

# 東方表行

Oriental Watch Company

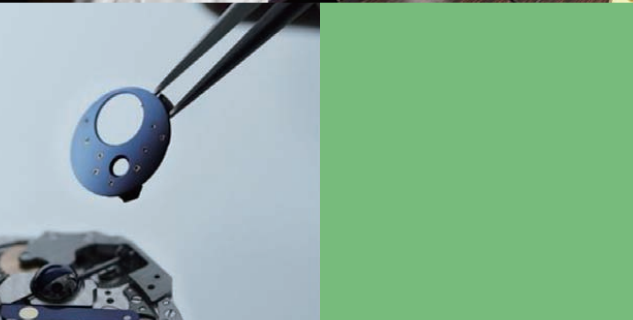
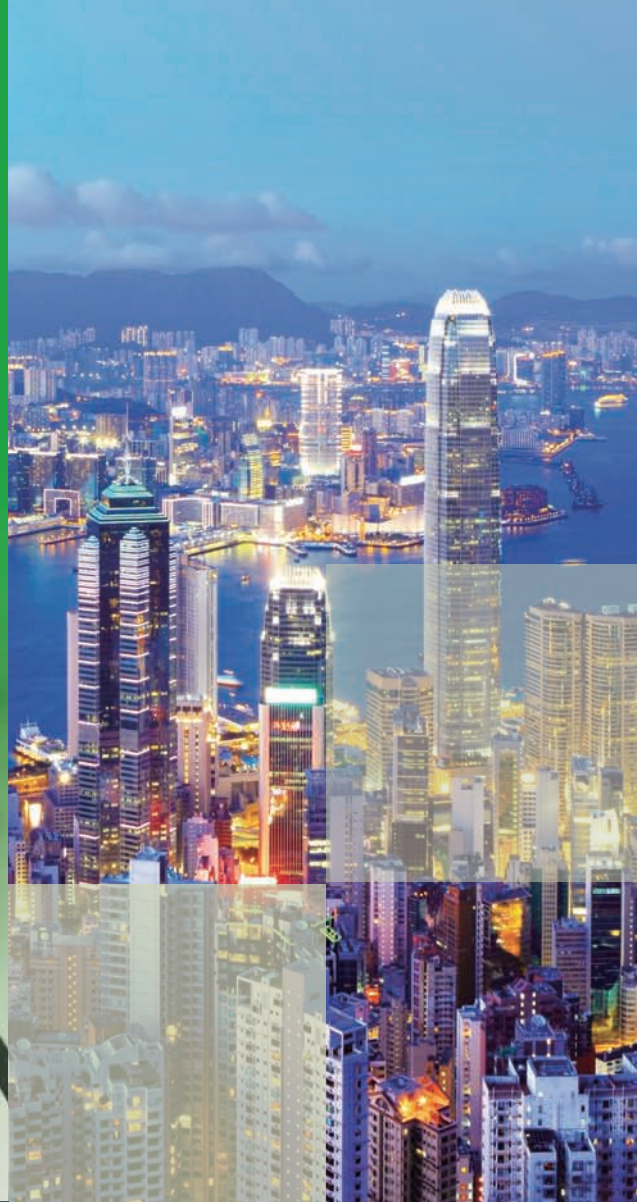
Since 1961

## Oriental Watch Holdings Limited 東方表行集團有限公司

(Incorporated in Bermuda with limited liability)

(於百慕達註冊成立之有限公司)

(Stock Code 股份代號: 398)



憑經驗 · 成就55載

Annual Report 年報

2016

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# CORPORATE INFORMATION

## 公司資料

<b>BOARD OF DIRECTORS</b>	Dr. Yeung Ming Biu ( <i>Chairman</i> ) Mr. Yeung Him Kit, Dennis ( <i>Deputy Chairman and Managing Director</i> ) Mr. Fung Kwong Yiu ( <i>Executive Director</i> ) Madam Yeung Man Yee, Shirley ( <i>Executive Director</i> ) Mr. Lam Hing Lun, Alain ( <i>Finance Director</i> ) Mr. Choi Kwok Yum ( <i>Executive Director</i> ) Dr. Sun Ping Hsu, Samson ( <i>Independent Non-executive Director</i> ) Dr. Li Sau Hung, Eddy ( <i>Independent Non-executive Director</i> ) Mr. Choi Man Chau, Michael ( <i>Independent Non-executive Director</i> )	<b>董事會</b>	楊明標博士(主席) 楊衍傑先生 (副主席兼董事總經理) 馮廣耀先生 (執行董事) 楊敏儀女士 (執行董事) 林慶麟先生 (財務董事) 蔡國欽先生 (執行董事) 孫秉樞博士 (獨立非執行董事) 李秀恒博士 (獨立非執行董事) 蔡文洲先生 (獨立非執行董事)
<b>COMPANY SECRETARY</b>	Mr. Lam Hing Lun, Alain	<b>公司秘書</b>	林慶麟先生
<b>PRINCIPAL BANKERS</b>	Hang Seng Bank Limited Bank of China (Hong Kong) Limited Standard Chartered Bank (Hong Kong) Limited The Hong Kong & Shanghai Banking Corporation Limited	<b>主要往來銀行</b>	恒生銀行有限公司 中國銀行(香港)有限公司 渣打銀行(香港)有限公司 香港上海滙豐銀行 有限公司
<b>AUDITOR</b>	Deloitte Touche Tohmatsu Certified Public Accountants	<b>核數師</b>	德勤•關黃陳方會計師行 執業會計師
<b>HONG KONG BRANCH SHARE REGISTRARS</b>	Tricor Secretaries Limited Level 22 Hopewell centre 183 Queen's Road East Hong Kong	<b>股份過戶 登記處 香港分處</b>	卓佳秘書商務有限公司 香港 皇后大道東183號 合和中心 22樓
<b>HONG KONG LEGAL ADVISER</b>	Jennifer Cheung & Co	<b>香港法律顧問</b>	張美霞律師行
<b>BERMUDA LEGAL ADVISER</b>	Conyers, Dill & Pearman	<b>百慕達法律 顧問</b>	Conyers, Dill & Pearman
<b>REGISTERED OFFICE</b>	Clarendon House Church Street Hamilton HM 11 Bermuda	<b>註冊辦事處</b>	Clarendon House Church Street Hamilton HM 11 Bermuda
<b>PRINCIPAL PLACE OF BUSINESS</b>	Room 312-8 China Insurance Group Building 141 Des Voeux Road Central Central Hong Kong	<b>主要營業地點</b>	香港 中環 德輔道中141號 中保集團大廈 312-8室

# CHAIRMAN'S STATEMENT AND MANAGEMENT DISCUSSION AND ANALYSIS

## 主席報告及管理層討論及分析

### MANAGEMENT DISCUSSION AND ANALYSIS

#### Group Results

On behalf of the Board of Directors (the "Board") of Oriental Watch Holdings Limited (the "Company") and its subsidiaries (collectively, the "Group"), I hereby present the audited consolidated results of the Group for the year ended 31 March 2016 (the "Year").

Given the slowdown of economic growth in China and the overall slackening landscapes in luxury sector, the Group's turnover for the Year slightly decreased by 2.5% to HK\$3,032 million (2015: HK\$3,109 million). Yet, gross profit declined by 6.4% to HK\$486 million (2015: HK\$519 million) whilst gross profit margin dropped to 16.0% from 16.7% last year. Net loss attributable to owners of the Company was HK\$16 million, (2015: Net profit of HK\$5 million). The significant decline in both the Group's gross profit and net loss incurred was mainly attributable to: (1) the slowdown of demand in the high-end consumer goods market both in Hong Kong and Mainland China; and (2) keen competition and high operating cost.

Despite such unfavourable business environment, the Board has resolved to recommend a final dividend of 0.25 HK cents per share for the year ended 31 March 2016 (2015: 0.25 HK cents) in appreciation of shareholders' ongoing support. Dividend payout for the Year of 2015 was approximately 95%.

### 管理層討論及分析

#### 集團業績

本人謹代表東方表行集團有限公司(「本公司」)及其附屬公司(統稱「本集團」)之董事會(「董事會」)提呈本集團截至二零一六年三月三十一日止年度(「本年度」)之經審核綜合業績。

由於中國經濟增長放緩及奢侈品行業整體發展遲緩，本集團之本年度營業額輕微下跌2.5%至3,032,000,000港元(二零一五年：3,109,000,000港元)。然而，毛利下跌6.4%至486,000,000港元(二零一五年：519,000,000港元)，而毛利率由去年之16.7%下跌至16.0%。本公司擁有人應佔虧損淨值為16,000,000港元(二零一五年：純利5,000,000港元)。本集團毛利及虧損淨值均大幅倒退，乃主要由於：(1)香港及中國大陸對高檔消費品需求放緩；及(2)競爭激烈及經營成本高昂所致。

儘管營商環境未如理想，董事會已議決建議派發截至二零一六年三月三十一日止年度末期股息每股0.25港仙(二零一五年：0.25港仙)以答謝股東之鼎力支持。二零一五年年度派息率約為95%。



# CHAIRMAN'S STATEMENT AND MANAGEMENT DISCUSSION AND ANALYSIS

## 主席報告及管理層討論及分析

### Business Review

As at 31 March 2016, the Group operates 80 retail and wholesale points (including associate retail stores) in the Greater China region. Breakdown by geographic region is as follows:

Hong Kong	香港
Macau	澳門
China	中國
Taiwan	台灣
Total	總計

The China's economy has undergone structural reform and a softened economic growth has been observed in the past two years. According to the National Bureau of Statistics of China, the 2015 gross domestic product ("GDP") was expanding at a rate of 6.9% and was the weakest since 1990, failing to meet the 7% growth target set in the "Twelfth Five-Year Plan" and even slowed to 6.7% in the first quarter of 2016. Apart from being hampered by the bleak economic landscape, outbound Chinese tourists nowadays also altered their destination preferences due to the relaxation of visa policies in foreign countries and the depreciation of relative currency. The favourable exchange rates have encouraged Chinese tourists to purchase luxury goods abroad, such as Japan and other European countries. Meanwhile, the increasing number of social movements and the intensifying tension between Hong Kong and Mainland China have deterred Chinese tourists from visiting Hong Kong, thus further upsetting the luxury retail market. Despite the difficult times ahead, Oriental Watch, as a traditional luxury watches company with extensive foothold in Greater China, will proactively implement stringent cost and inventory control strategies, as well as improve store efficiency to enhance our competitiveness and maintain stable financial position in the coming year.

### 業務回顧

於二零一六年三月三十一日，本集團於大中華地區經營80個零售及批發點(包括聯營零售店)，按地區分析如下：

As at 31 March 2016 於二零一六年 三月三十一日
14
3
60
3
<b>80</b>

中國經濟經歷結構轉型，過往兩年經濟增長疲軟。根據中國國家統計局之資料，二零一五年國內生產總值(「國內生產總值」)以6.9%之增長率上升，乃自一九九零年以來之最低增幅，無法達成「第十二個五年計劃」制定之7%增長目標，而增長率更於二零一六年第一季下降至6.7%。除受經濟形勢暗淡所影響外，外遊中國旅客亦因海外國家放寬簽證政策及相關貨幣貶值而對目的地偏好有所轉變。匯率向好更鼓勵中國遊客於海外(如日本及其他歐洲國家)購買高端消費品。同時，鑒於社會運動不斷增加、香港及中國內地間之社會矛盾日趨嚴重，導致中國遊客訪港意欲有所減少，進一步削弱高端消費品零售市場。儘管前路障礙重重，東方表行作為於大中華地區廣泛佈局之傳統名貴鐘錶公司，將積極採取嚴控成本及存貨策略並改善店舖效益，以於來年提高競爭力及維持穩定之財務狀況。

## CHAIRMAN'S STATEMENT AND MANAGEMENT DISCUSSION AND ANALYSIS

### 主席報告及管理層討論及分析

Aside from the sluggish business environment, high rental cost is another major challenge to be tackled for the Group. During the Year, the Group's aggregate rental cost (excluding related property management fees) slightly increased by 1.3% to HK\$227 million, accounting for 42.1% of the Group's overall operating expenses. Since 2014, minimising rental cost and optimising store efficiency have been the priority of the Group. We have been internally assessing the performance of all retail stores on a regular basis and closed down high-rent yet non-performing stores to achieve better resources allocation. Moreover, the pace of rental increase has been slowed down due to the sluggish market situation and the Group views it as a positive sign to negotiate better rental rate in the upcoming lease renewal. We believe the above measures can enhance our average store profitability in the long run and alleviate the heavy financial burden incurred by the high rental cost.

On the other hand, to ensure healthy financial position and cash flow level, the Group has employed various inventory management policies, such as monitoring inventory level of high-ticket products and purchasing stocks only when existing inventory depletes to a pre-agreed level. The Group's inventory level has been successfully lowered with our prudent replenishment policy and the continuous effort from all front-line staff. As at 31 March 2016, the Group's overall inventory level amounted to HK\$1,570 million, decreasing by 12.0% from HK\$ 1,784 million. In the coming year, the Group will strive to maintain a steady inventory level for a better cash position and a sustainable business development in the future.

除營商環境疲弱外，租金成本高昂為本集團面對之另一主要挑戰。於年內，本集團之租金成本總額(不包括物業管理費用)輕微增加1.3%至227,000,000港元，佔本集團整體營運開支之42.1%。自二零一四年起，降低租金成本及優化店舖效益為本集團之首要目標。本集團已定期對所有零售店舖之表現進行內部評估，並關閉租金高昂惟表現欠佳之零售店舖，以達致有效分配資源。此外，市況疲弱導致租金增幅放緩，本集團認為此為利好跡象，使我們能於未來重續租約時爭取更佳租金。我們相信，上述措施長遠能有效提升店舖之平均盈利能力及緩和租金成本高昂所帶來之財政壓力。

另一方面，為確保財務狀況及現金流量水平良好，本集團已實施多項存貨監控政策，包括監察高價產品之存貨水平及僅於現有存貨消耗至預訂水平時購置存貨。憑藉審慎補給政策及所有前線員工之不斷努力，本集團已成功降低存貨水平。於二零一六年三月三十一日，本集團之整體存貨水平為1,570,000,000港元，較1,784,000,000港元下跌12.0%。於來年，為爭取更佳之現金狀況及可持續之業務發展，本集團將致力維持穩定之存貨水平。

# CHAIRMAN'S STATEMENT AND MANAGEMENT DISCUSSION AND ANALYSIS

## 主席報告及管理層討論及分析

According to Federation of the Swiss Watch Industry FH, China and Hong Kong's overall Swiss watch exports value in April 2016 recorded a significant year-on-year decline of 36.0% and 17.0% respectively. It is the fifteenth consecutive month for watch exports to Hong Kong to falter, implying that the business environment for the retail market, especially for luxury watches sector, will continue to be harsh. Looking ahead, the conservative consumption pattern of local customers is likely to persist under the weak macroeconomic condition, together with the shift in Chinese tourists' destination will inevitably affect the retail watch industry. Yet, the Group will take a prudent stance in negotiating for reasonable rent in the coming year, at the same time, cautiously monitor cost and inventory level to maximise overall profitability. This year marks the Group's 55th anniversary and as a luxury watch retailer with extensive experience in the industry, Oriental Watch will stand firm to overcome the adversity ahead. With shareholders' interests as our first priority, the Group will continue to strive to improve, advance and excel, so as to achieve stability and sustainability in our business.

On behalf of the Group, we would like to thank our customers, suppliers, staff and shareholders for their contribution, loyalty and continued support.

## FINANCIAL REVIEW

### Liquidity and financial resources

At 31 March 2016, the Group's total equity reached HK\$2,158 million, compared with HK\$2,212 million as at 31 March, 2015. The Group had net current assets of HK\$1,783 million, including bank and cash balances of HK\$404 million as at 31 March, 2016 compared with balances of HK\$1,892 million and HK\$344 million respectively as at 31 March, 2015. At 31 March, 2016, bank loans of HK\$217 million (31 March, 2015: HK\$338 million). At 31 March, 2016, the gearing ratio (defined as total bank borrowing on total equity) was 0.10 (31 March, 2015: 0.15).

根據瑞士鐘錶工業聯合會之資料，中國及香港整體瑞士手錶出口價值分別於二零一六年四月按年大幅下降36.0%及下降17.0%。此乃連續第十五個月手錶出口至香港之業務逐漸減緩，意味著零售市場（尤其是名貴鐘錶業）之營商環境將會持續嚴峻。展望未來，在宏觀市況疲弱之情況下，本地消費者可能會維持保守之消費模式，加上中國遊客目的地偏好轉移，零售鐘錶業無可避免會受到影響。然而，本集團將於來年就爭取合理租金進行商討時採取審慎之立場，同時審慎監察成本及存貨水平以提升整體盈利能力。今年適逢本集團五十五周年，作為業內經驗豐富之名貴鐘錶零售商，東方表行將會努力不懈克服所面臨之挑戰。本集團以股東利益為首要目標，將繼續致力令業務得以改善、進步及力求盡善盡美，以達至業務穩定及可持續發展。

我們謹代表本集團感謝我們之客戶、供應商、員工及股東多年來的貢獻、忠誠和支持。

## 財務回顧

### 流動資金及財務資源

於二零一六年三月三十一日，本集團之權益總額達2,158,000,000港元，而於二零一五年三月三十一日則為2,212,000,000港元。於二零一六年三月三十一日，本集團之流動資產淨值為1,783,000,000港元，包括404,000,000港元之銀行及現金結餘，而於二零一五年三月三十一日之結餘則分別為1,892,000,000港元及344,000,000港元。於二零一六年三月三十一日，銀行貸款為217,000,000港元（二零一五年三月三十一日：338,000,000港元）。於二零一六年三月三十一日，負債資產比率（定義為銀行借貸總額除以權益總額）為0.10倍（二零一五年三月三十一日：0.15倍）。

# CHAIRMAN'S STATEMENT AND MANAGEMENT DISCUSSION AND ANALYSIS

## 主席報告及管理層討論及分析

Management considers that financial position of the Group is healthy with adequate funds and unused banking facilities. The Group's sales and purchase transactions are primarily denominated in Hong Kong dollars and Renminbi. The Group did not face significant risk from exposure to foreign exchange fluctuations.

### Foreign exchange exposure

The Group's sales and purchase transactions are primarily denominated in Hong Kong dollars and Renminbi. The Group did not face significant risk from exposure to foreign exchange fluctuations.

## HUMAN RESOURCES

As at 31st March, 2016, our Group employed approximately 700 employees all over HK, Macau, China and Taiwan, of which approximately 63% were located in Mainland China. The total manpower is lower than previous year.

The Group's compensation package, includes basic salary, commission, annual bonus, medical insurance, and other common benefits. It is structured by reference to the marketplace and individual merits, and is reviewed on an annual basis based on the Group's policy's performance system and objective specification performance appraisal.

We believe every customer does have high expectations on the services they obtained while shopping for luxury goods. Thus, we must always try to provide services beyond their expectations. As such, significant resources have been allocated to the Staff Training and Development. Since January, 2009, we have commissioned an independent consulting firm to conduct a continuous "Mystery Shoppers Programme (MSP)". This programme has helped the management to gauge and monitor the overall service performance of our sales team. By analyzing the results of MSP, we are able to identify areas for improvements. The management team has used these results to tailor-made training programme to specific shop and individual level. All these efforts align with the company's philosophy of providing "Service Excellence" to customer. Hopefully these measures will help propel the company's business forward.

管理層認為本集團的財務狀況良好，並具備充裕資金及未動用銀行信貸。本集團之買賣交易主要以港元及人民幣為單位。本集團並無面對重大外匯波動風險。

### 外匯風險

本集團之買賣交易主要以港元及人民幣為單位。本集團並無面對重大外匯波動風險。

### 人力資源

截至二零一六年三月三十一日，本集團於香港、澳門、中國及台灣共招聘約700名僱員，其中大約63%為內地員工，總受僱人數跟去年有下降。

本集團參考市場指標及考慮員工的個人表現決定所提供的薪酬待遇，包括底薪、佣金、年終獎金、醫療保險及其他福利，並於每年績效評估報告中重新調整。

我們相信每位顧客選購奢侈品均對其獲得之服務寄予厚望，因此，我們需要嘗試提供超越顧客期望之服務。有鑒於此，本集團已投放大量資源於員工培訓及發展。由二零零九年一月開始本集團正式委任獨立顧問公司進行連續性的「神秘顧客計劃」，以協助管理層評估本集團銷售團隊之整體服務水平。透過分析神秘顧客計劃的結果，我們能辨別公司有待改善之處。管理團隊已運用有關結果制定針對個別店舖及員工的培訓課程。這一切均配合公司為顧客提供「優質服務」的理念，我們期望這些措施將有助推動本集團的業務發展向前邁進。



## DIRECTORS AND SENIOR MANAGEMENT

### 董事及高級管理層

#### EXECUTIVE DIRECTORS:

**Dr. YEUNG Ming Biu**, aged 80, the Chairman of the Company, is a Co-founder of the Group. He has over 60 years' experience in the watch business and is a Permanent Honorary Director of The Federation of Hong Kong Watch Trades and Industries Limited. He holds Honorary Fellow awarded by The Chinese University of Hong Kong and Honorary Doctor degree awarded by Lansbridge University of New Brunswick of Canada.

**Mr. YEUNG Him Kit, Dennis**, aged 47, joined the Group in 1993. He became Managing Director of the Company in March 2003. He holds a Bachelor Degree in Commerce from the University of Toronto, Canada. Mr. Yeung is the son of Dr. Yeung Ming Biu.

**Mr. FUNG Kwong Yiu**, aged 72, joined the Group in 1974 and has over 50 years' experience in the watch business. He is a Permanent Honorary Director of The Federation of Hong Kong Watch Trades and Industries Limited.

**Madam YEUNG Man Yee, Shirley**, aged 54, joined the Group in 1991. She received a Higher Diploma in Business Studies and Diploma in Watch and Jewellery Management from North Herts College in the United Kingdom and CFH Institute in Switzerland respectively. Madam Yeung is the daughter of Dr. Yeung Ming Biu.

**Mr. LAM Hing Lun, Alain**, aged 57, joined the Group in 1992. He is the Finance Director and Company Secretary of the Company and became Director of the Company in April 2003. He is responsible for the Group's accounting, financial control and secretarial matters. He has over 30 years' experience in accounting and auditing. Mr. Lam holds a Master Degree of Business Administration from the University of Hull. He is a Fellow Member of the Association of Chartered Certified Accountants and an Associate Member of the Hong Kong Institute of Certified Public Accountants.

**Mr. CHOI Kwok Yum**, aged 61, joined the Group in 1969. He became Director of the Company in April 2003 and has over 47 years' experience in the watch business.

#### 執行董事：

**楊明標博士**，80歲，本公司主席，亦為本集團創辦人之一。彼具有逾60年鐘表業經驗，並為香港鐘表業總會永遠名譽會董。楊先生持有香港中文大學頒授之榮譽院士及持有加拿大賓士域藍仕橋大學頒授之榮譽博士。

**楊衍傑先生**，47歲，於一九九三年加入本集團。彼於二零零三年三月出任本公司董事總經理。彼持有加拿大多倫多大學商業學士學位。楊先生為楊明標博士之兒子。

**馮廣耀先生**，72歲，於一九七四年加入本集團，並具有逾50年鐘表業經驗。彼為香港鐘表業總會永遠名譽會董。

**楊敏儀女士**，54歲，於一九九一年加入本集團。彼分別持有英國North Herts College商業課程高級文憑及瑞士CFH Institute鐘表珠寶管理文憑。楊女士為楊明標博士之女兒。

**林慶麟先生**，57歲，於一九九二年加入本集團。彼為本公司財務董事兼公司秘書，並於二零零三年四月出任本公司董事。彼負責本集團會計、財務控制及秘書事宜。彼具有逾30年會計及核數經驗。林先生持有University of Hull工商管理碩士學位。彼為特許公認會計師公會資深會員及香港會計師公會會員。

**蔡國欽先生**，61歲，於一九六九年加入本集團。彼於二零零三年四月出任本公司董事，具有逾47年鐘表業經驗。

## DIRECTORS AND SENIOR MANAGEMENT

### 董事及高級管理層

#### INDEPENDENT NON-EXECUTIVE DIRECTORS:

**Dr. SUN Ping Hsu, Samson (“Dr. Sun”), M.B.E., J.P.**, aged 91, has been an Independent Non-executive Director of the Company since September 1993. He is the Chairman of Sun International Group of companies. He was Deputy Chairman and a Director of Gilman & Co., Ltd. and Inchcape Hong Kong respectively from 1967 to 1985. Dr. Sun is the Honorary Permanent President of The Federation of Hong Kong Watch Trades and Industries Limited. He has over 60 years’ experience in the manufacturing, marketing and distribution of watches, and 30 years’ experience in the marketing and distribution of consumer and electronic products. He has involved in the PRC trade since 1979, and continues to be active in both trading and property development in the PRC. Dr. Sun has chaired many voluntary community services and charitable organisations. He was a Member of Basic Law of HKSAR Consultative Committee in 1980’s. He is an Independent Non-executive Director of National Electronics Holdings Limited (stock code: 0213), and Cheuk Nang (Holdings) Limited (stock code: 0131).

**Dr. LI Sau Hung, Eddy, B.B.S., J.P.**, aged 61, has over 40 years’ experience in the manufacturing business. He is a Member of the National Committee of Chinese People’s Political Consultative Conference, the President of Hong Kong Economic & Trade Association and the President of The Chinese Manufacturers’ Association of Hong Kong. Dr. Li holds a Master Degree of Business Administration and a PhD Degree in Economics. He was the 1991 awardee of The Ten Outstanding Young Persons and the 1993 awardee of Young Industrialists of Hong Kong. He has been an Independent Non-executive Director of the Company since September 1993. He is currently an Independent Non-executive Director of Man Yue Technology Holdings Limited (stock code: 0894), Midas International Holdings Limited (stock code: 1172). All companies listed on The Stock Exchange of Hong Kong Limited.

#### 獨立非執行董事：

**孫秉樞博士(「孫博士」)，M.B.E., J.P.**，91歲，自一九九三年九月起出任本公司獨立非執行董事。彼為新達集團主席。彼自一九六七年至一九八五年間分別出任香港太平洋行有限公司之副主席及英之傑香港之董事。孫博士為香港鐘表業總會永遠名譽會長。彼具有逾60年製造、經銷及分銷手表經驗及30年經銷及分銷消費品及電子產品經驗。彼自一九七九年涉足中國貿易業務，並一直活躍於中國貿易及物業發展業務。孫博士為多個志願社團服務及慈善機構之主席。彼於一九八零年代曾任香港特區基本法諮詢委員會委員。彼為National Electronics Holdings Limited(股份代號：0213)及卓能(集團)有限公司(股份代號：0131)之獨立非執行董事。

**李秀恒博士，B.B.S., J.P.**，61歲，具有逾40年製造業經驗。彼為中國人民政治協商會議全國委員會委員、香港經貿商會會長及香港中華廠商聯合會會長。李博士持有工商管理碩士學位及經濟學博士學位。彼為一九九一年度「香港十大傑出青年」之一，並於一九九三年獲「香港青年工業家」獎項。彼自一九九三年九月起出任本公司獨立非執行董事。彼現為萬裕科技集團有限公司(股份代號：0894)、勤達集團國際有限公司(股份代號：1172)之獨立非執行董事。所有公司均為香港聯合交易所有限公司上市公司。

## DIRECTORS AND SENIOR MANAGEMENT

### 董事及高級管理層

**Mr. CHOI Man Chau, Michael (“Mr. Choi”)**, aged 60, is a Fellow Member of the Institute of Chartered Accountants in England and Wales and the Hong Kong Institute of Certified Public Accountants (practising). Mr. Choi has been practising public accountancy in Hong Kong for over 23 years. Mr. Choi was formerly an Independent Non-executive Director of Hunan Nonferrous Metals Corporation Limited (stock code: 2626) which was listed on the Main Board of the Stock Exchange until its voluntary withdrawal of listing in March 2015, and Simsen International Corporation Limited (stock code: 0993), a company listed on the Main Board of the Stock Exchange.

### SENIOR MANAGEMENT

**Mr. SZE Yuk Woo**, aged 65, is the General Manager overseeing the Group’s general operation in the PRC. He joined the Group in 1997 and has over 46 years’ experience in the watch business.

**Mr. YEUNG Chi On**, aged 56, is the General Manager overseeing the retail operation in Hong Kong. He joined the Group in 1980 and has over 34 years’ experience in the watch business.

**Mr. LAM Tung Hing**, aged 58, is the General Manager and overseeing the retail operation in Hong Kong. He joined the Group in 2003 and has over 36 years’ experience in the watch business.

蔡文洲先生(「蔡先生」)，60歲，為英格蘭及威爾斯特許會計師公會及香港會計師公會資深會員(執業會計師)。蔡先生擁有超過23年在香港出任執業會計師之經驗。蔡先生曾為湖南有色金屬股份有限公司(股份代號：2626)(其曾於聯交所主版上市，直至其於二零一五年三月自願撤銷上市地位)及天行國際(控股)有限公司(股份代號：0993)(於聯交所主版上市之公司)之獨立非執行董事。

### 高級管理層

史育和先生，65歲，為總經理，監督本集團於中國的一般業務運作。彼於一九九七年加入本集團，具有逾46年鐘表業經驗。

楊志安先生，56歲，為總經理，監督香港零售運作。彼於一九八零年加入本集團，具有逾34年鐘表業經驗。

林東興先生，58歲，為總經理，監督香港零售運作。彼於二零零三年加入本集團，具有逾36年鐘表業經驗。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### CORPORATE GOVERNANCE PRACTICES

The Company strives to attain and maintain the high standard of corporate governance as it believes that effective corporate governance practices are fundamental to enhancing shareholder value and safe guarding shareholder interests. The Company has accordingly adopted good corporate governance principles that emphasize a quality board of Directors (“the Board”), effective internal control, stringent disclosure practices and transparency and accountability to all stakeholders. It is, in addition, committed to continuously improving these practices and inculcating an ethical corporate culture.

The principles of corporate governance adopted by the Group emphasize a quality board, sound internal control, and transparency and accountability to all stakeholders.

Throughout the year ended 31 March, 2016, the Company has complied with the code provisions prescribed in the CG Code set out in the Appendix 14 of the Listing Rules except for the deviation from the Code Provision A.4.1 which is explained in the following relevant paragraph.

### DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the Model Code set out in Appendix 10 to the Listing Rules as its own code of conduct regarding securities transactions by the Directors (“the Code”). Having made specific enquiry of all Directors, the Company confirmed that all Directors have complied with the required standard set out in the Code for the year under review.

### 企業管治常規

本公司相信有效的企業管治常規是提升股東價值與保障股東權益的基本要素，因此致力達致與維持最高的企業管治水平。為此，本公司已採納良好的企業管治原則，強調要有一個優秀的董事會（「董事會」）、有效的內部監控、嚴格的披露常規，以及對所有利益相關者的透明度和問責性。此外，本公司不斷改良該等常規，培養高度操守的企業文化。

本集團採納的企業管治原則著重要有一個優秀的董事會、健全的內部監控，以及對所有利益相關者的透明度和問責性。

於截至二零一六年三月三十一日止年度內，本公司一直遵守上市規則附錄14所載企業管治守則列載之守則條文，惟於下文相關段落中說明偏離守則條文A.4.1除外。

### 董事之證券交易

本公司採納了上市規則附錄10所載之標準守則，作為其董事進行證券交易之操守守則（「守則」）。經向全體董事作出特定查詢後，本公司確認全體董事於本回顧年度內一直遵守守則所載之規定標準。



# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### THE BOARD

#### Corporate Strategy

The primary objective of the Company is to enhance long-term total return for our shareholders. To achieve this objective, the Group's strategy is to place equal emphasis on achieving sustainable recurring earning growth and maintaining the Group's strong financial profile. Management Discussion and Analysis contain discussion and analyses of the Group's performance and the basis on which the Group generates or preserves value over the longer term and the basis on which the Group will execute its strategy for delivering the Group's objective.

#### Role of the Board

The Board, which is accountable to shareholders for long-term performance of the Company, is responsible for directing the strategic objectives of the Company and overseeing the management of the business. Directors are charged with the task of promoting the success of the Company and making decision in the best interest of the Company

The Board, led by the Chairman, Dr. Yeung Ming Biu, approves and monitors Group wide strategies and policies, annual budgets and business plans, evaluates the performance of the Company, and supervises the management of the Company ("Management"). Management is responsible for the day-to-day operations of the Group under the leadership of the Group Managing Director.

### 董事會

#### 企業策略

本公司之首要目標為提升股東之長遠回報總額。為達致此目標，本集團之策略為同等着重取得可持續經常性盈利增長及維持本集團之穩健財務狀況。管理層討論及分析載有本集團表現之討論及分析、本集團締造或保存較長遠價值之基礎，以及本集團為達成其目標而執行策略之基礎。

#### 董事會之角色

須就本公司之長遠表現向股東負責之董事會負責制訂本公司的策略目標，並監察業務的管理工作。董事負責促進本公司的業務成績，及作出符合本公司最佳利益的決策。

董事會在主席楊明標博士領導下，批准及監察本集團的整體策略和政策、年度預算和業務計劃、評估本公司表現以及監督本公司管理層（「管理層」）的工作。在集團董事總經理帶領下，管理層負責本集團的日常運作。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### Board Composition

At 31 March, 2016, the Board comprised nine Directors, including the Chairman, Deputy Chairman and Group Managing Director, Group Finance Director, three Executive Directors and three Independent Non-executive Directors. Biographical details of the Directors are set out in the Directors and Senior Management Section on pages 8 to 10. The composition of the Board is well balanced with each Director having sound knowledge, experience and/or expertise relevant to the business of the Group.

For a Director to be considered independent, the Board must determine that the Director does not have any direct or indirect material relationship with the Group. In determining the independence of Directors, the Board follows the requirements set out in the Listing Rules.

### Chairman and Chief Executive

The Role of the Chairman is separate from that of Deputy Chairman and Group Managing Director. Such division of responsibilities helps to reinforce their independence and accountability.

The Chairman is responsible for providing leadership to, and overseeing the functions of, the Board to ensure that the Board acts in the best interest of the Group and the Board meetings are planned and conducted effectively. The Chairman is responsible for approving the agenda of each Board meeting, taking into account, where appropriate, matters proposed by Directors for inclusion in the agenda. With the support of Executive Directors and the Company Secretary, the Chairman seeks to ensure that all Directors are properly informed on issues arising at Board meetings and provided with adequate and accurate information in a timely manner. The Chairman also actively encourages Directors to be fully engaged in the Board's affairs and make contribution to the Board's functions. The Board, under the leadership of the Chairman, has adopted good corporate governance practices and procedures and taken appropriate steps to provide effective communication with shareholders.

### 董事會結構

於二零一六年三月三十一日，董事會由九名董事組成，包括主席、副主席兼集團董事總經理、集團財務董事、三名執行董事和三名獨立非執行董事。各董事的履歷載於第8頁至第10頁的「董事及高級管理層」一節內。董事會結構均衡，每名董事均具備與本集團業務有關之豐富知識、經驗及／或專長。

董事須經董事會確定與本集團並無任何直接或間接的重大關係，方會被視為具獨立性。董事會按照上市規則所載的規定，確定董事的獨立性。

### 主席及行政總裁

主席肩負有別於副主席兼集團董事總經理的職責。劃分職責有助加強彼等的獨立性和問責性。

主席負責領導與監管董事會的運作，確保董事會以符合本集團最佳利益的方式行事，以及有效地規劃和進行董事會會議。主席負責批准每次董事會會議的議程，當中適當考慮董事建議列入議程的事項。在執行董事和公司秘書協助下，主席將確保所有董事獲簡報在董事會會議上提出的問題，並適時獲提供足夠與準確的資訊。主席也積極鼓勵董事全面參與董事會的事務以及對董事會的職能作出貢獻。在主席的領導下，董事會已採納良好的企業管治常規和程序，並採取適當步驟與股東保持有效溝通。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

The Deputy Chairman and Group Managing Director, Mr. Yeung Him Kit, Dennis, is responsible for managing business of the Group, attending to the formulation and successful implementation of the Group policies and assuming full accountability to the Board for all Group operations. Acting as the principal manager of the Group's business, the Deputy Chairman and Group Managing Director attends to developing strategic operating plans that reflect the long-term objectives and priorities established by the Board and is directly responsible for maintaining the operational performance of the Group. Working with the other Executive Directors and the executive management team of each core business divisions, he ensures that the Board is fully apprised of the funding requirements of the business of the Group and presents annual budgets to the Board for consideration and approval. With the assistance of the Group Finance Director, the Deputy Chairman and Group Managing Director sees to it that the funding requirements of the business are met and he closely monitors the operating and financial results of the business against plans and budgets, taking remedial action when necessary. He maintains an ongoing dialogue with the Chairman and all Directors to keep them fully informed of all major business development and issues. He is also responsible for building and maintaining an effective team to support him in his role.

### Independent Non-executive Directors

In compliance with Rule 3.10(1) of the Listing Rules, there are three Independent Non-executive Directors representing one-third of the Board of Directors. Among the three Independent Non-executive Directors, one of them have appropriate professional qualifications in accounting or related financial management expertise as required by Rule 3.10(2) of the Listing Rules.

The Company has received from each of the independent non-executive directors the written confirmation of his independence pursuant to Rule 3.13 of the Listing Rules. The Company based on such confirmation, considers Dr. Sun Ping Hsu, Samson, Dr. Li Sau Hung, Eddy and Mr. Choi Man Chau, Michael to be independent.

副主席兼集團董事總經理楊衍傑先生負責管理本集團的業務，以及制訂與實施本集團政策，並就本集團整體營運向董事會負上全責。作為本集團業務的主要管理人，副主席兼集團董事總經理負責制訂反映董事會所訂長遠目標與優先事項的策略性營運計劃，同時直接負責維持本集團的營運表現。集團董事總經理與其他執行董事和各核心業務部門的行政管理隊伍通力合作，確保董事會全面了解本集團業務的資金需求，並提呈年度預算供董事會審批。在集團財務董事協助下，副主席兼集團董事總經理確保業務的資金需求得到充足供應，同時根據計劃與預算密切監察業務的營運與財務業績，必要時採取補救措施。副主席兼集團董事總經理與主席和全體董事保持溝通，確保彼等充分了解所有重大的業務發展與事項，亦負責建立與維持高效率的行政隊伍以協助其履行職責。

### 獨立非執行董事

為符合上市規則第3.10(1)條，本集團有三名獨立非執行董事，佔董事會成員之三分之一。該三名獨立非執行董事中，其中一名具備上市規則第3.10(2)條所規定之會計或相關財務管理專業之適當專業資格。

本公司已接獲各獨立非執行董事根據上市規則第3.13條有關其獨立性之書面確認書。根據該確認書，本公司認為孫秉樞博士、李秀恒博士及蔡文洲先生為獨立人士。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### Directors' Appointment, Re-election and Removal

Under the Code Provision A.4.1, non-executive directors should be appointed for a specific term, subject to re-election. However, the independent non-executive directors were not appointed for a specific term but are subject to retirement by rotation in annual general meeting of the Company in accordance with the Bye-laws of the Company. The management of the Company considered that there is no imminent need to revise the letter of appointment of independent non-executive directors by adding a specific term in the letter of appointment.

### Board Meetings and Practices

The Board meets regularly, and at least four times a year, and the Board will also meet on other occasions when a board-level decision on a particular matter is required. Between scheduled meetings, senior management of the Group provides information to Directors on a regular basis on the activities and development in the business of the Group. Throughout the year, Directors participate in the consideration and approval of routine and operational matters of the Company by way of circular resolutions with supporting explanatory materials, supplemented by additional verbal/written information or notification from the Company Secretary and other executives as when required. Details of material or notable transactions of subsidiary companies are provided to the Directors as appropriate. Whenever, warranted, additional Board meetings are held.

The Directors will receive details of agenda items for decision and minutes of committee meeting in advance of each Board meeting. With respect to regular meeting of the Board, Directors receive written notice of the meeting at least 14 days in advance and agenda with supporting Board papers no less than 3 days prior to the meetings. With respect to the other meetings, Directors are given as much as notice as is reasonable and practicable in the circumstances.

### 董事之委任、重選及罷免

根據守則條文A.4.1，非執行董事應按指定年期委任，並須接受重選。然而，獨立非執行董事並無按指定年期委任，但須根據本公司之公司細則在本公司之股東週年大會上輪值退任。本公司管理層認為並無迫切需要透過在委任書加入指定年期修訂獨立非執行董事之委任書。

### 董事會會議及常規

董事會須每年定期舉行最少四次會議，董事會亦將於其他須董事會就特定事宜作出決策之情況下舉行會議。在編定會期的會議之間，本集團高級管理層會定時向董事提供有關本集團活動和業務發展的資料。年內各董事透過傳閱附有理據說明材料的決議案，及在需要時由公司秘書與其他行政人員提供額外口頭／書面補充資料或通報，參與審批本公司的日常及營運事宜。有關附屬公司的重大或顯要交易的詳細資料，亦會適時提供予各董事。在需要時，並會舉行額外的董事會會議。

董事將於各董事會會議舉行前接獲將須作決定之議程事項詳情及委員會會議之會議紀錄。有關董事會的定期會議，各董事至少在十四天前接獲書面的會議通告，並至少於會議舉行三天前獲發送議程與相關董事會文件。有關其他會議，亦視乎情況給予董事合理及切實可行之通知期。



# CORPORATE GOVERNANCE REPORT

## 企業管治報告

Any Director wishing to do so in the furtherance of his or her duty may take independent professional advice at the Company's expense. Directors are encouraged to update their skills, knowledge and familiarity with the Group through their initial induction, ongoing participation at Board and Committee meetings, and through meeting with key members of the Management.

During the year ended 31 March, 2016, meetings and Directors attendance records for the meetings held are set out below:

任何董事如擬尋求獨立專業意見以充分履行其職責，均可尋求有關意見，費用概由本公司承擔。透過入職簡介、持續參與董事會及委員會會議及與管理層主要成員舉行會議，本公司鼓勵董事提升其技能與知識，並加深對本集團之了解。

於截至二零一六年三月三十一日止年度內，會議及各董事於所舉行會議之出席記錄載列如下：

		<b>Board</b> 董事會	<b>2015 Annual General Meeting</b> 二零一五年股東週年大會
<i>Executive Directors</i> 執行董事			
Dr. Yeung Ming Biu (1) – Chairman	楊明標博士(1) — 主席	5/5	√
Mr. Yeung Him Kit, Dennis (1) – Deputy Chairman and Group Managing Director	楊衍傑先生(1) — 副主席兼集團 董事總經理	5/5	√
Mr. Fung Kwong Yiu	馮廣耀先生	5/5	√
Madam Yeung Man Yee, Shirley (1)	楊敏儀女士(1)	5/5	√
Mr. Lam Hing Lun, Alain – Group Finance Director	林慶麟先生 — 集團財務董事	5/5	√
Mr. Choi Kwok Yum	蔡國欽先生	5/5	√
<i>Independent Non-Executive Directors</i> 獨立非執行董事			
Dr. Sun Ping Hsu, Samson	孫秉樞博士	5/5	√
Dr. Li Sau Hung, Eddy	李秀恒博士	5/5	√
Mr. Choi Man Chau, Michael	蔡文洲先生	5/5	√

Note:

(1) Dr. Yeung Ming Biu is the father of Mr. Yeung Him Kit, Dennis and Madam Yeung Man Yee, Shirley.

附註：

(1) 楊明標博士為楊衍傑先生及楊敏儀女士之父。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### Training and Commitment

The Company provides Continuous Professional Development (“CPD”) training and relevant reading materials to Directors to help ensure that they are apprised of the latest changes in the commercial, legal and regulatory environment in which the Group conducts its business and to refresh their knowledge and skills on the roles, functions and as director of the Company. In addition, Dr. Sun Ping Hsu, Samson, Dr. Li Sau Hung, Eddy and Lam Hing Lun, Alain attend external forums or brief sessions (including delivery speeches by Mr. Lam Hing Lun, Alain) on the relevant topics. Mr. Choi Man Chau, Michael has also participated in CPD programs required by The Hong Kong Institute of Certified Public Accountants.

The directors have provided to the Company with details of the CPD training undertaken by them from time to time.

### COMPANY SECRETARY

The Company Secretary, Mr. Lam Hing Lun, Alain is responsible to the Board for ensuring that the Board procedures are followed and Board activities are efficiently and effectively conducted. These objectives are achieved through the adherence to proper Board processes and the timely preparation and dissemination to Directors and Board Committees comprehensive Board agendas and papers. Minutes of all Board meetings and Board Committees are prepared by and maintained by the Company Secretary to record in sufficient details the matters considered and decisions reached by the Board or Committee, including any concerns raised or dissenting views voiced by any Director. All the minutes are sent to Directors and are available for inspection by any Director upon request.

The Company Secretary is responsible for ensuring that the Board is fully apprised of all legislative, regulatory and corporate governance developments relating to the Group and that it takes these into consideration when making decisions for the Group. The Company Secretary is also directly responsible for the Group’s compliance with all obligations of the Listing Rules including publications and dissemination of annual reports and interim reports within the periods laid down in the Listing Rules, timely dissemination to shareholders and the market of announcement and information relating to the Group and assisting in the notification of Directors’ dealings in securities of the Group.

### 培訓及承擔

本公司為董事提供持續專業發展(「持續專業發展」)培訓與相關讀物，確保彼等獲悉本集團經營業務所在商務、法律及規管環境之最新變化，並重溫彼等對本公司董事之角色及職能之知識與技能。此外，孫秉樞博士、李秀恒博士及林慶麟先生已出席相關課題之外界論壇或簡報環節(包括由林慶麟先生發表演辭)。蔡文洲先生亦已按照香港會計師公會之規定參與持續專業發展課程。

董事已不時向本公司提供彼等所接受之持續專業發展培訓詳情。

### 公司秘書

公司秘書林慶麟先生向董事會負責，以確保董事會程序獲得遵守及董事會活動有效率及有效地進行。該等目標乃透過嚴謹遵守適當董事會程序及適時編製及發送董事會會議議程及文件予董事及董事會各委員而得以達成。所有董事會會議及董事委員會會議紀錄均由公司秘書編製及存置，以足夠詳盡地記錄董事會或委員會考慮之事項及達成之決定，包括任何董事提出之任何關注或表達之反對意見。所有會議記錄均發送予董事，並可應要求供任何董事查閱。

公司秘書負責確保董事會獲得全面報告一切與本集團有關之立法、規管和企業管治的發展，並於作出有關本集團的決策時加以考慮。公司秘書亦直接負責確保本集團遵照上市規則的所有責任，包括於上市規則規定的期限內出版和發送年報與中期報告，及時向股東與市場傳達有關本集團的公佈與資料，並協助董事買賣本集團證券時發出通知。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

The Company Secretary advises the Directors on their obligations for disclosure of interests in securities, connected transactions and price-sensitive information and ensures that the standards and disclosures required by the Listing Rules are observed and, where required, reflected in the annual report of the Company.

In relation to connected transactions, regular seminars are conducted for executives from business units within the Group to ensure that such transactions are handled in compliance with the Listing Rules. Details analyses are performed on all potential connected transactions to ensure full compliance and for Directors' considerations.

Furthermore, the Company Secretary advises the Directors on their obligations for disclosure of interests and dealings in the Group's securities, connected transactions and price-sensitive information and ensures that the standard and disclosure required by the Listing Rules are observed and where required, reflected in the annual report of the Company.

The appointment and removal of the Company Secretary is subject to Board approval in accordance with the Bye-laws of the Company. Whilst the Company Secretary reports to the Board through the Chairman and the Deputy Chairman and Group Managing Director, all members of the Board have access to the advice and service of the Company Secretary. Mr. Lam Hing Lun, Alain has appointed as the Company Secretary of the Company since 1992 and has day-to-day knowledge of the Group affairs.

## ACCOUNTABILITY AND AUDIT

### Directors' Responsibility for the Financial Statements and the Financial Reporting

The annual and interim results of the Company are published in a timely manner of the year end and the half year.

The following statement, which set out the responsibilities of the Directors in relation to the financial statements, should be read in conjunction with, but distinguished from, the Independent Auditor's report on pages 44 to 46 which acknowledge the reporting responsibilities of the Group's Auditor.

公司秘書就董事披露於證券之權益、關連交易及股價敏感資料方面之責任向董事提供意見，並確保上市規則規定之標準及披露獲得遵守，以及在有需要時於本公司年報內反映。

本集團定期向本集團內各業務單位行政人員舉行關於關連交易之研討講座，以確保該等交易遵照上市規則規定處理。所有潛在關連交易均會進行詳細分析，確保完全符合規例，並提呈董事考慮。

另外，公司秘書就董事披露本集團證券權益及交易、關連交易和股價敏感資料方面的責任向彼等提供意見，並確保上市規則規定的標準與披露事項得以遵守，以及於有需要時於本公司年報中反映。

公司秘書之委任及免任須根據本公司之公司細則經董事會批准。儘管公司秘書透過主席及副主席兼集團董事總經理向董事會匯報，惟董事會全體成員均可取得公司秘書之意見及服務。林慶麟先生自一九九二年起已獲委任為本公司之公司秘書，對本集團事務相當熟悉。

## 問責性及核數

### 董事就財務報表及財務申報所承擔的責任

本公司之年度及中期業績於年底及年中適時刊發。

下文列出董事就財務報表所承擔的責任，與第44頁至第46頁之獨立核數師報告內本集團核數師確認其報告責任有所不同，但兩者應一併閱讀。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### **Annual Report and Accounts**

The Directors acknowledge their responsibility for preparation of the Annual Report and financial statements of the Company to ensure that the financial statements give a true and fair presentation in accordance with Hong Kong Companies Ordinance and the applicable accounting standards.

### **Accounting Policies**

The Directors consider that in preparing the financial statements, the Group applies appropriate accounting policies that are consistently applied and makes judgements and estimates that are reasonable and prudent in accordance with the applicable accounting standards.

### **Accounting Records**

The Directors are responsible for ensuring that the Group keeps accounting records which disclose the financial position of the Group upon which financial statements of the Group could be prepared in accordance with the Group's accounting policies.

### **Safeguarding Assets**

The Directors are responsible for taking all reasonable and necessary steps to safeguard the assets of the Group and to prevent and detect fraud and other irregularities within the Group.

### **Going Concern**

The Directors, having made appropriate enquires, consider that the Group has adequate resources to continue in operational existence for the foreseeable future and that, for this reason, it is appropriate to adopt the going concern basis in preparation the financial statements.

### **年報及賬目**

董事確認其編製本公司年報及財務報表的責任，以確保財務報表根據香港公司條例與適用之會計準則真實與公平地反映情況。

### **會計政策**

董事認為，本集團在編製財務報表時應用一貫應用的適當會計政策，並根據適用的會計準則作出合理及審慎的判斷與估計。

### **會計紀錄**

董事負責確保本集團保存披露本集團財政狀況的賬目紀錄，讓本集團得以按照本集團的會計政策編製財務報表。

### **保護資產**

董事負責採取一切合理而必要的措施保護本集團資產，並防範與查察本集團內的詐騙行為與其他違規事項。

### **持續營運**

經作出適當查詢後，董事認為本集團擁有足夠資源在可見未來繼續營運，因此適宜採納持續營運的基準來編製財務報表。



# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### Auditor's Remuneration

The Board is satisfied with Deloitte Touche Tohmatsu ("Deloitte") in respect of the audit fees they charged, the process and its effectiveness of the audit and has resolved to recommend their reappointment as the Company's external auditors at the forthcoming Annual General Meeting

During the financial year, the services provided by, and the associated remuneration paid to Deloitte were as follows:

Audit  
Taxation and non-audit services

審計  
稅務及非審計服務

HK\$'000  
千港元

2,780  
357

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3,137

## BOARD COMMITTEES

### Audit Committee

The Audit Committee comprises all Independent Non-executive Directors who possess the appropriate business and financial management experience and skills to understand financial statements and internal controls. It is chaired by Dr. Sun Ping Hsu, Samson with Dr. Li Sau Hung, Eddy, and Mr. Choi Man Chau as members.

Under the term of reference of the Audit Committee, it is required to oversee the relationship between the Company and its external auditors, review the Group's preliminary results, interim results and annual financial statements, monitor compliance with statutory and Listing Rules requirements, review the scope, extent and effectiveness of the activities of the Group's internal audit functions, engage independent legal or other advisers as it determines is necessary and perform investigations.

The terms of reference of the Audit Committee adopted by the Board are published on the Group's website.

### 核數師酬金

董事會信納德勤•關黃陳方會計師行(「德勤」)有關其所收取之核數費用、審計過程及其有效性，並議決建議於應屆股東週年大會上續聘其出任本公司之外聘核數師。

於本財政年度內，德勤提供之服務及向其支付之相關酬金如下：

## 董事委員會

### 審核委員會

審核委員會包括全體獨立非執行董事，彼等均具備了解財務報表及內部監控所需的適當商業與財務管理經驗與技巧。委員會由孫秉樞博士擔任主席，成員為李秀恒博士及蔡文洲先生。

根據審核委員會的職權範圍，委員會的職責包括監察本公司與其外聘核數師的關係、審閱本集團的初步業績、中期業績與年度財務報表、監察對法定與上市規則規定的遵守情況、審訂本集團內部審核職能的工作範疇、規限與效益、在認為有需要時委聘獨立的法律或其他顧問，以及進行調查。

董事會所採納的審核委員會職權範圍登載於本集團網站。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

During the year ended 31 March, 2016, 4 meetings were held. The attendance records for the audit committee meetings are set out below:

於截至二零一六年三月三十一日止年度內舉行了四次會議。審核委員會會議之出席紀錄載列如下：

### Directors' Attendance 董事出席率

#### *Members of the Audit Committee*

Dr. Sun Ping Hsu, Samson

Dr. Li Sau Hung, Eddy

Mr. Choi Man Chau, Michael

#### 審核委員會成員

孫秉樞博士

李秀恒博士

蔡文洲先生

4/4

4/4

4/4

During the year, the Audit Committee performed the duties and responsibilities under its terms of reference and other duties of the Existing Code.

年內，審核委員會根據其職權範圍及現有守則之其他職責履行職責及責任。

### **Financial Statements**

The Audit committee meets with the Group Finance Director and other senior management of the Group from time to time to review the interim and final results and the Interim Report and Annual Report of the Group and other financial, internal control and risk management matters of the Group. It considers and discusses the reports and presentations of Management, the Group internal and external auditors, with a view of ensuring that the Group's consolidated financial statements are prepared in accordance with accounting principles generally accepted in Hong Kong. It also meets the Group's external auditors, Deloitte, to consider their reports on the scope and outcome of their independent review of the interim financial report and on their annual audit of the consolidated financial statements.

### 財務報表

審核委員會就審閱本集團的中期業績、末期業績、中期報告及年報以及本集團的其他財務、內部監控及風險管理事宜，不時與集團財務董事及本集團其他高級管理層舉行會議。委員會考慮與討論管理層、集團內部及外聘核數師之報告與所提交的資料，以確保本集團的綜合財務報表按照香港普遍採納的會計原則編製。委員會並與本集團的外聘核數師德勤舉行會議，以考慮德勤就獨立審閱中期財務報告的範疇和結果而提交的報告以及其對綜合財務報表的年度審核報告。

### **External Auditors**

The Audit Committee reviews and monitors the external auditors' independence and objectivity and the effectiveness of the audit process. It has received representing from Deloitte of their independence and objectivity and holds meetings with Deloitte to consider the scope of their audit, approve the fees thereon, and the scope and appropriateness of non-audit services, if required, to be provided by them. The Audit Committee also makes recommendations to the Board on the appointment and retention of the external auditors.

### 外聘核數師

審核委員會審閱及監察外聘核數師之獨立性和客觀性，以及審核過程的有效性。委員會已收到德勤就其獨立性與客觀性作出的聲明，並與德勤舉行會議，以考慮其審核範疇、批准其收費，並審批其將提供的任何非審計服務(如有)的範疇及其適當性。審核委員會並就外聘核數師的委任與續聘事宜向董事會提交建議。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

The Group's policy regarding the engagement of Deloitte for various services listed below is as follows:

- Audit services – includes audit services provided in connection with the audit of the consolidated financial statements. All such services are to be provided by external auditors.
- Audited related services – included services that would normally be provided by an external auditors but not generally included in audit fees, for example, audit of the Group's pension plans, due diligence and accounting advice related to mergers and acquisitions, internal control reviews of systems and/or process, issuance of special audit reports for tax purposes (if any). The external auditors are to be invited to undertake these services that they must or are best placed to undertake in their capacity as auditors.
- Taxation related services – includes all tax compliance and tax planning services except for those services which are provided in connection with the audit. The Group uses the services of the external auditors where they are best suited. All other significant taxation related work may be undertaken by other parties as appropriate.
- Others services – includes, for example audit or reviews of third parties to assess compliance with contracts, risk management diagnostics and assessments, and non-financial system consultations (if any). The external auditors are also permitted to assist management and the Group's internal auditors with internal investigations and fact-finding into alleged improprieties. These services are subject to specific approval by the Audit Committee.
- General consulting services – the external auditors are not eligible to provide services involving general consulting work including accountancy services.

本集團按下列政策委聘德勤提供下文所列各類服務：

- 審計服務 — 包括與審核綜合財務報表有關的審計服務。所有此等服務將由外聘核數師提供。
- 與審計有關的服務 — 包括一般由外聘核數師提供，但一般不包括在核數費用內的服務，例如審核本集團的退休計劃、與併購活動有關的盡職審查與會計意見、對制度及／或程序進行內部監控檢討，以及就稅務目的(如有)發表特別審核報告。本集團將邀請外聘核數師提供其作為核數師必須提供或最能勝任的服務。
- 與稅務有關的服務 — 包括所有稅務循規與稅務規劃服務，但不包括與審計有關的服務。本集團委聘外聘核數師提供其最能勝任的服務。所有其他重要的稅務相關工作可能由其他適當人士執行。
- 其他服務 — 包括例如審計或檢討第三方的資料以評估合約遵守情況、風險管理分析與評估，以及不涉及財務制度的顧問服務(如有)等。外聘核數師亦可協助管理層與本集團內部核數師進行內部調查與查察懷疑的違規事項。此等服務須由審核委員會特別批准。
- 一般顧問服務 — 外聘核數師不符合資格提供一般的顧問服務，包括會計服務。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### **Review of Risk Management and Internal Control**

The Audit Committee assists the Board in meeting its responsibilities for maintaining an effective system of internal control. It reviews the process by which the Group evaluates its control environment and risk assessment process, and the way in which business and control risks are managed. In addition, it review with the Group's internal auditors the work plan for their audit together with their resources requirements and consider the report to the Audit Committee on the effectiveness of internal controls in the Group business operations.

These reviews and reports are taken into consideration by the Audit Committee when it makes its recommendations to the Board for approval of the consolidated financial statements for the year.

### **Remuneration Committee**

The Remuneration Committee comprises three members, including two Independent Non-executive Directors, namely Dr. Sun Ping Hsu, Samson and Dr. Li Sau Hung, Eddy and a Deputy Chairman and Managing Director, Mr. Yeung Him Kit, Dennis. Dr. Sun Ping Hsu, Samson is the chairman of the Committee. The Committee meets for the determination of the remuneration package of Directors and senior management of the Group. In addition, the Committee also meets as and when required to consider remuneration related matters.

The responsibilities of the Remuneration Committee are to assist the Board in achieving its objectives of attracting, retaining and motivating people of the highest calibre and experience needed to shape and execute strategy across the Group's substantial business operations. It assists the Group in the administration of a fair and transparent procedure for setting remuneration policies including assessing the performance of Directors and senior executive of the Group and determining their remuneration packages. The terms of reference of the Remuneration Committee adopted by the Board are published on the Group's Website.

### **風險管理及內部監控的檢討**

審核委員會協助董事會達到維持有效的內部監控制度之責任。委員會檢討本集團對其監控環境與風險管理的評估程序，以及對業務與監控風險的管理方式。此外，委員會與本集團內部核數師審閱其審核工作計劃和所需的資源，並審議本集團內部核數師就本集團業務營運的內部監控成效向審核委員會所提交的報告。

審核委員會根據此等檢討結果與報告，就批核年度綜合財務報表向董事會提出建議。

### **薪酬委員會**

薪酬委員會由三名成員組成，包括兩名獨立非執行董事孫秉樞博士、李秀恒博士及副主席兼董事總經理楊衍傑先生。孫秉樞博士為委員會主席。委員會舉行會議以釐定本集團董事與高級管理層的薪酬待遇。此外，委員會將按需要舉行會議，以審議與薪酬相關事宜。

薪酬委員會的責任是協助董事會達成其目標，以吸引、挽留與激勵最有才能和經驗的人才，為本集團旗下規模龐大業務制訂與執行策略。委員會將協助管理本集團一個公平及具透明度的程序，用以制訂薪酬政策(包括評估本集團董事與高級行政人員的表現並釐定其薪酬待遇)。薪酬委員會的職權範圍已獲董事會採納，並已登載於本集團網站。



# CORPORATE GOVERNANCE REPORT

## 企業管治報告

The remuneration of Directors and senior executives is determined with reference to the performance and profitability of the Group as well as remuneration benchmarks from other local and/or international companies prevailing market conditions. Directors and employees also participate in bonus arrangement determined in accordance with the performance of the Group and the individual's performance.

During the financial year ended 31 March, 2016, one remuneration committee meeting has been held. Throughout the financial year, all members of the Remuneration Committee have reviewed background information on market data, the Group's business activities and human resources issues, and headcounts and staff costs. The Remuneration Committee has also reviewed and approved the proposed director fees for year ended 31 March 2017, year-end bonus and remuneration packages of Executive Directors and senior management of the Company for the year ended 31 March, 2016 and made recommendations to the Board on the directors' fees for independent non-executive directors, however, do not participate in the determination of their own remunerations.

### NOMINATION OF DIRECTORS

The Company has not established a nomination committee. However, Executive Directors identify potential new directors and recommend to the Board for decision. The Board considers potential directorship based on the candidate's qualifications, business experience and suitability to the Company. During the financial year ended 31 March, 2016, no nomination meeting has held.

董事與高級行政人員的薪酬根據本集團本身的表現和盈利能力，並參考其他本港及／或國際公司的薪酬指標與現行市況釐定。董事與僱員亦參與按本集團與個人表現釐定的花紅安排。

截至二零一六年三月三十一日止財政年度內，薪酬委員會已舉行一次會議。於財政年度內，薪酬委員會所有委員已審閱市場數據的背景資料、本集團業務活動與人力資源事宜，以及僱員人數與員工成本。薪酬委員會亦已審議與批核截至二零一七年三月三十一日止年度的建議董事袍金、年終花紅，以及本公司執行董事與高級管理層截至二零一六年三月三十一日止年度薪酬待遇的建議，並向董事會建議獨立非執行董事的董事袍金，惟並無參與釐定其本身的薪酬。

### 董事提名

本公司並無成立提名委員會。然而，執行董事物色潛在之新董事，並向董事會提出建議以便作出決定。董事會按人選資歷、業務經驗及對本公司之適合性考慮出任董事之潛力。於截至二零一六年三月三十一日止財政年度內，並無舉行提名會議。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### INTERNAL CONTROL, CORPORATE GOVERNANCE AND GROUP RISK MANAGEMENT

#### Introduction

The Board has overall responsibility for the Group's system of internal control and assessment and management of risks.

In meeting its responsibilities, the Board seeks to increase risk awareness across the Group's business operations and has put in place policies and procedures, including parameters of delegated authority, which provide a framework for the identification and management of risks. It also reviews and monitors the effectiveness of the systems of internal control to ensure that the policies and procedures in place are adequate. Reporting and reviewing activities include review by the Executive Directors and the Board and approval of detailed operational and financial reports, budgets and plans provided by the management of the business operations, review by the Board of actual results against budgets, review by the Audit Committee of the ongoing work of internal audit function and risk management function, as well as regular business review by Executive Directors and the executive management team of each core business division.

On behalf of the Board, the Audit Committee reviews regularly the corporate governance structure and practices within the Group and monitors compliance fulfillment on an ongoing basis.

Whilst these procedures are designed to identify and manage risks that could adversely impact the achievement of the Group's business objectives, they do not provide absolute assurance against material mis-statement errors, losses or fraud.

### 內部監控、企業管治及集團風險管理

#### 簡介

董事會全權負責本集團的內部監控制度，以及評估與管理風險。

董事會履行其職責，尋求提升對本集團旗下各業務營運的風險意識，並透過制訂政策和程序，包括界定授權的標準，藉以建立一個有助確定與管理風險的架構。董事會並檢討與監察內部監控制度的成效，以確保現有政策與程序足以應付需要。匯報與審閱工作包括由執行董事與董事會審批業務營運管理人員提交的詳盡營運與財務報告、預算和計劃；由董事會對照實際業績及預算；由審核委員會審閱內部審計職能與風險管理職能的持續工作；以及由執行董事與每個核心業務部門的行政管理隊伍定期進行業務檢討。

審核委員會代表董事會定期檢討本集團內部之企業管治架構及常規，並持續監控合規履行情況。

儘管上述程序旨在確定與管理可能對本集團實現業務目標有不利影響的風險，但並未對重大失實陳述、錯失、損失或詐騙提供絕對保證。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### Internal Control Environment and Systems

The Board is overall responsible for monitoring the operations of the business within the Group. Executive Directors are appointed to the Board of all material operating subsidiaries for monitoring of the operations of those companies, including attendance at Board meetings, review and approval of business strategies, budgets and plans, and setting of key business performance targets. The executive management team of each core business division is accountable for the conduct and performance of each business in the division within the agreed strategies and similarly the management of each business is accountable for its conduct and performance.

The Group's internal control procedures include a system for reporting information to the executive management teams of each core business and the Executive Directors.

Business plans and budgets are prepared annually by the management of individual businesses and subject to review and approval by Executive Directors. Executive Directors review the differences to the budget and for approval. When setting budgets, management identifies, evaluates and reports on the likelihood and potential financial impact of significant business risks.

The Executive Directors review monthly management reports on the financial results and key operating statistics of each business and hold regular meetings with the executive management team and senior management of business operations to review these reports, business performance against budgets, forecasts, significant risk sensitivities and strategies. In addition, Group Finance Director and members of his finance team review monthly performance against budget and forecast, and to address accounting and finance related matters.

### 內部監控環境及系統

董事會全權負責監察本集團旗下業務的運作。執行董事獲委任加入所有經營重大業務的附屬公司的董事會，以監察此等公司的運作，包括出席其董事會會議、審批業務策略、預算和計劃，以及制訂主要的業務表現目標。每個核心業務部門的行政管理隊伍對其部門內每項業務在協定策略範圍內的營運與表現承擔問責。同樣地，每項業務的管理層亦須為其業務運作與表現承擔問責。

本集團的內部監控程序包括一個報告制度，以向每個核心業務部門的行政管理隊伍與執行董事匯報資料。

業務計劃與預算由個別業務的管理層按年編製，並須由執行董事審批。執行董事檢討與預算的差異並作出審批。在編製預算時，管理層確定、評估與匯報業務蒙受重大風險的可能性與其潛在的財務影響。

執行董事審閱涵蓋每項業務的財務業績與主要營運統計數字的每月管理報告，並定期與行政管理隊伍與業務營運之高級管理層舉行會議，以檢討此等報告、業務表現與預算的比較、業務預測與重大業務風險因素與策略。此外，集團財務董事與其財務小組成員對照預算和預測以檢討每月表現，以及處理會計與財務相關事宜。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

The Group Finance Director has established guidelines and procedures for approval and control of expenditures. Operating expenditures are subject to overall budget control and are controlled within each business with approval level for such expenditures being set by reference to the level of responsibility of each executive officer. Capital expenditures are subject to overall control within the annual budget review and approval process, and more specific control and approval prior to commitment by the Group Finance Director or Executive Directors are required for unbudgeted expenditures and material expenditures within the approval budget. Reports of actual versus budgeted and approved expenditures are also regularly reviewed.

Internal audit department reporting to the Deputy Chairman and Group Managing Director on regular basis and also directly to the Audit Committee if necessary, provides independent assurance as to the existence and the effectiveness of the risk management activities and controls in the Group's business operations. Using risk assessment methodology and taking into account the dynamics of the Group activities, internal audit derives its yearly audit plan which is reviewed by the Audit Committee, and reassessed during the year as needed to ensure that adequate resources are deployed and the plan's objectives are met. Internal audit is responsible for assessing the Group's internal control system, formulating an impartial opinion on the system, and reporting its findings to the Group Finance Director, Deputy Chairman and Group Managing Director and the Audit Committee as well as following up on all reports to ensure that all issues have been satisfactorily resolved. In addition, a regular dialogue is maintained with the Group's external auditors so that both are aware of the significant factors which may affect their respective scopes of work.

Depending on the nature of business and risk exposure of individual business units, the scope of the work performed by the internal audit function includes financial and operations review, recurring and surprise audits, fraud investigation and productivity effectively reviews.

Reports from the external auditors on internal controls and relevant financial reporting matters, if any, are presented to the Group Finance Director and the relevant management team. These reports are reviewed and the appropriate actions taken.

集團財務董事已為開支的批准與控制訂立指引與程序。營業支出均須根據整體預算作出監管，並由各個業務按與每名行政人員的職責輕重相稱的開支批核水平進行監控。資本開支須按照年度預算審訂與批核程序進行全面監控，在經批核預算之內未列入預算案的開支以及重大支出，則須於投入之前由集團財務董事或執行董事作出更具體的監管與批核。比較實際開支與預算及經批核的開支的報告亦會定期審閱。

內部審核部門須定期向副主席兼集團董事總經理匯報其職務，並須直接向審核委員會匯報(如必要)，就本集團業務營運的風險管理活動與監控提供運作與效益方面的獨立保證。內部審核運用風險評估方法與考慮本集團業務運作機制，制訂其週年審核計劃。該計劃由審核委員會審議，並在需要時於年內重新評估，確保有足夠資源可供運用與計劃目標得以實現。內部審核負責評估本集團內部監控制度，就制度提供公正無私的意見，並將其評估結果向集團財務董事、副主席兼集團董事總經理及審核委員會匯報，同時負責跟進所有報告，確保所有問題已獲得圓滿解決。此外，內部審核部門還會與本集團的外聘核數師定期溝通，讓雙方了解可能影響其相關工作範圍的重大因素。

視乎個別業務單位的業務性質與承受的風險，內部審計職能的工作範圍包括財務與營運審訂、經常性與突擊審核、詐騙調查，以及生產力效益檢討等。

外聘核數師向集團財務董事與相關管理隊伍提交有關內部監控與相關財務報告事宜的報告(如有)。該等報告會被審閱及採取適當行動。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### Corporate Governance

The Board is entrusted with the overall responsibility of developing and maintaining sound and effective corporate governance within the Group and is committed to ensuring that the effective governance structure is put in place to continuously review and improve the corporate governance practices within the Group in light of evolving environment and regulatory requirements.

Under the term of reference, the Audit Committee has been delegated the corporate function of the Board to monitor, procure and manage corporate governance compliance within the Group. To assist the Audit Committee in fulfilling its responsibilities, Company Secretary with representatives from key departments of the Company are continuously examine the corporate governance structure of the Group, provide updates, identify emerging matters of compliance, structure appropriate compliance mechanisms and monitor compliance fulfillment on an ongoing basis.

The Audit Committee has reviewed the compliance status and is satisfied that the Company has complied throughout the year with all the code provisions of the CG Code applicable during the year except for the deviation from the Code Provision A.4.1 that is explained in the previous relevant paragraph.

### Group Risk Management

The Group Managing Director and the Group Finance Director have the responsibility of developing and implementing risk mitigation strategies including the deploying of insurance to transfer the financial impact of risks. The Group Finance Director is responsible for arranging appropriate insurance coverage.

### 企業管治

董事會全權負責制定及維持本集團內穩健有效之企業管治，並致力確保實行有效之管治結構，以因應瞬息萬變之環境及監管要求，持續檢討及改善本集團內之企業管治常規。

根據職權範圍，審核委員會已獲轉授董事會之企業職能，以監察、促使及管理本集團之企業管治遵守情況。為協助審核委員會履行其責任，公司秘書連同本公司主要部門之代表持續檢查本集團之企業管治架構、提供最新情況、識別新出現之合規事項、建立適當之合規機制以及持續監控合規事項之進展。

審核委員會已檢討合規情況，並信納本公司已於整個年度內遵守年內適用之企業管治守則之全部守則條文，惟於上文相關段落中說明偏離守則條文A.4.1除外。

### 集團風險管理

集團董事總經理與集團財務董事有責任制訂與執行紓緩風險的策略，包括運用保險轉移風險的財務影響。集團財務董事負責作出適當的保險安排。



# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### Review of Internal Control Systems

The Board, through the Audit Committee, has conducted a review of the effectiveness of the Group's internal control system for the year ended 31 March, 2016 covering all material financial, operational and compliance controls and risk management functions, and is satisfied that such system are effective and adequate. In the view of the Board, the system of internal control of the Group is sufficient to safeguard the interest of the Group.

### COMMUNICATION WITH INVESTORS AND SHAREHOLDERS

The Board recognizes the importance of maintaining clear, timely and effective communication with the shareholders of the Company and investors. Therefore, the Board and the Group's senior Management maintain close communications with investors, analysts, fund managers and the media by various channels including interviews and meetings. The Group specially assigns Mr. Lam Hing Lun, Alain, Group Finance Director, being the contact person of investor relations to respond the requests of information and queries from the investors.

The Board also welcomes the view of shareholders on matters affecting the Group and encourages them to attend shareholders' meeting to communicate with the Board or Management directly.

### SHAREHOLDER'S RIGHT

The Board is committed to providing clear and full performance information of the Group to the shareholders through publication of notices, announcements, circulars, interim and annual reports. In addition to dispatching circulars, notices, financial reports to shareholders, additional information are also available to the shareholders on the Group's website.

### 檢討內部監控制度

董事會已透過審核委員會檢討截至二零一六年三月三十一日止年度的本集團內部監控制度成效，包括所有重大財務、營運與循規監控及風險管理職能，並滿意此等制度為有效與足夠。董事會認為，本集團之內部監控制度足以保障本集團之利益。

### 投資者及股東通訊

董事會深明與本公司股東及投資者維持清晰、適時及有效通訊之重要性。因此，董事會及本集團之高級管理層透過訪問及會議等多種不同渠道與投資者、分析員、基金經理及傳媒維持緊密通訊。本集團特別委派集團財務董事林慶麟先生作為投資者關係之聯絡人，以回應投資者有關索取資訊之要求與查詢。

董事會亦歡迎股東就對本集團構成影響之事宜表達意見，並鼓勵彼等出席股東大會，直接與董事會或管理層溝通。

### 股東權利

董事會透過刊印通告、公佈、通函、中期與年度報告，致力為股東提供清晰及全面的本集團業績資料。股東除獲寄發通函、通告與財務報告外，亦可登入本集團網站取得更多資料。

## CORPORATE GOVERNANCE REPORT

### 企業管治報告

Shareholders are encouraged to attend all general meeting of the Company, such as the annual general meeting and at which the Chairman and Directors are available to answer questions on the Group's business. All shareholders have statutory right to call for extraordinary general meeting and put forward agenda items for consideration by shareholders by sending to the Company Secretary at the registered office a written request for such general meeting together with the proposed agenda items. All substantial resolutions at the general meeting are decided on a poll. The poll is conducted by the Group's Share Registrars and the results of the poll are published on the websites at The Stock Exchange of Hong Kong Limited and the Group. Financial and other information is made available on the Group's website, which is regularly updated.

本集團鼓勵股東出席本公司所有股東大會，例如股東週年大會，主席與董事均出席股東大會，以解答有關本集團業務的提問。全體股東均有法定權力可提出要求召開股東特別大會並提出議程事項以供股東考慮，股東只須致函本公司註冊辦事處，向公司秘書提出召開有關股東大會之要求及說明所建議討論的議程即可。股東大會上所有重要決議案均以投票方式表決。投票表決由本集團股份過戶登記處進行，而投票表決結果會登載於香港聯合交易所有限公司及本集團網站。本集團網站亦登載定期更新的財務與其他資料。

# DIRECTORS' REPORT

## 董事會報告

The directors present their annual report and the audited consolidated financial statements for the year ended 31st March, 2016.

### PRINCIPAL ACTIVITIES

The Company acts as an investment holding company as well as engaged in watch trading. The principal activities of its principal subsidiaries are set out in note 31 to the consolidated financial statements.

### RESULTS AND DIVIDENDS

The results of the Group for the year are set out in the consolidated statement of profit or loss and other comprehensive income on pages 47 to 48.

An interim dividend of 0.1 Hong Kong cents per share was declared and paid to the shareholders during the year. A final dividend of 0.25 Hong Kong cents per share being proposed by the directors is subject to approval by the shareholders in the forthcoming annual general meeting.

### RESERVES

As at 31st March, 2016, the Company's reserves available for distribution consisted of contributed surplus of HK\$122,183,000 and retained profits of HK\$76,879,000.

Under the Companies Act 1981 of Bermuda (as amended), the contributed surplus account of the Company is available for distribution. However, the Company cannot declare or pay a dividend, or make a distribution out of contributed surplus if:

- (a) to do so would render the Company unable to pay its liabilities as they become due; or
- (b) the realisable value of its assets would thereby be less than its liabilities.

董事會謹此提呈截至二零一六年三月三十一日止年度之年報及經審核綜合財務報表。

### 主要業務

本公司為投資控股公司並從事鐘表貿易業務。其主要附屬公司之主要業務載於綜合財務報表附註31。

### 業績及股息

本集團於本年度之業績載於第47頁至第48頁之綜合損益及其他全面收益表。

年內本公司已向股東宣派及派付中期股息每股0.1港仙。董事亦建議派付末期股息每股0.25港仙，但須待股東於應屆股東週年大會上批准方可作實。

### 儲備

於二零一六年三月三十一日，本公司可供分派之儲備包括繳入盈餘122,183,000港元及保留溢利76,879,000港元。

根據百慕達一九八一年公司法(經修訂)，本公司繳入盈餘賬可用作分派。然而，倘出現下列情況，本公司不可由繳入盈餘中宣派或支付股息，或作出分派：

- (a) 此舉將導致本公司無法償還其到期負債；或
- (b) 其資產之可變現價值會低於其負債。

# DIRECTORS' REPORT

## 董事會報告

### PROPERTY, PLANT AND EQUIPMENT

During the year, the Group incurred approximately HK\$17.2 million on the purchase of property, plant and equipment. Details of these and other movements in property, plant and equipment of the Group during the year are set out in note 13 to the consolidated financial statements.

### DIRECTORS AND DIRECTORS' SERVICE CONTRACTS

The directors of the Company during the year and up to the date of this report were:

#### Executive directors:

Dr. Yeung Ming Biu (*Chairman*)  
Mr. Yeung Him Kit, Dennis  
(*Deputy Chairman and Managing Director*)  
Mr. Fung Kwong Yiu  
Madam Yeung Man Yee, Shirley  
Mr. Lam Hing Lun, Alain  
Mr. Choi Kwok Yum

#### Independent non-executive directors:

Dr. Sun Ping Hsu, Samson  
Dr. Li Sau Hung, Eddy  
Mr. Choi Man Chau, Michael

In accordance with Bye-law 87 of the Company's Bye-laws, Mr. Lam Hing Lun, Alain, Mr. Choi Kwok Yum and Dr. Li Sau Hung, Eddy retire and, being eligible, offer themselves for re-election.

None of the directors has a service contract with the Company or any of its subsidiaries which is not determinable by the Group within one year without payment of compensation, other than statutory compensation.

Details of the remuneration paid by the Group to the directors of the Company and the senior management of the Group for the year ended 31st March, 2016 are set out in note 9 to the consolidated financial statements.

During the year ended 31st March, 2016 and up to the date of this report, the other director of subsidiary of the Company was Ms. Cheong, Wai Lin.

### 物業、機器及設備

年內，本集團動用約17,200,000港元購置物業、機器及設備。有關詳情以及本集團之物業、機器及設備於年內之其他變動詳情載於綜合財務報表附註13。

### 董事及董事服務合約

本公司於年內及截至本報告日期之董事如下：

#### 執行董事：

楊明標博士(*主席*)  
楊衍傑先生  
(*副主席兼董事總經理*)  
馮廣耀先生  
楊敏儀女士  
林慶麟先生  
蔡國欽先生

#### 獨立非執行董事：

孫秉樞博士  
李秀恒博士  
蔡文洲先生

根據本公司之公司細則第87條，林慶麟先生、蔡國欽先生及李秀恒博士均須告退，惟符合資格並願膺選連任。

董事概無與本公司或其任何附屬公司訂立本集團不作賠償(法定賠償除外)則不得於一年內終止之服務合約。

截至二零一六年三月三十一日止年度本集團支付予本公司董事及本集團高級管理層之薪酬詳情載於綜合財務報表附註9。

截至二零一六年三月三十一日止年度及直至本報告日期，本公司附屬公司之其他董事為莊蕙蓮女士。

# DIRECTORS' REPORT

## 董事會報告

### DIRECTORS' INTERESTS AND SHORT POSITIONS IN SECURITIES

As at 31st March, 2016, the interests of the directors of the Company in the shares and underlying shares of the Company, as recorded in the register required to be kept under Section 352 of the Hong Kong Securities and Futures Ordinance (the "SFO"), or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to the Model Code for Securities Transactions by Directors of Listed Companies were as follows:

### 董事擁有之證券權益及淡倉

根據香港證券及期貨條例(「證券及期貨條例」)第352條規定保管之登記冊所記錄，於二零一六年三月三十一日，本公司之董事於本公司之股份及相關股份中擁有之權益，或根據上市公司董事進行證券交易的標準守則須知會本公司及香港聯合交易所有限公司(「聯交所」)之權益如下：

Name of director	董事姓名	Number of shares held 所持股份數目			Total number of shares	Percentage of issued share capital of the Company 佔本公司已發 行股本百分比
		Personal interest 個人權益	Family interest 家族權益	Corporate interest 公司權益		
Dr. Yeung Ming Biu	楊明標博士	19,669,583	7,920,000	128,164,561 (note (a)) (附註(a))	155,754,144	27.30%
Mr. Yeung Him Kit, Dennis	楊衍傑先生	5,524,000	—	(note (b)) (附註(b))	5,524,000	0.97%
Mr. Fung Kwong Yiu	馮廣耀先生	6,508,160	—	(note (c)) (附註(c))	6,508,160	1.14%
Madam Yeung Man Yee, Shirley	楊敏儀女士	2,640,000	221,161	(note (d)) (附註(d))	2,861,161	0.50%
Mr. Lam Hing Lun, Alain	林慶麟先生	3,600,000	—	—	3,600,000	0.63%
Mr. Choi Kwok Yum	蔡國欽先生	3,600,000	—	—	3,600,000	0.63%
Dr. Sun Ping Hsu, Samson	孫秉樞博士	—	—	3,200,000 (note (e)) (附註(e))	3,200,000	0.56%



# DIRECTORS' REPORT

## 董事會報告

### DIRECTORS' INTERESTS AND SHORT POSITIONS IN SECURITIES (Continued)

Notes:

- (a) Dr. Yeung Ming Biu and his wife, Madam Au Po Kee, are the beneficial owners of 45% and 22.5% respectively of the issued share capital of Realtower Holdings Limited. Realtower Holdings Limited and Dr. Yeung Ming Biu are the respective beneficial owners of 55% and 10% of the issued share capital of Furama Investments Limited, which is the beneficial owner of 80% of the issued share capital of Datsun Holdings Limited. Datsun Holdings Limited is the beneficial owner of 127,776,000 shares in the Company.

Dr. Yeung Ming Biu is the beneficial owner of 47.5% of the issued share capital of Y.H. Chan Limited, which is the beneficial owner of 25% of the issued share capital of Furama Investments Limited. Y.H. Chan Limited also directly holds 388,561 shares in the Company.

- (b) Mr. Yeung Him Kit, Dennis is the beneficial owner of 10% and 7% of the issued share capital of Realtower Holdings Limited and Real Champ Limited respectively. Real Champ Limited is the beneficial owner of 20% of the issued share capital of Datsun Holdings Limited.
- (c) Mr. Fung Kwong Yiu is the beneficial owner of 6% of the issued share capital of Real Champ Limited.
- (d) Madam Yeung Man Yee, Shirley is the beneficial owner of 7.5% of the issued share capital of Realtower Holdings Limited.
- (e) Dr. Sun Ping Hsu, Samson and his family members are the beneficial owners of the entire issued share capital of Sun International Limited, which is the beneficial owner of 3,200,000 shares in the Company.

Save as disclosed above, and other than certain nominee shares in subsidiaries held by a director in trust for the Company, none of the directors of the Company had any interest or short positions in any shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies.

### 董事擁有之證券權益及淡倉(續)

附註：

- (a) 楊明標博士及其妻子區寶琪女士分別實益擁有 Realtower Holdings Limited 已發行股本 45% 及 22.5%。Realtower Holdings Limited 及 楊明標博士各自實益擁有 Furama Investments Limited 已發行股本 55% 及 10%。Furama Investments Limited 實益擁有 Datsun Holdings Limited 已發行股本 80%。Datsun Holdings Limited 實益擁有 127,776,000 股本公司股份。

楊明標博士實益擁有陳耀洪有限公司已發行股本 47.5%。陳耀洪有限公司實益擁有 Furama Investments Limited 已發行股本 25%。陳耀洪有限公司亦直接持有 388,561 股本公司股份。

- (b) 楊衍傑先生分別實益擁有 Realtower Holdings Limited 及 Real Champ Limited 已發行股本 10% 及 7%。Real Champ Limited 實益擁有 Datsun Holdings Limited 已發行股本 20%。
- (c) 馮廣耀先生實益擁有 Real Champ Limited 已發行股本 6%。
- (d) 楊敏儀女士實益擁有 Realtower Holdings Limited 已發行股本 7.5%。
- (e) 孫秉樞博士及其家族成員實益擁有 Sun International Limited 全部已發行股本。Sun International Limited 實益擁有 3,200,000 股本公司股份。

除上文所披露者及一名董事以信託形式代本公司持有附屬公司之若干代理人股份外，根據證券及期貨條例第 352 條規定保管之登記冊所記錄，本公司之董事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)之任何股份、相關股份或債券中擁有任何權益或淡倉，或根據上市公司董事進行證券交易的標準守則須知會本公司及聯交所之權益或淡倉。

# DIRECTORS' REPORT

## 董事會報告

### SHARE OPTION SCHEMES AND DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURE

#### (a) 2003 Share Option Scheme

Pursuant to an ordinary resolution passed at the Company's special general meeting held on 3rd November, 2003, the Company adopted a share option scheme (the "2003 Share Option Scheme"). The 2003 Share Option Scheme was valid for a period of ten years commencing on the adoption date on 3rd November, 2003.

Under the 2003 Share Option Scheme, options may be granted to any director, employee, consultant, customer, supplier or advisor of the Group or a company in which the Company holds an interest or a subsidiary of such company, the trustee of the eligible persons or a company beneficially owned by the eligible persons. The purpose of the 2003 Share Option Scheme is to attract and retain quality personnel and other persons to provide incentive to them to contribute to the business and operation of the Group. No eligible persons shall be granted an option in any 12-month period for such number of shares (issued and to be issued) which in aggregate would exceed 1% of the share capital of the Company in issue on the last day of such 12-month period unless approval of the shareholders of the Company has been obtained in accordance with the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules"). The exercisable period is determined by the directors of the Company, which shall not be more than 10 years from the date of grant, and may include a minimum period for which the options must be held before it can be exercised. The exercise price per share payable on the exercise of an option equals to the highest of:

- (a) the nominal value of one share;
- (b) the closing price per share as stated in the Stock Exchange's daily quotations sheet on the date of grant; and
- (c) the average closing price per share as quoted in the Stock Exchange's daily quotations sheet for the five business days immediately preceding the date of grant.

### 購股權計劃及董事購買股份或債券

#### (a) 二零零三年購股權計劃

根據本公司於二零零三年十一月三日舉行之股東特別大會上通過之普通決議案，本公司已採納購股權計劃（「二零零三年購股權計劃」）。二零零三年購股權計劃由採納日期二零零三年十一月三日起計有效十年。

根據二零零三年購股權計劃，購股權可授予本集團之任何董事、僱員、顧問、客戶、供應商或諮詢人或本公司持有該公司之權益之公司或該公司之附屬公司、合資格人士之信託人或合資格人士實益擁有之公司。二零零三年購股權計劃旨在向優秀人才及其他人士給予獎勵，以吸引彼等留任及對本集團之業務及經營作出貢獻。根據聯交所證券上市規則（「上市規則」），除非取得本公司股東批准，否則於任何十二個月期間內，合資格人士不得獲授予涉及股份數目（已發行及將予發行）合共超過本公司於該十二個月期間之最後一日之已發行股本1%之購股權。行使期乃由本公司董事釐定，惟不得超過自授出日期起計十年及包括購股權行使前必須持有之最短期限。在行使購股權時應付之每股行使價將為以下三者中之最高者：

- (a) 一股股份面值；
- (b) 股份於授出當日在聯交所每日報價表所報之每股收市價；及
- (c) 股份於緊接授出當日前五個營業日在聯交所每日報價表所報之每股平均收市價。

# DIRECTORS' REPORT

## 董事會報告

### SHARE OPTION SCHEMES AND DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURE (Continued)

### 購股權計劃及董事購買股份或債券 (續)

#### (a) 2003 Share Option Scheme (Continued)

The 2003 Share Option Scheme expired on 2nd November, 2013. The options could be exercised by the participants at any time during the option period and notwithstanding that the 2003 Share Option Scheme had expired.

The following table discloses movements of the options granted under the 2003 Share Options Scheme to directors, certain employees and consultants during the year:

Name of category of participant	Number of shares under options at 1.4.2015 and 31.3.2016 於二零一五年四月一日及二零一六年三月三十一日 購股權涉及之股份數目	Date of grant of options	Original exercise price per share	Adjusted exercise price per share	Exercisable period
參與者姓名或類別		購股權授出日期 HK\$ 港元	原有每股行使價 HK\$ 港元 (note) (附註)	經調整每股行使價 HK\$ 港元 (note) (附註)	可行使期間
<b>Directors 董事</b>					
Dr. Yeung Ming Biu 楊明標博士	1,440,000	06.04.2011	4.13	3.44	06.04.2011 – 05.04.2021
Mr. Yeung Him Kit, Dennis 楊衍傑先生	1,440,000	06.04.2011	4.13	3.44	06.04.2011 – 05.04.2021
Mr. Fung Kwong Yiu 馮廣耀先生	3,000,000	06.04.2011	4.13	3.44	06.04.2011 – 05.04.2021
Madam Yeung Man Yee, Shirley 楊敏儀女士	1,440,000	06.04.2011	4.13	3.44	06.04.2011 – 05.04.2021
Mr. Lam Hing Lun, Alain 林慶麟先生	3,600,000	06.04.2011	4.13	3.44	06.04.2011 – 05.04.2021
Mr. Choi Kwok Yum 蔡國欽先生	3,600,000	06.04.2011	4.13	3.44	06.04.2011 – 05.04.2021
	14,520,000				
Other employees 其他僱員					
Type A A類	14,400,000	06.04.2011	4.13	3.44	06.04.2011 – 05.04.2021
Type B B類	18,000,000	29.08.2011	4.80	N/A 不適用	29.08.2011 – 28.08.2021
Consultants 顧問					
Type A A類	2,640,000	06.04.2011	4.13	3.44	06.04.2011 – 05.04.2021
Type B B類	5,000,000	29.08.2011	4.80	N/A 不適用	29.08.2011 – 28.08.2021
Total 總計	54,560,000				

#### (a) 二零零三年購股權計劃(續)

二零零三年購股權計劃於二零一三年十一月二日屆滿。購股權可由參與者於購股權期間任何時間予以行使，而不論二零零三年購股權計劃已屆滿。

下表披露董事、若干僱員及顧問於年內根據二零零三年購股權計劃獲授購股權之變動：

# DIRECTORS' REPORT

## 董事會報告

### SHARE OPTION SCHEMES AND DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURE *(Continued)*

#### (a) 2003 Share Option Scheme *(Continued)*

*Note:* An ordinary resolution was passed by the shareholders at the annual general meeting of the Company held on 28th July, 2011 approving a bonus issue of shares to shareholders of the Company on the basis of one new ordinary share for every five ordinary shares held. The number of shares under the outstanding options and the exercise price per share of the outstanding options were adjusted accordingly pursuant to the terms of the 2003 Share Option Scheme.

#### (b) 2013 Share Option Scheme

Pursuant to an ordinary resolution passed at the annual general meeting of the Company held on 13th August, 2013, a new share option scheme was adopted with effect on 3rd November, 2013 (the "2013 Share Option Scheme") after the expiry of the 2003 Share Option Scheme.

### 購股權計劃及董事購買股份或債券 *(續)*

#### (a) 二零零三年購股權計劃*(續)*

*附註：*股東在本公司於二零一一年七月二十八日舉行之股東週年大會上通過普通決議案，批准派送紅股予本公司股東，基準為每持有五股普通股可獲派一股新普通股。未行使購股權之股份數目及未行使購股權之每股行使價已根據二零零三年購股權計劃之條款作出相應調整。

#### (b) 二零一三年購股權計劃

根據本公司於二零一三年八月十三日舉行之股東週年大會上通過之普通決議案，於二零零三年購股權計劃屆滿後，一項於二零一三年十一月三日生效之新購股權計劃(「二零一三年購股權計劃」)獲採納。

# DIRECTORS' REPORT

## 董事會報告

### SHARE OPTION SCHEMES AND DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURE (Continued)

#### (b) 2013 Share Option Scheme (Continued)

Under the 2013 Share Option Scheme, options may be granted to (i) any director, employee or consultant of the Group or a company in which the Company holds an equity interest or a subsidiary of such company ("Affiliate"); or (ii) any discretionary trust whose discretionary objects include any director, employee or consultant of the Group or an Affiliate; or (iii) a company beneficially owned by any director, employee or consultant of the Group or an Affiliate; or (iv) any customer, supplier or adviser whose service to the Group or business with the Group contributes or is expected to contribute to the business or operation of the Group. The purpose of the 2013 Share Option Scheme is to attract and retain quality personnel and other persons to provide incentive to them to contribute to the business and operation of the Group. The total number of shares available for issue under the 2013 Share Option Scheme as at the date of this report is 57,061,022 shares. No eligible persons shall be granted an option in any 12-month period for such number of shares (issued and to be issued) which in aggregate would exceed 1% of the share capital of the Company in issue on the last day of such 12-month period unless approval of the shareholders of the Company has been obtained in accordance with the Listing Rules. The exercisable period is determined by the directors of the Company, which shall not be more than 10 years from the date of grant, and may include a minimum period for which the options must be held before it can be exercised. The exercise price per share payable on the exercise of an option equals to the highest of:

- (a) the nominal value of one share;

### 購股權計劃及董事購買股份或債券 (續)

#### (b) 二零一三年購股權計劃(續)

根據二零一三年購股權計劃，購股權可授予(i)本集團或本公司於其中持有股本權益之公司或該公司之附屬公司(「聯屬公司」)之任何董事、僱員或顧問；或(ii)受益人包括本集團或聯屬公司之任何董事、僱員或顧問之任何全權信託；或(iii)由本集團或聯屬公司之任何董事、僱員或顧問實益擁有之公司；或(iv)為本集團或本集團之業務服務而對或預期對本集團之業務或經營作出貢獻之任何客戶、供應商或顧問。二零一三年購股權計劃旨在向優秀人才及其他人士給予獎勵，以吸引彼等留任及對本集團之業務及經營作出貢獻。於本報告日期，二零一三年購股權計劃項下可供發行之股份數目合共為57,061,022股。根據上市規則，除非取得本公司股東批准，否則於任何十二個月期間內，合資格人士不得獲授予涉及股份數目(已發行及將予發行)合共超過本公司於該十二個月期間之最後一日之已發行股本1%之購股權。行使期乃由本公司董事釐定，惟不得超過自授出日期起計十年及包括購股權行使前必須持有之最短期限。在行使購股權時應付之每股行使價將為以下三者中之最高者：

- (a) 一股股份面值；



# DIRECTORS' REPORT

## 董事會報告

### SHARE OPTION SCHEMES AND DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURE (Continued)

#### (b) 2013 Share Option Scheme (Continued)

- (b) the closing price per share as stated in the Stock Exchange's daily quotations sheet on the date of grant; and
- (c) the average closing price per share as quoted in the Stock Exchange's daily quotations sheet for the five business days immediately preceding the date of grant.

The 2013 Share Option Scheme will remain in force until 2nd November, 2023.

No option was granted, exercised or lapsed under the 2013 Share Option Scheme during the year since its effective date on 3rd November, 2013 and there was no outstanding share option as at 31st March, 2016.

### SUBSTANTIAL SHAREHOLDERS

As at 31st March, 2016, according to the register maintained by the Company pursuant to Section 336 of the SFO, the following persons (not being a director or chief executive of the Company) had interests in the share capital of the Company.

Name of shareholder	Number of shares held	Percentage of issued share capital of the Company
股東名稱	所持股份數目	佔本公司已發行股本百分比
Datsun Holdings Limited	127,776,000	22.39%
Furama Investments Limited	127,776,000	22.39%
Realtower Holdings Limited	127,776,000	22.39%

### 購股權計劃及董事購買股份或債券 (續)

#### (b) 二零一三年購股權計劃 (續)

- (b) 股份於授出當日在聯交所每日報價表所報之每股收市價；及
- (c) 股份於緊接授出當日前五個營業日在聯交所每日報價表所報之每股平均收市價。

二零一三年購股權計劃將一直有效，直至二零二三年十一月二日。

自其生效日期二零一三年十一月三日起之年度內，概無購股權根據二零一三年購股權計劃已授出、行使或失效，而於二零一六年三月三十一日亦無未行使購股權。

### 主要股東

本公司根據證券及期貨條例第336條規定存置之登記冊所示，於二零一六年三月三十一日，以下人士(並非為本公司之董事或行政總裁)於本公司股本中擁有權益。

# DIRECTORS' REPORT

## 董事會報告

### SUBSTANTIAL SHAREHOLDERS (Continued)

Realtower Holdings Limited holds 55% of the issued share capital of Furama Investments Limited which holds 80% of the issued share capital of Datsun Holdings Limited. Accordingly, both Realtower Holdings Limited and Furama Investments Limited are deemed under the SFO to be interested in the 127,776,000 shares in the Company held by Datsun Holdings Limited.

Save as disclosed above, at 31st March, 2016, there was no person who had any interests or short position in the shares or underlying shares of the Company according to the register maintained by the Company pursuant to Section 336 of the SFO.

### INDEPENDENT NON-EXECUTIVE DIRECTORS

The Company has received from each of the independent non-executive directors an annual confirmation of his independence pursuant to Rule 3.13 of the Listing Rules. The Company considers that all of the independent non-executive directors are independent.

### INTERESTS IN CONTRACTS

There were no contracts of significance to which the Company or any of its subsidiaries was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisting at the end of the year or at any time during the year.

There is no contract of significance between the Group and a controlling shareholder of the Company (as defined in the Listing Rules) or any of its subsidiaries, including for the provision of services to the Group.

### 主要股東(續)

Realtower Holdings Limited 持有 Furama Investments Limited 已發行股本 55%，Furama Investments Limited 則持有 Datsun Holdings Limited 已發行股本 80%。因此，根據證券及期貨條例，Realtower Holdings Limited 及 Furama Investments Limited 均視為擁有 Datsun Holdings Limited 所持之 127,776,000 股本公司股份權益。

按本公司根據證券及期貨條例第 336 條規定存置之登記冊所示，除上文所披露者外，於二零一六年三月三十一日，概無任何人士於本公司之股份或相關股份中擁有任何權益或淡倉。

### 獨立非執行董事

根據上市規則第 3.13 條，本公司已收到各獨立非執行董事之年度獨立性確認書。本公司認為所有獨立非執行董事均屬獨立。

### 合約權益

本公司或其任何附屬公司概無訂立任何於年終或年內任何時間有效而本公司董事直接或間接擁有重大利益之重大合約。

本集團與本公司控股股東(定義見上市規則)或其任何附屬公司概無訂立任何重大合約，包括向本集團提供服務之重要合約。

# DIRECTORS' REPORT

## 董事會報告

### MAJOR CUSTOMERS AND SUPPLIERS

During the year, the aggregate sales attributable to the Group's five largest customers were less than 30% of the Group's total sales.

The aggregate purchases during the year attributable to the Group's five largest suppliers comprised approximately 95% of the Group's total purchases while the purchases attributable to the Group's largest supplier was approximately 81% of the Group's total purchases.

None of the directors, their associates or any shareholder, which to the knowledge of the directors owned more than 5% of the Company's issued share capital, had any interest in the share capital of any of the five largest customers or suppliers of the Group.

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

During the year, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

### DONATIONS

During the year, the Group made donations totalling HK\$80,000.

### CORPORATE GOVERNANCE

Principal corporate governance practices as adopted by the Group are set out in the Corporate Governance Report on pages 11 to 30.

### EMOLUMENT POLICY

As at 31st March, 2016, the Group had a total of about 700 employees.

The emolument policy of the employees of the Group is set by the Remuneration Committee on the basis of their merit, qualifications and competence.

### 主要客戶及供應商

年內，本集團五大客戶應佔之總銷售額少於本集團總銷售額之30%。

年內，本集團五大供應商應佔之總採購額佔本集團總採購額約95%，而本集團最大供應商應佔之採購額佔本集團總採購額約81%。

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已發行股本5%以上者)概無於本集團任何五大客戶及供應商之股本中擁有任何權益。

### 買賣或贖回本公司上市證券

年內，本公司或其任何附屬公司概無購買、出售或贖回本公司之任何上市證券。

### 捐贈

年內，本集團作出之捐贈合共80,000港元。

### 企業管治

本集團所採納之主要企業管治常規載於第11頁至第30頁之企業管治報告。

### 酬金政策

於二零一六年三月三十一日，本集團合共約有700名僱員。

本集團僱員之酬金政策由薪酬委員會按彼等之功績、資歷及能力制定。

# DIRECTORS' REPORT

## 董事會報告

### EMOLUMENT POLICY (Continued)

The emoluments of the directors of the Company are decided by the Remuneration Committee, having regard to the Group's operating results, individual performance and comparable market statistics.

The Company has adopted share option schemes as an incentive to directors and employees of the Group, details of the schemes are set out in the paragraph headed "Share option schemes and directors' rights to acquire shares or debentures" above and in note 24 to the consolidated financial statements.

### AUDIT COMMITTEE AND REMUNERATION COMMITTEE

Details of the Group's Audit Committee and Remuneration Committee are set out in the Corporate Governance Report on pages 20 to 24.

### SHARE CAPITAL

Details of movements during the year in the share capital of the Company are set out in note 23 to the consolidated financial statements.

### PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Company's Bye-laws, or the laws of Bermuda, which would oblige the Company to offer new shares on a pro-rata basis to existing shareholders.

### SUFFICIENCY OF PUBLIC FLOAT

Based on information that is publicly available to the Company and within the knowledge of its directors as at the latest practicable date prior to the issue of this annual report, the percentage of the Company's shares in the hands of the public exceeds 25% of the Company's total number of issued shares.

### 酬金政策(續)

本公司董事之酬金由薪酬委員會考慮本集團之經營業績、個人表現及可資比較市場統計數字後決定。

本公司已採納購股權計劃作為董事及本集團僱員之獎勵，計劃詳情載於上文「購股權計劃及董事購買股份或債券之權利」一段及綜合財務報表附註24。

### 審核委員會及薪酬委員會

本集團審核委員會及薪酬委員會之詳情載於第20頁至第24頁之企業管治報告。

### 股本

本公司股本於年內之變動詳情載於綜合財務報表附註23。

### 優先購買權

根據本公司之公司細則或百慕達法例，並無任何規定本公司按比例向現有股東發售新股份之優先購買權條文。

### 足夠公眾持股量

根據本公司可取得之公開資料並就其董事所知，於本年報刊發前之最後可行日期，由公眾人士持有之本公司股份百分比超過本公司之已發行股份總數25%。

# DIRECTORS' REPORT

## 董事會報告

### AUDITOR

A resolution will be submitted to the annual general meeting of the Company to re-appoint Messrs. Deloitte Touche Tohmatsu as auditor of the Company.

On behalf of the Board

**Yeung Ming Biu**  
CHAIRMAN

Hong Kong, 23rd June, 2016

### 核數師

本公司將於股東週年大會提呈決議案續聘德勤•關黃陳方會計師行為本公司之核數師。

代表董事會

主席  
楊明標

香港，二零一六年六月二十三日



# INDEPENDENT AUDITOR'S REPORT

## 獨立核數師報告



### TO THE SHAREHOLDERS OF ORIENTAL WATCH HOLDINGS LIMITED *(incorporated in Bermuda with limited liability)*

We have audited the consolidated financial statements of Oriental Watch Holdings Limited (the “Company”) and its subsidiaries (collectively referred to as the “Group”) set out on pages 47 to 139, which comprise the consolidated statement of financial position as at 31st March, 2016, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and 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.

致：東方表行集團有限公司各股東

(於百慕達註冊成立之有限公司)

本核數師行已完成審核載於第47頁至第139頁東方表行集團有限公司(「貴公司」)及其附屬公司(統稱為「貴集團」)的綜合財務報表，其中包括於二零一六年三月三十一日的綜合財務狀況表，以及截至該日止年度的綜合損益及其他全面收益表、綜合權益變動表和綜合現金流量表及主要會計政策概要和其他說明資料。

### 董事編製綜合財務報表之責任

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之披露規定，編製綜合財務報表，以令綜合財務報表作出真實而公平的反映，及落實其認為編製綜合財務報表所必要的內部控制，以使綜合財務報表並無重大錯誤陳述(不論其由欺詐或錯誤引起)。

# INDEPENDENT AUDITOR'S REPORT

## 獨立核數師報告

### 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 Bermuda Companies Act, 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.

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.

### 核數師之責任

我們的責任是根據我們的審核對該等綜合財務報表發表意見，並按照百慕達公司法第90條僅向全體股東呈報我們的意見。除此之外，本報告不作其他用途。我們概不會就本報告內容向任何其他人士負責或承擔責任。我們已根據香港會計師公會頒佈的香港核數準則進行審核。該等準則要求我們遵守道德規範，並規劃及執行審核，以合理確定此等綜合財務報表是否存有任何重大錯誤陳述。

審核涉及執行情序以獲取有關綜合財務報表所載金額及披露資料的審核憑證。所選定的程序取決於核數師的判斷，包括評估由於欺詐或錯誤而導致綜合財務報表存有重大錯誤陳述的風險。在評估該等風險時，核數師考慮與該實體編製綜合財務報表以作出真實而公平之反映相關的內部控制，以按情況設計適當的審核程序，但並非旨在就該實體的內部控制是否有效發表意見。審核亦包括評價董事所採用會計政策的適當性及所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，我們已獲得充足和適當的審核憑證為我們的審核意見提供基礎。

# INDEPENDENT AUDITOR'S REPORT

## 獨立核數師報告

### OPINION

In our opinion, the consolidated financial statements give a true and fair view of the financial position of the Group as at 31st March, 2016, and of its 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.

**Deloitte Touche Tohmatsu**  
*Certified Public Accountants*  
Hong Kong  
23rd June, 2016

### 意見

我們認為，綜合財務報表已根據香港財務報告準則真實公平地反映 貴集團於二零一六年三月三十一日的財務狀況及其截至該日止年度的財務表現及現金流量，並已遵守香港公司條例的披露規定妥善編製。

**德勤•關黃陳方會計師行**  
執業會計師  
香港  
二零一六年六月二十三日

# CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

## 綜合損益及其他全面收益表

For the year ended 31st March, 2016

截至二零一六年三月三十一日止年度

		Notes 附註	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Turnover	營業額	5	<b>3,031,752</b>	3,109,031
Cost of goods sold	銷貨成本		<b>(2,546,147)</b>	(2,590,037)
Gross profit	毛利		<b>485,605</b>	518,994
Other income, gains and losses	其他收入、收益及虧損	6	<b>37,125</b>	48,055
Distribution and selling expenses	分銷及銷售開支		<b>(199,533)</b>	(214,382)
Administrative expenses	行政開支		<b>(332,430)</b>	(337,958)
Finance costs	融資成本	7	<b>(6,942)</b>	(15,214)
Share of results of associates	應佔聯營公司之業績		<b>892</b>	631
Share of results of joint ventures	應佔合營公司之業績		<b>2,566</b>	9,524
(Loss) profit before taxation	除稅前(虧損)溢利	8	<b>(12,717)</b>	9,650
Income tax expense	所得稅開支	10	<b>(3,042)</b>	(5,317)
(Loss) profit for the year	年內(虧損)溢利		<b>(15,759)</b>	4,333
Other comprehensive expense	其他全面開支			
<i>Items that may be reclassified subsequently to profit or loss:</i>	<i>其後可能重新分類至損益之項目：</i>			
Exchange difference arising on translation of foreign operations	換算海外業務所產生之匯兌差額		<b>(36,337)</b>	(2,180)
Change in fair value of available-for-sale financial assets	可供出售金融資產之公平值變動		<b>(127)</b>	(4,098)
Other comprehensive expense for the year	年內其他全面開支		<b>(36,464)</b>	(6,278)
Total comprehensive expense for the year	年內全面開支總額		<b>(52,223)</b>	(1,945)

# CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

## 綜合損益及其他全面收益表

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
(Loss) profit for the year attributable to:	以下人士應佔年內(虧損)溢利:			
Owners of the Company	本公司擁有人		<b>(15,528)</b>	4,508
Non-controlling interests	非控股權益		<b>(231)</b>	(175)
			<b>(15,759)</b>	4,333
Total comprehensive expense attributable to:	以下人士應佔全面開支總額:			
Owners of the Company	本公司擁有人		<b>(51,938)</b>	(1,731)
Non-controlling interests	非控股權益		<b>(285)</b>	(214)
			<b>(52,223)</b>	(1,945)
(Loss) earnings per share	每股(虧損)盈利			
Basic	基本	12	<b>(2.72) HK cents</b> 港仙	0.79 HK cents 港仙
Diluted	攤薄	12	<b>(2.72) HK cents</b> 港仙	0.79 HK cents 港仙



# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

## 綜合財務狀況表

At 31st March, 2016

於二零一六年三月三十一日

		Notes 附註	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			
Property, plant and equipment	物業、機器及設備	13	228,867	247,067
Deposits for acquisition of property, plant and equipment	收購物業、機器及設備之按金		7,072	3,333
Interests in associates	聯營公司之權益	15	35,150	35,696
Interests in joint ventures	合營公司之權益	16	114,806	119,936
Available-for-sale financial assets	可供出售金融資產	17	5,525	5,652
Deferred tax assets	遞延稅項資產	22	114	306
Property rental deposits	物業租金按金		45,738	18,445
			<b>437,272</b>	430,435
Current assets	流動資產			
Inventories	存貨		1,569,528	1,783,767
Trade and other receivables	貿易及其他應收賬款	18	117,085	141,947
Taxation recoverable	可退回稅項		5,893	5,887
Bank balances and cash	銀行結餘及現金	19	403,804	344,037
			<b>2,096,310</b>	2,275,638
Current liabilities	流動負債			
Trade and other payables	貿易及其他應付賬款	20	156,754	152,703
Taxation payable	應付稅項		681	2,310
bank loans	銀行貸款	21	156,178	228,377
			<b>313,613</b>	383,390
Net current assets	流動資產淨值		<b>1,782,697</b>	1,892,248
Total assets less current liabilities	資產總值減流動負債		<b>2,219,969</b>	2,322,683
Non-current liabilities	非流動負債			
bank loans	銀行貸款	21	60,460	109,137
Deferred tax liabilities	遞延稅項負債	22	1,937	1,755
			<b>62,397</b>	110,892
Net assets	資產淨值		<b>2,157,572</b>	2,211,791

# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

## 綜合財務狀況表

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
		附註		
Capital and reserves	資本及儲備			
Share capital	股本	23	57,061	57,061
Reserves	儲備		2,099,457	2,153,391
Equity attributable to owners of the Company	本公司擁有人應佔權益		2,156,518	2,210,452
Non-controlling interests	非控股權益		1,054	1,339
Total equity	權益總額		2,157,572	2,211,791

The consolidated financial statements on pages 47 to 139 were approved and authorised for issue by the Board of Directors on 23rd June, 2016 and are signed on its behalf by:

載於第47頁至第139頁之綜合財務報表經董事會於二零一六年六月二十三日批准及授權刊發，並由下列董事代為簽署：

**Yeung Ming Biu**

楊明標

CHAIRMAN

主席

**Yeung Him Kit, Dennis**

楊衍傑

DEPUTY CHAIRMAN AND MANAGING DIRECTOR

副主席兼董事總經理

# 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 owners of the Company 本公司擁有人應佔												
		Share capital	Share premium	Share option reserve	Capital redemption reserve	Asset reserve	Capital revaluation reserve	Special reserve	Translation reserve	Retained profits	Dividend reserve	Non-controlling interests	Total	
		股本	股份溢價	購股權儲備	資本贖回儲備	資本儲備	資產重估儲備	特別儲備	換算儲備	保留溢利	股息儲備	小計	非控股權益	合計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	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	千港元	千港元	千港元	千港元
						(note b) (附註b)		(note a) (附註a)						
At 1st April, 2014	於二零一四年四月一日	57,061	549,396	83,554	425	840	10,098	5,180	80,796	1,427,686	1,426	2,216,462	1,553	2,218,015
Exchange difference arising on translation of foreign operations	換算海外業務所產生之匯兌差額	-	-	-	-	-	-	-	(2,141)	-	-	(2,141)	(39)	(2,180)
Change in fair value of available-for-sale financial assets	可供出售金融資產之公平值變動	-	-	-	-	-	(4,098)	-	-	-	-	(4,098)	-	(4,098)
Profit (loss) for the year	年內溢利(虧損)	-	-	-	-	-	-	-	-	4,508	-	4,508	(175)	4,333
Total comprehensive (expense) income for the year	年內全面(開支)收益總額	-	-	-	-	-	(4,098)	-	(2,141)	4,508	-	(1,731)	(214)	(1,945)
2014 final dividend paid	已派發二零一四年末期股息	-	-	-	-	-	-	-	-	-	(1,426)	(1,426)	-	(1,426)
2015 special dividend paid	已派發二零一五年特別股息	-	-	-	-	-	-	-	-	(2,853)	-	(2,853)	-	(2,853)
2015 final dividend proposed	擬派二零一五年末期股息	-	-	-	-	-	-	-	-	(1,426)	1,426	-	-	-
At 31st March, 2015	於二零一五年三月三十一日	57,061	549,396	83,554	425	840	6,000	5,180	78,655	1,427,915	1,426	2,210,452	1,339	2,211,791
Exchange difference arising on translation of foreign operations	換算海外業務所產生之匯兌差額	-	-	-	-	-	-	-	(36,283)	-	-	(36,283)	(54)	(36,337)
Change in fair value of available-for-sale financial assets	可供出售金融資產之公平值變動	-	-	-	-	-	(127)	-	-	-	-	(127)	-	(127)
Loss for the year	年內虧損	-	-	-	-	-	-	-	-	(15,528)	-	(15,528)	(231)	(15,759)
Total comprehensive expense for the year	年內全面開支總額	-	-	-	-	-	(127)	-	(36,283)	(15,528)	-	(51,938)	(285)	(52,223)
2015 final dividend paid	已派發二零一五年末期股息	-	-	-	-	-	-	-	-	-	(1,426)	(1,426)	-	(1,426)
2016 interim dividend paid	已派發二零一六年中期股息	-	-	-	-	-	-	-	-	(570)	-	(570)	-	(570)
2016 final dividend proposed	擬派二零一六年末期股息	-	-	-	-	-	-	-	-	(1,426)	1,426	-	-	-
At 31st March, 2016	於二零一六年三月三十一日	57,061	549,396	83,554	425	840	5,873	5,180	42,372	1,410,391	1,426	2,156,518	1,054	2,157,572

# 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

### Notes:

- (a) The special reserve of the Group comprises the difference between the nominal amount of the share capital issued by the Company and the nominal amount of the issued share capital and special reserves of those companies which were acquired by the Group pursuant to a group reorganisation in 1993. The special reserves of these acquired subsidiaries represent the credit arising on reduction of their paid up share capital under the group reorganisation.
- (b) Subsequent to 力龍國際貿易股份有限公司("Li Loong") becoming a subsidiary of the Company in May 2013, the Group further subscribed 6,000,000 shares of Li Loong in September 2013, for a cash consideration of NT\$60,000,000 (equivalent to HK\$15,698,000). The Group's equity interest in Li Loong increased from 90% to 96%. This is accounted for as a deemed acquisition of additional interests in a subsidiary and has been recognised as capital reserve.

### 附註：

- (a) 本集團之特別儲備包括本公司已發行股本面值與本公司根據一九九三年進行集團重組而收購之公司已發行股本面值之差額及所收購公司之特別儲備。該等所收購附屬公司之特別儲備指根據集團重組，削減該等公司已繳足股本而產生之進賬。
- (b) 於力龍國際貿易股份有限公司(「力龍」)在二零一三年五月成為本公司之附屬公司後，於二零一三年九月，本集團進一步認購6,000,000股力龍股份，現金代價為新台幣60,000,000元(相等於15,698,000港元)。本集團於力龍之股權由90%增加至96%。此收購之入賬列作視作收購一間附屬公司之額外權益並已確認為資本儲備。

# 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

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Operating activities	經營業務		
(Loss) profit before taxation	除稅前(虧損)溢利	<b>(12,717)</b>	9,650
Adjustments for:	調整以下項目：		
Depreciation of property, plant and equipment	物業、機器及設備之折舊	<b>32,276</b>	37,027
Impairment loss recognised in respect of property, plant and equipment	就物業、機器及設備確認減值虧損	<b>1,325</b>	—
Interest expense	利息開支	<b>6,942</b>	15,214
Interest income	利息收入	<b>(1,309)</b>	(2,544)
Loss (gain) on disposal of property, plant and equipment	出售物業、機器及設備之虧損(收益)	<b>47</b>	(17,255)
Share of results of associates	應佔聯營公司之業績	<b>(892)</b>	(631)
Share of results of joint ventures	應佔合營公司之業績	<b>(2,566)</b>	(9,524)
Operating cash flows before movements in working capital	營運資金變動前之經營現金流量	<b>23,106</b>	31,937
Increase in property rental deposits	物業租金按金增加	<b>(145)</b>	(3,664)
Decrease in inventories	存貨減少	<b>185,262</b>	3,225
(Increase) decrease in trade and other receivables	貿易及其他應收賬款(增加)減少	<b>(6,353)</b>	3,549
Increase in trade and other payables	貿易及其他應付賬款增加	<b>6,547</b>	7,920
Cash from operations	經營業務所產生之現金	<b>208,417</b>	42,967
Income taxes paid	於以下地區支付之所得稅		
Income taxes paid in Hong Kong	於香港支付之所得稅	<b>(2,512)</b>	(1,637)
Income taxes paid in other jurisdictions	於其他司法權區支付之所得稅	<b>(1,804)</b>	(1,615)
Net cash from operating activities	經營業務所產生之現金淨額	<b>204,101</b>	39,715



# 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

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Investing activities	投資活動		
Purchase of property, plant and equipment	購買物業、機器及設備	<b>(13,869)</b>	(11,062)
Deposits paid for acquisition of property, plant and equipment	收購物業、機器及設備之已付按金	<b>(7,072)</b>	(3,333)
Repayment from a joint venture	合營公司償還款項	<b>6,300</b>	35,100
Interest received	已收利息	<b>1,309</b>	2,544
Proceeds from disposal of property, plant and equipment	出售物業、機器及設備之所得款項	—	24,713
Proceeds from disposal of available-for-sale financial assets	出售可供出售金融資產之所得款項	—	5,029
<b>Net cash (used in) from investing activities</b>	<b>融資活動(所耗)所產生之現金淨額</b>	<b>(13,332)</b>	52,991
Financing activities	融資活動		
Repayment of bank loans	償還銀行貸款	<b>(245,676)</b>	(392,998)
Interest paid	已付利息	<b>(7,429)</b>	(15,546)
Dividends paid	已付股息	<b>(1,996)</b>	(4,279)
New bank loans raised	新造銀行貸款	<b>128,983</b>	239,922
<b>Net cash used in financing activities</b>	<b>融資活動所耗之現金淨額</b>	<b>(126,118)</b>	(172,901)
Net increase (decrease) in cash and cash equivalents	現金及等同現金項目之增加(減少)淨額	<b>64,651</b>	(80,195)
Cash and cash equivalents at the beginning of the year	年初之現金及等同現金項目	<b>344,037</b>	425,099
Effect of foreign exchange rate changes	匯率變動之影響	<b>(4,884)</b>	(867)
<b>Cash and cash equivalents at the end of the year, represented by bank balances and cash</b>	<b>年終之現金及等同現金項目，由銀行結餘及現金代表</b>	<b>403,804</b>	344,037

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31st March, 2016

截至二零一六年三月三十一日止年度

### 1. GENERAL

The Company is incorporated in Bermuda as an exempted company with limited liability and acts as an investment holding company as well as engaged in watch trading. The shares of the Company are listed on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). The address of the registered office and principal place of business of the Company are detailed in the corporate information section of the annual report.

The consolidated financial statements are presented in Hong Kong dollars which is also the functional currency of the Company.

### 2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

The Group has applied the following amendments to HKFRSs issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”).

Amendments to HKAS 19	Defined benefit plans: Employee contributions
Amendments to HKFRSs	Annual improvements to HKFRSs 2010 – 2012 cycle
Amendments to HKFRSs	Annual improvements to HKFRSs 2011 – 2013 cycle

The application of the amendments to HKFRSs in the current year has had no material impact on the Group’s financial performance and positions for the current or prior years and/or on the disclosures set out in these consolidated financial statements.

### 1. 一般資料

本公司為於百慕達註冊成立之獲豁免有限公司，乃投資控股公司，並從事鐘表貿易。本公司股份於香港聯合交易所有限公司（「聯交所」）上市。本公司註冊辦事處及主要營業地點之地址詳情載於年報之公司資料一節。

綜合財務報表乃以港元呈列，港元亦為本公司之功能貨幣。

### 2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）

本集團已應用以下香港會計師公會（「香港會計師公會」）頒佈之香港財務報告準則之修訂。

香港會計準則第19號 （修訂本）	定額福利計劃： 僱員供款
香港財務報告準則（修訂本）	香港財務報告準則 二零一零年至 二零一二年之 年度改善
香港財務報告準則（修訂本）	香港財務報告準則 二零一一年至 二零一三年之 年度改善

於本年度應用香港財務報告準則之修訂並無對本集團於本年度或過往年度之財務表現及狀況及／或該等綜合財務報表所載之披露事項造成重大影響。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31st March, 2016

截至二零一六年三月三十一日止年度

### 2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

#### New and revised HKFRSs issued but not yet effective

The Group has not early applied the following new or revised standards that have been issued but are not yet effective:

HKFRS 9	Financial instruments <sup>2</sup>
HKFRS 14	Regulatory deferral accounts <sup>4</sup>
HKFRS 15	Revenue from contracts with customers <sup>2</sup>
HKFRS 16	Leases <sup>3</sup>
Amendments to HKFRS 11	Accounting for acquisitions of interests in joint operations <sup>1</sup>
Amendments to HKAS 1	Disclosure initiative <sup>1</sup>
Amendments to HKAS 16 and HKAS 38	Clarification of acceptable methods of depreciation and amortisation <sup>1</sup>
Amendments to HKAS 16 and HKAS 41	Agriculture: Bearer plants <sup>1</sup>
Amendments to HKFRS 10 and HKAS 28	Sale or contribution of assets between an investor and its associate or joint venture <sup>5</sup>
Amendments to HKFRS 10, HKFRS 12 and HKAS 28	Investment entities: Applying the consolidation exception <sup>1</sup>
Amendments to HKFRSs	Annual improvements to HKFRSs 2012 – 2014 cycle <sup>1</sup>

<sup>1</sup> Effective for annual periods beginning on or after 1st January, 2016.

<sup>2</sup> Effective for annual periods beginning on or after 1st January, 2018.

<sup>3</sup> Effective for annual periods beginning on or after 1st January, 2019.

<sup>4</sup> Effective for first annual HKFRS financial statements beginning on or after 1st January, 2016.

<sup>5</sup> Effective for annual periods beginning on or after a date to be determined.

### 2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

#### 已頒佈但尚未生效之新訂及經修訂香港財務報告準則

本集團並無提早應用以下已頒佈但尚未生效之新訂或經修訂準則：

香港財務報告準則第9號	金融工具 <sup>2</sup>
香港財務報告準則第14號	監管遞延賬戶 <sup>4</sup>
香港財務報告準則第15號	客戶合約收益 <sup>2</sup>
香港財務報告準則第16號	租賃 <sup>3</sup>
香港財務報告準則第11號(修訂本)	收購共同經營權益之會計處理 <sup>1</sup>
香港會計準則第1號(修訂本)	披露計劃 <sup>1</sup>
香港會計準則第16號及香港會計準則第38號(修訂本)	折舊及攤銷可接受方法之澄清 <sup>1</sup>
香港會計準則第16號及香港會計準則第41號(修訂本)	農業：生產性植物 <sup>1</sup>
香港財務報告準則第10號及香港會計準則第28號(修訂本)	投資者與其聯營公司或合營公司之間之資產出售或投入 <sup>5</sup>
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(修訂本)	投資實體：應用綜合之例外情況 <sup>1</sup>
香港財務報告準則(修訂本)	香港財務報告準則二零一二年至二零一四年期間之年度改善 <sup>1</sup>

<sup>1</sup> 於二零一六年一月一日或之後開始之年度期間生效。

<sup>2</sup> 於二零一八年一月一日或之後開始之年度期間生效。

<sup>3</sup> 於二零一九年一月一日或之後開始之年度期間生效。

<sup>4</sup> 於二零一六年一月一日或之後開始之首份年度香港財務報告準則財務報表生效。

<sup>5</sup> 於待定期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

For the year ended 31st March, 2016

截至二零一六年三月三十一日止年度

## 2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

### HKFRS 9 “Financial instruments”

HKFRS 9 issued in 2009 introduced new requirements for the classification and measurement of financial assets. HKFRS 9 was subsequently amended in 2010 to include requirements for the classification and measurement of financial liabilities and for derecognition, and further amended in 2013 to include the new requirements for general hedge accounting. Another revised version of HKFRS 9 was issued in 2015 mainly to include a) impairment requirements for financial assets and b) limited amendments to the classification and measurement requirements by introducing a ‘fair value through other comprehensive income’ (FVTOCI) measurement category for certain simple debt instruments.

Key requirements of HKFRS 9 are described below:

- All recognised financial assets that are within the scope of HKAS 39 “Financial instruments: Recognition and measurement” are subsequently Specifically, debt investments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortised cost at the end of subsequent accounting periods. Debt instruments that are held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets, and that have contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding, are measured at FVTOCI. All other debt investments and equity investments are measured at their fair value at the end of subsequent accounting periods. In addition, under HKFRS 9, entities may make an irrevocable election to present subsequent changes in the fair value of an equity investment (that is not held for trading) in other comprehensive income, with only dividend income generally recognised in profit or loss.

## 2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

### 香港財務報告準則第9號「金融工具」

香港財務報告準則第9號(於二零零九年頒佈)引進有關金融資產分類及計量之新規定。香港財務報告準則第9號其後於二零一零年修訂，以加入有關金融負債分類及計量以及不再確認之規定，並於二零一三年進一步修訂以加入一般對沖會計法之新規定。香港財務報告準則第9號之另一個經修訂版本(於二零一五年頒佈)主要加入a)金融資產減值規定；及b)藉為若干簡單債務工具引入「按公平值計入其他全面收益」(按公平值計入其他全收益)計量類別，對分類及計量規定作出有限修訂。

香港財務報告準則第9號之主要規定載述如下：

- 所有符合香港會計準則第39號「金融工具：確認及計量」範疇之已確認金融資產其後均按攤銷成本或公平值計量。特別是，在以收取合約現金流量為目的之業務模式內持有之債務投資，及僅為支付本金及未償還本金之利息而產生合約現金流量之債務投資，一般均於其後會計期末按攤銷成本計量。於目的為同時收取合約現金流量及出售金融資產之業務模式中持有之債務工具，以及金融資產合約條款令於特定日期產生之現金流量僅為支付本金及未償還本金之利息之債務工具，按公平值計入其他全面收益之方式計量。所有其他債務投資及股本投資均於其後會計期末按公平值計量。此外，根據香港財務報告準則第9號，實體可作出不可撤回之選擇，於其他全面收益列報股本投資(並非持作買賣者)其後之公平值變動，僅股息收入一般於損益確認。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31st March, 2016

截至二零一六年三月三十一日止年度

### 2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

#### HKFRS 9 “Financial instruments” (Continued)

- With regard to the measurement of financial liabilities designated as at fair value through profit or loss, HKFRS 9 requires that the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is presented in other comprehensive income, unless the recognition of the effects of changes in the liability’s credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. Changes in fair value of financial liabilities attributable to changes in the financial liabilities’ credit risk are not subsequently reclassified to profit or loss. Under HKAS 39, the entire amount of the change in the fair value of the financial liability designated as fair value through profit or loss was presented in profit or loss.
- In relation to the impairment of financial assets, HKFRS 9 requires an expected credit loss model, as opposed to an incurred credit loss model under HKAS 39. The expected credit loss model requires an entity to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition. In other words, it is no longer necessary for a credit event to have occurred before credit losses are recognised.

### 2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」) (續)

#### 香港財務報告準則第9號「金融工具」 (續)

- 就指定以公平值計入損益之金融負債之計量而言，香港財務報告準則第9號規定，因金融負債信貸風險有變而引致該負債公平值變動之金額乃於其他全面收益列報，除非於其他全面收益確認該負債信貸風險變動之影響會產生或增加損益之會計錯配，則作別論。因金融負債之信貸風險變動而產生之金融負債公平值變動其後不會重新分類至損益。根據香港會計準則第39號，指定為以公平值計入損益之金融負債之公平值變動全數於損益中列報。
- 就金融資產減值而言，與香港會計準則第39號按已產生信貸虧損模式計算相反，香港財務報告準則第9號規定按預期信貸虧損模式計算。預期信貸虧損模式需要實體於各報告日期將預期信貸虧損及該等預期信貸虧損之變動入賬，以反映信貸風險自初始確認以來之變動。換言之，毋須再待發生信貸事件即可確認信貸虧損。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31st March, 2016

截至二零一六年三月三十一日止年度

## 2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

### HKFRS 9 “Financial instruments” (Continued)

- The new general hedge accounting requirements retain the three types of hedge accounting. However, greater flexibility has been introduced to the types of transactions eligible for hedge accounting, specifically broadening the types of instruments that qualify for hedging instruments and the types of risk components of non-financial items that are eligible for hedge accounting. In addition, the effectiveness test has been overhauled and replaced with the principle of an ‘economic relationship’. Retrospective assessment of hedge effectiveness is also no longer required. Enhanced disclosure requirements about an entity’s risk management activities have also been introduced.

The directors of the Company are in the process of assessing the impact on the application of HKFRS 9. However, it is not practicable to provide a reasonable estimate of the effect until detailed review has been completed.

### HKFRS 15 “Revenue from contracts with customers”

HKFRS 15 was issued which establishes a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. HKFRS 15 will supersede the current revenue recognition guidance including HKAS 18 Revenue, HKAS 11 Construction Contracts and the related Interpretations when it becomes effective.

## 2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

### 香港財務報告準則第9號「金融工具」(續)

- 新訂一般對沖會計規定保留三種對沖會計類型。然而，符合對沖會計資格交易之類型已引入更大彈性，尤其是擴闊符合對沖工具資格之工具類型及符合對沖會計資格之非金融項目之風險成份類型。此外，成效測試已經仔細檢討並以「經濟關係」原則取代，亦毋須再進行對沖成效之追溯評估。新規定同時引入增加披露有關實體風險管理活動之規定。

本公司董事正評估應用香港財務報告準則第9號之影響。然而，於詳細審閱完成之前就影響提供合理估計並不現實。

### 香港財務報告準則第15號「客戶合約收益」

香港財務報告準則第15號已經頒佈，其制定一項單一全面模式供實體用作將自客戶合約所產生之收益入賬。於香港財務報告準則第15號生效後，其將取代現時之收益確認指引，包括香港會計準則第18號收益、香港會計準則第11號建築合約及相關詮釋。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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### 2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

#### HKFRS 15 “Revenue from contracts with customers” (Continued)

The core principle of HKFRS 15 is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Specifically, the Standard introduces a 5-step approach to revenue recognition:

- Step 1: Identify the contract(s) with a customer
- Step 2: Identify the performance obligations in the contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to the performance obligations in the contract
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

Under HKFRS 15, an entity recognises revenue when (or as) a performance obligation is satisfied, i.e. when ‘control’ of the goods or services underlying the particular performance obligation is transferred to the customer. Far more prescriptive guidance has been added in HKFRS 15 to deal with specific scenarios. Furthermore, extensive disclosures are required by HKFRS 15.

The directors of the Company will assess the impact of the application of HKFRS 15. However, it is not practicable to provide a reasonable estimate of the effect of HKFRS 15 until the Group performs a detailed review.

### 2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

#### 香港財務報告準則第15號「客戶合約收益」(續)

香港財務報告準則第15號之核心原則為實體所確認向客戶轉讓承諾貨品或服務描述之收益金額，應為能反映該實體預期就交換該等貨品或服務有權獲得之代價。具體而言，該準則引入五個確認收益之步驟：

- 第一步： 識別與客戶之合約
- 第二步： 識別合約中之履約責任
- 第三步： 釐定交易價格
- 第四步： 將交易價格分攤至合約中之履約責任
- 第五步： 於實體完成履約責任時(或就此)確認收益

根據香港財務報告準則第15號，實體於完成履約責任時(或就此)確認收益，即於特定履約責任相關之貨品或服務之「控制權」轉讓予客戶時。香港財務報告準則第15號已就特別情況之處理方法加入更明確指引。此外，香港財務報告準則第15號規定作出更廣泛披露。

本公司董事正評估應用香港財務報告準則第15號之影響。然而，於本集團詳細審閱之前就香港財務報告準則第15號之影響提供合理估計並不現實。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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## 2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

### HKFRS 16 “Leases”

HKFRS 16, which upon the effective date will supersede HKAS 17 “Leases”, introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. Specifically, under HKFRS 16, a lessee is required to recognise a right-of-use asset representing its right to use the underlying leased asset and a lease liability representing its obligation to make lease payments. Accordingly, a lessee should recognise depreciation of the right-of-use asset and interest on the lease liability, and also classifies cash repayments of the lease liability into a principal portion and an interest portion and presents them in the statement of cash flows. Also, the right-of-use asset and the lease liability are initially measured on a present value basis. The measurement includes non-cancellable lease payments and also includes payments to be made in optional periods if the lessee is reasonably certain to exercise an option to extend the lease, or not to exercise an option to terminate the lease. This accounting treatment is significantly different from the lessee accounting for leases that are classified as operating leases under the predecessor standard, HKAS 17.

In respect of the lessor accounting, HKFRS 16 substantially carries forward the lessor accounting requirements in HKAS 17. Accordingly, a lessor continues to classify its leases as operating leases or finance leases, and to account for those two types of leases differently.

The directors of the Company will assess the impact of the application of HKFRS 16. For the moment, it is not practicable to provide a reasonable estimate of the effect of the application of HKFRS 16 until the Group performs a detailed review.

## 2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

### 香港財務報告準則第16號「租賃」

香港財務報告準則第16號於生效日期起將取代香港會計準則第17號租賃，引入單一承租人會計處理模式並規定承租人就為期超過12個月的所有租賃確認資產及負債，除非相關資產為低價值資產。具體而言，根據香港財務報告準則第16號，承租人須確認使用權資產(表示其有權使用相關租賃資產)及租賃負債(表示其有責任支付租賃款項)。因此，承租人應確認使用權資產折舊及租賃負債利息，並將租賃負債的現金還款分類為本金部分及利息部分，於現金流量表中呈列。此外，使用權資產及租賃負債初步按現值基準計量。計量包括不可註銷租賃付款，亦包括如承租人合理肯定會行使選擇權延續租賃或不行使選擇權而中止租賃的情況下，將於選擇權期間內作出的付款。此會計處理方法與承租人會計法顯著不同，後者適用於根據原準則香港會計準則第17號分類為經營租賃的租賃。

就出租人會計法而言，香港財務報告準則第16號大致轉承了香港會計準則第17號的出租人會計法規定。因此，出租人繼續將其租賃分類為經營租賃及融資租賃，並且對兩類租賃進行不同的會計處理。

本公司董事將評估應用香港財務報告準則第16號之影響。在本集團進行詳細檢討前，現時仍未宜就應用香港財務報告準則第16號之影響提供合理估計。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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### 2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

#### HKFRS 16 “Leases” (Continued)

The directors of the Company anticipate that the application of other new and revised HKFRSs will have no material impact on the results and the financial position of the Group.

### 3. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements have been prepared in accordance with HKFRSs issued by the HKICPA. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on the Stock Exchange (“Listing Rules”) and by the Hong Kong Companies Ordinance (“CO”).

The provisions of the new Hong Kong Companies Ordinance (Cap 622) regarding preparation of accounts and directors’ reports and audits became effective for the Company for the financial year ended 31st March, 2016. Further, the disclosure requirements set out in the Listing Rules regarding annual accounts have been amended with reference to the new CO and to streamline with HKFRSs. Accordingly the presentation and disclosure of information in the consolidated financial statements for the financial year ended 31st March, 2016 have been changed to comply with these new requirements. Comparative information in respect of the financial year ended 31st March, 2015 are presented or disclosed in the consolidated financial statements based on the new requirements. Information previously required to be disclosed under the predecessor CO or Listing Rules but not under the new CO or amended Listing Rules are not disclosed in these consolidated financial statements.

### 2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

#### 香港財務報告準則第16號「租賃」(續)

本公司董事預期應用其他新訂及經修訂香港財務報告準則將不會對本集團之業績及財務狀況造成重大影響。

### 3. 主要會計政策

綜合財務報表乃按香港會計師公會頒佈之香港財務報告準則編撰。此外，綜合財務報表載有聯交所證券上市規則(「上市規則」)及香港公司條例(「公司條例」)規定之適當披露事項。

新香港公司條例(第622章)有關編製賬目及董事報告及審核之條文已對本公司截至二零一六年三月三十一日止財政年度生效。此外，上市規則所載有關年度賬目之披露規定已參考新公司條例而修訂，並藉此與香港財務報告準則同步一致。因此，截至二零一六年三月三十一日止財政年度之綜合財務報表內之資料呈列及披露方式已予更改，以遵守此等新規定。有關截至二零一五年三月三十一日止年度之比較資料已根據新規定於綜合財務報表內呈列或披露。根據前公司條例或上市規則在以往須予披露但根據新公司條例或經修訂上市規則毋須披露之資料，則並無於綜合財務報表內披露。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31st March, 2016

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### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

The consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of the reporting period, as explained in the accounting policies set out below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of HKFRS 2, leasing transactions that are within the scope of HKAS 17, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in HKAS 2 “Inventories” or value in use in HKAS 36 “Impairment of assets”.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

### 3. 主要會計政策(續)

除若干金融工具如下文所載之會計政策所述於呈報期末以公平值計量外，綜合財務報表乃按歷史成本基準編撰。

歷史成本一般根據貨物及服務交換所付代價之公平值而釐定。

公平值為於計量日期市場參與者間於有秩序交易中出售資產所收取或轉讓負債須支付之價格，而不論該價格為可直接觀察取得或可使用其他估值方法估計。於估計資產或負債之公平值時，本集團會考慮該等市場參與者於計量日期對資產或負債定價時所考慮之資產或負債之特點。於該等綜合財務報表中作計量及／或披露用途之公平值乃按此基準釐定，惟屬於香港財務報告準則第2號範疇之以股份為基礎之付款交易、香港會計準則第17號範疇之租賃交易及其計量與公平值之計量存在一些相似之處但並非公平值，例如香港會計準則第2號「存貨」之可變現淨值或香港會計準則第36號「資產減值」之使用價值除外。

此外，就財務呈報而言，公平值計量根據公平值計量之輸入數據可觀察程度及輸入數據對公平值計量之整體重要性分類為第1級、第2級或第3級，載述如下：

- 第1級輸入數據為實體於計量日期可取得之相同資產或負債於活躍市場之報價(未經調整)；



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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### 3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The principal accounting policies are set out below.

#### Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company and its subsidiaries. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Group gains control until the date when the Group ceases to control the subsidiary.

### 3. 主要會計政策(續)

- 第2級輸入數據為就資產或負債直接或間接地可觀察之輸入數據(包括在第1級之報價除外);及
- 第3級輸入數據為資產或負債之不可觀察輸入數據。

主要會計政策載列如下。

#### 綜合基準

綜合財務報表包括本公司之財務報表及本公司及其附屬公司所控制之實體。當本公司在下列情況下即達致控制權：

- 被投資方擁有權力；
- 對參與被投資方所得浮動回報承擔風險或享有權利；及
- 能夠運用其對被投資方之權力影響其回報。

倘根據事實及實際情況，上文所列控制權之三個因素中之一個或以上發生變化，則本集團須重新評估是否擁有被投資方之控制權。

綜合附屬公司於本集團取得附屬公司之控制權時開始，並於本集團失去附屬公司之控制權時終止。尤其是，於年內收購或出售附屬公司之收入及開支，會由本集團取得控制權當日直至本集團失去附屬公司之控制權當日計入綜合損益及其他全面收益表。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31st March, 2016

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### 3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

#### Basis of consolidation (Continued)

Profit or loss and each item of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

#### Changes in the Group's ownership interests in existing subsidiaries

Changes in the Group's ownership interests in existing subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

### 3. 主要會計政策(續)

#### 綜合基準(續)

損益及其他全面收益之各個部分會分配予本公司擁有人及非控股權益。附屬公司之全面收益總額會分配予本公司擁有人及非控股權益，即使此舉會導致非控股權益出現虧絀結餘。

如有需要，須對附屬公司之財務報表作出調整，使其會計政策與本集團之會計政策一致。

所有與本集團成員公司間之交易有關之集團內公司間之資產及負債、股本、收入、開支及現金流均已於綜合賬目時全數抵銷。

#### 本集團對現有附屬公司之所有權權益變動

本集團將不會導致喪失對附屬公司控制權之於現有附屬公司之所有權權益變動以權益交易入賬。本集團之權益及非控股權益之賬面值應予以調整，以反映其於附屬公司相關權益之變動。非控股權益調整金額與所支付或收取代價之公平值兩者之間之差額直接計入股權確認，並歸屬於本公司之擁有人。

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## 綜合財務報表附註

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### 3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

#### Business combinations

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. Acquisition-related costs are generally recognised in profit or loss as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value, except that:

- deferred tax assets or liabilities, and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with HKAS 12 “Income taxes” and HKAS 19 “Employee benefits” respectively;
- liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with HKFRS 2 “Share-based payment” at the acquisition date (see the accounting policy below); and
- assets (or disposal groups) that are classified as held for sale in accordance with HKFRS 5 “Non-current assets held for sale and discontinued operations” are measured in accordance with that standard.

### 3. 主要會計政策(續)

#### 業務合併

業務收購採用收購法入賬。業務合併中轉讓之代價按公平值計量，而公平值乃按本集團所轉讓資產、本集團向被收購方前擁有人承擔之負債及本集團為交換被收購方控制權所發行之股權於收購日之公平值總和計量。收購相關成本一般在產生時於損益確認。

於收購日，所收購可識別資產及所承擔負債按其公平值確認，惟下列各項除外：

- 遞延稅項資產或負債以及與僱員福利安排有關之資產或負債分別根據香港會計準則第12號「所得稅」及香港會計準則第19號「僱員福利」確認及計量；
- 於收購日，被收購方以股份為基礎的付款安排或本集團以股份為基礎的付款安排替代被收購方以股份為基礎的付款安排之負債或股權工具，應根據香港財務報告準則第2號「以股份為基礎之付款」計量(見下文會計政策)；及
- 根據香港財務報告準則第5號「持作出售之非流動資產及已終止經營業務」分類為持作出售之資產(或出售組合)根據該準則計量。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Business combinations (Continued)

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. If, after re-assessment, the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation may be initially measured either at fair value or at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets. The choice of measurement basis is made on a transaction-by-transaction basis. Other types of non-controlling interests are measured at their fair value or, when applicable, on the basis specified in another HKFRS.

#### Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business (see the accounting policy above) less accumulated impairment losses, if any.

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or groups of cash-generating units) that is expected to benefit from the synergies of the combination.

### 3. 主要會計政策(續)

#### 業務合併(續)

商譽以所轉讓之代價、被收購方任何非控股權益之金額及收購方過往持有之被收購方股權(如有)之公平值總和超出所收購之可識別資產及所承擔之負債於收購日之淨值之差額計量。倘(經重新評估後)所收購之可識別資產及所承擔之負債於收購日之淨額超出所轉讓之代價、被收購方任何非控股權益之金額及收購方過往持有被收購方權益(如有)之公平值總和，超出部分即時於損益中確認為議價收購收益。

屬現時所有權權益且於清盤時賦予其持有人按比例分佔實體資產淨值之非控股權益可初步按公平值或按非控股權益應佔被收購方之可識別資產淨值之已確認金額比例計量。計量基準之選擇乃按每次交易為基礎。其他類型之非控股權益乃按其公平值或(倘適用)按另一項香港財務報告準則指定之基準計量。

#### 商譽

收購業務產生之商譽按於收購該業務當日確立之成本(見上文會計政策)減任何累計減值虧損(如有)列賬。

就減值測試而言，將商譽分配至本集團預期可從合併協同效應中獲益之各現金產出單位(或現金產生單位組別)。

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### 3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

#### Goodwill (Continued)

A cash-generating unit to which goodwill has been allocated is tested for impairment annually or more frequently when there is indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit on a pro-rata basis based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the amount of profit or loss on disposal.

The Group's policy for goodwill arising on the acquisition of associates and joint ventures is described below.

#### Investments in associates and joint ventures

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

### 3. 主要會計政策(續)

#### 商譽(續)

對分配商譽之現金產生單位每年進行減值測試，或倘該單位有可能減值之跡象則進行更頻繁之測試。倘現金產生單位之可回收金額低於其賬面值，則減值虧損應首先分配到削減該單位之任何商譽之賬面值，再根據該單位之各資產賬面值按比例削減該單位之其他資產。任何商譽減值虧損直接在損益中確認。就商譽確認之減值虧損不會於往後期間撥回。

就出售相關現金產生單位而言，歸屬於商譽之金額於確定出售之損益金額時計算在內。

本集團就收購聯營公司及合營公司產生之商譽之政策於下文載述。

#### 於聯營公司及合營公司之投資

聯營公司乃本集團對其有重大影響之實體。重大影響乃參與被投資方之財務及經營決策之權力，惟並非對該等政策之控制或共同控制。

合營公司乃共同控制安排之各方據以對共同安排之資產淨值擁有權利之一種共同安排。共同控制乃合約協定分佔安排之控制權，僅於與相關業務有關之決策須分佔控制權之各方一致同意時存在。



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## 綜合財務報表附註

For the year ended 31st March, 2016

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### 3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

#### Investments in associates and joint ventures

(Continued)

The results and assets and liabilities of associates and joint ventures are incorporated in the consolidated financial statements using the equity method of accounting. The financial statements of associates and joint ventures used for equity accounting purposes are prepared using uniform accounting policies as those of the Group for like transactions and events in similar circumstances. Under the equity method, an investment in an associate or a joint venture is initially recognised in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate or joint venture. When the Group's share of losses of an associate or joint venture exceeds the Group's interest in that associate or joint venture (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate or joint venture), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture.

An investment in an associate or a joint venture is accounted for using the equity method from the date on which the investee becomes an associate or a joint venture. On acquisition of the investment in an associate or a joint venture, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised immediately in profit or loss in the period in which the investment is acquired.

### 3. 主要會計政策(續)

#### 於聯營公司及合營公司之投資(續)

聯營公司及合營公司之業績及資產與負債以權益會計法計入綜合財務報表。以權益會計法處理之聯營公司及合營公司之財務報表乃按與本集團就於類似情況下之交易及事件所採用者相同之會計政策編製。根據權益法，聯營公司或合營公司之投資按成本於綜合財務狀況表初步確認，並其後作出調整以確認本集團應佔該聯營公司或合營公司之損益及其他全面收益。當本集團應佔某聯營公司或合營公司之虧損超出其於該聯營公司或合營公司之權益(其包括任何長期權益，而該長期權益實質上構成本集團於該聯營公司或合營公司之投資淨額之一部分)，則本集團不再繼續確認其應佔之進一步虧損。本集團僅會在其須於代表該聯營公司或合營公司承擔法律或推定責任，或代其支付款項之情況下，方會確認額外虧損。

於聯營公司或合營企業之投資採用權益法自被投資方成為聯營公司或合營公司當日起入賬。於收購於聯營公司或合營公司之投資時，投資成本超出本集團分佔被投資方之可識別資產及負債之公平值淨額之任何差額均確認為商譽，並計入投資之賬面值。本集團分佔可識別資產及負債之公平值淨額超過投資成本之任何差額在重新評估後於投資所收購期間內即時確認為損益。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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### 3. SIGNIFICANT ACCOUNTING POLICIES

*(Continued)*

#### Investments in associates and joint ventures

*(Continued)*

The requirements of HKAS 39 are applied to determine whether it is necessary to recognise any impairment loss with respect to the Group's investment in an associate or a joint venture. When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with HKAS 36 "Impairment of assets" as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount. Any impairment loss recognised forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with HKAS 36 to the extent that the recoverable amount of the investment subsequently increases.

### 3. 主要會計政策(續)

#### 於聯營公司及合營公司之投資(續)

按香港會計準則第39號規定以釐定是否需要就本集團於聯營公司或合營公司之投資確認任何減值虧損。如有必要，投資(包括商譽)之全部賬面值乃根據香港會計準則第36號「資產減值」作為單獨資產，通過比較可收回金額(即使用價值及公平值減出售成本之較高者)與賬面值進行減值測試。任何確認之減值虧損屬投資賬面值之一部分。該減值虧損之任何撥回乃按香港會計準則第36號確認，惟僅限於投資之可收回金額隨後增加。

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## 綜合財務報表附註

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### 3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

#### Investments in associates and joint ventures

(Continued)

The Group discontinues the use of the equity method from the date when the investment ceases to be an associate or a joint venture, or when the investment is classified as held for sale. When the Group retains an interest in the former associate or joint venture and the retained interest is a financial asset, the Group measures the retained interest at fair value at that date and the fair value is regarded as its fair value on initial recognition in accordance with HKAS 39. The difference between the carrying amount of the associate or joint venture at the date the equity method was discontinued, and the fair value of any retained interest and any proceeds from disposing of a part interest in the associate or joint venture is included in the determination of the gain or loss on disposal of the associate or joint venture. In addition, the Group accounts for all amounts previously recognised in other comprehensive income in relation to that associate or joint venture on the same basis as would be required if that associate or joint venture had directly disposed of the related assets or liabilities. Therefore, if a gain or loss previously recognised in other comprehensive income by that associate or joint venture would be reclassified to profit or loss on the disposal of the related assets or liabilities, the Group reclassifies the gain or loss from equity to profit or loss (as a reclassification adjustment) when the equity method is discontinued.

### 3. 主要會計政策(續)

#### 於聯營公司及合營公司之投資(續)

本集團自投資不再為聯營公司或合營公司當日起或投資被分類為持作出售時終止採用權益法。倘本集團保留於前聯營公司或合營公司之權益且保留權益為金融資產，則本集團會於該日按公平值計量保留權益，而該公平值被視為根據香港會計準則第39號於初步確認時之公平值。聯營公司或合營公司於終止採用權益法當日之賬面值與任何保留權益及出售於聯營公司或合營公司之部分權益之任何所得款項公平值間之差額，會於釐定出售該聯營公司或合營公司之收益或虧損時入賬。此外，本集團會將先前在其他全面收益就該聯營公司或合營公司確認之所有金額入賬，基準與該聯營公司或合營公司直接出售相關資產或負債所須基準相同。因此，倘該聯營公司或合營公司先前已於其他全面收益確認之收益或虧損，會於出售相關資產或負債時重新分類至損益。本集團會於終止採用權益法時將收益或虧損由權益重新分類至損益(作為重新分類調整)。

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### 3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

#### Investments in associates and joint ventures

(Continued)

The Group continues to use the equity method when an investment in an associate becomes an investment in a joint venture or an investment in a joint venture becomes an investment in an associate. There is no remeasurement to fair value upon such changes in ownership interests.

When the Group reduces its ownership interest in an associate or a joint venture but the Group continues to use the equity method, the Group reclassifies to profit or loss the proportion of the gain or loss that had previously been recognised in other comprehensive income relating to that reduction in ownership interest if that gain or loss would be reclassified to profit or loss on the disposal of the related assets or liabilities.

When a group entity transacts with an associate or a joint venture of the Group (such as a sale or contribution of assets), profits and losses resulting from the transactions with the associate or joint venture are recognised in the Group's consolidated financial statements only to the extent of interests in the associate or joint venture that are not related to the Group.

#### Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods sold and services provided in the normal course of business, net of discounts and sales related taxes.

### 3. 主要會計政策(續)

#### 於聯營公司及合營公司之投資(續)

於聯營公司之投資成為於合營公司之投資或於合營公司之投資成為於聯營公司之投資時，本集團繼續採用權益法。於所有權權益有變時，概不會重新計量公平值。

當本集團削減其於合營公司之所有權權益而本集團繼續採用權益法，倘有關收益或虧損會於出售相關資產或負債時重新分類至損益，則本集團會將先前已於其他全面收益確認與削減所有權權益有關之收益或虧損部分重新分類至損益。

倘某集團實體與本集團之聯營公司或合營公司進行交易(如出售或注入資產)，則與聯營公司或合營公司之交易而產生之損益於本集團之綜合財務報表確認，惟數額以與本集團無關之聯營公司或合營公司權益為限。

#### 收益之確認

收益乃按已收或應收代價之公平值計量，為於日常業務過程中就已售貨品及已提供服務應收之金額，並扣除折扣及銷售相關稅項。

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### 3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

#### Revenue recognition (Continued)

##### Sale of goods

Revenue from sales of goods are recognised when goods are delivered and title has passed, at which time all the following conditions are satisfied:

- the Group has transferred to the buyer the significant risks and rewards of ownership of the goods;
- the Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the Group; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Watch repair service income is recognised when services are provided.

Show window rental income is recognised in profit or loss on a straight-line basis over the term of the relevant rental agreement.

Interest income from a financial asset is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

### 3. 主要會計政策(續)

#### 收益之確認(續)

##### 出售貨品

出售貨品之收益於貨品付運及所有權轉讓時確認。而以下全部條件獲達成時方可作實：

- 本集團已將貨物擁有權之重大風險及回報轉讓予買方；
- 本集團並無保留一般視為與擁有權相關之管理權或已售貨品之有效控制權；
- 收益金額能可靠計量；
- 與交易有關之經濟利益可能將流入本集團；及
- 交易已經或將予產生之成本能可靠計量。

鐘表維修服務收入於提供服務時確認。

櫥窗租金收入於有關租約年期內以直線法於損益確認。

金融資產之利息收入根據未償還本金及適用之實際利率按時間基準累計，有關利率為於金融資產之預計年期內將估計未來現金收入實際貼現至資產於首次確認時賬面淨值之利率。

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### 3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

#### Property, plant and equipment

Property, plant and equipment including leasehold land and buildings held for use in the production or supply of goods or services, or for administrative purposes are stated in the consolidated statement of financial position at cost less subsequent accumulated depreciation and subsequent accumulated impairment losses, if any.

The land and building elements of a lease of land and building are considered separately for the purpose of lease classification. To the extent the allocation of the lease payments can be made reliably, interest in leasehold land that is accounted for as an operating lease is presented as 'prepaid lease payments' in the consolidated statement of financial position and is amortised over the lease term on a straight-line basis. When the lease payments cannot be allocated reliably between the land and building elements, the entire lease is classified as a finance lease and accounted for as property, plant and equipment.

The cost of leasehold land and buildings is depreciated using the straight-line method over the shorter of the period of the lease or over their estimated useful lives of 20 years for those located in Mainland China (the "PRC") or 50 years for those located in Hong Kong.

Depreciation is recognised so as to write off the cost of other items of property, plant and equipment less their residual values over their estimated useful lives, using the reducing balance method, at the rate of 20% per annum. The estimated useful lives, residual values and depreciation method are reviewed at the end of the reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

### 3. 主要會計政策(續)

#### 物業、機器及設備

物業、機器及設備(包括持有作於生產或供應貨品或服務時使用或作行政用途之租賃土地及樓宇)按成本減其後累計折舊及其後累計減值虧損(如有)於綜合財務狀況表入賬。

就租約分類而言，土地及樓宇租約之土地及樓宇部份乃分開考慮。倘若能可靠地分配租賃付款，則入賬列作經營租賃之租賃土地權益乃於綜合財務狀況表呈列為「預付租賃款項」，並按直線法於租賃期內攤銷。倘租金不能於土地及樓宇部份之間進行可靠分配，則整項租約分類為融資租賃並入賬列作物業、機器及設備。

租賃土地及樓宇之成本乃採用直線法按租期或其20年(就位於中國內地(「中國」)之租賃土地及樓宇而言)或50年(就位於香港之租賃土地及樓宇而言)之估計可使用年期(以時間較短者為準)予以折舊。

折舊乃採用餘額遞減法，以年率20%將其他物業、機器及設備項目之成本撇銷減其估計剩餘價值除以其估計可使用年期而確認。估計可使用年期、剩餘價值及折舊方法會於各呈報期末檢討，並按未來適用基準就任何估計變動之影響入賬。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31st March, 2016

截至二零一六年三月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

#### Property, plant and equipment (Continued)

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

#### Impairment losses on tangible assets

At the end of the reporting period, the Group reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

### 3. 主要會計政策(續)

#### 物業、機器及設備(續)

物業、機器及設備項目於出售或預期繼續使用資產並不會產生未來經濟收益時不再確認。出售或報廢物業、機器及設備項目產生之任何盈虧乃按出售所得款項與該資產賬面值間之差額釐定，並於損益確認。

#### 有形資產減值虧損

於呈報期末，本集團檢討其有形資產之賬面值，以釐定該等資產是否出現任何蒙受減值虧損之跡象。倘有任何該等跡象，則會估計資產之可收回金額，以釐定減值虧損(如有)之程度。如不可能估計個別資產之可收回金額，則本集團會估計資產所屬現金產生單位之可收回金額。當可確定一個合理且一致之分派基準時，企業資產也可分派至個別現金產生單位，否則，企業資產將被分派至能確定一個合理且一致之分派基準之最小現金產生單位。

可收回金額為公平值減銷售成本之餘額與在用價值之間之較高者。於評估在用價值時，會採用反映現時市場對貨幣時間價值及針對該資產之風險(並未調整對未來現金流量之估計)評值之稅前貼現率，將估計之未來現金流量將貼現至其現有價值。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31st March, 2016

截至二零一六年三月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

#### Impairment losses on tangible assets (Continued)

If the recoverable amount of an asset (or a cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or a cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or a cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

#### Leasing

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

#### The Group as lessor

Rental income from operating leases is recognised in profit or loss on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised as an expense on a straight-line basis over the lease term.

### 3. 主要會計政策(續)

#### 有形資產減值虧損(續)

倘資產(或現金產生單位)之可收回金額估計低於其賬面值，則將資產(或現金產生單位)之賬面值減至其可收回金額。減值虧損即時於損益確認。

當減值虧損其後撥回時，資產(或現金產生單位)之賬面值將增至重新修訂估計之可收回金額，惟增加之賬面值不得超過假設該資產(或現金產生單位)於以往年度並無確認減值虧損而應釐定之賬面值。減值虧損之撥回即時於損益確認。

#### 租賃

凡租賃條款將擁有權之絕大部份風險及回報轉移至承租人之租賃，均分類為融資租賃。所有其他租賃均分類為經營租賃。

#### 本集團作為出租人

來自經營租賃之租金收入乃於有關租期內以直線法於損益確認。於協商及安排經營租賃時產生之初步直接成本乃加至租賃資產之賬面值，並於租期內以直線法確認為開支。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31st March, 2016

截至二零一六年三月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

#### Leasing (Continued)

##### The Group as lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. Benefits received and receivable as an incentive to enter into an operating lease are recognised as a reduction of rental expense over the lease term on a straight-line basis. Contingent rentals are recognised as expenses in the periods in which they are incurred.

#### Foreign currencies

In preparing the financial statements of each individual group entity, transactions in currencies other than the functional currency of that entity (foreign currencies) are recorded in its functional currency, i.e. the currency of the primary economic environment in which the entity operates, at the rates of exchange prevailing on the dates of the transactions. At the end of the reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on the translation of monetary items, are recognised in profit or loss in the period in which they arise.

For the purposes of presenting the consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated into the presentation currency of the Company (i.e. Hong Kong dollars) using exchange rate prevailing at the end of the reporting period. Income and expenses items are translated at the average exchange rate for the period, unless exchange rate fluctuate significantly during the period, in which case, the exchange rates prevailing at the dates of transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity under the heading of translation reserve.

### 3. 主要會計政策(續)

#### 租賃(續)

##### 本集團作為承租人

經營租賃租金乃於租期內以直線法確認為開支。就訂立經營租賃作為獎勵之已收及應收利益乃於租期內以直線法確認為租金開支扣減。或然租金乃於其產生期間確認為開支。

#### 外幣

於編製各個別集團實體之財務報表時，以該實體功能貨幣以外之貨幣(外幣)進行之交易均按交易日期之適用匯率換算為功能貨幣(即該實體經營所在主要經濟地區之貨幣)記賬。於呈報期末，以外幣結算之貨幣項目按該日之適用匯率重新換算。以外幣歷史成本計量之非貨幣項目不予重新換算。

於結算貨幣項目及換算貨幣項目時產生之匯兌差額均於產生期間內於損益內確認。

就呈列綜合財務報表而言，本集團海外業務之資產及負債乃採用呈報期末之適用匯率換算為本公司之呈報貨幣(即港元)。收入及開支項目乃按該期間之平均匯率進行換算，除非匯率於該期間內出現大幅波動則作別論，於此情況下，則採用於交易當日之適用匯率。所產生之匯兌差額(如有)乃於其他全面收益確認，並於權益內換算儲備下累計。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31st March, 2016

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### 3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

#### Borrowing costs

Borrowing costs not attributable to the acquisition, construction or production of qualifying assets, are recognised in profit or loss in the period in which they are incurred.

#### Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from “(loss) profit before taxation” as reported in the consolidated statement of profit or loss and other comprehensive income because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group’s liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised on temporary differences between the carrying amount of assets and liabilities in the consolidated financial statements and the corresponding tax base used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

### 3. 主要會計政策(續)

#### 借貸成本

並非由收購、建設或生產合資格資產之借貸成本於產生期間內於損益內確認。

#### 稅項

所得稅開支指本期應付稅項及遞延稅項之總和。

本期應付之稅項乃按本年度應課稅溢利計算。由於於其他年度應課稅或可扣稅之收入或開支項目及毋須課稅或不可扣稅之項目，故此應課稅溢利與綜合損益及其他全面收益表所呈報之「除稅前(虧損)溢利」並不相同。本集團就本期稅項承擔之負債乃按已於呈報期末實施或大致實施之稅率計算。

遞延稅項乃就綜合財務報表之資產及負債賬面值及計算應課稅溢利所使用相應稅基兩者之暫時差額而確認。遞延稅項負債通常會就所有應課稅暫時差額確認。遞延稅項資產在可能出現可動用可扣稅暫時差額扣減之應課稅溢利時就所有可扣稅暫時差額確認。倘商譽或交易中因首次確認(業務合併除外)其他資產及負債而引致之暫時差額並不影響應課稅溢利及會計溢利時，則不會確認該等遞延稅項資產及負債。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31st March, 2016

截至二零一六年三月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Taxation (Continued)

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of the reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realised, based on tax rate (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for business combination.

### 3. 主要會計政策(續)

#### 稅項(續)

遞延稅項負債乃就與於附屬公司及聯營公司之投資，以及合營公司之權益有關之應課稅暫時差額確認，惟倘本集團能夠控制暫時差額之撥回及暫時差額於可見將來可能不會撥回則除外。與該等投資及權益有關之可扣稅暫時差額產生之遞延稅項資產僅於可能有足夠應課稅溢利可動用暫時差額之利益及預期暫時差額於可見將來撥回時確認。

遞延稅項資產之賬面值於呈報期末作檢討，並於不再有足夠應課稅溢利收回全部或部份資產時作出調減。

遞延稅項資產及負債乃根據於呈報期末已實施或大致實施之稅率(及稅法)按預期於負債清償或資產變現期間應用之稅率計量。

遞延稅項負債及資產之計量反映本集團預期於呈報期末收回或清償其資產及負債之賬面值之方式所產生之稅務後果。

本期及遞延稅項於損益內確認，惟倘遞延稅項關乎於其他全面收益中確認或直接於權益中確認之項目，則在此情況下，本期及遞延稅項亦分別於其他全面收益中確認或直接於權益中確認。倘本期或遞延稅項乃因對業務合併進行初步會計處理而產生，則稅務影響計入業務合併之會計處理內。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31st March, 2016

截至二零一六年三月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

#### Inventories

Inventories, which are finished goods held for sale, are stated at the lower of cost and net realisable value. Cost is calculated on a specific identification basis. Net realisable value represents the estimated selling price for inventories less costs necessary to make the sale.

#### Financial instruments

Financial assets and financial liabilities are recognised when a group entity becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets or financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition.

#### Financial assets

The Group's financial assets are classified into one of two categories, including loans and receivables and available-for-sale financial assets. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

### 3. 主要會計政策(續)

#### 存貨

存貨指持作出售之製成品，乃按成本及可變現淨值兩者之較低者入賬。成本採用特定識別基準計算。可變現淨值指存貨估計售價減作出銷售之必要成本。

#### 金融工具

金融資產及金融負債乃當某集團實體成為工具合同條文之訂約方時確認。

金融資產及金融負債按公平值初步計量。收購或發行金融資產及金融負債(以公平值計入損益之金融資產或金融負債除外)直接應佔之交易成本乃於首次確認時加入金融資產或金融負債之公平值或自金融資產或金融負債之公平值內扣除(如適用)。

#### 金融資產

本集團之金融資產分為兩個類別，包括貸款及應收賬款及可供出售金融資產。分類視乎金融資產之性質及目的而定，且於初步確認時釐定。所有定期購買或出售金融資產乃按交易日基準確認及不再確認。定期購買或出售乃購買或出售金融資產，並要求於市場上按規則或慣例設定之時間框架內付運資產。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31st March, 2016

截至二零一六年三月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

#### Financial instruments (Continued)

##### Financial assets (Continued)

##### Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Interest income is recognised on an effective interest basis for debt instruments.

##### Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Subsequent to initial recognition, loans and receivables (including amount due from a joint venture, trade and other receivables and bank balances and cash) are measured at amortised cost using the effective interest method, less any identified impairment losses.

Interest income is recognised by applying the effective interest rate, except for short-term receivables where the recognition of interest would be immaterial.

### 3. 主要會計政策(續)

#### 金融工具(續)

##### 金融資產(續)

##### 實際利率法

實際利率法為計算相關期間內金融資產之已攤銷成本以及分配利息收入之方法。實際利率為在金融資產之預期年期或(如適用)較短期間內能夠精確貼現估計未來現金收入(包括組成實際利率之部份之所有已支付或收取費用及利率、交易成本及其他溢價或折讓)至於首次確認時之賬面淨值之利率。

債務工具之利息收入乃按實際利率基準確認。

##### 貸款及應收賬款

貸款及應收賬款乃並無於活躍市場上報價之固定或可釐定付款之非衍生金融資產。於首次確認後，貸款及應收賬款(包括應收合營公司款項、貿易及其他應收賬款，及銀行結餘及現金)均採用實際利率法按已攤銷成本減任何已辨識之減值虧損計量。

利息收入乃通過應用實際利率確認，惟倘確認利息將並不重大之短期應收賬款則除外。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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### 3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

#### Financial instruments (Continued)

#### Financial assets (Continued)

##### Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated or not classified as financial assets at fair value through profit or loss, loans and receivables or held-to-maturity investments.

Available-for-sale financial assets are measured at fair value at the end of the reporting period. Changes in fair value are recognised in other comprehensive income and accumulated in asset revaluation reserve, until the financial asset is disposed of or is determined to be impaired, at which time, the cumulative gain or loss previously accumulated in the asset revaluation reserve is reclassified to profit or loss (see accounting policy on impairment loss on financial assets below).

Dividends on available-for-sale equity instruments are recognised in profit or loss when the Group's right to receive the dividends is established.

#### Impairment of financial assets

Financial assets are assessed for indicators of impairment at the end of the reporting period. Financial assets are considered to be impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the financial assets have been affected.

For an available-for-sale equity investment, a significant or prolonged decline in the fair value of that investment below its cost is considered to be objective evidence of impairment.

### 3. 主要會計政策(續)

#### 金融工具(續)

#### 金融資產(續)

##### 可供出售金融資產

可供出售金融資產乃指定或不能分類為以公平值計入損益之金融資產、貸款及應收賬款或持有至到期投資之非衍生工具。

於呈報期末，可供出售金融資產以公平值計量。公平值變動於其他全面收益內確認並於資產重估儲備累計，直至金融資產被出售或釐定為出現減值，屆時，早前於資產重估儲備累計之累積盈虧重新分類至損益(見下文有關金融資產減值虧損之會計政策)。

可供出售股本工具之股息於本集團收取股息之權利確立時於損益確認。

#### 金融資產減值

金融資產會於呈報期末評估是否有減值跡象。金融資產於有客觀證據顯示其估計未來現金流量因於首次確認該金融資產後發生之一項或多項事件而受到影響時被視為減值。

就可供出售股本投資而言，該項投資之公平值大幅或持續下跌至低於其成本，則視作減值之客觀證據。

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### 3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

#### Financial instruments (Continued)

#### Impairment of financial assets (Continued)

For all other financial assets, objective evidence of impairment could include:

- significant financial difficulty of the issuer or counterparty; or
- default or delinquency in interest or principal payments; or
- it is becoming probable that the borrower will enter bankruptcy or financial re-organisation.

For certain categories of financial asset, such as trade receivables that are assessed not to be impaired individually are, in addition, assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the Group's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the credit period granted, observable changes in national or local economic conditions that correlate with default on receivables.

For financial assets carried at amortised cost, the amount of the impairment loss recognised is the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the original effective interest rate.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade and other receivables, where the carrying amount is reduced through the use of an allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss. When a trade or other receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss.

### 3. 主要會計政策(續)

#### 金融工具(續)

#### 金融資產減值(續)

就所有其他金融資產而言，減值之客觀證據可包括：

- 發行人或交易方出現重大財政困難；或
- 未能繳付或延遲償還利息或本金；或
- 借款人有可能面臨破產或財務重組。

此外，被評估為不予個別減值之若干類別金融資產(如貿易應收賬款)按綜合基準評估減值。應收賬款組合減值之客觀證據可包括本集團之過往收款經驗、組合內延期至超逾所授信貸期之還款次數增加，以及與未能繳付應收賬款有關之國家或地方經濟狀況明顯改變。

就按已攤銷成本列賬之金融資產而言，已確認減值虧損金額乃資產賬面值與按原實際利率貼現之估計未來現金流量現值之差額。

金融資產賬面值會就所有金融資產直接按減值虧損扣減，惟貿易及其他應收賬款除外，其賬面值會透過使用撥備賬作出扣減。撥備賬內之賬面值變動於損益確認。當貿易或其他應收賬款被視為不可收回時，其將於撥備賬內撇銷。其後收回先前已撇銷之款項，均計入撥備賬內。撥備賬內之賬面值變動於損益確認。

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### 3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

#### Financial instruments (Continued)

#### Impairment of financial assets (Continued)

When an available-for-sale financial asset is considered to be impaired, cumulative gains or losses previously recognised in other comprehensive income are reclassified to profit or loss in the period.

For financial assets measured at amortised cost, if, in a subsequent period, the amount of impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment loss was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the asset at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

Impairment losses on available-for-sale equity investments previously recognised in profit or loss are not be reversed through profit or loss. Any increase in fair value subsequent to impairment loss is recognised directly in other comprehensive income and accumulated in asset revaluation reserve.

#### Financial liabilities and equity

Debt and equity instruments issued by a group entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

### 3. 主要會計政策(續)

#### 金融工具(續)

#### 金融資產減值(續)

倘可供出售金融資產被視為已減值，先前於其他全面收益確認之累計盈虧於期內重新分類至損益。

就按已攤銷成本計量之金融資產而言，如在往後期間，減值虧損金額減少，而有關減少在客觀上與確認減值虧損後發生之事件有關，則先前已確認之減值虧損將透過損益予以撥回，惟該資產於減值被撥回當日之賬面值，不得超過未確認減值時之已攤銷成本。

先前於損益確認之可供出售股本投資之減值虧損不會透過損益撥回。減值虧損後之任何公平值增加直接於其他全面收益確認，並於資產重估儲備累計。

#### 金融負債及權益

集團實體發行之債務及股本工具乃根據合約安排之性質與金融負債及股本工具之定義分類為金融負債或權益。

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## 綜合財務報表附註

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### 3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

#### Financial instruments (Continued)

#### Financial liabilities and equity (Continued)

##### Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or, where appropriate, a shorter period to the net carrying amount on initial recognition.

Interest expense is recognised on an effective interest basis.

##### Financial liabilities

Financial liabilities including trade and other payables and bank loans are subsequently measured at amortised cost, using the effective interest method.

##### Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. Equity instruments issued by the Group are recognised at the proceeds received, net of direct issue costs.

### 3. 主要會計政策(續)

#### 金融工具(續)

#### 金融負債及權益(續)

##### 實際利率法

實際利率法為計算相關期間內金融負債之已攤銷成本以及分配利息開支之方法。實際利率為在金融負債之預期年期或(如適用)較短期間內能夠精確貼現估計未來現金付款(包括組成實際利率之部份之所有已支付或收取費用及利率、交易成本及其他溢價或折讓)至於首次確認時之賬面淨值之利率。

利息開支乃按實際利率基準確認。

##### 金融負債

金融負債(包括貿易及其他應付賬款及銀行貸款)隨後採用實際利率法按已攤銷成本計量。

##### 股本工具

股本工具乃證明本集團於扣減其所有負債後於資產中擁有剩餘權益之任何合約。本集團發行之股本工具按已收取之所得款項扣除直接發行成本確認。

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## 綜合財務報表附註

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### 3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

#### Financial instruments (Continued)

#### Financial liabilities and equity (Continued)

##### Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument.

A financial guarantee contract issued by the Group and not designated as at fair value through profit or loss is recognised initially at its fair value less transaction costs that are directly attributable to the issue of the financial guarantee contract. Subsequent to initial recognition, the Group measures the financial guarantee contract at the higher of: (i) the amount of obligation under the contract, as determined in accordance with HKAS 37 “Provisions, contingent liabilities and contingent assets”; and (ii) the amount initially recognised less, when appropriate, cumulative amortisation recognised in accordance with the revenue recognition policy.

#### Derecognition

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss.

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

### 3. 主要會計政策(續)

#### 金融工具(續)

#### 金融負債及權益(續)

##### 財務擔保合約

財務擔保合約為因指定債務人未能按債務工具之原有或經修改條款如期付款時，發行人須支付指定金額予持有人以補償其所遭受損失之合約。

本集團發行及並非指定為按公平值計入損益之財務擔保合約，初步按其公平值扣除發行財務擔保合約直接應佔之交易成本確認。於初步確認後，本集團按以下兩者之較高者計量財務擔保合約：(i) 根據香港會計準則第37號「撥備、或然負債及或然資產」釐定之合約責任金額；及(ii) 初步確認之金額扣除(如適用)根據收益確認政策確認之累計攤銷。

#### 不再確認

本集團僅於從資產收取現金流量之合約權利已到期，或其轉讓金融資產及資產擁有權之絕大部份風險及回報予另一實體時，方會不再確認金融資產。

於不再確認整項金融資產時，資產賬面值與已收及應收代價及已於其他全面收益確認並於權益累積之累計盈虧之總和之差額，於損益內確認。

本集團於及僅於其責任獲解除、取消或到期時，方會不再確認金融負債。不再確認之金融負債賬面值與已付及應付代價之差額，於損益內確認。



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### 3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

#### Retirement benefit costs

Payments to defined contribution retirement benefit schemes, including Mandatory Provident Fund Scheme and the employee's pension scheme of the respective municipal governments in various places in the PRC where the Group operates, are charged as an expense when employees have rendered service entitling them to the contributions.

#### Share-based payment transactions

##### Equity-settled share-based payment transactions

###### Share options granted to employees

The fair value of services received determined by reference to the fair value of share options granted at the grant date is recognised as an expense in full at the grant date when the share options granted vest immediately with a corresponding increase in equity (share option reserve).

At the time when the share options are exercised, the amount previously recognised in the share option reserve will be transferred to share premium. When the share options are forfeited after the vesting date or are still not exercised at the expiry date, the amount previously recognised in share option reserve will be transferred to retained profits.

###### Share options granted to consultants

Share options issued in exchange for goods or services are measured at the fair values of the goods or services received, unless that fair value cannot be reliably measured, in which case the goods or services received are measured by reference to the fair value of the share options granted. The fair values of the goods or services received are recognised as expenses, with a corresponding increase in equity (share option reserve), when the Group obtains the goods or when the counterparties render services, unless the goods or services qualify for recognition as assets.

### 3. 主要會計政策(續)

#### 退休福利成本

定額供款退休福利計劃(包括強制性公積金計劃及本集團經營所在中國多個地區有關市人民政府設立之僱員退休金計劃)付款，於僱員已提供服務使彼等可享有供款時以開支扣除。

#### 以股份為基礎之付款交易

##### 股權結算以股份為基礎之付款交易

###### 授予僱員之購股權

參考已授出購股權於授出日期之公平值釐定之所得服務公平值，乃於已授出購股權即時歸屬時於授出日期全數確認為開支，並於權益(購股權儲備)作出相應增加。

於購股權獲行使時，先前於購股權儲備確認之金額將轉撥至股份溢價。倘購股權於歸屬日期後被沒收或於屆滿日期仍未行使，則先前於購股權儲備確認之金額將轉撥至保留溢利。

###### 授予顧問之購股權

為換取貨品或服務而發行之購股權乃按已收貨品或服務之公平值計量，除非該公平值無法可靠地計量，則在該情況下，已收貨品或服務乃參考已授出購股權之公平值計量。當本集團取得貨品或當交易對手方提供服務時，已收貨品或服務之公平值確認為開支，並相應增加權益(購股權儲備)，除非貨品或服務符合資格確認為資產。



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## 綜合財務報表附註

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### 4. KEY SOURCE OF ESTIMATION UNCERTAINTY

The following is the key assumption concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

#### Allowance for inventories

The management of the Group reviews an aged analysis at the end of each reporting period, and makes allowance for obsolete and slow-moving inventory items identified that are no long suitable for sales. The management estimates that the net realisable value for such finished goods based primarily on the latest invoice prices and current market conditions. Where the net realisable value is less than the carrying amount, impairment loss may arise. As at 31st March 2016, the carrying amount of inventories is HK\$1,569,528,000 (2015: HK\$1,783,767,000).

### 5. SEGMENT INFORMATION

The Group's operation is principally sales of watches. The Group's turnover represents consideration received or receivable from sales of watches.

The Group has two operating segments, which are analysed based on geographical markets of the goods sold, being (a) Hong Kong, and (b) Taiwan, Macau and the PRC, which is also the basis of organisation of the Group for managing the business operations. The Group determines its operating segments based on the internal reports reviewed by the chief operating decision maker, being the Managing Director of the Group, that are used to allocate resources and assess performance. No operating segments identified by the chief operating decision maker have been aggregated in arriving at the reportable segments of the Group.

### 4. 估計不確定性之主要來源

於報告期末，很大可能導致下一個財政年度內之資產及負債賬面值須作重大調整而有關未來之主要假設，以及估計不確定性之其他主要來源如下。

#### 存貨撥備

本集團管理層於每個報告期末審閱賬齡分析，並就不再適用於銷售之可識別過期及滯銷存貨項目作出撥備。管理層主要根據最近期之發票價格及現行市場情況估計該等製成品之可變現淨值。當可變現淨值低於賬面值，則可能產生減值虧損。於二零一六年三月三十一日，存貨之賬面值為1,569,528,000港元(二零一五年：1,783,767,000港元)。

### 5. 分部資料

本集團主要從事銷售鐘表業務。本集團之營業額指銷售鐘表之已收或應收代價。

本集團有兩個按出售貨品地理市場分析之營運分部，分別為(a)香港，及(b)台灣、澳門及中國，亦為組織本集團管理業務營運之基準。本集團按已由首席營運決策者(即本集團董事總經理)審閱並賴以作出資源分配及評估表現之內部報告釐定其營運分部。概無首席營運決策者所識別之營運分部已於達致本集團之可呈報分部時彙集計算。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31st March, 2016

截至二零一六年三月三十一日止年度

### 5. SEGMENT INFORMATION (Continued)

The following is an analysis of the Group's segment revenue and results by operating segments.

### 5. 分部資料(續)

以下為本集團按營運分部劃分之分部收益及業績分析。

		Segment revenue 分部收益		Segment profit (loss) 分部溢利(虧損)	
		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
Hong Kong	香港	<b>2,245,293</b>	2,185,609	<b>28,361</b>	28,287
Taiwan, Macau and the PRC	台灣、澳門 及中國	<b>786,459</b>	923,422	<b>(16,919)</b>	(13,657)
		<b>3,031,752</b>	3,109,031	<b>11,442</b>	14,630
Unallocated other income	未分配其他收入			<b>4,509</b>	20,897
Unallocated corporate expenses	未分配公司開支			<b>(25,184)</b>	(20,818)
Finance costs	融資成本			<b>(6,942)</b>	(15,214)
Share of results of associates	應佔聯營公司之 業績			<b>892</b>	631
Share of results of joint ventures	應佔合營公司之 業績			<b>2,566</b>	9,524
(Loss) profit before taxation	除稅前(虧損) 溢利			<b>(12,717)</b>	9,650

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## 綜合財務報表附註

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截至二零一六年三月三十一日止年度

### 5. SEGMENT INFORMATION (Continued)

The accounting policies used to determine segment revenue and results are the same as the accounting policies adopted in the Group's consolidated financial statements described in note 3. Segment profit represents the profit earned by each segment without allocation of finance costs, share of results of associates and joint ventures and unallocated other income and expenses. Unallocated expenses include auditor's remuneration, directors' emoluments, exchange loss and operating expenses of inactive companies. This is the measure reported to the Managing Director of the Group for the purposes of resources allocation and performance assessment.

The Group has no customer who contributed over 10% of the total revenue of the Group for any of the two years ended 31st March, 2016.

All segment revenue is generated from external customers for both years.

### 5. 分部資料(續)

釐定分部收益及業績所用之會計政策與本集團之綜合財務報表採納之會計政策相同。分部溢利指在未分配融資成本、應佔聯營公司及合營公司之業績及未分配其他收支之情況下各分部賺取之溢利。未分配開支包括核數師酬金、董事酬金、匯兌虧損及暫無營業公司之營運開支。此乃向本集團董事總經理就資源分配及表現評估作出報告之計量方式。

本集團並無客戶為本集團截至二零一六年三月三十一日止任何兩個年度之收益總額帶來10%以上之貢獻。

兩個年度之所有分部收益均來自外部客戶。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31st March, 2016

截至二零一六年三月三十一日止年度

### 5. SEGMENT INFORMATION (Continued)

The following is an analysis of the Group's assets and liabilities by operating segments.

### 5. 分部資料(續)

以下為本集團按營運分部劃分之資產與負債分析。

		Segment assets 分部資產		Segment liabilities 分部負債	
		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
Hong Kong	香港	<b>1,246,569</b>	1,331,557	<b>110,768</b>	91,474
Taiwan, Macau and the PRC	台灣、澳門 及中國	<b>721,173</b>	862,317	<b>44,801</b>	61,185
Segment total	分部總計	<b>1,967,742</b>	2,193,874	<b>155,569</b>	152,659
Unallocated	未分配	<b>565,840</b>	512,199	<b>220,441</b>	341,623
Group's total	本集團總計	<b>2,533,582</b>	2,706,073	<b>376,010</b>	494,282

The segment assets by location of assets are the same as by location of markets of the goods sold.

按資產所在地劃分之分部資產與按出售貨品市場之位置劃分者相同。

For the purposes of monitoring segment performance and allocating resources between segments:

就監察分部表現及於分部間分配資源而言：

- all assets are allocated to operating segments other than interests in associates and joint ventures, available-for-sale financial assets, deferred tax assets, amount due from a joint venture, taxation recoverable as well as assets of the headquarters and bank balances and cash; and
- all liabilities are allocated to operating segments other than taxation payable, deferred tax liabilities and bank loans as well as other payables of the headquarters. Bank loans are classified as unallocated corporate liabilities because they are managed centrally by the treasury function of the Group.

- 除聯營公司及合營公司之權益、可供出售金融資產、遞延稅項資產、應收合營公司款項、可退回稅項，以及總部之資產及銀行結餘及現金外，所有資產均分配至各營運分部；及
- 除應付稅項、遞延稅項負債及銀行貸款，以及總部之其他應付賬款外，所有負債均分配至各營運分部。由於銀行貸款由本集團之庫務部門集中管理，故分類為未分配公司負債。

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### 5. SEGMENT INFORMATION (Continued)

#### Other segment information

Amounts included in the measure of segment results or segment assets:

		Additions of property, plant and equipment		Depreciation		Loss (gain) on disposal of property, plant and equipment		Increase (decrease) in non-current property rental deposits	
		添置物業、機器及設備		折舊		出售物業、機器及設備之虧損(收益)		非流動物業租金按金增加(減少)	
		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	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	5,829	3,551	14,446	16,546	47	(17,255)	27,342	(21,225)
Taiwan, Macau and the PRC	台灣、澳門及中國	11,373	8,041	17,693	20,310	—	—	(49)	2,745
Segment total	分部總計	17,202	11,592	32,139	36,856	47	(17,255)	27,293	(18,480)
Unallocated	未分配	—	—	137	171	—	—	—	—
Group's total	本集團總計	17,202	11,592	32,276	37,027	47	(17,255)	27,293	(18,480)

Information about the Group's non-current assets (excluding available-for-sale financial assets, deferred tax assets, property rental deposits, amount due from a joint venture and interests in associates and joint ventures) by geographical location of the assets is detailed below:

### 5. 分部資料(續)

#### 其他分部資料

計量分部業績或分部資產所包括之金額：

按資產所在地劃分之本集團非流動資產(不包括可供出售金融資產、遞延稅項資產、物業租金按金、應收合營公司款項以及於聯營公司及合營公司之權益)之資料詳述如下：

		Carrying amount of non-current assets	
		非流動資產之賬面值	
		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	193,334	199,845
Taiwan, Macau and the PRC	台灣、澳門及中國	42,605	50,555
		235,939	250,400

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### 6. OTHER INCOME, GAINS AND LOSSES

Show window rental income	櫥窗租金收入
Refund of rental expense	退還租金開支
Repairing service income	維修服務收入
(Loss) gain on disposal of property, plant and equipment	出售物業、機器及設備之(虧損)收益
Interest income	利息收入
Exchange (loss) gain	匯兌(虧損)收益
Others	其他

### 6. 其他收入、收益及虧損

2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
<b>22,489</b>	21,525
<b>8,880</b>	—
<b>1,487</b>	1,716
<b>(47)</b>	17,255
<b>1,309</b>	2,544
<b>(3,300)</b>	163
<b>6,307</b>	4,852
<b>37,125</b>	48,055

### 7. FINANCE COSTS

Interest on bank borrowings	銀行借貸之利息
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### 7. 融資成本

2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
<b>6,942</b>	15,214



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## 綜合財務報表附註

For the year ended 31st March, 2016

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### 8. (LOSS) PROFIT BEFORE TAXATION

### 8. 除稅前(虧損)溢利

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
(Loss) profit before taxation has been arrived at after charging:	除稅前(虧損)溢利已扣除：		
Directors' remuneration (note 9)	董事酬金(附註9)	<b>15,694</b>	18,049
Other staff's retirement benefits scheme contributions	其他職員之退休福利計劃供款	<b>5,249</b>	7,562
Other staff costs	其他職員成本	<b>82,659</b>	85,282
Total staff costs	職員成本總額	<b>103,602</b>	110,893
Auditor's remuneration	核數師酬金	<b>2,780</b>	2,780
Depreciation of property, plant and equipment	物業、機器及設備之折舊	<b>32,276</b>	37,027
Impairment loss recognised in respect of property, plant and equipment	就物業、機器及設備確認之減值虧損	<b>1,325</b>	—
Operating lease rentals in respect of rented premises	有關租賃物業之經營租賃租金	<b>226,570</b>	224,329

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## 綜合財務報表附註

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### 9. DIRECTORS' AND EMPLOYEES' EMOLUMENTS

Directors' and chief executive's remuneration for the year, disclosed pursuant to the applicable listing rule and Hong Kong Companies Ordinance. The emoluments paid or payable to each of the nine (2015: nine) directors were as follows:

### 9. 董事及僱員之酬金

董事及行政總裁之本年度酬金乃根據適用上市規則及香港公司條例披露。已付或應付九名(二零一五年：九名)董事各人之酬金如下：

	2016 二零一六年					2015 二零一五年				
	Fees	Salaries and other benefits	Retirement benefits scheme contributions	Performance-related bonus	Total	Fees	Salaries and other benefits	Retirement benefits scheme contributions	Performance-related bonus	Total
	袍金	薪金及其他福利	退休福利計劃供款	表現相關獎勵花紅	總計	袍金	薪金及其他福利	退休福利計劃供款	表現相關獎勵花紅	總計
	HK\$'000	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	千港元
				(note) (附註)					(note) (附註)	
Executive directors	執行董事									
Dr. Yeung Ming Biu	–	3,381	312	–	3,693	–	3,435	459	42	3,936
Mr. Yeung Him Kit, Dennis	–	3,186	423	–	3,609	–	3,724	423	42	4,189
Mr. Fung Kwong Yiu	–	2,436	229	–	2,665	–	3,017	335	42	3,394
Madam Yeung Man Yee, Shirley	–	797	108	–	905	–	797	108	42	947
Mr. Lam Hing Lun, Alain	–	1,759	239	–	1,998	–	2,347	239	42	2,628
Mr. Choi Kwok Yum	–	2,014	270	–	2,284	–	2,103	270	42	2,415
Independent non-executive directors	獨立非執行董事									
Dr. Sun Ping Hsu, Samson	180	–	–	–	180	180	–	–	–	180
Dr. Li Sau Hung, Eddy	180	–	–	–	180	180	–	–	–	180
Mr. Choi Man Chau, Michael	180	–	–	–	180	180	–	–	–	180
	540	13,573	1,581	–	15,694	540	15,423	1,834	252	18,049

Note: The performance-related incentive bonus is determined as a percentage of the profit for the year before bonus charge.

附註：表現相關獎勵花紅乃按扣除花紅前年內溢利之某一百分比而釐定。

All the five highest paid employees of the Group were executive directors of the Company. Details of their emoluments are disclosed above.

本集團五位最高薪酬僱員均為本公司執行董事。彼等之酬金詳情於上文披露。

Mr. Yeung Him Kit, Dennis, is also the Chief Executive of the Company and his emoluments disclosed above include those for services rendered by him as the Chief Executive.

楊衍傑先生亦為本公司之行政總裁，上文所披露彼之酬金包括其作為行政總裁提供服務之酬金。

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## 綜合財務報表附註

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### 9. DIRECTORS' AND EMPLOYEES' EMOLUMENTS (Continued)

The executive directors' emoluments shown above were mainly for their services in connection with the management of the affairs of the Company and the Group. The emoluments of non-executive directors and independent non-executive directors and independent non-executive directors shown above were mainly for their services as directors' of the Company.

During the year, no emoluments were paid by the Group to the five highest paid individuals (including directors and employees) as an inducement to join or upon joining the Group or as compensation for loss of office. None of the directors has waived any emoluments during the year.

### 10. INCOME TAX EXPENSE

The charge comprises:	支出包括：
Hong Kong Profits Tax	香港利得稅
Under(over)provision in prior years	過往年度撥備不足(超額撥備)
Taxation in other jurisdictions	其他司法權區之稅項
Overprovision in prior years	過往年度超額撥備
Deferred taxation (note 22)	遞延稅項(附註22)

### 9. 董事及僱員之酬金(續)

上文所載執行董事酬金主要就彼等管理本公司及本集團事務所提供之服務而支付。上文所載非執行董事及獨立非執行董事酬金主要就彼等擔任本公司董事所提供之服務而支付。

年內，本集團並無向五位最高薪酬人士(包括董事及僱員)支付任何酬金，作為加入本集團或加入本集團後之報酬或離職補償。年內概無董事放棄任何酬金。

### 10. 所得稅開支

2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
2,409	4,067
8	(444)
<b>2,417</b>	3,623
696	2,381
(432)	(1,085)
<b>264</b>	1,296
361	398
<b>3,042</b>	5,317

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## 綜合財務報表附註

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### 10. INCOME TAX EXPENSE (Continued)

Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profits for both years.

Taxation in other jurisdictions is calculated at the rates prevailing pursuant to the relevant laws and regulations.

Under the Law of the PRC on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25%.

The tax charge for the year can be reconciled to the (loss) profit before taxation per the consolidated statement of profit or loss and other comprehensive income as follows:

### 10. 所得稅開支(續)

香港利得稅乃根據兩個年度之估計應課稅溢利按 16.5% 計算。

其他司法權區之稅項乃根據有關法例及法規按現行稅率計算。

根據《中國企業所得稅法》(「企業所得稅法」)及《企業所得稅法實施條例》，中國附屬公司之稅率為 25%。

本年度稅項支出可與根據綜合損益及其他全面收益表之除稅前(虧損)溢利對賬如下：

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
(Loss) profit before taxation	除稅前(虧損)溢利	<b>(12,717)</b>	9,650
Tax at the applicable income tax rate of 16.5% (2015: 16.5%)	根據適用所得稅率 16.5% (二零一五年：16.5%) 計算之稅項	<b>(2,098)</b>	1,592
Tax effect of share of results of associates	應佔聯營公司之業績之稅務影響	<b>(147)</b>	(104)
Tax effect of share of results of joint ventures	應佔合營公司之業績之稅務影響	<b>(423)</b>	(1,571)
Tax effect of expenses not deductible for tax purposes	不可扣稅開支之稅務影響	<b>966</b>	2,280
Tax effect of income not taxable for tax purposes	毋須課稅收入之稅務影響	<b>(98)</b>	(3,141)
Tax effect of tax losses not recognised	未確認稅務虧損之稅務影響	<b>5,092</b>	7,582
Effect of different tax rates of subsidiaries operating in other jurisdictions	於其他司法權區經營之附屬公司所使用不同稅率之影響	<b>104</b>	(317)
Overprovision in prior years	過往年度超額撥備	<b>(424)</b>	(1,529)
Others	其他	<b>70</b>	525
Tax charge for the year	本年度稅項支出	<b>3,042</b>	5,317

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### 11. DIVIDENDS

### 11. 股息

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Dividends recognised as distribution during the year:	年內已確認為分派之股息：		
Interim dividend for financial year ended 31st March, 2016 of 0.1 HK cents (special dividend for financial year ended 31st March, 2015: 0.5 HK cents) per share on 570,610,224 (2015: 570,610,224) shares	按570,610,224(二零一五年：570,610,224股)股計算之截至二零一六年三月三十一日止財政年度中期股息每股0.1港仙(截至二零一五年三月三十一日止財政年度特別股息：0.5港仙)	570	2,853
Final dividend for financial year ended 31st March, 2015 of 0.25 HK cents (financial year ended 31st March, 2014: 0.25 HK cents) per share on 570,610,224 (2014: 570,610,224) shares	按570,610,224(二零一四年：570,610,224股)股計算之截至二零一五年三月三十一日止財政年度末期股息每股0.25港仙(截至二零一四年三月三十一日止財政年度：0.25港仙)	1,426	1,426
		<b>1,996</b>	4,279
Dividend proposed after year end:	年結後擬派之股息：		
Proposed final dividend for financial year ended 31st March, 2016 of 0.25 HK cents (financial year ended 31st March, 2015: 0.25 HK cents) per share on 570,610,224 (2015: 570,610,224) shares	按570,610,224(二零一五年：570,610,224股)股計算之截至二零一六年三月三十一日止財政年度擬派末期股息每股0.25港仙(截至二零一五年三月三十一日止財政年度：0.25港仙)	1,426	1,426

A final dividend of 0.25 HK cents (2015: 0.25 HK cents) per share has been proposed by the directors and is subject to approval by the shareholders in the forthcoming annual general meeting.

董事已建議派發末期股息每股0.25港仙(二零一五年：0.25港仙)，須待股東於應屆股東週年大會上批准後，方可作實。

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### 12. (LOSS) EARNINGS PER SHARE

The calculation of the basic and diluted (loss) earnings per share attributable to owners of the Company is based on the following data:

#### (Loss) earnings

(Loss) earnings for the purposes of basic and diluted (loss) earnings per share ((loss) profit for the year attributable to owners of the Company)

#### (虧損)盈利

計算每股基本及攤薄(虧損)盈利之(虧損)盈利(本公司擁有人應佔年內(虧損)溢利)

#### Number of shares

Number of ordinary shares for the purpose of basic (loss) earnings per share  
Effect of dilutive potential ordinary shares  
— share options

#### 股份數目

計算每股基本(虧損)盈利之普通股數目  
潛在攤薄普通股之影響  
— 購股權

Number of ordinary shares for the purpose of diluted (loss) earnings per share

計算每股攤薄(虧損)盈利之普通股數目

The diluted (loss) earnings per share for both years has not included the effect from the Company's share options because the exercise prices of the share options are higher than the average market price of the shares of the Company.

### 12. 每股(虧損)盈利

本公司擁有人應佔每股基本及攤薄(虧損)盈利乃根據以下數據計算：

2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
(15,528)	4,508

2016 二零一六年 '000 千股	2015 二零一五年 '000 千股
570,610	570,610
—	—
570,610	570,610

兩個年度之每股攤薄(虧損)盈利並無包括本公司購股權之影響，此乃由於購股權之行使價高於本公司股份之平均市價。



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## 綜合財務報表附註

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### 13. PROPERTY, PLANT AND EQUIPMENT

### 13. 物業、機器及設備

		Leasehold land and buildings 租賃 土地及樓宇 HK\$'000 千港元	Furniture, fixtures and equipment 傢俬、裝置 及設備 HK\$'000 千港元	Motor vehicles 汽車 HK\$'000 千港元	Total 合計 HK\$'000 千港元
<b>COST</b>					
	<b>成本</b>				
At 1st April, 2014	於二零一四年四月一日	195,605	258,361	3,359	457,325
Exchange adjustment	匯兌調整	(29)	(322)	—	(351)
Additions	添置	—	11,386	206	11,592
Disposals	出售	(8,186)	(7,974)	—	(16,160)
At 31st March, 2015	於二零一五年三月三十一日	187,390	261,451	3,565	452,406
Exchange adjustment	匯兌調整	(1,321)	(5,543)	—	(6,864)
Additions	添置	—	17,202	—	17,202
Disposals	出售	—	(11,804)	—	(11,804)
At 31st March, 2016	於二零一六年三月三十一日	186,069	261,306	3,565	450,940
<b>DEPRECIATION</b>					
	<b>折舊</b>				
At 1st April, 2014	於二零一四年四月一日	25,861	149,827	1,458	177,146
Exchange adjustment	匯兌調整	(11)	(121)	—	(132)
Provided for the year	本年度撥備	4,132	32,525	370	37,027
Eliminated on disposals	出售時撇銷	(1,293)	(7,409)	—	(8,702)
At 31st March, 2015	於二零一五年三月三十一日	28,689	174,822	1,828	205,339
Exchange adjustment	匯兌調整	(551)	(4,559)	—	(5,110)
Provided for the year	本年度撥備	4,055	27,904	317	32,276
Impairment loss recognised in profit or loss	於損益確認之減值虧損	—	1,325	—	1,325
Eliminated on disposals	出售時撇銷	—	(11,757)	—	(11,757)
At 31st March, 2016	於二零一六年三月三十一日	32,193	187,735	2,145	222,073
<b>CARRYING VALUES</b>					
	<b>賬面值</b>				
At 31st March, 2016	於二零一六年三月三十一日	153,876	73,571	1,420	228,867
At 31st March, 2015	於二零一五年三月三十一日	158,701	86,629	1,737	247,067

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31st March, 2016

截至二零一六年三月三十一日止年度

### 13. PROPERTY, PLANT AND EQUIPMENT (Continued)

Owner-occupied leasehold land located in Hong Kong and the PRC is included in property, plant and equipment because the allocation between the land portion and building portion cannot be made reliably.

The carrying value of property comprises:

Properties located in:

Hong Kong  
PRC

物業之賬面值包括：

物業位於：

香港  
中國

During the year ended 31st March, 2016, the directors conducted a review of the Group's assets and determined that the assets of a subsidiary were impaired because it is expected that these assets will not generate future benefit to the Group. Accordingly, impairment loss of HK\$1,325,000 (2015: nil) has been recognised in respect of those assets.

### 13. 物業、機器及設備(續)

由於位於香港及中國之業主自用租賃土地之土地部份及樓宇部份不能可靠地劃分，故業主自用租賃土地乃計入物業、機器及設備。

2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
140,365	143,196
13,511	15,505
<b>153,876</b>	<b>158,701</b>

截至二零一六年三月三十一日止年度，董事對本集團之資產進行檢討並釐定一間附屬公司之資產已減值，因為預期該等資產將不會為本集團產生未來效益。因此，就該等資產確認減值損失1,325,000港元(二零一五年：無)。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31st March, 2016

截至二零一六年三月三十一日止年度

### 14. GOODWILL

### 14. 商譽

		HK\$'000 千港元
<b>COST</b>	<b>成本</b>	
At 1st April, 2014, 31st March, 2015 and 2016	於二零一四年四月一日、 二零一五年及二零一六年 三月三十一日	1,623
<b>IMPAIRMENT</b>	<b>減值</b>	
At 1st April, 2014, 31st March, 2015 and 2016	於二零一四年四月一日、 二零一五年及二零一六年 三月三十一日	1,623
<b>CARRYING VALUES</b>	<b>賬面值</b>	
At 31st March, 2016 and 2015	於二零一六年及二零一五年 三月三十一日	—

For the purpose of impairment testing, goodwill has been allocated to a cash generating unit (“CGU”) comprising one subsidiary in watch trading.

The recoverable amount of the relevant CGU has been determined on the basis of value in use calculation. The key assumptions for the value in use calculation are those regarding the discount rates, growth rates and expected changes to revenue and direct costs during the budget period. The management estimates discount rates using pre-tax rates that reflect current market assessments of the time value of money and the risks specific to the CGU. Changes in revenue and direct costs are based on past practices and expectations of future changes in the market.

During the year ended 31st March, 2014, the Group recognised impairment loss in profit or loss of HK\$1,623,000 due to the operating loss and the uncertainty of future prospects of the subsidiary.

就減值測試而言，商譽獲分配至現金產生單位（「現金產生單位」），包括一間手錶經銷之附屬公司。

相關現金產生單位之可收回金額乃按使用價值計算基準釐定。使用價值計算之關鍵因素為貼現率、增長率及預期收益變動及預算期內直接成本變動。管理層使用稅前比率估計貼現率，而該稅前比率反映金錢時間價值之目前市場評估及該現金產生單位之獨有風險。收益及直接成本變動乃以過往慣例以及對市場未來轉變之預期為基準。

於截至二零一四年三月三十一日止年度，由於經營虧損及該附屬公司未來前景之不確定性，故本集團於損益確認減值虧損1,623,000港元。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31st March, 2016

截至二零一六年三月三十一日止年度

### 15. INTERESTS IN ASSOCIATES

### 15. 聯營公司之權益

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Cost of investments in unlisted associates	於非上市聯營公司之投資成本	30,201	30,201
Exchange adjustment	匯兌調整	(3,405)	(1,967)
Share of post-acquisition profits	應佔收購後之溢利	8,354	7,462
		<b>35,150</b>	35,696

Included in the cost of investments is goodwill of HK\$14,144,000 (2015: HK\$14,738,000) arising on acquisition of associates.

計入投資成本之商譽14,144,000港元(二零一五年: 14,738,000港元)來自收購聯營公司。

Details of the Group's associates at 31st March, 2016 and 2015 are as follows:

本集團聯營公司於二零一六年及二零一五年三月三十一日之詳情如下:

Name of associate 聯營公司名稱	Place of incorporation and operation 註冊成立及營運地點	Proportion of ownership interest 所有權權益比例		Proportion of voting power held 持有之投票權比例		Principal activity 主要業務
		2016 二零一六年	2015 二零一五年	2016 二零一六年	2015 二零一五年	
力新鐘錶股份有限公司	Taiwan 台灣	40%	40%	40%	40%	Watch trading 手錶經銷
永新鐘錶股份有限公司	Taiwan 台灣	40%	40%	40%	40%	Watch trading 手錶經銷
益新鐘錶股份有限公司	Taiwan 台灣	40%	40%	40%	40%	Watch trading 手錶經銷

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31st March, 2016

截至二零一六年三月三十一日止年度

### 15. INTERESTS IN ASSOCIATES (Continued)

#### Aggregate information of associates that are not individually material

The Group's share of profit and total comprehensive income	本集團應佔溢利及全面收益總額
Aggregate carrying amount of the Group's interests in these associates	本集團於該等聯營公司之合計賬面值

### 15. 聯營公司之權益(續)

並非個別重大之聯營公司之合計資料

	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
	892	631
	35,150	35,696

### 16. INTERESTS IN JOINT VENTURES

Cost of investments in unlisted joint ventures	於非上市合營公司之投資成本
Exchange adjustment	匯兌調整
Share of post-acquisition profits	應佔收購後之溢利
Amount due from a joint venture (note a)	應收一間合營公司之款項(附註a)

### 16. 合營公司之權益

	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
	21,807	21,807
	(588)	808
	22,248	19,682
	43,467	42,297
	71,339	77,639
	114,806	119,936

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31st March, 2016

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### 16. INTERESTS IN JOINT VENTURES

(Continued)

Details of the Group's joint ventures at 31st March, 2016 and 2015 are as follows:

Name of joint venture	Place of incorporation and operation	Proportion of ownership interest	Proportion of voting power held	Principal activity
合營公司名稱	註冊成立及營運地點	所有權權益比例	持有之投票權比例	主要業務
寧波匯美鐘錶有限公司 ("Huimei")	The PRC 中國	40%	40% (note b) (附註 b)	Watch trading 手錶經銷
喜東鐘錶有限公司 ("Hei Tung")	Macau 澳門	45%	45% (note c) (附註 c)	Watch trading 手錶經銷

Notes:

- (a) The amount, which is due from Hei Tung, is unsecured, interest free and has no fixed repayment term. During the year, the Group has received repayment of amount due from a joint venture, Hei Tung, amounting HK\$6,300,000. The Group expects that the remaining amount would not be settled within twelve months from the end of the reporting period and therefore classifies the amount as a non-current asset.
- (b) The Group holds 40% of the paid-in capital of Huimei. Huimei is jointly controlled by the Group and the other significant equity owner by virtue of contractual arrangements among equity owners. Therefore, Huimei is classified as a joint venture of the Group.
- (c) The Group holds 45% of the paid-in capital of equity owners Hei Tung. Hei Tung is jointly controlled by the Group and the other significant equity owner by virtue of contractual arrangements between the two equity owners. Therefore, Hei Tung is classified as a joint venture of the Group.

Included in the cost of investments is goodwill of HK\$4,070,000 (2015: HK\$4,147,000) arising on acquisition of Huimei during the year ended 31st March, 2012.

### 16. 合營公司之權益(續)

本集團合營公司於二零一六年及二零一五年三月三十一日之詳情如下：

附註：

- (a) 應收喜東之款項為無抵押、免息，且並無固定還款期。年內，本集團已收到合營公司喜東償還之款項，金額為6,300,000港元。本集團預期餘下款項將於呈報期末起計十二個月內清償，因此，該款項乃分類為非流動資產。
- (b) 本集團持有匯美實繳股本之40%。匯美因各股權擁有人之間訂立之合約安排而受本集團與另一股權擁有人共同控制。因此，匯美分類為本集團之合營公司。
- (c) 本集團持有喜東股權擁有人實繳股本之45%。喜東因兩名股權擁有人之間訂立之合約安排而受本集團與另一重大股權擁有人共同控制。因此，喜東分類為本集團之合營公司。

計入投資成本之商譽4,070,000港元(二零一五年：4,147,000港元)來自於截至二零一二年三月三十一日止年度內收購匯美。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31st March, 2016

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### 16. INTERESTS IN JOINT VENTURES

(Continued)

Aggregate information of joint ventures that are not individually material

The Group's share of profit and total comprehensive income	本集團應佔溢利及全面收益總額
Aggregate carrying amount of the Group's interests in these joint ventures	本集團於該等合營公司之合計賬面值

### 16. 合營公司之權益(續)

並非個別重大之合營公司之合計資料

2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
2,566	9,524
43,467	42,297

### 17. AVAILABLE-FOR-SALE FINANCIAL ASSETS

Listed investments	上市投資
Equity securities listed in Hong Kong (note a)	香港上市之股本證券 (附註a)
Unlisted investments	非上市投資
Managed fund portfolio (note b)	管理基金投資組合 (附註b)

### 17. 可供出售金融資產

2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
93	99
5,432	5,553
5,525	5,652

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31st March, 2016

截至二零一六年三月三十一日止年度

### 17. AVAILABLE-FOR-SALE FINANCIAL ASSETS (Continued)

Notes:

- (a) At the end of the reporting period, all the equity securities listed in Hong Kong are stated at fair values, which have been determined with reference to quoted bid prices in an active market.
- (b) The managed fund portfolio as at 31st March, 2016 and 31st March, 2015 comprises of unlisted investments. The fund is stated at fair value with reference to the quoted market prices provided by brokers which are financial institutions.

### 18. TRADE AND OTHER RECEIVABLES

Trade receivables	貿易應收賬款
Receivable from a joint venture (note)	應收一間合營公司之賬款 (附註)
Property rental and utilities deposits	物業租金及公用設施按金
Advances to other suppliers	向其他供應商墊款
VAT recoverable	可收回之增值稅
Other receivables	其他應收賬款

Note: The amount represents reimbursements receivable from a joint venture under a procurement arrangement (see note 32 (a)).

### 17. 可供出售金融資產(續)

附註:

- (a) 於呈報期末，所有香港上市股本證券均按公平值入賬，而公平值乃參照活躍市場所報之買入價而釐定。
- (b) 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管理基金投資組合包括非上市投資。基金乃經參考作為經紀的金融機構所提供之市場報價按公平值列賬。

### 18. 貿易及其他應收賬款

2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
88,852	86,120
5,185	2,637
16,530	43,678
489	1,117
2,610	2,849
3,419	5,546
<b>117,085</b>	<b>141,947</b>

附註：該款項指根據一項採購安排應收一間合營公司之退款(見附註32(a))。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31st March, 2016

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### 18. TRADE AND OTHER RECEIVABLES

(Continued)

The Group maintains a general credit policy of not more than 30 days for its wholesales customers. Sales made to retail customers are made on a cash basis. The following is an aged analysis of trade receivables based on the invoice date at the end of the reporting period:

Age	賬齡
0 to 30 days	0至30日
31 to 60 days	31至60日
61 to 90 days	61至90日
Over 90 days	90日以上

About 97% (2015: 95%) of the trade receivables that are neither past due nor impaired are recovered within one month after the end of the reporting period. No provision has been made for trade receivables for both years.

Included in the Group's trade receivable balances are debtors with an aggregate carrying amount of HK\$2,979,000 (2015: HK\$4,447,000) which are past due at the reporting date for which the Group has not provided for impairment loss. The Group does not hold any collateral over these balances. The average age of these receivables is 60 days (2015: 40 days).

### 18. 貿易及其他應收賬款(續)

本集團對其批發客戶實行不超過30日之一般信貸政策。零售客戶銷售乃以現金進行。以下為貿易應收賬款於呈報期末按發票日期之賬齡分析：

2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
85,873	81,673
1,158	3,652
180	5
1,641	790
<b>88,852</b>	<b>86,120</b>

未逾期及未減值之貿易應收賬款中大約97%(二零一五年:95%)於呈報期末後一個月內收回。兩個年度均無就貿易應收賬款作出撥備。

本集團之貿易應收賬款結餘包括賬面總值2,979,000港元(二零一五年:4,447,000港元)之應收賬款,該等應收賬款於呈報日已逾期但本集團仍未作出減值虧損撥備。本集團並無就該等結餘持有任何抵押品。該等應收賬款之平均賬齡為60日(二零一五年:40日)。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31st March, 2016

截至二零一六年三月三十一日止年度

### 18. TRADE AND OTHER RECEIVABLES

(Continued)

#### Ageing of trade receivables which are past due but not impaired

31 to 60 days	31 至 60 日
61 to 90 days	61 至 90 日
Over 90 days	90 日以上

The Group will provide fully for any receivables over 365 days because historical experience is such that receivables that are past due beyond 365 days are generally not recoverable.

The Group has no significant concentration of credit risk, with exposure spread over a large number of counterparties and customers.

### 19. BANK BALANCES AND CASH

Bank balances and cash comprise cash held by the Group and short-term bank deposits with an original maturity of three months or less at variable interest rates ranging from 0.01% to 1.10% (2015: 0.01% to 1.20%) per annum.

### 18. 貿易及其他應收賬款(續)

#### 已逾期但未減值之貿易應收賬款之賬齡

2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
1,158	3,652
180	5
1,641	790
<b>2,979</b>	<b>4,447</b>

本集團將就任何逾期超過365日之應收賬款作出全數撥備，因為過往經驗顯示逾期超過365日之應收賬款一般不可收回。

本集團並無重大信貸風險集中情況，信貸風險分散於多名交易對手及客戶。

### 19. 銀行結餘及現金

銀行結餘及現金包括本集團所持現金及原到期日為三個月或以下並按浮動年利率介乎0.01%至1.10%(二零一五年：0.01%至1.20%)計息之短期銀行存款。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31st March, 2016

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### 20. TRADE AND OTHER PAYABLES

### 20. 貿易及其他應付賬款

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Trade payables	貿易應付賬款	102,881	97,075
Payroll and welfare payables	應付工資及福利	6,638	7,395
Commission payables	應付佣金	4,328	2,647
Advances from customers	客戶預付款	12,611	20,293
Renovation work payables	應付翻新工程賬款	3,163	2,199
VAT and other taxes payables	應付增值稅及其他稅項	8,631	12,045
Advertising fee payables	應付廣告費	3,666	2,568
Interest payables	應付利息	208	695
Property rental fee payables	應付物業租金費用	7,425	493
Other payables	其他應付賬款	7,203	7,293
		<b>156,754</b>	<b>152,703</b>

The following is an aged analysis of trade payables presented based on the invoice date at the end of the reporting period:

以下為貿易應付賬款於呈報期末按發票日期呈列之賬齡分析：

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
<b>Age</b>	<b>賬齡</b>		
0 to 60 days	0至60日	91,816	87,890
61 to 90 days	61至90日	127	645
Over 90 days	90日以上	10,938	8,540
		<b>102,881</b>	<b>97,075</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31st March, 2016

截至二零一六年三月三十一日止年度

### 21. BANK LOANS

### 21. 銀行貸款

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
The bank loans are repayable as follows (based on the scheduled repayment dates set out in the loan agreements):	銀行貸款須於以下期間償還(根據貸款協議所載之預定還款日):		
Within one year	一年內	<b>138,511</b>	206,710
More than one year but not exceeding two years	一年後但兩年內	<b>64,460</b>	95,754
More than two years but not exceeding five years	兩年後但五年內	<b>12,000</b>	29,383
More than five years	五年後	<b>1,667</b>	5,667
		<b>216,638</b>	337,514
Comprising:	包括:		
Amount due within one year shown under current liabilities	於一年內到期之款項(列為流動負債)	<b>138,511</b>	206,710
Amount that are not repayable within one year from the end of the reporting period but containing a repayment on demand clause (shown under current liabilities)	毋須於呈報期末起計一年內償還但包含按需求償還條款之款項(列為流動負債)	<b>17,667</b>	21,667
Total amount shown under current liabilities	列為流動負債之款項總額	<b>156,178</b>	228,377
Amount shown under non-current liabilities	列為非流動負債之款項	<b>60,460</b>	109,137
		<b>216,638</b>	337,514
Analysed as:	分析為:		
Secured	有抵押	<b>21,667</b>	95,111
Unsecured	無抵押	<b>194,971</b>	242,403
		<b>216,638</b>	337,514

At 31st March, 2016, the Group pledged certain leasehold land and buildings with an aggregate carrying value of HK\$93,654,000 (2015: HK\$95,968,000) to banks to secure bank loan facilities granted to the Group.

於二零一六年三月三十一日，本集團已向銀行抵押總賬面值為93,654,000港元(二零一五年：95,968,000港元)之若干租賃土地及樓宇，以作為本集團獲授銀行貸款融資之抵押。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31st March, 2016

截至二零一六年三月三十一日止年度

### 21. BANK LOANS (Continued)

All bank loans carrying interest at variable rates, comprising:

Loans carrying interest at:	貸款按以下利率計息：
— Hong Kong Interbank Offered Rate (“HIBOR”) plus 1.80% per annum	— 香港銀行同業拆息（「香港銀行同業拆息」）加年利率 1.80%
— HIBOR plus 1.25% per annum	— 香港銀行同業拆息加年利率 1.25%
— the People’s Bank of China benchmark interest rate per annum	— 中國人民銀行基準年利率
— HIBOR plus 2.5% per annum	— 香港銀行同業拆息加年利率 2.5%
— Bank’s cost of funding plus 1.75% per annum	— 銀行融資成本加年利率 1.75%
— Bank’s cost of funding plus 1.50% per annum	— 銀行融資成本加年利率 1.50%

At the end of the reporting period, the Group has the following undrawn short-term borrowing facilities:

Variable rates	浮息
Expiring within one year	於一年內到期

### 21. 銀行貸款(續)

所有銀行貸款均按浮動利率計息，包括：

#### Effective interest rate per annum 實際年利率

2016 二零一六年	2015 二零一五年
2.19%	2.19%
N/A 不適用	2.29%
5.63%	5.60%
N/A 不適用	2.74%
2.54%	2.54%
2.54%	N/A 不適用

於呈報期末，本集團有以下未提取短期借貸融資：

2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
1,066,357	909,637

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## 綜合財務報表附註

For the year ended 31st March, 2016

截至二零一六年三月三十一日止年度

### 22. DEFERRED TAXATION

The following is the analysis of the deferred tax balances for financial reporting purposes:

Deferred tax assets                      遞延稅項資產  
Deferred tax liabilities                  遞延稅項負債

### 22. 遞延稅項

以下為用作財務呈報之遞延稅項結餘分析：

2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
<b>114</b>	306
<b>(1,937)</b>	(1,755)

The following are the major deferred tax (liabilities) assets recognised and movements thereon during the current and prior years:

以下為本年度及以往年度內已確認之主要遞延稅項(負債)資產以及其變動：

		Undistributable profits of associates and joint ventures 聯營公司及 合營公司之 未分派溢利 HK\$'000 千港元	Others 其他 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1st April, 2014	於二零一四年四月一日	(1,857)	807	(1,050)
Exchange adjustment	匯兌調整	—	(1)	(1)
(Credit) charge to profit or loss	於損益(計入)扣除	102	(500)	(398)
At 31st March, 2015	於二零一五年三月三十一日	(1,755)	306	(1,449)
Exchange adjustment	匯兌調整	—	(13)	(13)
Charge to profit or loss	於損益扣除	(182)	(179)	(361)
At 31st March, 2016	於二零一六年三月三十一日	(1,937)	114	(1,823)

Note: Others mainly represent deferred tax assets for accrued rental expenses.

附註：其他主要指應計租金開支之遞延稅項資產。

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## 綜合財務報表附註

For the year ended 31st March, 2016

截至二零一六年三月三十一日止年度

### 22. DEFERRED TAXATION (Continued)

At 31st March, 2016, the Group had unutilised tax losses of HK\$167,466,000 (2015: HK\$136,596,000) available to set off against future assessable profits. No deferred tax asset has been recognised in respect of these unutilised tax losses due to the unpredictability of future profit stream. Included in unutilised tax losses at 31st March, 2016 are losses of HK\$109,038,000 (2015: HK\$85,654,000) that will expire in the period from 2017 to 2021 (2015: 2016 to 2020). Other losses of the Group at 31st March, 2015 and 2016 may be carried forward indefinitely.

Under the law of the PRC, withholding tax is imposed on dividends declared in respect of profits earned by the PRC subsidiaries from 1st January, 2008 onwards. Deferred tax has not been provided for in the consolidated financial statements in respect of temporary differences attributable to accumulated profits of the PRC subsidiaries amounting to HK\$46,810,000 (2015: HK\$79,264,000) as the Group is able to control the timing of the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future.

### 23. SHARE CAPITAL

Ordinary shares of HK\$0.10 each	每股面值0.10港元之普通股
Authorised:	法定：
At 1st April, 2014, 31st March, 2015 and 31st March, 2016	於二零一四年四月一日、二零一五年三月三十一日及二零一六年三月三十一日
Issued and fully paid:	已發行及繳足：
At 1st April, 2014, 31st March, 2015 and 31st March, 2016	於二零一四年四月一日、二零一五年三月三十一日及二零一六年三月三十一日

### 22. 遞延稅項(續)

於二零一六年三月三十一日，本集團擁有未動用稅務虧損167,466,000港元(二零一五年：136,596,000港元)可供抵銷未來應課稅溢利。由於未能預測未來溢利來源，故並無就該等未動用稅務虧損確認遞延稅項資產。於二零一六年三月三十一日之未動用稅務虧損包括將於二零一七年至二零二一年(二零一五年：二零一六年至二零二零年)期間屆滿之虧損約109,038,000港元(二零一五年：85,654,000港元)。本集團於二零一五年及二零一六年三月三十一日之其他虧損可無限期結轉。

根據中國稅法，自二零零八年一月一日起，中國附屬公司所宣派有關所賺取溢利之股息須繳付預繳稅。由於本集團可控制撥回中國附屬公司累計溢利應佔暫時差額46,810,000港元(二零一五年：79,264,000港元)之時間，以及暫時差額可能不會於可見將來撥回，故並無於綜合財務報表就暫時差額作出遞延稅項之撥備。

### 23. 股本

Number of shares 股份數目	Amount 金額 HK\$'000 千港元
1,000,000,000	100,000
570,610,224	57,061

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## 綜合財務報表附註

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### 24. SHARE-BASED PAYMENT TRANSACTION

#### (a) 2003 Share Option Scheme

Pursuant to an ordinary resolution passed at the Company's special general meeting held on 3rd November, 2003, the Company adopted a share option scheme (the "2003 Share Option Scheme"). The 2003 Share Option Scheme was valid for a period of ten years commencing on the adoption date on 3rd November, 2003.

Under the 2003 Share Option Scheme, options may be granted to any director, employee, consultant, customer, supplier or advisor of the Group or a company in which the Company holds an interest or a subsidiary of such company, the trustee of the eligible persons or a company beneficially owned by the eligible persons. The purpose of the 2003 Share Option Scheme is to attract and retain quality personnel and other persons to provide incentive to them to contribute to the business and operation of the Group. No eligible persons shall be granted an option in any 12-month period for such number of shares (issued and to be issued) which in aggregate would exceed 1% of the share capital of the Company in issue on the last day of such 12-month period unless approval of the shareholders of the Company has been obtained in accordance with the Listing Rules. The exercisable period is determined by the directors of the Company, which shall not be more than ten years from the date of grant, and may include a minimum period for which the options must be held before it can be exercised. The exercise price per share payable on the exercise of an option equals to the highest of:

- (a) the nominal value of one share;
- (b) the closing price per share as stated in the Stock Exchange's daily quotations sheet on the date of grant; and

### 24. 以股份為基礎之付款交易

#### (a) 二零零三年購股權計劃

根據本公司於二零零三年十一月三日舉行之股東特別大會上通過之普通決議案，本公司採納購股權計劃（「二零零三年購股權計劃」）。二零零三年購股權計劃由採納日期二零零三年十一月三日起計有效十年。

根據二零零三年購股權計劃，購股權可授予本集團或本公司持有權益之公司或該公司之附屬公司之任何董事、僱員、顧問、客戶、供應商或諮詢人、合資格人士之信託人或合資格人士實益擁有之公司。二零零三年購股權計劃旨在吸引及挽留優秀人才及其他人士，以獎勵彼等對本集團之業務及經營作出貢獻。根據上市規則，除非已取得本公司股東批准，否則於任何十二個月期間內，合資格人士不得獲授予涉及股份數目（已發行及將予發行）合共超過本公司於該十二個月期間之最後一日之已發行股本1%之購股權。行使期由本公司董事釐定，惟不得超過自授出日期起計十年，且可包括購股權行使前必須持有之最短期限。在行使購股權時應付之每股行使價相等於以下三者中之最高者：

- (a) 一股股份面值；
- (b) 股份於授出當日在聯交所每日報價表所報之每股收市價；及

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## 綜合財務報表附註

For the year ended 31st March, 2016

截至二零一六年三月三十一日止年度

### 24. SHARE-BASED PAYMENT TRANSACTION (Continued)

#### (a) 2003 Share Option Scheme (Continued)

- (c) the average closing price per share as quoted in the Stock Exchange's daily quotations sheet for the five business days immediately preceding the date of grant.

On 6th April, 2011, 32,300,000 share options were granted and on 29th August, 2011, 23,000,000 share options were granted under the 2003 Share Option Scheme. The options may be exercised by the grantees at any time during the option period up to the termination of employment. All share options vested immediately at the date of grant. The estimated fair values of the options granted on these dates are HK\$44,855,000 and HK\$48,698,000, respectively. The closing prices immediately before the date of grant were HK\$3.95 and HK\$4.38, respectively.

Details of specific categories of options are as follows:

Date of grant 授出日期	Number of share options granted 已授出購股權數目	Exercisable period 可行使期間	Original exercise price per share 原有每股行使價	Adjusted exercise price per share 經調整每股行使價
6th April, 2011 二零一一年四月六日	32,300,000 (note a) (附註a)	6th April, 2011 to 5th April, 2021 二零一一年四月六日至 二零二一年四月五日	HK\$4.13 4.13 港元	HK\$3.44 3.44 港元 (note i) (附註i)
29th August, 2011 二零一一年八月二十九日	23,000,000	29th August, 2011 to 28th August, 2021 二零一一年八月二十九日至 二零二一年八月二十八日	HK\$4.80 4.80 港元	N/A 不適用

### 24. 以股份為基礎之付款交易(續)

#### (a) 二零零三年購股權計劃(續)

- (c) 股份於緊接授出當日前五個營業日在聯交所每日報價表所報之每股平均收市價。

於二零一一年四月六日，32,300,000份購股權獲授出，而於二零一一年八月二十九日，23,000,000份購股權根據二零零三年購股權計劃獲授出。承授人可於購股權期間隨時行使購股權，直至終止僱用為止。所有購股權於授出當日即時歸屬。於該等日期授出之購股權之估計公平值分別為44,855,000港元及48,698,000港元。緊接授出當日前之收市價分別為3.95港元及4.38港元。

特定購股權類別之詳情如下：

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### 24. SHARE-BASED PAYMENT TRANSACTION (Continued)

#### (a) 2003 Share Option Scheme (Continued)

The following tables disclose movements of the Company's share options granted under the 2003 Share Option Scheme held by directors, employees and consultants during the years ended 31st March, 2015 and 2016:

#### Share options granted on 6th April, 2011

#### Categories of participants

Directors of the Company  
Other employees  
Consultants (note ii)

Total

#### 參與者類別

本公司董事  
其他僱員  
顧問(附註ii)

總計

### 24. 以股份為基礎之付款交易(續)

#### (a) 二零零三年購股權計劃(續)

下表披露於截至二零一五年及二零一六年三月三十一日止年度內董事、僱員及顧問持有之根據二零零三年購股權計劃獲授出之本公司購股權變動：

於二零一一年四月六日授出之購股權

**Number of  
shares  
under option  
outstanding at  
1st April, 2014,  
31st March,  
2015 and  
31st March,  
2016**  
於二零一四年  
四月一日、  
二零一五年  
三月三十一日  
及二零一六年  
三月三十一日  
未行使  
購股權涉及之  
股份數目

14,520,000  
14,400,000  
2,640,000

31,560,000



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## 綜合財務報表附註

For the year ended 31st March, 2016

截至二零一六年三月三十一日止年度

### 24. SHARE-BASED PAYMENT TRANSACTION (Continued)

#### (a) 2003 Share Option Scheme (Continued)

**Share options granted on 29th August, 2011**

#### Categories of participants

Other employees  
Consultants (note ii)

Total

#### 參與者類別

其他僱員  
顧問(附註ii)

總計

Notes:

- (i) The number of shares under the outstanding options and the exercise price have been adjusted upon the bonus issue of shares in July 2011 on the basis of one new ordinary share for every five ordinary shares held.
- (ii) The share options were granted to consultants for services rendered in exploring investment opportunities for the Group.

The 2003 Share Option Scheme expired on 2nd November, 2013. The options could be exercised by the participants at any time during the option period and notwithstanding that the 2003 Share Option Scheme had expired.

### 24. 以股份為基礎之付款交易(續)

#### (a) 二零零三年購股權計劃(續)

於二零一一年八月二十九日授出之購股權

**Number of  
shares  
under option  
outstanding at  
1st April, 2014,  
31st March,  
2015 and  
31st March,  
2016**

於二零一四年  
四月一日、  
二零一五年  
三月三十一日  
及二零一六年  
三月三十一日  
未行使之  
購股權所涉及  
之股份數目

18,000,000  
5,000,000

23,000,000

附註：

- (i) 未行使購股權涉及之股份數目及行使價已於二零一一年七月按每持有五股普通股獲派一股新普通股之基準派送紅股後作出調整。
- (ii) 購股權乃授予顧問，作為其為本集團發掘投資機會所提供服務之回報。

二零零三年購股權計劃於二零一三年十一月二日屆滿。購股權可由參與者於購股權期間任何時間予以行使，而不論二零零三年購股權計劃已屆滿。

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### 24. SHARE-BASED PAYMENT TRANSACTION (Continued)

#### (b) 2013 Share Option Scheme

Pursuant to an ordinary resolution passed at the annual general meeting of the Company held on 13th August, 2013, a new share option scheme was adopted with effect on 3rd November, 2013 (the “2013 Share Option Scheme”) after the expiry of the 2003 Share Option Scheme.

Under the 2013 Share Option Scheme, options may be granted to (i) any director, employee or consultant of the Group or a company in which the Company holds an equity interest or a subsidiary of such company (“Affiliate”); or (ii) any discretionary trust whose discretionary objects include any director, employee or consultant of the Group or an Affiliate; or (iii) a company beneficially owned by any director, employee or consultant of the Group or an Affiliate; or (iv) any customer, supplier or adviser whose service to the Group or business with the Group contributes or is expected to contribute to the business or operation of the Group. The purpose of the 2013 Share Option Scheme is to attract and retain quality personnel and other persons to provide incentive to them to contribute to the business and operation of the Group. The total number of shares available for issue under the 2013 Share Option Scheme as at the date of this report is 57,061,022 shares. No eligible persons shall be granted an option in any 12-month period for such number of shares (issued and to be issued) which in aggregate would exceed 1% of the share capital of the Company in issue on the last day of such 12-month period unless approval of the shareholders of the Company has been obtained in accordance with the Listing Rules. The exercisable period is determined by the directors of the Company, which shall not be more than ten years from the date of grant, and may include a minimum period for which the options must be

### 24. 以股份為基礎之付款交易(續)

#### (b) 二零一三年購股權計劃

根據本公司於二零一三年八月十三日舉行之股東週年大會上通過之普通決議案，於二零零三年購股權計劃屆滿後，一項於二零一三年十一月三日生效之新購股權計劃(「二零一三年購股權計劃」)獲採納。

根據二零一三年購股權計劃，購股權可授予(i)本集團或本公司持有股本權益之公司或該公司之附屬公司(「聯屬公司」)之任何董事、僱員或顧問；或(ii)受益人包括本集團或聯屬公司之任何董事、僱員或顧問之任何全權信託；或(iii)由本集團或聯屬公司之任何董事、僱員或顧問實益擁有之公司；或(iv)為本集團或本集團之業務服務而對或預期對本集團之業務或經營作出貢獻之任何客戶、供應商或顧問。二零一三年購股權計劃旨在吸引及挽留優秀人才及其他人士，以獎勵彼等對本集團之業務及經營作出貢獻。於本報告日期，二零一三年購股權計劃項下可供發行之股份總數為57,061,022股。根據上市規則，除非已取得本公司股東批准，否則於任何十二個月期間內，合資格人士不得獲授予涉及股份數目(已發行及將予發行)合共超過本公司於該十二個月期間之最後一日之已發行股本1%之購股權。行使期乃由本公司董事釐定，惟不得超過自授出日期起計十年，且可包括購股權行使前必須持有之最短期限。在行使

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## 綜合財務報表附註

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### 24. SHARE-BASED PAYMENT TRANSACTION (Continued)

#### (b) 2013 Share Option Scheme (Continued)

held before it can be exercised. The exercise price per share payable on the exercise of an option equals to the highest of:

- (a) the nominal value of one share;
- (b) the closing price per share as stated in the Stock Exchange's daily quotations sheet on the date of grant; and
- (c) the average closing price per share as quoted in the Stock Exchange's daily quotations sheet for the five business days immediately preceding the date of grant.

The 2013 Share Option Scheme will remain in force until 2nd November, 2023.

No option was granted, exercised or lapsed under the 2013 Share Option Scheme since its effective date on 3rd November, 2013 and there was no outstanding share option as at 31st March, 2016.

No share-based payment expense was recognised for the years ended 31st March, 2015 and 2016 in relation to share options granted by the Company.

### 24. 以股份為基礎之付款交易(續)

#### (b) 二零一三年購股權計劃(續)

購股權時應付之每股行使價相等於以下三者中之最高者：

- (a) 一股股份面值；
- (b) 股份於授出當日在聯交所每日報價表所報之每股收市價；及
- (c) 股份於緊接授出當日前五個營業日在聯交所每日報價表所報之每股平均收市價。

二零一三年購股權計劃將一直有效，直至二零二三年十一月二日。

自其生效日期二零一三年十一月三日起，概無購股權根據二零一三年購股權計劃已授出、行使或失效，而於二零一六年三月三十一日亦無未行使購股權。

截至二零一五年及二零一六年三月三十一日止年度，概無就本公司授出之購股權確認以股份為基礎之付款開支。

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## 綜合財務報表附註

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### 25. CONTINGENT LIABILITIES

As at 31st March, 2016, the Group issued financial guarantees to banks in respect of banking facilities granted to associates. The aggregate amount that could be required to be paid if the guarantees were called upon in entirety amounted to NT\$200,000,000 (equivalent to HK\$47,600,000; 2015: NT\$200,000,000 and equivalent to HK\$49,599,000), which was fully utilised by these associates at 31st March, 2016. The fair value of the financial guarantee contracts at the grant date and at 31st March, 2015 and 2016 is not significant and in the opinion of the directors, the default risk of associates is considered as low.

### 26. OPERATING LEASE ARRANGEMENTS

At the end of the reporting period, the Group had commitments for future minimum lease payments under non-cancellable operating leases which fall due as follows:

Within one year	一年內
In the second to fifth years inclusive	第二至第五年 (包括首尾兩年)
Over five years	超過五年

Operating lease payments represent rentals payable by the Group for certain its shops and office premises. Leases are negotiated for an average term of 1 to 8 years (2015: 1 to 9 years). Some group entities are required to pay lease charges based on a fixed percentage of net sales.

### 25. 或然負債

於二零一六年三月三十一日，本集團就聯營公司獲授之銀行融資向銀行發出財務擔保。於二零一六年三月三十一日，於被要求全數代還擔保時可能須予支付之總額新台幣200,000,000元(相等於47,600,000港元；二零一五年：新台幣200,000,000元，並相等於49,599,000港元)已獲該等聯營公司全數動用。財務擔保合約於授出當日及二零一五年及二零一六年三月三十一日之公平值並不重大。董事認為，聯營公司之拖欠風險甚微。

### 26. 經營租賃安排

於報告期末，本集團已承諾日後根據不可撤銷之經營租賃支付最低租賃款項，到期日如下：

2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
<b>230,390</b>	158,912
<b>218,670</b>	208,466
<b>68,683</b>	69,507
<b>517,743</b>	436,885

經營租賃款項指本集團就其若干分店及辦公室物業應付之租金。議定租賃之平均年期為1至8年(二零一五年：1至9年)。若干集團實體須按銷售淨額之固定百分比支付租賃費用。

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### 27. CAPITAL COMMITMENTS

Capital expenditure in respect of the acquisition of property, plant and equipment contracted for but not provided in the consolidated financial statements

就綜合財務報表內已訂約但未撥備收購物業、機器及設備之資本開支

### 28. RETIREMENT BENEFITS SCHEMES

The Group principally operates defined contribution retirement schemes for all qualifying employees, including directors. The assets of the schemes are held separately from those of the Group in funds under the control of independent trustees.

The retirement scheme cost represents contributions payable to the funds by the Group at rates specified in the rules of the schemes. Where there are employees who leave the schemes prior to vesting fully in the contributions, the contributions payable by the Group are reduced by the amount of forfeited contributions.

In Hong Kong, the Group participates in a defined contribution schemes, of which one scheme is registered under the Occupational Retirement Schemes Ordinance (the "ORSO" Scheme) and the other is a Mandatory Provident Fund Scheme (the "MPF" Scheme) established under the Mandatory Provident Fund Schemes Ordinance in December 2000. The assets of the schemes are held separately from those of the Group, in funds under the control of independent trustees.

### 27. 資本承擔

2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
1,000	2,000

### 28. 退休福利計劃

本集團主要為所有合資格僱員(包括董事)設立定額供款退休計劃。該等計劃之資產與本集團之資產分開持有，由獨立受託人控制。

退休計劃成本指本集團應按計劃規則指定之比率應付之基金供款。倘僱員於可全數取得供款前退出該等計劃，則沒收供款可用作扣減本集團應付之供款。

於香港，本集團參與界定供款計劃，其中一項計劃於職業退休計劃條例(「ORSO」計劃)註冊，而另一項強制性公積金計劃(「強積金」計劃)於二零零零年十二月根據強制性公積金計劃條例設立。該等計劃之資產於受獨立受託人控制之基金持有，與本集團之資產分開。

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### 28. RETIREMENT BENEFITS SCHEMES

*(Continued)*

The ORSO Scheme is funded by monthly contributions from both employees and the Group at rates ranging from 5% to 15% of the employee's basic salary, depending on the length of service with the Group.

For members of the MPF Scheme, the Group contributes 5% of relevant payroll costs to the MPF Scheme subject to a maximum monthly contribution amount of HK\$1,500 (HK\$1,250 before 1st June, 2014) to an individual, which contribution is matched by the employee.

The employees of the Company's PRC subsidiaries are members of the state-managed retirement benefits scheme operated by the PRC government. The Company's PRC subsidiaries are required to contribute a certain percentage of their payroll to the retirement benefits scheme to fund the benefits. The only obligation of the Group with respect to the retirement benefits scheme is to make the required contributions under the scheme.

The total cost charged to profit or loss of HK\$6,830,000 (2015: HK\$9,396,000) represents contributions payable to these schemes by the Group in respect of the current accounting period.

### 28. 退休福利計劃(續)

ORSO計劃以僱員及本集團作出之每月供款提供資金，供款比率為僱員底薪之5%至15%，視乎於本集團之服務年期而定。

至於強積金計劃之成員，本集團向強積金計劃作出按相關薪資成本5%計算之供款，向個別僱員作出之每月供款最多1,500港元(二零一四年六月一日前1,250港元)，而僱員亦作出等額供款。

本公司中國附屬公司之僱員均參與由中國政府管理之國家退休福利計劃。本公司之中國附屬公司須按僱員薪金之若干百分比向退休福利計劃供款，以為該等福利提供資金。本集團只須根據計劃作出規定供款，即已履行退休福利計劃之責任。

自損益扣除之總成本6,830,000港元(二零一五年：9,396,000港元)指本集團就本會計期間向該等計劃應付之供款。



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## 綜合財務報表附註

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### 29. CAPITAL RISK MANAGEMENT

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged from prior year.

The capital structure of the Group consists of net debt, which includes bank loans disclosed in note 21 net of cash and cash equivalents and equity attributable to owners of the Company, comprising issued share capital and reserves including retained profits. The directors of the Company review the capital structure on an annual basis. As part of this review, the directors consider the cost of capital and the risks associated with each class of capital. Based on recommendations of the directors, the Group will balance its overall capital structure through payment of dividends, new share issues as well as issue of new debts or redemption of existing debts.

### 30. FINANCIAL INSTRUMENTS

#### Categories of financial instruments

	金融資產
Financial assets	金融資產
Loans and receivables (including cash and cash equivalents)	貸款及應收賬款 (包括現金及等同現金項目)
Available-for-sale financial assets	可供出售金融資產
Financial liabilities	金融負債
Amortised cost	已攤銷成本

### 29. 資本風險管理

本集團管理其資本，以確保本集團屬下實體將能夠持續經營，同時透過改善債務與權益平衡提高股東之回報。本集團之整體策略與上年度維持不變。

本集團之資本架構包括債務淨額(其中包括附註21所披露扣除現金及等同現金項目之銀行貸款)以及本公司擁有人應佔權益(其中包括已發行股本及儲備(包括保留溢利))。本公司董事每年檢討資本架構。作為此檢討工作一部份，董事考慮資本成本及與各類資本相關之風險。基於董事作出之建議，本集團將透過派發股息、發行新股份以及發行新債務或贖回現有債務平衡其整體資本架構。

### 30. 金融工具

#### 金融工具類別

2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
572,599	515,979
5,525	5,652
344,948	450,586

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### 30. FINANCIAL INSTRUMENTS (Continued)

#### Financial risk management objectives and policies

The Group's major financial instruments include available-for-sale financial assets, amount due from a joint venture, trade and other receivables, bank balances and cash, trade and other payables and bank loans. Details of these financial instruments are disclosed in respective notes. The risks associated with these financial instruments include market risk (currency risk, interest rate risk and other price risk), credit risk and liquidity risk. The policies on how to mitigate these risks are set out below. The management manages and monitors these exposures to ensure that appropriate measures are implemented on a timely and effective manner.

#### Market risk

##### Currency risk

The Group has limited currency exposure as the majority of the sales were denominated in functional currency of the relevant group entities. The management conducts periodical review of exposure and requirements of various currencies, and will consider hedging significant foreign currency exposures should the need arise. The management considers that the Group's exposure to foreign currency risk is not significant.

##### Interest rate risk

The Group is exposed to cash flow interest rate risk in relation to variable-rate bank loans and bank balances. The Group currently does not have an interest rate hedging policy. However, the management monitors interest rate exposure and will consider hedging significant interest rate exposure should the need arise. The fair value interest rate risk on bank deposits is insignificant as the fixed deposits are short-term.

The Group's cash flow interest rate risk is mainly concentrated on the fluctuation of HIBOR and the People's Bank of China benchmark interest rate arising from the Group's bank loans.

### 30. 金融工具(續)

#### 財務風險管理目標及政策

本集團之主要金融工具包括可供出售金融資產、應收合營公司款項、貿易及其他應收賬款、銀行結餘及現金、貿易及其他應付賬款以及銀行貸款。該等金融工具詳情於各有關附註披露。與該等金融工具相關之風險包括市場風險(貨幣風險、利率風險及其他價格風險)、信貸風險及流動資金風險。下文載列如何降低該等風險之政策。管理層管理及監察該等風險，以確保及時和有效地採取適當之措施。

#### 市場風險

##### 貨幣風險

由於大部份銷售均以有關集團實體之功能貨幣結算，故本集團之貨幣風險有限。管理層會定期檢討各種貨幣之風險及需求，並將在有需要時考慮對沖重大外幣風險。管理層認為本集團之外幣風險不大。

##### 利率風險

本集團承受有關浮息銀行貸款及銀行結餘之現金流量利率風險。本集團現時並無利率對沖政策。然而，管理層監察利率風險，並將在有需要時考慮對沖重大利率風險。由於定期存款屬短期存款，故銀行存款之公平值利率風險不大。

本集團之現金流量利率風險主要集中於香港銀行同業拆息及中國人民銀行基準利率波動，乃由本集團之銀行貸款產生。

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### 30. FINANCIAL INSTRUMENTS (Continued)

#### Financial risk management objectives and policies (Continued)

##### Market risk (Continued)

##### Interest rate risk (Continued)

##### Sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to interest rates for bank loans at the end of the reporting period. The analyses are prepared assuming that the bank loans outstanding at the end of the reporting period was outstanding for the whole year. A 50 basis points (2015: 50 basis points) increase or decrease is used for bank loans when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

For bank loans, if interest rates had been 50 basis points (2015: 50 basis points) higher/lower and all other variables were held constant, the Group's post tax loss for the year ended 31st March, 2016 would increase/decrease by HK\$1,083,000 (2015: post tax profit would decrease/increase by HK\$1,688,000).

For bank deposits, no sensitive analysis is performed as the exposure to interest rates for bank deposits is considered as insignificant.

##### Other price risk

The Group's available-for-sale financial assets at the end of the reporting period exposed the Group to equity price risk. The management manages this exposure by maintaining a portfolio of investments with different risk profiles. In view of the amount of available-for-sale financial assets at the end of the reporting period, the management considers that the Group's exposure to equity price risk is not significant.

### 30. 金融工具(續)

#### 財務風險管理目標及政策(續)

##### 市場風險(續)

##### 利率風險(續)

##### 敏感度分析

以下敏感度分析乃按銀行貸款於呈報期末之利率風險釐定。分析乃假設呈報期末之銀行貸款於全年未償還而編製。向主要管理人員作出內部利率風險報告時，就銀行貸款採用50個基點(二零一五年：50個基點)增減，此乃管理層對合理可能利率變動之評估。

就銀行貸款而言，倘利率上升/下跌50個基點(二零一五年：50個基點)而所有其他變數不變，則本集團截至二零一六年三月三十一日止年度之除稅後虧損將增加/減少1,083,000港元(二零一五年：除稅後溢利將減少/增加1,688,000港元)。

就銀行存款而言，由於銀行存款之利率風險被視為不大，故並無進行敏感度分析。

##### 其他價格風險

本集團於呈報期末之可供出售金融資產令本集團須承受股本價格風險。管理層透過維持風險級別不同之投資組合管理此風險。鑑於呈報期末之可供出售金融資產金額，管理層認為本集團之股本價格風險不大。

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### 30. FINANCIAL INSTRUMENTS (Continued)

#### Financial risk management objectives and policies

(Continued)

#### Credit risk

The Group's maximum exposure to credit risk which will cause financial loss to the Group due to failure to discharge an obligation by the counterparties and financial guarantees provided by the Group is arising from:

- the carrying amount of the respective recognised financial assets as stated in the consolidated statement of financial position; and
- the amount of contingent liabilities in relation to financial guarantee issued by the Group as disclosed in note 25.

In order to minimise the credit risk, the management of the Group has delegated a team responsible for determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group reviews the recoverable amount of each individual trade debt at the end of the reporting period to ensure that adequate impairment losses are made for irrecoverable amounts. In this regard, the directors of the Company consider that the Group's credit risk is significantly reduced.

The credit risk on liquid funds is limited because the counterparties are banks with high credit ratings assigned by international credit standings and banks with good reputation.

Other than concentration of credit risk on liquid funds which are deposited with several banks with high credit ratings, the Group does not have any other significant concentration of credit risk. Trade receivables consist of a large number of counterparties and customers.

### 30. 金融工具(續)

#### 財務風險管理目標及政策(續)

#### 信貸風險

因交易對手方未能履行責任及本集團提供之財務擔保而對本集團造成財務損失之本集團最高信貸風險乃來自：

- 綜合財務狀況表所列各已確認金融資產之賬面值；及
- 有關附註25所披露本集團發行之財務擔保之或然負債金額。

為使信貸風險減至最小，本集團管理層已委派一小組，專責釐定信貸額度、信貸審批及其他監控程序，以確保採取跟進行動收回逾期債項。此外，本集團於呈報期末對每項個別貿易債項之可收回金額進行檢討，以確保對不可收回金額計提足夠減值虧損。就此而言，本公司董事認為本集團之信貸風險已大幅降低。

由於交易對手為由國際信貸評級機構評定為具高信貸評級之銀行及具良好信譽之銀行，故流動資金信貸風險有限。

除與存放於若干高信貸評級銀行之流動資金有關之信貸風險集中情況外，本集團並無任何其他重大信貸風險集中之情況。貿易應收賬款涉及多名交易對手及客戶。

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### 30. FINANCIAL INSTRUMENTS (Continued)

#### Financial risk management objectives and policies

(Continued)

#### Liquidity risk

In the management of liquidity risk, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the Group's operations and mitigate the effects of fluctuations in cash flows. The management monitors the utilisation of bank borrowings and ensures compliance with loan covenants.

The Group relies on bank borrowings as a significant source of liquidity. As at 31st March, 2016, the Group has available unutilised short-term bank loan facilities of HK\$1,066,357,000 (2015: HK\$909,637,000).

The following table details the Group's remaining contractual maturity for its non-derivative financial liabilities based on the agreed repayment terms. The table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. Specifically, bank loans with a repayment on demand clause are included in the earliest time band regardless of the probability of the banks choosing to exercise their rights. The maturity dates for other non-derivative financial liabilities are based on the agreed repayment dates. The table includes both interest and principal cash flows. The amounts included below for variable interest rate bank loans are subject to change if changes in variable interest rates differ from those estimates of interest rates determined at the end of the reporting period.

### 30. 金融工具(續)

#### 財務風險管理目標及政策(續)

#### 流動資金風險

管理流動資金風險方面，本集團監察及維持管理層認為足夠之現金及等同現金項目水平，以為本集團營運提供資金及減低現金流量波動之影響。管理層監察動用銀行借貸情況，並確保遵守貸款契諾。

本集團倚賴銀行借貸作為重要流動資金來源。於二零一六年三月三十一日，本集團有可供動用之未動用短期銀行貸款融資1,066,357,000港元(二零一五年：909,637,000港元)。

下表詳述本集團非衍生金融負債根據協定還款期之餘下合約到期期限。下表乃根據本集團可能須付款之最早日期之未貼現金融負債現金流量而制訂。特別是，不論銀行選擇行使其權利之可能性高低，包含按要求償還條款之銀行貸款均計入最早時段。其他非衍生金融負債之到期日乃按協定還款日釐定。下表包括利息及本金現金流量。倘浮動利率變化與於呈報期末釐定之利率估計有別，則以下所包含款項之浮動利率銀行貸款亦會變動。

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### 30. FINANCIAL INSTRUMENTS (Continued)

### 30. 金融工具(續)

#### Financial risk management objectives and policies

(Continued)

#### 財務風險管理目標及政策(續)

#### Liquidity risk (Continued)

#### 流動資金風險(續)

Liquidity and interest risk tables

流動資金及利率風險列表

		Weighted average effective interest rate 加權平均 實際利率	On demand or less than 1 month 按要求或 少於1個月 HK\$'000 千港元	1 to 3 months 1至3個月 HK\$'000 千港元	3 months to 1 year 3個月至1年 HK\$'000 千港元	1 to 5 years 1至5年 HK\$'000 千港元	Total undiscounted cash flows 未貼現現金 流量總額 HK\$'000 千港元	Carrying amount 賬面值 HK\$'000 千港元
<b>2016</b>	<b>二零一六年</b>							
<b>Non-derivative financial liabilities</b>	<b>非衍生金融負債</b>							
Trade and other payables	貿易及其他應付賬款	N/A 不適用	115,138	5,450	7,722	–	128,310	128,310
Bank loans	銀行貸款	1.96% – 6.90% (note)/(附註)	23,033	57,013	78,798	61,281	220,125	216,638
			138,171	62,463	86,520	61,281	348,435	344,948
Financial guarantee contracts	財務擔保合約	N/A 不適用	47,600	–	–	–	47,600	–
<b>2015</b>	<b>二零一五年</b>							
<b>Non-derivative financial liabilities</b>	<b>非衍生金融負債</b>							
Trade and other payables	貿易及其他應付賬款	N/A 不適用	100,054	4,477	8,541	–	113,072	113,072
Bank loans	銀行貸款	2.06% – 7.2% (note)/(附註)	27,580	76,699	136,360	110,017	350,656	337,514
			127,634	81,176	144,901	110,017	463,728	450,586
Financial guarantee contracts	財務擔保合約	N/A 不適用	49,599	–	–	–	49,599	–

Note: The management made the best estimation of variable-rate borrowings with reference to HIBOR and the People's Bank of China benchmark rate as at 31st March, 2016 and 2015.

附註：管理層參考於二零一六年及二零一五年三月三十一日之香港銀行同業拆息及中國人民銀行基準利率作出浮息借貸之最佳估計。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31st March, 2016

截至二零一六年三月三十一日止年度

### 30. FINANCIAL INSTRUMENTS (Continued)

#### Financial risk management objectives and policies

(Continued)

#### Liquidity risk (Continued)

Liquidity and interest risk tables (Continued)

The amounts included above for financial guarantee contracts are the maximum amounts the Group could be required to settle under the arrangement for the full guaranteed amount if that amount is claimed by the counterparty to the guarantee. Based on expectations at the end of the reporting period, the Group considers that it is more likely than not that no amount will be payable under the arrangement. However, this estimate is subject to change depending on the probability of the counterparty claiming under the guarantee which is a function of the likelihood that the financial receivables held by the counterparty which are guaranteed suffer credit losses.

Bank loans with a repayment on demand clause are included in the “on demand or less than 1 month” time band in the above maturity analyses. As at 31st March, 2016, the aggregate undiscounted principal amount of the bank loan with a repayment on demand clause amounted to HK\$17,667,000 (2015: HK\$21,667,000). Taking into account the Group’s financial position, the directors do not believe that it is probable that the banks will exercise their discretionary rights to demand immediate repayment. The directors believe that the bank loans will be repaid in six years (2015: seven years) after the reporting date in accordance with the scheduled repayment dates set out in the loan agreement. At that time, the aggregate principal and interest cash outflows will amount to HK\$23,033,000 (2015: HK\$27,579,000).

### 30. 金融工具(續)

#### 財務風險管理目標及政策(續)

#### 流動資金風險(續)

流動資金及利率風險列表(續)

以上就財務擔保合約計入之金額乃於交易對方申索擔保金額時本集團根據安排須償付全數擔保金額之最高金額。根據呈報期末之預期，本集團認為很大可能毋須支付安排項下之任何金額。然而，此估計取決於持有已擔保財務應收賬款之交易對方遭受信貸損失而按擔保條款追討之可能性而可能改變。

包含按要求償還條款之銀行貸款於上述到期期限分析中計入「按要求或少於1個月」時段內。於二零一六年三月三十一日，附帶按要求償還條文之銀行貸款之未貼現本金總額為17,667,000港元(二零一五年：21,667,000港元)。經考慮本集團之財務狀況後，董事並不相信銀行有可能會行使其酌情權要求即時還款。董事相信該銀行貸款將根據貸款協議所載之預定還款日於呈報日後六年(二零一五年：七年)償還。屆時，本金總額及利息現金流出將為23,033,000港元(二零一五年：27,579,000港元)。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31st March, 2016

截至二零一六年三月三十一日止年度

### 30. FINANCIAL INSTRUMENTS (Continued)

#### Financial risk management objectives and policies

(Continued)

#### Liquidity risk (Continued)

Liquidity and interest risk tables (Continued)

### 30. 金融工具(續)

#### 財務風險管理目標及政策(續)

#### 流動資金風險(續)

流動資金及利率風險列表(續)

		Weighted average effective interest rate 加權平均 實際利率	1 to 3	3 months to	1 to 5	More than	Total	Carrying amount 賬面值 HK\$'000 千港元
			months	1 year	years	5 years	undiscounted cash flows 未貼現現金 流量總額 HK\$'000 千港元	

2016	二零一六年							
Bank loans	銀行貸款	2.29%	1,122	3,333	16,902	1,676	23,033	17,667

		Weighted average effective interest rate 加權平均 實際利率	1 to 3	3 months to	1 to 5	More than	Total	Carrying amount 賬面值 HK\$'000 千港元
			months	1 year	years	5 years	undiscounted cash flows 未貼現現金 流量總額 HK\$'000 千港元	

2015	二零一五年							
Bank loans	銀行貸款	2.29%	1,145	3,401	17,269	5,765	27,580	21,667

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31st March, 2016

截至二零一六年三月三十一日止年度

### 30. FINANCIAL INSTRUMENTS (Continued)

#### Fair value of the Group's financial assets that are measured at fair value on a recurring basis

Some of the Group's financial assets are measured at fair value at the end of the reporting period. The following table gives information about how the fair values of these financial assets are determined.

### 30. 金融工具(續)

按經常性基準以公平值計量之本集團金融資產之公平值

於呈報期末，本集團部分金融資產乃以公平值計量。下表提供有關如何釐定此等金融資產之公平值。

Financial assets	Fair value		Fair value hierarchy	Valuation techniques and key inputs	Significant unobservable inputs	Relationship of unobservable inputs to fair value
金融資產	公平值		公平值架構	估值技巧及主要輸入數據	重大不可觀察輸入數據	不可觀察輸入數據與公平值之關係
	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元				
(i) Available-for-sale financial assets – listed investments, equity securities listed in Hong Kong	93	99	Level 1	Quoted bid prices in an active market	N/A	N/A
(i) 可供出售金融資產 – 上市投資、於香港上市之股本證券			第1級	活躍市場所報之買入價	不適用	不適用
(ii) Available-for-sale financial assets – unlisted investments, managed fund portfolio	5,432	5,553	Level 2	Quoted market prices provided by brokers which are financial institutions (Note)	N/A	N/A
(ii) 可供出售金融資產 – 非上市投資、管理基金投資組合			第2級	作為經紀之金融機構提供之市場報價(附註)	不適用	不適用

Note: Quoted market prices provided by brokers which are financial institutions represent the net asset values of the respective funds, based on the quoted prices of the underlying investments.

附註：作為經紀之金融機構提供之市場報價指彼等各自基金之資產淨值，乃基於相關投資之報價。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31st March, 2016

截至二零一六年三月三十一日止年度

### 30. FINANCIAL INSTRUMENTS (Continued)

**Fair value of the Group's financial assets that are measured at fair value on a recurring basis**  
(Continued)

Fair value hierarchy at the end of the reporting period:

Available-for-sale financial assets	可供出售金融資產
Listed equity securities	上市股本證券
Managed fund portfolio	管理基金投資組合

Available-for-sale financial assets	可供出售金融資產
Listed equity securities	上市股本證券
Managed fund portfolio	管理基金投資組合

The directors consider that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the consolidated financial statements approximate to their fair values.

### 30. 金融工具(續)

按經常性基準以公平值計量之本集團金融資產之公平值(續)

於呈報期末之公平值架構：

2016 二零一六年		
Level 1 第1級 HK\$'000 千港元	Level 2 第2級 HK\$'000 千港元	Total 總額 HK\$'000 千港元
93	—	93
—	5,432	5,432
<b>93</b>	<b>5,432</b>	<b>5,525</b>

2015 二零一五年		
Level 1 第1級 HK\$'000 千港元	Level 2 第2級 HK\$'000 千港元	Total 總額 HK\$'000 千港元
99	—	99
—	5,553	5,553
<b>99</b>	<b>5,553</b>	<b>5,652</b>

董事認為於綜合財務報表中按攤銷成本記賬之金融資產及金融負債之賬面值與其公平值相若。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31st March, 2016

截至二零一六年三月三十一日止年度

### 31. PRINCIPAL SUBSIDIARIES

Details of the Company's principal subsidiaries, all of which are limited liability companies, at 31st March, 2016 and 2015 are as follows:

### 31. 主要附屬公司

於二零一六年及二零一五年三月三十一日，本公司之主要附屬公司（全部均為有限公司）詳情如下：

Name of subsidiary 附屬公司名稱	Place of incorporation/ registration/ operations 註冊成立/ 登記/經營地點	Issued and fully paid share capital/registered and paid-up capital 已發行及繳足股本/註冊及已繳資本		Proportion of nominal value of issued capital/ registered capital held by the Company 本公司所持有之已發行股本面值/註冊資本之比例				Principal activities 主要業務
		2016 二零一六年	2015 二零一五年	Directly 直接		Indirectly 間接		
				2016 二零一六年 %	2015 二零一五年 %	2016 二零一六年 %	2015 二零一五年 %	
La Suisse Watch Company, Limited 瑞士表行有限公司	Hong Kong 香港	Ordinary shares HK\$1,000 普通股 1,000 港元	Ordinary shares HK\$1,000 普通股 1,000 港元	100	100	—	—	Watch trading 手表經銷
Oriental Watch (China) Company Limited 東方表行(中國)有限公司	Hong Kong 香港	Ordinary shares HK\$1,000 普通股 1,000 港元	Ordinary shares HK\$1,000 普通股 1,000 港元	—	—	100	100	Watch trading and investment holding 手表經銷及投資控股
Oriental Watch Company Limited 東方表行有限公司	Hong Kong 香港	Ordinary shares HK\$1,000 普通股 1,000 港元	Ordinary shares HK\$1,000 普通股 1,000 港元	100	100	—	—	Watch trading 手表經銷
Oriental Watch (Macau) Company Limited 東方表行(澳門)有限公司	Macau 澳門	Ordinary shares MOP\$25,000 普通股 25,000 澳門元	Ordinary shares MOP\$25,000 普通股 25,000 澳門元	50	50	50	50	Watch trading 手表經銷
Sharp Beauty Limited 麗亮有限公司	Hong Kong 香港	Ordinary share HK\$1 普通股 1 港元	Ordinary share HK\$1 普通股 1 港元	—	—	100	100	Investment holding 投資控股
Unex Development Limited 宇立發展有限公司	Hong Kong 香港	Ordinary share HK\$2 普通股 2 港元	Ordinary Share HK\$2 普通股 2 港元	—	—	100	100	Property Holding 持有物業
上海東航表行國際貿易有限公司 (Shanghai Oriental Watch International Trading Co., Ltd.)	The PRC (note) 中國(附註)	Registered and paid-up capital US\$200,000 註冊及已繳資本 200,000 美元	Registered and paid-up capital US\$200,000 註冊及已繳資本 200,000 美元	—	—	100	100	Watch trading for a term of 50 years commencing 3rd January, 2001 手表經銷，由二零零 一年一月三日起 計 50 年

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31st March, 2016

截至二零一六年三月三十一日止年度

### 31. PRINCIPAL SUBSIDIARIES (Continued)

### 31. 主要附屬公司(續)

Name of subsidiary 附屬公司名稱	Place of incorporation/ registration/ operations 註冊成立/ 登記/經營地點	Issued and fully paid share capital/registered and paid-up capital 已發行及繳足股本/註冊及已繳資本		Proportion of nominal value of issued capital/ registered capital held by the Company 本公司所持有之已發行股本面值/註冊資本之比例		Principal activities 主要業務		
		2016 二零一六年	2015 二零一五年	Directly 直接	Indirectly 間接			
		2016 二零一六年 %	2015 二零一五年 %	2016 二零一六年 %	2015 二零一五年 %			
東方表行(中國)貿易有限公司 (Oriental Watch (China) Trading Co., Ltd.)	The PRC (note) 中國(附註)	<b>Registered and paid-up capital US\$54,000,000 註冊及已繳資本 54,000,000 美元</b>	Registered and paid-up capital US\$54,000,000 註冊及已繳資本 54,000,000 美元	—	—	100	100	Watch trading for a term of 30 years commencing 14th June, 2005 手表經銷，由二零零 五年六月十四日 起計30年
創豐(上海)貿易有限公司	The PRC (note) 中國(附註)	<b>Registered and paid-up capital US\$9,180,000 註冊及已繳資本 9,180,000 美元</b>	Registered and paid-up capital US\$9,180,000 註冊及已繳資本 9,180,000 美元	—	—	100	100	Watch trading 手表經銷

Note: These companies were established in the PRC in the form of wholly foreign-owned enterprise.

附註：該等公司於中國以全外資企業之形式成立。

The above table lists the subsidiaries of the Company which, in the opinion of the directors, principally affected the results or assets of the Group. To give details of other subsidiaries would, in the opinion of the directors, result in particulars of excessive length.

上表只載列董事認為主要影響本集團業績或資產之本公司附屬公司。董事認為，如載列其他附屬公司之詳情，則會導致資料過份冗長。

None of the subsidiaries had any debt securities outstanding at the end of the year, or at any time during the year.

各附屬公司於年終或年內任何時間概無任何未償還債務證券。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31st March, 2016

截至二零一六年三月三十一日止年度

### 31. PRINCIPAL SUBSIDIARIES (Continued)

At the end of the reporting period, the Company has other subsidiaries that are not material to the Group. A majority of these subsidiaries operate in Hong Kong, the PRC and Taiwan. The principal activities of these subsidiaries are summarised as follows:

#### Principal activity 主要業務

#### Principal place of business 主要業務地點

#### Number of subsidiaries 附屬公司數目

		2016	2015
		二零一六年	二零一五年
Watch trading 手表經銷	Hong Kong 香港	1	1
	Taiwan 台灣	1	1
		<b>2</b>	2
Investment holding 投資控股	Hong Kong 香港	9	9
	The PRC 中國	1	1
		<b>10</b>	10
Inactive 暫無營業	Hong Kong 香港	16	16
	The PRC 中國	1	1
		<b>17</b>	17
		<b>29</b>	29

### 31. 主要附屬公司(續)

於呈報期末，本公司有對本集團而言並非重大之其他附屬公司。大部分該等附屬公司於香港、中國及台灣經營。該等附屬公司之主要業務概述如下：

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31st March, 2016

截至二零一六年三月三十一日止年度

### 32. RELATED PARTY TRANSACTIONS

(a) In April 2012, the Group entered into a procurement agreement with Hei Tung, pursuant to which the Group provides procurement services to Hei Tung relating to the supply of watches and spare parts for no consideration. The procurement agreement is effective from 1st April, 2012. At 31st March, 2016, reimbursements receivable from Hei Tung amounted to HK\$5,185,000 (2015: HK\$2,637,000).

#### (b) Compensation of key management personnel

The key management personnel are the directors of the Company. The remuneration of directors during the year was as follows:

Short-term benefits	短期福利
Post-employment benefits	離職後福利

The remuneration of directors is determined by the remuneration committee having regard to the performance of individuals and market trends.

### 32. 有關連人士交易

(a) 於二零一二年四月，本集團與喜東訂立採購協議，據此，本集團無償向喜東提供有關鐘錶及零部件供應之採購服務。採購協議自二零一二年四月一日起生效。於二零一六年三月三十一日，應收喜東之退款為5,185,000港元(二零一五年：2,637,000港元)。

#### (b) 主要管理層人員之報酬

主要管理層人員為本公司董事。年內之董事酬金如下：

2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
14,113	16,215
1,581	1,834
<b>15,694</b>	<b>18,049</b>

董事酬金由薪酬委員會經考慮個人表現及市場趨勢後釐定。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31st March, 2016

截至二零一六年三月三十一日止年度

### 33. STATEMENT OF FINANCIAL POSITION OF THE COMPANY

### 33. 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
<b>Non-current assets</b>	<b>非流動資產</b>		
Property, plant and equipment	物業、機器及設備	867	1,084
Investments in subsidiaries	於附屬公司之投資	122,626	122,626
Available-for-sale financial assets	可供出售金融資產	3,203	3,295
		<b>126,696</b>	127,005
<b>Current assets</b>	<b>流動資產</b>		
Amounts due from subsidiaries	應收附屬公司款項	855,278	844,611
Bank balances and cash	銀行結餘及現金	568	568
		<b>855,846</b>	845,179
<b>Current liabilities</b>	<b>流動負債</b>		
Other payables	其他應付賬款	1,240	1,491
Amounts due to subsidiaries	應付附屬公司款項	89,121	86,676
		<b>90,361</b>	88,167
<b>Net current assets</b>	<b>流動資產淨值</b>	<b>765,485</b>	757,012
<b>Net assets</b>	<b>資產淨值</b>	<b>892,181</b>	884,017
<b>Capital and reserves</b>	<b>資本及儲備</b>		
Share capital	股本	57,061	57,061
Reserves (note)	儲備(附註)	835,120	826,956
<b>Total equity</b>	<b>權益總額</b>	<b>892,181</b>	884,017

The Company financial statements were approved and authorised for issue by the Board of Directors on 23rd June, 2016 and are signed on its behalf by:

本公司之財務報表經董事會於二零一六年六月二十三日批准及授權刊發，並由下列董事代為簽署：

Yeung Ming Biu

楊明標

CHAIRMAN

主席

Yeung Him Kit, Dennis

楊衍傑

DEPUTY CHAIRMAN AND  
MANAGING DIRECTOR

副主席兼董事總經理

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31st March, 2016

截至二零一六年三月三十一日止年度

### 33. STATEMENT OF FINANCIAL POSITION OF THE COMPANY (Continued)

Note:

Movements of the Company's reserves during the current and the prior year are as follows:

### 33. 本公司財務狀況表(續)

附註：

本公司儲備於本年度及過往年度之變動如下：

		HK\$'000 千港元
At 1st April, 2014	於二零一四年四月一日	812,018
Change in fair value of available-for-sale financial assets	可供出售金融資產之公平值變動	410
Profit for the year	年內溢利	18,807
Dividends paid	已付股息	(4,279)
		<hr/>
At 31st March, 2015	於二零一五年三月三十一日	826,956
Change in fair value of available-for-sale financial assets	可供出售金融資產之公平值變動	(92)
Profit for the year	年內溢利	10,252
Dividends paid	已付股息	(1,996)
		<hr/>
At 31st March, 2016	於二零一六年三月三十一日	<hr/> <b>835,120</b>

# FINANCIAL SUMMARY

## 財務摘要

### Year ended 31st March, 截至三月三十一日止年度

		2012 二零一二年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元	2014 二零一四年 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
<b>RESULTS</b>	<b>業績</b>					
Turnover	營業額	3,935,963	3,732,925	3,476,513	3,109,031	<b>3,031,752</b>
Profit (loss) before taxation	除稅前溢利(虧損)	216,937	185,963	29,964	9,650	<b>(12,717)</b>
Income tax expense	所得稅開支	(52,829)	(23,366)	(9,516)	(5,317)	<b>(3,042)</b>
Profit (loss) for the year	年內溢利(虧損)	164,108	162,597	20,448	4,333	<b>(15,759)</b>
Attributable to: Owners of the Company	以下人士應佔: 本公司擁有人	164,108	162,597	20,605	4,508	<b>(15,528)</b>
Non-controlling interests	非控股權益	—	—	(157)	(175)	<b>(231)</b>
Profit (loss) for the year	年內溢利(虧損)	164,108	162,597	20,448	4,333	<b>(15,759)</b>

### At 31st March, 於三月三十一日

		2012 二零一二年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元	2014 二零一四年 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
<b>ASSETS AND LIABILITIES</b>	<b>資產及負債</b>					
Total assets	資產總值	2,803,939	3,082,092	2,859,107	2,706,073	<b>2,533,582</b>
Total liabilities	負債總額	(711,711)	(854,142)	(641,092)	(494,282)	<b>(376,010)</b>
		2,092,228	2,227,950	2,218,015	2,211,791	<b>2,157,572</b>
Equity attributable to owners of the Company	本公司擁有人應佔權益	2,092,228	2,227,950	2,216,462	2,210,452	<b>2,156,518</b>
Non-controlling interests	非控股權益	—	—	1,553	1,339	<b>1,054</b>
		2,092,228	2,227,950	2,218,015	2,211,791	<b>2,157,572</b>

