



沪港联合

Hong Kong Shanghai Alliance Holdings Limited

滬港聯合控股有限公司

(Incorporated in Bermuda with limited liability)

(於百慕達註冊成立之有限公司)

Stock Code 股票代號：1001



2015/16
Annual Report 年報

AT A GLANCE

簡介

WHO WE ARE

The Group was founded in 1961 as a supplier of construction steel and materials. In the early 1990's, we expanded our presence into Mainland China. Today, the Group is a leading supply chain manager of industrial products like steel and engineering plastics. We are also a relevant player in washroom and kitchen products and represent brands like TOTO Japan, KEUCO Germany and ASI USA. The Group has a strong presence in Hong Kong and Eastern China. We have a growing presence in Southern and Northeastern China. Our objective is to be a relevant player in the markets we choose to serve and to serve markets where our knowledge and experience will allow for profitable growth.

We provide processing, inventory management services, logistics and financing for steel, steel recycling and engineering plastics.

Our sanitary ware and kitchen group provides inventory management services, logistics, design and technical support to developers, architects and designers.

We also own properties in Shanghai and specialize in renovation and tenant upgrade so as to maximize rental income and shareholder value.

我們是

本集團於一九六一年成立為建築鋼材及材料供應商。於九十年代初期，我們已進軍中國內地。如今，本集團為鋼材及工程塑膠等工業用品之供應鏈經營商翹楚。我們亦參與經營廚房及衛浴產品，並代理日本TOTO、德國KEUCO及美國ASI等品牌產品。本集團於香港及中國華東擁有雄厚實力。我們於中國華南及東北之實力與日俱增。我們的目標為在其選擇服務之市場上成為重要企業，並立足市場，發揮我們的知識及經驗謀利益，求發展。

我們為鋼材、鋼材回收及工程塑膠提供加工、庫存管理服務、物流及融資。

我們的潔具及廚房業務為發展商、建築師及設計師提供庫存管理服務、物流、設計及技術支援。

我們亦於上海擁有物業，專門翻新及租戶升級，以最大限度地提升租金收入及股東價值。

WHERE WE ARE GOING

The Hong Kong construction market is expected to remain strong in the coming years. Our Steel Business will continue to drive top line growth by maintaining our market share of reinforcement bar and aggressively growing our share of structural products.

We completed construction of Hong Kong's first automated reinforcement bar processing plant in late 2015. Strategically located in Tsing Yi, this plant helps to address Hong Kong's labour shortage and aging worker population by providing automated processing and improving supply chain efficiency. This investment makes the Hong Kong construction industry safer, more efficient and environmentally responsible. Automation helps improve safety, quality control and allows for contractors to get product that is tested and ready-to-use. We operate this plant in partnership with Singapore's NatSteel (a Tata Steel Enterprise). NatSteel's 30+ years of experience in cut and bend, mesh and precast combined with our 50+ years as a relevant supplier to the Hong Kong construction market allow us to create the best processing and service solution to contractors.

Bao Shun Chang and Engineering Plastics Business will continue to expand geographically to serve Southern, Eastern and Northeastern China. Both Bao Shun Chang and Engineering Plastics Business have established themselves as strong local players and can use the same business model to expand throughout Mainland China.

Building and Design Solutions Business will continue to roll out our new architectural and design centre concept to grow retail and project sales while maintaining a strong link to markets through our growing dealer partner network. China's drive for urbanization and growing middle and upper class will help us drive our top line strategy while allowing us to remain in the high-end segment of the market.

Property Business will continue its focus on upgrading recently acquired properties and identify potential investment opportunities in Shanghai. As Shanghai moves to a services based economy, the need for office space with access to metro lines and major roads will increase. We will continue to focus on renovation and tenant upgrade opportunities in office and service apartments in Shanghai.

我們的前景

香港的建築市場預期在未來數年仍然暢旺。我們之鋼材業務將維持鋼筋市場佔有率及大幅增加結構性產品佔有率，以繼續推動營業額增長。

我們已於二零一五年年尾完成興建香港首間自動化鋼筋加工廠。廠房策略性選址於青衣，透過提供自動化加工及改善供應鏈效率，有助解決香港勞工短缺及勞動人口老化的問題。此項投資有助香港建築業成為更安全、更高效及更環保之負責任行業。自動化有助改善安全及質量控制，並向承包商提供已測試及可即時使用的產品。我們與新加坡NatSteel（一間Tata Steel企業）建立夥伴關係，經營此加工廠。NatSteel於切割及折彎以及鋼筋網及預製鋼筋籠方面逾30年之經驗，結合我們作為香港建築市場相關供應商逾50年之經驗，有助承包商訂立最佳加工服務解決方案。

寶順昌及工程塑膠業務將繼續進行地區擴張，服務中國華南、華東及東北。寶順昌及工程塑膠業務已成為當地實力雄厚的營運商，並可用同一業務模式擴展至整個中國內地。

建築產品及設計方案業務將繼續推廣我們新構建之建築及設計中心理念，以增加零售及項目銷售，同時透過日益增長之交易商合夥人網絡與市場保持密切聯繫。中國城市化趨勢及不斷發展之中上階層將有利於我們推動營業額增長策略，同時挺立於市場高端分類。

房地產業務將繼續專注於升級近期在上海收購之物業及物色潛在投資機會。由於上海已轉為服務型經濟，對接駁地鐵線及主要道路的辦公空間需求將會增加。我們將繼續專注在上海尋找辦公樓及服務式公寓翻新及租戶升級之機遇。

MISSION

We will deliver on our vision by being responsible and relevant in the markets we choose to participate in. We will deliver sustainable shareholder value and the best total value solution to customers through excellent service, an efficient supply chain, financing and value-added processing. We will be knowledgeable of the market and the needs of our target customers. We will hire people that raise the average and will invest in the development of all of our employees.

VISION

We will be a preferred investment option for our **SHAREHOLDERS**. We will consistently execute on our strategies to provide desired returns on investment and sustainable growth. All strategies will have robust analysis and the proper market intelligence to assure delivery of our promises to our board of directors.

We will be a preferred supplier to **CUSTOMERS**. They will think of us when needing our products. Their purchasing experience will always be pleasant, informative and helpful in meeting their objectives.

We will be a preferred employer. We will hire only people that raise the average. We will hire for attitude and invest in development of our **EMPLOYEES** to create loyalty and love of company. We will provide a safe and pleasant working environment with constant learning and growth opportunities.

VALUES

Safe and Enjoyable Working Environment
Shareholder Value
Customer Loyalty
Integrity
Honesty and Respect
Responsiveness and Dedication
Clear and Measurable Goals
Embrace of Change
Ambition and Confidence to Excel
Teamwork

使命

我們積極參與所經營市場的相關事務，致力成為負責任企業，以實現我們的願景。我們矢志透過優越的服務、高效供應鏈、融資及增值加工服務，為股東持續增值及為客戶提供最佳的全方位解決方案。我們對市場瞭如指掌，深明目標客戶的需要。我們一向選賢以能，聘用勇於突破的人才，並在員工培訓方面積極投資。

願景

我們致力成為**股東**投資的首選。我們將貫徹實行我們的發展策略，藉以為股東提供可觀的投資回報及持續增長。所有策略將通過健全的分析及根據適當的市場訊息制定，確保實現對董事會的承諾。

我們致力成為客戶的首選**供應商**。在需要產品時，客戶均以我們為首選，客戶在採購過程中都能獲得愉快的經驗，同時獲得豐富的資料，有助達成目標。

我們將成為首選僱主。我們聘用的員工均是勇於突破的人才。我們重視**員工**的工作態度，並不遺餘力投資於員工培訓方面，以加強員工對公司的歸屬感和熱愛，我們努力為員工提供舒適安全的工作環境，並提供各種機會，讓員工不斷學習和成長。

公司價值

- 安全愉悅的工作環境
- 股東價值
- 客戶忠誠度
- 廉潔
- 誠信與尊重
- 及時回應
- 清晰可量的目標
- 擁抱變化
- 抱負及信心
- 團隊合作

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CORPORATE INFORMATION

公司資料

Board of Directors

Executive Directors

Mr. Yao Cho Fai Andrew
(Chairman and Chief Executive Officer)

Ms. Luk Pui Yin Grace

Mr. Lau Chi Chiu

Non-executive Director

Mr. Dong Sai Ming Fernando

Independent Non-executive Directors

Mr. Tam King Ching Kenny

Mr. Xu Lin Bao

Mr. Tse Lung Wa Teddy

Mr. Yeung Wing Sun Mike

Company Secretary

Ms. Lam Yee Fan, *FCIS, FCS*

Auditor

PricewaterhouseCoopers
Certified Public Accountants

Principal Bankers

Australia & New Zealand Banking Group Ltd.

Bangkok Bank Public Co. Ltd.

Bank of China (Hong Kong) Limited

Chong Hing Bank Limited

China CITIC Bank International Limited

CTBC Bank Co., Ltd.

DBS Bank (Hong Kong) Limited

Fubon Bank (Hong Kong) Limited

Industrial Bank of Taiwan Co., Ltd.

Shanghai Commercial Bank Ltd.

United Overseas Bank Limited

董事會

執行董事

姚祖輝先生

(主席兼首席執行官)

陸佩然女士

劉子超先生

非執行董事

唐世銘先生

獨立非執行董事

譚競正先生

徐林寶先生

謝龍華先生

楊榮樂先生

公司秘書

林伊芬女士, *FCIS, FCS*

核數師

羅兵咸永道會計師事務所
香港執業會計師

主要往來銀行

澳新銀行集團有限公司

盤谷銀行

中國銀行(香港)有限公司

創興銀行有限公司

中信銀行(國際)有限公司

中國信託商業銀行股份有限公司

星展銀行(香港)有限公司

富邦銀行(香港)有限公司

台灣工業銀行股份有限公司

上海商業銀行有限公司

大華銀行

Registered Office

Clarendon House
2 Church Street
Hamilton HM11
Bermuda

註冊辦事處

Clarendon House
2 Church Street
Hamilton HM11
Bermuda

Principal Place of Business in Hong Kong

Rooms 1103-05, 11th Floor
East Town Building
41 Lockhart Road
Wanchai, Hong Kong

香港主要營業地點

香港灣仔
駱克道41號
東城大廈
11樓1103-05室

Website : <http://www.hkshalliance.com>
E-mail Address : enquiry@hkshalliance.com

網址 : <http://www.hkshalliance.com>
電子郵件 : enquiry@hkshalliance.com

Share Registrars and Transfer Offices

Principal Registrar

The Belvedere Building
69 Pitts Bay Road
Pembroke HM08
Bermuda

主要過戶處

The Belvedere Building
69 Pitts Bay Road
Pembroke HM08
Bermuda

Hong Kong Branch Registrar

Computershare Hong Kong Investor Services Limited
Shops 1712-1716, 17th Floor
Hopewell Centre
183 Queen's Road East
Wanchai, Hong Kong

香港過戶分處

香港中央證券登記有限公司
香港灣仔
皇后大道東183號
合和中心
17樓1712-1716號舖

Listed on The Stock Exchange of Hong Kong Limited

Stock Code : 1001

在香港聯合交易所有限公司上市

股票代號 : 1001

HIGHLIGHTS

摘要

Financial Highlights

For the year ended 31 March

財務摘要

截至三月三十一日止年度

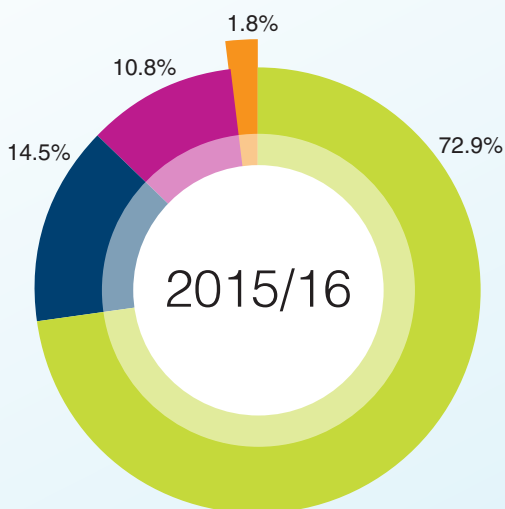
		2016 二零一六年 HK\$ million 百萬港元	2015 二零一五年 HK\$ million 百萬港元	Change 變化
Revenue	收入	3,380	3,868	-12.6%
Gross profit	毛利	416	390	+6.7%
Earnings before interests and tax ("EBIT")	除息稅前盈利 (「除息稅前盈利」)	213	348	-38.8%
Profit attributable to ordinary equity holders of the Company	本公司普通股股權持有人 應佔溢利	70	216	-67.6%
Basic earnings per share (HK cents)	每股基本盈利(港仙)	10.95	39.72	-28.77 cents 港仙
Gross profit margin	毛利率	12.3%	10.1%	+2.2 p.p. 百分點
EBIT margin	除息稅前盈利率	6.3%	9.0%	-2.7 p.p. 百分點
Net profit margin	純利率	2.1%	5.6%	-3.5 p.p. 百分點
Return on equity	股本回報率	6.6%	20.1%	-13.5 p.p. 百分點

Revenue by Lines of Business

- Steel Processing, Distribution and Recycling
- Building and Design Solutions
- Engineering Plastics
- Property

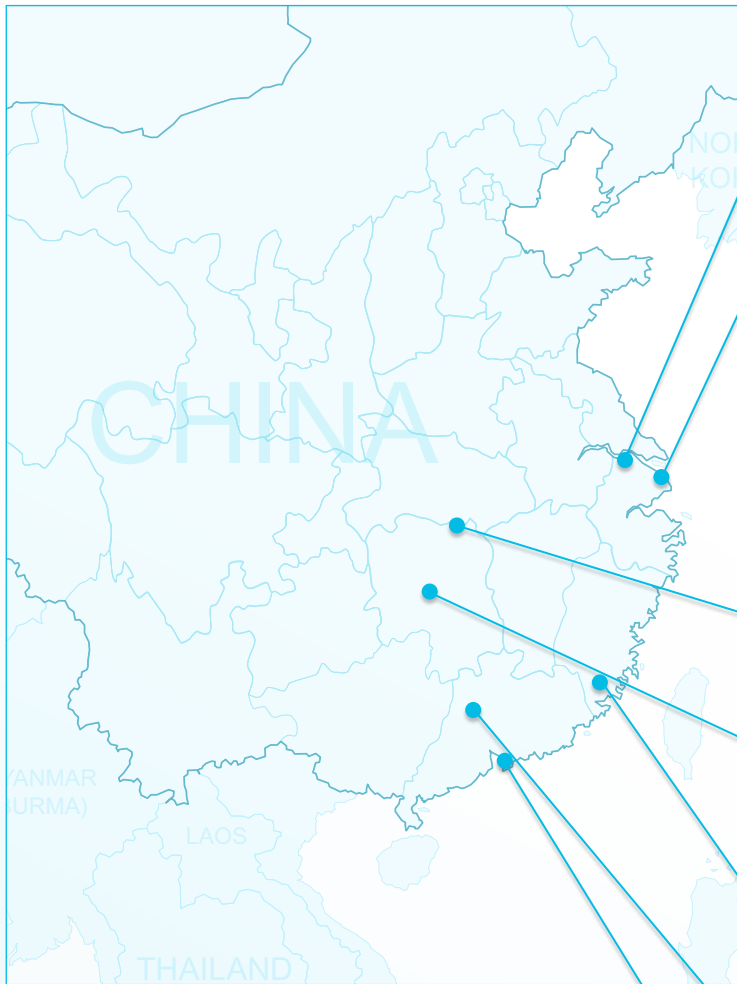
各項業務之收入

- 鋼材加工、分銷及回收
- 建築產品及設計方案
- 工程塑膠
- 房地產



OUR NETWORK

我們的營銷網絡



Changshu 常熟

- Coil Processing and Stamping Plant
卷鋼加工及沖壓工廠

Shanghai 上海

- Sales and Distribution
銷售及分銷中心
- Sales Office
銷售中心
- Sales Office
銷售中心
- Deluxe Serviced Apartment
高級服務式公寓大廈
- Office Building
辦公大廈
- Sales and Distribution
銷售及分銷中心

Wuhan 武漢

- Sales Office
銷售中心

Changsha 長沙

- Architectural and Design Centre
建築及設計中心
- Sales Office
銷售中心

Xiamen 廈門

- Sales Office
銷售中心

Guangzhou 廣州

- Sales Office
銷售中心

Hong Kong 香港

- ★ Corporate Headquarter
集團總部
- Sales and Distribution
銷售及分銷中心
- Steel Recycling Plant
鋼材回收廠
- Automated Reinforcement Bar
Processing Plant
自動化鋼筋加工廠
- Architectural and Design Centre
建築及設計中心
- Sales Office
銷售中心

- ★ Corporate Headquarter
集團總部
- Steel Processing, Distribution and Recycling
鋼材加工、分銷及回收
- Building and Design Solutions
建築產品及設計方案
- Engineering Plastics
工程塑膠
- Property
房地產
- Coil Processing and Distribution
卷鋼加工及分銷

FIVE-YEAR FINANCIAL SUMMARY

五年財務摘要

The following is a summary of these audited consolidated financial statements of Hong Kong Shanghai Alliance Holdings Limited (the “Company”) and its subsidiaries (collectively, the “Group”) for the respective years as hereunder stated.

以下為滬港聯合控股有限公司(「本公司」)及其附屬公司(統稱「本集團」)於下列各年度之經審核綜合財務報表概要。

Consolidated Income Statement

綜合損益表

		Year ended 31st March 2012 截至 二零一二年 三月三十一日 止年度 HK\$'000 千港元	Year ended 31st March 2013 截至 二零一三年 三月三十一日 止年度 HK\$'000 千港元	Year ended 31st March 2014 截至 二零一四年 三月三十一日 止年度 HK\$'000 千港元	Year ended 31st March 2015 截至 二零一五年 三月三十一日 止年度 HK\$'000 千港元	Year ended 31st March 2016 截至 二零一六年 三月三十一日 止年度 HK\$'000 千港元
Revenue	收入	4,432,081	3,760,620	3,849,306	3,868,393	3,380,161
Operating profit	經營溢利	21,311	117,373	114,411	347,968	212,535
Net finance costs	淨財務費用	(23,716)	(20,087)	(34,635)	(55,267)	(63,339)
Profit before income tax	除稅前溢利	6,060	100,815	149,356	293,575	146,269
Income tax (expense)/credit	所得稅(支出) / 計入	4,787	(29,355)	(44,537)	(74,309)	(75,005)
Profit for the year	年度溢利	10,847	71,460	104,819	219,266	71,264
Attributable to:	應佔：					
Equity holders of the Company	本公司股權持有人	6,283	71,600	103,708	215,533	70,105
Non-controlling interests	非控制性權益	4,564	(140)	1,111	3,733	1,159
		10,847	71,460	104,819	219,266	71,264
Dividends	股息	7,454	21,525	31,094	46,785	17,950

FIVE-YEAR FINANCIAL SUMMARY

五年財務摘要

Consolidated Statement of Financial Position 綜合財務狀況表

		As at 31st March 2012 於二零一二年 三月三十一日 HK\$'000 千港元	As at 31st March 2013 於二零一三年 三月三十一日 HK\$'000 千港元	As at 31st March 2014 於二零一四年 三月三十一日 HK\$'000 千港元	As at 31st March 2015 於二零一五年 三月三十一日 HK\$'000 千港元	As at 31st March 2016 於二零一六年 三月三十一日 HK\$'000 千港元
Non-current assets	非流動資產	261,030	269,475	1,396,632	1,549,725	2,110,217
Current assets	流動資產	1,528,920	1,509,695	1,256,341	1,372,081	1,421,542
Current liabilities	流動負債	(1,097,100)	(1,028,215)	(1,197,426)	(1,118,052)	(1,118,640)
Non-current liabilities	非流動負債	(1,127)	(817)	(673,915)	(731,653)	(1,351,616)
Net assets	資產淨額	691,723	750,138	781,632	1,072,101	1,061,503
Equity:	權益：					
Share capital	股本	41,413	41,377	41,770	63,227	64,064
Reserves	儲備	617,494	673,747	739,422	1,007,954	995,360
Capital and reserves attributable to equity holders	股權持有人應佔股本及儲備	658,907	715,124	781,192	1,071,181	1,059,424
Non-controlling interests	非控制性權益	32,816	35,014	440	920	2,079
Total equity	權益總額	691,723	750,138	781,632	1,072,101	1,061,503

Well-positioned to
capture opportunities
arisen to
reap the benefits

充分準備
把握機遇
從中獲益



Yao Cho Fai Andrew
Chairman

姚祖輝
主席

Rejuvenating business model with innovative, agile and leaner structure 以新穎、靈活及精簡架構 革新業務模式

Dear Shareholders,

On behalf of the board of directors (the "Board") of Hong Kong Shanghai Alliance Holdings Limited ("HKSHA" or the "Company") and its subsidiaries (collectively, the "Group"), it is my pleasure to present the audited consolidated results of the Group for the year ended 31st March 2016 (the "year" or "FY2016").

FY2016 marked a year of consolidation and transformation under difficult circumstances for HKSHA. During the year, the global economy has been volatile with fluctuating commodities price, and in particular, steel price has suffered an unprecedented drop, which had a considerable impact on the Group's steel business. Despite the obstacles, the Group maintained its strategic imperative of quality over quantity, better over bigger, and value over volume, while executing an ambitious plan in rejuvenating our business model into a more innovative, agile and leaner structure.

As we continue our journey of transformation, the new automated rebar processing and assembly plant in Tsing Yi exemplifies our strategic imperative by offering a completed service platform to contractors, providing ready-to-use, consistent rebar processing with traceability service as well as efficient scrap recycling. In an industry where labour shortages has become a critical issue, we are able to empower contractors to reduce their reliance on headcount due to the efficiency and precision of our processing technology. Besides manpower solution, we also provide answers to the long-standing safety and wastage problems through full automation and centralized processing, not to mention that our traceability service would ensure steady supply chain in avoiding project delays.

Our full range of capabilities has set a new standard, and we firmly believe that our value-added processing technology and safety first philosophy would represent the future of the industry. Such direction should allow us to shine through in the near future. With "the Belt and Road" Initiative greatly encourages the use of high-quality steel in infrastructure projects, we are actively looking at the possibility of replicating the Tsing Yi plant to other countries in Southeast Asia.

各位股東：

本人謹代表滬港聯合控股有限公司(「滬港聯合」或「本公司」)及其附屬公司(統稱「本集團」)董事會(「董事會」)，欣然提呈本集團截至二零一六年三月三十一日止年度(「本年度」或「二零一六年財政年度」)之經審核綜合業績。

二零一六年財政年度為滬港聯合在艱難的經營環境下整合及革新的一年。於本年度，全球經濟一直起伏不定，導致商品價格波動，而鋼材價格更是遭受前所未有之下跌，對本集團之鋼材業務產生巨大影響。儘管困難重重，本集團仍堅守其品質重於數量，效益重於規模及價值大於銷量的策略性方針，並進取地革新我們的業務模式，形成更新穎、靈活及精簡架構之企業。

隨著我們繼續轉型之路，在青衣新設立的自動化鋼筋加工及裝配廠正正體現了我們的策略性方針。青衣廠房可為承建商提供能即時使用、標準化及可追溯源頭之鋼筋加工產品，以及高效的廢鋼回收服務，從而組成一個完整的鋼材服務平台。在這個勞動力嚴重短缺的行業，我們高效及精細的加工技術可減少承建商對人手的依賴。除了人力資源解決方案，青衣廠房亦同時透過全自動化及中央加工處理，解決了行業內長久的安全和耗費問題，而我們的產品追溯服務亦可確保供應鏈穩定，避免項目延誤。

我們的全方位能力已為業界樹立新標準，我們深信我們的增值加工技術及安全至上理念將成為行業未來發展方向，令我們在不久的將來大放異彩。鑒於「一帶一路」倡議極大鼓勵於基建項目中採用優質鋼材，我們亦正積極研究將青衣之廠房複製至其他東南亞國家之可行性。

CHAIRMAN'S STATEMENT

主席報告書

On the property front, Shanghai remains our geographical focus and key investment market, as the city is expected to become China's financial capital in the future. Our professional property team will continue to uncover potential residential and office properties in Shanghai and present greater value to our shareholders, such as our latest project — Chuang Yi Tower (創屹商務大廈). The tower is expected to be available for leasing in July 2016 following the completion of its acquisition in June 2016, and the response from potential tenants has been very positive given its convenience location. Echoing our strategic imperative of quality over quantity, the new acquisition, together with our existing portfolio, would further consolidate our position as a niche player specializing in property value enhancement. We look forward to taking advantage of the inevitable evolution as Shanghai continues to move to a services driven economy.

Due to the expanding geographical scope of our businesses, we have also changed the Company's name from Van Shung Chong Holdings Limited (萬順昌集團有限公司) to Hong Kong Shanghai Alliance Holdings Limited (滬港聯合控股有限公司) in order to better reflect HKSHA's value proposition in both Hong Kong and Shanghai, as we firmly believe the close collaboration between Hong Kong and Shanghai will result in long-term mutual benefits.

On top of our business operations improvement, we remain financially strong and are taking action to address the increase in expenses. The Tsing Yi plant would allow us to put our sales and operations together in one location, thus eliminating costs and inefficiencies related to operating from multiple locations. Additionally, leveraging on the plant's pier access, we have confidence in reducing inbound freight costs, as well as lowering our current inventory level. In the meantime, we are also giving consideration to methods such as headcount adjustments and freight contracts renegotiation in order to further reduce expenses. As new investments become accretive and expense reduction efforts take shape, we have high hopes in our future profit level.

Looking forward to the future, we expect the coming year to be challenging yet with numerous opportunities amid the volatility in the global economy. Economically, Mainland China maintained a slower but healthy GDP growth last year, leading to the proposition of supply side reform from President Xi Jinping in order to sustain the growth. The objective of the reform is to eliminate inefficient enterprises while raising the general quality of output, particularly in the steel industry. In the long run, we have great confidence in such reform, from where HKSHA can benefit by providing high-quality steel with value-added services when comparing to our peers.

在房地產業務上，上海預期將成為中國的金融中心，因此，將繼續被視為我們房地產業務之重心及重點投資市場。我們的物業專業團隊會致力在上海發掘更多具潛力的住宅及商用物業，為我們的股東帶來更大的回報，如我們最新的投資項目創屹商務大廈。該大廈的收購計劃於二零一六年六月完成，預期於二零一六年七月起可供出租，由於其地理位置優越，潛在租戶的反應亦十分熱烈。是次收購再次強調本公司質重於量的策略性方針，配合現有的物業組合，將進一步確立我們於利基市場上，作為物業價值提升專家的地位。隨著上海逐漸邁向服務型經濟，我們將致力抓緊經濟演進所帶來的契機。

為了能更準確地反映滬港聯合在香港及上海的業務範圍及價值主張，我們把公司名稱由「萬順昌集團有限公司」更名為「滬港聯合控股有限公司」。我們相信，香港與上海的緊密合作將為雙方帶來長遠的互惠互利。

在改善業務營運的同時，我們仍保持著穩健的財務狀況，並著力控制開支。青衣之廠房能讓我們把銷售及營運部門集中於一處，消除多地點營運之成本及效率流失。此外，受惠於青衣廠房的碼頭介面，我們對降低進貨物流成本及目前之庫存水平均充滿信心。我們亦會考慮如人手調整及重新釐定貨運合同等方案，以進一步降低成本。隨著新投資步入回報期和成本控制逐漸優化，我們對未來盈利水平寄予厚望。

由於全球經濟依然不穩，我們預計來年將繼續充滿挑戰，但同時亦遍佈商機。從經濟層面來看，中國內地去年國內生產總值的升幅縱使較慢，但仍保持穩健增長。面對升幅減速，國家主席習近平提出供給面改革的理念主張以維持經濟增長，其目的在於淘汰低效益企業，並同時提升產品質素，當中鋼材業更是主張之重。長遠而言，我們對此表示歡迎及充滿信心。透過為客戶提供高質鋼材，及優於同業的增值服務，滬港聯合定能從經濟改革中受惠。

CHAIRMAN'S STATEMENT

主席報告書

Industry-wise, the steel industry is becoming more consumer-driven and service-driven, with an increasing emphasis on customization and value-added services. We believe that our Tsing Yi plant would address the changing market needs, where we are able to provide highly-customizable steel at an efficient rate, at a lower cost and under a much safer environment with high replicability. Together, the Group is well-positioned to capture the opportunities arisen from “the Belt and Road” initiative and will deliver sustainable growth for years to come.

The two new investments, the Tsing Yi rebar processing and assembly plant and Chuang Yi Tower, are now at the ramp-up stage, and we anticipate that they will start contributing in 2018. To broaden our revenue streams, we are exploring further business opportunities with synergies to our existing businesses, at the same time exploring other cost-effective measures to reduce variable expenses and to achieve better resources allocation. We believe that this two-pronged approach will lead HKSHA to a stronger foothold in the industry and will create greater value to our shareholders.

I would like to express my sincere gratitude to our supporting banks, customers, suppliers, partners and employees as well as their families. Your support in building the new plant, installing new processing model as well as investing in new property show us that you agree with our vision. I would also like to give honorable mention to the government entities that support our new plant construction and property renovation efforts, as we would not be able to complete these projects on time and on budget without your support. Lastly, I want to thank our shareholders for being patient during a period of restructuring and heavy investments, and I am confident that HKSHA will be able to reap the benefits from the changes in the near future.

Yao Cho Fai Andrew
Chairman

23rd June 2016

從行業層面來看，鋼材業已逐漸轉為由消費者及服務主導，顧客對量身訂造的產品及增值服務需求殷切。我們認為，青衣廠房將有效回應市場訴求，在更安全的環境下，以低成本及高效益，為顧客提供量身訂造產品，同時，這一模式具備高複製性。從多方面來看，滬港聯合已奠定良好的發展基礎。未來，我們將抓緊「一帶一路」倡議的商機，為本集團帶來可持續的發展及增長。

本集團的兩項新投資項目——青衣鋼筋加工及裝配廠及創屹商務大廈，現仍處於起步階段，我們預計該兩項項目將於二零一八年帶來貢獻。為了擴闊收入渠道，我們會繼續探索其他與現有業務具協同效應的商機。同時，我們亦會採取其他更具成本效益的方案，控制非固定成本，以達至最佳的資源配置。在雙管齊下的方針下，我們相信滬港聯合能在市場中站穩陣腳，為股東創造更大的利益。

本人謹此向支持我們之銀行、客戶、供應商、夥伴及員工以及彼等之家人致謝，感激彼等對我們之未來願景之認同，為我們建設新廠房、設立新加工模式及投資新物業方面作出大力支持。本人亦感謝多個政府部門對我們之新廠房建設及物業提升工程提供支持，令我們能在預期及預算內完成項目。最後，本人希望向股東致意，多謝彼等耐心等待我們落實新的業務模式及重大投資。本人相信我們播下之種子將於可見未來為滬港聯合帶來豐厚的成果。

主席
姚祖輝

二零一六年六月二十三日

New investments to address changing market trends 新投資迎合市場轉變趨勢



OVERVIEW

The Group faced a challenging year for the year primarily due to an increase in expenses related to new investments, change in business model and personnel.

As we have done before during difficult cycles, we are working diligently to manage through and deliver value to shareholders.

Volume in steel grew by approximately 14.9% in Hong Kong and 5.6% in Mainland China as we increased market share. However, steel prices decreased throughout the year causing our top line to decrease by 12.6% when compared to last year.

The Group's gross profit margin increased from approximately 10.1% to 12.3% and grew by 6.7% in absolute terms when compared to last year.

Our bottom line did not increase due to an increase in expenses and a decrease in revaluation gain from property when compared to last year. Expenses increased by approximately 45.7% due to new investments in steel recycling, rebar processing and property. We built an automated rebar processing and assembly plant in Tsing Yi, Hong Kong which started operations in January 2016 and, as planned, this business will be accretive to our bottom line in 2018. The purchase of 創屹商務大廈 (Chuang Yi Tower) in Pudong, Shanghai has been completed in June 2016, we expect it to be accretive to our bottom line in 2018. While these new investments and the change to our distribution model in Hong Kong caused a decrease in our results, we remain confident that both projects will provide long term and sustainable profits once we reach maturity levels of operation. Our investment in downstream processing is now active and as we ramp up, our margin will improve as will our top line due to value to volume efforts.

概覽

本年度為本集團面對挑戰之年，主要由於有關新投資、業務模式變動及人事之支出增加所致。

一如既往，在艱難的環境下，我們繼續努力經營並為股東創造價值。

由於我們在鋼材市場之佔有率上升，故於香港及中國內地之鋼材量分別增長約 14.9% 及 5.6%。然而，本年度鋼材價格下跌導致我們總收入與去年相比下降 12.6%。

相比去年，本集團之毛利率由約 10.1% 增加至 12.3%，而絕對值則有 6.7% 增長。

由於本年度之支出增加及來自物業之重新估值收益有所減少，因此，與去年相比，我們之溢利並無增長。有關鋼材回收、鋼筋加工及物業等新投資令支出增加約 45.7%。我們於香港青衣興建的一座自動化鋼筋加工及裝配廠已於二零一六年一月開始營運，按照計劃該業務將於二零一八年為我們帶來溢利。收購位於上海浦東之創屹商務大廈已於二零一六年六月完成，預期該大廈將於二零一八年對我們之溢利有所貢獻。儘管該等新投資及我們在香港之分銷模式轉變導致業績下降，惟我們仍有信心，當我們之營運上軌道時，該等項目將帶來長期及可持續之溢利。現時，我們在下游加工之投資正積極開展，當業務攀升之際，憑藉生產量帶來的價值，我們之邊際利潤將一如收入有所提升。

Diversify source of profits along with effective expense management 多元化收益來源，配合有效開支管理

We have started to address expense levels. By moving our sales and operations together in one location, we will be able to rationalize headcount and reduce expenses. We have already identified ways to significantly reduce expenses, our main challenge to profit in the year.

During the year, we changed our Company name from “Van Shung Chong Holdings Limited” to “Hong Kong Shanghai Alliance Holdings Limited”. We firmly believe that Hong Kong and Shanghai will continue to complement each other and become regional and global benchmarks of success through careful and planned economic evolution. Cooperation between Hong Kong and Shanghai continues to showcase opportunity for sustainable development and will result in long-term mutual benefits. We believe our Group with a culture of excellence through cooperation will continue to build on our history to deliver our goals and create sustainable value to shareholders.

BUSINESS REVIEW

Construction Materials Business

Construction Materials Business comprises Hong Kong construction products processing and distribution (mainly rebars and pilings in the year), surface critical coil processing and distribution, steel recycling (acquired in September 2014) and reinforcing bar processing and assembly business (conducted through our 50%-owned joint venture TVSC Construction Steel Solutions Limited which started operation in January 2016). This business recorded total revenue of approximately HK\$2,465.8 million for the year, approximately 84.7% of last year in spite of year-on-year (“YOY”) increase of tons sold of approximately 16.7%, 7.0% and 4.8% respectively in Hong Kong construction products processing and distribution, surface critical coil processing and distribution and steel recycling, as steel price decreased in the year.

我們已著手控制支出水平。我們將銷售及營運集中於單一地點以合理化員工人數及減省支出。在本年度對溢利之主要影響為支出，惟我們已經訂立多項方法以大幅減低支出。

於本年度，本公司名稱由「萬順昌集團有限公司」更改為「滬港聯合控股有限公司」。我們深信，香港及上海兩地將繼續互相配合，並透過審慎及有計劃的經濟發展成為區域乃至全球的成功例子。香港及上海合作將繼續展現可持續發展的機會，並將帶來長期的互惠互利。我們相信，本集團秉承合作之優秀文化，將繼續創造歷史並達到我們之目標，及為股東創造可持續價值。

業務回顧

建築材料業務

建築材料業務包括香港建築產品加工與分銷（於本年度內主要為鋼筋及樁柱）、卷鋼加工與分銷、鋼材回收（於二零一四年九月收購）及鋼筋加工及裝配業務（透過我們擁有50%之合營公司TVSC Construction Steel Solutions Limited經營，於二零一六年一月開始營運）。此業務於本年度錄得收入總額約2,465,800,000港元，由於鋼材價格於本年度下跌，儘管香港建築產品加工與分銷、卷鋼加工與分銷及鋼材回收之已售噸數分別按年同比增加約16.7%、7.0%及4.8%，收入總額為去年的約84.7%。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

The net profit of Construction Materials Business was approximately HK\$69.9 million, approximately 57.7% of last year mainly due to (i) decrease of total net profit of Hong Kong construction products and surface critical coil processing and distribution by approximately 19.1% YOY to approximately HK\$112.3 million in the year, primarily due to a decrease in their total revenue by approximately 14.8% to approximately HK\$2,337.9 million in the year in spite of an increase of their total gross profit margin by 246 basis points to approximately 11.1% and tons sold increased by 13.8% YOY, as steel price decreased in the year; and (ii) increase of net loss of steel recycling due to YOY increase of selling, general and administrative expenses by approximately HK\$26.2 million (12-month expenses in the year versus 5.5-month expenses in last year), including one-off restructuring expenses of approximately HK\$2.2 million incurred in the year. As disclosed previously, we are more selective in our customers and we have changed our sales channels and product mix (mainly construction steel scraps from customers of our construction products distribution business). We have also started to take various cost saving measures to reduce variable expenses and overheads and expand revenue stream by increasing the utilization of fixed assets and workforce for our affiliated companies and other third party customers.

Building and Design Solutions Business

Building and Design Solutions (“BDS”) Business delivered revenue of approximately HK\$488.9 million in the year, down approximately 3.6% YOY. Net profit decreased by approximately 86.6% to approximately HK\$1.9 million in the year, mainly due to (i) one-off restructuring expenses of approximately HK\$0.6 million of our Mainland China BDS business; (ii) one-off impairment of long-outstanding and doubtful accounts receivables totaling approximately HK\$7.5 million related to customers in Hunan and Hubei Provinces; (iii) slowdown of the residential property market in Mainland China which affected our wholesale sales and margin in the year; and (iv) projects delay in Hong Kong.

建築材料業務之純利約為69,900,000港元，為去年約57.7%。主要原因為(i)香港建築產品及卷鋼加工與分銷之純利總額於本年度按年同比減少約19.1%至約112,300,000港元，主要由於在本年度鋼材價格下跌，儘管其毛利率增加246個基點至約11.1%及已售噸數按年同比增加13.8%，其於本年度之收入總額仍減少約14.8%至約2,337,900,000港元；及(ii)鋼材回收之虧損淨額增加，主要由於銷售與一般及行政支出按年同比增加約26,200,000港元(於本年度為12個月的支出，相比去年5.5個月的支出)，包括於本年度產生之一次性重組支出約2,200,000港元。誠如早前所披露，我們於客戶上有更多選擇，及我們已改變我們之銷售渠道及產品組合(主要來自建築產品分銷業務客戶之建築廢鋼)。我們已開始實施多項節省成本之措施以減低非固定性支出及雜項開支，並透過為聯屬公司及其他第三方客戶提供固定資產及員工勞動力，以增加使用率，並擴大收入流。

建築產品及設計方案業務

於本年度，建築產品及設計方案(「建築產品及設計方案」)業務帶來收入約488,900,000港元，按年同比減少約3.6%。本年度純利減少約86.6%至約1,900,000港元，主要由於(i)中國內地建築產品及設計方案業務之一次性重組開支約600,000港元；(ii)有關湖南及湖北省客戶之長期欠款及呆賬應收款項之一次性減值總額約7,500,000港元；(iii)中國內地住宅物業市場放緩，從而影響我們於本年度之批發銷售及邊際利潤；及(iv)香港項目延誤所致。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Engineering Plastics Business

Engineering Plastics Business recorded revenue of approximately HK\$365.2 million, down approximately 8.8% YOY, with tons sold and average selling price per ton decreased by approximately 2.4% and 6.6% respectively YOY, as we moved away from customers in Hong Kong and Southern China where margins were too low or credit risk was high. Due to an unrealized exchange loss of approximately HK\$4.5 million arising mainly from translation of foreign currency trade payables of our operating subsidiaries in Mainland China and restructuring expenses of approximately HK\$0.1 million, this business recorded a net loss of approximately HK\$4.3 million in the year, versus a net profit of approximately HK\$1.0 million in the last year.

Property Business

Our expertise and proven track record of carrying out value enhancement works on properties under management (Central Park and Park Lane (previously named as Metro Park)) in the year which has the effect of improving tenant mix and occupancy rate, increasing rental return and bringing valuation appreciation continued to help us achieve success and deliver excellent results in the year. For our wholly-owned Central Park, we successfully increased the occupancy rate from 74% at end of March 2015 to 90% at end of the year and increased the average rental by approximately 15.5% in the year. Based on a valuation report issued by an independent international property valuer, the carrying amount of our investment property Central Park increased by approximately 14.6% YOY to approximately HK\$1,311 million (equivalent to approximately RMB1,093 million) at end of the year, resulted in a valuation gain of approximately HK\$200 million for the year. For Park Lane of which we own 29.44% equity interest, strata-sale promotion program has been started in mid-December 2015 and up to 31st March 2016, sale and purchase contracts for about 72% of the units offered had been signed. During the year, the Group shared a net profit of approximately HK\$15.0 million from its investment on Park Lane. Including an unrealized foreign exchange loss of approximately HK\$29.7 million on the foreign currency bank loan, Property Business recorded a net profit of approximately HK\$111.8 million on revenue of approximately HK\$60.3 million in the year, versus a net profit of approximately HK\$153.5 million on revenue of approximately HK\$48.6 million in last year.

工程塑膠業務

工程塑膠業務錄得收入約365,200,000港元，按年同比減少約8.8%，連同已售噸數及每噸平均售價按年同比分別減少約2.4%及6.6%。此乃由於我們遠離邊際利潤較低或信貸風險高企之香港及華南客戶所致。由於主要來自我們在中國內地營運之附屬公司應付賬款之外幣匯兌產生約4,500,000港元之未變現匯兌虧損及重組支出約100,000港元，本業務在本年度錄得約4,300,000港元虧損淨額，而去年純利則約為1,000,000港元。

房地產業務

於本年度，憑藉我們之專業知識以及為我們管理之物業(中港匯大廈及尚泰里(前稱維景公寓酒店))進行物業提升工程之往績記錄，其有效提升租戶組合及出租率、增加租金回報並提升物業價值，繼續為我們實現理想，於本年度取得驕人業績。就我們全資擁有之中港匯大廈而言，我們成功將出租率由二零一五年三月底之74%提升至本年度之90%，並於本年度提高平均租金約15.5%。根據獨立國際物業估值公司出具之估值報告，於本年度，我們之投資物業中港匯大廈之賬面金額按年同比增長約14.6%至約1,311,000,000港元(相等於約人民幣1,093,000,000元)，導致本年度產生估值收益約200,000,000港元。就我們擁有29.44%股本權益之尚泰里而言，分層銷售推廣活動已於二零一五年十二月展開，截至二零一六年三月三十一日，約72%之開售單位已訂立銷售合同。本集團於本年度就其對尚泰里之投資分享純利約15,000,000港元。房地產業務於本年度錄得收入約60,300,000港元，純利(含外幣銀行貸款之未變現匯兌虧損約29,700,000港元)約111,800,000港元，而去年收入約為48,600,000港元，純利約為153,500,000港元。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

As disclosed in our circular dated 28th October 2015, 上海新施房地產經紀有限公司 (Shanghai Xinshi Real Estate Brokerage Co., Ltd.), a wholly-owned subsidiary of the Company, as the purchaser, and 上海電氣集團置業有限公司 (Shanghai Electric Group Real Estate Co., Ltd.) (an independent third party) as the vendor entered into a framework agreement dated 16th September 2015 to acquire 創屹商務大廈 (Chuang Yi Tower) located at Pudong, Shanghai for a total consideration of RMB801,308,900 (equivalent to approximately HK\$970,385,000). This acquisition was approved by our shareholders in a special general meeting held on 26th November 2015, it has been completed in June 2016.

OUTLOOK

In spite of a challenging market, Construction Materials Business managed to increase market share. The Group's margin percentage and total margin also increased. New investments have started to impact top and bottom line but will take time to reach optimum levels.

We are excited to operate one of the world's most modern and automated rebar processing and assembly plant in Hong Kong. This new investment allows us to become strategically important to our customers and the value we will provide makes us essential to their success and difficult to be replaced. Our property investments are all located in strategic areas of Shanghai that are still transforming and increasing in value. Our biggest challenge is maintaining margin levels while reducing expenses as we become more efficient. We expect the volatility in the global economy to continue in the near term. Our focus will be to reduce expense, manage cash effectively, while address risk.

誠如本公司於二零一五年十月二十八日刊發之通函所披露，本公司之全資附屬公司上海新施房地產經紀有限公司(作為買方)與上海電氣集團置業有限公司(獨立第三方，作為賣方)於二零一五年九月十六日訂立框架合同，以收購位於上海浦東之創屹商務大廈，總代價為人民幣801,308,900元(相等於約970,385,000港元)。收購事項已獲股東於二零一五年十一月二十六日召開之股東特別大會上批准，並已於二零一六年六月完成收購。

展望

儘管市場挑戰重重，建築材料業務成功擴大市場佔有率。本集團之邊際利潤率及邊際利潤總額均有所增長。新投資亦開始對收入及溢利有所貢獻，惟需時方能達到理想水平。

我們為能夠在香港營運世界上其中一間最現代化及自動化之鋼筋加工和裝配廠感到雀躍。該項新投資使我們對客戶而言具有重要策略意義，而我們將提供之價值對客戶之成功而言極為重要並且難以取締。我們之物業投資全部位於上海之策略地區，並仍在轉化及增加其價值。我們之最大挑戰是既提升效能同時減少支出，以維持邊際利潤水平。我們預期全球經濟於可見未來將持續波動。我們將著重於面對風險，同時減少支出及有效地管理現金。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

We expect the global steel market to continue to face imbalances. Mainland China's steel production continues to outpace demand and will continue to put pressure on pricing. While we saw price recovery in the first few months of 2016, fundamentals do not exist to support these price levels. Iron ore output continues to outpace demand giving steel mills some cost relief as steel price falls. As a leading regional provider of construction materials, we are confident that our Construction Materials Business will be able to further expand its business scale as it has (i) successfully transformed itself from an ordinary steel supplier into a market leading, highly customized and automated steel processor with leading technologies; and (ii) moved from a product driven offer to a service-based and supply chain management value proposition. In particular, Construction Materials Business has completed the construction of Hong Kong's first automated rebar processing and assembly plant in Tsing Yi in January 2016 which will enable highly automated steel processing to be carried out in a more efficient, less costly and much safer environment. As demand for construction materials is expected to increase as a result of PRC's government policies such as "the Belt and Road" initiative, Construction Materials Business is well positioned to capture such opportunity through its enhanced supply chain model; which will not only enable it to serve its customers that have expanded or are expanding trade and investment beyond Hong Kong to serve "the Belt and Road" initiative, but also to expand regionally into Southeast Asia.

For BDS Business, we will work closely with our brand partners to increase sales by offering new products and eliminate non-performing products, exercising strict cost and expense control, focusing on assets and working capital management. With this approach, we will work to minimise the impact from the market slowdown in Mainland China and strengthen our position for the market recovery.

Engineering Plastics Business will focus on higher margin products and growing segments such as automotive, home appliances and electronics to drive sales growth in Hong Kong and Mainland China, especially Xiamen, Shanghai and Suzhou. We have worked to strengthen our ties to supplier partners and revised our incentive program to improve contribution margin and reduce operating expenses.

我們預期全球鋼材市場繼續面臨供需失衡。中國內地之鋼材產量仍會超出需求，並繼續對定價造成壓力。儘管在二零一六年首數個月價格有所回升，惟基本上並不支持該等價格水平。鐵礦石產量亦持續超出需求，隨著鋼材價格下跌，鋼鐵廠在一定程度上可釋放成本壓力。作為地區領先之建築材料供應商，隨著 (i) 已成功由一般鋼材供應商轉型為領導市場、高度切合客戶需要及配合領先技術之自動化鋼材加工商；及 (ii) 由生產驅動轉型為以服務及供應鏈管理價值為理念之企業，我們有信心建築材料業務可以進一步拓展其業務規模。具體而言，建築材料業務已於二零一六年一月完成位於青衣之香港首間自動化鋼筋加工及裝配廠之建設，藉此，高度自動化之鋼材加工工序將變得更高效、成本更低及更安全。隨著中國政府推行之政策如「一帶一路」倡議，預期建築材料之需求將會增加。建築材料業務已作好準備並憑藉其先進供應模式把握此等機遇，不僅服務「一帶一路」倡議已或正將貿易及投資業務擴展至香港以外之現有客戶，並將業務地區拓展至東南亞。

就建築產品及設計方案業務而言，我們將與品牌合作夥伴緊密合作，透過推出新產品及減少銷量不理想之產品、實行嚴格成本及開支控制措施、著重資產及營運資金管理以增加銷售。藉此，我們將努力減低中國內地市場放緩之影響並為市場復甦鞏固地位。

工程塑膠業務將繼續專注於高邊際利潤產品及增長分部，如汽車、家庭用品及電器，以驅動香港及中國內地（特別是廈門、上海及蘇州）之銷售增長。我們已致力加強與供應商夥伴之聯繫，並修訂激勵計劃以提升貢獻邊際利潤及減少經營支出。

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Property Business will help us further enhance our revenue and profit sources. Central Park has completed its renovation in April 2016. We will continue to exert considerable efforts in revitalizing properties under our portfolio and invest in further opportunities and properties in Shanghai which may be identified and evaluated by our property team from time to time and are considered to be sound. The total floor area of properties managed by our property team following the acquisition of 創屹商務大廈 (Chuang Yi Tower) exceeds 1.2 million square feet. Shanghai shall continue to be a geographical focus and core investment market of our Property Business as we are confident that the continuous evolution of Shanghai towards a service-driven economy will not only boost its international stature, but also generate demand for quality office space.

To tackle the foreign exchange translation exposure of our Property Business, we are exploring hedging and Renminbi refinancing opportunities for the foreign currency bank loans.

FINANCIAL REVIEW

Operating Results

For the year, the Group recorded an audited profit attributable to equity holders of approximately HK\$70.1 million on revenue of approximately HK\$3,380.2 million, versus an audited profit attributable to equity holders of approximately HK\$215.5 million on revenue of approximately HK\$3,868.4 million last year. Gross profit was approximately HK\$415.6 million, up approximately 6.7% YOY while gross profit margin increased to approximately 12.3% from approximately 10.1% compared with last year.

Annualised return on assets (EBIT/operating assets) decreased from approximately 42.4% YOY to approximately 27.1%, which was mainly driven by decrease of operating profit by approximately 38.8% YOY to approximately HK\$212.5 million in the year. Basic earnings per ordinary share was HK10.95 cents as at 31st March 2016 (2015: HK39.72 cents). The Board recommended a final dividend of HK1.0 cent (2015: HK5.0 cents) per ordinary share for the year.

房地產業務將有助於我們進一步擴闊收入及溢利來源。中港匯大廈已於二零一六年四月完成翻新。我們將繼續盡最大努力對物業組合進行提升工程，並在上海投資於物業團隊不時發掘及評估為有提升價值及穩建之物業。完成收購創屹商務大廈後，我們之物業團隊管理下之物業之總建築面積超過1,200,000平方呎。上海將繼續成為房地產業務之地域重點及核心投資市場，我們相信，上海向服務型經濟持續發展，不僅能提升其國際地位，亦會帶來優質辦公空間需求。

為解決房地產業務之匯兌風險，我們正就外匯銀行貸款尋求對沖及人民幣再融資機會。

財務回顧

經營業績

本年度，本集團錄得收入約為3,380,200,000港元，股權持有人應佔經審核溢利約為70,100,000港元，而去年收入約為3,868,400,000港元，股權持有人應佔經審核溢利則約為215,500,000港元。毛利約為415,600,000港元，按年同比增加約6.7%，毛利率由去年約10.1%增加至約12.3%。

年資產回報率(除息稅前盈利/經營資產)按年同比由約42.4%下降至約27.1%，主要由於經營溢利按年同比下降約38.8%至約212,500,000港元帶動。於二零一六年三月三十一日，每股普通股基本盈利為10.95港仙(二零一五年：39.72港仙)。董事會建議本年度末期股息每股普通股1.0港仙(二零一五年：5.0港仙)。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Financial Positions

Compared with last financial year ended 31st March 2015, as at 31st March 2016, the Group's total assets increased by approximately HK\$610.0 million to approximately HK\$3,531.8 million. The Group's inventories decreased by approximately HK\$144.4 million to approximately HK\$175.6 million. The average Days of Supplies decreased from 34 days for the last year end to 22 days. The Group's trade and bill receivables decreased by approximately HK\$91.6 million to approximately HK\$462 million. The average overall Day Sales Outstanding decreased from 50 days for the last year end to 46 days. Net assets value of the Group decreased by approximately HK\$11 million to approximately HK\$1,062 million, equivalent to HK\$1.7 per ordinary share as at 31st March 2016.

Compared with the financial position at 31st March 2015, the Group's cash and cash equivalents and pledged bank deposits, increased by approximately HK\$211.6 million to approximately HK\$605.4 million while the Group's borrowings increased by approximately HK\$543.9 million to approximately HK\$1,992.4 million as at 31st March 2016. Current ratio decreased to 1.27, while gearing ratio (net debt, which is total borrowings minus pledged bank deposits and cash and cash equivalents, divided by capital and reserves attributable to equity holders plus net debt) increased from 50% to 57%.

Financial Resources

All of the Group's financing and treasury activities are centrally managed and be controlled at the corporate level. The Group's overall treasury and funding policies focus on managing financial risks including interest rate and foreign exchange risks, and on cost efficient funding of the Group and its subsidiaries. The Group has always adhered to prudent financial management principles.

As disclosed in the Company's annual report 2014/15, the Company has issued and allotted a total of 210,757,625 ordinary shares on 17th December 2014 upon completion of an open offer (the "Open Offer") with net proceeds of approximately HK\$100.7 million received.

As at 31st March 2016, the net proceeds from the Open Offer of approximately HK\$100.7 million have been fully utilised as intended, approximately 70% for (i) further product diversification; and (ii) downstream processing of the Group's reinforcement bar business unit to serve Hong Kong construction industry, including the construction of the new cut-and-bend plant and the acquisition of processing machinery and equipment for the new facility in Tsing Yi, New Territories; and the remaining balance of approximately 30% for general working capital purpose, including the expansion of its geographic presence in China and repayment of part of its short-term bank borrowings to reduce its indebtedness.

財務狀況

與截至二零一五年三月三十一日止上一個財政年度相比，本集團於二零一六年三月三十一日之資產總額增加約610,000,000港元至約3,531,800,000港元。本集團之存貨減少約144,400,000港元至約175,600,000港元。平均存貨週轉日數從去年年終之34日減少至22日。本集團之應收賬款及票據減少約91,600,000港元至約462,000,000港元。平均應收賬款週轉日數從去年年終之50日減少至46日。於二零一六年三月三十一日，本集團之資產淨值減少約11,000,000港元至約1,062,000,000港元，相當於每股普通股1.7港元。

與於二零一五年三月三十一日之財務狀況比較，於二零一六年三月三十一日本集團之現金及現金等值及已抵押銀行存款，增加約211,600,000港元至約605,400,000港元，而本集團之借貸則增加約543,900,000港元至約1,992,400,000港元。流動比率則下跌至1.27，其中資產負債比率(負債淨額，即借貸總額減已抵押銀行存款以及現金及現金等值，除以股權持有人應佔股本及儲備加負債淨額)由50%增加至57%。

財務資源

本集團所有融資及庫務活動均由集團總部集中管理及監控。本集團整體庫務及集資政策集中於管理財務風險，包括利率及外匯風險以及對本集團及其附屬公司提供符合成本效益之集資方法。本集團一直秉持審慎財務管理原則。

誠如本公司2014/15年報所披露，本公司已於二零一四年十二月十七日完成公開發售(「公開發售」)後發行及配發合共210,757,625股普通股，已收之所得款項淨額約為100,700,000港元。

於二零一六年三月三十一日止，來自公開發售之所得款項淨額約100,700,000港元已按預期全數約70%用作(i)進一步提升產品多元化；及(ii)推動本集團鋼筋下游加工業務(包括於新界青衣新建鋼筋切割及折彎廠房，以及購買加工機器及設備)，以滿足對香港建造業之需求；而餘額約30%則用作一般營運資金(包括在中國地域拓展業務及償還部份短期銀行貸款以減低債務)。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

The Group's trade financing remained primarily supported by its bank trading and term loan facilities. As at 31st March 2016, about 60% of the Group's interest-bearing borrowings for trade financing purpose were denominated in HK dollar, about 4% in RMB and about 36% in US dollar. These facilities are either secured by the Group's inventory held under short-term trust receipts bank loan arrangement and/or pledged bank deposits and/or corporate guarantee provided by the Company. All of the above borrowings were on floating rate basis. Interest costs of import bank loans were levied on inter-banks borrowing rates plus very competitive margin. RMB loans and bill exchange facilities have been obtained from domestic and foreign banks in the amount of RMB173 million. Interest costs of RMB banking facilities were based on standard loan rates set by the People's Bank of China adjusted with competitive margin.

Charges on Assets

As at 31st March 2016, the Group had certain charges on assets which included (i) bank deposits of approximately HK\$58.3 million which were pledged as collateral for the Group's bank borrowings and banking facilities; and (ii) an investment property, property, plant and equipment and land use rights of approximately HK\$1,311.6 million, HK\$13.0 million and HK\$34.8 million respectively were pledged as collaterals for certain bank borrowings of the Group.

Exposure to Fluctuations in Exchange Rates and Related Hedges

The Group's businesses are primarily transacted in HK dollars, US dollars and RMB. As exchange rate between HK dollars and the US dollars is pegged, the Group believes its exposure to exchange rate risk arising from US dollars is not material. Facing the volatility of RMB, the Group will continue to match RMB payments with RMB receipts to minimise exchange exposure.

Forward foreign exchange contracts would be entered into when suitable opportunities arise and when management of the Group considers appropriate, to hedge against major non-HK dollars currency exposures. It is the Group's policy not to enter into any derivative transaction for speculative purposes.

Contingent Liabilities

As at 31st March 2016, the Group's had no material contingent liability.

本集團之貿易融資主要仍由其銀行貿易及定期貸款融資支持。於二零一六年三月三十一日，本集團以貿易融資為目的的附息借貸總額中約60%以港元為幣值、約4%以人民幣為幣值，及約36%以美元為幣值。該等信貸融資主要以本集團之短期信託收據銀行貸款安排下持有之本集團存貨及／或已抵押銀行存款及／或本公司提供之公司擔保作抵押。所有以上之借貸均按浮動利率計息。進口銀行貸款之利息費用以銀行同業拆息率加非常具競爭力之息差計算。本集團已自國內及外資銀行獲得數額為人民幣173,000,000元之人民幣貸款及匯票融資。人民幣銀行融資之利息費用乃按中國人民銀行釐定之標準貸款利率以優惠息差再加以調整。

資產抵押

於二零一六年三月三十一日，本集團有若干資產作抵押，包括(i)約58,300,000港元之銀行存款作為本集團向銀行借貸及銀行信貸額之抵押品，及(ii)分別約1,311,600,000港元、13,000,000港元及34,800,000港元之一項投資物業、物業、廠房及設備及土地使用權抵押作為本集團若干銀行借貸之抵押品。

匯率風險波動及相關對沖

本集團之業務主要以港元、美元及人民幣交易。由於港元與美元之間的匯率掛鈎，本集團相信其美元產生的匯率風險相當輕微。面對人民幣之不穩定，本集團將繼續以人民幣收入來作出人民幣付款，從而減低兌換風險。

當出現適當時機且本集團之管理層認為合適之情況下，將簽訂遠期外匯合約，用以對沖非港元貨幣之主要外匯風險。本集團之政策乃不會為投機目的訂立任何衍生工具交易。

或然負債

於二零一六年三月三十一日，本集團並無重大或然負債。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

KEY RISKS AND UNCERTAINTIES

We believe the Group's financial condition, results of operations, and business prospects may be affected by certain risks and uncertainties directly or indirectly pertaining to the Group's businesses, some of which are beyond our control. The followings are the major risks and uncertainties identified by the Group. There may be other possibly risks and uncertainties which we are not aware of or which may not be material at present but may turn out to be material in the future.

Financial Risks

The Group's overall treasury and funding policies focus on managing financial risks including interest rate, foreign exchange and liquidity risks. The Group has always adhered to prudent financial management principles. Facing the volatility of RMB, the Group will match RMB payments with RMB receipts to minimise exchange exposure. Forward foreign exchange contracts would be entered into when suitable opportunities arise and when management of the Group considers appropriate, to hedge against major non-HK dollars currency exposures. The Group always monitors cash flows and maintains an adequate level of cash and cash equivalent to ensure the ability to finance the Group's operations and reduce the effects of fluctuation in cash flows to mitigate liquidity risk.

Operational Risk

The Group may face operational risk resulting from inadequate or deficiency in internal processes, people and systems or from external events. The Group has clear responsibility and accountability rests with every function at divisional and departmental levels. The Group are governed and guided by good standard operating procedures, proper authorization policies and reporting framework. Our management will identify and assess key operational exposures from time to time to adjust potential risk response.

Business Risk

The Group's business performance will be affected by various factors, including but not limited to economic conditions, competitive environment of steel industry, performance of property markets and regulatory changes in regions where our business carry on or investments locate, which would not be mitigated even with careful and prudent investment strategy and strict procedure.

主要風險及不明朗因素

我們相信，本集團之財務狀況、經營業績及業務前景可能受直接或間接與本集團業務有關之若干風險及不明朗因素(有些為我們不能控制)所影響。以下為本集團面對之主要風險及不明朗因素。本集團可能面對並不知悉或可能目前沒有發生但可能於未來發生之其他可能風險及不明朗因素。

財務風險

本集團整體庫務及集資政策集中於管理財務風險，包括利率、外匯及流動資金風險。本集團一直秉持審慎財務管理原則。面對人民幣波動，本集團將以人民幣收入來作出人民幣付款，從而減低兌換風險。當出現適當時機且本集團管理層認為合適之情況下，將簽訂遠期外匯合約，用以對沖非港元貨幣之主要外匯風險。本集團經常監察現金流量及維持現金及現金等值於適當水平，以確保為本集團營運提供資金之能力並減少現金流量波動效應以減低流動資金風險。

營運風險

本集團可能面對來自內部流程、人員及系統或外部事件之不當或缺失而引起之營運風險。本集團設有配合各部門及部門級別之間各功能明確之責任及問責制。本集團以優良經營程序、適當授權政策及報告準則進行管理及指引。管理層將不時確定及評估主要營運風險以調整對潛在風險的對應。

業務風險

本集團之業務表現將受多項因素影響，包括(但不限於)我們進行業務及投資之地點之經濟狀況、鋼材行業之競爭環境、房地產市場之表現及地區之監管變動，而此等因素甚至實行小心謹慎之投資策略及嚴格程序也不能減輕風險。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Human Capital and Retention Risk

The Group may face the risk of not being able to attract and retain key personnel and talents with appropriate and required skills, experience and competence to meet the business objectives and strategy. We will provide attractive remuneration package to suitable candidates and personnel. Through training of existing personnel and hiring of new personnel that raise the average, we continue to create a great team capable of making sure we are one of the best long-term investments for our shareholders and a great place to work for our employees.

HUMAN CAPITAL

The Group is focusing on building an elite team to help lead the Group to future success. Our growth strategy has always included a strong sense of commitment to people. We provide competitive remuneration package to attract and motivate the employees. We always provide a safe and pleasant working environment with constant learning and growth opportunities.

As at 31st March 2016, the Group employed 323 staff. Total staff costs including contribution to retirement benefit schemes incurred during the year amounted to approximately HK\$145.2 million. During the year, no options have been offered and/or granted to directors and our employees under the share option scheme adopted on 11th August 2011.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE

Environmental Protection

The Group is committed to achieving environmental sustainability. Our commitment to protect the environment is well reflected by our continuous efforts in promoting green measures and awareness in our daily business operations.

We encourage environmental protection and promote awareness towards environmental protection to the employees. The Group adheres to the principle of recycling and reducing. It implements green office practices such as double-sided printing and copying, setting up recycling bins, promoting using recycled paper and reducing energy consumption by switching off idle lightings and electrical appliance.

人力資源及留聘風險

本集團可能面臨不能夠吸引及留聘擁有合適及所需技能、經驗及能力以滿足業務目標及戰略之主要人員及優秀人才之風險。我們會向合適人選及人員提供具吸引力之薪酬組合。透過培訓現有人員及聘請勇於突破之新人員，我們繼續創建有能力確保我們成為就股東而言為最佳長期投資，及就僱員而言為良好之工作地方之優秀團隊。

人力資源

本公司竭力打造精英團隊，藉此推動本集團業務發展更上一層樓。我們的增長策略包括加強員工的責任感。我們提供優越之薪酬待遇以吸引及推動員工。我們努力為員工提供舒適安全的工作環境，並提供各種機會，讓員工不斷學習和成長。

於二零一六年三月三十一日，本集團聘用323名僱員。於本年度，總員工成本包括退休福利計劃供款約為145,200,000港元。於本年度，並無根據於二零一一年八月十一日採納之購股權計劃向董事及我們之僱員提供及／或授出任何購股權。

環境、社會及管治

環境保護

本集團於達致環境可持續發展上不遺餘力。透過在我們之日常業務營運中努力不懈地推動環保措施及意識，以反映我們對保護環境之承諾。

我們提倡環保及向僱員宣揚環保意識。本集團堅持以回收及節約之原則，實行綠色辦公室方案，例如雙面打印及影印、設置回收箱、提倡使用再造紙及關閉閒置電燈及電器以降低能源消耗。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Community Involvement

We care about the communities where we are active and continuously support social initiatives. The Group has sponsored and participated in a wide range of charitable activities. Our employees have also participated in various corporate social responsibility initiatives. We care about our employees. We will provide an enjoyable working environment and an integrity platform to ensure employees' well-being and safety.

We were awarded as the "Caring Company" from The Hong Kong Council of Social Service since 2007, as "Heart to Heart Company" by the Hong Kong Federation of Youth Group in 2010.

Compliance with Relevant Laws and Regulations

The Group has formulated a clear organisational structure and accountability for implementation of procedures and monitoring of risk, which help ensure adequacy and effectiveness of controls over the reliability of financial reporting, effectiveness and efficiency of operations and compliance with applicable laws and regulations.

During the year, as far as the Company is concerned, there was no material breach of or non-compliance with applicable laws and regulations by the Group that has a significant impact on the business and operations of the Group.

RELATIONSHIPS WITH STAKEHOLDERS

We have a deep sense of obligation to our stakeholders. We will consistently execute our strategies to provide desired returns on investment and sustainable growth to our shareholders. We recognise that employees are our valuable assets. We hire people for attitude and invest in development of our employees to create loyalty and love to the Company. We understand the importance of maintaining good relationship with our stakeholders (employees, customers, suppliers and business partners) to achieve our long-term goals. To accomplish this, we continue to get closer to our stakeholders, build lasting relationship, and keep good communication to understand their needs and share with them our business development. During the year, there was no material and significant dispute between the Company and its stakeholders.

APPRECIATION

We are grateful to our dedicated employees, loyal customers, suppliers, banking partners and shareholders for their constant support.

參與社區活動

我們積極持續支持社區活動，以關心我們之社區。本集團贊助並參與多項慈善活動。我們之僱員亦參加各種企業社會責任活動。我們亦關心僱員。我們將提供愉快工作環境及良好平台，以確保員工之健康及安全。

自二零零七年起，我們一直獲得由香港社會服務聯會頒發之「商界展關懷」獎項；並於二零一零年獲得由香港青年協會頒發之「心連心公司」獎項。

遵守相關法律及法規

本集團已制定一套清晰組織架構及問責制度，以實程序及監察風險，並有助於確保適當及有效控制財務報告之可靠性、營運效率及效益，以及遵守適用之法律及法規。

於本年度，就本公司所關注，本集團並無重大違反或不遵守適用之法律及法規，以致對本集團之業務及營運有顯著影響。

與持份者之關係

我們對持份者之責任重大。我們將貫徹執行我們之策略，以向股東提供可觀投資回報及可持續增長。我們意識到僱員是我們寶貴資產。我們聘請僱員著重其工作態度，並不遺餘力投資於僱員培訓方面，以加強僱員對本公司的歸屬感及熱愛。我們明白與持份者(僱員、客戶、供應商及業務夥伴)維持良好關係攸關重要，以實現我們之長期目標。為達到該目標，我們繼續更貼近我們之持份者、建立長久關係，並保持良好溝通以了解其需要及與其分享我們之業務發展。於本年度，本公司及其持份者之間概無任何重大糾紛。

感謝

我們向盡職僱員、忠誠客戶、供應商、銀行夥伴及股東之長期支持致以衷心謝意。

CORPORATE GOVERNANCE REPORT

企業管治報告

The board of directors (the “Board”) of Hong Kong Shanghai Alliance Holdings Limited (the “Company”) is committed to maintaining high standards of corporate governance. It believes that high standards of corporate governance provide a framework and solid foundation for the Company and its subsidiaries (collectively, the “Group”) to manage business risks, enhance transparency, maintain high standards of accountability and protect shareholders’ interest in general. The Company has applied the principles and complied with the applicable code provisions of the Corporate Governance Code (the “CG Code”) as set out in Appendix 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”) except for CG Code provisions A.2.1 and A.6.7 for the year ended 31st March 2016 (the “year”).

The Board will continuously review and improve the corporate governance practices and standards of the Company to ensure that business activities and decision making processes are regulated in a proper and prudent manner.

CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS AND RELEVANT EMPLOYEES

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 of the Listing Rules, as amended from time to time as its own code of conduct (the “Company’s Model Code”) regarding securities transactions by the directors of the Company (the “Directors”). Having made specific enquiry of all Directors, they all confirmed that they have complied with the required standard set out in the Company’s Model Code during the year. The Company’s Model Code also applies to other specified relevant employees of the Group who are considered to be likely in possession of inside information in respect of their dealings in the securities of the Company.

THE BOARD

Currently, the Board consists of three Executive Directors, one Non-executive Director and four Independent Non-executive Directors. The composition of the Board during the year and up to the date of this report is set out as follows:

Executive Directors:

Mr. Yao Cho Fai Andrew
(Chairman and Chief Executive Officer) ^(Note 1)
Ms. Luk Pui Yin Grace ^(Note 2)
Mr. Lau Chi Chiu ^(Note 2)
Mr. Frank Muñoz ^(Note 3)

滙港聯合控股有限公司(「本公司」)之董事會(「董事會」)致力維持高水平之企業管治。本公司相信高水平之企業管治可為本公司及其附屬公司(統稱「本集團」)建立一個架構框架及穩固之基礎，以管理業務風險、增加透明度、維持高水平問責制及保障股東之整體權益。於截至二零一六年三月三十一日止年度內(「本年度」)，本公司已應用香港聯合交易所有限公司證券上市規則(「上市規則」)附錄十四所載之企業管治守則(「企業管治守則」)之原則，並遵守一切適用守則條文，惟企業管治守則條文第A.2.1及A.6.7條除外。

董事會將不斷檢討及改善本公司之企業管治常規及準則，確保業務活動及決策過程受到適當及審慎之規管。

董事及相關僱員進行證券交易之守則

本公司已採納上市規則附錄十所載之上市發行人董事進行證券交易之標準守則(經不時修訂)，作為本公司董事(「董事」)進行證券交易的守則(「本公司之標準守則」)。經向全體董事作出特定查詢後，彼等均確認於本年度內已遵守本公司之標準守則所載之所需規定。本集團其他特定之有關僱員(彼等被視為可能知悉內幕消息)於買賣本公司之證券時亦須遵守本公司之標準守則。

董事會

董事會現時共有三名執行董事，一名非執行董事及四名獨立非執行董事。於本年度及截至本報告日期止，董事會成員載列如下：

執行董事：

姚祖輝先生
(主席兼首席執行官) ^(附註1)
陸佩然女士 ^(附註2)
劉子超先生 ^(附註2)
Frank Muñoz 先生 ^(附註3)

CORPORATE GOVERNANCE REPORT

企業管治報告

Non-executive Director:

Mr. Dong Sai Ming Fernando

Independent Non-executive Directors:

Mr. Tam King Ching Kenny
Mr. Xu Lin Bao
Mr. Tse Lung Wa Teddy
Mr. Yeung Wing Sun Mike

Notes:

1. Appointed as the Chief Executive Officer on 25th November 2015.
2. Appointed as an Executive Director on 25th November 2015.
3. Resigned as an Executive Director and the Chief Executive Officer on 25th November 2015.

The brief biographical details of the Directors are set out in the "Directors' Profile" on pages 55 to 59 of this annual report.

Board Process

Throughout the year and up to the date of this report, the Company has four Independent Non-executive Directors exceeding one-third of the Board. One of the Independent Non-executive Directors has the appropriate professional qualifications or accounting or related financial management expertise under Rule 3.10 of the Listing Rules. Each of the Independent Non-executive Directors has made an annual confirmation of his independence pursuant to Rule 3.13 of the Listing Rules. The Company is of the view that all Independent Non-executive Directors meet the independence guidelines set out in Rule 3.13 of the Listing Rules and are independent in accordance with the terms of the guidelines. The Board members have no financial, business, family or other material relevant relationships with each other.

The Executive Directors are responsible for managing the overall business. They are mainly involved in the formulation and execution of the corporate strategies. The Non-executive Director and Independent Non-executive Directors consist of eminent business executives from Hong Kong and Mainland China, who provide independent advices to the management through their wide range of skills and experiences. The Executive Directors have regular meetings with general managers of respective business units and key staff of support units to discuss major business plans and review operational and financial performance. Non-executive Director and Independent Non-executive Directors are also invited to participate in special review meetings.

非執行董事：

唐世銘先生

獨立非執行董事：

譚競正先生
徐林寶先生
謝龍華先生
楊榮樂先生

附註：

1. 於二零一五年十一月二十五日獲委任為首席執行官。
2. 於二零一五年十一月二十五日獲委任為執行董事。
3. 於二零一五年十一月二十五日辭任執行董事兼首席執行官。

董事之履歷詳情載於本年報第55頁至第59頁之「董事履歷」一節內。

董事會程序

於本年度及截至本報告日期止，本公司有四名獨立非執行董事，多於三分之一的董事會人數。根據上市規則第3.10條之規定，其中一名獨立非執行董事具備適當之專業資格或會計或相關財務管理專長。每位獨立非執行董事已根據上市規則第3.13條之規定提交確認其符合獨立性之週年確認書。本公司認為所有獨立非執行董事皆符合載於上市規則第3.13條之獨立性指引，並根據該指引條款被視為獨立人士。董事會成員彼此間並無任何財務、業務、家族或其他重大相關關係。

執行董事負責管理整體業務，彼等主要參與制定及執行企業策略。非執行董事及獨立非執行董事由香港及中國內地之卓越商業行政人員所組成，透過彼等所擁有之豐富技能及經驗向管理層提供獨立建議。執行董事定期與各業務單位總經理及支援單位之重要員工舉行會議，商討重要業務計劃及檢討營運與財務表現。非執行董事及獨立非執行董事亦被邀請參與特別檢討會議。

CORPORATE GOVERNANCE REPORT

企業管治報告

Four Board Committees, namely Executive Committee, Remuneration Committee, Audit Committee and Nomination Committee, have been established to oversee various aspects of the Group's affairs.

The Board has reserved for its decision or consideration matters covering mainly the Group's overall strategy, annual operating budget, annual and interim results, Directors' appointment or re-appointment (based on the recommendations made by the Nomination Committee), material contracts and transactions, corporate governance as well as other significant policy and financial matters. The daily operations of the Group's business is executed by the management of the respective business units under the instruction/supervision of the Executive Committee which has its special written terms of reference.

The Board meets regularly to discuss the overall strategy as well as the operation and financial performance of the Group, and to review and approve the Group's annual and interim results and other ad hoc matters which need to be dealt with. Individual attendance records of each Director at the meetings of the Board, Remuneration Committee, Audit Committee and Nomination Committee as well as general meetings during the year are set out below:

本集團已成立四個董事委員會，即執行委員會、薪酬委員會、審核委員會及提名委員會，以審視多方面之事務。

董事會主要負責就本集團整體策略、年度經營預算、年度及中期業績、提名委員會建議的董事任命或重新委任、重大合同及交易、企業管治以及其他重要政策和財務等事宜作決策或審議。執行委員會按其職權範圍，領導／監管各業務單位之管理人員處理本集團業務之日常運作。

董事會定期召開會議，討論本集團之整體策略以及營運及財務表現，並審閱及批准本集團之全年及中期業績及其他須處理之個別事項。於本年度，各董事於董事會、薪酬委員會、審核委員會及提名委員會會議，以及股東大會之個別出席記錄載列如下：

Name of Directors 董事姓名	Board 董事會	Remuneration Committee 薪酬委員會	Number of meetings attended/held 出席／舉行會議之次數			General Meeting 股東大會
			Audit Committee 審核委員會	Nomination Committee 提名委員會		
<i>Executive Directors:</i> 執行董事：						
Mr. Yao Cho Fai Andrew (Chairman and Chief Executive Officer) ^(Note 1)	姚祖輝先生(主席兼首席執行官) ^(附註1)	4/4	1/1	N/A 不適用	1/1	2/2
Ms. Luk Pui Yin Grace ^(Note 2)	陸佩然女士 ^(附註2)	2/2	N/A 不適用	N/A 不適用	N/A 不適用	1/1
Mr. Lau Chi Chiu ^(Note 2)	劉子超先生 ^(附註2)	2/2	N/A 不適用	N/A 不適用	N/A 不適用	1/1
Mr. Frank Muñoz ^(Note 3)	Frank Muñoz 先生 ^(附註3)	2/2	N/A 不適用	N/A 不適用	N/A 不適用	1/1
<i>Non-executive Director:</i> 非執行董事：						
Mr. Dong Sai Ming Fernando	唐世銘先生	4/4	N/A 不適用	N/A 不適用	N/A 不適用	2/2
<i>Independent Non-executive Directors:</i> 獨立非執行董事：						
Mr. Tam King Ching Kenny	譚競正先生	4/4	1/1	2/2	1/1	1/2
Mr. Xu Lin Bao	徐林寶先生	4/4	1/1	2/2	1/1	2/2
Mr. Tse Lung Wa Teddy	謝龍華先生	4/4	1/1	2/2	N/A 不適用	2/2
Mr. Yeung Wing Sun Mike	楊榮榮先生	4/4	N/A 不適用	2/2	N/A 不適用	2/2
Total Number of Meetings Held	舉行會議總數	4	1	2	1	2

CORPORATE GOVERNANCE REPORT

企業管治報告

Notes:

1. Appointed as the Chief Executive Officer on 25th November 2015.
2. Appointed as an Executive Director on 25th November 2015.
3. Resigned as an Executive Director and the Chief Executive Officer on 25th November 2015.

Board meetings for each year are scheduled in advance to give all Directors an opportunity to attend, and are structured to encourage open discussion. At least 14 days' notice of a Board meeting is normally given to all Directors who are given an opportunity to include matters for discussion in the agenda. The Company Secretary assists the Chairman of the Board in preparing the agenda for meetings and ensures that all applicable rules and regulations are complied with. Draft minutes of each Board meeting are circulated to all Directors for their comment before being tabled at the following Board meeting for approval. All minutes and resolutions of the Board are taken and kept by the Company Secretary and these minutes and resolutions, together with any supporting board papers, are open for inspection at any reasonable time on reasonable notice by any Director.

The Board members have access to appropriate business documents and information about the Group on a timely basis. The Directors are free to have access to the management for enquiries and to obtain further information when required. The Directors are encouraged to update their skills and knowledge, and familiarity with the Group through ongoing participation at Board and Board Committees meetings. All Directors also have access to external legal counsel and other professionals for independent advice at the Company's expense if they require it.

DIRECTORS' CONTINUOUS PROFESSIONAL DEVELOPMENT

On appointment to the Board, each Director receives a comprehensive induction package covering policy and procedures of the Company as well as the general, statutory and regulatory obligations of being a Director to ensure that he/she is sufficiently aware of his/her responsibilities under the Listing Rules and other relevant regulatory requirements. All Directors shall participate in continuous professional development to develop and refresh their knowledge and skills.

附註：

1. 於二零一五年十一月二十五日獲委任為首席執行官。
2. 於二零一五年十一月二十五日獲委任為執行董事。
3. 於二零一五年十一月二十五日辭任執行董事兼首席執行官。

各年度董事會會議均預先計劃舉行時間，以讓全體董事均有機會出席，並鼓勵董事公開討論。召開董事會會議一般會給予全體董事至少十四天之通知，以便彼等皆有機會提出商討事項以列入會議議程內。公司秘書協助董事會主席編製會議議程，以及確保已遵守所有適用規則及規例。每份董事會會議記錄之初稿於提交下一次董事會會議審批前，先供全體董事傳閱並提供意見。所有董事會會議記錄及決議案均由公司秘書記錄及保存，董事會成員於發出合理通知時，可於任何合理時間內隨時查閱該等會議記錄及決議案以及任何董事會文件。

董事會成員可於適當時候獲取有關本集團之恰當商業文件及資料。董事有需要時可隨時向管理層查詢，以取得更多資料。董事亦被鼓勵提升其技能及經驗並通過持續參與董事會及董事委員會會議，提升對本集團之認識。有需要時所有董事亦可尋求外聘法律顧問及其他專業顧問之獨立意見，開支由本公司支付。

董事之持續專業發展

獲委任加入董事會時，各董事均收到一份詳盡入職資料，涵蓋本公司政策及程序以及作為董事在一般、法定及監管規定上所須履行責任之資料，以確保其充分了解其於上市規則及其他相關監管規定下之責任。全體董事均須參與持續專業發展以發展及更新其知識及技能。

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The Directors are from time to time provided materials on amendments to or updates on the relevant laws, rules and regulations to ensure that their contribution to the Board remains informed and relevant. The Company has been encouraging the Directors and officers to participate in a wide range of professional development courses and seminars relating to the Listing Rules, applicable regulatory requirements and corporate governance practices organized by professional bodies and/or independent auditors to further improve their relevant knowledge and skills.

All Directors have confirmed that they have participated in appropriate continuous professional development activities by attending seminar relating to corporate governance and regulations or by reading materials relevant to their duties and responsibilities during the year.

Participation of Directors in continuous professional development activities for the year is set out below:

董事不時獲提供相關法律、規則及規例之修訂或最新版本之資料，以確保彼等持續對董事會作出知情及相關之貢獻。本公司一直鼓勵董事及高級人員參與由專業團體及／或獨立核數師舉辦之各類有關上市規則、適用監管規定及企業管治常規之專業發展課程及研討會，以進一步提升其相關知識及技能。

全體董事確認於本年度內已透過出席有關企業管治及規例之研討會或閱讀有關其職責及責任之資料，參與適當持續專業發展活動。

董事於本年度參與持續專業發展之活動載列如下：

Name of Directors 董事姓名	Reading journals, updates, articles and/or materials 閱讀期刊、最新資訊、文章及／或相關資料	Attending workshops, seminars, conferences and/or forums 出席工作坊、研討會、會議及／或論壇
<i>Executive Directors:</i>	<i>執行董事：</i>	
Mr. Yao Cho Fai Andrew (Chairman and Chief Executive Officer) ^(Note 1)	姚祖輝先生(主席兼首席執行官) ^(附註1)	✓
Ms. Luk Pui Yin Grace ^(Note 2)	陸佩然女士 ^(附註2)	✓
Mr. Lau Chi Chiu ^(Note 2)	劉子超先生 ^(附註2)	✓
Mr. Frank Muñoz ^(Note 3)	Frank Muñoz 先生 ^(附註3)	✓
<i>Non-executive Director:</i>	<i>非執行董事：</i>	
Mr. Dong Sai Ming Fernando	唐世銘先生	✓
<i>Independent Non-executive Directors:</i>	<i>獨立非執行董事：</i>	
Mr. Tam King Ching Kenny	譚競正先生	✓
Mr. Xu Lin Bao	徐林寶先生	✓
Mr. Tse Lung Wa Teddy	謝龍華先生	✓
Mr. Yeung Wing Sun Mike	楊榮樂先生	✓

Notes:

1. Appointed as the Chief Executive Officer on 25th November 2015.
2. Appointed as an Executive Director on 25th November 2015.
3. Resigned as an Executive Director and the Chief Executive Officer on 25th November 2015.

附註：

1. 於二零一五年十一月二十五日獲委任為首席執行官。
2. 於二零一五年十一月二十五日獲委任為執行董事。
3. 於二零一五年十一月二十五日辭任執行董事兼首席執行官。

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BOARD DIVERSITY

The Board has adopted the Board Diversity Policy in July 2013. Under the Policy, the Company recognizes and embraces the benefits of having a diverse Board to enhance the quality of its performance. Selection of candidates will be based on a range of diversity perspectives, which would include but not limited to gender, age, cultural and educational background, professional and industry experience, skills, knowledge and length of service. The ultimate decision will be based on merit and contribution that the selected candidates will bring to the Board.

At present, half of the Directors on the Board are Independent Non-executive Directors. The Board composition reflects various cultural and educational backgrounds, professional development, length of service, knowledge of the Company and a broad range of individual attributes, interests and values. The Board considers the current composition has provided the Company with a good balance and diversity of skills and experience appropriate to the requirements of its business. The Board will continue to review its composition from time to time taking into consideration specific needs for the Group's business.

DIRECTORS' AND OFFICERS' INSURANCE

The Company has arranged appropriate insurance coverage in respect of legal actions against the Directors and officers within the Group.

ROLES OF CHAIRMAN AND CHIEF EXECUTIVE

The Chairman of the Board and the Chief Executive Officer (i.e. the Chief Executive) is now Mr. Yao Cho Fai Andrew. CG Code provision A.2.1 stipulates that the roles of the chairman and the chief executive should be separated and should not be performed by the same individual. By appointing Mr. Yao as the Chief Executive Officer in succession of Mr. Frank Muñoz on 25th November 2015, the Company has not have a separate Chairman and Chief Executive Officer as Mr. Yao has held both positions. Prior to the appointment of Mr. Muñoz as the Chief Executive Officer on 1st November 2012, Mr. Yao had served as both the Chairman and Chief Executive Officer. The Board believes that the vesting of the roles of both Chairman and Chief Executive Officer in Mr. Yao will enable him to continue to provide the Group with strong leadership, efficiency usage of resources as well as allow for effective planning, formulation and implementation of the Company's business strategies which will enable the Group to sustain the development of its business efficiently. The day-to-day management and operation of the Group will continue to be the responsibility of the management team under the monitor of the Executive Committee and Mr. Yao's leadership.

董事會成員多元化

董事會於二零一三年七月採納董事會成員多元化政策。根據該政策，本公司明白並深信董事會成員多元化對提升公司的表現素質裨益良多。甄選人選將基於一系列多元化標準，包括但不限於性別、年齡、文化及教育背景、專業及行業經驗、技能、知識以及服務年期。最終將按人選的長處及可為董事會提供的貢獻而作決定。

現時董事會半數之董事為獨立非執行董事。董事會成員組合反映不同的文化及教育背景、專業發展、服務任期、對本公司的認識，以及廣泛的個人特質、興趣和價值觀。董事會認為目前的成員組合提供了切合本公司業務所需的均衡及多元化技能和經驗。董事會會繼續按本集團的業務需要不時檢討其成員組合。

董事及高級人員之保險

本公司已就本集團內之董事及高級人員可能面對之法律行動而作出適當保險安排。

主席及行政總裁之角色

董事會主席及首席執行官(即行政總裁)，現為姚祖輝先生。按企業管治守則條文A.2.1條規定，主席與行政總裁的角色應有區分，並不應由一人同時兼任。自二零一五年十一月二十五日委任姚先生繼任Frank Muñoz先生為首席執行官起，姚先生同時擔任兩個職務，致使本公司不會有個別之主席及首席執行官。於二零一二年十一月一日委任Muñoz先生為首席執行官之前，姚先生曾經同時出任主席及行政總裁之職務。董事會相信姚先生賦予主席及首席執行官之職務會使其繼續為本集團帶來強勁之領導能力、提高資源運用效率並推展計劃、組織及實施本公司之業務策略，令本集團能夠有效地拓展其業務。於姚先生之領導及執行委員會之監督下，管理團隊會繼續負責本集團之日常管理及營運。

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企業管治報告

SPECIFIC TERMS OF NON-EXECUTIVE DIRECTORS

The Company's Non-executive Directors are appointed for a specific term. They (including all other Directors) are subject to retirement by rotation and re-election at the annual general meeting at least once every three years according to the Company's Bye-laws.

BOARD COMMITTEES

The Board has established various committees, including the Executive Committee, the Remuneration Committee, the Audit Committee and the Nomination Committee, each of which has its specific written terms of reference. Minutes of all committee meetings and resolutions are taken and kept by the Company Secretary and, together with any supporting committee papers, are available to all Board members. The committees are required to report to the Board on their decision and recommendations where appropriate.

Executive Committee

Executive Committee has been in place since March 2006 and now consists of all Executive Directors, being Mr. Yao Cho Fai Andrew as chairman, Ms. Luk Pui Yin Grace and Mr. Lau Chi Chiu as members.

When the Board is not in session, the Executive Committee discharges the specific power and administrative functions authorised by the Board. The Executive Committee is mainly responsible for monitoring the daily operations of the Group.

The Company adopted a new terms of reference of the Executive Committee in March 2016 in order to conform with the provisions set out in the CG Code and it is responsible for performing the corporate governance duties as follows:

- (i) implementing and compliance with the laws, regulations, Listing Rules, Bye-laws and internal regulations applicable to the Company;
- (ii) providing a means for timely and accurate disclosure of information;
- (iii) ensuring effective communication with the Company's shareholders;
- (iv) developing and reviewing the Company's policies and practices on corporate governance and make recommendations to the Board;

委任非執行董事之指定任期

本公司之非執行董事有指定委任任期。彼等(包括全部其他董事)需要按本公司之細則每三年於股東週年大會上至少輪值告退一次並可膺選連任。

董事委員會

董事會已成立多個委員會，包括執行委員會、薪酬委員會、審核委員會及提名委員會，各委員會均以書面具體列明其職權範圍。所有委員會會議記錄及決議案均由公司秘書記錄及保存，全體董事會成員可隨時查閱該等委員會會議記錄及決議案及任何董事委員會文件。各委員會須向董事會匯報其決定及建議(倘適用)。

執行委員會

執行委員會已於二零零六年三月成立，其成員現時包括所有執行董事，即姚祖輝先生為主席、陸佩然女士及劉子超先生為成員。

在董事會會期以外，執行委員會可執行董事會給予之特別權力及行政職能，並主要負責監督本集團之日常運作。

本公司已於二零一六年三月採納了執行委員會之新職權範圍，以符合企業管治守則所載之條文。其負責履行之企業管治職能如下：

- (i) 執行及遵守適用於本公司之法律、規則、上市規則、公司細則及內部規則；
- (ii) 提供方法以及時和準確地披露資料；
- (iii) 確保與本公司股東有效之溝通；
- (iv) 制定及檢討本公司之企業管治政策及常規，並向董事會提出建議；

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- (v) reviewing and monitoring the training and continuous professional development of Directors and senior management;
 - (vi) reviewing and monitoring the Company's policies and practices on compliance with legal and regulatory requirements;
 - (vii) developing, reviewing and monitoring the code of conduct and compliance manual (if any) applicable to employees and Directors; and
 - (viii) reviewing the Company's compliance with the CG Code and disclosure in the corporate governance report.
- (v) 檢討及監察董事及高級管理人員之培訓及持續專業發展；
 - (vi) 檢討及監察本公司在遵守法律及監管規定方面之政策及常規；
 - (vii) 制定、檢討及監察適用於僱員及董事之操守準則及合規手冊(如有)；及
 - (viii) 檢討本公司遵守企業管治守則之情況及在企業管治報告內之披露。

During the year, the Executive Committee has carried out the duties on the corporate governance functions of the Company in accordance with its terms of reference.

本年度，執行委員會已根據職權範圍執行本公司之企業管治職責。

Remuneration Committee

薪酬委員會

The Remuneration Committee has been in place since July 2005 and now consists of four members, including Mr. Xu Lin Bao (chairman of the Remuneration Committee), Mr. Tam King Ching Kenny and Mr. Tse Lung Wa Teddy, all being Independent Non-executive Directors, and Mr. Yao Cho Fai Andrew, being an Executive Director. The Remuneration Committee's role is to make recommendation to the Board on the remuneration policy and structure for Directors and senior management and to ensure that they are fairly rewarded for their individual contribution to the Group's overall performance, having regard to the interests of shareholders.

薪酬委員會已於二零零五年七月成立，現時由四名成員組成，包括獨立非執行董事徐林寶先生(薪酬委員會主席)、譚競正先生及謝龍華先生以及執行董事姚祖輝先生。薪酬委員會之職責乃為就董事及高級管理人員之薪酬政策及架構向董事會提供建議，確保對本集團整體表現有所貢獻之董事及高級管理人員均獲得公平回報，並考慮到股東之利益。

The Remuneration Committee has adopted the model where it has delegated responsibility to determine the remuneration packages of individual Executive Directors and senior management as well as reviewing and approving management's remuneration proposals with reference to the Board's corporate goals and objectives. The Remuneration Committee also makes recommendation to the Board on the remuneration of the Non-executive Directors. No Director or any of his/her associates may be involved in any decisions as to his/her own remuneration. The Company has adopted new terms of reference of the Remuneration Committee in March 2016 to conform with the provisions set out in the CG Code. The terms of reference of the Remuneration Committee setting out its authority, duties and responsibilities are available both on the websites of the Company and Hong Kong Exchanges and Clearing Limited (the "HKEx").

薪酬委員會已採納其獲授責任以釐定個別執行董事及高級管理人員之薪酬待遇，以及根據董事會不時議決之公司目標及宗旨檢討及批准管理層之薪酬建議。薪酬委員會亦會就非執行董事之薪酬向董事會提出建議。概無董事或其任何聯繫人士可參與有關其本身薪酬之任何決定。本公司已於二零一六年三月採納了薪酬委員會之新職權範圍，以符合企業管治守則所載之條文。薪酬委員會之職權範圍訂明其授權、職責及責任，其已登載於本公司及香港交易及結算所有限公司(「港交所」)之網頁內。

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During the year, the Remuneration Committee has reviewed and determined the remuneration packages of the Executive Directors and made recommendations to the Board as to the remuneration policy and structure for senior management of the Company.

The Remuneration Committee shall meet at least once a year in accordance with its terms of reference. One Remuneration Committee meeting was held during the year and the attendance record of the Remuneration Committee meeting is stated in the table under “The Board” of this report.

Audit Committee

The Audit Committee has been in place since December 1998 and now consists of four Independent Non-executive Directors, including Mr. Tam King Ching Kenny (chairman of the Audit Committee), Mr. Xu Lin Bao, Mr. Tse Lung Wa Teddy and Mr. Yeung Wing Sun Mike. Mr. Tam King Ching Kenny is an Independent Non-executive Director with appropriate professional qualifications or accounting or related financial management expertise as required under Rule 3.10 of the Listing Rules.

The Audit Committee meetings are held not less than twice a year to review and discuss the various audit issues as reported by the external auditor. It also reviews the interim and annual financial statements. Additional meetings may also be held by the Audit Committee from time to time to discuss special projects or other issues, which the members consider necessary.

Scope of the work of the Audit Committee is defined and approved by the Board in relation to various internal control, risk management and audit issues with a view to further improve the Company's corporate governance. The Company has adopted new terms of reference of the Audit Committee in March 2016 to conform with the provisions set out in the CG Code. The terms of reference of the Audit Committee setting out its authority, duties and responsibilities are available both on the websites of the Company and the HKEx.

During the year, the Audit Committee reviewed the remuneration of the external auditor. There was no disagreement between the Board and the Audit Committee on the selection or appointment of the external auditor. The Audit Committee has reviewed the Company's interim and annual consolidated financial statements for the year and was content that such statements comply with applicable accounting standards and legal requirements, and that adequate disclosures have been made.

本年度，薪酬委員會已審閱及釐定執行董事之薪酬待遇，並就本公司高級管理人員的薪酬政策及架構向董事會提出建議。

根據其職權範圍，薪酬委員會每年須至少召開一次會議。於本年度已舉行一次薪酬委員會會議，而薪酬委員會會議之出席記錄已刊於本報告「董事會」一節內。

審核委員會

審核委員會已於一九九八年十二月成立，現時由四名獨立非執行董事組成，包括譚競正先生（審核委員會主席）、徐林寶先生、謝龍華先生及楊榮樂先生。按上市規則第3.10條，譚競正先生為獨立非執行董事並具備適當之專業資格或會計或相關財務管理專長。

審核委員會每年舉行不少於兩次之會議以審閱及討論各項外聘核數師呈報之審核事項，並審閱中期及年度財務報表。委員亦可不時於認為有需要時舉行額外之審核委員會會議以討論特殊項目或其他事項。

董事會已制定及核准審核委員會之職權範圍，職權涉及若干內部監控、風險管理及審核事宜，目標為進一步改善本公司的企業管治。本公司已於二零一六年三月採納了審核委員會之新職權範圍，以符合企業管治守則所載之條文，審核委員會之職權範圍訂明其授權、職責及責任，其已登載於本公司及港交所之網頁內。

本年度，審核委員會已審閱外聘核數師之酬金。董事會與審核委員會於外聘核數師之挑選或委任上並無任何爭議。審核委員會已審閱本公司之中期及年度綜合財務報表，認為有關報表乃符合適用之會計準則及法例規定，並作出足夠之披露。

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The Audit Committee shall meet at least twice a year in accordance with its terms of reference. Two Audit Committee meetings were held during the year and the attendance record of the Audit Committee meetings is stated in the table under “The Board” of this report.

Nomination Committee

The Nomination Committee has been in place since March 2012 and now consists of three members, includes the Executive Director, being Mr. Yao Cho Fai Andrew (chairman of Nomination Committee) and three Independent Non-executive Directors, being Mr. Xu Lin Bao, Mr. Tam King Ching Kenny and Mr. Yeung Wing Sun Mike. The Nomination Committee is responsible for formulating policy and making recommendations to the Board on nominations, appointment or re-appointment of Directors and Board succession. The principal duties of the Nomination Committee include reviewing the structure, size and composition (including the skills, knowledge and experience) of the Board at least annually and make recommendations on any proposed changes to the Board to complement the Company's corporate strategy and accessing the independence of Independent Non-executive Directors. The Company has adopted new terms of reference of the Nomination Committee in March 2016 to conform with the provisions set out in the CG Code. The terms of reference of the Nomination Committee setting out its authority, duties and responsibilities are available both on the websites of the Company and the HKEx.

During the year, the Nomination Committee has reviewed the diversity, structure, size and composition of the Board, appointment and re-appointment of Directors and made recommendations to the Board to complement the Company's corporate strategy.

The Nomination Committee shall meet at least once a year in accordance with its terms of reference. One Nomination Committee meeting was held during the year and the attendance record of the Nomination Committee meeting is stated in the table under “The Board” of this report.

CORPORATE GOVERNANCE FUNCTION

While the Board is and remains principally responsible for the corporate governance functions of the Company, it has delegated the relevant duties to the Executive Committee to ensure the proper performance of corporate governance functions of the Company. In this connection, the terms of reference of the Executive Committee includes various duties relating to corporate governance matters which are set out in paragraph “Executive Committee” of this report.

根據其職權範圍，審核委員會每年須至少召開兩次會議。於本年度已舉行兩次審核委員會會議，而審核委員會會議之出席記錄已刊於本報告「董事會」一節內。

提名委員會

提名委員會已於二零一二年三月成立，現時由三名成員組成，包括執行董事姚祖輝先生(提名委員會主席)及三名獨立非執行董事徐林寶先生、譚競正先生及楊榮樂先生。提名委員會負責就董事之提名、委任或重新委任及董事會的繼任事宜制訂政策及向董事會作出建議。提名委員會之主要職責包括至少每年檢討董事會的架構、人數及組成(包括技能、知識及經驗方面)，並就任何為配合本公司策略而擬對董事會作出的變動提出建議及評核獨立非執行董事的獨立性。本公司已於二零一六年三月採納了提名委員會之新職權範圍，以符合企業管治守則所載之條文。提名委員會之職權範圍訂明其授權、職責及責任，其已登載於本公司及港交所之網頁內。

本年度，提名委員會已就董事會的多元化、架構、人數及組成，以及董事之委任及重新委任的事宜作出檢討，並就此向董事會提出建議以配合本公司的企業策略。

根據其職權範圍，提名委員會每年須至少召開一次會議。於本年度已舉行一次提名委員會會議，而提名委員會會議之出席記錄已刊於本報告「董事會」一節內。

企業管治職能

本公司的企業管治職能現時主要由董事會負責，其授權相關責任予執行委員會以確保本公司之企業管治職能獲適切履行。就此，執行委員會之職權範圍包括各項與企業管治事宜有關的職責，該等職責載列於本報告「執行委員會」一節內。

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INTERNAL CONTROLS AND RISK MANAGEMENT

The Board and the Audit Committee are responsible for developing and maintaining the system of internal controls of the Group to protect shareholders' interest and to safeguard the Group's assets by setting appropriate policies and reviewing the effectiveness of major control procedures for financial, operational, compliance and risk management areas. During the year, the Company has engaged an independent professional firm to perform an internal control review of the Group. The Board and the Audit Committee have reviewed the effectiveness of the Group's system of internal controls on all major operations, including financial, operational and compliance controls and risk management functions, and have considered the adequacy of resources, qualifications and experience of staff of the Group's accounting and financial function, and their training programs and budget, by reviewing the internal audit reports prepared by the independent professional firm and management letters submitted by external auditor. Also, the Board and the Audit Committee met with the internal and external auditors and management to discuss findings from their works and resolution. The Board and the Audit Committee considered that the system of internal controls was operating effectively during the year.

The Company has set up a corporate practices committee in May 2013, chaired by Mr. Tse Lung Wa Teddy. The committee is responsible for risk assessment and management in preventing or reducing operational risk that might damage the Group's value. The committee chairman periodically reviews with the Chief Financial Officer and other members of the leadership team about the procurement policy, credit policy and other policies and reports to the Board of any finding, as appropriate. The Director of Financial Planning and Risk Analysis focuses on risk identification and ensures high priority issues are aggressively tackled and cost is effectively managed, thereby minimizing risks and allowing the Group's objectives to be achieved optimally.

AUDITOR'S REMUNERATION

During the year, PricewaterhouseCoopers, the external auditor of the Company, provided the following services to the Group and their respective fees charges are set out below:

Types of services	服務種類	HK\$'000 千港元
Audit fee for the Group	本集團之審核費用	2,432
Taxation services	稅務服務	110
Special engagements	特別項目	5,140
Total	總額	7,682

內部監控及風險管理

董事會及審核委員會負責透過制定合適之政策及就主要監控程序，包括財務、運作和合規監控以及風險管理職能的效用作出檢討，以發展及維持本集團之內部監控系統，並保障股東之利益及本集團之資產。本年度，本公司委聘的獨立專業公司為本集團提供內部審核服務。董事會及審核委員會亦已透過檢討審閱獨立專業公司準備之內部監控報告及外聘核數師所提交之審核情況說明函件，以對所有主要營運，包括財務、運作和合規監控以及風險管理職能之內部監控系統作出檢討，並已考慮本集團在會計及財務匯報職能方面的資源、員工資歷及經驗，以及員工所接受的培訓課程及有關預算是否足夠。此外，董事會及審核委員會已會見內部核數師及外聘核數師以及管理層以討論彼等從工作及分析所得之發現及解決方案。董事會及審核委員會認為內部監控之系統於本年度能夠有效地運作。

本公司已於二零一三年五月成立企業常規委員會，其由謝龍華先生擔任主席。該委員會負責風險評估及管理，以避免或降低在營運執行中可能損害本集團價值之風險。委員會主席與集團首席財務總監及領導層團隊其他成員定期檢討有關採購政策、信貸政策及其他政策，並於有需要時向董事會報告。財務規劃及風險管理總監專注於識別風險及確保高度優先事宜獲積極處理，並以具成本效益方式管理，從而盡量降低風險，讓本集團理想地達成目標。

核數師酬金

本年度，本公司之外聘核數師羅兵咸永道會計師事務所就向本集團提供下列服務分別收取之費用為：

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RESPONSIBILITY FOR PREPARATION AND REPORTING OF ACCOUNTS

The Directors acknowledge their responsibility for preparing the accounts which were prepared in accordance with statutory requirements and applicable accounting standards. A statement by the auditor about its reporting responsibilities is set out in the independent auditor's report included in this annual report.

There are no material uncertainties relating to events or conditions that may cast significant doubt upon the Company's ability to continue as a going concern.

INVESTOR RELATIONS AND COMMUNICATION

The Group is committed to promoting transparency and maintaining effective communication with shareholders, investors, analysts and the press. The Company has its shareholder's communication policy established to ensure effective and timely dissemination of information to shareholders and the investment community. The management periodically meets with existing and potential investors to make corporate presentations. The Group also promotes communications with non-institutional shareholders through public announcements of key developments of the Company as prescribed under the Listing Rules, annual general meeting and other general meetings of the Company. Such general meetings are presided over and led by the Chairman, supported by other Directors. The Company's user-friendly website, <http://www.hkshalliance.com>, provides investors with the latest news, corporate profile, business information and financial information including announcements, circulars and annual and interim reports.

CG Code provision A.6.7 stipulates that independent non-executive directors and non-executive directors, as equal board members, should attend general meetings and develop a balanced understanding of the views of shareholders. Due to other important engagement at the relevant time, one Independent Non-executive Director was unable to attend the annual general meeting of the Company held on 21st August 2015. However, all the Directors attended the special general meeting of the Company held on 26th November 2015.

編製及呈報賬目之責任

董事明白彼等須負責根據法例規定及適用會計準則編製賬目。核數師就其呈報責任而發出之聲明載於本年報之獨立核數師報告內。

概無重大不明朗事件或情況可能會嚴重影響本公司持續經營之能力。

與投資者之關係與溝通

本集團致力提高透明度，並維持與股東、投資者、分析員及公眾傳媒之良好溝通。本公司已制定股東通訊政策以確保有效及適時向股東及投資人士傳達資訊。管理層定期與現有及潛在投資者作企業簡佈。本集團透過按照上市規則的規定刊發有關本公司主要發展的公告、舉行股東週年大會及其他股東大會，促進與非機構股東的溝通。該等股東大會由主席主持及帶領，並由其他董事從旁協助。本公司方便易用之網站(<http://www.hkshalliance.com>)為投資者提供最新消息、公司簡介、業務資料及財務資料包括公告、通函以及年報及中期報告。

企業管治守則條文A.6.7條規定，獨立非執行董事及非執行董事作為與其他董事擁有同等地位之董事會成員，應出席股東大會並對股東之意見有公正的了解。本公司一名獨立非執行董事因於相關時間有其他要務處理而未能出席本公司於二零一五年八月二十一日舉行之股東週年大會。然而，所有董事均有出席本公司於二零一五年十一月二十六日舉行之股東特別大會。

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COMPANY SECRETARY

The Company Secretary supports the Chairman, the Board and Board Committees by ensuring good information flow within the Board and that Board policy and procedures are followed. The Company Secretary reports to the Board and assists the Board in functioning effectively and efficiently. The Company Secretary also advises the Board on governance matters and facilitates the induction and professional development of Directors. All Directors may call upon the Company Secretary for advice and assistance at any time in respect to their duties and the effective operation of the Board and the Board Committees.

Ms. Lam Yee Fan is the Company Secretary of the Company. She is a full time employee of the Company and has day-to-day knowledge of the Company's affairs. Ms. Lam undertook no less than 15 hours of relevant professional training during the year.

CONSTITUTIONAL DOCUMENTS

During the year, there was no change in the Company's constitutional documents.

SHAREHOLDERS' RIGHTS

The Board endeavours to maintain an on-going dialogue with shareholders. The Company encourages the shareholders to attend general meetings and the Chairmen of the Board and the Board Committees should attend annual general meeting (the "AGM") to answer questions.

(A) Convening a Special General Meeting by Shareholders

Pursuant to Bye-law 58 of the Company's Bye-laws and section 74 of the Companies Act 1981 (as amended) of Bermuda (the "Companies Act"), shareholders holding at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company carrying the right of voting at general meetings of the Company shall at all times have the right, by written requisition to the Board or the Company Secretary, to require a special general meeting to be called by the Board for the transaction of any business specified in such requisition; and such meeting shall be held within two months after the deposit of such requisition. If the Directors do not within twenty-one days from the date of the deposit of the requisition proceed duly to convene a meeting, the requisitionists, or any of them representing more than one-half of the total voting rights of all of them, may themselves convene a meeting, but any meeting so convened shall not be held after the expiration of three months from the said date.

公司秘書

公司秘書支援主席、董事會及董事委員會，確保董事會之間資訊流通無阻以及董事會政策及程序得以遵循。公司秘書向董事會報告，並協助董事會有效及具效率地運作。公司秘書亦就管治事宜向董事會提供意見，並協助安排董事之入職及專業發展。全體董事可隨時要求公司秘書提供有關其職責及致使董事會及董事委員會有效運作之意見及協助。

林伊芬女士為本公司之公司秘書。彼為本公司之全職僱員，對本公司事務有日常認識。林女士於本年度內接受不少於15小時之相關專業培訓。

憲章文件

於本年度內，本公司之憲章文件並無變動。

股東權利

董事會致力持續與股東維持溝通。本公司鼓勵股東參加股東大會，而董事會及董事委員會主席應出席股東週年大會（「股東週年大會」）以解答提問。

(A) 股東召開股東特別大會

根據本公司細則第58條及百慕達一九八一年公司法（按經修訂者）（「公司法」）第74條，於遞呈要求日期持有不少於本公司繳足股本（賦有於本公司股東大會上投票權）十分之一的股東於任何時候有權透過向董事會或公司秘書發出書面要求，要求董事會召開本公司之股東特別大會，以處理有關要求中指明的任何事項；且該大會應於遞呈該要求後兩個月內舉行。倘董事並無於遞交請求書日期起計二十一日內正式召開股東特別大會，則請求人或當中佔過半數總投票權之任何人士可自行召開股東特別大會，惟所召開之任何股東特別大會不得於遞交請求書日期起計三個月屆滿後舉行。

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A meeting convened under this section by the requisitionists shall be convened in the same manner, as nearly as possible, as that in which meetings are to be convened by Directors. Any reasonable expenses incurred by the requisitionists by reason of the failure of the Directors duly to convene a meeting shall be repaid to the requisitionists by the Company.

(B) Putting Forward Proposals at General Meetings

Sections 79 and 80 of the Companies Act allow certain shareholder(s) to make requisition to the Company to give notice to the shareholders in respect of any resolution which is intended to be moved at an AGM of the Company or circulate a statement in respect of any proposed resolution or business to be considered at a general meeting of the Company. Under section 79 of the Companies Act, at the expense of the requisitionists unless the Company otherwise resolves, it shall be the duty of the Company on the requisition in writing by such number of shareholders:

- (a) to give to the shareholders entitled to receive notice of the next AGM notice of any resolution which may properly be moved and is intended to be moved at that meeting;
- (b) to circulate to the shareholders entitled to have notice of any general meeting sent to them any statement of not more than 1,000 words with respect to the matter referred to in any proposed resolution or the business to be dealt with at that meeting.

The number of shareholders necessary to make the above-mentioned requisitions to the Company shall be:

- (a) either any number of shareholders representing not less than one-twentieth of the total voting rights of all the shareholders having at the date of the requisition a right to vote at the meeting to which the requisition relates; or
- (b) not less than one hundred shareholders.

Notice of any such intended resolution shall be given, and any such statement shall be circulated, to shareholders entitled to have notice of the meeting sent to them by serving a copy of the resolution or statement on each such shareholder in any manner permitted for service of notice of the meeting, and notice of any such resolution shall be given to any other shareholder by giving notice of the general effect of the resolution in any manner permitted for giving him notice of meetings of the Company, provided that the copy shall be served, or notice of the effect of the resolution shall

由請求人所召開之股東特別大會須盡可能以董事將召開會議之相同形式召開。任何因董事未有妥善召開股東特別大會而引致請求人所招致之合理費用，須由本公司償還給請求人。

(B) 於股東大會提呈建議

公司法第79及80條允許若干股東請求本公司就擬於股東週年大會上動議之任何決議案向股東發出通告或就將於本公司股東大會上考慮之任何建議決議案或事項傳閱一份陳述書。根據公司法第79條，除非本公司另行議決，於有關數目股東發出書面請求時，本公司有責任(費用概由請求人承擔)：

- (a) 向有權收取下屆股東週年大會通告之股東發出通告，以告知可能於該大會上正式動議及擬動議之任何決議案；
- (b) 向有權收取任何股東大會通告之股東傳閱一份不超過一千字之陳述書，以告知該大會之任何建議決議案所述事宜或將處理之事項。

向本公司作出以上請求所需之股東數目為：

- (a) 佔請求當日持有不少於全體股東(其賦有於請求所涉股東大會上投票之權利)總投票權二十分之一之任何數目股東；或
- (b) 不少於一百名股東。

任何該等擬定決議案之通告及任何該等陳述書，應向有權收取會議通告之股東(以任何准許送達會議通告之方式，將該決議案或陳述書之副本，送達至該等股東)發出或傳閱；至於向任何其他股東發出任何該等決議案之通告，則須以准許用於向該等股東發出本公司會議通告之方式，向其發出該等決議案大意之通告，但該副本之送達方式或該等決議案大意通告之發出方式(視乎情況而定)，須與會議通告發出之方式相同，而送達或發出

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be given, as the case may be, in the same manner and, so far as practicable, at the same time as notice of the meeting and, where it is not practicable for it to be served or given at that time, it shall be served or given as soon as practicable thereafter.

Section 80 of the Companies Act sets out the conditions to be met before the Company is bound to give any notice of resolution or to circulate any statement. Pursuant to section 80 of the Companies Act, the Company shall not be bound to give notice of any resolution or to circulate any statement as mentioned in the above unless:

- (a) a copy of the requisition signed by the requisitionists, or two or more copies which between them contain the signatures of all the requisitionists, is deposited at the registered office of the Company:
 - (i) in the case of a requisition requiring notice of a resolution, not less than six weeks before the meeting; and
 - (ii) in the case of any other requisition, not less than one week before the meeting; and
- (b) there is deposited or tendered with the requisition a sum reasonably sufficient to meet the Company's expense in giving effect to the procedures in the above (i.e. the giving of notice of resolution and/or circulation of statement).

Provided that if, after a copy of the requisition requiring notice of a resolution has been deposited at the registered office of the Company, an AGM is called for a date six weeks or less after the copy has been deposited, the copy though not deposited within the above-mentioned time shall be deemed to have been properly deposited for the purposes thereof.

(C) Making Enquiry

Shareholders should direct their enquiries about their shareholdings to the Company's share registrar of the Company in Hong Kong, Computershare Hong Kong Investor Services Limited of 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong. For other enquiries, shareholders may send written enquiries to the Company, for the attention of Company Secretary by mail to Rooms 1103-05, 11/F, East Town Building, 41 Lockhart Road, Wanchai, Hong Kong.

The procedures for proposing a person for election as a Director are made available at the Company's website (<http://www.hkshalliance.com>).

之時間，亦須在切實可行情況下與會議通告發出之時間相同，如當時不能送達或發出，則須於隨後在切實可行情況下盡快送達或發出。

公司法第80條載有在本公司有責任發出任何決議案通告或傳閱任何陳述書前必須符合之條件。根據公司法第80條，除非符合以下條件，否則本公司毋須如上文所述發出任何決議案通告或傳閱任何陳述書：

- (a) 已於以下時間向本公司註冊辦事處提交請求人簽署之一份請求書副本，或載有所有請求人簽署之兩份或以上副本：
 - (i) 對要求決議案通告之請求書而言，不少於會議前六週；及
 - (ii) 對任何其他請求書而言，不少於會議前一週；及
- (b) 已向本公司提交或提供合理足夠符合本公司履行上文所述(即發出決議案通告及/或傳閱陳述書)所需開支之款項。

惟如於要求決議案通告之請求書副本提交予本公司註冊辦事處後，已於提交副本後六週或以內期間召開股東週年大會，則即使該副本未於上述期限內提交，亦應視為已就有關目的妥為提交。

(C) 提出查詢

股東可就其所持股權向本公司之股份過戶登記分處香港中央證券登記有限公司查詢，地址為香港灣仔皇后大道東183號合和中心17M樓。就其他查詢而言，股東可以書面形式郵寄函件致本公司之公司秘書，地址為香港灣仔駱克道41號東城大廈11樓1103-05室查詢。

提名一名董事人選之程序刊載於本公司網站(<http://www.hkshalliance.com>)。

REPORT OF THE DIRECTORS

董事會報告

The board of directors (the “Board”) of Hong Kong Shanghai Alliance Holdings Limited (the “Company”) are pleased to present their annual report together with the audited consolidated financial statements of the Company and its subsidiaries (collectively, the “Group”) for the year ended 31st March 2016 (the “year”).

CHANGE OF COMPANY NAME

The English name of the Company has been changed from “Van Shung Chong Holdings Limited” to “Hong Kong Shanghai Alliance Holdings Limited” and the Chinese name of “滬港聯合控股有限公司” has been adopted as the Company’s secondary name following the passing of the special resolution at the special general meeting of the Company held on 26th November 2015.

The Certificate of Incorporation on Change of Name and the Certificate of Secondary Name were both issued by the Registrar of Companies in Bermuda on 4th December 2015. The Certificate of Registration of Alternation of Name of Registered Non-Hong Kong Company was issued by the Registrar of Companies in Hong Kong on 21st December 2015 confirming the registration of the Company’s new English and Chinese names in Hong Kong under Part 16 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong).

PRINCIPAL ACTIVITIES

The Group is principally engaged in stockholding and distribution of construction materials such as steel products; trading of sanitary wares, kitchen cabinets and engineering plastics; steel recycling and property business.

Details of the Group’s revenue and segment information by business segment and geographical market are set out in Note 5 to the accompanying consolidated financial statements.

RESULTS AND APPROPRIATIONS

Details of the Group’s results for the year ended 31st March 2016 are set out in the consolidated income statement on page 63 of this annual report.

An interim dividend of HK1.8 cents per ordinary share of HK\$0.10 each in the capital of the Company (the “Share(s)”) was declared and paid during the year. The Board has recommended the payment of a final dividend of HK1.0 cent per Share for the year. Total dividend payable for the year will amount to HK2.8 cents per Share or approximately HK\$17,950,000 (2015: HK\$46,785,000).

滬港聯合控股有限公司(「本公司」)之董事會(「董事會」)欣然提呈本公司及其附屬公司(統稱「本集團」)截至二零一六年三月三十一日止年度(「本年度」)之年報及經審核綜合財務報表。

更換公司名稱

本公司於二零一五年十一月二十六日舉行之股東特別大會上通過特別決議案後，本公司之英文名稱已由「Van Shung Chong Holdings Limited」更改為「Hong Kong Shanghai Alliance Holdings Limited」，並已採納「滬港聯合控股有限公司」此中文名稱作為本公司之第二名稱。

百慕達公司註冊處處長已於二零一五年十二月四日發出更改公司名稱註冊證書及第二名稱證書。香港公司註冊處處長已於二零一五年十二月二十一日發出註冊非香港公司變更名稱註冊證書，證明本公司之新英文及中文名稱已根據公司條例(香港法例第622章)第16部於香港註冊。

主要業務

本集團主要從事存銷及分銷建築材料，例如鋼材產品；潔具、廚櫃及工程塑膠貿易；鋼材回收以及房地產業務。

本集團按業務分部及地區市場之收入及分部資料詳載於隨附之綜合財務報表附註5。

業績及溢利分配

本集團截至二零一六年三月三十一日止年度之業績載於本年報第63頁之綜合損益表。

本年度已就本公司股本中每股面值0.10港元之普通股股份(「股份」)宣佈及派發中期股息每股1.8港仙。董事會已建議派發本年度末期股息每股股份1.0港仙。本年度應付股息總額為每股股份2.8港仙或約17,950,000港元(二零一五年：46,785,000港元)。

REPORT OF THE DIRECTORS

董事會報告

BUSINESS REVIEW

Discussion and analysis of the Group's business as required by Schedule 5 to the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) covering an analysis of the Group's performance using financial key performance indicators, the future development in the Group's business, the principal risks and uncertainties facing the Group, the Group's environmental policies and performance and its compliance with the relevant laws and regulations are provided in the "Highlights", "Chairman's Statements" and "Management Discussion and Analysis" of this annual report, which shall form an integral part of this "Report of the Directors".

SHARE CAPITAL

As at 31st March 2016, there were 640,636,052 ordinary shares of the Company issued and fully paid. As at the date of this report, there were 641,882,674 ordinary shares of the Company issued and fully paid.

Details of share capital of the Company are set out in Note 32 to the accompanying consolidated financial statements.

RESERVES AND RETAINED EARNINGS

Movements in reserves and retained earnings of the Group and the Company during the year are set out in Note 34 and Note 41 to the accompanying consolidated financial statements.

As at 31st March 2016, approximately HK\$53,986,000 (2015: HK\$53,986,000) of the Company's reserves and approximately HK\$29,930,000 (2015: HK\$21,136,000) of the Company's retained earnings were available for distribution to its equity holders.

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

During the year ended 31st March 2016, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities.

業務回顧

就公司條例(香港法例第622章)附表5指定,本集團就業務之討論及分析,包括本集團表現的財務關鍵表現指標、本集團之未來業務發展、本集團所面對之主要風險及不明朗因素、本集團之環境政策和表現及遵守有關法律及規例的討論,已載於本年報「財務摘要」、「主席報告書」以及「管理層討論及分析」中,該等討論為本董事會報告之一部分。

股本

於二零一六年三月三十一日,本公司有640,636,052股已發行及繳足普通股股份。於本報告日期,本公司有641,882,674股已發行及繳足普通股股份。

有關本公司股本之詳情載於隨附之綜合財務報表附註32。

儲備及保留盈利

本集團及本公司於本年度之儲備及保留盈利變動情況載於隨附之綜合財務報表附註34及附註41。

於二零一六年三月三十一日,本公司可供分派予其股權持有人之儲備約為53,986,000港元(二零一五年:53,986,000港元)及保留盈利約為29,930,000港元(二零一五年:21,136,000港元)。

購回、出售或贖回本公司上市證券

於截至二零一六年三月三十一日止年度內,本公司或其附屬公司均無購回、出售或贖回任何本公司之上市證券。

REPORT OF THE DIRECTORS

董事會報告

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Company's Bye-laws and the laws of Bermuda.

PROPERTY, PLANT AND EQUIPMENT, INVESTMENT PROPERTIES AND LAND USE RIGHTS

Details of movements in property, plant and equipment, investment properties and land use rights of the Group during the year are set out in Notes 14, 15 and 16, respectively, to the accompanying consolidated financial statements.

SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

Particulars of the Company's subsidiaries, associates and joint ventures are set out in Notes 19, 20 and 21, respectively, to the accompanying consolidated financial statements.

BORROWINGS

Particulars of borrowings as at 31st March 2016 are set out in Note 31 to the accompanying consolidated financial statements.

PENSION SCHEMES

Details of the pension schemes are set out in Note 8 to the accompanying consolidated financial statements.

CHARITABLE DONATIONS

During the year, the Group made charitable donations of approximately HK\$408,200 (2015: HK\$707,000).

DIRECTORS AND DIRECTORS' SERVICE CONTRACTS

The directors of the Company who held office during the year and up to the date of this report are as follow:

Executive Directors

Mr. Yao Cho Fai Andrew
(Chairman and Chief Executive Officer) ^(Note 1)
Ms. Luk Pui Yin Grace ^(Note 2)
Mr. Lau Chi Chiu ^(Note 2)
Mr. Frank Muñoz ^(Note 3)

優先購買權

本公司之公司細則及百慕達法例均無任何關於優先購買權之規定。

物業、廠房及設備、投資物業及土地使用權

於本年度，本集團之物業、廠房及設備、投資物業及土地使用權之變動詳情分別載於隨附之綜合財務報表附註14、15及16。

附屬公司、聯營公司及合營公司

本公司各附屬公司、聯營公司及合營公司之詳情分別載於隨附之綜合財務報表附註19、20及21。

借貸

於二零一六年三月三十一日之借貸詳情載於隨附之綜合財務報表附註31。

退休金計劃

退休金計劃之詳情載於隨附之綜合財務報表附註8。

慈善捐款

於本年度，本集團共捐出慈善捐款約408,200港元（二零一五年：707,000港元）。

董事及董事之服務合約

本公司於本年度期間及截至本報告日期止之在任董事為：

執行董事

姚祖輝先生
(主席兼首席執行官) ^(附註1)
陸佩然女士 ^(附註2)
劉子超先生 ^(附註2)
Frank Muñoz先生 ^(附註3)

REPORT OF THE DIRECTORS

董事會報告

Non-executive Director

Mr. Dong Sai Ming Fernando

Independent Non-executive Directors

Mr. Tam King Ching Kenny
Mr. Xu Lin Bao
Mr. Tse Lung Wa Teddy
Mr. Yeung Wing Sun Mike

Notes:

1. appointed as the Chief Executive Officer on 25th November 2015.
2. appointed as an Executive Director on 25th November 2015.
3. resigned as an Executive Director and the Chief Executive Officer on 25th November 2015.

In accordance with bye-law 86(2) of the Company's Bye-laws, Ms. Luk Pui Yin Grace and Mr. Lau Chi Chiu, who were appointed as Directors by the Board on 25th November 2015, will retire at the forthcoming annual general meeting and, being eligible, will offer themselves for re-election at such meeting.

In accordance with bye-law 87(1) of the Company's Bye-laws, Mr. Xu Lin Bao and Mr. Yeung Wing Sun Mike will retire from office by rotation at the forthcoming annual general meeting and being eligible, will offer themselves for re-election at such meeting.

None of the Directors has a service contract with the Group which is not determinable by the Group within one year without payment of compensation other than statutory compensation.

非執行董事

唐世銘先生

獨立非執行董事

譚競正先生
徐林寶先生
謝龍華先生
楊榮樂先生

附註：

1. 於二零一五年十一月二十五日獲委任為首席執行官。
2. 於二零一五年十一月二十五日獲委任為執行董事。
3. 於二零一五年十一月二十五日辭任執行董事兼首席執行官。

根據本公司之公司細則第86(2)條規定，陸佩然女士及劉子超先生(彼等於二零一五年十一月二十五日獲董事會委任為董事)將於即將舉行之股東週年大會上退任並合資格於該大會上接受重選。

根據本公司之公司細則第87(1)條規定，徐林寶先生及楊榮樂先生將於即將舉行之股東週年大會上輪值退任並合資格於該大會上接受重選。

董事與本集團概無訂立任何不可由本集團於一年內終止而毋須支付補償(法定補償除外)之服務合約。

REPORT OF THE DIRECTORS

董事會報告

DIRECTORS' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 31st March 2016, the interests and short positions of the Directors and chief executives of the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) which (a) were required to be notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO); or (b) were required pursuant to Section 352 of the SFO to be entered in the register referred to therein; or (c) were required pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 of the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules") to be notified to the Company and the Stock Exchange, were as follows:

董事於股份、相關股份及債權證之權益及淡倉

於二零一六年三月三十一日，董事及本公司之高級行政人員於本公司或其任何相聯法團(定義見證券及期貨條例(「證券及期貨條例」)第XV部)之股份、相關股份及債權證中擁有之權益及淡倉包括(a)根據證券及期貨條例第XV部第7及第8分部必須知會本公司及香港聯合交易所有限公司(「聯交所」)(包括根據證券及期貨條例之該等規定被認為或視作擁有之權益及淡倉);或(b)必須列入根據證券及期貨條例第352條予以存置之登記冊內;或(c)根據聯交所證券上市規則(「上市規則」)附錄十所載之上市發行人董事進行證券交易的標準守則(「標準守則」)必須知會本公司及聯交所之權益及淡倉載列如下:

Long positions in Shares and options of the Company

本公司之股份及購股權之好倉

Name of Directors	Capacity	Attributable interest to the Directors	Number of Shares	Approximate percentage	Number of share options (Note c) 購股權數目 (附註c)	Aggregate interest
董事姓名	身份	董事應佔權益	股份數目	概約百分比		合計權益
Mr. Yao Cho Fai Andrew	Interest of controlled corporation, Perfect Capital International Corp. (Note a)	Deemed interest (indirectly)	89,337,806	13.95%	—	89,337,806
姚祖輝先生	受控制公司 Perfect Capital International Corp. (附註 a)	被視作擁有之權益 (間接)				
	Interest of controlled corporation, Huge Top Industrial Ltd. (Note b)	Deemed interest (indirectly)	190,424,000	29.72%	—	190,424,000
	受控制公司 Huge Top Industrial Ltd. (附註 b)	被視作擁有之權益 (間接)				
	Beneficial owner	100% (directly)	3,918,000	0.61%	1,869,932	5,787,932
	實益擁有人	100% (直接)				
			283,679,806	44.28%	1,869,932	285,549,738
Ms. Luk Pui Yin Grace	Beneficial owner	100% (directly)	—	—	4,493,244	4,493,244
陸佩然女士	實益擁有人	100% (直接)				

REPORT OF THE DIRECTORS

董事會報告

Name of Directors	Capacity	Attributable interest to the Directors	Number of Shares	Approximate percentage	Number of share options (Note c) 購股權數目 (附註c)	Aggregate interest
董事姓名	身份	董事應佔權益	股份數目	概約百分比		合計權益
Mr. Lau Chi Chiu 劉子超先生	Beneficial owner 實益擁有人	100% (directly) 100% (直接)	—	—	2,371,285	2,371,285
Mr. Dong Sai Ming Fernando 唐世銘先生	Beneficial owner 實益擁有人	100% (directly) 100% (直接)	213,000	0.03%	249,324	462,324
Mr. Tam King Ching Kenny 譚競正先生	Beneficial owner 實益擁有人	100% (directly) 100% (直接)	—	—	1,246,622	1,246,622
Mr. Xu Lin Bao 徐林寶先生	Beneficial owner 實益擁有人	100% (directly) 100% (直接)	—	—	1,246,622	1,246,622
Mr. Tse Lung Wa Teddy 謝龍華先生	Beneficial owner 實益擁有人	100% (directly) 100% (直接)	—	—	1,246,622	1,246,622

Notes:

- Mr. Yao Cho Fai Andrew ("Mr. Yao") was beneficially interested in these Shares through his wholly-owned company, Perfect Capital International Corp. ("Perfect Capital").
- Mr. Yao was deemed to be interested in these Shares through his controlling company, Huge Top Industrial Ltd. ("Huge Top"). Mr. Yao directly held approximately 11.90% (changed to 17.86% in April 2016) and indirectly through his wholly-owned company Perfect Capital owned approximately 42.86% of the issued shares of Huge Top. Mr. Yao is a director of Huge Top.
- Details of the interests of the Directors in the share options of the Company are separately disclosed in the section headed "Share Option Scheme" below.

Save as disclosed above, as at 31st March 2016, none of the Directors, chief executives of the Company and their associates had any personal, family, corporate or other interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which (a) were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (include interests and short positions which they are taken or deemed to have under such provisions of SFO); or (b) were required pursuant to Section 352 of the SFO to be entered in the register referred to therein; or (c) were required, pursuant to the Model Code to be notified to the Company and the Stock Exchange.

附註：

- 姚祖輝先生(「姚先生」)透過其全資擁有之 Perfect Capital International Corp.(「Perfect Capital」)實益持有該等股份。
- 姚先生透過其控制之公司 Huge Top Industrial Ltd.(「Huge Top」)被視作持有該等股份。姚先生直接持有約 11.90% (於二零一六年四月變更至約 17.86%) 及透過 Perfect Capital 間接持有 Huge Top 已發行股份約 42.86%。姚先生乃 Huge Top 之董事。
- 董事於本公司購股權之權益之詳情已獨立在下節「購股權計劃」披露。

除上文所披露者外，於二零一六年三月三十一日，董事、本公司之高級行政人員及彼等之聯繫人概無於本公司或其任何相聯法團(定義見證券及期貨條例第 XV 部)之股份、相關股份或債權證中擁有 (a) 根據證券及期貨條例第 XV 部第 7 及第 8 分部必須知會本公司及聯交所之任何個人、家族、公司或其他權益或淡倉(包括根據證券及期貨條例之該等規定彼等被當作或視作擁有之權益及淡倉)；或 (b) 必須列入根據證券及期貨條例第 352 條予以存置之登記冊內；或 (c) 根據標準守則必須知會本公司及聯交所之任何個人、家族、公司或其他權益或淡倉。

REPORT OF THE DIRECTORS

董事會報告

Apart from the foregoing, at no time during the year was the Company or any of its subsidiaries a party to any arrangements to enable the Directors or any of their spouses or children under the 18 years of age to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate, and no Directors or chief executives or their respective spouses or children under 18 years of age had been granted any right to subscribe for equity or debt securities of the Company nor exercised any such right.

PERSONS WHO HAVE INTERESTS OR SHORT POSITIONS WHICH ARE DISCLOSEABLE UNDER DIVISIONS 2 AND 3 OF PART XV OF THE SFO

Other than interests disclosed in the section headed “Directors’ Interests and Short Positions in Shares, Underlying Shares and Debentures” above, as at 31st March 2016, according to the register of interests kept by the Company under Section 336 of the SFO, the following entities had interests or short positions in the Shares and underlying Shares which fall to be disclosed under Divisions 2 and 3 of Part XV of the SFO:

除上述者外，於本年度任何時間，本公司或其任何附屬公司並無訂立任何安排，以使董事或彼等之任何配偶或十八歲以下之子女有權透過購買本公司或任何其他法人團體之股份或債權證而從中獲益，而董事或高級行政人員或彼等各自之配偶或十八歲以下之子女概無獲授任何權利以認購本公司股本或債務證券或已行使該等權利。

根據證券及期貨條例第XV部第2及第3分部擁有須披露權益或淡倉之人士

除上文「董事於股份、相關股份及債權證之權益及淡倉」一節所披露之權益外，於二零一六年三月三十一日，按本公司根據證券及期貨條例第336條存置於登記冊之記錄，下列實體於股份及相關股份中擁有根據證券及期貨條例第XV部第2及第3分部須向本公司披露之權益或淡倉：

Name 名稱 / 姓名	Capacity 身份	Note 附註	Number of Shares 股份數目	Approximate percentage 概約百分比
Perfect Capital	Beneficial owner 實益擁有人		89,337,806	13.95%
	Interest of controlled corporation 受控制公司之權益	1	190,424,000	29.72%
			279,761,806	43.67%
Huge Top	Beneficial owner 實益擁有人		190,424,000	29.72%
Ms. Yao Che Li Miriam (“Ms. Yao”) 姚潔莉女士(「姚女士」)	Beneficial owner 實益擁有人		2,000,000	0.31%
	Interest of controlled corporation 受控制公司之權益	2	190,424,000	29.72%
			192,424,000	30.03%
Mr. Wong Koon Chi 王冠之先生	Beneficial owner 實益擁有人		38,224,000	5.97%

REPORT OF THE DIRECTORS

董事會報告

Notes:

1. These Shares were held by Huge Top. Perfect Capital owned approximately 42.86% of the issued shares of Huge Top and therefore was deemed to be interested in these Shares.
2. These Shares were held by Huge Top. Ms. Yao was one of the two directors of Huge Top while the other director is her brother Mr. Yao. She was therefore deemed to be interested in these Shares. Ms. Yao resigned as a director of Huge Top in April 2016.

Save as disclosed above, as at 31st March 2016, the Directors were not aware of any other persons (other than Directors or chief executives of the Company) who had interests or short positions in the shares, underlying shares or debentures of the Company or any associated corporations (within the meaning of Part XV of the SFO) which would fall to be disclosed to the Company under Divisions 2 and 3 Part XV of the SFO.

SHARE OPTION SCHEME

The share option scheme adopted since 12th November 2001 (the "2001 Share Option Scheme") was terminated on 11th August 2011 and a share option scheme had been adopted since 11th August 2011 (the "2011 Share Option Scheme") at the 2011 annual general meeting of the Company. Upon termination of the 2001 Share Option Scheme, no further options will be granted thereunder but in all other respects the provisions of the 2001 Share Option Scheme shall remain in force and all options granted prior to such termination shall continue to be valid and exercisable in accordance therewith. The purpose of the 2011 Share Option Scheme is to provide incentives to participants to contribute to the Group and/or to enable the Group to recruit and/or to retain high-calibre employees and attract human resources that are valuable to the Group. The 2011 Share Option Scheme shall be valid and effective for a period of ten years commencing on the adoption date i.e. 11th August 2011 and will expire on 10th August 2021. Details of the terms of the 2011 Share Option Scheme were contained in the Company's circular dated 8th July 2011.

Details of the movements in the share options granted to the Company's employees (including Directors) under the 2001 Share Option Scheme and 2011 Share Option Scheme during the year were as follows:

附註：

1. 該等股份由Huge Top持有。Perfect Capital擁有Huge Top已發行股份約42.86%，因此其被視為持有該等股份。
2. 該等股份由Huge Top持有。姚女士乃Huge Top兩名董事之一，而另一名董事為其弟姚先生。因此姚女士被視為持有該等股份。姚女士於二零一六年四月辭任Huge Top董事之職務。

除上文所披露者外，於二零一六年三月三十一日，董事並不知悉有任何其他人士（董事或本公司高級行政人員除外）於本公司或任何相關法團（定義見證券及期貨條例第XV部）之股份、相關股份或債權證中擁有根據證券及期貨條例第XV部第2及第3分部須向本公司披露之權益或淡倉。

購股權計劃

於二零零一年十一月十二日採納之購股權計劃（「二零零一年購股權計劃」）已於二零一一年八月十一日終止，而一項購股權計劃（「二零一一年購股權計劃」）已於二零一一年八月十一日在本公司之二零一一年股東週年大會上獲採納。二零零一年購股權計劃終止後，本公司將不會再按二零零一年購股權計劃授出購股權，惟二零零一年購股權計劃之所有其他條款仍然有效，而於計劃終止前授出之購股權，將仍然有效及可按條款行使。二零一一年購股權計劃之目的，旨在獎勵參與人士對本集團作出貢獻，使本集團得以聘任及／或留用具才幹之僱員，以及吸納可效力本集團之寶貴人力資源。二零一一年購股權計劃之有效期自採納日期（即二零一一年八月十一日）起計，為期十年，並將於二零二一年八月十日屆滿。二零一一年購股權計劃之條款詳情載於本公司日期為二零一一年七月八日之通函。

於本年度，根據二零零一年購股權計劃及二零一一年購股權計劃授予本公司僱員（包括董事）之購股權變動詳情如下：

REPORT OF THE DIRECTORS

董事會報告

2001 Share Option Scheme

二零零一年購股權計劃

Name or category of participant 參與者姓名或類別	Date of grant 授予日期	Validity period 有效期	Exercise price per Share 每股行使價	Note 附註	Number of share options 購股權數目					End of the year 年末
					Beginning of the year 年初	Granted during the year 年內授予	Exercised during the year 年內行使	Lapsed during the year 年內失效	Cancelled during the year 年內註銷	
Directors:										
董事：										
Mr. Yao Cho Fai Andrew 姚祖輝先生	13th September 2006 二零零六年九月十三日	13th September 2006 to 12th September 2016 二零零六年九月十三日至 二零一六年九月十二日	HK\$0.722 0.722港元	1	1,869,932	—	—	—	—	1,869,932
Mr. Lau Chi Chiu 劉子超先生	13th September 2006 二零零六年九月十三日	13th September 2006 to 12th September 2016 二零零六年九月十三日至 二零一六年九月十二日	HK\$0.722 0.722港元	1	124,663	—	—	—	—	124,663
Mr. Dong Sai Ming Fernando 唐世銘先生	13th September 2006 二零零六年九月十三日	13th September 2006 to 12th September 2016 二零零六年九月十三日至 二零一六年九月十二日	HK\$0.722 0.722港元	1	249,324	—	—	—	—	249,324
Mr. Tam King Ching Kenny 譚競正先生	19th June 2008 二零零八年六月十九日	19th June 2008 to 18th June 2018 二零零八年六月十九日至 二零一八年六月十八日	HK\$0.626 0.626港元	1	1,246,622	—	—	—	—	1,246,622
Mr. Xu Lin Bao 徐林寶先生	19th June 2008 二零零八年六月十九日	19th June 2008 to 18th June 2018 二零零八年六月十九日至 二零一八年六月十八日	HK\$0.626 0.626港元	1	1,246,622	—	—	—	—	1,246,622
Sub-total 小計					4,737,163	—	—	—	—	4,737,163

REPORT OF THE DIRECTORS

董事會報告

Name or category of participant 參與者姓名或類別	Date of grant 授予日期	Validity period 有效期	Exercise price per Share 每股行使價	Note 附註	Number of share options 購股權數目					End of the year 年末
					Beginning of the year 年初	Granted during the year 年內授予	Exercised during the year 年內行使	Lapsed during the year 年內失效	Cancelled during the year 年內註銷	
Employees:										
僱員：										
In aggregate	18th September 2009	18th September 2009 to 17th September 2019	HK\$0.470	1	937,458	—	—	—	—	937,458
共計	二零零九年九月十八日	二零零九年九月十八日至二零一九年九月十七日	0.470 港元							
In aggregate	13th October 2009	13th October 2009 to 12th October 2019	HK\$0.404	1	13,089,528	—	(4,000,000)	—	—	9,089,528
共計	二零零九年十月十三日	二零零九年十月十三日至二零一九年十月十二日	0.404 港元							
Sub-total 小計					14,026,986	—	(4,000,000)	—	—	10,026,986
Others:										
其他：										
In aggregate	13th October 2009	13th October 2009 to 12th October 2019	HK\$0.404	1	7,479,729	—	(4,363,176)	—	—	3,116,553
共計	二零零九年十月十三日	二零零九年十月十三日至二零一九年十月十二日	0.404 港元							
Total of 2001 Share Option Scheme 二零零一年購股權計劃 總計					26,243,878	—	(8,363,176)	—	—	17,880,702

REPORT OF THE DIRECTORS

董事會報告

2011 Share Option Scheme

二零一一年購股權計劃

Name or category of participant 參與者姓名或類別	Date of grant 授予日期	Validity period 有效期	Exercise price per Share 每股行使價	Note 附註	Beginning of the year 年初	Number of share options 購股權數目				
						Granted during the year 年內授予	Exercised during the year 年內行使	Lapsed during the year 年內失效	Cancelled during the year 年內註銷	End of the year 年末
Directors:										
董事：										
Ms. Luk Pui Yin Grace 陸佩然女士	27th November 2013 二零一三年十一月二十七日	27th November 2013 to 26th November 2023 二零一三年十一月二十七日至 二零二三年十一月二十六日	HK\$1.043 1.043港元	1, 2	2,493,244	—	—	—	—	2,493,244
	20th January 2015 二零一五年一月二十日	20th January 2015 to 19th January 2025 二零一五年一月二十日至 二零二五年一月十九日	HK\$0.928 0.928港元	3	2,000,000	—	—	—	—	2,000,000
Mr. Lau Chi Chiu 劉子超先生	16th November 2012 二零一二年十一月十六日	16th November 2012 to 15th November 2022 二零一二年十一月十六日至 二零二二年十一月十五日	HK\$0.537 0.537港元	1, 4	1,246,622	—	—	—	—	1,246,622
	20th January 2015 二零一五年一月二十日	20th January 2015 to 19th January 2025 二零一五年一月二十日至 二零二五年一月十九日	HK\$0.928 0.928港元	3	1,000,000	—	—	—	—	1,000,000
Mr. Tse Lung Wa Teddy 謝龍華先生	27th November 2013 二零一三年十一月二十七日	27th November 2013 to 26th November 2023 二零一三年十一月二十七日至 二零二三年十一月二十六日	HK\$1.043 1.043港元	1	1,246,622	—	—	—	—	1,246,622
Sub-total 小計					7,986,488	—	—	—	—	7,986,488

REPORT OF THE DIRECTORS

董事會報告

Name or category of participant 參與者姓名或類別	Date of grant 授予日期	Validity period 有效期	Exercise price per Share 每股行使價	Note 附註	Number of share options 購股權數目					End of the year 年末
					Beginning of the year 年初	Granted during the year 年內授予	Exercised during the year 年內行使	Lapsed during the year 年內失效	Cancelled during the year 年內註銷	
Employees:										
僱員：										
In aggregate	16th November 2012	16th November 2012 to 15th November 2022	HK\$0.537	1, 5	6,831,486	—	—	—	—	6,831,486
共計	二零一二年十一月十六日	二零一二年十一月十六日至二零二二年十一月十五日	0.537 港元							
In aggregate	27th November 2013	27th November 2013 to 26th November 2023	HK\$1.043	1, 2	6,108,445	—	—	(373,986)	—	5,734,459
共計	二零一三年十一月二十七日	二零一三年十一月二十七日至二零二三年十一月二十六日	1.043 港元							
In aggregate	17th December 2013	17th December 2013 to 16th December 2023	HK\$1.043	1, 6	373,986	—	—	(373,986)	—	—
共計	二零一三年十二月十七日	二零一三年十二月十七日至二零二三年十二月十六日	1.043 港元							
In aggregate	20th January 2015	20th January 2015 to 19th January 2025	HK\$0.928	3	7,400,000	—	—	(600,000)	—	6,800,000
共計	二零一五年一月二十日	二零一五年一月二十日至二零二五年一月十九日	0.928 港元							
In aggregate	20th January 2015	20th January 2015 to 19th January 2025	HK\$0.928	7	1,000,000	—	—	—	—	1,000,000
共計	二零一五年一月二十日	二零一五年一月二十日至二零二五年一月十九日	0.928 港元							
Sub-total 小計					21,713,917	—	—	(1,347,972)	—	20,365,945
Others:										
其他：										
In aggregate	7th September 2012	7th September 2012 to 6th September 2022	HK\$0.393	1	1,247	—	—	—	—	1,247
共計	二零一二年九月七日	二零一二年九月七日至二零二二年九月六日	0.393 港元							
Total of 2011 Share Option Scheme 二零一一年購股權計劃 總計					29,701,652	—	—	(1,347,972)	—	28,353,680

REPORT OF THE DIRECTORS

董事會報告

Notes:

1. The exercise prices and number of share options granted prior to 17th December 2014 under the share option schemes were adjusted for the open offer completed in December 2014.
2. The share options were/will be vested in four tranches, with each tranche covering one-fourth of the relevant options, i.e. exercisable to the extent of one-fourth of the relevant options and with the 1st, 2nd, 3rd and 4th tranche becoming exercisable from 27th of November in the years 2014, 2015, 2016 and 2017 respectively and the years onwards till 26th November 2023.
3. The share options will be vested in four tranches, with each tranche covering one-fourth of the relevant options, i.e. exercisable to the extent of one-fourth of the relevant options and with the 1st, 2nd, 3rd and 4th tranche becoming exercisable from 20th of January in the years 2016, 2017, 2018 and 2019 respectively and the years onwards till 19th January 2025.
4. The share options were/will be vested in five tranches, with each tranche covering one-fifth of the relevant options, i.e. exercisable to the extent of one-fifth of the relevant options and with the 1st, 2nd, 3rd, 4th and 5th tranche becoming exercisable from 16th of November in the years 2012, 2013, 2014, 2015 and 2016 respectively and the years onwards till 15th November 2022.
5. 4,986,487 share options were/will be vested in four tranches, with each tranche covering one-fourth of the relevant options, i.e. exercisable to the extent of one-fourth of the relevant options and with the 1st, 2nd, 3rd and 4th tranche becoming exercisable from 16th of November in the years 2013, 2014, 2015 and 2016 respectively and the years onwards till 15th November 2022. 1,844,999 share options were/will be vested in five tranches, with each tranche covering one-fifth of the relevant options, i.e. exercisable to the extent of one-fifth of the relevant options and with the 1st, 2nd, 3rd, 4th and 5th tranche becoming exercisable from 16th of November in the years 2012, 2013, 2014, 2015 and 2016 respectively and the years onwards till 15th November 2022.
6. The share options were/will be vested in four tranches, with each tranche covering one-fourth of the relevant options, i.e. exercisable to the extent of one-fourth of the relevant options and with the 1st, 2nd, 3rd and 4th tranche becoming exercisable from 17th of December in the years 2014, 2015, 2016 and 2017 respectively and the years onwards till 16th December 2023.
7. The share options will be vested in three tranches, with each tranche covering one-third of the relevant options, i.e. exercisable to the extent of one-third of the relevant options and with the 1st, 2nd and 3rd tranche becoming exercisable from 20th of January in the years 2016, 2017 and 2018 respectively and the years onwards till 19th January 2025.

PERMITTED INDEMNITY PROVISION

Pursuant to the Company's Bye-Laws, the Directors shall be indemnified against all losses and liabilities which they may incur in connection with their duties. The Company has arranged appropriate directors' and officers' liability insurance coverage for the directors and officers of the Group.

附註:

1. 根據購股權計劃於二零一四年十二月十七日前行使價及授出之股份數目已就於二零一四年十二月完成之公開發售作出調整。
2. 購股權分四期歸屬，每一期分別涵蓋相關購股權的四分之一（即最多可行使相關購股權的四分之一），第一、第二、第三及第四期分別於二零一四年、二零一五年、二零一六年及二零一七年的十一月二十七日起可予行使，直至二零二三年十一月二十六日止。
3. 購股權分四期歸屬，每一期分別涵蓋相關購股權的四分之一（即最多可行使相關購股權的四分之一），第一、第二、第三及第四期分別於二零一六年、二零一七年、二零一八年及二零一九年的一月二十日起可予行使，直至二零二五年一月十九日止。
4. 購股權分五期歸屬，每一期分別涵蓋相關購股權的五分之一（即最多可行使相關購股權的五分之一），第一、第二、第三、第四及第五期分別於二零一二年、二零一三年、二零一四年、二零一五年及二零一六年的十一月十六日起可予行使，直至二零二二年十一月十五日止。
5. 4,986,487股購股權分四期歸屬，每一期分別涵蓋相關購股權的四分之一（即最多可行使相關購股權的四分之一），第一、第二、第三及第四期分別於二零一三年、二零一四年、二零一五年及二零一六年的十一月十六日起可予行使，直至二零二二年十一月十五日止。1,844,999股購股權分五期歸屬，每一期分別涵蓋相關購股權的五分之一（即最多可行使相關購股權的五分之一），第一、第二、第三、第四及第五期分別於二零一二年、二零一三年、二零一四年、二零一五年及二零一六年的十一月十六日起可予行使，直至二零二二年十一月十五日止。
6. 購股權分四期歸屬，每一期分別涵蓋相關購股權的四分之一（即最多可行使相關購股權的四分之一），第一、第二、第三及第四期分別於二零一四年、二零一五年、二零一六年及二零一七年的十二月十七日起可予行使，直至二零二三年十二月十六日止。
7. 購股權分三期歸屬，每一期分別涵蓋相關購股權的三分之一（即最多可行使相關購股權的三分之一），第一、第二及第三期分別於二零一六年、二零一七年及二零一八年的一月二十日起可予行使，直至二零二五年一月十九日止。

獲准許的彌償條文

根據本公司之公司細則，董事就履行其職務而引致任何損失或責任，均有權獲得賠償。本公司有為本集團董事及高級職員安排恰當的董事及高級職員責任保險。

REPORT OF THE DIRECTORS

董事會報告

DIRECTORS' MATERIAL INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS

No transactions, arrangements or contracts of significance in relation to the Group's business to which the Company, its subsidiaries or its holding companies was a party or were parties and in which a Director or any entities connected with a Director had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

RELATED PARTY TRANSACTIONS

Details of related party transactions are set out in Note 39 to the accompanying consolidated financial statements.

COMPETING INTERESTS

For the year ended 31st March 2016, none of the Directors or the controlling shareholders of the Company or any of their respective associates has engaged in any business that competes or may compete directly or indirectly with the businesses of the Group or has any other conflict of interests with the Group.

MAJOR CUSTOMERS AND SUPPLIERS

For the year ended 31st March 2016, the five largest customers of the Group accounted for less than 15% of the Group's total revenue, while the five largest suppliers of the Group accounted for approximately 41% of the Group's total purchases. In addition, the largest supplier of the Group accounted for approximately 11% of the Group's total purchases.

None of the Directors, their associates, or any shareholders (which to the knowledge of the Directors owned more than 5% of the Company's share capital) had a beneficial interest in the five largest suppliers of the Group.

SUFFICIENCY OF PUBLIC FLOAT

Based on information publicly available to the Company and within the knowledge of the Directors as at the date of this report, the Company has maintained the prescribed public float under the Listing Rules.

AUDITOR

The accompanying consolidated financial statements were audited by PricewaterhouseCoopers. A resolution for their re-appointment as the Company's auditor for the ensuing year is to be proposed at the forthcoming annual general meeting. There was no change in auditor of the Company in any of the preceding three years.

On behalf of the Board
Yao Cho Fai Andrew
Chairman

Hong Kong, 23rd June 2016

董事於交易、安排或合約之重大權益

本公司、其附屬公司或其控股公司概無訂立任何董事或與董事有關連的實體於其中享有重大權益且與本集團業務有直接或間接關連，而且於本年度終結時或在本年度內任何時間仍然有效之重大交易、安排或合約。

關連人士交易

與關連人士之交易詳情載於隨附之綜合財務報表附註39。

競爭權益

截至二零一六年三月三十一日止年度，董事或本公司控權股東或其各自之聯繫人士概無於與本集團業務構成或可能構成競爭的業務中擁有權益或對本集團直接或間接構成任何其他利益衝突。

主要客戶及供應商

截至二零一六年三月三十一日止年度，本集團首五大客戶佔本集團總收入不足15%，而本集團首五大供應商則佔本集團總採購額約41%。此外，本集團最大之供應商佔本集團總採購額約11%。

各董事、彼等之聯繫人士或任何股東(就董事所知擁有本公司股本5%以上之股東)概無擁有本集團首五大供應商之實質權益。

公眾持股量

於本報告日期根據本公司所得悉及董事亦知悉之公開資料，本公司一直維持上市規則所訂明之公眾持股量。

核數師

隨附之綜合財務報表由羅兵咸永道會計師事務所審核。本公司將於應屆股東週年大會上提呈一項續聘其於來年擔任本公司核數師之決議案。本公司於過去三年間並無任何核數師變更事宜。

代表董事會
主席
姚祖輝

香港，二零一六年六月二十三日

PROFILE OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理人員履歷

DIRECTORS

Executive Directors

Mr. Yao Cho Fai Andrew

aged 50, was appointed as an Executive Director in December 1994. He became the Chairman of the Board in July 1999 and served as the Chief Executive Officer of the Company from July 1999 to November 2012. Mr. Yao was re-appointed as the Chief Executive Officer of the Company in November 2015. He is also the chairman of the Nomination Committee and a member of the Remuneration Committee of the Company. Mr. Yao is an independent non-executive director of Kader Holdings Company Limited which is a company listed on the main board of The Stock Exchange of Hong Kong Limited and 上海大眾公用事業(集團)股份有限公司 (Shanghai Dazhong Public Utilities (Group) Co., Ltd.) which is a company listed on the Shanghai Stock Exchange. Mr. Yao serves as the Hong Kong Deputy to the 12th National People's Congress of the People's Republic of China, the chairman of Shanghai Hong Kong Association, the chairman of Hongkong-Shanghai Economic Development Association, the council member of Lingnan University in Hong Kong, the vice-chairman of Shanghai Federation of Industry & Commerce and the board member of Fudan University in Shanghai. He was awarded "Young Industrialist Award of Hong Kong" by Federation of Hong Kong Industries in 2004, Justice of Peace by Hong Kong Special Administrative Region ("HKSAR") in 2008 and "Bronze Bauhinia Star" by HKSAR in 2016. Mr. Yao graduated from the University of California, Berkeley with a bachelor's degree in science and Harvard Graduate School of Business with a master in business administration.

董事

執行董事

姚祖輝先生

五十歲，於一九九四年十二月獲委任為本公司執行董事。彼於一九九九年七月成為董事會主席並於一九九九年七月至二零一二年十一月擔任本公司首席執行官。於二零一五年十一月，姚先生重獲委任為本公司首席執行官。彼亦為本公司提名委員會主席及薪酬委員會成員。姚先生為於香港聯合交易所有限公司主板上市之開達集團有限公司及於上海證券交易所上市之上海大眾公用事業(集團)股份有限公司之獨立非執行董事。姚先生之公職服務包括中華人民共和國第十二屆全國人民代表大會香港代表、上海香港聯會會長、滬港經濟發展協會會長、香港嶺南大學校董、上海市工商業聯合會副主席及上海復旦大學校董。彼於二零零四年榮獲香港工業總會頒發「香港青年工業家獎」、於二零零八年獲香港特區行政區政府(「香港特區政府」)授予太平紳士及於二零一六年榮獲香港特區政府頒發「銅紫荊星獎」。姚先生畢業於柏克萊加州大學並取得理學士學位；及於哈佛商學研究院取得工商管理碩士學位。

PROFILE OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理人員履歷

Ms. Luk Pui Yin Grace

aged 51, was appointed as an Executive Director of the Company in November 2015. She is also the Chief Financial Officer of the Group. Prior to joining the Group in May 2013, she was the chief operating officer and chief financial officer of North Asia Strategic Holdings Limited (listed on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited). Ms. Luk has over 10 years of private equity experience and more than 25 years of financial management experience in the Greater China region. During the period from 1994 to 2001, Ms. Luk was the director and financial controller of Kleinwort Benson China Management Limited, the investment manager of the London-listed China Investment & Development Fund. She was also the vice president of Dresdner Kleinwort Capital, the private equity arm of Dresdner Bank from 2001 to 2002. Ms. Luk was the department head of the category financial management department at Colgate-Palmolive (H.K.) Limited and was an auditor at Arthur Andersen & Co in Hong Kong from 1988 to 1994. She graduated from the Chinese University of Hong Kong with a bachelor's degree in business administration. Ms. Luk is a fellow of the UK Association of Chartered Certified Accountants and an associate of both the UK Chartered Institute of Management Accountants and the Hong Kong Institute of Certified Public Accountants.

Mr. Lau Chi Chiu

aged 49, was appointed as an Executive Director of the Company in November 2015. He is also the managing director of Hong Kong Steel and International Trading of the Group. He joined the Group in June 1991. Mr. Lau is responsible for the daily operations of the business of the Group and has held various sales and marketing and supply chain positions in the plastics and steel businesses of the Group. He was the general manager of the Group's plastic business from April 2003 to November 2011 and the general manager of the Group's steel business from December 2011 to May 2013. Mr. Lau graduated from Curtin University of Technology in Australia with a bachelor's degree in commerce (marketing and management).

陸佩然女士

五十一歲，於二零一五年十一月獲委任為本公司執行董事。彼亦為本集團首席財務總監。於二零一三年五月加入本集團前，彼為北亞策略控股有限公司(在香港聯合交易所有限公司創業板上市)之營運總監及財務總裁。陸女士於大中華地區之私募投資具有逾十年之經驗並於大中華地區之財務管理有超過二十五年之經驗。於一九九四年至二零零一年期間，陸女士為Kleinwort Benson China Management Limited之董事兼財務總監，該公司為倫敦上市基金China Investment & Development Fund之投資經理。彼由二零零一年至二零零二年在Dresdner Bank旗下之私募投資部門Dresdner Kleinwort Capital擔任副總裁。於一九八八年至一九九四年，陸女士為香港高露潔棕欖有限公司之產品財務管理部主管及香港安達信公司核數師。彼於香港中文大學畢業並取得工商管理學學士學位。陸女士為英國特許公認會計師公會資深會員以及英國特許管理會計師公會及香港會計師公會之會員。

劉子超先生

四十九歲，於二零一五年十一月獲委任為本公司執行董事。彼亦為本集團香港鋼材及國際貿易董事總經理。彼於一九九一年六月加入本集團。劉先生主要負責本集團業務之日常運作，並曾於本集團塑膠及鋼材業務擔任銷售及市場推廣，及供應鏈等多方面要職。彼於二零零三年四月至二零一一年十一月為本集團塑膠業務總經理及於二零一一年十二月至二零一三年五月為本集團鋼材業務總經理。劉先生於澳洲科廷大學(Curtin University of Technology)畢業並取得商學士學位(市場及管理)。

PROFILE OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理人員履歷

Non-executive Director

Mr. Dong Sai Ming Fernando

aged 54, was re-designated as a Non-executive Director of the Company in August 2012. He joined the Group in 1987 and was an Executive Director of the Company from January 1994 to September 1999 and from August 2002 to August 2012. He has over twenty years' experience in international trading. Mr. Dong was extensively involved in warehouse management, property investment and the China operations of the Group. He had also been assisting the Group to establish new manufacturing facilities in both Hong Kong and Mainland China. Mr. Dong is a member of the Chinese People's Political Consultative Conference Guangzhou Huangpu District Committee.

Independent Non-executive Directors

Mr. Tam King Ching Kenny

aged 67, was appointed as an Independent Non-executive Directors in September 2004. He is also the chairman of the Audit Committee and a member of the Remuneration Committee and the Nomination Committee of the Company. Mr. Tam also serves as an independent non-executive director of seven other listed companies on the main board of The Stock Exchange of Hong Kong Limited, namely, CCT Fortis Holdings Limited, Kingmaker Footwear Holdings Limited, Shougang Concord Grand (Group) Limited, Starlite Holdings Limited, West China Cement Limited, BeijingWest Industries International Limited and CCT Land Holdings Limited. He is a practising Certified Public Accountant in Hong Kong. He is a fellow member of the Hong Kong Institute of Certified Public Accountants and a member of the Chartered Professional Accountants of Ontario, Canada. Mr. Tam is serving as a member of the Restructuring and Insolvency Faculty Executive Committee, the Small and Medium Practitioners Committee and the Insolvency SD Vetting Committee in the Hong Kong Institute of Certified Public Accountants. He was also a Past President of The Society of Chinese Accountants and Auditors.

非執行董事

唐世銘先生

五十四歲，於二零一二年八月獲委任為本公司非執行董事。彼於一九八七年加入本集團，並於一九九四年一月至一九九九年九月及二零零二年八月至二零一二年八月期間擔任本公司執行董事。彼從事國際貿易逾二十年。唐先生曾全面參與本集團之倉務管理、物業投資及中國業務運作。彼亦曾協助本集團於香港及中國內地設立新生產設施。唐先生為中國人民政治協商會議廣州市黃埔區委員會委員。

獨立非執行董事

譚競正先生

六十七歲，於二零零四年九月獲委任為本公司獨立非執行董事。彼亦為本公司審核委員會主席以及薪酬委員會及提名委員會成員。譚先生亦擔任其他七間於香港聯合交易所有限公司主板上市之公司(即中建富通集團有限公司、信星鞋業集團有限公司、首長四方(集團)有限公司、星光集團有限公司、中國西部水泥有限公司、京西重工國際有限公司及中建置地集團有限公司)之獨立非執行董事。彼為香港執業會計師。彼為香港會計師公會之資深會員及加拿大安大略省特許專業會計師公會會員。譚先生現為香港會計師公會重整及破產管理專項學會執行委員會、中小型執業所委員會及破產重整專項資格核准委員會之委員。彼亦為香港華人會計師公會前任會長。

PROFILE OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理人員履歷

Mr. Xu Lin Bao

aged 67, was appointed as an Independent Non-executive Director of the Company in April 2006. He is also the chairman of the Remuneration Committee and a member of the Audit Committee and the Nomination Committee of the Company. Mr. Xu is currently the vice chairman of the Institute of Real Estate Shanghai Academy of Social Sciences. He served as the standing executive of China Real Estate Association (the 4th and 5th session), the chairman of operation and management professional committee of China Real Estate Association (the 4th and 5th session), the chairman of Shanghai Housing and Land Group, the vice chairman of Shanghai Real Estate Trade Association (the 5th and 6th session) and the chairman of executives of Yi-ju China Real Estate Research Center. He graduated from Fudan University, Shanghai with a degree in EMBA. Mr. Xu is a senior qualified economist.

Mr. Tse Lung Wa Teddy

aged 52, was appointed as an Independent Non-executive Director of the Company in August 2012. He is also the chairman of the Corporate Practice Committee and a member of the Audit Committee and the Remuneration Committee of the Company. Mr. Tse worked for Cargill Hong Kong Limited since 1989 till March 2012 and his last position was senior vice president of Cargill Ferrous International. Mr. Tse is the vice chairman of Smart Timing Steel Limited since September 2012. He graduated from the University of Hong Kong with a bachelor's degree in art.

徐林寶先生

六十七歲，於二零零六年四月獲委任為本公司獨立非執行董事。彼亦為本公司薪酬委員會主席以及審核委員會及提名委員會成員。徐先生現職上海社會科學院房地產業研究中心副理事長。彼亦曾擔任中國房地產業協會(第四屆、第五屆)常務理事、中國房地產業協會經營管理專業委員會(第四屆、第五屆)主任委員、上海房地(集團)有限公司董事長、上海市房地產行業協會(第五屆、第六屆)副會長及易居(中國)房地產研發中心理事長。彼於上海復旦大學畢業並取得高級管理人員工商管理碩士專業學位。徐先生為高級經濟師。

謝龍華先生

五十二歲，於二零一二年八月獲委任為本公司獨立非執行董事。彼亦為本公司企業常規委員會主席以及審核委員會及薪酬委員會成員。謝先生於一九八九年至二零一二年三月於嘉吉香港有限公司工作，最後任職嘉吉鋼鐵及原材料國際貿易的高級副總裁。自二零一二年九月起，謝先生擔任峻時鋼鐵有限公司副主席一職。彼於香港大學畢業並取得榮譽文學士學位。

PROFILE OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理人員履歷

Mr. Yeung Wing Sun Mike

aged 63, was appointed as an Independent Non-executive Director of the Company in March 2014. He is also a member of the Audit Committee and the Nomination Committee of the Company. Mr. Yeung is an independent non-executive director of UMP Healthcare Holdings Limited, a company listed on the main board of The Stock Exchange of Hong Kong Limited. He has over 40 years' working experience in the banking industry. Mr. Yeung began his career with the HSBC Group in 1972 and advanced himself in the organisation by taking up different positions under various business streams including personal banking, sales and marketing, branch operation and trade service. Since 2001, Mr. Yeung was relocated to Shanghai and took up the role of branch manager of HSBC Shanghai. In June 2006, he was seconded to Hang Seng Bank (China) Limited and appointed as the head of personal financial service and wealth management. Mr. Yeung assumed the role of deputy chief executive and head of retail banking and wealth management in May 2007. He retired from HSBC Group in January 2014. Mr. Yeung is a member of Chinese People's Political Consultative Conference Committee in Shanghai and the Honorary President of Hong Kong Chamber of Commerce in Shanghai. He was awarded the "Magnolia Gold Award" presented by the Shanghai Municipal government.

SENIOR MANAGEMENT

The abovementioned Executive Directors are members of senior management of the Group.

楊榮樂先生

六十三歲，於二零一四年三月獲委任為本公司獨立非執行董事。彼亦為本公司審核委員會及提名委員會成員。楊先生為於香港聯合交易所有限公司主板上市之聯合醫務集團有限公司之獨立非執行董事。彼擁有超過四十年銀行工作經驗。楊先生於一九七二年加入滙豐集團，於該機構之不同業務領域，包括個人理財、銷售及市場、分行營運及貿易服務擔任職務，拓展個人事業。自二零零一年起，楊先生移師到上海，並擔任滙豐上海分行行長一職。彼於二零零六年六月調任到恒生銀行(中國)有限公司，獲委任為個人理財及財富管理業務主管。楊先生於二零零七年五月擔任副行政總裁及零售及財富管理業務主管。彼於二零一四年一月卸任滙豐集團。楊先生現為中國人民政治協商會議上海市政協委員及中國香港(地區)商會上海榮譽會長。彼獲上海市政府頒授「白玉蘭榮譽獎」。

高級管理人員

上述執行董事為本集團高級管理人員的成員。



INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

TO THE SHAREHOLDERS OF HONG KONG SHANGHAI ALLIANCE HOLDINGS LIMITED

(FORMERLY KNOWN AS VAN SHUNG CHONG HOLDINGS LIMITED)

(incorporated in Bermuda with limited liability)

We have audited the consolidated financial statements of Hong Kong Shanghai Alliance Holdings Limited (formerly known as Van Shung Chong Holdings Limited) (the "Company") and its subsidiaries set out on pages 63 to 180, which comprise the consolidated statement of financial position as at 31st March 2016, 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 information.

Directors' Responsibility for the Consolidated Financial Statements

The directors of the Company are responsible for the preparation of consolidated financial statements that give a true and fair view 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, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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 about whether the consolidated financial statements are free from material misstatement.

致滬港聯合控股有限公司股東

(前稱萬順昌集團有限公司)

(於百慕達註冊成立之有限公司)

本核數師(以下簡稱「我們」)已審計列載於第63至180頁之滬港聯合控股有限公司(前稱萬順昌集團有限公司)(以下簡稱「貴公司」)及其附屬公司的綜合財務報表，此綜合財務報表包括於二零一六年三月三十一日的綜合財務狀況表與截至該日止年度的綜合損益表、綜合全面損益表、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資料。

董事就綜合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香港《公司條例》的披露規定擬備真實而中肯的綜合財務報表，並對其認為使綜合財務報表的擬備不存在由於欺詐或錯誤而導致的重大錯誤陳述所必需的內部控制負責。

核數師的責任

我們的責任是根據我們的審計對該等綜合財務報表發表意見，並按照百慕達《一九八一年公司法》第90條僅向閣下(作為整體)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。該等準則要求我們遵守道德規範，並規劃及執行審計以對綜合財務報表是否不存在任何重大錯誤陳述獲取合理保證。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of consolidated financial statements that give a true and fair view 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 consolidated 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 financial position of the Company and its subsidiaries as at 31st March 2016, and of their financial performance and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

PricewaterhouseCoopers

Certified Public Accountants

Hong Kong, 23rd June 2016

審計涉及執程序以獲取有關綜合財務報表所載金額及披露資料之審計憑證。所選擇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綜合財務報表存在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擬備真實而中肯的綜合財務報表相關的內部控制，以設計適當的審計程序，但目的並非對公司內部控制的有效性發表意見。審計亦包括評價董事所採用會計政策的恰當性及作出會計估計的合理性，以及評價綜合財務報表的整體列報方式。

我們相信，我們所獲得的審計憑證能充足和適當地為我們的審計意見提供基礎。

意見

我們認為，該等綜合財務報表已根據香港財務報告準則真實而中肯地反映 貴公司及其附屬公司於二零一六年三月三十一日的財務狀況及彼等截至該日止年度的財務表現及現金流量，並已遵照香港《公司條例》之披露規定妥為擬備。

羅兵咸永道會計師事務所

執業會計師

香港，二零一六年六月二十三日

CONSOLIDATED INCOME STATEMENT

綜合損益表

For the year ended 31st March 2016 截至二零一六年三月三十一日止年度

		Note 附註	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Revenue	收入	5	3,380,161	3,868,393
Cost of sales	銷售成本	7	(2,964,591)	(3,478,595)
Gross profit	毛利		415,570	389,798
Selling and distribution expenses	銷售及分銷支出	7	(78,624)	(68,833)
General and administrative expenses	一般及行政支出	7	(302,866)	(193,043)
Other (losses)/gains — net	其他(虧損)/收益 — 淨額	6	(21,059)	15,938
Fair value gain on investment property	投資物業之公平價值收益	15	199,514	204,108
Operating profit	經營溢利		212,535	347,968
Finance income	財務收入	10	2,065	3,883
Finance costs	財務費用	10	(65,404)	(59,150)
Share of results of associates — net	應佔聯營公司之業績 — 淨額	20	(7,364)	(1,056)
Share of results of joint ventures — net	應佔合營公司之業績 — 淨額	21	4,437	1,930
Profit before income tax	除稅前溢利		146,269	293,575
Income tax expense	所得稅支出	11	(75,005)	(74,309)
Profit for the year	年度溢利		71,264	219,266
Attributable to:	應佔：			
Equity holders of the Company	本公司股權持有人		70,105	215,533
Non-controlling interests	非控制性權益		1,159	3,733
			71,264	219,266
Earnings per ordinary share attributable to the equity holders of the Company	本公司股權持有人應佔每股普通股盈利			
Basic	基本	13	HK10.95 cents 港仙	HK39.72 cents 港仙
Diluted	攤薄	13	HK10.72 cents 港仙	HK38.64 cents 港仙

The notes are an integral part of these consolidated financial statements.

附註為該等綜合財務報表整體之一部分。

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

綜合全面損益表

For the year ended 31st March 2016 截至二零一六年三月三十一日止年度

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Profit for the year	年度溢利	71,264	219,266
Other comprehensive (loss)/income: Items that may be subsequently reclassified to profit or loss:	其他全面(虧損)/收入：其後可重新分類為損益之項目：		
Change in fair value of available-for-sale financial asset (Note 23)	可供出售之財務資產之公平價值變動(附註23)	(99)	175
Currency translation differences	貨幣匯兌差額	(43,438)	2,832
Other comprehensive (loss)/income for the year	年度其他全面(虧損)/收入	(43,537)	3,007
Total comprehensive income for the year	年度全面收入總額	27,727	222,273
Total comprehensive income attributable to:	應佔全面收入總額：		
— Equity holders of the Company	— 本公司股權持有人	26,568	218,513
— Non-controlling interests	— 非控制性權益	1,159	3,760
		27,727	222,273

The notes are an integral part of these consolidated financial statements.

附註為該等綜合財務報表整體之一部分。

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

As at 31st March 2016 於二零一六年三月三十一日

			2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
		Note 附註		
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	14	220,536	73,820
Investment property	投資物業	15	1,311,600	1,144,634
Land use rights	土地使用權	16	44,536	47,977
Intangible assets	無形資產	17	80,178	85,786
Investments in associates	於聯營公司之投資	20	—	7,696
Investments in joint ventures	於合營公司之投資	21	148,108	135,159
Prepayments, deposits and other receivables	預付款項、按金及其他應收賬款	27	286,316	32,735
Deferred income tax assets	遞延所得稅資產	22	18,456	21,460
Available-for-sale financial asset	可供出售之財務資產	23	487	458
			2,110,217	1,549,725
Current assets	流動資產			
Prepayments, deposits and other receivables	預付款項、按金及其他應收賬款	27	147,541	92,384
Inventories	存貨	25	175,634	320,015
Amounts due from joint ventures	應收合營公司賬款	21	15,593	4,468
Trade and bill receivables	應收賬款及票據	26	461,717	553,352
Financial assets at fair value through profit or loss	按公平價值計入損益之財務資產	24	15,630	7,989
Pledged bank deposits	已抵押銀行存款	28	59,166	38,876
Cash and cash equivalents	現金及現金等值	28	546,261	354,997
			1,421,542	1,372,081
Total assets	資產總額		3,531,759	2,921,806
Equity	權益			
Capital and reserves attributable to equity holders of the Company	本公司股權持有人應佔股本及儲備			
Share capital	股本	32	64,064	63,227
Reserves	儲備	34	995,360	1,007,954
			1,059,424	1,071,181
Non-controlling interest	非控制性權益		2,079	920
Total equity	權益總額		1,061,503	1,072,101

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)

綜合財務狀況表(續)

As at 31st March 2016 於二零一六年三月三十一日

		Note	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Liabilities	負債			
Non-current liabilities	非流動負債			
Accrued liabilities and other payables	應計負債及其他應付賬款	30	10,755	7,520
Deferred income tax liabilities	遞延所得稅負債	22	200,438	158,594
Borrowings	借貸	31	1,140,423	565,539
			1,351,616	731,653
Current liabilities	流動負債			
Trade and bill payables	應付賬款及票據	29	132,581	151,604
Receipts in advance	預收款項		36,688	27,986
Accrued liabilities and other payables	應計負債及其他應付賬款	30	83,233	40,577
Current income tax liabilities	當期所得稅負債		14,177	14,942
Borrowings	借貸	31	851,961	882,943
			1,118,640	1,118,052
Total liabilities	負債總額		2,470,256	1,849,705
Total equity and liabilities	權益及負債總額		3,531,759	2,921,806

The consolidated financial statements were approved by the Board of Directors on 23rd June 2016 and were signed on its behalf.

綜合財務報表已於二零一六年六月二十三日獲董事會刊發，並代表簽署。

Yao Cho Fai Andrew

姚祖輝
Chairman
主席

Luk Pui Yin Grace

陸佩然
Executive Director
執行董事

The notes are an integral part of these consolidated financial statements.

附註為該等綜合財務報表整體之一部分。

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

For the year ended 31st March 2016 截至二零一六年三月三十一日止年度

		Attributable to equity holders of the Company 本公司股權持有人應佔				Non-	Total
		Share	Other	Retained	Total	controlling	equity
		capital	reserves	earnings		interests	
		股本	其他儲備	保留盈利	總額	非控制性	權益總額
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	權益	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元
		(Note 32)	(Note 34)	(Note 34)			
		(附註32)	(附註34)	(附註34)			
As at 1st April 2014	於二零一四年四月一日	41,770	509,377	230,045	781,192	440	781,632
Profit for the year	年度溢利	—	—	215,533	215,533	3,733	219,266
Other comprehensive income	其他全面收入						
— Change in fair value of available-for-sale financial asset (Note 23)	— 可供出售之財務資產之公平價值變動 (附註23)	—	175	—	175	—	175
— Currency translation differences	— 貨幣匯兌差額	—	2,805	—	2,805	27	2,832
Total comprehensive income	全面收入總額	—	2,980	215,533	218,513	3,760	222,273
Contributions by and distributions to owners of the Group recognised directly in equity	本集團擁有人之注資及獲得之分派直接於權益確認						
Appropriation of statutory reserves	提撥法定儲備	—	1,868	(1,868)	—	—	—
Lapse of share options	失效之購股權	—	(323)	323	—	—	—
Share-based payment	以股份為基礎之支付	—	1,237	—	1,237	—	1,237
Issuance of shares under open offer	根據公開發售發行股份	21,076	79,639	—	100,715	—	100,715
Exercise of share options	行使購股權	381	1,488	—	1,869	—	1,869
Dividends paid to equity holders of the Company	已付本公司股權持有人之股息						
— 2014 final dividend	— 二零一四年末期股息	—	—	(17,484)	(17,484)	—	(17,484)
— 2015 interim dividend	— 二零一五年中期股息	—	—	(14,753)	(14,753)	—	(14,753)
Dividend paid to a non-controlling shareholder of a subsidiary	已付一間附屬公司之一位非控制性股東之股息	—	—	—	—	(2,800)	(2,800)
Total contributions by and distributions to owners of the Group	本集團擁有人之注資及獲得之分派總額	21,457	83,909	(33,782)	71,584	(2,800)	68,784
Change in ownership interest in a subsidiary without change of control	於一間附屬公司之擁有權益變動而控制權不變						
Acquisition of non-controlling interests (Note 37)	收購非控制性權益 (附註37)	—	—	(108)	(108)	(480)	(588)
Total change in ownership interest in a subsidiary without change of control	於一間附屬公司之擁有權益變動而控制權不變之總額	—	—	(108)	(108)	(480)	(588)
As at 31st March 2015	於二零一五年三月三十一日	63,227	596,266	411,688	1,071,181	920	1,072,101

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (CONTINUED)

綜合權益變動表(續)

For the year ended 31st March 2016 截至二零一六年三月三十一日止年度

		Attributable to equity holders of the Company 本公司股權持有人應佔				Non-	Total
		Share capital	Other reserves	Retained earnings	Total	controlling interests	equity
		股本	其他儲備	保留盈利	總額	非控制性權益	權益總額
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元
		(Note 32)	(Note 34)	(Note 34)			
		(附註 32)	(附註 34)	(附註 34)			
As at 1st April 2015	於二零一五年四月一日	63,227	596,266	411,688	1,071,181	920	1,072,101
Profit for the year	年度溢利	—	—	70,105	70,105	1,159	71,264
Other comprehensive (loss)/ income	其他全面(虧損)/收入						
— Change in fair value of available-for-sale financial asset (Note 23)	— 可供出售之財務資產之公平價值變動 (附註 23)	—	(99)	—	(99)	—	(99)
— Currency translation differences	— 貨幣匯兌差額	—	(43,438)	—	(43,438)	—	(43,438)
Total comprehensive income	全面收入總額	—	(43,537)	70,105	26,568	1,159	27,727
Contributions by and distributions to owners of the Group recognised directly in equity	本集團擁有人之注資及獲得之分派直接於權益確認						
Appropriation of statutory reserves	提撥法定儲備	—	(81)	81	—	—	—
Lapse of share options	失效之購股權	—	(141)	141	—	—	—
Share-based payment	以股份為基礎之支付	—	1,859	—	1,859	—	1,859
Exercise of share options	行使購股權	837	2,542	—	3,379	—	3,379
Dividends paid to equity holders of the Company	已付本公司股權持有人之股息	—	—	(32,032)	(32,032)	—	(32,032)
— 2015 final dividend	— 二零一五年末期股息	—	—	(32,032)	(32,032)	—	(32,032)
— 2016 interim dividend	— 二零一六年中期股息	—	—	(11,531)	(11,531)	—	(11,531)
Total contributions by and distributions to owners of the Group	本集團擁有人之注資及獲得之分派總額	837	4,179	(43,341)	(38,325)	—	(38,325)
As at 31st March 2016	於二零一六年三月三十一日	64,064	556,908	438,452	1,059,424	2,079	1,061,503

The notes are an integral part of these consolidated financial statements.

附註為該等綜合財務報表整體之一部分。

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

For the year ended 31st March 2016 截至二零一六年三月三十一日止年度

	Note 附註	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Cash flows from operating activities	經營活動之現金流量		
Cash generated from operations	35(a)	256,359	62,001
Interest received		2,065	3,883
Interest paid		(60,364)	(55,206)
Hong Kong profits tax paid		(15,718)	(10,393)
China corporate income tax paid		(6,707)	(12,568)
Net cash generated from/(used in) operating activities		175,635	(12,283)
Cash flows from investing activities	投資活動之現金流量		
Purchase of property, plant and equipment		(149,245)	(38,849)
Proceeds from disposals of property, plant and equipment	35(b)	598	998
Deposit paid for acquisition of an investment property	27	(259,231)	—
Capital expenditures for an investment property	15	(28,710)	(9,262)
Net proceed from disposal of an investment property	35(c)	—	22,572
Acquisition of a business	36	—	(7,844)
Investment in a joint venture	21	(19,500)	(132,114)
Purchase of available-for-sale financial asset	23	(128)	—
Net purchase of financial assets at fair value through profit or loss		(4,670)	(7,711)
Distributions from an associate	20	—	228,484
Net cash (outflow)/inflow from investing activities		(460,886)	56,274
Cash flows from financing activities	融資活動之現金流量		
Proceeds from bank loans		964,069	251,668
Repayment of bank loans		(358,112)	(356,211)
Net decrease in trust receipt bank loans		(62,731)	(22,615)
(Increase)/decrease in pledged bank deposits		(20,290)	582
Acquisition of non-controlling interests	37	—	(588)
Dividends paid to equity holders of the Company		(43,563)	(32,237)
Dividend paid to a non-controlling shareholder of a subsidiary		—	(2,800)
Issuance of shares	32	—	100,715
Exercise of share options		3,379	1,869
Net cash inflow/(outflow) from financing activities		482,752	(59,617)
Increase/(decrease) in cash and cash equivalents		197,501	(15,626)
Cash and cash equivalents, beginning of the year		354,997	370,528
Currency translation differences		(6,237)	95
Cash and cash equivalents, end of the year		546,261	354,997

The notes are an integral part of these consolidated financial statements.

附註為該等綜合財務報表整體之一部分。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

1 General information

Hong Kong Shanghai Alliance Holdings Limited (formerly known as Van Shung Chong Holdings Limited) (the “Company”) is a limited liability company incorporated in Bermuda on 12th January 1994 as an exempted company under the Companies Act 1981 of Bermuda. The shares of the Company have been listed on the Main Board of The Stock Exchange of Hong Kong Limited since 18th February 1994. The address of its registered office is Clarendon House, 2 Church Street, Hamilton HM11, Bermuda. By special resolution passed on 26th November 2015, the name of the Company was changed from Van Shung Chong Holdings Limited to Hong Kong Shanghai Alliance Holdings Limited.

The Company and its subsidiaries (the “Group”) are principally engaged in stockholding and distribution of construction materials such as steel products; trading of sanitary wares, kitchen cabinets and engineering plastics; steel recycling and property business.

These consolidated financial statements are presented in Hong Kong dollar (“HK\$”), unless otherwise stated. These consolidated financial statements have been approved for issue by the Board of Directors on 23rd June 2016.

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.

1 一般資料

滬港聯合控股有限公司(前稱萬順昌集團有限公司)(「本公司」)於一九九四年一月十二日在百慕達註冊成立為有限公司，並根據百慕達一九八一年公司法，成為一間豁免公司。自一九九四年二月十八日起，本公司股份於香港聯合交易所有限公司主板上市。其註冊辦事處地址為Clarendon House, 2 Church Street, Hamilton HM11, Bermuda。經二零一五年十一月二十六日通過之特別決議案，本公司之名稱已由萬順昌集團有限公司更改為滬港聯合控股有限公司。

本公司及其附屬公司(「本集團」)主要從事存銷及分銷建築材料，例如鋼材產品；潔具、廚櫃、工程塑膠貿易；鋼材回收及房地產業務。

除另有說明外，該等綜合財務報表以港元(「港元」)列示。該等綜合財務報表已於二零一六年六月二十三日經董事會核准刊發。

2 主要會計政策概要

編製該等綜合財務報表採用之主要會計政策載列如下。除另有說明外，該等政策於所呈列之所有年度一直貫徹應用。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 Summary of significant accounting policies (Continued)

2.1 Basis of preparation

These consolidated financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards (“HKFRS”). They have been prepared under the historical cost convention, as modified by the revaluation of available-for-sale financial asset, financial assets at fair value through profit or loss and investment property, which are carried at fair values.

The preparation of these 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.

- (a) The Group has adopted the following new, revised and amended standards and interpretations to existing standards (“new HKFRS”) that have been issued and are effective for the Group’s accounting year beginning on or after 1st April 2015:

HKAS 19 (Amendment)	Defined Benefit Plans: Employee Contributions
Annual Improvements 2010 – 2012 Cycle	Annual Improvements to HKFRSs issued in January 2014
Annual Improvements 2011 – 2013 Cycle	Annual Improvements to HKFRSs issued in January 2014

The adoption of the above new HKFRSs did not result in substantial changes to the accounting policies of the Group and had no material effect on how the results and financial position for the current or prior accounting periods have been prepared and presented.

2 主要會計政策概要(續)

2.1 編製基準

本綜合財務報表依照香港財務報告準則(「香港財務報告準則」)編製，且按歷史成本慣例編製，並已就重估可供出售財務資產、按公平價值計入損益之財務資產及投資物業作出修訂(按公平價值列賬)。

編製該等符合香港財務報告準則之綜合財務報表需要使用若干關鍵性會計推算。此亦需要管理層在應用本集團會計政策之過程中行使其判斷。涉及高度之判斷或高度複雜性之範疇，或涉及對綜合財務報表屬重大假設及推算之範疇已在附註4中披露。

- (a) 本集團已採納下列已頒佈且於二零一五年四月一日或之後開始之會計年度生效之新訂、經修訂及經修改準則及對現有準則之詮釋(「新香港財務報告準則」)：

香港會計準則第19號(修訂)	界定福利計劃：僱員供款
二零一零年至二零一二年週期之年度改善	對於二零一四年一月頒佈之香港財務報告準則進行之年度改善
二零一一年至二零一三年週期之年度改善	對於二零一四年一月頒佈之香港財務報告準則進行之年度改善

採納上述新香港財務報告準則並不導致本集團的會計政策出現重大變動及並無對如何編製及呈列當前或過往會計期間之業績及財務狀況造成重大影響。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 Summary of significant accounting policies (Continued)

2.1 Basis of preparation (Continued)

- (b) The following new, revised and amended standards and interpretations to existing standards that are effective and have not been early adopted by the Group:

HKAS 1 (Amendment)	Disclosure Initiative (effective for annual periods beginning on or after 1st January 2016)
HKAS 16 and HKAS 38 (Amendment)	Clarification of Acceptable Methods of Depreciation and Amortisation (effective for annual periods beginning on or after 1st January 2016)
HKAS 16 and HKAS 41 (Amendment)	Agriculture: Bearer Plants (effective for annual periods beginning on or after 1st January 2016)
HKAS 27 (Amendment)	Equity Method in Separate Financial Statements (effective for annual periods beginning on or after 1st January 2016)
HKFRS 9	Financial Instruments (effective for annual periods beginning on or after 1st January 2018)
HKFRS 10 and HKAS 28 (Amendment)	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (effective for annual periods: to be determined)
HKFRS 10, HKFRS 12 and HKAS 28 (Amendment)	Investment Entities: Applying the Consolidation Exception (effective for annual periods beginning on or after 1st January 2016)
HKFRS 11 (Amendment)	Accounting for Acquisitions of Interests in Joint Operations (effective for annual periods beginning on or after 1st January 2016)

2 主要會計政策概要(續)

2.1 編製基準(續)

- (b) 以下新訂、經修訂及經修改準則及對現有準則之詮釋已生效，惟未獲本集團提前採納：

香港會計準則第1號(修訂)	披露方式(於二零一六年一月一日或之後開始之年度期間生效)
香港會計準則第16號及香港會計準則第38號(修訂)	釐清折舊及攤銷之可接納方法(於二零一六年一月一日或之後開始之年度期間生效)
香港會計準則第16號及香港會計準則第41號(修訂)	農業：生產性植物(於二零一六年一月一日或之後開始之年度期間生效)
香港會計準則第27號(修訂)	獨立財務報表之權益法(於二零一六年一月一日或之後開始之年度期間生效)
香港財務報告準則第9號	金融工具(於二零一八年一月一日或之後開始之年度期間生效)
香港財務報告準則第10號及香港會計準則第28號(修訂)	投資者與其聯營公司或合營公司間之資產出售或注資(年度期間生效待定)
香港財務報告準則第10號、香港財務報告準則第12號及香港會計準則第28號(修訂)	投資實體：應用綜合入賬之例外情況(於二零一六年一月一日或之後開始之年度期間生效)
香港財務報告準則第11號(修訂)	收購於合營業務權益之會計處理(於二零一六年一月一日或之後開始之年度期間生效)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 Summary of significant accounting policies (Continued)

2.1 Basis of preparation (Continued)

- (b) The following new, revised and amended standards and interpretations to existing standards that are effective and have not been early adopted by the Group: (Continued)

HKFRS 14	Regulatory Deferral Accounts (effective for annual periods beginning on or after 1st January 2016)
HKFRS 15	Revenue from Contracts with Customers (effective for annual periods beginning on or after 1st January 2018)
HKFRS 16	Leases (effective for annual periods beginning on or after 1st January 2019)
Annual Improvements 2012-2014 Cycle	Annual Improvements to HKFRSs issued in October 2014 (effective for annual periods beginning on or after 1st January 2016)

The Group has commenced an assessment of the impact of these new, revised and amended standards and interpretation to existing standards, but is not yet in a position to state whether they would have a significant impact on its results of operations and financial position.

- (c) New Hong Kong Companies Ordinance (Cap. 622)

In addition, as the Company is incorporated outside Hong Kong, according to the listing rule requirements of The Stock Exchange of Hong Kong Limited, the requirements of Part 9 "Accounts and Audit" of the new Hong Kong Companies Ordinance (Cap. 622) come into operation during the financial year, as a result, there are changes to presentation and disclosures of certain information in the consolidated financial statements.

2 主要會計政策概要(續)

2.1 編製基準(續)

- (b) 以下新訂、經修訂及經修改準則及對現有準則之詮釋已生效，惟未獲本集團提前採納：(續)

香港財務報告準則第14號	監管遞延賬目(於二零一六年一月一日或之後開始之年度期間生效)
香港財務報告準則第15號	來自客戶合約之收益(於二零一八年一月一日或之後開始之年度期間生效)
香港財務報告準則第16號	租賃(於二零一九年一月一日或之後開始之年度期間生效)
二零一二年至二零一四年週期之年度改善	對於二零一四年十月頒佈之香港財務報告準則進行之年度改善(於二零一六年一月一日或之後開始之年度期間生效)

本集團已開始評估該等新訂、經修訂及經修改準則及對現有準則之詮釋，但尚未確定其是否會對其經營業績及財務狀況造成重大影響。

- (c) 新香港公司條例(第622章)

此外，由於本公司於香港境外註冊成立，故根據香港聯合交易所有限公司上市規則之規定，新香港公司條例(第622章)第9部「賬目及審計」之規定於財政年度內生效，因此，綜合財務報表中之若干資料呈報及披露將有變動。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 Summary of significant accounting policies (Continued)

2.2 Subsidiaries

(a) Consolidation

A subsidiary is an entity (including a structured entity) over which the Group has control. The Group controls an entity when the Group is exposed to, or has right to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

(i) Business combinations

The Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date.

Acquisition-related costs are expensed as incurred.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired is recorded as goodwill (Note 2.8). If the total of consideration transferred, non-controlling interest recognised and previously held interest measured is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in the consolidated income statement.

2 主要會計政策概要(續)

2.2 附屬公司

(a) 綜合賬目

附屬公司指本集團對其有控制權之實體(包括結構性實體)。當本集團因參與一家實體事務而對可變回報承擔風險或享有權利，及有能力透過對該實體擁有的權力影響該等回報時，則本集團對該實體擁有控制權。附屬公司由其控制權轉移到本集團之日起綜合入賬，並由該控制權終止之日起終止入賬。

(i) 業務合併

本集團進行業務合併時採用收購會計法入賬。收購附屬公司之轉讓代價為所轉讓資產、對被收購方之前擁有人所產生負債及本集團所發行股本權益之公平價值。所轉讓代價包括或然代價安排產生之任何資產或負債之公平價值。於業務合併時所收購之可識別資產及已承擔之負債及或然負債，初步按收購日之公平價值計量。

收購相關成本於產生時列為開支。

所轉讓代價、被收購方的任何非控制性權益金額及任何先前於被收購方的股本權益於收購日的公平價值超出所收購可辨認資產淨額的公平價值的部分，以商譽列賬(附註2.8)。倘所轉讓代價、已確認非控股性權益及先前持有之權益之總額低於在收購議價情況下收購之附屬公司資產淨值之公平價值，其差額於綜合損益表中直接確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 Summary of significant accounting policies (Continued)

2.2 Subsidiaries (Continued)

(a) Consolidation (Continued)

(i) Business combinations (Continued)

Intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. When necessary, amounts reported by subsidiaries have been adjusted to conform with the Group's accounting policies.

(b) Separate financial statements

Investments in subsidiaries are accounted for at cost less impairment. Cost includes direct attributable costs of investment. The results of subsidiaries are accounted for by the Company on the basis of dividend received and receivable.

Impairment testing of the investments in subsidiaries is required upon receiving a dividend from these investments if the dividend exceeds the total comprehensive income of the subsidiary in the period the dividend is declared or if the carrying amount of the investment in the separate financial statements exceeds the carrying amount in the consolidated financial statements of the investee's net assets including goodwill.

2.3 Associates

An associate is an entity over which the Group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting. Under the equity method, the investment is initially recognised at cost, and the carrying amount is increased or decreased to recognise the investor's share of the profit or loss of the investee after the date of acquisition. The Group's investments in associates include goodwill identified on acquisition.

2 主要會計政策概要(續)

2.2 附屬公司(續)

(a) 綜合賬目(續)

(i) 業務合併(續)

集團內交易、結餘及集團公司間交易的未變現收益予以對銷。除非該交易提供證據顯示所轉讓資產有所減值，否則未實現虧損亦予以抵銷。附屬公司申報的金額已在需要時作出調整，以確保與本集團的會計政策一致。

(b) 獨立財務報表

於附屬公司之投資按成本扣除減值列賬。成本包括投資直接應佔之成本。附屬公司之業績由本公司按已收股息及應收賬款基準入賬。

如股息超過宣派股息期內附屬公司之全面收入總額，或如在獨立財務報表之投資賬面金額超過綜合財務報表中被投資公司資產淨額(包括商譽)之賬面金額，則於獲取股息時須對於附屬公司之投資作減值測試。

2.3 聯營公司

聯營公司是指凡本集團對其有重大影響力但無控制權之實體，一般附帶20%至50%投票權之股權。於聯營公司之投資以權益會計法入賬。根據權益法，投資初始以成本確認，於收購日期後，其賬面金額會增加或減少，以確認投資者於被投資公司之應佔溢利或虧損。本集團於聯營公司之投資包括收購時已識別之商譽。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 Summary of significant accounting policies (Continued)

2.3 Associates (Continued)

The Group's share of post-acquisition profits or losses is recognised in the consolidated income statement, and its share of post-acquisition movements in reserves is recognised in other comprehensive income with a corresponding adjustment to the carrying amount of the investment. When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associate.

The Group determines at each reporting date whether there is any objective evidence that the investment in the associate is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognises the amount adjacent to "share of results of associates — net" in the consolidated income statement.

Profits and losses resulting from upstream and downstream transactions between the Group and its associate are recognised in the Group's consolidated financial statements only to the extent of unrelated investor's interests in the associates. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the Group.

2.4 Joint arrangements

The Group has applied HKFRS 11 – Joint Arrangements to all joint arrangements. Under HKFRS 11, investments in joint arrangements are classified as either joint operations or joint ventures depending on the contractual rights and obligations of each investor. The Group has assessed the nature of its joint arrangements and determined them to be joint ventures. Joint ventures are accounted for using the equity method.

2 主要會計政策概要(續)

2.3 聯營公司(續)

本集團應佔收購後之溢利或虧損於綜合損益表中確認，而其應佔收購後儲備變動則於其他全面收入中確認，並相應調整投資之賬面金額。當本集團應佔一間聯營公司之虧損等於或超過其在該聯營公司之權益(包括任何其他無抵押應收賬款)時，本集團不會進一步確認虧損，除非其已產生法律或推定債務或已代聯營公司作出付款。

本集團在每個報告日釐定是否有客觀證據證明於聯營公司之投資已減值。如投資已減值，本集團計算減值金額應為聯營公司可收回金額與其賬面價值之差額，並於綜合損益表中之「應佔聯營公司之業績 — 淨額」內確認該金額。

本集團與其聯營公司間之上游和下游交易之溢利及虧損，在本集團之綜合財務報表中確認，但僅以無關連投資者於聯營公司之權益為限。除非該交易提供證據顯示所轉讓資產有所減值，否則未實現虧損亦予以抵銷。聯營公司之會計政策已按需要作出改變，以確保與本集團採用之政策一致。

2.4 合營安排

本集團已就所有合營安排應用香港財務報告準則第11號 — 合營安排。根據香港財務報告準則第11號，於合營安排之投資乃分類為合營業務或合營公司，視乎各投資者之合約權益及義務而定。本集團已評估其合營安排之性質，並將其釐定為合營公司。合營公司採用權益法入賬。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 Summary of significant accounting policies (Continued)

2.4 Joint arrangements (Continued)

Under the equity method of accounting, interests in joint ventures are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses and movements in other comprehensive income. The Group's investments in joint ventures include goodwill identified on acquisition. Upon the acquisition of the ownership interest in a joint venture, any difference between the cost of the joint venture and the Group's share of the net fair value of the joint venture's identifiable assets and liabilities is accounted for as goodwill. When the Group's share of losses in a joint venture equals or exceeds its interests in the joint ventures (which includes any long-term interests that, in substance, form part of the Group's net investment in the joint ventures), the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the joint ventures.

Unrealised gains on transactions between the Group and its joint ventures are eliminated to the extent of the Group's interest in the joint ventures. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of the joint ventures have been changed where necessary to ensure consistency with the policies adopted by the Group.

2.5 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM"), who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the executive directors that make strategic decisions. Information relating to segment assets and liabilities is not disclosed as such information is not reported to the CODM.

2 主要會計政策概要(續)

2.4 合營安排(續)

根據權益會計法，於合營公司之權益初步以成本確認，其後作出調整，以確認本集團應佔之收購後溢利或虧損以及其他全面收益變動。本集團於合營公司之投資包括於收購時識別之商譽。於收購合營公司之擁有權權益時，合營公司之成本與本集團應佔該合營公司可識別資產及負債之淨公平價值間之差額，乃入賬列作商譽。當本集團應佔一間合營公司之虧損等於或超過其於該合營公司之權益(包括任何實質上構成本集團於該合營公司淨投資之長期權益)，本集團不會確認進一步虧損，除非其已產生義務或已代合營公司作出付款。

本集團與其合營公司間交易之未變現收益按本集團於合營公司之權益予以對銷。除非交易提供所轉讓資產出現減值之憑證，否則未變現虧損亦予以對銷。合營公司之會計政策已按需要作出變動，以確保與本集團採用之政策一致。

2.5 分部報告

營運分部以向主要營運決策者(「主要營運決策者」)提供內部呈報一致之方法呈報，其負責營運分部之資源分配及表現評估及被視為制定策略性決定之執行董事。由於有關分部資產及負債之資料並無向主要營運決策者呈報，故並無披露該等資料。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 Summary of significant accounting policies (Continued)

2.6 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 HK\$, 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. All foreign exchange gains and losses are presented in the consolidated income statement within "other (losses)/gains — net".

Translation differences on non-monetary financial assets and liabilities such as equities held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss. Translation differences on non-monetary financial assets, such as equities classified as available for sale, are included in other comprehensive income.

2 主要會計政策概要(續)

2.6 外幣換算

(a) 功能及呈列貨幣

本集團各實體之財務報表所列項目均以該實體營運所在主要經濟環境之貨幣計量(「功能貨幣」)。綜合財務報表以港元呈報，港元為本公司之功能貨幣及本集團之呈列貨幣。

(b) 交易及結餘

外幣交易採用交易或估值(重新計量項目)當日之匯率，換算為功能貨幣。結算此等交易及將外幣計值之貨幣資產及負債以年終匯率換算，而產生之匯兌收益及虧損於綜合損益表中確認。所有匯兌收益及虧損於綜合損益表「其他(虧損)/收益 — 淨額」內呈列。

非貨幣財務資產及負債(例如按公平價值計入損益之所持權益)之換算差額於損益中確認為公平價值盈虧之一部份。非貨幣財務資產(例如分類為可供出售之權益)之換算差額則計入其他全面收入。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 Summary of significant accounting policies (Continued)

2.6 Foreign currency translation

(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 statement of financial position presented are translated at the closing rate at the date of that statement of financial position;
- (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 currency translation differences are recognised as a separate component of other comprehensive income.

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. Currency translation difference is recognised in other comprehensive income.

2 主要會計政策概要(續)

2.6 外幣換算(續)

(c) 集團公司

功能貨幣不同於所有本集團實體(當中並無惡性通脹經濟貨幣)業績及財務狀況呈列貨幣均按以下方法換算為呈列貨幣：

- (i) 各財務狀況表呈列之資產及負債均以該財務狀況表結算日之收市匯率換算；
- (ii) 各損益表之收支均按平均匯率換算(除非該平均值並非於交易日匯率累計影響之合理近似值，在此情況下，收支乃按交易日之匯率換算)；及
- (iii) 所有由此產生之匯兌差額確認為其他全面收入之獨立組成部分。

收購境外實體時產生之商譽及公平價值調整乃作為該境外實體之資產及負債處理，並以收市匯率換算。貨幣匯兌差額於其他全面收入中確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 Summary of significant accounting policies (Continued)

2.7 Property, plant and equipment

Property, plant and equipment, other than construction in progress, is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the consolidated income statement during the financial year in which they are incurred.

The depreciation of property, plant and equipment is calculated using the straight-line method to allocate their costs to their residual values over their estimated useful lives, as follows:

— Buildings	2% to 20%
— Leasehold improvements	20% to 33%
— Furniture and equipment	15% to 33%
— Machinery	10% to 25%
— Motor vehicles and vessels	10% to 20%

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 2.11).

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

Construction in progress represents a plant under construction, which is stated at cost less any impairment loss, and is not depreciated. Cost comprises the direct costs of construction. Construction in progress is reclassified to the appropriate category of property, plant and equipment when completed and ready for use.

2 主要會計政策概要(續)

2.7 物業、廠房及設備

除在建工程外，物業、廠房及設備按歷史成本減折舊列賬。歷史成本包括收購項目直接應佔之開支。

其後成本僅在於與該項目有關之未來經濟利益有可能流入本集團，而該項目之成本能可靠計量時，計入資產賬面金額或確認為獨立資產(視適用情況而定)。已更換零件之賬面金額已被剔除入賬。所有其他維修及保養於其產生之財政年度內於綜合損益表內支銷。

物業、廠房及設備之折舊根據估計可使用年期採用直線法將成本分攤至剩餘價值計算如下：

— 樓宇	2% 至 20%
— 租賃物業裝修	20% 至 33%
— 傢俬及設備	15% 至 33%
— 機器	10% 至 25%
— 汽車及船	10% 至 20%

資產之剩餘價值及可使用年期在每個報告期末進行檢討，及在適當時調整。倘若資產之賬面金額高於其可收回估計金額，其賬面金額即時撇減至可收回金額(附註 2.11)。

出售之收益及虧損透過比較所得款項與其賬面金額釐定，並於綜合損益表「一般及行政支出」中確認。

在建工程指正在興建中之廠房，按成本扣除任何減值虧損列賬且不予折舊。成本包括直接建設成本。在建工程於完成並準備投入使用时，重新分類為適當類別之物業、廠房及設備項目。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 Summary of significant accounting policies (Continued)

2.8 Intangible assets

(a) Goodwill

Goodwill arises on the acquisition of subsidiaries represents the excess of the consideration transferred over the Group's interest in net fair value of the net identifiable assets, liabilities and contingent liabilities of the acquiree and the fair value of the non-controlling interest in the acquiree.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the cash-generating units ("CGUs"), or groups of CGUs, that is expected to benefit from the synergies of the combination. Each unit or group of units to which the goodwill is allocated represents the lowest level within the entity at which the goodwill is monitored for internal management purposes. Goodwill is monitored at the operating segment level.

Goodwill impairment reviews are undertaken annually or more frequently if events or changes in circumstances indicate a potential impairment. The carrying value of goodwill is compared to the recoverable amount, which is the higher of value in use and the fair value less costs of disposal. Any impairment is recognised immediately as an expense and is not subsequently reversed.

(b) Distribution rights

Distribution rights acquired in a business combination are recognised at fair values at the acquisition date. Distribution rights have a finite useful life and are carried at cost less accumulated amortisation. Amortisation is calculated using the straight-line method to allocate the cost of distribution rights over their estimated useful life of 10 years.

(c) Favorable lease terms (i.e. use right of car park)

Use right of car park acquired in a business combination is recognised at fair values at the acquisition date. Use right of car park has a finite useful life and is carried at cost less accumulated amortisation. Amortisation is calculated using the straight-line method to allocate the cost of use right of car park over its estimated useful life of 20 years.

2 主要會計政策概要(續)

2.8 無形資產

(a) 商譽

商譽於收購附屬公司時產生，指轉讓代價超過本集團在其可識別淨資產、負債及或然負債淨公平價值之權益及在被收購方非控制性權益之公平價值。

就減值測試而言，在業務合併中收購之商譽會分配至各現金產生單位(「現金產生單位」)或現金產生單位群組(即預期可從合併中獲取協同利益)。獲分配商譽之各單位或單位群組，指在實體內商譽被監察作內部管理用途之最低層次。商譽會在營運分部層面上被監察。

商譽之減值檢討會每年進行，或如有事件或情況改變顯示存在潛在減值，則需更頻密地檢討。商譽之賬面價值與可收回金額(使用價值與公平價值減出售成本之較高者)進行比較。任何減值須即時確認為支出且其後不得撥回。

(b) 分銷權

在業務合併中購入之分銷權按收購日之公平價值確認。分銷權有限定之可使用年期及按成本減累計攤銷列賬。攤銷使用直線法按估計可使用年期十年分攤分銷權之成本計算。

(c) 有利租賃條款(停車場使用權)

在業務合併中購入之停車場使用權按收購日之公平價值確認。停車場使用權有限定之可使用年期及按成本減累計攤銷列賬。攤銷利用直線法計算，按估計可使用年期二十年分配停車場使用權之成本。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 Summary of significant accounting policies (Continued)

2.9 Land use rights

The up-front prepayments made for land use rights are accounted for as operating leases. They are recognised in the consolidated income statement on a straight-line basis over the periods of the land use rights, or when there is impairment, the impairment is recognised in the consolidated income statement.

2.10 Investment property

Investment property, principally comprising leasehold land and buildings, is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the companies in the Group. Land held under operating leases are classified and accounted for as investment property when the rest of the definition of investment property is met. In such case, the operating lease is accounted for as if it were a finance lease.

Investment property is measured initially at its cost, including related transaction costs. After initial recognition, investment property is carried at fair value, representing open market value determined at each reporting date by external valuers. Fair value is based on active market prices, adjusted, if necessary, for any difference in the nature, location or condition of the specific asset. If this information is not available, the Group uses alternative valuation methods such as recent prices on less active markets or discounted cash flow projections. Changes in fair values are recorded in consolidated income statement as part of a valuation gain or loss in “other (losses)/gains — net”.

2 主要會計政策概要(續)

2.9 土地使用權

土地使用權之前期預付款項以營業租約列賬。其按土地使用權期間以直線基準於綜合損益表中確認，或當出現減值時，於綜合損益表中確認減值。

2.10 投資物業

投資物業(主要包括租賃土地及樓宇)乃持有作長期租金回報或資本升值或二者兼有，且並非由本集團之公司佔用。以營業租約持有之土地，如符合投資物業其餘定義，則按投資物業分類及記賬。在此情況下，營業租約猶如其為融資租賃而記賬。

投資物業最初按其成本計量，包括相關交易成本。在初步確認後，投資物業按公平價值列賬，即於各報告日由外部估值師釐定之公開市值。公平價值以活躍市場價格為基準，如有需要就特定資產之性質、地點或狀況之任何差異作出調整。如並無此項資料，本集團須使用其他估值方法，例如較不活躍市場之近期價格或貼現現金流量預測法。公平價值變動於綜合損益表中列賬，作為「其他(虧損)/收益 — 淨額」中估值收益或虧損之一部份。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 Summary of significant accounting policies (Continued)

2.11 Impairment of non-financial assets

Assets that have an indefinite useful life — for example goodwill, are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation 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 of disposal 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 (CGUs). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

2.12 Financial assets

(a) Classification

The Group classifies its financial assets in the following categories: at fair value through profit or loss, loans and receivables and available-for-sale. The classification depends on the purposes for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

(i) *Financial assets at fair value through profit or loss*

Financial assets at fair value through profit or loss are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short-term. Derivatives are also categorised as held for trading unless they are designated as hedges. Assets in this category are classified as current assets if expected to be settled within 12 months; otherwise, they are classified as non-current.

2 主要會計政策概要(續)

2.11 非財務資產之減值

無特定使用期限之資產(例如商譽)毋須攤銷,惟須每年進行減值評估。當有事件或情況改變顯示賬面金額未能收回,須予攤銷之資產會進行減值檢討。資產賬面金額超過其可收回金額之數額確認為減值虧損。可收回金額為資產公平價值減出售成本與使用價值之間之較高者。就評估減值而言,資產分組至可分開識別現金流量(現金產生單位)之最低層次。商譽以外出現減值之非財務資產會於每個報告日就可能撥回之減值進行審閱。

2.12 財務資產

(a) 分類

本集團將其財務資產分為以下類別:按公平價值計入損益、貸款及應收賬款以及可供出售。其分類乃取決於收購財務資產之目的。管理層會於初步確認時釐定其財務資產分類。

(i) *按公平價值計入損益之財務資產*

按公平價值計入損益之財務資產為持作買賣之財務資產。如所收購之財務資產主要目的為在短期內出售,則分類為此類別。衍生工具亦會被分類為持作買賣,惟被指定為對沖項目則除外。此類別資產若預期在十二個月內結算,則分類為流動;否則分類為非流動。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 Summary of significant accounting policies (Continued)

2.12 Financial assets (Continued)

(a) Classification (Continued)

(ii) 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 the amounts that are settled or expected to be settled more than 12 months after the end of the reporting period. These are classified as non-current assets. The Group's loans and receivables comprise "trade and bill receivables", "deposits and other receivables", "amounts due from joint ventures", "pledged bank deposits" and "cash and cash equivalents" in the consolidated statement of financial position.

(iii) Available-for-sale financial asset

Available-for-sale financial asset is 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 it within 12 months of the end of the reporting period.

2 主要會計政策概要(續)

2.12 財務資產(續)

(a) 分類(續)

(ii) 貸款及應收賬款

貸款及應收賬款具固定或可釐定付款，以及並無在活躍市場報價之非衍生財務資產。此等項目包括在流動資產內，而已償付或預期於報告期末起計超過十二個月後方償付之金額(分類為非流動資產)則除外。本集團之貸款及應收賬款包括於綜合財務狀況表之「應收賬款及票據」、「按金及其他應收賬款」、「應收合營公司」、「已抵押銀行存款」及「現金及現金等值」。

(iii) 可供出售之財務資產

可供出售之財務資產為被指定作此類別或並無分類為任何其他類別之非衍生工具。除非該投資到期或管理層擬於報告期末後十二個月內處置該投資，否則此等資產包括在非流動資產內。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 Summary of significant accounting policies (Continued)

2.12 Financial assets (Continued)

(b) Recognition and measurement

Regular way 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 carried at fair value through profit or loss are initially recognised at fair value and transaction costs are expensed in the consolidated income statement. 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 asset and financial assets at fair value through profit or loss are subsequently carried at fair values. Loans and receivables are subsequently carried at amortised cost using the effective interest method.

Gains or losses arising from changes in the fair value of the “financial assets at fair value through profit or loss” category are recognised in the consolidated income statement, within “other (losses)/gains — net” in the period in which they arise. Dividend income from financial assets at fair value through profit or loss is recognised in the income statement as part of “other (losses)/gains — net” when the Group’s right to receive payments is established.

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

2 主要會計政策概要(續)

2.12 財務資產(續)

(b) 確認及計量

經常性買賣財務資產在交易當日(即本集團承諾購買或出售資產之日)確認。投資初步以公平價值加所有非按公平價值計入損益列賬之財務資產交易成本確認。按公平價值計入損益列賬之財務資產初步按公平價值確認，交易成本則於綜合損益表支銷。倘從投資收取現金流量之權利已過期或已轉移及本集團已轉移擁有權之絕大部分風險及回報，財務資產將被剔除入賬。可供出售之財務資產及按公平價值計入損益之財務資產其後以公平價值列賬。貸款及應收賬款其後採用實際利息方法，以攤銷成本列賬。

「按公平價值計入損益之財務資產」類別之公平價值變動所產生之收益或虧損在產生期間於綜合損益表「其他(虧損)/收益 — 淨額」中確認。按公平價值計入損益之財務資產產生之股息收入於本集團確立收取付款之權利時，在收益表中確認為「其他(虧損)/收入 — 淨額」之一部份。

分類為可供出售之貨幣及非貨幣性證券公平價值變動，於其他全面收入中確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 Summary of significant accounting policies (Continued)

2.12 Financial assets (Continued)

(c) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the company or the counterparty.

2.13 Impairment of financial assets

(a) Assets carried at amortised cost

The Group assesses at the end of each reporting period whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a “loss event”) and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

Evidence of impairment may include indications that the debtors or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation, and where observable data indicate that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

2 主要會計政策概要(續)

2.12 財務資產(續)

(c) 抵銷金融工具

於有法定可強制執行權利以抵銷已確認金額，且有意按其淨額作結算或同時變現資產及清償負債時，財務資產及負債乃予以抵銷，並於資產負債表呈報其淨值。法定可強制執行權利不得依賴未來事件而定，而在一般業務過程中及倘公司或對手方一旦出現違約、無償債能力或破產時，必須具有約束力。

2.13 財務資產之減值

(a) 以攤銷成本列賬之資產

本集團於每個報告期末評估是否存在客觀證據證明某一財務資產或某一財務資產組合出現減值。只有當存在客觀證據顯示於初步確認資產後發生一宗或多宗事件導致出現減值(「虧損事項」)，而該宗(或該等)虧損事項對財務資產或財務資產組合之估計未來現金流量構成之影響能可靠地估計，則有關財務資產或財務資產組合出現減值及產生減值虧損。

減值證據可包括債務人或一組債務人遭遇嚴重財政困難、逾期或拖欠償還利息或本金、債務人很有可能破產或進行其他財務重組，以及有可觀察數據顯示估計未來現金流量出現可計量減少，例如與違約有關連之拖欠情況或經濟狀況改變。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 Summary of significant accounting policies (Continued)

2.13 Impairment of financial assets (Continued)

(a) Assets carried at amortised cost (Continued)

For loans and receivables category, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced and the amount of the loss is recognised in the consolidated income statement.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the reversal of the previously recognised impairment loss is recognised in the consolidated income statement.

(b) Assets classified as available-for-sale

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 the security below its cost is also evidence that the assets are impaired. If any such evidence exists for available-for-sale financial asset, 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 reclassified from equity and recognised in profit or loss. Impairment losses recognised in the consolidated income statement on equity instruments are not reversed through the consolidated income statement.

2 主要會計政策概要(續)

2.13 財務資產之減值(續)

(a) 以攤銷成本列賬之資產(續)

對於貸款及應收賬款類別，虧損金額按資產賬面金額與按財務資產原實際利率貼現之估計未來現金流量(不包括仍未產生之未來信用虧損)現值兩者間之差額計量。資產之資產賬面金額予以削減，而虧損金額則在綜合損益表中確認。

如在其後期間，減值虧損金額減少，而此減少可客觀與確認減值後發生之事件(例如債務人之信用評級有所改善)有關連，則之前已確認之減值虧損可在綜合損益表中確認撥回。

(b) 分類為可供出售之資產

本集團在每個報告期末評估是否有客觀證據證明某一財務資產或某一財務資產組合出現減值。對於分類為可供出售之股本投資，倘證券之公平價值大幅或持續跌至低於其成本，亦視為資產減值之證據。倘可供出售之財務資產存在此等證據，累計虧損 — 按收購成本與當時公平價值之差額，減該財務資產之前在損益確認之任何減值虧損計量 — 自權益中重新分類並在損益中確認。在綜合損益表內股本工具確認之減值虧損不會透過綜合損益表撥回。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 Summary of significant accounting policies (Continued)

2.14 Derivative financial instruments

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured at their fair value. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged. Since the derivative instruments entered into by the Group do not qualify for hedge accounting, changes in the fair value of these derivative instruments are recognised immediately in the consolidated income statement within “other (losses)/gains — net”.

2.15 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the first-in, first-out method. It excludes borrowing costs. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

2.16 Trade and other receivables

Trade receivables are amounts due from customers for merchandise sold or services performed in the ordinary course of business. If collection of trade and other receivables is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

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.

2.17 Cash and cash equivalents

In the consolidated statement of cash flows, cash and cash equivalents include cash in hand and deposits held at call with banks with original maturities of three months or less.

2 主要會計政策概要(續)

2.14 衍生金融工具

衍生工具於訂立衍生工具合約之日按公平價值初步確認，其後按公平價值重新計量。確認由此產生之收益或虧損方法，視乎該衍生工具是否被指定為對沖工具，倘被指定為對沖工具，則視乎受對沖項目之性質而定。由於本集團訂立之衍生工具不合資格採用對沖會計法處理，該等衍生工具之公平價值變動會即時於綜合損益表「其他(虧損)/收益 — 淨額」中確認。

2.15 存貨

存貨按成本及與可變現淨值兩者中之較低者入賬。成本以先入先出法釐定。其不包括借貸成本。可變現淨值為正常業務過程中之估計銷售價格減適用可變銷售支出。

2.16 應收賬款及其他應收賬款

應收賬款為在日常業務中就已銷售商品或已提供服務而應收客戶之款項。如預期於一年或以內(或倘較長，則在業務正常經營週期中)收回應收賬款及其他應收賬款，則分類為流動資產。否則，該等賬款呈列為非流動資產。

應收賬款及其他應收賬款初步按公平價值確認，其後則採用實際利率法按已攤銷成本減減值撥備計量。

2.17 現金及現金等值

於綜合現金流量表中，現金及現金等值包括手頭現金及於三個月或以內到期存於銀行之通知存款。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 Summary of significant accounting policies (Continued)

2.18 Share capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

2.19 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. Accounts payable 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.

2.20 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.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

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 主要會計政策概要(續)

2.18 股本

普通股分類為權益。

發行新股份或購股權直接應佔的新增成本在權益中列為所得款項的減少(扣除稅項)。

2.19 應付賬款及其他應付賬款

應付賬款為在正常業務過程中就從供應商購買之貨品或服務之付款責任。如付款於在一年或以內(或倘較長,則在業務正常經營週期中)到期,則應付賬款分類為流動負債;否則,該等賬款呈列為非流動負債。

應付賬款及其他應付賬款初步按公平價值確認,其後則採用實際利率法按攤銷成本計量。

2.20 借貸

借貸初步按公平價值扣除已產生之交易成本確認,其後則按攤銷成本列賬;所得款項(扣除交易成本)與贖回價值間之任何差額於借貸期使用實際利率法於綜合損益表中確認。

在貸款將很有可能部分或全部提取的情況下,就設立貸款融資支付的費用乃確認為貸款交易成本。在此情況下,費用遞延至提取發生為止。倘並無任何證據顯示該融資很有可能將獲部份或全部提取,則該費用撥充資本作為流動資金服務之預付款項,並於其相關融資期間予以攤銷。

除非本集團有無條件權利於報告期末後延遲償還負債最少十二個月,否則借貸分類為流動負債。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 Summary of significant accounting policies (Continued)

2.21 Borrowing costs

General and specific borrowing costs directly attributable to the acquisitions, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in the consolidated income statement in the period in which they are incurred.

2.22 Current and deferred income tax

The tax expense for the period comprises current and deferred income tax. Tax is recognised in the consolidated income statement, except to the extent that it relates to item recognised directly in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

(a) Current income tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the reporting date in the countries where the Company's subsidiaries and associates 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. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

2 主要會計政策概要(續)

2.21 借貸成本

因收購、建造或生產合資格資產(指需要相當長時間準備作擬定用途或出售之資產)而直接產生之借貸成本乃計入該等資產成本,直至該等資產大致上已準備就緒作擬定用途或出售。

所有其他借貸成本均於產生期間於綜合損益表中確認。

2.22 當期及遞延所得稅

期內稅項支出包括當期及遞延所得稅。稅項於綜合損益表中確認,惟與直接在其他全面收入或直接在權益確認之項目有關者除外。在該情況下,稅項亦分別在其他全面收入或直接在權益中確認。

(a) 當期所得稅

當期所得稅支出根據本公司之附屬公司及聯營公司營運及產生應課稅收入之國家於報告日已頒佈或實質頒佈之稅務法例計算。管理層就適用稅務法規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。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 Summary of significant accounting policies (Continued)

2.22 Current and deferred income tax (Continued)

(b) Deferred income tax

Inside basis differences

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, deferred tax liabilities are not recognised if they arise from initial recognition of goodwill. 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 substantively enacted at the reporting 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 to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Outside basis differences

Deferred income tax liabilities are provided on taxable temporary differences arising from investments in subsidiaries, associates and joint ventures, except for deferred income tax liability 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. Generally the Group is unable to control the reversal of the temporary difference for associates and joint ventures. Only when there is an agreement in place that gives the Group the ability to control the reversal of the temporary difference in the foreseeable future, deferred tax liability in relation to taxable temporary differences arising from the associates and joint ventures' undistributed profits is not recognised.

2 主要會計政策概要(續)

2.22 當期及遞延所得稅(續)

(b) 遞延所得稅

內在差異

遞延所得稅使用負債法就資產與負債之稅基與其於綜合財務報表之賬面金額兩者產生之短暫差異確認。然而，倘遞延稅項負債來自對商譽之初始確認，則不予確認。倘遞延所得稅來自在交易(不包括業務合併)中對資產或負債之初步確認，而在交易時不影響會計或應課稅溢利或虧損，則不作記賬。遞延所得稅採用在報告日已頒佈或實質頒佈之稅率(及法例)，並在變現有關遞延所得稅資產或償付遞延所得稅負債時預期將會適用而釐定。

遞延所得稅資產在很有可能將未來應課稅溢利與可動用之短暫差異抵銷情況下確認。

外在差異

遞延所得稅負債就於附屬公司、聯營公司及合營公司之投資所產生之應課稅短暫差異作出撥備，惟倘本集團可以控制短暫差異之撥回時間，及很有可能在可預見未來不會撥回該短暫差異之遞延所得稅負債除外。一般而言，本集團無法控制聯營公司及合營公司的暫時性差異的撥回。惟當有協議賦予本集團於可預見未來有能力控制短暫差異之撥回時，聯營公司及合營公司之未分派溢利所產生有關應課稅短暫差異之遞延稅項負債將不予確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 Summary of significant accounting policies (Continued)

2.22 Current and deferred income tax (Continued)

(b) *Deferred income tax (Continued)*

Outside basis differences (Continued)

Deferred income tax assets are recognised on deductible temporary differences arising from investments in subsidiaries, associates and joint ventures only to the extent that it is probable the temporary difference will reverse in the future and there is sufficient taxable profit available against which the temporary difference can be utilised.

(c) *Offsetting*

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.

2.23 Employee benefits

(a) *Pension obligation*

The Group operates defined contribution plan. The schemes are generally funded through payments to insurance companies or trustee-administered funds.

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

The Group pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

2 主要會計政策概要(續)

2.22 當期及遞延所得稅(續)

(b) *遞延所得稅(續)*

外在差異(續)

就附屬公司、聯營公司及合營公司投資產生的可扣減短暫差異確認遞延所得稅資產，但只限於短暫差異很可能在將來轉回，並有充足的應課稅利潤抵銷可用的短暫差異。

(c) *抵銷*

倘有合法執行權利以當期稅項資產抵銷當期稅項負債，以及當遞延所得稅資產及負債涉及由同一稅務機關就應課稅實體或有意以淨額基準結算結餘之不同應課稅實體徵收所得稅，遞延所得稅資產與負債則互相抵銷。

2.23 僱員福利

(a) *退休金責任*

本集團設有界定供款計劃。此等計劃一般透過向保險公司或受託管理基金付款而注資。

界定供款計劃為本集團向一間獨立實體支付固定供款之退休福利計劃。倘基金不具備足夠資產，無法就本期及過往期間之僱員服務向所有僱員支付福利，則本集團並無法律或推定責任作進一步供款。

本集團以強制、合約或自願基準向公開或私人管理之退休保險計劃作出供款。本集團作出供款後，即無進一步付款責任。供款於到期應付時確認為僱員福利支出。預付供款在出現現金退款或可扣減未來付款情況下確認為資產。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 Summary of significant accounting policies (Continued)

2.23 Employee benefits (Continued)

(b) 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 a termination when the entity has a detailed formal plan to terminate the employment of current employees without possibility of withdrawal. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to their present value.

(c) Bonus plans

The Group recognises a liability and an expense for bonus. The Group recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

(d) 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 reporting date. Employee entitlements to sick leave and maternity leave are not recognised until the time of leave.

(e) Long service payments

The Group's net obligation in respect of long service payments to its employees upon termination of their employment or retirement when the employees fulfill certain circumstances under the Hong Kong Employment Ordinance is the amount of future benefit that employees have earned in return for their service in the current and prior periods. The obligation is reduced by entitlements accrued under the Group's retirement plan that are attributable to contributions made by the Group.

2 主要會計政策概要(續)

2.23 僱員福利(續)

(b) 辭退福利

辭退福利於本集團在正常退休日期前終止僱用，或當僱員接受自願遣散以換取此等福利時支付。本集團在能證明以下終止承諾時確認辭退福利：該實體根據一項詳細之正式計劃終止現有僱員之僱用而並無撤回之可能。倘提出一項方案以鼓勵自願遣散，辭退福利將按預期接受方案之僱員數目計算。在報告期末後超過十二個月支付之福利應貼現至其現值。

(c) 花紅計劃

本集團就花紅確認負債及支出。當於合約規定或由過往慣例產生推定責任時，本集團會確認撥備。

(d) 僱員應享假期

僱員應享年假於應計予僱員時確認。僱員於截至報告日因提供服務應享之年假估計負債已計提撥備。僱員應享病假及分娩假期於支取時方才確認。

(e) 長期服務金

當僱員在符合香港僱傭條例之若干情況下終止僱傭關係或退休時，本集團須承擔支付長期服務金予其僱員之責任，而所承擔之責任淨額為僱員於現時及過往期間提供服務所得之日後福利金額。所承擔金額扣減根據本集團退休計劃所享有本集團供款之應佔金額。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 Summary of significant accounting policies (Continued)

2.24 Share-based payments

The Group operates a number of equity-settled, share-based compensation plans, under which the entity receives services from employees as consideration for equity instruments (options) of the Group. The fair value of the employee services received in exchange for the grant of the options is recognised as an expense. The total amount to be expensed is determined by reference to the fair value of the options granted:

- including any market performance conditions (for example, an entity's share price);
- excluding the impact of any service and non-market performance vesting conditions (for example, profitability, sales growth targets and remaining an employee of the entity over a specified time period); and
- including the impact of any non-vesting conditions (for example, the requirement for employees to save).

Non-market performance and service conditions are included in assumptions about the number of options that are expected to vest. The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied.

In addition, in some circumstances employees may provide services in advance of the grant date and therefore the grant date fair value is estimated for the purposes of recognising the expense during the period between service commencement period and grant date.

At the end of each reporting period, the Group revises its estimates of the number of options that are expected to vest based on the non-marketing performance and service conditions. It recognises the impact of the revision of original estimates, if any, in the consolidated income statement with a corresponding adjustment to equity.

2 主要會計政策概要(續)

2.24 以股份為基礎之支付

本集團設有多項以權益償付、以股份為基礎之補償計劃，據此，實體獲取僱員服務，作為本集團股本工具(購股權)之代價。為換取購股權授出而獲取之僱員服務公平價值確認為支出。將予支銷之總金額參考授予之購股權公平價值釐定：

- 包括任何市場表現條件(例如實體之股價)；
- 不包括任何服務及非市場表現歸屬條件(例如盈利能力、銷售增長目標及實體於特定時期餘下之僱員)之影響；及
- 包括任何非歸屬條件(例如僱員儲蓄規定)之影響。

非市場表現及服務條件計入關於預期歸屬之購股權數目之假設。支出總額於歸屬期間(即所有特定歸屬條件獲滿足之期間)內確認。

此外，在某些情況下，僱員可在授出日期之前提供服務，因此授出日期之公平價值乃就確認服務開始期與授出日期之期內開支作出估計。

在每個報告期末，本集團會根據非市場表現及服務條件修訂其預期歸屬之購股權數目之估計。本集團在綜合損益表內確認原估算修訂(如有)之影響，並對權益作出相應調整。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 Summary of significant accounting policies (Continued)

2.24 Share-based payments (Continued)

When the options are exercised, the Company issues new shares. The proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value) and share premium.

The grant by the Company of options over its equity instruments to the employees of subsidiary in the Group is treated as a capital contribution. The fair value of employee services received, measured by reference to the grant date fair value, is recognised over the vesting period as an increase to investment in subsidiary, with a corresponding credit to equity in the parent entity accounts.

2.25 Provision

Provisions for environment restoration, restructuring costs and legal claims 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. Restructuring provisions comprise lease termination penalties and employee termination payments. 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 主要會計政策概要(續)

2.24 以股份為基礎之支付(續)

當購股權獲行使時，本公司將發行新股。所收取之所得款項(扣除任何直接應佔交易成本)計入股本(面值)及股份溢價中。

本公司向本集團附屬公司之僱員授予其股本工具之購股權，被視為資本投入。所獲取僱員服務的公平價值，參考授出日期之公平價值計量，並在歸屬期內確認，作為對附屬公司投資之增加，並相應計入母公司賬目之權益。

2.25 撥備

當本集團因過往事件而產生現有法律或推定責任；很有可能須流出資源以償付責任；且金額已可靠估計，則會就環境復原、重組成本及法律索償確認撥備。重組撥備包括租賃終止罰款及僱員離職付款。不會就未來經營虧損確認撥備。

如有多項類似責任，則考慮責任之整體類別釐定其須在償付中流出資源之可能性。即使在同一類別責任所包含之任何一個項目資源流出之可能性極低，仍須確認撥備。

撥備按預期清償債務責任所需開支以稅前比率計算之現值計量，該比率反映市場當時對貨幣時間價值之評估及該責任之獨有風險。因時間流逝而產生之撥備增加確認為利息開支。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 Summary of significant accounting policies (Continued)

2.26 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable, and represents amounts receivable for goods supplied, stated net of discounts, returns and value added taxes. The Group recognises revenue when the amount of revenue can be reliably measured; when 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. The Group bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

Revenue is recognised as follows:

(a) Sales of goods

Sales of goods are recognised when a group entity has delivered products to the customer, the customer has full discretion over channel and price to sell the products, and there is no unfulfilled obligation that could affect the customer's acceptance of the products. Delivery does not occur until the products have been shipped to the specified location, the risk of obsolescence and loss have been transferred to the customer, and either the customer has accepted the products in accordance with sales contract, the acceptance provisions have lapsed, or the Group has objective evidence that all criteria for acceptance have been satisfied.

(b) Service income

For sales of services, revenue is recognised in accounting period in which the services are rendered, by reference to stage of completion of the specific transaction and assessed on the basis of actual services provided as a proportion of the total service to be provided.

(c) Rental income

Rental income from investment property is recognised in consolidated income statement on a straight-line basis over the period of the relevant leases.

2 主要會計政策概要(續)

2.26 收入確認

收入按已收或應收代價之公平價值計算，並相當於供應貨品之應收金額，扣除折扣、退貨及增值稅後列賬。當收入數額能夠可靠計量、未來經濟利益有可能流入實體，而本集團各項活動均符合具體條件時（如下文所述），本集團則會確認收入。本集團根據其往績並考慮客戶類別、交易種類及各項安排之特點作出估計。

收入確認如下：

(a) 貨品銷售

當集團實體已將產品交付予客戶，客戶對銷售產品之渠道及價格擁有完全決定權，且並無未履行之責任可影響客戶接受產品時，會確認貨品銷售。當產品已付運予至指定地點，陳舊及虧損之風險已轉讓予客戶，而客戶已根據銷售合約接收產品、或接收條款已作廢，或本集團有客觀證據顯示所有接收標準已獲達成後，貨品交付才算產生。

(b) 服務收入

對於服務銷售，收入經參考特定交易之完成階段並按已提供實際服務佔將予提供之總服務比例評估後，在提供服務之會計期內確認。

(c) 租金收入

投資物業之租金收入按直線法於相關租賃期間在綜合損益表中確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 Summary of significant accounting policies (Continued)

2.27 Interest income

Interest income is recognised using the effective interest method. When a loan and 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. Interest income on impaired loans and receivables is recognised using the original effective interest rate.

2.28 Dividend income

Dividend income is recognised when the right to receive payment is established.

2.29 Operating leases

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 leases.

2.30 Dividend distribution

Dividend distribution to the Company's equity holders is recognised as a liability in the Group's and the Company's financial statements in the period in which the dividends are approved by the Company's shareholders or directors, where appropriate.

3 Financial risk management

3.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including price risk, foreign exchange risk, and cash flow and fair value interest rate risk), credit risk, and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

2 主要會計政策概要(續)

2.27 利息收入

利息收入按實際利率法確認。倘貸款及應收賬款出現減值，本集團將賬面金額減至可收回金額，即估計未來現金流量按該工具之原實際利率貼現，及繼續將貼現計算並確認為利息收入。已減值貸款及應收賬款之利息收入按原實際利率確認。

2.28 股息收入

股息收入於確定有權收取款項時確認。

2.29 營業租約

擁有權之重大部分風險和回報由出租人保留之租約分類為營業租約。在營業租約內支付之款項(扣除自出租人收取之任何獎勵金後)，於租賃期內以直線法在綜合損益表中扣除。

2.30 股息分派

向本公司股權持有人分派之股息，在股息於期內獲得本公司股東或董事(倘適當)批准並於本集團及本公司之財務報表確認為負債。

3 財務風險管理

3.1 財務風險因素

本集團之經營活動面對各種財務風險：市場風險(包括價格風險、外匯風險及現金流量及公平價值利率風險)、信貸風險及流動資金風險。本集團之整體風險管理計劃專注於財務市場之難預測性及尋求減低對本集團財務表現之潛在不利影響。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 Financial risk management (Continued)

3.1 Financial risk factors (Continued)

Risk management is carried out by a central treasury department (group treasury) under policies approved by the board of directors. The Group treasury identifies, evaluates and hedges financial risks in close co-operation with the Group's operating units. The board provides written principles for overall risk management, as well as written policies covering specific areas, such as foreign exchange risk, interest rate risk and credit risk.

(a) Market risk

(i) Price risk

The Group is subject to commodity price risk because certain subsidiaries of the Group are engaged in the trading of steel products. As at 31st March 2016, the Group had committed sales orders for steel products of approximately 295,000 metric tonnes (2015: 304,000 metric tonnes), for which the selling price is fixed, which exceeded the aggregate amount of on-hand inventories and committed purchase orders. Over the coming year, the Group will be required to purchase steel products to fulfil these committed sales orders not covered by inventories and committed purchase orders. As the prices of steel products can fluctuate materially, the Group's results may be affected significantly by future fluctuations in steel prices (Note 4 (a)). To manage its commodity price risk arising from committed sales orders, the Group is closely monitoring the market price of steel products and adjusting its procurement strategy accordingly.

The Group has entered into commodity future contracts for trading purpose. If the price of future contracts weakened/strengthened by 5% with all other variables held constant, profit before income tax for the year would have been approximately HK\$79,000 higher/lower (2015: HK\$154,000 higher/lower), mainly as a result of a fair value gain/(loss) on these future contracts.

3 財務風險管理(續)

3.1 財務風險因素(續)

風險管理由中央司庫部(集團司庫)按照董事會批准之政策執行。本集團司庫透過與集團經營單位之緊密合作，負責確定、評估和對沖財務風險。董事會為整體風險管理訂定書面原則及書面政策，涵蓋外匯風險、利率風險及信貸風險等特定領域。

(a) 市場風險

(i) 價格風險

由於本集團之若干附屬公司從事鋼材產品貿易，故此本集團面對商品價格風險。於二零一六年三月三十一日，本集團確定其固定售價之鋼材產品銷售訂單約295,000公噸(二零一五年：304,000公噸)已超過手頭存貨及已確定之購貨訂單總額。來年，本集團將須採購鋼材產品以履行無存貨之已確定銷售訂單及已確定之購貨訂單。由於鋼材產品之價格可大幅波動，本集團之業績將可能面對重大未來鋼材價格波動之影響(附註4(a))。本集團密切監察鋼材產品之市價及相應調整其採購策略，以管理已確定銷售訂單產生之商品價格風險。

本集團已訂立商品期貨合約供交易用途。倘鋼材期貨合約之價格下跌/上升5%，而所有其他可變因素維持不變，則本年度除稅前溢利將增加/減少約79,000港元(二零一五年：增加/減少154,000港元)，乃主要由於期貨合約之公平價值收益/(虧損)所致。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 Financial risk management (Continued)

3.1 Financial risk factors (Continued)

(a) Market risk (Continued)

(i) Price risk (Continued)

The Group is exposed to price risk because of investments in corporate notes held by the Group and classified on the consolidated statement of financial position as financial assets at fair value through profit or loss. To manage its price risk arising from investments in corporate notes, the Group diversifies its portfolio. Diversification of the portfolio is managed in accordance with the internal limits set by the Group. As at 31st March 2016, if the price of these investments in corporate notes increase/decrease by 5%, profit before income tax for the year would increase/decrease by approximately HK\$775,000 (2015: HK\$394,000) mainly as a result of a fair value gain/(loss) on these investments.

(ii) Foreign exchange risk

The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the US dollar (“US\$”) and the Chinese Renminbi (“RMB”). Foreign exchange risk arises from future commercial transactions, recognised assets and liabilities and net investments in foreign operations.

Management has set up a policy to require group companies to manage their foreign exchange risk against their functional currency.

The Group has certain investments in foreign operations, of which the net assets are exposed to foreign currency translation risk. Currency exposure arising from the net assets of the Group's foreign operations is managed primarily through borrowings denominated in the relevant foreign currencies.

3 財務風險管理(續)

3.1 財務風險因素(續)

(a) 市場風險(續)

(i) 價格風險(續)

由於本集團所持於公司票據之投資及有關投資於綜合財務狀況表中分類為按公平價值計入損益之財務資產，故本集團面對價格風險。為管理其於公司票據之投資所產生之價格風險，本集團分散其投資組合。分散投資組合乃根據本集團設定之內部限制而管理。於二零一六年三月三十一日，倘該等於公司票據之投資之價格上升/下跌5%，則本年度除稅前溢利將增加/減少約775,000港元(二零一五年：394,000港元)，乃主要由於該等投資之公平價值收益/(虧損)所致。

(ii) 外匯風險

本集團業務跨越多國，因此面對源於各種貨幣之外匯風險，主要涉及美元(「美元」)及人民幣(「人民幣」)。外匯風險源於未來商業交易、已確認資產及負債及外國業務淨投資。

管理層已訂立政策，要求集團公司管理對其功能貨幣有關之外匯風險。

本集團持有若干境外經營投資，其資產淨額承受外幣匯兌風險。來自本集團境外經營資產淨額所產生之貨幣風險，主要以相關外幣計值之借貸進行管理。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 Financial risk management (Continued)

3.1 Financial risk factors (Continued)

(a) Market risk (Continued)

(ii) Foreign exchange risk (Continued)

At 31st March 2016, if HK\$ had strengthened/weakened by 3% against the RMB with all other variables held constant, profit before income tax would have been approximately HK\$5,043,000 (2015: HK\$5,870,000) lower/higher, mainly as a result of foreign exchange (losses)/gains on translation of RMB-denominated monetary assets and liabilities.

At 31st March 2016, if RMB had weakened/strengthened by 3% against the USD with all other variables held constant, profit before income tax would have been approximately HK\$6,859,000 (2015: HK\$9,000) lower/higher, mainly as a result of foreign exchange (losses)/gains on translation of USD-denominated monetary assets and liabilities of the Group entities of which functional currency is RMB.

(iii) Cash flow and fair value interest rate risk

The Group's income and operating cash flows are substantially independent of changes in market interest rates as the Group has no significant interest-bearing assets except for cash and bank deposits, which earn low interest rate. The Group's interest rate risk arises mainly from borrowings. Borrowings obtained at variable rates expose the Group to cash flow interest rate risk which is partially offset by cash held at variable rates.

At 31st March 2016, if interest rates on floating rate borrowings had been 100 basis points higher/lower with all other variables held constant, profit before income tax for the year would have been approximately HK\$19,924,000 lower/higher (2015: HK\$14,485,000 lower/higher), mainly as a result of higher/lower interest expenses on floating rate borrowings.

3 財務風險管理(續)

3.1 財務風險因素(續)

(a) 市場風險(續)

(ii) 外匯風險(續)

於二零一六年三月三十一日，假若港元兌人民幣上升/下跌3%，而所有其他可變因素維持不變，則除稅前溢利應減少/增加約5,043,000港元(二零一五年：5,870,000港元)，乃主要由於兌換以人民幣計值之貨幣資產及負債之匯兌(虧損)/收益所致。

於二零一六年三月三十一日，假若人民幣兌美元下跌/上升3%，而所有其他可變因素維持不變，則除稅前溢利應減少/增加約6,859,000港元(二零一五年：9,000港元)，乃主要由於兌換功能貨幣為人民幣之本集團實體以美元計值之貨幣資產及負債之匯兌(虧損)/收益所致。

(iii) 現金流量及公平價值利率風險

由於本集團除賺取低息率之現金及銀行存款外概無重大附息借貸資產，本集團之收入及經營現金流量實質上不受市場利率變動所影響。本集團之利率風險主要來自借貸。浮息借貸使本集團面對現金流量利率風險，該風險部份受到按浮動利率持有之現金所抵銷。

於二零一六年三月三十一日，倘浮息借貸之利率增加/減少100個基點，而所有其他可變因素維持不變，則本年度除稅前溢利將減少/增加約19,924,000港元(二零一五年：減少/增加14,485,000港元)，乃主要由於浮息借貸之利息支出增加/減少所致。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 Financial risk management (Continued)

3.1 Financial risk factors (Continued)

(b) Credit risk

Credit risk is managed on a group basis, except for credit risk relating to accounts receivable balances. Credit risk arises from cash and cash equivalents, financial assets at fair value through profit or loss, amounts due from joint ventures and deposits with banks and financial institutions, as well as credit exposures to customers, including outstanding receivables and committed transactions. For banks and financial institutions, only independently rated parties with a high credit rating are accepted.

The Group has policies in place to ensure that sales are made to reputable and creditworthy customers with an appropriate financial strength, credit history and appropriate percentage of down payments. It also has other monitoring procedures to ensure that follow-up action is taken to recover overdue debts.

As at 31st March 2016, the Group has a concentration of credit risk given that the top 10 customers account for approximately 20% (2015: 20%) of the Group's total year end trade and bill receivables balance. Management considers that the credit risk in respect of these customers is currently low after considering the financial position and past experience with these customers. The Group's historical experience in collection of trade and bill receivables falls within the recorded allowances and the directors are of the opinion that adequate provision for uncollectible trade and bill receivables has been made.

3 財務風險管理(續)

3.1 財務風險因素(續)

(b) 信貸風險

信貸風險是按照組合方式管理，有關應收賬款餘額之信貸風險除外。信貸風險來自現金及現金等值、按公平價值計入損益之財務資產、應收合營公司及於銀行及財務機構之存款，以及面對客戶之信貸風險，包括未償還之應收賬款及已確定之交易。對於銀行及財務機構，只有具較高信貸評級之獨立評級機構才會被接納。

本集團具備政策以確保只銷售予聲譽及信譽良好且具備適當財政實力、信貸記錄及押付恰當比例訂金之客戶，亦訂有其他監測程序，以確保執行跟進工作，索回逾期債務。

於二零一六年三月三十一日，考慮到頭十名客戶佔本集團截至年終應收賬款及票據結餘總額當中之約20%（二零一五年：20%），本集團具集中信貸風險。管理層經考慮該等客戶之財務狀況及交易往績後，認為有關該等客戶之信貸風險目前為低。本集團在收回應收賬款及票據方面所收回之金額之往績經驗，均在記錄撥備之範疇內，而董事認為，已就不可收回之應收賬款及票據作足夠之撥備。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 Financial risk management (Continued)

3.1 Financial risk factors (Continued)

(c) Liquidity risk

Cash flow forecasting is performed in the operating entities of the Group and aggregated by group finance. The Group finance monitors rolling forecasts of the Group's liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities (Note 31) at all times so that the Group does not breach borrowing limits or covenants on any of its borrowing facilities. Such forecasting takes into consideration the Group's debt financing plans, covenant compliance and compliance with internal ratio of the consolidated statement of financial position targets.

Surplus cash held by the operating entities over and above balance required for working capital management are transferred to the Group treasury. Group treasury invests surplus cash in time deposits, marketable securities, and choosing instruments with appropriate maturities or sufficient liquidity to provide sufficient head-room as determined by the above-mentioned forecasts. At the reporting date, the Group held cash and cash equivalents of approximately HK\$546,261,000 (2015: HK\$354,997,000) (Note 28) and trade and bill receivables, net, of approximately HK\$461,717,000 (2015: HK\$553,352,000) (Note 26) that are expected to readily generate cash inflows for managing liquidity risk.

3 財務風險管理(續)

3.1 財務風險因素(續)

(c) 流動資金風險

現金流量預測是在本集團之各經營實體執行，並由集團財務總計。本集團財務監察本集團流動資金需求之滾動預測，確保有足夠現金應付經營需要，亦同時始終維持充足之未提取承諾借貸融資(附註31)，以使本集團不違反任何借貸限額或任何借貸融資契約。此等預測考慮到本集團債務融資計劃、契約合規及符合內部綜合財務狀況表比率目標。

當經營實體持有之剩餘現金超過營運資本管理所需餘額時，會轉撥至本集團司庫。本集團司庫將剩餘現金投資於定期存款及有價證券，並透過選擇上述預測所決定具有適當到期日或足夠流動性之工具，提供充足空間。於報告日，本集團持有現金及現金等值約546,261,000港元(二零一五年：354,997,000港元)(附註28)及應收賬款及票據淨額約461,717,000港元(二零一五年：553,352,000港元)(附註26)，預期可即時產生現金流入以管理流動資金風險。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 Financial risk management (Continued)

3.1 Financial risk factors (Continued)

(c) Liquidity risk (Continued)

The table below analyses the Group's financial liabilities into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

		Less than 1 year 少於1年 HK\$'000 千港元	Between 1 and 2 years 1至2年 HK\$'000 千港元	Between 2 and 5 years 2至5年 HK\$'000 千港元	Total 總額 HK\$'000 千港元
At 31st March 2016	於二零一六年三月三十一日				
Trade and bill payables	應付賬款及票據	132,581	—	—	132,581
Other payables	其他應付賬款	83,141	2,000	8,755	93,896
Borrowings	借貸	856,078	407,013	749,194	2,012,285
Interest payable	應付利息	62,885	36,632	19,673	119,190
		1,134,685	445,645	777,622	2,357,952
At 31st March 2015	於二零一五年三月三十一日				
Trade and bill payables	應付賬款及票據	151,604	—	—	151,604
Other payables	其他應付賬款	40,273	3,500	4,020	47,793
Borrowings	借貸	882,943	46,400	533,600	1,462,943
Interest payable	應付利息	48,086	25,122	36,277	109,485
		1,122,906	75,022	573,897	1,771,825

3 財務風險管理(續)

3.1 財務風險因素(續)

(c) 流動資金風險(續)

下表載列本集團之財務負債，按有關到期組別根據於報告日至合約屆滿日之餘下期間進行分析。下表披露之金額為合約未貼現現金流。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

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 dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Consistent with others in the industry, the Group monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings less pledged bank deposits and cash and cash equivalents. Total capital is calculated as equity (excluding non-controlling interests), as shown in the consolidated statement of financial position, plus net debt.

The gearing ratios at 31st March 2016 and at 31st March 2015 were as follows:

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Borrowings (Note 31)	借貸(附註31)	1,992,384	1,448,482
Less: Cash and cash equivalents and pledged bank deposits (Note 28)	減：現金及現金等值以及已抵押銀行存款(附註28)	(605,427)	(393,873)
Net debt	淨負債	1,386,957	1,054,609
Total equity (excluding non-controlling interests)	權益總額(不包括非控制性權益)	1,059,424	1,071,181
Total capital	資本總額	2,446,381	2,125,790
Gearing ratio	資本負債比率	57%	50%

Net debt includes borrowings that were subject to external financial covenants. As at 31st March 2015 and 2016, there was no breach in conditions as specified in the covenants.

3 財務風險管理(續)

3.2 資金風險管理

本集團管理資金之目標為保障本集團持續經營之能力，以為股東提供回報及為其他持份者提供利益，並保持一個最佳資本架構以減少資本成本。

為維持或調節資本架構，本集團可調節向股東派付之股息金額、退回資本予股東、發行新股份或出售資產以減債。

為與同業一致，本集團根據資本負債比率監察資本。該比率乃以淨負債除以資本總額計算得出。淨負債乃以借貸總額減已抵押銀行存款以及現金及現金等值計算。如綜合財務狀況表所示，資本總額以權益(不包括非控制性權益)加淨負債計算。

於二零一六年三月三十一日及二零一五年三月三十一日之資本負債比率如下：

淨負債包括受限於外部財務契諾之借貸。於二零一五年及二零一六年三月三十一日，概無違反契諾中訂明之條件。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 Financial risk management (Continued)

3.3 Fair value estimation

The tables below analyses the Group's financial instruments carried at fair value as at 31st March 2015 and 2016, by level of the inputs to valuation techniques used to measure fair value. Such inputs are categorised into three levels within a fair value hierarchy as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- 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 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

See Note 15 for disclosures of the investment property that is measured at fair value.

The following table presents the Group's assets that are measured at fair value at 31st March 2016.

		Level 1 第一層 HK\$'000 千港元	Level 2 第二層 HK\$'000 千港元	Level 3 第三層 HK\$'000 千港元	Total 總額 HK\$'000 千港元
Assets	資產				
Financial assets at fair value through profit or loss	按公平價值計入損益之財務資產				
— Investments in corporate notes	— 公司票據之投資	15,500	—	—	15,500
— Iron ore future contracts	— 鐵鑛石期貨合約	130	—	—	130
Available-for-sale financial asset	可供出售之財務資產				
— Shares listed on the Stock Exchange of Hong Kong Limited	— 於香港聯合交易所有限公司上市之股份	487	—	—	487
Total	總計	16,117	—	—	16,117

3 財務風險管理(續)

3.3 公平價值估算

下表利用計量公平價值之估值技術之輸入數據水平分析本集團於二零一五年及二零一六年三月三十一日按公平價值入賬之金融工具。有關輸入，於公平價值等級分類為以下三層：

- 相同資產或負債在活躍市場之報價(未經調整)(第一層)。
- 除包括在第一層可觀察資產或負債之報價外輸入，可為直接(即例如價格)或間接(即源自價格)(第二層)。
- 資產或負債並非依據可觀察市場數據之輸入(即非可觀察輸入)(第三層)。

按公平價值計量之投資物業之披露見附註15。

下表顯示本集團於二零一六年三月三十一日按公平價值計量之資產。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 Financial risk management (Continued)

3.3 Fair value estimation (Continued)

The following table presents the Group's assets that are measured at fair value at 31st March 2015.

		Level 1 第一層 HK\$'000 千港元	Level 2 第二層 HK\$'000 千港元	Level 3 第三層 HK\$'000 千港元	Total 總額 HK\$'000 千港元
Assets	資產				
Financial assets at fair value through profit or loss	按公平價值計入損益之財務資產				
— Investments in corporate notes	— 公司票據之投資	7,882	—	—	7,882
— Steel future contracts	— 鋼材期貨合約	107	—	—	107
Available-for-sale financial asset	可供出售之財務資產				
— Shares listed on the Stock Exchange of Hong Kong Limited	— 於香港聯合交易所有限公司上市之股份	458	—	—	458
Total	總計	8,447	—	—	8,447

There were no transfers among levels 1, 2 and 3 during the year.

Financial instruments in level 1

The fair value of financial instruments traded in active markets is based on quoted market prices at the reporting date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in level 1. Instruments included in level 1 comprise primarily equity investment classified as available-for-sale, future contracts and investments in corporate notes classified as financial assets at fair value through profit or loss.

3 財務風險管理(續)

3.3 公平價值估算(續)

下表顯示本集團於二零一五年三月三十一日按公平價值計量之資產。

於本年度，第一層、第二層及第三層之間並無轉撥。

於第一層之金融工具

於活躍市場買賣之金融工具之公平價值乃按於報告日之市場報價釐定。倘交易所、交易商、經紀、行業組織、報價公司或監管當局可隨時及定時報價，且有關價格反映按公平基準實際及經常進行之市場交易，則有關市場被視為活躍。本集團所持財務資產之市場報價為當前買入價。該等工具列入第一層。列入第一層之工具主要包括分類為可供出售之股本投資、期貨合約，以及分類為按公平價值計入損益之財務資產之公司票據之投資。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

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 addressed below.

(a) Onerous contracts

As at 31st March 2016, the Group had committed sales orders which exceeded the aggregate amount of on-hand inventories and committed purchase orders. If the cost of certain future purchases to fulfil these sales orders exceeds the contracted selling prices of the sales orders, a provision for onerous contracts would be made. In estimating the amount by which the cost of purchases are expected to exceed sales prices of committed sales orders, management takes into account the cost of on-hand inventory, the cost of committed purchase orders and the forecast market price of future purchases where this can be reliably estimated.

As at 31st March 2016, provision for onerous contract of approximately HK\$12,000,000 was recognised by the Group (2015: Nil).

(b) Net realisable value of inventories

Net realisable value of inventories is the estimated selling price in the ordinary course of business, less estimated costs of completion and variable selling expenses. These estimates are based on the current market condition and the historical experience of selling products of similar nature. It could change significantly as a result of changes in customer demand and competitor actions in response to severe industry cycle. Management reassesses the estimations at each reporting date.

4 重要會計推算及判斷

根據過往經驗及其他因素(包括在現況下相信為未來事件之合理預期)持續對推算及判斷作出評估。

本集團就未來作出推算及假設。顧名思義，由此而生之會計推算極少與相關實際結果相同。下文論述具有會導致須對下一個財政年度之資產及負債之賬面金額作出重大調整之重大風險推算及假設。

(a) 有償契約

於二零一六年三月三十一日，本集團已確定之銷售訂單已超過手頭存貨及已確定之購貨訂單總額。倘用以履行此等銷售訂單之若干未來採購成本比銷售訂單所訂約之售價為高，則會就有償契約作出撥備。在推算預期採購成本超出已確定銷售訂單之售價金額時，管理層會計及手頭存貨之成本、已確定購貨訂單之成本及按可靠推算之期貨採購之市場預測價格。

於二零一六年三月三十一日，本集團已確認有償契約撥備約12,000,000港元(二零一五年：無)。

(b) 存貨之可變現淨值

存貨之可變現淨值為日常業務過程中之推算售價減推算完成成本及可變銷售支出。該等推算乃基於現時市況以及銷售類似性質產品之過往經驗。其可因客戶之需求轉變及競爭對手為應付嚴峻行業週期採取之行動而大幅改變。管理層會於每個報告日重估該等推算。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

4 Critical accounting estimates and judgements (Continued)

(c) Provision for impairment of trade and other receivables

The Group's management determines the provision for impairment of trade and other receivables based on an assessment of the recoverability of the receivables. This assessment is based on the credit history of its customers and other debtors and the current market condition. Management reassesses the provision at each reporting date.

(d) Current taxes and deferred income tax

The Group is mainly subject to income taxes in Hong Kong and Mainland China. Significant judgement is required in determining the worldwide provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred income tax provisions in the period in which such determination is made.

Deferred income tax assets relating to certain temporary differences and tax losses are recognised when management considers it is likely that future taxable profits will be available against which the temporary differences or tax losses can be utilised. When the expectations are different from the original estimates, such differences will impact the recognition of deferred income tax assets and income tax charges in the period in which such estimates have been changed.

(e) Estimated impairment of goodwill

The Group tests annually whether goodwill has suffered any impairment in accordance with the accounting policy stated in Note 2.8. The recoverable amounts of CGUs have been determined based on value-in-use calculations. These calculations require the use of estimates (Note 17).

4 重要會計推算及判斷(續)

(c) 應收賬款及其他應收賬款減值撥備

本集團之管理層根據應收賬款之可收回程度評估釐定應收賬款及其他應收賬款之減值撥備。該評估乃基於其客戶及其他債務人之信貸歷史以及現時市況。管理層會於每個報告日重估撥備。

(d) 當期稅項及遞延所得稅

本集團主要須繳納香港及中國內地之所得稅。在釐定全球所得稅撥備時，需要作出重大判斷。於日常業務過程中，有許多未能確定最終稅項之交易及計算。本集團推算日後會否須繳納額外稅項，從而確認對預期稅務審核事宜之負債。倘該等事宜之最終稅務結果與最初記錄之金額不符，有關差異將影響作出釐定期間內之所得稅及遞延所得稅撥備。

倘管理層認為可動用未來應課稅溢利以對銷短暫差異或稅項虧損，則會確認與若干短暫差異及稅項虧損有關之遞延所得稅資產。倘預期結果與原先之推算不同，該差異將會對遞延所得稅資產確認及有關推算出現變動期間內之所得稅費用構成影響。

(e) 商譽減值推算

本集團根據附註2.8所述會計政策，每年就商譽進行減值測試。現金產生單位之可收回金額透過計算使用價值決定。此等計算需要使用推算(附註17)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

4 Critical accounting estimates and judgements (Continued)

(f) Fair value of investment property

The Group carries its investment properties at fair value with changes in the fair value recognised in the consolidated income statement. The fair value of investment property was determined by using valuation technique and management updates their assessment of the fair value of each property, taking into account the key valuation assumptions, including adjusted market yield. Details of the judgments and assumptions have been disclosed in Note 15.

(g) Useful lives and depreciation expenses for property, plant and equipment

The Group's management determines the estimated useful lives, and related depreciation charges for its property, plant and equipment. This estimate is based on the historical experience of the actual useful lives of property, plant and equipment of similar nature and functions. Actual economic lives may differ from estimated useful lives. Periodic review could result in a change in useful lives and therefore depreciation expense in future periods.

(h) Classification of investments accounted for using equity method

The Group has joint control over TVSC Construction Steel Solutions Limited ("TVSC") and HSL China Metropolitan Fund I L.P. ("HSL") under contractual agreements, and unanimous consent is required from all parties to the agreements for all relevant activities.

The joint arrangements provide the Group and the parties to the agreements with rights to the net assets of the entities under the joint arrangements.

4 重要會計推算及判斷(續)

(f) 投資物業之公平價值

本集團之投資物業按公平價值連同於綜合損益表確認之公平價值變動列賬。投資物業之公平價值乃使用估值方法釐定，管理層經考慮主要估值假設(包括經調整市場收益率)後更新其就各物業公平價值之評估。判斷及假設之詳情已於附註15披露。

(g) 物業、廠房及設備之可使用年期及折舊支出

本集團之管理層釐定其物業、廠房及設備之估計可使用年期，以及有關折舊費用。該估計乃根據功能及性質類似之物業、廠房及設備之實際可使用年期之過往經驗計算。實際經濟年期或與估計可使用年期不同。定期檢討可導致可使用年期改變，未來期間之折舊支出亦因而出現變動。

(h) 按權益法入賬之投資之分類

本集團根據合約協議共同控制TVSC Construction Steel Solutions Limited (「TVSC」)及HSL China Metropolitan Fund I L.P. (「HSL」)，而所有相關業務須取得所有協議訂約方之一致同意。

合營安排為本集團及各協議訂約方提供享有合營安排項下實體之資產淨值之權利。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

5 Revenue and segment information

The Group's revenue consists of the following:

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Sales of goods	貨品銷售	3,302,846	3,812,119
Service income	服務收入	29,375	16,757
Rental income	租金收入	47,940	39,517
Total revenue	收入總額	3,380,161	3,868,393

The Group's businesses are managed according to the nature of their operations and the products and services they provide.

Management has determined the operating segments based on the reports reviewed by the Group's CODM that are used to make strategic decisions. The CODM considers the Group operates predominantly in four operating segments:

- (i) Construction materials;
- (ii) BDS;
- (iii) Engineering plastics and
- (iv) Property

The Group's CODM assesses the performance of operating segments based on a measure of profit before income tax.

The revenue from external parties reported to the CODM is measured in a manner consistent with that in the consolidated financial statements.

5 收入及分部資料

本集團之收入包括如下：

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Sales of goods	貨品銷售	3,302,846	3,812,119
Service income	服務收入	29,375	16,757
Rental income	租金收入	47,940	39,517
Total revenue	收入總額	3,380,161	3,868,393

本集團按其營運性質及所提供之產品及服務管理其業務。

管理層已釐定其營運分部，乃根據由本集團之主要營運決策者所審閱用以制定策略性決定之報告釐定。主要營運決策者認為本集團主要經營四個營運分部：

- (i) 建築材料；
- (ii) 建築產品及設計方案；
- (iii) 工程塑膠及
- (iv) 房地產。

本集團之主要營運決策者按除稅前溢利之計量評估營運分部表現。

向主要營運決策者匯報源自對外人士之收入之計量方法與綜合財務報表一致。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

5 Revenue and segment information (Continued)

Analysis of the Group's results by business segment for the year ended 31st March 2016 is as follows:

5 收入及分部資料(續)

本集團於截至二零一六年三月三十一日止年度按業務分部之業績分析如下：

		Construction materials	BDS 建築產品及 設計方案	Engineering plastics	Property	Unallocated	Total
		建築材料	設計方案	工程塑膠	房地產	未分配	總額
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元
External revenue	對外收入	2,465,824	488,897	365,153	60,287	—	3,380,161
Operating profit/(loss)	經營溢利/(虧損)	128,213	8,957	(3,423)	186,142	(107,354)	212,535
Finance income	財務收入	1,516	23	177	165	184	2,065
Finance costs	財務費用	(25,462)	(4,243)	(769)	(34,632)	(298)	(65,404)
Share of results of associates — net	應佔聯營公司之 業績 — 淨額	(7,357)	—	—	(7)	—	(7,364)
Share of results of joint ventures — net	應佔合營公司之 業績 — 淨額	(10,562)	—	—	14,999	—	4,437
Profit/(loss) before income tax	除稅前溢利/(虧損)	86,348	4,737	(4,015)	166,667	(107,468)	146,269
Other gains/(losses) — net	其他收益/(虧損) — 淨額	14,447	(480)	(4,467)	(31,269)	710	(21,059)
Fair value gain on an investment property	一項投資物業之公平價 值收益	—	—	—	199,514	—	199,514
Depreciation and amortisation	折舊及攤銷	(13,543)	(2,714)	(126)	(2,828)	(2,699)	(21,910)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

5 Revenue and segment information (Continued)

Analysis of the Group's results by business segment for the year ended 31st March 2015 is as follows:

		Construction materials	BDS 建築產品及 設計方案	Engineering plastics	Property	Unallocated	Total
		建築材料 HK\$'000 千港元	HK\$'000 千港元	工程塑膠 HK\$'000 千港元	房地產 HK\$'000 千港元	未分配 HK\$'000 千港元	總額 HK\$'000 千港元
External revenue	對外收入	2,912,588	507,021	400,209	48,575	—	3,868,393
Operating profit/(loss)	經營溢利/(虧損)	164,962	22,818	1,754	236,296	(77,862)	347,968
Finance income	財務收入	3,109	530	103	138	3	3,883
Finance costs	財務費用	(22,266)	(6,242)	(779)	(29,770)	(93)	(59,150)
Share of results of associates — net	應佔聯營公司之業績 — 淨額	(972)	—	—	(84)	—	(1,056)
Share of results of joint ventures — net	應佔合營公司之業績 — 淨額	—	—	—	1,930	—	1,930
Profit/(loss) before income tax	除稅前溢利/(虧損)	144,833	17,106	1,078	208,510	(77,952)	293,575
Other gains/(losses) — net	其他收益/(虧損) — 淨額	15,916	899	(154)	(1,057)	334	15,938
Fair value gain on an investment property	一項投資物業之公平價值收益	—	—	—	204,108	—	204,108
Depreciation and amortisation	折舊及攤銷	(3,287)	(2,596)	(177)	(626)	(4,185)	(10,871)

The Company is domiciled in Hong Kong. Analysis of the Group's revenue by geographical market is as follows:

5 收入及分部資料(續)

本集團於截至二零一五年三月三十一日止年度按業務分部之業績分析如下：

本公司於香港營運。本集團之收入按地區市場分析如下：

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Hong Kong	香港	2,046,820	2,374,338
Mainland China	中國內地	1,333,341	1,494,055
		3,380,161	3,868,393

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

5 Revenue and segment information (Continued)

Non-current assets, other than financial instruments and deferred income tax assets by geographical market is as follows:

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Hong Kong	香港	353,515	205,392
Mainland China	中國內地	1,715,971	1,306,715
		2,069,486	1,512,107

5 收入及分部資料(續)

按地區市場之非流動資產(金融工具及遞延稅項資產除外)如下:

6 Other (losses)/gains — net

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Provision for onerous contracts (Note 30)	有償契約之撥備(附註30)	(12,000)	—
Unrealised fair value gain on financial assets at fair value through profit or loss	按公平價值計入損益之財務資產之未變現公平價值收益	2,578	1,190
Realised gain on financial assets at fair value through profit or loss	按公平價值計入損益之財務資產之變現收益	841	602
Net exchange (loss)/gain	淨匯兌(虧損)/收益	(46,380)	3,862
Bargain purchase on acquisition of a subsidiary (Note 36)	收購一間附屬公司產生之收購議價(附註36)	—	6,413
Net gain on disposal of an investment property (Note 35(c))	出售一項投資物業之淨收益(附註35(c))	—	572
Compensation received in relation to a litigation — net (Note (i))	有關一宗訴訟之賠償 — 淨額(附註(i))	30,583	—
Sundry income	雜項收入	3,319	3,299
		(21,059)	15,938

6 其他(虧損)/收益 — 淨額

Note:

- (i) The amount mainly represented the compensation received during the year from a rebar supplier for its failure to meet the obligation to deliver in year 2009.

附註:

- (i) 金額主要指本年度來自鋼筋供應商於二零零九年因未能履行責任交付之已收補償。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

7 Expenses by nature

Expenses included in “cost of sales”, “selling and distribution expenses” and “general and administrative expenses” are analysed as follows:

7 按性質劃分之支出

包括在「銷售成本」、「銷售及分銷支出」與「一般及行政支出」內支出之分析如下：

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Cost of finished goods sold	製成品銷售成本	2,887,336	3,403,537
Provision for impairment of inventories — net	存貨減值撥備 — 淨額	3,897	662
Depreciation of property, plant and equipment (Note 14)	物業、廠房及設備之折舊 (附註14)	18,873	8,029
Loss/(gain) on disposals of property, plant and equipment (Note 35 (b))	出售物業、廠房及設備之虧損 / (收益) (附註35(b))	1,809	(271)
Amortisation of land use rights (Note 16)	土地使用權之攤銷 (附註16)	1,607	1,387
Amortisation of intangible assets (Note 17)	無形資產之攤銷 (附註17)	1,430	1,455
Employee benefit expenses (Note 8)	僱員福利支出 (附註8)	145,210	115,356
Operating lease rental expenses in respect of retail outlets, offices and warehouses	零售商舖、辦公室及貨倉營業租約租金支出	39,942	30,334
Property tax for an investment property	一項投資物業之物業稅	6,677	5,471
Provision for impairment of trade receivables — net (Note 26)	應收賬款減值撥備 — 淨額 (附註26)	7,529	642
Auditor's remuneration	核數師酬金	2,432	2,205
Legal and professional fees	法律及專業費	47,086	7,947
Freight charges — inbound	購貨運費	62,940	67,265
Freight charges — outbound	銷售運費	58,469	55,169
Others	其他	60,844	41,283
Total cost of sales, selling and distribution expenses and general and administrative expenses	銷售成本、銷售及分銷支出與一般及行政支出總額	3,346,081	3,740,471

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

8 Employee benefit expenses (including directors' emoluments)

8 僱員福利支出(包含董事酬金)

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Salaries and allowances	薪金及津貼	94,646	85,826
Bonus	花紅	30,830	10,299
Pension costs — defined contribution plans	退休金成本 — 界定供款計劃	9,948	8,921
Share-based payment	以股份為基礎之支付	1,859	1,237
Welfare and benefits	福利及利益	7,927	9,073
		145,210	115,356

The Group maintains two defined contribution pension schemes for its employees in Hong Kong, the ORSO Scheme and the MPF Scheme. The assets of these schemes are held separately from those of the Group under independently administered funds.

Under the ORSO Scheme, each of the Group and its employees make monthly contribution to the scheme at 5% of the employees' salary. The unvested benefits of employees who have terminated employment could be utilised by the Group to reduce its future contributions.

Under the MPF Scheme, each of the Group and its employees make monthly contributions to the scheme at 5% of the employee's relevant income, as defined in the Hong Kong Mandatory Provident Fund Scheme Ordinance. Both the Group's and the employee's contributions are subject to a cap of HK\$1,500 per month (HK\$1,250 before June 2014). The contributions are fully and immediately vested for the employees.

As stipulated by rules and regulations in Mainland China, the Group contributes to state-sponsored retirement plans for employees of its subsidiaries established in Mainland China. The employees are entitled to retirement pension calculated with reference to their basic salaries on retirement and their length of service in accordance with the relevant government regulations. The Group has no further obligations for the actual payment of pensions or post-retirement benefits beyond these contributions. The state-sponsored retirement plans are responsible for the entire pension obligations payable to retired employees.

本集團維持兩個界定退休金供款計劃予位於香港之僱員，公積金計劃及強積金計劃。此兩個計劃之資產均與本集團之資產分開持有，並由獨立基金管理。

根據公積金計劃，本集團及其僱員須各自按該僱員薪金之5%向該計劃作每月供款。終止僱用之僱員未歸屬之利益均由本集團用作減少未來供款。

根據強積金計劃，本集團及其僱員須各自按香港強制性公積金計劃條例所界定按該僱員有關收入之5%向該計劃作每月供款。本集團及其僱員之供款乃受限於每月1,500港元(二零一四年六月前為1,250港元)的上限。供款悉數及即時歸屬於僱員。

誠如中國內地規則及法規所規定，本集團須為其設立於中國內地之附屬公司僱員提供國家資助退休計劃供款。僱員有權獲得退休金，金額參照僱員退休時之基本薪金及服務年期按有關政府法規計算得出。除該等供款外，本集團毋須另行支付任何實際退休金或退休後福利。該等國家資助退休計劃須負責向退休僱員支付全部退休金。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

8 Employee benefit expenses (including directors' emoluments) (Continued)

During the year ended 31st March 2016, the aggregate amount of the Group's contributions to the aforementioned pension schemes was approximately HK\$9,948,000 (2015: HK\$8,921,000), net of forfeited contributions of approximately HK\$179,000 (2015: HK\$317,000). As at 31st March 2015 and 2016, there is no unutilised forfeited contribution which could be utilised to reduce future contributions of the Group.

9 Directors' and senior management's emoluments

(a) Directors' emoluments

The remuneration of every Director for the year ended 31st March 2016 is set out below:

Name	名稱	Fees	Salary and allowance	Discretionary bonus ^(iv)	Share-based payment ^(v)	Employer's contribution to a retirement benefit scheme	Total
						僱主對退休福利計劃之供款	
		酬金	薪金及津貼	酌情花紅 ^(iv)	以股份為基礎之支付 ^(v)	退休福利計劃之供款	總額
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元
Executive Directors		執行董事					
Mr. Yao Cho Fai Andrew, Chairman and Chief Executive Officer ⁽ⁱ⁾	姚祖輝先生 (主席及首席執行官) ⁽ⁱ⁾	—	1,950	1,950	—	18	3,918
Mr. Frank Muñoz ⁽ⁱⁱ⁾	Frank Muñoz先生 ⁽ⁱⁱ⁾	—	2,665	1,156	665	12	4,498
Ms. Luk Pui Yin Grace ⁽ⁱⁱⁱ⁾	陸佩然女士 ⁽ⁱⁱⁱ⁾	—	657	—	97	33	787
Mr. Lau Chi Chiu ⁽ⁱⁱⁱ⁾	劉子超先生 ⁽ⁱⁱⁱ⁾	—	431	—	32	22	485
Non-executive Directors		非執行董事					
Mr. Dong Sai Ming Fernando	唐世銘先生	482	—	—	—	—	482
Mr. Tam King Ching Kenny	譚競正先生	225	—	—	—	—	225
Mr. Xu Lin Bao	徐林寶先生	207	—	—	—	—	207
Mr. Tse Lung Wa Teddy	謝龍華先生	480	—	—	—	—	480
Mr. Yeung Wing Sun Mike	楊榮燊先生	180	—	—	—	—	180
		1,574	5,703	3,106	794	85	11,262

8 僱員福利支出(包含董事酬金)(續)

截至二零一六年三月三十一日止年度，本集團對上述退休金計劃作出之供款總額約為9,948,000港元(二零一五年：8,921,000港元)，淨沒收供款約179,000港元(二零一五年：317,000港元)。於二零一五年及二零一六年三月三十一日，並無未動用已沒收供款可用作減少本集團未來之供款。

9 董事及高級管理人員酬金

(a) 董事酬金

截至二零一六年三月三十一日止年度，每位董事薪酬如下：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

9 Directors' and senior management's emoluments (Continued)

9 董事及高級管理人員酬金(續)

(a) Directors' emoluments (Continued)

(a) 董事酬金(續)

Aggregate emoluments paid to or receivable by directors in respect of their services as directors, whether of the Company or its subsidiary undertaking 就董事(不論為本公司或其附屬公司)擔任董事所提供之服務而已付或其應收未收之酬金總額 HK\$'000 千港元	Aggregate emoluments paid to or receivable by directors in respect of their other services in connection with the management of the affairs of the Company or its subsidiary undertaking 就董事有關管理本公司或其附屬公司事務之其他服務而已付或其應收未收之酬金總額 HK\$'000 千港元	Total 總額 HK\$'000 千港元
11,262	—	11,262

The remuneration of every Director for the year ended 31st March 2015 is set out below:

截至二零一五年三月三十一日止年度，每位董事薪酬如下：

Certain of the comparative information of directors' emoluments for the year ended 31st March 2015 previously disclosed in accordance with the predecessor Companies Ordinance have been restated in order to comply with the new scope and requirements by the Hong Kong Companies Ordinance (Cap. 622).

先前根據前公司條例披露之截至二零一五年三月三十一日止年度之董事酬金之若干可資比較資料已重列，以符合《香港公司條例》(第622章)新範圍及規定。

Name 名稱	Fees 酬金 HK\$'000 千港元	Salary and allowance 薪金及津貼 HK\$'000 千港元	Discretionary bonus ^(iv) 酌情花紅 ^(iv) HK\$'000 千港元	Share-based payment ^(v) 以股份為基礎之支付 ^(v) HK\$'000 千港元	Employer's contribution to a retirement benefit scheme 僱主對退休福利計劃之供款 HK\$'000 千港元	Total 總額 HK\$'000 千港元
Executive Directors 執行董事						
Mr. Yao Cho Fai Andrew, Chairman ⁽ⁱ⁾	—	1,950	1,950	—	18	3,918
Mr. Frank Muñoz, Chief Executive Officer ⁽ⁱⁱ⁾	—	4,327	1,155	732	18	6,232
Non-executive Directors 非執行董事						
Mr. Dong Sai Ming Fernando	429	—	71	—	18	518
Mr. Tam King Ching Kenny	225	—	—	—	—	225
Mr. Xu Lin Bao	207	—	—	—	—	207
Mr. Tse Lung Wa Teddy	690	—	—	—	—	690
Mr. Yeung Wing Sun Mike	183	—	—	—	—	183
	1,734	6,277	3,176	732	54	11,973

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

9 Directors' and senior management's emoluments (Continued)

9 董事及高級管理人員酬金(續)

(a) Directors' emoluments (Continued)

(a) 董事酬金(續)

Aggregate emoluments paid to or receivable by directors in respect of their services as directors, whether of the Company or its subsidiary undertaking 就董事(不論為本公司或其附屬公司)擔任董事所提供之服務而已付或其應收未收之酬金總額 HK\$'000 千港元	Aggregate emoluments paid to or receivable by directors in respect of their other services in connection with the management of the affairs of the Company or its subsidiary undertaking 就董事有關管理本公司或其附屬公司事務之其他服務而已付或其應收未收之酬金總額 HK\$'000 千港元	Total 總額 HK\$'000 千港元
11,973	—	11,973

Notes:

- (i) Mr. Yao Cho Fai Andrew was appointed as the Chief Executive Officer of the Company on 25th November 2015. The amounts represent emoluments paid or receivable in respect of his services as a director of the Company.
- (ii) Mr. Frank Muñoz resigned as the Chief Executive Officer and an Executive Director of the Company on 25th November 2015. The amounts represent emoluments paid or receivable in respect of his services as a director of the Company.
- (iii) Ms. Luk Pui Yin Grace and Mr. Lau Chi Chiu were appointed as Executive Directors of the Company on 25th November 2015. The amounts represent emoluments paid or receivable in respect of their services as directors of the Company.
- (iv) The Executive Directors are entitled to discretionary bonus which are determined with reference to the financial performance of different business units of the Group.
- (v) Share-based payment represents charges to the consolidated income statement of the fair value of the share options under the share option scheme measured at the respective grant dates, regardless of whether the share options would be exercised or not.

No incentive payment (2015: Nil) as an inducement for joining the Group or compensation for loss of office was paid to any director during the years ended 31st March 2015 and 2016.

附註：

- (i) 姚祖輝先生於二零一五年十一月二十五日獲委任為本公司首席執行官。金額指有關其擔任本公司董事之服務而已付或其應收未收之酬金。
- (ii) Frank Muñoz先生於二零一五年十一月二十五日辭任本公司首席執行官及執行董事。金額指有關其擔任本公司董事之服務而已付或其應收未收之酬金。
- (iii) 陸佩然女士及劉子超先生於二零一五年十一月二十五日獲委任為本公司執行董事。金額指有關其擔任本公司董事之服務而已付或其應收未收之酬金。
- (iv) 執行董事可收取酌情花紅，花紅參考本集團不同業務單位之財務表現釐定。
- (v) 以股份為基礎之支付指購股權計劃下於各授出日期計量並於綜合損益表列作開支之購股權公平價值，而不論購股權是否獲行使。

於截至二零一五年及二零一六年三月三十一日止年度，概無(二零一五年：無)已付酬金予任何董事以作鼓勵加入本集團或離職補償。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

9 Directors' and senior management's emoluments (Continued)

(b) Directors' retirement benefits

None of the directors received or will receive any retirement benefits during the years ended 31st March 2015 and 2016.

(c) Directors' termination benefits

None of the directors received or will receive any termination benefits during the years ended 31st March 2015 and 2016.

(d) Consideration provided to third parties for making available directors' services

During the years ended 31st March 2015 and 2016, no consideration was paid by the company to third parties for making available directors' services.

(e) Information about loans, quasi-loans and other dealings in favour of directors, controlled bodies corporate by and connected entities with such directors

During the years ended 31st March 2015 and 2016, there are no loans, quasi-loans and other dealing arrangements in favour of directors, controlled bodies corporate by any connected entities with such directors.

(f) Directors' material interests in transactions, arrangements or contracts

No significant transactions, arrangements and contracts in relation to the Group's business to which the Company was a party and in which a director of the Company has a material interest, whether directly or indirectly, subsisted at the end of 31st March 2015 and 2016 or at any time during the years ended 31st March 2015 and 2016.

9 董事及高級管理人員酬金(續)

(b) 董事退休福利

概無董事於截至二零一五年及二零一六年三月三十一日止年度已收取或將收取任何退休福利。

(c) 董事辭退福利

概無董事於截至二零一五年及二零一六年三月三十一日止年度已收取或將收取任何辭退福利。

(d) 就作出董事服務向第三方提供之代價

於截至二零一五年及二零一六年三月三十一日止年度，概無就作出董事服務向第三方支付代價。

(e) 有關以董事、受該等董事控制之法人團體及該等董事之關聯實體為受益人之貸款、準貸款及其他交易之資料

於截至二零一五年及二零一六年三月三十一日止年度，概無有關以董事、受該等董事控制之法人團體及該等董事之關聯實體為受益人之貸款、準貸款及其他交易安排。

(f) 董事於交易、安排或合約中之重大權益

本集團概無就其業務訂立本公司為其中訂約方及本公司董事直接或間接擁有重大權益而於二零一五年及二零一六年三月三十一日結束時或截至二零一五年及二零一六年三月三十一日止年度內任何時間仍然存續之重大交易、安排及合約。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

9 Directors' and senior management's emoluments (Continued)

(g) Five highest paid individuals

The five individuals with highest emoluments in the Group include three directors (2015: two) whose emoluments are reflected in the analysis presented in Note 9 (a) above. The emoluments paid/payable to the remaining two (2015: three) individuals during the year are as follows:

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Salaries and allowances	薪金及津貼	4,000	5,152
Bonus	花紅	1,336	2,154
		5,336	7,306

The emoluments fell within the following bands:

		Number of individuals 人數	
		2016 二零一六年	2015 二零一五年
— HK\$1,500,001 to HK\$2,000,000	— 1,500,001 港元至 2,000,000 港元	—	1
— HK\$2,500,001 to HK\$3,000,000	— 2,500,001 港元至 3,000,000 港元	2	2
		2	3

No emoluments were paid/payable to the five highest paid individuals as an inducement to join the Group or as compensation for loss of office during the year.

9 董事及高級管理人員酬金(續)

(g) 五名最高薪人士

本集團五名最高酬金人士包括三位董事(二零一五年：兩位)，彼等之酬金於上文附註9(a)所列分析中反映。本年度已付／應付其餘兩位(二零一五年：三位)人士之酬金如下：

酬金介乎以下範圍：

本年度，並無支付／應付任何酬金予五名最高薪人士以作鼓勵加入本集團或作離職補償。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

10 Finance income and costs

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Finance income	財務收入		
Interest income	利息收入：		
— short-term bank deposits	— 短期銀行存款	2,065	3,883
Finance costs	財務費用		
Interest expenses:	利息支出：		
— bank borrowings	— 銀行借貸	(58,803)	(55,007)
Bank charges	銀行費用	(6,601)	(4,143)
		(65,404)	(59,150)
Net finance costs	淨財務費用	(63,339)	(55,267)

10 財務收入及費用

11 Income tax expense

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.

Hong Kong profits tax has been provided at the rate of 16.5% (2015: 16.5%) on the estimated assessable profit for the year.

During the year, subsidiaries established in Mainland China are subject to China corporate income tax at 25% (2015: 25%).

The amount of income tax expense recorded in the consolidated income statement represents:

11 所得稅支出

海外溢利之稅項已按本集團經營所在國家之現行稅率就年內估計應課稅溢利計算。

香港利得稅乃根據本年度估計應課稅溢利按稅率 16.5% (二零一五年：16.5%) 作出撥備。

本年度，於中國內地成立之附屬公司按稅率 25% (二零一五年：25%) 繳付中國企業所得稅。

於綜合損益表中列賬之所得稅支出包括：

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Current income tax	當期所得稅		
— Hong Kong profits tax	— 香港利得稅	14,283	16,055
— China corporate income tax	— 中國企業所得稅	7,895	11,795
Deferred income tax (Note 22)	遞延所得稅(附註22)	53,205	45,224
(Over)/under provision in prior years	過往年度之(超額撥備)/撥備不足	(378)	1,235
		75,005	74,309

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

11 Income tax expense (Continued)

The tax on the Group's profit before income tax differs from the theoretical amount that would arise using the weighted average tax rate applicable to profits of the consolidated entities is as follows:

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Profit before income tax	除稅前溢利	146,269	293,575
Tax calculated at domestic tax rates applicable to profit in the respective countries	按個別國家之溢利所適用之當地稅率計算之稅項	53,322	69,333
Income not subject to tax	毋須課稅之收入	(483)	(321)
Expenses not deductible for tax purposes	不可扣稅之支出	16,524	3,124
Tax losses not recognised as deferred income tax assets	並無確認遞延所得稅資產之稅項虧損	6,005	1,184
Deferred income tax liabilities in respect of withholding tax on Mainland China unremitted earnings	就中國內地未分派盈利之預扣稅遞延所得稅負債	15	(246)
(Over)/under provision in prior years	過往年度之(超額撥備)/撥備不足	(378)	1,235
Income tax expense	所得稅支出	75,005	74,309

For the year ended 31st March 2016, the weighted average applicable tax rate was 36.5% (2015: 23.6%). The increase is caused by the change in the profitability of the Group's subsidiaries in the respective countries.

11 所得稅支出(續)

本集團除稅前溢利之稅項與按綜合實體溢利適用之加權平均稅率計算之理論金額有所差異，詳情如下：

截至二零一六年三月三十一日止年度，加權平均適用稅率為36.5%（二零一五年：23.6%）。該增加乃由於本集團之附屬公司於所在國家之盈利能力有所變動所致。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

12 Dividends

12 股息

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Interim dividend of HK1.8 cents (2015: HK3.5 cents) per ordinary share	中期股息每股普通股 1.8 港仙 (二零一五年：3.5 港仙)	11,531	14,753
Proposed final dividend of HK1.0 cent (2015: HK5.0 cents) per ordinary share	建議末期股息每股普通股 1.0 港仙(二零一五年：5.0 港仙)	6,419	32,032
		17,950	46,785

A final dividend for the year ended 31st March 2016 of HK1.0 cent (2015: HK5.0 cents) per ordinary share, totalling approximately HK\$6,419,000 (2015: HK\$32,032,000) has been recommended by the Board for approval at the forthcoming Annual General Meeting of the Company. The proposed final dividend has not been dealt with as dividend payable as at 31st March 2016.

董事會於本公司應屆之股東週年大會上建議截至二零一六年三月三十一日止年度末期股息每股普通股 1.0 港仙(二零一五年：5.0 港仙)，合共約 6,419,000 港元(二零一五年：32,032,000 港元)。建議末期股息並無於二零一六年三月三十一日之賬目中列為應付股息。

The proposed final dividend for the year ended 31st March 2016 in the amount of approximately HK\$6,419,000 is calculated on the basis of 641,882,674 shares in issue as at 23rd June 2016.

截至二零一六年三月三十一日止年度之建議末期股息約 6,419,000 港元，乃按於二零一六年六月二十三日之 641,882,674 股已發行股份計算。

13 Earnings per ordinary share

13 每股普通股盈利

(a) Basic

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

(a) 基本

每股普通股基本盈利乃按本公司股權持有人應佔溢利除以本年度已發行普通股之加權平均數計算。

		2016 二零一六年	2015 二零一五年
Profit attributable to equity holders of the Company (HK\$'000)	本公司股權持有人應佔溢利 (千港元)	70,105	215,533
Weighted average number of ordinary shares in issue ('000)	已發行普通股之加權平均數 (千股)	640,012	542,567
Basic earnings per ordinary share (HK cents)	每股普通股基本盈利 (港仙)	10.95	39.72

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

13 Earnings per ordinary share (Continued)

(b) Diluted

Diluted earnings per ordinary share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. The Company's dilutive potential ordinary shares arise from share options, for which a calculation is done to determine the number of shares that could have been acquired at fair value (determined as the average annual market share price of the Company's shares) based on the monetary value of the subscription rights attached to outstanding share options. The number of shares calculated as above is compared with the number of shares that would have been issued assuming the exercise of the share options.

13 每股普通股盈利(續)

(b) 攤薄

每股普通股攤薄盈利乃按假設具潛在攤薄性質之普通股獲全數轉換而相應調整發行在外普通股之加權平均數計算。本公司具潛在攤薄性質之普通股因購股權而產生，其計算根據尚未行使購股權所附認購權之貨幣價值作出，用以釐定原應以公平價值（釐定為本公司股份之全年平均市場股價）收購之股份數目。上文計算得出之股份數目與假設購股權獲行使而已發行之股份數目作比較。

		2016 二零一六年	2015 二零一五年
Profit attributable to equity holders of the Company and used to determine diluted earnings per ordinary share (HK\$'000)	本公司股權持有人應佔溢利及用以釐定每股普通股攤薄盈利(千港元)	70,105	215,533
Weighted average number of ordinary shares in issue ('000)	已發行普通股之加權平均數(千股)	640,012	542,567
Adjustment for share options ('000)	調整購股權(千份)	14,022	15,280
Weighted average number of ordinary shares for diluted earnings per ordinary share ('000)	每股普通股攤薄盈利之普通股加權平均數(千股)	654,034	557,847
Diluted earnings per ordinary share (HK cents)	每股普通股攤薄盈利(港仙)	10.72	38.64

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

14 Property, plant and equipment

14 物業、廠房及設備

		Consolidated 綜合					Total
		Buildings	Leasehold improvement, furniture and equipment 租賃物業裝修、傢俬及設備	Machinery	Motor vehicles and vessels	Construction in progress	
		樓宇 HK\$'000 千港元	HK\$'000 千港元	機器 HK\$'000 千港元	汽車及船舶 HK\$'000 千港元	在建工程 HK\$'000 千港元	總額 HK\$'000 千港元
At 1st April 2014	二零一四年四月一日						
Cost	成本	4,442	46,324	6,187	10,515	—	67,468
Accumulated depreciation	累計折舊	(1,153)	(38,098)	(5,597)	(7,666)	—	(52,514)
Net book amount	賬面淨額	3,289	8,226	590	2,849	—	14,954
Year ended 31st March 2015	截至二零一五年三月三十一日止年度						
Opening net book amount	期初賬面淨額	3,289	8,226	590	2,849	—	14,954
Transfer from investment property (Note 15)	轉撥自投資物業 (附註15)	15,011	—	—	—	—	15,011
Acquisition of a subsidiary (Note 36)	收購一間附屬公司 (附註36)	—	4,472	6,708	2,579	—	13,759
Additions	添置	—	7,594	4,743	8,080	18,432	38,849
Disposals	出售	—	(160)	—	(567)	—	(727)
Depreciation	折舊	(695)	(4,551)	(1,202)	(1,581)	—	(8,029)
Currency translation differences	貨幣匯兌差額	4	3	—	(4)	—	3
Closing net book amount	期終賬面淨額	17,609	15,584	10,839	11,356	18,432	73,820
At 31st March 2015	於二零一五年三月三十一日						
Cost	成本	19,460	55,782	17,638	19,995	18,432	131,307
Accumulated depreciation	累計折舊	(1,851)	(40,198)	(6,799)	(8,639)	—	(57,487)
Net book amount	賬面淨額	17,609	15,584	10,839	11,356	18,432	73,820
Year ended 31st March 2016	截至二零一六年三月三十一日止年度						
Opening net book amount	期初賬面淨額	17,609	15,584	10,839	11,356	18,432	73,820
Transfer to inventories	轉撥至存貨	—	(556)	(20)	—	—	(576)
Additions	添置	5,104	5,960	22,564	2,368	133,532	169,528
Disposals	出售	—	(1,648)	(598)	(161)	—	(2,407)
Depreciation	折舊	(7,789)	(5,768)	(3,305)	(2,011)	—	(18,873)
Transfers	轉撥	151,964	—	—	—	(151,964)	—
Currency translation differences	貨幣匯兌差額	(696)	(209)	—	(51)	—	(956)
Closing net book amount	期終賬面淨額	166,192	13,363	29,480	11,501	—	220,536
At 31st March 2016	於二零一六年三月三十一日						
Cost	成本	175,771	57,500	37,716	20,591	—	291,578
Accumulated depreciation	累計折舊	(9,579)	(44,137)	(8,236)	(9,090)	—	(71,042)
Net book amount	賬面淨額	166,192	13,363	29,480	11,501	—	220,536

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

14 Property, plant and equipment (Continued)

Depreciation expense of approximately HK\$2,357,000 (2015: HK\$1,033,000) was charged to “cost of sales” and approximately HK\$16,516,000 (2015: HK\$6,996,000) to “general and administrative expenses” in the consolidated income statement.

As at 31st March 2016, the Group's property, plant and equipment of approximately HK\$13,014,000 (2015: HK\$14,426,000) were pledged as collaterals for the Group's long-term bank loans (Note 31).

14 物業、廠房及設備(續)

折舊支出約2,357,000港元(二零一五年：1,033,000港元)及約16,516,000港元(二零一五年：6,996,000港元)分別於綜合損益表之「銷售成本」及「一般及行政支出」中扣除。

於二零一六年三月三十一日，本集團之物業、廠房及設備約13,014,000港元(二零一五年：14,426,000港元)已抵押作為本集團長期銀行貸款之抵押品(附註31)。

15 Investment properties

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
At fair value	按公平價值		
At beginning of year	於年初	1,144,634	1,005,580
Transfer to owner-occupied property (Note 14)	轉撥至自用物業(附註14)	—	(15,011)
Transfer to land use rights (Note 16)	轉撥至土地使用權(附註16)	—	(39,228)
Capitalised subsequent expenditure	其後開支撥充資本	28,710	9,262
Disposal (Note 35(c))	出售(附註35(c))	—	(22,000)
Fair value gain on investment property	投資物業之公平價值收益	199,514	204,108
Currency translation differences	貨幣匯兌差額	(61,258)	1,923
At end of year	於年末	1,311,600	1,144,634

Amount recognised in consolidated income statement for investment property as follows:

於綜合損益表中確認之投資物業金額如下：

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Rental income	租金收入	47,682	38,566
Direct operating expenses from property that generated rental income	來自產生租金收入之物業之直接經營開支	(7,477)	(5,152)
		40,205	33,414

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

15 Investment properties (Continued)

As at 31st March 2016, an investment property of approximately HK\$1,311,600,000 (2015: HK\$1,144,634,000) was stated at open market value based on valuations assessed by an independent, professional qualified valuer as reviewed by the directors. The investment property was pledged as collaterals for certain of the Group's bank borrowings of approximately HK\$816,597,000 (2015: HK\$565,539,000) (Note 31).

The following table analyses the investment properties carried at fair value, by valuation method.

Fair value hierarchy

Description	描述	Fair value measurement at 31st March 2016 using 於二零一六年三月三十一日使用下列項目 進行之公平價值計量		
		Quoted prices in active markets for identical assets 於活躍市場可識 別資產之報價 (Level 1) (第一層) HK\$'000 千港元	Significant other observable inputs 重大其他 可觀察輸入 (Level 2) (第二層) HK\$'000 千港元	Significant unobservable inputs 重大不可 觀察輸入 (Level 3) (第三層) HK\$'000 千港元
Recurring fair value measurement	經常性公平價值計量			
— Commercial units	— 商業單元	—	—	
— Mainland China	— 中國內地			1,311,600

15 投資物業(續)

於二零一六年三月三十一日，約1,311,600,000港元(二零一五年：1,144,634,000港元)之一項投資物業由董事按獨立及專業合資格估值師所評估之估值審閱之公開市值列賬。投資物業已作抵押，作為本集團若干銀行借貸約816,597,000港元(二零一五年：565,539,000港元)之抵押品(附註31)。

下表以估值法分析按公平價值入賬之投資物業。

公平價值等級

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

15 Investment properties (Continued)

Fair value hierarchy (Continued)

Description	描述	Fair value measurement at 31st March 2015 using 於二零一五年三月三十一日使用下列項目 進行之公平價值評量		
		Quoted prices in active markets for identical assets 於活躍市場可識 別資產之報價 (Level 1) (第一層) HK\$'000 千港元	Significant other observable inputs 重大其他 可觀察輸入 (Level 2) (第二層) HK\$'000 千港元	Significant unobservable inputs 重大不可 觀察輸入 (Level 3) (第三層) HK\$'000 千港元
Recurring fair value measurement	經常性公平價值計量			
— Commercial units	— 商業單元			
— Mainland China	— 中國內地	—	—	1,144,634

Fair value measurement using significant unobservable inputs (Level 3)

使用重大不可觀察輸入之公平價值計量
(第三層)

		Hong Kong 香港 HK\$'000 千港元	Mainland China 中國內地 HK\$'000 千港元	Total 總計 HK\$'000 千港元
As at 1st April 2015	於二零一五年四月一日	—	1,144,634	1,144,634
Capitalised subsequent expenditure	其後開支撥充資本	—	28,710	28,710
Fair value gain on investment property	投資物業之公平價值 收益	—	199,514	199,514
Currency translation differences	貨幣匯兌差額	—	(61,258)	(61,258)
As at 31st March 2016	於二零一六年三月 三十一日	—	1,311,600	1,311,600
Total unrealised gains for the year included in the consolidated income statement for asset held at 31st March 2016	於二零一六年三月 三十一日所持資產 於本年度計入綜合 損益表之未變現 收益總額	—	199,514	199,514

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

15 Investment properties (Continued)

Fair value measurement using significant unobservable inputs (Level 3) (Continued)

15 投資物業(續)

使用重大不可觀察輸入之公平價值計量(第三層)(續)

		Hong Kong 香港 HK\$'000 千港元	Mainland China 中國內地 HK\$'000 千港元	Total 總計 HK\$'000 千港元
As at 1st April 2014	於二零一四年四月一日	22,000	983,580	1,005,580
Transfer to owner-occupied property	轉撥至自用物業	—	(15,011)	(15,011)
Transfer to land use rights Capitalised subsequent expenditure	轉撥至土地使用權其後開支撥充資本	—	(39,228)	(39,228)
Fair value gain on investment property	投資物業之公平價值收益	—	9,262	9,262
Disposal	出售	(22,000)	204,108	204,108
Currency translation differences	貨幣匯兌差額	—	—	(22,000)
			1,923	1,923
As at 31st March 2015	於二零一五年三月三十一日	—	1,144,634	1,144,634
Total unrealised gains for the year included in the consolidated income statement for asset held at 31st March 2015	於二零一五年三月三十一日所持資產於本年度計入綜合損益表之未變現收益總額	—	204,108	204,108

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

15 Investment properties (Continued)

Fair value measurement using significant unobservable inputs (Level 3) (Continued)

Information about fair value measurements using significant unobservable input (Level 3) as follows:

Description	Fair value	Valuation technique	Unobservable inputs	Range of unobservable inputs (weighted average) 不可觀察輸入範圍 (加權平均)	Relationship of unobservable inputs to fair value 不可觀察輸入與公平價值之關係
描述	公平價值 (HK\$'000) (千港元)	估值技術	不可觀察輸入		

As at 31st March 2016
於二零一六年三月三十一日

Investment property — Mainland China	1,311,600	Income capitalisation approach	Adjusted market yield	5.75% to 6.75% (5.91%)	The higher the weighted average adjusted market yield, the higher the fair value
投資物業 — 中國內地		收益資本化法	經調整市場收益率	5.75%至6.75% (5.91%)	加權平均經調整市場收益率越高，公平價值越高

Description	Fair value	Valuation technique	Unobservable inputs	Range of unobservable inputs (weighted average) 不可觀察輸入範圍 (加權平均)	Relationship of unobservable inputs to fair value 不可觀察輸入與公平價值之關係
描述	公平價值 (HK\$'000) (千港元)	估值技術	不可觀察輸入		

As at 31st March 2015
於二零一五年三月三十一日

Investment property — Mainland China	1,144,634	Income capitalisation approach	Adjusted market yield	5.75% to 7.75% (6.08%)	The higher the weighted average adjusted market yield, the higher the fair value
投資物業 — 中國內地		收益資本化法	經調整市場收益率	5.75%至7.75% (6.08%)	加權平均經調整市場收益率越高，公平價值越高

15 投資物業(續)

使用重大不可觀察輸入之公平價值計量(第三層)(續)

有關使用重大不可觀察輸入(第三層)之公平價值計量之資料如下：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

15 Investment properties (Continued)

Valuation processes of the investment property

The Group engages external, independent and qualified valuer to determine the fair value of investment property at the end of every financial year. As at 31st March 2015 and 2016, the fair value of the investment property was determined by Knight Frank Petty Limited.

The Group's finance department reviews the valuations performed by Knight Frank Petty Limited for financial reporting purpose. These valuation results are then reported to the Group's management for discussions and review in relation to the valuation processes and the reasonableness of valuation results.

The main Level 3 input used by the Group is derived and evaluated as follows:

Adjusted market yield

The adjusted market yield has been determined by making reference to recent sales and rental transactions with adjustments to reflect the differences between the comparables and the investment property, in terms of location, building quality and other factors.

15 投資物業(續)

投資物業之估值程序

本集團委聘外部獨立及合資格估值師釐定於各財政年度末投資物業之公平價值。於二零一五年及二零一六年三月三十一日，投資物業之公平價值已由萊坊測計師行有限公司釐定。

本集團之財務部門會為財務報告目的所需而檢討由萊坊測計師行有限公司作出之評估。有關估值結果其後將向本集團管理層匯報，以就估值程序及估值結果的合理性進行討論及檢討。

本集團使用的主要來自第三層輸入及評估如下：

經調整市場收益率

經調整市場收益率乃經參考近期銷售及租金交易(經調整以反映可比較物業與投資物業所在位置、樓宇質量及其他因素方面之差異)予以釐定。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

16 Land use rights

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

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
At beginning of year	於年初	47,977	10,123
Transfer from investment property (Note 15)	轉撥自投資物業(附註15)	—	39,228
Amortisation	攤銷	(1,607)	(1,387)
Currency translation differences	貨幣匯兌差額	(1,834)	13
At end of year	於年末	44,536	47,977

Amortisation of land use rights has been included in "general and administrative expenses" in the consolidated income statement.

As at 31st March 2016, the Group's land use rights of approximately HK\$34,817,000 (2015: HK\$38,056,000) were pledged as collaterals for the Group's long-term bank loans (Note 31).

16 土地使用權

本集團於土地使用權之權益包括預付營業租約款項及其賬面淨額分析如下：

土地使用權之攤銷已計入綜合損益表之「一般及行政支出」。

於二零一六年三月三十一日，本集團之土地使用權約34,817,000港元(二零一五年：38,056,000港元)已抵押作為本集團長期銀行貸款之抵押品(附註31)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

17 Intangible assets

17 無形資產

		Goodwill 商譽 HK\$'000 千港元	Distribution rights 分銷權 HK\$'000 千港元	Favourable lease terms 有利租賃條款 HK\$'000 千港元	Total 總額 HK\$'000 千港元
At 1st April 2014	於二零一四年四月一日				
Cost	成本	68,321	8,339	12,610	89,270
Accumulated amortisation	累計攤銷	—	(1,891)	(196)	(2,087)
Net book amount	賬面淨額	68,321	6,448	12,414	87,183
Year ended 31st March 2015	截至二零一五年 三月三十一日止年度				
Opening net book amount	期初賬面淨額	68,321	6,448	12,414	87,183
Amortisation	攤銷	—	(829)	(626)	(1,455)
Currency translation differences	貨幣匯兌差額	54	1	3	58
Closing net book amount	期終賬面淨額	68,375	5,620	11,791	85,786
At 31st March 2015	於二零一五年三月三十一日				
Cost	成本	68,375	8,348	12,618	89,341
Accumulated amortisation	累計攤銷	—	(2,728)	(827)	(3,555)
Net book amount	賬面淨額	68,375	5,620	11,791	85,786
Year ended 31st March 2016	截至二零一六年 三月三十一日止年度				
Opening net book amount	期初賬面淨額	68,375	5,620	11,791	85,786
Amortisation	攤銷	—	(814)	(616)	(1,430)
Currency translation differences	貨幣匯兌差額	(3,359)	(255)	(564)	(4,178)
Closing net book amount	期終賬面淨額	65,016	4,551	10,611	80,178
At 31st March 2016	於二零一六年三月三十一日				
Cost	成本	65,016	7,939	11,997	84,952
Accumulated amortisation	累計攤銷	—	(3,388)	(1,386)	(4,774)
Net book amount	賬面淨額	65,016	4,551	10,611	80,178

Amortisation expense of distribution rights and favorable lease terms have been included in the “general and administrative expenses” in the consolidated income statement.

分銷權及有利租賃條款攤銷支出已計入綜合損益表之「一般及行政支出」。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

17 Intangible assets (Continued)

Impairment tests for goodwill

Goodwill is allocated to the Group's CGUs as follows:

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Building and design solutions	建築產品及設計方案		
— Wuhan ("Wuhan BDS")	— 武漢(「武漢建築產品及設計方案」)	6,529	6,866
— Changsha ("Changsha BDS")	— 長沙(「長沙建築產品及設計方案」)	4,135	4,349
Property business in Shanghai	於上海之房地產業務	54,352	57,160
		65,016	68,375

The recoverable amount of the CGUs is determined based on value-in-use calculations. These calculations use cash flow projections based on financial budgets approved by management covering the budget period. Key assumptions used for value-in-use calculations:

17 無形資產(續)

商譽減值測試

商譽被分配至本集團之現金產生單位如下：

現金產生單位之可收回金額透過可使用價值釐定。此計算由管理層批准利用現金流量預測法涵蓋財務預算期計算得出。計算使用價值所用之重要假設：

		Key assumptions as at 31st March 2016 於二零一六年三月三十一日之重要假設		
		Wuhan BDS 武漢建築 產品及設計方案	Changsha BDS 長沙建築 產品及設計方案	Property business 房地產業務
Growth rate of revenue	收入增長率	10%	9%	10%
Operating profit margin	經營利潤率	2%-3%	2%-3%	Not applicable 不適用
Pre-tax discount rate	稅前貼現率	20%	20%	13%
Gross margin	毛利率	10%	15%	Not applicable 不適用

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

17 Intangible assets (Continued)

Impairment tests for goodwill (Continued)

Management determined the average annual growth rate of revenue based on past performance and its expectations of market development. The discount rates used reflect specific risks relating to the relevant segments.

The recoverable amount of Wuhan BDS calculated based on value in use exceeded the carrying value. Growth rate of revenue in Wuhan BDS falls to 8% would remove the remaining headroom.

The recoverable amount of Changsha BDS calculated based on value in use exceeded the carrying value. Growth rate of revenue in Changsha BDS falls to 7% would remove the remaining headroom.

The recoverable amounts of property business calculated based on value in use exceeded the carrying value. No reasonable possible range in key assumptions on which management has based its determination of recoverable amount would cause the carrying amount to exceed its recoverable amount.

17 無形資產(續)

商譽減值測試(續)

管理層根據過往表現及其對市場發展之預期釐定年均收入增長率。所用貼現率反映與相關分部有關之特定風險。

武漢建築產品及設計方案之可收回金額按使用價值超過賬面價值計算。武漢建築產品及設計方案之收入增長率下跌至8%將抵銷現有差額。

長沙建築產品及設計方案之可回收金額按使用價值超過賬面價值計算。長沙建築產品及設計方案之收入增長率下跌7%將抵銷現有差額。

房地產業務之可收回金額按使用價值超過賬面價值計算。管理層釐定可收回金額所依據之主要假設中概無合理可能範圍會引致賬面金額超過其可收回金額。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

18 Financial instruments by category

18 金融工具分類

		Loan and receivables 貸款及應收賬款 HK\$'000 千港元	Fair value through profit or loss 計入損益之公平價值 HK\$'000 千港元	Available-for-sale 可供出售 HK\$'000 千港元	Total 總計 HK\$'000 千港元
As at 31st March 2016	於二零一六年三月三十一日				
Assets as per consolidated statement of financial position	綜合財務狀況表內之資產				
Available-for-sale financial asset	可供出售之財務資產	—	—	487	487
Amounts due from joint ventures	應收合營公司	15,593	—	—	15,593
Trade and other receivables (excluding non-financial assets)	應收賬款及其他應收賬款 (不包括非財務資產)	779,880	—	—	779,880
Financial assets at fair value through profit or loss	按公平價值計入損益之財務資產	—	15,630	—	15,630
Pledged bank deposits	已抵押銀行存款	59,166	—	—	59,166
Cash and cash equivalents	現金及現金等值	546,261	—	—	546,261
Total	總計	1,400,900	15,630	487	1,417,017

			At amortised cost 按攤銷成本 HK\$'000 千港元
As at 31st March 2016	於二零一六年三月三十一日		
Liabilities as per consolidated statement of financial position	綜合財務狀況表內之負債		
Borrowings	借貸		1,992,384
Trade and bill payables	應付賬款及票據		132,581
Other payables (excluding non-financial liabilities)	其他應付賬款 (不包括非財務負債)		74,000
Total	總計		2,198,965

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

18 Financial instruments by category (Continued)

18 金融工具分類(續)

		Loan and receivables 貸款及應收 賬款 HK\$'000 千港元	Fair value through profit or loss 計入損益之 公平價值 HK\$'000 千港元	Available- for-sale 可供出售 HK\$'000 千港元	Total 總計 HK\$'000 千港元
As at 31st March 2015	於二零一五年 三月三十一日				
Assets as per consolidated statement of financial position	綜合財務狀況表內之 資產				
Available-for-sale financial asset	可供出售之財務資產	—	—	458	458
Amounts due from joint ventures	應收合營公司	4,468	—	—	4,468
Trade and other receivables (excluding non-financial assets)	應收賬款及其他應收賬款 (不包括非財務資產)	586,987	—	—	586,987
Financial assets at fair value through profit or loss	按公平價值計入損益 之財務資產	—	7,989	—	7,989
Pledged bank deposits	已抵押銀行存款	38,876	—	—	38,876
Cash and cash equivalents	現金及現金等值	354,997	—	—	354,997
Total	總計	985,328	7,989	458	993,775

At amortised
cost
按攤銷成本
HK\$'000
千港元

As at 31st March 2015	於二零一五年三月三十一日			
Liabilities as per consolidated statement of financial position	綜合財務狀況表內之負債			
Borrowings	借貸			1,448,482
Trade and bill payables	應付賬款及票據			151,604
Other payables (excluding non-financial liabilities)	其他應付賬款(不包括非財務負債)			47,793
Total	總計			1,647,879

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

19 Subsidiaries

Details of the principal subsidiaries as at 31st March 2016 are as follows:

19 附屬公司

於二零一六年三月三十一日之主要附屬公司之詳情如下：

Name 名稱	Place of incorporation/ establishment and kind of legal entity 註冊成立／成立地點 及法律實體性質	Particulars of issued share capital 已發行 股本之詳情	Percentage of equity interest attributable to the Group (i) 本集團應佔 股本權益百分比(i)		Principal activities and place of operations 主要業務及經營地點
			2016 二零一六年	2015 二零一五年	
Asia Infrastructure Resources Group Limited 亞洲基建資源集團有限公司	Cayman Islands, limited liability company 開曼群島，有限責任公司	HK\$0.2 0.2港元	100%	—	Investment holding in Hong Kong 於香港投資控股
Eastlink International Investment Inc. 東聯國際投資有限公司	British Virgin Islands, limited liability company 英屬處女群島， 有限責任公司	US\$1 1美元	100%	100%	Property business in Mainland China 於中國內地之房地產業務
Fit Team Holdings Limited	British Virgin Islands, limited liability company 英屬處女群島， 有限責任公司	US\$4 4美元	100%	100%	Investment holding in Hong Kong 於香港投資控股
He Tai Steel Co., Limited 和泰鋼鐵有限公司	Hong Kong, limited liability company 香港，有限責任公司	HK\$35,000,000 35,000,000港元	100%	100%	Trading of recycling steel in Hong Kong 於香港買賣回收鋼材
HSL China Metropolitan Fund I (GP) Ltd.	Cayman Islands, limited liability company 開曼群島， 有限責任公司	US\$1 1美元	60%	60%	Investment holding in Hong Kong 於香港投資控股
Hongkong and Shanghai Land Group Limited 滬港地產集團有限公司	British Virgin Islands, limited liability company 英屬處女群島， 有限責任公司	USD1 1美元	100%	—	Investment holding in Hong Kong 於香港投資控股
Shanghai Bao Shun Chang International Trading Co., Ltd. (ii) 上海寶順昌國際貿易 有限公司(ii)	Mainland China, limited liability company 中國內地， 有限責任公司	US\$3,687,500 3,678,500美元	100%	100%	Stockholding and trading of steel in Mainland China 於中國內地存銷及 買賣鋼材

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

19 Subsidiaries (Continued)

19 附屬公司(續)

Name 名稱	Place of incorporation/ establishment and kind of legal entity 註冊成立/成立地點 及法律實體性質	Particulars of issued share capital 已發行 股本之詳情	Percentage of equity interest attributable to the Group (i) 本集團應佔 股本權益百分比 (i)		Principal activities and place of operations 主要業務及經營地點
			2016 二零一六年	2015 二零一五年	
Van Shung Chong (B.V.I.) Limited (i)	British Virgin Islands, limited liability company 英屬處女群島， 有限責任公司	US\$6 6美元	100%	100%	Investment holding in Hong Kong 於香港投資控股
Van Shung Chong Hong Limited 萬順昌行有限公司	Hong Kong, limited liability company 香港，有限責任公司	HK\$2,000 ordinary and HK\$10,000,000 non-voting deferred (iii) 2,000港元普通股 及10,000,000港元 無投票權遞延股份 (iii)	100%	100%	Provision of management services in Hong Kong 於香港提供管理服務
VSC Building Products Company Limited 萬順昌建築材料有限公司	Hong Kong, limited liability company 香港，有限責任公司	HK\$2 2港元	100%	100%	Trading of sanitary wares, kitchen cabinets and home furniture and kitchen cabinet installation in Hong Kong 於香港買賣潔具、廚櫃及 家具及安裝廚櫃
VSC (China) Investments Limited 萬順昌(中國)投資有限公司	Hong Kong, limited liability company 香港，有限責任公司	HK\$2 2港元	100%	100%	Investment holding in Hong Kong 於香港投資控股
VSC Plastics Company Limited 萬順昌塑膠有限公司	Hong Kong, limited liability company 香港，有限責任公司	HK\$2 2港元	100%	100%	Trading of engineering plastics in Hong Kong 於香港買賣工程塑膠
VSC Steel Company Limited 萬順昌鋼鐵有限公司	Hong Kong, limited liability company 香港，有限責任公司	HK\$38,000 ordinary and HK\$20,000,000 non-voting deferred (iii) 38,000港元普通股 及20,000,000港元 無投票權遞延股份 (iii)	100%	100%	Stockholding and trading of steel in Hong Kong 於香港存銷及買賣鋼材
VSC Steel Processing Holdings Limited 萬順昌鋼材加工控股有限 公司	Hong Kong, limited liability company 香港，有限責任公司	HK\$1 1港元	100%	100%	Investment holding in Hong Kong, and provision of logistic and management service 於香港投資控股及提供物流及 管理服務

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

19 Subsidiaries (Continued)

19 附屬公司(續)

Name 名稱	Place of incorporation/ establishment and kind of legal entity 註冊成立/成立地點 及法律實體性質	Particulars of issued share capital 已發行 股本之詳情	Percentage of equity interest attributable to the Group (i) 本集團應佔 股本權益百分比 (i)		Principal activities and place of operations 主要業務及經營地點
			2016 二零一六年	2015 二零一五年	
VSC Steel Processing Limited 萬順昌鋼材加工有限公司	Hong Kong, limited liability company 香港，有限責任公司	HK\$1 1港元	100%	100%	Operation of the premises situated in Tsing Yi 經營位於青衣之場所
利尚派國際貿易(上海) 有限公司 (iv)	Mainland China, limited liability company 中國內地， 有限責任公司	US\$6,500,000 6,500,000美元	100%	100%	Trading of sanitary wares in Mainland China 於中國內地買賣潔具
萬順昌(上海)企業管理 有限公司 (iv)	Mainland China, limited liability company 中國內地， 有限責任公司	US\$7,280,000 7,280,000美元	100%	100%	Provision of management service and trading of sanitary wares and kitchen cabinets in Mainland China 於中國內地提供管理服務及買 賣潔具及廚櫃
武漢三金建材有限公司 (v)	Mainland China, limited liability company 中國內地， 有限責任公司	RMB10,000,000 人民幣 10,000,000 元	100%	100%	Trading of sanitary wares in Mainland China 於中國內地買賣潔具
上海新施房地產經紀 有限公司 (vi)	Mainland China, limited liability company 中國內地， 有限責任公司	US\$500,000 500,000美元	100%	100%	Property agent in Mainland China 於中國內地為物業代理
長沙錦派建材有限公司 (vii)	Mainland China, limited liability company 中國內地， 有限責任公司	RMB8,000,000 人民幣 8,000,000 元	100%	100%	Trading of sanitary wares in Mainland China 於中國內地買賣潔具
銀運貿易(上海)有限公司 (viii)	Mainland China, limited liability company 中國內地， 有限責任公司	RMB5,000,000 人民幣 5,000,000 元	100%	100%	Trading of engineering plastics in Mainland China 於中國內地買賣工程塑膠

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

19 Subsidiaries (Continued)

Notes:

- (i) The shares of Van Shung Chong (B.V.I.) Limited are held directly by the Company. The shares of other subsidiaries are held indirectly.
- (ii) Wholly owned enterprise established in Mainland China with an operating period of 30 years to 2023.
- (iii) These non-voting deferred shares are owned by the Group. The non-voting deferred shares have no voting rights, are not entitled to any distributions upon winding up unless a sum of HK\$2,000,000,000 has been distributed to the holders of ordinary shares for Van Shung Chong Hong Limited or a sum of HK\$10,000,000,000 has been distributed to the holders of ordinary shares for VSC Steel Company Limited.
- (iv) Wholly foreign owned enterprises established in Mainland China with an operating period of 20 years to 2023.
- (v) Wholly owned enterprise established in Mainland China with an operating period of 10 years to 2021.
- (vi) Wholly foreign owned enterprise established in Mainland China with an operating period of 10 years to 2020.
- (vii) Wholly foreign owned enterprise established in Mainland China with an operating period of 50 years to 2062.
- (viii) Wholly foreign owned enterprise established in Mainland China with an operating period of 30 years to 2044.

19 附屬公司(續)

附註：

- (i) Van Shung Chong (B.V.I.) Limited之股份由本公司直接持有。其他附屬公司之股份則間接持有。
- (ii) 於中國內地成立之外商獨資企業，經營期為30年，至二零二三年止。
- (iii) 此等無投票權遞延股份由本集團擁有。無投票權遞延股份並無投票權，亦無權於清盤時分享股息，惟萬順昌行有限公司普通股持有人已獲分派2,000,000,000港元之款額或萬順昌鋼鐵有限公司之普通股持有人已獲分派10,000,000,000港元之款額則除外。
- (iv) 於中國內地成立之外商獨資企業，經營期為20年，至二零二三年止。
- (v) 於中國內地成立之獨資企業，經營期為10年，至二零二一年止。
- (vi) 於中國內地成立之外商獨資企業，經營期為10年，至二零二零年止。
- (vii) 於中國內地成立之外商獨資企業，經營期為50年，至二零六二年止。
- (viii) 於中國內地成立之外商獨資企業，經營期為30年，至二零四四年止。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

20 Investments in associates

20 於聯營公司之投資

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Investments in associates	於聯營公司之投資	—	7,696

The movements of investments in associates are as follows:

於聯營公司之投資變動如下：

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
At beginning of year	於年初	7,696	237,179
Share of results of associates — net	應佔聯營公司之業績 — 淨額	(7,364)	(1,056)
Distribution from an associate	一間聯營公司之分派	—	(228,484)
Currency translation differences	貨幣匯兌差額	(332)	57
At end of year	於年末	—	7,696

Set out below are the associates of the Group as at 31st March 2016. The associates as listed below have share capital consisting solely of ordinary shares, which are held directly by the Group.

以下載列本集團於二零一六年三月三十一日之聯營公司。以下所列聯營公司僅具有普通股之股本，由本集團直接持有。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

20 Investments in associates (Continued)

20 於聯營公司之投資(續)

Details of the principal investments in associates as at 31st March 2016 are as follows:

於二零一六年三月三十一日之主要於聯營公司之投資詳情如下：

Name of entity 實體名稱	Place of business/country of incorporation 營業地/註冊成立所在國家	% of ownership interest 擁有權益百分比		Nature of the relationship 關係性質	Measurement method 計量方法
		2016 二零一六年	2015 二零一五年		
China Able Limited ("China Able")	Mainland China/British Virgin Islands 中國內地/英屬處女群島	33.30%	33.30%	Note i 附註 i	Equity method 權益法
Changshu Baoshunchang Steel Processing Co., Ltd. ("常熟寶順昌") 常熟寶順昌鋼材加工有限公司 (「常熟寶順昌」)	Mainland China 中國內地	49.99%	49.99%	Note ii 附註 ii	Equity method 權益法

Notes:

- (i) China Able was engaged in the property business. It is a contractual joint venture which is held in equal shares among Fit Team Holdings Limited, a wholly owned subsidiary of the Group, Nanyang Industrial (China) Limited, an independent third-party and Marvel Champ Investments Limited, another independent third-party. It remains inactive since distribution was made to shareholders for the year ended 31st March 2015.
- (ii) 常熟寶順昌 is engaged in the processing of steel. It is a contractual joint venture established in Mainland China with an operating period of 30 years to 2035. Management assessed the Group maintained significant influence and no control over the operating activities of the entity.

附註：

- (i) China Able 從事物業業務。其為由 Fit Team Holdings Limited (本集團之全資附屬公司)、一位獨立第三方 Nanyang Industrial (China) Limited 及另一位獨立第三方 Marvel Champ Investments Limited 共同持有等額股份之一間合營公司。其於截至二零一五年三月三十一日止年度向股東作出分派起仍暫無業務。
- (ii) 常熟寶順昌 從事鋼材加工。為於中國內地成立之一間合營公司。經營期 30 年，至二零三五年止。管理層評估本集團對該實體之經營活動維持重大影響卻無控制權。

There are no contingent liabilities relating to the Group's interest in the associates.

並無或然負債涉及本集團於聯營公司之權益。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

20 Investments in associates (Continued)

Summarised financial information for associates

Set out below are the summarised financial information for associates which are accounted for using equity method.

20 於聯營公司之投資(續)

聯營公司財務資料概要

下表載列以權益法入賬之聯營公司之財務資料概要。

		China Able		常熟實順昌		Associates not individually significant 並非個別重大之聯營公司		Total 總計	
		2016	2015	2016	2015	2016	2015	2016	2015
		二零一六年 HK\$'000 千港元	二零一五年 HK\$'000 千港元	二零一六年 HK\$'000 千港元	二零一五年 HK\$'000 千港元	二零一六年 HK\$'000 千港元	二零一五年 HK\$'000 千港元	二零一六年 HK\$'000 千港元	二零一五年 HK\$'000 千港元
Summarised statement of financial position	財務狀況表概要								
Current assets	流動資產								
Cash and cash equivalents	現金及現金等值	46	64	4,138	3,248	449	474	4,633	3,786
Other current assets	其他流動資產	—	—	18,665	40,771	12,903	51,437	31,568	92,208
Total current assets	流動資產總額	46	64	22,803	44,019	13,352	51,911	36,201	95,994
Financial liabilities	財務負債	—	—	(18,697)	(24,063)	(10,806)	(45,705)	(29,503)	(69,768)
Other current liabilities	其他流動負債	(50)	(28)	(8,042)	(9,014)	(3,185)	(13,601)	(11,277)	(22,643)
Total current liabilities	流動負債總額	(50)	(28)	(26,739)	(33,077)	(13,991)	(59,306)	(40,780)	(92,411)
Non-current assets	非流動資產	—	—	2,884	4,426	9,520	41,944	12,404	46,370
Total non-current liabilities	非流動負債總額	—	—	—	—	(46,607)	(71,846)	(46,607)	(71,846)
Net (liabilities)/assets	(負債)/資產淨額	(4)	36	(1,052)	15,368	(37,726)	(37,297)	(38,782)	(21,893)
Summarised statement of comprehensive income	全面損益表概要								
Revenue	收入	—	—	56,253	74,480	2,724	156,632	58,977	231,112
Loss before tax	除稅前虧損	(22)	(252)	(16,082)	(1,948)	(3,871)	(5,265)	(19,975)	(7,465)
Income tax expense	所得稅支出	—	—	—	—	—	—	—	—
Loss for the year	年度虧損	(22)	(252)	(16,082)	(1,948)	(3,871)	(5,265)	(19,975)	(7,465)
Currency translation differences	貨幣匯兌差額	(18)	168	(338)	6	(1,190)	(63)	(1,546)	111
Total comprehensive loss for the year	年度全面虧損總額	(40)	(84)	(16,420)	(1,942)	(5,061)	(5,328)	(21,521)	(7,354)
Distributions to shareholders	向股東之分派	—	(685,452)	—	—	—	—	—	(685,452)
Unrecognised share of losses	未確認應佔虧損	(1)	—	(683)	—	(1,703)	(2,887)	(2,387)	(2,887)
Cumulative unrecognised share of losses	累計未確認應佔虧損	(1)	—	(683)	—	(30,547)	(28,844)	(31,231)	(28,844)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

20 Investments in associates (Continued)

Summarised financial information for associates (Continued)

The information above reflects the amounts presented in the financial statements of the associates (and not the Group's share of those amounts) adjusted for differences in accounting policies between the Group and the associates.

Reconciliation of summarised financial information

Reconciliation of the summarised financial information presented to the carrying amount of its interest in associates

20 於聯營公司之投資(續)

聯營公司財務資料概要(續)

上述資料反映於聯營公司財務報表呈列且就本集團與聯營公司會計政策差異作出調整之金額(並非本集團應佔之金額)。

財務資料概要對賬

所呈報財務資料概要與於聯營公司之權益之賬面金額對賬

		China Able		常熟實順昌		Associates not individually significant 並非個別重大之聯營公司		Total 總計	
		2016	2015	2016	2015	2016	2015	2016	2015
		二零一六年	二零一五年	二零一六年	二零一五年	二零一六年	二零一五年	二零一六年	二零一五年
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Summarised financial information	財務資料概要								
Net assets/(liabilities) at beginning of year	於年初之資產/(負債)淨額	36	685,572	15,368	17,310	(37,297)	(31,969)	(21,893)	670,913
Loss for the year	本年度虧損	(22)	(252)	(16,082)	(1,948)	(3,871)	(5,265)	(19,975)	(7,465)
Distributions to shareholders	向股東之分派	—	(685,452)	—	—	—	—	—	(685,452)
Disposal	出售	—	—	—	—	4,632	—	4,632	—
Currency translation differences	貨幣匯兌差額	(18)	168	(338)	6	(1,190)	(63)	(1,546)	111
Net (liabilities)/assets at end of year	於年末之(負債)/資產淨額	(4)	36	(1,052)	15,368	(37,726)	(37,297)	(38,782)	(21,893)
Investments in associates	於聯營公司之投資								
Carrying value	賬面價值	—	12	—	7,684	—	—	—	7,696

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

21 Investments in joint ventures/amounts due from joint ventures

21 於合營公司之投資／應收合營公司

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Investments in joint ventures	於合營公司之投資	148,108	135,159
Amounts due from joint ventures	應收合營公司	15,593	4,468

The amounts due from joint ventures are unsecured, non-interest bearing and without pre-determined repayment terms. The carrying amounts are denominated in HK\$ and approximate their fair values.

應收合營公司之金額為無抵押、不計息及並無預定還款期。賬面金額以港元計值及與其公平價值相若。

The movements of investments in joint ventures are as follows:

於合營公司之投資變動如下：

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
At beginning of year	於年初	135,159	—
Investments in joint ventures (Note (i))	於合營公司之投資(附註(i))	19,500	132,114
Share of results of joint ventures — net	應佔合營公司之業績 — 淨額	4,437	1,930
Currency translation differences	貨幣匯兌差額	(10,988)	1,115
At end of year	於年末	148,108	135,159

Note:

附註：

(i) On 4 January 2016, the Group made capital injection of HK\$19,500,000 to TVSC. On 11 November 2014, the Group made capital injection of approximately HK\$132,114,000 to HSL.

(i) 於二零一六年一月四日，本集團向TVSC注資19,500,000港元。於二零一四年十一月十一日，本集團向HSL注資約132,114,000港元。

Set out below are the joint ventures of the Group as at 31st March 2016. The joint ventures as listed below have share capital consisting solely of ordinary shares, which are held directly by the Group.

以下載列本集團於二零一六年三月三十一日之合營公司。以下所列合營公司具有僅包括普通股之股本，由本集團直接持有。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

21 Investments in joint ventures/Amount due from a joint venture (Continued)

Details of the principal investments in joint ventures as at 31st March 2016 are as follows:

Name of entity 實體名稱	Place of business/country of incorporation 營業地／註冊成立所在國家	% of ownership interest 擁有權益百分比		Nature of the relationship 關係性質	Measurement method 計量方法
		2016 二零一六年	2015 二零一五年		
HSL	Mainland China/Cayman Islands	29.44%	29.44%	Note i	Equity method
	中國內地／開曼群島			附註 i	權益法
TVSC	Hong Kong	50.00%	50.00%	Note ii	Equity method
	香港			附註 ii	權益法

Notes:

- (i) HSL is a property investment fund, which is held by the Group and certain independent third parties.
- (ii) TVSC is engaged in the provision of steel processing services in Hong Kong. TVSC is a contractual joint venture, which is held by the Group and an independent third party.

There are no contingent liabilities relating to the Group's interests in the joint ventures.

21 於合營公司之投資／應收合營公司(續)

於二零一六年三月三十一日之主要於合營公司之投資詳情如下：

附註：

- (i) HSL為房地產投資基金，由本集團及若干獨立第三方持有。
- (ii) TVSC於香港從事提供鋼鐵加工服務。TVSC為一間合營公司，由本集團及一位獨立第三方持有。

並無或然負債涉及本集團於合營公司之權益。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

21 Investments in joint ventures/amounts due from joint ventures (Continued)

Summarised financial information for joint ventures

Set out below are the summarised financial information for joint ventures which are accounted for using equity method.

21 於合營公司之投資／應收合營公司（續）

合營公司財務資料概要

下表載列以權益法入賬之合營公司之財務資料概要。

		HSL		TVSC		Total 總計	
		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Summarised statement of financial position	財務狀況表概要						
Current assets	流動資產						
Cash and cash equivalents	現金及現金等值	329,255	72,087	2,563	—	331,818	72,087
Other current assets	其他流動資產	1,642,339	6,019	8,466	90	1,650,805	6,109
Total current assets	流動資產總額	1,971,594	78,106	11,029	90	1,982,623	78,196
Financial liabilities and total current liabilities	財務負債及流動負債總額	(353,986)	(14,038)	(23,104)	(4,517)	(377,090)	(18,555)
Non-current assets	非流動資產	175,124	1,205,206	29,950	4,213	205,074	1,209,419
Non-current financial liabilities	非流動財務負債	(564,951)	(613,583)	—	—	(564,951)	(613,583)
Other non-current liabilities	其他非流動負債	(755,055)	(196,590)	—	—	(755,055)	(196,590)
Total non-current liabilities	非流動負債總額	(1,320,006)	(810,173)	—	—	(1,320,006)	(810,173)
Net assets/(liabilities)	資產／(負債)淨額	472,726	459,101	17,875	(214)	490,601	458,887

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

21 Investments in joint ventures/amounts due from joint ventures (Continued)

Summarised financial information for joint ventures (Continued)

21 於合營公司之投資／應收合營公司(續)

合營公司財務資料概要(續)

		HSL		TVSC		Total 總計	
		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Summarised statement of comprehensive income	全面損益表概要						
Revenue	收入	42,898	8,985	4,748	—	47,646	8,985
Depreciation	折舊	(1,217)	(187)	(483)	—	(1,700)	(187)
Finance income	財務收入	302	36	—	—	302	36
Finance cost	財務費用	(33,425)	(8,685)	(16)	—	(33,441)	(8,685)
Profit/(loss) before tax	除稅前溢利／ (虧損)	631,819	16,091	(24,947)	(214)	606,872	15,877
Income tax expense	所得稅支出	(580,868)	(9,537)	4,036	—	(576,832)	(9,537)
Profit/(loss) for the year	年度溢利／(虧損)	50,951	6,554	(20,911)	(214)	30,040	6,340
Currency translation differences	貨幣匯兌差額	(37,326)	3,790	—	—	(37,326)	3,790
Total comprehensive income/(loss) for the year	年度全面收入／ (虧損)總額	13,625	10,344	(20,911)	(214)	(7,286)	10,130
Unrecognised share of losses	未確認應佔虧損	—	—	—	(107)	—	(107)
Cumulative unrecognised share of losses	累計未確認應佔虧損	—	—	—	(107)	—	(107)

The information above reflects the amounts presented in the financial statements of the joint ventures (and not the Group's share of those amounts) adjusted for differences in accounting policies between the Group and the joint ventures.

上述資料反映於合營公司財務報表呈列且就本集團與合營公司會計政策差異作出調整之金額(並非本集團應佔之金額)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

21 Investments in joint ventures/amounts due from joint ventures (Continued)

Reconciliation of summarised financial information

Reconciliation of the summarised financial information presented to the carrying amount of the Group's interests in joint ventures

21 於合營公司之投資／應收合營公司（續）

財務資料概要對賬

所呈報財務資料概要與本集團於合營公司之權益之賬面金額對賬

		HSL		TVSC		Total 總計	
		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Summarised financial information	財務資料概要						
Net assets at beginning of year	於年初之資產淨額	459,101	—	(214)	—	458,887	—
Capital injection by shareholders	股東之注資	—	448,757	39,000	—	39,000	448,757
Profit/(loss) for the year	本年度溢利／（虧損）	50,951	6,554	(20,911)	(214)	30,040	6,340
Currency translation differences	貨幣匯兌差額	(37,326)	3,790	—	—	(37,326)	3,790
Net assets/(liabilities) at end of year	於年末之資產／（負債）淨額	472,726	459,101	17,875	(214)	490,601	458,887
Investments in joint ventures	於合營公司之投資						
Carrying value	賬面價值	139,171	135,159	8,937	—	148,108	135,159

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

22 Deferred income tax assets/(liabilities)

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

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Deferred income tax assets:	遞延所得稅資產：		
— Deferred income tax assets to be recovered after 12 months	— 將於十二個月後收回之遞延所得稅資產	10,578	17,224
— Deferred income tax assets to be recovered within 12 months	— 將於十二個月內收回之遞延所得稅資產	7,878	4,236
		18,456	21,460
Deferred income tax liabilities:	遞延所得稅負債：		
— Deferred income tax liabilities to be settled after 12 months	— 將於十二個月後清償之遞延所得稅負債	(200,438)	(158,594)
Net deferred income tax liabilities	遞延所得稅負債淨額	(181,982)	(137,134)

The movements in net deferred income tax assets/(liabilities) are as follows:

22 遞延所得稅資產／(負債)

當具有將即期所得稅資產與即期所得稅負債抵銷之合法強制執行權，以及當同一稅務機關向該應課稅實體或不同應課稅實體就遞延所得稅資產及遞延所得稅負債徵收所得稅，其中有關結餘擬按淨額基準清償時，遞延所得稅資產與負債方可互相抵銷。抵銷金額如下：

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
At beginning of year	於年初	(137,134)	(92,335)
Charged to the consolidated income statement (Note 11)	已於綜合損益表中扣除(附註11)	(53,205)	(45,224)
Acquisition of a subsidiary (Note 36)	收購一間附屬公司(附註36)	—	763
Currency translation differences	貨幣匯兌差額	8,357	(338)
At end of year	於年末	(181,982)	(137,134)

遞延所得稅資產／(負債)淨額變動如下：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

22 Deferred income tax assets/(liabilities) (Continued)

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

Deferred income tax assets:

		Cumulative tax losses	Decelerated depreciation	Total
		累計稅項虧損	減慢折舊	總額
		HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元
At 1st April 2014	於二零一四年四月一日	14,882	128	15,010
Credited to the consolidated income statement	已於綜合損益表中計入	7,637	75	7,712
Acquisition of a subsidiary (Note 36)	收購一間附屬公司 (附註36)	763	—	763
Currency translation differences	貨幣匯兌差額	29	—	29
At 31st March 2015	於二零一五年三月三十一日	23,311	203	23,514
Credited to the consolidated income statement	已於綜合損益表中計入	2,466	45	2,511
Currency translation differences	貨幣匯兌差額	(640)	—	(640)
At 31st March 2016	於二零一六年三月三十一日	25,137	248	25,385

22 遞延所得稅資產／(負債)(續)

本年度遞延所得稅資產及負債(並無計及同一稅務司法權區內之結餘抵銷)之變動如下:

遞延所得稅資產:

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

22 Deferred income tax assets/(liabilities) (Continued)

Deferred income tax liabilities:

		Investment property 投資物業 HK\$'000 千港元	Withholding tax 預扣稅 HK\$'000 千港元	Accelerated depreciation 加速折舊 HK\$'000 千港元	Total 總額 HK\$'000 千港元
At 1st April 2014	於二零一四年 四月一日	(106,158)	(1,043)	(144)	(107,345)
(Charged)/credited to the consolidated income statement	已於綜合損益表中 (扣除)/計入	(51,028)	246	(2,154)	(52,936)
Currency translation differences	貨幣匯兌差額	(367)	—	—	(367)
At 31st March 2015	於二零一五年 三月三十一日	(157,553)	(797)	(2,298)	(160,648)
Charged to the consolidated income statement	已於綜合損益表中 扣除	(49,879)	(15)	(5,822)	(55,716)
Currency translation differences	貨幣匯兌差額	8,997	—	—	8,997
At 31st March 2016	於二零一六年 三月三十一日	(198,435)	(812)	(8,120)	(207,367)

Deferred income tax assets are recognised for tax loss carry-forwards to the extent that the realisation of the related tax benefit through the future taxable profits is probable. As at 31st March 2016, the deferred income tax assets recognised from tax loss of approximately HK\$12,577,000 (2015: HK\$10,458,000) can be carried forward indefinitely. The remaining tax losses of approximately HK\$12,560,000 (2015: HK\$12,853,000) will expire in five years from the year they were incurred.

The Group did not recognise deferred income tax assets of approximately HK\$5,442,000 (2015: HK\$419,000) in respect of tax losses amounting to approximately HK\$32,984,000 (2015: HK\$2,540,000) that can be carried forward indefinitely to offset against future taxable income. Losses amounting to approximately HK\$15,752,000 (2015: HK\$11,654,000) will expire in five years from the year they were incurred.

Deferred income tax liabilities of approximately HK\$253,000 (2015: HK\$241,000) have not been recognised for the withholding tax that would be payable on the unremitted earnings of certain subsidiaries, as management currently has no intention to remit those earnings.

22 遞延所得稅資產/(負債)(續)

遞延所得稅負債：

遞延所得稅資產乃因應相關稅務利益透過未來應課稅溢利變現而就所結轉之稅項虧損作確認。於二零一六年三月三十一日，已就稅項虧損確認之遞延所得稅資產約12,577,000港元(二零一五年：10,458,000港元)可以無限期結轉。餘下之稅項虧損約12,560,000港元(二零一五年：12,853,000港元)將於產生年度後五年內失效。

本集團並無就約5,442,000港元(二零一五年：419,000港元)之稅項虧損確認約32,984,000港元(二零一五年：2,540,000港元)之遞延所得稅資產，該金額可以無限期結轉以抵銷未來應課稅收入。虧損約15,752,000港元(二零一五年：11,654,000港元)將於產生年度後五年內失效。

並無就若干附屬公司之未分派盈利之應付預扣稅確認約253,000港元(二零一五年：241,000港元)之遞延所得稅負債，因為管理層現時無意分派該等盈利。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

23 Available-for-sale financial asset

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
At beginning of year	於年初	458	283
Addition	添置	128	—
Change in fair value (Note 34)	公平價值變動(附註34)	(99)	175
At end of year	於年末	487	458

Available-for-sale financial asset, which is stated at fair value and denominated in HK\$, represents shares listed on The Stock Exchange of Hong Kong Limited.

23 可供出售之財務資產

按公平價值列賬並以港元計值之可供出售之財務資產，指於香港聯合交易所有限公司上市之股份。

24 Financial assets at fair value through profit or loss

		2016 二零一六年 Assets 資產 HK\$'000 千港元	2015 二零一五年 Liabilities 負債 HK\$'000 千港元
Derivative financial instruments (i)	衍生金融工具 (i)		
— Steel future contracts	— 鋼材期貨合約	—	107
— Iron ore future contracts	— 鐵礦期貨合約	130	—
Investments in corporate notes (ii)	於公司票據之投資 (ii)	15,500	7,882
		15,630	7,989

Notes:

- (i) The credit quality of derivative assets has been assessed with reference to historical information about the counterparty default rates. The existing counterparties do not have defaults in the past.

As at 31st March 2016, the total notional principal amount of the outstanding iron ore future contracts was approximately HK\$1,720,000 (2015: steel future contracts of HK\$3,193,000). Net fair value change and net realised gains on future contracts were recognised in "other (losses)/gains — net" in the consolidated income statement. The settlement date is 14th September 2016 (2015: 15th October 2015).

- (ii) The investments in corporate notes were denominated in US\$. Changes in fair value were recognised in "other (losses)/gains — net" in the consolidated income statement.

附註：

- (i) 衍生資產之信貸質素乃參考有關訂約方以往違約比率之資料進行評估。現有訂約方過往並無違約。

於二零一六年三月三十一日，未平倉鐵礦期貨合約之總設定本金額為約1,720,000港元（二零一五年：鋼材期貨合約為3,193,000港元）。期貨合約之公平價值淨變動及其已變現淨收益已於綜合損益表「其他(虧損)/收益 — 淨額」中確認。最終結算日為二零一六年九月十四日（二零一五年：二零一五年十月十五日）。

- (ii) 公司票據之投資以美元計值。公平價值變動已於綜合損益表「其他(虧損)/收益 — 淨額」中確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

25 Inventories

25 存貨

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Finished goods	製成品	175,634	320,015

The costs of inventories recognised as expenses and included in "cost of sales" in the consolidated income statement amounted to approximately HK\$2,950,276,000 (2015: HK\$3,470,802,000).

約2,950,276,000港元(二零一五年：3,470,802,000港元)之存貨成本已確認為支出，並已計入綜合損益表之「銷售成本」中。

The Group made inventory provision to write down the inventories to net realisable value. A provision of HK\$15,375,000 (2015: HK\$11,991,000) was made as at 31st March 2016. Provision for impairment of inventories of HK\$3,897,000 (2015: HK\$662,000) was included in "cost of sales" in the consolidated income statement.

本集團就存貨計提撥備以撇減存貨至可變現淨值。15,375,000港元(二零一五年：11,991,000港元)之撥備於二零一六年三月三十一日計提。存貨減值撥備3,897,000港元(二零一五年：662,000港元)已計入綜合損益表之「銷售成本」中。

26 Trade and bill receivables

26 應收賬款及票據

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Trade and bill receivables	應收賬款及票據		
— from third parties	— 來自第三方	463,336	558,876
— from an associate and joint ventures	— 來自一間聯營公司及合營公司	12,406	1,600
Less: Provision for impairment of trade receivables	減：應收賬款減值撥備	(14,025)	(7,124)
Trade and bill receivables — net	應收賬款及票據 — 淨額	461,717	553,352

Sales are either covered by letters of credit or open account with credit terms of 15 to 90 days.

銷售均以信用證或具信貸期之記賬方式進行，信貸期一般介乎15至90日不等。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

26 Trade and bill receivables (Continued)

Ageing analysis of trade and bill receivables by invoice date is as follows:

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
0 to 60 days	0 — 60日	347,169	423,454
61 to 120 days	61 — 120日	61,663	83,054
121 to 180 days	121 — 180日	14,706	18,894
181 to 365 days	181 — 365日	27,879	25,967
Over 365 days	超過365日	24,325	9,107
		475,742	560,476
Less: Provision for impairment of trade receivables	減：應收賬款減值撥備	(14,025)	(7,124)
		461,717	553,352

As at 31st March 2016, trade and bill receivables of approximately HK\$352,144,000 (2015: HK\$433,923,000) were fully performing and were from customers with no history of default.

Movements on the provision for impairment of trade receivables are as follows:

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
At beginning of year	於年初	7,124	8,830
Provision for impairment recognised in the consolidated income statement — net (Note 7)	已於綜合損益表中確認之減值撥備 — 淨額 (附註7)	7,529	642
Write off as uncollectible	撇銷為不可收回	(217)	(2,349)
Currency translation differences	貨幣匯兌差額	(411)	1
At end of year	於年末	14,025	7,124

26 應收賬款及票據(續)

應收賬款及票據根據發票日期之賬齡分析如下：

於二零一六年三月三十一日，應收賬款及票據約352,144,000港元(二零一五年：433,923,000港元)已悉數履約且來自無拖欠記錄之客戶。

應收賬款之減值撥備變動如下：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

26 Trade and bill receivables (Continued)

As at 31st March 2016, trade receivables of approximately HK\$14,025,000 (2015: HK\$7,124,000) were impaired and fully provided for. The amount of provision recovered in the consolidated income statement during the year was approximately HK\$107,000 (2015: HK\$67,000). The ageing analysis of these receivables is as follows:

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
0 to 60 days	0 — 60 日	—	343
61 to 120 days	61 — 120 日	—	—
121 to 180 days	121 — 180 日	—	19
181 to 365 days	181 — 365 日	651	1,373
Over 365 days	超過 365 日	13,374	5,389
		14,025	7,124

The ageing analysis of trade receivables past due but not impaired (based on due date) is as follows:

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
0 to 60 days	0 — 60 日	55,389	76,020
61 to 120 days	61 — 120 日	16,897	22,819
121 to 180 days	121 — 180 日	11,520	12,945
181 to 365 days	181 — 365 日	21,888	7,220
Over 365 days	超過 365 日	3,879	425
		109,573	119,429

The carrying amounts of net trade and bill receivables approximated their fair values as at 31st March 2016.

26 應收賬款及票據(續)

於二零一六年三月三十一日，應收賬款約 14,025,000 港元(二零一五年：7,124,000 港元) 已作減值及全數撥備。本年度，已於綜合損益表中收回之撥備金額約 107,000 港元(二零一五年：67,000 港元)。該等應收賬款賬齡分析如下：

已過期但未減值(根據到期日)之應收賬款賬齡分析如下：

淨應收賬款及票據之賬面金額與其於二零一六年三月三十一日之公平價值相若。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

26 Trade and bill receivables (Continued)

The carrying amounts of net trade and bill receivables were denominated in the following currencies:

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
RMB	人民幣	230,154	252,709
HK\$	港元	225,638	251,425
US\$	美元	5,925	49,218
		461,717	553,352

26 應收賬款及票據(續)

應收賬款及票據淨額之賬面金額以下列貨幣計值：

27 Prepayments, deposits and other receivables

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Deposit for acquisition of an investment property	收購一項投資物業之按金	259,231	—
Prepayments for purchases	預付採購款項	102,801	64,069
Prepayments for property, plant and equipment	預付物業、廠房及設備款項	5,296	16,994
Rental and other deposits	租金及其他按金	26,554	21,737
Value-added tax recoverable	可收回增值稅	7,597	10,421
Others	其他	32,378	11,898
		433,857	125,119
Less: Non-current	減：減值撥備	(286,316)	(32,735)
Current	當期	147,541	92,384

27 預付款項、按金及其他應收賬款

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

27 Prepayments, deposits and other receivables (Continued)

The carrying amounts of prepayments, deposits and other receivables approximated their fair values as at 31st March 2016. They were denominated in the following currencies:

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
RMB	人民幣	372,277	77,330
HK\$	港元	60,372	35,467
US\$	美元	1,208	7,946
EURO	歐羅	—	4,376
		433,857	125,119

27 預付款項、按金及其他應收賬款 (續)

預付款項、按金及其他應收賬款之賬面金額與其於二零一六年三月三十一日之公平價值相若。預付款項、按金及其他應收賬款以下列貨幣計值：

28 Pledged bank deposits/Cash and cash equivalents

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Cash on hand	手頭現金	522	245
Cash at bank	銀行存款	545,273	294,693
Short-term bank deposits	短期銀行定期存款	59,632	98,935
		605,427	393,873
Less: Pledged bank deposits	減：已抵押銀行存款	(59,166)	(38,876)
Cash and cash equivalents	現金及現金等值	546,261	354,997

28 已抵押銀行存款／現金及現金等值

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

28 Pledged bank deposits/Cash and cash equivalents (Continued)

Pledged bank deposits and cash and cash equivalents were denominated in the following currencies:

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
RMB	人民幣	373,445	107,188
HK\$	港元	144,650	261,316
US\$	美元	87,174	25,189
Others	其他	158	180
		605,427	393,873

The carrying amounts of pledged bank deposits and cash and cash equivalents approximated their fair values as at 31st March 2016.

The effective interest rate on the bank deposit is 0.63% (2015: 2.05%) per annum. These deposits have an average maturity of 16 days (2015: 34 days).

As at 31st March 2016, the Group's bank deposits of approximately HK\$890,000 (2015: Nil), HK\$32,119,000 (2015: HK\$13,050,000) and HK\$26,157,000 (2015: HK\$25,826,000) were pledged as collateral for the Group's iron ore future contracts, long-term and short-term bank loans respectively (Note 31).

As at 31st March 2016, pledged bank deposits and cash and bank deposits totalling approximately HK\$334,106,000 (2015: HK\$93,740,000) were denominated in RMB and kept in banks in Mainland China. These funds are not freely convertible in the international market with exchange rate determined by the People's Bank of China.

28 已抵押銀行存款／現金及現金等值(續)

已抵押銀行存款及現金及現金等值以下列貨幣計值：

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
RMB	人民幣	373,445	107,188
HK\$	港元	144,650	261,316
US\$	美元	87,174	25,189
Others	其他	158	180
		605,427	393,873

已抵押銀行存款及現金及現金等值之賬面金額與其於二零一六年三月三十一日之公平價值相若。

銀行存款之實際利率為每年0.63% (二零一五年：2.05%)。該等存款的平均到期日為十六日 (二零一五年：三十四日)。

於二零一六年三月三十一日，本集團之銀行存款約890,000港元(二零一五年：無)、32,119,000港元(二零一五年：13,050,000港元)及26,157,000港元(二零一五年：25,826,000港元)已作抵押，分別作為本集團銀行鐵礦期貨合約、長期及短期銀行貸款之抵押品(附註31)。

於二零一六年三月三十一日，已抵押銀行存款以及現金及銀行存款合共約334,106,000港元(二零一五年：93,740,000港元)以人民幣計值並存於中國內地。此等貨幣並不能在國際市場自由兌換及其匯率由中國人民銀行釐定。

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綜合財務報表附註

29 Trade and bill payables

Payment terms with suppliers are either on letters of credit or open account with credit period of 30 to 60 days.

Ageing analysis of trade and bill payables by invoice date is as follows:

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
0 to 60 days	0 — 60 日	127,894	150,112
61 to 120 days	61 — 120 日	3,001	874
121 to 180 days	121 — 180 日	430	114
181 to 365 days	181 — 365 日	724	52
Over 365 days	超過 365 日	532	452
		132,581	151,604

The carrying amounts of trade and bill payables approximated their fair values as at 31st March 2016. They were denominated in the following currencies:

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
RMB	人民幣	66,303	61,101
HK\$	港元	33,386	38,224
US\$	美元	32,038	52,279
EURO	歐羅	854	—
		132,581	151,604

29 應付賬款及票據

與供應商之付款條款均以信用證或具30至60日信貸期之記賬方式進行。

應付賬款及票據根據發票日期之賬齡分析如下：

應付賬款及票據之賬面金額與其於二零一六年三月三十一日之公平價值相若。應付賬款及票據以下列貨幣計值：

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綜合財務報表附註

30 Accrued liabilities and other payables

30 應計負債及其他應付賬款

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Accrual for employee benefit expenses	應計僱員福利支出	22,288	11,360
Accrual for operating expenses	應計經營支出	37,744	26,166
Payables for property, plant and equipment	應付物業、廠房及設備款項	8,010	—
Provision for onerous contracts	有償契約撥備	12,000	—
Rental deposits received	已收租賃按金	13,854	10,267
Value-added tax payables	應付增值稅	92	304
		93,988	48,097
Less: Non-current	減：非當期	(10,755)	(7,520)
Current	當期	83,233	40,577

The carrying amounts of accrued liabilities and other payables approximated their fair values as at 31st March 2016.

應計負債及其他應付賬款之賬面金額與其於二零一六年三月三十一日之公平價值相若。

Accrued liabilities and other payables were denominated in the following currencies:

應計負債及其他應付賬款以下列貨幣計值：

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
HK\$	港元	55,431	19,851
RMB	人民幣	38,557	28,246
		93,988	48,097

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

31 Borrowings

31 借貸

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Current	當期		
— Trust receipts bank loans, unsecured	— 信託收據銀行貸款，無抵押	678,590	741,321
— Short-term bank loans (ii)	— 短期銀行貸款(ii)	118,582	141,622
— Current portion of long-term bank loans, secured (i)	— 部份當期長期銀行貸款，有抵押(i)	54,789	—
		851,961	882,943
Non-current	非當期		
— Long-term bank loans, secured (i)	— 長期銀行貸款，有抵押(i)	1,140,423	565,539
Total borrowings	借貸總額	1,992,384	1,448,482

Notes:

- (i) As at 31st March 2016, the long-term bank loans were secured by the pledge of the Group's investment property of approximately HK\$1,311,600,000 (2015: HK\$1,144,634,000) (Note 15), property, plant and equipment of approximately HK\$13,014,000 (2015: HK\$14,426,000), land use rights of approximately HK\$34,817,000 (2015: HK\$38,056,000), bank deposits of approximately HK\$32,119,000 (2015: HK\$13,050,000) (Note 28) and corporate guarantee. The long-term bank loans have no repayment on demand clause.
- (ii) As at 31st March 2016, short-term bank loans were secured by the pledge of the Group's bank deposits of approximately HK\$26,157,000 (2015: HK\$25,826,000) (Note 28).

附註：

- (i) 於二零一六年三月三十一日，長期銀行貸款由本集團已作抵押之投資物業約1,311,600,000港元(二零一五年：1,144,634,000港元)(附註15)、物業、廠房及設備約13,014,000港元(二零一五年：14,426,000港元)、土地使用權約34,817,000港元(二零一五年：38,056,000港元)、銀行存款約32,119,000港元(二零一五年：13,050,000港元)(附註28)及公司擔保作抵押。長期銀行貸款並無附有即時償還條款。
- (ii) 於二零一六年三月三十一日，短期銀行貸款由本集團已作抵押之銀行存款約26,157,000港元(二零一五年：25,826,000港元)及作抵押(附註28)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

31 Borrowings (Continued)

The maturity of Group's borrowings in accordance with the repayment schedule:

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Within one year	1年內	851,961	882,943
Between one and two years	1至2年	395,984	45,243
Between two and five years	2至5年	744,439	520,296
		1,992,384	1,448,482

Borrowings were denominated in the following currencies:

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
HK\$	港元	1,201,911	759,977
US\$	美元	714,891	596,883
RMB	人民幣	75,582	91,622
		1,992,384	1,448,482

The effective interest rates of borrowings (per annum) at the reporting dates are as follows:

		2016 二零一六年	2015 二零一五年
RMB	人民幣	6.1%	7.8%
HK\$	港元	3.2%	3.3%
US\$	美元	2.7%	2.7%

All the Group's borrowings as at 31st March 2016 are on floating rate basis and the carrying amounts of the borrowings approximated their fair values.

31 借貸(續)

本集團借貸之到期日乃基於還款時間表：

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Within one year	1年內	851,961	882,943
Between one and two years	1至2年	395,984	45,243
Between two and five years	2至5年	744,439	520,296
		1,992,384	1,448,482

借貸以下列貨幣計值：

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
HK\$	港元	1,201,911	759,977
US\$	美元	714,891	596,883
RMB	人民幣	75,582	91,622
		1,992,384	1,448,482

於報告日，借貸之實際利率(每年)如下：

		2016 二零一六年	2015 二零一五年
RMB	人民幣	6.1%	7.8%
HK\$	港元	3.2%	3.3%
US\$	美元	2.7%	2.7%

於二零一六年三月三十一日，本集團之所有借貸均按浮動利率計息及借貸之賬面金額與其公平價值相若。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

31 Borrowings (Continued)

The Group has the following floating rate undrawn borrowing facilities:

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
— expiring within one year	— 一年內到期	592,548	284,249
— expiring beyond one year	— 一年後到期	1,051,188	1,473,380
		1,643,736	1,757,629

31 借貸(續)

本集團有以下未提取之浮息借貸融資：

32 Share capital

32 股本

		Authorised (Ordinary shares of HK\$0.10 each) 法定 (每股0.10港元之普通股)		Issued and fully paid (Ordinary shares of HK\$0.10 each) 已發行及繳足 (每股0.10港元之普通股)	
		Number of shares 股份數目 '000 千股	Nominal value 面值 HK\$'000 千港元	Number of shares 股份數目 '000 千股	Nominal value 面值 HK\$'000 千港元
As at 31st March 2014	於二零一四年 三月三十一日	1,000,000	100,000	417,701	41,770
Exercise of share options	行使購股權	—	—	3,814	381
Issuance of share under open offer (Note)	根據公開發售發行 股份(附註)	—	—	210,758	21,076
As at 31st March 2015	於二零一五年 三月三十一日	1,000,000	100,000	632,273	63,227
Exercise of share options	行使購股權	—	—	8,363	837
As at 31st March 2016	於二零一六年 三月三十一日	1,000,000	100,000	640,636	64,064

Note:

Pursuant to an ordinary resolution passed by the shareholders of the Company at the special general meeting of the Company held on 12th November 2014, the open offer at the price of HK\$0.50 per rights share on the basis of one rights share for every two ordinary shares of HK\$0.50 was approved. The open offer was completed on 17th December 2014. The net proceed received was approximately HK\$100,715,000.

附註：

根據本公司股東在本公司於二零一四年十一月十二日舉行之股東特別大會上通過之普通決議案，按每持有兩股面值之普通股以0.50港元獲購一股供股股份之基準，按每股供股股份0.50港元之價格進行公開發售已獲批准。公開發售已於二零一四年十二月十七日完成。已收之淨所得款項約為100,715,000港元。

33 Share options

The Group has a share option scheme under which it may grant options to any person being an employee, agent, consultant or representative (including Executive Directors and Non-executive Directors) of the Group to subscribe for shares in the Company, subject to a maximum of 30% of the issued share capital of the Company from time to time, excluding for the shares issued on the exercise of options. The exercise price will be determined by the Company's board of directors and must be at least the highest of (i) the closing price of the Company's shares quoted on The Stock Exchange of Hong Kong Limited on the date of grant of the options, which must be a business day (ii) the average closing prices of the Company's shares quoted on The Stock Exchange of Hong Kong Limited for the five business days immediately preceding the date of grant of the options, and (iii) the nominal value of the Company's shares of HK\$0.10 each.

As a result of the completion of the Company's open offer, adjustments have been made to the exercise price of the share options and the number of shares falling to be issued under the outstanding options granted under the share option schemes with effect from 17th December 2014.

33 購股權

本集團設有一個購股權計劃，據此，其可授予本集團之任何僱員、代理人、顧問或代表（包括執行董事及非執行董事）購股權以認購本公司之股份，但最多為本公司不時已發行股本之30%，其中不包括因行使購股權而發行之股份。行使價將由本公司董事會釐定及最少必須以下列最高者為準：(i)本公司股份於授出購股權日期（必須為營業日）在香港聯合交易所有限公司所報之收市價；(ii)本公司股份於緊接授出購股權日期前五個營業日在香港聯合交易所有限公司所報之平均收市價；及(iii)本公司股份面值每股0.10港元。

由於本公司之公開發售完成，故其購股權之行使價及根據其於二零一四年十二月十七日之購股權計劃授出之未行使購股權而須予發行之股份數目已作出調整。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

33 Share options (Continued)

Movements of share options for the year ended 31st March 2016 were as follows:

33 購股權(續)

於截至二零一六年三月三十一日止年度之購股權變動如下：

Date of grant	Validity period	Exercise price per share	Adjusted exercise price per share ⁽ⁱ⁾	As at 1st April 2015	Granted	Cancelled/lapsed	Exercised	As at 31st March 2016
授予日期	有效期	每股行使價 HK\$ 港元	經調整每股 行使價 ⁽ⁱ⁾ HK\$ 港元	於 二零一五年 四月一日 '000 千股	授予 '000 千股	註銷/失效 '000 千股	已行使 '000 千股	於 二零一六年 三月三十一日 '000 千股
20th January 2015 二零一五年一月二十日	20th January 2015 to 19th January 2025 二零一五年一月二十日至 二零二五年一月十九日	0.928	0.928	11,400	—	(600)	—	10,800
17th December 2013 二零一三年十二月十七日	17th December 2013 to 16th December 2023 二零一三年十二月十七日至 二零二三年十二月十六日	1.300	1.043	374	—	(374)	—	—
27th November 2013 二零一三年十一月二十七日	27th November 2013 to 26th November 2023 二零一三年十一月二十七日至 二零二三年十一月二十六日	1.300	1.043	9,848	—	(374)	—	9,474
16th November 2012 二零一二年十一月十六日	16th November 2012 to 15th November 2022 二零一二年十一月十六日至 二零二二年十一月十五日	0.670	0.537	8,078	—	—	—	8,078
7th September 2012 二零一二年九月七日	7th September 2012 to 6th September 2022 二零一二年九月七日至 二零二二年九月六日	0.490	0.393	1	—	—	—	1
13th October 2009 二零零九年十月十三日	13th October 2009 to 12th October 2019 二零零九年十月十三日至 二零一九年十月十二日	0.504	0.404	20,569	—	—	(8,363)	12,206
18th September 2009 二零零九年九月十八日	18th September 2009 to 17th September 2019 二零零九年九月十八日至 二零一九年九月十七日	0.586	0.470	937	—	—	—	937
19th June 2008 二零零八年六月十九日	19th June 2008 to 18th June 2018 二零零八年六月十九日至 二零一八年六月十八日	0.780	0.626	2,494	—	—	—	2,494
13th September 2006 二零零六年九月十三日	13th September 2006 to 12th September 2016 二零零六年九月十三日至 二零一六年九月十二日	0.900	0.722	2,244	—	—	—	2,244
				55,945	—	(1,348)	(8,363)	46,234

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

33 Share options (Continued)

Movements of share options for the year ended 31st March 2015 were as follows:

Date of grant	Validity period	Exercise price per share	Adjusted exercise price per share ⁽ⁱ⁾ 經調整每股行使價 ⁽ⁱ⁾	As at 1st April 2014 於二零一四年四月一日	Granted	Cancelled/ Lapsed	Exercised	Adjusted for Open Offer (i)	As at 31st March 2015 於二零一五年三月三十一日
授予日期	有效期	每股行使價 HK\$ 港元	每股行使價 ⁽ⁱ⁾ HK\$ 港元	'000 千股	'000 千股	'000 千股	'000 千股	經公開發售作出調整(i) '000 千股	'000 千股
20th January 2015 二零一五年一月二十日	20th January 2015 to 19th January 2025 二零一五年一月二十日至 二零二五年一月十九日	0.928	0.928	—	11,900	(500)	—	—	11,400
17th December 2013 二零一三年十二月十七日	17th December 2013 to 16th December 2023 二零一三年十二月十七日至 二零二三年十二月十六日	1.300	1.043	300	—	—	—	74	374
27th November 2013 二零一三年十一月二十七日	27th November 2013 to 26th November 2023 二零一三年十一月二十七日至 二零二三年十一月二十六日	1.300	1.043	7,900	—	—	—	1,948	9,848
16th November 2012 二零一二年十一月十六日	16th November 2012 to 15th November 2022 二零一二年十一月十六日至 二零二二年十一月十五日	0.670	0.537	6,480	—	—	—	1,598	8,078
7th September 2012 二零一二年九月七日	7th September 2012 to 6th September 2022 二零一二年九月七日至 二零二二年九月六日	0.490	0.393	3,815	—	—	(3,814)	—	1
13th October 2009 二零零九年十月十三日	13th October 2009 to 12th October 2019 二零零九年十月十三日至 二零一九年十月十二日	0.504	0.404	16,500	—	—	—	4,069	20,569
18th September 2009 二零零九年九月十八日	18th September 2009 to 17th September 2019 二零零九年九月十八日至 二零一九年九月十七日	0.586	0.470	752	—	—	—	185	937
19th June 2008 二零零八年六月十九日	19th June 2008 to 18th June 2018 二零零八年六月十九日至 二零一八年六月十八日	0.780	0.626	3,000	—	(1,247)	—	741	2,494
13th September 2006 二零零六年九月十三日	13th September 2006 to 12th September 2016 二零零六年九月十三日至 二零一六年九月十二日	0.900	0.722	1,800	—	—	—	444	2,244
				40,547	11,900	(1,747)	(3,814)	9,059	55,945

33 購股權(續)

於截至二零一五年三月三十一日止年度之購股權變動如下：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

33 Share options (Continued)

Note:

- (i) The exercise prices and number of shares granted prior to 17th December 2014 under the share options scheme were adjusted for the open offer.

Options exercised in the year resulted in approximately 8,363,000 shares (2015: 3,814,000 shares) being issued, at weighted average exercise price of HK\$0.40 (2015: HK\$0.49) per ordinary share with total proceeds of approximately HK\$3,379,000 (2015: HK\$1,869,000). The related weighted average price at the time of exercise was HK\$0.98 (2015: HK\$1.37) per ordinary share.

33 購股權(續)

附註：

- (i) 根據購股權計劃於二零一四年十二月十七日前之行使價及授出之股份數目已就公開發售作出調整。

本年度行使購股權導致按加權平均價每股普通股0.40港元(二零一五年：0.49港元)發行約8,363,000股股份(二零一五年：3,814,000股股份)。所得款項總額約為3,379,000港元(二零一五年：1,869,000港元)。行使購股權時之有關加權平均股價為每股普通股0.98港元(二零一五年：1.37港元)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

34 Reserves

34 儲備

		Share premium	Share option reserve	Capital redemption reserve (ii)	Statutory reserves (i)	Capital reserve	Investment revaluation reserve	Cumulative foreign currency translation reserve	Retained earnings	Total
		股份溢價	購股權儲備	資本贖回儲備 (ii)	法定儲備 (i)	資本儲備	投資重估儲備	累計外幣匯兌調整	保留盈利	總額
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
At 1st April 2014	於二零一四年四月一日	340,606	5,769	79,684	10,857	58,355	(78)	14,184	230,045	739,422
Profit for the year	年度溢利	—	—	—	—	—	—	—	215,533	215,533
Currency translation differences	貨幣匯兌差額	—	—	—	—	—	—	2,805	—	2,805
Change in fair value of available-for-sale financial asset (Note 23)	可供出售之財務資產之公平價值變動(附註23)	—	—	—	—	—	175	—	—	175
Appropriation of statutory reserves	撥充法定儲備	—	—	—	1,868	—	—	—	(1,868)	—
Exercise of share options	行使購股權	2,236	(748)	—	—	—	—	—	—	1,488
Lapse of share options	失效之購股權	—	(323)	—	—	—	—	—	323	—
Share-based payment	以股份為基礎之支付	—	1,237	—	—	—	—	—	—	1,237
Issuance of shares under open offer	根據公開發售發行股份	79,639	—	—	—	—	—	—	—	79,639
Change in ownership interest in a subsidiary without change of control	附屬公司擁有權權益變動而無控制權變動	—	—	—	—	—	—	—	(108)	(108)
Dividends paid to equity holders of the Company	已付本公司股權持有人之股息	—	—	—	—	—	—	—	(32,237)	(32,237)
At 31st March 2015	於二零一五年三月三十一日	422,481	5,935	79,684	12,725	58,355	97	16,989	411,688	1,007,954
At 1st April 2015	於二零一五年四月一日	422,481	5,935	79,684	12,725	58,355	97	16,989	411,688	1,007,954
Profit for the year	年度溢利	—	—	—	—	—	—	—	70,105	70,105
Currency translation differences	貨幣匯兌差額	—	—	—	—	—	—	(43,438)	—	(43,438)
Change in fair value of available-for-sale financial asset (Note 23)	可供出售之財務資產之公平價值變動(附註23)	—	—	—	—	—	(99)	—	—	(99)
Appropriation of statutory reserves	撥充法定儲備	—	—	—	(81)	—	—	—	81	—
Exercise of share options	行使購股權	3,216	(674)	—	—	—	—	—	—	2,542
Lapse of share options	失效之購股權	—	(141)	—	—	—	—	—	141	—
Share-based payment	以股份為基礎之支付	—	1,859	—	—	—	—	—	—	1,859
Dividends paid to equity holders of the Company	已付本公司股權持有人之股息	—	—	—	—	—	—	—	(43,563)	(43,563)
At 31st March 2016	於二零一六年三月三十一日	425,697	6,979	79,684	12,644	58,355	(2)	(26,449)	438,452	995,360

Notes:

(i) Statutory reserves represent enterprise expansion reserve fund and general reserve fund set up by certain subsidiaries in Mainland China. As stipulated by regulations in Mainland China, the subsidiaries established and operated in Mainland China are required to appropriate a portion of their after-tax profit (after offsetting prior year losses) to the enterprise expansion reserve fund and general reserve fund, at rates determined by their respective boards of directors. The general reserve fund may be used for making up losses and increasing capital, while the enterprise expansion reserve fund may be used for increasing capital.

(ii) The capital redemption reserve has been established upon repurchase of shares.

附註：

(i) 法定儲備即由中國內地若干附屬公司設立之企業發展儲備基金及一般儲備基金。按照中國內地法規訂明，於中國內地成立及經營之附屬公司須於其除稅後溢利(經抵銷過往年度虧損)撥出部分至企業發展儲備基金及一般儲備基金，比率乃由各自董事會釐定。一般儲備基金可用作抵銷虧損及增加股本，而企業發展儲備基金可用作增加股本。

(ii) 資本贖回儲備已於購回股份時設立。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

35 Consolidated statement of cash flows

35 綜合現金流量表

(a) Reconciliation of profit before income tax to net cash generated from operations is as follows:

(a) 除稅前溢利與經營產生之現金淨額對賬如下：

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Profit before income tax	除稅前溢利	146,269	293,575
Share of results of associates — net	應佔聯營公司之業績 — 淨額	7,364	1,056
Share of results of joint ventures — net	應佔合營公司之業績 — 淨額	(4,437)	(1,930)
Interest income	利息收入	(2,065)	(3,883)
Interest expenses	利息支出	65,404	59,150
Depreciation of property, plant and equipment	物業、廠房及設備之折舊	18,873	8,029
Loss/(gain) on disposals of property, plant and equipment	出售物業、廠房及設備之虧損/(收益)	1,809	(271)
Unrealised exchange loss	未變現匯兌虧損	29,728	—
Gain on disposal of an investment property	出售一項投資物業之收益	—	(572)
Amortisation of land use rights	土地使用權之攤銷	1,607	1,387
Amortisation of intangible assets	無形資產之攤銷	1,430	1,455
Fair value gain on investment property	投資物業之公平價值收益	(199,514)	(204,108)
Provision for impairment of trade receivables — net	應收賬款之減值撥備 — 淨額	7,529	642
Provision for impairment of inventories — net	存貨減值撥備 — 淨額	3,897	662
Unrealised fair value gain on financial assets at fair value through profit or loss	按公平價值計入損益之財務資產之未變現公平價值收益	(2,578)	(1,190)
Realised gain on financial assets at fair value through profit or loss	按公平價值計入損益之財務資產之變現收益	(841)	—
Share-based payment	以股份為基礎之支付	1,859	1,237
Provision for onerous contracts	有償契約之撥備	12,000	—
Bargain purchase on acquisition of a subsidiary	收購一間附屬公司之收購議價	—	(6,413)
Operating profit before working capital changes	營運資金變動前之經營溢利	88,334	148,826
— Inventories	— 存貨	140,485	15,363
— Trade and bill receivables	— 應收賬款及票據	84,106	(133,238)
— Prepayments, deposits and other receivables	— 預付款項、按金及其他應收賬款	(61,002)	11,867
— Amounts due from associates	— 應收聯營公司	—	1,197
— Amounts due from joint ventures	— 應收合營公司	(11,125)	(4,468)
— Trade and bill payables	— 應付賬款及票據	(27,032)	57,655
— Receipts in advance	— 預收款項	8,702	(14,454)
— Accrued liabilities and other payables	— 應計負債及其他應付賬款	33,891	(20,747)
Net cash generated from operations	經營產生之現金淨額	256,359	62,001

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

35 Consolidated statement of cash flows (Continued)

(b) In the consolidated statement of cash flows, proceeds from disposals of property, plant and equipment comprise:

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Net book amount (Note 14)	賬面淨額(附註14)	2,407	727
(Loss)/gain on disposals of property, plant and equipment (Note 7)	出售物業、廠房及設備之 (虧損)/收益(附註7)	(1,809)	271
Proceeds from disposals of property, plant and equipment	出售物業、廠房及設備之 所得款項	598	998

(c) In the consolidated statement of cash flows, proceeds from disposal of an investment property comprise:

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Carrying amount (Note 15)	賬面金額(附註15)	—	22,000
Net gain on disposal of an investment property (Note 6)	出售一項投資物業之淨收益 (附註6)	—	572
Net proceed from disposal of an investment property	出售一項投資物業之淨所得 款項	—	22,572

35 綜合現金流量表(續)

(b) 於綜合現金流量表中，出售物業、廠房及設備之所得款項包括：

(c) 於綜合現金流量表中，出售一項投資物業之所得款項包括：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

36 Significant business combination

For the year ended 31st March 2015

On 19th September 2014, the Group completed the acquisition of 100% of issued shares in He Tai Steel Co., Limited (“He Tai”), which is principally engaged in the processing and trading of scrap steel. The Group expects to expand its Hong Kong steel business to trading of scrap steel and broaden its revenue stream through the acquisition.

The consideration was approximately HK\$20,167,000. Pursuant to the sale and purchase agreement, a 3-year indemnity clause was effective from the date of acquisition.

The gain on bargain purchase of approximately HK\$6,413,000 was recognised in the consolidated income statement during the year ended 31st March 2015. It was attributable to the liquidity needs following the change in key management of the vendor.

The following table summarises the consideration paid for He Tai and the amounts of the assets acquired and liabilities assumed recognised at the acquisition date.

36 重大業務合併

截至二零一五年三月三十一日止年度

於二零一四年九月十九日，本集團完成收購和泰鋼鐵有限公司（「和泰」，主要從事加工及買賣廢鋼）100%之已發行股份。本集團預期透過收購事項將擴大香港鋼材業務至買賣廢鋼及擴闊其收入來源。

代價約為20,167,000港元。根據買賣協議，為期三年之彌償保證條款由收購日起生效。

截至二零一五年三月三十一日止年度，收購議價收益約6,413,000港元已於綜合損益表中確認。此乃由於賣方之主要管理層變動後產生之流動資金需求所致。

下表概述就和泰已付之代價及於收購日確認之已收購資產及已承擔負債之金額。

		HK\$'000 千港元
Consideration paid	已付代價	20,167
Recognised amounts of identifiable assets acquired and liabilities assumed:	已收購可識別資產及已承擔負債之確認金額：	
Property, plant and equipment	物業、廠房及設備	13,759
Cash and cash equivalents	現金及現金等值	12,323
Inventories	存貨	3,047
Deferred income tax assets	遞延所得稅資產	763
Trade and other receivables	應收賬款及其他應收賬款	19,242
Trade and other payables	應付賬款及其他應付賬款	(22,554)
Total identifiable net assets	可識別資產淨值總額	26,580
Gain on bargain purchase (Note 6)	收購議價收益(附註6)	6,413
Net cash outflow on acquisition of business:	收購業務之現金流出淨額：	
Cash consideration paid	已付現金代價	20,167
Cash and cash equivalents acquired	已收購現金及現金等值	(12,323)
		7,844

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

36 Significant business combination (Continued)

For the year ended 31st March 2015 (Continued)

Acquisition-related costs of HK\$172,000 had been charged to “general and administrative expenses” in the consolidated income statement for the year ended 31st March 2015.

The fair value of trade and other receivables was approximately HK\$19,242,000 and included trade receivables with a fair value of approximately HK\$15,401,000. The gross contractual amount for trade receivables due was approximately HK\$15,401,000, all of which is expected to be collectible.

The acquired business contributed revenue of approximately HK\$158,622,000 and net loss of approximately HK\$14,826,000 to the Group for the period from 19th September 2014 to 31st March 2015.

37 Transactions with non-controlling interests

For the year ended 31st March 2015

On 23rd May 2014, the Group acquired an additional 2.97% of the issued shares of 武漢三金建材有限公司 (“武漢三金”) for a purchase consideration of approximately HK\$588,000. The carrying amount of the non-controlling interests in 武漢三金 on the date of acquisition was approximately HK\$480,000. The Group recognised a decrease in non-controlling interests of approximately HK\$480,000 and a decrease in equity attributable to owners of the Group of approximately HK\$108,000. The effect of changes in the ownership interest of 武漢三金 on the equity attributable to owners of the Group during the year is summarised as follows:

		HK\$'000 千港元
Carrying amount of non-controlling interests acquired	已收購非控制性權益之賬面金額	480
Consideration paid to non-controlling interests	已付非控制性權益之代價	(588)
Difference between fair value of consideration and amount of non-controlling interests adjustment recognised within equity	代價之公平價值與於權益中確認之非控制性權益金融調整之差額	(108)

36 重大業務合併(續)

截至二零一五年三月三十一日止年度(續)

收購相關成本172,000港元已於截至二零一五年三月三十一日止年度之綜合損益表之「一般及行政開支」中扣除。

應收賬款及其他應收款項之公平價值約為19,242,000港元，其中包括公平價值約為15,401,000港元之應收帳款。應收賬款之到期合約總額約為15,401,000港元，預期可收回所有該等款項。

由二零一四年九月十九日至二零一五年三月三十一日期間，所收購業務向本集團貢獻之收入約為158,622,000港元及淨虧損約為14,826,000港元。

37 與非控制性權益進行的交易

截至二零一五年三月三十一日止年度

於二零一四年五月二十三日，本集團額外收購武漢三金建材有限公司(「武漢三金」)2.97%之已發行股份，購買代價約為588,000港元。於武漢三金之非控制性權益於收購日期之賬面金額約為480,000港元。本集團已確認於非控制性權益減少約480,000港元及本集團持有人應佔權益減少約108,000港元。武漢三金擁有權權益變動於年內對本集團持有人應佔權益之影響概述如下：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

38 Commitments

(a) Commitments under operating leases

(i) Lessor

The Group leases an investment property under non-cancellable operating lease agreements. The lease terms are between 1 and 7 years, and the lease agreements are renewable at the end of the lease period at market rate.

Total commitments receivable under various non-cancellable operating lease agreements in respect of rented premises are analysed as follows:

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Not later than one year	未逾1年	55,381	45,031
Later than one year and not later than five years	逾1年及未逾5年	67,696	53,342
Later than five years	逾5年	15,727	3,727
		138,804	102,100

(ii) Lessee

The Group leases various retail outlets, offices, warehouses and site under non-cancellable operating lease agreements. The lease terms are between 1 and 6 years, and majority of lease agreements are renewable at the end of the lease period at market rate.

Total commitments payable under various non-cancellable operating lease agreements in respect of rented premises are analysed as follows:

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Not later than one year	未逾1年	50,119	38,960
Later than one year and not later than five years	逾1年及未逾5年	86,407	101,238
Later than five years	逾5年	8,041	24,954
		144,567	165,152

38 承擔

(a) 營業租約承擔

(i) 出租人

本集團根據不可撤銷之營業租約出租一項投資物業。租期介乎1至7年，而租約可在租期屆滿後以市場租值續簽。

就出租物業而訂立之多份不可撤銷營業租約之應收承擔總額分析如下：

(ii) 承租人

本集團根據不可撤銷之營業租約承租多個零售商舖、辦公室、貨倉及地皮。租期介乎1至6年，而大部份租約可在租期屆滿後以市場租值續簽。

就承租物業而訂立之各份不可撤銷營業租約之應付承擔總額分析如下：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

38 Commitments (Continued)

(b) Capital commitments

Capital commitments at the end of the reporting period are as follows:

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Contracted but not provided for:			
Purchase of an investment property	已訂約但尚未撥備： 購置一項投資物業	721,571	—
Renovation work for an investment property	一項投資物業之翻修工程	5,082	6,517
Purchase of property, plant and equipment	購置物業、廠房及設備	—	146,304
Capital injection to a joint venture	資本注資予一間合營公司	—	19,500
		726,653	172,321
Authorised but not contracted for:			
Capital injection to a joint venture	已授權但並未訂約： 資本注資予一間合營公司	15,508	—
Renovation work for an investment property	一項投資物業之翻修工程	—	5,578
		15,508	5,578

(c) Commitments under derivative contracts

As at 31st March 2016, the total notional principal amount of the outstanding iron ore future contracts was approximately HK\$1,720,000 (2015: steel future contracts of HK\$3,193,000). The settlement date is 14th September 2016 (2015: 15th October 2015) (Note 24 (i)).

38 承擔(續)

(b) 資本承擔

於報告期末之資本承擔如下：

(c) 衍生合約承擔

於二零一六年三月三十一日，尚有鐵礦石期貨合約之總設定本金額約為1,720,000港元(二零一五年：3,193,000港元之鋼材期貨合約)。結算日為二零一六年九月十四日(二零一五年：二零一五年十月十五日)(附註24(i))。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

39 Related party transactions

(a) Transactions

The following is a summary of significant related party transactions, which were carried out in the normal course of the Group's business:

		Note 附註	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Management fee income from services provided to joint ventures	提供服務予合營公司之管理費收入	(i)	27,816	9,684
Sales of goods to	銷售貨品予：			
— joint ventures	— 合營公司	(ii)	6,572	—
— an associate	— 一間聯營公司	(iii)	46,724	78,703
			53,296	78,703
Purchase of goods from a joint venture	從一間合營公司購買貨品	(iv)	55	—
Sundry income received from a joint venture	從一間合營公司收取之雜項收入	(v)	15	—

Notes:

- (i) For the year ended 31st March 2016, management services were provided by HSL China Metropolitan Fund I (GP) Ltd., 上海新施房地產經紀有限公司 and VSC Steel Processing Holdings Limited respectively to a joint venture at prices mutually agreed by the relevant parties.
- (ii) Goods were sold by VSC Steel Company Limited and VSC Building Products Company Limited to a joint venture at prices mutually agreed by the relevant parties.
- (iii) Goods were sold by Shanghai Bao Shun Chang International Trading Co., Ltd. to an associate at prices mutually agreed by both parties.
- (iv) For the year ended 31st March 2016, He Tai Steel Co., Limited purchased goods from a joint venture at prices mutually agreed by both parties.
- (v) For the year ended 31st March 2016, sundry income was received by He Tai Steel Co., Limited for providing labour services for a joint venture at prices mutually agreed by both parties.

39 與關連人士之交易

(a) 交易

於本集團日常業務過程中進行之重大關連人士交易概要如下：

		Note 附註	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Management fee income from services provided to joint ventures	提供服務予合營公司之管理費收入	(i)	27,816	9,684
Sales of goods to	銷售貨品予：			
— joint ventures	— 合營公司	(ii)	6,572	—
— an associate	— 一間聯營公司	(iii)	46,724	78,703
			53,296	78,703
Purchase of goods from a joint venture	從一間合營公司購買貨品	(iv)	55	—
Sundry income received from a joint venture	從一間合營公司收取之雜項收入	(v)	15	—

附註：

- (i) 截至二零一六年三月三十一日止年度，分別由HSL China Metropolitan Fund I (GP) Ltd、上海新施房地產經紀有限公司及萬順昌鋼材加工控股有限公司提供予合營公司之管理服務按有關方協定之價格收取。
- (ii) 由萬順昌鋼鐵有限公司及萬順昌建築材料有限公司銷售予合營公司之貨品按有關方協定之價格收取。
- (iii) 由上海寶順昌國際貿易有限公司銷售予一間聯營公司之貨品按雙方協定之價格收取。
- (iv) 截至二零一六年三月三十一日止年度，和泰鋼鐵有限公司從一間合營公司購買貨品按雙方協定之價格支付。
- (v) 截至二零一六年三月三十一日止年度，和泰鋼鐵有限公司向一間合營公司提供勞工服務所收取之雜項收入按雙方協定之價格支付。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

39 Related party transactions (Continued)

(b) Key management compensation

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Salaries and allowances	薪金及津貼	14,421	13,831
Bonus	花紅	7,585	6,680
Pension costs — defined contribution schemes	退休金成本 — 界定供款計劃	367	340
Share-based payment	以股份為基礎之支付	1,617	1,052
		23,990	21,903

39 與關連人士之交易(續)

(b) 主要管理層報酬

40 Subsequent event

In May 2016, 上海北盈置業有限公司 and 上海个盈置業有限公司, wholly owned subsidiaries of the Company, entered into 5-year mortgage loan agreements for loans amounting to RMB400,000,000 with a bank in the PRC for the purpose of acquisition of an investment property in Shanghai.

40 呈報期後事項

於二零一六年五月，本公司全資附屬公司上海北盈置業有限公司及上海个盈置業有限公司與一間於中國的銀行訂立5年抵押貸款協議，貸款金額為人民幣400,000,000元，以收購一項於上海之投資物業。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

41 Statement of financial position and reserve movement of the Company

41 本公司財務狀況表及儲備變動

(a) Statement of financial position of the Company

(a) 本公司財務狀況表

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Non-current assets	非流動資產		
Investments in subsidiaries	於附屬公司之投資	661,059	635,372
Current assets	流動資產		
Prepayments, deposits and other receivables	預付款項、按金及其他應收賬款	4	67
Pledged bank deposits	已抵押銀行存款	—	10,469
Cash and cash equivalents	現金及現金等值	1,370	643
		1,374	11,179
Total assets	總資產	662,433	646,551
Equity	權益		
Capital and reserves attributable to equity holders of the Company	本公司股權持有人應佔股本及儲備		
Share capital	股本	64,064	63,227
Reserves	儲備	596,276	583,222
Total equity	權益總額	660,340	646,449
Liabilities	負債		
Current liabilities	流動負債		
Accrued liabilities and other payables	應計負債及其他應付賬款	2,093	102
Total equity and liabilities	權益及負債總額	662,433	646,551

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

41 Statement of financial position and reserve movement of the Company (Continued)

(b) Reserve movement of the Company

		Share premium	Share option reserve	Capital redemption reserve (ii)	Contributed surplus (i)	Retained earnings	Total
		購股權儲備	資本贖回儲備 (ii)	繳入盈餘 (i)	保留盈利	總額	
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元
At 1st April 2014	於二零一四年四月一日	340,606	5,769	79,684	53,986	21,933	501,978
Profit for the year	年度溢利	—	—	—	—	31,117	31,117
Issuance of shares under open offer	根據公開發售發行股份	79,639	—	—	—	—	79,639
Exercise of share options	行使購股權	2,236	(748)	—	—	—	1,488
Lapse of share options	失效之購股權	—	(323)	—	—	323	—
Share-based payment	以股份為基礎之支付	—	1,237	—	—	—	1,237
Dividends paid	已付股息	—	—	—	—	(32,237)	(32,237)
At 31st March 2015	於二零一五年三月三十一日	422,481	5,935	79,684	53,986	21,136	583,222
Profit for the year	年度溢利	—	—	—	—	52,216	52,216
Exercise of share options	行使購股權	3,216	(674)	—	—	—	2,542
Lapse of share options	失效之購股權	—	(141)	—	—	141	—
Share-based payment	以股份為基礎之支付	—	1,859	—	—	—	1,859
Dividends paid	已付股息	—	—	—	—	(43,563)	(43,563)
At 31st March 2016	於二零一六年三月三十一日	425,697	6,979	79,684	53,986	29,930	596,276

Notes:

- (i) The contributed surplus of the Company represents the difference between the aggregate of the nominal values of the shares of the subsidiaries acquired at the date of acquisition, over the nominal value of the shares of the Company issued in exchange thereof.

In addition to the retained profits, under the Companies Act 1981 of Bermuda (as amended), contributed surplus is also available for distribution to shareholders. However, the Company cannot declare or pay a dividend, or make a distribution out of contributed surplus if (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 account.

- (ii) The capital redemption reserve has been established upon repurchase of shares.

41 本公司財務狀況表及儲備變動 (續)

(b) 本公司儲備變動

附註：

- (i) 本公司繳入盈餘指於收購日期收購附屬公司之股份面值總額與本公司因此發行以作交換之股份面值兩者間之差額。

除保留溢利外，根據百慕達一九八一年公司法(經修訂)，繳入盈餘亦可分派予股東。然而，倘(i)本公司不能或於繳款後將不能支付到期之負債；或(ii)本公司之可變現資產價值低於其負債及已發行股本及股份溢價賬之總額，則本公司不得自繳入盈餘中宣派或派發股息或作出分派。

- (ii) 資本贖回儲備已於購回股份時設立。



商界展關懷

caringcompany²⁰¹⁴⁻¹⁶

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