YGM TRADING LIMITED

(incorporated in Hong Kong with limited liability)
(Stock Code: 00375)

ANNOUNCEMENT OF RESULTS FOR THE YEAR ENDED 31 MARCH 2012

The Board of Directors of YGM Trading Limited (the "Company") is pleased to announce the consolidated results of the Company and its subsidiaries (together referred to as the "Group") and the Group's interest in associate for the year ended 31 March 2012 together with comparative figures for the corresponding year and selected explanatory notes as follows:

CONSOLIDATED INCOME STATEMENT
For the year ended 31 March 2012
(Expressed in Hong Kong Dollars)

	Note	**2012**	2011
		$'000	*$'000*
			(restated)
Turnover	3, 4	**1,377,608**	1,154,609
Cost of sales		**(461,888)**	(379,438)
Gross profit		**915,720**	775,171
Other revenue		**21,841**	11,884
Other net income		**11,299**	5,053
Distribution costs		**(464,447)**	(373,786)
Administrative expenses		**(179,507)**	(159,324)
Other operating expenses		**(3,175)**	(1,149)
Profit from operations		**301,731**	257,849
Net valuation gains on investment properties		**20,000**	20,000
Finance costs	5(a)	**(347)**	(870)
Share of profits less losses of associate		**46,982**	49,128
Net gain on disposal of associate	10	**321,169**	-
Profit before taxation	5	**689,535**	326,107
Income tax	6	**(52,218)**	(38,570)
Profit for the year		**637,317**	287,537
Attributable to:			
Equity shareholders of the Company		**632,944**	282,934
Non-controlling interests		**4,373**	4,603
Profit for the year		**637,317**	287,537
Earnings per share	7		
Basic		**$3.86**	$1.80
Diluted		**$3.85**	$1.79

Details of dividends payable to equity shareholders of the Company attributable to the profit for the year are set out in note 8.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For the year ended 31 March 2012
(Expressed in Hong Kong Dollars)

	Note	**2012**	2011
		$'000	*$'000*
			(restated)
Profit for the year		**637,317**	287,537
Other comprehensive income for the year			
Exchange differences on translation of financial statements of subsidiaries based outside Hong Kong		**(1,749)**	11,009
Share of exchange reserve of associate		**(1,903)**	6,961
Exchange reserve realised upon disposal of associate		**(3,021)**	-
Surplus on revaluation of land and buildings held for own use upon change of use to investment properties	9	**383,933**	-
		377,260	17,970
Total comprehensive income for the year		**1,014,577**	305,507
Attributable to:			
Equity shareholders of the Company		**1,010,402**	299,680
Non-controlling interests		**4,175**	5,827
Total comprehensive income for the year		**1,014,577**	305,507

There is no tax expense or benefit in relation to the other comprehensive income in either the current or the prior year.

CONSOLIDATED BALANCE SHEET
At 31 March 2012
(Expressed in Hong Kong Dollars)

	Note	**2012**	2011	2010
		$'000	*$'000*	*$'000*
			(restated)	(restated)
Non-current assets				
Fixed assets				
- Investment properties		**103,400**	83,400	63,400
- Other property, plant and equipment		**87,830**	124,930	122,042
- Interest in leasehold land held for own use under operating lease		**5,490**	5,465	5,384
		196,720	213,795	190,826
Intangible assets		**282,359**	286,458	287,238
Lease premium		**9,833**	10,450	9,928
Interest in associate		**-**	180,593	139,592
Other financial assets		**429**	785	69,781
Deferred tax assets		**45,223**	48,810	51,583
		534,564	740,891	748,948
Current assets				
Other financial assets		**-**	71,424	-
Trading securities		**1,591**	1,613	2,352
Inventories		**193,311**	150,488	102,007
Trade and other receivables	11	**158,186**	145,044	125,442
Assets held for sale	9	**420,000**	-	-
Current tax recoverable		**5,832**	848	537
Cash and cash equivalents		**1,085,253**	426,919	214,550
		1,864,173	796,336	444,888
Current liabilities				
Trade and other payables	12	**227,218**	211,115	168,488
Bank loans and overdrafts		**5,698**	35,536	46,959
Current tax payable		**39,415**	29,674	18,134
		272,331	276,325	233,581
Net current assets		**1,591,842**	520,011	211,307
Total assets less current liabilities		**2,126,406**	1,260,902	960,255
Non-current liabilities				
Bank loans		**-**	-	1,551
Deferred tax liabilities		**4,271**	8,517	8,157
		4,271	8,517	9,708
NET ASSETS		**2,122,135**	1,252,385	950,547
CAPITAL AND RESERVES				
Share capital		**82,389**	81,105	76,916
Reserves		**2,014,885**	1,147,365	851,215
Total equity attributable to shareholders of the Company		**2,097,274**	1,228,470	928,131
Non-controlling interests		**24,861**	23,915	22,416
TOTAL EQUTIY		**2,122,135**	1,252,385	950,547

NOTES:
(Expressed in Hong Kong Dollars)

1. Basis of preparation of the financial statements

The consolidated results set out in this announcement do not constitute the Group's statutory financial statements for the year ended 31 March 2012 but are extracted from those financial statements.

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

The measurement basis used in the preparation of the financial statements is the historical cost basis except that investment properties, trading securities and assets held for sale are stated at their fair value.

The figures in respect of the preliminary announcement of the Group's results for the year ended 31 March 2012 have been compared by the Company's auditors, KPMG, Certified Public Accountants, to the amounts set out in the Group's financial statements for the year and the amounts were found to be in agreement. The work performed by KPMG in this respect was limited and did not constitute an audit, review or other assurance engagement and consequently no assurance has been expressed by the auditors on this announcement.

2. Changes in accounting policies

The HKICPA has issued a number of amendments to HKFRSs and one new Interpretation that are first effective for the current accounting period of the Group. Of these, the following developments are relevant to the Group's financial statements:

– HKAS 24 (revised 2009), *Related party disclosures*

  HKAS 24 (revised 2009) revises the definition of a related party. As a result, the Group has re-assessed the identification of related parties and concluded that the revised definition does not have any material impact on the Group's related party disclosures in the current and previous periods. HKAS 24 (revised 2009) also introduces modified disclosure requirements for government-related entities. This does not impact the Group because the Group is not a government-related entity.

– Improvements to HKFRSs (2010)

  Improvements to HKFRSs (2010) omnibus standard introduces a number of amendments to the disclosure requirements in HKFRS 7, *Financial instruments: Disclosures.* The disclosure about the Group's financial instruments in the financial statements have been conformed to the amended disclosure requirements. These amendments do not have any material impact on the classification, recognition and measurements of the amounts recognised in the financial statements in the current and previous periods.

– HK(IFRIC) 19, *Extinguishing financial liabilities with equity instruments*

  HK(IFRIC) 19 has not yet had a material impact on the Group's financial statements as these changes will first be effective as and when the Group enters a relevant transaction (for example, a debt for equity swap).

– Amendments to HK(IFRIC) 14, *HKAS 19 – The limit on a defined benefit asset, minimum funding requirements and their interaction – Prepayments of a minimum funding requirement*

The amendments to HK(IFRIC) 14 have had no material impact on the Group's financial statements as they were consistent with policies already adopted by the Group.

The Group has early adopted the amendments to HKAS 12, *Income taxes – Deferred tax: Recovery of underlying assets* ("amendments to HKAS 12") in respect of the recognition of deferred tax on investment properties carried at fair value under HKAS 40, *Investment property.* The amendments are effective for annual periods beginning on or after 1 January 2012, but as permitted by the amendments, the Group has decided to adopt the amendments early.

Other than the early adoption of amendments to HKAS 12, the Group has not applied any new standard, amendment or interpretation that is not yet effective for the current accounting period.

The change in policy arising from the amendments to HKAS 12 is the only change which has had a material impact on the current or comparative periods. As a result of this change in policy, the Group now measures any deferred tax liability in respect of its investment properties with reference to the tax liability that would arise if the properties were disposed of at their carrying amounts at the reporting date. Previously, where these properties were held under leasehold interests, deferred tax was generally measured using the tax rate that would apply as a result of recovery of the asset's value through use.

This change in policy has been applied retrospectively by restating the opening balances at 1 April 2010 and 2011, with consequential adjustments to comparatives for the year ended 31 March 2011. As the Group's properties are located in Hong Kong, this has resulted in a reduction in the amount of deferred tax provided on valuation gains as follows:

	As previously reported $'000	Effect of adoption of amendments to HKAS 12 $'000	As restated $'000
Consolidated balance sheet as at 31 March 2011			
Deferred tax liabilities	17,894	(9,377)	8,517
Retained profits	857,420	8,769	866,189
Non-controlling interests	23,307	608	23,915
Consolidated balance sheet as at 1 April 2010			
Deferred tax liabilities	14,234	(6,077)	8,157
Retained profits	679,456	5,718	685,174
Non-controlling interests	22,057	359	22,416
Consolidated income statement for the year ended 31 March 2011			
Income tax	41,870	(3,300)	38,570
Profit for the year attributable to:			
Equity shareholders of the Company	279,883	3,051	282,934
Non-controlling interests	4,354	249	4,603
Earnings per share			
Basic	$1.78	$0.02	$1.80
Diluted	$1.77	$0.02	$1.79

3. Turnover

The principal activities of the Group are garment wholesaling, retailing and manufacturing, trademark ownership and licensing, property investment and the provision of security printing and general business forms printing.

Turnover represents the net invoiced value of goods supplied to customers, royalty and related income, income from printing and related services and rental income. The amount of each significant category of revenue recognised in turnover during the year is as follows:

	2012	2011
	$'000	*$'000*
Sales of garments	**1,225,724**	1,021,638
Royalty and related income	**106,982**	91,746
Income from printing and related services	**42,870**	39,448
Gross rentals from investment properties	**2,032**	1,777
	1,377,608	1,154,609

The Group's customer base is diversified and no individual customer with whom transactions have exceeded 10% of the Group's turnover.

4. Segment reporting

The Group manages its businesses by divisions, which are organised by business lines. In a manner consistent with the way in which information is reported internally to the Group's most senior executive management for the purposes of resources allocation and performance assessment, the Group has presented the following four reportable segments. No operating segments have been aggregated to form the following reportable segments.

- Sales of garments: the manufacture, retail and wholesale of garments.
- Licensing of trademarks: the management and licensing of trademarks for royalty income.
- Printing and related services: the manufacture and sale of printed products.
- Property rental: the leasing of properties to generate rental income.

(a) Segment results, assets and liabilities

For the purposes of assessing segment performance and allocating resources between segments, the Group's senior executive management monitors the results, assets and liabilities attributable to each reportable segment on the following bases:

Segment assets include all tangible, intangible assets and current assets with the exception of interest in associate, other financial assets, deferred tax assets, trading securities, club memberships, current tax recoverable, cash and cash equivalents and other corporate assets. Segment liabilities include trade and other payables and bank borrowings with the exception of current tax payable, deferred tax liabilities and other corporate liabilities.

Revenue and expenses are allocated to the reportable segments with reference to sales generated by those segments and the expenses incurred by those segments or which otherwise arise from the depreciation or amortisation of assets attributable to those segments.

The measure used for reporting segment profit is "adjusted EBITDA", i.e. "adjusted earnings before interest, taxes, depreciation and amortisation", where "interest" is regarded as including investment income and "depreciation and amortisation" is regarded as including impairment losses on non-current assets. To arrive at adjusted EBITDA, the Group's earnings are further adjusted for items not specifically attributed to individual segments, such as share of profits less losses of associate and other head office or corporate administration costs.

In addition to receiving segment information concerning adjusted EBITDA, management is provided with segment information concerning revenue (including inter-segment sales), interest income and expenses from cash balances and borrowings managed directly by the segments, depreciation, amortisation and additions to non-current segment assets used by the segments in their operations. Inter-segments sales are priced with reference to prices charged to external parties for similar orders.

Information regarding the Group's reportable segments as provided to the Group's most senior executive management for the purposes of resource allocation and assessment of segment performance for the years ended 31 March 2012 and 2011 is set out below:

	Sales of garments		Licensing of trademarks		Printing and related services		Property rental		Total	
	2012	2011	**2012**	2011	**2012**	2011	**2012**	2011	**2012**	2011
	$'000	*$'000*	***$'000***	*$'000*	***$'000***	*$'000*	***$'000***	*$'000*	***$'000***	*$'000*
Revenue from external customers	**1,225,724**	1,021,638	**106,982**	91,746	**42,870**	39,448	**2,032**	1,777	**1,377,608**	1,154,609
Inter-segment revenue	**-**	-	**21,355**	19,841	**1,226**	1,823	**6,611**	6,732	**29,192**	28,396
Reportable segment revenue	**1,225,724**	1,021,638	**128,337**	111,587	**44,096**	41,271	**8,643**	8,509	**1,406,800**	1,183,005
Reportable segment profit (adjusted EBITDA)	**263,775**	219,443	**72,976**	64,937	**10,406**	9,682	**6,915**	7,240	**354,072**	301,302
Bank interest income	**1,821**	371	**26**	50	**-**	-	**-**	-	**1,847**	421
Interest expense	**(106)**	(244)	**(241)**	(626)	**-**	-	**-**	-	**(347)**	(870)
Depreciation and amortisation for the year	**(24,083)**	(18,554)	**(116)**	(112)	**(919)**	(962)	**(2,495)**	(2,579)	**(27,613)**	(22,207)
Reportable segment assets	**367,625**	369,809	**354,929**	329,329	**34,808**	33,167	**523,538**	83,625	**1,280,900**	815,930
Additions to non-current segment assets during the year	**24,067**	21,300	**134**	97	**190**	1,143	**-**	-	**24,391**	22,540
Reportable segment liabilities	**160,931**	177,228	**33,903**	69,971	**5,705**	3,822	**18,272**	352	**218,811**	251,373

(b) Reconciliation of reportable segment revenues, profit or loss, assets and liabilities

	2012 $'000	2011 $'000 (restated)
Revenue		
Reportable segment revenue	**1,406,800**	1,183,005
Elimination of inter-segment revenue	**(29,192)**	(28,396)
Consolidated turnover	**1,377,608**	1,154,609
Profit		
Reportable segment profit	**354,072**	301,302
Elimination of inter-segment profits	**(6,894)**	(7,911)
Reportable segment profit derived from the Group's external customers	**347,178**	293,391
Other revenue	**5,138**	3,529
Other net income/(loss)	**339**	(946)
Depreciation and amortisation	**(27,752)**	(22,430)
Net valuation gains on investment properties	**20,000**	20,000
Finance costs	**(347)**	(870)
Share of profits less losses of associate	**46,982**	49,128
Net gain on disposal of associate	**321,169**	-
Impairment losses on non-current assets	**(3,319)**	-
Unallocated head office and corporate expenses	**(19,853)**	(15,695)
Consolidated profit before taxation	**689,535**	326,107
Assets		
Reportable segment assets	**1,280,900**	815,930
Elimination of inter-segment receivables	**(24,232)**	(11,013)
	1,256,668	804,917
Interest in associate	**-**	180,593
Other financial assets	**429**	72,209
Deferred tax assets	**45,223**	48,810
Trading securities	**1,591**	1,613
Club memberships	**750**	860
Current tax recoverable	**5,832**	848
Cash and cash equivalents	**1,085,253**	426,919
Unallocated head office and corporate assets	**2,991**	458
Consolidated total assets	**2,398,737**	1,537,227
Liabilities		
Reportable segment liabilities	**218,811**	251,373
Elimination of inter-segment payables	**(24,232)**	(11,013)
	194,579	240,360
Current tax payable	**39,415**	29,674
Deferred tax liabilities	**4,271**	8,517
Unallocated head office and corporate liabilities	**38,337**	6,291
Consolidated total liabilities	**276,602**	284,842

(c) Geographic information

The following table sets out information about the geographical location of (i) the Group's revenue from external customers and (ii) the Group's fixed assets, intangible assets, lease premium and interest in associate ("specified non-current assets"). The geographical location of customers is based on the location at which the services were provided or the goods delivered. The geographical location of the specified non-current assets is based on the physical location of the asset, in the case of fixed assets and lease premium, the location to which they are managed, in the case of intangible assets, and the location of operations, in the case of interest in associate.

	Revenue from external customers		Specified non-current assets	
	2012	2011	**2012**	2011
	$'000	*$'000*	***$'000***	*$'000*
Hong Kong (place of domicile)	**617,508**	538,453	**279,031**	315,603
Taiwan	**118,749**	115,071	**4,881**	170,072
Other areas of the People's Republic of China ("the PRC")	**576,082**	439,987	**54,510**	53,552
Others	**65,269**	61,098	**150,490**	152,069
	760,100	616,156	**209,881**	375,693
	1,377,608	1,154,609	**488,912**	691,296

5. Profit before taxation

Profit before taxation is arrived at after charging/(crediting) :

	2012	2011
	$'000	*$'000*
(a) Finance costs		
Interest on bank loans and overdrafts wholly repayable within five years	**347**	870
(b) Staff costs		
Contributions to defined contribution retirement plans	**16,408**	16,680
Equity-settled share-based payment expenses	**-**	582
Salaries, wages and other benefits	**215,889**	187,367
	232,297	204,629
(c) Other items		
Amortisation of intangible assets	**780**	780
Depreciation and amortisation of fixed assets	**26,972**	21,650
Impairment loss on intangible assets	**3,319**	-
Impairment loss on trade debtors and bills receivable	**2,920**	1,081
Reversal of impairment loss on trade debtors and bills receivable	**(3,716)**	(426)
Share of associate's taxation	**8,420**	9,142
Net unrealised loss on trading securities	**22**	739
Net loss on disposal of fixed assets	**96**	220
Bank interest income	**(3,462)**	(422)
Interest income from associate	**(1,160)**	(1,907)
Other interest income	**(500)**	(1,184)
Dividend income from listed securities	**(16)**	(16)

6. Income tax in the consolidated income statement

Taxation in the consolidated income statement represents:

	2012	2011
	$'000	*$'000*
		(restated)
Current tax - Hong Kong Profits Tax		
Provision for the year	**38,141**	21,795
(Over)/under-provision in respect of prior years	**(3,490)**	81
	34,651	21,876
Current tax - Outside Hong Kong		
Provision for the year	**17,429**	12,101
Under/(over)-provision in respect of prior years	**1,915**	(499)
	19,344	11,602
Deferred tax		
Origination and reversal of temporary differences	**(1,730)**	4,442
Effect on deferred tax balances at the beginning of the year resulting from a decrease in tax rate	**(47)**	650
	(1,777)	5,092
	52,218	38,570

The provision for Hong Kong Profits Tax for 2012 is calculated at 16.5% (2011: 16.5%) of the estimated assessable profits for the year.

Taxation for subsidiaries based outside Hong Kong is charged at the appropriate current rates of taxation ruling in the relevant jurisdictions.

Pursuant to the relevant laws and regulations of the PRC, one of the Group's PRC subsidiaries enjoys preferential tax rate until 31 December 2012.

Under the new tax law, a 10% withholding tax shall be levied on dividends declared to foreign investors from the Group's PRC subsidiaries. However, only the dividends attributable to the profits of the financial period starting from 1 January 2008 will be subject to the withholding tax. A lower withholding tax rate may be applied if there is a tax treaty arrangement between the PRC and the jurisdiction of the foreign investor. Pursuant to a double tax arrangement between the PRC and Hong Kong, the Group is subject to a withholding tax at a rate of 5% for any dividend payments from its PRC subsidiaries.

During the year ended 31 March 2012, the United Kingdom ("UK") tax authority announced a decrease in the corporate tax rate applicable to the Group's operations in the UK from 28% to 26%. The decrease is taken into account in the preparation of the Group's financial statements. Accordingly, the deferred tax liabilities as at 1 April 2011 in respect of the Group's operations in the UK was calculated using a tax rate of 26%.

During the year ended 31 March 2011, the Taiwan Government announced a decrease in tax rate applicable to the Group's operations in Taiwan from 25% to 17%. The decrease is taken into account in the preparation of the Group's 2011 financial statements. Accordingly, the deferred tax liabilities as at 1 April 2010 in respect of the Group's operations in Taiwan was calculated using a tax rate of 17%.

7. Earnings per share

(a) Basic earnings per share

The calculation of basic earnings per share is based on the profit attributable to ordinary equity shareholders of the Company of $632,944,000 (2011 (restated): $282,934,000) and the weighted average of 163,807,000 (2011: 157,290,000) ordinary shares in issue during the year, calculated as below:

Weighted averge number of ordinary shares

	2012	2011
	'000	*'000*
Issued ordinary shares at the beginning of the year	**162,211**	153,832
Effect of share options exercised	**1,596**	3,458
Weighted average number of ordinary shares at the end of the year	**163,807**	157,290

(b) Diluted earnings per share

The calculation of diluted earnings per share is based on the profit attributable to ordinary equity shareholders of the Company of $632,944,000 (2011 (restated): $282,934,000) and the weighted average number of ordinary shares of 164,228,000 (2011: 157,813,000) shares, calculated as follows:

Weighted average number of ordinary shares (diluted)

	2012	2011
	'000	*'000*
Weighted average number of ordinary shares at the end of the year	**163,807**	157,290
Effect of deemed issue of shares under the Company's share option scheme for nil consideration	**421**	523
Weighted average number of ordinary shares (diluted) at the end of the year	**164,228**	157,813

8. Dividends

(a) Dividends payable to the equity shareholders of the Company attributable to the year

	2012	2011
	$'000	*$'000*
Interim dividend declared and paid of 30 cents (2011: 25 cents) per ordinary share	**49,321**	40,501
Special dividend proposed after the balance sheet date of $4 (2011: $Nil) per ordinary share	**663,455**	-
Final dividend proposed after the balance sheet date of 80 cents (2011: 75 cents) per ordinary share	**132,691**	123,303
	845,467	163,804

The special and final dividend proposed after the balance sheet date has not been recognised as a liability at the balance sheet date.

(b) Dividends payable to equity shareholders of the Company attributable to the previous financial year, approved and paid during the year

	2012	2011
	$'000	*$'000*
Final dividend in respect of the previous financial year, approved and paid during the year, of 75 cents (2011 : 40 cents) per ordinary share	**123,303**	61,533

9. Assets held for sale

During the year ended 31 March 2012, land and buildings held for own use with carrying value of $36,067,000 were transferred to investment properties due to change in use from owner occupation to earning rental from outsiders. At the date of change in use, the fair value of the property was $420,000,000, the excess of fair value over the carrying value of the property at that date of $383,933,000 was recognised in land and buildings revaluation reserve. The fair value of the property of $420,000,000 was estimated by the directors.

On 12 March 2012, a subsidiary entered into an agreement with an independent third party, for disposal of the aforementioned investment properties at a cash consideration of $439,800,000. The disposal has not been completed as at 31 March 2012 and in accordance with the terms of the agreement, the completion of the sale shall take place on or before 28 June 2012.

As at 31 March 2012, their investment properties were reclassified from non-current assets to current assets held for sale and carried at fair value of $420,000,000 as at 31 March 2012.

10. Disposal of interest in associate

On 26 January 2012, the Group disposed of all its interest in associate, Hang Ten Group Holdings Limited (“HTGH”), for cash consideration of $600,485,000. The results of HTGH were equity accounted for up to that date based on the unaudited consolidated management accounts as at 31 January 2012, which was prepared in accordance with HKFRSs. Profit on disposal of $321,169,000, net of indemnity liabilities of $30,024,000 (note 12) and professional fees of $9,448,000, was recognised in the consolidated income statement for the year ended 31 March 2012.

11. Trade and other receivables

	2012	2011
	$'000	$'000
Trade debtors and bills receivable	**92,725**	97,341
Less: Allowance for doubtful debts	**(12,112)**	(13,376)
	80,613	83,965
Deposits, prepayments and other receivables	**76,823**	58,922
Amounts due from related companies	**-**	1,297
Club memberships	**750**	860
	158,186	145,044

All of the Group’s trade and other receivables, apart from deposits, prepayment and other receivable and club memberships amounting to a total of $19,699,000 (2011: $21,524,000), are expected to be recovered or recognised as expense within one year.

Included in trade and other receivables are trade debtors and bills receivable (net of allowance for doubtful debts) with the following ageing analysis as of the balance sheet date:

	2012	2011
	$'000	*$'000*
Current	**53,310**	60,897
Less than 1 month past due	**22,242**	11,229
1 to 3 months past due	**1,216**	6,697
More than 3 months but less than 12 months past due	**3,845**	5,142
Amounts past due	**27,303**	23,068
	80,613	83,965

The Group's credit risk is primarily attributable to trade and other receivables, listed equity securities and debt investments and deposits with banks. Management has a credit policy in place and the exposures to these credit risks are monitored on an ongoing basis.

In respect of trade and other receivables, individual credit evaluations are performed on all customers requiring credit over a certain amount. These evaluations focus on the customer's past history of making payments when due and current ability to pay, and take into account information specific to the customer as well as pertaining to the economic environment in which the customer operates. Trade receivables are due within 30 days to 90 days from the date of billing. Normally, the Group does not obtain collateral from customers.

12. Trade and other payables

	2012	2011
	$'000	*$'000*
Bills payable	**3,035**	7,958
Trade creditors	**29,009**	53,249
	32,044	61,207
Other payables and accrued charges	**160,912**	145,792
Indemnity liabilities (note 10)	**30,024**	-
Amounts due to related companies	**4,238**	4,116
	227,218	211,115

All of the trade and other payables are expected to be settled within one year.

The ageing analysis of trade creditors and bills payable as of the balance sheet date are:

	2012	2011
	$'000	*$'000*
Due within 1 month or on demand	**20,757**	40,364
Due after 1 month but within 3 months	**9,038**	15,048
Due after 3 months but within 6 months	**1,332**	4,515
Due after 6 months but within 12 months	**917**	1,280
	32,044	61,207

13. Restatement of comparatives

As a result of the adoption of amendments to HKAS 12, *Income taxes*, certain comparative figures have been adjusted to reflect the decrease in accrual of deferred tax liabilities related to investment properties carried at fair value. Further details of these changes in accounting policies are disclosed in note 2.

14. Post balance sheet event

In addition to the post balance sheet event in respect of the proposed dividends and the sale of investment properties as disclosed in notes 8 and 9, respectively, other post balance sheet event is disclosed as below:

Subsequent to the balance sheet date on 9 May 2012, the Group entered into an agreement with a third party, Aquascutum Limited ("AQ Ltd") and the joint administrators appointed by AQ Ltd, to acquire the clothing retail and concession business in the United Kingdom and certain assets of AQ Ltd which mainly include all rights, title and interest of "AQUASCUTUM" brand (other than the rights already owned by the Group covers the Asia operations) of AQ Ltd for a cash consideration of GBP15,000,000 (equivalent to HK$188,170,500). The consideration was satisfied by the Group's financial resources.

The Group is in the process of assessing the financial impact of the acquisition on the Group and it is not practical to disclose further details in accordance with HKAS 10, *Events after the Reporting Period*.

MANAGEMENT DISCUSSION AND ANALYSIS

RESULTS OF THE GROUP'S OPERATIONS

Group's Operations

	2012 *HK$'000*	2011 *HK$'000* (restated)	**+/(-) change**
Turnover	**1,377,608**	1,154,609	19.3%
Gross profit	**915,720**	775,171	18.1%
Gross profit margin	**66.5%**	67.1%	-0.6 pp
Profit from operations	**301,731**	257,849	17.0%
Operating margin	**21.9%**	22.3%	-0.4 pp
Net valuation gain on investment properties	**20,000**	20,000	0.0%
Share of profits less losses of associate	**46,982**	49,128	-4.4%
Net gain on disposal of associate	**321,169**	-	-
Profit attributable to equity shareholders of the Company	**632,944**	282,934	123.7%
Net profit margin	**45.9%**	24.5%	+21.4 pp
EBITDA	**717,634**	349,407	105.4%
EBITDA margin	**52.1%**	30.3%	+21.8 pp
Earnings per share - basic	**$3.86**	$1.80	114.4%
Interim dividend per share	**$0.30**	$0.25	20.0%
Final dividend per share	**$0.80**	$0.75	6.7%
Special dividend per share	**$4.00**	-	-
Dividend payout	**132.1%**	55.6%	+76.5 pp

The Group recorded a profit for the year ended 31 March 2012 of HK$637,317,000 (2011 (restated): HK$287,537,000). Major attribute was an exceptional gain of HK$321,169,000 (net of indemnity liabilities of HK$30,024,000 and professional fees of HK$9,448,000) on disposal of all interests in HTGH, whose shares were listed on The Stock Exchange of Hong Kong Limited, at a cash consideration of HK$600,485,000.

Turnover of the Group grew by 19.3% to HK$1,377,608,000 (2011: HK$1,154,609,000). Total sales of garments, which is the Group's principal business, surpassed HK$1,021,638,000 for the previous year by 20.0% to HK$1,225,724,000. Total income of licensing of trademarks from external customers increased by 16.6% to HK$106,982,000 (2011: HK$91,746,000). Hence, total gross profit increased by 18.1% to HK$915,720,000 (2011: HK$775,171,000). Overall gross profit margin dropped slightly to 66.5% from 67.1% of the previous year.

Profit from operations surged by 17.0% from HK$257,849,000 for the previous year to HK$301,731,000. Total operating expenses amounted to HK$647,129,000 (2011: HK$534,259,000), representing an increase of 21.1%. Total rental and other occupancy expenses of the Group grew by 12.1% to HK$214,075,000 (2011: HK$191,046,000) which accounted for 15.5% (2011: 16.5%) of the turnover of the Group. Total staff costs, including directors' remuneration, increased by 13.5% to HK$232,297,000 (2011: HK$204,629,000) and accounted for 16.9% (2011: 17.7%) of the turnover of the Group. Total advertising and promotion expenses of the Group grew by 34.7% to HK$37,192,000 (2011: HK$27,612,000) which accounted for 2.7% (2011: 2.4%) of the turnover of the Group.

Profit attributable to equity shareholders of the Company was HK$632,944,000 (2011 (restated): HK$282,934,000) which included a share of profit of HTGH before disposal amounting to HK$46,982,000 (2011: HK$49,128,000).

For the period under review, EBITDA of the Group rose by 105.4% to HK$717,634,000 (2011: HK$349,407,000). EBITDA margin increased from 30.3% of the previous year to 52.1%. These increases were mainly due to an exception gain on disposal of HTGH.

Basic earnings per share increased to HK$3.86 (2011 (restated): HK$1.80).

Cash Flow from Operations

For the year ended 31 March 2012, the Group generated HK$255,480,000 of cash from operations which decreased slightly from HK$256,407,000 of the previous year same period. Inventories as at 31 March 2012 increased by HK$42,823,000 from the previous year to HK$193,311,000.

As at 31 March 2012, the Group had cash and bank deposits net of overdrafts and short-term bank loans of HK$1,079,555,000 (31 March 2011: HK$391,383,000), an increase of HK$688,172,000 which included the cash consideration for disposal of HTGH of HK$600,485,000 and after payments of dividends of HK$172,624,000 during the year. At 31 March 2012, the Group had trading securities with a fair value of HK$1,591,000 (31 March 2011: HK$1,613,000).

After due consideration of cash on hand, future investment requirements of the Group and the economic outlook, the Board of Directors resolved to pay a special dividend of HK$4 per share. Total special dividend of HK$663,455,000 was paid to the shareholders of the Company on 8 May 2012.

On 9 May 2012, the Group completed the acquisition of apparel retail business in the United Kingdom and all intellectual property rights of Aquascutum at a cash consideration of GBP15,000,000 (approximately HK$188,170,500)

During the year, the Group spent approximately HK$24,428,000 in additions and replacement of fixed assets, compared to HK$22,540,000 for the previous year.

GROUP'S FINANCIAL POSITION

The Group financed its operations by internally generated cashflows and banking facilities provided by its bankers. The Group continues to maintain a prudent approach in managing its financial requirements.

On 12 March 2012, a subsidiary of the Group entered into a provisional agreement with an independent third party for the sale of shop premises at Park Lane Shopper's Boulevard, Tsim Sha Tsui, Kowloon, Hong Kong at a consideration of HK$439,800,000. A deposit of HK$43,980,000 had been received up to the date of this announcement. The transaction will be completed on 28 June 2012. In accordance with the

Group's accounting policies, the shop premises with a valuation of HK$420,000,000 as at 31 March 2012 were reclassified as assets held for sale under current assets.

The Group's net assets as at 31 March 2012 were HK$2,122,135,000 (31 March 2011 (restated): HK$1,252,385,000). The Group's gearing ratio at the year end was 0.003 (31 March 2011 (restated): 0.029) which was calculated based on total borrowings of HK$5,698,000 (31 March 2011: HK$35,536,000) and shareholders' equity of HK$2,097,274,000 (31 March 2011 (restated): HK$1,228,470,000). The Group's borrowings are mainly on a floating rate basis.

The Group also maintains a conservative approach to foreign exchange exposure management. The Group's income and expenditure streams are mainly denominated in Hong Kong Dollars, New Taiwan Dollars, Japanese Yen, Pounds Sterling, Euros, Renminbi and Macau Pataca. To manage currency risks, non Hong Kong Dollar assets are financed primarily by matching local currency debts as far as possible.

As at 31 March 2012, the Company issued guarantees to banks to secure banking facilities provided to the subsidiaries amounting to HK$80,455,000 (31 March 2011: HK$179,080,000). The maximum liability of the Company at the balance sheet date under the guarantees issued is the amount of banking facilities drawn down by the relevant subsidiaries amounting to HK$7,398,000 (31 March 2011: HK$52,981,000).

OPERATIONS REVIEW

Sales of garments

	2012	2011	+/(-)
	HK$'000	*HK$'000*	change
Revenue from sales of garments	**1,225,724**	1,021,638	20.0%
Segment profit	**263,775**	219,443	20.2%
Segment profit margin	**21.5%**	21.5%	-
Inventory turnover on sales (days) (Note)	**58**	54	7.4%

Note: Inventory held at the year end divided by full year turnover times 365 days

Sales of garments is the Group's principal business which is mainly retailing and wholesaling of branded garments in the Greater China region. During the year under review, the Group negotiated with J.Lindeberg AB of Sweden for a new exclusive distribution agreement and are currently distributing in Hong Kong and Macau.

Total garment sales surged by 20.0% to HK$1,225,724,000 (2011: HK$1,021,638,000). Hence, total segment profit increased by 20.2% from HK$219,443,000 for the previous year same period to HK$263,775,000. Inventory turnover on sales increased from 54 days for the previous year to 58 days as a result of an increase in inventories held at 31 March 2012.

Number of POSs by geographical locations as at 31 March

	Mainland China		**Hong Kong**		**Macau**		**Taiwan**		**Europe**		**South Korea & Southeast Asia**		**Total**	
	2012	2011	**2012**	2011	**2012**	2011	**2012**	2011	**2012**	2011	**2012**	2011	**2012**	2011
Aquascutum	**130**	125	**15**	15	**3**	3	**25**	23	**-**	-	**2**	2	**175**	168
Ashworth	**47**	51	**11**	12	**3**	4	**6**	5	**-**	-	**6**	12	**73**	84
J.Lindeberg	**6**	7	**7**	6	**1**	1	**2**	-	**-**	-	**-**	-	**16**	14
Michel Rene	**29**	29	**15**	14	**2**	2	**5**	5	**-**	-	**4**	3	**55**	53
Guy Laroche	**-**	-	**-**	-	**-**	-	**-**	-	**1**	1	**-**	-	**1**	1
Total	**212**	212	**48**	47	**9**	10	**38**	33	**1**	1	**12**	17	**320**	320

As at the end of March 2012, the Group has a distribution network of 320 (2011: 320) point of sales ("POSs") in our operating market.

Licensing of trademark

In September 2009, the Group acquired the intellectual property rights of “AQUASCUTUM” in Asian territories. On 9 May 2012, the Group completed the acquisition of remaining intellectual property rights of “AQUASCUTUM”. The Group is currently the owner of the global intellectual property rights of “AQUASCUTUM”.

During the year ended 31 March 2012, the Group owns the global intellectual property rights of “GUY LAROCHE” and the intellectual property rights of “AQUASCUTUM” in Asian territories. Total income of licensing of “GUY LAROCHE” and “AQUASCUTUM” trademarks from external customers increased by 16.6% to HK$106,982,000 (2011: HK$91,746,000).

Other business

With our continuous efforts on controlling costs, our manufacturing plant in Dongguan reported a profit for the year with an increase in turnover in respect of adverse worldwide economic environment. Our security printing business reported a segment profit of HK$10,406,000 (2011: HK$9,682,000). Rental income from industrial building is steady.

OUTLOOK

For the year under review, the Group recorded increases in both turnover and profit from operations as compared with that of the previous year in spite of a challenging economic environment. Notwithstanding of the slowing economic growth of Mainland China coupled with the continuing financial problems in Europe and a weak recovery in the United States, the Group is confident of a healthy performance in coming year with its strength and its strong cash position.

The Group completed the acquisition of apparel retail business in the United Kingdom and all intellectual property rights of Aquascutum in May 2012. We are working to solve problems of the retail operations in the United Kingdom and hope to turn it into profitable within a short period of time.

SHARE OPTION SCHEME

On 23 September 2004, the Company adopted a share option scheme (the “Share Option Scheme”) which will remain in force until 22 September 2014. Pursuant to the terms of the Share Option Scheme, the Company may grant options to eligible participants including directors and employees of the Group to subscribe for shares in the Company, subject to a maximum of 15,469,879 new shares.

During the year, no option was granted to any director or employee of the Group. 2,568,000 options were exercised during the period and total subscriptions of HK$31,026,000 were received from option grantees. Shares of the Company were allotted and issued accordingly.

HUMAN RESOURCES

As at 31 March 2012, the Group had approximately 1,800 employees (31 March 2011: 1,900). The Group offers competitive remuneration packages including medical subsidies and retirement scheme contributions to its employees in compensation for their contribution. In addition, discretionary bonuses and share options may also be granted to the eligible employees based on the Group’s and individuals’ performances.

DIVIDENDS

After due consideration of cash on hand, future investment requirements and the economic outlook, the Board resolved to pay a special dividend of HK$4 (2011: HK$Nil) per ordinary share. The special dividend totaling HK$663,455,000 was paid to shareholders on 8 May 2012.

The Board had recommend the payment of a final dividend of 80 HK cents (2011: 75 HK cents) per ordinary share for the year ended 31 March 2012 at the forthcoming annual general meeting to be held on 14 September 2012. The final dividend totaling HK$132,691,000 (2011: HK$123,303,000), if approved by the shareholders, is expected to be paid on or around 4 October 2012 to those shareholders whose names appear on the register of members of the Company as at the close of business on 19 September 2012.

CLOSURE OF REGISTER OF MEMBERS

For the purpose of ascertaining the entitlement of the shareholders to attend and vote at the forthcoming annual general meeting, the register of members of the Company will be closed from 10 September 2012 to 14 September 2012, both days inclusive, during which period no transfer of shares will be effected. In order to qualify for the right to attend and vote at the forthcoming annual general meeting, all transfers accompanied by the relevant share certificates must be lodged with the share registrar of the Company, Computershare Hong Kong Investor Services Limited at 17th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration by no later than 4:30 p.m. on Friday, 7 September 2012.

The register of members of the Company will also be closed from 20 September 2012 to 24 September 2012, both days inclusive, during which period no transfer of shares will be effected for the purpose of ascertaining the entitlement of the shareholders to the proposed final dividend. In order to qualify for the final dividend payable on or around 4 October 2012 to be approved at the forthcoming annual general meeting, all transfers accompanied by the relevant share certificates must be lodged with the share registrar of the Company, Computershare Hong Kong Investor Services Limited at 17th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration by no later than 4:30 p.m. on Wednesday, 19 September 2012.

CORPORATE GOVERNANCE

The Company had compiled with the Code on Corporate Governance Practices as set out in Appendix 14 of the Listing Rules throughout the year ended 31 March 2012.

Under Code Provision A.4.1, non-executive directors (including independent non-executive directors) should be appointed for a specific term, subject to re-election. However, the non-executive directors of the Company are not appointed for a specific term but are subject to retirement by rotation and re-election in accordance with the Company's articles of association.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted a Securities Dealing Code regarding directors' securities transactions on terms no less exacting than the required standard set out in the Model Code for Securities Transactions by Directors of Listed Issuers ("Model Code") contained in Appendix 10 of the Listing Rules.

All Directors have confirmed, upon specific enquiry by the Company, that they have complied with the required standard set out in the Model Code and its Securities Dealing Code throughout the period under review.

AUDIT COMMITTEE

To comply with the revised Code of Best Practice as set out in Appendix 14 to the Listing Rules, the Company set up an audit committee (the "Audit Committee") with written terms of reference, for the purposes of reviewing and providing supervision on the financial reporting process and internal control of the Group. The Audit Committee comprises three Independent Non-executive Directors.

The Audit Committee is mainly responsible for monitoring the integrity of the Company's financial statements, reviewing the Company's internal control system and its execution through the review of the work undertaken by the internal and external auditors, evaluating financial information and related disclosure; and reviewing connected transactions.

The Audit Committee has reviewed with management the consolidated financial statements for the year ended 31 March 2012, including the accounting principles and practices adopted by the Group and discussed internal controls and financial reporting matters.

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

The Company has not redeemed any of its shares during the year ended 31 March 2012. Neither the Company nor any of its subsidiaries has purchased or sold any of the Company's shares during the year.

PUBLICATION OF RESULTS ANNOUNCEMENT AND ANNUAL REPORT

The results announcement is published on the website of Hong Kong Exchange and Clearing Limited at www.hkexnews.hk and the website of the Company at www.ygmtrading.com under "Results Announcement". The annual report for the year ended 31 March 2012 will be dispatched to the shareholders and published on the above websites in due course.

By Order of the Board
Chan Wing Fui, Peter
Chairman

Hong Kong, 26 June 2012

As at the date of this announcement the Board comprises seven Executive Directors, namely Dr. Chan Sui Kau, Mr. Chan Wing Fui Peter, Mr. Chan Wing Sun Samuel, Madam Chan Suk Ling Shirley, Mr. Fu Sing Yam William, Mr. Chan Wing Kee and Mr. Chan Wing To; and three Independent Non-executive Directors, namely Mr. Leung Hok Lim, Mr. Lin Keping and Mr. Sze Cho Cheung Michael.