公民責任，原因為廠房在設計之初已包括促進節能及降低資源消耗的若干環保元素。

全球金融危機並未削弱本集團實力，反而令我們變得更強大。未來，我們將繼續採取果斷措施，保持業務持續增長，擴大市場及鞏固財政狀況，以促進業務長期穩健發展。

致謝

本人謹代表董事會感謝管理層及各員工的竭力服務、辛勤工作和貢獻，亦特此向本集團的業務夥伴、股東及客戶長久以來的合作、信賴和支持致衷心謝意。

主席

梁劍文

香港，二零一零年七月十五日



董事及高級管理人員履歷

執行董事

梁劍文先生，77歲，為本集團之創辦人兼主席。梁先生在香港之電子業擁有超過43年經驗，為該行業之先驅之一。彼對電子業有深厚認識，負責制訂本集團之整體策略與發展。

梁偉成先生，50歲，本集團主席之兒子，於一九八五年加入本集團，為本集團之行政總裁，並全面負責本集團之整體策略及監督業務運作。彼持有加拿大Queen's University之電氣工程理學碩士學位。

郭冠文先生，56歲，於一九九零年加入本集團，現為本集團之公司秘書兼董事。彼持有工商管理學碩士學位，於跨國機構中擁有超過33年之財務及會計經驗。

獨立非執行董事

黃保欣先生，大紫荊勳賢、太平紳士，87歲，於一九九二年加入本集團，為聯僑企業有限公司前董事長、前全國人大常務委員會香港特別行政區基本法委員會副主任、廣東大亞灣及嶺澳核電站核安全諮詢委員會榮譽主席、一國兩制研究中心有限公司顧問委員會主席及香港中華廠商聯合會榮譽會長。

李華明議員，銀紫荊星章、太平紳士，55歲，於一九九二年加入本集團，為立法會議員。彼持有加拿大University of Waterloo文學士學位及加拿大多倫多大學社會工作碩士學位。

劉宏業先生，49歲，於二零零零年加入本集團，為一家金融機構之董事總經理。彼持有會計學管理理學碩士學位，於投資銀行方面擁有深厚資歷。

董事及高級管理人員履歷

高級管理人員

Colin Frederick LIVERMORE 先生，55 歲，於一九九一年加入本集團，現為愛高國際有限公司董事總經理，負責制訂主要針對歐洲客戶之市場推廣策略。彼於消費電子產品之市場推廣方面擁有超過 30 年經驗。

何炳雄先生，62 歲，於二零零八年加入本集團，為集團生產部總經理，負責集團在中國的廠房之日常營運。彼持有經濟學／商業碩士學位及工程學文憑，且於 OEM 及 EMS 行業擁有超過 31 年的管理背景。

梁偉立先生，49 歲，本集團主席之兒子，於二零零五年加入本集團，現為本集團高級銷售經理，監管本集團產品及服務於北美之銷售及市場營銷。

梁偉明先生，41 歲，本集團主席之兒子，於一九九三年加入本集團，為本集團採購經理。彼於音響電子產品方面擁有超過 17 年經驗。

彭少梅女士，59 歲，於一九七一年加入本集團，為主席之助理，負責本集團生產安排及行政事務。

周冠成先生，59 歲，於一九七二年加入本集團，為愛高電業有限公司之船務經理，於貨運方面擁有超過 35 年經驗。

梁錦輝先生，53 歲，於一九七九年加入本集團，為本集團之物料策劃及控制經理，於音響業方面擁有超過 31 年經驗。

梁裕昌先生，52 歲，於一九七八年加入本集團，為愛高國際有限公司之船務經理，於貨運方面擁有超過 32 年經驗。

劉國偉先生，59 歲，於一九八六年加入本集團，為愛高塑膠製品廠有限公司之董事，於塑膠業方面擁有超過 25 年經驗，現負責塑膠廠之運作。

何民信先生，51 歲，於一九九九年加入本集團，為集團品質保證部總經理，負責本集團品質管理系統重組，彼持有製造及商業管理理學碩士學位，於電子產品之研究及開發、製造及品質控制方面擁有超過 28 年經驗。

周棟耀先生，40 歲，於一九九七年加入本集團，為本集團之管理資訊系統經理，彼持有理學學士學位，於發展製造系統方面擁有超過 17 年經驗。

廖立民先生，38 歲，於二零零五年加入本集團，為集團財務總監。彼持有加拿大多倫多大學學士學位，亦為香港會計師公會資深會員及特許公認會計師公會資深會員。彼於審計及會計方面擁有超過 15 年經驗。

企業管治報告

企業管治常規

本公司已遵守香港聯合交易所有限公司證券上市規則(「上市規則」)附錄十四所載企業管治常規守則(「守則」)載列之所有適用之守則條文，惟偏離守則條文第A.4.1條之規定。

董事會

董事會負責作出本集團有關業務及策略之決定並監察管理人員之表現。

董事會於截至二零二零年三月三十一日止年度舉行四次會議。各董事之出席率載列如下：

董事會成員	出席紀錄
執行董事	
梁劍文先生	4/4
梁偉成先生	4/4
郭冠文先生	4/4
獨立非執行董事	
黃保欣先生	4/4
李華明議員	3/4
劉宏業先生	4/4

本公司已收到三位獨立非執行董事根據上市規則第3.13條所呈交有關其獨立性之年度確認函。董事會已評估彼等之獨立性，結論為所有獨立非執行董事均具獨立身份。

主席及行政總裁

梁劍文先生為主席，而梁偉成先生為行政總裁。

董事之委任及重選

根據守則條文第A.4.1條之規定，非執行董事的委任應有指定任期，並須接受重新選舉。本公司之非執行董事之委任並無指定任期，但根據本公司組織章程細則的規定，本公司獨立非執行董事須每年輪席退任，並於其任滿重選時檢討有關之委任。本公司認為，此項規定與守則之目標一致。

李華明議員及劉宏業先生將於應屆股東週年大會告退，惟符合資格並願膺選連任。

企業管治報告

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列之上市公司董事進行證券交易的標準守則(「標準守則」)，作為本公司董事進行證券交易時本身之行為守則。經特別向董事作出查詢後，所有董事確認，彼等於截至二零一零年三月三十一日止十二個月已遵守載列於標準守則之規定標準及其有關董事進行本公司證券交易之行為守則。

薪酬委員會

本公司已根據守則條文之規定設立薪酬委員會，並以書面列明職權範圍。

薪酬委員會目前均由獨立非執行董事組成，分別為黃保欣先生(薪酬委員會主席)、劉宏業先生及李華明議員。

薪酬委員會之主要職責為就董事及高級管理人員之薪酬政策及結構提出建議並根據公司之目標及目的審議及批准董事及高級管理人員之薪酬。現有薪酬包括基本薪金、根據表現酌情發放之花紅及附帶福利。就本年度而言，薪酬委員會認為，薪酬為公平並與市場行情一致。

薪酬委員會於截至二零一零年三月三十一日止年度舉行一次會議，各委員會成員出席率如下：

成員	出席紀錄
黃保欣先生	1/1
劉宏業先生	1/1
李華明議員	1/1

審核委員會

審核委員會目前均由獨立非執行董事組成，分別為劉宏業先生(審核委員會主席)、黃保欣先生及李華明議員。

審核委員會已與管理層審閱本集團採納之會計原則及慣例，並討論有關內部控制及財務呈報各事項，包括審閱本集團截至二零一零年三月三十一日止年度之財務報表。

審核委員會於截至二零一零年三月三十一日止年度舉行兩次會議，各委員會成員出席率如下：

成員	出席紀錄
劉宏業先生	2/2
黃保欣先生	2/2
李華明議員	2/2

企業管治報告

董事及核數師有關財務報表之責任

董事確認其負責編製本集團財務報表。編製財務報表時，已採納香港財務報告準則，已貫徹使用並應用適當之會計政策並且作出合理及審慎判斷及估計。董事會並不知悉有涉及可能對本集團之持續經營能力產生重大疑問之事件或情況之任何重大不明朗因素。故此，董事會在編製財務報表時繼續採納持續經營基準。

核數師之責任載列於獨立核數師報告。

核數師酬金

截至二零一零年三月三十一日止年度，支付本公司核數師羅兵咸永道會計師事務所之酬金載列如下：

所提供服務	已支付／應付費用 千港元
審計有關服務	2,380
非審計有關服務	
稅務服務	845

結論

董事會認為，良好的企業管治可保障有效之資源配置並保護股東權益。管理層將努力維持、加強並改善本集團之企業管治水平及質素。

董事會報告

董事會謹此提呈董事會報告連同截至二零一零年三月三十一日止年度之經審核財務報表。

主要業務及分類分析

本公司之主要業務為投資控股，其附屬公司之業務載列於綜合財務報表附註34。

本集團按產品及地區分類之年度表現分析載列於綜合財務報表附註5。

業績及分派

本集團於本年度之業績載列於第23頁之綜合損益表。

董事會已宣派中期股息每股普通股9港仙，合共50,100,000港元。

董事會建議派發末期股息每股普通股14港仙及特別股息每股普通股6港仙，合共111,333,000港元。

流動資金及財務資源

於二零一零年三月三十一日，總權益及每股總權益分別約為17億6千萬港元(二零零九年：16億2百萬港元)及3.16港元(二零零九年：2.88港元)。

本集團維持強勁財務狀況。於二零一零年三月三十一日，本集團之現金及存款合共為10億4千萬港元。扣除計息債項1億2千2百萬港元後，本集團之淨現金為9億1千8百萬港元。由於嚴格控制存貨，本集團於二零一零年三月三十一日之存貨為4億7千3百萬港元(二零零九年：7億4百萬港元)。

於二零一零年三月三十一日，應收貿易賬款結餘約為5億2千1百萬港元(二零零九年：5億8千4百萬港元)。本集團一直採取審慎信貸政策，而授出之信貸條款一般根據個別客戶之財務能力而定。

於二零一零年三月三十一日，本集團已獲授銀行信貸額約為17億1千6百萬港元，其中已經動用之數額約為1億2千2百萬港元。於已動用之信貸額中，約7千6百萬港元須於一年內償還，而約4千6百萬港元須於第二至五年內償還。

年內，於固定資產之資本開支約為3千4百萬港元(二零零九年：6千6百萬港元)，主要用於購買模具、廠房及設備。所有開支以內部資源撥付。於二零一零年三月三十一日，本集團就模具、廠房及機器之已訂約但未撥備資本承擔約為91萬4千港元(二零零九年：1百41萬3千港元)。

本集團所承擔之有關貿易外匯風險有限，原因為本集團絕大部分銷售、採購及借貸均以美元及港元為貨幣單位。而且，本集團遵守不參與投機性衍生金融工具之政策，於報告期間並未就該等活動錄得任何損益。

董事會報告

僱員

於二零一零年三月三十一日，本集團於香港及中國聘用約7,900名僱員。薪酬方案一般經參考市場條款及個人資歷釐定。薪酬及工資通常每年根據表現評價及其他有關因素檢討。本集團亦向所有合資格員工提供包括醫療保險、公積金及教育補貼等其他福利。

主要供應商及客戶

本集團截至二零一零年三月三十一日止年度主要供應商及客戶所佔之採購額及銷售額佔總採購額及銷售額之百分比如下：

採購額

— 最大供應商	7%
— 五大供應商合計	22%

銷售額

— 最大客戶	25%
— 五大客戶合計	73%

各董事、彼等之聯繫人士或股東（據董事會所知擁有本公司股本5%以上者）於年內任何時間概無持有上述主要供應商或客戶之權益。

儲備

本年度本集團及本公司儲備之變動情況載列於綜合財務報表附註28。

捐款

年內本集團用於慈善及其他捐款款項為77,000港元。

物業、廠房及設備

本集團物業、廠房及設備之變動詳情載列於綜合財務報表附註14。

主要物業

本集團持作投資用途之主要物業詳情載列於第81頁。

董事會報告

股本

本公司股本之變動詳情載列於綜合財務報表附註27。

可供分派儲備

本公司於二零一零年三月三十一日之可供分派儲備約為46,475,000港元(二零零九年：46,424,000港元)，包括保留溢利及繳入盈餘。

五年財務概要

本集團最近五個財政年度之業績以及資產與負債概要載列於第82頁。

購買、出售或贖回證券

截至二零一零年三月三十一日止年度，本公司及其任何附屬公司概無購買或出售本公司任何股份，於同一財政年度本公司亦無贖回其任何股份。

銀行借貸

於二零一零年三月三十一日本集團之銀行借貸之分析載列如下：

	銀行借貸	
	二零一零年 千港元	二零零九年 千港元
一年內	76,400	74,808
於第二年	39,400	74,855
於第三年至第五年	6,600	232,906
	122,400	382,569

主要附屬公司

本公司於二零一零年三月三十一日之主要附屬公司載列於綜合財務報表附註34。

董事會報告

退休福利計劃

本集團退休福利計劃詳情載列於綜合財務報表附註8。

董事

本年度之董事如下：

梁劍文先生
梁偉成先生
郭冠文先生
黃保欣先生，大紫荊勳賢、太平紳士¹
李華明議員，銀紫荊星章、太平紳士¹
劉宏業先生¹

¹ 獨立非執行董事

根據本公司組織章程細則第87(1)條，李華明議員及劉宏業先生將於應屆股東週年大會告退，惟符合資格並願膺選連任。

董事之服務合約

於二零一零年四月一日，各執行董事與本公司訂立三年期之服務合約，該等合約一直有效至其中一方向對方發出不少於六個月之書面通知為止。

獨立非執行董事與本公司或其附屬公司並無訂立任何服務合約。

董事及高級管理人員履歷

董事及高級管理人員履歷載列於第8至9頁。

董事於合約中之權益

於年終或年內任何時間，本公司或其任何附屬公司概無訂立任何對本集團業務有重大影響且本公司之董事直接或間接在其中佔有重大權益之合約。

董事於競爭業務之權益

本公司董事概無於對本集團業務構成競爭或可能構成競爭之業務中擁有權益。

董事會報告

董事及行政總裁於本公司或任何相聯法團之股份、相關股份及債券中之權益及淡倉

(a) 本公司每股面值0.10港元普通股中之好倉

於二零一零年三月三十一日，本公司各董事及行政總裁於本公司及其相聯法團（按證券及期貨條例（「證券及期貨條例」）所定義者）股份、相關股份及債券中擁有須記入本公司根據證券及期貨條例第XV部第352條存置之登記冊內之權益及淡倉，或根據上市公司董事進行證券交易的標準守則（「標準守則」）須知會本公司及香港聯合交易所有限公司（「聯交所」）之權益及淡倉如下：

	持有股份數目			佔本公司 已發行股本 之百分比
	個人權益	法團權益	總計	
梁劍文先生	18,200,000	225,911,400 (附註i)	244,111,400	43.85%
梁偉成先生	44,640,000	—	44,640,000	8.02%
郭冠文先生	1,202,000	—	1,202,000	0.22%
李華明議員	10,000	—	10,000	0.00%

附註：

(i) 此等股份由在英屬處女群島註冊成立之有限公司 Shundean Investments Limited 擁有。梁劍文先生是該公司之唯一股東。

(b) 本公司相關股份內之好倉

除「購股權計劃」一節披露者外，在本年度內本公司或其任何附屬公司概無參與任何安排，致使董事或行政總裁或其配偶或十八歲以下子女可藉購入本公司或任何其他法人團體之股份或債券而獲益。

董事會報告

董事及行政總裁於本公司或任何相聯法團之股份、相關股份及債券中之權益及淡倉(續)

(b) 本公司相關股份內之好倉(續)

除上文所披露者及梁劍文先生代本集團以信託形式持有本公司屬下在香港註冊成立之附屬公司一股普通股以外，於二零一零年三月三十一日本公司董事及行政總裁概無於本公司或其相聯法團之股份、相關股份或債券中，擁有本公司根據證券及期貨條例或其他規定須披露，或根據標準守則須知會本公司及聯交所之任何權益或淡倉。

主要股東於本公司股份及相關股份中之權益及淡倉

根據證券及期貨條例第XV部第336條規定須保存之主要股東名冊顯示，於二零一零年三月三十一日，已知會本公司已登錄以下為本公司已發行股本5%或以上主要股東權益及淡倉。

名稱	持股身份	好倉 股份數目	佔本公司已發行 股本之百分比
Shundean Investments Limited	實益擁有人	225,911,400 (附註 i)	40.58%
LEUNG Wai Lap, David	實益擁有人	34,078,190	6.12%
DJE Investment S.A.	投資經理	33,402,000 (附註 ii)	6.00%
DJE Kapital AG	投資經理	33,402,000 (附註 ii)	6.00%
Dr. Jens Alfred Karl Ehrhardt	投資經理	33,402,000 (附註 ii)	6.00%
Webb David Michael	實益擁有人	27,971,400	5.02%

董事會報告

主要股東於本公司股份及相關股份中之權益及淡倉 (續)

附註：

- (i) 此等股份由在英屬處女群島註冊成立之有限公司 Shundean Investments Limited 擁有。梁劍文先生為該公司唯一股東。
- (ii) 此等股份由 DJE Investment S.A. 持有，而 DJE Investment S.A. 由 DJE Kapital AG 控制，而 DJE Kapital AG 由 Dr. Jens Alfred Karl Ehrhardt 控制。

除於上文披露者外，根據本公司按證券及期貨條例第XV部第336條存置之登記冊，於二零一零年三月三十一日，除列於上文「董事及行政總裁於本公司或任何相聯法團之股份、相關股份及債券中之權益及淡倉」一節載列之權益外，並無任何人士於本公司之股份或相關股份中擁有任何權益或淡倉。

購股權計劃

於二零零三年八月二十一日舉行之股東特別大會上，本公司股東批准終止本公司於一九九二年十一月六日採納之購股權計劃（該計劃於二零零二年十一月五日期滿），並批准採納新購股權計劃（「該計劃」）。該計劃從採納當日起計十年期內有效。

根據該計劃，本公司可向本公司或其任何附屬公司之董事及員工授出購股權以認購本公司股份，以作獎勵之用。

根據所有購股權計劃授出及尚未行使之購股權在悉數行使時可予發行之股份數目，最多不得超過本公司不時已發行股份之30%。

所有根據該計劃授出之購股權在悉數行使時可予發行之股份數目，不得超過採納日期當日本公司已發行股份之10%。

於任何十二個月期間內授予個別承授人之購股權總數，不得超過本公司已發行股份之1%。

根據購股權而必須認購股份之期間為董事會決定之任何期間，此期間為授出有關購股權之日起計十年或該計劃期滿日之較早者。

購股權之認購價不得低於以下各項中之較高者 (i) 於授出日期股份於聯交所之收市價；(ii) 在緊接授出日期前五個營業日股份於聯交所之平均收市價；及 (iii) 股份的面值。

購股權承授人須向本公司繳付1港元以接納購股權。

於報告日期後，本公司授出40,540,000份購股權。詳情已載列於綜合財務報表附註35。

董事會報告

管理合約

本年度並無訂立或存在有關本公司整體或任何主要部分業務管理及行政事宜之合約。

優先購買權

本公司組織章程細則概無優先購買權之規定，儘管百慕達法例並無對有關權利施加限制。

企業管治

本公司一直保持高水平之企業管治。本公司採納之企業管治常規之詳情載列於第10至12頁企業管治報告。

審核委員會

審核委員會已與管理層審閱本集團採納之會計原則及慣例，並討論有關內部控制及財務呈報各事項，包括審閱本集團截至二零一零年三月三十一日止年度之財務報表。

審核委員會目前由本公司三名獨立非執行董事組成，分別為黃保欣先生，大紫荊勳賢、太平紳士、李華明議員，銀紫荊星章、太平紳士及劉宏業先生。

充足公眾流通量

根據可公開獲得以及董事會所知悉之資料，董事確認，截至二零一零年三月三十一日止年度及至本報告日期之所有時間，本公司股份之公眾流通量充足，超過已發行股份之25%。

核數師

財務報表經由羅兵咸永道會計師事務所審核，該核數師任滿告退，並符合資格願於本公司應屆股東週年大會續聘連任。

承董事會命

主席
梁劍文

香港，二零一零年七月十五日

獨立核數師報告



羅兵咸永道會計師事務所

羅兵咸永道會計師事務所

香港中環

太子大廈22樓

獨立核數師報告

致ALCO HOLDINGS LIMITED股東

(於百慕達註冊成立的有限公司)

本核數師(以下簡稱「我們」)已審核列載於第23至80頁Alco Holdings Limited(「貴公司」)及其附屬公司(以下合稱「貴集團」)的綜合財務報表，此綜合財務報表包括於二零一零年三月三十一日的綜合及公司資產負債表與截至該日止年度的綜合損益表、綜合全面收益表、綜合權益變動表和綜合現金流量表，以及主要會計政策概要及其他附註解釋。

董事就財務報表須承擔的責任

貴公司董事須負責根據香港會計師公會頒佈的香港財務報告準則及按照香港《公司條例》的披露規定編製及真實而公平地列報該等綜合財務報表。這責任包括設計、實施及維護與編製及真實而公平地列報財務報表相關的內部控制，以使財務報表不存在由於欺詐或錯誤而導致的重大錯誤陳述；選擇和應用適當的會計政策；及按情況下作出合理的會計估計。

核數師的責任

我們的責任是根據我們的審核對該等綜合財務報表作出意見，並按照百慕達一九八一年《公司法》第90條僅向整體股東報告，除此之外本報告別無其他目的。我們不會就本報告的內容向任何其他人士負上或承擔任何責任。

我們已根據香港會計師公會頒佈的香港審計準則進行審核。這些準則要求我們遵守道德規範，並規劃及執行審核，以合理確定此等財務報表是否不存有任何重大錯誤陳述。

獨立核數師報告

審核涉及執程序以獲取有關財務報表所載金額及披露資料的審核憑證。所選定的程序取決於核數師的判斷，包括評估由於欺詐或錯誤而導致財務報表存有重大錯誤陳述的風險。在評估該等風險時，核數師考慮與該公司編製及真實而公平地列報財務報表相關的內部控制，以設計適當的審核程序，但並非為對公司的內部控制的效能發表意見。審核亦包括評價董事所採用的會計政策的合適性及所作出的會計估計的合理性，以及評價財務報表的整體列報方式。

我們相信，我們所獲得的審核憑證是充足和適當地為我們的審核意見提供基礎。

意見

我們認為，綜合財務報表已根據香港財務報告準則真實而公平地反映 貴公司及 貴集團於二零一零年三月三十一日的事務狀況及 貴集團截至該日止年度的利潤及現金流量，並已按照香港《公司條例》的披露規定妥為編製。

羅兵咸永道會計師事務所
執業會計師

香港，二零一零年七月十六日

綜合損益表

截至二零一零年三月三十一日止年度

	附註	二零一零年 千港元	二零零九年 千港元
營業額	5	4,003,213	5,993,075
銷貨成本	7	(3,447,672)	(5,321,070)
毛利		555,541	672,005
其他收入	6	14,451	2,394
銷售開支	7	(216,833)	(303,236)
行政開支	7	(93,428)	(100,132)
其他經營開支	7	(4,718)	(12,869)
貸款及應收款項匯兌收益／(虧損)	18	14,397	(25,957)
經營溢利		269,410	232,205
財務收入	9	5,989	8,130
財務成本	9	(1,381)	(23,839)
除所得稅前溢利		274,018	216,496
所得稅支出	10	(25,725)	(26,311)
年內本公司股東應佔權益		248,293	190,185
本公司股東應佔每股盈利			
— 基本	12	44.6 港仙	34.1 港仙
— 攤薄	12	44.6 港仙	34.1 港仙
股息	13	161,433	128,033

第29至80頁之附註乃此等綜合財務報表之一部分。

綜合全面收益表

截至二零一零年三月三十一日止年度

	二零一零年 千港元	二零零九年 千港元
本年度溢利	248,293	190,185
其他全面收益／(開支)，扣除稅項：		
可供出售金融資產之公平值收益／(虧損)	40,485	(38,935)
貨幣匯兌差額	(2,828)	3,144
年內本公司股東應佔全面收益總額	285,950	154,394

第29至80頁之附註乃此等綜合財務報表之一部分。

綜合資產負債表

於二零一零年三月三十一日

	附註	二零一零年 千港元	二零零九年 千港元
非流動資產			
物業、廠房及設備	14	278,749	332,065
投資物業	15	75,020	65,970
租賃土地及土地使用權	16	58,191	58,648
無形資產	17	76,827	81,658
遞延所得稅資產	29	7,072	—
貸款及應收款項	18	78,501	64,104
可供出售金融資產	19	136,641	96,156
		711,001	698,601
流動資產			
存貨	22	472,688	703,846
應收貿易及其他賬款	23	535,383	608,697
現金及現金等值	24	1,039,830	872,307
		2,047,901	2,184,850
流動負債			
應付貿易及其他賬款	25	819,062	831,317
即期所得稅負債		57,891	38,439
借貸	26	76,400	74,808
		953,353	944,564
流動資產淨值		1,094,548	1,240,286
總資產減流動負債		1,805,549	1,938,887
本公司股東應佔資本及儲備			
股本	27	55,666	55,666
儲備	28	1,703,883	1,545,966
總權益		1,759,549	1,601,632
非流動負債			
借貸	26	46,000	307,761
遞延所得稅負債	29	—	29,494
		46,000	337,255
總權益及非流動負債		1,805,549	1,938,887

承董事會命

董事
梁劍文

董事
梁偉成

第29至80頁之附註乃此等綜合財務報表之一部分。

資產負債表

於二零一零年三月三十一日

	附註	二零一零年 千港元	二零零九年 千港元
非流動資產			
於附屬公司之投資	20	348,177	348,105
流動資產			
其他應收款項	23	105	105
現金及現金等值	24	89	107
		194	212
流動負債			
其他應付款項	25	278	276
應付稅款		1	–
		279	276
流動負債淨額		(85)	(64)
總資產減流動負債		348,092	348,041
本公司股東應佔資本及儲備			
股本	27	55,666	55,666
儲備	28	292,426	292,375
總權益		348,092	348,041

承董事會命

董事
梁劍文

董事
梁偉成

第29至80頁之附註乃此等財務報表之一部分。

綜合權益變動表

截至二零一零年三月三十一日止年度

	本公司股東應佔			
	股本 千港元	其他儲備 千港元	保留溢利 千港元	總計 千港元
於二零零八年四月一日之結餘	55,867	245,235	1,275,950	1,577,052
全面收益				
本年度溢利	—	—	190,185	190,185
其他全面收益／(開支)				
可供出售金融資產之公平值虧損	—	(38,935)	—	(38,935)
貨幣兌換差額	—	3,144	—	3,144
全面(開支)／收益總值	—	(35,791)	190,185	154,394
與擁有人進行之交易				
購回本公司股份	(201)	(1,099)	(201)	(1,501)
二零零九年中中期股息	—	—	(50,100)	(50,100)
二零零八年末期股息	—	—	(78,213)	(78,213)
與擁有人進行之交易總值	(201)	(1,099)	(128,514)	(129,814)
於二零零九年三月三十一日之結餘	55,666	208,345	1,337,621	1,601,632
於二零零九年四月一日之結餘	55,666	208,345	1,337,621	1,601,632
全面收益				
本年度溢利	—	—	248,293	248,293
其他全面收益／(開支)				
可供出售金融資產之公平值收益	—	40,485	—	40,485
貨幣兌換差額	—	(2,828)	—	(2,828)
全面收益總值	—	37,657	248,293	285,950
與擁有人進行之交易				
二零一零年中中期股息	—	—	(50,100)	(50,100)
二零零九年末期股息	—	—	(77,933)	(77,933)
與擁有人進行之交易總值	—	—	(128,033)	(128,033)
於二零一零年三月三十一日之結餘	55,666	246,002	1,457,881	1,759,549

第29至80頁之附註乃此等綜合財務報表之一部分。

綜合現金流量表

截至二零一零年三月三十一日止年度

	附註	二零一零年 千港元	二零零九年 千港元
經營業務之現金流量			
經營產生之現金	30	641,240	572,763
收取利息		5,989	8,130
支付利息		(1,381)	(23,839)
(支付)／退回所得稅		(42,839)	418
經營業務產生之現金淨額		603,009	557,472
投資業務之現金流量			
購置物業、廠房及設備		(34,266)	(65,598)
出售物業、廠房及設備所得款項		1,887	3,069
支付遞延發展費用		(11,515)	(14,036)
購置可供出售金融資產		—	(120,791)
購置貸款及應收款項		—	(80,528)
已到期持至到期日金融資產所得款項		—	46,800
投資業務所用之現金淨額		(43,894)	(231,084)
融資業務之現金流量			
回購本公司股份		—	(1,501)
借貸所得款項		12,000	380,000
償還借貸		(272,169)	(63,138)
派發予本公司股東股息		(128,033)	(128,313)
融資業務(所用)／產生之現金淨額		(388,202)	187,048
現金及現金等值增加淨額		170,913	513,436
於年初之現金及現金等值		872,307	358,669
外幣匯率變化之影響		(3,390)	202
於年末之現金及現金等值	24	1,039,830	872,307

第29至80頁之附註乃此等綜合財務報表之一部分。

綜合財務報表附註

二零一零年三月三十一日

1 一般資料

Alco Holdings Limited (「本公司」) 及其附屬公司 (統稱「本集團」) 從事設計、製造及銷售消費電子產品及塑膠產品。

本公司乃一間於百慕達註冊成立之有限責任公司。註冊辦事處地址為Clarendon House, 2 Church Street, Hamilton HM11, Bermuda。本公司於香港聯合交易所有限公司主板上市。

除另有註明外，該等綜合財務報表均以千港元呈列。該等綜合財務報表已於二零一零年七月十六日獲董事會批准刊發。

2 主要會計政策概要

於編製該等綜合財務報表時採用之主要會計政策載列如下。除另有註明者外，該等政策已於所有呈報年度貫徹採用。

2.1 編製基準

本公司之綜合財務報表乃根據香港會計師公會頒布之香港財務報告準則、香港聯合交易所有限公司證券上市規則附錄十六之披露規定及香港公司條例編製。綜合財務報表乃根據歷史成本常規法編製，並經按公平值列賬之投資物業及可供出售金融資產之重估予以修訂。

編製符合香港財務報告準則規定之綜合財務報表須採用若干重要會計評估，管理層亦須於應用本集團會計政策時作出判斷，而涉及較高水平判斷或較為複雜之範圍，或假設及評估對綜合財務報表至關重要之範圍於附註4披露。

本集團採納之新訂及修訂準則

本集團已於二零零九年四月一日開始的財政年度採用以下與其相關的強制性新訂／經修訂準則及對準則之修訂，惟並無對本集團之財務報表造成重大影響：

綜合財務報表附註

二零一零年三月三十一日

2 主要會計政策概要(續)

2.1 編製基準(續)

香港會計準則第1號(經修訂)－財務報表之呈報

經修訂之準則要求「非擁有人之權益變動」須於全面收益表中與擁有人之權益變動分開呈列。故此本集團於綜合權益變動表中呈列所有擁有人之權益變動，而所有非擁有人之權益變動則於綜合全面收益表中呈列。比較資料已重新呈列，以符合經修訂準則。該會計政策變動僅影響財務報表之呈報，並沒有對總權益及每股盈利構成影響。

香港財務報告準則第7號－金融工具：披露(修訂本)

該修訂規定須作出有關公平值計量及流動資金風險之額外披露，特別是此項修訂規定按公平值計量級別披露公平值計量資料。該會計政策變動僅導致額外披露，並沒有對總權益及每股盈利構成影響。

香港財務報告準則第8號－經營分部

香港財務報告準則第8號取代香港會計準則第14號「分部報告」。香港財務報告準則第8號要求以「管理模式」列示分部資料，該等分部資料之列示基礎需與內部報告一致。需要列示之業務線分部數目並沒有改變。此外，分部資料之列示方式與內部經營決策者之報告一致。

尚未生效及本集團並無提早採納之準則、現有準則之修訂及詮釋

下列新訂／經修訂準則、對現有準則之修訂及詮釋已公佈，但於截止二零一零年三月三十一日止財政年度尚未生效且本集團並無提早採納：

綜合財務報表附註

二零一零年三月三十一日

2 主要會計政策概要(續)

2.1 編製基準(續)

		於下列 日期或其後開始 之年度期間生效
• 香港財務報告準則第1號(經修訂)	首次採納香港財務報告準則	二零零九年七月一日
• 香港財務報告準則第3號(經修訂)	業務合併	二零零九年七月一日
• 香港財務報告準則第9號	金融工具	二零一三年一月一日
• 香港會計準則第24號(經修訂)	關連人士披露	二零一一年一月一日
• 香港會計準則第27號(經修訂)	綜合及獨立財務報表	二零零九年七月一日
• 香港會計準則第32號(修訂)	供股分類	二零一零年二月一日
• 香港會計準則第39號(修訂)	金融工具：確認及計量－ 合資格對沖項目	二零零九年七月一日
• 香港(國際財務報告詮釋委員會) 第14號(修訂)	最低資金規定預付款項	二零一一年一月一日
• 香港(國際財務報告詮釋委員會) 第17號	向擁有人分配非現金資產	二零零九年七月一日
• 香港(國際財務報告詮釋委員會) 第18號	自客戶轉移資產	二零零九年七月一日
• 香港(國際財務報告詮釋委員會) 第19號	以權益工具抵銷財務負債	二零一零年七月一日
• 香港財務報告準則第1號(修訂)	首次採納者之額外豁免	二零一零年一月一日
• 香港財務報告準則第2號(修訂)	集團以現金結算以股份為 基礎之付款交易	二零一零年一月一日
• 香港會計師公會於二零零九年五月及二零一零年五月頒布之若干香港財務報告準則之改進		

本集團已開始評估上述新訂／經修訂準則、現有準則之修訂及詮釋之影響，但目前尚未能確定該等新訂／經修訂準則、現有準則之修訂及詮釋會否對其經營業績和財務狀況帶來重大影響。

綜合財務報表附註

二零一零年三月三十一日

2 主要會計政策概要(續)

2.2 綜合

綜合財務報表包括本公司及其所有附屬公司截至三月三十一日止之財務報表。

附屬公司為所有本集團有權監管其財務及經營策略且一般擁有過半數投票權的公司（包括特別目的公司）。評估本集團是否控制另一公司會考慮現時可行使或可轉換的潛在投票權是否存在及其影響。

附屬公司於控制權轉移至本集團之日全面綜合入賬。附屬公司由失去控制權之日起不再綜合入賬。

本集團收購附屬公司以收購會計法入賬。收購成本按所獲得的資產、發行的股本證券及產生或承擔的負債於交易日期的公平值計量，加上直接與收購有關的成本。不論少數股東權益所佔比例，因企業併購所獲得的可識別資產及所承擔的負債及或然負債初步均以收購日期公平值入賬。收購成本高於本集團所佔所收購可識別資產淨值的公平值的差額作為商譽入賬。倘若收購成本低於所收購附屬公司淨資產的公平值，則差額直接在綜合損益表確認。

集團內公司間之交易、結餘及交易的未變現收益乃予以對銷。除非交易提供所轉讓資產減值的憑証，否則未變現虧損亦予以撇銷。附屬公司之會計政策已於有需要時於綜合財務報表作變動，目的是以與本集團所採納之政策一致。

於本公司之資產負債表中，於附屬公司之投資以成本減去減值虧損撥備而列賬（附註2.9）。本公司根據已收及應收股息將附屬公司之業績入賬。

2.3 分部報告

經營分部按與向主要經營決策人內部呈報者一致之方式呈報。主要經營決策人負責分配資源及評核經營分部之表現，而管理委員會被認為負責作出策略決定。

2 主要會計政策概要(續)

2.4 外幣匯兌

(a) 功能及呈報貨幣

本集團各公司之財務報表所包括之項目，均以該公司之主要營運地區之貨幣(「功能貨幣」)計算。本綜合財務報表乃以港元呈報，即本公司之功能貨幣及本集團之呈報貨幣。

(b) 交易和結餘

外幣交易均按交易或項目重新估值當日之匯率折算為功能貨幣。結算該等交易以及按年結日之匯率折換外幣資產及負債產生之匯兌收益及虧損，均於綜合損益表內確認。

非貨幣金融資產之匯兌差額(如分類為可供出售權益)乃於權益內列作其他儲備。

以歷史成本計量並以外幣為單位之非貨幣資產及負債按交易日期適用之兌換率換算。以外幣為單位且按公平值列賬之非貨幣資產及負債，按釐定其公平值日期適用之兌換率換算。

(c) 集團公司

本集團旗下所有公司如其功能貨幣與呈報貨幣不同(其中並無任何公司持有通脹嚴重之經濟體系之貨幣)，其業績及財務狀況均按以下方法兌換為呈報貨幣：

- (i) 各資產負債表所列之資產及負債均按照該資產負債表結算日之收市匯率折算；
- (ii) 各損益表所列之收入及支出均按照平均匯率折算(但若此平均匯率未能合理地反映各交易日之匯率所帶來之累積影響，則按照交易日之匯率折算此等收入和支出)；及
- (iii) 所有產生之匯兌差額均於權益中分開確認。

綜合財務報表附註

二零一零年三月三十一日

2 主要會計政策概要(續)

2.4 外幣匯兌(續)

(c) 集團公司(續)

在編製綜合賬目時，折算海外業務投資淨額而產生之匯兌差額，均列入股東權益賬內。當出售部分或所有海外業務時，錄入權益賬內之此等匯兌差額將於綜合損益表內確認為出售收益或虧損之一部分。

因收購海外公司而產生之商譽及公平值調整，均視作為該海外公司之資產及負債處理，並以結算日匯率折算。

2.5 租賃土地及土地使用權

租賃土地及土地使用權乃按成本減累計攤銷及累計減值虧損列賬。成本主要指自個別權利授出日期起計使用土地的權利所支付之代價。租賃土地及土地使用權乃按權利年期以直線法攤銷。

2.6 物業、廠房及設備

物業、廠房及設備均按歷史成本減折舊及減值虧損列賬。歷史成本包括直接用於收購項目的開支。

當與項目有關之未來經濟利益可能會流入本集團，且能可靠地計量項目之成本時，方會將其後之成本併入資產之賬面值或確認為一項獨立資產(如適用)。已更換部分之賬面值不予確認。所有其他維修及保養費用，均於產生之財政期間內，於綜合損益表內支銷。

樓宇及模具的折舊乃利用直線法計算，將其成本分配至分別為40年及4年之估計可使用年期。其他物業、廠房及設備之折舊乃將資產成本按其估計可使用年期，以餘額遞減法攤銷及減去累計減值虧損。所採用之主要折舊率如下：

租賃物業裝修	20%
傢俬、裝置及設備	20%
廠房及機器	14.5%至20%
汽車	20%

2 主要會計政策概要(續)

2.6 物業、廠房及設備(續)

資產之剩餘價值及可使用年期均於各結算日予以審閱及調整(如適用)。

倘資產賬面值較估計的可收回款額為大，則資產的賬面值將立刻被撇減至其可收回款額(附註2.9)。

出售之盈虧均透過將所得款項與賬面值作比較而釐定，並於綜合損益表「其他經營開支」內確認。

2.7 投資物業

物業能獲得長期租賃收益或資本增值或兩者兼備，且並非由本集團內公司所佔用，乃歸類為投資物業。

投資物業包括租賃土地及樓宇。

投資物業以公平值列賬。估值由獨立估值師依據國際評估準則委員會刊發之指引按個別物業相關之公開市值進行。

公平值之改變作為「其他收入」之部分，於損益表內確認。

2.8 無形資產

(a) 已購置特許權

已購置特許權以成本減累計攤銷結轉。已購置特許權之經濟可使用年期乃於購置時作出估計(附註4(b))。攤銷乃利用直線法計算，將已購置特許權之成本分配至10年之估計可使用年期。

根據香港會計準則第36號，特許權須每年進行減值測試。

綜合財務報表附註

二零一零年三月三十一日

2 主要會計政策概要(續)

2.8 無形資產(續)

(b) 遞延發展費用

研究開支於產生時確認作支銷。倘符合以下條件，則發展項目中(設計及測試全新或經改良產品產生之費用)乃確認作無形資產：

- (i) 技術上可行完成開發中／已開發產品，使其可供使用或銷售；
- (ii) 管理層有意完成開發中／已開發產品並作使用或銷售；
- (iii) 有能力使用或銷售開發中／已開發產品；
- (iv) 可展示開發中／已開發產品如何可能產生未來經濟利益；
- (v) 擁有充足技術、財務及其他資源以完成發展及使用或銷售開發中／已開發產品；及
- (vi) 開發中／已開發產品於開發時所產生的開支，能可靠地計算。

其他不符合該等條件之發展開支於產生時確認作支銷。先前確認作開支之發展費用在往後期間並不確認作資產。已資本化發展費用記錄為無形資產並按30個月期間攤銷，以反映確認有關經濟利益之形式。

根據香港會計準則第36號，發展資產須每年進行減值測試。

2 主要會計政策概要(續)

2.9 附屬公司投資及其他非金融資產減值

並無固定可使用年期之資產毋須攤銷，但需每年測試有否減值。在遇上事件顯示或情況有變而顯示資產賬面值或許不能收回時，則為其他資產測試有否減值。減值虧損乃按資產賬面值超出其可收回款額之金額確認。可收回款額指資產之公平值減出售費用及使用價值(以較高者為準)。就評估有否減值而言，資產將會按有獨立可識別現金流量(賺取現金單位)之最低水平分類。出現減值之非金融資產(不包括商譽)，於各報告日期均就可能撥回減值而予以檢討。

2.10 金融資產

2.10.1 類別

本集團之金融資產分為以下類別：貸款及應收款項，以及可供出售。分類視乎購入有關金融資產之目的而定。管理層按初步確認決定其金融資產之類別。

(a) 貸款及應收款項

貸款及應收款項為並無於活躍市場報價惟具有固定或可予釐定款項之非衍生金融資產。此等應收款項計入流動資產內，惟不包括到期日為結算日起計十二個月以後者。該等款項概列作非流動資產。本集團之貸款及應收款項包括列於資產負債表之「貸款及應收款項」、「應收貿易及其他賬款」及「現金及現金等值」內(附註2.12及2.13)。

(b) 可供出售金融資產

可供出售金融資產乃被指定列入此類別或並無歸入其他類別之非衍生工具。除非有關投資到期或管理層擬於結算日起計12個月內出售有關投資，否則列為非流動資產。

綜合財務報表附註

二零一零年三月三十一日

2 主要會計政策概要(續)

2.10 金融資產(續)

2.10.2 確認及計量

經常性買賣金融資產於交易日確認，交易日即本集團承諾買賣資產之日期。就所有並非透過損益按公平值列值之金融資產而言，投資最初按公平值另加交易成本確認。在收取來自投資之現金流量之權利屆滿或已轉讓，且本集團已轉讓有關所有權之絕大部分風險及收益時，有關金融資產將終止確認。其後，可供出售金融資產按公平值列值。貸款及應收款項其後以實際利息法按攤銷成本列賬。

分類為可供出售之貨幣性及非貨幣性證券之公平值變動在其他全面收益中確認。

本集團於每個結算期間完結時評核是否有客觀證據證明一項或一組金融資產出現減值。就分類為可供出售股本投資而言，投資之公平值大幅或長期跌至低於其成本被視為證券已減值之指標。如可供出售金融資產存在任何該等證據，累計虧損—即收購成本與現行公平值之間之差額，減該金融資產之前於損益表內確認之任何減值虧損—乃從中扣除，並於綜合損益表內確認。就股本工具於綜合損益表內確認之減值虧損不會透過綜合損益表撥回。應收貿易賬款之減值測試，於附註2.12項說明。

2.11 存貨

存貨乃按成本與可變現淨值兩者之較低者呈列。成本乃按加權平均法釐定。製成品及在製品之成本，包括設計成本、原材料、直接勞工、其他直接成本及相關生產之間接費用(根據正常經營量計算)。存貨不包括借貸成本。可變現淨值乃於日常業務範圍內之估計售價，減適用之可變銷售開支。

2 主要會計政策概要(續)

2.12 應收貿易及其他賬款

應收貿易及其他賬款最初按公平值確認，其後則以實際利息法按攤銷成本計算並扣除減值撥備。

如有客觀證據顯示本集團無法按照應收款項的原有條款收取所有欠款，則須為應收貿易及其他賬款作出減值撥備。債務人出現嚴重財政困難、債務人可能會破產或進行財務重組，以及拖欠或未能償還借款，均被視為應收賬款減值之跡象。撥備額為資產賬面值與估計未來現金流量按原實際利率折算之現值兩者的差額。資產之賬面值乃透過使用撥備賬削減，虧損金額於綜合損益表「其他經營開支」內確認。倘一項應收賬款未能收回，則於應收賬款之撥備賬內撇銷。其後收回之前已撇銷之該等金額乃計入綜合損益表「其他經營開支」內。

2.13 現金及現金等值

現金及現金等值包括現金、銀行之通知存款、由到期日為三個月或以下的其他短期高流動投資。

2.14 股本

普通股分類為權益。當本集團成員公司購買本公司之股本，所繳付之代價(包括任何扣除所得稅之直接產生之增量成本)自本公司股東應佔權益扣除，直至該等股份註銷或重新發行為止。若該等股份之後重新發行，所收取之代價(扣除直接產生之增量交易成本及有關所得稅影響)會計入本公司股東應佔權益。

2.15 應付貿易及其他賬款

應付貿易款項為於日常業務過程中就購買的貨物及服務向供應商支付款項的責任。如付款於一年或一年以內(或如屬較長時間，則以一般營運業務週期為準)，該應付貿易賬項分類為流動負債，否則會分類為非流動負債。

應付貿易及其他賬款最初按公平值確認，其後則以實際利息法按攤銷成本計算。

綜合財務報表附註

二零二零年三月三十一日

2 主要會計政策概要(續)

2.16 借貸

借貸最初乃按公平值(扣除已產生的交易成本)確認。借貸其後按攤銷成本列賬，如扣除交易成本之後的所得款項和贖回價值出現差額，則於借貸期內以實際利息法在綜合損益表內確認。

除非本集團有權無條件將債務結算日期遞延至報告期間完結後至少十二個月，否則借貸將被分類為流動負債。

2.17 即期及遞延所得稅

本年度所得稅支出包括即期及遞延稅項。

即期所得稅支出根據本公司及其附屬公司營運所在及產生應課稅收入之國家於結算日已頒布或實質頒布之稅務法例計算。管理層就適用稅務法例詮釋所規限之情況定期評估報稅表之狀況，並在適用情況下根據預期須向稅務機關支付之稅款設定撥備。

遞延所得稅以負債法就資產及負債之稅基與其在綜合財務報表中所列賬面值之間之暫時差額作出確認。然而，如遞延所得稅乃源自業務合併以外的交易中初步確認的資產或負債，而在交易時並不影響會計或稅務利潤或虧損，則不會入賬處理。當有關遞延所得稅資產已變現或遞延所得稅負債已結算時，遞延所得稅以於結算日現行已制定或大致上已制定及預期獲應用之稅率(及法例)計算。

遞延所得稅資產乃就有可能將未來應課稅溢利與可動用之暫時差額抵銷而確認。

遞延所得稅乃就附屬公司投資產生之暫時差額而確認或撥備，惟本集團可以控制暫時差額之撥回，並有可能在可預見未來不會撥回則除外。

倘有可依法強制執行權利將當期稅項資產與當期稅項負債抵銷，且遞延所得稅資產及負債與同一稅務機關就一個或多個應課稅實體徵收之所得稅有關，而有關實體有意按淨額基準繳納稅項時，遞延所得稅資產與負債將予互相抵銷。

2 主要會計政策概要(續)

2.18 僱員福利

(a) 僱員應享假期權利

僱員應享年假權利乃於其應計予僱員時確認。僱員假期乃按截至結算日止因僱員提供服務而產生之估計年假計提撥備。

僱員應享病假及分娩或待產假期權利，僅於支取假期時方予確認。

(b) 退休金承擔

本集團為僱員設立多項界定供款計劃，依據一項界定供款計劃，本集團向一間獨立機構支付定額退休金供款，履行向僱員支付退休金之責任。倘該項基金不具備足夠資產，無法就本期及以往期間之僱員服務，向所有僱員支付福利，本集團亦無法律或推定責任作進一步供款。

供款到期時即確認為僱員福利開支，及扣減因僱員於供款全數歸屬前已退出計劃而沒收之供款。

(c) 終止僱傭福利

終止僱傭福利在正常退休日期前僱用被終止，或當僱員接受自願遣散以換取此等福利時支付。本集團在可證明承諾如下時確認終止服務權益：根據一項詳細的正式計劃終止現有僱員的僱用（沒有撤回的可能）；或因為提出一項要約以鼓勵自願遣散而提供的終止服務權益。在結算日後超過十二個月支付的福利折現為現值。

綜合財務報表附註

二零一零年三月三十一日

2 主要會計政策概要(續)

2.19 撥備

當本集團因已發生的事件須承擔現有之法律性或推定性的責任，而將來可能需要有資源流出以解除責任及有關金額乃可予以衡量時，則撥備予以確認。未來經營虧損並無確認撥備。

倘出現多項類似債務，會否導致經濟利益流出以清償債務乃經考慮債務之整體類別後確定。即使同類別債務中任何一項可能流出經濟利益的機會不大，仍會確認撥備。

撥備乃利用除稅前息率(反映現時市場對金錢時間價值以及與責任有關之風險之估計)根據預期須履行責任之開支的現值而計量。由於時間過去而作出的撥備增幅，確認為利息開支。

2.20 收入確認

收入包括在本集團日常業務過程中出售貨品及服務而已收或應收代價之公平值。所示收入已扣除增值稅、退貨、回扣及折扣及對銷集團內之銷售。當收入金額能可靠測量、未來經濟溢利可能流入本集團、以及符合下文所述本集團之各項業務的特定條件時，本集團將確認收入：

- (i) 銷售貨物乃於本集團之公司已向客戶交付產品，而客戶則已接納有關產品，並可合理確定可收回相關應收賬款時予以確認。
- (ii) 租金收入乃按各有關租約之年期按直線基準確認。
- (iii) 利息收入利用實際利息法按時間比例基準確認。當應收賬款出現減損時，本集團將其賬面值減至可收回金額(即以工具之原本實際利率折現之估計未來現金流)，並繼續解除折現作為利息收入。

2 主要會計政策概要(續)

2.21 租賃

經營租約(作為承租人)

倘若租賃擁有權之重大部分風險及回報由出租人保留，則分類為經營租約。根據經營租約支付的款項(扣除向出租人收取之任何優惠後)於租賃期內以直線法在綜合損益表支銷。

經營租約(作為出租人)

當公司按經營租約租出資產時，該等資產按其性質列入資產負債表(載於附註2.7)。按經營租約產生的收入根據本集團確認政策確認(載於附註2.20(ii))。

2.22 股息分派

向本公司股東分派之股息於本公司股東批准股息之期間內在本集團及本公司之財務報表內確認為負債。

3 金融風險管理

本集團經營活動給本集團帶來各種金融風險：市場風險(包括外幣兌換風險、現金流量及公平值利率風險)、信貸風險及流動資金風險。

風險管理由本集團的財資部進行。本集團採取保守及平衡的財資政策，重點關注以下金融風險因素並盡量減低對本集團財務表現可能產生的負面影響。

3.1 金融風險因素

(a) 市場風險

(i) 外幣兌換風險

本集團之交易主要以港元、美元及人民幣計值。除附註18所披露的貸款及應收款項以韓圓計值外，其餘大部分資產及負債均以港元及美元計值，並無重大資產或負債以其他貨幣計值。

綜合財務報表附註

二零一零年三月三十一日

3 金融風險管理(續)

3.1 金融風險因素(續)

(a) 市場風險(續)

(i) 外幣兌換風險(續)

就美元兌換風險方面，由於港元與美元掛鈎，本集團並無重大貨幣風險。本集團之政策為不參與投機活動。本集團並無訂立任何合約以對沖其外匯風險。

就人民幣兌換風險方面，於二零一零年三月三十一日，倘人民幣兌港元升值／貶值10%，而所有其他變數不變，年內除稅後溢利將減少／增加約1,702,000港元(二零零九年：2,295,000港元)，主要由於換算以人民幣計值之現金及銀行結餘以及其他應付款項導致匯兌虧損／收益所致。

就以韓圓計值的貸款及應收款項而言，於二零一零年三月三十一日，倘韓圓兌港元升值／貶值10%，而所有其他變數不變，年內除稅後溢利將增加／減少約7,850,000港元(二零零九年：6,410,000港元)。

(ii) 現金流量及公平值利率風險

由於本集團並無重大計息資產(除短期銀行存款外)，故本集團的收入及經營現金流量實質上獨立於市場利率之變動。

本集團之利率風險來自銀行借貸。本集團之銀行借貸乃以浮動利率結轉，因而令本集團承受現金流量利率風險。本集團並無訂立任何利率掉期安排以對沖利率風險。

於二零一零年三月三十一日，本集團之浮動利率借貸以港元計值。

於二零一零年三月三十一日，倘所有借貸之利率上升／下降100個基點，而所有其他變數不變，年內除稅後溢利將減少／增加1,224,000港元(二零零九年：3,826,000港元)，主要是由於浮動利率借貸之利息開支增加／減少所致。

3 金融風險管理(續)

3.1 金融風險因素(續)

(a) 市場風險(續)

(ii) 現金流量及公平值利率風險(續)

於二零一零年三月三十一日，倘所有計息銀行及現金存款之利率上升／下降10個基點，而所有其他變數不變，年內除稅後溢利將增加／減少1,039,000港元(二零零九年：872,000港元)，乃由於市場利率賺取之利息收入所致。

於二零一零年三月三十一日，本集團持有之銀行貸款總額均為浮動利率。

(b) 信貸風險

信貸風險來自現金及現金等值及於銀行及金融機構之短期存款、貸款及應收款項，以及客戶之信貸風險(包括未償還之應收賬款)。管理層制定信貸政策，此等信貸風險會持續予以監控。

本集團之現金及短期存款存放於信譽良好的銀行及財務機構。就來自客戶的信貸風險而言，管理層評估各個別主要客戶的信貸質素，考慮其財政狀況、過去經驗及其他因素。

(c) 流動資金風險

審慎之流動資金風險管理包括持有充足之現金、獲得足夠之備用承諾信貸融資及擁有結算市場持倉之能力。

本集團通過日常營運產生之資金及獲得備用承諾信貸融資，以維持其流動資金。

本集團擁有銀行信貸額應急周轉。於二零一零年三月三十一日，本集團之備用銀行信貸總額約為17億1千6百萬港元(二零零九年：20億3千萬港元)。

綜合財務報表附註

二零一零年三月三十一日

3 金融風險管理(續)

3.1 金融風險因素(續)

(c) 流動資金風險(續)

下表分析本集團及本公司結算之金融負債，並按資產負債表至合約到期日之餘下期間分類為相關到期類別。於表內披露之金額為合約未折現現金流。

	少於一年 千港元	一年至 兩年期間 千港元	兩年至 五年期間 千港元	總額 千港元	賬面值 千港元
本集團					
於二零零九年三月三十一日					
借貸	75,408	76,039	233,920	385,367	382,569
應付貿易及其他賬款	831,317	—	—	831,317	831,317
於二零一零年三月三十一日					
借貸	76,897	39,936	6,972	123,805	122,400
應付貿易及其他賬款	819,062	—	—	819,062	819,062
本公司					
於二零零九年三月三十一日					
其他應付款項	276	—	—	276	276
於二零一零年三月三十一日					
其他應付款項	278	—	—	278	278

3 金融風險管理(續)

3.2 資本風險管理

本集團的資本管理政策，是保障集團能繼續營運，以為股東提供回報及為其他業務相關人士提供利益，並維持最佳資本結構以減低資本成本。

為維持或調整資本結構，本集團可調整派付予股東之股息金額、向股東發還資本、增加或償還銀行借貸、發行新股或出售資產以減低債務。

本集團以資產負債比率監管資本。此比率乃以扣除現金及現金等值後之借貸總額除以綜合資產負債表所載之總權益計算。

於二零一零年及二零零九年三月三十一日，資產負債比率如下：

	二零一零年 千港元	二零零九年 千港元
借貸(附註26)	122,400	382,569
減：現金及現金等值(附註24)	(1,039,830)	(872,307)
現金淨額	(917,430)	(489,738)
總權益	1,759,549	1,601,632
資產負債比率	不適用	不適用

3.3 公平值估計

二零零九年四月一日起，本集團對資產負債表內按公平價值計量之金融工具，採納香港財務報告準則第7號。此規定須按下列公平價值計量級別作出公平價值計量披露：

- 級別1—相同資產或負債於活躍市場之報價(未經調整)；
- 級別2—就資產或負債而直接(即價格)或間接(即從價格推衍)可觀察之資料輸入(不包括級別1所包含之報價)；
- 級別3—並非根據可觀察之市場數據而有關資產或負債之資料輸入(即無法觀察之資料輸入)。

綜合財務報表附註

二零一零年三月三十一日

3 金融風險管理(續)

3.3 公平值估計(續)

下表呈列本公司於二零一零年三月三十一日按公平值計量之資產(債務：無)：

	級別1 千港元	級別2 千港元	級別3 千港元	合計 千港元
資產				
可供出售金融資產				
— 股本證券	—	—	136,641	136,641

非於活躍市場買賣的金融工具的公平值利用估值法釐定。本集團聘請獨立估值師世邦魏理仕使用折現現金流量模型，根據結算日的現行市況及管理層提供的業務預測進行估值。估值所用折現率為14%。

應收貿易及其他賬款與應付貿易及其他賬款的賬面值減去減值撥備，乃其合理概約公平值。就披露目的而言，長期金融負債公平值的估計按未來合約現金流量以本集團類似金融工具可得的現有市場利率折現計算。

倘一項或多項重大資料輸入並非以可觀察市場數據為依據，則該金融工具列入級別3。

下表呈列截至二零一零年三月三十一日止年度級別3工具之變動。

	可供出售 金融資產 千港元
年初結餘	96,156
於其他儲備確認之收益	40,485
年末結餘	136,641

4 關鍵會計估計及判斷

估計及判斷持續受到評估，並乃基於過往經驗及其他因素，包括在合理情況下對未來事件之預期。

本集團對未來作出估計及假設，所達致之會計估計顧名思義，甚少相等於有關之實際結果。對下個財政年度內具有引致資產及負債賬面值須作大幅調整之重大風險之估計及假設討論如下。

(a) 投資物業公平值之估計

為得出物業之公平值，獨立估值師須作出假設及經濟估計。若此等假設及估計發生變化或未能實現，則財務報表所採納之估值將受影響。

(b) 物業、廠房及設備以及無形資產之估計可使用年期

本集團有大量物業、廠房及設備以及無形資產。本集團須估計物業、廠房及設備以及無形資產之可使用年期，以確定各呈報期間之折舊金額及攤銷費用。

該等資產之可使用年期乃於購入時經考慮未來技術變動、業務發展及本集團之策略後作出估計。本集團會每年進行檢討以評估可使用年期是否適當。有關檢討應考慮情況或事件之任何不可預見逆轉，包括預測經營業績下降、行業或經濟趨勢逆轉及技術發展迅速。本集團會根據檢討結果延長或縮短可使用年期及／或計提減值撥備。

綜合財務報表附註

二零一零年三月三十一日

4 關鍵會計估計及判斷(續)

(c) 非金融資產之減值

於各結算日，本集團會審閱內部及外來資料以識別下列資產可能減值或先前已確認之減值虧損不再存在或可能已經減少之跡象：

- 物業、廠房及設備
- 租賃土地及土地使用權
- 無形資產
- 於附屬公司之投資

倘有任何該等跡象存在，則資產之可收回金額會被評估。當資產之賬面值超過其可收回金額時，減值虧損會在綜合損益表內確認。倘確定出現減值跡象，本集團須估計資產之可收回價值，即資產之公平值減出售成本或使用價值兩者之較高值。該等估算如出現任何變動，可能會導致於財務報表之資產賬面值出現重大變動。

(d) 可供出售金融資產的公平值估計

並非於活躍市場買賣的可供出售金融資產的公平值採用估值技巧釐定。本集團聯同外部顧問，以其判斷選擇合適的估值方法，並主要根據發行日期及各其後結算日的市況作出假設。該估值模型要求輸入可觀察及不可觀察的資料。不可觀察及主觀輸入資料的變動可能對可供出售金融資產的公平值估計產生重大影響。

(e) 確認遞延所得稅資產

根據附註2.17所載會計政策規定，遞延所得稅資產於有可能出現未來應課稅溢利以抵銷暫時差額及稅項虧損時方予以確認，且按變現相關遞延所得稅資產時預計應用的稅率計量。

釐定將予確認的遞延所得稅資產時，管理層須估計遞延稅項資產之變現情況。該等估計與實際結果間的任何差異均將影響本集團於釐定實際結果期間內的業績。

綜合財務報表附註

二零一零年三月三十一日

5 營業額及分部資料

年內確認之營業額如下：

	本集團	
	二零一零年 千港元	二零零九年 千港元
營業額		
消費電子產品	3,998,776	5,983,815
塑膠產品	4,437	9,260
	4,003,213	5,993,075

(a) 按產品分析之分部

高級管理（主要經營決策人）根據管理委員會審閱之報表決定業務分部。

本集團主要於中華人民共和國（「中國」）及香港營運，主要從事設計、製造及銷售消費電子產品及塑膠產品。

消費電子產品 — 設計、製造及銷售消費電子產品

塑膠產品 — 製造及銷售塑膠及包裝產品

本集團的內部分部交易主要包括附屬公司之間的塑膠產品銷售。該等交易乃根據可從無關連之第三方獲得之正常商業條款及條件訂立。

收益乃根據客戶所在地區／國家在地理上的分配。

管理層根據營運溢利的計量評估營運分部表現。獲提供的其他資料按照與財務報表一致的方式計量。

分部資產主要包括物業、廠房及設備、租賃土地及土地使用權、無形資產、按金、貸款及應收款項、可供出售金融資產、存貨、應收款項及經營現金，但並不包括投資物業及遞延稅項資產等項目。

綜合財務報表附註

二零一零年三月三十一日

5 營業額及分部資料(續)

(a) 按產品分析之分部(續)

分部負債包括經營負債，但不包括稅項及若干企業借貸等項目。

資本開支包括添置之物業、廠房及設備、投資物業、租賃土地及土地使用權及無形資產。

	本集團							
	二零一零年				二零零九年			
	消費 電子產品 千港元	塑膠產品 千港元	抵銷 千港元	本集團 千港元	消費 電子產品 千港元	塑膠產品 千港元	抵銷 千港元	本集團 千港元
分部營業額								
對外銷售	3,998,776	4,437	-	4,003,213	5,983,815	9,260	-	5,993,075
內部分部銷售	-	119,488	(119,488)	-	-	161,735	(161,735)	-
	3,998,776	123,925	(119,488)	4,003,213	5,983,815	170,995	(161,735)	5,993,075
分部業績	270,052	(642)	-	269,410	234,274	(2,069)	-	232,205
財務收入				5,989				8,130
財務成本				(1,381)				(23,839)
年內除所得稅前溢利				274,018				216,496
所得稅支出				(25,725)				(26,311)
本公司股東應佔溢利				248,293				190,185
分部資產	2,621,442	55,368		2,676,810	2,749,141	68,340		2,817,481
未分配企業資產				82,092				65,970
總資產				2,758,902				2,883,451
分部負債	807,764	11,298		819,062	820,283	11,034		831,317
未分配企業負債				180,291				450,502
總負債				999,353				1,281,819
資本開支	45,146	635		45,781	77,449	2,185		79,634

綜合財務報表附註

二零一零年三月三十一日

5 營業額及分部資料(續)

(b) 按地區分析之分部

截至二零一零年及二零零九年三月三十一日止年度之分類營業額如下：

	本集團	
	二零一零年 千港元	二零零九年 千港元
北美洲	2,782,269	4,645,446
歐洲	661,599	831,360
亞洲	403,890	371,906
其他	155,455	144,363
	4,003,213	5,993,075

按地區分類作出之營業額分析乃根據付運目的地釐定。

截至二零一零年及二零零九年三月三十一日止年度，其所有主要資產及資本開支均位於或用於中國及香港。

佔收益總額 10% 或以上的客戶詳情如下：

	本集團	
	二零一零年 千港元	二零零九年 千港元
客戶甲	1,004,678	2,352,504
客戶乙	955,965	970,262
客戶丙	503,387	465,670

6 其他收入

	本集團	
	二零一零年 千港元	二零零九年 千港元
投資物業之公平值收益／(虧損)(附註15)	9,050	(4,522)
投資物業之租金收入	5,203	4,670
銷售模具	162	2,065
其他	36	181
	14,451	2,394

綜合財務報表附註

二零一零年三月三十一日

7 按性質分類之開支

銷貨成本、銷售開支、行政開支及其他經營開支中所包括之開支分析如下：

	本集團	
	二零一零年 千港元	二零零九年 千港元
存貨成本	2,632,467	4,367,077
物業、廠房及設備折舊	76,983	73,640
租賃土地及土地使用權攤銷	457	458
無形資產攤銷	16,137	13,067
核數師酬金	2,508	2,380
物業、廠房及設備撇銷／減值	7,629	—
無形資產撇銷	209	3,174
出售物業、廠房及設備虧損	1,083	2,039
土地及樓宇之經營租約租金	32,591	33,538
研發成本	22,577	19,794
僱員福利開支(包括董事酬金)(附註8)	313,404	348,267

8 僱員福利開支(包括董事酬金)

	本集團	
	二零一零年 千港元	二零零九年 千港元
工資及薪金	296,106	324,521
退休金成本—界定供款退休計劃(附註(a))	3,286	4,851
其他員工福利	12,646	16,371
終止僱傭福利	1,366	2,524
	313,404	348,267

8 僱員福利開支(包括董事酬金)(續)

附註：

(a) 界定供款退休計劃

於二零零零年十二月一日前，本集團於香港為全部合資格僱員設立一項界定供款退休計劃(「職業退休計劃」)。本集團應付之供款率為個別僱員基本薪金之5%。

自二零零零年十二月一日，根據強制性公積金計劃(「強積金計劃」)條例成立之強積金計劃開始生效，適用於自願參與該計劃之現有員工及於該日或之後聘用之合資格員工。推行強積金計劃後，職業退休計劃仍維持運作。根據強積金計劃，合資格僱員及本集團雙方須按僱員月薪之5%作出供款，僱員的每月供款上限為1,000港元。

本年度於綜合損益表扣除之職業退休計劃及強積金計劃供款約為3,286,000港元(二零零九年：4,851,000港元)。年內已動用約28,000港元(二零零九年：11,000港元)之界定供款退休計劃之沒收款項。約13,000港元(二零零九年：14,000港元)之沒收供款可於二零一零年三月三十一日動用以扣減未來之供款。

於年底時已向職業退休計劃及強積金計劃作出合共約543,000港元(二零零九年：533,000港元)之供款，並已包括在其他應付款項及應計費用內。

(b) 董事薪酬

本公司各董事於截至二零一零年及二零零九年三月三十一日止年度之薪酬如下：

董事姓名	僱主對退休金				
	袍金 千港元	薪金 千港元	酌情花紅 千港元	計劃之供款 千港元	總額 千港元
截至二零零九年三月三十一日止年度					
梁劍文先生	—	4,389	4,800	188	9,377
梁偉成先生	—	4,389	5,120	188	9,697
郭冠文先生	—	1,847	2,880	79	4,806
黃保欣先生	120	—	—	—	120
李華明議員	120	—	—	6	126
劉宏業先生	120	—	—	6	126
截至二零一零年三月三十一日止年度					
梁劍文先生	—	4,389	4,279	188	8,856
梁偉成先生	—	4,389	4,564	188	9,141
郭冠文先生	—	1,847	2,567	79	4,493
黃保欣先生	120	—	—	—	120
李華明議員	120	—	—	6	126
劉宏業先生	120	—	—	6	126

截至二零一零年及二零零九年三月三十一日止年度，概無董事放棄薪酬，亦無向董事支付任何酬金作為招攬彼等加盟的費用或作為離職賠償。

綜合財務報表附註

二零一零年三月三十一日

8 僱員福利開支(包括董事酬金)(續)

附註：(續)

(c) 五位最高薪酬人士

本年度本集團五位最高薪酬人士包括三位(二零零九年：三位)董事，其酬金於上文呈列之分析內反映。年內應付其餘兩位(二零零九年：兩位)最高薪酬人士之酬金如下：

	本集團	
	二零一零年 千港元	二零零九年 千港元
基本薪酬、房屋津貼、其他津貼及實物福利	3,123	3,123
酌情花紅	9,739	8,000
退休金計劃供款	91	91
	12,953	11,214

所屬酬金組別分類如下：

	人數	
	二零一零年	二零零九年
酬金範圍		
3,000,001 港元－3,500,000 港元	—	1
3,500,001 港元－4,000,000 港元	1	—
7,500,001 港元－8,000,000 港元	—	1
9,000,001 港元－9,500,000 港元	1	—

(d) 主要管理層之薪酬

	本集團	
	二零一零年 千港元	二零零九年 千港元
基本薪酬、房屋津貼、其他津貼及實物福利	13,748	13,748
酌情花紅	21,149	20,800
退休金計劃供款	546	546
	35,443	35,094

綜合財務報表附註

二零一零年三月三十一日

9 財務收入及財務成本

	本集團	
	二零一零年 千港元	二零零九年 千港元
財務收入：		
— 銀行利息收入	3,852	5,892
— 貸款及應收款項	2,137	2,238
	5,989	8,130
財務成本：		
— 於五年內悉數償還之銀行借貸利息支出	1,381	23,839

10 所得稅支出

香港利得稅乃根據本年度之估計應課稅溢利以16.5%（二零零九年：16.5%）之稅率撥備。海外溢利之稅款，則按照本年度估計應課稅溢利依本集團經營業務地區之現行稅率計算。

	本集團	
	二零一零年 千港元	二零零九年 千港元
即期所得稅		
— 香港利得稅	56,322	28,642
— 以往年度撥備不足	5,969	30
遞延所得稅（附註29）	(36,566)	(2,361)
	25,725	26,311

本集團就所得稅前溢利之應課稅項與採用香港稅率所計算之理論稅款差異如下：

	本集團	
	二零一零年 千港元	二零零九年 千港元
除所得稅前溢利	274,018	216,496
按稅率16.5%（二零零九年：16.5%）計算之稅項	45,213	35,722
其他國家不同稅率之影響	590	(339)
無須課稅之收入	(82,254)	(31,368)
不可扣稅之支出	56,935	22,353
往年度撥備不足	5,969	289
未確認之稅項虧損	452	649
動用過往未確認之稅項虧損	(1,180)	(995)
稅項支出	25,725	26,311

綜合財務報表附註

二零一零年三月三十一日

11 本公司股東應佔年內溢利

於本公司財務報表內處理之本公司股東應佔年內溢利約為 128,084,000 港元(二零零九年：128,362,000 港元)。

12 每股盈利

基本

每股基本盈利乃按本公司股東應佔年內溢利除以年內已發行普通股之加權平均數計算。

	本集團	
	二零一零年	二零零九年
本公司股東應佔年內溢利(千港元)	248,293	190,185
已發行普通股之加權平均數(千股)	556,662	557,797
每股基本盈利(港仙)	44.6	34.1

攤薄

每股攤薄盈利乃經調整發行在外之普通股之加權平均數而計算，以假設所有潛在攤薄普通股已獲轉換。

截至二零一零年及二零零九年三月三十一日止年度並無具潛在攤薄影響之普通股。因此，每股攤薄盈利與每股基本盈利相同。

13 股息

	本公司	
	二零一零年 千港元	二零零九年 千港元
已派付中期股息每股普通股 9 港仙 (二零零九年：9 港仙)	50,100	50,100
擬派付末期股息每股普通股 14 港仙 (二零零九年：14 港仙)	77,933	77,933
擬派付特別股息每股普通股 6 港仙 (二零零九年：無)	33,400	—
	161,433	128,033

於二零一零年七月十五日舉行之會議上，董事建議派付末期股息每股普通股 14 港仙及特別股息每股普通股 6 港仙。該擬派股息並未作為應付股息計入此等財務報表內。

綜合財務報表附註

二零一零年三月三十一日

14 物業、廠房及設備

(a) 本集團物業、廠房及設備變動詳情如下：

	本集團						
	樓宇 千港元	模具 千港元	租賃物業 裝修 千港元	傢俬、裝置 及設備 千港元	廠房 及機器 千港元	汽車 千港元	總計 千港元
於二零零八年四月一日							
成本	29,700	347,971	98,073	279,549	592,617	19,412	1,367,322
累積折舊及減值	(7,803)	(307,719)	(85,162)	(214,208)	(395,007)	(12,243)	(1,022,142)
賬面淨值	21,897	40,252	12,911	65,341	197,610	7,169	345,180
截至二零零九年三月三十一日止年度							
期初賬面淨值	21,897	40,252	12,911	65,341	197,610	7,169	345,180
增添	–	40,357	2,788	12,355	9,730	368	65,598
出售	–	–	(368)	(1,090)	(3,526)	(124)	(5,108)
折舊	(756)	(20,872)	(2,972)	(14,551)	(33,032)	(1,457)	(73,640)
匯兌差額	82	–	(29)	(23)	–	5	35
期末賬面淨值	21,223	59,737	12,330	62,032	170,782	5,961	332,065
於二零零九年三月三十一日							
成本	29,786	381,458	98,664	284,066	581,766	19,418	1,395,158
累積折舊及減值	(8,563)	(321,721)	(86,334)	(222,034)	(410,984)	(13,457)	(1,063,093)
賬面淨值	21,223	59,737	12,330	62,032	170,782	5,961	332,065
截至二零一零年三月三十一日止年度							
期初賬面淨值	21,223	59,737	12,330	62,032	170,782	5,961	332,065
增添	–	26,250	1,648	3,031	1,007	2,330	34,266
出售	–	(64)	(379)	(1,369)	(948)	(210)	(2,970)
折舊	(755)	(26,839)	(7,992)	(12,576)	(27,539)	(1,282)	(76,983)
撇銷／減值	–	(24)	–	(296)	(7,284)	(25)	(7,629)
期末賬面淨值	20,468	59,060	5,607	50,822	136,018	6,774	278,749
於二零一零年三月三十一日							
成本	29,787	387,265	87,797	258,637	561,628	19,161	1,344,275
累積折舊及減值	(9,319)	(328,205)	(82,190)	(207,815)	(425,610)	(12,387)	(1,065,526)
賬面淨值	20,468	59,060	5,607	50,822	136,018	6,774	278,749

綜合財務報表附註

二零一零年三月三十一日

14 物業、廠房及設備(續)

(b) 折舊開支包括於：

	本集團	
	二零一零年 千港元	二零零九年 千港元
銷貨成本	73,672	70,094
行政開支	3,311	3,546
	76,983	73,640

(c) 本集團於樓宇權益之賬面淨值分析如下：

	本集團	
	二零一零年 千港元	二零零九年 千港元
於香港按下列租約持有：		
租約逾50年	8,244	8,575
租約介乎10年至50年	293	305
於香港以外地區按下列租約持有：		
租約介乎10年至50年	11,931	12,343
	20,468	21,223

(d) 於二零一零年三月三十一日，無銀行借貸以樓宇作抵押(二零零九年：2,274,000港元)(附註26)。

15 投資物業

	本集團	
	二零一零年 千港元	二零零九年 千港元
年初	65,970	70,492
公平值收益／(虧損)(附註6)	9,050	(4,522)
年末	75,020	65,970

投資物業經由獨立專業合資格估值師利駿行測量師有限公司在二零一零年三月三十一日作出重估。所有物業之估值乃根據活躍市場之現行價格進行。

綜合財務報表附註

二零一零年三月三十一日

15 投資物業(續)

本集團於投資物業權益之賬面淨值分析如下：

	本集團	
	二零一零年 千港元	二零零九年 千港元
於香港按下列租約持有：		
租約逾50年	48,140	42,010
租約介乎10年至50年	26,880	23,960
	75,020	65,970

16 租賃土地及土地使用權

	本集團	
	二零一零年 千港元	二零零九年 千港元
年初賬面淨值	58,648	58,991
攤銷	(457)	(458)
匯兌差額	-	115
年末賬面淨值	58,191	58,648

預付經營租賃租金之攤銷開支被計入行政開支內。

本集團於租賃土地及土地使用權之權益指預付經營租約付款，其賬面淨值分析如下：

	本集團	
	二零一零年 千港元	二零零九年 千港元
於香港按下列租約持有：		
租約逾50年	45,764	45,817
租約介乎10年至50年	430	442
於香港以外按下列租約持有：		
租約介乎10年至50年	11,997	12,389
	58,191	58,648

於二零一零年三月三十一日，並無以租賃土地及土地使用權作抵押之銀行借貸(二零零九年：銀行借貸以賬面值約為3,162,000港元之租賃土地及土地使用權作抵押)(附註26)。

綜合財務報表附註

二零一零年三月三十一日

17 無形資產

	本集團		
	特許權 千港元	遞延發展費用 千港元	總計 千港元
於二零零八年四月一日			
成本	78,000	66,697	144,697
累積攤銷	(1,950)	(58,884)	(60,834)
賬面淨值	76,050	7,813	83,863
截至二零零九年三月三十一日止年度			
於二零零八年四月一日	76,050	7,813	83,863
增添	–	14,036	14,036
撇銷	–	(3,174)	(3,174)
攤銷	(7,800)	(5,267)	(13,067)
於二零零九年三月三十一日	68,250	13,408	81,658
於二零零九年三月三十一日			
成本	78,000	77,559	155,559
累積攤銷	(9,750)	(64,151)	(73,901)
賬面淨值	68,250	13,408	81,658
截至二零一零年三月三十一日止年度			
於二零零九年四月一日	68,250	13,408	81,658
增添	–	11,515	11,515
撇銷	–	(209)	(209)
攤銷	(7,800)	(8,337)	(16,137)
於二零一零年三月三十一日	60,450	16,377	76,827
於二零一零年三月三十一日			
成本	78,000	88,865	166,865
累積攤銷	(17,550)	(72,488)	(90,038)
賬面淨值	60,450	16,377	76,827

特許權及遞延發展費用之攤銷及撇銷開支被計入銷售成本內。

綜合財務報表附註

二零一零年三月三十一日

18 貸款及應收款項

	本集團	
	二零一零年 千港元	二零零九年 千港元
年末賬面值	78,501	64,104

貸款及應收款項指本集團於一間於韓國註冊成立之公司Hydis Technologies Company Limited(「Hydis」)發行之五年計息公司債券(每年4%)之投資，乃以韓圓(「韓圓」)計值。

貸款及應收款項之賬面值與其公平值相若。

於報告日期之最高信貸風險為貸款及應收款項之賬面值。

19 可供出售金融資產

	本集團	
	二零一零年 千港元	二零零九年 千港元
於四月一日香港以外地區之非上市股本證券之公平值	96,156	135,091
於年內之公平值收益／(虧損)	40,485	(38,935)
於三月三十一日香港以外地區之非上市股本證券之公平值	136,641	96,156

可供出售金融資產指本集團於Hydis(附註18)之股份之長期投資，乃以韓圓計值。

可供出售金融資產於二零一零年三月三十一日由獨立專業合資格估值師世邦魏理仕估值。

綜合財務報表附註

二零一零年三月三十一日

20 於附屬公司之投資

	本公司	
	二零一零年 千港元	二零零九年 千港元
非上市股份，按成本(附註(a))	67,586	67,586
應收附屬公司款項(附註(b))	280,591	280,519
	348,177	348,105

附註：

(a) 主要附屬公司之詳情載列於綜合財務報表附註34。

(b) 應收附屬公司款項為無抵押及免息。本公司已確認其無意於結算日起12個月內要求償還該等金額。於報告日期須承受之最高信貸風險為上述應收附屬公司款項之賬面值。

21 按類別劃分之金融工具

	本集團		
	貸款及 應收款項 千港元	可供出售 金融資產 千港元	總計 千港元
於綜合資產負債表之資產			
於二零零九年三月三十一日			
貸款及應收款項(附註18)	64,104	—	64,104
可供出售金融資產(附註19)	—	96,156	96,156
應收貿易及其他賬款(附註23)	608,697	—	608,697
現金及現金等值(附註24)	872,307	—	872,307
合計	1,545,108	96,156	1,641,264
於二零一零年三月三十一日			
貸款及應收款項(附註18)	78,501	—	78,501
可供出售金融資產(附註19)	—	136,641	136,641
應收貿易及其他賬款(附註23)	535,383	—	535,383
現金及現金等值(附註24)	1,039,830	—	1,039,830
合計	1,653,714	136,641	1,790,355

綜合財務報表附註

二零一零年三月三十一日

21 按類別劃分之金融工具(續)

其他金融負債

	本集團	
	二零一零年 千港元	二零零九年 千港元
於綜合資產負債表之負債		
應付貿易及其他賬款(附註25)	819,062	831,317
借貸(附註26)	122,400	382,569
合計	941,462	1,213,886

貸款及應收款項

	本公司	
	二零一零年 千港元	二零零九年 千港元
於資產負債表之資產		
其他應收款項	105	105
現金及現金等值(附註24)	89	107
應收附屬公司款項(附註20)	280,591	280,519
合計	280,785	280,731

綜合財務報表附註

二零一零年三月三十一日

21 按類別劃分之金融工具(續)

其他金融負債

	本公司	
	二零一零年 千港元	二零零九年 千港元
於資產負債表之負債		
其他應付款項	278	276

22 存貨

	本集團	
	二零一零年 千港元	二零零九年 千港元
原料	192,751	282,942
在製品	17,229	20,424
製成品	262,708	400,480
	472,688	703,846

確認為開支並計入銷貨成本之存貨成本約達2,632,467,000港元(二零零九年:4,367,077,000港元)。

綜合財務報表附註

二零一零年三月三十一日

23 應收貿易及其他賬款

	本集團		本公司	
	二零一零年 千港元	二零零九年 千港元	二零一零年 千港元	二零零九年 千港元
應收貿易賬款	521,120	583,632	–	–
預付款項、按金及其他應收款項	14,263	25,065	105	105
	535,383	608,697	105	105

向客戶提供之信貸條款一般視乎個別客戶之財務實力而定。為求有效管理有關應收貿易賬款之信貸風險，本集團定期對客戶進行信貸評估。

應收貿易及其他賬款之公平值與其賬面值相若。

於二零一零年及二零零九年三月三十一日，根據發票日期之應收貿易賬款之賬齡分析如下：

	本集團	
	二零一零年 千港元	二零零九年 千港元
0–30 日	210,335	299,693
31–60 日	190,031	241,968
61–90 日	83,526	40,448
超過 90 日	37,228	1,523
	521,120	583,632

未過期亦無減值之應收貿易賬款之信貸質素可參照有關交易對手違約率之歷史資料進行評估：

	本集團	
	二零一零年 千港元	二零零九年 千港元
並無外界信貸評級之交易對手		
– 新客戶（少於六個月）	–	258
– 於過往並無違約之客戶（六個月以上）	521,120	583,374
	521,120	583,632

於二零一零年及二零零九年三月三十一日，並無已逾期但未減值之應收貿易賬款。

綜合財務報表附註

二零一零年三月三十一日

23 應收貿易及其他賬款(續)

該等應收貿易賬款之賬面值以下列貨幣計值：

	本集團	
	二零一零年 千港元	二零零九年 千港元
美元	422,847	576,113
加拿大元	9,173	5,514
港元	1,034	1,937
英鎊	88,066	—
人民幣	—	68
	521,120	583,632

於二零一零年及二零零九年三月三十一日，並無就應收貿易賬款計提撥備。於應收貿易及其他賬款內之其他類別款項並無包括已減值資產。

於報告日期，須承受之最高信貸風險為上述各類應收款項之賬面值。本集團並無持有任何抵押品作擔保。

24 現金及現金等值

	本集團		本公司	
	二零一零年 千港元	二零零九年 千港元	二零一零年 千港元	二零零九年 千港元
現金及銀行存款	759,907	262,181	89	107
短期銀行存款	279,923	610,126	—	—
	1,039,830	872,307	89	107
須承受之最高信貸風險	1,039,191	871,571	89	107

現金及現金等值以下列貨幣計值：

	本集團		本公司	
	二零一零年 千港元	二零零九年 千港元	二零一零年 千港元	二零零九年 千港元
港元	145,505	47,410	89	107
美元	884,764	817,356	—	—
其他	9,561	7,541	—	—
	1,039,830	872,307	89	107

綜合財務報表附註

二零一零年三月三十一日

25 應付貿易及其他賬款

	本集團		本公司	
	二零一零年 千港元	二零零九年 千港元	二零一零年 千港元	二零零九年 千港元
應付貿易賬款	729,168	722,717	—	—
其他應付款項及應計費用	89,894	108,600	278	276
	819,062	831,317	278	276

應付貿易及其他賬款之賬面值與其公平值相若。

於二零一零年及二零零九年三月三十一日，根據發票日期之應付貿易賬款之賬齡分析如下：

	本集團	
	二零一零年 千港元	二零零九年 千港元
0—30日	670,269	628,489
31—60日	33,872	73,116
61—90日	21,475	17,882
超過90日	3,552	3,230
	729,168	722,717

該等應付貿易賬款之賬面值以下列貨幣計值：

	本集團	
	二零一零年 千港元	二零零九年 千港元
港元	576,486	309,002
美元	151,582	412,516
其他	1,100	1,199
	729,168	722,717

綜合財務報表附註

二零一零年三月三十一日

26 借貸

	本集團	
	二零一零年 千港元	二零零九年 千港元
非流動		
銀行借貸，有抵押(附註(a))	—	1,761
銀行借貸，無抵押(附註(b))	—	195,000
銀行借貸，無抵押(附註(c))	46,000	111,000
	46,000	307,761
流動		
銀行借貸，有抵押(附註(a))	—	808
銀行借貸，無抵押(附註(c))	76,400	74,000
	76,400	74,808
借貸總額	122,400	382,569

- (a) 於二零一零年三月三十一日，並無銀行借貸以本集團之樓宇以及租賃土地及土地使用權為抵押(附註14及16)。

於二零零九年三月三十一日，該等借貸以人民幣計算並以本集團之樓宇以及租賃土地及土地使用權為抵押。利息乃以中國人民銀行所釐定之人民幣借貸基準利率計算。

- (b) 於二零一零年三月三十一日，本集團並無銀行借貸為循環貸款。

於二零零九年三月三十一日，該等銀行借貸為循環貸款且為無抵押並以本公司提供之公司擔保支持(附註31及32)。該等借貸以港元計算，利息乃以高於香港銀行同業拆息率計算。

- (c) 該等銀行借貸為無抵押並以本公司提供之公司擔保支持(附註31及32)。借貸以港元呈列。利息乃以高於香港銀行同業拆息率計算。

綜合財務報表附註

二零一零年三月三十一日

26 借貸(續)

銀行借貸之到期日如下：

	本集團	
	二零一零年 千港元	二零零九年 千港元
一年以內	76,400	74,808
第二年	39,400	74,855
第三至第五年	6,600	232,906
	122,400	382,569

銀行借貸之賬面值與其公平值相若。

該等借貸之賬面值以下列貨幣計值：

	本集團	
	二零一零年 千港元	二零零九年 千港元
港元	122,400	380,000
人民幣	—	2,569
	122,400	382,569

綜合財務報表附註

二零一零年三月三十一日

27 股本

	本公司 股份數目	普通股 千港元
法定股本：		
每股面值0.10港元之普通股		
於二零一零年及二零零九年三月三十一日	800,000,000	80,000
已發行及繳足股本：		
每股面值0.10港元之普通股		
於二零零八年四月一日	558,667,720	55,867
回購本公司股份(附註(a))	(2,006,000)	(201)
於二零零九年三月三十一日及二零一零年三月三十一日	556,661,720	55,666

附註：

(a) 回購本公司股份

於二零零八年十月，本公司以每股價格介乎0.66港元至0.88港元於香港聯合交易所有限公司購回每股面值0.10港元之1,906,000股股份，總代價約為1,427,780港元。該等股份其後被註銷。

於二零零八年十一月，本公司以每股價格0.73港元於香港聯合交易所有限公司購回每股面值0.10港元之100,000股股份，總代價約為73,000港元。該等股份其後被註銷。

綜合財務報表附註

二零一零年三月三十一日

28 儲備

	本集團				
	股份溢價 千港元	股本 贖回儲備 千港元	其他儲備 千港元	保留溢利 千港元	總計 千港元
於二零零八年四月一日之結餘	246,311	739	(1,815)	1,275,950	1,521,185
全面收益／(開支)					
本年度溢利	—	—	—	190,185	190,185
其他全面收益／(開支)					
可供出售金融資產之公平值虧損	—	—	(38,935)	—	(38,935)
貨幣匯兌差額	—	—	3,144	—	3,144
全面(開支)／收益總值	—	—	(35,791)	190,185	154,394
與擁有人進行之交易					
回購本公司股份	(1,300)	201	—	(201)	(1,300)
二零零九年中中期股息	—	—	—	(50,100)	(50,100)
二零零八年末期股息	—	—	—	(78,213)	(78,213)
與擁有人進行之交易總值	(1,300)	201	—	(128,514)	(129,613)
於二零零九年三月三十一日之結餘	245,011	940	(37,606)	1,337,621	1,545,966
於二零零九年四月一日之結餘	245,011	940	(37,606)	1,337,621	1,545,966
全面收益／(開支)					
本年度溢利	—	—	—	248,293	248,293
其他全面收益／(開支)					
可供出售金融資產之公平值盈利	—	—	40,485	—	40,485
貨幣匯兌差額	—	—	(2,828)	—	(2,828)
全面收益總值	—	—	37,657	248,293	285,950
與擁有人進行之交易					
二零一零年中中期股息	—	—	—	(50,100)	(50,100)
二零零九年末期股息	—	—	—	(77,933)	(77,933)
與擁有人進行之交易總值	—	—	—	(128,033)	(128,033)
於二零一零年三月三十一日之結餘	245,011	940	51	1,457,881	1,703,883

綜合財務報表附註

二零一零年三月三十一日

28 儲備(續)

	本公司				
	股份溢價 千港元	股本 贖回儲備 千港元	繳入盈餘 千港元	保留溢利 千港元	總計 千港元
於二零零八年四月一日之結餘	246,311	739	40,586	5,990	293,626
全面收益					
本年度溢利	—	—	—	128,362	128,362
全面收益總值	—	—	—	128,362	128,362
與擁有人進行之交易					
回購本公司股份	(1,300)	201	—	(201)	(1,300)
二零零九年中中期股息	—	—	—	(50,100)	(50,100)
二零零八年末期股息	—	—	—	(78,213)	(78,213)
與擁有人進行之交易總值	(1,300)	201	—	(128,514)	(129,613)
於二零零九年三月三十一日之結餘	245,011	940	40,586	5,838	292,375
於二零零九年四月一日之結餘	245,011	940	40,586	5,838	292,375
全面收益					
本年度溢利	—	—	—	128,084	128,084
全面收益總值	—	—	—	128,084	128,084
與擁有人進行之交易					
二零一零年中中期股息	—	—	—	(50,100)	(50,100)
二零零九年末期股息	—	—	—	(77,933)	(77,933)
與擁有人進行之交易總值	—	—	—	(128,033)	(128,033)
於二零一零年三月三十一日之結餘	245,011	940	40,586	5,889	292,426

附註：

因一九九二年十一月公司重組而產生本公司之繳入盈餘是指本公司所發行以交換 Alco Investments (B.V.I.) Limited 之已發行普通股之股份面值與於一九九二年十一月六日所收購之相關附屬公司資產淨值兩者之差額。根據百慕達一九八一年公司法(經修訂)，倘在有合理理由相信(i)該公司於支付股息後無能力或應無能力支付到期之債務；或(ii)該公司資產之可變現值將因而少於其負債、其已發行股本與股份溢價賬三者總和之情況下，公司不得宣派或派付股息，或從繳入盈餘中作出分派。否則，繳入盈餘可予以分派。

綜合財務報表附註

二零一零年三月三十一日

29 遞延所得稅

遞延所得稅採用負債法就暫時差異按主要稅率 16.5% (二零零九年：16.5%) 全數計算。

當具有合法可行權利將即期稅項資產與即期稅項負債相抵銷，且遞延所得稅涉及同一稅收機關，則遞延稅項資產及負債可予抵銷。抵銷金額如下：

	本集團	
	二零一零年 千港元	二零零九年 千港元
須於十二個月後支付之遞延所得稅負債	23,834	29,800
須於十二個月後收回之遞延所得稅資產	(30,906)	(306)
遞延所得稅(資產淨值)/負債淨額	(7,072)	29,494

遞延所得稅賬目之變動如下：

	本集團	
	二零一零年 千港元	二零零九年 千港元
年初	29,494	31,855
於綜合損益表內確認(附註10)	(36,566)	(2,361)
年末	(7,072)	29,494

遞延所得稅資產及負債於年內之變動並無計入於同一稅務司法權區抵銷之結餘，詳情如下：

遞延所得稅(資產)/負債

	本集團											
	稅項虧損		加速稅項折舊		遞延發展費用		重估物業		其他		總計	
	二零一零年 千港元	二零零九年 千港元	二零一零年 千港元	二零零九年 千港元	二零一零年 千港元	二零零九年 千港元	二零一零年 千港元	二零零九年 千港元	二零一零年 千港元	二零零九年 千港元	二零一零年 千港元	二零零九年 千港元
年初	(306)	(1,277)	25,593	28,097	1,106	727	2,905	4,216	196	92	29,494	31,855
於綜合損益表內確認	(177)	971	(6,385)	(2,504)	245	379	309	(1,311)	(30,558)	104	(36,566)	(2,361)
年末	(483)	(306)	19,208	25,593	1,351	1,106	3,214	2,905	(30,362)	196	(7,072)	29,494

綜合財務報表附註

二零一零年三月三十一日

29 遞延所得稅(續)

倘本集團有可能透過日後之應課稅溢利變現相關之稅項利益，則就結轉之稅項虧損確認遞延所得稅資產。本集團並無就可結轉及用作抵銷日後應課稅溢利之稅項虧損約23,205,000港元(二零零九年：24,501,000港元)確認遞延所得稅資產約5,943,000港元(二零零九年：7,421,000港元)。於未確認之稅項虧損當中，約648,000港元(二零零九年：946,000港元)並無屆滿日期，餘下結餘將於直至二零二九年(二零零九年：二零二九年)止(包括該年)於不同日期屆滿。

30 經營產生之現金

	本集團	
	二零一零年 千港元	二零零九年 千港元
除所得稅前溢利	274,018	216,496
利息收入	(5,989)	(8,130)
銀行借貸利息開支	1,381	23,839
無形資產攤銷	16,137	13,067
無形資產撇銷	209	3,174
出售物業、廠房及設備之虧損	1,083	2,039
物業、廠房及設備折舊	76,983	73,640
物業、廠房及設備撇銷／減值	7,629	—
租賃土地及土地使用權攤銷	457	458
投資物業公平值(收益)／虧損	(9,050)	4,522
貸款及應收款項匯兌(收益)／虧損	(14,397)	25,957
營運資金變動前之經營現金流量	348,461	355,062
存貨減少	231,158	629,437
應收貿易及其他賬款之減少／(增加)	73,314	(48,034)
應付貿易及其他賬款之(減少)／增加	(11,693)	77,273
信託收據貸款減少	—	(440,975)
經營產生之現金淨額	641,240	572,763

於綜合現金流量表內，銷售物業、廠房及設備之所得款項包括：

	本集團	
	二零一零年 千港元	二零零九年 千港元
賬面淨值(附註14)	2,970	5,108
出售物業、廠房及設備之虧損	(1,083)	(2,039)
出售物業、廠房及設備之所得款項	1,887	3,069

綜合財務報表附註

二零一零年三月三十一日

31 銀行信貸

於二零一零年三月三十一日，若干銀行向本集團授出銀行信貸約17億1千6百萬港元(二零零九年：20億3千萬港元)，其中本集團已動用約1億2千2百萬港元(二零零九年：3億8千3百萬港元)。於二零一零年三月三十一日，於該等銀行信貸中，約17億1千6百萬港元(二零零九年：20億2千7百萬港元)乃以本公司提供之公司擔保支持及無貸款(二零零九年：約3百萬港元)以本集團之任何資產作為抵押(二零零九年：賬面值約5百萬港元之本集團資產)。

32 財務擔保

本公司已向若干銀行提供公司擔保以為其若干附屬公司取得一般銀行信貸(附註26)作出擔保。董事認為該等擔保之公平值並不重大。

33 承擔

(a) 資本承擔

	本集團	
	二零一零年 千港元	二零零九年 千港元
已訂約但未撥備之模具、廠房及機器	914	1,413

(b) 經營租約承擔(作為承租人)

就土地及樓宇之不可撤銷經營租約之未來須繳付最低租賃款項總額如下：

	本集團	
	二零一零年 千港元	二零零九年 千港元
一年內	10,801	27,895
一年後但於五年內	16,061	22,927
五年後	4,012	7,451
	30,874	58,273

綜合財務報表附註

二零一零年三月三十一日

33 承擔(續)

(c) 經營租約承擔(作為出租人)

本集團根據不可撤銷經營租約協議租賃不同物業。租約具有不同條款、價格調整條款及續期權利。

就土地及樓宇之不可撤銷經營租約之未來可收取之最低租金總額如下：

	本集團	
	二零一零年 千港元	二零零九年 千港元
一年內	1,723	3,440
一年後但於五年內	207	752
	1,930	4,192

租約條款為期一年至兩年。

34 主要附屬公司

於二零一零年三月三十一日，本公司於下列主要附屬公司持有權益：

名稱	註冊成立/ 成立地點	已發行及 繳足股本/ 註冊資本	本公司持有之 股權百分比		主要業務
			直接	間接	
Alco Investments (B.V.I.) Limited	英屬處女群島	普通股 50,000 美元	100	—	投資控股及 向其附屬公司 提供管理服務
力行包裝有限公司	香港	普通股 500,000 港元	—	100	製造及銷售 發泡膠及包裝產品
愛高數碼有限公司	香港	普通股 1,000,000 港元	—	100	軟件開發及買賣電子產品
愛高電業有限公司	香港	普通股 1,000 港元	—	100	設計、製造及銷售 消費電子產品
		無投票權遞延股份 5,000,000 港元			

綜合財務報表附註

二零一零年三月三十一日

34 主要附屬公司(續)

名稱	註冊成立/ 成立地點	已發行及 繳足股本/ 註冊資本	本公司持有之 股權百分比		主要業務
			直接	間接	
愛高電子(深圳) 有限公司 ¹	中國	註冊資本 24,000,000港元	—	100	提供設計及 物流服務予集團公司
愛高國際有限公司	香港	普通股500,000港元	—	100	買賣消費電子產品
愛高塑膠製品廠有限公司	香港	普通股3,000,000港元	—	100	製造及銷售塑膠製品
愛高產業有限公司	香港	普通股10,000港元	—	100	物業投資
愛高科技有限公司	香港	普通股10,000港元	—	100	投資控股
雅龍國際有限公司	香港	普通股10,000港元	—	100	買賣消費電子產品
迅達工業有限公司	香港	普通股400,000港元	—	100	製造及銷售消費電子產品
Multimedia Devices Limited	香港	普通股1,000,000港元	—	100	買賣消費電子產品
Vdiobox Limited	香港	普通股1,000,000港元	—	100	買賣消費電子產品

附註：

1 代表外商獨資企業。

上表列載了董事認為對年度業績造成重大影響或組成本集團資產淨值主要部分之本公司主要附屬公司於二零一零年三月三十一日之詳情。董事認為列載其他附屬公司之詳情將導致篇幅過於冗長。

綜合財務報表附註

二零一零年三月三十一日

35 報告期後事項

(i) 授出購股權

於二零一零年五月十一日，本公司向合資格董事及僱員授出40,540,000份購股權。每份購股權的行使價為2.90港元。該等購股權可於二零一零年五月十一日至二零一三年八月二十日期間行使。然而，於二零一零年十月三十一日或之前僅可行使最多50%之獲授購股權。

(ii) 收購物業

於二零一零年七月五日，本公司之全資附屬公司Euroform Enterprise Limited與獨立第三方Chase Good Development Limited就以代價1億2千1百萬港元收購一座位於香港粉嶺的工業大樓簽訂一份臨時買賣協議。該交易將於二零一零年十月十五日或之前完成。收購事項將透過內部資源及銀行融資提供資金且該物業將由本集團作投資用途。

主要物業

二零一零年三月三十一日

持作投資之主要物業

地點	地段編號	現有用途	租約年期
香港 新界葵涌 葵德街 15-33 號 葵德工業中心 1 座 7 樓 A 至 J 工場	葵涌市鎮 第 322、323 及 324 號地段	工業出租	中期
香港 新界元朗 錦田吳家村 錦上路 丈量約份 106 號 第 593 及 595 號地段	丈量約份 106 號 第 593 及 595 號地段	工業出租	中期
香港 鰂魚涌英皇道 1067 號 仁孚工業大廈 9 樓	鰂魚涌海旁地段 E 段第 2 分段及 其伸延部份	工業出租	長期

五年財務概要

本集團最近五個財政年度之業績以及資產與負債概要如下：

	二零一零年 千港元	二零零九年 千港元	二零零八年 千港元	二零零七年 千港元	二零零六年 千港元
營業額	4,003,213	5,993,075	4,363,889	5,095,894	4,876,788
年內本公司股東應佔溢利	248,293	190,185	213,352	305,784	283,475
總資產	2,758,902	2,883,451	2,891,081	2,136,318	2,590,990
總負債	(999,353)	(1,281,819)	(1,314,029)	(580,555)	(1,164,953)
總權益	1,759,549	1,601,632	1,577,052	1,555,763	1,426,037

