



EASYKNIT INTERNATIONAL HOLDINGS LIMITED

永義國際集團有限公司

(Stock Code 股份代號: 1218)



Annual Report 年報
2016/17

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BOARD OF DIRECTORS

Executive Directors

Mr. Tse Wing Chiu Ricky
(*President and Chief Executive Officer*)
Ms. Lui Yuk Chu (*Vice President*)
Ms. Koon Ho Yan Candy

Independent Non-Executive Directors

Mr. Tsui Chun Kong
Mr. Jong Koon Sang
Mr. Hon Tam Chun

AUDIT COMMITTEE

Mr. Tsui Chun Kong (*Chairman*)
Mr. Jong Koon Sang
Mr. Hon Tam Chun

REMUNERATION COMMITTEE

Mr. Jong Koon Sang (*Chairman*)
Mr. Tsui Chun Kong
Mr. Hon Tam Chun
Mr. Tse Wing Chiu Ricky

NOMINATION COMMITTEE

Mr. Hon Tam Chun (*Chairman*)
Mr. Tsui Chun Kong
Mr. Jong Koon Sang
Mr. Tse Wing Chiu Ricky

EXECUTIVE COMMITTEE

Mr. Tse Wing Chiu Ricky (*Chairman*)
Ms. Lui Yuk Chu
Ms. Koon Ho Yan Candy

COMPANY SECRETARY

Mr. Lee Po Wing Simon

AUDITOR

Deloitte Touche Tohmatsu

董事會

執行董事

謝永超先生
(*主席兼首席行政總裁*)
雷玉珠女士 (*副主席*)
官可欣女士

獨立非執行董事

徐震港先生
莊冠生先生
韓譚春先生

審核委員會

徐震港先生 (*主席*)
莊冠生先生
韓譚春先生

薪酬委員會

莊冠生先生 (*主席*)
徐震港先生
韓譚春先生
謝永超先生

提名委員會

韓譚春先生 (*主席*)
徐震港先生
莊冠生先生
謝永超先生

行政委員會

謝永超先生 (*主席*)
雷玉珠女士
官可欣女士

公司秘書

李寶榮先生

核數師

德勤 • 關黃陳方會計師行

Corporate Information

公司資料

LEGAL ADVISERS

As to Hong Kong law:
David Norman & Co

As to Bermuda law:
Conyers Dill & Pearman

PRINCIPAL BANKERS

Hang Seng Bank Limited
The Hongkong and Shanghai Banking Corporation Limited
OCBC Wing Hang Bank

REGISTERED OFFICE

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

PRINCIPAL PLACE OF BUSINESS

Block A, 7th Floor
Hong Kong Spinners Building, Phase 6
481-483 Castle Peak Road
Cheung Sha Wan, Kowloon
Hong Kong

BERMUDA PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

MUFG Fund Services (Bermuda)
Limited
The Belvedere Building
69 Pitts Bay Road
Pembroke HM08
Bermuda

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Secretaries Limited
Level 22, Hopewell Centre
183 Queen's Road East
Hong Kong

STOCK CODE

1218

WEBSITE ADDRESS

www.easyknit.com

法律顧問

香港法律：
David Norman & Co

百慕達法律：
Conyers Dill & Pearman

主要往來銀行

恒生銀行有限公司
香港上海滙豐銀行有限公司
華僑永亨銀行

註冊辦事處

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

主要營業地點

香港
九龍長沙灣
青山道481-483號
香港紗廠大廈第6期
7樓A座

百慕達主要股份過戶登記處

MUFG Fund Services (Bermuda)
Limited
The Belvedere Building
69 Pitts Bay Road
Pembroke HM08
Bermuda

香港股份過戶登記分處

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

股份代號

1218

網址

www.easyknit.com

President's Statement and Management Discussion and Analysis

主席報告及管理層討論及分析

The board of directors (“**Board**”) of Easyknit International Holdings Limited (“**Company**”) is pleased to announce the audited annual results of the Company and its subsidiaries (collectively the “**Group**”) for the year ended 31 March 2017 together with comparative figures. These annual results have been reviewed by the Company’s audit committee.

FINAL RESULTS

For the year ended 31 March 2017, the Group recorded a revenue from continuing operations of HK\$529,475,000, representing a decrease of HK\$149,041,000 or 22.0% from HK\$678,516,000 for the year 2016.

Loss attributable to owners of the Company for the year ended 31 March 2017 from continuing and discontinued operations amounted to HK\$243,846,000 (2016: profit of HK\$164,642,000). The loss of HK\$243,846,000 was primarily from results attributable to interests in associates of HK\$371,364,000. If such amount was excluded, the Group shall have a profit attributable to owners of the Company of HK\$127,518,000.

The basic and diluted loss per share from continuing and discontinued operations for the year ended 31 March 2017 was HK\$3.07 (2016: basic and diluted earnings per share of HK\$1.75).

永義國際集團有限公司(「**本公司**」)董事會(「**董事會**」)欣然公佈本公司及其附屬公司(統稱「**本集團**」)截至2017年3月31日止年度之經審核全年業績連同比較數字。本全年業績已由本公司之審核委員會審閱。

全年業績

截至2017年3月31日止年度，本集團來自持續經營業務錄得營業額529,475,000港元，較2016年678,516,000港元減少149,041,000港元或22.0%。

截至2017年3月31日止年度，本公司來自持續經營及來自己終止經營業務的擁有人應佔虧損為243,846,000港元(2016年：溢利164,642,000港元)。虧損243,846,000港元，主要是由聯營公司權益分佔業績371,364,000港元。如撇除該金額，本集團將錄得的本公司擁有人應佔溢利為127,518,000港元。

截至2017年3月31日止年度，來自持續經營及來自己終止經營業務的每股基本及攤薄虧損為3.07港元(2016年：每股基本及攤薄盈利1.75港元)。

FINAL DIVIDEND

The Board recommends the payment of a final dividend of 5 HK cents per share (2016: 10 HK cents per share) for the year ended 31 March 2017 to the shareholders of the Company (“**Shareholders**”) subject to the approval of the Shareholders at the forthcoming 2017 annual general meeting (“**2017 AGM**”).

Dividend warrants of the proposed final dividend are expected to be despatched to the Shareholders on 28 August 2017.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company (“**Register of Members**”) will be closed during the following periods and during these periods, no transfer of shares will be registered:

(i) To attend and vote at the AGM

For the purpose of ascertaining the Shareholders' entitlement to attend and vote at the 2017 AGM, the Registers of Members will be closed from Wednesday, 2 August 2017 to Monday, 7 August 2017, both days inclusive.

末期股息

董事會建議派發截至2017年3月31日止年度末期股息每股5港仙(2016年：每股10港仙)予本公司股東(「股東」)，惟須待股東在即將舉行之2017年股東周年大會上(「**2017年股東周年大會**」)批准通過，方可作實。

預期有關建議末期股息之股息單將於2017年8月28日寄送予股東。

暫停辦理股份過戶登記

本公司將於下列時段暫停辦理股份過戶登記手續(「**股份過戶登記**」)，於該等時段，將無過戶股份登記：

(i) 出席股東周年大會並於會上投票

為釐定有權出席2017年股東周年大會並於會上投票之股東身份，由2017年8月2日(星期三)至2017年8月7日(星期一)止，首尾兩天包括在內，本公司將暫停辦理股份過戶登記手續。

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In order to be eligible to attend and vote at the 2017 AGM, all properly completed transfer forms accompanied by the relevant share certificates must be lodged with the branch share registrar ("**Branch Share Registrar**") of the Company in Hong Kong, Tricor Secretaries Limited of Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration not later than 4:30 p.m. on Tuesday, 1 August 2017.

(ii) To qualify for the proposed final dividend

For the purpose of ascertaining the Shareholders' entitlement to the proposed final dividend, the Registers of Members will be closed from Tuesday, 15 August 2017 to Friday, 18 August 2017, both days inclusive.

In order to qualify for the proposed final dividend, all properly completed transfer forms accompanied by the relevant share certificates must be lodged with the Branch Share Registrar for registration not later than 4:30 p.m. on Monday, 14 August 2017.

為確保合資格出席2017年股東周年大會並於會上投票，所有股份過戶文件連同有關股票須於2017年8月1日（星期二）下午4時30分前送達本公司香港股份過戶登記分處（「**股份過戶登記分處**」）卓佳秘書商務有限公司，地址為香港皇后大道東183號合和中心22樓，辦理登記手續。

(ii) 享有建議之末期股息

為釐定可享有建議末期股息之股東身份，由2017年8月15日（星期二）至2017年8月18日（星期五）止，首尾兩天包括在內，本公司將暫停辦理股份過戶登記手續。

為確保享有收取建議末期股息之權利，所有股份過戶文件連同有關股票須於2017年8月14日（星期一）下午4時30分前送達股份過戶登記分處辦理登記手續。

BUSINESS REVIEW

During the year, the Group was principally engaged in the property investment, property development, securities investment and loan financing business.

(i) Property Investment

The Group has investment properties in Hong Kong only.

Revenue of the Group's property rental for the year was HK\$51,664,000 (2016: HK\$55,007,000), a decrease of approximately HK\$3,343,000 or 6.1% over the last year. The Group's investment properties comprise residential, commercial and industrial properties.

As at 31 March 2017, the Group's commercial and residential investment properties were 100% leased out. The industrial investment properties in Hong Kong continued to maintain a high occupancy rate of 88.8%. The property management fee income was HK\$834,000 (2016: HK\$881,000).

(ii) Property Development

A residential project, namely Paxton, at No. 311-313 Prince Edward Road West, Kowloon, Hong Kong which offers about 49 units of 74,285 square feet gross floor area was launched in July 2014. For the year under review, the total revenue derived from the property sales of Paxton was HK\$456,601,000 (2016: HK\$599,484,000).

Another residential development project known as No. 6 La Salle Road, Kowloon, Hong Kong, which is expected to be launched in late 2017.

業務回顧

於年內，本集團主要從事物業投資、物業發展、證券投資及貸款融資業務。

(i) 物業投資

本集團只於香港擁有投資物業。

於年內，本集團之物業租賃營業額為51,664,000港元（2016年：55,007,000港元），比去年減少約3,343,000港元或6.1%。本集團的投資物業包括住宅、商業及工業物業。

於2017年3月31日，本集團之商業及住宅投資物業已租出100%。位於香港之工業投資物業繼續維持高出租率88.8%。物業管理費收入為834,000港元（2016年：881,000港元）。

(ii) 物業發展

位於香港九龍太子道西311-313號之住宅項目「雋瓏」提供約49個單位，建築面積為74,285平方呎，已於2014年7月推出。於回顧年內，來自雋瓏之物業銷售的總營業額為456,601,000港元（2016年：599,484,000港元）。

另一個住宅發展項目為香港九龍喇沙利道6號，預期於2017年年底開售。

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(iii) Securities Investment

The Group maintains a securities portfolio with a strategy of diversification to reduce effects of price fluctuations of any single securities.

For the year ended 31 March 2017, the Group held trading securities in the amount of HK\$287,493,000 as compared to HK\$64,695,000 as at 31 March 2016, representing an 344.4% increase. It was derived from (1) the disposal of trading securities during the year which had a cost or fair value as at 31 March 2017 of HK\$40,314,000; (2) purchase of trading securities of HK\$274,436,000 during the year; and (3) net decrease in market value in the amount of HK\$11,324,000 of the trading securities.

From continuing operations, the Group recognised (1) loss on fair value changes of trading securities for the year of HK\$8,773,000 (2016: gain of HK\$27,604,000); (2) loss of HK\$2,328,000 (2016: HK\$38,504,000) on fair value changes of financial assets designated at fair value through profit or loss; and (3) gain of HK\$43,989,000 (2016: HK\$57,915,000) on disposal of available-for-sale investments. This segment recorded a profit of HK\$50,921,000 (2016: HK\$70,328,000).

(iv) Loan Financing

For the year ended 31 March 2017, this segment recorded a revenue of HK\$20,376,000 (2016: HK\$23,144,000) representing 12.0% decrease comparing with the year 2016.

(iii) 證券投資

本集團的策略是維持證券組合多元化，以減少任何單一證券的價格波動之影響。

截至2017年3月31日止年度，本集團持有買賣證券為287,493,000港元，表示相比於2016年3月31日之64,695,000港元增加了344.4%。此是來自(1)於2017年3月31日具有成本或公平值的買賣證券於本年內出售為40,314,000港元；(2)於本年內購入的買賣證券為274,436,000港元；及(3)買賣證券之市值淨減少為11,324,000港元。

從持續經營業務中，本集團(1)於年內買賣證券之公平值變動虧損為8,773,000港元(2016年：收益27,604,000港元)；(2)按公平值計入損益之金融資產之公平值變動虧損為2,328,000港元(2016年：38,504,000港元)；及(3)可供出售投資之出售收益為43,989,000港元(2016年：57,915,000港元)。本分部錄得之溢利為50,921,000港元(2016年：70,328,000港元)。

(iv) 貸款融資

截至2017年3月31日止年度，本分部錄得營業額20,376,000港元(2016年：23,144,000港元)較2016年減少12.0%。

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FINANCIAL REVIEW

財務回顧

		Year ended 31 March 截至3月31日止年度		
		2017 HK\$'000 千港元	2016 HK\$'000 千港元	Change 變動 HK\$'000 千港元
Continuing Operations	持續經營業務			
Revenue	營業額	529,475	678,516	(149,041)
Gross profit	毛利	233,184	286,234	(53,050)
Gross profit margin	毛利率	44.0%	42.2%	1.8%
Distribution and selling expenses	經銷開支	(64,829)	(82,819)	17,990
Administrative expenses	行政開支	(52,485)	(58,905)	6,420
Finance costs	融資成本	(17,203)	(23,815)	6,612
(Loss) profit before taxation	除稅前（虧損）溢利	(219,885)	707,344	(927,229)
Taxation charge	稅項開支	(23,961)	(32,326)	8,365
(Loss) profit for the year from continuing operations	來自持續經營業務之本年度（虧損）溢利	(243,846)	675,018	(918,864)
Loss for the year from discontinued operations	來自己終止經營業務之本年度虧損	-	(510,376)	510,376
(Loss) profit for the year from continuing and discontinued operations	來自持續經營及來自己終止經營業務之本年度（虧損）溢利	(243,846)	164,642	(408,488)
Net (loss) profit margin	淨（虧損）溢利率	(46.1%)	24.3%	(70.4%)
(Loss) earnings per share	每股（虧損）盈利			
Basic and diluted	基本及攤薄	(HK\$3.07港元)	HK\$1.75港元	(HK\$4.82港元)

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Revenue

The Group revenue from continuing operations for the year ended 31 March 2017 decreased by 22.0% to HK\$529,475,000 compared with last year. Such decrease in revenue was mainly because most of the sale of Paxton units have been recorded in the last financial year.

Gross Profit/Margin

Gross profit for this year was HK\$233,184,000, a decrease of HK\$53,050,000 or 18.5% compared to HK\$286,234,000 in last year. Gross profit margin for this year increased from 42.2% to 44.0%.

Loss before Taxation

Loss before taxation for the year ended 31 March 2017 was HK\$219,885,000, as compared with last year profit of HK\$707,344,000. It was mainly due to the results attributable to deemed disposal of interests in associates of HK\$371,364,000.

Distribution and selling expenses decreased from HK\$82,819,000 to HK\$64,829,000, a decrease of 21.7% compared with the last year. It was mainly attributable to the decrease of sale of Paxton.

Administrative expenses were HK\$52,485,000, a decrease of 10.9% over last year of HK\$58,905,000.

During the year under review, there was gain on changes in fair value of investment properties amounting to HK\$21,877,000 for Hong Kong.

Finance costs was HK\$17,203,000, decreased by HK\$6,612,000 or 27.8% for the year from HK\$23,815,000 in 2016 due to the reduction of bank borrowings during the year.

營業額

截至2017年3月31日止年度，本集團來自持續經營業務營業額較去年減少22.0%至529,475,000港元。營業額減少，主要由於大部份雋瓏單位之銷售已於上個財政年度入帳。

毛利／率

本年度之毛利為233,184,000港元，較去年286,234,000港元減少53,050,000港元或18.5%。本年度之毛利率由42.2%上升至44.0%。

除稅前虧損

截至2017年3月31日止年度之除稅前虧損為219,885,000港元，相比去年溢利為707,344,000港元。主要由於被視為出售聯營公司權益為371,364,000港元。

經銷開支由去年82,819,000港元減少至64,829,000港元，較去年下降為21.7%，主要由於雋瓏銷售減少所致。

行政開支52,485,000港元，較去年58,905,000港元減少10.9%。

於回顧年內，就香港投資物業之公平值變動產生之收益為21,877,000港元。

融資成本為17,203,000港元，由於於年內銀行借貸減少，相比2016年23,815,000港元減少6,612,000港元或27.8%。

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主席報告及管理層討論及分析

Loss/Profit Attributable to Owners of the Company and Loss/Earnings per Share

Loss for the year from continuing and discontinued operations of the Company for the year ended 31 March 2017 was HK\$243,846,000 (2016: profit of HK\$164,642,000). Net loss margin of this year is 46.1% as compared to the net profit margin of 24.3% of last year.

Taxation charge decreased by 25.9% to HK\$23,961,000 from last year of HK\$32,326,000.

Basic and diluted loss per share from continuing and discontinued operations for the year 31 March 2017 was HK\$3.07 as compared to basic and diluted earnings per share HK\$1.75 in last year.

Liquidity and Financial Resources

The Group financed its operation through internally generated cash flow and bank borrowings. As at 31 March 2017, the Group's bank borrowings amounted to HK\$899,482,000 (2016: HK\$902,021,000). The gearing ratio of the Group, calculated as a ratio of total borrowings to total equity, for the year was 0.32 (2016: 0.29).

As at 31 March 2017, the Group has net current assets of HK\$1,058,122,000 (2016: HK\$713,897,000). Current ratio was 3.8 (2016: 3.0). The bank balances and cash as at 31 March 2017 was HK\$25,473,000 (2016: HK\$12,332,000).

本公司股東應佔虧損／溢利及每股虧損／盈利

截至2017年3月31日止年度，本公司來自持續經營及已終止經營業務本年度虧損為243,846,000港元（2016年：溢利164,642,000港元）。本年度淨虧損率46.1%相對上年度淨溢利率為24.3%。

稅項開支由去年32,326,000港元減少了25.9%至23,961,000港元。

截至2017年3月31日止年度，來自持續經營及已終止經營業務每股基本及攤薄虧損為3.07港元，而去年每股基本及攤薄盈利則為1.75港元。

流動資金及財務資源

本集團之營運透過內部產生的現金流及銀行借貸提供資金。於2017年3月31日，本集團之銀行借貸為899,482,000港元（2016年：902,021,000港元）。於本年度，本集團的資產負債比率（即借貸總額佔總資產之百分比）為0.32（2016年：0.29）。

於2017年3月31日，本集團之流動資產淨值為1,058,122,000港元（2016年：713,897,000港元）。流動比率為3.8（2016年：3.0）。於2017年3月31日，銀行結餘及現金為25,473,000港元（2016年：12,332,000港元）。

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主席報告及管理層討論及分析

Capital Structure

During the year, there was no change to the share capital of the Company. As at 31 March 2017, the total number of issued ordinary shares of the Company was 79,420,403 shares.

股本結構

於年內，本公司股本並無任何變動。於2017年3月31日，本公司已發行普通股股份總數為79,420,403股。

Charge on Group Assets

As at 31 March 2017, bank loans amounting to HK\$899,482,000 (2016: HK\$902,021,000) were secured by investment properties, properties held for development for sale, properties held for sale, deposit and prepayments for a life insurance policy and financial assets designated as at fair value through profit or loss of the Group having a net book value of HK\$2,160,596,000 (2016: HK\$2,183,285,000).

本集團資產之抵押

於2017年3月31日，銀行貸款為899,482,000港元（2016年：902,021,000港元）乃以本集團賬面淨值為2,160,596,000港元（2016年：2,183,285,000港元）之投資物業、持作出售發展物業、持作出售物業、人壽保單之按金及預付款以及按公平值計入損益之金融資產作為抵押。

Exposure on Foreign Exchange Fluctuations

Most of the Group's revenues and payments are in Hong Kong dollars. During the year, the Group did not have significant exposure to the fluctuation in exchange rates and thus, no financial instrument for hedging purposes was employed. The directors considered the risk of exposure to the currency fluctuation to be minimal.

外匯波動之風險

本集團之營業額與支出以港元為主。於年內，本集團並無因兌換率波動而承受重大風險，因此並無運用任何金融工具作對沖用途。董事認為承受兌換率波動之風險極微。

Material Acquisitions and Disposals

The Group had no material acquisitions or disposals of subsidiaries or associated companies during the year.

重大收購及出售

於年內，本集團並無有關附屬公司或聯營公司之重大收購或出售。

President's Statement and Management Discussion and Analysis

主席報告及管理層討論及分析

Contingent Liabilities

The Group did not have any significant contingent liabilities as at 31 March 2017 (2016: nil).

Capital Expenditure

During the year under review, the Group spent approximately HK\$7,636,000 (2016: approximately HK\$3,091,000) on the acquisition of property, plant and equipment, and spent approximately HK\$30,000 (2016: approximately HK\$119,000) on addition of investment properties.

Capital Commitments

As at 31 March 2017, the Group had capital commitments in respect of capital expenditure contracted for but not provided of HK\$621,000.

EMPLOYEES

As at 31 March 2017, the Group had a total of 35 employees (2016: 23 employees). Staff costs (including directors' emoluments) amounted to HK\$32,628,000 for the year under review (2016: HK\$37,304,000). The Group remunerates its employees based on their performance, experience and prevailing industry practice. The Group has set out the Mandatory Provident Fund Scheme for the Hong Kong's employees. The Group has a share option scheme to motivate employees.

或然負債

於2017年3月31日，本集團並無任何重大或然負債（2016年：無）。

資本開支

於回顧年內，本集團已動用約7,636,000港元（2016年：約3,091,000港元）於購買物業、廠房及設備，並動用約30,000港元（2016年：約119,000港元）於增置投資物業。

資本承擔

於2017年3月31日，本集團已訂約但未撥備之資本性開支的資本承擔為621,000港元。

僱員

於2017年3月31日，本集團共有35名員工（2016年：23名）。於回顧年內，員工成本（包括董事酬金）為32,628,000港元（2016年：37,304,000港元）。本集團根據僱員之表現、經驗及現行業內慣例而釐定彼等之薪酬。本集團已為香港僱員設立強制性公積金計劃。本集團設有一項購股權計劃，以鼓勵優秀員工。

PROSPECTS

The Group will continue focus its efforts on the development of its existing principal businesses: (1) property investment; (2) property development; (3) securities investment; and (4) loan financing services and other potential projects with a view to providing steady returns as well as fruitful growth for the Shareholders.

In Hong Kong, despite additional measures imposed by the government to cool the housing market, the impact on the property market was only short-lived. With the prevailing low interest rates and the record high transacted land prices in the recent land auctions, sentiment in the primary property market has been holding up well, with home buyers' confidence remaining generally strong. In view of favourable market sentiment, the Group will continue to promote the sale of the remaining units of Paxton and it expects the launch of the presale of its residential property development at the site of No. 6 La Salle Road, Kowloon, Hong Kong in late 2017.

展望

本集團將繼續集中發展現有主要業務：(1)物業投資；(2)物業發展；(3)證券投資；及(4)貸款融資服務及其他潛在項目，期望為股東提供穩定的回報，並為本集團帶來有成果的增長。

於香港，儘管政府增加新辣招冷卻樓市，惟對市場影響只是短暫。由於現時利息持續低企，加上近期土地拍賣成交價屢創新高，帶動大市氣氛，買家入市信心仍然強勁。鑒於市場氣氛利好，本集團將繼續致力銷售雋瓏餘下的少量單位，並預期2017年年底預售位於香港九龍喇沙利道6號的住宅物業發展項目。

President's Statement and Management Discussion and Analysis

主席報告及管理層討論及分析

In addition, the Group will further extend its principal business and direct its resources to loan financing services and it is expected that such business will continue to be part of the main income stream of the Group.

Meanwhile, the Group will also maintain a stringent financial policy and a prudent cash flow management to ensure reasonable liquidity for the Group's operations as well as for its existing and future investments.

We believe that in such a volatile economic environment, these operation strategies will enable the Group to maintain its competitiveness and mitigate risks, thereby ensuring the Group's sustainable growth.

APPRECIATION

On behalf of the Board, I would like to extend my sincere gratitude to our staff and fellow directors for their contribution to the Group's development and cordial thanks to the continuing support of our customers, suppliers, business associates and shareholders.

Tse Wing Chiu Ricky

President and Chief Executive Officer

Hong Kong, 22 May 2017

此外，本集團將進一步致力投放資源及擴展其貸款融資業務。本集團預期該等業務將為本集團主要收入來源的一部分。

同時，本集團亦將維持嚴謹的財務政策及審慎現金流管理，以確保本集團有充足的流動資金，以作營運及現有和未來的投資。

我們相信在動盪的經濟環境中，該等經營策略可讓本集團保持其競爭力及降低風險，從而確保本集團可持續增長。

致意

本人謹代表董事會，藉此機會感謝本公司之員工及董事會全人對本集團發展之貢獻，同時亦向全體客戶、供應商、同業好友及股東之不斷支持表示衷心謝意。

主席兼首席行政總裁

謝永超

香港，2017年5月22日

Biographical Details of Directors 董事之履歷

MR. TSE WING CHIU RICKY

President and Chief Executive Officer

Mr. Tse, aged 59, is an executive director, president, chief executive officer and authorized representative of the Company and chairman of the Executive Committee, members of the Remuneration Committee and Nomination Committee since 18 April 2017. Mr. Tse obtained a Master's Degree in Business Administration from Adam Smith University of America in the United States in 1996. He has more than 30 years of experience in garment manufacturing and merchandising. He serves as director of various subsidiaries of the Company. Mr. Tse was appointed to the Board as an executive director and vice president in 2005, and was subsequently re-designated from vice president to president and appointed as chief executive officer in 2006. In 2007, Mr. Tse was re-designated from an executive director to a non-executive director of the Company and resigned as president and chief executive officer. In 2017, Mr. Tse was re-designated from a non-executive director to executive director, president and chief executive officer of the Company.

MS. LUI YUK CHU

Vice President

Ms. Lui, aged 59, is a co-founder of the Group, an executive director and vice president of the Company and a member of the Executive Committee. She is also an executive director and deputy chairman, and a member of the Executive Committee of Eminence. Ms. Lui has been involved in the textiles industry for over 30 years and has extensive experience in design, manufacturing, marketing and distribution of apparel. She serves as director of various subsidiaries of the Company and Eminence. Ms. Lui was appointed to the Board as an executive director in 1994. In 2006, Ms. Lui was appointed as vice president. Ms. Lui is the wife of Mr. Koon Wing Yee, the co-founder of the Group and substantial shareholder of the Company. She is also the mother of Ms. Koon Ho Yan Candy, an executive director of the Company.

謝永超先生

主席兼首席行政總裁

謝先生，59歲，自2017年4月18日起為本公司之執行董事、主席、首席行政總裁兼授權代表，以及行政委員會主席、薪酬委員會及提名委員會之成員。謝先生於1996年取得美國Adam Smith University of America之工商管理碩士學位。彼於成衣製造及採購方面擁有超過30年經驗。彼為本公司多間附屬公司之董事。謝先生於2005年獲委任加入董事會為執行董事及副主席，其後於2006年由副主席獲調任為主席兼首席行政總裁。於2007年，謝先生由執行董事調任為本公司之非執行董事，並辭任主席兼首席行政總裁。於2017年，謝先生由非執行董事調任為本公司執行董事，主席兼首席行政總裁。

雷玉珠女士

副主席

雷女士，59歲，為本集團之共同創辦人、本公司之執行董事兼副主席，以及行政委員會之成員。彼亦為高山企業之執行董事兼副主席及行政委員會之成員。雷女士從事紡織業逾30年，並於成衣設計、製造、市場推廣及分銷方面擁有豐富經驗。彼為本公司及高山企業多間附屬公司之董事。雷女士於1994年獲委任加入董事會為執行董事。雷女士於2006年獲委任為副主席。雷女士為本集團共同創辦人及本公司主要股東官永義先生之妻子。彼亦為本公司執行董事官可欣女士之母親。

Biographical Details of Directors

董事之履歷

MS. KOON HO YAN CANDY

Ms. Koon, aged 32, is an executive director and authorised representative of the Company and is a member of the Executive Committee since 2010. Ms. Koon obtained a Bachelor of Arts degree in Economics and Politics from the University of Durham, England in 2007. She also received her Bachelor of Laws degree and Legal Practice Course qualification in 2009 from the College of Law, England. Ms. Koon is a daughter of Ms. Lui, the vice president of the Company.

MR. TSUI CHUN KONG

Mr. Tsui, aged 66, is an independent non-executive director of the Company since 2004. He is also a member and chairman of the Audit Committee; a member of the Remuneration Committee and Nomination Committee. He obtained a Master's Degree in Business Administration from the Oklahoma City University in the United States in 1991 and is a fellow member of both The Hong Kong Institute of Certified Public Accountants and The Association of Chartered Certified Accountants. Mr. Tsui has over 40 years of experience in the public accounting profession and the commercial sector, especially the travel industry. He has experience in the preparation for the listing of shares on the Stock Exchange and worked for a few listed companies. Mr. Tsui is now practising as a public accountant under his own name.

官可欣女士

官女士，32歲，自2010年起為本公司之執行董事兼授權代表及行政委員會之成員。彼於2007年自University of Durham, England並取得經濟學和政治學文學學士學位。彼亦於2009年自College of Law, England取得法律學士學位及法律實務課程資格。官女士為本公司副主席雷女士之女兒。

徐震港先生

徐先生，66歲，自2004年起為本公司之獨立非執行董事。彼亦為審核委員會之成員兼主席、薪酬委員會及提名委員會之成員。彼於1991年取得美國奧克拉荷馬城大學之工商管理碩士學位，現為香港會計師公會及英國特許公認會計師公會資深會員。徐先生於會計專業及商界擁有逾40年經驗，尤以旅遊業為主。彼具有籌備股份於聯交所上市之經驗，亦曾於多間上市公司工作。徐先生現時為私人執業會計師。

Biographical Details of Directors

董事之履歷

MR. JONG KOON SANG

Mr. Jong, aged 68, is an independent non-executive director of the Company since 2005. He is also a member and chairman of the Remuneration Committee; a member of the Audit Committee and Nomination Committee. Currently, Mr. Jong is a fellow member of The Hong Kong Institute of Certified Public Accountants and The Association of International Accountants, England; a fellow member of the Chartered Management Institute, England; a fellow member of The Taxation Institute of Hong Kong; the accountant ambassador of The Hong Kong Institute of Certified Public Accountants; Honorary Vice President of Accounting Student Society of Hong Kong University of Science and Technology; and a member of the Regional Advisory Committee of Hong Kong Hospital Authority. He is now the only Hong Kong Citizen elected as UK Council member and Authorised Representative in Hong Kong of the Association of International Accountant, England. In the years of 2011 and 2012, Mr. Jong was the President of The Association of International Accountants, Hong Kong Branch. Mr. Jong has over 40 years of management experience in the financial, industrial and property business.

MR. HON TAM CHUN

Mr. Hon, aged 82, is an independent non-executive director of the Company since 2008. He is also a member and chairman of the Nomination Committee; a member of the Audit Committee and Remuneration Committee. Mr. Hon is a retired Magistrate and Barrister. He had been in service with the Hong Kong Government for more than 40 years. During 1969 to 1973, Mr. Hon was a Crown Counsel in the Legal Department of the Hong Kong Government. He was a Judicial Officer in Judiciary from 1975 to 1995 when he retired.

莊冠生先生

莊先生，68歲，自2005年起為本公司之獨立非執行董事。彼亦為薪酬委員會之成員兼主席、審核委員會及提名委員會之成員。莊先生現為香港會計師公會及英國國際會計師公會之資深會員；英國特許管理學會資深會員；香港稅務學會資深會員；香港會計師公會會計師大使；香港科技大學會計系學生會榮譽副會長；及香港醫院管理局區域諮詢委員會委員。彼現為英國國際會計師公會之唯一香港人理事以及英國駐香港代表。於2011年及2012年，莊先生為國際會計師公會香港分會之會長。莊先生於金融、工業及地產界擁有逾40年管理經驗。

韓譚春先生

韓先生，82歲，自2008年起為本公司之獨立非執行董事。彼亦為提名委員會之成員兼主席、審核委員會及薪酬委員會之成員。韓先生為退休之裁判法院的裁判官及大律師。彼於香港政府服務超過40年。於1969年至1973年期間，韓先生為香港政府律政處之律師，彼於1975年至1995年期間，出任司法機構之司法人員直至退休。

Biographical Details of Directors

董事之履歷

MR. KWONG JIMMY CHEUNG TIM

(resigned on 18 April 2017)

Mr. Kwong, aged 74, is an executive director, president, chief executive officer and authorised representative of the Company and chairman of the Executive Committee. He is also an executive director, chairman, chief executive officer and authorised representative, and chairman of the Executive Committee of Eminence Enterprise Limited (“**Eminence**”). Mr. Kwong graduated from The University of Hong Kong in 1965 and was admitted as Barrister-at-Law in the United Kingdom in 1970 and in Hong Kong in 1973 respectively. He has over 30 years of experience in the legal field. He serves as director of various subsidiaries of the Company and Eminence. In 2007, Mr. Kwong was appointed as executive director, president and chief executive officer of the Company; but Mr. Kwong has resigned from all positions in the Company on 18 April 2017.

MR. LAI LAW KAU

(resigned on 18 April 2017)

Mr. Lai, aged 56, is a non-executive director of the Company since December 2013. He has been involved in the textiles industry over 20 years and has extensive experience in design, manufacturing, marketing and distribution of apparel. He is also a non-executive director of Eminence. Mr. Lai is a paternal brother-in-law of Ms. Lui, the vice president of the Company, and he is also an uncle of Ms. Koon, an executive director of the Company.

鄺長添先生

(於2017年4月18日辭任)

鄺先生，74歲，為本公司之執行董事、主席、首席行政總裁兼授權代表，以及行政委員會主席。彼亦為高山企業有限公司（「**高山企業**」）之執行董事、主席、首席行政總裁兼授權代表，以及行政委員會主席。鄺先生於1965年畢業於香港大學，分別於1970年及1973年成為英國及香港之大律師。彼於法律界擁有逾30年經驗。彼為本公司及高山企業多間附屬公司之董事。於2007年，鄺先生獲委任為本公司執行董事、主席兼首席行政總裁；但鄺先生已於2017年4月18日辭任本公司所有職銜。

賴羅球先生

(於2017年4月18日辭任)

賴先生，56歲，自2013年12月起為本公司之非執行董事。彼從事紡織業逾20年，並於成衣設計、製造、市場推廣及分銷方面擁有豐富經驗。彼亦為高山企業之非執行董事。賴先生為本公司副主席雷女士之連襟及亦為本公司執行董事官女士之姑丈。

Corporate Governance Report 企業管治報告

The board (“**Board**”) of directors (“**Directors**”) of the Company is committed to achieving high standards of corporate governance by emphasizing transparency, independence, accountability, responsibility and fairness. The Board strives to ensure that effective self-regulatory practices exist to protect the interests of the Shareholders and to enhance long-term Shareholders’ value.

COMPLIANCE WITH CORPORATE GOVERNANCE CODE

During the year, the Company has complied with most of the code provisions and where appropriate, adopted some of the recommended best practices as set out in the Corporate Governance Code and Corporate Governance Report (“**CG Code**”). Set out below are the details of the deviation from the code provisions of the Rules Governing the Listing of Securities on the Stock Exchange (“**Listing Rules**”):

本公司董事（「**董事**」）會（「**董事會**」）承諾透過加強透明度、獨立性、問責性、責任及公平性，以達致高企業管治水平。董事會致力確保有效之自身監管常規，以保障股東之利益及提升長遠股東價值。

企業管治守則之遵守

於年內，本公司一直遵守企業管治守則及企業管治報告（「**企業管治守則**」）所載述之大部分守則條文，並在適當情況下，採用了一些建議最佳常規。下文載列有關偏離聯交所證券上市規則（「**上市規則**」）之守則條文詳情：

CG Code Provision A.2.1 requires that the roles of chairman and chief executive should be separate and should not be performed by the same individual

Mr. Kwong Jimmy Cheung Tim is the chairman of the Board and was holding the office of chief executive officer of the Company. While this was a deviation from CG Code Provision A.2.1, dual role leadership has been in practice by the Company for decades and has withstood the test of time. The Board considers this arrangement to be appropriate for the Company as it can preserve the consistent leadership culture of the Company and allow efficient discharge of the executive functions of the chief executive. The Board believes that a balance of power and authority is adequately ensured by the operations of the Board which comprises experienced and high caliber individuals including two non-executive Directors and three independent non-executive Directors. Meanwhile, the day-to-day management and operation of the Group are delegated to divisional management under the leadership and supervision of Mr. Kwong in the role of chief executive officer who is supported by the executive Directors and senior management.

Mr. Kwong resigned as executive Director, chairman of the Board and chief executive officer on 18 April 2017.

企業管治守則第A.2.1條規定主席與行政總裁之角色應有區分，並不應由一人同時兼任

鄭長添先生為董事會主席並擔任本公司首席行政總裁。雖然此與企業管治守則第A.2.1條有所偏離，但雙角色領導模式於本公司推行已久且行之有效。董事會認為此安排對本公司而言是恰當的，既能繼續貫徹本公司之領導文化亦能提升行政總裁的執行能力。董事會認為董事會成員不乏經驗豐富及具才幹之人士（包括2位非執行董事及3位獨立非執行董事），足以確保權力及職能平衡。在主席及首席行政總裁鄭先生的領導及監督，與一眾執行董事及高層管理人員之輔助下，本集團日常管理及營運事宜均由各部門管理人員負責。

鄭先生於2017年4月18日辭任執行董事、董事會主席及行政總裁。

THE BOARD

Board Composition

The Board currently comprises 6 Directors, with 3 executive Directors and 3 independent non-executive Directors (“INEDs”). The Board has in its composition a balance of skills and experience necessary for decision making and fulfilling its business needs. The participation of non-executive Directors in the Board bring independent judgement on issues relating to the Group’s strategy, performance, conflicts of interest and management process to ensure that the interests of all shareholders of the Company have been duly considered.

Each of the non-executive Directors has entered into a service contract for a term of 3 years and is subject to termination by either party giving not less than 1 month’s prior written notice to the other.

The Board considers that all of the independent non-executive Directors are independent and has received from each of them the annual confirmations of independence required by the Listing Rules.

董事會

董事會之組成

董事會目前由6位董事組成，其中3位為執行董事及3位為獨立非執行董事（「獨立非執行董事」）。董事會之組成具備為本集團作決策及符合其業務需要所必須的技能和經驗之均衡搭配。非執行董事參與董事會，為有關本集團之策略、表現、利益衝突及管理程序等事項提供獨立決定，以確保本公司全體股東之利益得到充份考慮。

每位非執行董事已與本公司訂立為期3年之服務合約，並可由任何一方向另一方發出不少於1個月之事先書面通知終止服務合約。

董事會認為全體獨立非執行董事均為獨立人士，並已接獲各獨立非執行董事根據上市規則規定作出之年度獨立確認書。

Corporate Governance Report 企業管治報告

The composition of the Board during the year and up to date of this report is set out as follows:

Executive Directors:

Mr. Tse Wing Chiu Ricky
– *President and Chief Executive Officer*
Ms. Lui Yuk Chu – *Vice President*
Ms. Koon Ho Yan Candy
Mr. Kwong Jimmy Cheung Tim
(*resigned on 18 April 2017*)

Non-executive Directors:

Mr. Tse Wing Chiu Ricky
(*re-designated on 18 April 2017*)
Mr. Lai Law Kau
(*resigned on 18 April 2017*)

Independent non-executive Directors:

Mr. Tsui Chun Kong
Mr. Jong Koon Sang
Mr. Hon Tam Chun

The Board is responsible for the approval and monitoring of the Group's overall strategies and policies, approval of business plans, evaluating the performance of the Group and oversight of management. It is also responsible for promoting the success of the Company and its businesses by directing and supervising the Company's affairs.

董事會於年內及截至本報告日期止之成員如下：

執行董事：

謝永超先生
– 主席兼首席行政總裁
雷玉珠女士 – 副主席
官可欣女士
鄭長添先生
(於2017年4月18日辭任)

非執行董事：

謝永超先生
(於2017年4月18日調任)
賴羅球先生
(於2017年4月18日辭任)

獨立非執行董事：

徐震港先生
莊冠生先生
韓譚春先生

董事會負責批准及監察本集團之整體策略及政策、批准業務計劃、評估本集團之表現及監管管理層。董事會亦負責透過領導及監管本公司事務來促進本公司及其業務之成功。

Corporate Governance Report

企業管治報告

The Board focuses on overall strategies and policies with particular attention paid to the growth and financial performance of the Group.

The Board delegates day-to-day operations of the Group to executive Directors and senior management of every business segment, while reserving certain key matters for its approval. Decisions of the Board are communicated to the management through executive Directors who have attended Board meetings.

The Company had arranged for appropriate liability insurance for the Directors for indemnifying their liabilities arising from the Group's corporate activities.

All Directors have been provided, on a monthly basis, with the Group's management information updates to give them aware of the Group's affairs and facilitates them to discharge their duties under the relevant requirements of the Listing Rules.

Professional Development

The Company provides regular updates on the business development of the Group. The Directors are regularly briefed on the latest development regarding the Listing Rules and other applicable statutory requirements to ensure compliance and upkeep of good corporate governance practices. In addition, the Company has been encouraging the Directors to enroll in professional development courses and seminars relating to the Listing Rules, Companies Ordinance and corporate governance practices organized by professional bodies or chambers in Hong Kong. All Directors are requested to provide the Company with their respective training records pursuant to the Code.

董事會專注於整體策略及政策，尤其著重本集團之增長及財務表現。

董事會將本集團之日常營運交由執行董事及各業務分部之高級管理層處理，同時保留對若干主要事項作出審批之權利。董事會之決定由出席董事會會議之執行董事傳達給管理層。

本公司已為董事投購適當之責任保險，以對彼等因本集團企業活動而產生之責任提供彌償。

全體董事每月均獲本集團管理層提供有關本集團之最新資料，以便彼等掌握本集團之事務狀況及履行彼等於上市規則相關規定下的職責。

專業發展

本公司定期提供本集團業務發展的最新資料。董事獲定期提供有關上市規則及其他適用法律規定的最新發展簡報，確保遵守及維持良好的企業管治常規。此外，本公司一直鼓勵董事參與由香港專業團體或商會舉辦，有關上市規則、公司條例及企業管治常規的專業發展課程及研討會。全體董事均須根據該守則之規定向本公司提供彼等各自的培訓記錄。

Corporate Governance Report

企業管治報告

All Directors, namely, Mr. Kwong Jimmy Cheung Tim, Ms. Lui Yuk Chu, Ms. Koon Ho Yan Candy, Mr. Tse Wing Chiu Ricky, Mr. Lai Law Kau, Mr. Tsui Chun Kong, Mr. Jong Koon Sang and Mr. Hon Tam Chun, have participated in appropriate continuous professional development to develop and refresh their knowledge and skills during the year. Such professional development was completed either by way of attending briefings, conference, forum, courses and seminars and self-reading which are relevant to the business or directors' duties.

全體董事（包括鄭長添先生、雷玉珠女士、官可欣女士、謝永超先生、賴羅球先生、徐震港先生、莊冠生先生及韓譚春先生）於年內均已參加適當的持續專業發展以擴充及更新彼等之專業知識及技能。完成專業發展的方式包括出席有關業務或董事職務之簡報會、會議、論壇、課程及研討會以及閱讀相關資料。

Attendance of Directors at Various Meetings

董事於各會議之出席率

Details of the attendance of individual Directors at Board meetings, committee meetings and AGM held during the year ended 31 March 2017 are as follows:

截至2017年3月31日止年度，個別董事於董事會會議、委員會會議及股東週年大會之出席情況詳情如下：

		Attendance record of Directors and Committee Members in 2016/17 2016/17年度內董事及委員會成員的出席紀錄				
		2016 AGM 2016年 股東週年大會	Board 董事會	Audit Committee 審核委員會	Remuneration Committee 薪酬委員會	Nomination Committee 提名委員會
Number of meetings	會議次數	1	4	2	1	1
Executive Directors	執行董事					
Kwong Jimmy Cheung Tim (resigned on 18 April 2017)	鄭長添（於2017年 4月18日辭任）	1/1	4/4	–	1/1	1/1
Lui Yuk Chu	雷玉珠	1/1	4/4	–	–	–
Koon Ho Yan Candy	官可欣	0/1	4/4	–	–	–
Non-executive Directors	非執行董事					
Tse Wing Chiu Ricky (re-designated as executive Director on 18 April 2017)	謝永超（於2017年 4月18日調任為 執行董事）	1/1	4/4	–	–	–
Lai Law Kau (resigned on 18 April 2017)	賴羅球（於2017年 4月18日辭任）	1/1	4/4	–	–	–
Independent non-executive Directors	獨立非執行董事					
Tsui Chun Kong	徐震港	1/1	4/4	2/2	1/1	1/1
Jong Koon Sang	莊冠生	1/1	4/4	2/2	1/1	1/1
Hon Tam Chun	韓譚春	1/1	4/4	2/2	1/1	1/1

Corporate Governance Functions

The Board is responsible for performing the following corporate governance duties:

- (a) to develop and review the Company policies and practices on corporate governance, monitoring of the corporate governance practices and procedures; and maintenance of appropriate and effective risk management and internal control systems of the Group to ensure compliance with applicable rules and regulations;
- (b) to review and monitor the training and continuous professional development of Directors and senior management of the Group;
- (c) to review and monitor the Company's policies and practices on compliance with legal and regulatory requirements;
- (d) to develop, review and monitor the code of conduct and compliance manual (if any) applicable to employees and Directors; and
- (e) to review the Company's compliance with Appendix 14 of the Listing Rules (Corporate Governance Code and the Corporate Governance Report).

During the year ended 31 March 2017, the Board had performed the above-mentioned corporate governance functions by reviewing the Company's policies and practices on corporate governance and compliance with legal and regulatory requirements.

企業管治功能

董事會負責履行以下企業管治職責：

- (a) 制定及檢討本公司的企業管治政策及常規，監督公司治理規範和程序；並維持本集團適當有效的風險管理和內部監控制度，確保遵守適用的規章及制度；
- (b) 檢討及監察本集團董事及高級管理人員的培訓及持續專業發展；
- (c) 檢討及監察本公司於遵守法律及監管規定方面的政策及常規；
- (d) 制定、檢討及監察僱員及董事的操守準則及合規手冊（如有）；及
- (e) 檢討本公司遵守上市規則附錄14（企業管治守則及企業管治報告）的情況。

於截至2017年3月31日止年度內，董事會已審閱本公司之企業管治及遵守法律及監管規定之政策及常規，以履行上述企業管治職能。

DELEGATION BY THE BOARD

Board Committees

The Board has delegated authority to 4 standing Committees with specific roles and responsibilities. Their terms of reference and composition are reviewed and updated regularly to ensure that they remain appropriate and reflect changes in good practice and governance. The terms of reference of each of the Committees are available on the Company's website. The attendance record of the Committee members is shown on page 25 of this Annual Report.

Audit Committee

The Audit Committee, comprising 3 INEDs, namely Mr. Tsui Chun Kong (chairman of the Audit Committee), Mr. Jong Koon Sang and Mr. Hon Tam Chun, held 2 meetings for the year ended 31 March 2017.

The principal functions of Audit Committee include:

- to oversee the relationship with the Auditor;
- to review the interim and annual financial statements before publication;
- to oversee the Group's financial reporting system and internal control procedures; and
- to review of the internal control and risk management framework.

董事會權力之轉授

董事委員會

董事會授權4個常設委員會負責特定的角色和職責。董事會定期檢討及更新各委員會的職權範圍及組成，以確保仍然妥善恰當並反映良好常規及管治的變動。各委員會的職權範圍載於本公司網站。委員會成員的出席紀錄載於本年報第25頁。

審核委員會

審核委員會由3名獨立非執行董事組成，包括徐震港先生（審核委員會主席）、莊冠生先生及韓譚春先生。截至2017年3月31日止年度，審核委員會已舉行2次會議。

審核委員會之主要職責包括：

- 監察與核數師之關係；
- 於刊發中期及全年財務報表前進行審閱；
- 監察本集團之財務報告系統及內部監控程序；及
- 檢討內部監控及風險管理架構。

During the year ended 31 March 2017, the Audit Committee (i) reviewed the reports from the Auditor, accounting principles and practices adopted by the Group, management representation letters, and management's response in relation to the annual results for the year ended 31 March 2016 and the interim results for the six months ended 30 September 2016; (ii) reviewed the financial reports for the year ended 31 March 2016 and for the six months ended 30 September 2016 and recommended the same to the Board for approval; and (iii) reviewed the effectiveness of risk management and internal control.

Auditor's Remuneration

The fees in relation to the audit service provided by Deloitte Touche Tohmatsu, the external auditor of the Company, for the year ended 31 March 2017 amounted to HK\$2,100,000 (2016: HK\$1,902,000), and those in relation to non-audit services amounted to HK\$788,000 (2016: HK\$615,000).

Review of 2016/17 Consolidated Financial Statements

The Audit Committee reviewed the 2016/17 consolidated financial statements in conjunction with the external auditor of the Company. Based on this review and discussions with management, the Audit Committee was satisfied that the consolidated financial statements were prepared in accordance with applicable accounting standards, and fairly present the Group's financial position and results for the year ended 31 March 2017.

於截至2017年3月31日止年度內，審核委員會已(i)審閱就有關截至2016年3月31日止年度之全年業績及截至2016年9月30日止6個月之中期業績由核數師所作出之報告、本集團採納之會計準則及常規、管理層聲明函件及管理層之回應；(ii)審閱並向董事會提出建議以批准截至2016年3月31日止年度及截至2016年9月30日止6個月之財務報告；及(iii)審閱風險管理及內部監控之有效性。

核數師酬金

本公司之外聘核數師德勤•關黃陳方會計師行於截至2017年3月31日止年度提供的審核服務費用為2,100,000港元（2016年：1,902,000港元），而有關非核數服務的費用則為788,000港元（2016年：615,000港元）。

審閱2016/17年度的綜合財務報表

審核委員會聯同本公司外聘核數師審閱了2016/17年度的綜合財務報表。根據這項審閱以及與管理層的討論，審核委員會確信綜合財務報表是按適用的會計準則編制，並公平呈列了本集團截至2017年3月31日止年度的財政狀況及業績。

Remuneration Committee

The Remuneration Committee, comprising 4 members, including Mr. Jong Koon Sang (chairman of the Remuneration Committee), Mr. Tsui Chun Kong and Mr. Hon Tam Chun who are INEDs, and Mr. Kwong Jimmy Cheung Tim who is an executive Director, held 1 meeting for the year ended 31 March 2017.

The principal functions of the Remuneration Committee include:

- to recommend to the Board on the Company's policies and structure for the remuneration of the Directors and senior management of the Group;
- to recommend to the Board on the remuneration package of all executive Directors and senior management of the Group; and
- to review and approve the management's remuneration proposals with reference to corporate goals and objectives by the Board from time to time.

The primary objective of the Company's remuneration policy is to attract, retain and motivate the personnels by providing fair reward for their contributions to the Group's performance. In this context, the remuneration policy is to set the overall remuneration package at a competitive level and in a form that permits additional remuneration to be earned for high performance over a sustained period. The remuneration packages are determined with reference to the time commitment and responsibilities of each individual, the Company's performance and the prevailing market conditions.

During the year ended 31 March 2017, the Remuneration Committee reviewed the remuneration policies and structure for the Directors and senior management of the Group.

薪酬委員會

薪酬委員會由4名成員組成，包括獨立非執行董事莊冠生先生（薪酬委員會主席）、徐震港先生及韓譚春先生，以及執行董事鄭長添先生。截至2017年3月31日止年度，薪酬委員會已舉行1次會議。

薪酬委員會之主要職責包括：

- 就本集團董事及高級管理人員之本公司薪酬政策及架構向董事會提出建議；
- 就本集團全體執行董事及高級管理人員之薪酬待遇向董事會提出建議；及
- 董事會不時參考企業目標及宗旨，檢討及批准管理層的薪酬方案。

本公司薪酬政策之主要目的為吸引、挽留及鼓勵人材，對彼等為本集團表現所作出之貢獻提供公平回報。有鑒於此，薪酬政策制訂具競爭水平之整體薪酬待遇，並以容許長期能維持高效表現者可賺取額外薪酬之形式推出。薪酬待遇經參考個別人士的供職時間及職責、本公司之業績以及現行市況後釐定。

於截至2017年3月31日止年度內，薪酬委員會已審閱本集團董事及高級管理層之薪酬政策及架構。

Nomination Committee

The Nomination Committee, comprising 4 members, including Mr. Hon Tam Chun (chairman of the Nomination Committee), Mr. Tsui Chun Kong and Mr. Jong Koon Sang who are INEDs and Mr. Kwong Jimmy Cheung Tim who is an executive Director, held 1 meeting for the year ended 31 March 2017.

The principal functions of the Nomination Committee include:

- to review the structure, size and composition (including the skills, knowledge and experience) of the Board;
- to identify and nominate suitable candidates of directors for the Board's consideration; and
- to assess the independence of the independent non-executive Directors.

The Board adopted a nomination policy (“**Policy**”) which sets out the approach to achieving board diversity in the Company in order to enhance the effectiveness of the Board and its corporate governance standard. The Company recognizes the importance of having a diverse team of board members, which is an essential element in maintaining a competitive advantage. The Nomination Committee has been delegated the authority to review and assess the diversity of the Board and its skills and experience by way of consideration of a number of factors, including but not limited to, gender, age, cultural and educational background, and professional experience. The Nomination Committee will give consideration to the Policy when identifying and selecting suitably qualified candidates. The Policy will be reviewed on a regular basis.

During the year ended 31 March 2017, the Nomination Committee (i) reviewed the structure, size, composition and diversity of the Board; and (ii) assessed the independence of the independent non-executive Directors.

提名委員會

提名委員會由4名成員組成，包括獨立非執行董事韓譚春先生（提名委員會主席）、徐震港先生及莊冠生先生及執行董事鄭長添先生。截至2017年3月31日止年度，提名委員會已舉行1次會議。

提名委員會之主要職責包括：

- 檢討董事會的架構、規模及組成（包括技能、知識及經驗）；
- 物色並提名董事合適候選人以供董事會考慮；及
- 評核獨立非執行董事的獨立性。

董事會採納一項提名政策（「**該政策**」），該政策載列本公司達致董事會多元化的方法，從而達致提升董事會的效能，以及其企業管治水平。本公司重視董事會成員多元化，此為維持競爭優勢的必要元素。提名委員會已獲授權透過考慮多項因素，包括但不限於性別、年齡、文化及教育背景以及專業經驗，檢討及評估董事會的多元化程度、其技能及經驗。提名委員會於物色及甄選合適資格人選時，將會考慮該政策。提名委員會將不時檢討該政策。

於截至2017年3月31日止年度內，提名委員會已(i)審閱董事會的架構、規模、組成及多元化；及(ii)評核獨立非執行董事的獨立性。

Corporate Governance Report

企業管治報告

Executive Committee

The Executive Committee currently comprises all the executive Directors, namely Mr. Tse Wing Chiu Ricky (chairman of the Executive Committee), Ms. Lui Yuk Chu and Ms. Koon Ho Yan Candy.

It meets as and when required between regular Board meetings of the Company, and operates as a general management committee under the direct authority of the Board. Within the parameters of authority delegated by the Board, the Executive Committee is committed to the implementation of the Group's strategy set by the Board, monitors the Group's investment and trading performance, funding and financing requirements, and reviews the management performance.

COMPANY SECRETARY

The company secretary assists the Board by ensuring good information flow within the Board and that the Board policy and procedures are followed. Mr. Lee Po Wing, the company secretary of the Company, has taken not less than 15 hours of relevant professional training during the year.

行政委員會

行政委員會現時由全體執行董事組成，包括謝永超先生（行政委員會主席）、雷玉珠女士及官可欣女士。

行政委員會於有需要時於本公司定期董事會會議之間召開會議，並在董事會直接授權下以一般管理委員會模式運作。在董事會授予之權力範圍下，行政委員會致力落實董事會所制訂之本集團策略、監控本集團之投資及交易表現、資金及融資需求，並檢討管理層表現。

公司秘書

公司秘書協助董事會，確保董事會成員之間資訊交流良好，以及遵循董事會政策及程序。本公司之公司秘書李寶榮先生於本年度已接受不少於15小時的相關專業培訓。

ACCOUNTABILITY AND AUDIT

The Board leads and maintains effective controls over the Group's activities, with executive responsibility for the running of the Group's business being delegated to management. The management provides all members of the Board with monthly updates in order to give a balanced and understandable assessment of the Group's performance, position and prospects to enable them to discharge their duties.

Risk Management and Internal Control

The Board is responsible for evaluating and determining the nature and extent of the risks which is willing to take in achieving the Group's strategic objectives and ensuring that the Group establishes and maintains appropriate and effective risk management and internal control systems and reviewing their effectiveness. The Board is also responsible for overseeing the design, implementation and monitoring of the risk management and internal control systems. The risk management and internal control systems are designed to provide reasonable, but not absolute, assurance against material misstatement or loss and to manage rather than eliminate risks of failure in operating systems or in achievement of the Group's business objectives.

The Board, through the Audit Committee, conducts a review of the effectiveness of the Group's risk management and internal control systems by requiring all department managers to undergo a detailed self-risk assessment process using a common risk management framework. It covers all material controls, including financial, operational and compliance controls, on an annual basis. It also considers the adequacy of resources, staff qualifications and experience, training programs and budget of the Group's accounting and financial reporting function.

問責性及審核

董事會領導和維持對本集團活動之有效監控，將經營本集團業務之執行責任交由管理層處理。管理層向所有董事會成員每月提供一次更新資料，讓董事對本集團表現、狀況及前景有公平及易於理解的評估，並讓董事可履行彼等職責。

風險管理及內部監控

董事會負責評估和確定其願意為實現本集團的策略目標而採取的風險的性質和程度，並確保本集團建立和維護適當和有效的風險管理和內部監控制度並審查其有效性。董事會還負責監管風險管理和內部監控制度的設計、實施和監督。風險管理和內部監控制度旨在為重大錯報或損失提供合理但非絕對保證，並管理而非消除操作系統故障或實現本集團業務目標的風險。

董事會通過審核委員會對本集團風險管理和內部監控制度的有效性進行審查，要求所有部門經理使用共同的風險管理框架進行詳細的自我風險評估程序。它每年涵蓋重要的監控，包括財務、營運和合規監控。它亦考慮了本集團會計和財務報告功能的資源、員工資歷和經驗、培訓計劃和預算的足夠性。

Under the enterprise risk management framework, policies and procedures are in place to identify, assess, manage, control and report risks. Such risks include strategic, credit, operational (administrative system, human resources, reputation), market, liquidity, legal and regulatory risks. Exposure to these risks is continuously monitored by the Board through the Audit Committee.

The internal control system includes a defined management structure with specified limits of authority. The Board has clearly defined the authorities and key responsibilities of each division to ensure adequate checks and balances. The internal control system has been designed to safeguard the Group's assets against authorised use of disposition, to ensure the maintenance of proper accounting records for producing reliable financial information, and to ensure compliance with applicable laws, regulations and industry standard.

The Group does not have an internal audit function. During the year under review, the Board has reviewed the effectiveness of the internal control system of the Group and there were no major issue but areas for improvement have been identified by the Audit Committee and appropriate measures taken. The Board is of the view that the enterprise risk management and internal control systems in place for the year and up to the date of issuance of the annual report is effective and adequate. In addition, the Board is currently of the view that there is no immediate need to set up an internal audit function within the Group in light of the size, nature and complexity of the Group's business. The situation will be reviewed from time to time.

根據企業風險管理框架，政策和程序去鑑定、評估、管理、控制和風險報告的政策和程序。該風險包括策略、信貸、營運（行政制度、人力資源、名聲）、市場、流動性、法律和管制風險。董事會通過審核委員會不斷監測該等風險。

內部監控制度包括具有特定權限限制的管理架構。董事會明確界定了各部門的權力和主要職責，以確保充分的檢查和制衡。內部監控制度的目的是為了保護本集團的資產免受授權使用的處置，確保維護妥當的會計記錄，以產生可靠的財務資料，並確保遵守適用的法律、法規和行業標準。

本集團並無內部審核職能。於回顧年內，董事會對本集團內部監控制度的有效性進行了檢討，並沒有發生重大問題，但審核委員會已經確定適當改進，並採取了相應的措施。董事會認為，於本年度和年度報告發佈之日起實施的企業風險管理和內部監控制度是有效和充分的。此外，董事會目前認為，鑑於本集團業務規模、性質及複雜性，本集團目前並無需立即設立內部審核職能。情況將不時予以審查。

Financial Reporting

The Directors acknowledge their responsibilities for keeping proper accounting records and preparing financial statements for each financial year/period which give a true and fair view of the state of affairs of the Group as at the end of the financial year/period and of the profit and loss for the year/period. In preparing the financial statements, the Directors have adopted all applicable Hong Kong Financial Reporting Standards in all material respects, selected appropriate accounting policies and then applied them consistently, made judgements and estimates that are fair and reasonable. The Directors use the going concern basis in preparing the financial statements unless this is inappropriate.

The Company recognises that a clear, balanced and timely presentation of financial report is crucial in maintaining the confidence of stakeholders. Reasonable disclosure of Company's financial position and prospects are provided in the report. Annual and interim results are published within three and two months after the end of the relevant financial year period respectively.

A statement of the Company's external auditor about their reporting responsibilities is included in the Independent Auditor's Report on pages 63 to 68 of the Annual Report.

財務報告

董事確認其保存妥當的會計紀錄及編制各財務年度／期間財務報表之責任，以真實公平地反映本集團於財政年度／期間結束時候之財務狀況及該年度／期間之盈虧。在編制財務報表時，董事已於各重要範疇採納所有適用之香港財務報告準則、選定適當之會計政策且一致地應用、作出公平合理之判斷和估計。除非並不適合，否則董事運用持續經營基準來編制財務報表。

本公司深信，清晰、持平且準時地刊發財務報告，對維持各方信心是十分關鍵，報告對本公司的財務狀況和前景提供合理披露。於相關財政年度／期間結束後，分別於三個月及兩個月內刊發年度和中期業績。

本公司外聘核數師就其報告責任作出之聲明載於本年報第63至68頁之獨立核數師報告。

COMPLIANCE WITH MODEL CODE OF THE LISTING RULES

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (“**Model Code**”) as set out in Appendix 10 to the Listing Rules as its own code of conduct regarding Directors’ securities transactions. Having made specific enquiry of all Directors, the Company was not aware of any non-compliance with the required standard as set out in the Model Code regarding securities transactions by Directors throughout the year ended 31 March 2017.

MATERIAL RELATED PARTY TRANSACTIONS

During the year ended 31 March 2017, the Group entered into certain transactions with “related parties” as defined under the applicable accounting standards. Details of the material related party transactions are disclosed in note 39 to the consolidated financial statements of this Annual Report.

SHAREHOLDERS’ RIGHTS

Convening a special general meeting

Special general meetings may be convened upon receipt of the written request submitted by any shareholder(s) of the Company not less than one-tenth of the share capital of the Company carrying the rights of voting at general meetings of the Company. Such written requisition must state the purposes of the meeting, and signed by the requisitionist(s) and deposited at the principal place of business of the Company at Block A, 7th Floor, Hong Kong Spinners Building, Phase 6, 481-483 Castle Peak Road, Cheung Sha Wan, Kowloon, Hong Kong (for the attention of the Company Secretary).

遵守上市規則之標準守則

本公司已採納上市規則附錄10所載之上市發行人董事進行證券交易的標準守則（「**標準守則**」）作為董事進行證券交易之行為守則。經向全體董事作出具體查詢後，本公司知悉於截至2017年3月31日止年度內由董事進行的證券交易並無違反標準守則載列的規定標準。

重大關連人士交易

於截至2017年3月31日止年度內，本集團亦曾與適用會計準則界定為「關連人士」的人士／公司進行若干交易。重大關連人士交易的詳情載於本年報之綜合財務報表附註39。

股東權利

召開股東特別大會

股東特別大會可於接獲持有不少於本公司十分之一股本並有權於本公司股東大會上投票之任何本公司股東遞交之書面要求後召開。有關書面要求必須列明召開大會之目的，並由發出要求者簽署及送呈本公司之主要營業地點（地址為香港九龍長沙灣青山道481-483號香港紗廠大廈第6期7樓A座），抬頭請註明公司秘書收。

Putting enquiries to the Board

Shareholders may send their enquiries and concerns to the Board by addressing them to the Company Secretary and deposit at the Company's principal place of business in Hong Kong or by e-mail to 1218share@easyknit.com.

Putting forward proposal at general meeting

Shareholders can submit a written requisition to move a resolution at the general meeting. The number of shareholders shall represent not less than one-twentieth of the total voting rights of all the shareholders having at the date of the requisition a right to vote at the general meeting, or shall not less than 100 shareholders.

The written requisition must state the resolution, accompanied by a statement with respect to the matter referred to in any proposed resolution or the business to be dealt with at the general meeting. It must also be signed by all of the shareholders concerned and be deposited at Company's principal place of business in Hong Kong for the attention of the Company Secretary.

The shareholders concerned must deposit a sum of money reasonably sufficient to meet the Company's expenses giving the notice of the resolution and circulating the statement submitted by the shareholders concerned under applicable laws and rules.

向董事會作出查詢

股東可透過向公司秘書寄發郵件至本公司之香港主要營業地點或發送電郵至1218share@easyknit.com向董事會作出查詢及提問。

於股東大會提呈決議案

股東可提出書面請求於股東大會上動議決議案。股東人數須佔於提出請求日期有權於股東大會上投票之所有股東之總投票權不少於二十分之一之股東，或不少於100名股東。

有關書面請求須列明有關決議案，連同一份聲明，內容有關任何所建議決議案提述之事宜或將在股東大會上處理之事務。該書面請求亦須由全體有關股東簽署，並交回本公司於香港主要營業地點，抬頭請註明公司秘書收。

有關股東須寄存一筆合理及足夠款項，用以支付本公司根據適用法例及規則發出決議案通知及傳閱有關股東提交之聲明所需之開支。

SHAREHOLDER RELATIONS

The Company has adopted a Shareholders' Communication Policy in March 2012 reflecting mostly the current practices of the Company for the communication with its shareholders. Information will be communicated to shareholders through:

- continuous disclosure to the Stock Exchange of all material information;
- periodic disclosure through the annual and interim reports;
- notices of meetings and explanatory materials;
- the annual general meetings and other general meetings; and
- the Company's website at www.easyknit.com.

The Board endeavours to maintain an on-going dialogue and meetings with shareholders. The Board is grateful to Shareholders for their views, and welcomes their questions and concerns raised in relation to the management and governance of the Group.

2016 Annual General Meeting ("2016 AGM")

The Board and the management are committed to the constructive use of the annual general meeting as a forum to meet with Shareholders and to hear their view and answer their questions about the Group and its business.

股東關係

於2012年3月，本公司採納一項股東溝通政策，其主要反映本公司現時與股東溝通的慣例。本公司將透過以下渠道向股東傳達信息：

- 向聯交所持續披露所有重大信息；
- 透過年報及中期業績報告作定期披露；
- 大會通告及說明材料；
- 股東週年大會及其他股東大會；及
- 本公司網站www.easyknit.com。

董事會致力保持與股東之間的持續對話及會議。董事會感謝股東的意見，並歡迎彼等就本集團的管理及管治提出問題或關注事項。

2016年股東週年大會（「2016年股東週年大會」）

董事會及管理層致力以具建設性的方式使用股東週年大會作為與股東會面的平台，聽取股東意見並回答彼等有關本集團及其業務的問題。

The President and a majority of other Directors along with key executives and the external auditor attended the 2016 AGM and addressed concerns raised by Shareholders about the resolutions being proposed and the Company's business.

At the 2016 AGM, the Company continued its practice of proposing separate resolutions on each substantially separate issue. All resolutions were passed by way of poll verified by the registrar scrutineer. The poll voting results are available on the Company's website.

主席及大部分其他董事連同主要行政人員及外聘核數師均出席2016年股東週年大會，並回應股東有關建議決議案及本公司業務的關注事項。

於2016年股東週年大會，本公司一如過往，就每項大體上獨立的事宜提出獨立決議案。所有決議案均以股數投票方式表決通過，並由股份過戶登記處核證。投票表決結果載於本公司網站。

Matters resolved at the 2016 AGM

- received the audited financial statements for the year ended 31 March 2016 together with the Reports of the Directors and the Auditor
- declared a final dividend for the year ended 31 March 2016
- re-election of Mr. Kwong Jimmy Cheung Tim and Ms. Koon Ho Yan Candy as Directors
- re-appointment of Deloitte Touche Tohmatsu as Auditor of the Company and authorization to the Directors to fix the Auditor's remuneration
- approval of a general mandate for the Directors to repurchase shares of an amount not exceeding 10% of the total number of the Company's issued shares as at the date of 2016 AGM

2016年股東週年大會上議決的事項

- 接納截至2016年3月31日止年度之經審核財務報表連同董事會報告及核數師報告
- 宣派截至2016年3月31日止年度之末期股息
- 重選鄭長添先生及官可欣女士為董事
- 續聘德勤•關黃陳方會計師行為本公司核數師，並授權董事釐定核數師酬金
- 批准向董事授出一般性授權，可購回不超過本公司於2016年股東週年大會當日已發行本公司股份總數10%的股份

Corporate Governance Report

企業管治報告

- approval of a general mandate for the Directors to allot and issue of new shares of an amount not exceeding 20% of the total number of the Company's issued shares as at the date of 2016 AGM

- 批准向董事授出一般性授權，可配發及發行不超過本公司於2016年股東週年大會當日已發行本公司股份總數20%的新股份

2017 Annual General Meeting ("2017 AGM")

All Shareholders are encouraged to attend the 2017 AGM and exercise their rights to vote. They are invited to ask questions related to the business of the meeting, and will have an opportunity to meet with the Directors following the conclusion of the meeting.

Apart from normal business at the 2017 AGM, the Board has proposed general mandates for the buy back of Company's shares and the issue of the Company's shares. Further details of business to be conducted at the 2017 AGM will be set out in the circular to Shareholders to be sent together with this Annual Report and posted on the Company's website.

2017年股東週年大會（「2017年股東週年大會」）

所有股東敬請撥冗出席2017年股東週年大會及行使其投票權。彼等可詢問有關會議事務的問題，於會議完結後亦有機會與董事會面。

除於2017年股東週年大會上的一般事務外，董事會已建議給予回購及發行本公司股份的一般性授權。有關2017年股東週年大會將進行的事務的進一步詳情將載於與本年報一併寄發之股東通函中，並將刊登於本公司網站。

CONSTITUTIONAL DOCUMENTS

During the year ended 31 March 2017, the Company has not made any changes to its Bye-Laws. A consolidated version of the Memorandum of Association and Bye-Laws of the Company is available on the website of the Company.

憲章文件

於截至2017年3月31日止年度內，本公司並無對其公司細則作出任何更改。本公司之組織章程大綱及公司細則之合訂版本可於本公司網站查閱。

CHANGES AFTER CLOSURE OF FINANCIAL YEAR

This report takes into account the changes that have occurred since 1 April 2017 to the date of approval of this report.

財政年度結束後的變動

本報告已計及自2017年4月1日起至本報告通過日期之間出現的變動。

Environmental, Social and Governance Report

環境、社會及管治報告

This is the Group's first Environmental, Social and Governance Report ("report"). It discloses the Group's sustainability performance over the period from 1 April 2016 to 31 March 2017.

這是本集團首個環境、社會和管治報告（「報告」）。披露了本集團在2016年4月1日至2017年3月31日期間的可持續發展業績。

REPORTING FRAMEWORK

報告框架

The report follows the framework of the Stock Exchange of Hong Kong Limited's Environmental, Social and Governance Reporting Guide set out in Appendix 27 of the Listing Rules on the Stock Exchange.

本報告遵循香港聯合交易所有限公司有關環境、社會及管治報告指引的框架，載於聯交所上市規則附錄27。

Unless otherwise stated, this report focuses on our Hong Kong operations which represent the core businesses of the Group.

除另有說明外，本報告重點以香港業務為核心的業務。

The Group believes in environmental protection and cares for the community through engaging in various charitable initiatives to make positive contributions to society.

本集團相信環境保護和關心社會乃通過參與各種慈善活動，為社會作出積極貢獻。

During the year under review, the Group committed to a reasonable standard of corporate social responsibility and strictly complied with relevant laws and regulations reporting. The two key subject areas for reporting are:

於回顧年內，本集團致力於企業社會責任的合理標準，並嚴格執行有關法律及法規報告。報告的兩個主要領域為：

- (1) Environmental; and
- (2) Social.

- (1) 環境；及
- (2) 社會。

ENVIRONMENTAL PROTECTION

環境保護

Emissions

排放物

The major source of our carbon emissions is the use of energy. We have implemented various energy-saving measures to help reduce our carbon emissions.

碳排放的主要來源是能源使用。我們實施了各種節能措施，以減少碳排放。

Green Workplace

綠色工作場所

The Group has introduced a green policy to enhance the awareness of environmental protection among staff with aim of saving energy, fully utilizing resources and recycling wastes in daily office operation.

本集團制定了綠色政策，提高員工環保意識和節約能源意識，充分利用資源和循環再用廢棄物進行日常辦公。

The Group has undertaken measures to encourage three main areas of environmental friendly practice in the office – paper saving, water saving and electricity saving.

本集團採取措施，鼓勵辦公室環保實踐的三個主要方面 – 節省使用紙張、節約用水及節省用電量。

Paper saving

節省紙張

- Double sided printing
- Encourage use of electronic communication and electronic copy of documents

- 雙面打印
- 鼓勵使用電子通訊及電子版文件

Water saving

節約用水

- Reminders to switch off water tap after use in pantry and washroom
- Regular check on water pipe and tap to prevent leakage

- 提醒在廚房和洗手間使用後關閉水龍頭
- 定期檢查水管和水龍頭以防止漏水

Environmental, Social and Governance Report

環境、社會及管治報告

Electricity saving

- replaced the lighting basins in our offices with energy efficient lightings
- office equipment carries Energy Label issued by the Electrical and Mechanical Services Department which would further decrease energy consumption in our office
- fan-coils in the commercial and industrial buildings are turned off after 8:00 p.m.
- maintain proper temperature of air conditioning

節省用電

- 用能源效益的照明燈替代辦公室的照明燈
- 辦公室設備載有機電工程署簽發的能源標籤，這將會減少我們辦公室的能源消耗
- 商業和工業大廈中風機盤管於晚上8點以後關閉
- 保持適當的空調溫度

SOCIAL COMMITMENT

Employment

To attract, develop and retain qualified employees, the Group is committed to offering professional development opportunities and a healthy working environment for all employees.

As at 31 March 2017, the Group has a total of approximately 35 full-time employees in Hong Kong.

The Group reviews its compensation and benefits programs annually to ensure its compensation and benefits packages remain competitive. In addition, the Group continues to conduct annual review of its pay and benefits packages of employees including medical schemes and retirement benefits to align them with prevailing offers in the market.

社會責任

僱用

為吸引、發展和保留高質素員工，本集團致力於提供專業發展機會和健康的工作環境給所有員工。

於2017年3月31日，本集團在香港約有35名全職員工。

本集團每年回顧其賠償和福利計劃，以確保其賠償福利保持競爭力。此外，本集團繼續對僱員的薪酬福利計劃進行年度檢討，包括醫療計劃及退休福利，使其與市場現行情況保持一致。

Environmental, Social and Governance Report

環境、社會及管治報告

Health and Occupational Safety

The Group is committed to providing a safe and healthy working environment to all employees. We conduct regular monitoring of the work environment and staff facilities.

健康和職業安全

本集團致力為所有員工提供安全健康的工作環境。我們定期監督工作環境和員工設施。

Development and Training

The Group aims to create an environment of continuous learning to facilitate their staff in developing careers and equipping the knowledge and skills to better fulfil their roles and responsibilities. External courses and seminars are provided on an ongoing basis throughout the year.

發展和培訓

本集團旨在創造一個不斷學習的環境，方便員工發展職業、配備知識和技能，更好地履行彼等職責。全年持續提供外部課程和研討會。

Labour Standards

The Group hires employees in accordance with the minimum working age with valid citizen identity in strict compliance with the requirements of the local employment law.

勞工標準

本集團嚴格按照當地就業法之要求，按照最低工作年齡僱用員工。

Community

The Group has dedicated itself to take up its corporate social responsibility for the communities where it is present. It strives to repay society by participating in charitable sponsorship in education.

社區

本集團致力為現有社區承擔社會責任。通過參與教育慈善贊助，力求回饋社會。

Directors' Report 董事會報告

The Directors present the annual report and the audited consolidated financial statements for the year ended 31 March 2017.

PRINCIPAL ACTIVITIES

The Company is an investment holding company. The principal activities of the Company's subsidiaries are set out in note 42 to the consolidated financial statements.

RESULTS

The results of the Group for the year ended 31 March 2017 are set out in the consolidated statement of profit or loss and other comprehensive income on pages 69 to 71.

The Directors recommend the payment of a final dividend of 5 HK cents per share to the shareholders on the register of members of the Company on 28 August 2017, and the retention of the remaining profit in the Company.

SHARE CAPITAL

The details of movements in the Company's share capital during the year are set out in note 30 to the consolidated financial statements.

PROPERTY, PLANT AND EQUIPMENT

During the year, the Group spent HK\$7,636,000 on acquisition of property, plant and equipment. The details of movements in property, plant and equipment of the Group during the year are set out in note 14 to the consolidated financial statements.

董事謹此提呈截至2017年3月31日止年度之年報及經審核綜合財務報表。

主要業務

本公司為一間投資控股公司。本公司附屬公司之主要業務載於綜合財務報表附註42。

業績

本集團截至2017年3月31日止年度之業績載於第69至71頁之綜合損益及其他全面收益表。

董事建議向於2017年8月28日名列本公司股東名冊之股東宣派末期股息每股5港仙，並保留剩餘的溢利於本公司。

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30。

物業、廠房及設備

於年內，本集團動用7,636,000港元於收購物業、廠房及設備。本集團物業、廠房及設備於年內之變動詳情載於綜合財務報表附註14。

INVESTMENT PROPERTIES

The Group's investment properties were revalued as at 31 March 2017 by independent professional property valuer and the gain of HK\$21,877,000 arising on changes in fair value of investment properties, which had be charged directly to profit or loss, as compared to loss arising on changes in fair value of HK\$33,238,000 for the year ended 31 March 2016. Details of these are set out in note 15 to the consolidated financial statements.

PROPERTIES HELD FOR DEVELOPMENT FOR SALE

The details of the Group's properties held for development for sale are set out in note 23 to the consolidated financial statements.

PRINCIPAL SUBSIDIARIES

The details of the Company's principal subsidiaries as at 31 March 2017 are set out in note 42 to the consolidated financial statements.

CHARITABLE DONATIONS

Donations to charitable organization by the Group during the year amounted to approximately HK\$1,660,000.

RESERVES

Details of movements in the reserves of the Company and the Group during the year are set out in the consolidated statement of changes in equity.

投資物業

本集團之投資物業已由獨立專業物業估值師於2017年3月31日重估，因投資物業公平值變動產生的21,877,000港元收益，對比截至2016年3月31日止年度公平值變動產生之虧損33,238,000港元，已直接於損益中計入。有關詳情載於綜合財務報表附註15。

持作出售發展物業

本集團持作出售發展物業詳情載於綜合財務報表附註23。

主要附屬公司

本公司於2017年3月31日之主要附屬公司詳情載於綜合財務報表附註42。

慈善捐款

於本年度內本集團給予慈善機構之捐款約為1,660,000港元。

儲備

於年內，本公司及本集團之儲備變動詳情載於綜合權益變動表內。

DISTRIBUTABLE RESERVES OF THE COMPANY

本公司之可供分派儲備

The Company's reserves available for distribution to shareholders as at 31 March 2017 were as follows:

本公司於2017年3月31日可供分派予股東之儲備如下：

		<i>HK\$'000</i> 千港元
Contributed surplus	繳入盈餘	220,937
Accumulated profits	累計溢利	689,330
		<hr/>
		910,267

Under the laws in Bermuda, the contributed surplus account of a company is also available for distribution. However, the Company cannot declare or pay a dividend, or make a distribution out of contributed surplus if:

根據百慕達法例，一間公司之繳入盈餘賬亦可供分派。然而，本公司於下列情況下不得宣派或派發股息或從繳入盈餘撥款作出分派：

- (a) it is, or would after the payment be, unable to pay its liabilities as they become due; or
- (b) the realisable value of its assets would thereby be less than the aggregate of its liabilities and its issued share capital and share premium accounts.

- (a) 本公司現時或於分派後將無法償還到期負債；或
- (b) 本公司資產之可變現價值將因分派而少於其負債及其已發行股本與股份溢價賬之總和。

Directors' Report 董事會報告

DIRECTORS

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

Executive Directors:

Mr. Tse Wing Chiu Ricky
*(re-designated as President and
Chief Executive Officer on 18 April 2017)*
Ms. Lui Yuk Chu *(Vice President)*
Ms. Koon Ho Yan Candy
Mr. Kwong Jimmy Cheung Tim
*(resigned on 18 April 2017 as executive Director,
President and Chief Executive Officer)*

Non-executive Directors:

Mr. Tse Wing Chiu Ricky
(re-designated on 18 April 2017)
Mr. Lai Law Kau
(resigned on 18 April 2017)

Independent non-executive Directors:

Mr. Tsui Chun Kong
Mr. Jong Koon Sang
Mr. Hon Tam Chun

In accordance with the Company's Bye-Law 99, Ms. Lui Yuk Chu and Mr. Tsui Chun Kong will retire from office at the forthcoming annual general meeting of the Company by rotation and, being eligible, have offered themselves for re-election.

董事

於年內及截至本報告日期止，本公司之董事如下：

執行董事：

謝永超先生
*(於2017年4月18日調任為
主席兼首席行政總裁)*
雷玉珠女士 *(副主席)*
官可欣女士
鄭長添先生
*(於2017年4月18日辭任執行
董事，主席兼首席行政總裁)*

非執行董事：

謝永超先生
(於2017年4月18日調任)
賴羅球先生
(於2017年4月18日辭任)

獨立非執行董事：

徐震港先生
莊冠生先生
韓譚春先生

根據本公司之公司細則第99條，雷玉珠女士和徐震港先生將於本公司即將舉行之股東週年大會上輪值告退，惟符合資格，並願意膺選連任。

Directors' Report

董事會報告

The Company has received annual confirmations from each of the independent non-executive Directors as regards their independence to the Company and considers that each of the independent non-executive Directors is independent to the Company.

No Director proposed for re-election at the forthcoming annual general meeting has an unexpired service contract which is not determinable by the Company or any of its subsidiaries within 1 year without payment of compensation, other than statutory compensation.

UPDATE ON DIRECTORS' INFORMATION

Pursuant to rule 13.51B(1) of the listing rules

In accordance with Rule 13.51B(1) of the Listing Rules, the changes to information required to be disclosed by Directors are set out below.

Pursuant to the Company's policies and practices and in consideration of the increasing level of duties and responsibilities as well as the market conditions, the remuneration package of the following Directors were reviewed and revised with effect from 1 April 2016, details of the breakdown are in note 10 to the consolidated financial statements:

- (1) Mr. Kwong Jimmy Cheung Tim – annual emoluments were revised from HK\$1,242,000 to HK\$1,110,000;
- (2) Ms. Lui Yuk Chu – annual emoluments were revised from HK\$21,197,000 to HK\$17,128,000;

本公司已接獲各獨立非執行董事就彼等對本公司之獨立性而作出之年度確認書，而本公司認為各獨立非執行董事就本公司而言均屬獨立人士。

擬於應屆股東週年大會上膺選連任的董事概無訂立本公司或其任何附屬公司不可於1年內不付賠償（法定賠償除外）而終止之服務合約。

更新董事資料

遵照上市規則第13.51B(1)條

根據上市規則第13.51B(1)條須予披露之董事資料變動載列如下。

根據本公司之政策及常規，鑑於職務及職責加重以及市況，以下執行董事之薪酬待遇由2016年4月1日起進行了檢討及修訂，分析詳情載於綜合財務報表附註10：

- (1) 鄭長添先生 — 其董事年酬金由每年1,242,000港元獲修訂為1,110,000港元；
- (2) 雷玉珠女士 — 其董事年酬金由每年21,197,000港元獲修訂為17,128,000港元；

Directors' Report

董事會報告

- (3) Ms. Koon Ho Yan Candy – annual emoluments were revised from HK\$492,000 to HK\$498,000; and
- (4) The annual Director's emoluments for non-executive Directors were revised from HK\$162,000 to HK\$140,000.

Mr. Tse Wing Chiu Ricky was re-designated from a non-executive Director to executive Director, chairman of the Board and chief executive officer of the Company with effect from 18 April 2017.

Mr. Kwong Jimmy Cheung Tim resigned from the executive Director of the Company, chairman of the Board and chief executive officer with effect from 18 April 2017.

Mr. Lai Law Kau resigned from the non-executive Director of the Company with effect from 18 April 2017.

Save as disclosed above, there has been no change in Directors' information that is required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

Biographical details of the Directors are set out on pages 16 to 19 of this annual report.

DIRECTORS' INTERESTS IN CONTRACTS OF SIGNIFICANCE

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

- (3) 官可欣女士 – 其董事年酬金由每年492,000港元獲修訂為498,000港元；及

- (4) 非執行董事的董事年酬金由162,000港元獲修訂為140,000港元。

謝永超先生於2017年4月18日由非執行董事調任為本公司執行董事、董事會主席及首席行政總裁。

鄭長添先生於2017年4月18日辭任本公司執行董事、董事會主席及首席行政總裁。

賴羅球先生於2017年4月18日辭任本公司非執行董事。

除上文所披露者外，概無根據上市規則第13.51B(1)條須予披露之董事資料變動。

董事之履歷詳情載於本年報第16至19頁。

董事於重大合約之權益

於本年度結束時或年內任何時間，本公司或其任何附屬公司並無訂立董事於當中直接或間接擁有重大權益之重大合約。

CONTROLLING SHAREHOLDERS' INTERESTS IN CONTRACTS OF SIGNIFICANCE

There was no contract of significance between the Company or any of its subsidiaries and a controlling shareholder or any of its subsidiaries subsisting during or at the end of the year, and there was no contract of significance for the provision of services to the Company or any of its subsidiaries by a controlling shareholder or any of its subsidiaries.

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 31 March 2017, the interests or short positions of the Directors and chief executives of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (“SFO”)) which were notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO), or which were recorded in the register required to be kept by the Company under Section 352 of the SFO, or which were required, pursuant to the Model Code as set out in Appendix 10 to the Listing Rules, to be notified to the Company and the Stock Exchange, were as follows:

控股股東於重大合約之權益

於年內或本年度結束時，本公司或其任何附屬公司概無與控股股東或其任何附屬公司訂立重大合約。此外，控股股東或其任何附屬公司概無訂立向本公司或其任何附屬公司提供服務之重大合約。

董事及主要行政人員於股份、相關股份及債權證之權益

於2017年3月31日，本公司董事及主要行政人員於本公司或其任何相聯法團（定義見證券及期貨條例（「證券及期貨條例」）第XV部）的股份、相關股份及債權證中擁有根據證券及期貨條例第XV部第7及第8分部須知會本公司及聯交所的權益或淡倉（包括彼等根據證券及期貨條例之該等條文被假設或視為擁有之權益或淡倉），或記載於本公司按證券及期貨條例第352條須存置之登記冊內的權益或淡倉，或根據上市規則附錄10所載之標準守則須知會本公司及聯交所的權益或淡倉如下：

Directors' Report 董事會報告

(a) Interests in the Company (long position)

Name of Director 董事名稱	Capacity 身份	Number of ordinary shares held 持有普通股 股份數目	Aggregate number of ordinary shares held 持有普通股 股份總數	Approximate percentage of interest 權益之概約 百分比
Ms. Lui Yuk Chu 雷玉珠女士	Beneficiary of a trust (note i) 信託受益人(附註i) Interest of controlled corporation (note ii) 受控制法團之權益 (附註ii)	29,179,480 17,429,664	46,609,144	58.69%
Ms. Koon Ho Yan Candy 官可欣女士	Beneficiary of a trust (note iii) 信託受益人(附註iii)	29,179,480	29,179,480	36.74%

Notes:

- (i) 29,179,480 shares are registered in the name of and beneficially owned by Magical Profits Limited, which is wholly-owned by Accumulate More Profits Limited which in turn is wholly-owned by The Winterbotham Trust Company Limited ("Winterbotham Trust") as the trustee of The Magical 2000 Trust (the beneficiaries of which included Ms. Lui Yuk Chu and her family members other than her spouse).
- (ii) 17,429,664 shares are beneficially owned by Sea Rejoice Limited which is wholly-owned by Ms. Lui Yuk Chu.
- (iii) Ms. Koon Ho Yan Candy, the daughter of Ms. Lui Yuk Chu and an executive director of the Company, is deemed to be interested in the shares by virtue of her capacity as one of the beneficiaries of The Magical 2000 Trust.

(a) 於本公司之權益(好倉)

附註:

- (i) 29,179,480股股份以Magical Profits Limited之名義登記及由其實益擁有，該公司乃由Accumulate More Profits Limited全資擁有，而Accumulate More Profits Limited則由作為The Magical 2000 Trust（其受益人包括雷玉珠女士及除其配偶以外之家族成員）之信託人溫特博森信託有限公司（「溫特博森信託」）全資擁有。
- (ii) 17,429,664股股份由樂洋有限公司實益擁有，該公司乃由雷玉珠女士全資擁有。
- (iii) 官可欣女士（雷玉珠女士的女兒兼本公司執行董事）因其作為The Magical 2000 Trust受益人之一之身份，被視為於股份中擁有權益。

Directors' Report 董事會報告

(b) Interests in associated corporations (long positions) (b) 於相聯法團之權益 (好倉)

Eminence Enterprise Limited

高山企業有限公司

Name of Director 董事名稱	Capacity 身份	Number of ordinary shares held 持有普通股 股份數目	Number of underlying shares held 持有相關 股份數目	Total 總計	Approximate percentage of interest 權益之概約 百分比
Ms. Lui Yuk Chu 雷玉珠女士	Beneficiary of a trust (note iv) 信託受益人 (附註iv)	457,330,692	23,480,281	480,810,973	25.15%
Ms. Koon Ho Yan Candy (resigned on 18 April 2017) 官可欣女士 (於2017年4月18日辭任)	Beneficiary of a trust (note v) 信託受益人 (附註v)	457,330,692	12,180,281	469,510,973	24.56%

Notes:

附註：

(iv) In the 457,330,692 shares, 93,549,498 shares and 363,781,194 shares are registered in the name of and beneficially owned by Landmark Profits Limited and Goodco Development Limited ("Goodco") respectively, both are the wholly-owned subsidiaries of the Company. For the 23,480,281 underlying shares, of which 880,281 are the underlying shares of 2014 convertible note held by Goodco and the remaining 22,600,000 underlying shares of the share options granted to Ms. Lui Yuk Chu and Mr. Koon Wing Yee (the spouse of Ms. Lui Yuk Chu) on 14 October 2016. Goodco Development Limited was also interested in 880,281 underlying shares (subject to adjustment) to be issued upon the full conversion of the 2014 convertible note. Sea Rejoice Limited is interested in approximately 21.95% of the issued share capital of the Company and it is wholly-owned by Ms. Lui Yuk Chu. Magical Profits Limited is interested in approximately 36.74% of the issued share capital of the Company and it is wholly-owned by Accumulate More Profits Limited which in turn is wholly-owned by Winterbotham Trust as the trustee of The Magical 2000 Trust (the beneficiaries of which included Ms. Lui Yuk Chu and her family members other than her spouse).

(iv) 於457,330,692股股份中，93,549,498股股份及363,781,194股股份分別以Landmark Profits Limited及佳豪發展有限公司(「佳豪」)之名義登記並由其實益擁有，該等公司為本公司之全資附屬公司。於23,480,281股相關股份，其中880,281股為佳豪持有的2014年可換股票據之相關股份，餘下22,600,000股購股權相關股份於2016年10月14日授予雷玉珠女士及官永義先生(雷女士之配偶)。佳豪發展有限公司亦於2014年可換股票據獲悉數兌換後可予發行之880,281股相關股份(可予調整)中擁有權益。樂洋有限公司於本公司之已發行股本中擁有約21.95%之權益而其由雷玉珠女士全資擁有。Magical Profits Limited於本公司已發行股本中擁有約36.74%之權益而其由Accumulate More Profits Limited全資擁有，而Accumulate More Profits Limited則由作為The Magical 2000 Trust(其受益人包括雷玉珠女士及除其配偶以外之家族成員)之信託人溫特博森信託全資擁有。

Directors' Report

董事會報告

- (v) Ms. Koon Ho Yan Candy, the daughter of Ms. Lui Yuk Chu and an executive director of the Company, is deemed to be interested in the shares by virtue of her capacity as one of the beneficiaries of The Magical 2000 Trust.

- (v) 官可欣女士（雷玉珠女士的女兒兼本公司執行董事）因為其作為The Magical 2000 Trust受益人之一的身份，被視為於股份中擁有權益。

Save as disclosed above, as at 31 March 2017, none of the Directors or chief executives of the Company had any interests or short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which would have to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO), or which were recorded in the register required to be kept by the Company under Section 352 of the SFO, or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code.

除上文所披露者外，於2017年3月31日，本公司董事或主要行政人員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）的股份、相關股份及債權證中擁有根據證券及期貨條例第XV部第7及第8分部須知會本公司及聯交所的權益或淡倉（包括彼等根據證券及期貨條例之該等條文被假設或視為擁有的權益或淡倉），或記載於本公司按證券及期貨條例第352條須存置之登記冊內的權益或淡倉，或根據標準守則須知會本公司及聯交所的權益或淡倉。

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

At no time during the year was the Company or any of its subsidiaries a party to any arrangement to enable the Directors of the Company to acquire benefits by means of acquisition of shares in, or debentures of, the Company or any other body corporate, and none of the Directors or any of their spouses or children under the age of 18, was granted any right to subscribe for the equity or debt securities of the Company or any other body corporate nor had exercised any such right.

董事認購股份或債權證之權利

本公司或其任何附屬公司於本年度內任何時間概無訂立任何安排，致使本公司董事可藉購買本公司或任何其他法人團體之股份或債權證而獲益，以及並無董事或其配偶或18歲以下之子女獲授予任何權利以認購本公司或任何其他法人團體之股本或債務證券，或已行使任何該等權利。

SUBSTANTIAL SHAREHOLDERS' INTERESTS IN SHARES AND UNDERLYING SHARES

主要股東於股份及相關股份之權益

As at 31 March 2017, the persons (other than the Directors or the chief executives of the Company) who had an interest or a short position in the shares and underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Division 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO were as follows:

於2017年3月31日，於本公司股份或相關股份中擁有根據證券及期貨條例第XV部第2及第3分部的條文須向本公司披露或記載於本公司按證券及期貨條例第336條須存置之登記冊內的權益或淡倉之人士（本公司董事或主要行政人員除外）如下：

Name of Shareholder 股東名稱	Note 附註	Capacity 身份	Number of ordinary shares held (long position) 持有普通股股份數目 (好倉)	Approximate percentage of interest 權益之概約百分比
Koon Wing Yee 官永義	<i>i</i>	Interest of spouse 配偶權益	46,609,144	58.69%
Sea Rejoice Limited 樂洋有限公司	<i>i & ii</i>	Beneficial owner 實益擁有人	17,429,664	21.95%
Magical Profits Limited	<i>i & ii</i>	Beneficial owner 實益擁有人	29,179,480	36.74%
Accumulate More Profits Limited	<i>i</i>	Interest of controlled corporation 受控制法團之權益	29,179,480	36.74%
Winterbotham Trust 溫特博森信托	<i>i & iii</i>	Trustee 信託人	29,179,480	36.74%
Winterbotham Holdings Limited	<i>iii</i>	Interest of controlled corporation 受控制法團之權益	29,179,480	36.74%
Markson International Holdings Limited	<i>iii</i>	Interest of controlled corporation 受控制法團之權益	29,179,480	36.74%
Christopher Geoffrey Douglas Hooper	<i>iii</i>	Interest of controlled corporation 受控制法團之權益	29,179,480	36.74%
Ivan Geoffrey Douglas Hooper	<i>iii</i>	Interest of controlled corporation 受控制法團之權益	29,179,480	36.74%

Directors' Report

董事會報告

Notes:

- (i) Out of 46,609,144 shares, 17,429,664 shares are beneficially owned by Sea Rejoice Limited which is wholly-owned by Ms. Lui Yuk Chu. The remaining 29,179,480 shares are registered in the name of and beneficially owned by Magical Profits Limited which is wholly-owned by Accumulate More Profits Limited which in turn is wholly-owned by Winterbotham Trust as the trustee of The Magical 2000 Trust (the beneficiaries of which include Ms. Lui Yuk Chu, a director of the Company, and her family members other than her spouse). Ms. Koon Ho Yan Candy, the daughter of Ms. Lui Yuk Chu and an executive director of the Company, is deemed to be interested in the 29,179,480 shares by virtue of her capacity as one of the beneficiaries of The Magical 2000 Trust. Mr. Koon Wing Yee, being the spouse of Ms. Lui Yuk Chu, is deemed to be interested in the 46,609,144 shares by virtue of the SFO.
- (ii) Ms. Lui Yuk Chu, being a director of the Company, is also a director of Sea Rejoice Limited and Magical Profits Limited.
- (iii) Winterbotham Trust is the trustee of The Magical 2000 Trust (the beneficiaries of which include Ms. Lui Yuk Chu and her family members other than her spouse). Winterbotham Trust is owned as to 75% by Winterbotham Holdings Limited ("Winterbotham Holdings") and 25% by Markson International Holdings Limited ("Markson") respectively. Winterbotham Holdings is owned as to approximately 99.99% by Mr. Christopher Geoffrey Douglas Hooper. And Markson is owned as to 60% by Mr. Christopher Geoffrey Douglas Hooper and 40% by Mr. Ivan Geoffrey Douglas Hooper respectively.

Save as disclosed above, as at 31 March 2017, the Company had not been notified by any persons (other than Directors or chief executives of the Company) who had interests or short positions in the shares and underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Division 2 and 3 of Part XV of the SFO, or which were required to be recorded in the register kept by the Company under Section 336 of the SFO.

附註：

- (i) 46,609,144股股份中的17,429,664股股份由樂洋有限公司實益擁有，該公司乃由雷玉珠女士全資擁有。餘下的29,179,480股股份以Magical Profits Limited之名義登記及由其實益擁有，該公司乃由Accumulate More Profits Limited全資擁有，而Accumulate More Profits Limited則由作為The Magical 2000 Trust（其受益人包括本公司董事雷玉珠女士及除其配偶以外之家族成員）之信託人溫特博森信託全資擁有。官可欣女士（雷玉珠女士的女兒兼本公司執行董事）因為其作為The Magical 2000 Trust受益人之一之身份，被視為於29,179,480股股份中擁有權益。官永義先生為雷玉珠女士之配偶，根據證券及期貨條例被視為於46,609,144股股份中擁有權益。
- (ii) 本公司董事雷玉珠女士亦為樂洋有限公司及Magical Profits Limited之董事。
- (iii) 溫特博森信託是The Magical 2000 Trust（其受益人包括雷玉珠女士及除其配偶以外之家族成員）之新信託人。Winterbotham Holdings Limited（「Winterbotham Holdings」）及Markson International Holdings Limited（「Markson」）於溫特博森信託分別擁有75%及25%之權益。Christopher Geoffrey Douglas Hooper先生於Winterbotham Holdings擁有約99.99%之權益。而Christopher Geoffrey Douglas Hooper先生及Ivan Geoffrey Douglas Hooper先生於Markson分別擁有60%及40%之權益。

除上文所披露者外，於2017年3月31日，概無任何人士（本公司董事或主要行政人員除外）曾知會本公司擁有根據證券及期貨條例第XV部第2及第3分部之條文須向本公司披露或記載於本公司按證券及期貨條例第336條須存置之登記冊內的本公司股份或相關股份之權益或淡倉。

SHARE OPTION SCHEMES

On 5 July 2012, a new share option scheme (“**Scheme**”) was adopted and approved by the shareholders of the Company for a period of 10 years commencing on the adoption date. Since the adoption date, the Board, may at its discretion, grant share options to any eligible person to subscribe for the shares in the Company subject to the terms and conditions as stipulated in the Scheme. During the year ended 31 March 2017, no share option was outstanding, granted, exercised, cancelled or lapsed under the Scheme. Particulars of the Scheme and details of the movements during the year in the share options of the Company are set out in note 38 to the consolidated financial statements.

MAJOR SUPPLIERS AND CUSTOMERS

During the year, the 5 largest suppliers of the Group accounted for approximately 98.9% of the Group's purchases and the largest supplier accounted for approximately 72.2% of the Group's purchases.

The 5 largest customers of the Group accounted for approximately 46.6% of the Group's turnover and the largest customer accounted for approximately 10.8% of the Group's revenue.

None of the Directors, their close associates and shareholders of the Company (which to the knowledge of the directors of the Company, own more than 5% of the Company's share capital) have an interest in the Group's 5 largest suppliers or customers.

購股權計劃

於2012年7月5日，本公司股東已採納及批准一項新購股權計劃（「**該計劃**」），年期由採納日期起計10年。自採納日期起，董事會可酌情向任何合資格認購本公司股份人士授出購股權，惟須受該計劃的條款及細則所限。於截至2017年3月31日止年度內，概無根據該計劃的購股權尚未行使、獲授出、行使、被註銷或已失效。該計劃及於年內本公司購股權變動的詳情載於綜合財務報表附註38。

主要供應商及客戶

於年內，本集團之5大供應商佔本集團之採購額約98.9%，而最大供應商則佔本集團之採購額約72.2%。

本集團之5大客戶佔本集團之營業額約46.6%，而最大客戶則佔本集團之營業額約10.8%。

概無董事、彼等之緊密聯繫人士或本公司股東（據本公司董事所知擁有本公司股本多於5%）於本集團5大供應商或客戶中擁有權益。

PROPERTY VALUATION

Property valuations in respect of the Group's investment properties in Hong Kong have been carried out by Colliers International (Hong Kong) Limited as at 31 March 2017 and 31 March 2016, is an independent qualified valuer. The valuations was based on investment method and/or direct comparison method as the valuation methodologies and were used in preparing 2016/17 final results.

The Group's investment properties were valued at HK\$1,628,300,000 (2016: HK\$1,615,500,000), an increase over 2016 after adjusted for the additions of investment properties. The increase in fair value of approximately HK\$21,877,000 was recognized in the consolidated statement of comprehensive income for the year. Development properties and non-investment properties of the Group were stated at cost less impairment, if any, in these consolidated financial statements.

The increase in fair value of approximately HK\$21,877,000 was mainly attributable to increase in fair value of investment properties, while most of the remaining investment properties showed an increase in fair value of properties in Hong Kong as a result of rising rental rates of certain retail business sectors.

物業估值

於2017年3月31日及2016年3月31日，本集團位於香港之投資物業由高力國際物業顧問（香港）有限公司進行物業估值，為一名獨立合資格估值師。其評估皆持續採納投資法及／或直接比較法作為估值方法，並已用於編制2016/17年全年業績。

本集團投資物業之估值為1,628,300,000港元（2016年：1,615,500,000港元）經作出添置投資物業之調整後，較2016年增加。於本年度公平值增加約21,877,000港元已計入綜合全面收益報表內。本集團之發展物業及非投資物業乃於本年度綜合財務報表中按成本扣除減值（如有）列賬。

公平值增加約21,877,000港元乃主要來自投資物業之公平值增加，而餘下大部分位於香港之投資物業則由於若干零售業務之租金價格上升而引致物業之公平值增加。

PRINCIPAL RISKS AND UNCERTAINTIES

The Group is exposed to various risks in its businesses and operations. Through internal control systems and procedures, the Company has taken reasonable steps to ensure that significant risks are monitored and do not adversely affect the Group's operations and performances. The relevant risks are managed on an ongoing basis. A non-exhaustive list of principal risks and uncertainties facing the Group is set out below.

Market Risk

The Group's revenue is principally derived from Hong Kong. The conditions of the economy as a whole and the property market may have significant impact to the Group's financial results and conditions.

Compliance Risk

The Group's operations require compliance with local and overseas laws (including those of Bermuda and British Virgin Islands) and regulations, including but not limited to property sale, management and construction as well as companies and securities laws. The Group has constantly monitored its compliance with relevant laws and regulations that have a significant impact on the Group.

主要風險及不確定性

本集團在其業務及營運上面對著各種風險。通過內部監控制度及程序，本公司已採取合理措施，確保對顯著風險進行監測，並沒有對本集團的業務及表現產生不利影響。相關的風險在持續的基礎上進行管理。本集團面對著的主要風險及不確定性之非詳盡清單載列如下。

市場風險

本集團的營業額主要來自香港。整體經濟及房地產市場的情況可能對本集團的財務業績及情況造成顯著影響。

合規風險

本集團的業務需要符合本地及海外的法律（包括百慕達及英屬維爾京群島）及法規，包括但不限於物業銷售、物業管理及建設，以及公司法及證券法。本集團已不斷監測對本集團有顯著影響的相關法律及法規之合規。

PERMITTED INDEMNITY

Bye-law 178 of the Company's Bye-laws provides that, among other, every Director and other officers of the Company shall be indemnified and secured harmless out of the assets and profits of the Company from and against all actions, costs, charges, losses, damages and expenses which they or any of them shall or may incur sustain by or by reason of any act done, concurred in or omitted in or about the execution of their duty, or supposed duty, in their respective offices and related matters provided that the indemnity shall not extend to any matter in respect of any fraud or dishonesty which may attach to any of them. In this connection, the Company has arranged Directors' and officers' liability insurance coverage for the Directors and officers of the Company during the year.

ACCOUNT OF KEY RELATIONSHIP

The Group adheres to the standards of business ethics, this underpins how we conduct business with our customers, suppliers and contractors.

Employees

We value our employees who are the Group's most important assets. We reward our staff with competitive remuneration packages and benefits. We are committed to fostering a conducive, harmonious and discrimination-free working environment. We have training budget to subsidise the employees' continued professional development.

允許賠償

本公司的公司細則之細則第178規定，除其他外，本公司之每一名董事及其他主管人員，如在其各自的職務而導致之所有訴訟、訟費、費用、損失、損害及開支，應由本公司提供補償並擔保其不受損害，董事會並應以本公司之資產及溢利支付；對於上述人士之行為、過失或違約及相關事宜，除非前述各項系因其本身欺詐或不誠實而導致。在這方面，本公司已經於年度內為董事及主管人員安排董事及主管人員之責任保險。

主要關係概述

本集團堅守最高商業道德標準，我們與客戶、供應商及承辦商進行業務均恪守此準則。

僱員

我們視員工為本集團最重要的資產。我們為員工提供具競爭力的薪酬待遇及福利，並致力打造良好和諧和不存在歧視的工作環境。我們設有培訓預算以資助員工持續專業發展。

Directors' Report

董事會報告

Occupational health and safety is the top priority across our operations. Safety guidelines are established to safeguard the employees from any occupational hazards.

Customers

We strive to provide high quality and reliable services to our customers. The privacy of our clients' professional information is well protected through a privacy policy. Any complaints from customers are handled and investigated in a thorough and efficient manner.

Suppliers

We are committed to forging collaborative partnership with our suppliers and have a database of approved suppliers and vendors who are assessed on a regular basis.

PURCHASE, SALE OR REDEMPTION OF SHARES

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities during the year ended 31 March 2017.

EMOLUMENT POLICY

The remuneration policy of the employees of the Group is set up by the executive Directors of the Company on the basis of their performance, experience and prevailing industry practice.

職業健康及安全是我們各業務的首要工作。我們制定了安全指引以保障員工免受職業的危害。

客戶

我們致力為客戶提供優質可靠的服務。我們制定私隱政策及設置專用數據保護系統。我們並會全面及快速調查及處理任何客戶的投訴。

供應商

我們致力與供應商建立合作夥伴關係，並設有認可供應商及賣方資料庫，定期評估供應商及賣方的表現。

購買、出售或贖回股份

於截至2017年3月31日止年度內，本公司或其任何附屬公司概無購買、出售或贖回本公司任何上市證券。

酬金政策

本集團僱員之薪酬政策乃由本公司執行董事按彼等之表現、經驗及現行業慣例而制定。

Directors' Report

董事會報告

The emolument of the Directors is determined by the Board after recommendation from the Remuneration Committee, having regard to the time commitment and responsibilities of individual Directors, the Company's performance and the prevailing market conditions.

The Company has adopted a share option scheme as an incentive to Directors and eligible employees. Details of the scheme are set out in note 38 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 in 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 date of this report, the Company has maintained a sufficient public float as required under the Listing Rules for the year ended 31 March 2017.

AUDIT COMMITTEE

The Company has established an audit committee in accordance with the requirements of the Listing Rules and the Corporate Governance Code and Corporate Governance Report as set out in Appendix 14 to the Listing Rules. The primary duty of Audit Committee is to review and supervise the financial reporting process and risk management and internal control systems of the Group. The Audit Committee comprised of 3 independent non-executive Directors.

董事之酬金乃由董事會聽取薪酬委員會之建議後，按個別董事之供職時間及職務、本公司之業績及現行市況後而釐定。

本公司已採納一項購股權計劃，作為對董事及合資格僱員之獎勵，計劃詳情載於綜合財務報表附註38。

優先認購權

本公司之公司細則或百慕達法例均無優先認購權之條文，規定本公司須按比例向現有股東發售新股份。

足夠公眾持股量

根據本公司從公開途徑所得之資料及就本公司董事所知，於本報告日期，本公司截至2017年3月31日止年度已按照上市規則要求維持足夠公眾持股量。

審核委員會

本公司已按照上市規則及上市規則附錄14所載之《企業管治守則》及《企業管治報告》規定成立審核委員會。審核委員會主要職責為審閱和監督本集團財務匯報過程與風險管理及內部監控制度。審核委員會由3位獨立非執行董事組成。

Directors' Report 董事會報告

The Audit Committee has reviewed the audited financial statements of the Group for the year ended 31 March 2017.

審核委員會已審閱本集團截至2017年3月31日止年度之經審核財務報表。

CORPORATE GOVERNANCE

企業管治

The Company's Corporate Governance Report is set out on pages 20 to 39.

本公司之企業管治報告載於第20至39頁。

EVENTS AFTER THE END OF THE REPORTING PERIOD

報告期間後事項

Details of the significant events occurring after the end of the reporting period are set out in note 44 to the consolidated financial statements.

有關報告期間後之重大事項詳情載於綜合財務報表附註44。

AUDITOR

核數師

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

一項續聘德勤•關黃陳方會計師行為本公司核數師之決議案將提呈股東週年大會。

On behalf of the Board

承董事會命

Tse Wing Chiu Ricky
President and Chief Executive Officer

主席兼首席行政總裁
謝永超

Hong Kong, 22 May 2017

香港，2017年5月22日



TO THE MEMBERS OF
EASYKNIT INTERNATIONAL HOLDINGS LIMITED
(incorporated in Bermuda with limited liability)

致永義國際集團有限公司成員

(於百慕達註冊成立的有限公司)

OPINION

意見

We have audited the consolidated financial statements of Easyknit International Holdings Limited (the "Company") and its subsidiaries (collectively referred to as "the Group") set out on pages 69 to 173, which comprise the consolidated statement of financial position as at 31 March 2017, 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 notes to the consolidated financial statements, including a summary of significant accounting policies.

本核數師(以下簡稱「我們」)已審計列載於69至173頁的永義國際集團有限公司(以下簡稱「貴公司」)及其附屬公司(以下統稱「貴集團」)的綜合財務報表,此綜合財務報表包括於2017年3月31日的綜合財務狀況表與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,以及綜合財務報表附註,包括主要會計政策概要。

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 March 2017, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA") and have been properly prepared in compliance with the disclosure requirements of Hong Kong Companies Ordinance.

我們認為,該等綜合財務報表已根據香港會計師公會頒佈的香港財務報告準則真實而公平地反映了貴集團於2017年3月31日的綜合財務狀況及截至該日止年度的綜合財務表現及綜合現金流量,並已遵照香港公司條例的披露要求妥為擬備。

BASIS FOR OPINION

意見的基礎

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSA") issued by the HKICPA. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the HKICPA's Code of Ethics for Professional Accountants ("the Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

我們已根據香港會計師公會頒佈的香港審計準則進行審計。我們在該等準則下承擔的責任已在本報告核數師就審計綜合財務報表承擔的責任部分中作進一步闡述。根據香港會計師公會頒佈的專業會計師道德守則(以下簡稱「守則」),我們獨立於貴集團,並已履行守則中的其他專業道德責任。我們相信,我們所獲得的審計憑證能充足及適當地為我們的審計意見提供基礎。

KEY AUDIT MATTERS

關鍵審計事項

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

關鍵審計事項是根據我們的專業判斷,認為對本期綜合財務報表的審計最為重要的事項。這些事項是在我們審計整體綜合財務報表及出具意見時進行處理的。我們不會對這些事項提供單獨的意見。

Independent Auditor's Report

獨立核數師報告

Key audit matter

關鍵審計事項

Valuation of investment properties

投資物業之估值

We identified the valuation of investment properties as a key audit matter due to the significant judgments and assumptions made by management of the Group in determining the fair value.

由於貴集團管理層於釐定公平值時涉及重大之判斷及假設，我們識別投資物業之估值為一項關鍵審計事項。

At 31 March 2017, the fair value of investment properties was approximately HK\$1,628 million (consolidated statement of financial position), with a fair value gain recognised in profit or loss of approximately HK\$22 million (consolidated statement of profit or loss and other comprehensive income).

於2017年3月31日，投資物業公平值約為1,628,000,000港元（綜合財務狀況表），於損益確認之公平值收益約為22,000,000港元（綜合損益及其他全面收益表）。

The Group's investment properties are stated at fair value based on valuations performed by an independent firm of qualified professional property valuers (the "Valuers"). Details of the valuation techniques and key inputs used in the valuations are disclosed in note 15 to the consolidated financial statements.

貴集團投資物業之公平值乃根據獨立合資格專業估值師行（「估值師」）作出之估值列示。估值所採用之估值方法及主要輸入之詳情已於綜合財務報表附註15內披露。

How our audit addressed the key audit matter

我們的審計如何處理關鍵審計事項

Our procedures in relation to the valuation of investment properties included:

我們對投資物業估值之相關程序包括：

- Obtaining an understanding from the Valuers and management of the Group about the valuation techniques, performance of the property markets, significant assumptions adopted, critical judgmental areas, key inputs and data used in the valuations;
從估值師及貴集團管理層了解估值方法、物業市場表現、所採用之重要假設、主要判斷範圍、估值所採用之主要輸入及數據；
- Assessing the integrity of information provided by management of the Group to the Valuers by comparing details of rentals to the respective underlying existing lease agreements;
透過比較相關現有租約之租金詳情而評估貴集團管理層提供估值師之資料之完整性；
- Evaluating the competence, capabilities and objectivity of the Valuers; and
評價估值師的資格、能力及客觀性；及
- Assessing reasonableness of key inputs used by the Valuers and management of the Group by comparing with relevant market information with similar properties.
透過比較同類型物業相關市場資料而評估估值師及貴集團管理層採用之主要輸入之合理性。

Independent Auditor's Report

獨立核數師報告

Key audit matter

關鍵審計事項

Impairment assessment on loans receivable

應收貸款之減值評估

We identified the impairment assessment on loans receivable as a key audit matter due to estimation uncertainty inherent in the management's credit risk assessment process in respect of the collectability of loans receivable.

由於管理層就應收貸款之可收回性之信貸風險評估過程存在不確定之估計，我們識別應收貸款之減值評估為一項關鍵審計事項。

The loans are assessed for impairment individually. In determining the impairment on loans receivable, management of the Group considers financial background and creditability of individual borrower. 減值乃按個別貸款評估。於釐定應收貸款之減值時，貴集團管理層會考慮個別借款人之財務背景及可靠性。

At 31 March 2017, the carrying amount of loans receivable was approximately HK\$309 million (note 19 to the consolidated financial statements) and no impairment allowance on loans receivable was made in the current year (note 4 to the consolidated financial statements). 於2017年3月31日，應收貸款之賬面值約為309,000,000港元（綜合財務報表附註19）及於本年度並無就應收貸款作出減值撥備（綜合財務報表附註4）。

OTHER INFORMATION

The directors of the Company are responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

How our audit addressed the key audit matter

我們的審計如何處理關鍵審計事項

Our procedures in relation to impairment assessment on loans receivable included:

我們對應收貸款之減值評估之相關程序包括：

- Understanding the Group's policy on granting loans to the borrowers and the related credit control including ongoing loan monitoring procedures;
了解 貴集團授出貸款予借款人之政策及相關包括持續貸款監察程序之信貸控制；
- Evaluating the management's assessment on the credit quality of the borrowers by examining records including financial background, current creditworthiness, collateral and past collection history of the borrowers; and
評價管理層透過查閱包括借款人財務背景、現時信譽、抵押品及過往還款情況之記錄以評估借款人之信貸質素；及
- Checking the existence and recoverable amount of the underlying collateral, if applicable.
檢查附隨抵押品之存在及其可收回金額，如適用。

其他信息

貴公司董事需對其他信息負責。其他信息包括刊載於年報內的信息，但不包括綜合財務報表及我們的核數師報告。

我們對綜合財務報表的意見並不涵蓋其他信息，我們亦不對該等其他信息發表任何形式的鑒證結論。

結合我們對綜合財務報表的審計，我們的責任是閱讀其他信息，在此過程中，考慮其他信息是否與財務報表或我們在審計過程中所瞭解的情況存在重大抵觸或者似乎存在重大錯誤陳述的情況。基於我們已執行的工作，如果我們認為其他信息存在重大錯誤陳述，我們需要報告該事實。在這方面，我們沒有任何報告。

Independent Auditor's Report

獨立核數師報告

RESPONSIBILITIES OF DIRECTORS AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors of the Company are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with HKFRSs issued by the HKICPA 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.

In preparing the consolidated financial statements, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes 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. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSA's will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

董事及治理層就綜合財務報表須承擔的責任

貴公司董事須負責根據香港會計師公會頒佈的香港財務報告準則及香港公司條例的披露要求擬備真實而公平的綜合財務報表，並對其認為為使綜合財務報表的擬備不存在由於欺詐或錯誤而導致的重大錯誤陳述所需的內部控制負責。

在擬備綜合財務報表時，董事負責評估 貴集團持續經營的能力，並在適用情況下披露與持續經營有關的事項，以及使用持續經營為會計基礎，除非董事有意將 貴集團清盤或停止經營，或別無其他實際的替代方案。

治理層須負責監督 貴集團的財務報告過程。

核數師就審計綜合財務報表承擔的責任

我們的目標，是對綜合財務報表整體是否不存在由於欺詐或錯誤而導致的重大錯誤陳述取得合理保證，並按照百慕達公司法第90條的規定僅向全體股東出具包括我們意見的核數師報告。除此以外，我們的報告不可用作其他用途。本行並不就本報告之內容對任何其他人士承擔任何責任或接受任何義務。合理保證是高水平的保證，但不能保證按照香港審計準則進行的審計，在某一重大錯誤陳述存在時總能發現。錯誤陳述可以由欺詐或錯誤引起，如果合理預期它們單獨或匯總起來可能影響綜合財務報表使用者依賴財務報表所作出的經濟決定，則有關的錯誤陳述可被視作重大。

Independent Auditor's Report

獨立核數師報告

As part of an audit in accordance with HKSAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.
- 識別和評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述的風險，設計及執行審計程序以應對這些風險，以及獲取充足和適當的審計憑證，作為我們意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述，或凌駕於內部控制之上，因此未能發現因欺詐而導致的重大錯誤陳述的風險高於未能發現因錯誤而導致的重大錯誤陳述的風險。
- 了解與審計相關的內部控制，以設計適當的審計程序，但目的並非對 貴集團內部控制的有效性發表意見。
- 評價董事所採用會計政策的恰當性及作出會計估計和相關披露的合理性。
- 對董事採用持續經營會計基礎的恰當性作出結論。根據所獲取的審計憑證，確定是否存在與事項或情況有關的重大不確定性，從而可能導致對 貴集團的持續經營能力產生重大疑慮。如果我們認為存在重大不確定性，則有必要在核數師報告中提請使用者注意綜合財務報表中的相關披露。假若有關的披露不足，則我們應當發表非無保留意見。我們的結論是基於核數師報告日止所取得的審計憑證。然而，未來事項或情況可能導致 貴集團不能持續經營。
- 評價綜合財務報表的整體列報方式、結構和內容，包括披露，以及綜合財務報表是否公平反映交易和事項。
- 就 貴集團內實體或業務活動的財務資訊獲取充足、適當的審計憑證，以對綜合財務報表發表意見。我們負責 貴集團審計的方向、監督和執行。我們為審計意見承擔全部責任。

在根據香港審計準則進行審計的過程中，我們運用了專業判斷，保持了專業懷疑態度。我們亦：

Independent Auditor's Report

獨立核數師報告

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in the independent auditor's report is Yen Sau Yin, Emily.

除其他事項外，我們與治理層溝通了計畫的審計範圍、時間安排、重大審計發現等，包括我們在審計中識別出內部控制的任何重大缺陷。

我們還向治理層提交聲明，說明我們已符合有關獨立性的相關專業道德要求，並與他們溝通有可能合理地被認為會影響我們獨立性的所有關係和其他事項，以及在適用的情況下，相關的防範措施。

從與治理層溝通的事項中，我們確定哪些事項對本期綜合財務報表的審計最為重要，因而構成關鍵審計事項。我們在核數師報告中描述這些事項，除非法律法規不允許公開披露這些事項，或在極端罕見的情況下，如果合理預期在我們報告中溝通某事項造成的負面後果超過產生的公眾利益，我們決定不應在報告中溝通該事項。

出具本獨立核數師報告的審計專案合夥人是任秀賢。

Deloitte Touche Tohmatsu
Certified Public Accountants
Hong Kong
22 May 2017

德勤·關黃陳方會計師行
執業會計師
香港
2017年5月22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 31 March 2017

截至2017年3月31日止年度

		NOTES 附註	2017 HK\$'000 千港元	2016 HK\$'000 千港元
Continuing operations	持續經營業務			
Revenue	營業額	5	529,475	678,516
Cost of properties sold and services rendered	銷售及提供服務成本		(296,291)	(392,282)
			233,184	286,234
Other income	其他收入		34,426	24,547
Distribution and selling expenses	經銷成本		(64,829)	(82,819)
Administrative expenses	行政開支		(52,485)	(58,905)
Gain (loss) on changes in fair value of investment properties	投資物業之公平值變動收益(虧損)		21,877	(33,238)
(Loss) gain on changes in fair value of investments held for trading	持作買賣投資之公平值變動(虧損)收益		(8,773)	27,604
Loss on changes in fair value of financial assets designated as at fair value through profit or loss	按公平值計入損益之金融資產之公平值變動虧損		(2,328)	(38,504)
Loss on changes in fair value of derivatives component of convertible notes	可換股票據之衍生成分之公平值變動虧損		(11,003)	–
Gain on disposal of available-for-sale investments	出售可供出售投資之收益		43,989	57,915
Impairment loss on available-for-sale investments	可供出售投資之減值虧損		(25,376)	–
Loss on disposal of subsidiaries	出售附屬公司之虧損	33	–	(10,822)
Results attributable to interests in associates	聯營公司權益分佔業績		(371,364)	559,147
Finance costs	融資成本	7	(17,203)	(23,815)
(Loss) profit before taxation	除稅前(虧損)溢利		(219,885)	707,344
Taxation charge	稅項開支	11	(23,961)	(32,326)
(Loss) profit for the year from continuing operations	來自持續經營業務之本年度(虧損)溢利	8	(243,846)	675,018
Discontinued operations	已終止經營業務			
Loss for the year from discontinued operations	來自已終止經營業務之本年度虧損	9	–	(510,376)
(Loss) profit for the year	本年度(虧損)溢利		(243,846)	164,642

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 31 March 2017

截至2017年3月31日止年度

		2017 HK\$'000 千港元	2016 HK\$'000 千港元
Other comprehensive income (expense)	其他全面收入（開支）		
<i>Item that will not be reclassified subsequently to profit or loss:</i>	<i>隨後將不會重新分類至損益之項目：</i>		
Fair value gain on leasehold properties upon transfer to investment properties	租約物業轉撥至投資物業之公平值收益	-	28,967
<i>Items that may be reclassified subsequently to profit or loss:</i>	<i>隨後可能重新分類至損益之項目：</i>		
Share of other comprehensive income of associates:	分佔聯營公司之其他全面收入：		
Share of translation reserve of associates	分佔聯營公司之匯兌儲備	(6,393)	(2,654)
Share of investment revaluation reserve of associates	分佔聯營公司之投資重估儲備	7,361	(7,287)
Reclassification of translation reserve to profit or loss upon partial disposal of interests in associates without loss of significant influence	於沒有失去重大影響之視為出售聯營公司部分權益時重新分類至損益之匯兌儲備	3,660	-
Reclassification of investment revaluation reserve to profit or loss upon partial disposal of interests in associates without loss of significant influence	於沒有失去重大影響之視為出售聯營公司部分權益時重新分類至損益之投資重估儲備	1,199	-
		5,827	(9,941)
Change in fair value of available-for-sale investments	可供出售投資之公平值變動	23,834	37,458
Released on disposal of available-for-sale investments	於出售可供出售投資時解除	(43,989)	(57,915)
Reclassification adjustment upon impairment of available-for-sale investments	於可供出售投資減值時之重新分類調整	25,376	-
Exchange difference arising on translation of foreign operations	換算海外營運之匯兌差異	-	(3,456)
Reclassification of translation reserve to profit or loss upon deemed disposal of subsidiaries	於視為出售附屬公司時重新分類至損益之匯兌儲備	-	189
Reclassification of translation reserve to profit or loss upon disposal of subsidiaries	於出售附屬公司時重新分類至損益之匯兌儲備	-	1,799
Reclassification of investment revaluation reserve to profit or loss upon deemed disposal of subsidiaries	於視為出售附屬公司時重新分類至損益之投資重估儲備	-	(2,469)
		11,048	(34,335)

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 31 March 2017

截至2017年3月31日止年度

		NOTE 附註	2017 HK\$'000 千港元	2016 HK\$'000 千港元
Other comprehensive income (expense) for the year	本年度之其他全面收入(開支)		11,048	(5,368)
Total comprehensive (expense) income for the year	本年度之全面(開支)收入總額		(232,798)	159,274
Attributable to:	分佔:			
Owners of the Company:	本公司股東:			
(Loss) profit for the year from continuing operations	來自持續經營業務之本年度(虧損)溢利		(243,846)	675,018
Loss for the year from discontinued operations	來自已終止經營業務之本年度虧損		—	(536,082)
(Loss) profit for the year attributable to owners of the Company	本公司股東分佔本年度(虧損)溢利		(243,846)	138,936
Non-controlling interests:	非控股權益:			
Profit for the year from discontinued operations	來自已終止經營業務之本年度溢利		—	25,706
			(243,846)	164,642
Total comprehensive (expense) income for the year attributable to:	分佔本年度之全面(開支)收入總額:			
– owners of the Company	– 本公司股東		(232,798)	129,517
– non-controlling interests	– 非控股權益		—	29,757
			(232,798)	159,274
Basic and diluted (loss) earnings per share	每股基本及攤薄(虧損)盈利	13		
From continuing and discontinued operations	來自持續及已終止經營業務		(HK\$3.07港元)	HK\$1.75港元
From continuing operations	來自持續經營業務		(HK\$3.07港元)	HK\$8.50港元

Consolidated Statement of Financial Position

綜合財務狀況表

At 31 March 2017

於2017年3月31日

		NOTES 附註	2017 HK\$'000 千港元	2016 HK\$'000 千港元
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	14	11,036	5,041
Investment properties	投資物業	15	1,628,300	1,615,500
Interests in associates	聯營公司權益	16	586,555	952,092
Available-for-sale investments	可供出售投資	17	45,354	350,222
Convertible notes	可換股票據	18	67,418	63,672
Derivatives component of convertible notes	可換股票據之衍生成份	18	6,167	17,170
Loans receivable	應收貸款	19	75,721	43,552
Intangible asset	無形資產	20	500	–
Statutory deposits	法定按金	21	205	–
Deposit and prepayments for a life insurance policy	人壽保單之按金及預付款	22	10,091	9,997
			2,431,347	3,057,246
Current assets	流動資產			
Properties held for development for sale	持作出售發展物業	23	312,136	106,513
Properties held for sale	持作出售物業		392,489	650,527
Investments held for trading	持作買賣投資	24	287,493	64,695
Trade and other receivables	貿易及其他應收款項	25	93,969	74,690
Loans receivable	應收貸款	19	233,133	158,848
Financial assets designated as at fair value through profit or loss	按公平值計入損益之金融資產	26	95,309	–
Bank balances and cash	銀行結餘及現金	27	25,473	12,332
			1,440,002	1,067,605
Current liabilities	流動負債			
Trade and other payables	貿易及其他應付款項	28	95,226	87,018
Tax payable	應付稅項		24,381	41,917
Secured bank borrowings	有抵押銀行借貸	29	262,273	224,773
			381,880	353,708
Net current assets	流動資產淨額		1,058,122	713,897
Total assets less current liabilities	資產總額減流動負債		3,489,469	3,771,143

Consolidated Statement of Financial Position

綜合財務狀況表

At 31 March 2017

於2017年3月31日

		NOTES 附註	2017 HK\$'000 千港元	2016 HK\$'000 千港元
Capital and reserves	資本及儲備			
Share capital	股本	30	7,942	7,942
Reserves	儲備		2,844,318	3,085,058
Total equity	權益總額		2,852,260	3,093,000
Non-current liabilities	非流動負債			
Secured bank borrowings	有抵押銀行借貸	29	637,209	677,248
Deferred tax liabilities	遞延稅項負債	31	–	895
			637,209	678,143
			3,489,469	3,771,143

The consolidated financial statements on pages 69 to 173 were approved and authorised for issue by the Board of Directors on 22 May 2017 and are signed on its behalf by:

董事會於2017年5月22日批准及授權發表第69至173頁之綜合財務報表，並由下列董事代表簽署：

TSE WING CHIU RICKY

謝永超

DIRECTOR

董事

KOON HO YAN CANDY

官可欣

DIRECTOR

董事

Consolidated Statement of Changes in Equity

綜合權益變動表

For the year ended 31 March 2017

截至2017年3月31日止年度

		Attributable to owners of the Company 本公司股東應佔											Non-controlling interests 非控股權益	Total 總額
		Share capital 股本 HK\$'000 千港元	Share premium 股份溢價 HK\$'000 千港元	Capital reserve 資本儲備 HK\$'000 千港元 (note a) (附註a)	Translation reserve 匯兌儲備 HK\$'000 千港元	Special reserve 特別儲備 HK\$'000 千港元 (note b) (附註b)	Contributed surplus 應入盈餘 HK\$'000 千港元 (note c) (附註c)	Investment revaluation reserve 投資重估儲備 HK\$'000 千港元	Property revaluation reserve 物業重估儲備 HK\$'000 千港元 (note d) (附註d)	Accumulated profits 累計溢利 HK\$'000 千港元	Sub-total 小計 HK\$'000 千港元			
At 1 April 2015	於2015年4月1日	7,942	218,330	196,565	1,468	9,800	220,937	28,086	40,905	2,248,181	2,972,214	922,585	3,894,799	
Exchange difference on translation of foreign operations	換算海外營運之匯兌差異	-	-	-	(3,456)	-	-	-	-	-	(3,456)	-	(3,456)	
Change in fair value of available-for-sale investments	可供出售投資之公平值變動	-	-	-	-	-	-	33,407	-	-	33,407	4,051	37,458	
Released on disposal of available-for-sale investments	出售可供出售投資時解除	-	-	-	-	-	-	(57,915)	-	-	(57,915)	-	(57,915)	
Reclassification of translation reserve to profit or loss upon deemed disposal of subsidiaries	視為出售附屬公司時重新分類匯兌儲備至損益	-	-	-	189	-	-	-	-	-	189	-	189	
Reclassification of translation reserve to profit or loss upon disposal of subsidiaries	出售附屬公司時重新分類匯兌儲備至損益	-	-	-	1,799	-	-	-	-	-	1,799	-	1,799	
Reclassification of investment revaluation reserve to profit or loss upon deemed disposal of subsidiaries	視為出售附屬公司時重新分類投資重估儲備至損益	-	-	-	-	-	-	(2,469)	-	-	(2,469)	-	(2,469)	
Share of other comprehensive expense of associates	分佔聯營公司之其他全面開支	-	-	-	(2,654)	-	-	(7,287)	-	-	(9,941)	-	(9,941)	
Fair value gain on leasehold properties upon transfer to investment properties	自租約物業轉撥至投資物業時之公平值收益	-	-	-	-	-	-	-	28,967	-	28,967	-	28,967	
Profit for the year	本年度溢利	-	-	-	-	-	-	-	-	138,936	138,936	25,706	164,642	
Total comprehensive (expense) income for the year	本年度之全面(開支)收入總額	-	-	-	(4,122)	-	-	(34,264)	28,967	138,936	129,517	29,757	159,274	
Proceeds received from rights issue of a subsidiary	來自一間附屬公司之供股所得款項	-	-	-	-	-	-	-	-	(789)	(789)	193,184	192,395	
Deemed disposal of subsidiaries	視為出售附屬公司	-	-	-	-	-	-	-	-	-	-	(1,145,526)	(1,145,526)	
2015 final dividend paid (note 12)	已付2015年末期股息(附註12)	-	-	-	-	-	-	-	-	(7,942)	(7,942)	-	(7,942)	
		-	-	-	-	-	-	-	-	(8,731)	(8,731)	(952,342)	(961,073)	
At 31 March 2016	於2016年3月31日	7,942	218,330	196,565	(2,654)	9,800	220,937	(6,178)	69,872	2,378,386	3,093,000	-	3,093,000	

		Attributable to owners of the Company 本公司股東應佔											
		Share capital 股本 HK\$'000 千港元	Share premium 股份溢價 HK\$'000 千港元	Capital reserve 資本儲備 HK\$'000 千港元 (note a) (附註a)	Translation reserve 匯兌儲備 HK\$'000 千港元	Special reserve 特別儲備 HK\$'000 千港元 (note b) (附註b)	Contributed surplus 應入盈餘 HK\$'000 千港元 (note c) (附註c)	Investment revaluation reserve 投資重估儲備 HK\$'000 千港元	Property revaluation reserve 物業重估儲備 HK\$'000 千港元 (note d) (附註d)	Accumulated profits 累計溢利 HK\$'000 千港元		Total 總額 HK\$'000 千港元	
At 31 March 2016	於2016年3月31日	7,942	218,330	196,565	(2,654)	9,800	220,937	(6,178)	69,872	2,378,386		3,093,000	
Change in fair value of available-for-sale investments	可供出售投資之公平值變動	-	-	-	-	-	-	-	23,834	-	-	23,834	
Released on disposal of available-for-sale investments	出售可供出售投資時解除	-	-	-	-	-	-	-	(43,989)	-	-	(43,989)	
Reclassification adjustment upon impairment loss of available-for-sale investments	於可供出售投資減值時之重新分類調整	-	-	-	-	-	-	-	25,376	-	-	25,376	
Share of other comprehensive (expense) income of associates	分佔聯營公司之其他全面(開支)收入	-	-	-	(2,733)	-	-	-	8,560	-	-	5,827	
Loss for the year	本年度虧損	-	-	-	-	-	-	-	-	-	(243,846)	(243,846)	
Total comprehensive (expense) income for the year	本年度之全面(開支)收入總額	-	-	-	(2,733)	-	-	-	13,781	-	(243,846)	(232,798)	
2016 final dividend paid (note 12)	已付2016年末期股息(附註12)	-	-	-	-	-	-	-	-	-	(7,942)	(7,942)	
At 31 March 2017	於2017年3月31日	7,942	218,330	196,565	(5,387)	9,800	220,937	7,603	69,872	2,126,598		2,852,260	

Consolidated Statement of Changes in Equity

綜合權益變動表

For the year ended 31 March 2017

截至2017年3月31日止年度

Notes:

- (a) The capital reserve of the Group represents the credit arising from the reduction of share capital of the Company in October 2006.
- (b) The special reserve of the Group represents the difference between the nominal value of the share capital issued by the Company and the nominal value of the share capital and share premium of the companies forming the Group pursuant to the group reorganisation prior to the listing of the Company's shares in 1995.
- (c) The contributed surplus of the Group represents the credit arising from the reduction of certain reserves of the Company in August 2004.
- (d) The property revaluation reserve of the Group includes (i) the gain on revaluation of certain leasehold properties of the Group, (ii) share of the gain on revaluation of prepaid lease payments and property, plant and equipment of the Group's former associates, both arising from the transfer of the Group's leasehold properties or associates' prepaid lease payments and property, plant and equipment to investment properties in prior years and (iii) the transfer to accumulated profits upon deemed disposal of subsidiaries in prior years and during the year ended 31 March 2016.

附註：

- (a) 本集團之資本儲備代表藉於2006年10月股本削減所產生之進賬。
- (b) 本集團之特別儲備代表本公司已發行股本面值與現時組成本集團（根據本公司股份在1995年上市前之集團重組）屬下各公司之股本面值及股份溢價之差額。
- (c) 本集團之繳入盈餘代表本公司於2004年8月削減若干儲備之進賬。
- (d) 本集團之物業重估儲備包括(i)本集團若干租約物業之重估收益、(ii)分佔本集團前聯營公司之預付租賃款項及物業、廠房及設備之重估收益，皆因於過往年度本集團之租約物業或聯營公司之預付租賃款項及物業、廠房及設備轉撥至投資物業所致及(iii)於過往年度及截至2016年3月31日止年度，於視為出售附屬公司時轉撥至累計溢利。

Consolidated Statement of Cash Flows

綜合現金流量表

For the year ended 31 March 2017

截至2017年3月31日止年度

		2017 HK\$'000 千港元	2016 HK\$'000 千港元
Cash flows from operating activities	來自經營活動之現金流量		
(Loss) profit for the year	本年度(虧損)溢利	(243,846)	164,642
Adjustments for:	經調整:		
Taxation recognised in profit or loss	於損益確認之稅項	23,961	32,326
Interest income	利息收入	(23,277)	(17,975)
Interest expense	利息開支	17,203	25,157
Depreciation of property, plant and equipment	物業、廠房及設備之折舊	1,636	829
Amortisation of premium and other expenses charged on a life insurance policy	人壽保單之保費及其他開支之攤銷	280	280
Dividend income from listed investments	上市投資之股息收入	(10,171)	(6,252)
(Gain) loss on changes in fair value of investment properties	投資物業之公平值變動(收益)虧損	(21,877)	33,238
Gain on disposal of available-for-sale investments	出售可供出售投資之收益	(43,989)	(57,915)
Gain on disposal of property, plant and equipment	出售物業、廠房及設備之收益	(115)	(188)
Loss (gain) on changes in fair value of investments held for trading	持作買賣投資之公平值變動之虧損(收益)	8,773	(72,161)
Loss on fair value change of financial assets designated as at fair value through profit or loss	按公平值計入損益之金融資產之公平值變動虧損	2,328	38,504
Loss (gain) on change in fair value of derivative component of convertible notes	可換股票據衍生成分之公平值變動虧損(收益)	11,003	(680)
Results attributable to interests in associates	聯營公司權益分佔業績	371,364	(559,147)
Impairment loss on available-for-sale investment	可供出售投資減值虧損	25,376	-
Loss on disposal of subsidiaries	出售附屬公司之虧損	-	10,822
Loss on deemed disposal of subsidiaries	視為出售附屬公司之虧損	-	553,916
Write-off of deposits for property, plant and equipment	物業、廠房及設備之按金撇銷	-	5,529
Operating cash flows before movements in working capital	營運資金變動前之經營現金流量	118,649	150,925
Increase in properties held for development for sale	持作出售發展物業增加	(202,813)	(25,249)
Decrease in properties held for sale	持作出售物業減少	267,145	385,072
Increase in deposits and prepayments for acquisition of properties held for development for sale	收購持作出售發展物業之按金及預付款增加	-	(6,000)
(Increase) decrease in investments held for trading	持作買賣投資(增加)減少	(143,547)	236,737
Increase in trade and other receivables	貿易及其他應收款項增加	(18,368)	(2,972)
Decrease in bills receivable	應收票據減少	-	869
Increase in loans receivable	應收貸款增加	(106,454)	(141,192)
Increase in statutory deposits	法定按金增加	(205)	-
Increase in trade and other payables	貿易及其他應付款項增加	8,269	13,939

Consolidated Statement of Cash Flows

綜合現金流量表

For the year ended 31 March 2017

截至2017年3月31日止年度

	NOTES 附註	2017 HK\$'000 千港元	2016 HK\$'000 千港元
Cash (used in) from operations	(用於)來自經營之現金	(77,324)	612,129
Hong Kong Profits Tax paid	已付香港利得稅	(42,392)	(12,052)
Overseas tax paid	已付海外稅項	–	(92)
Dividend received from investments held for trading	持作買賣投資之已收股息	6,508	1,945
Net cash (used in) from operating activities	(用於)來自經營活動之現金淨額	(113,208)	601,930
Cash flows from investing activities	來自投資活動之現金流量		
Redemption of financial assets designated as at fair value through profit or loss	贖回按公平值計入損益之金融資產	675,339	255,000
Proceeds received from disposal of available-for-sale investments	出售可供出售投資之所得款項	350,062	78,159
Interest received	利息收入	18,246	15,791
Dividend received from available-for-sale investments	可供出售投資之已收股息	3,663	4,307
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備之所得款項	120	188
Acquisition of financial assets designated as at fair value through profit or loss	購入按公平值計入損益之金融資產	(861,000)	(631,500)
Acquisition of available-for-sale investments	購入可供出售投資	(21,360)	(15,232)
Purchase of property, plant and equipment	購入物業、廠房及設備	(7,636)	(3,091)
Purchase of intangible asset	購入無形資產	(500)	–
Additions of investment properties	添置投資物業	(30)	(119)
Deemed disposal of subsidiaries	視為出售附屬公司	9	(447,163)
Acquisition of convertible notes	購入可換股票據	–	(60,480)
Deposits paid for acquisition of property, plant and equipment	購入物業、廠房及設備之已付按金	–	(1,280)
Disposal of subsidiaries	出售附屬公司	33	22,284
Net cash from (used in) investing activities	來自(用於)投資活動之現金淨額	156,904	(783,136)
Cash flows from financing activities	來自融資活動之現金流量		
Bank borrowings raised	籌集銀行借貸	446,255	823,239
Repayment of bank borrowings	償還銀行借貸	(449,211)	(1,166,301)
Interest paid	已付利息	(19,657)	(26,204)
Dividend paid	已付股息	(7,942)	(7,942)
Proceeds received from rights issue of shares of a subsidiary (net of expenses)	來自附屬公司供股股份之所得款項(扣除開支)	–	192,395
Net cash used in financing activities	用於融資活動之現金淨額	(30,555)	(184,813)
Net increase (decrease) in cash and cash equivalents	現金及等同現金增加(減少)淨額	13,141	(366,019)
Cash and cash equivalents at beginning of the year	年初現金及等同現金	12,332	378,520
Effect of foreign exchange rate changes	外匯匯率變動之影響	–	(169)
Cash and cash equivalents at end of the year, represented by bank balances and cash	年末現金及等同現金·指銀行結餘及現金	25,473	12,332

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2017

截至2017年3月31日止年度

1. GENERAL

Easyknit International Holdings Limited (the “Company”) is incorporated in Bermuda as an exempted company with limited liability and its shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). The addresses of the registered office and the principal place of business of the Company are disclosed in the “Corporate Information” section of the annual report.

The consolidated financial statements are presented in Hong Kong dollars (“HK\$” or “HKD”) which is also the functional currency of the Company.

The Company is an investment holding company. The principal activities of the Company’s principal subsidiaries and associates are set out in notes 42 and 16, respectively.

As at 1 April 2014, the Group had 40.96% equity interest in the issued share capital of Eminence Enterprise Limited (“Eminence”). Eminence and its subsidiaries (“EE Group”) had been accounted for as subsidiaries of the Group in the consolidated financial statements of the Group for the year ended 31 March 2015 as the management of the Company considered that the Group had control over EE Group. On 12 June 2015, Eminence completed an issue of convertible note to an independent third party and this resulted in the Group’s effective equity interest in EE Group, assuming the full conversion of convertible note by the convertible note holder, being decreased from 40.96% to 34.41%. Based on the assessment of facts and circumstances, the directors of the Company considered that the other shareholders have increased influence to the decision of relevant activities of and voting power over Eminence, and concluded that the Group lost its control over EE Group as from 12 June 2015. As such, Eminence and its subsidiaries became associates of the Group with effect from 12 June 2015 and have since been accounted for using the equity method of accounting. Accordingly, EE Group was presented as discontinued operations in the consolidated financial statements of the Company for the year ended 31 March 2016.

1. 一般資料

永義國際集團有限公司(「本公司」)在百慕達註冊成立為受豁免有限公司，其股份在香港聯合交易所有限公司(「聯交所」)主板上市。本公司之註冊辦事處地址及主要營業地點已於本年報「公司資料」一節內披露。

綜合財務報表已按港元列值(「HK\$」或「HKD」)，亦為本公司之功能貨幣。

本公司乃一間投資控股公司。本公司之主要附屬公司及聯營公司主要從事之業務已分別載於附註42及16。

於2014年4月1日，本集團持有高山企業有限公司(「高山企業」)已發行股本之40.96%股本權益。高山企業及其附屬公司(「高山企業集團」)於本集團截至2015年3月31日止年度之綜合財務報表記賬為本集團之附屬公司，因本公司管理層認為本集團擁有高山企業集團之控制。於2015年6月12日，高山企業完成發行可換股票據予獨立第三者並導致本集團於高山企業集團之實際股本權益由40.96%減少至34.41%，假設可換股票據持有人悉數兌換此等可換股票據。根據事實及情況之評估，本公司董事認為其他股東已增加對高山企業相關活動及投票權之決策影響力，及斷定本集團已自2015年6月12日起失去高山企業集團之控制。因此，自2015年6月12日起高山企業集團成為本集團之聯營公司及自此以權益法記賬。因此，於截至2016年3月31日止年度之本公司綜合財務報表，高山企業集團呈列為已終止經營業務。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2017

截至2017年3月31日止年度

1. GENERAL (Continued)

In the current year, Eminence issued 222,222,222 ordinary shares of HK\$0.01 each upon a convertible note holder, who is not connected with the Group, exercising its conversion rights. On 22 September 2016, Eminence issued 223,000,000 ordinary shares of HK\$0.01 each by placing to six placees not connected with the Group. On 27 February 2017, Eminence issued 350,000,000 ordinary shares of HK\$0.01 each by placing to six placees not connected with Group. Accordingly, the Group's equity interest over EE Group decreased from 40.96% as at 1 April 2016 to 23.92% as at 31 March 2017.

Details of changes of interest in Eminence of the Group are set out in note 16.

2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs")

Amendments to HKFRSs that are mandatorily effective for the current year

The Group has applied the following amendments to HKFRSs issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") for the first time in the current year:

Amendments to HKFRS 11	Accounting for acquisitions of interests in joint operations
Amendments to HKAS 1	Disclosure initiative
Amendments to HKAS 16 and HKAS 38	Clarification of acceptable methods of depreciation and amortisation
Amendments to HKAS 16 and HKAS 41	Agriculture: Bearer plants
Amendments to HKFRS 10, HKFRS 12 and HKAS 28	Investment entities: Applying the consolidation exception
Amendments to HKFRSs	Annual improvements to HKFRSs 2012 – 2014 cycle

1. 一般資料 (續)

於本年度，高山企業發行222,222,222股每股面值0.01港元之普通股股份予一名與本集團沒有關連之可換股票據持有人，行使其可換股權利。於2016年9月22日，高山企業發行223,000,000股每股面值0.01港元之普通股股份予六名與本集團沒有關連之承配人。於2017年2月27日，高山企業發行350,000,000股每股面值0.01港元之普通股股份予六名與本集團沒有關連之承配人。因此，本集團於高山企業集團之股本權益由於2016年4月1日之40.96%減少至於2017年3月31日之23.92%。

本集團於高山企業權益之變化詳情已載列於附註16內。

2. 應用新訂香港財務報告準則及修訂本（「香港財務報告準則」）

於本年度強制生效的香港財務報告準則修訂本

本集團已於本年度首次應用下列由香港會計師公會（「香港會計師公會」）頒佈的香港財務報告準則修訂本：

香港財務報告準則第11號（修訂本）	收購合營業務權益的會計處理
香港會計準則第1號（修訂本）	披露主動性
香港會計準則第16號及香港會計準則第38號（修訂本）	可接受折舊及攤銷方法的澄清
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
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：應用合併的例外情況
香港財務報告準則（修訂本）	香港財務報告準則2012年至2014年週期的年度改善

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

Amendments to HKFRSs that are mandatorily effective for the current year (Continued)

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 and prior years and/or on the disclosures set out in these consolidated financial statements.

New and amendments to HKFRSs in issue but not yet effective

The Group has not early applied the following new and amendments to HKFRSs that have been issued but are not yet effective:

HKFRS 9	Financial instruments ²
HKFRS 15	Revenue from contracts with customers and the related amendments ²
HKFRS 16	Leases ³
Amendments to HKFRS 2	Clarification and measurement of share-based payment transactions ²
Amendments to HKFRS 4	Applying HKFRS 9 “Financial instruments” with HKFRS 4 “Insurance contracts” ²
Amendments to HKFRS 10 and HKAS 28	Sale or contribution of assets between an investor and its associate or joint venture ⁴
Amendments to HKAS 7	Disclosure initiative ¹
Amendments to HKAS 12	Recognition of deferred tax assets for unrealised losses ¹
Amendments to HKAS 40	Transfers of investment property ²
Amendments to HKFRSs	Annual improvements to HKFRSs 2014 – 2016 cycle ⁵

- ¹ Effective for annual periods beginning on or after 1 January 2017.
- ² Effective for annual periods beginning on or after 1 January 2018.
- ³ Effective for annual periods beginning on or after 1 January 2019.
- ⁴ Effective for annual periods beginning on or after a date to be determined.
- ⁵ Effective for annual periods beginning on or after 1 January 2017 or 1 January 2018, as appropriate.

2. 應用新訂香港財務報告準則及修訂本（「香港財務報告準則」）（續）

於本年度強制生效的香港財務報告準則修訂本（續）

本年度應用香港財務報告準則修訂本對本集團當前及過往年度的財務表現及狀況及／或於此等綜合財務報表的披露並無重大影響。

已頒佈但尚未生效的新訂香港財務報告準則及修訂本

本集團並無提前應用下列已頒佈但尚未生效的新訂香港財務報告準則及修訂本：

香港財務報告準則第9號	金融工具 ²
香港財務報告準則第15號	來自客戶合約的收入及相關修訂本 ²
香港財務報告準則第16號	租賃 ³
香港財務報告準則第2號（修訂本）	以股份為基礎的支付交易的分類及計量 ²
香港財務報告準則第4號（修訂本）	於香港財務報告準則第4號「保險合約」應用香港財務報告準則第9號「金融工具」 ²
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企業之間的資產出售或注入 ⁴
香港會計準則第7號（修訂本）	披露主動性 ¹
香港會計準則第12號（修訂本）	就未實現虧損確認的遞延稅項資產 ¹
香港會計準則第40號	投資物業轉讓 ²
香港財務報告準則（修訂本）	香港財務報告準則2014年至2016年週期的年度改善 ⁵

- ¹ 於2017年1月1日或之後開始的年度期間生效。
- ² 於2018年1月1日或之後開始的年度期間生效。
- ³ 於2019年1月1日或之後開始的年度期間生效。
- ⁴ 於待確定日期或之後開始的年度期間生效。
- ⁵ 於2017年1月1日或之後開始的年度期間或2018年1月1日（如適用）生效。

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

HKFRS 9 “Financial instruments”

HKFRS 9 introduces new requirements for the classification and measurement of financial assets, financial liabilities, general hedge accounting and impairment requirements for financial assets.

Key requirements of HKFRS 9 which are relevant to the Group are:

- all recognised financial assets that are within the scope of HKFRS 9 are required to be subsequently measured at amortised cost or fair value. 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 that give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding, are generally measured at fair value through other comprehensive income. 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.
- 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 “Financial instruments: Recognition and measurements”. 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. 應用新訂香港財務報告準則及修訂本（「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號引入金融資產、金融負債、一般對沖會計處理以及金融資產減值規定的分類與計量的新要求。

與本集團相關的香港財務報告準則第9號主要要求如下：

- 所有在香港財務報告準則第9號範圍內確認的金融資產往後必須以攤銷成本或公平值計量。具體而言，持有債務投資的業務模式而其目的為收取約定現金流及具有約定現金流並只用以支付本金及未償還本金所產生的利息，則一般於其後會計期末以攤銷成本計量。持有債務工具的業務模式而其目的為同時收取約定現金流及出售具有約定條款於特定日期產生的現金流的金融資產，並只用以支付本金及未償還本金所產生的利息，一般於其他全面收入按公平值處理計量。所有其他債務投資及股本投資於其後會計期末均以公平值計量。此外，根據香港財務報告準則第9號，實體可作出不可撤回的選擇，於其他全面收入內呈列股本投資（非持作買賣）其後的公平值變動，一般於損益中僅確認股息收入。
- 就金融資產的減值而言，香港財務報告準則第9號規定按照預期信貸虧損模式，與香港會計準則第39號「金融工具：確認及計量」之下按已產生信貸虧損模式相反。預期信貸虧損模式要求實體於各報告日期將預期信貸虧損及該等預期信貸虧損的變動入賬，以反映信貸風險自初始確認以來的變動。換言之，毋須等待信貸事件發生後才可確認信貸虧損。

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

HKFRS 9 “Financial instruments” (Continued)

Based on the Group’s financial instruments and risk management policies as at 31 March 2017, the application of HKFRS 9 in the future may have an impact on the classification and measurement of the Group’s financial assets. The Group’s convertible notes are currently classified as receivable component and the whole convertible notes will be measured at fair value upon the application of HKFRS 9. In addition, the expected credit loss model may result in early provision of credit losses which are not yet incurred in relation to the Group’s financial assets measured at amortised cost. However, it is not practicable to provide a reasonable estimate of the effect of HKFRS 9 until the Group performs a detailed review.

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.

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

2. 應用新訂香港財務報告準則及修訂本（「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）

根據本集團於2017年3月31日的金融工具及風險管理政策，將來應用香港財務報告準則第9號或會對本集團的金融資產的分類及計量產生影響。本集團之可換股票據現時分類為應收成份及於應用香港財務準則第9號時整個可換股票據將以公平值計量。此外，預期信貸虧損模式將導致提早撥備有關已攤銷成本計量之本集團之金融資產尚未產生之信貸虧損。然而，在本集團進行詳細檢討之前，就香港財務報告準則第9號的影響提供合理估計並不實際。

香港財務報告準則第15號「來自客戶合約的收入」

香港財務報告準則第15號設立一項單一綜合模式供實體用作入賬來自客戶合約的收入。於香港財務報告準則第15號生效後，其將取代包括載於香港會計準則第18號「收入」、香港會計準則第11號「建築合約」及相關詮釋的現行收入確認指引。

香港財務報告準則第15號的核心原則為實體所應確認的收入以描述向客戶轉讓承諾貨品或服務之金額乃能反映該實體預期就交換該等貨品或服務而享有的代價。具體而言，該準則引入確認收入的五個步驟：

- 第1步： 辨認與客戶訂立的合約
- 第2步： 辨認合約中的履約義務
- 第3步： 釐定交易價格
- 第4步： 分配交易價格於合約中的履約義務
- 第5步： 實體於（或就）履行一項履約義務時確認收入

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

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

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.

In 2016, the HKICPA issued clarifications to HKFRS 15 in relation to the identification of performance obligations, principal versus agent considerations, as well as licensing application guidance.

The directors of the Company anticipate that the application of HKFRS 15 in the future may have an impact on the amounts reported as the timing of revenue recognition may be affected and the amounts of revenue recognised are subject to variable consideration constraints, and more disclosures relating to revenue is required. However, it is not practicable to provide a reasonable estimate of the effect of HKFRS 15 until the Group performs a detailed review.

HKFRS 16 “Leases”

HKFRS 16 introduces a comprehensive model for the identification of lease arrangements and accounting treatments for both lessors and lessees. HKFRS 16 will supersede HKAS 17 “Leases” and the related Interpretations when it becomes effective.

HKFRS 16 distinguishes lease and service contracts on the basis of whether an identified asset is controlled by a customer. Distinctions of operating leases and finance leases are removed for lessee accounting, and is replaced by a model where a right-of-use asset and a corresponding liability have to be recognised for all leases by lessees, except for short-term leases and leases of low value assets.

2. 應用新訂香港財務報告準則及修訂本（「香港財務報告準則」）（續）

香港財務報告準則第15號「來自客戶合約的收入」（續）

於應用香港財務報告準則第15號時，實體於（或就）完成履約義務時，即於特定履約義務的相關貨品或服務的「控制權」轉讓予客戶時確認收入。香港財務報告準則第15號已就特別情況的處理方法加入更規範的指引。此外，香港財務報告準則第15號要求更詳盡的披露。

於2016年，香港會計師公會頒佈了對香港財務報告準則第15號的澄清，對於識別履約義務、當事人與代理人的考慮以及許可證的應用提供相關的指引。

本公司董事預期，將來應用香港財務報告準則第15號可能會影響款額的報告，因收入確認的時間或會受影響及確認的收入款額受到可變因素制限，並會要求更多關於收入的披露。然而，在本集團進行詳細檢討之前，就香港財務報告準則第15號的影響提供合理估計並不實際。

香港財務報告準則第16號「租賃」

香港財務報告準則第16號為識別出租人及承租人的租賃安排及會計處理引入一個綜合模式。當香港財務報告準則第16號生效時，將取代香港會計準則第17號「租賃」及相關的詮釋。

香港財務報告準則第16號根據所識別的資產是否由客戶控制來區分租賃及服務合約。除短期租賃及低值資產租賃外，經營租賃及融資租賃的差異從承租人會計處理中移除，並由承租人須就所有租賃確認資產使用權及相應負債的模式替代。

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

HKFRS 16 “Leases” (Continued)

The right-of-use asset is initially measured at cost and subsequently measured at cost (subject to certain exceptions) less accumulated depreciation and impairment losses, adjusted for any remeasurement of the lease liability. The lease liability is initially measured at the present value of the lease payments that are not paid at that date. Subsequently, the lease liability is adjusted for interest and lease payments, as well as the impact of lease modifications, amongst others. For the classification of cash flows, the Group currently presents upfront prepaid lease payments as investing cash flows in relation to leasehold lands for owned use and those classified as investment properties while other operating lease payments are presented as operating cash flows. Under HKFRS 16, lease payments in relation to lease liability will be allocated into a principal and an interest portion which will be presented as financing cash flows.

Under HKAS 17, the Group shall recognise an asset and a related finance lease liability for finance lease arrangement and prepaid lease payments for leasehold lands where the Group is a lessee. The application of HKFRS 16 may result in potential changes in classification of these assets depending on whether the Group presents right-of-use assets separately or within the same line item at which the corresponding underlying assets would be presented if they were owned.

In contrast to lessee accounting, HKFRS 16 substantially carries forward the lessor accounting requirements in HKAS 17, and continues to require a lessor to classify a lease either as an operating lease or a finance lease.

Furthermore, extensive disclosures are required by HKFRS 16.

As at 31 March 2017, the Group as lessee has non-cancellable operating lease commitments of HK\$1,740,000 as disclosed in note 35. A preliminary assessment indicates that these arrangements will meet the definition of a lease under HKFRS 16, and hence the Group will recognise a right-of-use asset and a corresponding liability in respect of all these leases unless they qualify for low value or short-term leases upon the application of HKFRS 16. In addition, the application of new requirements may result in changes in measurement, presentation and disclosure as indicated above. However, it is not practicable to provide a reasonable estimate of the financial effect until the directors of the Company complete a detailed review.

2. 應用新訂香港財務報告準則及修訂本（「香港財務報告準則」）（續）

香港財務報告準則第16號「租賃」（續）

資產使用權初始按成本計量，隨後以成本（若干例外情況除外）扣減累計折舊及減值虧損計量，並就任何重新計量的租賃負債而作出調整。租賃負債初始按租賃款項（非當日支付）的現值計量。隨後，租賃負債就（其中包括）利息及租賃款項以及租賃修訂的影響作出調整。就現金流量的分類而言，本集團目前將有關自用租賃土地及分類為投資物業的租賃土地的預付租賃款項呈列為投資現金流而其他經營租賃款項呈列為經營現金流。於應用香港財務報告準則第16號時，有關租賃負債的租賃款項將被分配至本金及利息部分，並將被呈列為融資現金流。

根據香港會計準則第17號，本集團就本集團作為承租人的租賃土地之融資租賃安排及預付租賃款項將確認一項資產及其相關融資租賃負債。應用香港財務報告準則第16號或會導致該等資產的分類發生潛在變動，視乎本集團是否單獨分開呈列資產使用權，或於同一行列呈報相應的潛在資產為持有。

與承租人會計處理方法相反，香港財務報告準則第16號大致保留香港會計準則第17號內對出租人的會計要求，並繼續規定出租人將租賃分類為經營租賃或融資租賃。

此外，香港財務報告準則第16號要求較廣泛的披露。

於2017年3月31日，於附註35披露本集團作為承租人有1,740,000港元的不可撤銷經營租賃承擔。初步評估顯示，該等安排將符合香港財務報告準則第16號項下租賃的定義，因此，除非有關租賃於應用香港財務報告準則第16號時符合低值或短期租賃的資格外，本集團將會就所有該等租賃確認資產使用權及相應的負債。此外，應用新規定可能導致上文所述的計量、呈列及披露發生變動。然而，在董事完成詳細檢討之前對財務影響提供合理估計並不實際。

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

HKFRS 16 “Leases” (Continued)

Other than as described above, the directors of the Company anticipate that the application of the other new and amendments to HKFRSs will have no material impact on the amounts recognised in the Group’s consolidated financial statements.

3. SIGNIFICANT ACCOUNTING POLICIES

Basis of preparation

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 and by the Hong Kong Companies Ordinance.

The consolidated financial statements have been prepared under the historical cost basis except for investment properties and certain financial instruments, which 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 “Share-based payment”, leasing transactions that are within the scope of HKAS 17 “Leases”, 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”.

A fair value measurement of a non-financial asset takes into account a market participant’s ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

2. 應用新訂香港財務報告準則及修訂本（「香港財務報告準則」）（續）

香港財務報告準則第16號「租賃」（續）

除上述外，本公司董事預期應用其他新訂香港財務報告準則及修訂本將會對確認於本集團的綜合財務報告的款項不會有重大影響。

3. 主要會計政策

編製基準

綜合財務報表乃按照香港會計師公會頒佈之香港財務報告準則編製。此外，綜合財務報表包括香港聯合交易所有限公司證券上市規則（「上市規則」）及香港公司條例規定之適用披露。

如下文之會計政策所載，除投資物業及若干金融工具於報告期末以公平值計量外，綜合財務報表乃按歷史成本法編製。

歷史成本一般以換取貨品及服務之公平值代價為根據。

公平值指於計量日市場參與者之間進行有序交易中出售資產所收取或轉移負債所支付之價格，無論該價格是否可直接觀察或使用其他估值技術估計。在估算一項資產或負債的公平值時，本集團會考量資產或負債特點，倘於計量日期市場參與者在釐定價格時將該資產或負債特點納入考量。該等綜合財務報表內計量及／或披露的公平值均根據該基準釐定，惟香港財務報告準則第2號（「股份支付款項」）範圍內之以股份支付款項之交易、香港會計準則第17號（「租賃」）範圍內之租賃交易除外，及計量與公平值存在若干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。

非金融資產之公平值計量乃考慮市場參與者透過最有效及最合適使用該資產或透過銷售其至最有效及最合適使用該資產之另一市場參與者以獲得經濟效益之能力。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of preparation (Continued)

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;
- 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.

3. 主要會計政策 (續)

編製基準 (續)

此外，就財務報告而言，根據公平值計量輸入之可觀察程度及輸入對整體公平值計量之重要性，公平值計量可分類為第1級、第2級或第3級，載述如下：

- 第1級輸入指實體於計量日可識別的資產或負債於活躍市場之報價（未經調整）；
- 第2級輸入指除包括在第1級計入之報價外，可直接或間接觀察的資產或負債；及
- 第3級輸入指資產或負債的不可觀察輸入。

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及由本公司及其附屬公司控制之實體之財務報表。本公司取得控制權當：

- 可對投資對象行使權力；
- 就來自參與投資對象之可變回報中承受風險或享有權利；及
- 有能力行使權力以影響其回報。

倘有事實及情況顯示上述三項控制元素之一項或以上出現變動，本集團將重新評估其是否取得投資對象之控制權。

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綜合財務報表附註

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of consolidation (Continued)

When the Group has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Group considers all relevant facts and circumstances in assessing whether or not the Group's voting rights in an investee are sufficient to give it power, including:

- the size of the Group's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Group or other vote holders;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Group has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

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.

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.

Where 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.

3. 主要會計政策 (續)

綜合基準 (續)

倘本集團於投資對象之投票權少於大多數時，當投票權足以賦予本集團實際能力可單方面掌控投資對象之相關業務，本集團仍可對投資對象行使權力。在評估本集團於投資對象之投票權是否足以賦予其權力時，本集團考慮所有相關事實及情況，包括：

- 本集團持有投票權之規模，相對其他投票權持有人所持投票權之規模及分散度；
- 本集團或其他投票權持有人持有之潛在投票權；
- 其他合約安排產生之權利；及
- 任何額外事實及情況表明於需要作出決定時，本集團是否享有現有以掌控相關活動，包括於過往股東會議上之投票方式。

綜合附屬公司於本集團取得控制附屬公司時開始並於本集團失去控制附屬公司時終止。具體而言，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之日期直至本集團終止控制附屬公司之日期包括在綜合損益及其他全面收益表內。

本公司股東及非控股權益分佔損益及其他全面收益之各項目。即使導致非控股權益為負數結餘，本公司股東及非控股權益會分佔附屬公司之全面收入總額。

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

所有有關本集團成員間交易之集團內部資產及負債、權益、收入、開支及現金流量已於綜合賬目時全面撇銷。

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綜合財務報表附註

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Changes in the Group's ownership interests in existing subsidiaries

Changes in the Group's ownership interests in 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.

When the Group loses control of a subsidiary, a gain or loss is recognised in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary attributable to the owners of the Company. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable HKFRSs). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under HKAS 39 "Financial instruments: Recognition and measurement", or when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

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.

3. 主要會計政策 (續)

本集團於現有附屬公司之擁有權權益之改變

倘不會導致本集團失去附屬公司之控制，本集團於附屬公司之擁有權權益之改變以權益交易入賬。本集團之權益及非控股權益之賬面值會調整以反映有關附屬公司相對權益之改變。已調整非控股權益與已付或已收代價之公平值之任何差異，會直接於權益確認並分配至本公司股東。

當本集團失去一間附屬公司的控制權時，收益或虧損於損益內確認，並按：(i)已收代價公平值及任何保留權益公平值總額與(ii)本公司股東分佔附屬公司資產及負債（包括商譽）之先前賬面值之間的差額計算。所有先前於其他全面收益就該附屬公司確認的金額會予以入賬，猶如本集團已直接出售該附屬公司的相關資產或負債（即按適用香港財務報告準則的規定／許可重新分類至損益或轉撥至另一類權益）。於失去控制權當日在前附屬公司保留的任何投資的公平值，會根據香港會計準則第39號（「金融工具：確認及計量」），在其後入賬時被列作首次確認的公平值，或如適用，首次確認於聯營公司或合營企業的投資的成本。

業務合併

收購業務以收購法入賬。於業務合併中之代價轉讓以公平值計量，即計算於收購日期本集團轉讓資產之公平值、本集團承擔收購對象前擁有人之負債以及本集團為換取收購對象之控制而發行之股本權益之總和。收購產生之相關成本一般於損益確認。

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綜合財務報表附註

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Business combinations (Continued)

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair values, 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.

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 amount 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.

3. 主要會計政策 (續)

業務合併 (續)

於收購日期，已收購可辨識之資產及承擔之負債以其公平值確認，除外者為：

- 遞延稅項資產或負債，及僱員福利安排相關的資產或負債分別按香港會計準則第12號「所得稅」及香港會計準則第19號「僱員福利」確認及計量；
- 與收購對象之股份支付安排或為取代收購對象之股份支付安排而訂立之本集團股份支付安排有關的負債或權益工具，於收購日期按香港財務報告準則第2號「股份支付付款」（見下文會計政策）；及
- 按照香港財務報告準則第5號「持作出售非流動資產及已終止經營業務」分類為持作出售資產（或出售組別）根據該準則計量。

商譽以轉讓代價、收購對象之任何非控股權益金額、及收購方之前已持有收購對象之股本權益（如有）之總和超過於收購日期可辨識之所收購資產及承擔負債之淨額之價值計量。倘經重新評估後，於收購日期可辨識之所收購資產及承擔負債之淨額超過轉讓代價、收購對象之任何非控股權益之金額、及收購方之前已持有收購對象權益之公平值（如有）之總和，超過之價值隨即於損益確認為一項協議收購收益。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Interests in associates

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.

The results and assets and liabilities of associates are incorporated in the consolidated financial statements using the equity method of accounting. The financial statements of associates 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 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 associates. When the Group's share of losses of an associate equals or exceeds its interest in that associate (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate), 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 that associate.

An investment in an associate is accounted for using the equity method from the date on which the investee becomes an associate. On acquisition of the investment in an associate, any excess of the Group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities over the cost of acquisition, after reassessment, is recognised immediately in profit or loss.

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. 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 to sell) 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)

聯營公司權益

聯營公司為一間投資方具重要影響之實體。具重要影響乃指參與投資方決定財務及經營政策之權力而不是控制或共同控制該等政策。

聯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內。就相似之交易及於同類形情況之事件，用權益會計法編製之聯營公司財務報表乃採用與本集團一致之會計政策。根據權益法，聯營公司投資之成本初次於綜合財務狀況表內確認及隨後調整以確認本集團分佔聯營公司之損益及其他全面收入。當本集團分佔聯營公司虧損等於或超出於該聯營公司權益（其中包括實質上構成本集團之聯營公司投資淨額之任何長期權益）時，本集團終止確認其分佔之進一步虧損。確認額外虧損僅限於本集團須承擔法律或推定義務，或須代表該聯營公司支付款項。

自投資對象成為一家聯營公司當日起，於聯營公司的投資採用權益法入賬。於收購一間聯營公司的投資時，本集團分佔可辨識資產、負債及或然負債的公平值淨額超出收購成本的任何差額，於重新評估後即時於損益確認。

應用香港會計準則第39號之要求以釐定本集團之聯營公司投資是否需要確認任何減值虧損。當有需要，根據香港會計準則第36號「資產減值」測試投資（包括商譽）全部賬面值之減值，視為單一項資產以比較其可收回金額（使用價值與公平值減銷售成本之較高者）及其賬面值。任何已確認之減值虧損會成為投資賬面值之部份。根據香港會計準則第36號所確認之任何減值虧損之撥回乃按該投資隨後可收回金額之增加為限。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Interests in associates (Continued)

When the Group ceases to have significant influence over an associate, it is accounted for as a disposal of the entire interest in the investee with a resulting gain or loss being recognised in profit or loss. When the Group retains an interest in the former associate and the retained interest is a financial asset within the scope of HKAS 39, 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 at the date the equity method was discontinued, and the fair value of any retained interest and any proceeds from disposing the relevant interest in the associate is included in the determination of the gain or loss on disposal of the associate. In addition, the Group accounts for all amounts previously recognised in other comprehensive income in relation to that associate on the same basis as would be required if that associate had directly disposed of the related assets or liabilities. Therefore, if a gain or loss previously recognised in other comprehensive income by that associate 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.

When the Group reduces its ownership interest in an associate 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.

Where a group entity transacts with an associate of the Group, profits and losses resulting from the transactions with the associate are recognised in the Group's consolidated financial statements only to the extent of interests in the associate that are not related to the Group.

3. 主要會計政策 (續)

聯營公司權益 (續)

當本集團終止其於聯營公司之重大影響時，記賬為出售投資的對象之全部權益，其收益或虧損於損益確認。當本集團保留於前聯營公司的權益，且保留權益屬於香港會計準則第39號範圍內之金融資產時，則本集團於當日按公平值計量保留權益，而公平值則被視為根據香港會計準則第39號首次確認時的公平值。聯營公司於終止使用權益法當日的賬面值與任何保留權益的公平值及出售聯營公司部份權益所得任何所得款項之間的差額，乃計入釐定出售聯營公司的損益。此外，倘該聯營公司直接出售相關資產或負債，則本集團按相同基準計入有關該聯營公司的以往於其他全面收益確認的所有金額。因此，倘聯營公司以往於其他全面收益確認的損益重新分類為出售相關資產或負債的損益，則本集團將於終止使用權益法時將權益收益或虧損重新分類至損益（列作重新分類調整）。

當本集團減少其於聯營公司權益但仍使用股本法時，本集團重新分類之前於其他全面收入已被確認之有關減少權益之收益或虧損比例至損益若該收益或虧損於出售相關資產或負債時重新分類至損益。

當集團實體與其聯營公司進行交易時，與聯營公司交易所產生之損益，僅會於本集團之綜合財務報表內確認與本集團聯營公司權益之沒有關連部分。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Interests in joint operations

A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to 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.

When a group entity undertakes its activities under joint operations, the Group as a joint operator recognises in relation to its interest in a joint operation:

- its assets, including its share of any assets held jointly;
- its liabilities, including its share of any liabilities incurred jointly;
- its revenue from the sale of its share of the output arising from the joint operation;
- its share of the revenue from the sale of the output by the joint operation; and
- its expenses, including its share of any expenses incurred jointly.

The Group accounts for the assets, liabilities, revenues and expenses relating to its interest in a joint operation in accordance with the HKFRSs applicable to the particular assets, liabilities, revenues and expenses.

When a group entity transacts with a joint operation in which a group entity is a joint operator (such as a sale or contribution of assets), the Group is considered to be conducting the transaction with the other parties to the joint operation, and gains and losses resulting from the transactions are recognised in the Group's consolidated financial statements only to the extent of other parties' interests in the joint operation.

When a group entity transacts with a joint operation in which a group entity is a joint operator (such as a purchase of assets), the Group does not recognise its share of the gains and losses until it resells those assets to a third party.

3. 主要會計政策 (續)

合營業務權益

合營業務乃為共同安排雙方於該安排上就有關共同安排資產權利及負債承擔有共同控制。共同控制乃根據合約同意分佔安排之控制，其存在僅限於當決定有關活動要求分佔控制雙方一致同意。

當集團實體承擔合營業務活動時，本集團作為合營業務者確認其有關合營業務權益：

- 其資產，包括其分佔之任何共同資產；
- 其負債，包括其分佔之任何共同負債；
- 銷售其分佔源自合營業務所出產之收益；
- 分佔其合營業務銷售所出產之權益；及
- 其開支，包括其分佔之任何共同開支。

就有關合營業務權益之資產、負債、收益及開支，本集團會根據適用於特定資產、負債、收益及開支之香港財務報告準則記賬。

當集團實體與合營業務交易而集團實體為合營業務者時（如出售或提供資產），本集團視為與合營業務另一方進行交易，僅限於另一方合營業務權益之交易收益及虧損於本集團之綜合財務報表內確認。

當集團實體與合營業務交易而集團實體為合營業務者時（如購入資產），本集團不會確認其分佔之收益及虧損直至該資產再轉售予第三方。

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綜合財務報表附註

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

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.

Revenue is recognised when the amount of revenue can be reliably measured; when it is probable that future economic benefits will flow to the Group and when specific criteria have been met for each of the Group's activities, as described below.

Sale of goods and properties held for development for sale

Revenue from the sale of goods is recognised when the goods are delivered and titles have passed.

Revenue from sale of properties in the ordinary course of business is recognised when the respective properties have been completed and delivered to the purchasers. Deposits and instalments received from purchasers prior to meeting the above criteria for revenue recognition are included in the consolidated statement of financial position under current liabilities.

Dividend and interest income

Dividend income from investments is recognised when the shareholders' rights to receive payment have been established (provided that it is probable that the economic benefits will flow to the Group and the amount of revenue can be measured reliably).

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income 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.

Rental income

The Group's policy for recognition of revenue from operating leases is described in the accounting policy for leasing below.

3. 主要會計政策 (續)

收益確認

收益按已收或應收代價之公平值計量及為日常業務中之貨品銷售及服務提供之扣除折扣後之應收金額。

如下文所載，收益會被確認當收益之金額能可靠地計量；當涉及交易之未來經濟效益可能流入本集團及有關本集團各項業務之特定條件附合時。

銷售貨品及持作出售發展物業

銷售貨品收益於交付貨品及移交所有權後確認。

日常業務過程中銷售物業之收益於相關物業已完成發展及已交付予買家時確認。符合以上收益確認條件前收取自買方之按金及分期付款包含在綜合財務狀況表項下之流動負債內。

股息及利息收入

來自投資之股息收入於股東收取股息之權利確立時確認（假設經濟效益可能流入本集團及收益款額能夠可靠地計量）。

當經濟效益可能流入本集團及收入金額能可靠地計量時會確認金融資產之利息收入。利息收入乃參考尚未償還之本金及當時適用實際利率按時間基準計提，實際利率乃指將估計未來收取之現金按金融資產預計可用年期折現至該資產於初次確認時之賬面淨值之利率。

租金收入

本集團確認來自經營租約收益之政策載列於下文之會計政策。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

Property, plant and equipment

Property, plant and equipment are stated in the consolidated statement of financial position at cost less subsequent accumulated depreciation and accumulated impairment losses, if any.

Depreciation is recognised so as to write off the cost of items of property, plant and equipment over their estimated useful lives, using the straight-line method. 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.

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 arising on disposal or retirement of an item of property, plant and equipment is determined as the difference between the net proceeds and the carrying amount of the assets and is recognised in profit or loss.

3. 主要會計政策 (續)

借貸成本

因收購、建築或製造合資格資產等需要一段時間才可投入使用或出售之資產而直接產生之借貸成本，加上為該等資產之成本，直至該等資產可投入使用或出售時。從特定借貸所得款項（將作為合資格資產開支）之短暫投資賺取之投資收入，於符合資本化之借貸成本內扣減。

所有其他借貸成本在產生期間於損益中確認。

物業、廠房及設備

物業、廠房及設備，乃按成本扣減其後之累計折舊及累計減值虧損（如有）於綜合財務狀況表列賬。

確認折舊以撇銷物業、廠房及設備之成本於其估計可使用年期，使用直線法。估計可使用年期、剩餘價值及折舊方法於報告期末審閱，並按預期基準將任何估計轉變之影響列賬。

一項物業、廠房及設備於出售後或當預期持續使用該資產將不會產生未來經濟效益時取消確認。出售棄用一項物業、廠房及設備時所產生之任何收益或虧損乃以所得款項淨額與該資產之賬面值之差額計算及於損益確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investment properties

Investment properties are properties held to earn rentals and/or for capital appreciation.

Investment properties are initially measured at cost, including any directly attributable expenditure, except for the properties transferred from property, plant and equipment, which are measured at fair value at date of transfer. Subsequent to initial recognition, investment properties are measured at their fair values. All of the Group's property interests held under operating leases to earn rentals or for capital appreciation purposes are classified and accounted for as investment properties and are measured using the fair value model. Gains or losses arising from changes in the fair value of investment properties are included in profit or loss in the period in which they arise.

If an item of property, plant and equipment becomes an investment property because its use has changed as evidenced by end of owner-occupation, any difference between the carrying amount and the fair value of that item at the date of transfer is recognised in other comprehensive income and accumulated in property revaluation reserve. On the subsequent sale or retirement of the asset, the relevant revaluation reserve will be transferred directly to accumulated profits.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from its disposals. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the item is derecognised.

Intangible asset

Intangible asset with indefinite useful life that is acquired separately is carried at cost less accumulated impairment losses (see the accounting policy in respect of impairment of intangible asset below).

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains and losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss in the period when the asset is derecognised.

3. 主要會計政策 (續)

投資物業

投資物業乃指持有作為賺取租金及／或作資本增值之物業。

除轉撥自物業、廠房及設備之物業以轉撥當天之公平值計量外，投資物業初次按成本計量，包括任何直接應佔開支。於初次確認後，投資物業採用公平值計量。作為賺取租金或資本增值目的於經營租約項下之所有本集團物業權益分類及列作投資物業及以公平值模式計量。投資物業之公平值變動所產生之收益或虧損將計入產生期間之損益中。

倘一項物業、廠房及設備因證明業主自用終止之使用改變而成為投資物業時，於轉撥日，該項目之賬面值與公平值之任何差異會於其他全面收益確認及於物業重估儲備累計。於其後之資產銷售或退用，相關重估儲備將會直接轉撥至累計溢利。

一項投資物業於出售后，或投資物業永久不再使用及預期出售該等物業不會產生未來經濟利益時取消確認。取消確認資產所產生之任何收益或虧損（按出售所得款項淨額與資產之賬面值之差額計算）將計入取消確認期間之損益中。

無形資產

獨立購入之無限使用年期的無形資產乃按成本扣減累計減值虧損列賬（見有關無形資產減值之會計政策如下）。

無形資產於出售后或當預期使用或出售不會產生未來經濟效益時取消確認。取消確認無形資產所產生之收益及虧損乃以出售所得款項淨額及資產之賬面值之差額計算及於資產取消確認期間於損益確認。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Properties held for development for sale

Properties held for development for sale are classified as current assets and stated at the lower of cost and net realisable value.

Costs relating to the development of properties, including purchase costs of the properties for development and development costs, are capitalised and included as properties held for development until such time when they are completed.

Properties held for sale

Properties held for sale are completed properties and are classified under current assets. They are stated at the lower of cost and net realisable value.

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 and 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. Transaction costs directly attributable to the acquisition of financial assets at fair value through profit and loss are recognised immediately in profit or loss.

Financial assets

The Group's financial assets are classified into one of the three categories, including financial assets at fair value through profit or loss ("FVTPL"), 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)

持作出售發展物業

持作出售發展物業分類為流動資產並按成本及可變現淨值兩者之較低者列賬。

有關發展物業之成本，包括購入發展物業之成本及發展成本，予以資本化及包括在持作發展物業，直至完成發展為止。

持作出售物業

持作出售物業為已完成物業及分類為流動資產。以成本及可變現淨值之較低者列賬。

金融工具

於某集團實體成為工具合約條文之訂約方時確認金融資產及金融負債。

金融資產及金融負債初次按公平值計量。因收購或發行金融資產及金融負債（按公平值計入損益之金融資產及金融負債除外）而直接產生之交易成本於初次確認時金融資產或金融負債之公平值加入或扣除（按適用者）。因購入按公平值計入損益之金融資產而直接產生之交易成本即時於損益中確認。

金融資產

本集團之金融資產分為三個類別其中之一，包括按公平值計入損益（「按公平值計入損益」）之金融資產、貸款及應收款項及可供出售金融資產。分類視乎金融資產之性質及目的，並於初次確認時釐定。所有常規買賣之金融資產以交易日期基準確認或取消確認。常規買賣乃指按市場規則或慣例所訂立之時間內進行需交付資產之金融資產買賣。

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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.

Financial assets at FVTPL

Financial assets are classified as at FVTPL when the financial assets is (i) held for trading or (ii) it is designated as at FVTPL on initial recognition.

A financial asset is classified as held for trading if:

- it has been acquired principally for the purpose of selling in the near future; or
- on initial recognition it is a part of an identified portfolio of financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

A financial asset other than a financial asset held for trading may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or

3. 主要會計政策 (續)

金融工具 (續)

金融資產 (續)

實際利率法

實際利率法為計算金融資產的攤銷成本以及分配利息收入於相關期間之方法。實際利率是可準確透過金融資產的預計可用年期或(倘適用)在較短期間內對估計未來現金收入(包括所支付或收取能構成整體實際利率的所有費用及點子、交易成本及其他溢價或折價)折算至初次確認時之賬面淨值的利率。

債務工具之利息收入乃按實際利率法確認。

按公平值計入損益之金融資產

金融資產分類為按公平值計入損益當金融資產為：(i)持作買賣或(ii)於初次確認時界定為按公平值計入損益。

金融資產列作持作買賣若：

- 主要於短期內為出售目的而收購；或
- 於初次確認時屬於本集團共同管理且在近期內有短期獲利實際模式之已辨識金融工具組合之部分；或
- 屬於未指定及有效作為對沖工具之衍生工具。

除持作買賣金融資產外，金融資產可於初次確認時界定為按公平值計入損益之金融資產若：

- 該界定可消除或大幅減少計量或確認時可能產生之不一致；或

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Financial assets at FVTPL (Continued)

- the financial asset forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Group's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and HKAS 39 permits the entire combined contract (asset or liability) to be designated as at FVTPL.

Financial assets at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit and loss excludes any dividend or interest earned on the financial assets.

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 receivable component in convertible notes, deposit and prepayments for a life insurance policy, trade and other receivables, loans receivable, and bank balances and cash) are carried at amortised cost using the effective interest method, less any identified impairment losses (see accounting policy on impairment of financial assets below).

Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated or not classified as financial assets at FVTPL, 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. Dividends on available-for-sale equity instruments are recognised in profit or loss when the Group's right to receive the dividends is established. Changes in fair value are recognised in other comprehensive income and accumulated in investment 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 investment revaluation reserve is reclassified to profit or loss (see accounting policy on impairment of financial assets below).

3. 主要會計政策 (續)

金融工具 (續)

金融資產 (續)

按公平值計入損益之金融資產 (續)

- 有關金融資產為一組金融資產或金融負債或兩者中之一部分，其管理及表現之評價乃以公平值基準，按照本集團記錄之風險管理或投資策略，以及按照提供內部使用之關於組合分類之資料；或
- 其為包含一種或多種內含衍生工具協議之部分，以及為香港會計準則第39號允許其整份合併協議（資產或負債）界定為按公平值計入損益。

按公平值計入損益之金融資產按公平值列賬，重新計量引致之任何收益或虧損於損益確認。於損益確認之收益或虧損淨額不包括就金融資產賺取之任何股息或利息。

貸款及應收款項

貸款及應收款項為固定或可釐定付款之非衍生金融資產，沒有於活躍市場報價。於初次確認後，貸款及應收款項（包括可換股票據應收成份、人壽保單之按金及預付款、貿易及其他應收款項、應收貸款及銀行結餘及現金）均按採用實際利率法計算之已攤銷成本減任何已識別減值虧損（見金融資產減值之會計政策如下）。

可供出售金融資產

可供出售金融資產為非衍生工具，其須界定或不分類為按公平值計入損益之金融資產、貸款及應收款項或持有至到期之投資。

可供出售金融資產於報告期末按公平值計量。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確認。公平值變動於其他全面收益確認，並於投資重估儲備項下累計，直至該金融資產出售或釐定為需要減值時，於其時，先前於投資重估儲備累計之累計收益或虧損重新分類至損益（見金融資產減值之會計政策如下）。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Derivative component in convertible note

Derivative component in convertible note is initially recognised at fair value and is classified separately into respective items on initial recognition. The derivative component is subsequently remeasured at fair value at the end of the reporting period with resulting gain or loss recognised in profit or loss immediately.

Impairment of financial assets

Financial assets, other than financial assets at FVTPL, are assessed for indicators of impairment at the end of the reporting period. Financial assets are considered to be impaired when 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.

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

- significant financial difficulty of the issuer or counterparty; or
- breach of contract, such as default or delinquency in interest and principal payments; or
- it becoming probable that the borrower will enter bankruptcy or financial re-organisation; or
- the disappearance of an active market for that financial asset because of financial difficulties.

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

3. 主要會計政策 (續)

金融工具 (續)

金融資產 (續)

可換股票據之衍生成分

可換股票據衍生成分初步以公平值確認及於初次確認時獨立分類至所屬項目。衍生成分隨後於報告期末重新計量引致之收益或虧損隨即於損益內確認。

金融資產減值

除按公平值計入損益之金融資產外，金融資產於報告期末評估是否出現減值跡象。金融資產於初次確認後，如出現一項或多項事件顯示金融資產出現減值之客觀證據，代表金融資產之估計未來現金流量已受到影響，金融資產需考慮減值。

就可供出售股本投資而言，該投資公平值之重大或持續下跌至低於其成本為減值之客觀證據。

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
- 違約，如不履行或拖欠利息或本金支付；或
- 借款人可能進行破產或財務重組；或
- 因財務困難引致金融資產之活躍市場消失。

就按攤銷成本列賬之金融資產而言，減值虧損金額按資產之賬面值與金融資產之原本實際利率折算之估計未來現金流量現值之差額計量。

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綜合財務報表附註

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Impairment of financial assets (Continued)

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables and loans receivable, 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 an item of trade and other receivables or loans receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited to profit or loss.

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 reversed through profit or loss. Any increase in fair value subsequent to an impairment loss is recognised in other comprehensive income and accumulated in investment revaluation reserve.

Financial liabilities and equity instruments

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

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)

金融資產減值 (續)

除貿易應收款項及應收貸款之賬面值通過撥備賬而減少外，所有金融資產之賬面值通過金融資產之減值虧損而直接減少。撥備賬之賬面值的變動於損益中確認。當一項貿易及其他應收款項或應收貸款認為不能收回時，則於撥備賬撤銷。過往撤銷的金額於其後收回時計入損益。

當一項可供出售金融資產被認為已減值，過往於其他全面收益確認之累計收益或虧損將重新分類至該期間損益。

就按攤銷成本計量之金融資產而言，如於往後期間，減值虧損金額減少及有關減少可客觀地聯繫到已確認減值虧損後所發生的事件，則過往確認的減值虧損於損益中撥回，惟有關資產於撥回減值當日的賬面值不得超過沒有確認減值下之攤銷成本。

可供出售股本投資之減值虧損將不會在隨後期間之損益中撥回。任何減值虧損隨後之公平值增加於其他全面收益內確認及於投資重估儲備中累計。

金融負債及股本工具

某集團實體發行之債項及股本工具按所訂立之合約安排性質及金融負債及股本工具之定義而分類為金融負債或股本工具。

股本工具

股本工具為於扣除其所有負債後仍證明本集團之資產有剩餘權益之任何合約。由本集團發行之股本工具按收取之所得款項（扣除直接發行成本）確認。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial liabilities and equity instruments (Continued)

Financial liabilities

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

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.

Derecognition

Financial assets are derecognised when the rights to receive cash flows from the assets expire or, the financial assets are transferred and the Group has transferred substantially all the risks and rewards of ownership of the financial assets. On derecognition of a financial asset, 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 directly in other comprehensive income is recognised in profit or loss.

Financial liabilities are derecognised when the obligation specified in the relevant contract is discharged, cancelled or have expired. 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)

金融負債及股本工具 (續)

金融負債

金融負債(包括貿易及其他應付款項及有抵押銀行借貸)於其後採用實際利率法按攤銷成本計量。

實際利率法

實際利率法為計算金融負債的攤銷成本以及分配利息開支於相關期間的方法。實際利率是可準確透過金融負債的預計年期或(倘適用)較短期間內對估計未來現金付款(包括所有已付或已收並構成實際利率整體之費用及點子、交易成本及其他溢價或折價)折算至負債於初次確認時之賬面淨值之利率。

利息開支按實際利率基準確認。

取消確認

當從資產收取現金流量之權利已到期時或，金融資產已轉讓及本集團已將其於金融資產擁有權之絕大部分風險及回報轉移，則取消確認金融資產。於取消確認金融資產時，資產賬面值與已收及應收代價及已直接於其他全面收益確認之累計收益或虧損之總和之差額乃於損益中確認。

當於有關合約之特定責任獲解除、取消或到期時，金融負債乃予以取消確認。取消確認之金融負債賬面值與已付及應付代價之差額於損益中確認。

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綜合財務報表附註

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Impairment of tangible assets and intangible asset with indefinite useful lives

At the end of the reporting period, the Group reviews the carrying amounts of its tangible assets and intangible assets with finite useful lives 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. Where 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.

Intangible assets with indefinite useful lives are tested for impairment at least annually, and whenever there is an indication that they may be impaired.

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.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset 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 in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

3. 主要會計政策 (續)

有形資產及沒有使用年限之無形資產減值

於報告期末，本集團審閱其有形資產及有使用年限之無形資產之賬面值，以釐定是否有任何跡象顯示該等資產出現減值虧損。倘有任何該等跡象存在，將估計資產之可收回金額以釐定其減值虧損程度（如有）。倘不可能估計個別資產之可收回金額時，本集團則估計該資產所屬之現金產生單位之可收回金額。倘有認為合理及一致的分配基準可被辨識，公司資產亦會分配至個別現金產生單位，否則會被分配至最小之現金產生單位組合，當中有辨識為合理及一致的分配基準。

沒有使用年限之無形資產最少每年進行減值測試，及每當有跡象顯示該等資產可能減值。

可收回金額為公平值減出售成本及使用價值之較高者。評估使用價值時，乃使用能反映現行市場所評估金錢之時間價值之稅前貼現率折算至其現在價值，而該資產之預計未來現金流量則未有調整其特定風險。

倘一項資產之估計可收回金額低於其賬面值，則該資產之賬面值將調低至其可收回金額。減值虧損隨即確認為開支。

倘減值虧損其後撥回，該項資產之賬面值將增加至其經修訂之估計可收回金額，惟增加後之賬面值不得超過倘若該資產於過往年度並無確認減值虧損所釐定之賬面值。減值虧損撥回隨即於損益內確認。

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綜合財務報表附註

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 the respective 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 carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. 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 retranslation of monetary items, are recognised in profit or loss in the period in which they arise. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in profit or loss for the period.

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 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 current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

3. 主要會計政策 (續)

外幣

於編製各個別集團實體之財務報表時，以該實體之功能貨幣以外貨幣（外幣）進行之交易乃按交易日期之現行匯率折算為其功能貨幣（即該實體進行經營之主要經濟環境所使用之貨幣）記錄。於報告期末，以外幣列值之貨幣項目按該結算日之現行匯率重新換算。按公平值列賬及以外幣列值之非貨幣項目按公平值釐定當日之現行匯率重新換算。按歷史成本及以外幣計算之非貨幣項目不進行重新換算。

結算貨幣項目及重新換算貨幣項目而產生之匯兌差異，於該等差異產生期間之損益中確認。因結算以公平值列賬之非貨幣項目而產生之匯兌差異，將包括在該期間之損益中。

稅項

所得稅開支指現時應付稅項及遞延稅項之總額。

現時應付稅項乃按本年度應課稅溢利計算。應課稅溢利與綜合損益及其他全面收益表中呈報之溢利不同，此乃由於在其他年度應課稅或可扣稅之收入或開支及無須課稅或不獲扣稅之項目。本集團之當期稅項採用於報告期末已頒佈或實質頒佈之稅率計算。

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綜合財務報表附註

For the year ended 31 March 2017

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Taxation (Continued)

Deferred tax is recognised on temporary differences between the carrying amounts 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 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.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates 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 profits 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.

3. 主要會計政策 (續)

稅項 (續)

遞延稅項為就綜合財務報表資產及負債賬面值及用以計算應課稅溢利相應稅基之臨時差額而確認之稅項。遞延稅項負債通常會就所有應課稅臨時差額確認。遞延稅項資產一般會確認所有可扣減臨時差額而僅以可能出現之可利用臨時差額扣稅的應課稅溢利為限。若於一項交易中，因商譽或因業務合併以外原因而初次確認其他資產及負債所引致之臨時差額不影響應課稅溢利亦不影響會計溢利，則不會確認該等資產及負債。

遞延稅項負債會確認關連於附屬公司之投資而引致之應課稅臨時差額，惟若本集團可控制臨時差額撥回及臨時差額有可能不會於可見將來撥回之情況除外。有關該等投資之可扣減臨時差額所引致之遞延稅項資產，只會在有足夠應課稅溢利以動用臨時差額利益及預計其於可見未撥回之情況下才確認。

遞延稅項資產之賬面值於報告期末作出檢討，並作出調減直至沒有可能有足夠應課稅溢利以恢復全部或部分資產。

遞延稅項資產及負債乃以預期於清還負債或變現資產時之稅率計量，並根據於報告期末已頒佈或實質頒佈之稅率（及稅務法例）為基準。

遞延稅項負債及資產之計量乃反映本集團預計於報告期末，收回資產或清還負債賬面值後之稅項結果。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Taxation (Continued)

For the purposes of measuring deferred tax for investment properties that are measured using the fair value model, the carrying amounts of such properties are presumed to be recovered entirely through sale, unless the presumption is rebutted. The presumption is rebutted when the investment property is depreciable and is held within a business model whose objective is to consume substantially all of the economic benefits embodied in the investment property over time, rather than through sale.

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 the business combination.

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 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 on a straight-line basis over the lease term.

3. 主要會計政策 (續)

稅項 (續)

就計量利用公平值模式計量之投資物業之遞延稅項而言，該等業之賬面值乃假設通過銷售全數收回，惟該假設被推翻則除外。當投資物業可予折舊及於本集團之業務模式（其業務目標乃隨時間消耗投資物業所包含之絕大部分經濟利益，而非透過銷售）內持有時，有關假設會被推翻。

流動及遞延稅項於損益中確認，惟項目於其他全面收益或直接於權益中確認者除外，相關之流動及遞延稅項亦需分別於其他全面收益或直接於權益中確認。當流動稅項或遞延稅項於業務合併中初次入賬時出現，其稅務影響包括在業務合併中入賬。

租約

凡租約條款將擁有權之絕大部分風險及利益撥歸於承租人之租約，均歸類為融資租約。所有其他租約均歸類為經營租約。

本集團作為出租人

經營租約租金收入乃按有關租約年期以直線法確認。於洽談及協商經營租約時產生初次直接成本將加入租約資產之賬面金額及按有關租約之年期以直線法確認。

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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.

In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis.

Leasehold land and building

The land and building elements of a lease of land and building are considered separately for the purpose of lease classification, unless the lease payments cannot be allocated reliably between the land and building elements, in which case, the entire lease is generally treated as a finance lease and accounted for as property, plant and equipment. To the extent the allocation of the lease payments can be made reliably, leasehold interests in land are accounted for as operating leases and amortised over the lease term on a straight-line basis except for those that are classified and accounted for as investment properties under the fair value model.

Retirement benefit scheme

Payments to defined contribution retirement benefit scheme or the Hong Kong Mandatory Provident Fund Scheme are charged as expenses when employees have rendered services entitling them to the contribution.

Short-term employee benefits

Short-term employee benefits are recognised at the undiscounted amount of the benefits expected to be paid as and when employees rendered the services. All short-term employee benefits are recognised as an expense unless another HKFRS requires or permits the inclusion of the benefit in the cost of an asset.

A liability is recognised for benefits accruing to employees (such as wages and salaries) after deducting any amount already paid.

3. 主要會計政策 (續)

租約 (續)

本集團作為承租人

經營租約之付款乃按租約年期以直線法確認為開支。

作為促使訂立經營租約所收到之獎勵會確認為負債。獎勵之總收益按直線法確認為租金開支減少。

租約土地及樓宇

就租約分類而言，一項土地及樓宇租約中之土地及樓宇部分乃分開考慮，惟租約付款不能在土地及樓宇組成部分可靠地分配者除外，在該情況下，整項租約一般被視為融資租約及列作物業、廠房及設備。倘能可靠地分配租約付款，租約土地權益則列作經營租約及於租約年期以直線法攤銷，而以公平值模式分類及已列作投資物業者除外。

退休福利計劃

按照界定供款退休福利計劃或香港強制性公積金計劃之付款於僱員已提供服務而享有供款時列支。

短期僱員福利

短期僱員福利以預期支付的未折現福利金額及於僱員提供服務時確認。所有短期僱員福利確認為開支，除非其他香港財務報告準則另有要求或准予福利納入資產成本。

給予僱員的福利（如工資及薪酬）扣除任何已支付金額後確認為負債。

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4. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in note 3, the directors of the Company are required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical judgments in applying accounting policies

The following are the critical judgments, apart from those involving estimations (see below), that the directors have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the consolidated financial statements.

(a) *Deferred taxation on investment properties*

For the purposes of measuring deferred tax liabilities or deferred tax assets arising from investment properties that are measured using the fair value model, the management has reviewed the Group's investment properties portfolios and concluded that while the Group's investment properties located in Hong Kong are depreciable, they are not held under a business model whose objective is to consume substantially all of the economic benefits embodied in the investment properties over time. Therefore, in determining the Group's deferred taxation arising from these investment properties located in Hong Kong, the management determined that the presumption that these investment properties measured using the fair value model are recovered through sale is not rebutted.

4. 主要會計判斷及不確定估計之主要來源

在應用附註3所述之本集團會計政策時，本公司董事須就無法來自其他來源清楚得悉資產及負債之賬面值而作出判斷、估計及假設。估計及相關假設乃基於過往經驗及其他相關因素。實際結果可能有異於此等估計。

就估計及相關假設而作出持續檢討。如會計估計之修改僅影響該期間，修改將於修改估計之期間確認，如修改影響本期間及未來期間，則於修改期間及未來期間確認。

應用會計政策之主要判斷

除涉及估計（見下方）外，以下為董事於應用本集團會計政策過程中及對綜合財務報表中確認之金額有最重大影響之主要判斷。

(a) 投資物業的遞延稅項

就計量採用公平值模式計量的投資物業產生的遞延稅項負債或遞延稅項資產而言，管理層已檢討本集團之投資物業組合並認為，雖然本集團位於香港的投資物業可予折舊，但其並非根據業務目標是隨時間消耗投資物業所包含的絕大部分經濟利益的業務模式持有。因此，在確定本集團位於香港之投資物業所產生的遞延稅項時，管理層決定透過銷售收回採用公平值模式計量之投資物業之假設不被推翻。

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4. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

Key sources of estimation uncertainty

The following are the key assumptions 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.

(a) Investment properties

Some of the Group's assets are measured at fair value for financial reporting purposes. The Group has a designated team to determine the appropriate valuation techniques and inputs for fair value measurements.

In estimating the fair value of the Group's investment properties, the Group uses market-observable data to the extent they are available. Where Level 1 inputs are not available, the Group engages an independent firm of qualified valuers to perform valuation of the Group's investment properties. At the end of the reporting period, the management works closely with the independent firm of qualified valuers to establish and determine the appropriate valuation techniques and inputs for fair value measurements. Where there is a material change in the fair value of the assets, the causes of the fluctuations will be reported to directors of the Company. Information about the valuation techniques and inputs used in determining the fair value of the Group's investment properties is disclosed in note 15.

(b) Impairment assessment of loans receivable

Management regularly reviews the recoverability of loans receivable, which amounted to HK\$308,854,000 (2016: HK\$202,400,000) at 31 March 2017. Appropriate impairment loss for estimated irrecoverable amount is recognised in profit or loss when there is objective evidence that the amount is not recoverable.

The amount of the impairment of loans receivable is estimated based on credit reviews of the outstanding balances from loans receivable and an evaluation of the amounts expected to be recovered with reference to financial background, current creditworthiness, collateral and past collection history of the borrowers. Where the future cash flows are less than expected, or being revised downward due to changes in facts and circumstances, a material impairment may arise. No impairment allowance on loans receivable is made for both years.

4. 主要會計判斷及不確定估計之主要來源 (續)

不確定估計之主要來源

以下為有關未來之主要假設，以及於報告期末之其他不確定估計之主要來源，該等估計存在可能導致有關資產及負債之賬面值於下一個財政年度出現重大調整之重大風險。

(a) 投資物業

部分本集團之資產就財務報告而言按公平值予以計量。本集團備有專責團隊，以就公平值計量釐定適當的估值技術及輸入。

估計本集團投資物業的公平值時，本集團使用可獲得的市場可觀察數據。倘並無第1級輸入，本集團委聘一間獨立合資格估值師行對本集團之投資物業進行估值。於報告期末，管理層與獨立合資格估值師行密切合作，確定公平值計量的適當估值技術及輸入。倘資產公平值發生重大變動，會向本公司董事報告波動原因。有關釐定本集團之投資物業公平值所用估值技術及輸入的資料於附註15披露。

(b) 應收貸款之減值評估

管理層定期檢討應收貸款之可收回能力，於2017年3月31日之金額為308,854,000港元（2016年：202,400,000港元）。當不可收回金額有客觀證據時，就不可收回金額於損益確認合適的減值虧損。

估計應收貸款之減值金額乃根據就應收貸款尚未償還結餘之信貸檢討及參考借貸人之財務背景、現時信譽、抵押品及過往還款記錄而評估預期可收回金額。當未來現金流量少於預期或因事實及情況改變而下調時，重大減值虧損或會產生。並沒有就兩個年度之應收貸款作出減值撥備。

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4. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

(c) Determination of net realisable value of properties held for development for sale/properties held for sale

Management regularly reviews the recoverability of the Group's properties held for development for sale/properties held for sale, which are situated in Hong Kong and with an aggregate sum of HK\$704,625,000 (2016: HK\$757,040,000) at 31 March 2017, with reference to current market environment whenever events or changes in circumstances indicate that the carrying amount of the assets may exceed its net realisable value. Appropriate write-down for estimated irrecoverable amount is recognised in profit or loss when the net realisable value is below cost. The estimates of net realisable value are determined based on the evidence available at the time the estimates are made, and the amounts of the properties held for development for sale/properties held for sale are expected to realise or recover. Actual realised amount may differ from estimates, resulting in a decrease or an increase in the net realisable value of the properties held for development for sale/properties held for sale and additional write-down or reversal of write-down previously recognised may be required.

5. REVENUE

Revenue represents the aggregate of the amounts received or receivable in respect of property sales, rental income from property leasing, income from loan financing and building management fee income during the year. An analysis of the Group's revenue from its continuing operations is as follows:

Continuing operations:	持續經營業務：
Property sales	物業銷售
Rental income	租金收入
Income from loan financing	來自貸款融資收入
Building management fee income	樓宇管理費收入

4. 主要會計判斷及不確定估計之主要來源 (續)

(c) 釐定持作出售發展物業／持作出售物業之可變現淨值

管理層定期審閱本集團於香港之持作出售發展物業／持作出售物業其於2017年3月31日之總金額為704,625,000港元(2016年：757,040,000港元)，乃參考現時市場環境之事件或情況轉變顯示該資產之賬面值或會超過其可變現淨值。當其可變現淨值低於成本時，估計不可收回金額之適用減值於損益中確認。釐定估計可變現淨值乃基於作出估計當時之可用證據，及持作出售發展物業／持作出售物業預期可變現或收回之金額。實際變現金額或會與估計有差異，致使持作出售發展物業／持作出售物業之可變現淨值減少或增加及可能需要作出額外減值或撥回過往已確認之減值。

5. 營業額

營業額指年內物業銷售、來自出租物業租金收入、來自貸款融資收入及樓宇管理費收入之已收或應收款項之總額。本集團來自持續經營業務之營業額分析如下：

	2017 HK\$'000 千港元	2016 HK\$'000 千港元
Property sales	456,601	599,484
Rental income	51,664	55,007
Income from loan financing	20,376	23,144
Building management fee income	834	881
	529,475	678,516

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6. SEGMENT INFORMATION

Information reported to the Group's chief executive officer, being the chief operating decision maker (the "CODM"), for the purposes of resources allocation and assessment of segment performance focuses on types of goods delivered or services provided. This is also the basis of organisation, whereby the management has chosen to organise the Group around differences in products and services.

The Group's operating and reportable segments from continuing operations include (i) property investments, (ii) property development, (iii) investment in securities and (iv) loan financing.

(a) Segment revenue and results

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

For the year ended 31 March 2017

Continuing operations:

		Property investments 物業投資 HK\$'000 千港元	Property development 物業發展 HK\$'000 千港元	Investment in securities 證券投資 HK\$'000 千港元	Loan financing 貸款融資 HK\$'000 千港元	Consolidated 綜合 HK\$'000 千港元
SEGMENT REVENUE	分類營業額					
External sales	外來銷售	52,498	456,601	–	20,376	529,475
RESULT	業績					
Segment result	分類業績	40,049	66,993	50,921	19,167	177,130
Unallocated corporate income	無分配之公司收入					376
Unallocated corporate expenses	無分配之公司開支					(8,824)
Results attributable to interests in associates	聯營公司權益 分佔業績					(371,364)
Finance costs	融資成本					(17,203)
Loss before taxation (continuing operations)	除稅前虧損 (持續經營業務)					(219,885)

6. 分類資料

就資源分配及分部表現評估而言，呈報給本集團之主要經營決策者首席行政總裁（「主要經營決策者」）之資料，乃集中於貨品交付或服務提供之種類。此亦為組織之基準，管理層選擇以此組織本集團產品及服務之差異。

本集團來自持續經營業務之經營及呈報分部包括：(i)物業投資、(ii)物業發展、(iii)證券投資及(iv)貸款融資。

(a) 分類營業額及業績

按經營及呈報分部分析本集團之營業額及業績如下：

截至2017年3月31日止年度

持續經營業務：

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6. SEGMENT INFORMATION (Continued)

(a) Segment revenue and results (Continued)

For the year ended 31 March 2016

Continuing operations:

		Property investments 物業投資 HK\$'000 千港元	Property development 物業發展 HK\$'000 千港元	Investment in securities 證券投資 HK\$'000 千港元	Loan financing 貸款融資 HK\$'000 千港元	Consolidated 綜合 HK\$'000 千港元
SEGMENT REVENUE	分類營業額					
External	外來銷售	55,888	599,484	–	23,144	678,516
Inter-segment*	分類業務間銷售*	416	–	–	–	416
		56,304	599,484	–	23,144	678,932
Elimination	撇銷					(416)
						678,516
RESULT	業績					
Segment result	分類業績	6,924	91,577	70,328	21,297	190,126
Unallocated corporate income	無分配之公司收入					137
Unallocated corporate expenses	無分配之公司開支					(7,429)
Loss on disposal of subsidiaries	出售附屬公司之虧損					(10,822)
Results attributable to interests in associates	聯營公司權益分佔業績					559,147
Finance costs	融資成本					(23,815)
Profit before taxation (continuing operations)	除稅前溢利 (持續經營業務)					707,344

* Inter-segment sales are charged at prevailing market rates.

The accounting policies of the operating segments are the same as the Group's accounting policies described in note 3. Segment results represent the profit earned by each segment without allocation of certain interest income, corporate expenses, loss on disposal of subsidiaries, results attributable to interests in associates and finance costs. This is the measure reported to the CODM for the purposes of resource allocation and performance assessment.

6. 分類資料 (續)

(a) 分類營業額及業績 (續)

截至2016年3月31日止年度

持續經營業務：

* 分類業務間銷售以現行市場費率計算。

經營分部之會計政策與附註3所述本集團之會計政策相同。分類業績代表各分部賺取之溢利，當中沒有分配若干利息收入、公司開支、出售附屬公司之虧損、聯營公司權益分佔業績及融資成本。以此計量向主要經營決策者呈報，作為資源分配及表現評估之參考。

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6. SEGMENT INFORMATION (Continued)

(b) Segment assets and liabilities

The following is an analysis of the Group's assets and liabilities by operating and reportable segment:

At 31 March 2017

6. 分類資料 (續)

(b) 分類資產及負債

按經營及呈報分部分析本集團之資產及負債如下：

於2017年3月31日

		Property investments 物業投資 HK\$'000 千港元	Property development 物業發展 HK\$'000 千港元	Investment in securities 證券投資 HK\$'000 千港元	Loan financing 貸款融資 HK\$'000 千港元	Consolidated 綜合 HK\$'000 千港元
ASSETS	資產					
Segment assets	分類資產	1,635,210	795,264	505,280	311,248	3,247,002
Interests in associates	聯營公司權益					586,555
Bank balances and cash	銀行結餘及現金					25,473
Unallocated corporate assets	無分配之公司資產					12,319
Consolidated assets	綜合資產					3,871,349
LIABILITIES	負債					
Segment liabilities	分類負債	24,617	66,832	289	2,700	94,438
Secured bank borrowings	有抵押銀行借貸					899,482
Tax payable	應付稅項					24,381
Unallocated corporate liabilities	無分配之公司負債					788
Consolidated liabilities	綜合負債					1,019,089

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6. SEGMENT INFORMATION (Continued)

(b) Segment assets and liabilities (Continued)

At 31 March 2016

		Property investments 物業投資 HK\$'000 千港元	Property development 物業發展 HK\$'000 千港元	Investment in securities 證券投資 HK\$'000 千港元	Loan financing 貸款融資 HK\$'000 千港元	Consolidated 綜合 HK\$'000 千港元
ASSETS	資產					
Segment assets	分類資產	1,616,528	831,427	497,285	202,904	3,148,144
Interests in associates	聯營公司權益					952,092
Bank balances and cash	銀行結餘及現金					12,332
Unallocated corporate assets	無分配之公司資產					12,283
Consolidated assets	綜合資產					4,124,851
LIABILITIES	負債					
Segment liabilities	分類負債	26,210	59,631	30	114	85,985
Secured bank borrowings	有抵押銀行借貸					902,021
Tax payable	應付稅項					41,917
Deferred tax liabilities	遞延稅項負債					895
Unallocated corporate liabilities	無分配之公司負債					1,033
Consolidated liabilities	綜合負債					1,031,851

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

- all assets are allocated to operating and reportable segments other than interests in associates, unallocated bank and cash balances and assets used jointly by operating and reportable segments.
- all liabilities are allocated to operating and reportable segments other than secured bank borrowings, tax payable, deferred tax liabilities and liabilities for which operating and reportable segments are jointly liable.

6. 分類資料 (續)

(b) 分類資產及負債 (續)

於2016年3月31日

就監控分部表現及就分部間資源分配而言：

- 除聯營公司權益、無分配銀行及現金結餘及經營及呈報分部共同使用之資產外，所有資產已分配至經營及呈報分部。
- 除有抵押銀行借貸、應付稅項、遞延稅項負債以及經營及呈報分部共同承擔之負債外，所有負債已分配至經營及呈報分部。

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6. SEGMENT INFORMATION (Continued)

(c) Other segment information

For the year ended 31 March 2017

Continuing operations:

		Property investments 物業投資 HK\$'000 千港元	Property development 物業發展 HK\$'000 千港元	Investment in securities 證券投資 HK\$'000 千港元	Loan financing 貸款融資 HK\$'000 千港元	Unallocated 無分配 HK\$'000 千港元	Consolidated 綜合 HK\$'000 千港元
Amounts included in the measure of segment assets or segment result:	已包含在分類資產或 分類業績計量之金額：						
Capital additions	資本添置	6,757	505	904	-	-	8,166
Depreciation of property, plant and equipment	物業、廠房及設備之折舊	728	844	64	-	-	1,636
Gain on changes in fair value of investment properties	投資物業之公平值 變動收益	(21,877)	-	-	-	-	(21,877)
Loss on changes in fair value of investments held for trading	持作買賣投資之 公平值變動虧損	-	-	8,773	-	-	8,773
Loss on fair value changes of financial assets designated as at FVTPL	按公平值計入損益之 金融資產之公平值 變動虧損	-	-	2,328	-	-	2,328

For the year ended 31 March 2016

Continuing operations:

		Property investments 物業投資 HK\$'000 千港元	Property development 物業發展 HK\$'000 千港元	Investment in securities 證券投資 HK\$'000 千港元	Loan financing 貸款融資 HK\$'000 千港元	Unallocated 無分配 HK\$'000 千港元	Consolidated 綜合 HK\$'000 千港元
Amounts included in the measure of segment assets or segment result:	已包含在分類資產或 分類業績計量之金額：						
Capital additions	資本添置	104	3,085	-	-	-	3,189
Depreciation of property, plant and equipment	物業、廠房及設備之折舊	263	539	-	-	-	802
Loss on changes in fair value of investment properties	投資物業之公平值 變動虧損	33,238	-	-	-	-	33,238
Gain on changes in fair value of investments held for trading	持作買賣投資之 公平值變動收益	-	-	(27,604)	-	-	(27,604)
Loss on fair value changes of financial assets designated as at FVTPL	按公平值計入損益之 金融資產之公平值 變動虧損	-	-	38,504	-	-	38,504

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6. SEGMENT INFORMATION (Continued)

(d) Geographical information

The Group's operations are located in Hong Kong (place of domicile).

The Group's revenue from continuing operations from external customers based on location of its customers and information about the Group's non-current assets (excluding available-for-sale investments, convertible notes, derivative component of convertible notes, loans receivable and deposit and prepayments for a life insurance policy), analysed by the geographical area in which the assets are located, are as follows:

		Revenue from external customers 來自外來客戶之營業額		Carrying amounts of non-current assets 非流動資產之賬面值	
		2017 HK\$'000 千港元	2016 HK\$'000 千港元	2017 HK\$'000 千港元	2016 HK\$'000 千港元
Hong Kong	香港	529,475	676,554	2,226,596	2,572,633
Others	其他	–	1,962	–	–
		529,475	678,516	2,226,596	2,572,633

(e) Information about major customers

Revenues from continuing operations from customers of the corresponding years contributing over 10% of the total revenue of the Group are as follows:

		2017 HK\$'000 千港元	2016 HK\$'000 千港元
Customer A ¹	客戶A ¹	57,000	–
Customer B ¹	客戶B ¹	N/A ² 不適用 ²	106,923

¹ Revenue from property development.

² The corresponding revenue did not contribute over 10% of the total revenue of the Group.

6. 分類資料 (續)

(d) 地區分類資料

本集團之營運乃位於香港(住處)。

按外來客戶之地區劃分本集團來自持續經營業務之營業額及按資產之所在地區劃分分析本集團之非流動資產(不包括可供出售投資、可換股票據、可換股票據之衍生成分、應收貸款以及人壽保單之按金及預付款)之資料如下:

(e) 主要客戶之資料

客戶於相關年度貢獻本集團總營業額超過10%以上之來自持續經營業務營業額如下:

¹ 來自物業發展之營業額。

² 相關營業額並無貢獻本集團總營業額超過10%以上。

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For the year ended 31 March 2017

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7. FINANCE COSTS

Continuing operations:

		2017 HK\$'000 千港元	2016 HK\$'000 千港元
Interest on bank borrowings	銀行借貸之利息	20,013	23,815
Less: Amount capitalised in the cost of qualifying assets	減：於合資格資產資本化之金額	(2,810)	–
		17,203	23,815

7. 融資成本

持續經營業務：

8. (LOSS) PROFIT FOR THE YEAR FROM CONTINUING OPERATIONS

		2017 HK\$'000 千港元	2016 HK\$'000 千港元
(Loss) profit for the year from continuing operations has been arrived at after charging:	來自持續經營業務之本年度(虧損)溢利已扣除：		
Directors' emoluments (note 10(a))	董事酬金(附註10(a))	19,436	23,675
Other staff costs, including retirement benefits costs	其他職工成本，包括退休福利成本	13,192	11,434
Total staff costs	職工成本總額	32,628	35,109
Amortisation of premium and other expenses charged on a life insurance policy	關於人壽保單之保費及其他開支之攤銷	280	280
Auditor's remuneration	核數師酬金	2,100	1,899
Cost of properties recognised as expense	已確認為開支之物業成本	291,442	385,423
Depreciation of property, plant and equipment	物業、廠房及設備之折舊	1,636	802
Write-off of deposits for property, plant and equipment	物業、廠房及設備之按金撇銷	–	5,529
and after crediting to other income:	並已於其他收入計入：		
Dividend income from listed investments	來自上市投資之股息收入	10,171	6,251
Interest income from	利息收入來自		
Accretion from receivable component of convertible notes	可換股票據應收成分之自然增值	8,984	3,934
Deposit and prepayments for a life insurance policy	人壽保單按金及預付款	376	376
Bank and others	銀行及其他	13,917	9,099
Gain on disposal of property, plant and equipment	出售物業、廠房及設備之收益	115	188

8. 來自持續經營業務之本年度(虧損)溢利

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9. DISCONTINUED OPERATIONS/LOSS ON DEEMED DISPOSAL OF SUBSIDIARIES

As set out in note 1, the Group lost control over EE Group upon completion of issue of convertible note to an independent third party by Eminence on 12 June 2015. Accordingly, Eminence and its subsidiaries ceased to be subsidiaries of the Group as from 12 June 2015 and they became associates of the Group with effect from the same date and EE Group has since been accounted for in the consolidated financial statements using the equity method of accounting.

The management of the Group considers EE Group as a separate component of the Group. Accordingly, the operations of EE Group are presented as discontinued operations during the year ended 31 March 2016.

Loss from the discontinued operations for the year ended 31 March 2016 is analysed as follows.

9. 已終止經營業務／視為出售附屬公司之虧損

如附註1所載，本集團於2015年6月12日高山企業發行可換股票據予獨立第三者完成時失去對高山企業集團之控制。據此，高山企業及其附屬公司自2015年6月12日停止為本集團之附屬公司及自相同日期成為本集團之聯營公司及自此高山企業集團於綜合財務報表以權益法列賬。

本集團之管理層認為高山企業集團為本集團之個別部分。因此，截至2016年3月31日止年度，高山企業集團之經營業務呈列為已終止經營業務。

來自已終止經營業務之截至2016年3月31日止年度之虧損分析如下。

		2016 HK\$'000 千港元
Discontinued operations	已終止經營業務	
Revenue	營業額	14,858
Cost of goods sold and services rendered	銷售及提供服務成本	(10,307)
		4,551
Other income	其他收入	633
Distribution and selling expenses	經銷成本	(205)
Administrative expenses	行政開支	(4,654)
Gain on changes in fair value of investments held for trading	持作買賣投資之公平值變動收益	44,557
Loss on deemed disposal of subsidiaries	視為出售附屬公司之虧損	(553,916)
Finance costs	融資成本	(1,342)
Loss for the year from discontinued operations	來自已終止經營業務之本年度虧損	(510,376)

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9. DISCONTINUED OPERATIONS/LOSS ON DEEMED DISPOSAL OF SUBSIDIARIES (Continued) 9. 已終止經營業務／視為出售附屬公司之虧損 (續)

		2016 HK\$'000 千港元
Loss for the year from discontinued operations has been arrived at after charging:	來自己終止經營業務之本年度虧損已扣除：	
Staff costs, including retirement benefits costs	職工成本，包括退休福利成本	2,195
Auditor's remuneration	核數師酬金	3
Cost of inventories and properties recognised as expense	已確認為開支之存貨成本及物業	10,307
Depreciation of property, plant and equipment	物業、廠房及設備之折舊	27
Exchange loss	匯兌虧損	25
and after crediting:	並已計入：	
Dividend income from listed investments	來自上市投資之股息收入	1
Bank and other interest income	銀行及其他利息收入	632
		2016 HK\$'000 千港元
Cash flows from discontinued operations:	來自己終止經營業務之現金流量：	
Net cash flows used in operating activities	用於經營活動之現金流量淨額	(82,940)
Net cash flows from investing activities	來自投資活動之現金流量淨額	1,183
Net cash flows from financing activities	來自融資活動之現金流量淨額	324,686
		242,929

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9. DISCONTINUED OPERATIONS/LOSS ON DEEMED DISPOSAL OF SUBSIDIARIES (Continued)

The major classes of assets and liabilities of EE Group as at the date of deemed disposal were as follows:

9. 已終止經營業務／視為出售附屬公司之虧損 (續)

高山企業集團於視為出售日期之資產及負債主要類別如下：

		12 June 2015 2015年6月12日 HK\$'000 千港元
Property, plant and equipment	物業、廠房及設備	608
Investment properties	投資物業	924,531
Available-for-sale investments	可供出售投資	24,012
Loans receivable	應收貸款	93,640
Properties held for development for sale	持作出售發展物業	523,654
Deposits and prepayments for acquisition of properties held for development for sale	購入持作出售發展物業之按金及預付款	90,848
Investments held for trading	持作買賣投資	132,373
Trade and other receivables	貿易及其他應收款項	22,485
Bank balances and cash	銀行結餘及現金	447,163
Trade and other payables	貿易及其他應付款項	(28,892)
Convertible note	可換股票據	(11,152)
Tax payable	應付稅項	(6,909)
Secured bank borrowings	有抵押銀行借貸	(292,743)
Deferred tax liabilities	遞延稅項負債	(16,732)
Net assets disposed of	出售資產淨額	1,902,886
Net loss on deemed disposal:	視為出售之虧損淨額：	
Net assets disposed of	出售資產淨額	(1,902,886)
Non-controlling interests	非控股權益	1,145,526
Cumulative exchange differences in respect of the net assets of the subsidiaries reclassified from equity to profit or loss on loss of control of subsidiaries	於失去控制附屬公司時資產淨額之累計匯兌差異由權益重新分類至損益	(189)
Reclassification of equity component of convertible note to profit or loss upon loss of control of subsidiaries	於失去控制附屬公司時可換股票據之權益成分重新分類至損益	7,343
Reclassification of investment revaluation reserve to profit or loss upon loss of control of subsidiaries	於失去控制附屬公司時投資重估儲備重新分類至損益	2,469
Fair value of the equity interest retained in EE Group, based on share price of Eminence at the date of deemed disposal	保留於高山企業集團之股本權益公平值，根據高山企業於視為出售日期之股價	193,821
Loss on deemed disposal of subsidiaries	視為出售附屬公司之虧損	(553,916)
Net cash outflow arising on deemed disposal:	視為出售之現金流出淨額：	
Bank balances and cash disposed of	出售之銀行結餘及現金	(447,163)

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10. DIRECTORS', CHIEF EXECUTIVE'S AND EMPLOYEES' EMOLUMENTS

10. 董事、首席行政總裁及僱員之酬金

(a) Information regarding directors' emoluments

(a) 有關董事酬金之資料

Details of emoluments to the directors of the Company for the year ended 31 March 2017 are as follows:

截至2017年3月31日止年度本公司董事酬金詳情如下：

		Executive director 執行董事			Non-executive director 非執行董事		Independent non-executive director 獨立非執行董事			Total 總額
		Kwong Jimmy Cheung Tim 鄭長添	Lui Yuk Chu 雷玉珠	Koon Ho Yan Candy 官可欣	Tse Wing Chiu, Ricky 謝永超	Lai Law Kau 賴羅球	Jong Koon Sang 莊冠生	Tsui Chun Kong 徐震港	Hon Tam Chun 韓譚春	
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Fees	董事袍金	-	-	-	140	140	140	140	140	700
Other emoluments	其他酬金									
- salaries and other benefits	- 薪金及其他福利	1,092	4,038	480	-	-	-	-	-	5,610
- performance related bonuses	- 與表現有關之獎金	-	13,000	-	-	-	-	-	-	13,000
- retirement benefits schemes contributions	- 退休福利計劃供款	18	90	18	-	-	-	-	-	126
Total directors' emoluments	董事酬金總額	1,110	17,128	498	140	140	140	140	140	19,436

Details of emoluments to the directors of the Company for the year ended 31 March 2016 are as follows:

截至2016年3月31日止年度本公司董事酬金詳情如下：

		Executive director 執行董事			Non-executive director 非執行董事		Independent non-executive director 獨立非執行董事			Total 總額
		Kwong Jimmy Cheung Tim 鄭長添	Lui Yuk Chu 雷玉珠	Koon Ho Yan Candy 官可欣	Tse Wing Chiu, Ricky 謝永超	Lai Law Kau 賴羅球	Jong Koon Sang 莊冠生	Tsui Chun Kong 徐震港	Hon Tam Chun 韓譚春	
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Fees	董事袍金	-	-	-	162	162	140	140	140	744
Other emoluments	其他酬金									
- salaries and other benefits	- 薪金及其他福利	1,230	4,116	472	-	-	-	-	-	5,818
- performance related bonuses	- 與表現有關之獎金	-	17,000	-	-	-	-	-	-	17,000
- retirement benefits schemes contributions	- 退休福利計劃供款	12	81	20	-	-	-	-	-	113
Total directors' emoluments	董事酬金總額	1,242	21,197	492	162	162	140	140	140	23,675

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10. DIRECTORS', CHIEF EXECUTIVE'S AND EMPLOYEES' EMOLUMENTS (Continued)

(a) Information regarding directors' emoluments (Continued)

Mr. Kwong Jimmy Cheung Tim is also the Chief Executive of the Company and his emoluments disclosed above include those for services rendered by him as the Chief Executive.

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

The non-executive directors' emoluments shown above were for their services as directors of the Company's subsidiaries.

The independent non-executive directors' emoluments shown above were for their services as directors of the Company.

(b) Information regarding employees' emoluments

The five highest paid individuals of the Group during the year included two (2016: two) directors. The emoluments of the remaining three (2016: three) highest paid individuals, not being directors, are as follows:

Salaries and other benefits	薪金及其他福利
Contribution to retirement benefits schemes	退休福利計劃供款

The emoluments of these employees fall within the following bands:

Nil to HK\$1,000,000	無至1,000,000港元
HK\$1,500,001 to HK\$2,000,000	1,500,001港元至2,000,000港元
HK\$2,000,001 to HK\$2,500,000	2,000,001港元至2,500,000港元

10. 董事、首席行政總裁及僱員之酬金 (續)

(a) 有關董事酬金之資料 (續)

鄭長添先生亦為本公司之首席行政總裁及其以上披露之酬金包括彼作為首席行政總裁所提供之服務。

上述顯示之執行董事酬金主要為彼等有關於本公司及本集團事務之服務。

上述顯示之非執行董事酬金主要為彼等作為本公司附屬公司董事之服務。

上述顯示之獨立非執行董事酬金主要為彼等作為本公司董事之服務。

(b) 有關僱員酬金之資料

年內，本集團五名最高薪人士包括兩名(2016年：兩名)董事。其餘三名(2016年：三名)並非董事之最高薪人士之酬金如下：

2017 HK\$'000 千港元	2016 HK\$'000 千港元
3,851	3,905
86	88
3,937	3,993

該等僱員之酬金介乎下列範圍：

Number of individuals 僱員人數	
2017	2016
2	2
1	—
—	1
3	3

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10. DIRECTORS', CHIEF EXECUTIVE'S AND EMPLOYEES' EMOLUMENTS (Continued)

(b) Information regarding employees' emoluments (Continued)

During both years, no emoluments were paid by the Group to the directors and the other three (2016: three) highest paid individuals, as an inducement to join or upon joining the Group or as compensation for loss in office. In addition, during both years, no director waived any emoluments.

10. 董事、首席行政總裁及僱員之酬金 (續)

(b) 有關僱員酬金之資料 (續)

於兩個年度，本集團沒有支付酬金予董事及其他三名（2016年：三名）最高薪金之人士，作為加入或經加入本集團時之獎勵或作為失去職務之補償。此外，於兩個年度，沒有董事放棄任何酬金。

11. TAXATION CHARGE

11. 稅項開支

		2017 HK\$'000 千港元	2016 HK\$'000 千港元
Continuing operations:	持續經營業務：		
The charge (credit) comprises:	開支（計入）包括：		
Hong Kong Profits Tax	香港利得稅		
Charge for the year	本年度開支	25,550	31,619
Overprovision for prior years	過往年度超額撥備	(694)	(168)
		24,856	31,451
Taxation arising in other jurisdiction	其他司法引伸之稅項		
Charge for the year	本年度開支	—	141
Overprovision for prior years	過往年度超額撥備	—	(39)
		—	102
		24,856	31,553
Deferred taxation	遞延稅項		
(Credit) charge for the year (note 31)	本年度（計入）開支（附註31）	(895)	773
		23,961	32,326

Hong Kong Profits Tax is calculated at 16.5% (2016: 16.5%) of the estimated assessable profit for the year.

Taxation arising in other jurisdiction is calculated at the rate prevailing in the relevant jurisdiction.

香港利得稅按本年度預計應課稅溢利以16.5%（2016年：16.5%）計算。

其他司法引伸之稅項乃按相關司法之現行稅率計算。

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11. TAXATION CHARGE (Continued)

Taxation charge for the year can be reconciled to the results per the consolidated statement of profit or loss and other comprehensive income as follows:

11. 稅項開支 (續)

本年度稅項開支與綜合損益及其他全面收益表業績之對賬如下：

		2017 HK\$'000 千港元	2016 HK\$'000 千港元
(Loss) profit before taxation (from continuing operations)	除稅前(虧損)溢利 (來自持續經營業務)	(219,885)	707,344
Tax (credit) charge of Hong Kong Profits Tax at 16.5% (2016: 16.5%)	按香港利得稅稅率16.5% (2016年: 16.5%)之 稅項(計入)開支	(36,281)	116,712
Tax effect of expenses not deductible for tax purposes	不獲扣稅開支之稅項影響	7,683	18,760
Tax effect of income not taxable for tax purposes	無須課稅收入之稅項影響	(7,339)	(111,847)
Tax effect of results attributable to interests in associates	聯營公司權益分佔業績之 稅項影響	61,275	7,925
Tax effect of tax losses not recognised	未確認稅項虧損之稅項影響	932	1,836
Tax effect of utilisation of tax losses previously not recognised	動用過往未確認稅項虧損之 稅項影響	(1,615)	(853)
Overprovision for prior years	過往年度超額撥備	(694)	(207)
Taxation charge for the year	本年度稅項開支	23,961	32,326

12. DIVIDEND

12. 股息

		2017 HK\$'000 千港元	2016 HK\$'000 千港元
Dividend recognised as distribution during the year	於年內已確認派發之股息		
Final dividend paid for financial year ended 31 March 2016 of HK\$0.10 per share (2016: HK\$0.10 per share for financial year ended 31 March 2015)	截至2016年3月31日止財政年度 之已付末期股息為每股0.10港元 (2016年: 截至2015年3月31日 止財政年度為每股0.10港元)	7,942	7,942
Dividend proposed	股息建議		
Proposed final dividend for financial year ended 31 March 2017 of HK\$0.05 per share (2016: HK\$0.10 per share for financial year ended 31 March 2016)	截至2017年3月31日止財政年度 建議之末期股息為每股0.05港元 (2016年: 截至2016年3月31日 止財政年度為每股0.10港元)	3,971	7,942

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12. DIVIDEND (Continued)

The final dividend of HK\$0.05 per share in respect of the year ended 31 March 2017 (2016: HK\$0.10 per share) has been proposed by the directors of the Company and is subject to approval by the shareholders of the Company in the forthcoming annual general meeting.

12. 股息 (續)

有關截至2017年3月31日止年度之每股0.05港元之末期股息(2016年:每股0.10港元)已由本公司董事建議並須於應屆股東週年大會上得到本公司股東之批准。

13. BASIC AND DILUTED (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:

13. 每股基本及攤薄 (虧損) 盈利

本公司股東應佔之每股基本及攤薄 (虧損) 盈利乃根據以下資料計算:

		2017 HK\$'000 千港元	2016 HK\$'000 千港元
From continuing operations and discontinued operations	來自持續經營業務及已終止經營業務		
(Loss) earnings for the purpose of calculating basic and diluted (loss) earnings per share ((loss) profit for the year attributable to owners of the Company)	就計算每股基本及攤薄 (虧損) 盈利而言之 (虧損) 盈利 (本公司股東應佔本年度 (虧損) 溢利)	(243,846)	138,936
Number of shares	股份數目	2017	2016
Number of shares for the purpose of calculating basic and diluted (loss) earnings per share	就計算每股基本及攤薄 (虧損) 盈利而言之股份數目	79,420,403	79,420,403
From continuing operations	來自持續經營業務	2017 HK\$'000 千港元	2016 HK\$'000 千港元
(Loss) earnings for the purpose of basic and diluted (loss) earnings per share from continuing operations	就來自持續經營業務之每股基本及攤薄 (虧損) 盈利而言之 (虧損) 盈利	(243,846)	675,018

The denominators used are the same as those detailed above for basic and diluted (loss) earnings per share.

每股基本及攤薄 (虧損) 盈利使用之分母與以上詳述之相同。

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13. BASIC AND DILUTED (LOSS) EARNINGS PER SHARE (Continued)

From discontinued operations

Basic loss per share for the discontinued operations was HK\$6.75 per share, based on the loss for the year from discontinued operations of HK\$536,082,000 and the denominators detailed above for basic earnings per share.

The computation of diluted loss per share does not assume the conversion of the associates' outstanding convertible notes and share options since their exercise would result in a decrease in loss per share from continuing operations.

13. 每股基本及攤薄(虧損)盈利(續)

來自已終止經營業務

已終止經營業務之每股基本虧損為每股6.75港元，此乃根據來自已終止經營業務之年度虧損536,082,000港元及以上詳述之每股基本盈利之分母。

每股攤薄虧損之計算並沒有假設兌換聯營公司尚未兌換之可換股票據及認股期權因其行使會減少來自持續經營業務之每股虧損。

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14. PROPERTY, PLANT AND EQUIPMENT

14. 物業、廠房及設備

		Leasehold improvements, 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 總額 HK\$'000 千港元
COST	成本			
At 1 April 2015	於2015年4月1日	39,819	3,291	45,183
Additions	添置	-	9	3,091
Revaluation upon transfer to investment properties	轉撥至投資物業估值	28,967	-	28,967
Disposals	出售	-	(806)	(806)
Released on deemed disposal of subsidiaries	視為出售附屬公司時解除	-	(500)	(790)
Transfer to investment properties	轉撥至投資物業	(65,467)	-	(65,467)
At 31 March 2016	於2016年3月31日	3,319	3,010	10,178
Additions	添置	-	7,147	7,636
Disposals	出售	-	(2,573)	(2,978)
At 31 March 2017	於2017年3月31日	3,319	7,584	14,836
ACCUMULATED DEPRECIATION	累計折舊			
At 1 April 2015	於2015年4月1日	4,906	2,833	8,963
Provided for the year	本年度撥備	230	92	829
Eliminated on disposals	出售時撇銷	-	(806)	(806)
Released on deemed disposal of subsidiaries	視為出售附屬公司時解除	-	(118)	(182)
Transfer to investment properties	轉撥至投資物業	(3,667)	-	(3,667)
At 31 March 2016	於2016年3月31日	1,469	807	5,137
Provided for the year	本年度撥備	59	799	1,636
Eliminated on disposals	出售時撇銷	-	(405)	(2,973)
At 31 March 2017	於2017年3月31日	1,528	1,201	3,800
CARRYING VALUES	賬面值			
At 31 March 2017	於2017年3月31日	1,791	2,732	11,036
At 31 March 2016	於2016年3月31日	1,850	3,042	5,041

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14. PROPERTY, PLANT AND EQUIPMENT (Continued)

The above items of property, plant and equipment are depreciated on a straight-line basis according to the following useful lives:

Leasehold properties	Over the duration of the leases or fifty years, whichever is the shorter
Leasehold improvements, furniture, fixtures and equipment	5 years
Motor vehicles	3 to 5 years

During the year ended 31 March 2016, leasehold properties with a carrying value of HK\$32,833,000 being leased to EE Group were transferred from property, plant and equipment to investment properties upon deemed disposal of EE Group. Hence, the directors of the Company assessed the fair value of these leasehold properties which are determined based on valuation performed by an independent firm of qualified professional property valuers not connected with the Group at the date of transfer, by reference to market evidence of transaction prices of similar properties. As a result, leasehold properties with a fair value of HK\$61,800,000 were transferred to investment properties upon change in use of the properties, evidenced by end of owner-occupation as the Group entered into an operating lease with EE Group, resulting in an increase in the property revaluation reserve of HK\$28,967,000.

14. 物業、廠房及設備 (續)

上述各項物業、廠房及設備，均以直線法根據以下之可使用年期計算折舊：

租約物業	按租約之年期或五十年，以較短者計算
裝修、傢俬、裝置及設備	5年
汽車	3至5年

於截至2016年3月31日止年度，於視為出售高山企業集團時，出租予高山企業集團賬面值32,833,000港元之租約物業由物業、廠房及設備轉撥至投資物業。因此本公司董事評估此等租約物業之公平值，此乃根據獨立合資格專業物業測量師行參考同類形物業成交价格之市場證據於轉撥日期進行之估值而釐定。因此，於業主自用結束證實物業改變用途時，因本集團已與高山企業集團訂立經營租約，公平值61,800,000港元之租約物業轉撥至已完成投資物業導致物業重估儲備增加28,967,000港元。

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15. INVESTMENT PROPERTIES

15. 投資物業

		HK\$'000 千港元
FAIR VALUE	公平值	
At 1 April 2015	於2015年4月1日	2,756,494
Exchange realignment	匯兌調整	(3,307)
Additions	添置	119
Transferred from leasehold properties (note 14)	轉撥自租約物業 (附註14)	61,800
Decreased in fair value recognised in profit or loss	於損益確認之公平值減少	(33,238)
Released upon deemed disposal of subsidiaries (note 9)	視為出售附屬公司時解除 (附註9)	(924,531)
Released upon disposal of subsidiaries (note 33)	出售附屬公司時解除 (附註33)	(241,837)
At 31 March 2016	於2016年3月31日	1,615,500
Additions	添置	30
Increase in fair value recognised in profit or loss	於損益確認之公平值增加	21,877
Other transfer	其他轉撥	(9,107)
At 31 March 2017	於2017年3月31日	1,628,300

All of the Group's leasehold interests held under operating leases to earn rentals are measured using the fair value model and are classified and accounted for as investment properties.

本集團所有於經營租約項下賺取租金之土地租約權益乃以公平值模式計量及列作投資物業列賬。

All of the Group's investment properties at 31 March 2017 and 2016 are situated in Hong Kong. The fair values of the Group's investment properties at 31 March 2017 and 2016 were arrived at on the basis of valuation carried out as at these dates by Colliers International (Hong Kong) Limited, an independent firm of qualified professional property valuers not connected with the Group.

於2017年及2016年3月31日，所有本集團之投資物業乃位於香港。本集團於2017年及2016年3月31日之投資物業公平值乃按以下與本集團沒有關連之獨立合資格專業物業估值師行高力國際物業顧問（香港）有限公司於該等日期進行估值之基準釐定。

The gain arising on changes in fair value of investment properties of HK\$21,877,000 was recognised in profit or loss during the year ended 31 March 2017 (2016: loss of HK\$33,238,000).

截至2017年3月31日止年度之投資物業之公平值變動收益21,877,000港元（2016年：虧損33,238,000港元）已於損益確認。

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15. INVESTMENT PROPERTIES (Continued)

The following table gives information about how the fair values of the investment properties are determined (in particular, the valuation techniques and inputs used), as well as the fair value hierarchy into which the fair value measurements are categorised (Levels 1 to 3) based on the degree to which the inputs to the fair value measurements is observable.

Investment properties held by the Group 本集團持有之投資物業	Fair value at 31 March 公平值於3月31日		Fair value hierarchy 公平值等級	Valuation techniques and key inputs 估值技術及主要輸入	Significant unobservable inputs 重大不可觀察輸入	Sensitivity 敏感度
	2017 HK\$'000 千港元	2016 HK\$'000 千港元				
Commercial units 商業單位	307,200	318,000	Level 3 第3級	Direct comparison method – based on market observable transactions of similar properties and adjusted to reflect the locations and conditions of the subject property 直接比較法—基於同類物業之市場可觀察交易，並經調整以反映目標物業之位置及情況	Price per square foot, using market direct comparables and taking into account of location, age and other individual factors, which is HK\$256,000 per square foot (2016: HK\$265,000 per square foot) 每平方米售價，採用市場直接可比較數據及考慮位置、樓齡及其他個別因素，每平方米256,000港元（2016年：每平方米265,000港元）	The higher the price per square foot, the higher the fair value 每平方米售價愈高，公平值愈高
Commercial units 商業單位	800,900	795,900	Level 3 第3級	Income approach – term yield 收入法—定期收益	Term yield, taking into account of yield generated by market average selling price and the market average rental from comparable properties and adjustment to reflect the conditions of the building, which is ranged from 2.5% to 3.1% (2016: from 2.6% to 3.25%) 定期收益，考慮可比較物業之市場平均售價及市場平均租金產生之收益及反映建築物情況之調整，介乎由2.5%至3.1%（2016年：由2.6%至3.25%）	The higher the term yield and reversionary yield, the lower the fair value 定期收益及應繼承收益愈高，公平值愈低
				– reversionary yield 應繼承收益	Reversionary yield, taking into account of yield generated by market average selling price and the market average rental from comparable properties and adjustment to reflect the risk associated with the future rental, which is ranged from 2.8% to 3.5% (2016: from 3.1% to 3.5%) 應繼承收益，考慮可比較物業之市場平均售價及市場平均租金之收益及反映未來租金風險之調整，介乎由2.8%至3.5%（2016年：由3.1%至3.5%）	

15. 投資物業（續）

下表列示如何釐定投資物業的公平值之資料（尤其是，所使用之估值技術及輸入），以及根據輸入之可觀察程度劃分的公平值等級（第1至第3級）之公平值計量。

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15. INVESTMENT PROPERTIES (Continued)

15. 投資物業 (續)

Investment properties held by the Group 本集團持有之投資物業	Fair value at 31 March 公平值於3月31日		Fair value hierarchy 公平值等級	Valuation techniques and key inputs 估值技術及主要輸入	Significant unobservable inputs 重大不可觀察輸入	Sensitivity 敏感度
	2017 HK\$'000 千港元	2016 HK\$'000 千港元				
				– monthly term rental – 每月定期租金	Monthly term rental for each unit is derived from the average of the rental as stated in the existing rental agreements, which is ranged from HK\$21 to HK\$376 per square foot (2016: from HK\$22 to HK\$336 per square foot) 每個單位每月定期租金乃根據現有租約所列之平均租金得出。每平方尺介乎由21港元至376港元 (2016年：每平方尺由22港元至336港元)	The higher the monthly term rental, the higher the fair value 每月定期租金愈高，公平值愈高
				– reversionary rental – 應繼承租金	Market monthly rental rate, which is ranged from HK\$24 to HK\$264 per square foot (2016: from HK\$22 to HK\$302 per square foot) 市場每月租金，每平方尺介乎由24港元至264港元 (2016年：每平方尺由22港元至302港元)	The higher the reversionary rental, the higher the fair value 應繼承租金愈高，公平值愈高
Residential units 住宅單位	–	8,500	Level 3 第3級	Direct comparison method – based on market observable transactions of similar properties and adjusted to reflect the locations and conditions of the subject property 直接比較法—基於同類物業之市場可觀察交易及經調整以反映目標物業之位置及情況	Price per square foot, using market direct comparables and taking into account of location, age and other individual factors, which is HK\$15,288 per square foot in 2016 每平方尺售價，採用市場直接可比較的考慮位置、樓齡以及其他個別因素，於2016年每平方尺15,288港元	The higher the price per square foot, the higher the fair value 每平方尺售價愈高，公平值愈高
Industrial units 工業單位	113,300	100,100	Level 3 第3級	Direct comparison method – based on market observable transactions of similar properties and adjusted to reflect the locations and conditions of the subject properties 直接比較法—基於同類物業之市場可觀察交易及經調整以反映目標物業之位置及情況	Price per square foot, using market direct comparables and taking into account of location, age and other individual factors, which is ranged from HK\$5,800 to HK\$6,100 per square foot (2016: from HK\$5,100 to HK\$5,400 per square foot), and car park of HK\$1,800,000 each (2016: HK\$1,800,000 each) 每平方尺售價，採用市場直接可比較的考慮位置、樓齡以及其他個別因素，每平方尺介乎5,800港元至6,100港元 (2016年：每平方尺介乎5,100港元至5,400港元)，以及車位每個1,800,000港元 (2016年：每個1,800,000港元)	The higher the price per square foot and price per car park, the higher the fair value 每平方尺售價及車位售價愈高，公平值愈高

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15. INVESTMENT PROPERTIES (Continued)

15. 投資物業 (續)

Investment properties held by the Group 本集團持有之投資物業	Fair value at 31 March 公平值於3月31日		Fair value hierarchy 公平值等級	Valuation techniques and key inputs 估值技術及主要輸入	Significant unobservable inputs 重大不可觀察輸入	Sensitivity 敏感度
	2017 HK\$'000 千港元	2016 HK\$'000 千港元				
Industrial units 工業單位	406,900	393,000	Level 3 第3級	Income approach – term yield 收入法 – 定期收益	Term yield, taking into account of yield generated by market average selling price and the market average rental from comparable properties and adjustment to reflect the conditions of the building, which is 3.1% (2016: 3%) 定期收益，考慮可比較物業之市場平均售價及市場平均租金產生之收益及反映建築物情況之調整，為3.1% (2016年：3%)	The higher the term yield and reversionary yield, the lower the fair value 定期收益及應繼承收益愈高，公平值愈低
				– reversionary yield – 應繼承收益	Reversionary yield, taking into account of yield generated by market average selling price and the market average rental from comparable properties and adjustment to reflect the risk associated with the future rental, which is 3.35% (2016: 3.25%) 應繼承收益，考慮可比較物業之市場平均售價及市場平均租金之收益及反映未來租金風險之調整，為3.35% (2016年：3.25%)	
				– monthly term rental – 每月定期租金	Monthly term rental for each unit is derived from the average of the rental as stated in the existing rental agreements, which is ranged from HK\$9 to HK\$12 per square foot (2016: from HK\$9 to HK\$12 per square foot) 每個單位每月定期租金乃根據現有租約所列之平均租金得出，每平方尺介乎由9港元至12港元 (2016年：每平方尺由9港元至12港元)	The higher the monthly term rental rate, the higher the fair value 每月定期租金愈高，公平值愈高
				– reversionary rental – 應繼承租金	Reversionary rental for each unit is compared with direct market comparables and taking into account of location and other individual factor, which is HK\$14 per square foot (2016: HK\$13 per square foot) 每個單位之應繼承租金，與直接市場可比較數據比較及考慮位置、樓齡及其他個別因素，每平方尺為14港元 (2016年：每平方尺為13港元)	The higher the reversionary rental, the higher the fair value 應繼承租金愈高，公平值愈高
	1,628,300	1,615,500				

In estimating the fair value of the investment properties, the highest and best use of the properties is their current use.

於估算投資物業之公平值時，物業之最有效及最合適使用乃其現時之使用方式。

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16. INTERESTS IN ASSOCIATES

As set out in note 1, the Group lost control over EE Group upon completion of issue of convertible note to an independent third party by Eminence on 12 June 2015. Accordingly, Eminence and its subsidiaries ceased to be subsidiaries of the Group as from 12 June 2015 and they became associates of the Group with effect from the same date. The fair value of the equity interest retained in EE Group on the date when control was lost amounting to HK\$193,821,000 is recognised as the deemed cost of interests in associates. The excess of the Group's share of the net fair value of the associates' identifiable assets and liabilities over the deemed cost of the investment amounted to HK\$607,179,000 and is included in results attributable to interests in associates.

16. 聯營公司之權益

如附註1所載，本集團於2015年6月12日高山企業發行可換股票據予獨立第三者完成時失去對高山企業集團之控制。據此，高山企業及其附屬公司自2015年6月12日停止為本集團之附屬公司及自相同日期成為本集團之聯營公司。於失去控制日期時保留於高山企業集團權益之公平值為193,821,000港元確認為聯營公司權益之視為成本。本集團分佔聯營公司可辨識資產及負債公平值淨額超於投資金額為607,179,000港元視為成本及包括在分佔聯營公司業績內。

		2017 HK\$'000 千港元	2016 HK\$'000 千港元
Cost of listed investments in associates at date of deemed acquisition of EE Group	於視為收購高山企業集團日期聯營公司上市投資之成本	193,821	193,821
Addition of equity interest upon rights issue of Eminence	於高山企業供股時增加之權益	209,065	209,065
		402,886	402,886
Results attributable to interests in associates:	聯營公司權益分佔業績：		
– At beginning of the year	– 於年初	549,206	–
– Partial disposal of equity interest	– 出售部份權益	(363,721)	–
– Gain on bargain purchase at date of deemed acquisition of associates	– 視為收購聯營公司日期之協議收購收益	–	607,179
– Share of loss and other comprehensive loss	– 分佔虧損及其他全面虧損	(1,816)	(57,973)
		183,669	549,206
– At end of the year	– 於年末	586,555	952,092
Fair value of listed investments in associates	聯營公司上市投資之公平值	62,654	152,976

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16. INTERESTS IN ASSOCIATES (Continued)

At 31 March 2017 and 2016, the Group had interests in Eminence and the following principal subsidiaries of Eminence:

16. 聯營公司之權益 (續)

於2017年及2016年3月31日，本集團於高山企業及下列高山企業之主要附屬公司擁有權益：

Name of associates	Place of incorporation/ establishment and operations	Proportion of nominal value of issued share capital/ registered capital held by the Group 本集團持有 已發行股本/ 註冊股本面值比例		Principal activities
聯營公司名稱	註冊成立／成立 及經營地點	2017	2016	主要業務
Eminence 高山企業	Bermuda 百慕達	23.92%	40.96%	Investment holding 投資控股
Chancemore Limited	British Virgin Islands ("BVI")/Hong Kong 英屬處女群島 ([英屬處女群島]) ／香港	23.92%	40.96%	Property investment 物業投資
Cherry Sky Investments Limited	BVI/Hong Kong 英屬處女群島／香港	23.92%	40.96%	Loan financing 貸款融資
City China International Limited 城中國際有限公司	Hong Kong 香港	23.92%	40.96%	Loan financing 貸款融資
Clever Wise Holdings Limited 智聰控股有限公司	BVI/Hong Kong 英屬處女群島／香港	23.92%	40.96%	Property investment 物業投資
Daily Leader Limited	BVI/Hong Kong 英屬處女群島／香港	23.92%	—	Property development 物業發展
Easy Garment International Limited 依時製衣國際有限公司	Hong Kong 香港	23.92%	40.96%	Trading of garments 成衣買賣
Easyknit Worldwide Company Limited	Hong Kong 香港	23.92%	40.96%	Trading of garments 成衣買賣
Fanju Investments Limited 泛菊投資有限公司	BVI/Hong Kong 英屬處女群島／香港	23.92%	40.96%	Investment in securities 證券投資
Gainever Corporation Limited 永達恒有限公司	Hong Kong 香港	23.92%	40.96%	Investment in securities 證券投資
Glory Link Investment Limited 邦興投資有限公司	Hong Kong 香港	23.92%	40.96%	Investment in securities 證券投資
Goldchamp International Limited 世昌國際有限公司	Hong Kong 香港	23.92%	40.96%	Property investment 物業投資
Golden Top Properties Limited 高順置業有限公司	Hong Kong 香港	23.92%	40.96%	Property investment 物業投資

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16. INTERESTS IN ASSOCIATES (Continued)

16. 聯營公司之權益 (續)

Name of associates	Place of incorporation/ establishment and operations	Proportion of nominal value of issued share capital/ registered capital held by the Group		Principal activities
聯營公司名稱	註冊成立／成立及經營地點	本集團持有已發行股本／註冊股本面值比例		主要業務
		2017	2016	
Grow Well Profits Limited	BVI/Singapore 英屬處女群島／新加坡	23.92%	40.96%	Property investment 物業投資
Janson Properties Limited 展勝置業有限公司	Hong Kong 香港	23.92%	40.96%	Property investment 物業投資
Land Bloom Holdings Limited 原旺控股有限公司	BVI/Hong Kong 英屬處女群島／香港	23.92%	40.96%	Property development 物業發展
Main Lucky Enterprises Limited 明益企業有限公司	Hong Kong 香港	23.92%	40.96%	Property investment 物業投資
Top Channel Enterprises Limited 益祥企業有限公司	Hong Kong 香港	23.92%	40.96%	Property investment 物業投資
Total Expect Limited	BVI/Hong Kong 英屬處女群島／香港	23.92%	40.96%	Property development 物業發展
Treasure Arts International Group Limited 寶藝國際集團有限公司	BVI/Hong Kong 英屬處女群島／香港	23.92%	—	Property development 物業發展
Easyknit Enterprises (Huzhou) Co., Ltd. ("Enterprises Huzhou")* 永義實業(湖州)有限公司(「湖州實業」)	People's Republic of China 中國	23.92%	40.96%	Property investment 物業投資

* Enterprises Huzhou is a wholly foreign owned enterprise established in the People's Republic of China, to be operated for 50 years up to 14 December 2054.

* 湖州實業為一間於中國成立之外資投資企業，經營期為50年，直至2054年12月14日。

The above table lists the associates of the Company, which, in the opinion of the directors of the Company, principally affected the results of the year or constituted a substantial portion of the assets of the Group. To give details of other associates would, in the opinion of the directors of the Company result in particulars of excessive length.

以上列表所列示之本公司聯營公司，據本公司董事之意見，主要影響年內之業績或構成本集團資產之主要部分。而董事之意見認為，提供其他聯營公司之詳情，會令到詳情過於冗長。

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16. INTERESTS IN ASSOCIATES (Continued)

The summarised financial information in respect of the Group's associates is set out below. The summarised financial information below represents amounts shown in the consolidated financial statements of EE Group prepared in accordance with HKFRSs. The associates are accounted for using the equity method in the consolidated financial statements.

16. 聯營公司之權益 (續)

有關本集團聯營公司概述財務資料載列如下。以下概述財務資料乃並示於根據香港財務報告準則編製之高山企業集團綜合財務報表。聯營公司乃於綜合財務報表以權益法記賬。

		2017 HK\$'000 千港元	2016 HK\$'000 千港元
Current assets	流動資產	1,880,798	1,049,705
Non-current assets	非流動資產	1,526,852	1,524,381
Current liabilities	流動負債	(560,523)	(115,937)
Non-current liabilities	非流動負債	(394,974)	(133,705)
Net assets attributable to owners of Eminence	高山企業股東分佔資產淨額	2,452,153	2,324,444
Revenue	收益	36,518	103,439
Loss for the year	本年度虧損	(26,627)	(69,268)
Other comprehensive income (expense):	其他全面收入(開支):		
Change in fair value of available-for-sale investments	可供出售投資之公平值變動	13,995	(17,790)
Release upon disposal of available-for-sale investments	出售可供出售投資時解除	(5,059)	—
Reclassification adjustment upon impairment of available-for-sale investment	可供出售投資於減值時之重新分類調整	14,176	—
Exchange difference arising on translation of financial statements of foreign operations	換算海外營運於財務報表之匯兌差異	(16,038)	(6,478)
Other comprehensive income (expense) for the year	本年度其他全面收入(開支)	7,074	(24,268)
Group's share of loss of associates	本集團分佔聯營公司虧損	(7,643)	(48,032)
Group's share of other comprehensive income (expense) of associates	本集團分佔聯營公司其他全面收入(開支)	5,827	(9,941)
		(1,816)	(57,973)

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16. INTERESTS IN ASSOCIATES (Continued)

Reconciliation of the above summarised financial information to the carrying amount of the interests in associates recognised in the consolidated financial statements:

		2017 HK\$'000 千港元	2016 HK\$'000 千港元
Net assets attributable to owners of EE Group	高山企業集團股東分佔資產淨額	2,452,153	2,324,444
Proportion of the Group's equity interest in EE Group	本集團於高山企業集團股本權益之比例	23.92%	40.96%
Carrying amount of the Group's interest in EE Group	本集團於高山企業集團權益之賬面值	586,555	952,092

16. 聯營公司之權益 (續)

以上概述財務資料及於綜合財務報表確認之聯營公司權益賬面值對賬：

17. AVAILABLE-FOR-SALE INVESTMENTS

		2017 HK\$'000 千港元	2016 HK\$'000 千港元
Equity securities listed in Hong Kong, at market value	於香港上市之股本證券，按市值	45,354	350,222

17. 可供出售投資

18. CONVERTIBLE NOTES

- (a) On 27 March 2014, the Group subscribed for a convertible note issued by Eminence ("EECN"). The principal amount is HK\$100,000,000 which carries interest at 2% per annum and payable semi-annually in arrears. The maturity date of the EECN is on 27 March 2019 and will be redeemed at 100% of the principal amount. The EECN can be converted at any time from the date of issue to the maturity date. Since the subscription, certain of the EECN with principal amount of HK\$80,000,000 were converted into 128,869,707 ordinary shares of Eminence.

The fair value of the receivable component at initial recognition is determined based on the valuation provided by Greater China Appraisal Limited, an independent firm of professional qualified valuers not connected with the Group. Subsequent to initial recognition, the receivable component is carried at amortised cost using the effective interest method.

18. 可換股票據

- (a) 於2014年3月27日，本集團認購由高山企業發行之可換股票據（「高山企業可換股票據」）。其本金金額為100,000,000港元，年息率2%之利息則每半年支付前期利息。可換股票據之到期日為2019年3月27日及將以100%贖回本金金額。高山企業可換股票據可自發行日起至到期日止之任何時間兌換。自認購後，本金額80,000,000港元高山企業可換股票據已兌換為128,869,707股高山企業普通股股份。

於初次確認時應收成分之公平值乃根據與本集團沒有關連之獨立合資格專業估值師行漢華評估有限公司提供之估值釐定。初次確認後，應收成分乃以實際利率法按攤銷成本列賬。

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18. CONVERTIBLE NOTES (Continued)

(a) (Continued)

Since Eminence has been accounted for as a subsidiary of the Group before 12 June 2015, the EECN was eliminated in the consolidated financial statements of the Group for the year ended 31 March 2015. As set out in note 1, the Group lost its control over EE Group at 12 June 2015 and EE Group became associates of the Group on the same date. As such, the EECN is no longer eliminated in the consolidated financial statements thereafter. As at 12 June 2015, the conversion price was HK\$10.65 per share which was subsequently adjusted to HK\$22.72 per share upon completion of a series of rights issue and share consolidation by Eminence.

- (b) On 7 October 2015, the Group subscribed for a convertible note ("2016 CN") issued by a company listed on the Stock Exchange, with principal amount of HK\$60,480,000 which carries interest at 8% per annum payable quarterly in arrears with maturity on 7 October 2018 at redemption amount of 100% of the principal amount. The 2016 CN can be converted at any time from the date of issue to the maturity date with conversion price of HK\$0.14 per share. In addition, both the Group and the issuer have the option to early redeem the 2016 CN at any time from the date of issue to the maturity date at 100% of the principal amount outstanding under the 2016 CN together with all accrued interest. The fair value at initial recognition of the receivable component and derivatives component, which amounted to HK\$43,990,000 and HK\$16,490,000, respectively, are determined based on the valuation provided by Greater China Appraisal Limited, independent professionally qualified valuers not connected with the Group. Subsequent to initial recognition, the receivable component is carried at amortised cost using the effective interest method and the derivative component is carried at fair value.

18. 可換股票據 (續)

(a) (續)

由於在2015年6月12日以前高山企業乃記賬為本集團之附屬公司，高山企業可換股票據於本集團截至2015年3月31日止年度之綜合財務報表悉數撇銷。誠如附註1所載，本集團於2015年6月12日失去對高山企業集團之控制及高山企業集團於同一日期成為本集團之聯營公司。據此，自此以後高山企業可換股票據不會於綜合財務報表撇銷。於2015年6月12日，兌換價為10.65港元隨高山企業一連串供股及股份合併後調整為22.72港元。

- (b) 本集團認購一間於聯交所上市之公司發行之可換股票據（「2016年可換股票據」），本金額為60,480,000港元須於每季支付年利率為8%之利息及須於2018年10月7日100%贖回本金額。2016年可換股票據之自發行日期起至到期日之任何時間可以每股0.14港元之兌換價兌換。此外，本集團及發行人自發行日期至到期日之任何時間有選擇權提早贖回2016年可換股票據尚餘之本金額及所有計提利息。初次確認時應收成分及衍生成分之公平值分別為43,990,000港元及16,490,000港元，乃根據與本集團沒有關連之獨立合資格專業估值師漢華評值有限公司提供之估值釐定。初次確認後，應收成分以實際利率法按攤銷成本列賬及衍生成分以公平值列賬。

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18. CONVERTIBLE NOTES (Continued)

The convertible notes are recognised as follows:

18. 可換股票據 (續)

可換股票據確認如下：

		Receivable component 應收成分 HK\$'000 千港元	Derivatives component 衍生成分 HK\$'000 千港元	Total 總額 HK\$'000 千港元
At 1 April 2015	於2015年4月1日	—	—	—
Arising on deemed disposal of EE Group	視為出售高山企業集團 所產生	18,495	—	18,495
Addition	添置	43,990	16,490	60,480
Accretion of interest	利息之自然增值	3,934	—	3,934
Interest received	已收利息	(2,747)	—	(2,747)
Fair value gain recognised in profit or loss	於損益內確認之 公平值收益	—	680	680
At 31 March 2016	於2016年3月31日	63,672	17,170	80,842
Accretion of interest	利息之自然增值	8,984	—	8,984
Interest received	已收利息	(5,238)	—	(5,238)
Fair value loss recognised in profit or loss	於損益內確認之 公平值虧損	—	(11,003)	(11,003)
At 31 March 2017	於2017年3月31日	67,418	6,167	73,585

The methods and assumptions applied for the valuation of the convertible notes are as follows:

用作估值可換股票據之方法及假設如下：

(i) Valuation of receivable component

At initial recognition, the fair value of the receivable component is calculated based on the present value of contractually determined stream of future cash flows discounted at the required yield, which is determined with reference to the credit risk of the convertible note issuer and maturity term. The effective interest rates of the receivable component of the EECN and 2016 CN are 13.01% and 10.89%, respectively.

(i) 應收成分估值

於初次確認時，應收成分之公平值乃根據既定收益貼現合約的釐定之將來現金流量至現值計算，此乃參考可換股票據發行人之信貸風險及到期期限而釐定。高山企業可換股票據及2016年可換股票據應收成分之實際利率分別為13.01%及10.89%。

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18. CONVERTIBLE NOTES (Continued)

(ii) Valuation of derivative component

The derivative component is measured at fair value using the Black-Scholes model with Trinomial Tree method, at initial recognition and at the end of each subsequent reporting period. The inputs into the model as at date of subscription and the end of the reporting periods are as follows:

EECN

Stock price	股價
Conversion price	兌換價
Volatility	波幅
Dividend yield	股利率
Time to maturity	到期時間
Risk-free rate	無風險貼現率

2016 CN

18. 可換股票據 (續)

(ii) 衍生成分估值

衍生成分於初次確認及於隨後每個報告期末乃按布萊克-蘇科爾模式及三叉樹法以公平值計量。於認購日期及報告期末模式採用之輸入如下：

高山企業可換股票據

At 31 March 2017 於2017年 3月31日	At 31 March 2016 於2016年 3月31日	At 12 June 2015 於2015年 6月12日	Date of subscription 27 March 2014 認購日期 2014年 3月27日
HK\$0.140港元	HK\$0.138港元	HK\$0.89港元	HK\$0.57港元
HK\$22.72港元	HK\$22.72港元	HK\$10.65港元	HK\$0.68港元
39.29%	59.63%	45.34%	43.14%
0%	0%	0%	0%
2 years年	3 years年	3.8 years年	5 years年
0.8801%	0.873%	1.058%	1.519%

2016年可換股票據

Stock price	股價
Conversion price	兌換價
Volatility	波幅
Dividend yield	股利率
Time to maturity	到期時間
Risk-free rate	無風險貼現率

At 31 March 2017 於2017年 3月31日	At 31 March 2016 於2016年 3月31日	Date of subscription 7 October 2015 認購日期 2015年10月7日
HK\$0.11港元	HK\$0.12港元	HK\$0.18港元
HK\$0.14港元	HK\$0.14港元	HK\$0.14港元
42.54%	48.96%	50.79%
0%	0%	0%
1.5 years年	2.5 years年	3 years年
0.7875%	1.070%	1.043%

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19. LOANS RECEIVABLE

19. 應收貸款

		2017 HK\$'000 千港元	2016 HK\$'000 千港元
Fixed-rate loans receivable	定息應收貸款	259,121	169,669
Variable-rate loans receivable	浮息應收貸款	49,733	32,731
		308,854	202,400
Analysed as:	分析為:		
Current portion	流動部分	233,133	158,848
Non-current portion	非流動部分	75,721	43,552
		308,854	202,400

At 31 March 2017, the range of interest rate on the Group's fixed-rate loans receivable is 3% to 19% per annum (2016: 3% to 16% per annum) and the range of interest rate on the Group's variable-rate loans receivable is prime rate less 2.95% to prime rate (2016: prime rate less 2.8% to prime rate).

於2017年3月31日，本集團之定息應收貸款每年利率介乎3%至19%（2016年：每年3%至16%）及本集團之浮息應收貸款每年利率介乎最優惠利率減2.95%至最優惠利率（2016年：每年最優惠利率減2.8%至最優惠利率）。

Before granting loans to outsiders, the Group assesses the potential borrower's credit quality and defines credit limits granted to each borrower. The credit limits attributed to the borrowers are reviewed by the management regularly.

在授出貸款予外來者前，本集團評估潛在借款人之信貸質素及釐定授予每位借款人之信貸額。管理層定期檢討借款人之信貸額。

The Group has a policy for assessing the impairment on loans receivable on an individual basis. The assessment also includes evaluation of collectability of accounts and management's judgment, including the financial background, current creditworthiness, collateral and past collection history of each borrower.

本集團按個別基準之政策評估應收貸款之減值。該評估亦包括賬戶可收回狀況之評估及就包括每名借款人之財務背景、現時信譽、抵押及過往收回歷史之管理層之判斷。

In determining the recoverability of loans receivable, the Group considers any change in the credit quality of the loans receivable from the date credit was initially granted up to the reporting date. This includes assessing the credit history of the borrowers, such as financial difficulties or default in payments, and current market conditions.

於釐定應收貸款之可收回狀況，本集團考慮應收貸款自最初授出信貸直至報告日期之信貸質素之任何改變。當中包括評估借款人之信貸歷史，如財務困難或違約還款，及現時市場狀況。

The management closely monitors the credit quality of loans receivable and considers loans receivable amounting to HK\$308,854,000 (2016: HK\$202,400,000) at 31 March 2017 that are neither past due nor impaired to be of good credit quality and no impairment loss was identified. At 31 March 2017 and 2016, no loans receivable are past due at the end of the reporting period for which the Group has not provided for impairment loss.

管理層緊密監察應收貸款之信貸質素，認為於2017年3月31日沒有過期及減值之應收貸款308,854,000港元（2016年：202,400,000港元）為有良好信貸質素及並無減值虧損。於2017年及2016年3月31日，本集團於報告期末並無應收貸款過期，故無計提減值虧損。

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19. LOANS RECEIVABLE (Continued)

No ageing analysis is disclosed, as in the opinion of the directors of the Company, the ageing analysis does not give additional value in view of the nature of business of loan financing.

The Group's loan receivable that is denominated in currency other than the functional currency of the respective group entity, which is denominated in USD, amounted to HK\$15,520,000 as at 31 March 2017.

20. INTANGIBLE ASSET

During the year ended 31 March 2017, the Company set up a wholly-owned subsidiary in Hong Kong, Constance Capital Limited ("Constance Capital"), for the purpose of securities dealing and broking. Business of Constance Capital has not yet commenced at 31 March 2017.

Intangible asset represents a trading right of carrying value of HK\$500,000 that confers eligibility of Constance Capital to trade on the Stock Exchange. The trading right has no foreseeable limit to the period that Constance Capital can use to generate net cash flows. As a result, the trading right is considered by management of the Company as having an indefinite useful life because it is expected to contribute to net cash inflows indefinitely. The trading right will not be amortised until its useful life is determined to be finite. It will be tested for impairment annually and whenever there is an indication that it may be impaired. At 31 March 2017, the management of the Company determined that there is no impairment of Constance Capital's trading right based on its value in use.

21. STATUTORY DEPOSITS

The amount represents Constance Capital's statutory deposits with Hong Kong Exchanges and Clearing Limited.

19. 應收貸款 (續)

沒有披露賬齡分析，因本公司董事認為，就貸款融資業務性質而言，賬齡分析並沒有額外價值。

本集團應收貸款於2017年3月31日期末以相關集團實體之功能貨幣以外之貨幣美元列值之金額為15,520,000港元。

20. 無形資產

截至2017年3月31日止年內，本公司於香港成立一間全資附屬公司，弘雅資本有限公司（「弘雅資本」），以進行證券交易活動。於2017年3月31日，弘雅資本尚未開始營業。

無形資產乃為授予弘雅資本資格可於聯交所買賣之交易權之賬面值500,000港元。弘雅資本可使用沒有期限之交易權獲取現金流量淨額。因此，本公司管理層認為交易權為無限使用年期因預期其可無限期貢獻現金流量淨額。交易權不會被攤銷直至其使用年期釐定為有限。此交易權將於每年及每當顯示其有可能減值時進行減值測試。於2017年3月31日，本公司管理層乃根據使用價值釐定弘雅資本之交易權沒有減值。

21. 法定按金

該金額乃為弘雅資本存放於香港聯合交易所有限公司之法定按金。

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22. DEPOSIT AND PREPAYMENTS FOR A LIFE INSURANCE POLICY

During the year ended 31 March 2013, the Company entered into a life insurance policy with an insurance company to insure Ms. Koon Ho Yan Candy, a director of the Company. Under the policy, the Company is the beneficiary and policy holder and the total insured sum is US\$10,800,000 (equivalent to HK\$83,808,000). The Company is required to pay an upfront deposit of US\$1,283,000 (equivalent to HK\$9,956,000) including a premium charge at inception of the policy amounting to US\$76,980 (equivalent to HK\$597,000). The Company can terminate the policy at any time and receive cash back based on the cash value of the policy at the date of withdrawal, which is determined by the upfront payment of US\$1,283,000 plus accumulated interest earned and minus the accumulated insurance charge and policy expense charge ("Cash Value"). In addition, if withdrawal is made between the first to eighteenth policy year, there is a specified amount of surrender charge. The insurance company will pay the Company an interest of 4.0% per annum on the outstanding Cash Value of the policy for the first year. Commencing on the second year, the interest will become 2% per annum plus a premium determined by the insurance company.

At 31 March 2017, the deposit and prepayments for a life insurance policy amounting to HK\$10,373,000 (2016: HK\$10,277,000), with HK\$282,000 (2016: HK\$280,000) being included in trade and other receivables (see note 25), were pledged to a bank to secure general banking facilities granted to the Group.

The deposit and prepayments for a life insurance policy are denominated in United States dollars ("USD"), a currency other than the functional currency of the Company.

23. PROPERTIES HELD FOR DEVELOPMENT FOR SALE

The Group's properties held for development for sale are situated in Hong Kong.

At 31 March 2017, the whole amount of properties held for development for sale is expected to be completed within twelve months after the end of the reporting period.

At 31 March 2017 and 2016, the Group performed assessment of net realisable value on its properties held for development for sale with reference to valuations made by independent qualified professional property valuers not connected with the Group. The valuations were arrived at by using the residual method. As the estimated net realisable values of the properties held for development for sale are higher than their carrying amounts at the end of the reporting period, the directors of the Company are of the opinion that no write-down on these properties is considered necessary.

22. 人壽保單之按金及預付款

於截至2013年3月31日止年度，本公司與一間保險公司訂立一項人壽保單以投保本公司董事官可欣女士。根據該保單，本公司為受益人及保單持有人及總投保額為10,800,000美元（相等於83,808,000港元）。本公司須支付預付按金1,283,000美元（相等於9,956,000港元），包括於開立保單時須支付之保費76,980美元（相等於597,000港元）。本公司可於任何時候終止該保單及根據退保時該保單之現金價值收回現金，此乃根據預付款1,283,000美元及所賺取之累計利息及扣減累計保費及保單費用開支（「現金價值」）而釐定。此外，倘於保單第一年至第十八年退保，將有特定金額作為退保開支。於保單第一年，保險公司將保單尚餘之現金價值按年息4.0%支付利息予本公司。從第二年起，利息將變為年息2%加由保險公司釐定之溢價。

於2017年3月31日，人壽保單之按金及預付款為10,373,000港元（2016年：10,277,000港元），其中282,000港元（2016年：280,000港元）包括在貿易及其他應收款項內（見附註25），已抵押予銀行作為其授予本集團一般銀行額度之抵押。

人壽保單之按金及預付款以本公司功能貨幣以外之貨幣美元列值。

23. 持作出售發展物業

本集團之持作出售發展物業乃位於香港。

於2017年3月31日，本集團之持作出售發展物業之全部金額預期於報告期末後十二個月內完成。

於2017年及2016年3月31日，本集團已就持作出售發展物業進行可變現淨值評估，參考與本集團無關連之獨立合資格專業物業估值師行之估值。該等估值乃根據剩餘估值法得出。由於持作發展物業之可變現淨值高於其於報告期末之賬面值，本公司董事認為該等物業無需考慮減值。

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24. INVESTMENTS HELD FOR TRADING

24. 持作買賣投資

		2017 HK\$'000 千港元	2016 HK\$'000 千港元
Equity securities listed in Hong Kong, at market value	於香港上市之股本證券，按市值	287,493	64,695

25. TRADE AND OTHER RECEIVABLES

25. 貿易及其他應收款項

		2017 HK\$'000 千港元	2016 HK\$'000 千港元
Trade receivables	貿易應收款項	304	478
Deposit and prepayments for a life insurance policy (note 22)	人壽保單之按金及 預付款 (附註22)	282	280
Escrow deposits for properties held for sale	持作出售物業之託管按金	34,947	44,556
Amounts recoverable from joint operator (note)	來自共同合作方之 可收回金額 (附註)	51,741	25,241
Prepayments	預付款	440	482
Interest receivable	應收利息	2,978	1,627
Other receivables	其他應收款項	3,277	2,026
		93,969	74,690

Note: Under the terms of a joint operation arrangement for a property redevelopment project, each of the Group and the other joint operator agreed to pay for and bear the redevelopment costs incurred on the project in proportion to their agreed proportion. The other joint operator undertook to promptly make contributions when called upon to do so by the Group. The amounts recoverable from joint operator represented redevelopment costs incurred which were attributable to the proportion agreed to be paid for and borne by the other joint operator for which the Group had not called for payment.

附註： 根據一項有關物業重建項目之共同合作安排條款，本集團及其他共同合作方各自同意按照各方同意之比例支付及分擔項目之重建成本。其他共同合作方承諾會應本集團要求即時提供資金。來自共同合作方之可收回金額乃為其他共同合作方按照各方同意比例需要支付及分擔而本集團並未要求支付之重建成本。

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25. TRADE AND OTHER RECEIVABLES (Continued)

The Group allows credit period of up to 20 days to its tenants. The aged analysis of trade receivables, based on invoice date which approximates revenue recognition date, at the end of the reporting period is as follows:

0 – 60 days	0 – 60日
61 – 90 days	61 – 90日
Over 90 days	超過90日

The management closely monitors the credit quality of trade and other receivables and considers trade and other receivables that are neither past due nor impaired to be of good credit quality.

Included in the Group's trade receivables balance at 31 March 2017 were debtors with aggregate carrying amount of HK\$201,000 (2016: HK\$247,000) which were past due at the end of the reporting period for which the Group has not provided for allowance. The Group did not hold any collateral over these balances.

The following is an aged analysis of trade receivables which are past due but not impaired:

Overdue by 1 to 60 days	已過期1至60日
Overdue by 61 to 90 days	已過期61至90日
Overdue by over 90 days	已過期超過90日

Based on the historical experience of the Group, trade receivables that are past due are generally recoverable and as a result, no allowance was made for trade receivables at the end of the reporting period.

25. 貿易及其他應收款項 (續)

本集團允許其租戶之信貸期最高達20日。根據接近收益確認日期之發票日期，貿易應收款項於報告期末之賬齡分析如下：

2017 HK\$'000 千港元	2016 HK\$'000 千港元
270	344
20	35
14	99
304	478

管理層緊密監察貿易及其他應收款項之信貸質素及認為沒有過期及減值之貿易及其他應收款項為有良好信貸質素。

於2017年3月31日，本集團之貿易應收款項結餘中，包括賬面值合共201,000港元（2016年：247,000港元）為已過期而本集團沒有計提撥備。本集團並沒有就該等結餘持有任何抵押。

已過期但未減值之貿易應收款項之賬齡分析如下：

2017 HK\$'000 千港元	2016 HK\$'000 千港元
167	113
20	35
14	99
201	247

根據本集團之歷史經驗，已過期之貿易應收款項一般均可以收回，故不就貿易應收款項於報告期末計提撥備。

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26. FINANCIAL ASSETS DESIGNATED AS AT FAIR VALUE THROUGH PROFIT OR LOSS

During the year ended 31 March 2017, the Group acquired equity-linked investments with financial institutions in Hong Kong. The equity-linked investments contain embedded derivative, the return of which is determined with reference to the closing price of two equity securities listed on the Stock Exchange. The equity-linked investments are designated as at FVTPL at initial recognition. The aggregate principal amount is HK\$95,000,000 (2016: nil) with fixed coupon interest rates and remaining time to maturity within two months. The equity-linked investments contain terms enabling the issuers either to deliver the underlying equity securities on maturity if the market prices of underlying securities are lower than their respective predetermined reference stock prices or cash settlement of the principal and interest if market prices of the underlying securities are higher than their respective predetermined reference stock prices. The equity-linked investments are subject to the option for early termination at the discretion of the holders.

27. 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 prevailing market interest rates ranging from 0.001% to 0.26% (2016: 0.001% to 4.8%) per annum.

28. TRADE AND OTHER PAYABLES

Trade payables aged within 30 days	貿易應付款項賬齡為30日內
Retention payable (note)	應付保修金(附註)
Rental deposits received and rental received in advance	已收租金按金及預收租金
Deposits received from sale of residential units	出售住宅單位之已收按金
Property management fund payable	應付物業管理基金
Interest payable	應付利息
Commission payable to property agents	應付佣金予地產經紀
Amount payable to property purchasers	應付金額予物業買方
Accruals and other payables	預提及其他應付款項

The aged analysis of trade payables is determined based on invoice date at the end of the reporting period.

Note: At 31 March 2017, the retention payable of HK\$14,472,000 (2016: HK\$1,349,000) is expected to be settled within twelve months after the end of the reporting period. At 31 March 2016, the retention payable of HK\$8,796,000 (2017: nil) is expected to be settled more than twelve months after the end of the reporting period.

26. 按公平值計入損益之金融資產

截至2017年3月31日止年內，本集團經香港金融機構購入股票掛鈎投資。股票掛鈎投資包含內含衍生工具，其回報乃參考兩項於香港聯交所上市股票證券之收市價而釐定。股票掛鈎投資於初次確認時界定為按公平值計入損益。本金總額95,000,000港元(2016年：無)為固定息率及尚餘兩個月到期。股票掛鈎投資包含條款可使發行人當相關證券市價低於各自預定參考股份價格時於到期日送達相關股票證券，或當相關證券之市價高於各自預定參考股份價格時以現金清付本金及利息。持有人可酌情選擇提早終止股票掛鈎投資。

27. 銀行結餘及現金

銀行結餘及現金包括本集團持有之現金以及按現行市場年利率由0.001%至0.26% (2016年：0.001%至4.8%)之三個月或之前到期之短期銀行存款。

28. 貿易及其他應付款項

2017 HK\$'000 千港元	2016 HK\$'000 千港元
10	3,132
14,472	10,145
13,833	15,334
32,877	44,491
9,999	10,084
673	734
6,520	—
5,667	—
11,175	3,098
95,226	87,018

貿易應付款項之賬齡分析，乃根據於報告期末之發票日期釐定。

附註：於2017年3月31日，應付保修金14,472,000港元(2016年：1,349,000港元)預期將於報告期末後十二個月內支付。於2016年3月31日，應付保修金8,796,000港元(2017年：無)預期於報告期末後超過十二個月支付。

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29. SECURED BANK BORROWINGS

29. 有抵押銀行借貸

		2017 HK\$'000 千港元	2016 HK\$'000 千港元
Carrying amount repayable as follows (based on the scheduled repayment dates set out in the loan agreements):	應償還之賬面值如下 (根據載列於貸款協議之 指定償還日期):		
– within one year	– 一年內	235,741	224,773
– between one to two years	– 一至兩年	260,340	146,930
– between two to five years	– 二至五年	85,432	184,424
– after five years	– 五年後	317,969	345,894
		899,482	902,021
Comprising:	包含:		
Amount due within one year shown under current liabilities	顯示於流動負債之一年內 到期應付金額	235,741	224,773
Amount that are not repayable within one year from the end of the reporting period but containing a repayment on demand clause	自報告期末起計不需 於一年內償還但包含 按需償還條款之金額	26,532	–
Total amount shown under current liabilities	顯示於流動負債之總金額	262,273	224,773
Amount shown under non-current liabilities	顯示於非流動負債之金額	637,209	677,248
		899,482	902,021

At 31 March 2017 and 2016, the Group's secured bank borrowings carry interest at Hong Kong Interbank Offered Rate ("HIBOR") plus 1% to HIBOR plus 2.65%, with effective interest ranging from 1.46% to 3.09% (2016: 1.23% to 2.98%) per annum. The loans are secured by investment properties, properties held for development for sale, properties held for sale, financial assets designated as at FVTPL and deposit and prepayments for a life insurance policy (see note 34). The proceeds were mainly used to finance acquisition of investment properties and development of properties.

All bank borrowings are denominated in HKD, functional currencies of the relevant group entities, at the end of the reporting period.

於2017年及2016年3月31日，本集團之有抵押銀行借貸乃以香港銀行同業拆息（「香港銀行同業拆息」）加1%至香港銀行同業拆息加2.65%計算，實際年利率乃由1.46%至3.09%（2016年：1.23%至2.98%）。該等貸款乃以本集團之投資物業、持作出售發展物業、持作出售物業、按公平值計入損益之金融資產及人壽保單之按金及預付款作為抵押（附註34）。所得款項主要用作收購投資物業及發展物業之融資。

於報告期末，所有銀行借貸均以相關集團實體之功能貨幣港元列值。

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30. SHARE CAPITAL

30. 股本

		2017 & 2016 HK\$'000 千港元
<i>Authorised:</i>	<i>法定：</i>	
10,000,000,000 ordinary shares of HK\$0.1 each	10,000,000,000股每股面值0.1港元之普通股	1,000,000
<i>Issued and fully paid:</i>	<i>已發行及繳足：</i>	
79,420,403 ordinary shares of HK\$0.1 each	79,420,403股每股面值0.1港元之普通股	7,942

There were no changes in the Company's authorised, issued and fully paid share capital in both years.

本公司之法定、已發行及繳足股本在兩個年度並無變動。

31. DEFERRED TAXATION

31. 遞延稅項

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

於本年度及過往年度之已確認主要遞延稅項負債（資產）及其變動如下：

		Accelerated tax depreciation 加速稅項折舊 HK\$'000 千港元	Revaluation of properties 重估物業 HK\$'000 千港元	Tax losses 稅項虧損 HK\$'000 千港元	Total 總額 HK\$'000 千港元
At 1 April 2015	於2015年4月1日	991	16,642	(779)	16,854
Released on deemed disposal of subsidiaries	視為出售附屬公司時解除	(90)	(16,642)	–	(16,732)
(Credit) charge to profit or loss (note 11)	於損益（計入）扣除（附註11）	(6)	–	779	773
At 31 March 2016	於2016年3月31日	895	–	–	895
Credit to profit or loss (note 11)	於損益計入（附註11）	(703)	–	(192)	(895)
At 31 March 2017	於2017年3月31日	192	–	(192)	–

At 31 March 2017, the Group has unused tax losses of HK\$8,820,000 (2016: HK\$11,798,000) available for offset against future profits. A deferred tax asset had been recognised in respect of HK\$1,162,000 (2016: nil) of such losses as at 31 March 2017. No deferred tax asset has been recognised in respect of the remaining tax losses of HK\$7,658,000 (2016: HK\$11,798,000) due to the unpredictability of future profits streams. The tax losses can be carried forward indefinitely. During the year ended 31 March 2016, tax losses of HK\$94,304,000 and HK\$5,117,000 were reduced as a result of deemed disposal of subsidiaries in June 2015 and disposal of subsidiaries in November 2015, respectively.

於2017年3月31日，本集團有未動用稅項虧損為8,820,000港元（2016年：11,798,000港元），可用於抵銷未來溢利。其中於2017年3月31日之稅項虧損1,162,000港元（2016年：無）已確認為遞延稅項資產。由於未能預計未來溢利流入，故並無確認餘下7,658,000港元（2016年：11,798,000港元）之稅項虧損為遞延稅項資產。稅項虧損可無限期結轉。於截至2016年3月31日止年度，於2015年6月視為出售附屬公司及於2015年11月出售附屬公司導致稅項虧損分別減少94,304,000港元及5,117,000港元。

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32. JOINT OPERATIONS

On 16 June 2014, the Group entered into a development agreement (the "Agreement") with an independent third party ("Third Party") to jointly develop a site (the "Project"). Under the Agreement, the existing building of the site shall be demolished and redeveloped as a multi-story building for sales purpose. The Group and Third Party own 75% and 25% interest of the Project, respectively.

The aggregate amounts of assets and liabilities, revenues and expenses recognised in the consolidated financial statements in relation to the Group's interest in the joint operations are as follows:

32. 合營業務

於2014年6月16日，本集團與獨立第三方（「第三方」）簽訂發展協議（「協議」）以共同發展一地盤（「項目」）。根據該協議，將拆毀地盤之現有樓宇及重建為一棟多層式樓宇作銷售用途。本集團及第三方分別擁有項目之75%及25%權益。

有關本集團在合營業務之權益於綜合財務報表確認之資產及負債、收益及開支的總金額如下：

		2017 HK\$'000 千港元	2016 HK\$'000 千港元
Assets	資產	461,609	221,836
Liabilities	負債	(431,301)	(227,673)
Revenue	收益	-	-
Expenses	開支	(379)	(788)

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33. DISPOSAL OF SUBSIDIARIES

On 11 November 2015, the Group completed the dispose of its entire 100% equity interest in certain subsidiaries, which were principally engaged in property investments, to EE Group for a cash consideration of HK\$240,000,000. The net assets of the subsidiaries at the date of disposal were as follows:

33. 出售附屬公司

於2015年11月11日，本集團以現金代價240,000,000港元完成出售若干主要從事物業投資之附屬公司其全部100%權益予高山企業集團。於出售日期時附屬公司之資產淨額如下：

		11 November 2015 2015年 11月11日 HK\$'000 千港元
Investment properties	投資物業	241,837
Trade and other receivables	貿易及其他應收款項	186
Bank balances and cash	銀行結餘及現金	8,651
Trade and other payables	貿易及其他應付款項	(1,459)
Tax payable	應付稅項	(192)
Net assets disposed of	出售資產淨額	249,023
Net loss on disposal:	出售之虧損淨額：	
Net assets disposed of	出售資產淨額	(249,023)
Cumulative exchange differences in respect of the net assets of the subsidiaries reclassified from equity to profit or loss on disposal of subsidiaries	於出售附屬公司時資產淨額之累計匯兌差異由權益重新分類至損益	(1,799)
Cash consideration	現金代價	240,000
Loss on disposal of subsidiaries	出售附屬公司之虧損	(10,822)
Net cash inflow arising on disposal:	出售引致之現金流入淨額：	
Cash consideration	現金代價	240,000
Bank balances and cash disposed of	出售銀行結餘及現金	(8,651)
Set off with subscription of rights shares of Eminence	認購高山企業供股股份抵銷	(209,065)
		22,284

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34. PLEDGE OF ASSETS

At the end of the reporting period, the following assets of the Group were pledged to banks to secure credit facilities granted to the Group:

		2017 HK\$'000 千港元	2016 HK\$'000 千港元
Investment properties	投資物業	1,515,000	1,431,000
Deposit and prepayments for a life insurance policy	人壽保單之按金及預付款	10,373	10,277
Properties held for development for sale	持作出售發展物業	312,136	106,513
Properties held for sale	持作出售物業	227,778	635,495
Financial assets designated as at FVTPL	按公平值計入損益之金融資產	95,309	–
		2,160,596	2,183,285

In addition, rentals in respect of the above investment properties and future sale proceeds and rentals in respect of the above properties held for development for sale and properties held for sale were also pledged to banks.

於報告期末，本集團抵押予銀行作為其授予本集團信用額度之資產如下：

此外，上述投資物業之租金及上述持作出售發展物業及持作出售物業日後之銷售所得款項及租金亦抵押予銀行。

35. OPERATING LEASE ARRANGEMENTS

The Group as lessee

		2017 HK\$'000 千港元	2016 HK\$'000 千港元
Minimum lease payments recognised in profit or loss during the year	於年內於損益確認之最低租約付款	2,663	2,066

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:

35. 經營租約安排

本集團作為承租人

於報告期末，本集團根據不可撤銷經營租約之未來最低租約付款承擔期限如下：

		2017 HK\$'000 千港元	2016 HK\$'000 千港元
Within one year	一年內	1,062	1,039
In the second to fifth year inclusive	第二至第五年內（包括首尾兩年）	678	1,311
		1,740	2,350

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35. OPERATING LEASE ARRANGEMENTS (Continued)

The Group as lessee (Continued)

Operating lease payments represent rentals payable by the Group for certain of its office premises and directors' quarters. Leases are negotiated for terms of one to two years (2016: one to two years).

Under the leases entered into by the Group, the lease payments are fixed and no arrangements have been entered into for contingent rental payments.

The Group as lessor

Property rental income earned during the year	於年內賺取之物業租金收入
Less: Outgoings	減：支出
Net rental income	租金收入淨額

At the end of the reporting period, the Group had contracted with tenants for the following future minimum lease payments:

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

Under the leases entered into by the Group, the lease payments are fixed and no arrangements have been entered into for contingent rental payments. The properties held have committed tenants for terms of one to four years (2016: one to five years).

35. 經營租約安排（續）

本集團作為承租人（續）

經營租約付款指本集團就其若干辦公室及董事住所之應付租金。租約協商為期一至兩年（2016年：一至兩年）。

根據本集團訂立之租約，租約付款額為固定及並無訂立或然租金付款安排。

本集團作為出租人

2017 HK\$'000 千港元	2016 HK\$'000 千港元
51,664	58,211
(1,615)	(1,578)
50,049	56,633

於報告期末，本集團與租戶訂立以下未來最低租約付款：

2017 HK\$'000 千港元	2016 HK\$'000 千港元
47,328	15,393
36,641	5,990
83,969	21,383

根據本集團訂立之租約，租約付款為固定及並無訂立或然租金付款安排。持有物業之租約為期一至四年（2016年：一至五年）。

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35. OPERATING LEASE ARRANGEMENTS (Continued)

The Group as lessor (Continued)

At 31 March 2017, operating lease rentals committed by close relatives of certain directors of the Company amounted to HK\$160,000 (2016: HK\$160,000) which fall due as follows:

		2017 HK\$'000 千港元	2016 HK\$'000 千港元
Within one year	一年內	160	160

At 31 March 2017, operating lease rentals committed by EE Group which fall due as follows:

		2017 HK\$'000 千港元	2016 HK\$'000 千港元
Within one year	一年內	1,040	1,456

36. CAPITAL COMMITMENTS

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

已訂約但尚未於綜合財務報表中撥備之資本開支：
– 物業、廠房及設備

	2017 HK\$'000 千港元	2016 HK\$'000 千港元
	621	–

37. RETIREMENT BENEFITS SCHEMES

The Group operates a defined contribution Mandatory Provident Fund retirement benefits scheme (the “MPF Scheme”) under the Hong Kong Mandatory Provident Fund Schemes Ordinance.

Under the MPF Scheme, the employees are required to contribute 5% of their monthly salaries or up to a maximum of HK\$1,500 and they can choose to make additional contributions. The employer’s monthly contributions are calculated at 5% of the employee’s monthly salaries or up to a maximum of HK\$1,500 (the “mandatory contributions”). The employees are entitled to 100% of the employer’s mandatory contributions upon their retirement at the age of 65, death or total incapacity.

35. 經營租約安排 (續)

本集團作為出租人 (續)

於2017年3月31日，本公司若干董事之近親所承擔之經營租賃租金金額160,000港元 (2016年：160,000港元)之期限如下：

	2017 HK\$'000 千港元	2016 HK\$'000 千港元
	160	160

於2017年3月31日，高山企業集團所承擔之經營租賃租金之期限如下：

	2017 HK\$'000 千港元	2016 HK\$'000 千港元
	1,040	1,456

36. 資本承擔

	2017 HK\$'000 千港元	2016 HK\$'000 千港元
	621	–

37. 退休福利計劃

本集團根據香港強制性公積金計劃條例，營運界定供款強制性公積金退休福利計劃（「強積金計劃」）。

於強積金計劃下，僱員須根據每月薪金供款5%或最多為1,500港元，僱員並可選擇作出額外供款。僱主每月供款為按僱員之每月薪金計算供款5%或最多為1,500港元，（「強制性供款」）。僱員於65歲退休時、死亡或完全喪失行為能力時，可享有僱主強制性供款之100%。

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37. RETIREMENT BENEFITS SCHEMES (Continued)

The aggregate employers' contributions which have been dealt with in profit or loss for the year ended 31 March 2017 amounted to HK\$508,000 (2016: HK\$532,000).

38. SHARE OPTION SCHEME

On 5 July 2012, a share option scheme (the "2012 EI Scheme") was approved by the shareholders of the Company. Under the 2012 EI Scheme, the directors of the Company may at their absolute discretion grant options to all directors (including any executive and non-executive directors), full-time employees and consultants of the Group to subscribe for shares in the Company. The 2012 EI Scheme is valid for ten years commencing 5 July 2012, unless otherwise cancelled or amended.

The purposes of the 2012 EI Scheme are to encourage eligible participants to work towards enhancing the value of the Company and its shares for the benefit of the Company and its shareholders as a whole.

The maximum number of shares which may be issued upon exercise of all options to be granted under the 2012 EI Scheme must not exceed 10% of the shares in issue at the date of adoption of 2012 EI Scheme. The overall limit on the number of shares which may be issued upon exercise of all options granted and yet to be exercised under the 2012 EI Scheme and other share options schemes of the Company must not exceed 30% of the shares in issue from time to time.

Each grant of options to any director, chief executive or substantial shareholder of the Company, or any of their respective associates shall be subject to the approval of the independent non-executive directors of the Company. Where any grant of options to a substantial shareholder or an independent non-executive director of the Company, or any of their respective associates, would result in the shares issued and to be issued upon exercise of all options already granted and to be granted to such person in the 12-month period representing in aggregate over 0.1% of the shares of the Company issue and having an aggregate value, based on the closing price of the Company's shares as stated in the Stock Exchange's daily quotations sheet on the date of each grant, in excess of HK\$5,000,000, such further grant of options shall be subject to shareholders' approval with the connected persons of the Company abstaining from voting.

37. 退休福利計劃 (續)

截至2017年3月31日止年度於損益反映之僱主供款總額為508,000港元(2016年: 532,000港元)。

38. 購股權計劃

於2012年7月5日本公司股東批准一項購股權計劃(「2012年永義國際購股權計劃」)。根據2012年永義國際購股權計劃,本公司董事可絕對酌情向所有董事(包括任何執行及非執行董事)、本集團之全職僱員及顧問授出購股權,以認購本公司之股份。2012年永義國際購股權計劃除非以其他方式註銷或修改,否則由2012年7月5日起計10年內一直生效。

2012年永義國際購股權計劃旨在鼓勵予合資格參與者致力提升本公司及其股份之價值以符合本公司及其股東之整體利益。

可於2012年永義國際購股權計劃所有已授出之購股權予以行使時發行之最高股份數目,不得超逾於2012年永義國際購股權計劃採納日期之已發行股份10%。可於2012年永義國際購股權計劃及本公司其他購股權計劃所有已授出但尚未行使之購股權予以行使時發行之股份數目之整體上限,不得超逾不時已發行股份30%。

向本公司任何董事、主要行政人員或主要股東或任何彼等各自之聯繫人授出之每項購股權,均須取得本公司獨立非執行董事批准。倘向本公司主要股東或獨立非執行董事或任何彼等各自之聯繫人授出任何購股權,將導致在12個月期間內,向該名人士已授出及將授出之所有購股權獲行使時已發行及將發行之股份總數,超逾本公司已發行股份0.1%,及根據於每次授出日期於聯交所之每日報價表所列之本公司股份收市價計算之股份總值超逾5,000,000港元時,此等進一步授出購股權須取得股東之批准,而本公司之關連人士須在表決時放棄投票。

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38. SHARE OPTION SCHEME (Continued)

Subject to the aforesaid, the total number of shares issued and to be issued upon exercise of the options granted and to be granted to each grantee (including both exercised and outstanding options) in any 12-month period must not exceed 1% of the shares of the Company in issue. Any further grant of options in excess of the limit shall be subject to shareholders' approval with such grantee and his associates abstaining from voting.

The exercise period of the share options under the 2012 EI Scheme is determined by the board of directors of the Company and shall end on a date which is not later than ten years from the date of grant of the options. At the time of grant of the share options, the Company must (a) specify the minimum period(s), if any, for which a share option must be held before it can be exercised in whole or in part, and (b) specify the minimum performance target(s), if any, which must be achieved before the share options can be exercised in whole or in part. The amount payable on acceptance of an offer for grant of share options is HK\$1.

The subscription price in respect of any particular option of the 2012 EI Scheme shall be no less than the highest of (i) the closing price of the Company's shares on the Stock Exchange as stated in the Stock Exchange's daily quotations sheets on the date of offer; (ii) the average closing price of the Company's shares on the Stock Exchange as stated in the Stock Exchange's daily quotations sheets for the five business days immediately preceding the date of offer; and (iii) the nominal value of the Company's shares on the date of offer.

No share options were granted under the 2012 EI Scheme or exercised during both years.

39. RELATED PARTY TRANSACTIONS/CONNECTED TRANSACTIONS

(a) During the year ended 31 March 2017, the Group received rental income of HK\$2,496,000 from EE Group. During the year ended 31 March 2016 and since 12 June 2015 when Eminence and its subsidiaries became associates of the Group, the Group received rental income of HK\$2,080,000 from EE Group. Ms. Lui Yuk Chu and Ms. Koon Ho Yan Candy, directors and substantial shareholders of the Company, are also directors of Eminence.

(b) At 31 March 2017 and 2016, the Group holds a convertible note issued by Eminence, details of which are set out in note 18(a).

38. 購股權計劃 (續)

受上文所述之限制下，在任何12個月期間內，向各承授人已授出及將授出之購股權（包括已行使及尚未行使之購股權）獲行使時已發行及將發行之股份總數，不得超逾本公司已發行股份1%。任何進一步授出超逾該上限之購股權須取得股東批准，而承授人及其聯繫人須在表決時放棄投票。

購股權之行使期由本公司董事會決定，但須不遲於授出購股權當日起計10年之日結束。於授出購股權時，本公司必須(a)定明購股權全部或部分行使之前持有之最短期限（如有），及(b)定明購股權全部或部分行使之前必須完成之最低表現指標。受要約人須就接納授出購股權之要約支付1港元。

2012年永義國際購股權計劃之任何特定購股權之認購價不得少於(i)於要約日期於聯交所之每日報價表所列本公司股份於聯交所之收市價；(ii)緊接要約日期前五個營業日，於聯交所之每日報價表所列本公司股份於聯交所之平均收市價；以及(iii)本公司股份於要約日期之面值（以較高者為準）。

於兩個年度概無根據2012年永義國際購股權計劃的購股權獲授出或行使。

39. 關連人士交易／關連交易

(a) 於截至2017年3月31日止年度，本集團收取高山企業集團租金收入2,496,000港元。於截至2016年3月31日止年度及自2015年6月12日當高山企業及其附屬公司成為本集團聯營公司時，本集團收取高山企業集團租金收入2,080,000港元。雷玉珠女士及官可欣女士為本公司董事及主要股東，彼等亦為高山實業之董事。

(b) 於2017年及2016年3月31日，本集團持有由高山企業發行之可換股票據，詳情載列於附註18(a)。

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39. RELATED PARTY TRANSACTIONS/CONNECTED TRANSACTIONS (Continued)

(c) Compensation of key management personnel

The remuneration of directors and other members of key management during the year was as follows:

From continuing operations:	來自持續經營業務：
Short-term employee benefits	短期僱員福利
Salaries and other benefits	薪金及其他福利
Performance related bonuses	與表現有關之獎金
Contribution to retirement benefit schemes	退休福利計劃供款
From discontinued operations:	來自已終止經營業務：
Short-term employee benefits	短期僱員福利
Salaries and other benefits	薪金及其他福利
Contribution to retirement benefit schemes	退休福利計劃供款

The remuneration of directors and key executives are determined by the remuneration committee and the executive directors, respectively, having regard to the performance of individuals and market trends.

39. 關連人士交易／關連交易（續）

(c) 主要管理人員之薪酬

董事及其他主要管理成員於年內之酬金如下：

2017 HK\$'000 千港元	2016 HK\$'000 千港元
10,957	10,627
13,000	17,000
251	235
24,208	27,862
–	462
–	5
–	467
24,208	28,329

董事及主要行政人員之酬金分別由薪酬委員會及執行董事按照個別人士之表現及市場趨勢而釐定。

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39. RELATED PARTY TRANSACTIONS/CONNECTED TRANSACTIONS (Continued)

- (d) In January 2011, the Company entered into an employment agreement with Mr. Koon Wing Yee to act as general manager of the Company. The employment agreement, which constitutes a connected transaction, commenced on 21 February 2011 but may be terminated by either party at any time by three months' notice. The monthly salary has been adjusted to HK\$150,000 with effect from 1 April 2013. The remuneration of Mr. Koon Wing Yee as general manager of the Company (excluding EE Group) during the year ended 31 March 2017 was HK\$1,950,000 (2016: HK\$1,950,000) and was included in the "compensation of key management personnel" in (c) above.

Also in January 2011, Eminence entered into an employment agreement with Mr. Koon Wing Yee with identical terms as the employment agreement between the Company and Mr. Koon Wing Yee as set out above. During the year ended 31 March 2016 and up to 12 June 2015 when Eminence was a subsidiary of the Company, the remuneration of Mr. Koon Wing Yee as general manager of Eminence was HK\$303,000 and was included in the "compensation of key management personnel" in (c) above.

Mr. Koon Wing Yee is the spouse of Ms. Lui Yuk Chu who is a director of the Company and is also one of the beneficiaries under a family trust holding 36.74% (2016: 36.74%) equity interest of the Company at 31 March 2017. Ms. Lui Yuk Chu also holds 21.95% (2016: 21.95%) equity interest of the Company through an entity wholly-owned by her.

- (e) During the year ended 31 March 2017, the Group received rental income totalling HK\$240,000 (2016: HK\$618,000) from certain close relatives of Ms. Lui Yuk Chu and Ms. Koon Ho Yan Candy, directors and substantial shareholders of the Company.
- (f) During the year ended 31 March 2017, the Group paid HK\$1,400,000 (2016: nil) to Easyknit Charitable Foundation Limited, a company controlled by Ms. Lui Yuk Chu and Ms. Koon Ho Yan Candy, directors and substantial shareholders of the Company, which is recognised in profit or loss as "donations".
- (g) During the year ended 31 March 2017, the Group paid HK\$864,000 (2016: nil) to Wing Yee Football Team Company Limited, a company controlled by Mr. Koon Wing Yee, which is recognised in profit or loss as "advertising".

39. 關連人士交易／關連交易（續）

- (d) 於2011年1月，本公司與官永義先生訂立僱用協議，僱用彼為本公司之總經理。該僱用協議構成關連交易，由2011年2月21日開始，但可由其中任何一方於任何時間給予三個月通知而終止。月薪調整至150,000港元自2013年4月1日起生效。截至2017年3月31日止年內官永義先生作為本公司總經理之酬金（不包括高山企業集團）為1,950,000港元（2016年：1,950,000港元），及已包括在以上(c)項之「主要管理人員之薪酬」內。

亦於2011年1月，高山企業與官永義先生訂立與上述本公司與官永義先生之間之僱用協議相同條款之協議。截至2016年3月31日止年內及截至2015年6月12日高山企業為本公司之附屬公司，官永義先生作為高山企業總經理之酬金為303,000港元及已包括在以上(c)項之「主要管理人員之薪酬」內。

官永義先生為雷玉珠女士之配偶，雷玉珠女士為本公司董事及亦為於2017年3月31日持有本公司36.74%（2016年：36.74%）權益之其中一名家族信託受益人。雷玉珠女士亦透過一間其全資擁有之實體持有本公司21.95%（2016年：21.95%）股本權益。

- (e) 截至2017年3月31日止年內，本集團收取本公司董事及主要股東雷玉珠女士及官可欣女士若干近親之租金收入240,000港元（2016年：618,000港元）。
- (f) 截至2017年3月31日止年內，本集團支付1,400,000港元（2016年：無）予一間本公司董事及主要股東雷玉珠女士及官可欣女士控制之公司永義慈善基金會有限公司，於損益確認為「捐款」。
- (g) 截至2017年3月31日止年內，本集團支付864,000港元（2016年：無）予一間官永義先生控制之公司永義足球隊有限公司，於損益確認為「廣告開支」。

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40. 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 stakeholders through the optimisation of the debt and equity balances. The Group's overall strategy remains unchanged from prior year.

The capital structure of the Group consists of net debts, which includes secured bank borrowings disclosed in note 29, cash and cash equivalents and equity attributable to owners of the Company, comprising issued share capital, accumulated profits and reserves.

The directors of the Company review the capital structure on a regular basis. As part of this review, the directors consider the cost of capital and the risks associated with the capital. Based on recommendations of the directors, the Group will balance its overall capital structure through the payment of dividends, new share issues and raising or repayment of bank borrowings.

Constance Capital (see note 20) is regulated by the Hong Kong Securities and Futures Commission and is required to comply with the financial resources requirements according to the Hong Kong Securities and Futures (Financial Resources) Rules (the "SF(FR)R"). Management closely monitors, on a daily basis, Constance Capital's liquid capital level to ensure compliance with the minimum liquid capital requirement under the SF(FR)R. Constance Capital has no non-compliance of the capital requirement imposed by the SF(FR)R during the year.

40. 資本風險管理

為確保本集團旗下實體可繼續持續經營，本集團對其資本實行管理，透過使債項及股本結餘達致最佳平衡而為股東爭取最高回報。本集團之整體策略自過往年度維持不變。

本集團的資本架構包含債項淨額其中包括附註29之有抵押銀行借貸、現金及等同現金及本公司股東應佔權益，當中包括已發行股本、累計溢利及儲備。

本公司董事定期檢討資本架構。作為檢討的一部分，董事考慮資本成本及資本的相關風險。根據董事的建議，本集團將透過派付股息、發行新股份及籌集或償還銀行借貸，以平衡整體資本架構。

弘雅資本（見附註20）乃受香港證券及期貨事務監察委員會監管及須遵守根據香港證券及期貨（財政資源）規則（「財政資源規則」）之財政資源要求。管理層每日密切監察弘雅資本流動資金水平以確保其符合財政資源規則之最低流動資金要求。於年內弘雅資本並無不符合財政資源規則之資金要求。

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41. FINANCIAL INSTRUMENTS

a. Categories of financial instruments

41. 金融工具

a. 金融工具之類別

		2017 HK\$'000 千港元	2016 HK\$'000 千港元
Financial assets	金融資產		
Loans and receivables (including cash and cash equivalents)	貸款及應收款項 (包括現金及等同現金)		
– Trade and other receivables	– 貿易及其他應收款項	89,970	71,676
– Deposit and prepayments for a life insurance policy	– 人壽保單之按金及預付款	10,373	10,277
– Loans receivable	– 應收貸款	308,854	202,400
– Convertible notes	– 可換股票據	67,418	63,672
– Bank balances and cash	– 銀行結餘及現金	25,473	12,332
		502,088	360,357
Fair value through profit or loss	按公平值計入損益		
– Investments held for trading	– 持作買賣投資	287,493	64,695
– Financial assets designated as at FVTPL	– 按公平值計入損益之金融資產	95,309	–
		382,802	64,695
Available-for-sale financial assets	可供出售金融資產		
– Available-for-sale investments	– 可供出售投資	45,354	350,222
Derivative financial instruments	衍生金融工具	6,167	17,170
Financial liabilities	金融負債		
Amortised cost	攤銷成本		
– Trade and other payables	– 貿易及其他應付款項	38,836	39,328
– Secured bank borrowings	– 有抵押銀行借貸	899,482	902,021
		938,318	941,349

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41. FINANCIAL INSTRUMENTS (Continued)

b. Financial risk management objectives and policies

The Group's major financial instruments include available-for-sale investments, investments held for trading, derivative financial instruments, trade and other receivables, deposit and prepayments for a life insurance policy, loans receivable, convertible notes, financial assets at FVTPL, bank balances and cash, trade and other payables and secured bank borrowings. Details of these financial instruments are disclosed in respective notes. The risks associated with these financial instruments and 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

(i) Interest rate risk

The Group is exposed to cash flow interest rate risk in relation to certain bank balances, bank borrowings and variable-rate loans receivable. The Group is also exposed to fair value interest rate risk in relation to fixed-rate loans receivable and deposit and prepayments for a life insurance policy. The Group has not used any derivative contracts to hedge its exposure to such interest rate risk, however, the management monitors interest rate exposure and will consider other necessary action when significant interest rate exposure is anticipated.

The Group's exposure to interest rate risk on financial liabilities is detailed in the liquidity risk management section of this note. The Group's cash flow interest rate risk is mainly concentrated on the fluctuation of HIBOR arising from bank borrowings.

41. 金融工具 (續)

b. 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投資、持作買賣投資、衍生金融工具、貿易及其他應收款項、人壽保單之按金及預付款、應收貸款、可換股票據、其他按公平值計入損益之金融資產、銀行結餘及現金、貿易及其他應付款項及有抵押銀行借貸。該等金融工具之詳情已披露於相關附註內。而該等金融工具涉及之風險以及降低該等風險之政策則載列如下。管理層管理及監察該等風險以確保適時及有效地採取適當措施。

市場風險

(i) 利率風險

本集團承受關於若干銀行結餘、銀行借貸及浮息應收貸款之現金流量利率風險。本集團亦承受關於定息應收貸款及人壽保單之按金及預付款之公平值利率風險。本集團並沒有使用任何衍生合約以對沖該利率風險，然而，管理層監察利率風險及將考慮在預期有重大利率風險的情況下採取其他適當行動。

本集團於金融負債之利率風險已於本附註之流動資金風險管理一節內詳述。本集團之現金流量利率風險主要集中於與銀行借貸之香港銀行同業拆息波動。

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41. FINANCIAL INSTRUMENTS (Continued)

b. Financial risk management objectives and policies (Continued)

Market risk (Continued)

(i) Interest rate risk (Continued)

Sensitivity analysis

The sensitivity analysis below has been determined based on the exposure to interest rates for certain bank borrowings and variable-rate loans receivable. The analysis was prepared assuming these balances outstanding at the end of the reporting period were outstanding for the whole year. 50 basis points increase or decrease represents management's assessment of the reasonably possible change in interest rates. If interest rate had been 50 basis points higher or lower and all other variables were held constant, the Group's loss for the year ended 31 March 2017 would increase or decrease by HK\$3,520,000 (2016: profit for the year would decrease or increase by HK\$3,575,000).

The bank balances are excluded from the sensitivity analysis as the management of the Group considers that the interest rate fluctuation is not significant.

In management's opinion, the sensitivity analysis is unrepresentative of the inherent interest rate risk as the year end exposure does not reflect the exposure during the year.

(ii) Currency risk

All of the Group's sales and purchases are denominated in the group entities' functional currency.

The carrying amounts of the group entities' foreign currency denominated monetary assets at the end of the reporting period are as follows:

USD 美元

41. 金融工具 (續)

b. 財務風險管理目標及政策 (續)

市場風險 (續)

(i) 利率風險 (續)

敏感度分析

以下之敏感度分析乃基於若干銀行借貸及浮息應收貸款之利率風險計算。編製本分析乃假設此等於報告期末之結餘於全年度存在。50個基準點增加或減少代表管理層評估利率之可能合理變動。倘利率高於或低於50個基準點而所有其他因素維持不變，本集團於截至2017年3月31日止年度之虧損將增加或減少約3,520,000港元（2016年：本年度溢利將減少或增加3,575,000港元）。

銀行結餘不包括在敏感度分析內因本集團管理層認為利率之波動並不重大。

管理層認為，該敏感度分析並不能代表潛在利率風險，因報告期末風險不能反映年內風險。

(ii) 貨幣風險

本集團所有之銷售及採購均以集團實體之功能貨幣列值。

於報告期末，以外幣列值之集團實體之貨幣資產之賬面值如下：

		Assets 資產	
		2017 HK\$'000 千港元	2016 HK\$'000 千港元
USD	美元	25,893	10,277

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41. FINANCIAL INSTRUMENTS (Continued)

b. Financial risk management objectives and policies (Continued)

Market risk (Continued)

(ii) Currency risk (Continued)

Sensitivity analysis

The Group is mainly exposed to the exchange rate risk on HKD against USD for the foreign currency denominated monetary assets and liabilities. Under the pegged exchange rate system, the financial impact on exchange difference between HKD and USD will be immaterial, and therefore no sensitivity analysis has been prepared.

The Group currently does not have a foreign currency hedging policy to eliminate the currency exposures. However, the management monitors the related foreign currency exposure closely and will consider hedging significant foreign currency exposures should the need arise.

(iii) Equity price risk

The Group is exposed to equity price risk through its investments in listed equity securities and equity-linked investments. The management manages this exposure by maintaining a portfolio of investments with different risk profiles and the Group has a team to monitor the price risk and will consider hedging the risk exposure should the need arise. The Group's equity price risk is concentrated on equity securities listed in Hong Kong and these investments are diversified into several different industries.

Sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to equity price risk at the end of the reporting date.

41. 金融工具 (續)

b. 財務風險管理目標及政策 (續)

市場風險 (續)

(ii) 貨幣風險 (續)

敏感度分析

本集團就外幣列值之貨幣資產及負債之匯率風險主要是來自港元兌美元之風險。由於聯繫匯率制度，預期港元與美元匯率差異之財務影響並不重大，故此沒有編製敏感度分析。

本集團現時並無外幣對沖政策以消除貨幣風險。然而，管理層會緊密監察相關之外幣風險及考慮在有需要時就重大外幣風險進行對沖。

(iii) 證券價格風險

透過本集團投資於上市股本證券與股本掛鉤投資，致使本集團承受證券價格風險。管理層透過持有不同風險之證券投資組合以管理該風險及本集團有團隊監察價格風險及會考慮在有需要時對沖該風險。本集團之證券價格風險集中於香港上市之股本證券，而該等投資已分散在幾個不同行業。

敏感度分析

以下敏感度分析是根據於報告期末所承受之證券價格風險釐定。

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41. FINANCIAL INSTRUMENTS (Continued)

b. Financial risk management objectives and policies (Continued)

Market risk (Continued)

(iii) Equity price risk (Continued)

Sensitivity analysis (Continued)

If the prices of the listed equity securities classified as investments held for trading had been 10% (2016: 10%) higher/lower, post-tax loss for the year ended 31 March 2017 would decrease/increase by HK\$24,006,000 (2016: increase/decrease in post-tax profit by HK\$5,402,000) as a result of the changes in fair value of investments held for trading.

If the prices of the underlying equity securities of the financial assets designated as at FVTPL had been 10% (2016: 10%) higher/lower, post-tax loss for the year ended 31 March 2017 would decrease/increase by HK\$7,958,000 (2016: nil) as a result of the changes in fair value of financial assets designated as at FVTPL.

If the prices of the listed equity securities classified as available-for-sale investments had been 10% (2016: 10%) higher:

- investment revaluation reserve would increase by HK\$4,535,000 (2016: HK\$35,022,000) as a result of the increase in fair value of available-for-sale investments; and

If the prices of the listed equity securities classified as available-for-sale investments had been 10% (2016: 10%) lower:

- post-tax loss would increase by HK\$1,066,000 (2016: no change in post-tax profit) and investment revaluation reserve would decrease by HK\$3,469,000 (2016: HK\$35,022,000) as a result of the decrease in fair value of available-for-sale investments.

Credit risk

The Group's maximum exposure to credit risk in the event of the counterparties' failure to obligations at 31 March 2017 in relation to each class of recognised financial assets is the carrying amount of those assets as stated in the consolidated statement of financial position.

41. 金融工具 (續)

b. 財務風險管理目標及政策 (續)

市場風險 (續)

(iii) 證券價格風險 (續)

敏感度分析 (續)

倘列作持作買賣投資之上市股本證券價格上升／下降10% (2016年：10%)，截至2017年3月31日止年度稅後虧損將因持作買賣投資公平值之變動減少／增加24,006,000港元 (2016年：稅後溢利增加／減少5,402,000港元)。

倘列作按公平值計入損益之金融資產之相關股本證券價格上升／下降10% (2016年：10%)，截至2017年3月31日止年度稅後虧損將因按公平值計入損益之金融資產之公平值變動減少／增加7,958,000港元 (2016年：無)。

倘列作可供出售投資之上市股本證券價格上升10% (2016年：10%)：

- 投資重估儲備將因可供出售投資之公平值增加而增加4,535,000港元 (2016年：35,022,000港元)。

倘列作可供出售投資之上市股本證券價格下跌10% (2016年：10%)：

- 稅後虧損將因可供出售投資之公平值減少而增加1,066,000港元 (2016年：稅後溢利沒有變更)及投資重估儲備將減少3,469,000港元 (2016年：35,022,000港元)。

信貸風險

倘對方未能履行於2017年3月31日有關各類已確認金融資產之責任，則本集團所承受之最高信貸風險為綜合財務狀況表所列之該等資產之賬面值。

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41. FINANCIAL INSTRUMENTS (Continued)

b. Financial risk management objectives and policies (Continued)

Credit risk (Continued)

The Group had concentration of credit risk in relation to loans receivable amounting to approximately HK\$308,854,000 at 31 March 2017 (2016: HK\$202,400,000) with 64% (2016: 10%) of the balances secured by marketable securities or properties. The largest borrower of the Group by itself and together with the other four largest borrowers of the Group accounted for approximately 32% and 70% respectively (2016: 25% and 58% respectively) of the Group's loans receivable at 31 March 2017. As at 31 March 2017, all loans receivable are neither past due nor impaired and the borrowers are assessed to have satisfactory credit quality with reference to financial background, current creditworthiness, collateral and past payment of each borrower. In order to minimise the credit risk, the management has reviewed the recoverable amounts of the loans receivable regularly to ensure that adequate impairment is for irrecoverable amounts. In this regard, the directors of the Company consider that the Group's credit risk on loans receivable is significantly reduced.

At 31 March 2017, approximately 66% (2016: 52%) of the Group's trade receivables were past due but not impaired at the end of the reporting period. The management considers that the credit risk of these trade receivables is minimal as all are with long business relationship.

In order to minimise the credit risk, the directors of the Company continuously monitor the level of exposure to ensure that follow-up actions and/or corrective actions are taken promptly to lower exposure or even to recover overdue debts. In addition, the management has reviewed the recoverable amount of each individual trade debt at the end of the reporting period to ensure that adequate impairment is made for irrecoverable amounts. In this regard, the directors of the Company consider that the Group's credit risk on trade receivables is significantly reduced.

In addition, the Group has credit risk on its liquid funds at the end of the reporting period. In the opinion of the directors of the Company, the credit risk on liquid funds is limited because majority of the counterparties are banks with high credit ratings assigned by international credit-rating agencies and banks with good reputation.

41. 金融工具 (續)

b. 財務風險管理目標及政策 (續)

信貸風險 (續)

本集團於2017年3月31日有關應收貸款之集中信貸風險金額約308,854,000港元(2016年: 202,400,000港元), 其中64%(2016年: 10%)結餘以證券或物業抵押。本集團之最大借款人本身及連同其他四名本集團之最大借款人分別佔本集團於2017年3月31日之應收貸款約32%及70%(2016年: 分別25%及58%)。於2017年3月31日, 所有應收貸款沒有過期及減值及參考財務背景、現時信譽、抵押品及各借款人之還款記錄評估借款人為有滿意信貸質素。為減輕該信貸風險, 管理層已定期審閱應收貸款之可收回金額, 以確保不可收回金額有足夠減值撥備。因此, 本公司董事認為本集團於應收貸款之信貸風險已大為減少。

於2017年3月31日, 約66%(2016: 52%)本集團之貿易應收款項於報告期末時已過期但未減值。管理層認為該等貿易應收款項之信貸風險極低因全部均有長久業務關係。

為減低信貸風險, 本公司董事持續監察風險水平, 以確保及時採取跟進及/或修正行動以減低該風險或甚至收回過期債務。此外, 管理層已審閱於報告期末之各個個別貿易債項之可收回金額, 以確保不可收回金額有足夠減值撥備。因此, 本公司董事認為本集團於貿易應收款項之信貸風險已大為減少。

此外, 本集團於報告期末有流動資金之信貸風險。本公司董事認為, 流動資金之信貸風險有限, 因大部份交易方為被國際信貸評級機構評為高信貸評級及有良好信譽之銀行。

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41. FINANCIAL INSTRUMENTS (Continued)

b. Financial risk management objectives and policies (Continued)

Liquidity risk

In the management of the 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. The management also monitors the utilisation of borrowings and ensures compliance with loan covenants.

At 31 March 2017, the Group has available unutilised bank loan facilities of HK\$577,552,000 (2016: HK\$654,388,000).

The following table details the Group's remaining contractual maturity for its financial liabilities. For non-derivative financial liabilities, 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.

Liquidity risk tables

		Weighted average effective interest rate 加權平均 實際利率 %	On demand or less than 3 months 見票即付或 少於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	Over 5 years 超過5年 HK\$'000 千港元	Total undiscounted cash flows 未折現現金 流量總額 HK\$'000 千港元	Carrying amounts at 31 March 於3月31日 之賬面值 HK\$'000 千港元
2017	2017年							
Non-derivative financial liabilities	非衍生金融負債							
Trade and other payables	貿易及其他應付款項	N/A 不適用	25,840	12,996	-	-	38,836	38,836
Secured bank borrowings	有抵押銀行借貸	2.00	244,948	30,637	349,572	345,851	971,008	899,482
			270,788	43,633	349,572	345,851	1,009,844	938,318
2016	2016年							
Non-derivative financial liabilities	非衍生金融負債							
Trade and other payables	貿易及其他應付款項	N/A 不適用	29,183	1,349	8,796	-	39,328	39,328
Secured bank borrowings	有抵押銀行借貸	1.91	193,957	41,688	358,040	376,663	970,348	902,021
			223,140	43,037	366,836	376,663	1,009,676	941,349

41. 金融工具 (續)

b. 財務風險管理目標及政策 (續)

流動資金風險

就流動資金風險管理而言，本集團監察及維持管理層視為足夠水平之現金及等同現金以供本集團之經營所需。管理層亦監察借貸之動用並確保其遵守貸款條款。

於2017年3月31日，本集團有未動用銀行貸款額度約577,552,000港元（2016年：654,388,000港元）。

下表詳列本集團之金融負債之剩餘合約到期期限。就非衍生金融負債而言，該表乃按本集團可被要求付款的最早到期日的金融負債未折現現金流量列示。

流動資金風險表

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41. FINANCIAL INSTRUMENTS (Continued)

b. Financial risk management objectives and policies (Continued)

Liquidity risk (Continued)

Liquidity risk tables (Continued)

Secured bank borrowings with a repayment on demand clause are included in the “on demand or less than 3 months” time band in the above maturity analysis. As at 31 March 2017, the aggregate carrying amounts of these secured bank borrowings amounted to HK\$28,843,000 (2016: nil). Taking into account the Group’s financial position, the directors of the Company do not believe that it is probable that the lenders will exercise their discretionary rights to demand immediate repayment. The directors of the Company believe that such bank borrowings will be repaid in accordance with the scheduled repayment dates set out in the loan agreements, details of which are set out in the table below:

		Weighted average effective interest rate 加權平均 實際利率 %	On demand or less than 3 months 見票即付或 少於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 未折現現金 流量總額 HK\$'000 千港元	Carrying amounts 於3月31日 之賬面值 HK\$'000 千港元
Secured bank borrowings	有抵押銀行借貸						
At 31 March 2017	於2017年3月31日	2.19	732	2,180	26,985	29,897	28,843
At 31 March 2016	於2016年3月31日	N/A 不適用	N/A 不適用	N/A 不適用	N/A 不適用	N/A 不適用	N/A 不適用

41. 金融工具 (續)

b. 財務風險管理目標及政策 (續)

流動資金風險 (續)

流動資金風險表 (續)

有按需償還條款之有抵押銀行借貸包括在以上到期分析之「見票即付或少於3個月」之時段內。於2017年3月31日，該等有抵押銀行借貸之合共賬面值為28,843,000港元（2016：無）。經考慮本集團之財務狀況，本公司董事不認為貸款人會行使其酌情權要求即時還款。本公司董事認為該等銀行借貸將根據載列於貸款協議之還款日期還款，有關詳情載列於下表：

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41. FINANCIAL INSTRUMENTS (Continued)

c. Fair value

(i) 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 (in particular, the valuation techniques and inputs used).

Financial assets 金融資產	Fair value at 31 March 公平值於3月31日		Fair value hierarchy 公平值階級	Valuation techniques and key inputs 估值技術及主要輸入	Significant unobservable inputs 重大不可觀察輸入
	2017 HK\$'000 千港元	2016 HK\$'000 千港元			
Available-for-sale investments 可供出售投資	45,354	350,222	Level 1 第1級	Quoted bid prices in an active market 於活躍市場所報之出價	N/A 不適用
Investments held for trading 持作買賣投資	287,493	64,695	Level 1 第1級	Quoted bid prices in an active market 於活躍市場所報之出價	N/A 不適用
Derivative component of convertible notes 可換股票據之 衍生成分	6,167	17,170	Level 3 第3級	Black-Scholes model with Trinomial Tree method 布萊克-蘇科爾模式及 三叉樹法	Details of key inputs are set out in note 18 主要輸入詳情載列於附註18
Financial assets designated as at FVTPL 按公平評計入損益之金融資產	95,309	–	Level 2 第2級	Quoted market prices provided by bank (note) 銀行提供之所報市價 (附註)	N/A 不適用

Note: Quoted market prices provided by bank represent the fair value based on the quoted prices on the underlying investments.

There were no transfers between Levels 1, 2 and 3 in both years.

41. 金融工具 (續)

c. 公平值

(i) 根據經常性基準按公平值計量之本集團金融資產之公平值

本集團部分金融資產於報告期末按公平值計量。下表闡述資料及有關如何釐定該等金融資產公平值(尤其是, 所用之估值技術及輸入)。

附註: 銀行提供之所報市價乃有關投資出價之公平值。

第1級、第2級及第3級之間並沒有於兩個年度轉移。

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41. FINANCIAL INSTRUMENTS (Continued)

c. Fair value (Continued)

(ii) Fair value of financial assets and financial liabilities that are not measured at fair value on recurring basis

The fair value of other financial assets and financial liabilities is determined in accordance with generally accepted pricing models based on discounted cash flow analysis.

The directors of the Company consider that the carrying amounts of financial assets and financial liabilities other than convertible notes recorded at amortised costs in the consolidated financial statements approximate to their fair values:

Convertible notes of HK\$67,418,000 (note 18) with fair value of HK\$70,802,000 are recognised at amortisation cost less impairment losses as at 31 March 2017.

41. 金融工具 (續)

c. 公平值 (續)

(ii) 沒有根據經常性基準按公平值計量之金融資產及金融負債之公平值

其他金融資產及金融負債之公平值按普遍接受之定價模式，此乃根據折算現金流量分析而釐定。

本公司董事認為，以攤銷成本記錄於綜合財務報表之金融資產及金融負債之賬面值與其公平值相近。

可換股票據67,418,000港元（附註18）之公平值70,802,000港元於2017年3月31日以攤銷成本扣除減值虧損確認。

42. PARTICULARS OF PRINCIPAL SUBSIDIARIES

Particulars of the Company's principal subsidiaries as at 31 March 2017 and 2016 are as follows:

Name of subsidiary	Place of incorporation/ establishment and operations	Nominal value of issued share/ registered capital
附屬公司名稱	註冊成立/ 成立及經營地點	已發行/ 註冊股本面值
Ace Winner Investment Limited 運榮投資有限公司	Hong Kong 香港	Ordinary HK\$1 普通股1 港元
Arrowfield Investments Limited	BVI/Hong Kong 英屬處女群島/香港	Ordinary US\$1 普通股1美元
Asia Million Investment Limited 僑萬投資有限公司	Hong Kong 香港	Ordinary HK\$1 普通股1港元
Charming Flash Limited	BVI/Hong Kong 英屬處女群島/香港	Ordinary US\$1 普通股1美元
Day Glory Investment Limited 日興投資有限公司	Hong Kong 香港	Ordinary HK\$10,000 普通股10,000港元

42. 主要附屬公司之詳情

於2017年及2016年3月31日，本公司主要附屬公司之詳情如下：

Proportion of nominal value of issued share capital/ registered capital held indirectly by the Company		Principal activities
本公司間接持有已發行股本/ 註冊股本面值比例		主要業務
2017	2016	
100%	100%	Investment in securities 證券投資
100%	100%	Investment in securities 證券投資
100%	100%	Property investment 物業投資
100%	100%	Loan financing 貸款融資
100%	100%	Property investment 物業投資

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42. PARTICULARS OF PRINCIPAL SUBSIDIARIES (Continued)

42. 主要附屬公司之詳情 (續)

Name of subsidiary	Place of incorporation/ establishment and operations	Nominal value of issued share/ registered capital	Proportion of nominal value of issued share capital/ registered capital held indirectly by the Company		Principal activities
附屬公司名稱	註冊成立/ 成立及經營地點	已發行/ 註冊股本面值	本公司間接持有已發行股本/ 註冊股本面值比例		主要業務
			2017	2016	
Easyknit Properties Management Limited 永義物業管理有限公司	Hong Kong 香港	Ordinary HK\$10,000 普通股10,000港元	100%	100%	Property management 物業管理
Everjet Investment Limited 永振投資有限公司	Hong Kong 香港	Ordinary HK\$1 普通股1港元	100%	100%	Property development 物業發展
Gold Asset Investment Limited 金置投資有限公司	Hong Kong 香港	Ordinary HK\$1 普通股1港元	100%	100%	Property development 物業發展
Gold Winner Investment Limited 宇榮投資有限公司	Hong Kong 香港	Ordinary HK\$1 普通股1港元	100%	100%	Investment in securities 證券投資
Good Merit Management Limited 佳德管理有限公司	Hong Kong 香港	Ordinary HK\$1 普通股1港元	100%	100%	Property development 物業發展
Grandcorp Development Limited 高豪發展有限公司	Hong Kong 香港	Ordinary HK\$1 普通股1港元	100%	–	Property investment 物業投資
Great Sail Global Limited 偉帆環球有限公司	BVI/Hong Kong 英屬處女群島/香港	Ordinary US\$1 普通股1美元	100%	–	Loan financing 貸款融資
Hansford International Investment Limited 漢富國際投資有限公司	BVI/Hong Kong 英屬處女群島/香港	Ordinary US\$1 普通股1美元	100%	100%	Property development 物業發展
Happy Light Investments Limited 明熹投資有限公司	BVI/Hong Kong 英屬處女群島/香港	Ordinary US\$1 普通股1美元	100%	100%	Property development 物業發展
Mark Profit Development Limited 卓益發展有限公司	Hong Kong 香港	Ordinary HK\$2 普通股2港元	100%	100%	Property investment and investment in securities 物業投資及證券投資
On Channel International Limited 安昌國際有限公司	Hong Kong 香港	Ordinary HK\$10,000 普通股10,000港元	100%	100%	Property investment 物業投資
Pacific Way Investment Limited 遠華投資有限公司	Hong Kong 香港	Ordinary HK\$1 普通股1港元	100%	–	Property development 物業發展
Planetic International Limited	Hong Kong 香港	Ordinary HK\$2 普通股2港元	100%	100%	Loan financing 貸款融資

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42. PARTICULARS OF PRINCIPAL SUBSIDIARIES (Continued)

Name of subsidiary	Place of incorporation/ establishment and operations	Nominal value of issued share/ registered capital
附屬公司名稱	註冊成立/ 成立及經營地點	已發行/ 註冊股本面值
Richstar Development Limited 民星發展有限公司	Hong Kong 香港	Ordinary HK\$1 普通股1港元
Trump Elegant Investment Limited 凱雋投資有限公司	Hong Kong 香港	Ordinary HK\$1 普通股1港元
Well Honest Investment Limited 宏誠投資有限公司	Hong Kong 香港	Ordinary HK\$10,000 普通股10,000港元
Wellmake Investments Limited	Hong Kong	Ordinary HK\$9,998 (Non-voting deferred HK\$2*)
緯豐投資有限公司	香港	普通股9,998港元 (無投票權遞延股 2港元*)
Widetop Investment Limited 宏德投資有限公司	Hong Kong 香港	Ordinary HK\$1 普通股1港元

* The non-voting deferred shares of Wellmake Investments Limited carry no rights to receive notice of, attend or vote at any general meeting and have very limited rights to participate in a distribution of profits and, on liquidation, to the repayment of the amount paid up on the shares.

The above table lists the subsidiaries of the Company, which, in the opinion of the directors of the Company, principally affected the results of the year or constituted a substantial portion of the assets of the Group. To give details of other subsidiaries would, in the opinion of the directors of the Company result in particulars of excessive length.

42. 主要附屬公司之詳情 (續)

Proportion of nominal value of issued share capital/ registered capital held indirectly by the Company	Principal activities
本公司間接持有已發行股本/ 註冊股本面值比例	主要業務
2017	2016
100%	–
100%	100%
100%	100%
100%	100%
100%	–

* 緯豐投資有限公司之無投票權遞延股無權收取任何股東大會之通告、出席或於大會上投票，且僅具非常有限權力獲分派溢利及於清盤時獲退回實繳股份之金額。

以上列表所列示之本公司附屬公司，根據本公司董事之意見，主要影響年內之業績或構成本集團資產之主要部分。而本公司董事之意見認為，提供其他附屬公司之詳情會使資料過於冗長。

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42. PARTICULARS OF PRINCIPAL SUBSIDIARIES (Continued)

At the end of the reporting period, the Company has other subsidiaries that are not material to the Group. Majority of these subsidiaries operate in Hong Kong. The principal activities of these subsidiaries are summarised as follows:

Principal activities 主要業務	Principal place of business 主要營業地點	Number of subsidiaries 附屬公司數目	
		2017	2016
Investment in securities 證券投資	Hong Kong 香港	2	–
Investment holding 投資控股	Hong Kong 香港	10	7
Inactive 非活躍	Hong Kong 香港	2	3
		14	10

None of the subsidiaries had issued any debt securities at 31 March 2017 or 31 March 2016.

42. 主要附屬公司之詳情 (續)

於報告期末，本公司尚有其他對本集團而言不是重要之附屬公司。此等附屬公司大部分於香港營運。此等附屬公司之主要業務概要如下：

沒有附屬公司於2017年3月31日或2016年3月31日發行任何債務證券。

43. MAJOR NON-CASH TRANSACTION

During the year ended 31 March 2017, the Group acquired equity-linked notes for HK\$861,000,000 (2016: HK\$631,500,000). These equity-linked notes were linked to securities listed on the Stock Exchange and being classified as financial assets designation as at FVTPL. Subsequent to the acquisition, certain equity-linked notes of HK\$88,024,000 (2016: HK\$36,209,000) and nil (2016: HK\$301,787,000) were converted into investments held for trading and available-for-sale investments, respectively, as the share price at date of maturity of the underlying securities reached the strike price.

43. 主要非現金交易

於截至2017年3月31日止年度內，本集團購入股票掛鈎票據861,000,000港元（2016年：631,500,000港元）。該等股票掛鈎票據乃與於聯交所上市之證券掛鈎及分類為按公平值計之損益之金融資產。購入後，若干股票掛鈎票據88,024,000港元（2016年：36,209,000港元）及無（2016年：301,787,000港元）已分別轉換為持作買賣投資及可供出售投資，因相關證券股價於到期日已達履約價格。

44. EVENTS AFTER THE END OF THE REPORTING PERIOD

The following significant events took place subsequent to 31 March 2017:

- (a) On 1 March 2017, the Group entered into a subscription agreement with Eminence for subscribing from Eminence 3% convertible note due 2022 at an aggregate principal amount of HK\$16,000,000 (the “2017 EECN”).

Under the subscription agreement, the 2017 EECN, when issued, will entitle the Group to convert it into ordinary shares of Eminence at any time between the date of issue of the 2017 EECN and its settlement date which falls on the fifth anniversary of the issue date at a conversion price of HK\$0.16 per share (subject to anti-dilutive adjustments). Conversion shares will be allotted and issued upon exercise of the conversion rights. Interest of 3% per annum shall be paid semi-annually in arrears up until the settlement date.

44. 報告期末後事項

於2017年3月31日後發生之重大事項如下：

- (a) 於2017年3月1日，本集團與高山企業訂立認購協議，以本金總額16,000,000港元認購高山企業於2022年到期之3%可換股票據（「2017年可換股票據」）。

根據認購協議，當發行2017年可換股票據時，本集團可享有以每股0.16港元之兌換價（需按反稀釋調整改變），於2017年可換股票據由發行日至自發行起第五週年之結算日期間之任何時間，兌換票據至高山企業之普通股股份。於行使兌換權時配發及發行兌換股份。年息率3%之利息則每半年支付前期利息，直至結算日為止。

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44. EVENTS AFTER THE END OF THE REPORTING PERIOD (Continued)

(a) (Continued)

Assuming full conversion of the 2017 EECN at the initial conversion price of HK\$0.16 on 1 March 2017, date of the subscription agreement, a total of 100,000,000 new ordinary shares of HK\$0.01 each in the share capital of Eminence will be allotted and issued to the Group and the Group's equity interest over EE Group will increase from 23.92% to 27.73%.

Details of the above are set out in the Company's announcement dated 1 March 2017.

The 2017 EECN is subsequently issued to the Group on 11 May 2017.

- (b) On 13 April 2017, a direct wholly-owned subsidiary of the Group entered into an agreement with an independent third party to acquire the entire issued share capital and the shareholder's loan of Global Chance Holdings Limited ("GCHL") for an aggregate cash consideration of HK\$129,788,000. Upon completion of the acquisition, GCHL will become a wholly-owned subsidiary of the Group. Written approvals of the acquisition have been obtained from two substantial shareholders of the Company which hold an aggregate of over 50% of the issued share capital of the Company.

Up to 13 April 2017 when the Group entered into the agreement with GCHL's vendor, GCHL has entered into eleven provisional agreements with eleven property vendors of a total of eleven units in a building. The total cash consideration for the acquisition of the eleven units under the provisional agreements is HK\$305,384,000. Up to the date of issuance of the consolidated financial statements, GCHL has paid deposits to the property vendors under the provisional agreements amounting to HK\$30,538,000 and stamp duty amounting to HK\$71,766,000. Upon completion of the acquisition of GCHL by the Group, the Group will be responsible for paying the balance of the property purchase consideration to the property vendors under the provisional agreements amounting to HK\$274,846,000.

Details of the above are set out in the Company's announcement dated 13 April 2017 and circular dated 10 May 2017.

44. 報告期末後事項 (續)

(a) (續)

假設以每股0.16港元之最初兌換價，於認購協議日期2017年3月1日全面兌換2017年可換股票據，高山企業股本中每股面值0.01港元之合共100,000,000股新普通股股份將配發及發行予本集團及本集團於高山企業集團之股東權益將由23.92%增加至27.73%。

上述之詳情已載列於本公司日期為2017年3月1日之公佈。

2017年可換股票據隨後於2017年5月11日發行予本集團。

- (b) 於2017年4月13日，本集團之直接全資附屬公司與獨立第三方訂立協議以合共現金代價129,788,000港元收購環球商機控股有限公司（環球）之全部已發行股本及股東貸款。收購完成時，環球將成為本集團之全資附屬公司。收購已取得兩位持有本公司股本超過50%之本公司主股東之書面批准。

截至2017年4月13日當本集團與環球之賣方訂立協議，環球已與樓宇中合共十一個單位之十一位物業賣方訂立十一份臨時協議。根據臨時協議以合共現金代價305,384,000港元收購十一個單位。直至綜合財務報表發行日，環球已根據臨時協議支付予賣方訂金30,538,000港元及印花稅71,766,000港元。當本集團收購環球完成時，本集團將根據臨時協議負責支付收購物業代價餘款274,846,000港元予物業賣方。

上述詳情已載列於本公司日期為2017年4月13日之公佈及日期為2017年5月10日之通函內。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2017

截至2017年3月31日止年度

45. STATEMENT OF FINANCIAL POSITION OF THE COMPANY

45. 本公司之財務狀況表

		2017 HK\$'000 千港元	2016 HK\$'000 千港元
Non-current assets	非流動資產		
Interests in subsidiaries	於附屬公司權益	1,902,164	1,758,313
Deposit and prepayments for a life insurance policy	人壽保單之按金及預付款	10,091	9,997
		1,912,255	1,768,310
Current assets	流動資產		
Other receivables	其他應收款項	436	434
Bank balances and cash	銀行結餘及現金	4,092	806
		4,528	1,240
Current liabilities	流動負債		
Other payables	其他應付款項	790	1,022
Amounts due to subsidiaries	應付附屬公司款項	581,990	425,866
Tax payable	應付稅項	899	–
		583,679	426,888
Net current liabilities	流動負債淨值	(579,151)	(425,648)
Net assets	資產淨值	1,333,104	1,342,662
Capital and reserves	資本及儲備		
Share capital	股本	7,942	7,942
Reserves (Note)	儲備(附註)	1,325,162	1,334,720
Total equity	權益總額	1,333,104	1,342,662

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2017

截至2017年3月31日止年度

45. STATEMENT OF FINANCIAL POSITION OF THE COMPANY (Continued)

Note:

Movements of the Company's reserves during the current and the prior years are as follows:

45. 本公司之財務狀況表 (續)

附註：

本公司之儲備於年內及過往年度之變動如下：

		Share premium 股份溢價 HK\$'000 千港元	Capital reserve 資本儲備 HK\$'000 千港元	Contributed surplus 繳入盈餘 HK\$'000 千港元	Accumulated profits 累計溢利 HK\$'000 千港元	Total 總額 HK\$'000 千港元
At 1 April 2015	於2015年4月1日	218,330	196,565	220,937	751,841	1,387,673
Loss and total comprehensive expense for the year	本年度虧損及 全面開支總額	-	-	-	(45,011)	(45,011)
Dividend	股息	-	-	-	(7,942)	(7,942)
		-	-	-	(52,953)	(52,953)
At 31 March 2016	於2016年3月31日	218,330	196,565	220,937	698,888	1,334,720
Loss and total comprehensive expense for the year	本年度虧損及 全面開支總額	-	-	-	(1,616)	(1,616)
Dividend	股息	-	-	-	(7,942)	(7,942)
		-	-	-	(9,558)	(9,558)
At 31 March 2017	於2017年3月31日	218,330	196,565	220,937	689,330	1,325,162

Financial Summary

財務資料概要

RESULTS

業績

		Year ended 31 March 截至3月31日止				
		2013 HK\$'000 千港元	2014 HK\$'000 千港元	2015 HK\$'000 千港元	2016 HK\$'000 千港元	2017 HK\$'000 千港元
Revenue	營業額	524,398	275,757	649,475	693,374	529,475
Profit (loss) before taxation	除稅前溢利(虧損)	647,471	23,836	243,569	196,968	(219,885)
Taxation	稅項	(1,723)	(6,701)	(20,963)	(32,326)	(23,961)
		645,748	17,135	222,606	164,642	(243,846)
Profit (loss) for the year attributable to:	應佔本年度溢利(虧損):					
– owners of the Company	– 本公司股東	647,022	13,036	202,867	138,936	(243,846)
– non-controlling interests	– 非控股權益	(1,274)	4,099	19,739	25,706	–
		645,748	17,135	222,606	164,642	(243,846)

ASSETS AND LIABILITIES

資產及負債

		At 31 March 於3月31日				
		2013 HK\$'000 千港元	2014 HK\$'000 千港元	2015 HK\$'000 千港元	2016 HK\$'000 千港元	2017 HK\$'000 千港元
Total assets	總資產	4,057,287	5,283,049	5,583,588	4,124,851	3,871,349
Total liabilities	總負債	(855,363)	(1,838,784)	(1,688,789)	(1,031,851)	(1,019,089)
Net assets	資產淨值	3,201,924	3,444,265	3,894,799	3,093,000	2,852,260
Equity attributable to owners of the Company	本公司股東應佔權益	2,751,362	2,728,517	2,972,214	3,093,000	2,852,260
Non-controlling interests	非控股權益	450,562	715,748	922,585	–	–
Total equity	總權益	3,201,924	3,444,265	3,894,799	3,093,000	2,852,260

Summary of Properties

物業概要

As at 31 March 2017

於2017年3月31日

A. INVESTMENT PROPERTIES

A. 投資物業

Location 地址	Purpose 用途	Approximate gross floor/ saleable area 概約樓面／ 實用面積 (sq. ft.) (平方呎)	Lease term 租約年期
1. Block A on Seventh Floor and Car Parking Space No. L11, No. 481 Castle Peak Road, Cheung Sha Wan, Kowloon 九龍長沙灣青山道481號7樓之A座及L11號車位	Industrial 工業	11,874	Medium 中期
2. Block B1 and portion of Block B on Seventh Floor, No. 481 Castle Peak Road, Cheung Sha Wan, Kowloon 九龍長沙灣青山道481號7樓之B1座及B座部分	Industrial 工業	6,992	Medium 中期
3. Easy Tower No. 609 Tai Nan West Street, Cheung Sha Wan, Kowloon 九龍長沙灣大南西街609號永義廣場	Industrial/commercial 工業／商業	74,458	Medium 中期
4. Shops 1, 2, 3 on Ground Floor together with showcase on Ground Floor, First Floor and Second Floor of Fa Yuen Plaza, No. 19 Fa Yuen Street, Mong Kok, Kowloon 九龍旺角花園街19號花園廣場地下1、2、3號舖及地下櫥窗、一樓及二樓	Commercial 商業	13,544	Medium 中期

Summary of Properties

物業概要

As at 31 March 2017

於2017年3月31日

A. INVESTMENT PROPERTIES (Continued)

Location 地址	Purpose 用途	Approximate gross floor/ saleable area 概約樓面/ 實用面積 (sq. ft.) (平方呎)	Lease term 租約年期
5. Ground Floor, No. 50 Yun Ping Road, Causeway Bay, Hong Kong 香港銅鑼灣 恩平道50號地下	Commercial 商業	1,200	Long 長期
6. Shops A and B on Ground Floor and Shop C on First Floor, One Victory, Nos. 1, 1A and 3 Victory Avenue, Ho Man Tin, Kowloon 九龍何文田勝利道1號、1A號及3號 勝利道1號地下A及B舖及一樓C舖	Commercial 商業	3,953	Medium 中期

A. 投資物業 (續)

B. PROPERTIES HELD FOR DEVELOPMENT FOR SALE

Location 地址	Purpose 用途	Approximate gross site area 概約地皮面積 (sq. ft.) (平方呎)	Percentage of interest 權益百分比	Lease term 租約年期	Stage of completion 完成階段
1. Nos. 301, 301A – C Prince Edward Road West, Ho Man Tin, Kowloon 九龍何文田太子道西301號、 301A – C號	Residential 住宅	8,060	Note 附註	Long 長期	Under development 發展中

Note: The Group owns 9 equal undivided 12th parts of share of the land lot.

附註：本集團擁有此地段十二個部份之九個相等不可分割份數。



EASYKNIT INTERNATIONAL HOLDINGS LIMITED

永 義 國 際 集 團 有 限 公 司

(Stock Code 股份代號: 1218)

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