

YGM TRADING LIMITED

(Incorporated in Hong Kong with limited liabilities)

(Stock Code : 00375)

ANNOUNCEMENT OF RESULTS FOR THE YEAR ENDED 31 MARCH 2008

The Board of Directors of YGM Trading Limited (the “Company”) is pleased to announce the consolidated results of the Company and its subsidiaries and associates (the “Group”) for the year ended 31 March 2008 as follows :

CONSOLIDATED PROFIT AND LOSS ACCOUNT

	Note	2008 HK\$'000	2007 HK\$'000
Turnover	3	1,110,115	1,022,818
Cost of sales		<u>(438,661)</u>	<u>(390,827)</u>
Gross profit		671,454	631,991
Other revenue		12,000	12,652
Other net income		10,495	1,601
Distribution costs		(409,445)	(385,848)
Administrative expenses		(174,221)	(153,600)
Other operating expenses		<u>(7,768)</u>	<u>(5,225)</u>
Profit from operations		102,515	101,571
Valuation gains on investment properties		13,400	18,600
Gain on disposal of investment properties		45,589	-
Finance costs	4(a)	(4,729)	(6,992)
Share of profits less losses of associates		<u>34,099</u>	<u>21,252</u>
Profit before taxation	4	190,874	134,431
Income tax	5	<u>(14,630)</u>	<u>(14,387)</u>
Profit for the year		<u>176,244</u>	<u>120,044</u>
Attributable to :			
Equity shareholders of the Company		170,997	118,121
Minority interests		<u>5,247</u>	<u>1,923</u>
Profit for the year		<u>176,244</u>	<u>120,044</u>
Dividends payable to equity shareholders of the Company attributable to the year			
	6	<u>115,374</u>	<u>69,224</u>
Earnings per share			
Basic	7	<u>HK\$1.11</u>	<u>HK\$0.77</u>
Diluted		<u>N/A</u>	<u>N/A</u>

CONSOLIDATED BALANCE SHEET

	Note	2008		2007	
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
Non-current assets					
Fixed assets					
- Investment properties			66,300		81,900
- Other property, plant and equipment			129,017		135,992
- Interest in leasehold land held for own use under operating lease			5,571		5,216
			<u>200,888</u>		<u>223,108</u>
Intangible assets			108,489		109,344
Lease premium			11,696		9,912
Interest in associates			128,150		96,864
Other financial assets			35,128		42,893
Deferred tax assets			65,006		57,204
			<u>549,357</u>		<u>539,325</u>
Current assets					
Trading securities		11,923		3,977	
Inventories		137,709		180,865	
Trade and other receivables	8	138,686		138,839	
Cash and cash equivalents		276,633		193,782	
Current tax recoverable		3,406		-	
		<u>568,357</u>		<u>517,463</u>	
Current liabilities					
Trade and other payables	9	188,640		179,415	
Bank loans and overdrafts		38,942		56,499	
Current tax payable		9,892		10,593	
		<u>237,474</u>		<u>246,507</u>	
Net current assets			<u>330,883</u>		<u>270,956</u>
Total assets less current liabilities			<u>880,240</u>		<u>810,281</u>
Non-current liabilities					
Bank loans		6,406		49,038	
Deferred tax liabilities		13,657		13,989	
			<u>20,063</u>		<u>63,027</u>
NET ASSETS			<u>860,177</u>		<u>747,254</u>
CAPITAL AND RESERVES					
Share capital			76,916		76,916
Reserves			761,649		650,765
Total equity attributable to shareholders of the Company			<u>838,565</u>		<u>727,681</u>
Minority interests			21,612		19,573
TOTAL EQUITY			<u>860,177</u>		<u>747,254</u>

Notes :

1. Basis of preparation

The 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. The 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 HKICPA has issued certain new and revised HKFRSs that are first effective or available for early adoption for the current accounting period of the Group and the Company. Note 2 provides information on the changes in accounting policies resulting from initial application of these developments to the extent that they are relevant to the Group for the current and prior accounting periods reflected in the financial statements.

The figures in respect of the preliminary announcement of the Group’s results for the year ended 31 March 2008 have been compared by the Company’s auditors, KPMG, Certified Public Accountants, to the amounts set out in the Group’s draft financial statements for the year end 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 new and revised HKFRSs and Interpretations that are first effective or available for early adoption for the current accounting period of the Group and the Company.

There have been no significant changes to the accounting policies applied in these financial statements for the years presented as a result of these developments. However, as a result of the adoption of HKFRS 7, *Financial instruments: Disclosures* and the amendment to HKAS 1, *Presentation of financial statements : Capital disclosures*, there have been some additional disclosures provided in the notes to the financial statements.

As a result of the adoption of HKFRS 7, the financial statements include expanded disclosure about the significance of the Group’s financial instruments and the nature and extent of risks arising from those instruments, compared with the information previously required to be disclosed by HKAS 32, *Financial instruments: Disclosure and presentation*.

The amendment to HKAS 1 introduces additional disclosure requirements to provide information about the level of capital and the Group’s objectives, policies and processes for managing capital.

Both HKFRS 7 and the amendment to HKAS 1 do not have any material impact on the classification, recognition and measurement of the amounts recognised in the financial statements.

The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

3. Segment reporting

Segment information is presented in respect of the Group's business and geographical segments. Business segment information is chosen as the primary reporting format because this is more relevant to the Group's internal financial reporting.

Business segments

The Group comprises the following main business segments :

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

	Sales of garments		Royalty and related income		Printing and related services		Property rental		Inter-segment elimination		Consolidated	
	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Revenue from												
external customers	998,303	917,708	65,145	61,164	38,981	36,214	7,686	7,732	-	-	1,110,115	1,022,818
Inter-segment revenue	-	-	1,007	822	2,687	2,239	6,529	6,578	(10,223)	(9,639)	-	-
Total	998,303	917,708	66,152	61,986	41,668	38,453	14,215	14,310	(10,223)	(9,639)	1,110,115	1,022,818
Segment result	84,799	86,478	5,897	4,934	6,294	5,176	6,168	7,716			103,158	104,304
Inter-segment transactions	3,259	2,943	(101)	(82)	(252)	294	(2,906)	(3,155)			-	-
Contribution from operations	88,058	89,421	5,796	4,852	6,042	5,470	3,262	4,561			103,158	104,304
Unallocated operating income and expenses											(643)	(2,733)
Profit from operations											102,515	101,571
Valuation gains on investment properties	-	-	-	-	-	-	13,400	18,600	-	-	13,400	18,600
Gain on disposal of investment properties	-	-	-	-	-	-	45,589	-	-	-	45,589	-
Finance costs											(4,729)	(6,992)
Share of profits less losses of associates	34,099	21,252	-	-	-	-	-	-	-	-	34,099	21,252
Income tax											(14,630)	(14,387)
Profit after taxation											176,244	120,044

	Sales of garments		Royalty and related income		Printing and related services		Property rental		Unallocated		Consolidated	
	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Depreciation and amortisation for the year	25,384	24,182	-	-	1,459	1,478	2,129	2,137	239	187	29,211	27,984
Segment assets	296,167	328,742	153,315	165,707	15,073	17,549	128,877	146,604	-	-	593,432	658,602
Interest in associates	123,430	92,144	-	-	-	-	-	-	-	-	123,430	92,144
Unallocated assets	-	-	-	-	-	-	-	-	400,852	306,042	400,852	306,042
Total assets											1,117,714	1,056,788
Segment liabilities	126,931	109,854	43,898	52,325	4,274	4,755	5,871	878	-	-	180,974	167,812
Unallocated liabilities	-	-	-	-	-	-	-	-	76,563	141,722	76,563	141,722
Total liabilities											257,537	309,534
Capital expenditure incurred during the year	20,020	19,762	-	-	178	310	-	-	10	811	20,208	20,883

Geographical segments

The Group's business is managed on a worldwide basis, but participates in three principal economic environments. Hong Kong and Macau, Taiwan and other areas of the People's Republic of China ("the PRC") are the major markets for the Group's garment business. Following the acquisition of Société Guy Laroche in 2005, the Group has a worldwide revenue stream from licensing the Guy Laroche trademark. Hong Kong and Macau is the major market for all of the Group's other businesses.

In presenting information on the basis of geographical segments, segment revenue is based on the geographical location of customers. Segment assets and capital expenditure are based on the geographical location of the assets.

	Hong Kong and Macau		Taiwan		Other areas of the PRC		Others		Total	
	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Revenue from external customers	468,770	507,895	137,342	141,342	429,817	307,318	74,186	66,263	1,110,115	1,022,818
Segments assets	495,572	457,084	217,034	175,265	193,461	212,947	211,647	211,492	1,117,714	1,056,788
Capital expenditure incurred during the year	7,447	6,231	3,292	5,080	8,235	9,083	1,234	489	20,208	20,883

4. Profit before taxation

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

	2008 HK\$'000	2007 HK\$'000
(a) <i>Finance costs</i>		
Interest on bank advances and other borrowings wholly repayable within five years	<u>4,729</u>	<u>6,992</u>
(b) <i>Other items</i>		
Amortisation of intangible assets	780	780
Depreciation and amortisation on owned assets	28,431	27,204
Impairment losses for trade and other receivables	6,317	3,596
Share of associates' taxation	9,262	8,085
Net realised and unrealised (gain)/loss on trading securities	(4,208)	1,138
Net gain on disposal of land and building	-	(747)
Net loss on disposal of other fixed assets	2,135	223
Net gain on disposal of intangible assets	<u>(267)</u>	<u>-</u>

5. Income tax

Taxation in the consolidated profit and loss account represents :

	2008 HK\$'000	2007 HK\$'000
Current tax - Hong Kong Profits Tax		
Provision for the year	11,231	12,608
Under-provision in respect of prior years	<u>74</u>	<u>1,543</u>
	<u>11,305</u>	<u>14,151</u>
Current tax - Outside Hong Kong		
Provision for the year	4,736	4,967
Under / (over)-provision in respect of prior years	<u>416</u>	<u>(1,675)</u>
	<u>5,152</u>	<u>3,292</u>
Deferred tax		
Origination and reversal of temporary differences	(1,601)	(3,056)
Effect of decrease in tax rate on deferred tax balances at 1 April	<u>(226)</u>	<u>-</u>
	<u>(1,827)</u>	<u>(3,056)</u>
	<u>14,630</u>	<u>14,387</u>

The provision for Hong Kong Profits Tax for 2008 is calculated at 17.5% (2007: 17.5%) 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 tax jurisdictions.

On 16 March 2007, the Fifty Plenary Session of the Tenth National People's Congress passed the Corporate Income Tax Law of the PRC (the "new tax law") which became effective on 1 January 2008. Under the new tax law, the statutory income tax rate applicable to the PRC subsidiaries has changed from 33% to 25%.

Under the new tax law, a 10% withholding tax will also be levied on dividends declared to foreign investors from the PRC, 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 the rate of 5% for any dividend payments from the Group's PRC subsidiaries. In view of the insignificant profits made by the Group's PRC subsidiaries during the period from 1 January 2008 to 31 March 2008, no provision for withholding tax has been made by the Group.

On 27 February 2008, the Financial Secretary of the Hong Kong SAR Government announced his annual Budget which proposes a cut in the profits tax rate from 17.5% to 16.5% with effect from the fiscal year 2008/09 and a one-off reduction of 75% of the tax payable for the 2007/08 assessment subject to a ceiling of HK\$25,000. In accordance with the Group's accounting policy, this decrease is taken into account in the preparation of the Company's 2008 financial statements. Accordingly, whilst the provision for Hong Kong Profits Tax for 2008 is calculated at 17.5% of the estimated assessable profits for the year, deferred tax is calculated at 16.5% (2007: 17.5%) of the temporary difference at the balance sheet date.

The amount of deferred tax recognised in other tax jurisdictions as at 31 March 2008 was measured using the applicable tax rates in the corresponding tax jurisdictions.

6. Dividends

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

	2008 HK\$'000	2007 HK\$'000
Interim dividend declared and paid of HK 13 cents per ordinary share (2007 : HK 13 cents per ordinary share)	19,998	19,998
Special dividend proposed after the balance sheet date of HK 30 cents per ordinary share (2007 : HK Nil cents per ordinary share)	46,150	-
Final dividend proposed after the balance sheet date of HK 32 cents per ordinary share (2007 : HK 32 cents per ordinary share)	49,226	49,226
	<u>115,374</u>	<u>69,224</u>

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

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

	2008	2007
	HK\$'000	HK\$'000
Final dividend in respect of the previous financial year, approved and paid during the year, of HK 32 cents per ordinary share (2007 : HK 32 cents per ordinary share)	<u>49,226</u>	<u>49,499</u>

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 HK\$170,997,000 (2007 : HK\$118,121,000) and the number of 153,831,792 ordinary shares (2007 : weighted average of 154,345,929 ordinary shares) in issue during the year, calculated as follows.

	2008	2007
	Number of shares	Number of Shares
Issued ordinary shares at 1 April	153,831,792	154,684,792
Effect of shares repurchased	<u>-</u>	<u>(338,863)</u>
Weighted average number of ordinary shares in issue during the year	<u>153,831,792</u>	<u>154,345,929</u>

- (b) Diluted earnings per share

The diluted earnings per share is not presented as the Company did not have dilutive potential ordinary shares outstanding during both 2007 and 2008.

8. Trade and other receivables

	2008	2007
	HK\$'000	HK\$'000
Debtors, bills receivable, deposits and prepayments	133,944	137,101
Amounts due from related companies	3,882	878
Club memberships	<u>860</u>	<u>860</u>
	<u>138,686</u>	<u>138,839</u>

All of the trade and other receivables, apart from club memberships and deposits of HK\$860,000

(2007 : HK\$860,000) and HK\$32,472,000 (2007 : HK\$30,431,000) respectively, are expected to be recovered within one year.

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

	2008	2007
	HK\$'000	HK\$'000
Current	66,522	72,085
1 to 3 months	4,798	5,547
More than 3 months but less than 12 months	1,245	2,070
	<u>72,565</u>	<u>79,702</u>

The Group's credit risk is primarily attributable to trade and other receivables, listed debt securities and deposits with banks and other financial institutions. Management has a credit policy in place and 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 current 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.

9. Trade and other payables

	2008	2007
	HK\$'000	HK\$'000
Bills payable	1,995	7,345
Creditors and accrued charges	179,586	163,185
Amounts due to related companies	7,059	8,885
	<u>188,640</u>	<u>179,415</u>

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

Included in trade and other payables are trade creditors and bills payable with the following ageing analysis as of the balance sheet date:

	2008	2007
	HK\$'000	HK\$'000
Due within 1 month or on demand	23,977	32,992
Due after 1 month but within 3 months	27,929	31,323
Due after 3 months but within 6 months	1,259	2
Due after 6 months but within 12 months	1,438	-
	<u>54,603</u>	<u>64,317</u>

GROUP RESULTS

Turnover of the Group for the year ended 31 March 2008 increased by 8.5% to HK\$1,110,115,000 (2007 : HK\$1,022,818,000). Profit attributable to equity shareholders of the Company grew by 44.8% to HK\$170,997,000 (2007 : HK\$118,121,000).

REVIEW OF OPERATIONS

Garment retail and marketing

The Group concentrates in marketing various brands in Mainland China, Hong Kong, Macau and Taiwan. We also have a small number of outlets in South East Asia and Europe.

Aquascutum

As at the end of March 2008, the Group has 149 outlets in Mainland China, Hong Kong, Macau and Taiwan. The Group is a long term licensee of this up-market British brand, which continues to be successful in Mainland China with its increased number of affluent consumers.

Ashworth

The Group has 72 outlets in our licensed territories as at the end of March 2008. The American label continues its success as golf becomes increasingly popular.

Guy Laroche

The Group owns the worldwide rights to this French brand. The head office at Paris recorded losses in the first half of the financial year but was able to prevent further losses during the second half of the financial year. Global royalty income increased in terms of US dollars.

Michel Rene

As of end of March 2008, we operated 91 outlets in Hong Kong, Macau, Mainland China and Taiwan. We are in the process of revamping this label.

Charles Jourdan

The Group has reduced losses of this division with increased use of distributors and closing of unprofitable outlets.

Hang Ten

The Group also owns a 20.4% stake in Hang Ten Group Holdings Limited (“Hang Ten”) which is listed on The Stock Exchange of Hong Kong Limited. Hang Ten reports a significant increase in profit and is expanding in Mainland China.

Other business

Garment Manufacturing

The Group's manufacturing plant in Dongguan recorded the first annual loss suffering from vastly increased staff and fuel costs and government charges.

Property

Rental income from industrial buildings increased with the buoyant economy in Hong Kong. As announced in a separate circular in February 2008, the Group sold about 40,000 square foot of space at an old industrial building in Chai Wan for HK\$75,311,000 realising a profit of HK\$45,589,000.

Printing

The security printing business returned a record turnover of HK\$41,668,000 and contribution from operations of HK\$6,042,000 for the year.

PROSPECTS AND DEVELOPMENTS

The prospects of the consumer market worldwide is not encouraging and the Group will make efforts to counter such an adverse climate. With the Group's significant liquid funds, the Group can take advantage of this economic climate in case an opportunity arises.

CAPITAL EXPENDITURE

During the year, the Group spent approximately HK\$20,208,000 in recurring additions and replacement of fixed assets, compared to HK\$20,883,000 for the previous year.

LIQUIDITY AND FINANCIAL RESOURCES

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

For the year ended 31 March 2008, the Group generated HK\$165,977,000 (2007 : HK\$121,477,000) of cash from operations. As at 31 March 2008, the Group had cash and bank deposits net of overdrafts and short-term bank loans of HK\$237,691,000, an increase from HK\$137,283,000 as at 31 March 2007 after payments of dividends of HK\$69,224,000 during the year. At 31 March 2008, the Group had listed securities which were readily convertible into cash with a fair value of HK\$11,923,000 (2007 : HK\$3,977,000).

The Group's net assets as at 31 March, 2008 were HK\$860,177,000 as compared with HK\$747,254,000 as at 31 March 2007. The Group's gearing ratio at the year end was 0.05 (2007 : 0.15) which was calculated based on total borrowings of HK\$45,348,000 (2007 : HK\$105,537,000) and shareholders' equity of HK\$838,565,000 (2007 : HK\$727,681,000). 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, 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 2008, certain investment properties with an aggregate carrying value of HK\$53,700,000 (2007 : HK\$57,700,000) were pledged to banks for obtaining banking facilities of which HK\$1,131,000 was utilised (2007 : HK\$Nil).

As at 31 March 2008, there were contingent liabilities in respect of guarantees given to banks by the Company in respect of banking facilities extended to certain subsidiaries amounting to approximately HK\$114,670,000, as compared with HK\$87,524,000 as at 31 March 2007.

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 share options were granted to directors and employees of the Group and no options were exercised.

HUMAN RESOURCES

As at 31 March 2008, the Group had approximately 2,700 employees. 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

The Directors have resolved to recommend payments of a special dividend of HK\$0.30 (2007 : HK\$Nil) per ordinary share and a final dividend of HK\$0.32 (2007 : HK\$0.32) per ordinary share for the year ended 31 March 2008 at the forthcoming annual general meeting to be held on Wednesday, 10 September 2008. A total dividend amounting to HK\$95,376,000 (2007 : HK\$49,226,000), if approved by the shareholders, is expected to be paid on or around, Thursday, 11 September 2008 to those shareholders whose names appear on the register of members of the Company on Tuesday 2 September 2008.

CLOSURE OF REGISTER OF MEMBERS

The Register of Members of the Company will be closed from Tuesday, 2 September, 2008 to Wednesday, 10 September, 2008, both days inclusive, during which period no transfer of shares will be effected. In order to qualify for the final dividend, all transfers accompanied by the relevant share certificates must be lodged with the Company's Share Registrar, Computershare Hong Kong Investor Services Limited, 17th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong, not later than 4:30 p.m. on Monday, 1 September, 2008.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S SHARES

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

CORPORATE GOVERNANCE

The Company is committed to maintaining high standards of corporate governance. During the year, the Company has complied with the code provisions of the Code on Corporate Governance Practices as set out in Appendix 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. Detailed information on the Company's corporate governance practices is set out in the Corporate Governance Report included in the Company's 2008 Annual Report to be despatched to the shareholders in due course.

AUDIT COMMITTEE

The Company has an audit committee which was established in compliance with Rule 3.21 of the Listing Rules for the purposes of reviewing and providing supervision over the Group's financial reporting process and internal controls. The audit committee comprises three independent non-executive directors of the Company.

The audit committee meets with the management regularly and reviews the internal control systems and the accounting policies adopted by the Group and the consolidated financial statements of the Group for the year ended 31 March 2008.

ANNUAL GENERAL MEETING

The Annual General Meeting of the shareholders of the Company will be held at 12:15p.m. on Wednesday, 10 September 2008 at Yau Yat Chuen Garden City Club, 7 Cassia Road, Yau Yat Chuen, Kowloon, Hong Kong and the Notice of Annual General Meeting will be published and despatched to the shareholders in due course.

PUBLICATION OF ANNUAL REPORT ON THE STOCK EXCHANGE'S WEBSITE

The result announcement is published on the website of Hong Kong Exchange and Clearing Limited at www.hkex.com.hk under "Latest Listed Companies Information" and the website of the Company at www.ygmtrading.com under "Results Announcement". The annual report for the year ended 31 March 2008 will be dispatched to the shareholders and published on the above websites in due course.

By Order of the Board
Chan Sui Kau
Chairman

Hong Kong, 16 July 2008

As at the date of this announcement, the Board comprises seven Executive Directors, namely Chan Sui Kau, Chan Wing Fui Peter, Chan Wing Sun Samuel, Chan Suk Ling Shirley, Chan Wing Kee, Chan Wing To and Fu Sing Yam William, and, three Independent non-executive Directors, namely Leung Hok Lim, Wong Lam and Lin Keping.